

ANNUAL STATEMENT

OF THE

MCS Life Insurance Company

of

San Juan

in the state of

Puerto Rico

TO THE

Insurance Department

OF THE STATE OF

Puerto Rico

For the Year Ended
DECEMBER 31, 2016

2016



ANNUAL STATEMENT

For the Year Ended DECEMBER 31, 2016

OF THE CONDITION AND AFFAIRS OF THE

MCS Life Insurance Company

NAIC Group Code	1301 <small>(Current Period)</small>	1301 <small>(Prior Period)</small>	NAIC Company Code	60030	Employer's ID Number	66-0520918
Organized under the Laws of	Puerto Rico		State of Domicile or Port of Entry	PR		
Country of Domicile	Puerto Rico					
Incorporated/Organized	02/02/1995		Commenced Business	01/01/1996		
Statutory Home Office	Suite 900 255 Ponce de Leon Avenue <small>(Street and Number)</small>			San Juan, PR, 00917 <small>(City or Town, State, Country and Zip Code)</small>		
Main Administrative Office	Suite 900 255 Ponce de Leon Ave <small>(Street and Number)</small>					
	San Juan, PR, 00917 <small>(City or Town, State, Country and Zip Code)</small>			(787)758-2500-2920 <small>(Area Code) (Telephone Number)</small>		
Mail Address	P O Box 193310 <small>(Street and Number or P.O. Box)</small>			San Juan, PR, 00919-3310 <small>(City or Town, State, Country and Zip Code)</small>		
Primary Location of Books and Records	Suite 900 255 Ponce de Leon Ave <small>(Street and Number)</small>					
	San Juan, PR, 00917 <small>(City or Town, State, Country and Zip Code)</small>			(787)758-2500-2920 <small>(Area Code) (Telephone Number)</small>		
Internet Website Address	www.mcs.com.pr					
Statutory Statement Contact	David P Schaffer <small>(Name)</small>			(787)758-2500-2920 <small>(Area Code)(Telephone Number)(Extension)</small>		
	davids@medicalcardsystem.com <small>(E-Mail Address)</small>			(787)764-5866 <small>(Fax Number)</small>		

OFFICERS

Name	Title
Roberto Pando	President
Yumac Velez	CFO
Rosa M Lázaro	Secretary

OTHERS

DIRECTORS OR TRUSTEES

Eugene Davis Robert VanHees Cyril Meduna Jose R Aponte Yumac Velez	Gerald Landgraf James P O'Drobinak Keith Maib Roberto Pando Richard Luna
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State of Puerto Rico
 County of US ss

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

_____ (Signature) Roberto Pando (Printed Name) 1. President (Title)	_____ (Signature) Yumac Velez (Printed Name) 2. Chief Financial Officer (Title)	_____ (Signature) _____ (Printed Name) 3. _____ (Title)
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Subscribed and sworn to before me this _____ day of _____, 2017

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

Yes[X] No[]

 (Notary Public Signature)

ASSETS

	Current Year			Prior Year
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1-2)	4 Net Admitted Assets
1. Bonds (Schedule D)	9,206,029		9,206,029	6,225,821
2. Stocks (Schedule D):				
2.1 Preferred stocks	354,860		354,860	285,486
2.2 Common Stocks	215,532		215,532	215,052
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 (\$.....39,622,455, Schedule E Part 1), cash equivalents (\$.....0, Schedule E Part 2) and short-term investments (\$.....0, Schedule DA)	39,622,455		39,622,455	43,217,476
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)	49,398,875		49,398,875	49,943,835
13. Title plants less \$.....0 charged off (for Title insurers only)				
14. Investment income due and accrued	66,816		66,816	70,328
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	12,802,041	662,249	12,139,792	16,166,616
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (Including \$.....0 earned but unbilled premiums)				
15.3 Accrued retrospective premiums (\$.....0) and contracts subject to redetermination (\$.....0)				
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	6,039,967		6,039,967	4,757,958
18.1 Current federal and foreign income tax recoverable and interest thereon				153,877
18.2 Net deferred tax asset				
19. Guaranty funds receivable or on deposit				
20. Electronic data processing equipment and software				
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	65,035	65,035		
24. Health care (\$.....0) and other amounts receivable	1,063,183		1,063,183	564,204
25. Aggregate write-ins for other than invested assets	354,062	354,062		0
26. TOTAL Assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	69,789,979	1,081,346	68,708,634	71,656,818
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts				
28. TOTAL (Lines 26 and 27)	69,789,979	1,081,346	68,708,634	71,656,818
DETAILS OF WRITE-INS				
1101.				
1102.				
1103.				
1198. Summary of remaining write-ins for Line 11 from overflow page				
1199. TOTALS (Lines 1101 through 1103 plus 1198) (Line 11 above)				
2501. Prepaid expenses and other deposits	354,062	354,062		0
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)	354,062	354,062		0

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Year	2 Prior Year
1. Aggregate reserve for life contracts \$.....0 (Exhibit 5, Line 9999999) less \$.....0 included in Line 6.3 (including \$.....0 Modco Reserve)		
2. Aggregate reserve for accident and health contracts (including \$.....0 Modco Reserve)		
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)	250,000	250,000
4.2 Accident and health (Exhibit 8, Part 1, Line 4.4, sum of Columns 9, 10, and 11)	27,056,822	36,472,205
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 \$.....2,167,023 accident and health premiums (Exhibit 1, Part 1, Column 1, sum of Lines 4 and 14)	2,167,023	1,423,364
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)		
10. Commissions to agents due or accrued-life and annuity contracts \$.....0 accident and health \$.....0 and deposit-type contract funds \$.....0	1,205,972	2,071,372
11. Commissions and expense allowances payable on reinsurance assumed		
12. General expenses due or accrued (Exhibit 2, Line 12, Column 6)	2,903,517	3,224,785
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)	3,083,086	3,067,608
15.1 Current federal and foreign income taxes, including \$.....0 on realized capital gains (losses)	1,803,766	
15.2 Net deferred tax liability	25,175	11,204
16. Unearned investment income		
17. Amounts withheld or retained by company as agent or trustee	987,778	586,318
18. Amounts held for agents' account, including \$.....0 agents' credit balances		
19. Remittances and items not allocated		
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)	197,971	119,087
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	5,168,342	9,498,313
24.05 Drafts outstanding	455,624	203,839
24.06 Liability for amounts held under uninsured plans	2,852,372	4,336,482
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)	48,157,447	61,264,579
27. From Separate Accounts Statement		
28. TOTAL LIABILITIES (Lines 26 and 27)	48,157,447	61,264,579
29. Common capital stock	2,500,000	2,500,000
30. Preferred capital stock		
31. Aggregate write-ins for other than special surplus funds		5,184,736
32. Surplus Notes		
33. Gross paid in and contributed surplus (Page 3, Line 33, Column 2 plus Page 4, Line 51.1, Column 1)	7,760,000	5,760,000
34. Aggregate write-ins for special surplus funds		
35. Unassigned funds (surplus)	10,291,187	(3,052,498)
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)	18,051,187	7,892,238
38. TOTALS of Lines 29, 30 and 37 (Page 4, Line 55)	20,551,187	10,392,238
39. TOTALS of Lines 28 and 38 (Page 2, Line 28, Column 3)	68,708,634	71,656,818
DETAILS OF WRITE-INS		
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. Federal Health Provider (IPF) 2015		5,184,736
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)		5,184,736
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 Current Year	2 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)	308,418,224	306,391,696
2. Considerations for supplementary contracts with life contingencies		
3. Net investment income (Exhibit of Net Investment Income, Line 17)	179,135	681,966
4. Amortization of Interest Maintenance Reserve (IMR, Line 5)		
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)	308,597,359	307,073,663
10. Death benefits	432,125	1,191,000
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	257,302,037	271,959,180
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		
20. TOTALS (Lines 10 to 19)	257,734,162	273,150,180
21. Commissions on premiums, annuity considerations, and deposit type contract funds (direct business only) (Exhibit 1, Part 2, Line 31, Column 1)	11,797,705	13,582,589
22. Commissions and expense allowances on reinsurance assumed (Exhibit 1, Part 2, Line 26.2, Column 1)		
23. General insurance expenses (Exhibit 2, Line 10, Columns 1, 2, 3 and 4)	18,778,298	21,516,988
24. Insurance taxes, licenses and fees, excluding federal income taxes (Exhibit 3, Line 7, Columns 1 + 2 + 3)	3,728,606	3,529,647
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	5,348,734	5,184,736
28. TOTALS (Lines 20 to 27)	297,387,505	316,964,140
29. Net gain from operations before dividends to policyholders and federal income taxes (Line 9 minus Line 28)	11,209,854	(9,890,477)
30. Dividends to policyholders		
31. Net gain from operations after dividends to policyholders and before federal income taxes (Line 29 minus Line 30)	11,209,854	(9,890,477)
32. Federal and foreign income taxes incurred (excluding tax on capital gains)	1,957,862	55
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)	9,251,992	(9,890,532)
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)	(35,000)	(853,271)
35. Net Income (Line 33 plus Line 34)	9,216,992	(10,743,804)
CAPITAL AND SURPLUS ACCOUNT		
36. Capital and surplus, December 31, prior year (Page 3, Line 38, Column 2)	10,392,238	20,227,836
37. Net Income (Line 35)	9,216,992	(10,743,804)
38. Change in net unrealized capital gains (losses) less capital gains tax of \$.....0	69,855	(78,015)
39. Change in net unrealized foreign exchange capital gain (loss)		
40. Change in net deferred income tax	(13,971)	15,603
41. Change in nonadmitted assets	(1,035,044)	921,765
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	(78,883)	48,854
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	2,000,000	
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)	10,158,949	(9,835,597)
55. Capital and surplus, December 31, current year (Lines 36 + 54) (Page 3, Line 38)	20,551,188	10,392,238
DETAILS OF WRITE-INS		
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. Federal Health Providers Fees	5,348,734	5,184,736
2702. 0		
2703.		
2798. Summary of remaining write-ins for Line 27 from overflow page		
2799. TOTALS (Lines 2701 through 2703 plus 2798) (Line 27 above)	5,348,734	5,184,736
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
Cash from Operations			
1.	Premiums collected net of reinsurance	312,526,457	304,248,567
2.	Net investment income	235,291	495,063
3.	Miscellaneous income		
4.	TOTAL (Lines 1 through 3)	312,761,748	304,743,631
5.	Benefit and loss related payments	267,149,545	258,936,809
6.	Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts		
7.	Commissions, expenses paid and aggregate write-ins for deductions	43,590,652	41,284,191
8.	Dividends paid to policyholders		
9.	Federal and foreign income taxes paid (recovered) net of \$.....0 tax on capital gains (losses)	0	66
10.	TOTAL (Lines 5 through 9)	310,740,197	300,221,066
11.	Net cash from operations (Line 4 minus Line 10)	2,021,551	4,522,564
Cash from Investments			
12.	Proceeds from investments sold, matured or repaid:		
12.1	Bonds	1,880,946	5,402,664
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)	1,880,946	5,402,664
13.	Cost of investments acquired (long-term only):		
13.1	Bonds	4,947,038	
13.2	Stocks		
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)	4,947,038	
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)	(3,066,092)	5,402,664
Cash from Financing and Miscellaneous Sources			
16.	Cash provided (applied):		
16.1	Surplus notes, capital notes		
16.2	Capital and paid in surplus, less treasury stock	2,000,000	
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)	(4,550,480)	5,906,714
17.	Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6)	(2,550,480)	5,906,714
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS			
18.	Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17)	(3,595,021)	15,831,942
19.	Cash, cash equivalents and short-term investments:		
19.1	Beginning of year	43,217,476	27,385,534
19.2	End of year (Line 18 plus Line 19.1)	39,622,455	43,217,476

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

20.0001		
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ANALYSIS OF OPERATIONS BY LINES OF BUSINESS

	1 Total	2 Industrial Life	Ordinary			6 Credit Life (Group and Individual)	Group		Accident and Health			12 Aggregate of All Other Lines of Business
			3 Life Insurance	4 Individual Annuities	5 Supplementary Contracts		7 Life Insurance (a)	8 Annuities	9 Group	10 Credit (Group and Individual)	11 Other	
1. Premiums and annuity considerations for life and accident and health contracts	308,418,224						2,235,161		279,400,603		26,782,460	
2. Considerations for supplementary contracts with life contingencies												
3. Net investment income	179,135						1,640		162,015		15,480	
4. Amortization of Interest Maintenance Reserve (IMR)												
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)	308,597,359						2,236,801		279,562,618		26,797,940	
10. Death benefits	432,125						432,125					
11. Matured endowments (excluding guaranteed annual pure endowments)												
12. Annuity benefits												
13. Disability benefits and benefits under accident and health contracts	257,302,037								236,040,355		21,261,682	
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												
20. TOTALS (Lines 10 to 19)	257,734,162						432,125		236,040,355		21,261,682	
21. Commissions on premiums, annuity considerations, and deposit-type contract funds (direct business only)	11,797,705						89,669		11,044,990		663,046	
22. Commissions and expense allowances on reinsurance assumed												
23. General insurance expenses	18,778,298						184,789		16,965,907		1,627,602	
24. Insurance taxes, licenses and fees, excluding federal income taxes	3,728,606						30,348		3,374,527		323,731	
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	5,348,734								4,880,527		468,207	
28. TOTALS (Lines 20 to 27)	297,387,505						736,931		272,306,306		24,344,268	
29. Net gain from operations before dividends to policyholders and federal income taxes (Line 9 - Line 28)	11,209,854						1,499,870		7,256,312		2,453,672	
30. Dividends to policyholders												
31. Net gain from operations after dividends to policyholders and before federal income taxes (Line 29 - Line 30)	11,209,854						1,499,870		7,256,312		2,453,672	
32. Federal income taxes incurred (excluding tax on capital gains)	1,957,862						177,342		1,435,041		345,479	
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)	9,251,992						1,322,527		5,821,271		2,108,194	
DETAILS OF WRITE-INS												
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. Federal Health Providers Fees	5,348,734								4,880,527		468,207	
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)	5,348,734								4,880,527		468,207	

(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 Total	2 Industrial Life	Ordinary			6 Credit Life (Group and Individual)	Group	
			3 Life Insurance	4 Individual Annuities	5 Supplementary Contracts		7 Life Insurance	8 Annuities
Involving Life or Disability Contingencies (Reserves) (Net of Reinsurance Ceded)								
1. Reserve December 31, prior year								
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)								
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								

N O N E

EXHIBIT OF NET INVESTMENT INCOME

	1 Collected During Year	2 Earned During Year
1. U.S. Government bonds	(a) 126,895	67,151
1.1 Bonds exempt from U.S. tax	(a)	
1.2 Other bonds (unaffiliated)	(a) 126,293	95,532
1.3 Bonds of affiliates	(a)	
2.1 Preferred stocks (unaffiliated)	(b) 24,778	24,778
2.11 Preferred stocks of affiliates	(b)	
2.2 Common stocks (unaffiliated)		
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	(e) 7,745	7,745
7. Derivative instruments	(f)	
8. Other invested assets		
9. Aggregate write-ins for investment income		
10. TOTAL Gross investment income	285,711	195,206
11. Investment expenses		(g) 16,071
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)		16,071
17. Net Investment income (Line 10 minus Line 16)		179,135

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 \$.....0 accrual of discount less \$.....0 amortization of premium and less \$.....0 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 (Loss) on Sales or Maturity	Other Realized Adjustments	Total Realized Capital Gain (Loss) (Columns 1 + 2)	Change in Unrealized Capital Gain (Loss)	Change in Unrealized Foreign Exchange Capital Gain (Loss)
1. U.S. Government bonds					
1.1 Bonds exempt from U.S. tax					
1.2 Other bonds (unaffiliated)		(35,000)	(35,000)		
1.3 Bonds of affiliates					
2.1 Preferred stocks (unaffiliated)				69,374	
2.11 Preferred stocks of affiliates					
2.2 Common stocks (unaffiliated)				481	
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)		(35,000)	(35,000)	69,855	

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)					

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

6

	1 Total	2 Industrial Life	Ordinary		5 Credit Life (Group and Individual)	Group		Accident and Health			11 Aggregate of All Other Lines of Business
			3 Life Insurance	4 Individual Annuities		6 Life Insurance	7 Annuities	8 Group	9 Credit (Group and Individual)	10 Other	
FIRST YEAR (other than single)											
1.	Uncollected										
2.	Deferred and accrued										
3.	Deferred, accrued and uncollected:										
3.1	Direct										
3.2	Reinsurance assumed										
3.3	Reinsurance ceded										
3.4	Net (Line 1 + Line 2)										
4.	Advance										
5.	Line 3.4 - Line 4										
6.	Collected during year:										
6.1	Direct										
6.2	Reinsurance assumed										
6.3	Reinsurance ceded										
6.4	Net										
7.	Line 5 + Line 6.4										
8.	Prior year (uncollected + deferred and accrued - advance)										
9.	First year premiums and considerations:										
9.1	Direct										
9.2	Reinsurance assumed										
9.3	Reinsurance ceded										
9.4	Net (Line 7 - Line 8)										
SINGLE											
10.	Single premiums and considerations:										
10.1	Direct										
10.2	Reinsurance assumed										
10.3	Reinsurance ceded										
10.4	Net										
RENEWAL											
11.	Uncollected	12,139,792						11,881,368		258,424	
12.	Deferred and accrued										
13.	Deferred, accrued and uncollected:										
13.1	Direct	12,139,792						11,881,368		258,424	
13.2	Reinsurance assumed										
13.3	Reinsurance ceded										
13.4	Net (Line 11 + Line 12)	12,139,792						11,881,368		258,424	
14.	Advance	2,167,023						1,320,639		846,384	
15.	Line 13.4 - Line 14	9,972,769						10,560,729		(587,960)	
16.	Collected during year:										
16.1	Direct	314,615,147				2,521,912		285,293,705		26,799,530	
16.2	Reinsurance assumed										
16.3	Reinsurance ceded	1,426,441				286,751		1,020,336		119,353	
16.4	Net	313,188,707				2,235,161		284,273,369		26,680,177	
17.	Line 15 + Line 16.4	323,161,476				2,235,161		294,834,098		26,092,217	
18.	Prior year (uncollected + deferred and accrued - advance)	14,743,252						15,433,495		(690,243)	
19.	Renewal premiums and considerations:										
19.1	Direct	309,844,665				2,521,912		280,420,940		26,901,813	
19.2	Reinsurance assumed										
19.3	Reinsurance ceded	1,426,441				286,751		1,020,336		119,353	
19.4	Net (Line 17 - Line 18)	308,418,224				2,235,161		279,400,603		26,782,460	
TOTAL											
20.	TOTAL Premiums and annuity considerations:										
20.1	Direct	309,844,665				2,521,912		280,420,940		26,901,813	
20.2	Reinsurance assumed										
20.3	Reinsurance ceded	1,426,441				286,751		1,020,336		119,353	
20.4	Net (Lines 9.4 + 10.4 + 19.4)	308,418,224				2,235,161		279,400,603		26,782,460	

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
DIVIDENDS AND COUPONS APPLIED (included in Part 1)											
21.											
22.											
REINSURANCE COMMISSIONS AND EXPENSE ALLOWANCES INCURRED											
23.											
23.1											
23.2											
23.3											
24.											
24.1											
24.2											
24.3											
25.											
25.1											
25.2											
25.3											
26.											
26.1											
26.2											
26.3											
COMMISSIONS INCURRED (direct business only)											
27.											
28.											
29.	11,797,705					89,669		11,044,990		663,046	
30.											
31.	11,797,705					89,669		11,044,990		663,046	

EXHIBIT 2 - GENERAL EXPENSES

	Insurance				5 Investment	6 Total
	1 Life	Accident and Health		4 All Other Lines of Business		
		2 Cost Containment	3 All Other			
1. Rent	1,167		142,244			143,411
2. Salaries and wages	17,216		2,097,920			2,115,136
3.11 Contributions for benefit plans for employees	1,125		137,107			138,232
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	3,054		372,111			375,165
3.32 Other agent welfare						
4.1 Legal fees and expenses	965		117,542			118,506
4.2 Medical examination fees						
4.3 Inspection report fees						
4.4 Fees of public accountants and consulting actuaries	2,507		305,500			308,007
4.5 Expense of investigation and settlement of policy claims	20,738		2,527,169			2,547,907
5.1 Traveling expenses	244		29,738			29,982
5.2 Advertising	4,440		541,080			545,520
5.3 Postage, express, telegraph and telephone	767		93,510			94,278
5.4 Printing and stationery	696		84,865			85,561
5.5 Cost or depreciation of furniture and equipment						
5.6 Rental of equipment						
5.7 Cost or depreciation of EDP equipment and software						
6.1 Books and periodicals	232		28,233			28,465
6.2 Bureau and association fees	24		2,923			2,947
6.3 Insurance, except on real estate	976		118,974			119,950
6.4 Miscellaneous losses	1		141			142
6.5 Collection and bank service charges	4,709		573,795			578,503
6.6 Sundry general expenses	2,622		319,548			322,170
6.7 Group service and administration fees	123,103		15,001,412			15,124,515
6.8 Reimbursements by uninsured plans			(3,925,100)			(3,925,100)
7.1 Agency expense allowance						
7.2 Agents' balances charged off (less \$.....0 recovered)						
7.3 Agency conferences other than local meetings						
9.1 Real estate expenses						
9.2 Investment expenses not included elsewhere				16,071		16,071
9.3 Aggregate write-ins for expenses	203		24,797			25,000
10. General expenses Incurred	184,789		18,593,508		16,071	(a) 18,794,369
11. General expenses unpaid December 31, prior year			3,224,785			3,224,785
12. General expenses unpaid December 31, current year			2,903,517			2,903,517
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)	184,789		18,914,777		16,071	19,115,637

DETAILS OF WRITE-INS

09.301. Other expenses	203		24,797			25,000
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)	203		24,797			25,000

(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 Investment	5 Total
	1 Life	2 Accident and Health	3 All Other Lines of Business		
1. Real estate taxes					
2. State insurance department licenses and fees	1,489	181,469			182,958
3. State taxes on premiums	26,571	3,237,978			3,264,549
4. Other state taxes, incl. \$.....0 for employee benefits	966	117,705			118,671
5. U.S. Social Security taxes	1,322	161,106			162,428
6. All other taxes					
7. Taxes, licenses and fees incurred	30,348	3,698,258			3,728,606
8. Taxes, licenses and fees unpaid December 31, prior year		3,067,608			3,067,608
9. Taxes, licenses and fees unpaid December 31, current year		3,083,086			3,083,086
10. Taxes, licenses and fees paid during year (Lines 7 + 8 - 9)	30,348	3,682,780			3,713,129

EXHIBIT 4 - DIVIDENDS OR REFUNDS

	1 Life	2 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	NONE	
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 Valuation Standard	2 Total	3 Industrial	4 Ordinary	5 Credit (Group and Individual)	6 Group
NONE					
9999999 Totals - (Net) -Page 3, Line 1					

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:
 Non- participating contracts
- 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.
 Non- participating contracts
3. Does the reporting entity at present issue or have in force contracts that contain non-guaranteed elements? Yes[] No[X]
 If so, attach a statement that contains the determination procedures, answers to the interrogatories and an actuarial opinion as described in the instructions.
4. Has the reporting entity any assessment or stipulated premium contracts in force? Yes[] No[X]
 If so, state:
 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: \$ 0
 Attach statement of methods employed in their valuation.
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 Description of Valuation Class	Valuation Basis		4 Increase in Actuarial Reserve Due to Change
	2 Changed From	3 Changed To	
9999999 TOTAL (Column 4 Only)			

14 Exhibit 6 - Aggregate Reserve for Acc. and Health NONE

15 Exhibit 7 - Deposit Type Contracts NONE

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											
1.2 Reinsurance assumed											
1.3 Reinsurance ceded											
1.4 Net											
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	9,819,112								9,819,112		
2.22 Reinsurance assumed											
2.23 Reinsurance ceded											
2.24 Net	9,819,112		(b)	(b)		(b)	(b)		9,819,112	(b)	(b)
3. Incurred but unreported:											
3.1 Direct	17,487,710						250,000		14,877,979		2,359,730
3.2 Reinsurance assumed											
3.3 Reinsurance ceded											
3.4 Net	17,487,710		(b)	(b)		(b)	250,000		14,877,979	(b)	2,359,730
4. TOTALS:											
4.1 Direct	27,306,822						250,000		24,697,092		2,359,730
4.2 Reinsurance assumed											
4.3 Reinsurance ceded											
4.4 Net	27,306,822	(a)	(a)			(a)	250,000		24,697,092		2,359,730

(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	267,149,545						432,125		240,905,567		25,811,853
1.2 Reinsurance assumed											
1.3 Reinsurance ceded											
1.4 Net	(d) 267,149,545						432,125		240,905,567		25,811,853
2. Liability December 31, current year from Part 1:											
2.1 Direct	27,306,822						250,000		24,697,092		2,359,730
2.2 Reinsurance assumed											
2.3 Reinsurance ceded											
2.4 Net	27,306,822						250,000		24,697,092		2,359,730
3. Amounts recoverable from reinsurers December 31, current year											
4. Liability December 31, prior year:											
4.1 Direct	36,722,205						250,000		29,562,304		6,909,901
4.2 Reinsurance assumed											
4.3 Reinsurance ceded											
4.4 Net	36,722,205						250,000		29,562,304		6,909,901
5. Amounts recoverable from reinsurers December 31, prior year											
6. Incurred benefits:											
6.1 Direct	257,734,162						432,125		236,040,355		21,261,682
6.2 Reinsurance assumed											
6.3 Reinsurance ceded											
6.4 Net	257,734,162						432,125		236,040,355		21,261,682

(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 Nonadmitted Assets	Prior Year Total Nonadmitted Assets	Change in Total Nonadmitted Assets (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	662,249		(662,249)
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due			
15.3 Accrued retrospective premiums and contracts subject to redetermination			
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			
19. Guaranty funds receivable or on deposit			
20. Electronic data processing equipment and software			
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	65,035		(65,035)
24. Health care and other amounts receivable			
25. Aggregate write-ins for other than invested assets	354,062	46,302	(307,760)
26. TOTAL Assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	1,081,346	46,302	(1,035,044)
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts			
28. TOTAL (Lines 26 and 27)	1,081,346	46,302	(1,035,044)
DETAILS OF WRITE-INS			
1101.			
1102.			
1103.			
1198. Summary of remaining write-ins for Line 11 from overflow page			
1199. TOTALS (Lines 1101 through 1103 plus 1198) (Line 11 above)			
2501. Prepaid expenses and other deposits	354,062	46,302	(307,760)
2502. Other Receivables			
2503.			
2598. Summary of remaining write-ins for Line 25 from overflow page			
2599. TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above)	354,062	46,302	(307,760)

Notes to Financial Statements

MCS Life Insurance Company (the "Company") is a wholly owned subsidiary of Medical Card System, Inc. ("MCS" and the Company's ultimate parent company) and operates as a life and health insurance company under the provisions of the Insurance Code and Insurance Regulations of the Commonwealth of Puerto Rico. On January 20, 2016, Medical Card System, Inc. ("MCS") entered into a Restructuring and Exchange Agreement (the Exchange Agreement) pursuant to which the MCS agreed to contribute substantially all of its operating assets, agreements and obligations to a newly formed subsidiary, MCS Healthcare Holding, LLC ("MCSHH"), as a contribution to capital in exchange for 100% of the membership interests in the same. As a result of this, the Company is now a wholly owned subsidiary of MCS Healthcare Holdings, LLC and Medical Card System, Inc., remained as the ultimately parent company. The Company, it is primarily engaged in offering group health and life insurance.

All of the Company's business is from insurance written in Puerto Rico, which exposes the Company to geographical risk. Substantially all of the premiums are due and collected on a monthly basis.

1. Summary of Significant Accounting Policies

A. Accounting Practices

The accompanying financial statements have been prepared in conformity with the NAIC Accounting Practices and Procedures Manual. The Insurance of Commissioner of Puerto Rico adopted the NAIC Accounting Practices and Procedures Manual as long as it does not contradict the provisions of the Insurance Code. The accounting practices used in preparing these financial statements did not result in differences for net income or capital and surplus under the NAIC Accounting Practices and Procedures Manual and practices permitted or prescribed by the Insurance Commissioner of Puerto Rico.

<u>NET INCOME</u>	<u>State of Domicile</u>	<u>2016</u>	<u>2015</u>
(1) MCS Life Ins. Company state basis State Prescribed Practices that	PR	<u>\$ 9,216,992</u>	<u>\$ (10,743,804)</u>
(2) increase / (decrease) State Permitted Practices that	PR	-	-
(3) increase / (decrease)	PR	-	-
(4) NAIC SAP	PR	<u>\$ 9,216,992</u>	<u>\$ (10,743,804)</u>
 <u>SURPLUS</u>			
(5) MCS Life Ins. Company state basis State Prescribed Practices that	PR	<u>\$ 20,551,187</u>	<u>\$ 10,392,238</u>
(6) increase / (decrease) State Permitted Practices that	PR	-	-
(7) increase / (decrease)	PR	-	-
(8) NAIC SAP	PR	<u>\$ 20,551,187</u>	<u>\$ 10,392,238</u>

B. Use of Estimates

Management used estimates and assumptions relating to the reporting of assets and liabilities and the disclosure of contingent assets and liabilities to prepare these financial statements in conformity with the NAIC Accounting Practices and Procedures Manual. Actual results could differ from those estimates.

C. Accounting Policies

Premiums are recorded as revenue when due. Expenses incurred in connection to the acquisition of business, such as sales and broker commissions, are charged to operations as incurred.

The Company carries its premium receivables net of allowances for doubtful amounts based on the evaluation of the aging and other factors that deserve recognition.

Certain Assets designated as non-admitted assets have been excluded from the statutory statements of admitted assets, liabilities and capital and surplus by a charge to surplus. Non Admitted assets as of December 31, 2016 consist of \$354,062 of prepaid expenses and other assets, \$65,035 of receivable from parent, subsidiaries and affiliates and \$662,249 of uncollected premium.

In addition, the company uses the following accounting policies:

1. Basis of valuation of short term investments - Short-term investments include debt securities with maturities of one year or less at the time of purchase and are stated at amortized cost, which approximates fair market value.

Notes to Financial Statements

2. Basis of valuation of bonds - Debt securities are valued in accordance with rules promulgated by the NAIC. Debt securities eligible for amortization under such rules (classified 1 through 5 by the Securities and Valuation Office (SVO) of the NAIC) are stated at amortized cost net of unamortized premiums and/or discounts. Debt securities classified 6 by the SVO are stated at the lower of amortized cost or fair market value for entities that maintain an asset valuation reserve (AVR).
3. Basis of valuation of common stocks – Investments in common stocks are presented at estimated fair market value. Unrealized gains or losses on investments in common stock are accounted as direct increases or decreases in surplus.
4. Basis of valuation of preferred stock - Investments in nonredeemable preferred stock are presented at estimated fair market value. Unrealized gains or losses on investments in nonredeemable preferred stock are accounted as direct increases or decreases in surplus. A decline in the estimated fair value of any investment in debt securities, nonredeemable preferred and common stock below cost that is deemed to be other than temporary results in a reduction in the carrying amount to fair value. The impairment is charged to operations and a new cost basis for the security is established.
5. The company has no mortgage loans or real state.
6. The Company applies the provisions of SAP No. 43, Loan-Backed and Structured Securities (SSAP No. 43), which requires insurers to separate other-than-temporary impairments between interest and noninterest-related declines in the value of all loan-backed and structured securities. Premiums and discounts are amortized or accreted over the life of the investment as an adjustment to yield using the effective-interest method. Interest and dividend income are recognized when earned. Realized gains or losses on the sale of investments are included in the statutory statements of operations and are determined on a specific-identification basis.
7. The company does not have investments in subsidiaries or affiliated entities.
8. The company does not have investments in joint venture, partnership and limited liability entities.
9. The company does not invest in derivatives.
10. The company does not utilize anticipated investment income as a factor in the premium deficiency calculation.
11. Independent care providers such as hospitals, physicians, clinics, and others provide health services under contractual arrangements. Services rendered to insured members are billed and paid on a fee-for-service basis up to established limits based on eligible members. Claim payables represent accrued medical claims and related expenses (hospitalization and other outside medical services) for amounts billed and not paid and an estimate of cost incurred for unbilled services provided to the balance sheet date based on experience and accumulated statistical data on claims processed, incomplete and unreported. The liabilities are necessarily based on estimates and, while management believes that the amounts are adequate, the ultimate liability may be in excess of or less than the amounts provided. The methods for making such estimates and for establishing the resulting liability are continually reviewed, and any adjustments are reflected in current operations.
12. The company has not modified its capitalization policy from the prior period.
13. The company estimate anticipated pharmacy rebates receivable using the analysis of historical recovery.
14. An asset valuation reserve is maintained for the purpose of stabilizing the surplus of the Company against fluctuations in the market value of bonds and stocks held as investments.

2. Accounting Changes and corrections of Errors

None

3. Business Combinations and Goodwill

- A. Statutory Purchase Method – None
- B. Statutory Merge – None
- C. Assumption Reinsurance – None
- D. Impairment Loss – None

Notes to Financial Statements

4. Discontinued Operations

The company had no discontinued operations during the period ended December 31, 2016.

5. Investments

A. Mortgage Loans, including Mezzanine Real Estate Loans – Not applicable

B. Debt Restructuring – None

C. Reverse Mortgage – None

D. Loan-Backed Securities

1. Prepayment assumptions for mortgage-backed/loan-backed and structured securities were obtained from broker dealer survey values or internal estimates.
2. Other-than temporary impairment – As of December 31, 2016, the company recorded other than temporary impairment amounted to (\$35,000) and were recorded as a realized capital gain (loss).

	Amortized Cost Basis Before Other-than-Temporary Impairment	Other-than-Temporary Impairment Recognized in Loss		Fair Value
		Interest	Non-interest	
<u>OTTI recognized 1st Quarter</u>				
a. Intent to Sell	\$ -	\$ -	\$ -	\$ -
Inability or lack of intent to retain the investment in the security for a period of time				
b. sufficient to recover the amortized cost basis	275,000	-	35,000	\$ 240,000
c. Total 1st Quarter	<u>\$ 275,000</u>	<u>\$ -</u>	<u>\$ 35,000</u>	<u>\$ 240,000</u>
<u>OTTI recognized 2nd Quarter</u>				
d. Intent to Sell	-	-	-	\$ -
Inability or lack of intent to retain the investment in the security for a period of time				
e. sufficient to recover the amortized cost basis		-		\$ -
f. Total 2nd Quarter	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<u>OTTI recognized 3rd Quarter</u>				
g. Intent to Sell	-	-	-	\$ -
Inability or lack of intent to retain the investment in the security for a period of time				
h. sufficient to recover the amortized cost basis		-		\$ -
i. Total 3rd Quarter	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<u>OTTI recognized 4th Quarter</u>				
j. Intent to Sell	-	-	-	\$ -
Inability or lack of intent to retain the investment in the security for a period of time				
k. sufficient to recover the amortized cost basis		-		\$ -
l. Total 4th Quarter	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
m Annual Aggregate Total		<u>\$ -</u>	<u>\$ 35,000</u>	

3. Each security, by CUSIP, with an Other-than-temporary impairment at December 31, 2016 were as follows:

CUSIP	Book/Adjusted Carrying Value Amortized Cost Before Current Period OTTI	Present Value of Projected Cash Flows	Recognized Other-than-Temporary Impairment	Amortized Cost After Other-than-Temporary Impairment	Fair Value at time of OTTI	Date of Financial Statement Where Reported
745177-FM-2	275,000	240,000	35,000	240,000	240,000	3/31/2016
Total	275,000	240,000	\$ 35,000	240,000	240,000	

Notes to Financial Statements

4. All impaired securities for which an other than temporary impairment has not been recognized in earnings as a realized loss:

a. The aggregate amount of unrealized losses:

1. Less than 12 months	\$	86,769
2. 12 Months or longer	\$	15,508

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

1. Less than 12 months	\$	5,020,192
2. 12 Months or longer	\$	229,970

The unrealized losses on investments in fixed income securities were caused mainly by changes in interest rates during 2016. The contractual terms of these investments do not permit the issuer to settle the securities at a price less than the amortized cost of the investment. Because the Company has the ability and intent to hold these investments until a market price recovery or maturity, these investments are not considered other-than-temporarily impaired. In the case of the U.S. Treasury securities and Obligations of the Commonwealth of Puerto Rico and its instrumentalities, management of the Company examined the guidance in SSAP No. 26, Bonds, Excluding Loan-Backed and Structured Securities, and concluded that the Company has the ability and intent to hold its investment in bonds until a market price recovery or maturity. For the mortgage-backed securities, management evaluated SSAP No. 43R, Loan-Backed and Structured Securities, and concluded that the Company does not intend to sell such security, and it is more likely that it will not be required to sell such security prior to the recovery of its amortized cost basis.

The amortized cost, gross unrealized gains, gross unrealized losses, and estimated fair value of investment securities at December 31, 2016 and 2015 were as follows:

2016				
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Estimated Fair Value
U.S. Treasury securities and obligations of U.S. Government instrumentalities and states	\$ 8,343,649	\$ 54,515	\$ (86,769)	\$ 8,311,394
Obligations of the Commonwealth of PR and its instrumentalities	275,424	4,918	(15,000)	265,342
Corporate debt securities	323,299	97,374	-	420,673
Mortgage-backed securities	263,657	14,717	-	278,374
Investment in bonds and notes	\$ 9,206,029	\$ 171,524	\$ (101,769)	\$ 9,275,784
Common and preferred stocks	444,517	126,383	(508)	570,392
Total	\$ 9,650,546	\$ 297,907	\$ (102,277)	\$ 9,846,176
2015				
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Estimated Fair Value
U.S. Treasury securities and obligations of U.S. Government instrumentalities and states	\$ 5,004,382	\$ 130,931	\$ (1,239)	\$ 5,134,074
Obligations of the Commonwealth of PR and its instrumentalities	447,098	343	(1,759)	445,682
Corporate debt securities	457,570	91,207	-	548,777
FHLB bonds and mortgage-backed securities	316,771	21,755	-	338,525
Investment in bonds and notes	\$ 6,225,821	\$ 244,235	\$ (2,998)	\$ 6,467,058
Common and preferred stocks	444,517	56,539	(519)	500,537
Total	\$ 6,670,338	\$ 300,774	\$ (3,517)	\$ 6,967,595

The amortized cost and estimated fair value of investment securities at December 31, 2016, by contractual maturity, are shown below. Expected maturities will differ from contractual maturities because borrowers may have the right to call or prepay obligations with or without call or prepayment penalties.

Notes to Financial Statements

	Amortized	
	cost	Fair value
Due less than one year	\$ 1,257,530	\$ 1,252,729
Due after one year through five years	7,326,119	7,283,665
Due after five years through ten years	156,239	190,899
Over twenty years	202,484	270,116
Mortgage-backed securities	263,657	278,374
Equity securities	444,517	570,392
	<u>\$ 9,650,546</u>	<u>\$ 9,846,176</u>

The following tables show the Company's investments' gross unrealized losses and estimated fair value, aggregated by investment category and length of time that individual securities have been in a continuous unrealized loss position, at December 31, 2016.

E. Repurchase Agreements and /or Securities Lending Transactions - None

F. Real Estate – None

G. Investment in low-income housing tax credits (LIHTC) – None

H. Restricted Assets

1. Restricted Assets

Restricted Asset Category	Gross Restricted							8 Total Nonadmitted Restricted	9 Total Admitted Restricted	Percentage	
	Current Year					6 Total From Prior Year	7 Increase / (Decrease)			10 Gross Restricted to Total Assets	11 Admitted Restricted to Total Admitted Assets
	1 Total General Account (G/A)	2 G/A Supporting S/A Activity	3 Total Separate Account (S/A) Restricted Assets	4 S/A Assets Supporting G/A Activity	5 Total						
a. Subject to contractual obligation for which liability is not shown	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%	0%	
b. Collateral held under security lending agreements					-		-		0%	0%	
c. Subject to repurchase agreements					-		-		0%	0%	
d. Subject to reverse repurchase agreements					-		-		0%	0%	
e. Subject to dollar repurchase agreements					-		-		0%	0%	
f. Subject to dollar reverse repurchase agreements					-		-		0%	0%	
g. Placed under option contracts					-		-		0%	0%	
h. Letter stock or securities restricted as to sale					-		-		0%	0%	
i. On deposit with states	1,655,398		-		1,655,398	1,312,729	342,669	1,655,398	2.372%	2.409%	
j. On deposit with other regulatory bodies					-		-		0%	0%	
k. Pledged as collateral not captured in other categories					-		-		0%	0%	
l. Other restricted assets					-		-		0%	0%	
m. Total Restricted Assets	\$1,655,398	\$ -	\$ -	\$ -	\$ 1,655,398	\$ 1,312,729	\$ 342,669	\$1,655,398	2.372%	2.409%	

At December 31, 2016 the company has a deposit of \$1,655,398 at the office of the Commissioner of Puerto Rico.

2. Detail of Assets Pledged as Collateral Not Captured in Other Categories - None

3. Detail of Other Restricted Assets – None

I. Working Capital Finance Investments – None

J. Offsetting and Netting of Assets and Liabilities – None

K. Structured Notes – None

Notes to Financial Statements

6. Join Ventures, Partnerships and Limited Liability Companies

- A. The company has no investment in joint ventures, partnerships or limited liability companies.
- B. The company did not recognize any impairment write downs for its impairments in Joint Ventures, Partnerships and Limited Liability Companies during the statement periods.

7. Investment Income

- A. Interest income is recognized when earned. Realized gains and losses from the sale of securities are determined using the specific identification method for determining the cost of the security sold.
- B. The company did not have any non-admitted due and accrued investment income as of December 31, 2016.

8. Derivative Instruments

The company has no Derivative Instrument during the statement periods.

9. Income Taxes

The Company is currently only subject to Puerto Rico income taxes as operations are only conducted in Puerto Rico. The Company operates as a qualified domestic life insurance company and is subject to the alternative minimum tax and is also taxed on its capital gains. Deferred income taxes have been provided for the tax consequences of temporary differences between statutory and tax basis of assets and liabilities.

- A. The company has not recognized DTA as of December 31, 2016.

	12/31/2016			12/31/2015			Change		
	1 Ordinary	2 Capital	3 (1+2) Total	4 Ordinary	5 Capital	6 (4+5) Total	7 (1-4) Ordinary	8 (2-5) Capital	9 (7+8) Total
(a) Gross Deferred Tax Assets Statutory Valuation Allowance	\$ 4,137,774	\$ 318,949	\$ 4,456,723	\$ 3,773,243	\$ 311,949	\$ 4,085,192	\$ 364,531	\$ 7,000	\$ 371,531
(b) Adjustment Adjusted Gross Deferred Tax	\$ 4,137,774	\$ 318,949	4,456,723	\$ 3,773,243	\$ 311,949	4,085,192	364,531	7,000	371,531
(c) Assets	-	-	-	-	-	-	-	-	-
(d) Deferred Tax Assets Nonadmitted Subtotal net Admitted Deferred Tax	-	-	-	-	-	-	-	-	-
(e) Asset	-	-	-	-	-	-	-	-	-
(f) Deferred Tax Liabilities Net Admitted Deferred Tax Asset /	-	25,175	25,175	-	11,204	11,204	-	13,971	13,971
(g) (Net Deferred Tax Liability)	\$ -	\$ (25,175)	\$ (25,175)	\$ -	\$ (11,204)	\$ (11,204)	\$ -	\$ (13,971)	\$ (13,971)

- B. The company has \$25,175 in deferred tax liabilities as of December 31, 2016.
- C. The company is a qualified domestic insurance company, which was incorporated under the law of the Commonwealth of Puerto Rico. The company is exempt from federal income tax. Current income taxes incurred consist of the following major components:

Notes to Financial Statements

	12/31/2016	12/31/2015	Change
1. Current Income Tax			
(a) Federal	\$ -	\$ -	\$ -
(b) Foreign			-
(c) Subtotal			-
(d) Federal income tax on net capital gains			-
(e) Utilization of capital loss carry-forwards			-
(f) Other	1,957,862	-	1,957,862
(g) Federal and foreign income taxes incurred	\$ 1,957,862	\$ -	\$ 1,957,862
2. Deferred Tax Assets			
(a) Ordinary			
(1) Discounting of unpaid losses	\$ -	\$ -	\$ -
(2) Unearned premium reserve			-
(3) Policyholder reserves			-
(4) Investments - Loss of sale and impairment	318,949	311,949	7,000
(5) Deferred acquisition costs			-
(6) Policyholder dividends accrual			-
(7) Fixed assets			-
(8) Compensation and benefits accrual			-
(9) Pension accrual			-
(10) Receivables – nonadmitted	421,725	18,058	403,667
(11) Net operating loss carry-forward			-
(12) Tax credit carry-forward - AMT	2,386,739	2,386,739	-
(13) Other (including items <5% of total ordinary tax assets)	1,328,928	1,368,064	(39,136)
(99) Subtotal	\$ 4,456,341	\$ 4,084,810	\$ 371,531
(b) Statutory valuation allowance adjustment	\$ 4,456,341	\$ 4,084,810	371,531
(c) Nonadmitted			-
(d) Admitted ordinary deferred tax assets	\$ (0)	\$ -	\$ (0)
3. Deferred Tax Liabilities			
(a) Ordinary			
(1) Investments	\$ 25,175	\$ 11,204	\$ 13,971
(2) Fixed assets			-
(3) Deferred and uncollected premium			-
(4) Policyholder reserves			-
(5) Other (including items <5% of total ordinary tax liabilities)			-
(99) Subtotal	\$ 25,175	\$ 11,204	\$ 13,971
(b) Capital:			
(1) Investments	\$ -	\$ -	\$ -
(2) Real estate			-
(3) Other (including items <5% of total capital tax liabilities)			-
(99) Subtotal	\$ -	\$ -	\$ -
(c) Deferred tax liabilities	\$ 25,175	\$ 11,204	\$ 13,971
4. Net deferred tax assets/liabilities	\$ (25,175)	\$ (11,204)	\$ (13,971)

- D. Significant book tax adjustment - None
- E. Operating loss and tax credit carry forwards – None
- F. Consolidated federal income tax return – None
- G. Federal or foreign income tax loss contingencies – None

10. Information Concerning Parent, Subsidiaries, Affiliates and Other Related Parties

- A. B, C & F. MCSHH, provide administrative services to the Company. These services includes claims processing, network administration, medical management, enrollment and other administrative services. Fees for these services are based on membership served. Total fees for the period ended December 31, 2016 amounts to \$15.1 million. The Company provides group life and health insurance to the employees of MCSHH Inc. Amount paid by MCSHH LLC., to the Company amounted to \$6.6 million.
- D. At December 31, 2016, the company reported \$5.1 million due to MCS Advantage, \$69,436 due to MCS Healthcare Holding, LLC, and \$4,058 due to MCS General Insurance Agency as admitted asset. Also, the company reported \$65,035 due from Health Management Option as non-admitted asset.

Notes to Financial Statements

- E. There are no guarantees or undertaking for the benefit of a subsidiary or affiliated party.
- G. All outstanding shares of the company are owned by the company.
- H. The company owns no shares of the stock of its parent or any of its affiliates.
- I. Investment in subsidiaries – None
- J. Write down for impairment of investments in affiliates – Not applicable
- K. Investment in foreign insurance subsidiaries – Not applicable
- L. Investment in downstream noninsurance holding companies – None.
- M. SCA Investment – None.
- N. Investment in an insurance SCA –None.

11. Debt

The company had no debentures outstanding, no outstanding liability for borrowed money and does not have any reverse repurchase agreements.

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

- A. (A, B, C & D) - The company has no defined benefit plan.
- E. The company provides pension benefits to employees under a defined contribution plan. Under this plan, the Company matches 25% of employee contributions up to 6% of total employee compensation. The Company's contribution for the plan as of December 31, 2016 was \$20,525.
- F. The company does not participate in a multiemployer plan.
- G. The company does not participate in a consolidated/holding company plan.
- H. Compensated vacation pay is recorded as an accrued liability.
- I. Impact or Medicare Modernization Act on Postretirement Benefits – Not applicable

13. Capital and Surplus, Shareholders' Dividend Restrictions and Quasi-Reorganizations

1. The company has 3,000 shares authorized, and 1,600 shares issued and outstanding. All shares are common stock shares with a par value of \$1,562.50.
2. The company has no preferred stock authorized.
3. (3, 4 & 5) - The Company's surplus is restricted as to payment of dividends by statutory limitations applicable to insurance companies. As a condition to the approval of the Company's RBC Plan, the Company must obtain authorization from the Commissioner of Insurance prior to the payment of any dividends.

The Company is required to maintain a minimum capital and surplus of \$2.5 million. Generally, the payment of dividends is limited to unassigned surplus. Unassigned surplus is detailed as follows:

Accumulated earnings	\$	11,595,679
Non-admitted assets		(1,081,346)
Asset valuation reserve		(197,971)
Deferred income taxes		(25,175)
Unassigned surplus	\$	10,291,187

The Commonwealth of Puerto Rico enacted Law No. 32 (the Law) to add a new Chapter 45, Risk-Based Capital (Chapter 45), to the Insurance Code of Puerto Rico. The RBC Model serves as a benchmark for the regulation of

Notes to Financial Statements

insurance companies by state insurance regulators. RBC provides for targeted surplus levels based on formulas that specify various weighting factors that are applied to the financial balances or various levels of activity based on the perceived degree of risk and are set forth in the RBC requirements. Such formulas focus on four general types of risk, which includes the risk with respect to the Company's assets (asset or default risk), the risk of adverse insurance experience with respect to the Company's liabilities and obligations (insurance or underwriting risk), the interest rate risk with respect to the Company's business (asset/liability matching), and all other business risks (management, regulatory action, and contingencies). The amount determined under such formulas is called the authorized control level RBC (ACLCL).

The RBC guidelines define specific capital levels based on a company's ACLCL that are determined by the ratio of the company's total adjusted capital (TAC) to its ACLCL. TAC is equal to statutory capital, plus or minus certain other specified adjustments. The specific capital levels, in declining order, and applicable ratios are generally as follows: "Company Action Level" where TAC is less than or equal to 300% ACLCL; "Regulatory Action Level" where TAC is less than or equal to 150% ACLCL; "Authorized Control Level" where TAC is less than or equal to 100% ACLCL; and "Mandatory Control Level" where TAC is less than or equal to 70% ACLCL. Companies at the Company Action Level must submit a comprehensive financial plan to the Commissioner of Insurance. Companies at the Regulatory Action Level are subject to a mandatory examination or analysis by the Commissioner of Insurance and possible required corrective actions. At the Authorized Control Level, a company may be subject to, among other things, the Commissioner of Insurance placing it under regulatory control. At the Mandatory Control Level, the Commissioner of Insurance is required, to place a company under regulatory control.

The Law requires, among other things, that all insurance companies, including health service organizations, authorized to conduct business in Puerto Rico to comply with the RBC requirements as adopted by the NAIC, to annually file an RBC report with the NAIC and the Commissioner of Insurance on or before March 31, and to maintain a minimum RBC level of 300% of the ACLCL.

The Company's minimum RBC requirement at December 31, 2016 and 2015 was 300%, of the ACLCL. At December 31, 2016 and 2015, the Company was not in compliance with the requirement as the actual RBC of the Company was 195% and 94%.

As of December 31, 2014, the Company was not in compliance with RBC requirements and as a result, in May 2015, the Commissioner of Insurance required the Company to submit a formal capital plan (the 2015 RBC Plan) to demonstrate its ability and intent to achieve the minimum RBC level of 300% as prescribed by Rule 92. The RBC Plan requirement is the result of the Company being subject to a Regulatory Action Level Event (Type 2 Event) as prescribed by Chapter 45. In May 2015, the Company submitted its RBC Plan to the Office of the Commissioner of Insurance (OCI) addressing the conditions and events giving rise to the noncompliance with the RBC requirements at December 31, 2014 and outlining its plans for attaining the required levels of regulatory capital as prescribed in the transition period guidance. On July 31, 2015, the Commissioner of Insurance approved the Company's 2015 RBC Plan. The Company's 2015 financial projections required the Company to file with the Commissioner an updated RBC Plan. The Plan was submitted to the Commissioner of Insurance during February 2016 and approved by the Commissioner of Insurance on March 10, 2016. On November 21, 2016 another update to the RBC Plan was filed and approved on December 29, 2016.

Failure to meet the capital requirements and capital targets included in the Company's RBC Plan could expose the Company to regulatory sanctions that may include restrictions on operations and growth, mandatory asset dispositions, and placing the Company under regulatory control. The ultimate outcome of this situation cannot presently be determined. The financial statements do not include any adjustments that might result from the outcome of these uncertainties.

The Company's surplus is restricted as to payment of dividends by statutory limitations applicable to insurance companies. As a condition to the approval of the Company's RBC Plan, the Company must obtain authorization from the Commissioner of Insurance prior to the payment of any dividends.

6. Unassigned funds – None
7. There have been no advances to surplus.
8. Amount of stock held by the company for special purposes - \$0
9. Change in the balance of special surplus funds from prior year – (\$5,184,736)
10. The portion of unassigned funds surplus represented or (reduced) by each item below is as follows:
 - Unrealized gain and losses - \$(100,700).
11. The company has not issued any surplus note or debentures or similar obligations.
12. Impact of quasi-reorganizations – Not applicable.
13. Date of quasi-reorganizations – Not applicable.

14. Contingencies

- A. Contingent commitments – None

Notes to Financial Statements

B. Assessment

Pursuant to the Puerto Rico Insurance Code, the Company is a member of the Puerto Rico Insurance Guaranty Association for Life and Disability. As a member, the Company is required to provide funds for the payment of claims and unearned premiums reimbursements for policies issued by insurance companies declared insolvent by the Commissioner of Insurance of the Commonwealth of Puerto Rico.

C. Gain contingencies – None

D. Extra contractual obligations – None

E. Joint and Several Liabilities

F. All Other Contingencies - The Company is defendant in legal actions arising in the ordinary course of business. Management, after consultation with its legal counselors, is of the opinion that the ultimate liability, if any, resulting from such pending legal actions, would not be material in relation to the financial position and results of operations of the Company

15. Leases

A. Lessee Leasing Arrangements – None

B. Lesser Leasing Arrangements – None

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

Financial instruments that potentially subject the Company to concentrations of credit risk consist principally of premiums receivable, accrued interest receivable, and other receivables. The Company's business activity is for insured's located throughout Puerto Rico, and as such, the Company is subject to the risks associated with the Puerto Rico economy.

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

A. Transfers of Receivables Reported as Sales – None

B. Transfer and Servicing of Financial Assets – None

C. Wash Sales – None

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

A. ASO Plans – None

B. ASC Plans

The Company provides administrative services such as claims processing to various groups under cost-based reimbursement contracts for uninsured health plans. In accordance with SSAP No. 47, Uninsured Plans, earned premiums and benefits to policyholders related to health plans insured by the Company shall exclude the operations resulting from uninsured administrative service contracts. Additionally, administrative fees and related reimbursements from the plan sponsor are deducted from general and administrative expenses.

The gain from operations from Administrative Services Contract (ASC) uninsured plans and the uninsured portion of partially insured plans were as follows for the year ended December 31, 2016:

Notes to Financial Statements

	ASC Uninsured Plans	Uninsured Portion of Partially Insured Plans	Total ASC
a Gross reimbursement for medical cost incurred	\$ 59,665,222	\$ -	\$ 59,665,222
b Gross administrative fees accrued	5,654,433	-	5,654,433
c Other income or expenses (including interest paid to or received from plans)	-	-	-
d Gross expenses incurred (claims and administrative)	61,394,555	-	61,394,555
e Total net gain or loss from operations	\$ 3,925,100	\$ -	\$ 3,925,100

C. Medicare or Other Similarly Structured Cost Based Reimbursement Contract - Not applicable.

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

None

20. Fair Value Measurements

A. Inputs used for assets measured and reported at fair value.

- Included in various investment-related line items in the statutory financial statements are certain financial instruments carried at fair value. Other financial instruments are periodically measured at fair value, such as when impaired, or, for certain bonds and preferred stock when carried at the lower of cost or market. The fair value of an asset is the amount at which that asset could be bought or sold in a current transaction between willing parties, that is, other than in a forced or liquidation sale. The fair value of a liability is the amount at which that liability could be incurred or settled in a current transaction between willing parties, that is, other than in a forced or liquidation sale.

Fair values are based on quoted market prices when available. When market prices are not available, fair value is generally estimated using discounted cash flow analyses, incorporating current market inputs for similar financial instruments with comparable terms, and credit quality (matrix pricing). In instances where there is little or no market activity for the same or similar instruments, the Company estimates fair value using methods, models, and assumptions that management believes market participants would use to determine a current transaction price. These valuation techniques involve some level of management estimation and judgment, which becomes significant with increasingly complex instruments or pricing models. Where appropriate, adjustments are included to reflect the risk inherent in a particular methodology, model, or input used.

The Company's financial assets and liabilities carried at fair value have been classified, for disclosure purposes, based on a hierarchy defined by SSAP 100. The hierarchy gives the highest ranking to fair values determined using unadjusted quoted prices in active markets for identical assets and liabilities (Level 1) and the lowest ranking to fair values determined using methodologies and models with unobservable inputs (Level 3). An asset's or a liability's classification is based on the lowest level input that is significant to its measurement. For example, a Level 3 fair value measurement may include inputs that are both observable (Levels 1 and 2) and unobservable (Level 3). The levels of the fair value hierarchy are as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company has the ability to access at the measurement date.
- Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3 inputs are unobservable inputs for the asset or liability.

The level in the fair value hierarchy within which a fair measurement in its entirety falls is based on the lowest level input that is significant to the fair value measurement in its entirety.

Notes to Financial Statements

The following table presents the fair value hierarchy level for the company's assets and liabilities that are measured at fair market value at December 31, 2016.

(1) Fair Value Measurements at reporting Date 2016

Description for each class of asset or liability	(Level 1)	(Level 2)	(Level 3)	Total
a. Assets at fair value				
Bonds				
Us Treasury Securities and Us Obligation of the US Gov Instr and States	\$ -	\$ 8,311,394	\$ -	\$ 8,311,394
Obligation of the Commonwealth of PR and its Instrumentalities	-	\$ 265,342		265,342
Corp Debt Securities	-	\$ 420,673		420,673
Mortgage-backed Securities	-	\$ 278,374		278,374
Common and Preferred Stocks	-	570,392		570,392
Money Market Funds	2,519,771			2,519,771
Total Bonds	<u>\$ 2,519,771</u>	<u>\$ 9,846,176</u>	<u>\$ -</u>	<u>\$ 12,365,947</u>
Separate account assets	\$ -	\$ -	\$ -	\$ -
Total assets at fair value	<u>\$ 2,519,771</u>	<u>\$ 9,846,176</u>	<u>\$ -</u>	<u>\$ 12,365,947</u>

2. The company has no assets or liabilities measured at fair value in the Level 3 category.

3. No transfers into or out of Level 3.

4. The company has no derivative assets and liabilities reporting.

B. Other Fair Value disclosures – Non applicable.

C. The table below reflects the fair values and admitted values of all admitted assets that are financial instruments excluding those accounted for under the equity method. The fair values are also categorized into the three-level fair value hierarchy as described in the table above.

Type of financial Instruments	Aggregate Fair Value	Admitted Assets	(Level 1)	(Level 2)	(Level 3)	Not Practicable (Carrying Value)
Bonds	\$ 9,275,784	\$ 9,206,029		\$ 9,275,784		
Common Stock	\$ 215,532	\$ 215,532		\$ 215,532		
Preferred Stock	\$ 354,860	\$ 354,860		\$ 354,860		
Cash, cash equivalent and short-term investments	\$ 39,622,455	\$ 39,622,455	\$ 2,519,771			

D. Financial instruments for which it is not practicable to estimate fair values – Not applicable.

21. Other Items

A. Unusual or Infrequent Items – Not applicable.

B. Troubled Debt Restructuring – Not applicable.

C. A Certificate of deposit of \$1,655,398 is deposited at the office of the Commissioner of Insurance to comply with deposit requirements of the Insurance Code.

D. Business Interruption Insurance Recovery – Not applicable.

E. The company has not investment in State Transferable Tax Credits.

F. The company has no exposure to subprime mortgage risk.

Notes to Financial Statements

G. Retained Assets – Not applicable.

H. Offsetting and Netting of Assets and Liabilities – Not applicable.

22. Events Subsequent

Type I – Recognized Subsequent Events – None

Type II – No recognized Subsequent Events:

Information regarding the ACA assessment was as follow:

	<u>Current Year</u>	<u>Prior Year</u>
<u>A</u> Did the reporting entity write accident and health insurance premium that is subject to Section 9010 of the federal Affordable Care Act (YES/NO)?	YES	
<u>B</u> ACA fee assessment payable for the upcoming year	\$ -	\$ 5,184,736
<u>C</u> ACA fee assessment paid	\$ 5,348,734	\$ 5,184,736
<u>D</u> Premium written subject to ACA 9010 assessment	\$ -	\$ 305,535,818
<u>E</u> Total Adjusted Capital before surplus adjustment (<u>Five-Year Historical Line 30</u>)	\$ 19,640,507	
<u>F</u> Total Adjusted Capital after surplus adjustment (<u>Five-Year Historical Line 30 minus 22B above</u>)	\$ 19,640,507	
<u>G</u> Authorized Control Level after surplus adjustment (<u>Five-Year Historical Line 31</u>)	\$ 12,931,014	
<u>H</u> Would reporting the ACA assessment as of December 31, 2016, have triggered an RBC action level (YES/NO)?	NO	

23. Reinsurance

A. Ceded Reinsurance Report

Section 1 - General Interrogatories

1. Are any of the reinsurers, listed in Schedule S and 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)

2. 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) that is owned in excess of 10% or controlled directly or indirectly by an insured, a beneficiary, a creditor or any other person not primarily engaged in the insurance business?

Yes () No (X)

Section 2 - Ceded Reinsurance Report Part A

1. 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 credit?

Yes () No (X)

- a. If yes, what is the estimated amount of the aggregate reduction in surplus of a unilateral cancellation by the reinsurer as of the date of this statement, for those agreements in which cancellation results in a net obligation of the reporting entity to the reinsurer, and for which such obligation is not presently accrued? Where necessary, the reporting entity may consider the current or anticipated experience of the business reinsured in making this estimate \$0.

- b. What is the total amount of reinsurance credits taken, whether as an asset or as a reduction of liability for these agreements in this statement?

Notes to Financial Statements

2. Does the reporting entity 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 that, 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)

If yes, give full details.

Section 3 - Ceded Reinsurance Report Part B

1. What is the estimated amount of the aggregate reduction in surplus, (for agreements other than those under which the reinsurer may unilaterally cancel for reasons other than for nonpayment of premium or other similar credits that are reflected in Section 2 above) of termination of ALL reinsurance agreements, by either party, as of the date of this statement? \$0.

2. Have any new agreements been executed or existing agreements amended, since January 1 of the year of this statement, to include policies or contracts that were in force or which had existing reserves established by the company as of the effective date of the agreement?

Yes () No (X)

If yes, what is the amount of reinsurance credits, whether an asset or a reduction of liability, taken for such new agreements or amendments?

- B. As of December 31, 2016, the Company had no uncollectible reinsurance balances written off through income and expenses.
- C. The company has not commuted any ceded reinsurance during the period.
- D. Certified Reinsurer Downgraded or Status Subject to Revocation – None.
- E. Reinsurance of variable annuity contract - None.
- F. Reinsurance agreement with an affiliated captive reinsurer – None.
- G. Ceding entities that utilize captive – None.

24. Retrospectively Rated Contracts & Contracts Subject to Redetermination

- A. The company estimates accrued retrospective premium adjustments related to MLR rebates for its group and individual insurance using actual experience by segment (individual, small group, large group). A three year MLR calculation as established by the regulation is used.
- B. The company records accrued retrospective premium as an adjustment to written premium.
- C. None
- D. Medical loss ratio rebates required pursuant to the Public Health Service Act. - None
- E. Risk Sharing Provisions of the Affordable Care Act (ACA). - None

25. Change in Incurred Losses and Loss Adjustment Expenses

None

26. Intercompany Pooling Arrangements

None

27. Structured Settlements

Notes to Financial Statements

None

28. Health Care Receivables

A. Pharmaceutical Rebates Receivable

Quarter	Estimated Pharmacy Rebates as Reported on Financial Statements	Pharmacy Rebates as Billed or Otherwise Confirmed	Actual Rebates Received within 90 days of billing	Actual rebates received within 91 to 180 days of billing	Actual rebates received more than 180 days after billing
12/31/2016	921,907	993,036	993,036		
9/30/2016	913,603	919,988	919,988		
6/30/2016	868,136	969,142	969,142		
3/31/2016	890,589	1,019,648	1,019,648		
12/31/2015	279,932	317,522	316,640		267,428
9/30/2015	283,971	298,918	298,918	260,673	
6/30/2015	310,482	312,282	312,065	167	229,250
3/31/2015	553,621	326,068	325,558	240,284	-
12/31/2014	344,247	289,856	314,040		
9/30/2014	92,347	271,150	253,000		
6/30/2014	375,000	270,276		290,509	
3/31/2014	325,000	280,756		293,836	

The Company estimates the rebate receivable based on historical trends data and rebate's confirmation received from the Pharmacy Benefit Manager. The estimated balance of pharmacy rebate receivable as of December 31, 2016 is \$1,062,882.

B. Risk Sharing Receivable – None

29. Participating Policies

None

30. Premium Deficiency Reserves

None

31. Reserves for Life Contracts and Annuity Contracts

None

32. Analysis of Annuity Actuarial Reserves and Deposit Type Liabilities by Withdrawal Characteristics

None

33. Premiums and Annuity Considerations Deferred and Uncollected

None

34. Separate Accounts

None

35. Loss/Claim Adjustment Expenses

Notes to Financial Statements

The balance in the liability for unpaid accident and health claim adjustment expenses as of December 31, 2016 was \$27,306,822.

The company incurred \$257,302,037 and paid \$266,717,421 of claim adjustment expenses in the current year, of which \$34,284,560 of the paid amount was attributable to insured or covered events of prior years.

Because unpaid claims include various actuarially developed estimates, the Company's actual medical costs and claims expense may be more or less than the Company's previously developed estimates. As a result of change in estimate of insured events in prior years, the incurred claims for prior period insured events during the period ended December 31, 2016 were lower due to an unfavorable development of claims that is attributed to more-than-expected cost per service and utilization trends.

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]
Puerto Rico
- 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. 12/31/2009
- 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. 12/31/2009
- 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). 10/31/2014
- 3.4 By what department or departments?
- 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[] No[] N/A[X]
- 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. Yes[] No[X]

1 Name of Entity	2 NAIC Company Code	3 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 Nationality	2 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. Yes[] No[X]
- 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 locations (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 Affiliate Name	2 Location (City, State)	3 FRB	4 OCC	5 FDIC	6 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?
KPMG- San Juan Office
- 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 18A 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?
Matthew P. Chamblee, Milliman, Tampa Fla
- 12.1 Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly? Yes[] No[X]

GENERAL INTERROGATORIES (Continued)

- 12.11 Name of real estate holding company
 12.12 Number of parcels involved
 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? Yes [] No [] N/A [X]
 13.2 Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located? Yes [] No [] N/A [X]
 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?
- 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?
 a. Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
 b. Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
 c. Compliance with applicable governmental laws, rules and regulations;
 d. The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
 e. Accountability for adherence to the code. Yes [X] No []
 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 American Bankers Association (ABA) Routing Number	2 Issuing or Confirming Bank Name	3 Circumstances That Can Trigger the Letter of Credit	4 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 [] No [X]
 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]

GENERAL INTERROGATORIES (Continued)

- 24.10 For the reporting entity's security lending program, state the amount of the following as of December 31 of the current year:
- 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 \$ 1,655,398
 - 25.29 On deposit with other regulatory bodies \$ 0
 - 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 Nature of Restriction	2 Description	3 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 Name of Custodian(s)	2 Custodian's Address
First Clearance	1 N. JEFFERSON AVE, ST LOUIS, MO 63103
Pershing LLC	ONE PERSHING PLAZA, JERSEY CITY, NEW JERSEY 07399

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 Name(s)	2 Location(s)	3 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 Old Custodian	2 New Custodian	3 Date of Change	4 Reason

28.05 Investment management - Identify all investment advisors, investment managers, broker/dealers, including individuals that have the authority to make investment decisions on behalf of the reporting entity. For assets that are managed internally by employees of the reporting entity, note as such. ["...that have access to the investment accounts"; "...handle securities"]

1 Name of Firm or Individual	2 Affiliation

- 28.0597 For those firms/individuals listed in the table for Question 28.05, do any firms/individuals unaffiliated with the reporting entity (i.e. designated with a "U") manage more than 10% of the reporting entity's assets? Yes[] No[X]
- 28.0598 For firms/individuals unaffiliated with the reporting entity (i.e. designated with a "U") listed in the table for Question 28.05, does the total assets under management aggregate to more than 50% of the reporting entity's assets? Yes[] No[X]
- 28.06 For those firms or individuals listed in the table for 28.05 with an affiliation code of "A" (affiliated) or "U" (unaffiliated), provide the information for the table below.

GENERAL INTERROGATORIES (Continued)

1 Central Registration Depository Number	2 Name of Firm or Individual	3 Legal Entity Identifier (LEI)	4 Registered With	5 Investment Management Agreement (IMA) Filed

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 CUSIP #	2 Name of Mutual Fund	3 Book/Adjusted Carrying Value
29.2999 Total		

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

1 Name of Mutual Fund (from above table)	2 Name of Significant Holding of the Mutual Fund	3 Amount of Mutual Fund's Book/Adjusted Carrying Value Attributable to the Holding	4 Date of 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 Statement (Admitted) Value	2 Fair Value	3 Excess of Statement over Fair Value (-), or Fair Value over Statement (+)
30.1 Bonds	9,206,029	9,286,858	80,829
30.2 Preferred stocks	354,860	354,860	
30.3 Totals	9,560,889	9,641,718	80,829

30.4 Describe the sources or methods utilized in determining the fair values:
Standard publications of market valuation

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 Investment Analysis 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? \$ 20,000

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 Name	2 Amount Paid
ACODESE	20,000

34.1 Amount of payments for legal expenses, if any? \$ 118,506

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 Name	2 Amount Paid

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.

GENERAL INTERROGATORIES (Continued)

1 Name	2 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 Current Year	2 Prior Year
2.1 Premium Numerator	306,183,063	303,968,309
2.2 Premium Denominator	308,418,224	306,391,696
2.3 Premium Ratio (2.1 / 2.2)	0.993	0.992
2.4 Reserve Numerator	27,056,822	36,472,205
2.5 Reserve Denominator	27,306,822	36,722,205
2.6 Reserve Ratio (2.4 / 2.5)	0.991	0.993

- 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 reporting entity 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[X] N/A []
- 8.3 If 8.1 is yes, the amounts of earned premiums and claims incurred in this statement are:

	1 Reinsurance Assumed	2 Reinsurance Ceded	3 Net 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 Earned Premium	2 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 reporting entity 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 Waiting Period Remaining	4 Account Value Related to Column 3	5 Total Related Account Values	6 Gross Amount of Reserve	7 Location of Reserve	8 Portion Reinsured	9 Reinsurance Reserve Credit
1 Guaranteed Death Benefit	2 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 P&C Insurance Company and Location	2 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 Company Name	2 NAIC Company Code	3 Domiciliary Jurisdiction	4 Reserve Credit	Assets Supporting Reserve Credit		
				5 Letters of Credit	6 Trust Agreements	7 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 2016	2 2015	3 2014	4 2013	5 2012
Life Insurance in Force (Exhibit of Life Insurance)					
1. Ordinary - whole life and endowment (Line 34, Column 4)					
2. Ordinary - term (Line 21, Column 4, less Line 34, Column 4)					
3. Credit life (Line 21, Column 6)					
4. Group, excluding FEGLI/SGLI (Line 21, Column 9 less Lines 43 & 44, Column 4)	964,498	986,956	1,068,133	1,072,616	896,239
5. Industrial (Line 21, Column 2)					
6. FEGLI/SGLI (Lines 43 & 44, Column 4)					
7. TOTAL (Line 21, Column 10)	964,498	986,956	1,068,133	1,072,616	896,239
New Business Issued (Exhibit of Life Insurance)					
8. Ordinary - whole life and endowment (Line 34, Column 2)					
9. Ordinary - term (Line 2, Column 4, less Line 34, Column 2)					
10. Credit life (Line 2, Column 6)					
11. Group (Line 2, Column 9)	160,319	253,503	184,772	212,275	151,117
12. Industrial (Line 2, Column 2)					
13. TOTAL (Line 2, Column 10)	160,319	253,503	184,772	212,275	151,117
Premium Income-Lines of Business (Exhibit 1 - Part 1)					
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 3)					
15.2 Ordinary individual annuities (Exhibit 1 - Part 1, Line 20.4, Column 4)					
16. Credit life, (group and individual) (Exhibit 1 - Part 1, Line 20.4, Column 5)					
17.1 Group life insurance (Exhibit 1 - Part 1, Line 20.4, Column 6)	2,235,161	2,423,387	2,468,431	2,481,564	2,432,399
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)	279,400,603	265,129,754	249,211,965	225,887,617	189,792,584
18.2 A & H credit (group and individual) (Exhibit 1 - Part 1, Line 20.4, Column 9)					
18.3 A & H other (Exhibit 1 - Part 1, Line 20.4 Column 10)	26,782,460	38,838,556	25,853,444	24,013,200	23,255,529
19. Aggregate of all other lines of business (Exhibit 1 - Part 1, Line 20.4, Column 11)					
20. TOTAL	308,418,224	306,391,696	277,533,840	252,382,382	215,480,511
Balance Sheet Items (Pages 2 and 3)					
21. TOTAL Admitted Assets excluding Separate Accounts business (Page 2, Line 26, Column 3)	68,708,634	71,656,818	60,883,994	67,332,962	55,359,096
22. TOTAL Liabilities excluding Separate Accounts business (Page 3, Line 26)	48,157,447	61,264,579	40,656,158	45,164,454	38,022,581
23. Aggregate life reserves (Page 3, Line 1)					
24. Aggregate A & H reserves (Page 3, Line 2)					
25. Deposit-type contract funds (Page 3, Line 3)					
26. Asset valuation reserve (Page 3, Line 24.1)	197,971	119,087	167,941	108,467	135,583
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)	18,051,187	7,892,238	17,727,836	19,668,508	14,836,515
Cash Flow (Page 5)					
29. Net Cash from Operations (Line 11)	2,021,551	4,522,564	(2,232,090)	(929,906)	7,546,159
Risk-Based Capital Analysis					
30. TOTAL Adjusted Capital	20,749,158	10,511,325	20,395,777	22,276,975	17,472,098
31. Authorized control level risk-based capital	10,650,295	11,239,092	9,637,320	9,183,386	7,813,952
Percentage Distribution of Cash, Cash Equivalents and Invested Assets (Page 2, Column 3) (Line No./Page 2, Line 12, Column 3) x 100.0					
32. Bonds (Line 1)	18.6	12.5	30.5	43.2	51.1
33. Stocks (Lines 2.1 and 2.2)	1.2	1.0	1.4	1.2	1.3
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)	80.2	86.5	68.1	55.6	47.6
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 2016	2 2015	3 2014	4 2013	5 2012
Investments in Parent, Subsidiaries and Affiliates					
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					
TOTAL Nonadmitted and Admitted Assets					
52. TOTAL Nonadmitted Assets (Page 2, Line 28, Column 2)	1,081,346	46,302	968,067	733,298	1,384,964
53. TOTAL Admitted Assets (Page 2, Line 28, Column 3)	68,708,634	71,656,818	60,883,994	67,332,962	55,359,096
Investment Data					
54. Net investment income (Exhibit of Net Investment Income)	179,135	681,966	652,595	748,858	814,754
55. Realized capital gains (losses) (Page 4, Line 34, Column 1)	(35,000)	(853,271)	(196,239)	(363,707)	(1,313)
56. Unrealized capital gains (losses) (Page 4, Line 38, Col. 1)	69,855	(78,015)	43,904	(36,734)	90,691
57. TOTAL of Above Lines 54, 55, and 56	213,990	(249,320)	500,260	348,416	904,132
Benefits and Reserve Increase (Page 6)					
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)	432,125	1,191,000	768,500	752,746	654,837
59. TOTAL Contract Benefits - A & H (Lines 13 & 14, Columns 9, 10 & 11)	257,302,037	271,959,180	228,190,811	211,795,866	174,267,977
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)					
62. Dividends to policyholders (Line 30, Column 1)					
Operating Percentages					
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	9.9	11.5	15.8	14.8	18.1
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)	84.0	89.5	83.1	84.7	81.9
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)	11.1	12.6	17.0	15.5	18.4
A & H Claim Reserve Adequacy					
68. Incurred losses on prior years' claims - group health (Schedule H, Part 3, Line 3.1, Column 2)	28,903,263	19,060,182	20,048,579	17,616,124	17,767,389
69. Prior years' claim liability and reserve - group health (Schedule H, Part 3, Line 3.2, Column 2)	29,562,304	20,607,091	22,124,898	16,922,547	18,653,984
70. Incurred losses on prior years' claims - health other than group (Schedule H, Part 3, Line 3.1, Column 1 less Col. 2)	6,498,841	2,663,106	2,425,409	2,034,317	2,245,871
71. Prior years' claim liability and reserve - health other than group (Schedule H, Part 3, Line 3.2, Column 1 less Col. 2)	6,909,901	2,096,094	2,753,849	2,151,740	2,335,630
Net Gains From Operations After Federal Income Taxes by Lines of Business (Page 6, Line 33)					
72. Industrial life (Column 2)					
73. Ordinary - life (Column 3)					
74. Ordinary - individual annuities (Column 4)					
75. Ordinary - supplementary contracts (Column 5)					
76. Credit life (Column 6)					
77. Group life (Column 7)	1,322,527	919,865	1,316,809	1,346,980	1,443,550
78. Group annuities (Column 8)					
79. A & H - group (Column 9)	5,821,271	1,965,009	(2,442,286)	(1,265,540)	(1,301,770)
80. A & H - credit (Column 10)					
81. A & H - other (Column 11)	2,108,194	(12,775,406)	(355,329)	1,466,701	1,691,883
82. Aggregate of all other lines of business (Column 12)					
83. TOTAL (Column 1)	9,251,992	(9,890,532)	(1,480,807)	1,548,141	1,833,663

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:



DIRECT BUSINESS IN THE STATE OF PUERTO RICO

DURING THE YEAR 2016

NAIC Group Code: 1301

LIFE INSURANCE

NAIC Company Code: 60030

DIRECT PREMIUMS AND ANNUITY CONSIDERATIONS	1	2	3	4	5
	Ordinary	Credit Life (Group and Individual)	Group	Industrial	Total
1. Life Insurance			2,521,912		2,521,912
2. Annuity considerations					
3. Deposit-type contract funds		X X X		X X X	
4. Other considerations					
5. TOTALS (sum of Lines 1 to 4)			2,521,912		2,521,912
DIRECT DIVIDENDS TO POLICYHOLDERS					
Life Insurance:					
6.1 Paid in cash or left on deposit					
6.2 Applied to pay renewal premiums					
6.3 Applied to provide paid-up additions or shorten the endowment or premium - paying period					
6.4 Other					
6.5 TOTALS (sum of Lines 6.1 to 6.4)					
Annuities:					
7.1 Paid in cash or left on deposit					
7.2 Applied to provide paid-up annuities					
7.3 Other					
7.4 TOTALS (sum of Lines 7.1 to 7.3)					
8. GRAND TOTALS (Lines 6.5 plus 7.4)					
DIRECT CLAIMS AND BENEFITS PAID					
9. Death benefits			432,125		432,125
10. Matured endowments					
11. Annuity benefits					
12. Surrender values and withdrawals for life contracts					
13. Aggregate write-ins for miscellaneous direct claims and benefits paid					
14. All other benefits, except accident and health					
15. TOTALS			432,125		432,125

DETAILS OF WRITE-INS					
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)					

DIRECT DEATH BENEFITS AND MATURED ENDOWMENTS INCURRED	Ordinary		Credit Life (Group and Individual)		Group		Industrial		Total	
	1 Number	2 Amount	3 No. of Ind.Pols & Group Certifs.	4 Amount	5 No. of Certi- ficates	6 Amount	7 Number	8 Amount	9 Number	10 Amount
16. Unpaid December 31, prior year						250,000				250,000
17. Incurred during current year						432,125				432,125
Settled during current year:										
18.1 By payment in full						432,125				432,125
18.2 By payment on compromised claims										
18.3 TOTALS Paid						432,125				432,125
18.4 Reduction by compromise										
18.5 Amount rejected										
18.6 TOTAL Settlements						432,125				432,125
19. Unpaid Dec. 31, current year (Lines 16 + 17 - 18.6)						250,000				250,000
POLICY EXHIBIT						No. of Policies				
20. In force December 31, prior year			(a)		56,953	986,956			56,953	986,956
21. Issued during year					9,251	160,319			9,251	160,319
22. Other changes to in force (Net)					(10,556)	(182,777)			(10,556)	(182,777)
23. In force December 31 of current year			(a)		55,648	964,498			55,648	964,498

(a) Includes Individual Credit Life Insurance prior year \$.....0, current year \$.....0.
Includes Group Credit Life Insurance Loans less than or equal to 60 months at issue, prior year \$.....0, current year \$.....0.
Loans greater than 60 months at issue BUT NOT GREATER THAN 120 MONTHS prior year \$.....0, current year \$.....0.

ACCIDENT AND HEALTH INSURANCE

	1	2	3	4	5
	Direct Premiums	Direct Premiums Earned	Dividends Paid Or Credited On Direct Business	Direct Losses Paid	Direct Losses Incurred
24. Group Policies (b)	280,420,940	279,400,603		240,905,567	236,040,355
24.1 Federal Employees Health Benefits Plan Premium (b)					
24.2 Credit (Group and Individual)					
24.3 Collectively Renewable Policies (b)					
24.4 Medicare Title XVIII exempt from state taxes or fees Other Individual Policies					
25.1 Non-cancelable (b)					
25.2 Guaranteed renewable (b)	26,901,813	26,782,460		25,811,853	21,261,682
25.3 Non-renewable for stated reasons only (b)					
25.4 Other accident only					
25.5 All other (b)					
25.6 TOTALS (sum of Lines 25.1 to 25.5)	26,901,813	26,782,460		25,811,853	21,261,682
26. TOTALS (Lines 24 + 24.1 + 24.2 + 24.3 + 24.4 + 25.6)	307,322,753	306,183,063		266,717,420	257,302,037

(b) For health business on indicated lines report: Number of persons insured under PPO managed care products0 and number of persons insured under indemnity only products0.



DIRECT BUSINESS IN THE STATE OF GRAND TOTAL

DURING THE YEAR 2016

NAIC Group Code: 1301

LIFE INSURANCE

NAIC Company Code: 60030

		1	2	3	4	5
DIRECT PREMIUMS AND ANNUITY CONSIDERATIONS		Ordinary	Credit Life (Group and Individual)	Group	Industrial	Total
1.	Life Insurance			2,521,912		2,521,912
2.	Annuity considerations					
3.	Deposit-type contract funds		X X X		X X X	
4.	Other considerations					
5.	TOTALS (sum of Lines 1 to 4)			2,521,912		2,521,912
DIRECT DIVIDENDS TO POLICYHOLDERS						
Life Insurance:						
6.1	Paid in cash or left on deposit					
6.2	Applied to pay renewal premiums					
6.3	Applied to provide paid-up additions or shorten the endowment or premium - paying period					
6.4	Other					
6.5	TOTALS (sum of Lines 6.1 to 6.4)					
Annuities:						
7.1	Paid in cash or left on deposit					
7.2	Applied to provide paid-up annuities					
7.3	Other					
7.4	TOTALS (sum of Lines 7.1 to 7.3)					
8.	GRAND TOTALS (Lines 6.5 plus 7.4)					
DIRECT CLAIMS AND BENEFITS PAID						
9.	Death benefits			432,125		432,125
10.	Matured endowments					
11.	Annuity benefits					
12.	Surrender values and withdrawals for life contracts					
13.	Aggregate write-ins for miscellaneous direct claims and benefits paid					
14.	All other benefits, except accident and health					
15.	TOTALS			432,125		432,125

DETAILS OF WRITE-INS						
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)					

	Ordinary		Credit Life (Group and Individual)		Group		Industrial		Total	
	1	2	3	4	5	6	7	8	9	10
DIRECT DEATH BENEFITS AND MATURED ENDOWMENTS INCURRED	Number	Amount	No. of Ind.Pols & Group Certifs.	Amount	No. of Certificates	Amount	Number	Amount	Number	Amount
16.	Unpaid December 31, prior year					250,000				250,000
17.	Incurred during current year					432,125				432,125
	Settled during current year:									
18.1	By payment in full					432,125				432,125
18.2	By payment on compromised claims									
18.3	TOTALS Paid					432,125				432,125
18.4	Reduction by compromise									
18.5	Amount rejected									
18.6	TOTAL Settlements					432,125				432,125
19.	Unpaid Dec. 31, current year (Lines 16 + 17 - 18.6)					250,000				250,000
					No. of Policies					
20.	In force December 31, prior year			(a)	56,953	986,956			56,953	986,956
21.	Issued during year				9,251	160,319			9,251	160,319
22.	Other changes to in force (Net)				(10,556)	(182,777)			(10,556)	(182,777)
23.	In force December 31 of current year			(a)	55,648	964,498			55,648	964,498

(a) Includes Individual Credit Life Insurance prior year \$.....0, current year \$.....0.
 Includes Group Credit Life Insurance Loans less than or equal to 60 months at issue, prior year \$.....0, current year \$.....0.
 Loans greater than 60 months at issue BUT NOT GREATER THAN 120 MONTHS prior year \$.....0, current year \$.....0.

ACCIDENT AND HEALTH INSURANCE

		1	2	3	4	5
		Direct Premiums	Direct Premiums Earned	Dividends Paid Or Credited On Direct Business	Direct Losses Paid	Direct Losses Incurred
24.	Group Policies (b)	280,420,940	279,400,603		240,905,567	236,040,355
24.1	Federal Employees Health Benefits Plan Premium (b)					
24.2	Credit (Group and Individual)					
24.3	Collectively Renewable Policies (b)					
24.4	Medicare Title XVIII exempt from state taxes or fees Other Individual Policies					
25.1	Non-cancelable (b)					
25.2	Guaranteed renewable (b)	26,901,813	26,782,460		25,811,853	21,261,682
25.3	Non-renewable for stated reasons only (b)					
25.4	Other accident only					
25.5	All other (b)					
25.6	TOTALS (sum of Lines 25.1 to 25.5)	26,901,813	26,782,460		25,811,853	21,261,682
26.	TOTALS (Lines 24 + 24.1 + 24.2 + 24.3 + 24.4 + 25.6)	307,322,753	306,183,063		266,717,420	257,302,037

(b) For health business on indicated lines report: Number of persons insured under PPO managed care products0 and number of persons insured under indemnity only products0.

EXHIBIT OF LIFE INSURANCE

	Industrial		Ordinary		Credit Life (Group and Individual)		Group			10
	1	2	3	4	5	6	Number of		9	Total Amount of Insurance (a)
	Number of Policies	Amount of Insurance (a)	Number of Policies	Amount of Insurance (a)	Number of Individual Policies and Group Certificates	Amount of Insurance (a)	7 Policies	8 Certificates	Amount of Insurance (a)	
1. In force end of prior year								56,953	986,956	986,956
2. Issued during year								9,251	160,319	160,319
3. Reinsurance assumed										
4. Revived during year										
5. Increased during year (net)										
6. Subtotals, Lines 2 to 5								9,251	160,319	160,319
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)								66,204	1,147,275	1,147,275
Deductions during year:										
10. Death							X X X	48	674	674
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)								10,508	182,103	182,103
18. Reinsurance										
19. Aggregate write-ins for decreases										
20. TOTALS (Lines 10 to 19)								10,556	182,777	182,777
21. In force end of year (Line 9 minus Line 20)								55,648	964,498	964,498
22. Reinsurance ceded end of year	X X X		X X X		X X X		X X X	X X X		
23. Line 21 minus Line 22	X X X		X X X		X X X	(b)	X X X	X X X	964,498	964,498
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)										
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 Number of Policies	2 Amount of Insurance (a)	3 Number of Policies	4 Amount 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

Term Insurance Excluding Extended Term Insurance	Issued During Year (included in Line 2)		In Force End of Year (included in Line 21)	
	1 Number of Policies	2 Amount of Insurance (a)	3 Number of Policies	4 Amount of Insurance (a)
27. Term policies -- decreasing				
28. Term policies -- other				
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)				
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)				

CLASSIFICATION OF AMOUNT OF INSURANCE (a) BY PARTICIPATING STATUS

	Issued During Year (included in Line 2)		In Force End of Year (included in Line 21)	
	1 Non-Participating	2 Participating	3 Non-Participating	4 Participating
36. Industrial				
37. Ordinary				
38. Credit Life (Group and Individual)				
39. Group	160,319		964,498	
40. TOTALS (Lines 36 to 39)	160,319		964,498	

ADDITIONAL INFORMATION ON CREDIT LIFE AND GROUP INSURANCE

	Credit Life		Group	
	1 Number of Individual Policies and Group Certificates	2 Amount of Insurance (a)	3 Number of Certificates	4 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)	
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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 Number of Policies	2 Amount of Insurance (a)	3 Number of Policies	4 Amount of Insurance (a)	5 Number of Policies	6 Amount of Insurance (a)	7 Number of Certificates	8 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 Involving Life Contingencies	2 Not Involving Life Contingencies	3 Involving Life Contingencies	4 Not Involving Life Contingencies
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)	NONE			
7. Reinsurance ceded				
8. TOTALS (Lines 6 and 7)				
9. In force end of year				
10. Amount on deposit		(a)		(a)
11. Income now payable				
12. Amount of income payable	(a)	(a)	(a)	(a)

ANNUITIES

	Ordinary		Group	
	1 Immediate	2 Deferred	3 Contracts	4 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)	NONE			
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 Certificates	2 Premiums in Force	3 Policies	4 Premiums in Force	5 Policies	6 Premiums in Force
1. In force end of prior year	1,810	151,984,155				
2. Issued during year	213	1,107,377				
3. Reinsurance assumed						
4. Increased during year (net)		X X X		X X X		X X X
5. TOTALS (Lines 1 to 4)	2,023	X X X		X X X		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)	159	X X X		X X X		X X X
8. Reinsurance ceded		X X X		X X X		X X X
9. TOTALS (Lines 6 to 8)	159	X X X		X X X		X X X
10. In force end of year	1,864	(a) 153,091,532		(a)		(a)

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)	NONE	
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.

FORM FOR CALCULATING THE INTEREST MAINTENANCE RESERVE

INTEREST MAINTENANCE RESERVE

		1 Amount
1.	Reserve as of December 31, Prior Year	
2.	Current Year's Realized Pre-Tax capital gains/(losses) of \$ 0 Transferred into the Reserve Net of Taxes of \$.....0.....	
3.	Adjustment for current year's liability gains/(losses) released to the Reserve	
4.	Balance before reduction for amount transferred to Surplus (Line 2 + Line 3)	
5.	Current year's amortization released to Summary of Operations (Amortization, Line 1, Column 4)	
6.	Reserve as of December 31, current year (Line 4 minus Line 5)	

AMORTIZATION

Year of Amortization		1 Reserve as of December 31, Prior Year	2 Current Year's Realized Capital Gains/(Losses) Transferred into the Reserve Net of Taxes	3 Adjustment for Current Year's Liability Gains/(Losses) Released From the Reserve	4 Balance Before Reduction for Current Year's Amortization (Columns 1 + 2 + 3)
1.	2016				
2.	2017				
3.	2018				
4.	2019				
5.	2020				
6.	2021				
7.	2022				
8.	2023				
9.	2024				
10.	2025				
11.	2026				
12.	2027				
13.	2028				
14.	2029				
15.	2030				
16.	2031				
17.	2032				
18.	2033				
19.	2034				
20.	2035				
21.	2036				
22.	2037				
23.	2038				
24.	2039				
25.	2040				
26.	2041				
27.	2042				
28.	2043				
29.	2044				
30.	2045				
31.	2046 and Later				
32.	TOTAL (Lines 1 to 31)				

ASSET VALUATION RESERVE

	Default Component			Equity Component			7 Total Amount (Columns 3 + 6)
	1 Other than Mortgage Loans	2 Mortgage Loans	3 Total (Columns 1 + 2)	4 Common Stock	5 Real Estate and Other Invested Assets	6 Total (Columns 4 + 5)	
1. Reserve as of December 31, prior year	90,097		90,097	28,990	0	28,990	119,087
2. Realized Capital Gains/(Losses) Net of Taxes - General Account							
3. Realized Capital Gains/(Losses) Net of Taxes - Separate Accounts							
4. Unrealized Capital Gains/(Losses) Net of Deferred Taxes - General Account	69,374		69,374	481		481	69,855
5. Unrealized Capital Gains/(Losses) Net of Deferred Taxes - Separate Accounts							
6. Capital gains credited/(losses charged) to contract benefits, payments or reserves							
7. Basic Contribution	19,071		19,071				19,071
8. Accumulated Balances (Lines 1 through 5 minus 6 plus 7)	178,542		178,542	29,471	0	29,471	208,013
9. Maximum Reserve	142,511		142,511	43,106		43,106	185,617
10. Reserve Objective	114,694		114,694	43,106		43,106	157,800
11. 20% of (Line 10 - Line 8)	(12,770)		(12,770)	2,727	0	2,727	(10,043)
12. Balance Before Transfers (Lines 8 + 11)	165,772		165,772	32,198	0	32,198	197,971
13. Transfers							
14. Voluntary Contribution							
15. Adjustment down to Maximum/up to Zero							
16. Reserve as of December 31, Current Year (Lines 12 + 13 + 14 + 15)	165,772		165,772	32,198	0	32,198	197,971

ASSET VALUATION RESERVE

BASIC CONTRIBUTION, RESERVE OBJECTIVE AND MAXIMUM RESERVE CALCULATIONS

DEFAULT COMPONENT

Line Number	NAIC Designation	Description	1 Book/Adjusted Carrying Value	2 Reclassify Related Party Encumbrances	3 Add Third Party Encumbrances	4 Balance for AVR Reserve Calculations (Columns 1 + 2 + 3)	Basic Contribution		Reserve Objective		Maximum Reserve	
							5 Factor	6 Amount (Columns 4 x 5)	7 Factor	8 Amount (Columns 4 x 7)	9 Factor	10 Amount (Columns 4 x 9)
LONG-TERM BONDS												
1.		Exempt Obligations	263,657	X X X	X X X	263,657	0.0000		0.0000		0.0000	
2.	1	Highest Quality	8,483,816	X X X	X X X	8,483,816	0.0004	3,394	0.0023	19,513	0.0030	25,451
3.	2	High Quality	183,132	X X X	X X X	183,132	0.0019	348	0.0058	1,062	0.0090	1,648
4.	3	Medium Quality		X X X	X X X		0.0093		0.0230		0.0340	
5.	4	Low Quality		X X X	X X X		0.0213		0.0530		0.0750	
6.	5	Lower Quality		X X X	X X X		0.0432		0.1100		0.1700	
7.	6	In or Near Default	275,424	X X X	X X X	275,424	0.0000		0.2000	55,085	0.2000	55,085
8.		TOTAL Unrated Multi-class Securities Acquired by Conversion		X X X	X X X		X X X		X X X		X X X	
9.		TOTAL Bonds (Sum of Lines 1 through 8)	9,206,029	X X X	X X X	9,206,029	X X X	3,741	X X X	75,660	X X X	82,184
PREFERRED STOCKS												
10.	1	Highest Quality		X X X	X X X		0.0004		0.0023		0.0030	
11.	2	High Quality		X X X	X X X		0.0019		0.0058		0.0090	
12.	3	Medium Quality		X X X	X X X		0.0093		0.0230		0.0340	
13.	4	Low Quality		X X X	X X X		0.0213		0.0530		0.0750	
14.	5	Lower Quality	354,860	X X X	X X X	354,860	0.0432	15,330	0.1100	39,035	0.1700	60,326
15.	6	In or Near Default		X X X	X X X		0.0000		0.2000		0.2000	
16.		Affiliated Life with AVR		X X X	X X X		0.0000		0.0000		0.0000	
17.		TOTAL Preferred Stocks (Sum of Lines 10 through 16)	354,860	X X X	X X X	354,860	X X X	15,330	X X X	39,035	X X X	60,326
SHORT-TERM BONDS												
18.		Exempt Obligations		X X X	X X X		0.0000		0.0000		0.0000	
19.	1	Highest Quality		X X X	X X X		0.0004		0.0023		0.0030	
20.	2	High Quality		X X X	X X X		0.0019		0.0058		0.0090	
21.	3	Medium Quality		X X X	X X X		0.0093		0.0230		0.0340	
22.	4	Low Quality		X X X	X X X		0.0213		0.0530		0.0750	
23.	5	Lower Quality		X X X	X X X		0.0432		0.1100		0.1700	
24.	6	In or Near Default		X X X	X X X		0.0000		0.2000		0.2000	
25.		TOTAL Short-term Bonds (Sum of Lines 18 through 24)		X X X	X X X		X X X		X X X		X X X	
DERIVATIVE INSTRUMENTS												
26.		Exchange Traded		X X X	X X X		0.0004		0.0023		0.0030	
27.	1	Highest Quality		X X X	X X X		0.0004		0.0023		0.0030	
28.	2	High Quality		X X X	X X X		0.0019		0.0058		0.0090	
29.	3	Medium Quality		X X X	X X X		0.0093		0.0230		0.0340	
30.	4	Low Quality		X X X	X X X		0.0213		0.0530		0.0750	
31.	5	Lower Quality		X X X	X X X		0.0432		0.1100		0.1700	
32.	6	In or Near Default		X X X	X X X		0.0000		0.2000		0.2000	
33.		TOTAL Derivative Instruments		X X X	X X X		X X X		X X X		X X X	
34.		TOTAL (Lines 9 + 17 + 25 + 33)	9,560,889	X X X	X X X	9,560,889	X X X	19,071	X X X	114,694	X X X	142,511

ASSET VALUATION RESERVE (Continued)
BASIC CONTRIBUTION, RESERVE OBJECTIVE AND MAXIMUM RESERVE CALCULATIONS
DEFAULT COMPONENT

Line Number	NAIC Designation	Description	1 Book/Adjusted Carrying Value	2 Reclassify Related Party Encumbrances	3 Add Third Party Encumbrances	4 Balance for AVR Reserve Calculations (Columns 1 + 2 + 3)	Basic Contribution		Reserve Objective		Maximum Reserve	
							5 Factor	6 Amount (Columns 4 x 5)	7 Factor	8 Amount (Columns 4 x 7)	9 Factor	10 Amount (Columns 4 x 9)
MORTGAGE LOANS												
In Good Standing:												
35.		Farm Mortgages - CMI - highest quality			X X X		0.0010		0.0050		0.0065	
36.		Farm Mortgages - CM2 - high quality			X X X		0.0035		0.0100		0.0130	
37.		Farm Mortgages - CM3 - medium quality			X X X		0.0060		0.0175		0.0225	
38.		Farm Mortgages - CM4 - low medium quality			X X X		0.0105		0.0300		0.0375	
39.		Farm Mortgages - CM5 - low quality			X X X		0.0160		0.0425		0.0550	
40.		Residential Mortgages - Insured or Guaranteed			X X X		0.0003		0.0006		0.0010	
41.		Residential Mortgages - All Other			X X X		0.0013		0.0030		0.0040	
42.		Commercial Mortgages - Insured or Guaranteed			X X X		0.0003		0.0006		0.0010	
43.		Commercial Mortgages - All Other - CM1 - highest quality			X X X		0.0010		0.0050		0.0065	
44.		Commercial Mortgages - All Other - CM2 - high quality			X X X		0.0035		0.0100		0.0130	
45.		Commercial Mortgages - All Other - CM3 - medium quality			X X X		0.0060		0.0175		0.0225	
46.		Commercial Mortgages - All Other - CM4 - low medium quality			X X X		0.0105		0.0300		0.0375	
47.		Commercial Mortgages - All Other - CM5 - low quality			X X X		0.0160		0.0425		0.0550	
Overdue, Not in Process:												
48.		Farm Mortgages			X X X		0.0420		0.0760		0.1200	
49.		Residential Mortgages - Insured or Guaranteed			X X X		0.0005		0.0012		0.0020	
50.		Residential Mortgages - All Other			X X X		0.0025		0.0058		0.0090	
51.		Commercial Mortgages - Insured or Guaranteed			X X X		0.0005		0.0012		0.0020	
52.		Commercial Mortgages - All Other			X X X		0.0420		0.0760		0.1200	
In Process of Foreclosure:												
53.		Farm Mortgages			X X X		0.0000		0.1700		0.1700	
54.		Residential Mortgages - Insured or Guaranteed			X X X		0.0000		0.0040		0.0040	
55.		Residential Mortgages - All Other			X X X		0.0000		0.0130		0.0130	
56.		Commercial Mortgages - Insured or Guaranteed			X X X		0.0000		0.0040		0.0040	
57.		Commercial Mortgages - All Other			X X X		0.0000		0.1700		0.1700	
58.		TOTAL Schedule B Mortgages (Sum of Lines 35 through 57)			X X X		X X X		X X X		X X X	
59.		Schedule DA Mortgages			X X X		0.0030		0.0100		0.0130	
60.		TOTAL Mortgage Loans on Real Estate (Lines 58 + 59)			X X X		X X X		X X X		X X X	

ASSET VALUATION RESERVE
BASIC CONTRIBUTION, RESERVE OBJECTIVE AND MAXIMUM RESERVE CALCULATIONS
EQUITY AND OTHER INVESTED ASSET COMPONENT

Line Number	NAIC Designation	Description	1 Book/Adjusted Carrying Value	2 Reclassify Related Party Encumbrances	3 Add Third Party Encumbrances	4 Balance for AVR Reserve Calculations (Columns 1 + 2 + 3)	Basic Contribution		Reserve Objective		Maximum Reserve	
							5 Factor	6 Amount (Columns 4 x 5)	7 Factor	8 Amount (Columns 4 x 7)	9 Factor	10 Amount (Columns 4 x 9)
COMMON STOCK												
1.		Unaffiliated Public	215,532	X X X	X X X	215,532	0.0000		0.2000 (a)	43,106	(a)	
2.		Unaffiliated Private		X X X	X X X		0.0000		0.1600		0.1600	
3.		Federal Home Loan Bank		X X X	X X X		0.0000		0.0050		0.0080	
4.		Affiliated Life with AVR		X X X	X X X		0.0000		0.0000		0.0000	
Affiliated Investment Subsidiary:												
5.		Fixed Income Exempt Obligations					X X X		X X X		X X X	
6.		Fixed Income Highest Quality					X X X		X X X		X X X	
7.		Fixed Income High Quality					X X X		X X X		X X X	
8.		Fixed Income Medium Quality					X X X		X X X		X X X	
9.		Fixed Income Low Quality					X X X		X X X		X X X	
10.		Fixed Income Lower Quality					X X X		X X X		X X X	
11.		Fixed Income In or Near Default					X X X		X X X		X X X	
12.		Unaffiliated Common Stock Public					0.0000		(a)		(a)	
13.		Unaffiliated Common Stock Private					0.0000		0.1600		0.1600	
14.		Real Estate					(b)		(b)		(b)	
15.		Affiliated-Certain Other (See SVO Purposes and Procedures Manual)		X X X	X X X		0.0000		0.1300		0.1300	
16.		Affiliated-All Other		X X X	X X X		0.0000		0.1600		0.1600	
17.		TOTAL Common Stock (Sum of Lines 1 through 16)	215,532			215,532	X X X		X X X		43,106	X X X
REAL ESTATE												
18.		Home Office Property (General Account Only)					0.0000		0.0750		0.0750	
19.		Investment Properties					0.0000		0.0750		0.0750	
20.		Properties Acquired in Satisfaction of Debt					0.0000		0.1100		0.1100	
21.		TOTAL Real Estate (Sum of Lines 18 through 20)					X X X		X X X		X X X	
OTHER INVESTED ASSETS												
INVESTMENTS WITH THE UNDERLYING CHARACTERISTICS OF BONDS												
22.		Exempt Obligations		X X X	X X X		0.0000		0.0000		0.0000	
23.	1	Highest Quality		X X X	X X X		0.0004		0.0023		0.0030	
24.	2	High Quality		X X X	X X X		0.0019		0.0058		0.0090	
25.	3	Medium Quality		X X X	X X X		0.0093		0.0230		0.0340	
26.	4	Low Quality		X X X	X X X		0.0213		0.0530		0.0750	
27.	5	Lower Quality		X X X	X X X		0.0432		0.1100		0.1700	
28.	6	In or Near Default		X X X	X X X		0.0000		0.2000		0.2000	
29.		TOTAL with Bond characteristics (Sum of Lines 22 through 28)		X X X	X X X		X X X		X X X		X X X	

ASSET VALUATION RESERVE (Continued)
BASIC CONTRIBUTION, RESERVE OBJECTIVE AND MAXIMUM RESERVE CALCULATIONS
EQUITY AND OTHER INVESTED ASSET COMPONENT

Line Number	NAIC Designation	Description	1 Book/Adjusted Carrying Value	2 Reclassify Related Party Encumbrances	3 Add Third Party Encumbrances	4 Balance for AVR Reserve Calculations (Columns 1 + 2 + 3)	Basic Contribution		Reserve Objective		Maximum Reserve	
							5 Factor	6 Amount (Columns 4 x 5)	7 Factor	8 Amount (Columns 4 x 7)	9 Factor	10 Amount (Columns 4 x 9)
INVESTMENTS WITH THE UNDERLYING CHARACTERISTICS OF PREFERRED STOCKS												
30.	1	Highest Quality		X X X	X X X		0.0004		0.0023		0.0030	
31.	2	High Quality		X X X	X X X		0.0019		0.0058		0.0090	
32.	3	Medium Quality		X X X	X X X		0.0093		0.0230		0.0340	
33.	4	Low Quality		X X X	X X X		0.0213		0.0530		0.0750	
34.	5	Lower Quality		X X X	X X X		0.0432		0.1100		0.1700	
35.	6	In or Near Default		X X X	X X X		0.0000		0.2000		0.2000	
36.		Affiliated Life with AVR		X X X	X X X		0.0000		0.0000		0.0000	
37.		TOTAL with Preferred Stock Characteristics (Sum of Lines 30 through 36)		X X X	X X X		X X X		X X X		X X X	
INVESTMENTS WITH THE UNDERLYING CHARACTERISTICS OF MORTGAGE LOANS												
In Good Standing Affiliated:												
38.		Mortgages - CM1 - highest quality			X X X		0.0010		0.0050		0.0065	
39.		Mortgages - CM2 - high quality			X X X		0.0035		0.0100		0.0130	
40.		Mortgages - CM3 - medium quality			X X X		0.0060		0.0175		0.0225	
41.		Mortgages - CM4 - low medium quality			X X X		0.0105		0.0300		0.0375	
42.		Mortgages - CM5 - low quality			X X X		0.0160		0.0425		0.0550	
43.		Residential Mortgages - Insured or Guaranteed			X X X		0.0003		0.0006		0.0010	
44.		Residential Mortgages - All Other		X X X	X X X		0.0013		0.0030		0.0040	
45.		Commercial Mortgages - Insured or Guaranteed			X X X		0.0003		0.0006		0.0010	
Overdue, Not in Process Affiliated:												
46.		Farm Mortgages			X X X		0.0420		0.0760		0.1200	
47.		Residential Mortgages - Insured or Guaranteed			X X X		0.0005		0.0012		0.0020	
48.		Residential Mortgages - All Other			X X X		0.0025		0.0058		0.0090	
49.		Commercial Mortgages - Insured or Guaranteed			X X X		0.0005		0.0012		0.0020	
50.		Commercial Mortgages - All Other			X X X		0.0420		0.0760		0.1200	
In Process of Foreclosure Affiliated:												
51.		Farm Mortgages			X X X		0.0000		0.1700		0.1700	
52.		Residential Mortgages - Insured or Guaranteed			X X X		0.0000		0.0040		0.0040	
53.		Residential Mortgages - All Other			X X X		0.0000		0.0130		0.0130	
54.		Commercial Mortgages - Insured or Guaranteed			X X X		0.0000		0.0040		0.0040	
55.		Commercial Mortgages - All Other			X X X		0.0000		0.1700		0.1700	
56.		Total Affiliated (Sum of Lines 38 through 55)			X X X		X X X		X X X		X X X	
57.		Unaffiliated - In Good Standing With Covenants			X X X		(c)		(c)		(c)	
58.		Unaffiliated - In Good Standing Defeased With Government Securities			X X X		0.0010		0.0050		0.0065	
59.		Unaffiliated - In Good Standing Primarily Senior			X X X		0.0035		0.0100		0.0130	
60.		Unaffiliated - In Good Standing All Other			X X X		0.0060		0.0175		0.0225	
61.		Unaffiliated - Overdue, Not in Process			X X X		0.0420		0.0760		0.1200	
62.		Unaffiliated - In Process of Foreclosure			X X X		0.0000		0.1700		0.1700	
63.		Total Unaffiliated (Sum of Lines 57 through 62)			X X X		X X X		X X X		X X X	
64.		TOTAL with Mortgage Loan Characteristics (Sum of Lines 56 + 63)			X X X		X X X		X X X		X X X	

ASSET VALUATION RESERVE (Continued)
BASIC CONTRIBUTION, RESERVE OBJECTIVE AND MAXIMUM RESERVE CALCULATIONS
EQUITY AND OTHER INVESTED ASSET COMPONENT

Line Number	NAIC Designation	Description	1 Book/Adjusted Carrying Value	2 Reclassify Related Party Encumbrances	3 Add Third Party Encumbrances	4 Balance for AVR Reserve Calculations (Columns 1 + 2 + 3)	Basic Contribution		Reserve Objective		Maximum Reserve	
							5 Factor	6 Amount (Columns 4 x 5)	7 Factor	8 Amount (Columns 4 x 7)	9 Factor	10 Amount (Columns 4 x 9)
INVESTMENTS WITH THE UNDERLYING CHARACTERISTICS OF COMMON STOCK												
65.		Unaffiliated Public		X X X	X X X		0.0000		(a)		(a)	
66.		Unaffiliated Private		X X X	X X X		0.0000		0.1600		0.1600	
67.		Affiliated Life with AVR		X X X	X X X		0.0000		0.0000		0.0000	
68.		Affiliated Certain Other (See SVO Purposes and Procedures Manual)		X X X	X X X		0.0000		0.1300		0.1300	
69.		Affiliated Other - All Other		X X X	X X X		0.0000		0.1600		0.1600	
70.		TOTAL with Common Stock Characteristics (Sum of Lines 65 through 69)		X X X	X X X		X X X		X X X		X X X	
INVESTMENTS WITH THE UNDERLYING CHARACTERISTICS OF REAL ESTATE												
71.		Home Office Property (General Account Only)					0.0000		0.0750		0.0750	
72.		Investment Properties					0.0000		0.0750		0.0750	
73.		Properties Acquired in Satisfaction of Debt					0.0000		0.1100		0.1100	
74.		TOTAL with Real Estate Characteristics (Sum of Lines 71 through 73)					X X X		X X X		X X X	
LOW INCOME HOUSING TAX CREDIT INVESTMENTS												
75.		Guaranteed Federal Low Income Housing Tax Credit					0.0003		0.0006		0.0010	
76.		Non-guaranteed Federal Low Income Housing Tax Credit					0.0063		0.0120		0.0190	
77.		Guaranteed State Low Income Housing Tax Credit					0.0003		0.0006		0.0010	
78.		Non-guaranteed State Low Income Housing Tax Credit					0.0063		0.0120		0.0190	
79.		All Other Low Income Housing Tax Credit					0.0273		0.0600		0.0975	
80.		TOTAL LIHTC (Sum of Lines 75 through 79)					X X X		X X X		X X X	
ALL OTHER INVESTMENTS												
81.		NAIC 1 Working Capital Finance Investments		X X X			0.0000		0.0037		0.0037	
82.		NAIC 2 Working Capital Finance Investments		X X X			0.0000		0.0120		0.0120	
83.		Other Invested Assets - Schedule BA		X X X			0.0000		0.1300		0.1300	
84.		Other Short-Term Invested Assets - Schedule DA		X X X			0.0000		0.1300		0.1300	
85.		TOTAL All Other (Sum of Lines 81, 82, 83 and 84)		X X X			X X X		X X X		X X X	
86.		TOTAL Other Invested Assets - Schedules BA & DA (Sum of Lines 29, 37, 64, 70, 74, 80 and 85)					X X X		X X X		X X X	

(a) Times the company's weighted average portfolio beta (Minimum .10, Maximum .20).
 (b) Determined using same factors and breakdowns used for directly owned real estate.
 (c) This will be the factor associated with the risk category determined in the company generated worksheet.

ASSET VALUATION RESERVE (Continued)
BASIC CONTRIBUTIONS, RESERVE OBJECTIVE AND MAXIMUM RESERVE CALCULATIONS
REPLICATIONS (SYNTHETIC) ASSETS

1	2	3	4	5	6	7	8	9
RSAT Number	Type	CUSIP	Description of Asset(s)	NAIC Designation or Other Description of Asset	Value of Asset	AVR Basic Contribution	AVR Reserve Objective	AVR Maximum Reserve
0599999 Total								

SCHEDULE F

Showing all claims for death losses and all other contract claims resisted or compromised during the year, and all claims for death losses and all other contract claims resisted December 31 of current year

1 Contract Numbers	2 Claim Numbers	3 State of Residence of Claimant	4 Year of Claim for Death or Disability	5 Amount Claimed	6 Amount Paid During the Year	7 Amount Resisted Dec. 31 of Current Year	8 Why Compromised or Resisted
<div style="border: 2px solid black; padding: 10px; display: inline-block;"> <h1 style="margin: 0;">N O N E</h1> </div>							
5399999 Totals							XXX

SCHEDULE H - ACCIDENT AND HEALTH EXHIBIT

	Total		Group Accident and Health		Credit Accident & Health (Group and Individual)		Collectively Renewable		Other Individual Contracts									
									Non-Cancelable		Guaranteed Renewable		Non-Renewable for Stated Reasons Only		Other Accident Only		All Other	
	1 Amount	2 %	3 Amount	4 %	5 Amount	6 %	7 Amount	8 %	9 Amount	10 %	11 Amount	12 %	13 Amount	14 %	15 Amount	16 %	17 Amount	18 %
PART 1 - ANALYSIS OF UNDERWRITING OPERATIONS																		
1.	Premiums written	307,322,748	X X X	280,420,935	X X X		X X X		X X X		X X X	26,901,813	X X X		X X X		X X X	X X X
2.	Premiums earned	306,183,063	X X X	279,400,603	X X X		X X X		X X X		X X X	26,782,460	X X X		X X X		X X X	X X X
3.	Incurred claims	257,302,037	84.0	236,040,355	84.5							21,261,682	79.4					
4.	Cost containment expenses																	
5.	Incurred claims and cost containment expenses (Lines 3 and 4)	257,302,037	84.0	236,040,355	84.5							21,261,682	79.4					
6.	Increase in contract reserves																	
7.	Commissions (a)	11,708,036	3.8	11,044,990	4.0							663,046	2.5					
8.	Other general insurance expenses	18,593,509	6.1	16,965,907	6.1							1,627,602	6.1					
9.	Taxes, licenses and fees	3,698,258	1.2	3,374,527	1.2							323,731	1.2					
10.	Total other expenses incurred	33,999,802	11.1	31,385,424	11.2							2,614,378	9.8					
11.	Aggregate write-ins for deductions																	
12.	Gain from underwriting before dividends or refunds	14,881,223	4.9	11,974,824	4.3							2,906,399	10.9					
13.	Dividends or refunds																	
14.	Gain from underwriting after dividends or refunds	14,881,223	4.9	11,974,824	4.3							2,906,399	10.9					
DETAILS OF WRITE-INS																		
1101.	Federal Health Providers Fees																	
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)																	

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(a) Includes \$.....0 reported as "Contract, membership and other fees retained by agents."

SCHEDULE H - ACCIDENT AND HEALTH EXHIBIT (Continued)

	1 Total	2 Group Accident and Health	3 Credit Accident and Health (Group and Individual)	4 Collectively Renewable	Other Individual Contracts				
					5 Non-Cancelable	6 Guaranteed Renewable	7 Non-Renewable for Stated Reasons Only	8 Other Accident Only	9 All Other
PART 2 - RESERVES AND LIABILITIES									
A. Premium Reserves:									
1. Unearned premiums									
2. Advance premiums	2,167,023	1,320,639				846,384			
3. Reserve for rate credits									
4. TOTAL Premium reserves, current year	2,167,023	1,320,639				846,384			
5. TOTAL Premium reserves, prior year	1,423,364	291,278				1,132,087			
6. Increase in total premium reserves	743,659	1,029,361				(285,703)			
B. Contract Reserves:									
1. Additional reserves (a)									
2. Reserve for future contingent benefits									
3. TOTAL Contract reserves, current year									
4. TOTAL Contract reserves, prior year									
5. Increase in contract reserves									
C. Claim Reserves and Liabilities:									
1. TOTAL Current year	27,056,822	24,697,092				2,359,730			
2. TOTAL Prior year	36,472,205	29,562,304				6,909,901			
3. Increase	(9,415,383)	(4,865,212)				(4,550,171)			
PART 3 - TEST OF PRIOR YEAR'S CLAIM RESERVES AND LIABILITIES									
1. Claim Paid During the Year:									
1.1 On claims incurred prior to current year	34,284,560	27,806,297				6,478,263			
1.2 On claims incurred during current year	232,432,860	213,099,270				19,333,590			
2. Claim Reserves and Liabilities, December 31, Current Year:									
2.1 On claims incurred prior to current year	1,117,544	1,096,966				20,578			
2.2 On claims incurred during current year	25,939,278	23,600,126				2,339,152			
3. Test:									
3.1 Lines 1.1 and 2.1	35,402,104	28,903,263				6,498,841			
3.2 Claim reserves and liabilities, December 31, prior year	36,472,205	29,562,304				6,909,901			
3.3 Line 3.1 minus Line 3.2	(1,070,101)	(659,041)				(411,060)			
PART 4 - REINSURANCE									
A. Reinsurance Assumed:									
1. Premiums written									
2. Premiums earned									
3. Incurred claims									
4. Commissions									
B. Reinsurance Ceded:									
1. Premiums written									
2. Premiums earned									
3. Incurred claims									
4. Commissions									

(a) Includes \$.....0 premium deficiency reserve.

SCHEDULE H - PART 5 - HEALTH CLAIMS

	1	2	3	4
	Medical	Dental	Other	Total
A. Direct:				
1. Incurred Claims	257,302,037			257,302,037
2. Beginning Claim Reserves and Liabilities	36,472,205			36,472,205
3. Ending Claim Reserves and Liabilities	27,056,822			27,056,822
4. Claims Paid	266,717,420			266,717,420
B. Assumed Reinsurance:				
5. Incurred Claims				
6. Beginning Claim Reserves and Liabilities				
7. Ending Claim Reserves and Liabilities				
8. Claims Paid				
C. Ceded Reinsurance:				
9. Incurred Claims				
10. Beginning Claim Reserves and Liabilities				
11. Ending Claim Reserves and Liabilities				
12. Claims Paid				
D. Net:				
13. Incurred Claims	257,302,037			257,302,037
14. Beginning Claim Reserves and Liabilities	36,472,205			36,472,205
15. Ending Claim Reserves and Liabilities	27,056,822			27,056,822
16. Claims Paid	266,717,420			266,717,420
E. Net Incurred Claims and Cost Containment Expenses:				
17. Incurred Claims and Cost Containment Expenses	257,302,037			257,302,037
18. Beginning Reserves and Liabilities	36,472,205			36,472,205
19. Ending Reserves and Liabilities	27,056,822			27,056,822
20. Paid Claims and Cost Containment Expenses	266,717,420			266,717,420

40 Schedule S - Part 1 - Section 1 NONE

41 Schedule S - Part 1 - Section 2 NONE

42 Schedule S - Part 2 NONE

SCHEDULE S - PART 3 - SECTION 1

Reinsurance Ceded Life Insurance, Annuities, Deposit Funds and Other Liabilities Without Life or Disability Contingencies, and Related Benefits Listed by Reinsuring Company as of December 31, Current Year

1 NAIC Company Code	2 ID Number	3 Effective Date	4 Name of Company	5 Domiciliary Jurisdiction	6 Type of Reinsurance Ceded	7 Type of Business Ceded	8 Amount in Force at End of Year	Reserve Credit Taken		11 Premiums	Outstanding Surplus Relief		14 Modified Coinsurance Reserve	15 Funds Withheld Under Coinsurance
								9 Current Year	10 Prior Year		12 Current Year	13 Prior Year		
General Account - Authorized - Non-Affiliates - U.S. Non-Affiliates														
88340	59-2859797	11/01/2011	HANNOVER LIFE REASSUR CO OF AMER	FL	ADB/G	OL				286,750				
0899999 Subtotal - General Account - Authorized - Non-Affiliates - U.S. Non-Affiliates														
1099999 Total - General Account - Authorized - Non-Affiliates														
1199999 Total - General Account - Authorized														
1499999 Subtotal - General Account - Unauthorized - Affiliates - U.S. - Total														
2299999 Total - General Account - Unauthorized														
2599999 Subtotal - General Account - Certified - Affiliates - U.S. - Total														
3399999 Total - General Account - Certified														
3499999 Total - General Account - Authorized, Unauthorized and Certified														
3799999 Subtotal - Separate Accounts - Authorized - Affiliates - U.S. - Total														
4599999 Total - Separate Accounts - Authorized														
4899999 Subtotal - Separate Accounts - Unauthorized - Affiliates - U.S. - Total														
5699999 Total - Separate Accounts - Unauthorized														
5999999 Subtotal - Separate Accounts - Certified - Affiliates - U.S. - Total														
6699999 Total - Separate Accounts - Certified - Non-Affiliates														
6799999 Total - Separate Accounts - Certified														
6899999 Total - Separate Accounts - Authorized, Unauthorized and Certified														
6999999 Total U.S. (Sum of 0399999, 0899999, 1499999, 1999999, 2599999, 3099999, 3799999, 4299999, 4899999, 5399999, 5999999 and 6499999)														
7099999 Total Non-U.S. (Sum of 0699999, 0999999, 1799999, 2099999, 2899999, 3199999, 4099999, 4399999, 5199999, 5499999, 6299999 and 6599999)														
9999999 Total (Sum of 3499999 and 6899999)														

SCHEDULE S - PART 3 - SECTION 2

Reinsurance Ceded Accident and Health Insurance Listed by Reinsuring Company as of December 31, Current Year

1 NAIC Company Code	2 ID Number	3 Effective Date	4 Name of Company	5 Domiciliary Jurisdiction	6 Type of Reinsurance Ceded	7 Type of Business Ceded	8 Premiums	9 Unearned Premiums (Estimated)	10 Reserve Credit Taken Other than for Unearned Premiums	Outstanding Surplus Relief		13 Modified Coinsurance Reserve	14 Funds Withheld Under Coinsurance
										11 Current Year	12 Prior Year		
General Account - Authorized - Non-Affiliates - U.S. Non-Affiliates													
25364	13-1675535	01/01/2016	SWISS REINS AMER CORP	NY	OTH/G	OL	1,139,690						
0899999 Subtotal - General Account - Authorized - Non-Affiliates - U.S. Non-Affiliates							1,139,690						
1099999 Total - General Account - Authorized - Non-Affiliates							1,139,690						
1199999 Total - General Account Authorized							1,139,690						
1499999 Subtotal - General Account - Unauthorized - Affiliates - U.S. - Total													
2299999 Total - General Account - Unauthorized													
2599999 Subtotal - General Account - Certified - Affiliates - U.S. - Total													
3399999 Total - General Account - Certified													
3499999 Total - General Account - Authorized, Unauthorized and Certified							1,139,690						
3799999 Subtotal - Separate Accounts - Authorized - Affiliates - U.S. - Total													
4599999 Total - Separate Accounts - Authorized													
4899999 Subtotal - Separate Accounts - Unauthorized - Affiliates - U.S. - Total													
5699999 Total - Separate Accounts - Unauthorized													
5999999 Subtotal - Separate Accounts - Certified - Affiliates - U.S. - Total													
6699999 Total - Separate Accounts - Certified - Non-Affiliates													
6799999 Total - Separate Accounts - Certified													
6899999 Total - Separate Accounts - Authorized, Unauthorized and Certified													
6999999 Total U.S. (Sum of 0399999, 0899999, 1499999, 1999999, 2599999, 3099999, 3799999, 4299999, 4899999, 5399999, 5999999 and 6499999)							1,139,690						
7099999 Total Non-U.S. (Sum of 0699999, 0999999, 1799999, 2099999, 2899999, 3199999, 4099999, 4399999, 5199999, 5499999, 6299999 and 6599999)													
9999999 Total (Sum of 3499999 and 6899999)							1,139,690						

45 Schedule S - Part 4 NONE

46 Schedule S - Part 5 NONE

SCHEDULE S - PART 6

Five-Year Exhibit of Reinsurance Ceded Business

(000 Omitted)

	1 2016	2 2015	3 2014	4 2013	5 2012
A. OPERATIONS ITEMS:					
1. Premiums and annuity considerations for life and accident and health contracts	1,426	1,327	1,385	1,302	1,070
2. Commissions and reinsurance expense allowances					
3. Contract claims			344	(250)	(107)
4. Surrender benefits and withdrawals for life contracts					
5. Dividends to policyholders					
6. Reserve adjustments on reinsurance ceded					
7. Increase in aggregate reserves for life and accident and health contracts					
B. BALANCE SHEET ITEMS					
8. Premiums and annuity considerations for life and accident and health contracts deferred and uncollected					
9. Aggregate reserves for life and accident and health contracts					
10. Liability for deposit-type contracts					
11. Contract claims unpaid					
12. Amounts recoverable on reinsurance			344		250
13. Experience rating refunds due or unpaid					
14. Policyholders' dividends (not included in Line 10)					
15. Commissions and reinsurance expense allowances due					
16. Unauthorized reinsurance offset					
17. Offset for reinsurance with Certified Reinsurers					
C. UNAUTHORIZED REINSURANCE					
(Deposits By and Funds Withheld From)					
18. Funds deposited by and withheld from (F)					
19. Letters of credit (L)					
20. Trust agreements (T)					
21. Other (O)					
D. REINSURANCE WITH CERTIFIED REINSURERS					
(Deposits By and Funds Withheld From)					
22. Multiple Beneficiary Trust					
23. Funds deposited by and withheld from (F)					
24. Letters of credit (L)					
25. Trust agreements (T)					
26. Other (O)					

SCHEDULE S - PART 7**Restatement of Balance Sheet to Identify Net Credit for Ceded Reinsurance**

	1 As Reported (net of ceded)	2 Restatement Adjustments	3 Restated (gross of ceded)
ASSETS (Page 2, Column 3)			
1. Cash and invested assets (Line 12)	49,398,875		49,398,875
2. Reinsurance (Line 16)			
3. Premiums and considerations (Line 15)	12,139,792		12,139,792
4. Net credit for ceded reinsurance	X X X		
5. All other admitted assets (balance)	7,169,966		7,169,966
6. TOTAL Assets excluding Separate Accounts (Line 26)	68,708,634		68,708,634
7. Separate Account assets (Line 27)			
8. TOTAL Assets (Line 28)	68,708,634		68,708,634
LIABILITIES, CAPITAL AND SURPLUS (Page 3)			
9. Contract reserves (Lines 1 and 2)			
10. Liability for deposit-type contracts (Line 3)			
11. Claim reserves (Line 4)	27,306,822		27,306,822
12. Policyholder dividends/reserves (Lines 5 through 7)			
13. Premium & annuity considerations received in advance (Line 8)	2,167,023		2,167,023
14. Other contract liabilities (Line 9)			
15. Reinsurance in unauthorized companies (Line 24.02 minus inset amount)			
16. Funds held under reinsurance treaties with unauthorized reinsurers (Line 24.03 minus inset amount)			
17. Reinsurance with Certified Reinsurers (Line 24.02 inset amount)			
18. Funds held under reinsurance treaties with Certified Reinsurers (Line 24.03 inset amount)			
19. All other liabilities (balance)	18,683,603		18,683,603
20. TOTAL Liabilities excluding Separate Accounts (Line 26)	48,157,447		48,157,447
21. Separate Account liabilities (Line 27)			
22. TOTAL Liabilities (Line 28)	48,157,447		48,157,447
23. Capital & surplus (Line 38)	20,551,187	X X X	20,551,187
24. TOTAL Liabilities, capital and surplus (Line 39)	68,708,634		68,708,634
NET CREDIT FOR CEDED REINSURANCE			
25. Contract reserves			
26. Claim reserves			
27. Policyholder dividends/reserves			
28. Premium & annuity considerations received in advance			
29. Liability for deposit-type contracts			
30. Other contract liabilities			
31. Reinsurance ceded assets			
32. Other ceded reinsurance recoverables			
33. TOTAL Ceded reinsurance recoverables			
34. Premiums and considerations			
35. Reinsurance in unauthorized companies			
36. Funds held under reinsurance treaties with unauthorized reinsurers			
37. Reinsurance with Certified Reinsurers			
38. Funds held under reinsurance treaties with certified reinsurers			
39. Other ceded reinsurance payables/offsets			
40. TOTAL Ceded reinsurance payable/offsets			
41. TOTAL Net credit for ceded reinsurance			

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

	States, Etc.	1 Active Status	Direct Business Only					
			Life Contracts		4 Accident and Health Insurance Premiums, Including Policy, Membership and Other Fees	5 Other Considerations	6 Total Columns 2 through 5	7 Deposit-Type Contracts
			2 Life Insurance Premiums	3 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	2,521,912		307,322,753		309,844,665	
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	2,521,912		307,322,753		309,844,665	
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	2,521,912		307,322,753		309,844,665	
96.	Plus Reinsurance Assumed	X X X						
97.	TOTALS (All Business)	X X X	2,521,912		307,322,753		309,844,665	
98.	Less Reinsurance Ceded	X X X	286,751		1,139,690		1,426,441	
99.	TOTALS (All Business) less Reinsurance Ceded	X X X	2,235,161		(b) 306,183,063		308,418,224	

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

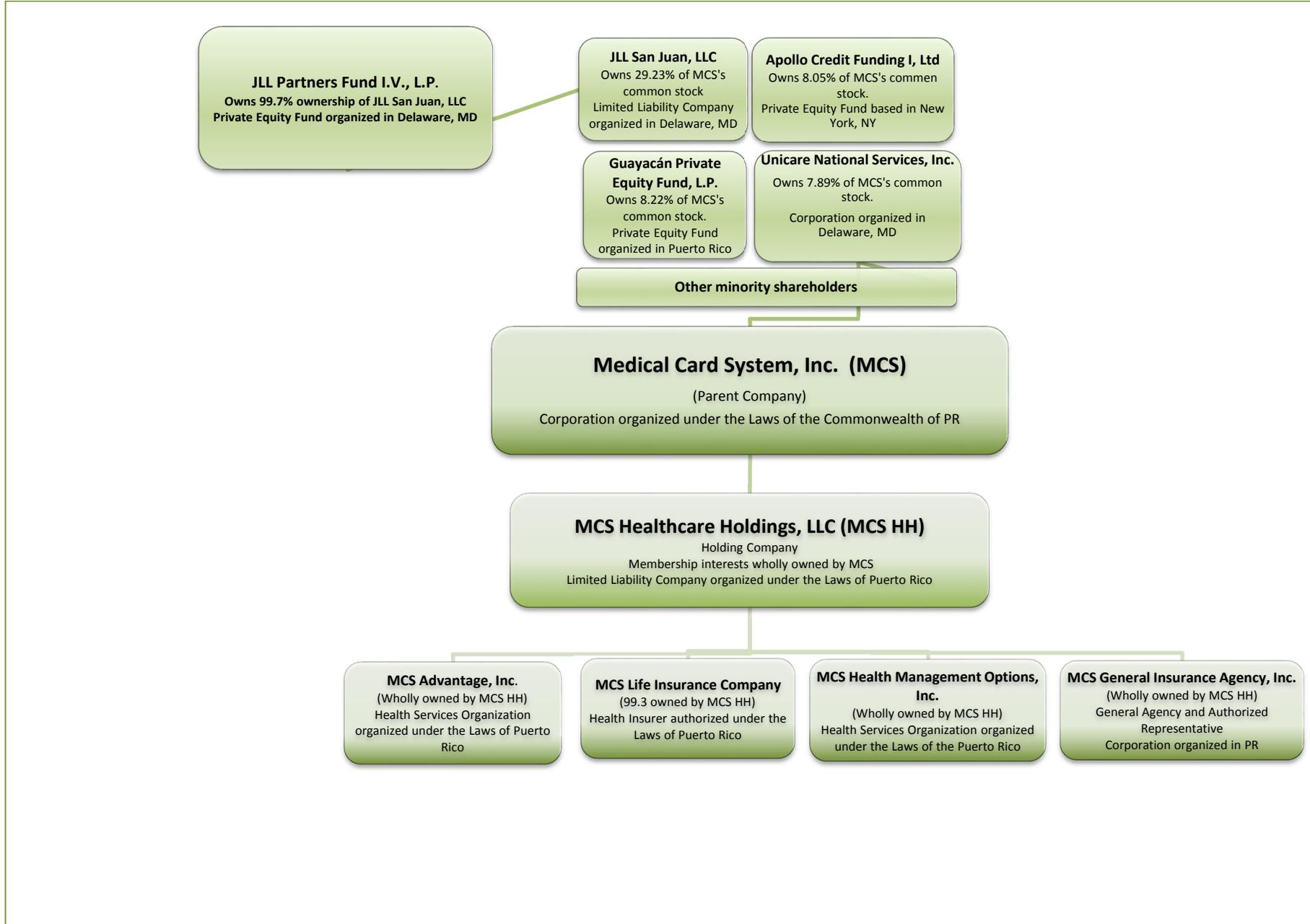
(a) Insert the number of L responses except for Canada and Other Alien.
 (b) Column 4 should balance with Exhibit 1, Lines 6.4, 10.4 and 16.4, Cols. 8, 9 and 10 or with Schedule H, Part 1, Column 1, Line 1. Indicate which.... Exhibit 1, Lines 6.4, 10.4, and 16.4, Cols 8, 9 and 10

Explanation of basis of allocation by states, etc., of premiums and annuity considerations:

SCHEDULE T - PART 2
INTERSTATE COMPACT - EXHIBIT OF PREMIUMS WRITTEN
ALLOCATED BY STATES AND TERRITORIES

Direct Business only						
States, Etc.	1 Life (Group and Individual)	2 Annuities (Group and Individual)	3 Disability Income (Group and Individual)	4 Long-Term Care (Group and Individual)	5 Deposit-Type Contracts	6 Totals
1. Alabama (AL)						
2. Alaska (AK)						
3. Arizona (AZ)						
4. Arkansas (AR)						
5. California (CA)						
6. Colorado (CO)						
7. Connecticut (CT)						
8. Delaware (DE)						
9. District of Columbia (DC)						
10. Florida (FL)						
11. Georgia (GA)						
12. Hawaii (HI)						
13. Idaho (ID)						
14. Illinois (IL)						
15. Indiana (IN)						
16. Iowa (IA)						
17. Kansas (KS)						
18. Kentucky (KY)						
19. Louisiana (LA)						
20. Maine (ME)						
21. Maryland (MD)						
22. Massachusetts (MA)						
23. Michigan (MI)						
24. Minnesota (MN)						
25. Mississippi (MS)						
26. Missouri (MO)						
27. Montana (MT)						
28. Nebraska (NE)						
29. Nevada (NV)						
30. New Hampshire (NH)						
31. New Jersey (NJ)						
32. New Mexico (NM)						
33. New York (NY)						
34. North Carolina (NC)						
35. North Dakota (ND)						
36. Ohio (OH)						
37. Oklahoma (OK)						
38. Oregon (OR)						
39. Pennsylvania (PA)						
40. Rhode Island (RI)						
41. South Carolina (SC)						
42. South Dakota (SD)						
43. Tennessee (TN)						
44. Texas (TX)						
45. Utah (UT)						
46. Vermont (VT)						
47. Virginia (VA)						
48. Washington (WA)						
49. West Virginia (WV)						
50. Wisconsin (WI)						
51. Wyoming (WY)						
52. American Samoa (AS)						
53. Guam (GU)						
54. Puerto Rico (PR)	2,521,912					2,521,912
55. U.S. Virgin Islands (VI)						
56. Northern Mariana Islands (MP)						
57. Canada (CAN)						
58. Aggregate other alien (OT)						
59. TOTALS	2,521,912					2,521,912

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



SCHEDULE Y

PART 1A - DETAIL OF INSURANCE HOLDING COMPANY SYSTEM

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
Group Code	Group Name	NAIC Company Code	ID Number	FEDERAL RSSD	CIK	Name of Securities Exchange if Publicly Traded (U.S. or International)	Names of Parent, Subsidiaries or Affiliates	Domiciliary Location	Relationship to Reporting Entity	Directly Controlled by (Name of Entity / Person)	Type of Control (Ownership, Board, Management, Attorney-in-Fact, Influence, Other)	If Control is Ownership Provide Percentage	Ultimate Controlling Entity(ies) / Person(s)	Is an SCA Filing Required? (Y/N)	*
1301 ..	Medical Card System Inc	60030	66-0520918 ..	.....	.....	.....	MCS Life Insurance .....	.. PR ..	.. IA ..	MCS Healthcare Holding, LLC	Ownership, Board of Directors .....	..... 99.3	JLL Partners Fund IV, LLC ..	.. N ..	.....
1301 ..	Medical Card System Inc	13022	660642758 ..	.....	.....	.....	MCS Advantage Inc .....	.. PR ..	.. IA ..	MCS Healthcare Holding, LLC	Ownership, Board of Directors .....	..... 100.0	JLL Partners Fund IV, LLC ..	.. N ..	.....
1301 ..	Medical Card System Inc	95779	660411947 ..	.....	.....	.....	MCS Health Management Options, Inc .....	.. PR ..	.. IA ..	MCS Healthcare Holding, LLC	Ownership, Board of Directors .....	..... 100.0	JLL Partners Fund IV, LLC ..	.. N ..	.....
0000 ..	Medical Card System Inc	00000	66-0845895 ..	.....	.....	.....	MCS General Insurance Agency, Inc .....	.. PR ..	.. IA ..	MCS Healthcare Holding, LLC	Ownership, Board of Directors .....	..... 100.0	JLL Partners Fund IV, LLC ..	.. N ..	.....
0000 ..	Medical Card System Inc	00000	66-0850198 ..	.....	.....	.....	MCS Healthcare Holding, LLC .....	.. PR ..	.. UDP ..	Medical Card System Inc	Ownership, Board of Directors .....	..... 100.0	JLL Partners Fund IV, LLC ..	.. N ..	.....

Asterisk	Explanation
0000001

SCHEDULE Y

PART 2 - SUMMARY OF INSURER'S TRANSACTIONS WITH ANY AFFILIATES

1	2	3	4	5	6	7	8	9	10	11	12	13
NAIC Company Code	ID Number	Names of Insurers and Parent, Subsidiaries or Affiliates	Shareholder Dividends	Capital Contributions	Purchases, Sales or Exchanges of Loans, Securities, Real Estate, Mortgage Loans or Other Investments	Income/(Disburse- ments) Incurred in Connection with Guarantees or Undertakings for the Benefit of any Affiliate(s)	Management Agreements and Service Contracts	Income/ (Disbursements) Incurred Under Reinsurance Agreements	*	Any Other Material Activity not in the Ordinary Course of the Insurer's Business	Totals	Reinsurance Recoverable/ (Payable) on Losses and/or Reserve Credit Taken/ (Liability)
60030	66-0520918	MCS LIFE INS CO					15,116,490				15,116,490	
00000	66-0850198	MCS Healthcare Holding LLC					(15,116,490)				(15,116,490)	
9999999 Control Totals									XXX			

Schedule Y Part 2 Explanation:

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

Response

The following supplemental reports are required to be filed as part of your statement filing unless specifically waived by the domiciliary state. However, in the event that your domiciliary state waives the filing requirement, your response of WAIVED to the specific interrogatory will be accepted in lieu of filing a "NONE" report and a bar code will be printed below. If the supplement is required of your company but is not being filed for whatever reason, enter SEE EXPLANATION and provide an explanation following the interrogatory questions.

MARCH FILING

- | | |
|--|-----|
| 1. Will the Supplemental Compensation Exhibit be filed with the state of domicile by March 1? | Yes |
| 2. Will the confidential Risk-based Capital Report be filed with the NAIC by March 1? | Yes |
| 3. Will the confidential Risk-based Capital Report be filed with the state of domicile, if required, by March 1? | Yes |
| 4. Will an Actuarial opinion be filed by March 1? | Yes |

APRIL FILING

- | | |
|---|-----|
| 5. Will Management's Discussion and Analysis be filed by April 1? | Yes |
| 6. Will the Life, Health & Annuity Guaranty Association Model Act Assessment Base Reconciliation Exhibit be filed with the state of domicile and the NAIC by April 1? | Yes |
| 7. Will the Adjustment Form (if required) be filed with the state of domicile and the NAIC by April 1? | Yes |
| 8. Will the Supplemental Investment Risks Interrogatories be filed by April 1? | Yes |

JUNE FILING

- | | |
|---|-----|
| 9. Will an audited financial report be filed by June 1? | Yes |
| 10. Will Accountants Letter of Qualifications be filed with the state of domicile and electronically with the NAIC by June 1? | Yes |

AUGUST FILING

- | | |
|---|-----|
| 11. Will the regulator-only (non-public) Communication of Internal Control Related Matters Noted in Audit be filed with the state of domicile and electronically with the NAIC (as a regulator-only non-public document) by August 1? | Yes |
|---|-----|

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

MARCH FILING

- | | |
|---|-----|
| 12. Will Schedule SIS (Stockholder Information Supplement) be filed with the state of domicile by March 1? | Yes |
| 13. Will the Medicare Supplement Insurance Experience Exhibit be filed with the state of domicile and the NAIC by March 1? | No |
| 14. Will the Trusteed Surplus Statement be filed with the state of domicile and the NAIC by March 1? | No |
| 15. Will the actuarial opinion on participating and non-participating policies as required in Interrogatories 1 and 2 to Exhibit 5 be filed with the state of domicile and electronically with the NAIC by March 1? | No |
| 16. Will the actuarial opinion on non-guaranteed elements as required in Interrogatory #3 to Exhibit 5 be filed with the state of domicile and electronically with the NAIC by March 1? | No |
| 17. Will the actuarial opinion on X-Factors be filed with the state of domicile and electronically with the NAIC by March 1? | No |
| 18. Will the actuarial opinion on Separate Accounts Funding Guaranteed Minimum Benefit be filed with the state of domicile and electronically with the NAIC by March 1? | No |
| 19. Will the actuarial opinion on Synthetic Guaranteed Investment Contracts be filed with the state of domicile and electronically with the NAIC by March 1? | No |
| 20. Will the Reasonableness of Assumptions Certification required by Actuarial Guideline XXXV be filed with the state of domicile and electronically with the NAIC by March 1? | No |
| 21. Will the Reasonableness and Consistency of Assumptions Certification required by Actuarial Guideline XXXV be filed with the state of domicile and electronically with the NAIC by March 1? | No |
| 22. Will the Reasonableness of Assumptions Certification for Implied Guaranteed Rate Method required by Actuarial Guideline XXXVI be filed with the state of domicile and electronically with the NAIC by March 1? | No |
| 23. Will the Reasonableness and Consistency of Assumptions Certification required by Actuarial Guideline XXXVI (Updated Average Market Value) be filed with the state of domicile and electronically with the NAIC by March 1? | No |
| 24. Will the Reasonableness and Consistency of Assumptions Certification required by Actuarial Guideline XXXVI (Updated Market Value) be filed with the state of domicile and electronically with the NAIC by March 1? | No |
| 25. Will the C-3 RBC Certifications required under C-3 Phase I be filed with the state of domicile and electronically with the NAIC by March 1? | No |
| 26. Will the C-3 RBC Certifications required under C-3 Phase II be filed with the state of domicile and electronically with the NAIC by March 1? | No |
| 27. Will the Actuarial Certifications Related to Annuity Nonforfeiture Ongoing Compliance for Equity Indexed Annuities be filed with the state of domicile and electronically with the NAIC by March 1? | No |
| 28. Will the actuarial opinion required by the Modified Guaranteed Annuity Model Regulation be filed with the state of domicile and electronically with the NAIC by March 1? | No |
| 29. Will the Actuarial Certification Related to Hedging required by Actuarial Guideline XLIII be filed with the state of domicile and electronically with the NAIC by March 1? | No |
| 30. Will the Financial Officer Certification Related to Clearly Defined Hedging Strategy required by Actuarial Guideline XLIII be filed with the state of domicile and electronically with the NAIC by March 1? | No |
| 31. Will the Management Certification That the Valuation Reflects Management's Intent required by Actuarial Guideline XLIII be filed with the state of domicile and electronically with the NAIC by March 1? | No |
| 32. Will the Actuarial Certification Related to the Reserves required by Actuarial Guideline XLIII be filed with the state of domicile and electronically with the NAIC by March 1? | No |
| 33. Will the Actuarial Certification regarding the use of 2001 Preferred Class Tables required by the Model Regulation Permitting the Recognition of Preferred Mortality Tables for Use in Determining Minimum Reserve Liabilities be filed with the state of domicile and electronically with the NAIC by March 1? | No |
| 34. Will the Workers' Compensation Carve-Out Supplement be filed by March 1? | No |
| 35. Will Supplemental Schedule O be filed with the state of domicile and the NAIC by March 1? | Yes |
| 36. Will the Medicare Part D Coverage Supplement be filed with the state of domicile and the NAIC by March 1? | No |
| 37. Will an approval from the reporting entity's state of domicile for relief related to the five-year rotation requirement for lead audit partner be filed electronically with the NAIC by March 1? | No |
| 38. Will an approval from the reporting entity's state of domicile for relief related to the one-year cooling off period for independent CPA be filed electronically with the NAIC by March 1? | No |
| 39. Will an approval from the reporting entity's state of domicile for relief related to the Requirements for Audit Committees be filed electronically with the NAIC by March 1? | No |
| 40. Will the confidential Regulatory Asset Adequacy Issues Summary (RAAIS) required by Actuarial Opinion and Memorandum Regulation (Model 822), Section 7A(5), be filed with the state of domicile by March 15? | No |

APRIL FILING

- | | |
|--|-----|
| 41. Will the Long-Term Care Experience Reporting Forms be filed with the state of domicile and the NAIC by April 1? | No |
| 42. Will the Interest Sensitive Life Insurance Products Report Forms be filed with the state of domicile and the NAIC by April 1? | No |
| 43. Will the Credit Insurance Experience Exhibit be filed with the state of domicile and the NAIC by April 1? | No |
| 44. Will the Accident and Health Policy Experience Exhibit be filed by April 1? | Yes |
| 45. Will the Analysis of Annuity Operations by Line of Business be filed with the state of domicile and the NAIC by April 1? | No |
| 46. Will the Analysis of Increase in Annuity Reserves During the Year be filed with the state of domicile and the NAIC by April 1? | No |
| 47. Will the Supplemental Health Care Exhibit (Parts 1, 2 and 3) be filed with the state of domicile and the NAIC by April 1? | Yes |

- | | |
|--|-----|
| 48. Will the regulator only (non-public) Supplemental Health Care Exhibit's Expense Allocation Report be filed with the state of domicile and the NAIC by April 1? | Yes |
| 49. Will the confidential Actuarial Memorandum required by Actuarial Guideline XXXVIII 8D be filed with the state of domicile by April 30? | No |
| 50. Will the Supplemental XXX/AXXX Reinsurance Exhibit be filed with the state of domicile and the NAIC by April 1? | No |

AUGUST FILING

- | | |
|--|----|
| 51. Will Management's Report of Internal Control Over Financial Reporting be filed with the state of domicile by August 1? | No |
|--|----|

Explanations:

Bar Codes:

Medicare Supplement Insurance Experience Exhibit

 6003020163600000 2016 Document Code: 360

Trusted Surplus Statement

 6003020164900000 2016 Document Code: 490

Actuarial Opinion on Participating and Non-Participating Policies

 60030201637100000 2016 Document Code: 371

Statement of Non-Guaranteed Elements for Exhibit 5

 60030201637000000 2016 Document Code: 370

Actuarial Opinion on X-Factors

 60030201644200000 2016 Document Code: 442

Separate Accounts Funding Guaranteed Minimum Benefits Actuarial Opinion

 60030201644300000 2016 Document Code: 443

Synthetic Guaranteed Investment Contracts Actuarial Opinion

 60030201644400000 2016 Document Code: 444

Reasonableness 1 - Assumptions

 60030201644500000 2016 Document Code: 445

Reasonableness 2 - Consistency

 60030201644600000 2016 Document Code: 446

Reasonableness 3 - Implied Guarantee

 60030201644700000 2016 Document Code: 447

Reasonableness 4 - Ave. Market Value

 60030201644800000 2016 Document Code: 448

Reasonableness 5 - Market Value

 60030201644900000 2016 Document Code: 449

C-3 RBC Certifications required under C-3 Phase I

 60030201645000000 2016 Document Code: 450

C-3 RBC Certifications required under C-3 Phase II

 60030201645100000 2016 Document Code: 451

Actuarial Cert. related to Annuity Nonforfeiture Ongoing Compliance

 60030201645200000 2016 Document Code: 452

Actuarial Opinon required by the Modified Guaranteed Annuity Model Reg

 60030201645300000 2016 Document Code: 453

Act Cert Rel to Hedging req by Actuarial Guideline XLIII

 60030201643600000 2016 Document Code: 436

Fin Off Cert Rel to Clearly Def Hedging Strat req by Act Guid XLIII

 60030201643700000 2016 Document Code: 437

Mgt Cert That the Val Reflects Mgt's Intent req by Act Guid XLIII

 60030201643800000 2016 Document Code: 438

Act Cert Related to the Reserves required by Actuarial Guideline XLIII

 60030201643900000 2016 Document Code: 439

Actuarial Certification regarding the use of 2001 Preferred Class Tables

 60030201645400000 2016 Document Code: 454

Worker's Compensation Carve-out Supplement

 60030201649500000 2016 Document Code: 495

Medicare Part D Coverage Supplement

 60030201636500000 2016 Document Code: 365

Approval for Relief related to five-year rotation for lead Audit Partner

 60030201622400000 2016 Document Code: 224

Approval for Relief related to one-year cooling off period for inde. CPA

 60030201622500000 2016 Document Code: 225

Approval for Relief related to Require. for Audit Committees

 60030201622600000 2016 Document Code: 226

Regulatory Asset Adequacy Issues Summary (RAAIS)

 60030201643400000 2016 Document Code: 434

LTC Supplemental Interrogatories

 60030201630600000 2016 Document Code: 306

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES (continued)

Interest Sensitive Life Insurance Products Report



Credit Insurance Exhibit



Analysis of Annuity Operations by Lines of Business



Analysis of Increase in Annuity Reserves During the Year



Actuarial Memo. req. by Actuarial Guideline XXXVIII 8D



Supplemental XXX/AXXX Reinsurance Exhibit



Management's Report of Internal Control over Financial Reporting



SUMMARY INVESTMENT SCHEDULE

Investment Categories	Gross Investment Holdings		Admitted Assets as Reported in the Annual Statement			
	1 Amount	2 Percentage	3 Amount	4 Securities Lending Reinvested Collateral Amount	5 Total (Col. 3 + 4) Amount	6 Percentage
1. Bonds:						
1.1 U.S. treasury securities						
1.2 U.S. government agency obligations (excluding mortgage-backed securities):						
1.21 Issued by U.S. government agencies	6,482,178	13.122	6,482,178		6,482,178	13.122
1.22 Issued by U.S. government sponsored agencies						
1.3 Non-U.S. government (including Canada, excluding mortgage-backed securities)						
1.4 Securities issued by states, territories, and possessions and political subdivisions in the U.S.:						
1.41 States, territories and possessions general obligations						
1.42 Political subdivisions of states, territories and possessions and political subdivisions general obligations	2,136,894	4.326	2,136,894		2,136,894	4.326
1.43 Revenue and assessment obligations						
1.44 Industrial development and similar obligations						
1.5 Mortgage-backed securities (includes residential and commercial MBS):						
1.51 Pass-through securities:						
1.511 Issued or Guaranteed by GNMA	263,657	0.534	263,657		263,657	0.534
1.512 Issued or Guaranteed by FNMA and FHLMC						
1.513 All other						
1.52 CMOs and REMICs:						
1.521 Issued or guaranteed by GNMA, FNMA, FHLMC or VA						
1.522 Issued by non-U.S. Government issuers and collateralized by mortgage-backed securities issued or guaranteed by agencies shown in Line 1.521						
1.523 All other						
2. Other debt and other fixed income securities (excluding short term):						
2.1 Unaffiliated domestic securities (includes credit tenant loans and hybrid securities)	323,299	0.654	323,299		323,299	0.654
2.2 Unaffiliated Non-U.S. securities (including Canada)						
2.3 Affiliated securities						
3. Equity interests:						
3.1 Investments in mutual funds	215,532	0.436	215,532		215,532	0.436
3.2 Preferred stocks:						
3.21 Affiliated						
3.22 Unaffiliated	354,860	0.718	354,860		354,860	0.718
3.3 Publicly traded equity securities (excluding preferred stocks):						
3.31 Affiliated						
3.32 Unaffiliated						
3.4 Other equity securities:						
3.41 Affiliated						
3.42 Unaffiliated						
3.5 Other equity interests including tangible personal property under lease:						
3.51 Affiliated						
3.52 Unaffiliated						
4. Mortgage loans:						
4.1 Construction and land development						
4.2 Agricultural						
4.3 Single family residential properties						
4.4 Multifamily residential properties						
4.5 Commercial loans						
4.6 Mezzanine real estate loans						
5. Real estate investments:						
5.1 Property occupied by company						
5.2 Property held for production of income (including \$.....0 of property acquired in satisfaction of debt)						
5.3 Property held for sale (including \$.....0 property acquired in satisfaction of debt)						
6. Contract loans						
7. Derivatives						
8. Receivables for securities						
9. Securities Lending (Line 10, Asset Page reinvested collateral)				X X X	X X X	X X X
10. Cash, cash equivalents and short-term investments	39,622,455	80.209	39,622,455		39,622,455	80.209
11. Other invested assets						
12. TOTAL Invested assets	49,398,875	100.000	49,398,875		49,398,875	100.000

SCHEDULE A - VERIFICATION BETWEEN YEARS

Real Estate

1. Book/adjusted carrying value, December 31 of prior year		
2. Cost of acquired:		
2.1 Actual cost at time of acquisition (Part 2, Column 6)		
2.2 Additional investment made after acquisition (Part 2, Column 9)		
3. Current year change in encumbrances:		
3.1 TOTALS, Part 1, Column 13		
3.2 TOTALS, Part 3, Column 11		
4. TOTAL gain (loss) on disposals, Part 3, Column 18		
5. Deduct amounts received on disposals, Part 3, Column 15		
6. TOTAL foreign exchange change in book/adjusted	NONE	
6.1 TOTALS, Part 1, Column 15		
6.2 TOTALS, Part 3, Column 13		
7. Deduct current year's other-than-temporary impairment recognized:		
7.1 TOTALS, Part 1, Column 12		
7.2 TOTALS, Part 3, Column 10		
8. Deduct current year's depreciation:		
8.1 TOTALS, Part 1, Column 11		
8.2 TOTALS, Part 3, Column 9		
9. Book/adjusted carrying value at the end of current period (Lines 1 + 2 + 3 + 4 - 5 + 6 - 7 - 8)		
10. Deduct total nonadmitted amounts		
11. Statement value at end of current period (Lines 9 minus 10)		

SCHEDULE B - VERIFICATION BETWEEN YEARS

Mortgage Loans

1. Book value/recorded investment excluding accrued interest, December 31 of prior year		
2. Cost of acquired:		
2.1 Actual cost at time of acquisition (Part 2, Column 7)		
2.2 Additional investment made after acquisition (Part 2, Column 8)		
3. Capitalized deferred interest and other:		
3.1 TOTALS, Part 1, Column 12		
3.2 TOTALS, Part 3, Column 11		
4. Accrual of discount		
5. Unrealized valuation increase (decrease):		
5.1 TOTALS, Part 1, Column 9		
5.2 TOTALS, Part 3, Column 8		
6. TOTAL gain (loss) on disposals, Part 3, Column 18		
7. Deduct amounts received on disposals, Part 3, Column 15		
8. Deduct amortization of premium and mortgage interest	NONE	
9. TOTAL foreign exchange change in book value/recorded interest		
9.1 TOTALS, Part 1, Column 13		
9.2 TOTALS, Part 3, Column 13		
10. Deduct current year's other-than-temporary impairment recognized:		
10.1 TOTALS, Part 1, Column 11		
10.2 TOTALS, Part 3, Column 10		
11. Book value/recorded investment excluding accrued interest at end of current period (Lines 1 + 2 + 3 + 4 + 5 + 6 - 7 - 8 + 9 - 10)		
12. TOTAL valuation allowance		
13. Subtotal (Lines 11 plus 12)		
14. Deduct total nonadmitted amounts		
15. Statement value of mortgages owned at end of current period (Line 13 minus Line 14)		

SCHEDULE BA - VERIFICATION BETWEEN YEARS

Other Long-Term Invested Assets

1. Book/adjusted carrying value, December 31 of prior year		
2. Cost of acquired:		
2.1 Actual cost at time of acquisition (Part 2, Column 8)		
2.2 Additional investment made after acquisition (Part 2, Column 9)		
3. Capitalized deferred interest and other:		
3.1 TOTALS, Part 1, Column 16		
3.2 TOTALS, Part 3, Column 12		
4. Accrual of discount		
5. Unrealized valuation increase (decrease):		
5.1 TOTALS, Part 1, Column 13		
5.2 TOTALS, Part 3, Column 9		
6. TOTAL gain (loss) on disposals, Part 3, Column 19	NONE	
7. Deduct amounts received on disposals, Part 3, Column 18		
8. Deduct amortization of premium and depreciation		
9. TOTAL foreign exchange change in book/adjusted carrying value:		
9.1 TOTALS, Part 1, Column 17		
9.2 TOTALS, Part 3, Column 14		
10. Deduct current year's other-than-temporary impairment recognized:		
10.1 TOTALS, Part 1, Column 15		
10.2 TOTALS, Part 3, Column 11		
11. Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 + 6 - 7 - 8 + 9 - 10)		
12. Deduct total nonadmitted amounts		
13. Statement value at end of current period (Line 11 minus Line 12)		

SCHEDULE D - VERIFICATION BETWEEN YEARS

Bonds and Stocks

1. Book/adjusted carrying value, December 31 of prior year		6,726,359
2. Cost of bonds and stocks acquired, Part 3, Column 7		4,947,038
3. Accrual of Discount		17,235
4. Unrealized valuation increase (decrease):		
4.1 Part 1, Column 12	1,759	
4.2 Part 2, Section 1, Column 15	69,374	
4.3 Part 2, Section 2, Column 13	481	
4.4 Part 4, Column 11		71,614
5. TOTAL gain (loss) on disposals, Part 4, Column 19		
6. Deduction consideration for bonds and stocks disposed of, Part 4, Column 7		1,880,946
7. Deduct amortization of premium		69,879
8. TOTAL foreign exchange change in book/adjusted carrying value:		
8.1 Part 1, Column 15		
8.2 Part 2, Section 1, Column 19		
8.3 Part 2, Section 2, Column 16		
8.4 Part 4, Column 15		
9. Deduct current year's other-than-temporary impairment recognized:		
9.1 Part 1, Column 14	35,000	
9.2 Part 2, Section 1, Column 17		
9.3 Part 2, Section 2, Column 14		
9.4 Part 4, Column 13		35,000
10. Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 - 6 - 7 + 8 - 9)		9,776,421
11. Deduct total nonadmitted amounts		
12. Statement value at end of current period (Line 10 minus Line 11)		9,776,421

SCHEDULE D - SUMMARY BY COUNTRY

Long-Term Bonds and Stocks OWNED December 31 of Current Year

Description		1 Book/Adjusted Carrying Value	2 Fair Value	3 Actual Cost	4 Par Value of Bonds
BONDS					
Governments (Including all obligations guaranteed by governments)	1. United States	6,745,835	6,716,991	6,831,006	6,716,991
	2. Canada				
	3. Other Countries				
	4. TOTALS	6,745,835	6,716,991	6,831,006	6,716,991
U.S. States, Territories and Possessions (Direct and guaranteed)	5. TOTALS				
U.S. Political Subdivisions of States, Territories and Possessions (Direct and guaranteed)	6. TOTALS	2,136,894	2,149,194	2,305,488	2,933,333
U.S. Special revenue and special assessment obligations and all non-guaranteed obligations of agencies and authorities of governments and their political subdivisions	7. TOTALS				
Industrial and Miscellaneous, SVO Identified Funds and Hybrid Securities (unaffiliated)	8. United States	323,299	420,673	322,284	323,000
	9. Canada				
	10. Other Countries				
	11. TOTALS	323,299	420,673	322,284	323,000
Parent, Subsidiaries and Affiliates	12. TOTALS				
	13. TOTAL Bonds	9,206,029	9,286,858	9,458,778	9,973,324
PREFERRED STOCKS					
Industrial and Miscellaneous (unaffiliated)	14. United States	354,860	354,860	251,464	
	15. Canada				
	16. Other Countries				
	17. TOTALS	354,860	354,860	251,464	
Parent, Subsidiaries and Affiliates	18. TOTALS				
	19. TOTAL Preferred Stocks	354,860	354,860	251,464	
COMMON STOCKS					
Industrial and Miscellaneous (unaffiliated)	20. United States	215,532	215,532	193,053	
	21. Canada				
	22. Other Countries				
	23. TOTALS	215,532	215,532	193,053	
Parent, Subsidiaries and Affiliates	24. TOTALS				
	25. TOTAL Common Stocks	215,532	215,532	193,053	
	26. TOTAL Stocks	570,392	570,392	444,517	
	27. TOTAL Bonds and Stocks	9,776,421	9,857,250	9,903,295	

SCHEDULE D - PART 1A - SECTION 1

Quality and Maturity Distribution of All Bonds Owned December 31, at Book/Adjusted Carrying Values by Major Types of Issues and NAIC Designations

NAIC Designation	1 1 Year or Less	2 Over 1 Year Through 5 Years	3 Over 5 Years Through 10 Years	4 Over 10 Years Through 20 Years	5 Over 20 Years	6 No Maturity Date	7 Total Current Year	8 Column 7 as a % of Line 10.7	9 Total From Column 6 Prior Year	10 % From Column 7 Prior Year	11 Total Publicly Traded	12 Total Privately Placed (a)
1. U.S. Governments												
1.1 NAIC 1	511,891	5,970,287	26,606	237,051		XXX	6,745,835	73.28	3,375,034	54.21	6,745,835	
1.2 NAIC 2						XXX						
1.3 NAIC 3						XXX						
1.4 NAIC 4						XXX						
1.5 NAIC 5						XXX						
1.6 NAIC 6						XXX						
1.7 TOTALS	511,891	5,970,287	26,606	237,051		XXX	6,745,835	73.28	3,375,034	54.21	6,745,835	
2. All Other Governments												
2.1 NAIC 1						XXX						
2.2 NAIC 2						XXX						
2.3 NAIC 3						XXX						
2.4 NAIC 4						XXX						
2.5 NAIC 5						XXX						
2.6 NAIC 6						XXX						
2.7 TOTALS						XXX						
3. U.S. States, Territories and Possessions, etc., Guaranteed												
3.1 NAIC 1						XXX						
3.2 NAIC 2						XXX						
3.3 NAIC 3						XXX						
3.4 NAIC 4						XXX						
3.5 NAIC 5						XXX						
3.6 NAIC 6						XXX						
3.7 TOTALS						XXX						
4. U.S. Political Subdivisions of States, Territories & Possessions, Guaranteed												
4.1 NAIC 1	505,639	1,172,699				XXX	1,678,338	18.23	1,836,572	29.50	1,678,338	
4.2 NAIC 2		183,132				XXX	183,132	1.99	249,547	4.01	183,132	
4.3 NAIC 3						XXX						
4.4 NAIC 4						XXX						
4.5 NAIC 5						XXX						
4.6 NAIC 6	240,000		35,424			XXX	275,424	2.99	307,098	4.93	275,424	
4.7 TOTALS	745,639	1,355,831	35,424			XXX	2,136,894	23.21	2,393,217	38.44	2,136,894	
5. U.S. Special Revenue & Special Assessment Obligations etc., Non-Guaranteed												
5.1 NAIC 1						XXX						
5.2 NAIC 2						XXX						
5.3 NAIC 3						XXX						
5.4 NAIC 4						XXX						
5.5 NAIC 5						XXX						
5.6 NAIC 6						XXX						
5.7 TOTALS						XXX						

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SCHEDULE D - PART 1A - SECTION 1 (Continued)

Quality and Maturity Distribution of All Bonds Owned December 31, at Book/Adjusted Carrying Values by Major Types of Issues and NAIC Designations

	1 1 Year or Less	2 Over 1 Year Through 5 Years	3 Over 5 Years Through 10 Years	4 Over 10 Years Through 20 Years	5 Over 20 Years	6 No Maturity Date	7 Total Current Year	8 Column 7 as a % of Line 10.7	9 Total From Column 6 Prior Year	10 % From Column 7 Prior Year	11 Total Publicly Traded	12 Total Privately Placed (a)
6. Industrial and Miscellaneous (unaffiliated)												
6.1 NAIC 1			120,815		202,484	X X X	323,299	3.51	323,199	5.19	323,299	
6.2 NAIC 2						X X X						
6.3 NAIC 3						X X X						
6.4 NAIC 4						X X X						
6.5 NAIC 5						X X X						
6.6 NAIC 6						X X X			134,371	2.16		
6.7 TOTALS			120,815		202,484	X X X	323,299	3.51	457,570	7.35	323,299	
7. Hybrid Securities												
7.1 NAIC 1						X X X						
7.2 NAIC 2						X X X						
7.3 NAIC 3						X X X						
7.4 NAIC 4						X X X						
7.5 NAIC 5						X X X						
7.6 NAIC 6						X X X						
7.7 TOTALS						X X X						
8. Parent, Subsidiaries and Affiliates												
8.1 NAIC 1						X X X						
8.2 NAIC 2						X X X						
8.3 NAIC 3						X X X						
8.4 NAIC 4						X X X						
8.5 NAIC 5						X X X						
8.6 NAIC 6						X X X						
8.7 TOTALS						X X X						
9. SVO Identified Funds												
9.1 NAIC 1	X X X	X X X	X X X	X X X	X X X				X X X	X X X		
9.2 NAIC 2	X X X	X X X	X X X	X X X	X X X				X X X	X X X		
9.3 NAIC 3	X X X	X X X	X X X	X X X	X X X				X X X	X X X		
9.4 NAIC 4	X X X	X X X	X X X	X X X	X X X				X X X	X X X		
9.5 NAIC 5	X X X	X X X	X X X	X X X	X X X				X X X	X X X		
9.6 NAIC 6	X X X	X X X	X X X	X X X	X X X				X X X	X X X		
9.7 TOTALS	X X X	X X X	X X X	X X X	X X X				X X X	X X X		

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SCHEDULE D - PART 1A - SECTION 1 (Continued)

Quality and Maturity Distribution of All Bonds Owned December 31, at Book/Adjusted Carrying Values By Major Types of Issues and NAIC Designations

NAIC Designation	1 1 Year or Less	2 Over 1 Year Through 5 Years	3 Over 5 Years Through 10 Years	4 Over 10 Years Through 20 Years	5 Over 20 Years	6 No Maturity Date	7 Total Current Year	8 Column 7 as a % of Line 10.7	9 Total From Column 6 Prior Year	10 % From Column 7 Prior Year	11 Total Publicly Traded	12 Total Privately Placed (a)
10. Total Bonds Current Year												
10.1 NAIC 1	(d) 1,017,530	7,142,986	147,421	237,051	202,484		8,747,472	95.02	X X X	X X X	8,747,472	
10.2 NAIC 2	(d)	183,132					183,132	1.99	X X X	X X X	183,132	
10.3 NAIC 3	(d)								X X X	X X X		
10.4 NAIC 4	(d)								X X X	X X X		
10.5 NAIC 5	(d)						(c)		X X X	X X X		
10.6 NAIC 6	(d) 240,000		35,424				(c) 275,424	2.99	X X X	X X X	275,424	
10.7 TOTALS	1,257,530	7,326,118	182,845	237,051	202,484		(b) 9,206,028	100.00	X X X	X X X	9,206,028	
10.8 Line 10.7 as a % of Column 7	13.66	79.58	1.99	2.57	2.20		100.00	X X X	X X X	X X X	100.00	
11. Total Bonds Prior Year												
11.1 NAIC 1	1,528,174	3,366,661	26,746	410,685	202,538	X X X	X X X	X X X	5,534,805	88.90	5,534,805	
11.2 NAIC 2		249,547				X X X	X X X	X X X	249,547	4.01	249,547	
11.3 NAIC 3						X X X	X X X	X X X				
11.4 NAIC 4						X X X	X X X	X X X				
11.5 NAIC 5						X X X	X X X	X X X	(c)			
11.6 NAIC 6	134,371	275,000	32,098			X X X	X X X	X X X	(c) 441,469	7.09	441,469	
11.7 TOTALS	1,662,545	3,891,208	58,844	410,685	202,538	X X X	X X X	X X X	(b) 6,225,821	100.00	6,225,821	
11.8 Line 11.7 as a % of Col. 9	26.70	62.50	0.95	6.60	3.25	X X X	X X X	X X X	100.00	X X X	100.00	
12. Total Publicly Traded Bonds												
12.1 NAIC 1	1,017,530	7,142,986	147,421	237,051	202,484		8,747,472	95.02	5,534,805	88.90	8,747,472	X X X
12.2 NAIC 2		183,132					183,132	1.99	249,547	4.01	183,132	X X X
12.3 NAIC 3												X X X
12.4 NAIC 4												X X X
12.5 NAIC 5												X X X
12.6 NAIC 6	240,000		35,424				275,424	2.99	441,469	7.09	275,424	X X X
12.7 TOTALS	1,257,530	7,326,118	182,845	237,051	202,484		9,206,028	100.00	6,225,821	100.00	9,206,028	X X X
12.8 Line 12.7 as a % of Col. 7	13.66	79.58	1.99	2.57	2.20		100.00	X X X	X X X	X X X	100.00	X X X
12.9 Line 12.7 as a % of Line 10.7, Col. 7, Section 10	13.66	79.58	1.99	2.57	2.20		100.00	X X X	X X X	X X X	100.00	X X X
13. Total Privately Placed Bonds												
13.1 NAIC 1											X X X	
13.2 NAIC 2											X X X	
13.3 NAIC 3											X X X	
13.4 NAIC 4											X X X	
13.5 NAIC 5											X X X	
13.6 NAIC 6											X X X	
13.7 TOTALS											X X X	
13.8 Line 13.7 as a % of Col. 7								X X X	X X X	X X X	X X X	
13.9 Line 13.7 as a % of Line 10.7, Col. 7, Section 10								X X X	X X X	X X X	X X X	

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(a) Includes \$.....0 freely tradable under SEC Rule 144 or qualified for resale under SEC Rule 144A.
 (b) Includes \$.....0 current year, \$.....0 prior year of bonds with Z designations and \$.....0 current year, \$.....0 prior year of bonds with Z* designations. The letter "Z" means the NAIC designation was not assigned by the Securities Valuation Office (SVO) at the date of the statement. "Z*" means the SVO could not evaluate the obligation because valuation procedures for the security class is under regulatory review.
 (c) Includes \$.....0 current year, \$.....0 prior year of bonds with 5* designations and \$.....0 current year, \$.....0 prior year of bonds with 6* designations. "5*" means the NAIC designation was assigned by the SVO in reliance on the insurer's certification that the issuer is current in all principal and interest payments. "6*" means the NAIC designation was assigned by the SVO due to inadequate certification of principal and interest payments.
 (d) Includes the following amount of short-term and cash equivalent bonds by NAIC designation: NAIC 1 \$.....0; NAIC 2 \$.....0; NAIC 3 \$.....0; NAIC 4 \$.....0; NAIC 5 \$.....0; NAIC 6 \$.....0.

SCHEDULE D - PART 1A - SECTION 2

Maturity Distribution of All Bonds Owned December 31, At Book/Adjusted Carrying Values by Major Type and Subtype of Issues

	1 1 Year or Less	2 Over 1 Year Through 5 Years	3 Over 5 Years Through 10 Years	4 Over 10 Years Through 20 Years	5 Over 20 Years	6 No Maturity Date	7 Total Current Year	8 Column 7 as a % of Line 10.6	9 Total From Column 6 Prior Year	10 % From Column 7 Prior Year	11 Total Publicly Traded	12 Total Privately Placed
Distribution by Type												
1. U.S. Governments												
1.1 Issuer Obligations	511,891	5,970,287				X X X	6,482,178	70.41	3,058,263	49.12	6,482,178	
1.2 Residential Mortgage-Backed Securities			26,606	237,051		X X X	263,657	2.86	316,070	5.08	263,657	
1.3 Commercial Mortgage-Backed Securities						X X X						
1.4 Other Loan-Backed and Structured Securities						X X X						
1.5 TOTALS	511,891	5,970,287	26,606	237,051		X X X	6,745,835	73.28	3,374,334	54.20	6,745,835	
2. All Other Governments												
2.1 Issuer Obligations						X X X						
2.2 Residential Mortgage-Backed Securities						X X X						
2.3 Commercial Mortgage-Backed Securities						X X X						
2.4 Other Loan-Backed and Structured Securities						X X X						
2.5 TOTALS						X X X						
3. U.S. States, Territories and Possessions, Guaranteed												
3.1 Issuer Obligations						X X X						
3.2 Residential Mortgage-Backed Securities						X X X						
3.3 Commercial Mortgage-Backed Securities						X X X						
3.4 Other Loan-Backed and Structured Securities						X X X						
3.5 TOTALS						X X X						
4. U.S. Political Subdivisions of States, Territories and Possessions, Guaranteed												
4.1 Issuer Obligations	745,639	1,355,831	35,424			X X X	2,136,894	23.21	2,393,217	38.44	2,136,894	
4.2 Residential Mortgage-Backed Securities						X X X						
4.3 Commercial Mortgage-Backed Securities						X X X						
4.4 Other Loan-Backed and Structured Securities						X X X						
4.5 TOTALS	745,639	1,355,831	35,424			X X X	2,136,894	23.21	2,393,217	38.44	2,136,894	
5. U.S. Special Revenue & Special Assessment Obligations, etc., Non-Guaranteed												
5.1 Issuer Obligations						X X X						
5.2 Residential Mortgage-Backed Securities						X X X						
5.3 Commercial Mortgage-Backed Securities						X X X						
5.4 Other Loan-Backed and Structured Securities						X X X						
5.5 TOTALS						X X X						
6. Industrial and Miscellaneous												
6.1 Issuer Obligations			120,815		202,484	X X X	323,299	3.51	457,570	7.35	323,299	
6.2 Residential Mortgage-Backed Securities						X X X						
6.3 Commercial Mortgage-Backed Securities						X X X						
6.4 Other Loan-Backed and Structured Securities						X X X						
6.5 TOTALS			120,815		202,484	X X X	323,299	3.51	457,570	7.35	323,299	
7. Hybrid Securities												
7.1 Issuer Obligations						X X X						
7.2 Residential Mortgage-Backed Securities						X X X						
7.3 Commercial Mortgage-Backed Securities						X X X						
7.4 Other Loan-Backed and Structured Securities						X X X						
7.5 TOTALS						X X X						
8. Parent, Subsidiaries and Affiliates												
8.1 Issuer Obligations						X X X						
8.2 Residential Mortgage-Backed Securities						X X X						
8.3 Commercial Mortgage-Backed Securities						X X X						
8.4 Other Loan-Backed and Structured Securities						X X X						
8.5 TOTALS						X X X						

SCHEDULE D - PART 1A - SECTION 2 (Continued)

Maturity Distribution of All Bonds Owned December 31, at Book/Adjusted Carrying Values by Major Type and Subtype of Issues

	1 1 Year or Less	2 Over 1 Year Through 5 Years	3 Over 5 Years Through 10 Years	4 Over 10 Years Through 20 Years	5 Over 20 Years	6 No Maturity Date	7 Total Current Year	8 Column 7 as a % of Line 10.6	9 Total From Column 6 Prior Year	10 % From Column 7 Prior Year	11 Total Publicly Traded	12 Total Privately Placed
Distribution by Type												
9. SVO Identified Funds												
9.1 Exchange Traded Funds - as Identified by the SVO	X X X	X X X	X X X	X X X	X X X				X X X	X X X		
9.2 Bond Mutual Funds - as Identified by the SVO	X X X	X X X	X X X	X X X	X X X				X X X	X X X		
9.3 TOTALS	X X X	X X X	X X X	X X X	X X X				X X X	X X X		
10. Total Bonds Current Year												
10.1 Issuer Obligations	1,257,530	7,326,118	156,239	202,484	X X X	8,942,371	97.14	X X X	5,909,050	94.91	8,942,371	
10.2 Residential Mortgage-Backed Securities			26,606	237,051	X X X	263,657	2.86	X X X	316,770	5.09	263,657	
10.3 Commercial Mortgage-Backed Securities					X X X			X X X				
10.4 Other Loan-Backed and Structured Securities					X X X			X X X				
10.5 SVO-Designated Securities	X X X	X X X	X X X	X X X	X X X				X X X	X X X		
10.6 TOTALS	1,257,530	7,326,118	182,845	237,051	202,484	9,206,028	100.00	X X X	6,225,821	100.00	9,206,028	
10.7 Line 10.6 as a % of Col. 7	13.66	79.58	1.99	2.57	2.20	100.00	100.00	X X X	X X X	X X X	100.00	
11. Total Bonds Prior Year												
11.1 Issuer Obligations	1,662,545	3,891,208	32,098	120,661	202,538	X X X	X X X	X X X	5,909,050	94.91	5,909,050	
11.2 Residential Mortgage-Backed Securities			26,746	290,024		X X X	X X X	X X X	316,770	5.09	316,770	
11.3 Commercial Mortgage-Backed Securities						X X X	X X X	X X X				
11.4 Other Loan-Backed and Structured Securities						X X X	X X X	X X X				
11.5 SVO-Designated Securities	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X
11.6 TOTALS	1,662,545	3,891,208	58,844	410,685	202,538	X X X	X X X	X X X	6,225,821	100.00	6,225,821	
11.7 Line 11.6 as a % of Col. 9	26.70	62.50	0.95	6.60	3.25	X X X	X X X	X X X	100.00	X X X	100.00	
12. Total Publicly Traded Bonds												
12.1 Issuer Obligations	1,257,530	7,326,118	156,239	202,484	X X X	8,942,371	97.14	X X X	5,909,050	94.91	8,942,371	X X X
12.2 Residential Mortgage-Backed Securities			26,606	237,051	X X X	263,657	2.86	X X X	316,770	5.09	263,657	X X X
12.3 Commercial Mortgage-Backed Securities					X X X			X X X				X X X
12.4 Other Loan-Backed and Structured Securities					X X X			X X X				X X X
12.5 SVO-Designated Securities	X X X	X X X	X X X	X X X	X X X				X X X	X X X		X X X
12.6 TOTALS	1,257,530	7,326,118	182,845	237,051	202,484	9,206,028	100.00	X X X	6,225,821	100.00	9,206,028	X X X
12.7 Line 12.6 as a % of Col. 7	13.66	79.58	1.99	2.57	2.20	100.00	100.00	X X X	X X X	X X X	100.00	X X X
12.8 Line 12.6 as a % of Line 10.6, Col. 7, Section 10	13.66	79.58	1.99	2.57	2.20	100.00	100.00	X X X	X X X	X X X	100.00	X X X
13. Total Privately Placed Bonds												
13.1 Issuer Obligations						X X X					X X X	
13.2 Residential Mortgage-Backed Securities						X X X					X X X	
13.3 Commercial Mortgage-Backed Securities						X X X					X X X	
13.4 Other Loan-Backed and Structured Securities						X X X					X X X	
13.5 SVO-Designated Securities	X X X	X X X	X X X	X X X	X X X				X X X	X X X	X X X	
13.6 TOTALS									X X X	X X X	X X X	
13.7 Line 13.6 as a % of Col. 7									X X X	X X X	X X X	
13.8 Line 13.6 as a % of Line 10.6, Col. 7, Section 10									X X X	X X X	X X X	

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SI10 Schedule DA - Verification NONE

SI11 Schedule DB Part A Verification NONE

SI11 Schedule DB Part B Verification NONE

SI12 Schedule DB Part C Sn 1 - Rep. (Syn Asset) Transactions NONE

SI13 Schedule DB Part C Sn 2 - Rep. (Syn Asset) Transactions NONE

SI14 Schedule DB Verification NONE

SI15 Schedule E - Verification NONE

E01 Schedule A - Part 1 Real Estate Owned NONE

E02 Schedule A - Part 2 Real Estate Acquired NONE

E03 Schedule A - Part 3 Real Estate Disposed NONE

E04 Schedule B Part 1 - Mortgage Loans Owned NONE

E05 Schedule B Part 2 - Mortgage Loans Acquired NONE

E06 Schedule B Part 3 - Mortgage Loans Disposed NONE

E07 Schedule BA Part 1 - Long-Term Invested Assets Owned NONE

E08 Schedule BA Part 2 - Long-Term Invested Assets Acquired NONE

E09 Schedule BA Part 3 - Long-Term Invested Assets Disposed NONE

SCHEDULE D - PART 1

Showing all Long-Term BONDS Owned December 31 of Current Year

1 CUSIP Identification	2 Description	Codes			6 NAIC Designation	7 Actual Cost	Fair Value		10 Par Value	11 Book/ Adjusted Carrying Value	Change in Book Adjusted Carrying Value				Interest					Dates	
		3 Code	4 F O R E I G N	5 Bond CHAR			8 Rate Used to Obtain Fair Value	9 Fair Value			12 Unrealized Valuation Increase/ (Decrease)	13 Current Year's (Amortization)/ Accretion	14 Current Year's Other- Than- Temporary Impairment Recognized	15 Total Foreign Exchange Change in B./A.C.V.	16 Rate of	17 Effective Rate of Interest	18 When Paid	19 Admitted Amount Due and Accrued	20 Amount Received During Year	21 Acquired	22 Stated Contractual Maturity Date
U.S. Governments - Issuer Obligations																					
3130A93V1	FEDERAL HOME LN 1.50% DUE 08/23/21				1	1,000,002	97,5960	975,960	1,000,000	999,995		(7)			1,500	1,500	FA	5,333		08/15/2016	08/23/2021
31331YVR8	FFCB BOND 4.67% 2-27-18				1	1,090,835	104,2100	1,042,100	1,000,000	1,016,356		(13,709)			4,670	3,213	FA	16,086	46,700	02/22/2011	02/27/2018
3130A94J7	FHLB BOND 1.375% DUE 09/02/20				1	1,000,002	97,7890	977,890	1,000,000	999,997		(5)			1,375	1,375	MS	4,545		09/02/2016	09/02/2020
3133XY2H7	FHLB BOND 2.9% 4/20/17				1	216,825	100,5530	214,951	213,769	213,910		(474)			2,900	2,672	AO	1,223	6,276	05/27/2010	04/20/2017
3133XEX79	FHLB BONDS SERIES 1 5.77%				1	7,690	104,5000	7,337	7,021	6,863		117			5,770	7,713	MS	110	410	11/27/2007	03/23/2018
3134GADD3	FHLM 1.00% DUE 08/24/2020				1	1,947,030	99,1800	1,932,026	1,948,000	1,947,084		54			1,000	1,013	FA	4,762		10/03/2016	08/24/2020
3134GARB2	FHLM 1.60% DUE 10/27/2021				1	1,000,004	97,4800	974,800	1,000,000	999,993		(11)			1,600	1,600	AO	2,844		10/03/2016	10/27/2021
3133XNCA5	FHLB BOND YN-2017 1 5.25% 9/15/17				1	301,370	101,4340	302,478	298,202	297,981		(494)			5,250	4,896	MON	8,369	15,336	06/30/2008	09/15/2017
0199999 Subtotal - U.S. Governments - Issuer Obligations						6,563,759	X X X	6,427,542	6,466,991	6,482,178		(14,529)			X X X	X X X	X X X	43,272	68,722	X X X	X X X
U.S. Governments - Residential Mortgage-Backed Securities																					
36234CX34	GNMA POOL 425583 UNIT 99				1	27,192	112,4600	28,115	25,000	26,606		(140)			6,500	4,632	MON	76	1,625	05/08/2012	12/15/2025
36235QRL9	GNMA POOL 487543 UNIT 85				1	26,473	112,4600	28,115	25,000	26,131		(82)			6,500	5,266	MON	79	1,625	05/08/2012	04/15/2027
36235QRJ4	GNMA POOL 487543 UNIT 87				1	26,535	112,4600	28,115	25,000	26,188		(84)			6,500	5,231	MON	80	1,625	05/08/2012	07/15/2027
36235QRD7	GNMA POOL 487543 UNIT 92				1	26,785	112,4600	28,115	25,000	26,408		(91)			6,500	5,082	MON	81	1,625	05/08/2012	03/15/2028
36235QQ97	GNMA POOL 487543 UNIT 96				1	27,192	112,4600	28,115	25,000	26,753		(105)			6,500	4,829	MON	82	1,625	05/08/2012	10/15/2028
36235XXK9	GNMA POOL 515329 UNIT 94				1	26,692	112,4600	28,115	25,000	26,373		(77)			6,500	5,202	MON	83	1,625	05/08/2012	05/15/2029
36235XXF0	GNMA POOL 515329 UNIT 98				1	27,067	112,4600	28,115	25,000	26,694		(90)			6,500	4,970	MON	84	1,625	05/08/2012	11/15/2029
36245UY22	GNMA POOL 702847 UNIT 069				1	26,438	108,7590	27,190	25,000	26,163		(48)			4,500	3,698	MON	55	1,250	04/27/2010	09/15/2033
36245UYX4	GNMA POOL 702847 UNIT 070				1	26,438	108,7590	27,190	25,000	26,166		(47)			4,500	3,701	MON	55	1,250	04/27/2010	11/15/2033
36245UYV8	GNMA POOL 702847 UNIT 072				1	26,438	108,7590	27,190	25,000	26,174		(46)			4,500	3,709	MON	56	1,250	04/27/2010	04/15/2034
0299999 Subtotal - U.S. Governments - Residential Mortgage-Backed Securities						267,247	X X X	278,374	250,000	263,657		(810)			X X X	X X X	X X X	731	15,125	X X X	X X X
0599999 Subtotal - U.S. Governments						6,831,006	X X X	6,705,916	6,716,991	6,745,835		(15,339)			X X X	X X X	X X X	44,003	83,847	X X X	X X X
U.S. Political Subdivisions of States, Territories and Possessions (Direct and Guaranteed) - Issuer Obligations																					
29216MAF7	EMPLY RETRMT PR 5.85% DUE 7/1/2023				6	31,346	40,3420	40,342	100,000	35,424		1,759			5,850	27,911	JJ	2,925	5,850	06/25/2012	07/01/2023
4546247C5	INDIANA BD BONDS 1.682% DUE 1/15/18				1	302,104	100,2000	300,600	300,000	300,487		(461)			1,682	1,524	JJ	2,425	5,046	06/06/2013	01/15/2018
574204WC3	MARYLAND ST DPT TRANS 3.8%				1	510,590	103,4210	517,105	500,000	502,314		(1,529)			3,800	3,470	JD	844	19,000	02/22/2011	06/15/2018
686053DF3	OREGON SCH BRDS 5.223% 06/30/18				1	237,104	105,4720	210,944	200,000	210,004		(6,532)			5,223	1,821	JD	29	10,446	09/25/2012	06/30/2018
720356YY4	PIERCE CNTY WA 4.350% 08/01/2019				1	175,309	106,3440	159,516	150,000	159,894		(3,714)			4,350	1,728	FA	2,719	6,525	09/25/2012	08/01/2019
745177FM2	PR COMWLTH 3.875% DUE 02/01/2017				6	332,244	22,5000	225,000	1,000,000	240,000		(15,000)	35,000		3,875	196,066	FA	19,375	19,375	03/09/2012	02/01/2017
452151LD3	ILLINOIS ST PENSION 4.35% 6-1-18				1	182,417	101,1200	185,387	183,333	183,132		131			4,350	4,428	JD	665	7,975	09/29/2010	06/01/2018
777543QB8	ROSEMONT IL RFDG 4.130% 12/1/2017				1	534,375	102,0600	510,300	500,000	505,639		(5,997)			4,130	2,872	JD	1,721	20,650	12/05/2011	12/01/2017
1899999 Subtotal - U.S. Political Subdivisions of States, Territories and Possessions (Direct and Guaranteed) - Issuer Obligations						2,305,488	X X X	2,149,194	2,933,333	2,136,894		1,759	(29,776)	35,000	X X X	X X X	X X X	11,328	94,867	X X X	X X X
2499999 Subtotal - U.S. Political Subdivisions of States, Territories and Possessions (Direct and Guaranteed)						2,305,488	X X X	2,149,194	2,933,333	2,136,894		1,759	(29,776)	35,000	X X X	X X X	X X X	11,328	94,867	X X X	X X X
Industrial & Miscellaneous (Unaffiliated) - Issuer Obligations																					
337358BH7	FIRST UNION CORP. SUB. NOTES				1	119,260	122,4040	150,557	123,000	120,815		154			6,824	7,081	FA	3,497	9,316	09/11/2000	08/01/2026
54866NB7	LOWES CO. INC.				1	203,024	135,0580	270,116	200,000	202,484		(54)			7,110	6,994	MS	4,187	14,220	02/08/2001	05/15/2037
3299999 Subtotal - Industrial & Miscellaneous (Unaffiliated) - Issuer Obligations						322,284	X X X	420,673	323,000	323,299		100			X X X	X X X	X X X	7,684	23,536	X X X	X X X
3899999 Subtotal - Industrial & Miscellaneous (Unaffiliated)						322,284	X X X	420,673	323,000	323,299		100			X X X	X X X	X X X	7,684	23,536	X X X	X X X
7799999 Subtotals - Issuer Obligations						9,191,531	X X X	8,997,409	9,723,324	8,942,372		1,759	(44,205)	35,000	X X X	X X X	X X X	62,284	187,125	X X X	X X X
7899999 Subtotals - Residential Mortgage-Backed Securities						267,247	X X X	278,374	250,000	263,657		(810)			X X X	X X X	X X X	731	15,125	X X X	X X X
8399999 Grand Total - Bonds						9,458,778	X X X	9,275,783	9,973,324	9,206,029		1,759	(45,015)	35,000	X X X	X X X	X X X	63,015	202,250	X X X	X X X

SCHEDULE D - PART 2 - SECTION 1

Showing all PREFERRED STOCKS Owned December 31 of Current Year

1 CUSIP Identification	2 Description	Codes		5 Number of Shares	6 Par Value Per Share	7 Rate Per Share	8 Book/Adjusted Carrying Value	Fair Value		11 Actual Cost	Dividends			Change in Book/Adjusted Carrying Value				20 NAIC Designation	21 Date Acquired	
		3 Code	4 For- eign					9 Rate Per Share Used to Obtain Fair Value	10 Fair Value		12 Declared but Unpaid	13 Amount Received During Year	14 Nonadmitted Declared But Unpaid	15 Unrealized Valuation Increase/ (Decrease)	16 Current Year's (Amortization) Accretion	17 Current Year's Other-Than- Temporary Impairment Recognized	18 Total Change in B./A.C.V. (15+16-17)			19 Total Foreign Exchange Change in B./A.C.V.
Industrial and Miscellaneous (Unaffiliated)																				
73317W203	POPULAR CAPITAL TR 6.70%			14,792,000		23.990	354,860	23.990	354,860	251,464		24,778		69,374			69,374		P5L	01/30/2007
8499999 Subtotal - Industrial and Miscellaneous (Unaffiliated)							354,860	X X X	354,860	251,464		24,778		69,374			69,374		X X X	X X X
8999999 Total Preferred Stocks							354,860	X X X	354,860	251,464		24,778		69,374			69,374		X X X	X X X

SCHEDULE D - PART 2 - SECTION 2

Showing All COMMON STOCKS Owned December 31 of Current Year

1 CUSIP Identification	2 Description	Codes		5 Number of Shares	6 Book/Adjusted Carrying Value	Fair Value		9 Actual Cost	Dividends			Change in Book/Adjusted Carrying Value				17 NAIC Market Indicator (a)	18 Date Acquired
		3 Code	4 For- eign			7 Rate per Share Used to Obtain Fair Value	8 Fair Value		10 Declared but Unpaid	11 Amount Received During Year	12 Nonadmitted Declared But Unpaid	13 Unrealized Valuation Increase/ (Decrease)	14 Current Year's Other-Than- Temporary Impairment Recognized	15 Total Change in B./A.C.V. (Col. 13-14)	16 Total Foreign Exchange Change in B./A.C.V.		
Mutual Funds																	
000000000	GLOBAL OPORTUNITIES CAPITAL			24,028.120	215,532	8.970	215,532	193,053				481		481		L	06/02/2014
9299999	Subtotal - Mutual Funds				215,532	X X X ..	215,532	193,053				481		481		X X X ..	X X X ..
9799999	Total Common Stocks				215,532	X X X ..	215,532	193,053				481		481		X X X ..	X X X ..
9899999	Total Preferred and Common Stocks				570,392	X X X ..	570,392	444,517		24,778		69,855		69,855		X X X ..	X X X ..

(a) For all common stocks bearing the NAIC market indicator "U" provide: the number of such issues0, the total \$ value (included in Column 8) of all such issues \$.....0.

SCHEDULE D - PART 3

Showing All Long-Term Bonds and Stocks ACQUIRED During Current Year

1 CUSIP Identification	2 Description	3 Foreign	4 Date Acquired	5 Name of Vendor	6 Number of Shares of Stock	7 Actual Cost	8 Par Value	9 Paid for Accrued Interest and Dividends
Bonds - U.S. Governments								
3130A93V1	FEDERAL HOME LN 1.50% DUE 08/23/21		08/15/2016	Santander	X X X	1,000,002	1,000,000	
3130A94J7	FHLB BOND 1.375% DUE 09/02/20		09/02/2016	Santander	X X X	1,000,002	1,000,000	
3134GADD3	FHLM 1.00% DUE 08/24/2020		10/03/2016	Huntleigh Securities	X X X	1,947,030	1,948,000	2,164
3134GARB2	FHLM 1.60% DUE 10/27/2021		10/03/2016	Huntleigh Securities	X X X	1,000,004	1,000,000	
0599999 Subtotal - Bonds - U.S. Governments						4,947,038	4,948,000	2,164
8399997 Subtotal - Bonds - Part 3						4,947,038	4,948,000	2,164
8399998 Summary item from Part 5 for Bonds								
8399999 Subtotal - Bonds						4,947,038	4,948,000	2,164
8999998 Summary Item from Part 5 for Preferred Stocks							X X X	
9799998 Summary Item from Part 5 for Common Stocks							X X X	
9899999 Subtotal - Preferred and Common Stocks							X X X	
9999999 Totals						4,947,038	X X X	2,164

SCHEDULE D - PART 4

Showing All Long-Term Bonds and Stocks SOLD, REDEEMED, or Otherwise DISPOSED OF During Current Year

1 CUSIP Identification	2 Description	3 F o r e i g n Date	4 Disposal Date	5 Name of Purchaser	6 Number of Shares of Stock	7 Consideration	8 Par Value	9 Actual Cost	10 Prior Year Book/Adjusted Carrying Value	Change in Book/Adjusted Carrying Value					16 Book/Adjusted Carrying Value at Disposal Date	17 Foreign Exchange Gain (Loss) on Disposal	18 Realized Gain (Loss) on Disposal	19 Total Gain (Loss) on Disposal	20 Bond Interest/ Stock Dividends Received During Year	21 Stated Contractual Maturity Date
										11 Unrealized Valuation Increase/ (Decrease)	12 Current Year (Amortization/ Accretion)	13 Current Year's Other-Than- Temporary Impairment Recognized	14 Total Change in B./A.C.V. (Cols. 11+12-13)	15 Total Foreign Exchange Change in B./A.C.V.						
Bonds - U.S. Governments																				
3133XY2H7	FHLB BOND 2.9% 4/20/17		12/20/2016	MATURITY	X X X	64,386	64,386	65,307	64,572						64,386				955	04/20/2017
313771AA5	FHLB BOND 5.625% 06/13/2016		06/13/2016	MATURITY	X X X	1,385,000	1,385,000	1,412,463	1,388,174		(185)		(185)		1,385,000				38,953	06/13/2016
3133XNCA5	FHLB BOND YN-2017 1 5.25% 9/15/17		12/15/2016	PRINCIPAL RECEIPT	X X X	53,491	53,491	54,059	53,540		(49)		(49)		53,491				1,315	09/15/2017
3133XEX79	FHLB BONDS SERIES 1 5.77%		12/27/2016	MATURITY	X X X	2,402	2,402	2,631	2,308		94		94		2,402				64	03/23/2018
36235QRQ8	GNMA POOL 487543 UNIT 81		01/20/2016	PRINCIPAL RECEIPT	X X X	25,000	25,000	25,910	25,737		(737)		(737)		25,000				135	09/15/2026
36235TPZ4	GNMA POOL 498826 UNIT 96		12/15/2016	PRINCIPAL RECEIPT	X X X	25,000	25,000	26,848	26,566		(1,566)		(1,566)		25,000				1,625	08/15/2028
452151LD3	ILLINOIS ST PENSION 4.35% 6-1-18		06/03/2016	MATURITY	X X X	66,667	66,667	66,333	66,546		121		121		66,667				1,450	06/01/2018
0599999 Subtotal - Bonds - U.S. Governments						1,621,946	1,621,946	1,653,551	1,627,443		(5,496)		(5,496)		1,621,946				44,497	X X X
Bonds - U.S. Political Subdivisions of States (Direct and Guaranteed)																				
74527ACG9	PR HSG FIN AUTH SINGLE FAMILY 4.6%		12/01/2016	MATURITY	X X X	140,000	140,000	140,000	140,000						140,000				6,440	12/01/2016
2499999 Subtotal - Bonds - U.S. Political Subdivisions of States (Direct and Guaranteed)						140,000	140,000	140,000	140,000						140,000				6,440	X X X
Bonds - Industrial and Miscellaneous (Unaffiliated)																				
74526PAA2	PUERTO RICO CONS. DUE 04/01/2016		03/31/2016	MATURITY	X X X	119,000	340,000	119,000	134,371		(15,371)		(15,371)		119,000					04/01/2016
3899999 Subtotal - Bonds - Industrial and Miscellaneous (Unaffiliated)						119,000	340,000	119,000	134,371		(15,371)		(15,371)		119,000					X X X
8399997 Subtotal - Bonds - Part 4						1,880,946	2,101,946	1,912,551	1,901,814		(20,867)		(20,867)		1,880,946				50,937	X X X
8399998 Summary Item from Part 5 for Bonds																				X X X
8399999 Subtotal - Bonds						1,880,946	2,101,946	1,912,551	1,901,814		(20,867)		(20,867)		1,880,946				50,937	X X X
8999998 Summary Item from Part 5 for Preferred Stocks																				X X X
9799998 Summary Item from Part 5 for Common Stocks																				X X X
9899999 Subtotal - Preferred and Common Stocks																				X X X
9999999 Totals						1,880,946	X X X	1,912,551	1,901,814		(20,867)		(20,867)		1,880,946				50,937	X X X

E15	Schedule D - Part 5 LT Bonds/Stocks Acquired/Disp	NONE
E16	Schedule D - Part 6 Sn 1	NONE
E16	Schedule D - Part 6 Sn 2	NONE
E17	Schedule DA - Part 1 Short-Term Investments Owned	NONE
E18	Schedule DB - Part A Sn 1 Opt/Cap/Floors/Collars/Swaps/Forwards Open	NONE
E19	Schedule DB - Part A Sn 2 Opt/Cap/Floors/Collars/Swaps/Forwards Term.	NONE
E20	Schedule DB - Part B Sn 1 Futures Contracts Open	NONE
E21	Schedule DB - Part B Sn 2 Futures Contracts Terminated	NONE
E22	Schedule DB - Part D Sn 1 Counterparty Exposure for Derivative Instruments	NONE
E23	Schedule DB - Part D Sn 2 - Collateral Pledged By Reporting Entity	NONE
E23	Schedule DB - Part D Sn 2 - Collateral Pledged To Reporting Entity	NONE
E24	Schedule DL - Part 1 - Securities Lending Collateral Assets	NONE
E25	Schedule DL - Part 2 - Securities Lending Collateral Assets	NONE

SCHEDULE E - PART 1 - CASH

1 Depository	2 Code	3 Rate of Interest	4 Amount of Interest Received During Year	5 Amount of Interest Accrued December 31 of Current Year	6 Balance	7 *
open depositories						
Banco Popular					36,131,818	X X X
Oriental Bank					69,664	X X X
Huntleigh Securities Corp					431,103	X X X
Samuel A. Ramirez					1,932,579	X X X
Banco Santander					156,090	X X X
Government Development Bank		1.000		3,790	401,202	X X X
First Bank					500,000	X X X
0199998 Deposits in .....0 depositories that do not exceed the allowable limit in any one depository (See Instructions) - open depositories						
			X X X			X X X
0199999 Totals - Open Depositories				3,790	39,622,455	X X X
0299998 Deposits in .....0 depositories that do not exceed the allowable limit in any one depository (See Instructions) - suspended depositories						
			X X X			X X X
0299999 Totals - Suspended Depositories						X X X
0399999 Total Cash On Deposit					3,790	39,622,455
0499999 Cash in Company's Office				X X X	X X X	X X X
0599999 Total Cash				X X X	3,790	39,622,455

TOTALS OF DEPOSITORY BALANCES ON THE LAST DAY OF EACH MONTH DURING THE CURRENT YEAR

1. January	24,230,321	4. April	27,680,341	7. July	34,428,213	10. October	38,947,749
2. February	36,412,110	5. May	31,980,419	8. August	39,716,592	11. November	39,837,669
3. March	29,974,956	6. June	33,866,505	9. September	36,386,197	12. December	39,622,455

SCHEDULE E - PART 2 - CASH EQUIVALENTS

Show Investments Owned December 31 of Current Year

1 Description	2 Code	3 Date Acquired	4 Rate of Interest	5 Maturity Date	6 Book/Adjusted Carrying Value	7 Amount of Interest Due & Accrued	8 Amount Received During Year
<div style="border: 1px solid black; padding: 10px; display: inline-block;"> N O N E </div>							
8699999 Total Cash Equivalents							

SCHEDULE E - PART 3 - SPECIAL DEPOSITS

	States, Etc.	1 Type of Deposit	2 Purpose of Deposit	Deposits For the Benefit of All Policyholders		All Other Special Deposits	
				3 Book/Adjusted Carrying Value	4 Fair Value	5 Book/Adjusted Carrying Value	6 Fair Value
				1.	Alabama (AL)		
2.	Alaska (AK)						
3.	Arizona (AZ)						
4.	Arkansas (AR)						
5.	California (CA)						
6.	Colorado (CO)						
7.	Connecticut (CT)						
8.	Delaware (DE)						
9.	District of Columbia (DC)						
10.	Florida (FL)						
11.	Georgia (GA)						
12.	Hawaii (HI)						
13.	Idaho (ID)						
14.	Illinois (IL)						
15.	Indiana (IN)						
16.	Iowa (IA)						
17.	Kansas (KS)						
18.	Kentucky (KY)						
19.	Louisiana (LA)						
20.	Maine (ME)						
21.	Maryland (MD)						
22.	Massachusetts (MA)						
23.	Michigan (MI)						
24.	Minnesota (MN)						
25.	Mississippi (MS)						
26.	Missouri (MO)						
27.	Montana (MT)						
28.	Nebraska (NE)						
29.	Nevada (NV)						
30.	New Hampshire (NH)						
31.	New Jersey (NJ)						
32.	New Mexico (NM)						
33.	New York (NY)						
34.	North Carolina (NC)						
35.	North Dakota (ND)						
36.	Ohio (OH)						
37.	Oklahoma (OK)						
38.	Oregon (OR)						
39.	Pennsylvania (PA)						
40.	Rhode Island (RI)						
41.	South Carolina (SC)						
42.	South Dakota (SD)						
43.	Tennessee (TN)						
44.	Texas (TX)						
45.	Utah (UT)						
46.	Vermont (VT)						
47.	Virginia (VA)						
48.	Washington (WA)						
49.	West Virginia (WV)						
50.	Wisconsin (WI)						
51.	Wyoming (WY)						
52.	American Samoa (AS)						
53.	Guam (GU)						
54.	Puerto Rico (PR)		Statutory Requirement	1,655,398	1,655,398		
55.	U.S. Virgin Islands (VI)						
56.	Northern Mariana Islands (MP)						
57.	Canada (CAN)						
58.	Aggregate Alien and Other (OT)	X X X	X X X				
59.	TOTAL	X X X	X X X	1,655,398	1,655,398		
DETAILS OF WRITE-INS							
5801.							
5802.							
5803.							
5898.	Summary of remaining write-ins for Line 58 from overflow page	X X X	X X X				
5899.	TOTALS (Lines 5801 through 5803 plus 5898) (Line 58 above)	X X X	X X X				



SUPPLEMENTAL COMPENSATION EXHIBIT

For the Year Ended DECEMBER 31, 2016
(To be filed by March 1)

PART 1 - INTERROGATORIES

1. Is the reporting insurer is a member of a group of insurers or other holding company system?
If yes, do the below amounts represent 1) total gross compensation paid to each individual by or on behalf of all companies that are part of the group:
or 2) allocation to each insurer: Yes[] No[X]
2. Did any person while an officer, director, or trustee of the reporting entity receive directly or indirectly, during the period covered by this statement any commission on the business transactions of the reporting entity? Yes[] No[X]
3. Except for retirement plans generally applicable to its staff employees, has the reporting entity any agreement with any person, other than contracts with its agents for the payment of commissions whereby it agrees that for any service rendered or to be rendered, that he/she shall receive directly or indirectly, any salary, compensation or emolument that will extend beyond a period of 12 months from the date of the agreement? Yes[] No[X]

PART 2 - OFFICERS AND EMPLOYEES COMPENSATION

1 Name and Principal Position	2 Year	3 Salary	4 Bonus	5 Stock Awards	6 Option Awards	7 Sign-on Payments	8 Severance Payments	9 All Other Compensation	10 Totals
1. Current Principal Executive Officer	2016								
	2015								
	2014								
2. Current Principal Financial Officer	2016		NONE						
	2015		NONE						
	2014		NONE						
3.	2016								
	2015								
	2014								
4.	2016								
	2015								
	2014								
5.	2016								
	2015								
	2014								
6.	2016								
	2015								
	2014								
7.	2016								
	2015								
	2014								
8.	2016								
	2015								
	2014								
9.	2016								
	2015								
	2014								
10.	2016								
	2015								
	2014								

PART 3 - DIRECTOR COMPENSATION

1 Name and Principal Position or Occupation and Company (if Outside Director)	Paid or Deferred for Services as Director				6 All Other Compensation Paid or Deferred	7 Totals
	2 Direct Compensation	3 Stock Awards	4 Option Awards	5 Other		
9999999						

PART 4 – NARRATIVE DESCRIPTION OF MATERIAL FACTORS

Provide a narrative description of any material factors necessary to gain an understanding of the information disclosed in the tables.



**LIFE, HEALTH & ANNUITY GUARANTY ASSOCIATION
MODEL ACT ASSESSMENT BASE RECONCILIATION EXHIBIT
FOR THE YEAR ENDED DECEMBER 31, 2016
(To Be Filed By April 1)**

OF THE: MCS Life Insurance Company
Direct Business in the State of PUERTO RICO

NAIC COMPANY CODE: 60030

		1	2	3	4
PREMIUMS, CONSIDERATIONS AND DEPOSITS		Life Insurance Premiums	Annuity Considerations	A & H Premiums	Deposit-Type Contract Funds and Other Considerations
1.	Premiums, considerations and deposits from Schedule T	2,521,912		307,322,753	
2.	Premiums, considerations and deposits NOT reported in Schedule T, including investment contract receipts credited to liability account				
2.1	Contract fees for variable contracts with guarantees				
2.2	Any premiums, considerations and deposits not reported in Schedule T				
3.	Amounts, if applicable, that were deducted prior to determining amounts included in Lines 1 or 2 which are in the following categories:				
3.1	Transfers to guaranteed separate accounts				
3.2	Roll over of GIC's or annuities into other companies				
3.3	Surrenders or other benefits paid out				
3.4	Excess interest credited to accounts				
3.5	Aggregate write-ins for other amounts deducted prior to determining amounts included in Lines 1 or 2				
3.99	TOTAL (Lines 3.1 through 3.5)				
4.	Transfers:				
4.1	Enter in Column 2, as a negative number, and Column 4, as a positive number, the total of all amounts received to fund contracts established under Section 403(b) of the U.S. Internal Revenue Code, that are included in Column 2, Lines 1, 2 and 3.99				
4.2	Enter in Column 2, as a positive number, and Column 4 as a negative number, any amounts reported in Column 4, Lines 1, 2 and 3.99 that are allocated. (Note: Amounts received to fund contracts established under Section 403(b) of the U.S. Internal Revenue Code should not be included in Line 4.2)				
4.3	Enter in Column 4, as a positive number, and Column 2 as a negative number, any amounts reported in Column 2, Lines 1, 2 and 3.99 that are unallocated				
4.99	TOTAL (Lines 4.1 + 4.2 + 4.3)				
5.	TOTAL (Lines 1 + 2 + 3.99 + 4.99)	2,521,912		307,322,753	
DEVELOPMENT OF AMOUNTS INCLUDED IN LINES 1 THROUGH 5 THAT SHOULD BE DEDUCTED IN DETERMINING THE BASE					
Do not include any amounts more than once in Lines 6 through 9					
6.	Aggregate write-ins for amounts where the insurer is not subject to risk. Premiums for portions of policies or contracts NOT guaranteed or under which the entire investment risk is borne by the policyholder. (Please specify such deductions and indicate where such amounts were reported in the Annual Statement)				
7.	Amounts NOT allocated to individuals or individual certificate holders or amounts received for such contracts in excess of limits:				
7.1	Unallocated funding obligations that do NOT fund government lotteries or employee, union, or association of natural persons benefit plans	X X X	X X X	X X X	
7.2	Unallocated funding obligations that fund any employee, union or association of natural persons benefit plans protected by the Federal Pension Benefit Guaranty Corporation	X X X	X X X	X X X	
7.3	Unallocated funding obligations that fund governmental lotteries or employee, union, or association of natural persons benefit plans in excess of \$5 million per contract which are NOT: (a) government retirement plans established under Section 401, 403(b) or 457 of the U.S. Internal Revenue Code, or (b) protected by the Federal Pension Benefit Guaranty Corporation	X X X	X X X	X X X	
7.4	TOTAL (Lines 7.1 + 7.2 + 7.3)	X X X	X X X	X X X	
8.	Dividends/Experience rating credits paid or credited, but only if NOT guaranteed in advance (include only amounts NOT already deducted in determining Lines 1 and 2)				
9.	Aggregate write-ins for Other Deductions				
10.	TOTAL (Lines 6 + 7.4 + 8 + 9)				
MODEL ACT BASE (Line 5 minus Line 10)					
11.	Current Year	2,521,912		307,322,753	
DETAILS OF WRITE-INS					
03.501.	.....			
03.502.	.....			
03.503.	.....			
03.598.	Summary of remaining write-ins for Line 3.5 from overflow page				
03.599.	TOTALS (Lines 3.501 through 3.503 plus 3.598) (Line 3.5 above)				
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)				
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)				



**ADJUSTMENTS TO THE LIFE, HEALTH & ANNUITY GUARANTY ASSOCIATION
MODEL ACT ASSESSMENT BASE RECONCILIATION EXHIBIT
FOR THE YEAR ENDED DECEMBER 31, 2016**

OF THE: MCS Life Insurance Company
Direct Business in the State of PUERTO RICO

NAIC COMPANY CODE: 60030
(To Be Filed By April 1)

	1 Life Insurance Premium	2 Allocated Annuity and Other Allocated Fund Deposits	3 Accident & Health Premium	4 Unallocated Annuity & Other Unallocated Fund Deposits
1. MODEL ACT BASE (Line 11 of the Reconciliation Exhibit)	2,521,912		307,322,753	
AMOUNTS REQUIRED TO DETERMINE THIS STATE'S ASSESSMENT BASE				
2. Enter in Column 2, as a positive number, and Column 4, as a negative number, the total of all amounts received to fund allocated contracts established under Section 403(b) of the U.S. Internal Revenue Code that are included in Column 4, Line 1 above	X X X		X X X	
3. Unallocated funding obligations that do NOT fund government lotteries or employee, union, or association of natural persons benefit plans:				
3.1 Amounts NOT in excess of \$1 million per contract	X X X	X X X	X X X	
3.2 All Amounts	X X X	X X X	X X X	
4. Unallocated funding obligations issued to fund government lotteries or employee, union, or association of natural persons benefit plans which are NOT: (a) governmental retirement plans established under Sections 401, 403(b) or 457 of the U.S. Internal Revenue Code, or (b) protected by the Federal Pension Benefit Guaranty Corporation				
4.1 Amounts NOT in excess of \$1 million per contract	X X X	X X X	X X X	
4.2 Amounts in excess of \$1 million but NOT in excess of \$5 million per contract	X X X	X X X	X X X	
4.3 Amounts in excess of \$5 million per contract	X X X	X X X	X X X	
4.4 TOTAL (Lines 4.1 + 4.2 + 4.3)	X X X	X X X	X X X	
4.5 Amounts up to \$7.5 million per contract (Minnesota only)	X X X	X X X	X X X	
5. Unallocated funding obligations issued to fund governmental retirement plans established under Sections 401 and 457 of the U.S. Internal Revenue Code:				
5.1 Amounts in excess of \$1 million per contract	X X X	X X X	X X X	
5.2 All amounts	X X X	X X X	X X X	
5.3 Amounts in excess of \$2 million per contract (New Jersey Only)	X X X	X X X	X X X	
5.4 Amounts not in excess of \$7.5 million per contract (Minnesota only)	X X X	X X X	X X X	
6. Unallocated funding obligations issued to fund governmental retirement plans established under Section 403(b) of the U.S Internal Revenue Code:				
6.1 Amounts NOT in excess of \$1 million per contract	X X X	X X X	X X X	
6.2 Amounts in excess of \$1 million per contract	X X X	X X X	X X X	
6.3 TOTAL (Lines 6.1 + 6.2)	X X X	X X X	X X X	
6.4 Amounts in excess of \$2 million per contract (New Jersey Only)	X X X	X X X	X X X	
6.5 Amounts not in excess of \$7.5 million per contract (Minnesota only)	X X X	X X X	X X X	
7. Unallocated funding obligations that fund employee, union, or association of natural persons benefit plans protected by the Federal Pension Benefit Guaranty Corporation:				
7.1 Amounts NOT in excess of \$1 million per contract	X X X	X X X	X X X	
7.2 All amounts	X X X	X X X	X X X	
7.3 Amounts NOT in excess of \$2 million per contract (New Jersey Only)	X X X	X X X	X X X	
8. Unallocated funding obligations issued to fund government lotteries NOT in excess of \$5 million per contractholder (New Jersey Only)	X X X	X X X	X X X	
9. Unallocated funding obligations that fund employee or association of natural persons benefit plans in excess of \$2 million but NOT in excess of \$5 million per contract. (New Jersey Only)	X X X	X X X	X X X	
10. Aggregate write-ins for other deductions				
BASE				
11. Current Year (2016)	2,521,912		307,322,753	
DETAILS OF WRITE-INS				
1001.				
1002.				
1003.				
1098. Summary of remaining write-ins for Line 10 from overflow page				
1099. TOTALS (Lines 1001 through 1003 plus 1098) (Line 10 above)				



**LIFE, HEALTH & ANNUITY GUARANTY ASSOCIATION
MODEL ACT ASSESSMENT BASE RECONCILIATION EXHIBIT
FOR THE YEAR ENDED DECEMBER 31, 2016
(To Be Filed By April 1)**

OF THE: MCS Life Insurance Company
Direct Business in the State of **GRAND TOTAL**

NAIC COMPANY CODE: 60030

		1	2	3	4
PREMIUMS, CONSIDERATIONS AND DEPOSITS		Life Insurance Premiums	Annuity Considerations	A & H Premiums	Deposit-Type Contract Funds and Other Considerations
1.	Premiums, considerations and deposits from Schedule T	2,521,912		307,322,753	
2.	Premiums, considerations and deposits NOT reported in Schedule T, including investment contract receipts credited to liability account				
2.1	Contract fees for variable contracts with guarantees				
2.2	Any premiums, considerations and deposits not reported in Schedule T				
3.	Amounts, if applicable, that were deducted prior to determining amounts included in Lines 1 or 2 which are in the following categories:				
3.1	Transfers to guaranteed separate accounts				
3.2	Roll over of GIC's or annuities into other companies				
3.3	Surrenders or other benefits paid out				
3.4	Excess interest credited to accounts				
3.5	Aggregate write-ins for other amounts deducted prior to determining amounts included in Lines 1 or 2				
3.99	TOTAL (Lines 3.1 through 3.5)				
4.	Transfers:				
4.1	Enter in Column 2, as a negative number, and Column 4, as a positive number, the total of all amounts received to fund contracts established under Section 403(b) of the U.S. Internal Revenue Code, that are included in Column 2, Lines 1, 2 and 3.99				
4.2	Enter in Column 2, as a positive number, and Column 4 as a negative number, any amounts reported in Column 4, Lines 1, 2 and 3.99 that are allocated. (Note: Amounts received to fund contracts established under Section 403(b) of the U.S. Internal Revenue Code should not be included in Line 4.2)				
4.3	Enter in Column 4, as a positive number, and Column 2 as a negative number, any amounts reported in Column 2, Lines 1, 2 and 3.99 that are unallocated				
4.99	TOTAL (Lines 4.1 + 4.2 + 4.3)				
5.	TOTAL (Lines 1 + 2 + 3.99 + 4.99)	2,521,912		307,322,753	
DEVELOPMENT OF AMOUNTS INCLUDED IN LINES 1 THROUGH 5 THAT SHOULD BE DEDUCTED IN DETERMINING THE BASE					
Do not include any amounts more than once in Lines 6 through 9					
6.	Aggregate write-ins for amounts where the insurer is not subject to risk. Premiums for portions of policies or contracts NOT guaranteed or under which the entire investment risk is borne by the policyholder. (Please specify such deductions and indicate where such amounts were reported in the Annual Statement)				
7.	Amounts NOT allocated to individuals or individual certificate holders or amounts received for such contracts in excess of limits:				
7.1	Unallocated funding obligations that do NOT fund government lotteries or employee, union, or association of natural persons benefit plans	X X X	X X X	X X X	
7.2	Unallocated funding obligations that fund any employee, union or association of natural persons benefit plans protected by the Federal Pension Benefit Guaranty Corporation	X X X	X X X	X X X	
7.3	Unallocated funding obligations that fund governmental lotteries or employee, union, or association of natural persons benefit plans in excess of \$5 million per contract which are NOT: (a) government retirement plans established under Section 401, 403(b) or 457 of the U.S. Internal Revenue Code, or (b) protected by the Federal Pension Benefit Guaranty Corporation	X X X	X X X	X X X	
7.4	TOTAL (Lines 7.1 + 7.2 + 7.3)	X X X	X X X	X X X	
8.	Dividends/Experience rating credits paid or credited, but only if NOT guaranteed in advance (include only amounts NOT already deducted in determining Lines 1 and 2)				
9.	Aggregate write-ins for Other Deductions				
10.	TOTAL (Lines 6 + 7.4 + 8 + 9)				
MODEL ACT BASE (Line 5 minus Line 10)					
11.	Current Year	2,521,912		307,322,753	
DETAILS OF WRITE-INS					
03.501.	.....			
03.502.	.....			
03.503.	.....			
03.598.	Summary of remaining write-ins for Line 3.5 from overflow page				
03.599.	TOTALS (Lines 3.501 through 3.503 plus 3.598) (Line 3.5 above)				
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)				
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)				



SUPPLEMENTAL INVESTMENT RISKS INTERROGATORIES

For the year ended DECEMBER 31, 2016
(To Be Filed by April 1)

Of The MCS Life Insurance Company
 Address (City, State, Zip Code) San Juan, PR, 00917
 NAIC Group Code 1301 NAIC Company Code 60030 Employer's ID Number 66-0520918

The Investment Risk Interrogatories are to be filed by April 1. They are also to be included with the Audited Statutory Financial Statements. Answer the following interrogatories by reporting the applicable U. S. dollar amounts and percentages of the reporting entity's total admitted assets held in that category of investments.

1. Reporting entity's total admitted assets as reported on Page 2 of this annual statement. \$ 68,708,634

1	2	3	4
Issuer	Description of Exposure	Amount	Percentage of Total Admitted Assets
2. Ten largest exposures to a single issuer/borrower/investment.			
2.01 Banco Popular	Preferred Stock, Cash and CD	37,387,880	54.415
2.02 Oregon Sch Bonds	Bonds	210,004	0.306
2.03 First Union Corp	Corporate Bonds	120,815	0.176
2.04 Illinois St Pension	Bonds	183,132	0.267
2.05 Pierce Cnty WA	Bonds	159,894	0.233
2.06 Indiana BD Bond	Bonds	300,487	0.437
2.07 Lowes Co	Corporate Bonds	202,484	0.295
2.08 Rosemount ILL RDFG	Bonds	505,639	0.736
2.09 Puerto Rico Commonwealth	Bonds	240,000	0.349
2.10 Maryland St Trans	Bonds	502,314	0.731

NAIC Designation	1	2
	Amount	Percent
3. Amounts and percentages of the reporting entity's total admitted assets held in bonds and preferred stocks by NAIC designation.		
Bonds		
3.01 NAIC 1	8,747,472	12.731
3.02 NAIC 2	183,132	0.267
3.03 NAIC 3		
3.04 NAIC 4		
3.05 NAIC 5		
3.06 NAIC 6	275,424	0.401
Preferred Stocks		
3.07 P/RP-1		
3.08 P/RP-2		
3.09 P/RP-3		
3.10 P/RP-4		
3.11 P/RP-5	354,860	0.516
3.12 P/RP-6		

4. Assets held in foreign investments:
 4.01 Are assets held in foreign investments less than 2.5% of the reporting entity's total admitted assets? Yes[X] No[]
 If response to 4.01 above is yes, responses are not required for interrogatories 5 - 10.

	1	2
	Amount	Percent
4.02 TOTAL admitted assets held in foreign investments		
4.03 Foreign-currency-denominated investments		
4.04 Insurance liabilities denominated in that same foreign currency		

SUPPLEMENTAL INVESTMENT RISKS INTERROGATORIES (Continued)

	1 Amount	2 Percent
NAIC Sovereign Designation		
5. Aggregate foreign investment exposure categorized by NAIC sovereign designation:		
5.01 Countries designated NAIC 1		
5.02 Countries designated NAIC 2		
5.03 Countries designated NAIC 3 or below		

	1 Amount	2 Percent
NAIC Sovereign Designation		
6. Largest foreign investment exposures by country, categorized by the country's NAIC sovereign designation:		
Countries designated NAIC 1:		
6.01		
6.02		
Countries designated NAIC 2:		
6.03		
6.04		
Countries designated NAIC 3 or below:		
6.05		
6.06		

	1 Amount	2 Percent
Description		
7. Aggregate unhedged foreign currency exposure		

	1 Amount	2 Percent
NAIC Sovereign Designation		
8. Aggregate unhedged foreign currency exposure categorized by NAIC sovereign designation:		
8.01 Countries designated NAIC 1		
8.02 Countries designated NAIC 2		
8.03 Countries designated NAIC 3 or below		

	1 Amount	2 Percent
NAIC Sovereign Designation		
9. Largest unhedged foreign currency exposures by country, categorized by the country's NAIC sovereign designation:		
Countries designated NAIC 1:		
9.01		
9.02		
Countries designated NAIC 2:		
9.03		
9.04		
Countries designated NAIC 3 or below:		
9.05		
9.06		

	2 NAIC Designation	3 Amount	4 Percent
1 Issuer			
10. Ten largest non-sovereign (i.e. non-governmental) foreign issues:			
10.01			
10.02			
10.03			
10.04			
10.05			
10.06			
10.07			
10.08			
10.09			
10.10			

SUPPLEMENTAL INVESTMENT RISKS INTERROGATORIES (Continued)

11. Amounts and percentages of the reporting entity's total admitted assets held in Canadian investments and unhedged Canadian currency exposure:

11.01 Are assets held in Canadian investments less than 2.5% of the reporting entity's total admitted assets?

Yes No

If response to 11.01 is yes, detail is not required for the remainder of Interrogatory 11.

	1 Amount	2 Percent
11.02 TOTAL admitted assets held in Canadian Investments		
11.03 Canadian-currency-denominated investments		
11.04 Canadian-denominated insurance liabilities		
11.05 Unhedged Canadian currency exposure		

12. Report aggregate amounts and percentages of the reporting entity's total admitted assets held in investments with contractual sales restrictions.

12.01 Are assets held in investments with contractual sales restrictions less than 2.5% of the reporting entity's total admitted assets?

Yes No

If response to 12.01 is yes, responses are not required for the remainder of Interrogatory 12.

	1 Contractual Sales Restrictions	2 Amount	3 Percent
12.02 Aggregate statement value of investments with contractual sales restrictions			
Largest 3 investments with contractual sales restrictions:			
12.03			
12.04			
12.05			

13. Amounts and percentages of admitted assets held in the ten largest equity interests:

13.01 Are assets held in equity interest less than 2.5% of the reporting entity's total admitted assets?

Yes No

If response to 13.01 above is yes, responses are not required for the remainder of Interrogatory 13.

	1 Name of Issuer	2 Amount	3 Percent
Assets held in equity interests:			
13.02			
13.03			
13.04			
13.05			
13.06			
13.07			
13.08			
13.09			
13.10			
13.11			

SUPPLEMENTAL INVESTMENT RISKS INTERROGATORIES (Continued)

14. Amounts and percentages of the reporting entity's total admitted assets held in nonaffiliated, privately placed equities:

14.01 Are assets held in nonaffiliated, privately placed equities less than 2.5% of the reporting entity's total admitted assets?

Yes[] No[X]

If response to 14.01 above is yes, responses are not required for the remainder of Interrogatory 14.

	1 Investment Category	2 Amount	3 Percent
14.02	Aggregate statement value of investments held in nonaffiliated, privately placed equities		
	Largest 3 investments held in nonaffiliated, privately placed equities:		
14.03	.....	
14.04	.....	
14.05	.....	

15. Amounts and percentages of the reporting entity's total admitted assets held in general partnership interests:

15.01 Are assets held in general partnership interests less than 2.5% of the reporting entity's total admitted assets?

Yes[X] No[]

If response to 15.01 above is yes, responses are not required for the remainder of Interrogatory 15.

	1 Investments in General Partnerships	2 Amount	3 Percent
15.02	Aggregate statement value of investments held in general partnership interests		
	Largest 3 investments in general partnership interests:		
15.03	.....	
15.04	.....	
15.05	.....	

16. Amounts and percentages of the reporting entity's total admitted assets held in mortgage loans:

16.01 Are mortgage loans reported in Schedule B less than 2.5% of the reporting entity's total admitted assets?

Yes[X] No[]

If response to 16.01 above is yes, responses are not required for the remainder of Interrogatory 16 and Interrogatory 17.

	1 Type (Residential, Commercial, Agricultural)	2 Amount	3 Percent
	TOTAL admitted assets held in Mortgage Loans		
16.02		
16.03		
16.04		
16.05		
16.06		
16.07		
16.08		
16.09		
16.10		
16.11		

SUPPLEMENTAL INVESTMENT RISKS INTERROGATORIES (Continued)

Description	Loans	
	2 Amount	3 Percent
Amount and percentage of the reporting entity's total admitted assets held in the following categories of mortgage loans:		
16.12 Construction loans		
16.13 Mortgage loans over 90 days past due		
16.14 Mortgage loans in the process of foreclosure		
16.15 Mortgage loans foreclosed		
16.16 Restructured mortgage loans		

Loan-to-Value	Residential		Commercial		Agricultural	
	1 Amount	2 Percent	3 Amount	4 Percent	5 Amount	6 Percent
17. Aggregate mortgage loans having the following loan-to-value ratios as determined from the most current appraisal as of the annual statement date:						
17.01 Above 95%						
17.02 91% to 95%						
17.03 81% to 90%						
17.04 71% to 80%						
17.05 Below 70%						

18. Amounts and percentages of the reporting entity's total admitted assets held in each of the five largest investments in real estate:

18.01 Are assets held in real estate reported less than 2.5% of the reporting entity's total admitted assets?

Yes[X] No[]

If response to 18.01 above is yes, responses are not required for the remainder of Interrogatory 18.

1 Description	2 Amount	3 Percent
Largest five investments in any one parcel or group of contiguous parcels of real estate:		
18.02		
18.03		
18.04		
18.05		
18.06		

19. Report aggregate amounts and percentages of the reporting entity's total admitted assets held in investments held in mezzanine real estate loans:

19.01 Are assets held in investments held in mezzanine real estate loans less than 2.5% of the reporting entity's total admitted assets?

Yes[X] No[]

If response to 19.01 is yes, responses are not required for the remainder of Interrogatory 19.

1 Description	2 Amount	3 Percent
19.02 Aggregate statement value of investments held in mezzanine real estate loans		
Largest three investments held in mezzanine real estate loans:		
19.03		
19.04		
19.05		

SUPPLEMENTAL INVESTMENT RISKS INTERROGATORIES (Continued)

Description	At Year-End		Amount at End of Each Quarter		
	Amount 1	Percent 2	1st Qtr 3	2nd Qtr 4	3rd Qtr 5
20. Amounts and percentages of the reporting entity's total admitted assets subject to the following types of agreements:					
20.01 Securities lending agreements (do not include assets held as collateral for such transactions)					
20.02 Repurchase agreements					
20.03 Reverse repurchase agreements					
20.04 Dollar repurchase agreements					
20.05 Dollar reverse repurchase agreements					

Description	Owned		Written	
	1 Amount	2 Percent	3 Amount	4 Percent
21. Amounts and percentages of the reporting entity's total admitted assets for warrants not attached to other financial instruments, options, caps, and floors:				
21.01 Hedging				
21.02 Income generation				
21.03 Other				

Description	At Year-End		Amount at End of Each Quarter		
	Amount 1	Percent 2	1st Qtr 3	2nd Qtr 4	3rd Qtr 5
22. Amounts and percentages of the reporting entity's total admitted assets of potential exposure for collars, swaps, and forwards:					
22.01 Hedging					
22.02 Income generation					
22.03 Replications					
22.04 Other					

Description	At Year-End		Amount at End of Each Quarter		
	Amount 1	Percent 2	1st Qtr 3	2nd Qtr 4	3rd Qtr 5
23. Amounts and percentages of the reporting entity's total admitted assets of potential exposure for futures contracts:					
23.01 Hedging					
23.02 Income generation					
23.03 Replications					
23.04 Other					



NATIONAL ASSOCIATION OF INSURANCE COMMISSIONERS
SCHEDULE SIS

STOCKHOLDER INFORMATION SUPPLEMENT

**FOR THE YEAR ENDED
DECEMBER 31, 2016**

(To Be Filed by March 1)

**REQUIRED BY THE APPLICABLE QUESTION ON THE SUPPLEMENTAL EXHIBITS AND SCHEDULES
INTERROGATORIES FOR THE PROPERTY / CASUALTY, LIFE ACCIDENT AND HEALTH, TITLE
AND HEALTH INSURANCE BLANKS**

TO ANNUAL STATEMENT OF THE

MCS Life Insurance Company

COMPANY

FINANCIAL REPORTING TO STOCKHOLDERS

1. Did the company distribute to its stockholders prior to the Annual Meeting during the year an Annual Report for the previous year? Yes[] No[X]
If answer is "Yes" attach copy. If answer is "No" explain in detail below. Attach separate sheet if necessary.:

2. Will the company distribute to its stockholders prior to the Annual Meeting during the following year an Annual Report for the current year? Yes[] No[X]
If answer is "Yes" a copy of the report shall be forwarded to the Insurance Commissioner of the company's domiciliary state at the same time as it is distributed to stockholders. If answer is "No" explain in detail below. Attach separate sheet if necessary.:

3. If an Annual Report to stockholders was distributed for the previous year; (1) was such distribution prior to or contemporaneous with the solicitation of proxies in respect to the Annual Meeting? Yes[] No[X]
If answer is "No" explain in detail below. Attach separate sheet if necessary.
(2) Did it contain the following financial statements (indicate answer in Column A) and were such financial statements prepared substantially on the basis (individual or consolidated) as required to be present in the Company's Annual Statement (indicate answer in Column B)?

	Column A	Column B
To be answered by Life and A & H Companies:		
a. Statement of Assets, Liabilities, Surplus and Other Funds	Yes[] No[X]	Yes[] No[X]
b. Summary of Operations	Yes[] No[X]	Yes[] No[X]
c. Surplus Account	Yes[] No[X]	Yes[] No[X]
To be answered by Property and Casualty Companies:		
a. Statement of Assets, Liabilities, Surplus and Other Funds	Yes[] No[X]	Yes[] No[X]
b. Statement of Income - Underwriting and Investment Exhibit	Yes[] No[X]	Yes[] No[X]
c. Capital and Surplus Account	Yes[] No[X]	Yes[] No[X]
To be answered by Title Insurance Companies		
a. Statement of Assets, Liabilities, Surplus and Other Funds	Yes[] No[X]	Yes[] No[X]
b. Statement of Income - Operations and Investment Exhibit	Yes[] No[X]	Yes[] No[X]
c. Capital and Surplus Account	Yes[] No[X]	Yes[] No[X]
To be answered by Health Insurance Companies:		
a. Statement of Assets, Liabilities, Capital and Surplus	Yes[] No[X]	Yes[] No[X]
b. Statement of Revenue and Expenses	Yes[] No[X]	Yes[] No[X]
c. Capital and Surplus Account	Yes[] No[X]	Yes[] No[X]

STATEMENT OF BENEFICIAL OWNERSHIP OF SECURITIES

(See Instructions Below)

1	2	3	Number of Shares					8	9
			4	5	Disposed of During Current Year		Owned at End of Current Year		
					6	7			
Name and Title of (a) Each Director and Each Officer with any ownership and (b) any other Owner of more than 10%	Title of Security	Nature of Ownership	Owned at end of Prior Year	Acquired During Current Year	Held Less Than 6 Months	Held 6 Months or More	Owned at End of Current Year	Percentage of Voting Stock Directly and Indirectly Owned or Controlled at the End of the Current Year	
.....	

Note: Answer "yes" or "no" as to whether the information concerning the number of shares owned at the end of the year (as shown in Column 8) by each Director and the three highest paid Officers whose aggregate direct remuneration exceeded \$100,000 during the year, has been or will be furnished to stockholders in a proxy statement or otherwise. No If answer is "no", explain in detail on a separate sheet.

State the number of stockholders of record of the company at the end of the year. Answer: _____

Has the state of domicile granted an exemption or disclaimer of control? Answer: No

If answer is "yes" explain:

Supp21	Workers Comp. Carve-Out Supp. Pt 1 Prem Earned	NONE
Supp21	Workers Comp. Carve-Out Supp. Pt 2 Prem Written	NONE
Supp21	Workers Comp. Carve-Out Supp. Pt 3 Losses Paid	NONE
Supp21	Workers Comp. Carve-Out Supp. Pt 4 Unpaid Losses	NONE
Supp22	Workers Comp. Carve-Out Supp. Sch F - Pt 1	NONE
Supp22	Workers Comp. Carve-Out Supp. Sch F - Pt 2	NONE
Supp23	Workers Comp. Carve-Out Supp. Sch P - Pt 1	NONE
Supp24	Workers Comp. Carve-Out Supp. Sch P - Pt 2	NONE
Supp24	Workers Comp. Carve-Out Supp. Sch P - Pt 3	NONE
Supp25	Workers Comp. Carve-Out Supp. Sch P - Pt 4	NONE
Supp25	Workers Comp. Carve-Out Supp. Sch P - Pt 5 Sn1	NONE
Supp25	Workers Comp. Carve-Out Supp. Sch P - Pt 5 Sn2	NONE
Supp25	Workers Comp. Carve-Out Supp. Sch P - Pt 5 Sn3	NONE
Supp26	Workers Comp. Carve-Out Supp. Sch P - Pt 6 Sn1	NONE
Supp26	Workers Comp. Carve-Out Supp. Sch P - Pt 6 Sn2	NONE



SCHEDULE O SUPPLEMENT

For the Year Ended DECEMBER 31, 2016

(To Be Filed By March 1)

Of the MCS Life Insurance Company

Address (City, State, Zip Code): San Juan, PR 00917

NAIC Group Code: 1301 NAIC Company Code: 60030 Employer's ID Number: 66-0520918

SUPPLEMENTAL SCHEDULE O - PART 1

Development of Incurred Losses

(\$000 OMITTED)

Section A - Group Accident and Health

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid Policyholders				
	1 2012	2 2013	3 2014	4 2015	5 2016(a)
1. Prior	16,853	827	91		
2. 2012	142,107	16,118	362		
3. 2013	X X X	170,709	19,146	(76)	(82)
4. 2014	X X X	X X X	188,646	18,899	241
5. 2015	X X X	X X X	X X X	198,106	27,647
6. 2016	X X X	X X X	X X X	X X X	213,099

Section B - Other Accident and Health

1. Prior	2,119	75	18		
2. 2012	15,355	1,927	38		
3. 2013	X X X	16,084	2,327	31	(10)
4. 2014	X X X	X X X	20,082	2,591	(25)
5. 2015	X X X	X X X	X X X	38,639	6,513
6. 2016	X X X	X X X	X X X	X X X	19,334

Section C - Credit Accident and Health

1. Prior					
2. 2012					
3. 2013	X X X				
4. 2014	X X X	X X X			
5. 2015	X X X	X X X	X X X		
6. 2016	X X X	X X X	X X X	X X X	

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

SCHEDULE O SUPPLEMENT (Continued)

SUPPLEMENTAL SCHEDULE O - PART 2

**Development of Incurred Losses
(\$000 OMITTED)
Section A - Group Accident and Health**

Year in Which Losses Were Incurred	Net Amounts Paid for Cost Containment Expenses				
	1 2012	2 2013	3 2014	4 2015	5 2016
1. Prior					
2. 2012					
3. 2013	X X X				
4. 2014	X X X	X X X			
5. 2015	X X X	X X X	X X X		
6. 2016	X X X	X X X	X X X	X X X	

Section B - Other Accident and Health

1. Prior					
2. 2012					
3. 2013	X X X				
4. 2014	X X X	X X X			
5. 2015	X X X	X X X	X X X		
6. 2016	X X X	X X X	X X X	X X X	

Section C - Credit Accident and Health

1. Prior					
2. 2012					
3. 2013	X X X				
4. 2014	X X X	X X X			
5. 2015	X X X	X X X	X X X		
6. 2016	X X X	X X X	X X X	X X X	

SCHEDULE O SUPPLEMENT (Continued)

SUPPLEMENTAL SCHEDULE O - PART 3

**Development of Incurred Losses
(\$000 OMITTED)**

Section A - Group Accident and Health

Year in Which Losses Were Incurred	Sum of Net Cumulative Amount Paid Policyholders and Claim Liability and Reserve Outstanding at End of Year				
	1 2012	2 2013	3 2014	4 2015	5 2016
1. 2012	155,449	16,749	158,583	X X X	X X X
2. 2013	X X X	192,164	190,311	162	X X X
3. 2014	X X X	X X X	206,728	42,666	76
4. 2015	X X X	X X X	X X X	225,935	1,021
5. 2016	X X X	X X X	X X X	X X X	23,600

Section B - Other Accident and Health

1. 2012	17,098	1,956	17,321	X X X	X X X
2. 2013	X X X	18,805	18,454	32	X X X
3. 2014	X X X	X X X	21,808	2,629	(2)
4. 2015	X X X	X X X	X X X	46,012	23
5. 2016	X X X	X X X	X X X	X X X	2,339

Section C - Credit Accident and Health

1. 2012				X X X	X X X
2. 2013	X X X				X X X
3. 2014	X X X	X X X			
4. 2015	X X X	X X X	X X X		
5. 2016	X X X	X X X	X X X	X X X	

SCHEDULE O SUPPLEMENT (Continued)**SUPPLEMENTAL SCHEDULE O - PART 4****Development of Incurred Losses
(\$000 OMITTED)****Section A - Group Accident and Health**

Year in Which Losses Were Incurred	Sum of Net Cumulative Amount Paid Policyholders, Cost Containment Expenses, and Claim and Cost Containment Liability and Reserve Outstanding at End of Year				
	1 2012	2 2013	3 2014	4 2015	5 2016
1. 2012	155,449	158,857	158,583		
2. 2013	X X X	192,164	190,311		
3. 2014	X X X	X X X	206,728		
4. 2015	X X X	X X X	X X X		
5. 2016	X X X	X X X	X X X	X X X	

Section B - Other Accident and Health

1. 2012	17,098	17,311	17,321		
2. 2013	X X X	18,805	18,454		
3. 2014	X X X	X X X	21,808		
4. 2015	X X X	X X X	X X X		
5. 2016	X X X	X X X	X X X	X X X	

Section C - Credit Accident and Health

1. 2012					
2. 2013	X X X				
3. 2014	X X X	X X X			
4. 2015	X X X	X X X	X X X		
5. 2016	X X X	X X X	X X X	X X X	

SUPPLEMENTAL SCHEDULE O - PART 5

(\$000 OMITTED)

Reserve and Liability Methodology - Exhibits 6 and 8

Line of Business	1 Methodology	2 Amount
1. Industrial life		
2. Ordinary life		
3. Individual annuity		
4. Supplementary contracts		
5. Credit life		
6. Group life	Other	250
7. Group annuities		
8. Group accident and health	Development	24,697
9. Credit accident and health		
10. Other accident and health	Development	2,360
11. TOTAL		27,307



Medicare Part D Coverage Supplement (Net of Reinsurance)

NAIC Group Code: 1301

(To be Filed By March 1)

NAIC Company Code: 60030

	Individual Coverage		Group Coverage		5 Total Cash
	1 Insured	2 Uninsured	3 Insured	4 Uninsured	
1. Premiums Collected					
1.1 Standard Coverage					
1.11 With Reinsurance Coverage		X X X		X X X	
1.12 Without Reinsurance Coverage		X X X		X X X	
1.13 Risk-Corridor Payment Adjustments		X X X		X X X	
1.2 Supplemental Benefits		X X X		X X X	
2. Premiums Due and Uncollected - change					
2.1 Standard Coverage					
2.11 With Reinsurance Coverage		X X X		X X X	X X X
2.12 Without Reinsurance Coverage		X X X		X X X	X X X
2.2 Supplemental Benefits		X X X		X X X	X X X
3. Unearned Premium and Advance Premium - change					
3.1 Standard Coverage					
3.11 With Reinsurance Coverage		X X X		X X X	X X X
3.12 Without Reinsurance Coverage		X X X		X X X	X X X
3.2 Supplemental Benefits		X X X		X X X	X X X
4. Risk-Corridor Payment Adjustments - change					
4.1 Receivable		X X X		X X X	X X X
4.2 Payable		X X X		X X X	X X X
5. Earned Premiums					
5.1 Standard Coverage					
5.11 With Reinsurance Coverage		X X X		X X X	X X X
5.12 Without Reinsurance Coverage		X X X		X X X	X X X
5.13 Risk-Corridor Payment Adjustments		X X X		X X X	X X X
5.2 Supplemental Benefits		X X X		X X X	X X X
6. TOTAL Premiums		X X X		X X X	
7. Claims Paid					
7.1 Standard Coverage					
7.11 With Reinsurance Coverage		NONE		X X X	
7.12 Without Reinsurance Coverage		NONE		X X X	
7.2 Supplemental Benefits		NONE		X X X	
8. Claim Reserves and Liabilities - change					
8.1 Standard Coverage					
8.11 With Reinsurance Coverage		X X X		X X X	X X X
8.12 Without Reinsurance Coverage		X X X		X X X	X X X
8.2 Supplemental Benefits		X X X		X X X	X X X
9. Healthcare Receivables - change					
9.1 Standard Coverage					
9.11 With Reinsurance Coverage		X X X		X X X	X X X
9.12 Without Reinsurance Coverage		X X X		X X X	X X X
9.2 Supplemental Benefits		X X X		X X X	X X X
10. Claims Incurred					
10.1 Standard Coverage					
10.11 With Reinsurance Coverage		X X X		X X X	X X X
10.12 Without Reinsurance Coverage		X X X		X X X	X X X
10.2 Supplemental Benefits		X X X		X X X	X X X
11. TOTAL Claims		X X X		X X X	
12. Reinsurance Coverage and Low Income Cost Sharing					
12.1 Claims Paid - Net of reimbursements applied	X X X		X X X		
12.2 Reimbursements Received but Not Applied - change	X X X		X X X		
12.3 Reimbursements Receivable - change	X X X		X X X		X X X
12.4 Healthcare Receivables - change	X X X		X X X		X X X
13. Aggregate Policy Reserves - change					X X X
14. Expenses Paid		X X X		X X X	
15. Expenses Incurred		X X X		X X X	X X X
16. Underwriting Gain/Loss		X X X		X X X	X X X
17. Cash Flow Result	X X X	X X X	X X X	X X X	

Supp32 Long Term Care Form 1 NONE

Supp33 Long Term Care Form 2 NONE

Supp34 Long Term Care Form 3 - Part A NONE

Supp35 Long Term Care Form 3 - Part B NONE

Supp36 Long Term Care Form 3 - Part C NONE

Supp37 Long Term Care Form 4 NONE

Supp38 Long Term Care Form 5 NONE

Supp39 Interest Sensitive Life - Title Page NONE

Supp40 Interest Sensitive Life - Lines of Bus. NONE

Supp41 Interest Sensitive Life - Increase in Reserves NONE

OVERFLOW PAGE FOR WRITE-INS

Supp42

PART 6 - NATIONWIDE CREDIT PROPERTY PREMIUMS AND UNDERWRITING EXPENSES

	1 Creditor Placed Home	2 Creditor Placed Auto	3 Personal Property	4 Other (a)
1. Premiums:				
1.1 Direct written premiums				
1.2 Direct earned premiums				
2. Underwriting expenses incurred:				
2.1 Commission and brokerage expenses incurred	NONE			
2.2 Taxes, licenses and fees incurred	NONE			
2.3 Other acquisitions, field supervision and collection expenses incurred	NONE			
2.4 General expenses incurred	NONE			

(a) Provide a description of "other" coverages (including their percent of Line 1.2 Column 4):



ACCIDENT AND HEALTH POLICY EXPERIENCE EXHIBIT FOR YEAR

United States Policy Forms Direct Business Only

For The Year Ended DECEMBER 31, 2016

NAIC Group Code: 1301

(To Be Filed By April 1)

NAIC Company Code: 60030

	1	2	3	4	5	6	7
	Premiums Earned	Incurred Claims Amount	Change in Contract Reserves	Loss Ratio (2 + 3) / 1	Number of Policies or Certificates as of Dec. 31	Number of Covered Lives as of Dec. 31	Member Months
A. INDIVIDUAL BUSINESS							
1. Comprehensive Major Medical							
1.1. With Contract Reserves	26,901,813	21,261,682		79.0	9,066	13,158	170,843
1.2. Without Contract Reserves							
1.3. Subtotal	26,901,813	21,261,682		79.0	9,066	13,158	170,843
2. Short-Term Medical							
2.1. With Contract Reserves							
2.2. Without Contract Reserves							
2.3. Subtotal							
3. Other Medical (Non-Comprehensive)							
3.1. With Contract Reserves							
3.2. Without Contract Reserves							
3.3. Subtotal							
4. Specified/Named Disease							
4.1. With Contract Reserves							
4.2. Without Contract Reserves							
4.3. Subtotal							
5. Limited Benefit							
5.1. With Contract Reserves							
5.2. Without Contract Reserves							
5.3. Subtotal							
6. Student							
6.1. With Contract Reserves							
6.2. Without Contract Reserves							
6.3. Subtotal							
7. Accident Only or AD&D							
7.1. With Contract Reserves							
7.2. Without Contract Reserves							
7.3. Subtotal							
8. Disability Income - Short-Term							
8.1. With Contract Reserves							
8.2. Without Contract Reserves							
8.3. Subtotal							

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ACCIDENT AND HEALTH POLICY EXPERIENCE EXHIBIT FOR YEAR

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	1	2	3	4	5	6	7
	Premiums Earned	Incurred Claims Amount	Change in Contract Reserves	Loss Ratio (2 + 3) / 1	Number of Policies or Certificates as of Dec. 31	Number of Covered Lives as of Dec. 31	Member Months
A. INDIVIDUAL BUSINESS (Continued)							
9. Disability Income - Long-Term							
9.1. With Contract Reserves							
9.2. Without Contract Reserves							
9.3. Subtotal							
10. Long-Term Care							
10.1. With Contract Reserves							
10.2. Without Contract Reserves							
10.3. Subtotal							
11. Medicare Supplement (Medigap)							
11.1. With Contract Reserves							
11.2. Without Contract Reserves							
11.3. Subtotal							
12. Dental							
12.1. With Contract Reserves							
12.2. Without Contract Reserves							
12.3. Subtotal							
13. State Children's Health Insurance Program							
13.1. With Contract Reserves							
13.2. Without Contract Reserves							
13.3. Subtotal							
14. Medicare							
14.1. With Contract Reserves							
14.2. Without Contract Reserves							
14.3. Subtotal							
15. Medicaid							
15.1. With Contract Reserves							
15.2. Without Contract Reserves							
15.3. Subtotal							
16. Medicare Part D - Stand-Alone							
16.1. With Contract Reserves							
16.2. Without Contract Reserves							
16.3. Subtotal							
17. Other Individual Business							
17.1. With Contract Reserves							
17.2. Without Contract Reserves							
17.3. Subtotal							
18. Total Individual Business							
18.1. With Contract Reserves	26,901,813	21,261,682		79.0	9,066	13,158	170,843
18.2. Without Contract Reserves							
19. Grand Total Individual	26,901,813	21,261,682		79.0	9,066	13,158	170,843

ACCIDENT AND HEALTH POLICY EXPERIENCE EXHIBIT FOR YEAR

	1	2	3	4	5	6	7
	Premiums Earned	Incurred Claims Amount	Change in Contract Reserves	Loss Ratio (2 + 3) / 1	Number of Policies or Certificates as of Dec. 31	Number of Covered Lives as of Dec. 31	Member Months
B. GROUP BUSINESS							
Comprehensive Major Medical							
1. Single Employer							
1.1. Small Employer	280,420,940	236,040,355		84.2	59,258	131,430	1,555,551
1.2. Other Employer							
1.3. Single Employer Subtotal	280,420,940	236,040,355		84.2	59,258	131,430	1,555,551
2. Multiple Employer Assns and Trusts							
3. Other Associations and Discretionary Trusts							
4. Other Comprehensive Major Medical							
5. Comprehensive/Major Medical Subtotal	280,420,940	236,040,355		84.2	59,258	131,430	1,555,551
Other Medical (Non-Comprehensive)							
6. Specified/Named Disease							
7. Limited Benefit							
8. Student							
9. Accident Only or AD&D							
10. Disability Income - Short-Term							
11. Disability Income - Long-Term							
12. Long-Term Care							
13. Medicare Supplement (Medigap)							
14. Federal Employees Health Benefits Plans							
15. Tricare							
16. Dental							
17. Medicare							
18. Medicare Part D - Stand-Alone							
19. Other Group Care							
20. GRAND TOTAL Group Business	280,420,940	236,040,355		84.2	59,258	131,430	1,555,551
C. OTHER BUSINESS							
1. Credit (Individual and Group)							
2. Stop Loss/Excess Loss							
3. Administrative Services Only	X X X	X X X	X X X	X X X			
4. Administrative Services Contracts	X X X	X X X	X X X	X X X			
5. GRAND TOTAL Other Business							
D. TOTAL BUSINESS							
1. TOTAL Non U.S. Policy Forms							
2. GRAND TOTAL Individual, Group and Other Business	307,322,753	257,302,037		83.7	68,324	144,588	1,726,394

ACCIDENT AND HEALTH POLICY EXPERIENCE EXHIBIT FOR YEAR

PART 1 - INDIVIDUAL POLICIES SUMMARY PAGE

Description	1 Premiums Earned	2 Incurred Claims Amount	3 Change in Contract Reserves	4 Loss Ratio (2 + 3) / 1
1. U.S. Forms Direct Business	26,901,813	21,261,682		79.034
2. Other Forms Direct Business				
3. TOTAL Direct Business	26,901,813	21,261,682		79.034
4. Reinsurance Assumed				
5. Less Reinsurance Ceded	119,343			
6. TOTAL	26,782,470	21,261,682		79.387

PART 2 - GROUP POLICIES SUMMARY

Description	1 Premiums Earned	2 Incurred Claims Amount	3 Change in Contract Reserves	4 Loss Ratio (2 + 3) / 1
1. U.S. Forms Direct Business	280,420,940	236,040,355		84.174
2. Other Forms Direct Business				
3. TOTAL Direct Business	280,420,940	236,040,355		84.174
4. Reinsurance Assumed				
5. Less Reinsurance Ceded	1,020,336			
6. TOTAL	279,400,603	236,040,355		84.481

PART 3 - CREDIT POLICIES (Individual and Group) SUMMARY

Description	1 Premiums Earned	2 Incurred Claims Amount	3 Change in Contract Reserves	4 Loss Ratio (2 + 3) / 1
1. U.S. Forms Direct Business				
2. Other Forms Direct Business				
3. TOTAL Direct Business				
4. Reinsurance Assumed				
5. Less Reinsurance Ceded				
6. TOTAL				

PART 4 - ALL INDIVIDUAL, GROUP AND CREDIT POLICIES SUMMARY

Description	1 Premiums Earned	2 Incurred Claims Amount	3 Change in Contract Reserves	4 Loss Ratio (2 + 3) / 1
1. U.S. Forms Direct Business	307,322,753	257,302,037		83.724
2. Other Forms Direct Business				
3. TOTAL Direct Business	307,322,753	257,302,037		83.724
4. Reinsurance Assumed				
5. Less Reinsurance Ceded	1,139,680			
6. TOTAL	306,183,073	257,302,037		84.035

ANALYSIS OF ANNUITY OPERATIONS BY LINE OF BUSINESS

For The Year Ended DECEMBER 31, 2016 (To Be Filed by April 1)



Supp56

	1 Total Annuities	Individual					Group				
		2 Fixed Annuities	3 Indexed Annuities	4 Variable Annuities General Account	5 Variable Annuities Separate Account	6 Other Annuities	7 Fixed Annuities	8 Indexed Annuities	9 Variable Annuities General Account	10 Variable Annuities Separate Account	11 Other Annuities
1. Premiums and annuity considerations for life and accident and health contracts (a)											
2. Considerations for supplementary contracts with life contingencies											
3. Net investment income											
4. Amortization of Interest Maintenance Reserve (IMR)											
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)											
10. Death benefits											
11. Matured endowments (excluding guaranteed annual pure endowments)											
12. Annuity benefits											
13. Disability benefits and benefits under accident and health contracts											
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											
20. TOTALS (Lines 10 to 19)											
21. Commissions on premiums, annuity considerations, and deposit-type contract funds (direct business only)											
22. Commissions and expense allowances on reinsurance assumed											
23. General insurance expenses											
24. Insurance taxes, licenses and fees, excluding federal income taxes											
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)											
29. Net gain from operations before dividends to policyholders and federal income taxes (Line 9 - Line 28)											
30. Dividends to policyholders											
31. Net gain from operations after dividends to policyholders and before federal income taxes (Line 29 - Line 30)											
32. Federal income taxes incurred (excluding tax on capital gains)											
33. Net gain from operations after dividends to policyholders and federal income taxes and before realized capital gains or (losses) (Line 31 - Line 32) (b)											
34. Policies/Certificates In Force End of Year											
DETAILS OF WRITE-INS											
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)											

NONE

(a) Premiums and annuity considerations for life and accident and health contracts includes \$.....0 for individual variable annuities not associated with guarantees, \$.....0 for individual variable annuities associated with guarantees, \$.....0 for group variable annuities not associated with guarantees, and \$.....0 for group variable annuities associated with guarantees.
 (b) Net gain from operations after dividends to policyholders and federal income taxes and before realized capital gains or (losses) includes \$.....0 for individual variable annuities not associated with guarantees, \$.....0 for individual variable annuities associated with guarantees, \$.....0 for group variable annuities not associated with guarantees, and \$.....0 for group variable annuities associated with guarantees.

OVERFLOW PAGE FOR WRITE-INS

Supp57



ANALYSIS OF INCREASE IN ANNUITY RESERVES DURING THE YEAR

For The Year Ended DECEMBER 31, 2016

(To Be Filed by April 1)

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	1 Total Annuities	Individual					Group				
		2 Fixed Annuities	3 Indexed Annuities	4 Variable Annuities General Account	5 Variable Annuities Separate Account	6 Other Annuities	7 Fixed Annuities	8 Indexed Annuities	9 Variable Annuities General Account	10 Variable Annuities Separate Account	11 Other Annuities
Involving Life or Disability Contingencies (Reserves) (Net of Reinsurance Ceded)											
1. Reserve December 31, prior year											
2. Tabular net premiums or considerations											
3. Present value of disability claims incurred											
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)				NONE							
9. Tabular cost											
10. Reserves released by death	XXX	XXX	XXX			XXX	XXX	XXX	XXX	XXX	XXX
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. Reserves December 31, current year (a)											

(a) Reserves December 31, current year includes \$.....0 for individual variable annuities not associated with guarantees, \$.....0 for individual variable annuities associated with guarantees, \$.....0 for group variable annuities not associated with guarantees, and \$.....0 for group variable annuities associated with guarantees.

SUPPLEMENTAL HEALTH CARE EXHIBIT - PART 1

(To Be Filed by April 1 - Not for Rebate Purposes - See Cautionary Statement at http://www.naic.org/documents/committees_e_app_blanks_related_shce_cautionary_statement.pdf)

REPORT FOR: 1. CORPORATION: MCS Life Insurance Company 2. LOCATION: San Juan, PR 00917



NAIC Group Code 1301

BUSINESS IN THE STATE OF Puerto Rico DURING THE YEAR 2016

NAIC Company Code 60030

Supp59 Puerto Rico

	Business Subject to MLR									10 Government Business (Excluded by Statute)	11 Other Health Business	12 Medicare Advantage Part C and Medicare Part D Stand-Alone Subject to ACA	13 Subtotal (Cols. 1 thru 12)	14 Uninsured Plans	15 Total (Cols. 13 + 14)
	Comprehensive Health Coverage			Mini-Med Plans			Expatriate Plans		9 Student Health Plans						
	1 Individual	2 Small Group Employer	3 Large Group Employer	4 Individual	5 Small Group Employer	6 Large Group Employer	7 Small Group	8 Large Group							
1. Premium:															
01.1 Health premiums earned (From Part 2, Line 1.11)	26,901,813	84,079,055	196,341,875										307,322,743	X X X	307,322,743
01.2 Federal high risk pools														X X X	
01.3 State high risk pools														X X X	
01.4 Premiums earned including state and federal high risk programs (Lines 1.1 + 1.2 + 1.3)	26,901,813	84,079,055	196,341,875										307,322,743	X X X	307,322,743
01.5 Federal taxes and federal assessments	468,207	1,464,158	3,416,369										5,348,734		5,348,734
01.6 State insurance, premium and other taxes (Similar local taxes of \$.....0)	336,991	932,170	2,131,523										3,400,683		3,400,683
01.6A Community Benefit Expenditures (informational only)															
01.7 Regulatory authority licenses and fees	15,856	49,653	115,959										181,469		181,469
01.8 Adjusted Premiums Earned (Lines 1.4 - 1.5 - 1.6 - 1.7)	26,080,759	81,633,074	190,678,024										298,391,857	X X X	298,391,857
01.9 Net assumed less ceded reinsurance premiums earned	(119,353)	(305,912)	(714,424)										(1,139,689)	X X X	(1,139,689)
1.10 Other adjustments due to MLR calculations - Premiums														X X X	
1.11 Risk Revenue														X X X	
1.12 Net adjusted premiums earned after reinsurance (Lines 1.8 + 1.9 + 1.10 + 1.11)	25,961,406	81,327,162	189,963,600										297,252,168	X X X	297,252,168
2. Claims:															
2.1 Incurred claims excluding prescription drugs	15,566,675	49,584,919	123,299,356										188,450,950	X X X	188,450,950
2.2 Prescription drugs	5,906,269	23,241,169	43,300,213										72,447,650	X X X	72,447,650
2.3 Pharmaceutical rebates	211,262	1,182,397	2,202,904										3,596,563	X X X	3,596,563
2.4 State stop-loss, market stabilization and claim/census based assessments (informational only)														X X X	
3. Incurred medical incentive pools and bonuses														X X X	
4. Deductible Fraud and Abuse Detection/Recovery Expenses (for MLR use only)															
5.0 TOTAL Incurred Claims (Lines 2.1 + 2.2 - 2.3 + 3) (From Part 2, Line 2.15)	21,261,682	71,643,690	164,396,665										257,302,037	X X X	257,302,037
5.1 Net assumed less ceded reinsurance claims incurred														X X X	
5.2 Other adjustments due to MLR calculations - Claims														X X X	
5.3 Rebates Paid										X X X	X X X			X X X	
5.4 Estimated rebates unpaid prior year										X X X	X X X			X X X	
5.5 Estimated rebates unpaid current year										X X X	X X X			X X X	
5.6 Fee for service and co-pay revenue														X X X	
5.7 Net incurred claims after reinsurance (Lines 5.0 + 5.1 + 5.2 + 5.3 - 5.4 + 5.5 - 5.6)	21,261,682	71,643,690	164,396,665										257,302,037	X X X	257,302,037
6. Improving Health Care Quality Expenses Incurred:															
6.1 Improve health outcomes	111,401	308,152	704,629										1,124,182		1,124,182
6.2 Activities to prevent hospital readmissions	10,731	29,684	67,875										108,290		108,290
6.3 Improve patient safety and reduce medical errors	13,950	38,589	88,239										140,778		140,778
6.4 Wellness and health promotion activities	17,724	49,028	112,109										178,861		178,861
6.5 Health Information Technology expenses related to health improvement	3,964	10,965	25,072										40,000		40,000
6.6 TOTAL of Defined Expenses Incurred for Improving Health Care Quality (Lines 6.1 + 6.2 + 6.3 + 6.4 + 6.5)	157,770	436,418	997,924										1,592,112		1,592,112
7. Preliminary Medical Loss Ratio: MLR (Lines 4 + 5.0 + 6.6 - Footnote 2.0) / Line 1.8	0.821	0.883	0.867							X X X	X X X		X X X	X X X	X X X
8. Claim Adjustment Expenses:															
8.1 Cost containment expenses not included in quality of care expenses in Line 6.6															
8.2 All other claims adjustment expenses															
8.3 TOTAL Claims adjustment expenses (Lines 8.1 + 8.2)															
9. Claims Adjustment Expense Ratio (Line 8.3 / Line 1.8)													X X X	X X X	X X X

SUPPLEMENTAL HEALTH CARE EXHIBIT - PART 1 (Continued)

(To Be Filed by April 1 - Not for Rebate Purposes)

	Business Subject to MLR									10 Government Business (Excluded by Statute)	11 Other Health Business	12 Medicare Advantage Part C and Medicare Part D Stand-Alone Subject to ACA	13 Subtotal (Cols. 1 thru 12)	14 Uninsured Plans	15 Total (Cols. 13 + 14)
	Comprehensive Health Coverage			Mini-Med Plans			Expatriate Plans		9 Student Health Plans						
	1 Individual	2 Small Group Employer	3 Large Group Employer	4 Individual	5 Small Group Employer	6 Large Group Employer	7 Small Group	8 Large Group							
10. General and Administrative (G&A) Expenses:															
10.1 Direct sales salaries and benefits	258,354	714,649	1,634,135										2,607,139		2,607,139
10.2 Agents and brokers fees and commissions	663,046	3,360,587	7,684,403										11,708,036		11,708,036
10.3 Other taxes (excluding taxes on Lines 1.5 through 1.7 and Line 14 below)	14,077	44,082	102,948										161,106		161,106
10.4 Other general and administrative expenses	1,426,398	3,945,646	9,022,213										14,394,257		14,394,257
10.4A Community Benefit Expenditures (informational only)															
10.5 TOTAL General and administrative (Lines 10.1 + 10.2 + 10.3 + 10.4)	2,361,875	8,064,964	18,443,698										28,870,538		28,870,538
11. Underwriting Gain/(Loss) (Lines 1.12 - 5.7 - 6.6 - 8.3 - 10.5)	2,180,078	1,182,090	6,125,313										9,487,481	X X X	9,487,481
12. Income from fees of uninsured plans	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X		X X X
13. Net investment and other gain/(loss)	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X		X X X
14. Federal income taxes (excluding taxes on Line 1.5 above)	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X		X X X
15. Net gain or (loss) (Lines 11 + 12 + 13 - 14)	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	9,487,481	X X X	9,487,481
16. ICD-10 Implementation Expenses (informational only; already included in general expenses and Line 6.5)															
16A. ICD-10 Implementation Expenses (informational only; already included in Line 6.5)															
O. OTHER INDICATORS:															
O1. Number of Certificates / Policies	9,066	13,246	46,012										68,324		68,324
O2. Number of Covered Lives	13,158	27,615	103,815										144,588		144,588
O3. Number of Groups	X X X	1,661	172	X X X									1,833		1,833
O4. Member Months	170,843	473,163	1,080,027										1,724,033		1,724,033

(a) Is run off business reported in Columns 1 through 9 or 12? Yes [] No [X]
 (b) If yes, show the amount of premiums and claims included: Premiums \$.....0 Claims \$.....0

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AFFORDABLE CARE ACT (ACA) RECEIPTS, PAYMENTS, RECEIVABLES and PAYABLES				
	Current Year		Prior Year	
	Comprehensive Health Coverage		Comprehensive Health Coverage	
	1 Individual Plans	2 Small Group Employer Plans	3 Individual Plans	4 Small Group Employer Plans
ACA Receivables and Payables				
1. Permanent ACA Risk Adjustment Program				
1.0 Premium adjustments receivable/(payable)				
2. Transitional ACA Reinsurance Program				
2.0 Total amounts recoverable for claims (paid & unpaid)		X X X		X X X
3. Temporary ACA Risk Corridors Program				
3.1 Accrued retrospective premium				
3.2 Reserve for rate credits or policy experience refunds				
ACA Receipts and Payments				
4. Permanent ACA Risk Adjustment Program				
4.0 Premium adjustments receipts/(payments)				
5. Transitional ACA Reinsurance Program				
5.0 Amounts received for claims		X X X		X X X
6. Temporary ACA Risk Corridors Program				
6.1 Retrospective premium received				
6.2 Rate credits or policy experience refunds paid				

SUPPLEMENTAL HEALTH CARE EXHIBIT - PART 2

(To Be Filed By April 1 - Not for Rebate Purposes)

REPORT FOR: 1. CORPORATION: MCS Life Insurance Company 2. LOCATION: San Juan, PR 00917

NAIC Group Code 1301

BUSINESS IN THE STATE OF Puerto Rico DURING THE YEAR 2016

NAIC Company Code 60030

		Business Subject to MLR									10 Government Business (Excluded by Statute)	11 Other Health Business	12 Medicare Advantage Part C and Medicare Part D Stand-Alone Subject to ACA	13 Total (a)
		Comprehensive Health Coverage			Mini-Med Plans			Expatriate Plans		9 Student Health Plans				
		1 Individual	2 Small Group Employer	3 Large Group Employer	4 Individual	5 Small Group Employer	6 Large Group Employer	7 Small Group	8 Large Group					
1.	Health Premiums Earned													
	01.1 Direct premiums written	26,616,110	84,383,040	197,067,252									308,066,402	
	01.2 Unearned premium prior year	1,132,087	91,962	199,315									1,423,364	
	01.3 Unearned premium current year	846,384	395,947	924,692									2,167,023	
	01.4 Change in unearned premium (Lines 1.2 - 1.3)	285,703	(303,985)	(725,377)									(743,659)	
	01.5 Paid rate credits													
	01.6 Reserve for rate credits current year													
	01.7 Reserve for rate credits prior year													
	01.8 Change in reserve for rate credits (Lines 1.6 - 1.7)													
	01.9 Premium balances written off													
	1.10 Group conversion charges													
	1.11 TOTAL Direct premiums earned (Lines 1.1 + 1.4 - 1.9 + 1.10)	26,901,813	84,079,055	196,341,875									307,322,743	
	1.12 Assumed premiums earned from non-affiliates													
	1.13 Net assumed less ceded premiums earned from affiliates													
	1.14 Ceded premiums earned to non-affiliates	119,353	305,912	714,424									1,139,689	
	1.15 Other adjustments due to MLR calculation - Premiums													
	1.16 Net premiums earned (Lines 1.11 - 1.5 - 1.8 + 1.12 + 1.13 - 1.14 + 1.15)	26,782,460	83,773,143	195,627,451									306,183,054	
2.	Direct Claims Incurred:													
	02.1 Paid claims during the year	25,811,853	73,120,394	167,785,173									266,717,420	
	02.2 Direct claim liability current year	2,359,730	7,496,137	17,200,955									27,056,822	
	02.3 Direct claim liability prior year	6,909,901	9,039,004	20,523,300									36,472,205	
	02.4 Direct claim reserves current year													
	02.5 Direct claim reserves prior year													
	02.6 Direct contract reserves current year													
	02.7 Direct contract reserves prior year													
	02.8 Paid rate credits													
	02.9 Reserve for rate credits current year													
	2.10 Reserve for rate credits prior year													
	2.11 Incurred medical incentive pools and bonuses (Lines 2.11a + 2.11b - 2.11c)													
	2.11A Paid medical incentive pools and bonuses current year													
	2.11B Accrued medical incentive pools and bonuses current year													
	2.11C Accrued medical incentive pools and bonuses prior year													
	2.12 Net healthcare receivables (Lines 2.12a - 2.12b)	3,508	149,325	346,146									498,979	
	2.12A Healthcare receivables current year	93,334	294,372	675,478									1,063,183	
	2.12B Healthcare receivables prior year	89,826	145,046	329,332									564,204	
	2.13 Group conversion charge													
	2.14 Multi-option coverage blended rate adjustment													
	2.15 TOTAL Incurred Claims (Lines 2.1 + 2.2 - 2.3 + 2.4 - 2.5 + 2.6 - 2.7 + 2.8 + 2.9 - 2.10 + 2.11 - 2.12 + 2.13 + 2.14)	21,258,174	71,428,202	164,116,682									256,803,058	
	2.16 Assumed Incurred Claims from non-affiliates													
	2.17 Net Assumed less Ceded Incurred Claims from affiliates													
	2.18 Ceded Incurred Claims to non-affiliates													
	2.19 Other Adjustments due to MLR calculation - Claims													
	2.20 Net Incurred Claims (Lines 2.15 - 2.8 - 2.9 + 2.10 + 2.16 + 2.17 - 2.18 + 2.19)	21,258,174	71,428,202	164,116,682									256,803,058	
3.	Fraud and Abuse Recoveries that Reduced PAID Claims in Line 2.1 above (informational only)	10,280	28,437	65,024									103,741	

(a) Column 13, Line 1.1 includes direct written premium of \$.....0 for stand-alone dental and \$.....0 for stand-alone vision policies.

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SUPPLEMENTAL HEALTH CARE EXHIBIT - PART 3

(To Be Filed By April 1 - Not for Rebate Purposes)

REPORT FOR: 1. CORPORATION: MCS Life Insurance Company 2. LOCATION: San Juan, PR 00917
 BUSINESS IN THE STATE OF Puerto Rico DURING THE YEAR 2016

NAIC Group Code 1301

NAIC Company Code 60030

	All Expenses	Improving Health Care Quality Expenses						Claims Adjustment Expenses		9 General Administrative Expenses	10 Total Expenses (6 to 9)
		1 Improve Health Outcomes	2 Activities to Prevent Hospital Readmissions	3 Improve Patient Safety and Reduce Medical Errors	4 Wellness & Health Promotion Activities	5 HIT Expenses	6 Total (1 to 5)	7 Cost Containment Expenses	8 Other Claims Adjustment Expenses		
1.	Individual Comprehensive Coverage Expenses:										
01.1	Salaries (including \$.....0 for affiliated services)									258,354	258,354
01.2	Outsourced services										
01.3	EDP Equipment and Software (incl \$.....0 for affiliated services)					3,964	3,964				3,964
01.4	Other Equipment (excluding EDP) (incl \$.....0 for affiliated services)										
01.5	Accreditation and Certification (incl \$.....0 for affiliated services)		X X X	X X X	X X X	X X X					
01.6	Other Expenses (incl \$.....0 for affiliated services)	111,401	10,731	13,950	17,724		153,806			1,426,398	1,580,204
01.7	Subtotal before reimbursements and taxes (Lines 1.1 to 1.6)	111,401	10,731	13,950	17,724	3,964	157,770			1,684,752	1,842,522
01.8	Reimbursements by uninsured plans and fiscal intermediaries										
01.9	Taxes, licenses and fees (in total, for tying purposes)	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	14,077	14,077
1.10	TOTAL (Lines 1.7 to 1.9)	111,401	10,731	13,950	17,724	3,964	157,770			1,698,829	1,856,599
1.11	TOTAL fraud and abuse detection/recovery expenses included in Column 7 (informational only)										
2.	Small Group Comprehensive Coverage Expenses:										
02.1	Salaries (including \$.....0 for affiliated services)									714,649	714,649
02.2	Outsourced services										
02.3	EDP Equipment and Software (incl \$.....0 for affiliated services)					10,965	10,965				10,965
02.4	Other Equipment (excluding EDP) (incl \$.....0 for affiliated services)										
02.5	Accreditation and Certification (incl \$.....0 for affiliated services)		X X X	X X X	X X X	X X X					
02.6	Other Expenses (incl \$.....0 for affiliated services)	308,152	29,684	38,589	49,028		425,453			3,945,646	4,371,099
02.7	Subtotal before reimbursements and taxes (Lines 2.1 to 2.6)	308,152	29,684	38,589	49,028	10,965	436,418			4,660,295	5,096,713
02.8	Reimbursements by uninsured plans and fiscal intermediaries										
02.9	Taxes, licenses and fees (in total, for tying purposes)	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	44,082	44,082
2.10	TOTAL (Lines 2.7 to 2.9)	308,152	29,684	38,589	49,028	10,965	436,418			4,704,377	5,140,795
2.11	TOTAL fraud and abuse detection/recovery expenses included in Column 7 (informational only)										
3.	Large Group Comprehensive Coverage Expenses:										
03.1	Salaries (including \$.....0 for affiliated services)									1,634,135	1,634,135
03.2	Outsourced services										
03.3	EDP Equipment and Software (incl \$.....0 for affiliated services)					25,072	25,072				25,072
03.4	Other Equipment (excluding EDP) (incl \$.....0 for affiliated services)										
03.5	Accreditation and Certification (incl \$.....0 for affiliated services)		X X X	X X X	X X X	X X X					
03.6	Other Expenses (incl \$.....0 for affiliated services)	704,629	67,875	88,239	112,109		972,852			9,022,213	9,995,065
03.7	Subtotal before reimbursements and taxes (Lines 3.1 to 3.6)	704,629	67,875	88,239	112,109	25,072	997,924			10,656,348	11,654,272
03.8	Reimbursements by uninsured plans and fiscal intermediaries										
03.9	Taxes, licenses and fees (in total, for tying purposes)	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	102,948	102,948
3.10	TOTAL (Lines 3.7 to 3.9)	704,629	67,875	88,239	112,109	25,072	997,924			10,759,296	11,757,220
3.11	TOTAL fraud and abuse detection/recovery expenses included in Column 7 (informational only)										

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SUPPLEMENTAL HEALTH CARE EXHIBIT - PART 3 (Continued)
 (To Be Filed By April 1 - Not for Rebate Purposes)

	All Expenses	Improving Health Care Quality Expenses					Claims Adjustment Expenses		9 General Administrative Expenses	10 Total Expenses (6 to 9)
		1 Improve Health Outcomes	2 Activities to Prevent Hospital Readmissions	3 Improve Patient Safety and Reduce Medical Errors	4 Wellness & Health Promotion Activities	5 HIT Expenses	6 Total (1 to 5)	7 Cost Containment Expenses		
4.	Individual Mini-Med Plans Expenses									
04.1	Salaries (including \$.....0 for affiliated services)									
04.2	Outsourced services									
04.3	EDP equipment and software (including \$.....0 for affiliated services)									
04.4	Other equipment (excluding EDP) (including \$.....0 for affiliated services)									
04.5	Accreditation and certification (including \$.....0 for affiliated services)		X X X	X X X	X X X	X X X				
04.6	Other expenses (including \$.....0 for affiliated services)									
04.7	Subtotal before reimbursements and taxes (Lines 4.1 to 4.6)									
04.8	Reimbursements by uninsured plans and fiscal intermediaries									
04.9	Taxes, licenses and fees (in total, for tying purposes)	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	
4.10	TOTAL (Lines 4.7 to 4.9)									
4.11	TOTAL fraud and abuse detection/recovery expenses included in Column 7 (informational only)									
5.	Small Group Mini-Med Plans Expenses									
05.1	Salaries (including \$.....0 for affiliated services)									
05.2	Outsourced services									
05.3	EDP Equipment and Software (including \$.....0 for affiliated services)									
05.4	Other equipment (excluding EDP) (including \$.....0 for affiliated services)									
05.5	Accreditation and certification (including \$.....0 for affiliated services)		X X X	X X X	X X X	X X X				
05.6	Other expenses (including \$.....0 for affiliated services)									
05.7	Subtotal before reimbursements and taxes (Lines 5.1 to 5.6)									
05.8	Reimbursements by uninsured plans and fiscal intermediaries									
05.9	Taxes, licenses and fees (in total, for tying purposes)	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	
5.10	TOTAL (Lines 5.7 to 5.9)									
5.11	TOTAL fraud and abuse detection/recovery expenses included in Column 7 (informational only)									
6.	Large Group Mini-Med Plans Expenses									
06.1	Salaries (including \$.....0 for affiliated services)									
06.2	Outsourced services									
06.3	EDP equipment and software (including \$.....0 for affiliated services)									
06.4	Other equipment (excluding EDP) (including \$.....0 for affiliated services)									
06.5	Accreditation and certification (including \$.....0 for affiliated services)		X X X	X X X	X X X	X X X				
06.6	Other expenses (including \$.....0 for affiliated services)									
06.7	Subtotal before reimbursements and taxes (Lines 6.1 to 6.6)									
06.8	Reimbursements by uninsured plans and fiscal intermediaries									
06.9	Taxes, licenses and fees (in total, for tying purposes)	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	
6.10	TOTAL (Lines 6.7 to 6.9)									
6.11	TOTAL fraud and abuse detection/recovery expenses included in Column 7 (informational only)									

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SUPPLEMENTAL HEALTH CARE EXHIBIT - PART 3 (Continued)
 (To Be Filed By April 1 - Not for Rebate Purposes)

	All Expenses	Improving Health Care Quality Expenses					Claims Adjustment Expenses		9 General Administrative Expenses	10 Total Expenses (Cols. 6 to 9)
		1 Improve Health Outcomes	2 Activities to Prevent Hospital Readmissions	3 Improve Patient Safety and Reduce Medical Errors	4 Wellness & Health Promotion Activities	5 HIT Expenses	6 Total (1 to 5)	7 Cost Containment Expenses		
7.	Small Group Expatriate Plans Expenses									
07.1	Salaries (including \$.....0 for affiliated services)									
07.2	Outsourced services									
07.3	EDP equipment and software (including \$.....0 for affiliated services)									
07.4	Other equipment (excluding EDP) (including \$.....0 for affiliated services)									
07.5	Accreditation and certification (including \$.....0 for affiliated services)		XXX	XXX	XXX	XXX				
07.6	Other expenses (including \$.....0 for affiliated services)									
07.7	Subtotal before reimbursements and taxes (Lines 7.1 to 7.6)									
07.8	Reimbursements by uninsured plans and fiscal intermediaries									
07.9	Taxes, licenses and fees (in total, for tying purposes)	XXX	XXX	XXX	XXX	XXX	XXX	XXX		
7.10	TOTAL (Lines 7.7 to 7.9)									
7.11	TOTAL fraud and abuse detection/recovery expenses included in Column 7 (informational only)									
8.	Large Group Expatriate Plans Expenses									
08.1	Salaries (including \$.....0 for affiliated services)									
08.2	Outsourced services									
08.3	EDP equipment and software (including \$.....0 for affiliated services)									
08.4	Other equipment (excluding EDP) (including \$.....0 for affiliated services)									
08.5	Accreditation and certification (including \$.....0 for affiliated services)		XXX	XXX	XXX	XXX				
08.6	Other expenses (including \$.....0 for affiliated services)									
08.7	Subtotal before reimbursements and taxes (Lines 8.1 to 8.6)									
08.8	Reimbursements by uninsured plans and fiscal intermediaries									
08.9	Taxes, licenses and fees (in total, for tying purposes)	XXX	XXX	XXX	XXX	XXX	XXX	XXX		
8.10	TOTAL (Lines 8.7 to 8.9)									
8.11	TOTAL fraud and abuse detection/recovery expenses included in Column 7 (informational only)									
9.	Student Health Plans Expenses									
09.1	Salaries (including \$.....0 for affiliated services)									
09.2	Outsourced services									
09.3	EDP equipment and software (including \$.....0 for affiliated services)									
09.4	Other equipment (excluding EDP) (including \$.....0 for affiliated services)									
09.5	Accreditation and certification (including \$.....0 for affiliated services)		XXX	XXX	XXX	XXX				
09.6	Other expenses (including \$.....0 for affiliated services)									
09.7	Subtotal before reimbursements and taxes (Lines 9.1 to 9.6)									
09.8	Reimbursements by uninsured plans and fiscal intermediaries									
09.9	Taxes, licenses and fees (in total, for tying purposes)	XXX	XXX	XXX	XXX	XXX	XXX	XXX		
9.10	TOTAL (Lines 9.7 to 9.9)									
9.11	TOTAL fraud and abuse detection/recovery expenses included in Column 7 (informational only)									

Supp64 Puerto Rico

SUPPLEMENTAL HEALTH CARE EXHIBIT - PART 1

(To Be Filed by April 1 - Not for Rebate Purposes - See Cautionary Statement at http://www.naic.org/documents/committees_e_app_blanks_related_shce_cautionary_statement.pdf)

REPORT FOR: 1. CORPORATION: MCS Life Insurance Company 2. LOCATION: San Juan, PR 00917



NAIC Group Code 1301

BUSINESS IN THE STATE OF Grand Total DURING THE YEAR 2016

NAIC Company Code 60030

Supp59 Grand Total

	Business Subject to MLR								9 Student Health Plans	10 Government Business (Excluded by Statute)	11 Other Health Business	12 Medicare Advantage Part C and Medicare Part D Stand-Alone Subject to ACA	13 Subtotal (Cols. 1 thru 12)	14 Uninsured Plans	15 Total (Cols. 13 + 14)
	Comprehensive Health Coverage			Mini-Med Plans			Expatriate Plans								
	1 Individual	2 Small Group Employer	3 Large Group Employer	4 Individual	5 Small Group Employer	6 Large Group Employer	7 Small Group	8 Large Group							
1. Premium:															
01.1 Health premiums earned (From Part 2, Line 1.11)	26,901,813	84,079,055	196,341,875										307,322,743	X X X	307,322,743
01.2 Federal high risk pools														X X X	
01.3 State high risk pools														X X X	
01.4 Premiums earned including state and federal high risk programs (Lines 1.1 + 1.2 + 1.3)	26,901,813	84,079,055	196,341,875										307,322,743	X X X	307,322,743
01.5 Federal taxes and federal assessments	468,207	1,464,158	3,416,369										5,348,734		5,348,734
01.6 State insurance, premium and other taxes (Similar local taxes of \$.....0)	336,991	932,170	2,131,523										3,400,683		3,400,683
01.6A Community Benefit Expenditures (informational only)															
01.7 Regulatory authority licenses and fees	15,856	49,653	115,959										181,469		181,469
01.8 Adjusted Premiums Earned (Lines 1.4 - 1.5 - 1.6 - 1.7)	26,080,759	81,633,074	190,678,024										298,391,857	X X X	298,391,857
01.9 Net assumed less ceded reinsurance premiums earned	(119,353)	(305,912)	(714,424)										(1,139,689)	X X X	(1,139,689)
1.10 Other adjustments due to MLR calculations - Premiums														X X X	
1.11 Risk Revenue														X X X	
1.12 Net adjusted premiums earned after reinsurance (Lines 1.8 + 1.9 + 1.10 + 1.11)	25,961,406	81,327,162	189,963,600										297,252,168	X X X	297,252,168
2. Claims:															
2.1 Incurred claims excluding prescription drugs	15,566,675	49,584,919	123,299,356										188,450,950	X X X	188,450,950
2.2 Prescription drugs	5,906,269	23,241,169	43,300,213										72,447,650	X X X	72,447,650
2.3 Pharmaceutical rebates	211,262	1,182,397	2,202,904										3,596,563	X X X	3,596,563
2.4 State stop-loss, market stabilization and claim/census based assessments (informational only)														X X X	
3. Incurred medical incentive pools and bonuses														X X X	
4. Deductible Fraud and Abuse Detection/Recovery Expenses (for MLR use only)															
5.0 TOTAL Incurred Claims (Lines 2.1 + 2.2 - 2.3 + 3) (From Part 2, Line 2.15)	21,261,682	71,643,690	164,396,665										257,302,037	X X X	257,302,037
5.1 Net assumed less ceded reinsurance claims incurred														X X X	
5.2 Other adjustments due to MLR calculations - Claims														X X X	
5.3 Rebates Paid										X X X	X X X			X X X	
5.4 Estimated rebates unpaid prior year										X X X	X X X			X X X	
5.5 Estimated rebates unpaid current year										X X X	X X X			X X X	
5.6 Fee for service and co-pay revenue														X X X	
5.7 Net incurred claims after reinsurance (Lines 5.0 + 5.1 + 5.2 + 5.3 - 5.4 + 5.5 - 5.6)	21,261,682	71,643,690	164,396,665										257,302,037	X X X	257,302,037
6. Improving Health Care Quality Expenses Incurred:															
6.1 Improve health outcomes	111,401	308,152	704,629										1,124,182		1,124,182
6.2 Activities to prevent hospital readmissions	10,731	29,684	67,875										108,290		108,290
6.3 Improve patient safety and reduce medical errors	13,950	38,589	88,239										140,778		140,778
6.4 Wellness and health promotion activities	17,724	49,028	112,109										178,861		178,861
6.5 Health Information Technology expenses related to health improvement	3,964	10,965	25,072										40,000		40,000
6.6 TOTAL of Defined Expenses Incurred for Improving Health Care Quality (Lines 6.1 + 6.2 + 6.3 + 6.4 + 6.5)	157,770	436,418	997,924										1,592,112		1,592,112
7. Preliminary Medical Loss Ratio: MLR (Lines 4 + 5.0 + 6.6 - Footnote 2.0) / Line 1.8	0.821	0.883	0.867							X X X	X X X		X X X	X X X	X X X
8. Claim Adjustment Expenses:															
8.1 Cost containment expenses not included in quality of care expenses in Line 6.6															
8.2 All other claims adjustment expenses															
8.3 TOTAL Claims adjustment expenses (Lines 8.1 + 8.2)															
9. Claims Adjustment Expense Ratio (Line 8.3 / Line 1.8)													X X X	X X X	X X X

SUPPLEMENTAL HEALTH CARE EXHIBIT - PART 1 (Continued)

(To Be Filed by April 1 - Not for Rebate Purposes)

	Business Subject to MLR									10 Government Business (Excluded by Statute)	11 Other Health Business	12 Medicare Advantage Part C and Medicare Part D Stand-Alone Subject to ACA	13 Subtotal (Cols. 1 thru 12)	14 Uninsured Plans	15 Total (Cols. 13 + 14)
	Comprehensive Health Coverage			Mini-Med Plans			Expatriate Plans		9 Student Health Plans						
	1 Individual	2 Small Group Employer	3 Large Group Employer	4 Individual	5 Small Group Employer	6 Large Group Employer	7 Small Group	8 Large Group							
10. General and Administrative (G&A) Expenses:															
10.1 Direct sales salaries and benefits	258,354	714,649	1,634,135										2,607,139		2,607,139
10.2 Agents and brokers fees and commissions	663,046	3,360,587	7,684,403										11,708,036		11,708,036
10.3 Other taxes (excluding taxes on Lines 1.5 through 1.7 and Line 14 below)	14,077	44,082	102,948										161,106		161,106
10.4 Other general and administrative expenses	1,426,398	3,945,646	9,022,213										14,394,257		14,394,257
10.4A Community Benefit Expenditures (informational only)															
10.5 TOTAL General and administrative (Lines 10.1 + 10.2 + 10.3 + 10.4)	2,361,875	8,064,964	18,443,698										28,870,538		28,870,538
11. Underwriting Gain/(Loss) (Lines 1.12 - 5.7 - 6.6 - 8.3 - 10.5)	2,180,078	1,182,090	6,125,313										9,487,481	X X X	9,487,481
12. Income from fees of uninsured plans	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X		
13. Net investment and other gain/(loss)	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	
14. Federal income taxes (excluding taxes on Line 1.5 above)	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	
15. Net gain or (loss) (Lines 11 + 12 + 13 - 14)	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	9,487,481	X X X	9,487,481
16. ICD-10 Implementation Expenses (informational only; already included in general expenses and Line 6.5)															
16A. ICD-10 Implementation Expenses (informational only; already included in Line 6.5)															
O. OTHER INDICATORS:															
O1. Number of Certificates / Policies	9,066	13,246	46,012										68,324		68,324
O2. Number of Covered Lives	13,158	27,615	103,815										144,588		144,588
O3. Number of Groups	X X X	1,661	172	X X X									1,833		1,833
O4. Member Months	170,843	473,163	1,080,027										1,724,033		1,724,033

(a) Is run off business reported in Columns 1 through 9 or 12? Yes [] No [X]
 (b) If yes, show the amount of premiums and claims included: Premiums \$.....0 Claims \$.....0

Supp60 Grand Total

AFFORDABLE CARE ACT (ACA) RECEIPTS, PAYMENTS, RECEIVABLES and PAYABLES				
	Current Year		Prior Year	
	Comprehensive Health Coverage		Comprehensive Health Coverage	
	1 Individual Plans	2 Small Group Employer Plans	3 Individual Plans	4 Small Group Employer Plans
ACA Receivables and Payables				
1. Permanent ACA Risk Adjustment Program				
1.0 Premium adjustments receivable/(payable)				
2. Transitional ACA Reinsurance Program				
2.0 Total amounts recoverable for claims (paid & unpaid)		X X X		X X X
3. Temporary ACA Risk Corridors Program				
3.1 Accrued retrospective premium				
3.2 Reserve for rate credits or policy experience refunds				
ACA Receipts and Payments				
4. Permanent ACA Risk Adjustment Program				
4.0 Premium adjustments receipts/(payments)				
5. Transitional ACA Reinsurance Program				
5.0 Amounts received for claims		X X X		X X X
6. Temporary ACA Risk Corridors Program				
6.1 Retrospective premium received				
6.2 Rate credits or policy experience refunds paid				

SUPPLEMENTAL HEALTH CARE EXHIBIT - PART 2

(To Be Filed By April 1 - Not for Rebate Purposes)

REPORT FOR: 1. CORPORATION: MCS Life Insurance Company 2. LOCATION: San Juan, PR 00917

BUSINESS IN THE STATE OF Grand Total DURING THE YEAR 2016

NAIC Group Code 1301

NAIC Company Code 60030

Supp61 Grand Total

		Business Subject to MLR									10 Government Business (Excluded by Statute)	11 Other Health Business	12 Medicare Advantage Part C and Medicare Part D Stand-Alone Subject to ACA	13 Total (a)
		Comprehensive Health Coverage			Mini-Med Plans			Expatriate Plans		9 Student Health Plans				
		1 Individual	2 Small Group Employer	3 Large Group Employer	4 Individual	5 Small Group Employer	6 Large Group Employer	7 Small Group	8 Large Group					
1.	Health Premiums Earned													
	01.1 Direct premiums written	26,616,110	84,383,040	197,067,252									308,066,402	
	01.2 Unearned premium prior year	1,132,087	91,962	199,315									1,423,364	
	01.3 Unearned premium current year	846,384	395,947	924,692									2,167,023	
	01.4 Change in unearned premium (Lines 1.2 - 1.3)	285,703	(303,985)	(725,377)									(743,659)	
	01.5 Paid rate credits													
	01.6 Reserve for rate credits current year													
	01.7 Reserve for rate credits prior year													
	01.8 Change in reserve for rate credits (Lines 1.6 - 1.7)													
	01.9 Premium balances written off													
	1.10 Group conversion charges													
	1.11 TOTAL Direct premiums earned (Lines 1.1 + 1.4 - 1.9 + 1.10)	26,901,813	84,079,055	196,341,875									307,322,743	
	1.12 Assumed premiums earned from non-affiliates													
	1.13 Net assumed less ceded premiums earned from affiliates													
	1.14 Ceded premiums earned to non-affiliates	119,353	305,912	714,424									1,139,689	
	1.15 Other adjustments due to MLR calculation - Premiums													
	1.16 Net premiums earned (Lines 1.11 - 1.5 - 1.8 + 1.12 + 1.13 - 1.14 + 1.15)	26,782,460	83,773,143	195,627,451									306,183,054	
2.	Direct Claims Incurred:													
	02.1 Paid claims during the year	25,811,853	73,120,394	167,785,173									266,717,420	
	02.2 Direct claim liability current year	2,359,730	7,496,137	17,200,955									27,056,822	
	02.3 Direct claim liability prior year	6,909,901	9,039,004	20,523,300									36,472,205	
	02.4 Direct claim reserves current year													
	02.5 Direct claim reserves prior year													
	02.6 Direct contract reserves current year													
	02.7 Direct contract reserves prior year													
	02.8 Paid rate credits													
	02.9 Reserve for rate credits current year													
	2.10 Reserve for rate credits prior year													
	2.11 Incurred medical incentive pools and bonuses (Lines 2.11a + 2.11b - 2.11c)													
	2.11A Paid medical incentive pools and bonuses current year													
	2.11B Accrued medical incentive pools and bonuses current year													
	2.11C Accrued medical incentive pools and bonuses prior year													
	2.12 Net healthcare receivables (Lines 2.12a - 2.12b)	3,508	149,325	346,146									498,979	
	2.12A Healthcare receivables current year	93,334	294,372	675,478									1,063,183	
	2.12B Healthcare receivables prior year	89,826	145,046	329,332									564,204	
	2.13 Group conversion charge													
	2.14 Multi-option coverage blended rate adjustment													
	2.15 TOTAL Incurred Claims (Lines 2.1 + 2.2 - 2.3 + 2.4 - 2.5 + 2.6 - 2.7 + 2.8 + 2.9 - 2.10 + 2.11 - 2.12 + 2.13 + 2.14)	21,258,174	71,428,202	164,116,682									256,803,058	
	2.16 Assumed Incurred Claims from non-affiliates													
	2.17 Net Assumed less Ceded Incurred Claims from affiliates													
	2.18 Ceded Incurred Claims to non-affiliates													
	2.19 Other Adjustments due to MLR calculation - Claims													
	2.20 Net Incurred Claims (Lines 2.15 - 2.8 - 2.9 + 2.10 + 2.16 + 2.17 - 2.18 + 2.19)	21,258,174	71,428,202	164,116,682									256,803,058	
3.	Fraud and Abuse Recoveries that Reduced PAID Claims in Line 2.1 above (informational only)	10,280	28,437	65,024									103,741	

(a) Column 13, Line 1.1 includes direct written premium of \$.....0 for stand-alone dental and \$.....0 for stand-alone vision policies.

SUPPLEMENTAL HEALTH CARE EXHIBIT - PART 3 (Continued)
 (To Be Filed By April 1 - Not for Rebate Purposes)

	All Expenses	Improving Health Care Quality Expenses					Claims Adjustment Expenses		9 General Administrative Expenses	10 Total Expenses (6 to 9)
		1 Improve Health Outcomes	2 Activities to Prevent Hospital Readmissions	3 Improve Patient Safety and Reduce Medical Errors	4 Wellness & Health Promotion Activities	5 HIT Expenses	6 Total (1 to 5)	7 Cost Containment Expenses			8 Other Claims Adjustment Expenses
4.	Individual Mini-Med Plans Expenses									
04.1	Salaries (including \$.....0 for affiliated services)									
04.2	Outsourced services									
04.3	EDP equipment and software (including \$.....0 for affiliated services)									
04.4	Other equipment (excluding EDP) (including \$.....0 for affiliated services)									
04.5	Accreditation and certification (including \$.....0 for affiliated services)		XXX	XXX	XXX	XXX				
04.6	Other expenses (including \$.....0 for affiliated services)									
04.7	Subtotal before reimbursements and taxes (Lines 4.1 to 4.6)									
04.8	Reimbursements by uninsured plans and fiscal intermediaries									
04.9	Taxes, licenses and fees (in total, for tying purposes)	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
4.10	TOTAL (Lines 4.7 to 4.9)									
4.11	TOTAL fraud and abuse detection/recovery expenses included in Column 7 (informational only)									
5.	Small Group Mini-Med Plans Expenses									
05.1	Salaries (including \$.....0 for affiliated services)									
05.2	Outsourced services									
05.3	EDP Equipment and Software (including \$.....0 for affiliated services)									
05.4	Other equipment (excluding EDP) (including \$.....0 for affiliated services)									
05.5	Accreditation and certification (including \$.....0 for affiliated services)		XXX	XXX	XXX	XXX				
05.6	Other expenses (including \$.....0 for affiliated services)									
05.7	Subtotal before reimbursements and taxes (Lines 5.1 to 5.6)									
05.8	Reimbursements by uninsured plans and fiscal intermediaries									
05.9	Taxes, licenses and fees (in total, for tying purposes)	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
5.10	TOTAL (Lines 5.7 to 5.9)									
5.11	TOTAL fraud and abuse detection/recovery expenses included in Column 7 (informational only)									
6.	Large Group Mini-Med Plans Expenses									
06.1	Salaries (including \$.....0 for affiliated services)									
06.2	Outsourced services									
06.3	EDP equipment and software (including \$.....0 for affiliated services)									
06.4	Other equipment (excluding EDP) (including \$.....0 for affiliated services)									
06.5	Accreditation and certification (including \$.....0 for affiliated services)		XXX	XXX	XXX	XXX				
06.6	Other expenses (including \$.....0 for affiliated services)									
06.7	Subtotal before reimbursements and taxes (Lines 6.1 to 6.6)									
06.8	Reimbursements by uninsured plans and fiscal intermediaries									
06.9	Taxes, licenses and fees (in total, for tying purposes)	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
6.10	TOTAL (Lines 6.7 to 6.9)									
6.11	TOTAL fraud and abuse detection/recovery expenses included in Column 7 (informational only)									

Supp63 Grand Total

SUPPLEMENTAL HEALTH CARE EXHIBIT - PART 3 (Continued)
 (To Be Filed By April 1 - Not for Rebate Purposes)

	All Expenses	Improving Health Care Quality Expenses					Claims Adjustment Expenses		9 General Administrative Expenses	10 Total Expenses (Cols. 6 to 9)
		1 Improve Health Outcomes	2 Activities to Prevent Hospital Readmissions	3 Improve Patient Safety and Reduce Medical Errors	4 Wellness & Health Promotion Activities	5 HIT Expenses	6 Total (1 to 5)	7 Cost Containment Expenses			8 Other Claims Adjustment Expenses
7.	Small Group Expatriate Plans Expenses									
07.1	Salaries (including \$.....0 for affiliated services)									
07.2	Outsourced services									
07.3	EDP equipment and software (including \$.....0 for affiliated services)									
07.4	Other equipment (excluding EDP) (including \$.....0 for affiliated services)									
07.5	Accreditation and certification (including \$.....0 for affiliated services)		XXX	XXX	XXX	XXX				
07.6	Other expenses (including \$.....0 for affiliated services)									
07.7	Subtotal before reimbursements and taxes (Lines 7.1 to 7.6)									
07.8	Reimbursements by uninsured plans and fiscal intermediaries									
07.9	Taxes, licenses and fees (in total, for tying purposes)	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
7.10	TOTAL (Lines 7.7 to 7.9)									
7.11	TOTAL fraud and abuse detection/recovery expenses included in Column 7 (informational only)									
8.	Large Group Expatriate Plans Expenses									
08.1	Salaries (including \$.....0 for affiliated services)									
08.2	Outsourced services									
08.3	EDP equipment and software (including \$.....0 for affiliated services)									
08.4	Other equipment (excluding EDP) (including \$.....0 for affiliated services)									
08.5	Accreditation and certification (including \$.....0 for affiliated services)		XXX	XXX	XXX	XXX				
08.6	Other expenses (including \$.....0 for affiliated services)									
08.7	Subtotal before reimbursements and taxes (Lines 8.1 to 8.6)									
08.8	Reimbursements by uninsured plans and fiscal intermediaries									
08.9	Taxes, licenses and fees (in total, for tying purposes)	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
8.10	TOTAL (Lines 8.7 to 8.9)									
8.11	TOTAL fraud and abuse detection/recovery expenses included in Column 7 (informational only)									
9.	Student Health Plans Expenses									
09.1	Salaries (including \$.....0 for affiliated services)									
09.2	Outsourced services									
09.3	EDP equipment and software (including \$.....0 for affiliated services)									
09.4	Other equipment (excluding EDP) (including \$.....0 for affiliated services)									
09.5	Accreditation and certification (including \$.....0 for affiliated services)		XXX	XXX	XXX	XXX				
09.6	Other expenses (including \$.....0 for affiliated services)									
09.7	Subtotal before reimbursements and taxes (Lines 9.1 to 9.6)									
09.8	Reimbursements by uninsured plans and fiscal intermediaries									
09.9	Taxes, licenses and fees (in total, for tying purposes)	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
9.10	TOTAL (Lines 9.7 to 9.9)									
9.11	TOTAL fraud and abuse detection/recovery expenses included in Column 7 (informational only)									

Supp64 Grand Total



SUPPLEMENTAL HEALTH CARE EXHIBIT'S EXPENSE ALLOCATION REPORT

(To Be Filed by April 1)

NAIC Group Code: 1301

NAIC Company Code: 60030

Description of allocation methodology:

Detailed Description of Quality Improvement Expenses:

1 Expense Type from Part 3	2 New	3 Detailed Description of Expense



SUPPLEMENTAL XXX / AXXX REINSURANCE EXHIBIT

For the Year Ended December 31, 2016

(To Be Filed by April 1)

OF THE MCS Life Insurance Company

NAIC Group Code: 1301

NAIC Company Code: 60030

PART 1 - ALL XXX AND AXXX CESSIONS

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
NAIC Company Code	ID Number	Name of Company	Licensed Reinsurer (Yes/No)	Accredited Reinsurer (Yes/No)	Certified Reinsurer (Yes/No)	Reinsurer Domiciled in another Jurisdiction (Yes/No)	Reinsurer Maintaining Trust Fund (Yes/No)	Reinsurance Required by Law (Yes/No)	Special Exemption by Domestic Regulator (Yes/No)	Affiliate (Yes/No)	Effective Date	Statutory Reserve Credit Taken (Column 14+15)	XXX Statutory Policy Reserve Credit Taken	AXXX Statutory Policy Reserve Credit Taken
9999999 Total														

SUPPLEMENTAL XXX / AXXX REINSURANCE EXHIBIT (continued)
PART 2A - TRANSACTIONS SUBJECT TO PART 2 DISCLOSURE (GRANDFATHERED OR SPECIAL EXEMPTION)

1	2	3	4	5	As of Effective Date or Prior Year's Annual Statement						As of Current Year's Annual Statement					
					6	7	8	9	10	11	12	13	14	15	16	17
Cession ID	NAIC Company Code	ID Number	Name of Company	Effective Date or Prior Year Annual Statement Date	Statutory Reserve Credit Taken	"Economic Reserve" Level	Primary Security	Primary Security - Trust	Primary Security - Funds Withheld or Modified - Coinsurance	Other Security	Statutory Reserve Credit Taken	"Economic Reserve" Level	Primary Security	Primary Security - Trust	Primary Security - Funds Withheld or Modified - Coinsurance	Other Security
9999999 Total

SUPPLEMENTAL XXX / AXXX REINSURANCE EXHIBIT (continued)
PART 2B - TRANSACTIONS SUBJECT TO PART 2 DISCLOSURE (NON-GRANDFATHERED)

1	2	3	4	5	As of Effective Date or Prior Year's Annual Statement						As of Current Year's Annual Statement						
					6	7	8	9	10	11	12	13	14	15	16	17	18
Cession ID	NAIC Company Code	ID Number	Name of Company	Effective Date or Prior Year Annual Statement Date	Statutory Reserve Credit Taken	Required Level of Primary Security	Primary Security	Primary Security - Trust	Primary Security - Funds Withheld or Modified - Coinsurance	Other Security	Statutory Reserve Credit Taken	Required Level of Primary Security	Primary Security	Primary Security Adjustment	Primary Security - Trust	Primary Security - Funds Withheld or Modified - Coinsurance	Other Security
9999999 Total

SUPPLEMENTAL XXX / AXXX REINSURANCE EXHIBIT (continued)

PART 3 - COLLATERAL FOR ALL XXX / AXXX REINSURANCE

TRANSACTIONS REPORTED ON PART 2A OR PART 2B

Part 2 Cession ID: 9999999

Name of Company: N/A

NAIC Company Code: N/A

ID Number: N/A

Effective Date or Prior Year Annual Statement Date: N/A

Security Category Description	As of Effective Date or Prior Year's Annual Statement		As of Current Year's Annual Statement	
	1 Assets	2 Affiliate or Parental Guarantee (YES/NO)	3 Assets	4 Affiliate or Parental Guarantee (YES/NO)
Primary Security				
1. Cash		X X X		X X X
2. NAIC 1 SVO-Listed Securities		X X X		X X X
3. NAIC 2 SVO-Listed Securities		X X X		X X X
4. NAIC 3 SVO-Listed Securities		X X X		X X X
5. NAIC 4 SVO-Listed Securities		X X X		X X X
6. NAIC 5 SVO-Listed Securities		X X X		X X X
7. NAIC 6 SVO-Listed Securities		X X X		X X X
8. Commercial Loans		X X X		X X X
9. Policy Loans		X X X		X X X
10. Derivatives acquired in the normal course		X X X		X X X
11. Subtotal Primary Securities		X X X		X X X
Other Security				
12. Cash		X X X		X X X
13. NAIC 1 SVO-Listed Securities		X X X		X X X
14. NAIC 2 SVO-Listed Securities		X X X		X X X
15. NAIC 3 SVO-Listed Securities		X X X		X X X
16. NAIC 4 SVO-Listed Securities		X X X		X X X
17. NAIC 5 SVO-Listed Securities		X X X		X X X
18. NAIC 6 SVO-Listed Securities		X X X		X X X
19. Commercial Loans		X X X		X X X
20. Policy Loans		X X X		X X X
21. Derivatives acquired in the normal course		X X X		X X X
22. Other Investments Admissible per the NAIC AP&P Manual		X X X		X X X
23. Evergreen, Unconditional LOCs		X X X		X X X
24. Other LOCs		X X X		X X X
25. Affiliate or Parental Guarantees		X X X		X X X
26. LOC-like Assets		X X X		X X X
27. Excess of Loss Reinsurance		X X X		X X X
28. All Other Assets		X X X		X X X
29. Subtotal Other Security		X X X		X X X
30. Total		X X X		X X X

Indicate here the basis for the valuation used if the ceding company is unable to determine the statutory accounting value of any asset after making a diligent effort to do so:

SUPPLEMENTAL XXX / AXXX REINSURANCE EXHIBIT (continued)

PART 4 - NON-COLLATERAL ASSETS SUPPORTING RESERVES FOR ALL AFFILIATE XXX / AXXX REINSURANCE TRANSACTIONS REPORTED ON PART 2A OR PART 2B

Part 2 Cession ID: 9999999

Name of Company: N/A

NAIC Company Code: N/A

ID Number: N/A

Effective Date or Prior Year Annual Statement Date: N/A

Asset Category Description	As of Effective Date or Prior Year's Annual Statement		As of Current Year's Annual Statement	
	1 Non-Collateral Assets Supporting Reserves - Affiliate Transactions	2 Affiliate or Parental Guarantee (YES/NO)	3 Non-Collateral Assets Supporting Reserves - Affiliate Transactions	4 Affiliate or Parental Guarantee (YES/NO)
1. Cash		X X X		X X X
2. NAIC 1 SVO-Listed Securities		X X X		X X X
3. NAIC 2 SVO-Listed Securities		X X X		X X X
4. NAIC 3 SVO-Listed Securities		X X X		X X X
5. NAIC 4 SVO-Listed Securities		X X X		X X X
6. NAIC 5 SVO-Listed Securities		X X X		X X X
7. NAIC 6 SVO-Listed Securities		X X X		X X X
8. Commercial Loans		X X X		X X X
9. Policy Loans		X X X		X X X
10. Derivatives acquired in the normal course		X X X		X X X
11. Other Investments Admissible per the NAIC AP&P Manual		X X X		X X X
12. Evergreen, Unconditional LOCs		X X X		X X X
13. Other LOCs		X X X		X X X
14. Affiliate or Parental Guarantees		X X X		X X X
15. LOC-like Assets		X X X		X X X
16. Excess of Loss Reinsurance		X X X		X X X
17. All Other Assets		X X X		X X X
18. Total		X X X		X X X

Indicate here the basis for the valuation used if the ceding company is unable to determine the statutory accounting value of any asset after making a diligent effort to do so:

SUPPLEMENTAL XXX / AXXX REINSURANCE EXHIBIT (continued)

PART 5 - SUPPLEMENTAL XXX / AXXX REINSURANCE EXHIBIT INTERROGATORIES

PART 3 - INTERROGATORIES

- 1.1 Is any collateral identified in Part 3 of the Supplemental XXX/AXXX Reinsurance Exhibit a letter of credit, synthetic letter of credit, contingent note, credit-linked note or other similar security that operates in a manner similar to a letter of credit? Yes[] No[] N/A[X]
- 1.2 If the response to 1.1 is yes:
 1.21 Describe the amount and nature of the collateral:
 1.22 Describe all contingencies or conditions to performance:
- 2.1 Is any collateral identified in Part 3 of the Supplemental XXX/AXXX Reinsurance Exhibit pledged to a financing provider? Yes[] No[] N/A[X]
- 2.2 If the response to 2.1 is yes:
 2.21 Describe the amount and nature of the collateral that is pledged:
 2.22 Describe the duration and the terms of the pledge:
- 3.1 Does any collateral identified in Part 3 of the Supplemental XXX/AXXX Reinsurance Exhibit have a duration that is less than the duration of the underlying policy liabilities? Yes[] No[] N/A[X]
- 3.2 If the response to 3.1 is yes:
 3.21 Describe the amount and nature of the collateral:
 3.22 Compare the duration of the collateral to the duration of the underlying policy liabilities:
- 4.1 Is any asset identified in Part 3 of the Supplemental XXX/AXXX Reinsurance Exhibit as being guaranteed by an affiliate or parent? Yes[] No[] N/A[X]
- 4.2 If the response to 4.1 is yes:
 4.21 Provide the legal name of the guarantor:
 4.22 Describe the nature of the affiliate relationship between the reporting entity and the guarantor:
 4.23 Specify the dollar amount of the guarantee: \$..... 0
 4.24 Describe all contingencies or conditions to performance of the guarantee:

PART 4 - INTERROGATORIES

- 5.1 Is any asset identified in Part 4 of the Supplemental XXX/AXXX Reinsurance Exhibit as being guaranteed by an affiliate or parent? Yes[] No[] N/A[X]
- 5.2 If the response to 5.1 is yes:
 5.21 Provide the legal name of the guarantor:
 5.22 Describe the nature of the affiliate relationship between the reporting entity and the guarantor:
 5.23 Specify the dollar amount of the guarantee: \$..... 0
 5.24 Describe all contingencies or conditions to performance of the guarantee:
- 6.1 Is any asset identified in Part 4 of the Supplemental XXX/AXXX Reinsurance Exhibit pledged to a financing provider? Yes[] No[] N/A[X]
- 6.2 If the response to 6.1 is yes:
 6.21 Describe the asset that is pledged:
 6.22 Specify the dollar amount of the pledge: \$..... 0
 6.23 Describe the duration and the terms of the pledge:



Statement of Actuarial Opinion



Actuarial Opinion on X-Factors



Actuarial Opinion on Separate Accounts Funding Guaranteed Minimum Benefits



Actuarial Opinion on Synthetic Guaranteed Investment Contracts



Actuarial Opinion required by the Modified Guaranteed Annuity Model Regulation



Reasonableness of Assumptions Certification required by Actuarial Guideline XXXV



**Reasonableness and Consistency of Assumptions Certification
required by Actuarial Guideline XXXV**



**Reasonableness of Assumptions Certification for Implied Guaranteed Rate Method
required by Actuarial Guideline XXXVI**



**Reasonableness and Consistency of Assumptions Certification
required by Actuarial Guideline XXXVI (Updated Average Market Value)**



**Reasonableness and Consistency of Assumptions Certification
required by Actuarial Guideline XXXVI (Updated Market Value)**



Actuarial Certifications Related to Annuity Nonforfeiture Ongoing Compliance for Equity Indexed Annuities



Actuarial Certification Related to Hedging required by Actuarial Guideline XLIII



**Financial Officer Certification Related to Clearly Defined Hedging Strategy
required by Actuarial Guideline XLIII**



**Management Certification That the Valuation Reflects Management's Intent
required by Actuarial Guideline XLIII**



Actuarial Certification Related to the Reserves required by Actuarial Guideline XLIII



**Actuarial Certification regarding the use of Preferred Mortality Tables
for use in Determining Minimum Reserve Liabilities**



Approval from State of Domicile for Relief related to 5-Year Rotation Requirement for Lead Audit Partner



Approval from State of Domicile for Relief related to 1-Year Cooling Off Period for Independent CPA



Approval from State of Domicile for Relief related to the Requirement for Audit Committees



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2016

Document Code: 350

Management's Discussion and Analysis

This discussion provides an assessment by management of the current financial position, results of operations, cash flow and liquidity, and changes in financial position of the Company. Information presented in this discussion supplements the financial statements, exhibits and schedules in the Annual Statement.

The Company is a wholly owned subsidiary of MCS Healthcare Holding, LLC (MCSHH). The Company is also affiliated by ownership and common management with MCS Health Management Options, Inc. (MCS HMO), a health maintenance organization exclusively engaged in Medicaid health insurance in Puerto Rico and to MCS Advantage, Inc.

Financial Position

The Company's financial position at December 31 was as follows:
(In thousands)

	<u>2016</u>	<u>2015</u>
Bonds	\$ 9,206	\$ 6,226
Common and preferred stocks	571	501
Cash and short-term investments	39,622	43,217
Cash and invested assets	<u>49,399</u>	<u>49,943</u>
Premiums due and unpaid	12,140	16,167
Amount receivable related to unisrued A&H plans	6,040	4,758
Healthcare receivables	1,063	564
Other assets	67	224
Total admitted assets	<u>68,709</u>	<u>71,657</u>
Policy and contracts claims	27,307	36,722
Liability for amounts held under uninsured A&H plans	2,852	4,336
Other liabilities	17,998	20,206
Total liabilities	<u>48,157</u>	<u>61,265</u>
Capital and Surplus	<u>20,551</u>	<u>10,392</u>
Total liabilities and capital and surplus	\$ 68,709	\$ 71,657
Cash & Invested assets to total admitted assets	71.90%	69.70%
Claims liab to capital & surplus	75.26%	28.30%
Claims to total admitted assets	39.74%	51.25%
Capital & surplus to total admitted assets	29.91%	14.50%

Cash and invested assets amounts to \$49.4 million, representing 72% of total admitted assets. The Company has adopted investment policies and practice to manage the investment portfolio and asset allocation. Short-term investment and bonds are primarily government securities from agencies and instrumentalities of the federal government, the government of Puerto Rico and certificate of deposits. The Company maintains a high level of liquidity to respond for policy and contracts claims.

The Company maintains cost plus contracts for certain health plans. These contracts were accounted for as cost based reimbursement contracts under accounting practices for uninsured plans. At December 31, 2016, there was \$6 million in receivables to cover claim costs and administrative fees.

Healthcare receivables are composed of Rx rebates receivables of \$1.1 million.

Policy and contracts claims payable amounts to \$27.3 million a 40% of total admitted assets.

The liability for uninsured plans amounted to \$2.9 million and represents amounts deposited by the plans to cover claim payments, claim and other miscellaneous liabilities.

Capital and surplus amounts to \$20.5 million, which represents 30% of total admitted assets. Increase in capital and surplus has been mainly due to the net income of the year of \$9.2 million and capital contribution from MCS Life's parent company of \$2.0 million received in September 2016.

Results of Operations

In 2016 the Company ended in a net gain of approximately \$9.2 million.

Management's Discussion and Analysis

Other discussion follows:

(In thousands)

	<u>2016</u>	<u>2015</u>
Premiums	\$ 308,418	\$ 306,392
Net Investment Income	179	682
Total revenues	<u>308,597</u>	<u>307,074</u>
Policy benefits	257,734	273,150
Commissions	11,798	13,583
Expenses	27,856	30,230
Total	<u>297,387</u>	<u>316,964</u>
Income before income taxes and capital gains	11,210	(9,890)
Capital gains/(loss)	\$ (35)	\$ (853)
Income taxes	\$ (1,958)	\$ (1)
Net income / (loss)	<u>9,217</u>	<u>(10,744)</u>
MLR	83.57%	89.15%
Commission rate	3.83%	4.43%
Expense rate	9.03%	9.87%

Net Income of \$9.2 million is noted for 2016, a significant improvement from the \$10.7 net loss recorded in 2015. The main reason for the improvement has been due the termination of an individual product in 2016 which represent a net loss of \$12.9 in 2015.

Policy benefits amounted to \$257.7 million in 2016 and \$273.2 in 2015 for a claims cost ratio of 83.6% in 2016 and 89.2% in 2015. Improvement in the medical loss ratio has been due to the termination of an individual products in 2016 which represent significant losses in 2015.

Commissions in 2016 amounted to \$11.8 million, for a 3.9% of net premiums. Administration and other expenses in 2016 amounted to \$27.9 million, representing 9.03% of premiums. Expenses include the provider insurance tax of \$5.4 million.

As mentioned above, the Company maintains cost reimbursement contracts. Administration expenses were reduced by \$3.8 million in 2016 and \$4.7 million in 2015 for administration fees charged to these plans in accordance with the accounting practices for statutory reporting.

Investment income amounts, to \$.1 million.

Cash Flow and Liquidity

The Company cash flows are summarized as follows:

	<u>2016</u>	<u>2015</u>
Cash provided from operating activities	\$ (2,529)	\$ 10,429
Cash from investing activities	(3,066)	5,403
Cash from financing activities	2,000	-
Net change in cash	<u>(3,595)</u>	<u>15,831</u>

Management's Discussion and Analysis



Audited Financial Report



Accountant's Letter of Qualification



Communication of Internal Control Related Matters Noted in an Audit



Management's Report of Internal Control over Financial Reporting



Regulatory Asset Adequacy Issues Summary (RAAIS)



Actuarial Memorandum required by Actuarial Guideline XXXVIII 8D

LIFE IRIS RATIOS - 2016

Financial Ratio Results		Unusual Values Equal to or		Amount
		Over	Under	
Ratio				
1.	Net Change in Capital and Surplus	50	-10	79
2.	Gross Change in Capital and Surplus	50	-10	98
3.	Net Income to Total Income (Including Realized Capital Gains and Losses)	X X X	0	3
4.	Adequacy of Investment Income	900	125	999
5.	Non-Admitted to Admitted Assets	10	X X X	2
6.	TOTAL Real Estate and Total Mortgage Loans to Cash and Invested Assets	30	X X X	0
7.	TOTAL Affiliated Investments to Capital and Surplus	100	X X X	0
8.	Surplus Relief			0
	(Over \$5 Million Capital and Surplus)	30	-99	
	(\$5 Million or Less Capital and Surplus)	10	-10	
9.	Change in Premium	50	-10	1
10.	Change in Product Mix	5.0	X X X	0.902
11.	Change in Asset Mix	5.0	X X X	0.790
12.	Change in Reserving	20	-20	0

LIFE IRIS RATIOS - 2016

		Amount
Ratio 1	Net Change in Capital and Surplus	
	A. Capital & Surplus Current Year - Page 3, Column 1, Line 38	20,551,187
	B. Change in Surplus Notes - Page 4, Column 1, Line 48	0
	C. Capital Changes Paid-In - Page 4, Column 1, Line 50.1	0
	D. Surplus Adjustments Paid-In - Page 4, Column 1, Line 51.1	2,000,000
	E. Capital & Surplus Prior Year - Prior Year: Page 3, Column 1, Line 38	10,392,238
	Result = $100 \times (A - B - C - D - E) / E$	79%
	If A is zero or negative, result is -99	
	If E is zero or negative and A is positive, result is 999	
	If commenced business date is current year, no result is calculated (NR)	
Ratio 2	Gross Change in Capital and Surplus	
	A. Capital & Surplus Current Year - Page 3, Column 1, Line 38	20,551,187
	B. Capital & Surplus Prior Year - Prior Year: Page 3, Column 1, Line 38	10,392,238
	Result = $100 \times (A - B) / B$	98%
	If A is zero or negative, result is -99	
	If B is zero or negative and A is positive, result is 999	
	If commenced business date is current year, no result is calculated (NR)	
Ratio 3	Net Income to Total Income (Including Realized Capital Gains and Losses)	
	A. Net Income - Page 4, Column 1, Line 35	9,216,992
	B. TOTAL Income - Page 4, Column 1, Line 9	308,597,359
	C. Realized Capital Gains/Losses - Page 4, Column 1, Line 34	(35,000)
	Result = $100 \times A / (B + C)$	3%
	If B + C is zero or negative and A is positive, no result is calculated (NR)	
	If B + C is zero or negative and A is zero or negative, result is automatically considered unusual	
Ratio 4	Adequacy of Investment Income	
	A. Net Investment Income - Page 4, Column 1, Line 3	179,135
	B. Tabular Interest Involving Life or Disability Contingencies - Page 7, Column 1, Line 4	0
	C. Tabular Fund Interest on A&H Contracts - Page 14, Exhibit of Aggregate Reserves for A&H Contracts, Column 1, Line 18	0
	D. Investment Earnings Credited to Deposit-Type Contract Accounts - Page 15, Exhibit of Deposit-Type Contracts, Column 1, Line 3	0
	Result = $100 \times A / (B + C + D)$	999%
	If B + C + D is zero, result is 999	
	If Company has no beginning or ending reserves per Page 7 and Item B is zero, no result is calculated.	
Ratio 5	Non-Admitted to Admitted Assets	
	A. Non-Admitted Assets - Page 2, Column 2, Line 28	1,081,346
	B. Admitted Assets - Page 2, Column 3, Line 28	68,708,634
	Result = $100 \times A / B$	2%
	If B is zero or negative and A is positive, result is 999	
	If A and B are both zero or negative, result is zero	
Ratio 6	TOTAL Real Estate and TOTAL Mortgage Loans to Cash and Invested Assets	
	A. Mortgage Loans - First Liens - Page 2, Column 3, Line 3.1	0
	B. Mortgage Loans - Other - Page 2, Column 3, Line 3.2	0
	C. Real Estate - Properties Occupied by the Company - Page 2, Column 3, Line 4.1	0
	D. Real Estate - Properties Held for the Production of Income - Page 2, Column 3, Line 4.2	0
	E. Real Estate - Properties Held for Sale - Page 2, Column 3, Line 4.3	0
	F. Schedule BA - Mortgage Loans - Page E07, Column 12, Line 0999999 + 1099999 + 1999999 + 2099999	0
	G. Schedule BA - Real Estate - Page E07, Column 12, Line 1799999 + 1899999	0
	H. Cash and Invested Assets minus Payable for Securities - Page 2, Column 3, Line 12 - Page 3, Column 1, Line 24.09	49,398,875
	Result = $100 \times [(A + B + C + D + E + F + G) / H]$	0%
	If H is zero or negative and (A + B + C + D + E + F + G) is positive, result is 999	
	If (A + B + C + D + E + F + G) and H are both zero or negative, result is zero	
Ratio 7	TOTAL Affiliated Investments to Capital and Surplus	
	A. Receivable from Parent, Subsidiary & Affiliates - Page 2, Column 3, Line 23	0
	B. Investments in Parent, Subsidiary & Affiliates - Page 23, Column 1, Line 50	0
	C. Capital & Surplus - Page 3, Column 1, Line 38	20,551,187
	Result = $100 \times (A + B) / C$	0%
	If C is zero or negative and A + B is positive, result is 999	
	If A + B, and C are zero or negative, result is zero	
Ratio 8	Surplus Relief	
	A. Commissions and Expense Allowances on Reinsurance Ceded - Page 6, Column 1, Line 6	0
	B. Commissions and Expense Allowances on Reinsurance Assumed - Page 6, Column 1, Line 22	0
	C. Change in Surplus as a Result of Reinsurance - Page 4, Column 1, Line 51.4	0
	D. Capital and Surplus - Page 3, Column 1, Line 38	20,551,187
	Result = $100 \times (A - B + C) / D$	0%
	If D is zero or negative, result is 999	

LIFE IRIS RATIOS - 2016

		Amount
Ratio 9	Change in Premium	
A.	Premiums & Annuity Considerations - Page 49, Column 2, 3, 4, 5, 7, Line 99	308,418,224
B.	Premiums & Annuity Considerations - Prior Year: Page 49, Column 2, 3, 4, 5, 7, Line 99	306,391,697
	Result = 100 x (A - B) / B	1%
	If A and B are both zero or negative, result is zero	
	If B is zero or negative and A is positive, result is 999	
	If commenced business date is current year, no result is calculated (NR)	

Ratio 10: Change in Product Mix

Premiums & Annuity Considerations	Current Year		Prior Year		Column 2 % Less Column 4 % (5)
	Amount (1)	% of Total (2)	Amount (3)	% of Total (4)	
Page 6, Line 1					
A. Industrial Life, Column 2	0	0	0	0	0
B. Ordinary Life Insurance, Column 3	0	0	0	0	0
C. Individual Annuities, Column 4	0	0	0	0	0
D. Credit Life, Column 6	0	0	0	0	0
E. Group Life, Column 7	2,235,161	1	2,423,387	1	0
F. Group Annuities, Column 8	0	0	0	0	0
G. Group A&H, Column 9	279,400,603	91	265,129,754	87	4
H. Credit A&H, Column 10	0	0	0	0	0
I. Other A&H, Column 11	26,782,460	9	38,838,556	13	(4)
J. TOTAL	308,418,224		306,391,696		
K. TOTAL of Ratio Column 5 Disregarding Sign					8
Result = K / 9					0.902%
If J for either current or prior year is zero or negative, no result is calculated (NR)					

Ratio 11: Change in Asset Mix

Assets	Current Year		Prior Year		Column 2 % Less Column 4 % (5)
	Amount (1)	% of Total (2)	Amount (3)	% of Total (4)	
Current Year: Page 2, Column 3					
A. Bonds, Line 1	9,206,029	19	6,225,821	12	6
B. Preferred Stocks, Line 2.1	354,860	1	285,486	1	0
C. Common Stocks, Line 2.2	215,532	0	215,052	0	0
D. Mortgage Loans, First Liens, Line 3.1	0	0	0	0	0
E. Mortgage Loans, Other, Line 3.2	0	0	0	0	0
F. RE, Prop. Occupied by Co., Line 4.1	0	0	0	0	0
G. RE, Prop. Held for the Prod. of Inc., Line 4.2	0	0	0	0	0
H. RE, Prop. Held for Sale, Line 4.3	0	0	0	0	0
I. Contract Loans, Line 6 minus Inside Amount 1	0	0	0	0	0
J. Premium Notes, Line 6 Inside Amount 1	0	0	0	0	0
K. Derivatives, Line 7	0	0	0	0	0
L. Cash, Cash Equivalents & Short Term Invest., Line 5	39,622,455	80	43,217,476	87	(6)
M. Other Invested Assets, Line 8	0	0	0	0	0
N. Rec. for Secur., Line 9 minus Pay. For Secur., Page 3, Col 1, Line 24.09	0	0	0	0	0
O. Securities Lending Reinvested Collateral Assets, Line 10	0	0	0	0	0
P. Agg. Write-Ins for Invested Assets, Line 11	0	0	0	0	0
Q. TOTAL	49,398,875		49,943,835		
R. TOTAL of Ratio Column 5 Disregarding Sign					13
Result = R / 16					0.790%
If Q for either current or prior year is zero or negative, result is automatically considered unusual (U)					

Ratio 12: Change in Reserving

	Current Year	Prior Year
A. Increase in Agg. Reserves, Industrial Life, Page 6, Column 2, Line 19	0	0
B. Increase in Agg. Reserves, Ordinary Life Insurance, Page 6, Column 3, Line 19	0	0
C. Net Single Premiums, Industrial Life, Page 9, Column 2, Line 10.4	0	0
D. Net Renewal Premiums, Industrial Life, Page 9, Column 2, Line 19.4	0	0
E. Net Single Premiums, Ordinary Life Insurance, Page 9, Column 3, Line 10.4	0	0
F. Net Renewal Premiums, Ordinary Life Insurance, Page 9, Column 3, Line 19.4	0	0
Result = $100 * [CY (A + B) / (C + D + E + F) - PY (A + B) / (C + D + E + F)]$		0%
If (A+B) and (C+D+E+F) for current or prior year are both zero or negative, $(A+B)/(C+D+E+F) = 0$ for that year		
If (A+B) is positive and (C+D+E+F) is zero or negative for current or prior year, $(A+B)/(C+D+E+F) = 100%$ for that year		
This ratio represents the number of percentage points of difference between the reserving ratio for current and prior years. For each of these years, the reserving ratio is equal to the aggregate increase in reserves for individual life insurance taken as a percentage of renewal and single premiums for individual life insurance.		

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**ANNUAL DISKETTE TRANSMITTAL FORM AND CERTIFICATION
(LIFE)**

Name of Insurer

MCS Life Insurance Company

Date _____
NAIC Group # 1301

FEIN 66-0520918
NAIC Company # 60030

THIS FORM IS REQUIRED FOR ALL DISKETTE TRANSMITTALS, WITH THE EXCEPTION OF RBC FILINGS,
PLEASE PROVIDE ANY ADDITIONAL COMMENTS THAT MAY HELP TO IDENTIFY DISKETTE CONTENT

	March	April	May	June	Sep. Accts.
1. Is this the first time you've submitted this filing? (Y/N)	N/A	N/A	N/A	N/A	N/A
2. Is this being re-filed at the request of the NAIC or a state insurance department? (Y/N)	N/A	N/A	N/A	N/A	N/A
3. Is this being re-filed due to changes to the data originally filed? (Y/N)	N/A	N/A	N/A	N/A	N/A
4. Other? (Y/N)	N/A	N/A	N/A	N/A	N/A

(If "yes" attach an explanation.)

B. Additional comments if necessary for clarification:

C. Diskette Contact Person: Javier Perez
Phone: (787)758-2500
Address: PO BOX 193310, SAN JUAN, PR 00919-3310

D. Software Vendor: SunGard iWORKS - Statutory
Version: 2016.A.0

E. Have material validation failures been addressed in the explanation file? Yes[] No[X]

F. The undersigned hereby certifies that, according to the best of his/her knowledge and belief: that the diskettes submitted with this form were prepared in compliance with the NAIC specifications, that the diskettes have been tested against the validations included with these specifications, and that annual statement information required to be contained on diskette is identical to the information in the 2016 Annual Statement blank filed with the insurer's domiciliary state insurance department. In addition, the diskettes have been scanned through a virus detection software package, and no viruses are present on the diskettes. The virus detection software used was (name):

(version number):

(Signed) _____

Type Name and Title: Javier Perez - Reporting Manager

Amended Explanation Page

MERGER HISTORY

	1 Amount
Description	
1. Bonds (2015: Page 2, Column 3, Line 1)	
2. Preferred stocks (2015: Page 2, Column 3, Line 2.1)	
3. Common stocks (2015: Page 2, Column 3, Line 2.2)	
4. Mortgage loans on real estate - first liens (2015: Page 2, Column 3, Line 3.1)	
5. Mortgage loans on real estate - other than first liens (2015: Page 2, Column 3, Line 3.2)	
6. Real estate - properties occupied by the company (2015: Page 2, Column 3, Line 4.1)	
7. Real estate - properties held for the production of income (2015: Page 2, Column 3, Line 4.2)	
8. Real estate - properties held for sale (2015: Page 2, Column 3, Line 4.3)	
9. Cash, cash equivalents and short-term investments (2015: Page 2, Column 3, Line 5)	
10. Contract loans (2015: Page 2, Column 3, Line 6)	
11. Premium notes (2015: Page 2, Column 3, Line 6, Inside Amount 1)	
12. Derivatives (2015: Page 2, Column 3, Line 7)	
13. Other invested assets (2015: Page 2, Column 3, Line 8)	
14. Receivable for securities (2015: Page 2, Column 3, Line 9)	
15. Securities lending reinvested collateral assets (2015: Page 2, Column 3, Line 10)	
16. Aggregate write-ins for invested assets (2015: Page 2, Column 3, Line 11)	
17. Payable for securities (2015: Page 3, Column 1, Line 24.9)	
18. Capital & surplus (2015: Page 3, Column 1, Line 38)	
19. Premiums and annuity considerations - industrial life (2015: Page 6, Column 2, Line 1)	
20. Increase in aggregate reserves - industrial life (2015: Page 6, Column 2, Line 19)	
21. Premiums and annuity considerations - ordinary life (2015: Page 6, Column 3, Line 1)	
22. Increase in aggregate reserves - ordinary life (2015: Page 6, Column 3, Line 19)	
23. Premiums and annuity considerations - individual annuities (2015: Page 6, Column 4, Line 1)	
24. Premiums and annuity considerations - credit life (2015: Page 6, Column 6, Line 1)	
25. Premiums and annuity considerations - group life (2015: Page 6, Column 7, Line 1)	
26. Premiums and annuity considerations - group annuities (2015: Page 6, Column 8, Line 1)	
27. Premiums and annuity considerations - group accident & health (2015: Page 6, Column 9, Line 1)	
28. Premiums and annuity considerations - credit accident & health (2015: Page 6, Column 10, Line 1)	
29. Premiums and annuity considerations - other accident & health (2015: Page 6, Column 11, Line 1)	
30. Net single premiums - industrial life (2015: Page 9, Column 2, Line 10.4)	
31. Net renewal premiums - industrial life (2015: Page 9, Column 2, Line 19.4)	
32. Net single premiums - ordinary life (2015: Page 9, Column 3, Line 10.4)	
33. Net renewal premiums - ordinary life (2015: Page 9, Column 3, Line 19.4)	
34. Premiums and annuity considerations - total (2015: Page 49, Columns 2, 3, 4, 5, and 7, Line 99)	

Prior Period Data for Non-required Crosschecks

Prior Period Statement Location	1 Amount
1. 2015 Annual, Page 2, Assets, Line 05, Column 1	43,217,476
2. 2015 Annual, Page 2, Assets, Line 28, Column 3	71,656,818
3. 2015 Annual, Page 3, Liabilities, Line 01, Column 1	
4. 2015 Annual, Page 3, Liabilities, Line 02, Column 1	
5. 2015 Annual, Page 3, Liabilities, Line 04.1, Column 1	250,000
6. 2015 Annual, Page 3, Liabilities, Line 04.2, Column 1	36,472,205
7. 2015 Annual, Page 3, Liabilities, Line 24.02, Column 1	
8. 2015 Annual, Page 3, Liabilities, Line 29, Column 1	2,500,000
9. 2015 Annual, Page 3, Liabilities, Line 30, Column 1	
10. 2015 Annual, Page 3, Liabilities, Line 33, Column 1	5,760,000
11. 2015 Annual, Page 4, Summary of Operations, Line 01, Column 1	306,391,696
12. 2015 Annual, Page 12, Exhibit 5, Line 0799999, Column 2	
13. 2015 Annual, Page 14, Exhibit 6, Line 03, Column 1	
14. 2015 Annual, Page 14, Exhibit 6, Line 11, Column 1	
15. 2015 Annual, Page 14, Exhibit 6, Line 15, Column 1	
16. 2015 Annual, Page 27, Accident & Health Insurance, Line 10, Column 1	1,810
17. 2015 Annual, Page 27, Accident & Health Insurance, Line 10, Column 2	151,984,155
18. 2015 Annual, Page 27, Accident & Health Insurance, Line 10, Column 3	
19. 2015 Annual, Page 27, Accident & Health Insurance, Line 10, Column 4	
20. 2015 Annual, Page 27, Accident & Health Insurance, Line 10, Column 5	
21. 2015 Annual, Page 27, Accident & Health Insurance, Line 10, Column 6	
22. 2015 Annual, Page 29, Asset Valuation Reserve, Line 16, Column 1	90,097
23. 2015 Annual, Page 29, Asset Valuation Reserve, Line 16, Column 2	
24. 2015 Annual, Page 29, Asset Valuation Reserve, Line 16, Column 3	90,097
25. 2015 Annual, Page 29, Asset Valuation Reserve, Line 16, Column 4	28,990
26. 2015 Annual, Page 29, Asset Valuation Reserve, Line 16, Column 5	0
27. 2015 Annual, Page 29, Asset Valuation Reserve, Line 16, Column 6	28,990
28. 2015 Annual, Page 29, Asset Valuation Reserve, Line 16, Column 7	119,087
29. 2015 Annual, Page 38, Schedule H Part 2, Line A04, Column 1	1,423,364
30. 2015 Annual, Page 38, Schedule H Part 2, Line B03, Column 1	
31. 2015 Annual, Page 38, Schedule H Part 2, Line C01, Column 1	36,472,205
32. 2015 Annual, Page SI02, Schedule A Verification, Line 09, Column 2	
33. 2015 Annual, Page SI02, Schedule B Verification, Line 11, Column 2	
34. 2015 Annual, Page SI03, Schedule BA Verification, Line 11, Column 2	
35. 2015 Annual, Page SI03, Schedule D Verification, Line 10, Column 2	6,726,359
36. 2015 Annual, Page SI11, Schedule DB Part A Verification, Line 09, Column 2	
37. 2015 Annual, Page SI11, Schedule DB Part B Verification, Line 06, Column 4	
38. 2015 Annual, Page SI13, Schedule DB Part C, Section 2, Line 07, Column 9	
39. 2015 Annual, Page SI13, Schedule DB Part C, Section 2, Line 07, Column 10	
40. 2015 Annual, Page E17, Schedule DA Part 1, Line 9199999, Column 8	
41. 2015 Annual, Page E20, Schedule DB Part B, Section 1, Line 1449999, Column 15	
42. 2015 Annual, Page E20, Schedule DB Part B, Section 1, Line 1449999, Column 17	
43. 2015 Annual, Page E20, Schedule DB Part B, Section 1, Line 1449999, Column 18	
44. 2015 Annual, Page E20, Schedule DB Part B, Section 1, Line 1449999, Column 19	
45. 2015 Annual, Page E27, Schedule E Part 2, Line 8699999, Column 6	
46. 2015 Annual, Page Supp59, Supplemental Health Care Exhibit - Part 1 (Grand Total), Line 05.5, Col. 15	