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ANNUAL STATEMENT

For the Year Ended DECEMBER 31, 2016

OF THE CONDITION AND AFFAIRS OF THE

USIC Life Insurance Company

NAIC Group Code 3593 (Current Period), 3593 (Prior Period) NAIC Company Code 11067 Employer's ID Number 66-0619863

Organized under the Laws of Puerto Rico, State of Domicile or Port of Entry PR

Country of Domicile United States of America

Incorporated/Organized 07/30/2002 Commenced Business 05/01/2006

Statutory Home Office Urb. Caparra Hls Ind Park, B-7 Tabonuco Ste 1200 (Street and Number), Guaynabo, PR, 00968-3003 (City or Town, State, Country and Zip Code)

Main Administrative Office Urb. Caparra Hls Ind Park, B-7 Tabonuco Ste 1200 (Street and Number)

Guaynabo, PR, 00968-3003 (City or Town, State, Country and Zip Code) (787)625-1105 (Area Code) (Telephone Number)

Mail Address PO Box 2111 (Street and Number or P.O. Box), San Juan, PR, 00922 (City or Town, State, Country and Zip Code)

Primary Location of Books and Records Urb. Caparra Hls Ind Park, B-7 Tabonuco Ste 1200 (Street and Number)

Guaynabo, PR, 00968-3003 (City or Town, State, Country and Zip Code) (787)625-1105 (Area Code) (Telephone Number)

Internet Website Address www.usicgroup.com

Statutory Statement Contact Jorge Junquera (Name) (787)625-1105 (Area Code)(Telephone Number)(Extension)

jorge.junquera@usicgroup.com (E-Mail Address) (787)625-0892 (Fax Number)

OFFICERS

Name	Title
Frederick Millán	President
Rafael Blanes	Assistant Vice President / Chief Risk Officer
Jorge Junquera	Chief Financial Officer
Gretchen Manzanet	Controller

OTHERS

DIRECTORS OR TRUSTEES

Maria De Lourdes González
Maria De Lourdes Blanes
Frederick Millán
Rafael Blanes
Carlos González
Duhamel Iglesias

State of Puerto Rico
County of _____ 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)	(Signature)	(Signature)
Frederick Millán	Rafael Blanes	Jorge Junquera
(Printed Name)	(Printed Name)	(Printed Name)
1.	2.	3.
President	Assistant Vice President / Chief Risk Officer	Chief Financial Officer
(Title)	(Title)	(Title)

Subscribed and sworn to before me this _____ day of _____, 2017

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

(Notary Public Signature)

ASSETS

		Current Year 1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols.1-2)	Prior Year 4 Net Admitted Assets
1.	Bonds (Schedule D)	6,905,043		6,905,043	3,395,544
2.	Stocks (Schedule D):				
	2.1 Preferred stocks	95,960		95,960	
	2.2 Common Stocks	659,563		659,563	555,499
3.	Mortgage loans on real estate (Schedule B):				
	3.1 First liens				
	3.2 Other than first liens				
4.	Real estate (Schedule A):				
	4.1 Properties occupied by the company (less $.....0 encumbrances)				
	4.2 Properties held for the production of income (less $.....0 encumbrances)				
	4.3 Properties held for sale (less $.....0 encumbrances)				
5.	Cash ($.....1,953,127, Schedule E Part 1), cash equivalents ($.....0, Schedule E Part 2) and short-term investments ($.....35,113, Schedule DA)	1,988,240		1,988,240	2,242,935
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)	9,648,806		9,648,806	6,193,978
13.	Title plants less $.....0 charged off (for Title insurers only)				
14.	Investment income due and accrued	78,656		78,656	39,682
15.	Premiums and considerations:				
	15.1 Uncollected premiums and agents' balances in the course of collection	23,794	23,794		
	15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (Including $.....0 earned but unbilled premiums)	47,557		47,557	33,880
	15.3 Accrued retrospective premiums ($.....0) and contracts subject to redetermination ($.....0)				
16.	Reinsurance:				
	16.1 Amounts recoverable from reinsurers	24,960		24,960	
	16.2 Funds held by or deposited with reinsured companies				
	16.3 Other amounts receivable under reinsurance contracts	68,531		68,531	89,694
17.	Amounts receivable relating to uninsured plans				
18.1	Current federal and foreign income tax recoverable and interest thereon	73,831		73,831	85,488
18.2	Net deferred tax asset	401,665	401,665		
19.	Guaranty funds receivable or on deposit				
20.	Electronic data processing equipment and software				2,662
21.	Furniture and equipment, including health care delivery assets ($.....0)				
22.	Net adjustment in assets and liabilities due to foreign exchange rates				
23.	Receivables from parent, subsidiaries and affiliates				
24.	Health care ($.....0) and other amounts receivable				
25.	Aggregate write-ins for other than invested assets				
26.	TOTAL Assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	10,367,800	425,459	9,942,341	6,445,384
27.	From Separate Accounts, Segregated Accounts and Protected Cell Accounts				
28.	TOTAL (Lines 26 and 27)	10,367,800	425,459	9,942,341	6,445,384
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.	IMR Assets				
2502.					
2503.					
2598.	Summary of remaining write-ins for Line 25 from overflow page				
2599.	TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above)				

LIABILITIES, SURPLUS AND OTHER FUNDS

		1 Current Year	2 Prior Year
1.	Aggregate reserve for life contracts $.....59,589 (Exhibit 5, Line 9999999) less $.....0 included in Line 6.3 (including $.....0 Modco Reserve)	59,589	40,280
2.	Aggregate reserve for accident and health contracts (including $.....0 Modco Reserve)	771,060	591,217
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)	62,746	132,106
	4.2 Accident and health (Exhibit 8, Part 1, Line 4.4, sum of Columns 9, 10, and 11)	487,110	453,146
5.	Policyholders' dividends $.....0 and coupons $.....0 due and unpaid (Exhibit 4, Line 10)		
6.	Provision for policyholders' dividends and coupons payable in following calendar year - estimated amounts:		
	6.1 Dividends apportioned for payment (including $.....0 Modco)		
	6.2 Dividends not yet apportioned (including $.....0 Modco)		
	6.3 Coupons and similar benefits (including $.....0 Modco)		
7.	Amount provisionally held for deferred dividend policies not included in Line 6		
8.	Premiums and annuity considerations for life and accident and health contracts received in advance less $.....0 discount; including $.....0 accident and health premiums (Exhibit 1, Part 1, Column 1, sum of Lines 4 and 14)		
9.	Contract liabilities not included elsewhere:		
	9.1 Surrender values on canceled contracts		
	9.2 Provision for experience rating refunds, including the liability of $.....0 accident and health experience rating refunds of which $.....0 is for medical loss ratio rebate per the Public Health Service Act		
	9.3 Other amounts payable on reinsurance, including $.....116,069 assumed and $.....0 ceded	116,069	115,907
	9.4 Interest Maintenance Reserve (IMR, Line 6)	60,098	41,880
10.	Commissions to agents due or accrued-life and annuity contracts $.....0 accident and health $.....0 and deposit-type contract funds $.....0	175,174	186,730
11.	Commissions and expense allowances payable on reinsurance assumed	5,135	7,848
12.	General expenses due or accrued (Exhibit 2, Line 12, Column 6)	165,545	148,852
13.	Transfers to Separate Accounts due or accrued (net) (including $.....0 accrued for expense allowances recognized in reserves, net of reinsured allowances)		
14.	Taxes, licenses and fees due or accrued, excluding federal income taxes (Exhibit 3, Line 9, Col. 5)		
15.1	Current federal and foreign income taxes, including $.....0 on realized capital gains (losses)		
15.2	Net deferred tax liability		
16.	Unearned investment income		
17.	Amounts withheld or retained by company as agent or trustee	17,366	4,647
18.	Amounts held for agents' account, including $.....0 agents' credit balances		
19.	Remittances and items not allocated	45,078	43,374
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 $.....0		
23.	Dividends to stockholders declared and unpaid		
24.	Miscellaneous liabilities:		
	24.01 Asset Valuation Reserve (AVR, Line 16, Column 7)	115,315	42,175
	24.02 Reinsurance in unauthorized and certified ($.....0) companies		
	24.03 Funds held under reinsurance treaties with unauthorized and certified ($.....0) reinsurers		
	24.04 Payable to parent, subsidiaries and affiliates	89,551	105,565
	24.05 Drafts outstanding		
	24.06 Liability for amounts held under uninsured plans		
	24.07 Funds held under coinsurance		
	24.08 Derivatives		
	24.09 Payable for securities		
	24.10 Payable for securities lending		
	24.11 Capital notes $.....0 and interest thereon $.....0		
25.	Aggregate write-ins for liabilities		
26.	TOTAL Liabilities excluding Separate Accounts Business (Lines 1 to 25)	2,169,836	1,913,727
27.	From Separate Accounts Statement		
28.	TOTAL LIABILITIES (Lines 26 and 27)	2,169,836	1,913,727
29.	Common capital stock	4,000,000	2,500,000
30.	Preferred capital stock		
31.	Aggregate write-ins for other than special surplus funds		
32.	Surplus Notes		
33.	Gross paid in and contributed surplus (Page 3, Line 33, Column 2 plus Page 4, Line 51.1, Column 1)	4,000,000	2,500,000
34.	Aggregate write-ins for special surplus funds		
35.	Unassigned funds (surplus)	(227,495)	(468,343)
36.	Less treasury stock, at cost:		
	36.1 .....0 shares common (value included in Line 29 $.....0)		
	36.2 .....0 shares preferred (value included in Line 30 $.....0)		
37.	Surplus (Total Lines 31 + 32 + 33 + 34 + 35 - 36) (Including $.....0 in Separate Accounts Statement)	3,772,505	2,031,657
38.	TOTALS of Lines 29, 30 and 37 (Page 4, Line 55)	7,772,505	4,531,657
39.	TOTALS of Lines 28 and 38 (Page 2, Line 28, Column 3)	9,942,341	6,445,384
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.			
3102.			
3103.			
3198.	Summary of remaining write-ins for Line 31 from overflow page		
3199.	TOTALS (Lines 3101 through 3103 plus 3198) (Line 31 above)		
3401.			
3402.			
3403.			
3498.	Summary of remaining write-ins for Line 34 from overflow page		
3499.	TOTALS (Lines 3401 through 3403 plus 3498) (Line 34 above)		

SUMMARY OF OPERATIONS

		1 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)	4,072,973	3,886,132
2.	Considerations for supplementary contracts with life contingencies		
3.	Net investment income (Exhibit of Net Investment Income, Line 17)	245,643	262,631
4.	Amortization of Interest Maintenance Reserve (IMR, Line 5)	3,312	3,429
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)	576,163	360,760
7.	Reserve adjustments on reinsurance ceded		
8.	Miscellaneous Income:		
	8.1 Income from fees associated with investment management, administration and contract guarantees from Separate Accounts		
	8.2 Charges and fees for deposit-type contracts		
	8.3 Aggregate write-ins for miscellaneous income		
9.	TOTALS (Lines 1 to 8.3)	4,898,091	4,512,952
10.	Death benefits	89,640	229,780
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	1,296,479	1,050,341
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	199,153	186,616
20.	TOTALS (Lines 10 to 19)	1,585,272	1,466,737
21.	Commissions on premiums, annuity considerations, and deposit type contract funds (direct business only) (Exhibit 1, Part 2, Line 31, Column 1)	1,665,159	1,481,977
22.	Commissions and expense allowances on reinsurance assumed (Exhibit 1, Part 2, Line 26.2, Column 1)	159,243	169,944
23.	General insurance expenses (Exhibit 2, Line 10, Columns 1, 2, 3 and 4)	1,041,224	1,041,496
24.	Insurance taxes, licenses and fees, excluding federal income taxes (Exhibit 3, Line 7, Columns 1 + 2 + 3)	131,585	141,975
25.	Increase in loading on deferred and uncollected premiums		
26.	Net transfers to or (from) Separate Accounts net of reinsurance		
27.	Aggregate write-ins for deductions		
28.	TOTALS (Lines 20 to 27)	4,582,483	4,302,129
29.	Net gain from operations before dividends to policyholders and federal income taxes (Line 9 minus Line 28)	315,608	210,823
30.	Dividends to policyholders		
31.	Net gain from operations after dividends to policyholders and before federal income taxes (Line 29 minus Line 30)	315,608	210,823
32.	Federal and foreign income taxes incurred (excluding tax on capital gains)	13,127	897
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)	302,481	209,926
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)	(11,937)	(2,070,220)
35.	Net Income (Line 33 plus Line 34)	290,544	(1,860,294)
	CAPITAL AND SURPLUS ACCOUNT		
36.	Capital and surplus, December 31, prior year (Page 3, Line 38, Column 2)	4,531,657	6,256,384
37.	Net Income (Line 35)	290,544	(1,860,294)
38.	Change in net unrealized capital gains (losses) less capital gains tax of $.....0	47,238	(18,901)
39.	Change in net unrealized foreign exchange capital gain (loss)		
40.	Change in net deferred income tax	(15,600)	417,825
41.	Change in nonadmitted assets	(8,194)	(417,265)
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	(73,140)	153,908
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	1,500,000	
	50.2 Transferred from surplus (Stock Dividend)		
	50.3 Transferred to surplus		
51.	Surplus adjustment:		
	51.1 Paid in	1,500,000	
	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)	3,240,848	(1,724,727)
55.	Capital and surplus, December 31, current year (Lines 36 + 54) (Page 3, Line 38)	7,772,505	4,531,657
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)		
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 Current Year	2 Prior Year
	Cash from Operations		
1.	Premiums collected net of reinsurance	4,035,502	4,008,173
2.	Net investment income	208,980	257,392
3.	Miscellaneous income	597,326	271,066
4.	TOTAL (Lines 1 through 3)	4,841,808	4,536,631
5.	Benefit and loss related payments	1,446,314	1,259,279
6.	Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts		
7.	Commissions, expenses paid and aggregate write-ins for deductions	3,011,480	2,802,289
8.	Dividends paid to policyholders		
9.	Federal and foreign income taxes paid (recovered) net of $.....0 tax on capital gains (losses)	1,470	626
10.	TOTAL (Lines 5 through 9)	4,459,264	4,062,194
11.	Net cash from operations (Line 4 minus Line 10)	382,544	474,437
	Cash from Investments		
12.	Proceeds from investments sold, matured or repaid:		
	12.1 Bonds	1,328,369	(69,649)
	12.2 Stocks	391,963	
	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		813,795
	12.8 TOTAL Investment proceeds (Lines 12.1 to 12.7)	1,720,332	744,146
13.	Cost of investments acquired (long-term only):		
	13.1 Bonds	4,830,882	
	13.2 Stocks	527,764	12,684
	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)	5,358,646	12,684
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)	(3,638,314)	731,462
	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	3,000,000	
	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)	1,075	5,188
17.	Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6)	3,001,075	5,188
	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)	(254,695)	1,211,087
19.	Cash, cash equivalents and short-term investments:		
	19.1 Beginning of year	2,242,935	1,031,848
	19.2 End of year (Line 18 plus Line 19.1)	1,988,240	2,242,935

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

20.0001			

ANALYSIS OF OPERATIONS BY LINES OF BUSINESS

		1	2	Ordinary			6	Group		Accident and Health			12
		Total	Industrial Life	3 Life Insurance	4 Individual Annuities	5 Supplementary Contracts	Credit Life (Group and Individual)	7 Life Insurance (a)	8 Annuities	9 Group	10 Credit (Group and Individual)	11 Other	Aggregate of All Other Lines of Business
1.	Premiums and annuity considerations for life and accident and health contracts	4,072,973		72,693				516,954		849,275		2,634,051	
2.	Considerations for supplementary contracts with life contingencies												
3.	Net investment income	245,643		4,384				31,178		51,220		158,861	
4.	Amortization of Interest Maintenance Reserve (IMR)	3,312						3,312					
5.	Separate Accounts net gain from operations excluding unrealized gains or losses												
6.	Commissions and expense allowances on reinsurance ceded	576,163						172,966		403,197			
7.	Reserve adjustments on reinsurance ceded												
8.	Miscellaneous Income												
	8.1 Fees associated with income from investment management, administration and contract guarantees from Separate Accounts												
	8.2 Charges and fees for deposit-type contracts												
	8.3 Aggregate write-ins for miscellaneous income												
9.	TOTALS (Lines 1 to 8.3)	4,898,091		77,077				724,410		1,303,692		2,792,912	
10.	Death benefits	89,640		(11,186)				100,826					
11.	Matured endowments (excluding guaranteed annual pure endowments)												
12.	Annuity benefits												
13.	Disability benefits and benefits under accident and health contracts	1,296,479						30,319		410,418		855,742	
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	199,153		19,309						604		179,240	
20.	TOTALS (Lines 10 to 19)	1,585,272		8,123				131,145		411,022		1,034,982	
21.	Commissions on premiums, annuity considerations, and deposit-type contract funds (direct business only)	1,665,159		15,598				230,249		315,874		1,103,438	
22.	Commissions and expense allowances on reinsurance assumed	159,243								159,243			
23.	General insurance expenses	1,041,224		18,583				132,155		217,111		673,375	
24.	Insurance taxes, licenses and fees, excluding federal income taxes	131,585		2,348				16,701		27,438		85,098	
25.	Increase in loading on deferred and uncollected premiums												
26.	Net transfers to or (from) Separate Accounts net of reinsurance												
27.	Aggregate write-ins for deductions												
28.	TOTALS (Lines 20 to 27)	4,582,483		44,652				510,250		1,130,688		2,896,893	
29.	Net gain from operations before dividends to policyholders and federal income taxes (Line 9 - Line 28)	315,608		32,425				214,160		173,004		(103,981)	
30.	Dividends to policyholders												
31.	Net gain from operations after dividends to policyholders and before federal income taxes (Line 29 - Line 30)	315,608		32,425				214,160		173,004		(103,981)	
32.	Federal income taxes incurred (excluding tax on capital gains)	13,127		1,349				8,907		7,196		(4,325)	
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)	302,481		31,076				205,253		165,808		(99,656)	
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)												

(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	2	Ordinary			6	Group	
			3	4	5		7	8
	Total	Industrial Life	Life Insurance	Individual Annuities	Supplementary Contracts	Credit Life (Group and Individual)	Life Insurance	Annuities
Involving Life or Disability Contingencies (Reserves)								
(Net of Reinsurance Ceded)								
1. Reserve December 31, prior year	40,280		40,280					
2. Tabular net premiums or considerations								
3. Present value of disability claims incurred					XXX			
4. Tabular interest								
5. Tabular less actual reserve released								
6. Increase in reserve on account of change in valuation basis								
7. Other increases (net)	19,309		19,309					
8. TOTALS (Lines 1 to 7)	59,589		59,589					
9. Tabular cost					XXX			
10. Reserves released by death				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. Reserve December 31, current year	59,589		59,589					

EXHIBIT OF NET INVESTMENT INCOME

		1 Collected During Year	2 Earned During Year
1.	U.S. Government bonds	(a) 2,625	1,346
1.1	Bonds exempt from U.S. tax	(a)	
1.2	Other bonds (unaffiliated)	(a) 206,378	236,460
1.3	Bonds of affiliates	(a)	
2.1	Preferred stocks (unaffiliated)	(b)	558
2.11	Preferred stocks of affiliates	(b)	
2.2	Common stocks (unaffiliated)	18,717	16,388
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) 726	386
7.	Derivative instruments	(f)	
8.	Other invested assets		
9.	Aggregate write-ins for investment income		
10.	TOTAL Gross investment income	228,446	255,138
11.	Investment expenses		(g) 9,495
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)		9,495
17.	Net Investment income (Line 10 minus Line 16)		245,643
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 $.....27,620 accrual of discount less $.....(13,237) amortization of premium and less $.....26,101 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 $.....(237) amortization of premium and less $.....326 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 Realized Gain (Loss) on Sales or Maturity	2 Other Realized Adjustments	3 Total Realized Capital Gain (Loss) (Columns 1 + 2)	4 Change in Unrealized Capital Gain (Loss)	5 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)	24,484	(20,467)	4,017	(11,402)	
1.3	Bonds of affiliates					
2.1	Preferred stocks (unaffiliated)				(1,445)	
2.11	Preferred stocks of affiliates					
2.2	Common stocks (unaffiliated)	5,583		5,583	60,085	
2.21	Common stocks of affiliates					
3.	Mortgage loans					
4.	Real estate					
5.	Contract loans					
6.	Cash, cash equivalents and short-term investments	(7)		(7)		
7.	Derivative instruments					
8.	Other invested assets					
9.	Aggregate write-ins for capital gains (losses)					
10.	TOTAL Capital gains (losses)	30,060	(20,467)	9,593	47,238	
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

	1	2	Ordinary		5	Group		Accident and Health			11
			3	4	Credit Life (Group	6	7	8	9	10	Aggregate of All Other
	Total	Industrial Life	Life Insurance	Individual Annuities	and Individual)	Life Insurance	Annuities	Group	Credit (Group and Individual)	Other	Lines of Business
FIRST YEAR (other than single)											
1. Uncollected											
2. Deferred and accrued	47,557		47,557								
3. Deferred, accrued and uncollected:											
3.1 Direct	47,557		47,557								
3.2 Reinsurance assumed											
3.3 Reinsurance ceded											
3.4 Net (Line 1 + Line 2)	47,557		47,557								
4. Advance											
5. Line 3.4 - Line 4	47,557		47,557								
6. Collected during year:											
6.1 Direct	1,354,427		33,124			45,701		15,393		1,260,209	
6.2 Reinsurance assumed	122,089							122,089			
6.3 Reinsurance ceded	133,363		22,925			3,553		5,292		101,593	
6.4 Net	1,343,153		10,199			42,148		132,190		1,158,616	
7. Line 5 + Line 6.4	1,390,710		57,756			42,148		132,190		1,158,616	
8. Prior year (uncollected + deferred and accrued - advance)	33,880		33,880								
9. First year premiums and considerations:											
9.1 Direct	1,368,107		46,802			45,701		15,394		1,260,210	
9.2 Reinsurance assumed	122,089							122,089			
9.3 Reinsurance ceded	133,363		22,925			3,553		5,292		101,593	
9.4 Net (Line 7 - Line 8)	1,356,830		23,876			42,148		132,190		1,158,616	
SINGLE											
10. Single premiums and considerations:											
10.1 Direct											
10.2 Reinsurance assumed											
10.3 Reinsurance ceded											
10.4 Net											
RENEWAL											
11. Uncollected											
12. Deferred and accrued											
13. Deferred, accrued and uncollected:											
13.1 Direct											
13.2 Reinsurance assumed											
13.3 Reinsurance ceded											
13.4 Net (Line 11 + Line 12)											
14. Advance											
15. Line 13.4 - Line 14											
16. Collected during year:											
16.1 Direct	3,865,678		48,817			1,045,571		1,296,137		1,475,153	
16.2 Reinsurance assumed	674,126							674,126			
16.3 Reinsurance ceded	1,823,661					570,765		1,253,178		(282)	
16.4 Net	2,716,143		48,817			474,806		717,085		1,475,435	
17. Line 15 + Line 16.4	2,716,143		48,817			474,806		717,085		1,475,435	
18. Prior year (uncollected + deferred and accrued - advance)											
19. Renewal premiums and considerations:											
19.1 Direct	3,865,677		48,816			1,045,571		1,296,137		1,475,153	
19.2 Reinsurance assumed	674,126							674,126			
19.3 Reinsurance ceded	1,823,662					570,765		1,253,179		(282)	
19.4 Net (Line 17 - Line 18)	2,716,143		48,817			474,806		717,085		1,475,435	
TOTAL											
20. TOTAL Premiums and annuity considerations:											
20.1 Direct	5,233,784		95,618			1,091,272		1,311,531		2,735,363	
20.2 Reinsurance assumed	796,215							796,215			
20.3 Reinsurance ceded	1,957,025		22,925			574,318		1,258,471		101,311	
20.4 Net (Lines 9.4 + 10.4 + 19.4)	4,072,973		72,693			516,954		849,275		2,634,051	

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. To pay renewal premiums											
22. All other											
REINSURANCE COMMISSIONS AND EXPENSE ALLOWANCES INCURRED											
23. First year (other than single):											
23.1 Reinsurance ceded											
23.2 Reinsurance assumed	24,418							24,418			
23.3 Net ceded less assumed	(24,418)							(24,418)			
24. Single:											
24.1 Reinsurance ceded											
24.2 Reinsurance assumed											
24.3 Net ceded less assumed											
25. Renewal:											
25.1 Reinsurance ceded	576,163					172,966		403,197			
25.2 Reinsurance assumed	134,825							134,825			
25.3 Net ceded less assumed	441,338					172,966		268,372			
26. TOTALS:											
26.1 Reinsurance ceded (Page 6, Line 6)	576,163					172,966		403,197			
26.2 Reinsurance assumed (Page 6, Line 22)	159,243							159,243			
26.3 Net ceded less assumed	416,920					172,966		243,954			
COMMISSIONS INCURRED (direct business only)											
27. First year (other than single)	896,897		7,010			6,977		9,225		873,685	
28. Single											
29. Renewal	768,262		8,588			223,272		306,649		229,753	
30. Deposit-type contract funds											
31. TOTALS (to agree with Page 6, Line 21)	1,665,159		15,598			230,249		315,874		1,103,438	

EXHIBIT 2 - GENERAL EXPENSES

		Insurance				5	6
		1	Accident and Health		4		
			2	3			
		Life	Cost Containment	All Other	All Other Lines of Business	Investment	Total
1.	Rent						
2.	Salaries and wages						
3.11	Contributions for benefit plans for employees	5,841		34,503			40,344
3.12	Contributions for benefit plans for agents						
3.21	Payments to employees under non-funded benefit plans						
3.22	Payments to agents under non-funded benefit plans						
3.31	Other employee welfare						
3.32	Other agent welfare						
4.1	Legal fees and expenses	1,651		9,751			11,402
4.2	Medical examination fees						
4.3	Inspection report fees	1,416		8,363			9,779
4.4	Fees of public accountants and consulting actuaries	31,777		187,718			219,495
4.5	Expense of investigation and settlement of policy claims	4,279		25,278			29,557
5.1	Traveling expenses	4,811		28,422			33,233
5.2	Advertising	10,088		59,592			69,680
5.3	Postage, express, telegraph and telephone						
5.4	Printing and stationery	3,575		21,121			24,696
5.5	Cost or depreciation of furniture and equipment	416		2,456			2,872
5.6	Rental of equipment						
5.7	Cost or depreciation of EDP equipment and software	11,975		70,740			82,715
6.1	Books and periodicals						
6.2	Bureau and association fees	1,824		10,776			12,600
6.3	Insurance, except on real estate						
6.4	Miscellaneous losses						
6.5	Collection and bank service charges	3,850		22,746			26,596
6.6	Sundry general expenses						
6.7	Group service and administration fees	22		128			150
6.8	Reimbursements by uninsured plans						
7.1	Agency expense allowance						
7.2	Agents' balances charged off (less $.....0 recovered)	826		4,879			5,705
7.3	Agency conferences other than local meetings						
9.1	Real estate expenses						
9.2	Investment expenses not included elsewhere					9,495	9,495
9.3	Aggregate write-ins for expenses	68,390		404,010			472,400
10.	General expenses Incurred	150,741		890,483		9,495	(a) 1,050,719
11.	General expenses unpaid December 31, prior year	148,852					148,852
12.	General expenses unpaid December 31, current year	165,545					165,545
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)	134,048		890,483		9,495	1,034,026
DETAILS OF WRITE-INS							
09.301.	Salaries Reimbursement	68,390		404,010			472,400
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)	68,390		404,010			472,400

(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	5
		1	2	3		
		Life	Accident and Health	All Other Lines of Business	Investment	Total
1.	Real estate taxes					
2.	State insurance department licenses and fees	926	5,471			6,397
3.	State taxes on premiums	5,878	34,725			40,603
4.	Other state taxes, incl. $.....0 for employee benefits					
5.	U.S. Social Security taxes					
6.	All other taxes	12,245	72,340			84,585
7.	Taxes, licenses and fees incurred	19,049	112,536			131,585
8.	Taxes, licenses and fees unpaid December 31, prior year					
9.	Taxes, licenses and fees unpaid December 31, current year					
10.	Taxes, licenses and fees paid during year (Lines 7 + 8 - 9)	19,049	112,536			131,585

EXHIBIT 4 - DIVIDENDS OR REFUNDS

		1	2
		Life	Accident and Health
1.	Applied to pay renewal premiums		
2.	Applied to shorten the endowment or premium-paying period		
3.	Applied to provide paid-up additions		
4.	Applied to provide paid-up annuities		
5.	TOTAL (Lines 1 through 4)		
6.	Paid-in cash		
7.	Left on deposit		
8.	Aggregate write-ins for dividend or refund options		
9.	TOTAL (Lines 5 through 8)		
10.	Amount due and unpaid		
11.	Provision for dividends or refunds payable in the following calendar year		
12.	Terminal dividends		
13.	Provision for deferred dividend contracts		
14.	Amount provisionally held for deferred dividend contracts not included in line 13		
15.	TOTAL (Lines 10 through 14)		
16.	TOTAL from prior year		
17.	TOTAL Dividends or refunds (Lines 9 + 15 - 16)		
DETAILS OF WRITE-INS			
0801.			
0802.			
0803.			
0898.	Summary of remaining write-ins for Line 8 from overflow page		
0899.	TOTALS (Lines 0801 through 0803 plus 0898) (Line 8 above)		

NONE

EXHIBIT 5 - AGGREGATE RESERVE FOR LIFE CONTRACTS

1 Valuation Standard	2 Total	3 Industrial	4 Ordinary	5 Credit (Group and Individual)	6 Group
Life Insurance (Gross)					
Life Term	59,589		59,589		
0199997 Subtotal - Life Insurance (Gross)	59,589		59,589		
0199998 Reinsurance Ceded					
0199999 Totals - (Net)	59,589		59,589		
0299998 Reinsurance Ceded		XXX		XXX	
0299999 Totals - (Net)		XXX		XXX	
0399998 Reinsurance Ceded					
0399999 Totals - (Net)					
Accidental Death Benefits (Gross)					
0499997 Subtotal - Accidental Death Benefits (Gross)					
0499998 Reinsurance Ceded					
0499999 Totals - (Net)					
0599998 Reinsurance Ceded					
0599999 Totals - (Net)					
0699998 Reinsurance Ceded					
0699999 Totals - (Net)					
0799997 Subtotal - Miscellaneous Reserves (Gross)					
0799998 Reinsurance Ceded					
0799999 Totals - (Net)					
9999999 Totals - (Net) -Page 3, Line 1	59,589		59,589		

EXHIBIT 5 - INTERROGATORIES

1.1 Has the reporting entity ever issued both participating and non-participating contracts? Yes[ ] No[X]
1.2 If not, state which kind is issued:

2.1 Does the reporting entity at present issue both participating and non-participating contracts? Yes[ ] No[X]
2.2 If not, state which kind is issued.

3. Does the reporting entity at present issue or have in force contracts that contain non-guaranteed elements? 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	Valuation Basis		4
	2	3	
Description of Valuation Class	Changed From	Changed To	Increase in Actuarial Reserve Due to Change
9999999 TOTAL (Column 4 Only)			

EXHIBIT 6 - AGGREGATE RESERVES FOR ACCIDENT AND HEALTH CONTRACTS

	1	2	3	4	Other Individual Contracts				
					5	6	7	8	9
	Total	Group Accident and Health	Credit Accident and Health (Group and Individual)	Collectively Renewable	Non-Cancelable	Guaranteed Renewable	Non-Renewable for Stated Reasons Only	Other Accident Only	All Other
ACTIVE LIFE RESERVE									
1. Unearned premium reserves									
2. Additional contract reserves (a)	774,371	4,310				770,061			
3. Additional actuarial reserves - Asset/Liability analysis									
4. Reserve for future contingent benefits									
5. Reserve for rate credits									
6. Aggregate write-ins for reserves									
7. Totals (Gross)	774,371	4,310				770,061			
8. Reinsurance ceded	3,311	2,155				1,156			
9. TOTALS (NET)	771,060	2,155				768,905			
CLAIM RESERVE									
10. Present value of amounts not yet due on claims									
11. Additional actuarial reserves - Asset/Liability analysis									
12. Reserve for future contingent benefits									
13. Aggregate write-ins for reserves									
14. TOTALS (Gross)									
15. Reinsurance ceded									
16. TOTALS (Net)									
17. TOTAL (Net)	771,060	2,155				768,905			
18. TABULAR FUND INTEREST									
DETAILS OF WRITE-INS									
0601.									
0602.									
0603.									
0698. Summary of remaining write-ins for Line 6 from overflow page									
0699. TOTALS (Lines 0601 through 0603 plus 0698) (Line 6 above)									
1301.									
1302.									
1303.									
1398. Summary of remaining write-ins for Line 13 from overflow page									
1399. TOTALS (Lines 1301 through 1303 plus 1398) (Line 13 above)									

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

EXHIBIT 7 - DEPOSIT-TYPE CONTRACTS

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

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	70,006						24,297		2,729		42,980
1.2 Reinsurance assumed	114,712								114,712		
1.3 Reinsurance ceded	23,729						21,000		2,729		
1.4 Net	160,989						3,297		114,712		42,980
2. In course of settlement:											
2.1 Resisted:											
2.11 Direct	194,249								19,249		175,000
2.12 Reinsurance assumed											
2.13 Reinsurance ceded	159,625								9,625		150,000
2.14 Net	34,624		(b)	(b)		(b)	(b)		9,624		25,000
2.2 Other:											
2.21 Direct											
2.22 Reinsurance assumed											
2.23 Reinsurance ceded											
2.24 Net			(b)	(b)		(b)	(b)		(b)	(b)	(b)
3. Incurred but unreported:											
3.1 Direct	660,397		25,092				196,041		248,440		190,824
3.2 Reinsurance assumed	99,861								99,861		
3.3 Reinsurance ceded	406,015						161,684		233,333		10,998
3.4 Net	354,243		(b) 25,092	(b)		(b)	(b) 34,357		(b) 114,968	(b)	(b) 179,826
4. TOTALS:											
4.1 Direct	924,652		25,092				220,338		270,418		408,804
4.2 Reinsurance assumed	214,573								214,573		
4.3 Reinsurance ceded	589,369						182,684		245,687		160,998
4.4 Net	549,856	(a)	(a) 25,092				(a) 37,654		239,304		247,806

(a) Including matured endowments (but not guaranteed annual pure endowments) unpaid amounting to $.....0 in Column 2, $.....0 in Column 3 and $.....0 in Column 7.

(b) Include only portion of disability and accident and health claim liabilities applicable to assumed "accrued" benefits. Reserves (including reinsurance assumed and net of reinsurance ceded) for unaccrued benefits for Ordinary Life Insurance $.....0, Individual Annuities $.....0, Credit Life (Group and Individual) $.....0, and Group Life $.....0, are included in Page 3, Line 1, (See Exhibit 5, Section on Disability Disabled Lives); and for Group Accident and Health $.....0, Credit (Group and Individual) Accident and Health $.....0 and Other Accident and Health $.....0 are included in Page 3, Line 2, (See Exhibit 6, Claim Reserve).

EXHIBIT 8 - CLAIMS FOR LIFE AND ACCIDENT AND HEALTH CONTRACTS

PART 2 - Incurred During the Year

	1	2	Ordinary			6	Group		Accident and Health		
			3	4	5		7	8	9	10	11
	Total	Industrial Life (a)	Life Insurance (b)	Individual Annuities	Supplementary Contracts	Credit Life (Group and Individual)	Life Insurance (c)	Annuities	Group	Credit (Group and Individual)	Other
1. Settlements during the year:											
1.1 Direct	1,360,864						313,570		184,236		863,058
1.2 Reinsurance assumed	389,138								389,138		
1.3 Reinsurance ceded	303,526						120,750		152,776		30,000
1.4 Net	(d) 1,446,476						192,820		420,598		833,058
2. Liability December 31, current year from Part 1:											
2.1 Direct	924,652		25,092				220,338		270,418		408,804
2.2 Reinsurance assumed	214,573								214,573		
2.3 Reinsurance ceded	589,369						182,684		245,687		160,998
2.4 Net	549,856		25,092				37,654		239,304		247,806
3. Amounts recoverable from reinsurers December 31, current year	24,960						3,500		21,460		
4. Liability December 31, prior year:											
4.1 Direct	904,239		36,278				233,475		398,717		235,769
4.2 Reinsurance assumed	208,899								208,899		
4.3 Reinsurance ceded	527,886						137,647		379,592		10,647
4.4 Net	585,252		36,278				95,828		228,024		225,122
5. Amounts recoverable from reinsurers December 31, prior year											
6. Incurred benefits:											
6.1 Direct	1,381,277		(11,186)				300,433		55,937		1,036,093
6.2 Reinsurance assumed	394,812								394,812		
6.3 Reinsurance ceded	389,969						169,287		40,331		180,351
6.4 Net	1,386,120		(11,186)				131,146		410,418		855,742

(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 Current Year Total Nonadmitted Assets	2 Prior Year Total Nonadmitted Assets	3 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	23,794		(23,794)
	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	401,665	417,265	15,600
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			
24.	Health care and other amounts receivable			
25.	Aggregate write-ins for other than invested assets			
26.	TOTAL Assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	425,459	417,265	(8,194)
27.	From Separate Accounts, Segregated Accounts and Protected Cell Accounts			
28.	TOTAL (Lines 26 and 27)	425,459	417,265	(8,194)
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.	IMR Assets			
2502.				
2503.				
2598.	Summary of remaining write-ins for Line 25 from overflow page			
2599.	TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above)			

Notes to Financial Statements

1. **Summary of Significant Accounting Policies and Going Concern**

A. Accounting Practices

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

The Commissioner requires that insurance companies domiciled in Puerto Rico prepare their statutory-basis financial statements in accordance with the NAIC SAP subject to any deviations prescribed or permitted by the Commissioner.

A reconciliation of the Company's surplus as reported in the accompanying statutory-basis financial statements and NAIC SAP is shown below. There are no differences between the Company's net income as reported in the accompanying statutory-basis financial statements and NAIC SAP.

Note 1						
	(1) Description	(2) SSAP #	(3) F/S Page	(4) F/S Line #	(5) 2016	(6) 2015
01A01	Net Income - State Basis (Page 4, Line 35, Columns 1 & 2)				290,544	(1,860,294)
	Net Income - State Prescribed Practices that increase/(decrease) NAIC SAP					
01A0201					0	0
01A0299	Subtotal - Net Income - State Prescribed Practices that increase/(decrease) NAIC SAP				0	0
	Net Income - State Permitted Practices that increase/(decrease) NAIC SAP					
01A0301					0	0
01A0399	Subtotal - Net Income - State Permitted Practices that increase/(decrease) NAIC SAP				0	0
01A04	Net Income - NAIC SAP (1 - 2 - 3 = 4)				290,544	(1,860,294)
01A05	Surplus - State Basis (Page 3, Line 38, Columns 1 & 2)				7,772,505	4,531,657
	Surplus - State Prescribed Practices that increase/(decrease) NAIC SAP					
01A0601					0	0
01A0699	Subtotal - Surplus - State Prescribed Practices that increase/(decrease) NAIC SAP				0	0
	Surplus - State Permitted Practices that increase/(decrease) NAIC SAP					
01A0701					0	0
01A0702					0	0
01A0799	Subtotal - Surplus - State Permitted Practices that increase/(decrease) NAIC SAP				0	0
01A08	Surplus - NAIC SAP (5 - 6 - 7 = 8)				7,772,505	4,531,657

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

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

C. Accounting Policy

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

In addition, the company uses the following accounting policies:

a) **Investments** - For reporting companies maintaining an AVR, bonds not backed by other loans and designated of highest quality or high quality (NAIC designations 1 and 2 to 5, respectively) are stated at amortized cost and any premium or discount is amortized to income using the interest method. All other debt securities (NAIC designation 6) are reported at the lower of amortized cost or fair value.

Common stocks are carried at fair value under NAIC guidelines. The change in the fair value is recorded as a change in net unrealized capital gains (losses), a component of unassigned funds-surplus. Preferred stocks are stated at cost, at the lower of cost or amortized cost, or market under NAIC guidelines, depending on the assigned credit rating and whether the preferred stock has mandatory sinking fund provisions. Short-term investments include all investments whose maturities, at the time of acquisition, are one year or less and are stated at amortized cost, which approximates fair value.

Notes to Financial Statements

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

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

b) Premiums and Related Commissions - Life premiums are recognized as income over the premium-paying period of the related policies. Accident and health insurance premiums are recognized as revenue pro rata over the terms of the related insurance contracts or policies. Related sales commissions are charged to operations as incurred.

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

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

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

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

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

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

h) Fair Values of Financial Instruments - The following methods and assumptions were used by the Company in estimating its fair value disclosures for financial instruments:

Cash and Short-Term Investments - The carrying amounts of these instruments approximate their fair values due to their short-term nature.

Notes to Financial Statements

Premiums and Agents' Balances Due - The carrying amounts of these instruments approximate their fair values due to their short-term nature.

Bonds, Unaffiliated Common Stock, and Preferred Stock - The fair value of investment securities available for sale is based upon quoted prices, if available. If quoted prices are not available, fair values are measured using independent pricing models or other model-based valuation techniques such as discounted cash flow methodologies, adjusted for the security's credit rating, prepayment assumptions and other factors such as credit loss assumptions.

D. Going Concern – Not applicable.

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

Not applicable.

3. **Business Combination and Goodwill**

Not applicable.

4. **Discontinued Operations**

Not applicable.

5. **Investments**

The Company invests its funds in accordance with Chapter 6 of the Puerto Rico Insurance Code (the "Code"). For other-than-temporary impairment, the Company has the followings:

Debt Securities - The Company recognizes other-than-temporary impairments on debt securities when it is either probable that the Company will not collect all amounts due according to the contractual terms of the debt security in effect at the date of acquisition, or when the Company has decided to sell the debt security prior to its maturity at an amount below its amortized cost. When an OTTI is recognized, the debt security is written down to fair value as the new cost basis, and the amount of the write-down is recorded as a realized loss. During the year ended December 31, 2016 and 2015, the Company recognized impairment losses on debt securities amounting $20,467 and $794,892, respectively.

Equity Securities - The Company recognizes other-than-temporary impairments on equity securities when, in management's judgment, the decline in value is not temporary or when the Company has decided to sell the stock at an amount below its carrying value. When an OTTI is recognized, the equity security is written down to fair value as the new cost basis, and the amount of the write-down is recorded as a realized loss. The Company does not consider these investments to be other-than-temporarily impaired at December 31, 2016 and 2015.

A. Mortgage Loan - Not applicable.
B. Troubled Debt Restructuring for Creditors - Not applicable.
C. Reverse Mortgage - Not applicable.
D. Loan backed securities and structured securities - Refer to Note 1(C)(a).
E. Repurchase Agreements - Not applicable.
F. Real Estate - Not applicable.
G. Low- income housing tax credits - Not applicable.
H. Restricted Assets - The amount of $1,285,708 and $526,418 at the end of the current and prior year, respectively were on deposit with the Commissioner as required by the Code.
I. Working Capital Finance - Not applicable.
J. Offsetting and Netting of Assets and Liabilities - Not applicable.
K. Structured Notes - Not applicable.

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

Not applicable.

7. **Investment Income**

A. The Company includes all its investment due and accrued on its financial statements.
B. As of December 31, 2016, and 2015, the Company did not have non-admitted income on its investment due and accrued.

Notes to Financial Statements

8. **Derivative Instruments**

Not applicable.

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

The Company is subject to Puerto Rico income taxes at statutory rates that range from 20% to 39%. However, Puerto Rico life insurance companies are subject to taxes on their capital gains and to alternative minimum tax ("AMT"), as applicable. Net income for the year was reduced by non-taxable investment income of approximately $184,232.

A. Deferred Tax Assets/ (Liabilities)

Notes 9A01 - 9A02									
	12/31/2016			12/31/2015			Change		
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
			(Col. 1 + 2)			(Col. 4 + 5)	(Col. 1 - 4)	(Col. 2 - 5)	(Col. 7 + 8)
Description	Ordinary	Capital	Total	Ordinary	Capital	Total	Ordinary	Capital	Total
A. Disclose the components of the net deferred income tax asset (DTA) or deferred tax liability (DTL) recognized in the reporting entity's financial statements as follows:									
1. Disclose for the current year, the prior year and the change between years by tax character (ordinary and capital) the following:									
A. Gross deferred tax assets	0	401,665	401,665	0	417,265	417,265	0	(15,600)	(15,600)
B. Statutory valuation allowance adjustments	0	0	0	0	0	0	0	0	0
C Adjusted gross deferred tax assets (1A-1B)	0	401,665	401,665	0	417,265	417,265	0	(15,600)	(15,600)
D. Deferred tax assets nonadmitted	0	401,665	401,665	0	417,265	417,265	0	(15,600)	(15,600)
E. Subtotal net admitted deferred tax asset (1C - 1D	0	0	0	0	0	0	0	0	0
F. Deferred tax liabilities	0	0	0	0	0	0	0	0	0
G Net admitted deferred tax asset/(net deferred tax	0	0	0	0	0	0	0	0	0
2. Admission Calculation Components SSAP No. 101									
A. Federal income taxes paid in prior years recove	0	0	0	0	0	0	0	0	0
B. Adjusted gross deferred tax assets expected to	0	0	0	0	0	0	0	0	0
1. Adjusted gross deferred tax assets expecte	0	0	0	0	0	0	0	0	0
2. Adjusted gross deferred tax assets allowed	X X X	X X X	0	X X X	X X X	0	X X X	X X X	0
C Adjusted gross deferred tax assets (excluding a	0	0	0	0	0	0	0	0	0
D. Deferred tax assets admitted as the result of appl	0	0	0	0	0	0	0	0	0

B. Deferred tax liabilities not recognized - Not applicable.

Notes to Financial Statements

C. Current income taxes and deferred tax assets

Notes 9C01 - 9C04			
Description	(1) 12/31/2016	(2) 12/31/2015	(3) (Col. 1 - 2) Change
C. Current income taxes incurred consist of the following major components:			
1. Current Income Tax			
A. Federal	77,176	897	76,279
B. Foreign	0	0	0
C Subtotal	77,176	897	76,279
D. Federal income tax on net capital gains	0	0	0
E. Utilization of capital loss carry-forwards	0	0	0
F. Other	0	0	0
G Federal and foreign income taxes incurred	77,176	897	76,279
2. Deferred Tax Assets:			
A. Ordinary			
1. Discounting of unpaid losses	0	0	0
2. Unearned premium reserve	0	0	0
3. Policyholder reserves	0	0	0
4. Investments	0	0	0
5. Deferred acquisition costs	0	0	0
6. Policyholder dividends accrual	0	0	0
7. Fixed assets	0	0	0
8. Compensation and benefits accrual	0	0	0
9. Pension accrual	0	0	0
1 Receivables - nonadmitted	0	0	0
1 Net operating loss carry-forward	0	0	0
1 Tax credit carry-forward	0	0	0
1 Other (including items < 5% of total ordinary tax assets)	0	0	0
9 Subtotal	0	0	0
B. Statutory valuation allowance adjustment	0	0	0
C Nonadmitted	0	0	0
D. Admitted ordinary deferred tax assets (2A99 - 2B - 2C)	0	0	0
E. Capital:			
1. Investments	407,892	3,221	404,671
2. Net capital loss carry-forward	(6,227)	414,044	(420,271)
3. Real estate	0	0	0
4. Other (including items < 5% of total capital tax assets)	0	0	0
9 Subtotal	401,665	417,265	(15,600)
F. Statutory valuation allowance adjustment	0	0	0
G Nonadmitted	401,665	417,265	(15,600)
H. Admitted capital deferred tax assets (2E99 - 2F - 2G)	0	0	0
I. Admitted deferred tax assets (2D + 2H)	0	0	0
3. Deferred Tax Liabilities:			
A. Ordinary			
1. Investments	0	0	0
2. Fixed assets	0	0	0
3. Deferred and uncollected premium	0	0	0
4. Policyholder reserves	0	0	0
5. Other (including items < 5% of total ordinary tax liabilities)	0	0	0
9 Subtotal	0	0	0
B. Capital:			
1. Investments	0	0	0
2. Real estate	0	0	0
3. Other (including items < 5% of total capital tax liabilities)	0	0	0
9 Subtotal	0	0	0
C Deferred tax liabilities (3A99 + 3B99)	0	0	0
4. Net deferred tax assets/liabilities (2I - 3C)	0	0	0

Notes to Financial Statements

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

The Company is a wholly owned subsidiary of MRM Group, Inc (the "Parent"), incorporated under the laws of the Commonwealth of Puerto Rico. During the year, USIC Life reimbursed certain expenses to United Surety and Indemnity Company ("Affiliate") in the amount of $472,400.

During the year, the Company sold 150,000 common shares to the Parent. Due to this transaction, the stocks issued and outstanding increased to 400,000. MRM Group, Inc paid $3,000,000 in the transaction, divided in $1,500,000 in Common Stocks ($10 par value) and $1,500,000 in contributed surplus. The Company used this capitalization to develop new products of life and disability insurance policies.

11. **Debt**

Not applicable.

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

Not applicable.

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

A. The Company has 1,000,000 authorized shares of which 400,000 shares are issued and outstanding at a $10 par value.
B. The Company has no preferred stock.
C. The Code limits the maximum dividends payable to accumulated earnings.
D. Not applicable.
E. Not applicable.
F. The have been no advances to surplus.
G. Company Stock Held for Special Purposes - Not applicable.
H. Changes in Special Surplus Funds - Not applicable.
I. Changes in Unassigned Funds - There is an unrealized gain of $37,790 net of taxes from unassigned surplus funds (surplus).
J. Surplus Note – Not applicable.
K. Quasi - Reorganizations - Not applicable.
L. Quasi - Reorganizations - Not applicable.

14. **Contingencies**

A. Contingent Commitments - Not Applicable.
B. Assessments

Pursuant to the Code, the Company is a member of the Puerto Rico Insurance Guaranty Association for Life, Disability and Health Insurance. As a member, the Company is required to provide funds for the settlement of claims and reimbursement of unearned premiums of insurance policies issued by insolvent insurance companies. During 2016 and 2015, no assessments or accrual for possible future assessments were made.

C. Gain Contingencies - Not Applicable.
D. All Other Contingencies

In the normal course of business, the Company is involved in various lawsuits, including insurance and corporate cases. Because of the considerable uncertainties that exits, the Company cannot predict the outcome of pending or future litigation. However, management believes that the resolution pending legal proceedings will not have a material effect on the Company's financial position or liquidity, but could have a material adverse effect on the results of operations for a specific period. As of December 31, 2016, the Company does not have any accrual on the financial statements.

15. **Lease**

Not applicable.

16. **Information About Financial Instruments with Off-Balance Sheet Risk and Financial Instruments with Concentrations of Credit Risk**

Not applicable.

Notes to Financial Statements

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

Not applicable.

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

Not applicable.

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

Not applicable.

20. **Fair Value Measurements**

A. Inputs Used for Assets and Liabilities Measured at Fair Value

a. Fair Value Measurement by Levels 1, 2 and 3

The Company has categorized its assets and liabilities that are measured at fair value into three level fair value hierarchy as reflected in the table below. The Company follows Topic 820 establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to measurements involving significant unobservable inputs (Level 3 measurements). The three levels of fair value hierarchy are as follows:

Level 1 Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at the measurement date.

Level 2 Inputs are observable (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.

The following table presents for each of these hierarchy levels the Company assets that are measured at fair value on a recurring basis at December 31, 2016.

	1 Description for each class of asset or liability	2 (Level 1)	3 (Level 2)	4 (Level 3)	5 Total
Assets at fair value					
20A1A01	US Special Revenue and Assessments	0	109,600	0	109,600
20A1A02	Preferred Stock	0	95,960	0	95,960
20A1A03	Common Stock	659,563	0	0	659,563
20A1A04		0	0	0	0
20A1A99	Subtotal - Assets at fair value	659,563	205,560	0	865,123
Liabilities at fair value					
20A1B01		0	0	0	0
20A1B99	Subtotal - Liabilities at fair value	0	0	0	0

b. Roll forward of Level 3 Items - Not applicable.

c. Policy on Transfers Into and Out of Level 3:

At the end of each reporting period, the Company evaluates whether any event has occurred, or if circumstances have changed that would cause an instrument to be transferred into or out of Level 3 were required.

d. Inputs and Techniques used for Level 2 and Level 3 fair values:

Notes to Financial Statements

The fair value of investment securities available for sale is based upon quoted prices, if available. If quoted prices are not available, fair values are measured using independent pricing models or other model-based valuation techniques such as discounted cash flow methodologies, adjusted for the security's credit rating, prepayment assumptions, and other factors such as credit loss assumptions.

e. Derivatives Fair Values - Not applicable.

B. Other Fair Value Disclosures - Not applicable.
C. Fair Value for all the Financial Instruments by Levels 1, 2 and 3.

Note 20C							
	1 Type of Financial Instrument	2 Aggregate Fair Value	3 Admitted Assets	4 (Level 1)	5 (Level 2)	6 (Level 3)	7 Not Practicable (Carrying Value)
20C0001	Bond	6,840,579	6,905,043	0	6,840,579	0	0
20C0002	Perpetual Preferred Stock	95,960	95,960	0	95,960	0	0
20C0003	Common Stock	659,563	659,563	659,563	0	0	0
20C0004	Short Term	35,082	35,113	0	35,082	0	0
20C0005		0	0	0	0	0	0

D. Financial Instruments for which Not Practicable to Estimate Fair Value - Not applicable.

21. **Other Items**

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

As per the Code, certain assets in the amount of $1,285,708 and $526,418 at the end of the current and prior year, respectively, were on deposit with the Commissioner.

D. Uncollectible Premiums Receivable

As of December 31, 2016, the Company had admitted assets of $47,557 in Premiums Receivable. There is a provision for non-admitted assets for $23,794.

E. Noncash Transactions - Not applicable.

22. **Events Subsequent**

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

23. **Reinsurance**

A. Ceded Reinsurance Report

Section 1 – General Interrogatories

A. Are any of the reinsurers, listed in Schedule S as non-affiliated, owned in excess of 10% or controlled, either directly or indirectly, by the company or by any representative, officer, trustee, or director of the company? Yes ( ) No (X)

B. Have any policies issued by the company need reinsured with a company chartered in a country other than the United States (excluding U.S. Branches of such companies) which is owned in excess of 10% or controlled directly or indirectly by an insured, a beneficiary, a creditor or an insured or any other person not primarily engaged in the insurance business? Yes ( ) No (X)

Section 2 – Ceded Reinsurance Report – Part A

A. Does the company have any reinsurance agreements in effect under which the reinsurer may unilaterally cancel any reinsurance for reasons other than for nonpayment of premium or other similar credits? Yes ( ) No (X)

B. Does the company have any reinsurance agreements in effect such that the amount of losses paid or accrued through the statement date may result in a payment to the

Notes to Financial Statements

reinsurer of amounts which, in aggregate and allowing for offset of mutual credits form other reinsurance agreements with the same reinsurer, exceed the total direct premium collected under the reinsured policies? Yes ( ) No (X)

Section 3 - Ceded Reinsurance Report – Part B

A. What is the estimated amount of the aggregate reduction in surplus, for agreements, not reflected in Section 2 above, of termination of all reinsurance agreements by either party, as of the date of this statement? Where necessary, the company may consider the current or anticipated experience of the business reinsured in making this estimate. $0

B. Have any new agreements been executed or existing agreements amended, since January 1 of the year of this statement, to include policies or contracts which were in-force or which had existing reserves established by the company as of the agreement? Yes ( ) No (X)

B. Uncollectible Reinsurance

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

C. Commutation of Reinsurance Reflected in Income and Expenses

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

24. **Retrospectively Rated Contracts & Contracts Subject to Redetermination**

Not applicable.

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

Reserves on accident and health contracts for incurred losses and loss adjustment expenses attributable to insured events of prior years' developed as anticipated during 2016. Refer to Schedule H Part 3 and the Five Year Historical Data. Original estimates are increased and decreased as additional information becomes known regarding individual claims. However, no significant trends or unanticipated events were noted in 2016. None of the Company's accident and health contracts are subject to retrospective rating or experience refunds.

26. **Intercompany Pooling Arrangements**

Not applicable.

27. **Structured Settlements**

Not applicable.

28. **Health Care Receivables**

Not applicable.

29. **Participating Policies**

Not applicable.

30. **Premium Deficiency Reserves**

Not applicable.

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

Not applicable.

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

Not applicable.

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

As of December 31, 2016, there was an uncollected amount of $47,557 related to the group life and accident and health business.

Notes to Financial Statements

34. **Separate Accounts**

Not applicable.

35. **Loss/Claim Adjustment Expense**

Not applicable.

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

GENERAL

1.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer? Yes[X] No[ ]
If yes, complete Schedule Y, Parts 1, 1A and 2.
1.2 If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations? Yes[ ] No[ ] N/A[X]
1.3 State Regulating? Puerto Rico

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

3.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/2013
3.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. 12/31/2013
3.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). 10/05/2010
3.4 By what department or departments?
Office of the Commissioner of Insurance of Puerto Rico
3.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with departments? Yes[ ] No[ ] N/A[X]
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.

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,
7.21 State the percentage of foreign control 0.000%
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.
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?
BDO Puerto Rico PO Box 363436 San Juan PR 00936-3436

10.1 Has the insurer been granted any exemptions to the prohibited non-audit services provided by the certified independent public accountant requirements as allowed in Section 7H of the Annual Financial Reporting Model Regulation (Model Audit Rule), or substantially similar state law or regulation? Yes[ ] No[X]
10.2 If response to 10.1 is yes, provide information related to this exemption:
10.3 Has the insurer been granted any exemptions related to the other requirements of the Annual Financial Reporting Model Regulation as allowed for in Section 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?
Darrell D. Spell, FSA,MAAA, Milliman USA

GENERAL INTERROGATORIES (Continued)

12.1 Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly? Yes[ ] No[X]
12.11 Name of real estate holding company
12.12 Number of parcels involved 0
12.13 Total book/adjusted carrying value $ 0
12.2 If yes, provide explanation

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

14.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards? Yes[X] No[ ]
a. Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
b. Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
c. Compliance with applicable governmental laws, rules and regulations;
d. The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
e. Accountability for adherence to the code.
14.11 If the response to 14.1 is no, please explain:
14.2 Has the code of ethics for senior managers been amended? Yes[ ] No[X]
14.21 If the response to 14.2 is yes, provide information related to amendment(s).
14.3 Have any provisions of the code of ethics been waived for any of the specified officers? Yes[ ] No[X]
14.31 If the response to 14.3 is yes, provide the nature of any waiver(s).

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

	1 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[X] No[ ]
24.02 If no, give full and complete information, relating thereto
24.03 For security lending programs, provide a description of the program including value for collateral and amount of loaned securities, and whether collateral is carried on or off-balance sheet. (an alternative is to reference Note 17 where this information is also provided)
24.04 Does the Company's security lending program meet the requirements for a conforming program as outlined in the Risk-Based Capital Instructions? Yes[ ] No[ ] N/A[X]
24.05 If answer to 24.04 is yes, report amount of collateral for conforming programs. $ 0
24.06 If answer to 24.04 is no, report amount of collateral for other programs. $ 0
24.07 Does your securities lending program require 102% (domestic securities) and 105% (foreign securities) from the counterparty at the outset of the contract? Yes[ ] No[ ] N/A[X]
24.08 Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%? Yes[ ] No[ ] N/A[X]

GENERAL INTERROGATORIES (Continued)

24.09 Does the reporting entity or the reporting entity's securities lending agent utilize the Master Securities Lending Agreement (MSLA) to conduct securities lending? Yes[ ] No[ ] N/A[X]

24.10 For the reporting entity's security lending program, state the amount of the following as of December 31 of the current year:

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	$ 1,285,708
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
UBS Financial Services Inc of PR	San Juan, Puerto Rico

28.02 For all agreements that do not comply with the requirements of the NAIC Financial Condition Examiners Handbook, provide the name, location and a complete explanation:

1 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
UBS Financial Services Inc of Puerto Rico	U
Breckinridge Capital Advisors	U

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
13042	UBS Financial Services Inc of Puerto Rico		SEC, FINRA	NO
107143	Breckinridge Capital Advisors		SEC	NO

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	6,905,043	6,840,584	(64,459)
30.2	Preferred stocks	95,960	95,960	
30.3	Totals	7,001,003	6,936,544	(64,459)

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

31.1 Was the rate used to calculate fair value determined by a broker or custodian for any of the securities in Schedule D? Yes[X] No[ ]

31.2 If the answer to 31.1 is yes, does the reporting entity have a copy of the broker's or custodian's pricing policy (hard copy or electronic copy) for all brokers or custodians used as a pricing source? Yes[X] No[ ] N/A[ ]

31.3 If the answer to 31.2 is no, describe the reporting entity's process for determining a reliable pricing source for purposes of disclosure of fair value for Schedule D:

32.1 Have all the filing requirements of the Purposes and Procedures Manual of the NAIC 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? $ 9,779

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
MIB	9,130

34.1 Amount of payments for legal expenses, if any? $ 11,402

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
Saldana - Salana-Egozcue	9,606

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		
2.2	Premium Denominator	4,072,973	3,886,132
2.3	Premium Ratio (2.1 / 2.2)		
2.4	Reserve Numerator	487,110	453,146
2.5	Reserve Denominator	1,380,505	1,216,749
2.6	Reserve Ratio (2.4 / 2.5)	0.353	0.372

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 entitiy reinsure any Workers' Compensation Carve-Out business defined as: Yes[ ] No[X]
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.
8.2 If yes, has the reporting entity completed the WORKERS' COMPENSATION CARVE-OUT SUPPLEMENT to the Annual Statement? Yes[ ] No[ ] N/A[X]
8.3 If 8.1 is yes, the amounts of earned premiums and claims incurred in this statement are:

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

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	2	3	4	Assets Supporting Reserve Credit		
				5	6	7
Company Name	NAIC Company Code	Domiciliary Jurisdiction	Reserve Credit	Letters of Credit	Trust Agreements	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)	9,249	4,512	6,216		
3. Credit life (Line 21, Column 6)					
4. Group, excluding FEGLI/SGLI (Line 21, Column 9 less Lines 43 & 44, Column 4)	3,226,603	3,218,927	1,875,330	793,138	620,786
5. Industrial (Line 21, Column 2)					
6. FEGLI/SGLI (Lines 43 & 44, Column 4)					
7. TOTAL (Line 21, Column 10)	3,235,852	3,223,439	1,881,546	793,138	620,786
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)	5,780	1,635	6,716		
10. Credit life (Line 2, Column 6)					
11. Group (Line 2, Column 9)	10,066	1,343,597	1,172,993	174,887	70,733
12. Industrial (Line 2, Column 2)					
13. TOTAL (Line 2, Column 10)	15,846	1,345,232	1,179,709	174,887	70,733
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)	72,693	43,394	64,665	3,540	
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)	516,954	492,488	840,386	913,744	843,796
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)	849,275	902,518	926,547	1,289,138	1,230,978
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)	2,634,051	2,447,732	2,336,125	1,923,680	1,842,807
19. Aggregate of all other lines of business (Exhibit 1 - Part 1, Line 20.4, Column 11)					
20. TOTAL	4,072,973	3,886,132	4,167,723	4,130,102	3,917,581
Balance Sheet Items (Pages 2 and 3)					
21. TOTAL Admitted Assets excluding Separate Accounts business (Page 2, Line 26, Column 3)	9,942,341	6,445,384	8,097,840	7,392,818	6,632,509
22. TOTAL Liabilities excluding Separate Accounts business (Page 3, Line 26)	2,169,836	1,913,727	1,841,456	1,455,849	1,162,767
23. Aggregate life reserves (Page 3, Line 1)	59,589	40,280	39,098	23,841	5,279
24. Aggregate A & H reserves (Page 3, Line 2)	771,060	591,217	405,783	237,138	5,436
25. Deposit-type contract funds (Page 3, Line 3)					
26. Asset valuation reserve (Page 3, Line 24.1)	115,315	42,175	196,083	43,556	32,859
27. Capital (Page 3, Lines 29 & 30)	4,000,000	2,500,000	2,500,000	2,500,000	2,500,000
28. Surplus (Page 3, Line 37)	3,772,505	2,031,657	3,756,384	3,436,969	2,969,742
Cash Flow (Page 5)					
29. Net Cash from Operations (Line 11)	382,544	474,437	539,814	508,183	1,252,336
Risk-Based Capital Analysis					
30. TOTAL Adjusted Capital	7,887,820	4,573,832	6,452,467	5,980,525	5,502,601
31. Authorized control level risk-based capital	1,478,052	1,451,963	1,213,589	672,030	611,341
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)	71.6	54.8	79.6	88.9	89.0
33. Stocks (Lines 2.1 and 2.2)	7.8	9.0	7.2	2.9	
34. Mortgage loans on real estate (Line 3.1 and 3.2)					
35. Real estate (Lines 4.1, 4.2 and 4.3)					
36. Cash, cash equivalents and short-term investments (Line 5)	20.6	36.2	13.2	8.3	11.0
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)	425,459	417,265		24,798	130,731
53. TOTAL Admitted Assets (Page 2, Line 28, Column 3)	9,942,341	6,445,384	8,097,840	7,392,818	6,632,509
Investment Data					
54. Net investment income (Exhibit of Net Investment Income)	245,643	262,631	304,923	300,018	246,703
55. Realized capital gains (losses) (Page 4, Line 34, Column 1)	(11,937)	(2,070,220)			
56. Unrealized capital gains (losses) (Page 4, Line 38, Col. 1)	47,238	(18,901)	47,856	(45,058)	
57. TOTAL of Above Lines 54, 55, and 56	280,944	(1,826,490)	352,779	254,960	246,703
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)	119,959	261,804	458,978	356,882	327,700
59. TOTAL Contract Benefits - A & H (Lines 13 & 14, Columns 9, 10 & 11)	1,266,160	1,018,317	758,150	792,055	878,461
60. Increase in life reserves-other than group and annuities (Line 19, Columns 2 & 3)	19,309				
61. Increase in A & H reserves (Line 19, Columns 9, 10 & 11)	179,844	186,616	183,902	250,265	9,332
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	56.2	60.0	61.1	60.7	51.4
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)	36.3	30.4	23.2	24.7	28.6
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)	62.5	66.2	68.0	67.4	56.8
A & H Claim Reserve Adequacy					
68. Incurred losses on prior years' claims - group health (Schedule H, Part 3, Line 3.1, Column 2)	172,376	328,513	262,664	265,087	229,762
69. Prior years' claim liability and reserve - group health (Schedule H, Part 3, Line 3.2, Column 2)	228,024	384,494	457,643	441,559	597,968
70. Incurred losses on prior years' claims - health other than group (Schedule H, Part 3, Line 3.1, Column 1 less Col. 2)	43,229	22,945	32,255	400,059	
71. Prior years' claim liability and reserve - health other than group (Schedule H, Part 3, Line 3.2, Column 1 less Col. 2)	225,122	203,967	203,622	336,902	99,134
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)	31,076	4,502	23,641	(1,233)	
74. Ordinary - individual annuities (Column 4)					
75. Ordinary - supplementary contracts (Column 5)					
76. Credit life (Column 6)					
77. Group life (Column 7)	205,253	51,971	49,259	177,695	410,541
78. Group annuities (Column 8)					
79. A & H - group (Column 9)	165,808	208,108	306,921	204,122	436,387
80. A & H - credit (Column 10)					
81. A & H - other (Column 11)	(99,656)	(54,655)	26,786	29,706	(23,658)
82. Aggregate of all other lines of business (Column 12)					
83. TOTAL (Column 1)	302,481	209,926	406,607	410,290	823,270

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

If no, please explain:

EXHIBIT OF LIFE INSURANCE

	Industrial		Ordinary		Credit Life (Group and Individual)		Group			10
	1	2	3	4	5	6	Number of 7	Number of 8	9	
	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)	Policies	Certificates	Amount of Insurance (a)	Total Amount of Insurance (a)
1. In force end of prior year			113	4,512			42	75,063	3,218,927	3,223,439
2. Issued during year			507	5,780			4	8,437	10,066	15,846
3. Reinsurance assumed										
4. Revived during year										
5. Increased during year (net)										
6. Subtotals, Lines 2 to 5			507	5,780			4	8,437	10,066	15,846
7. Additions by dividends during year	XXX		XXX		XXX		XXX	XXX		
8. Aggregate write-ins for increases										
9. TOTALS (Lines 1 and 6 to 8)			620	10,292			46	83,500	3,228,993	3,239,285
Deductions during year:										
10. Death							XXX			
11. Maturity							XXX			
12. Disability							XXX			
13. Expiry										
14. Surrender										
15. Lapse										
16. Conversion							XXX	XXX	XXX	
17. Decreased (net)			26	1,043			1	69	2,390	3,433
18. Reinsurance										
19. Aggregate write-ins for decreases										
20. TOTALS (Lines 10 to 19)			26	1,043			1	69	2,390	3,433
21. In force end of year (Line 9 minus Line 20)			594	9,249			45	83,431	3,226,603	3,235,852
22. Reinsurance ceded end of year	XXX		XXX	2,555	XXX		XXX	XXX	532,201	534,756
23. Line 21 minus Line 22	XXX		XXX	6,694	XXX	(b)	XXX	XXX	2,694,402	2,701,096
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	XXX		XXX	
25. Other paid-up insurance				
26. Debit ordinary insurance	XXX	XXX		

ADDITIONAL INFORMATION ON ORDINARY INSURANCE

	Issued During Year (included in Line 2)		In Force End of Year (included in Line 21)	
Term Insurance Excluding Extended Term Insurance	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	507	5,780		9,249
29. Other term insurance -- decreasing	XXX		XXX	
30. Other term insurance	XXX		XXX	
31. TOTALS (Lines 27 to 30)	507	5,780		9,249
Reconciliation to Lines 2 and 21:				
32. Term additions	XXX		XXX	
33. TOTALS, extended term insurance	XXX	XXX		
34. TOTALS, whole life and endowment				
35. TOTALS (Lines 31 to 34)	507	5,780		9,249

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	5,780		9,249	
38. Credit Life (Group and Individual)				
39. Group	10,066		3,231,115	
40. TOTALS (Lines 36 to 39)	15,846		3,240,364	

ADDITIONAL INFORMATION ON CREDIT LIFE AND GROUP INSURANCE

	Credit Life		Group	
	1 Number of Indivi-dual 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	XXX		XXX	
42. Number in force end of year if the number under shared groups is counted on a pro-rata basis		XXX		XXX
43. Federal Employees' Group Life Insurance included in Line 21				
44. Servicemen's Group Life Insurance included in Line 21				
45. Group Permanent Insurance included in Line 21				

ADDITIONAL ACCIDENTAL DEATH BENEFITS

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

BASIS OF CALCULATION OF ORDINARY TERM INSURANCE

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

47.1

47.2

POLICIES WITH DISABILITY PROVISIONS

	Industrial		Ordinary		Credit		Group	
Disability Provision	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			XXX	XXX				
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			23,303	
2. Issued during year				
3. Reinsurance assumed				
4. Increased during year (net)				
5. TOTALS (Lines 1 to 4)			23,303	
Deductions during year:				
6. Decreased (net)				
7. Reinsurance ceded				
8. TOTALS (Lines 6 and 7)				
9. In force end of year			23,303	
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)				
7. Reinsurance ceded				
8. TOTALS (Lines 6 and 7)				
9. In force end of year				
Income now payable:				
10. Amount of income payable:	(a)	XXX	XXX	(a)
Deferred fully paid:				
11. Account balance	XXX	(a)	XXX	(a)
Deferred not fully paid:				
12. Account balance	XXX	(a)	XXX	(a)

NONE

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	90,329	1,897,696			5,996	2,544,318
2. Issued during year	3,382	784,000			3,743	1,253,000
3. Reinsurance assumed						
4. Increased during year (net)		XXX		XXX		XXX
5. TOTALS (Lines 1 to 4)	93,711	XXX		XXX	9,739	XXX
Deductions during year:						
6. Conversions		XXX	XXX	XXX	XXX	XXX
7. Decreased (net)	8,333	XXX		XXX	4,101	XXX
8. Reinsurance ceded	5,937	XXX		XXX	40	XXX
9. TOTALS (Lines 6 to 8)	14,270	XXX		XXX	4,141	XXX
10. In force end of year	79,441	(a) 2,681,696		(a)	5,598	(a) 3,797,318

DEPOSIT FUNDS AND DIVIDEND ACCUMULATIONS

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

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

SCHEDULE T - PREMIUMS AND ANNUITY CONSIDERATIONS

ALLOCATED BY STATES AND TERRITORIES

	1	Direct Business Only					
		Life Contracts		4	5	6	7
		2	3				
States, Etc.	Active Status	Life Insurance Premiums	Annuity Considerations	Accident and Health Insurance Premiums, Including Policy, Membership and Other Fees	Other Considerations	Total Columns 2 through 5	Deposit-Type Contracts
1. Alabama (AL)	N						
2. Alaska (AK)	N						
3. Arizona (AZ)	N						
4. Arkansas (AR)	N						
5. California (CA)	N						
6. Colorado (CO)	N						
7. Connecticut (CT)	N						
8. Delaware (DE)	N						
9. District of Columbia (DC)	N						
10. Florida (FL)	N						
11. Georgia (GA)	N						
12. Hawaii (HI)	N						
13. Idaho (ID)	N						
14. Illinois (IL)	N						
15. Indiana (IN)	N						
16. Iowa (IA)	N						
17. Kansas (KS)	N						
18. Kentucky (KY)	N						
19. Louisiana (LA)	N						
20. Maine (ME)	N						
21. Maryland (MD)	N						
22. Massachusetts (MA)	N						
23. Michigan (MI)	N						
24. Minnesota (MN)	N						
25. Mississippi (MS)	N						
26. Missouri (MO)	N						
27. Montana (MT)	N						
28. Nebraska (NE)	N						
29. Nevada (NV)	N						
30. New Hampshire (NH)	N						
31. New Jersey (NJ)	N						
32. New Mexico (NM)	N						
33. New York (NY)	N						
34. North Carolina (NC)	N						
35. North Dakota (ND)	N						
36. Ohio (OH)	N						
37. Oklahoma (OK)	N						
38. Oregon (OR)	N						
39. Pennsylvania (PA)	N						
40. Rhode Island (RI)	N						
41. South Carolina (SC)	N						
42. South Dakota (SD)	N						
43. Tennessee (TN)	N						
44. Texas (TX)	N						
45. Utah (UT)	N						
46. Vermont (VT)	N						
47. Virginia (VA)	N						
48. Washington (WA)	N						
49. West Virginia (WV)	N						
50. Wisconsin (WI)	N						
51. Wyoming (WY)	N						
52. American Samoa (AS)	N						
53. Guam (GU)	N						
54. Puerto Rico (PR)	L	1,172,833		4,046,893		5,219,726	
55. U.S. Virgin Islands (VI)	L	14,058				14,058	
56. Northern Mariana Islands (MP)	N						
57. Canada (CAN)	N						
58. Aggregate Other Alien (OT)	XXX						
59. Subtotal	(a)2	1,186,891		4,046,893		5,233,784	
90. Reporting entity contributions for employee benefits plans	XXX						
91. Dividends or refunds applied to purchase paid-up additions and annuities	XXX						
92. Dividends or refunds applied to shorten endowment or premium paying period	XXX						
93. Premium or annuity considerations waived under disability or other contract provisions	XXX						
94. Aggregate other amounts not allocable by State	XXX						
95. TOTALS (Direct Business)	XXX	1,186,891		4,046,893		5,233,784	
96. Plus Reinsurance Assumed	XXX			796,215		796,215	
97. TOTALS (All Business)	XXX	1,186,891		4,843,108		6,029,999	
98. Less Reinsurance Ceded	XXX	597,244		1,359,782		1,957,026	
99. TOTALS (All Business) less Reinsurance Ceded	XXX	589,647		(b) 3,483,326		4,072,973	
DETAILS OF WRITE-INS							
58001.	XXX						
58002.	XXX						
58003.	XXX						
58998. Summary of remaining write-ins for Line 58 from overflow page	XXX						
58999. TOTALS (Lines 58001 through 58003 plus 58998) (Line 58 above)	XXX						
9401.	XXX						
9402.	XXX						
9403.	XXX						
9498. Summary of remaining write-ins for Line 94 from overflow page	XXX						
9499. TOTALS (Lines 9401 through 9403 plus 9498) (Line 94 above)	XXX						

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

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

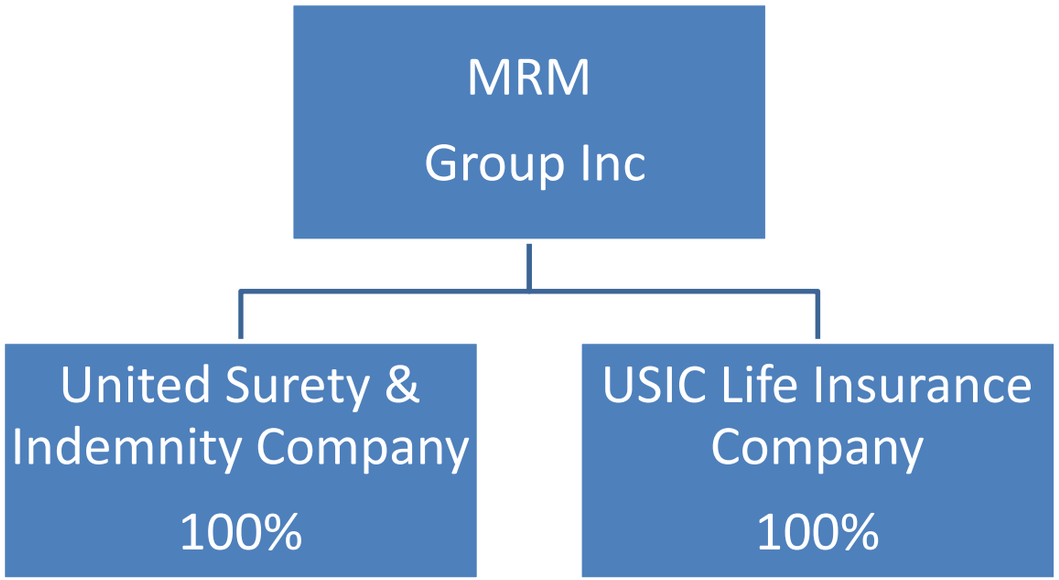
(b) Column 4 should balance with Exhibit 1, Lines 6.4, 10.4 and 16.4, Cols. 8, 9 and 10 or with Schedule H, Part 1, Column 1, Line 1. Indicate which.... Exhibit 1, Lines 6.4, 10.4, and 16.4, Cols 8, 9 and 10

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

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER

MEMBERS OF A HOLDING COMPANY GROUP

PART 1 - ORGANIZATIONAL CHART



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