

**QUARTERLY STATEMENT**

OF THE

**UNITY INSURANCE COMPANY**

**RECEIVED**

**NOV 21 2002**

**OFFERS**

of **TOLEDO**

in the state of **OHIO**

**TO THE**

**Insurance Department**

**OF THE**

**STATE OF OHIO**

**FOR THE QUARTER ENDED  
September 30, 2002**

**LIFE AND ACCIDENT AND HEALTH**

**2002**



60220200220100103

QUARTERLY STATEMENT

AS OF September 30, 2002  
OF THE CONDITION AND AFFAIRS OF THE  
UNITY INSURANCE COMPANY

NAIC Group Code 1206 (Current Period) 1206 (Prior Period) NAIC Company Code 60220 Employer's ID Number 31-1508054  
Organized under the Laws of STATE OF OHIO, State of Domicile or Port of Entry OH  
Country of Domicile US  
Incorporated: January 21, 1997 Commenced Business: May 1, 1997  
Statutory Home Office: 2200 JEFFERSON AVE., 6TH FLOOR TOLEDO, OH 43624  
Main Administrative Office: 2200 JEFFERSON AVE., 6TH FLOOR TOLEDO, OH 43624 419-241-6501  
Mail Address: 2200 JEFFERSON AVE., 6TH FLOOR TOLEDO, OH 43624  
Primary Location of Books and Records: 2200 JEFFERSON AVE., 6TH FLOOR TOLEDO, OH 43624 419-241-6501  
Internet Website Address: N/A  
Statement Contact: JEFFRIE REGO 419-251-6223 00000  
jarego@health-partners.org 419-241-5441  
(E-Mail Address) (Fax Number)  
Policyowner Relations Contact: 2200 JEFFERSON AVE., 6TH FLOOR TOLEDO, OH 43624 419-241-6501 00000

OFFICERS

President THOMAS E. BEATY, JR.  
Secretary  
Chief Financial Officer RANDOLPH C. HOFFMAN  
Actuary

Vice-Presidents

JOANNE VOLOVAR	MARK LANCIANO	MARK TUCKER, MD.	

DIRECTORS OR TRUSTEES

RICHARD HANLEY	THOMAS KELLY	CHUCK GALLAGHER	TED JENKINS
STEVEN MICKUS	FATHER MICHAEL BILLIAN	JEFF COPELAND	TIM GLADIEUX
THOMAS E. BEATY, JR.	ROOSEVELT GANT	PATRICIA WISE	

State of OHIO  
County of LUCAS ss

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

(Signature)  
THOMAS E. BEATY, JR.  
(Printed Name)  
President

(Signature)  
RANDOLPH C. HOFFMAN  
(Printed Name)  
Chief Financial Officer

Subscribed and sworn to before me this  
20TH day of NOVEMBER, 2002

Notary Public (seal)

DESIREE SHINAVAR  
Notary Public, Lucas County, Ohio  
My Commission Expires July 8, 2004

**ASSETS**

	Current Statement Date			4  December 31 Prior Year Net Admitted Assets
	1  Assets	2  Nonadmitted Assets	3  Net Admitted Assets (Cols. 1 - 2)	
1. Bonds				
2. Stocks:				
2.1 Preferred stocks				
2.2 Common stocks				
3. Mortgage loans on real estate:				
3.1 First liens				
3.2 Other than first liens				
4. Real estate:				
4.1 Properties occupied by the company (less \$                      0 encumbrances)				
4.2 Properties held for the production of income (less \$                      0 encumbrances)				
4.3 Properties held for sale (less \$                      0 encumbrances)				
5. Policy loans				
6. Premium notes, including \$                      0 for first year premiums				
7. Cash (\$      1,307,967 ) and short-term investments (\$      1,484,150 )	2,792,117		2,792,117	2,755,347
8. Other invested assets				
9. Receivable for securities				
10. Aggregate write-ins for invested assets	110,000		110,000	112,057
11. Subtotals, cash and invested assets (Lines 1 to 10)	2,902,117		2,902,117	2,867,404
12. Reinsurance ceded:				
12.1 Amounts recoverable from reinsurers				
12.2 Commissions and expense allowances due				
12.3 Experience rating and other refunds due				
12.4 Other amounts receivable under reinsurance contracts				
13. Electronic data processing equipment and software				
14. Federal and foreign income tax recoverable and interest thereon (including \$              0 net deferred tax asset)				
15. Guaranty funds receivable or on deposit				
16. Life insurance premiums and annuity considerations deferred and uncollected on in force business (less premiums on reinsurance ceded and less \$                      0 loading)				
17. Accident and health premiums due and unpaid				
18. Investment income due and accrued				
19. Net adjustment in assets and liabilities due to foreign exchange rates				
20. Receivable from parent, subsidiaries and affiliates	227		227	
21. Amounts receivable relating to uninsured accident and health plans				
22. Amounts due from agents				
23. Other assets nonadmitted				
24. Aggregate write-ins for other than invested assets				
25. Total assets excluding Separate Accounts business (Lines 11 to 24)	2,902,344		2,902,344	2,867,404
26. From Separate Accounts Statement				
27. Total (Lines 25 and 26)	2,902,344		2,902,344	2,867,404

DETAILS OF WRITE-INS			
1001. RESTRICTED CASH	110,000	110,000	112,057
1002.			
1003.			
1098. Summary of remaining write-ins for Line 10 from overflow page			
1099. Totals (Lines 1001 through 1003 plus 1098) (Line 10 above)	110,000	110,000	112,057
2401. PREPAID ASSETS			
2402.			
2403.			
2498. Summary of remaining write-ins for Line 24 from overflow page			
2499. Totals (Lines 2401 through 2403 plus 2498) (Line 24 above)			

LIABILITIES, SURPLUS AND OTHER FUNDS			1 Current Statement Date	2 December 31 Prior Year
1.	Aggregate reserve for life contracts \$	0 less \$	0 included in Line 6.3	
	(including \$	0 Modco Reserve)		
2.	Aggregate reserve for accident and health contracts (including \$	0 Modco Reserve)		
3.	Liability for deposit-type contracts (including \$	0 Modco Reserve)		
4.	Contract claims:			
4.1	Life			
4.2	Accident and health		19,774	19,774
5.	Policyholders' dividends \$	0 and coupons \$	0 due and unpaid	
6.	Provision for policyholders' dividends and coupons payable in following calendar year - estimated amounts:			
6.1	Dividends apportioned for payment to	(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	
9.	Contract liabilities not included elsewhere:			
9.1	Surrender values on canceled contracts			
9.2	Provision for experience rating refunds, including \$	0 accident and health experience rating refunds		
9.3	Other amounts payable on reinsurance, including \$	0 assumed and \$	0 ceded	
9.4	Interest Maintenance Reserve			
10.	Commissions to agents due or accrued-life and annuity contracts \$	0, accident and health \$	0	
	and deposit-type contract funds \$	0		
11.	Commissions and expense allowances payable on reinsurance assumed			
12.	General expenses due or accrued			
13.	Transfers to Separate Accounts due or accrued (net)(Including \$	0 accrued for expense allowances recognized in reserves)		
14.	Taxes, licenses and fees due or accrued, excluding federal income taxes			
15.	Federal and foreign income taxes, including \$	0 on realized capital gains (losses)		
	(including \$	0 net deferred tax liability)		
16.	Unearned investment income			
17.	Amounts withheld or retained by company as agent or trustee			
18.	Amounts held for agents' account, including \$	0 agents' credit balances		
19.	Remittances and items not allocated			
20.	Net adjustment in assets and liabilities due to foreign exchange rates			
21.	Liability for benefits for employees and agents if not included above			
22.	Borrowed money \$	0 and interest thereon \$	0	
23.	Dividends to stockholders declared and unpaid			
24.	Miscellaneous liabilities:			
24.1	Asset valuation reserve			
24.2	Reinsurance in unauthorized companies			
24.3	Funds held under reinsurance treaties with unauthorized reinsurers			
24.4	Payable to parent, subsidiaries and affiliates		224,094	209,093
24.5	Drafts outstanding			
24.6	Liability for amounts held under uninsured accident and health plans			
24.7	Funds held under coinsurance			
24.8	Payable for securities			
24.9	Capital notes \$	0 and interest thereon \$	0	
25.	Aggregate write-ins for liabilities			
26.	Total Liabilities excluding Separate Accounts business (Lines 1 to 25)		243,868	228,867
27.	From Separate Accounts Statement			
28.	Total Liabilities (Lines 26 and 27)		243,868	228,867
29.	Common capital stock		3,228,000	3,228,000
30.	Preferred capital stock			
31.	Aggregate write-ins for other than special surplus funds		110,000	112,057
32.	Surplus notes			
33.	Gross paid in and contributed surplus			
34.	Aggregate write-ins for special surplus funds			
35.	Unassigned funds (surplus)		(679,524)	(701,520)
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)	(569,524)	(589,463)
38.	Totals of Lines 29, 30 and 37		2,658,476	2,638,537
39.	Totals of Lines 28 and 38		2,902,344	2,867,404

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.	RESTRICTED RESERVE		110,000	112,057
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)		110,000	112,057
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 (Excluding Unrealized Capital Gains and Losses)			
	1 Current Year To Date	2 Prior Year To Date	3 Prior Year Ended December 31
1. Premiums and annuity considerations for life and accident and health contracts	5,873		40,119
2. Considerations for supplementary contracts with life contingencies			
3. Net investment income	40,247		92,538
4. Amortization of Interest Maintenance Reserve (IMR)			
5. Separate Accounts net gain from operations excluding unrealized gains or losses			
6. Commissions and expense allowances on reinsurance ceded			
7. Reserve adjustments on reinsurance ceded			
8. Miscellaneous Income:			
8.1 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	362		10,577
9. Totals (Lines 1 to 8.3)	46,482		143,234
10. Death benefits			
11. Matured endowments (excluding guaranteed annual pure endowments)			
12. Annuity benefits			
13. Disability benefits and benefits under accident and health contracts			50,997
14. Coupons, guaranteed annual pure endowments and similar benefits			
15. Surrender benefits and withdrawals for life contracts			
16. Group conversions			
17. Interest and adjustments on contract or deposit-type contract funds			
18. Payments on supplementary contracts with life contingencies			
19. Increase in aggregate reserves for life and accident and health contracts			
20. Totals (Lines 10 to 19)			50,997
21. Commissions on premiums, annuity considerations, and deposit-type contract funds (direct business only)			
22. Commissions and expense allowances on reinsurance assumed			
23. General insurance expenses	26,543		432,277
24. Insurance taxes, licenses and fees, excluding federal income taxes			
25. Increase in loading on deferred and uncollected premiums			
26. Net transfers to or (from) Separate Accounts			
27. Aggregate write-ins for deductions			
28. Totals (Lines 20 to 27)	26,543		483,274
29. Net gain from operations before dividends to policyholders and federal income taxes (Line 9 minus Line 28)	19,939		(340,040)
30. Dividends to policyholders			
31. Net gain from operations after dividends to policyholders and before federal income taxes (Line 29 minus Line 30)	19,939		(340,040)
32. Federal and foreign income taxes incurred (excluding tax on capital gains)			
33. Net gain from operations after dividends to policyholders and federal income taxes and before realized capital gains or (losses) (Line 31 minus Line 32)	19,939		(340,040)
34. Net realized capital gains or (losses) less capital gains tax of \$ 0 (excluding taxes of \$ 0 transferred to the IMR)			
35. Net income (Line 33 plus Line 34)	19,939		(340,040)
CAPITAL AND SURPLUS ACCOUNT			
36. Capital and surplus, December 31, prior year	2,638,537		2,974,357
37. Net income (Line 35)	19,939		(340,040)
38. Change in net unrealized capital gains (losses)			
39. Change in net unrealized foreign exchange capital gain (loss)			
40. Change in net deferred income tax			
41. Change in nonadmitted assets and related items			4,220
42. Change in liability for reinsurance in unauthorized companies			
43. Change in reserve on account of change in valuation basis, (increase) or decrease			
44. Change in asset valuation reserve			
45. Change in treasury stock			
46. Surplus (contributed to) withdrawn from Separate Accounts during period			
47. Other changes in surplus in Separate Accounts Statement			
48. Change in surplus notes			
49. Cumulative effect of changes in accounting principles			
50. Capital changes:			
50.1 Paid in			
50.2 Transferred from surplus (Stock Dividend)			
50.3 Transferred to surplus			
51. Surplus adjustment:			
51.1 Paid in			
51.2 Transferred to capital (Stock Dividend)			
51.3 Transferred from capital			
51.4 Change in surplus as a result of reinsurance			
52. Dividends to stockholders			
53. Aggregate write-ins for gains and losses in surplus			
54. Net change in capital and surplus (Lines 37 through 53)	19,939		(335,820)
55. Capital and surplus as of statement date (Lines 36 + 54)	2,658,476		2,638,537

DETAILS OF WRITE-INS			
08.301. MISCELLANEOUS INCOME	362		10,577
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)	362		10,577
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

Cash from Operations	1 Current Year to Date	2 Prior Year Ended December 31
1. Premiums and annuity considerations for life and accident and health contracts	5,873	78,853
2. Charges and fees for deposit-type contracts		
3. Considerations for supplementary contracts with life contingencies		
4. Net investment income	40,247	99,820
5. Commissions and expense allowances on reinsurance ceded		
6. Fees associated with investment management, administration and contract guarantees from Separate Accounts		
7. Aggregate write-ins for miscellaneous income	362	10,577
8. Total (Lines 1 to 7)	46,482	189,250
9. Death benefits		
10. Matured endowments		
11. Annuity benefits		
12. Disability benefits and benefits under accident and health contracts		76,555
13. Coupons, guaranteed annual pure endowments and similar benefits		
14. Surrender benefits and withdrawals for life contracts		
15. Group conversions		
16. Interest and adjustments on contract or deposit-type contract funds		
17. Payments on supplementary contracts with life contingencies		
18. Total (Lines 9 to 17)		76,555
19. Commissions on premiums, annuity considerations and deposit-type contract funds		
20. Commissions and expense allowances on reinsurance assumed		
21. General insurance expenses	11,769	282,949
22. Insurance taxes, licenses and fees, excluding federal income taxes		
23. Net transfers to or (from) Separate Accounts		
24. Aggregate write-ins for deductions		
25. Total (Lines 18 to 24)	11,769	359,504
26. Dividends paid to policyholders		
27. Federal income taxes (excluding tax on capital gains)		
28. Total (Lines 25 to 27)	11,769	359,504
29. Net cash from operations (Line 8 minus Line 28)	34,713	(170,254)
Cash from Investments		
30. Proceeds from investments sold, matured or repaid:		
30.1 Bonds		
30.2 Stocks		
30.3 Mortgage loans		
30.4 Real estate		
30.5 Other invested assets		
30.6 Net gains (or losses) on cash and short-term investments		
30.7 Miscellaneous proceeds		
30.8 Total investment proceeds (Lines 30.1 to 30.7)		
31. Net tax on capital gains (losses)		
32. Total (Line 30.8 minus Line 31)		
33. Cost of investments acquired (long-term only):		
33.1 Bonds		
33.2 Stocks		
33.3 Mortgage loans		
33.4 Real estate		
33.5 Other invested assets		
33.6 Miscellaneous applications		
33.7 Total investments acquired (Lines 33.1 to 33.6)		
34. Net increase (or decrease) in policy loans and premium notes		
35. Net cash from investments (Line 32 minus Line 33.7 minus Line 34)		
Cash from Financing and Miscellaneous Sources		
36. Cash provided:		
36.1 Surplus notes, capital and surplus paid in		
36.2 Borrowed money \$ 0 less amounts repaid \$ 0		
36.3 Capital notes \$ 0 less amounts repaid \$ 0		
36.4 Deposits on deposit-type contract funds and other liabilities without life or disability contingencies		
36.5 Other cash provided	2,057	97,857
36.6 Total (Lines 36.1 to 36.5)	2,057	97,857
37. Cash applied:		
37.1 Dividends to stockholders paid		
37.2 Interest on indebtedness		
37.3 Withdrawals on deposit-type contract funds and other liabilities without life or disability contingencies		
37.4 Other applications (net)		
37.5 Total (Lines 37.1 to 37.4)		
38. Net cash from financing and miscellaneous sources (Line 36.6 minus Line 37.5)	2,057	97,857
RECONCILIATION OF CASH AND SHORT-TERM INVESTMENTS		
39. Net change in cash and short-term investments (Line 29, plus Line 35, plus Line 38)	36,770	(72,397)
40. Cash and short-term investments:		
40.1 Beginning of year	2,755,347	2,827,744
40.2 End of period (Line 39 plus Line 40.1)	2,792,117	2,755,347
DETAILS OF WRITE-INS		
0701. MISCELLANEOUS INCOME	362	10,577
0702.		
0703.		
0798. Summary of remaining write-ins for Line 7 from overflow page		
0799. Totals (Lines 0701 through 0703 plus 0798) (Line 7 above)	362	10,577
2401.		
2402.		
2403.		
2498. Summary of remaining write-ins for Line 24 from overflow page		
2499. Totals (Lines 2401 through 2403 plus 2498) (Line 24 above)		

EXHIBIT 1

DIRECT PREMIUMS AND DEPOSIT-TYPE CONTRACTS

	1 Current Year to Date	2 Prior Year to Date	3 Prior Year Ended December 31
1. Industrial life			
2. Ordinary life insurance			
3. Ordinary individual annuities			
4. Credit life (group and individual)			
5. Group life insurance			
6. Group annuities			
7. A & H - group	5,873	28,523	40,119
8. A & H - credit (group and individual)			
9. A & H - other			
10. Aggregate of all other lines of business			
11. Subtotal	5,873	28,523	40,119
12. Deposit-type contracts			
13. Total	5,873	28,523	40,119

DETAILS OF WRITE-INS			
1001.			
1002.			
1003.			
1098. Summary of remaining write-ins for Line 10 from overflow page			
1099. Total (Lines 1001 through 1003 plus 1098) (Line 10 above)			

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**NOTES TO FINANCIAL STATEMENTS**

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**GENERAL INTERROGATORIES**

(Responses to these interrogatories should be based on changes that have occurred since prior year end unless otherwise noted)

**PART 1 - COMMON INTERROGATORIES**

**GENERAL**

1.1 Did the reporting entity implement any significant accounting policy changes which would require disclosure in the Notes to the Financial Statements?

Yes [ ] No [X]

1.2 If yes, explain:

2.1 Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicilie, as required by the Model Act?

Yes [ ] No [X]

2.2 If yes, has the report been filed with the domiciliary state?

Yes [ ] No [X]

3.1 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]

3.2 If yes, date of change:

If not previously filed, furnish herewith a certified copy of the instrument as amended.

4. Have there been any substantial changes in the organizational chart since the prior quarter end?

Yes [X] No [ ]

If yes, attach an organizational chart.

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 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. If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved?

Yes [ ] No [ ] N/A [X]

If yes, attach an explanation.

7.1 State as of what date the latest financial examination of the reporting entity was made or is being made.

12/31/2000

7.2 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.

7.3 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).

7.4 By what department or departments? OHIO DEPARTMENT OF INSURANCE

8.1 Has this reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? (You need not report an action, either formal or informal, if a confidentiality clause is part of the agreement.)

Yes [ ] No [X]

8.2 If yes, give full information

**GENERAL INTERROGATORIES (Continued)**

**(Responses to these interrogatories should be based on changes that have occurred since prior year end unless otherwise noted)**  
**INVESTMENT**

- 9.1

Has there been any change in the reporting entity's own preferred or common stock?

Yes ☐ No ☒
- 9.2

If yes, explain
- 10.1

Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.)

Yes ☐ No ☒
- 10.2

If yes, give full and complete information relating thereto:
11.

Amount of real estate and mortgages held in other invested assets in Schedule BA:

\$
12.

Amount of real estate and mortgages held in short-term investments:

\$
- 13.1

Does the reporting entity have any investments in parent, subsidiaries and affiliates?

Yes ☐ No ☒
- 13.2

If yes, please complete the following:

	1	2
	Prior Year-End Statement Value	Current Quarter Statement Value
13.21 Bonds	\$	\$
13.22 Preferred Stock	\$	\$
13.23 Common Stock	\$	\$
13.24 Short-Term Investments	\$	\$
13.25 Mortgages, Loans or Real Estate	\$	\$
13.26 All Other	\$	\$
13.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 13.21 to 13.26)	\$	\$
13.28 Total Investment in Parent included in Lines 13.21 to 13.26 above	\$	\$
13.29 Receivable from Parent not included in Lines 13.21 to 13.26 above	\$	\$

- 14.1

Does the reporting entity have any hedging transactions reported on Schedule DB?

Yes ☐ No ☒
- 14.2

If yes, has a comprehensive description of the hedging program been made available to the domiciliary state?

Yes ☐ No ☒

If no, attach a description with this statement.
15.

Excluding items in Schedule E, 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 Part 1-General, Section IV. H-Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook?

Yes ☐ No ☒

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

1	2
Name of Custodian(s)	Custodian Address

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

1	2	3
Name(s)	Location(s)	Complete Explanation(s)

- 15.3

Have there been any changes, including name changes, in the custodian(s) identified in 15.1 during the current year?

Yes ☐ No ☒
- 15.4

If yes, give full and complete information relating thereto:

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

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

1	2	3
Central Registration Depository	Name(s)	Address

**GENERAL INTERROGATORIES (continued)**

(Responses to these interrogatories should be based on changes that have occurred since prior year end unless otherwise noted)

**PART 2 - LIFE & HEALTH**

1. Report the statement value of mortgage loans at the end of this reporting period for the following categories:

	1 Amount
1.1 Long-Term Mortgages in Good Standing	
1.11 Farm Mortgages	\$ _____
1.12 Residential Mortgages	\$ _____
1.13 Commercial Mortgages	\$ _____
1.14 Total Mortgages in Good Standing	\$ _____
1.2 Long-Term Mortgages in good Standing with Restructured Terms	
1.21 Total Mortgages in Good Standing	\$ _____
1.3 Long-Term Mortgage Loans upon which Interest is Overdue more than Three Months	
1.31 Farm Mortgages	\$ _____
1.32 Residential Mortgages	\$ _____
1.33 Commercial Mortgages	\$ _____
1.34 Total Mortgages with Interest Overdue more than Three Months	\$ _____
1.4 Long-Term Mortgage Loans in Process of Foreclosure	
1.41 Farm Mortgages	\$ _____
1.42 Residential Mortgages	\$ _____
1.43 Commercial Mortgages	\$ _____
1.44 Total Mortgages in Process of Foreclosure	\$ _____
1.5 Total Mortgage Loans (Lines 1.14 + 1.21 + 1.34 + 1.44) (Page 2, Column 3, Lines 3.1 + 3.2)	\$ _____
1.6 Long-Term Mortgages Foreclosed, Properties Transferred to Real Estate in Current Quarter	
1.61 Farm Mortgages	\$ _____
1.62 Residential Mortgages	\$ _____
1.63 Commercial Mortgages	\$ _____
1.64 Total Mortgages Foreclosed and Transferred to Real Estate	\$ _____

SCHEDULE A - VERIFICATION

	1	2	3	4
	First Quarter Current Year	Second Quarter Current Year	Third Quarter Current Year	Prior Year Ended December 31
1. Book/adjusted carrying value, beginning of period				
2. Increase (decrease) by adjustment				
3. Cost of acquired				
4. Cost of additions to and permanent improvements				
5. Total profit (loss) on sales				
6. Increase (decrease) by foreign exchange adjustment:				
7. Amount received on sales				
8. Book/adjusted carrying value at end of current period				
9. Total valuation allowance				
10. Subtotal (Lines 8 plus 9)				
11. Total nonadmitted amounts				
12. Statement value, current period (Page 2, real estate lines, current period)				

SCHEDULE B - VERIFICATION

	1	2	3	4
	First Quarter Current Year	Second Quarter Current Year	Third Quarter Current Year	Prior Year Ended December 31
1. Book/recorded investment excluding accrued interest on mortgages owned, beginning of period				
2. Amount loaned during period:				
2.1 Actual cost at time of acquisitions				
2.2 Additional investment made after acquisitions				
3. Accrual of discount and mortgage interest points and commitment fees				
4. Increase (decrease) by adjustment				
5. Total profit (loss) on sale				
6. Amounts paid on account or in full during the period				
7. Amortization of premium				
8. Increase (decrease) by foreign exchange adjustment				
9. Book value/recorded investment excluding accrued interest on mortgages owned at end of current period				
10. Total valuation allowance				
11. Subtotal (Lines 9 plus 10)				
12. Total nonadmitted amounts				
13. Statement value of mortgages owned at end of current period				

SCHEDULE BA - VERIFICATION  
Other Invested Assets Included in Schedule BA

Description	1	2	3	4
	First Quarter Current Year	Second Quarter Current Year	Third Quarter Current Year	Prior Year Ended December 31
1. Book/adjusted carrying value of long-term invested assets owned, beginning of period				
2. Cost of acquisitions during period:				
2.1 Actual cost at time of acquisitions				
2.2 Additional investment made after acquisitions				
3. Accrual of discount				
4. Increase (decrease) by adjustment				
5. Total profit (loss) on sale				
6. Amounts paid on account or in full during the period				
7. Amortization of premium				
8. Increase (decrease) by foreign exchange adjustment				
9. Book/adjusted carrying value of long-term invested assets at end of current period				
10. Total valuation allowance				
11. Subtotal (Lines 9 plus 10)				
12. Total nonadmitted amounts				
13. Statement value of long term invested assets at end of current period				

SCHEDULE D - PART 1B

Showing the Acquisitions, Dispositions and Non-Trading Activity  
During the Current Quarter for all Bonds and Preferred Stock by Rating Class

	1	2	3	4	5	6	7	8
	Statement Value Beginning of Current Quarter	Acquisitions During Current Quarter	Dispositions During Current Quarter	Non-Trading Activity During Current Quarter	Statement Value End of First Quarter	Statement Value End of Second Quarter	Statement Value End of Third Quarter	Statement Value December 31 Prior Year
<b>BONDS</b>								
1. Class 1								
2. Class 2								
3. Class 3								
4. Class 4								
5. Class 5								
6. Class 6								
7. Total Bonds								
<b>PREFERRED STOCK</b>								
8. Class 1								
9. Class 2								
10. Class 3								
11. Class 4								
12. Class 5								
13. Class 6								
14. Total Preferred Stock								
15. Total Bonds & Preferred Stock								

SCHEDULE DA - PART 1

Short-Term Investments Owned End of Current Quarter

	1	2	3	4	5
	Book/Adjusted Carrying Value	Par Value	Actual Cost	Amount of Interest Received Current Quarter	Paid for Accrued Interest
8099999Totals	1,484,150	X X X	1,005,008	479,142	

SCHEDULE DA - PART 2 - Verification

Short-Term Investments Owned

	1	2	3	4
	First Quarter Current Year	Second Quarter Current Year	Third Quarter Current Year	Prior Year Ended December 31
1. Book/adjusted carrying value, beginning of period	1,005,005	1,468,800	1,005,008	1,005,005
2. Cost of short-term investments acquired	1,468,800			
3. Increase (decrease) by adjustment			479,142	
4. Increase (decrease) by foreign exchange adjustment				
5. Total profit (loss) on disposal of short-term investments				
6. Consideration received on disposal of short-term investments	1,005,005	463,792		
7. Book/adjusted carrying value, current period	1,468,800	1,005,008	1,484,150	1,005,005
8. Total valuation allowance				
9. Subtotal (Lines 7 plus 8)	1,468,800	1,005,008	1,484,150	1,005,005
10. Total nonadmitted amounts				
11. Statement value (Lines 9 minus 10)	1,468,800	1,005,008	1,484,150	1,005,005
12. Income collected during period				
13. Income earned during period				



SCHEDULE DB - PART F - SECTION 2

Reconciliation of Replicated (Synthetic) Assets Open

	First Quarter		Second Quarter		Third Quarter		Fourth Quarter		Year-To-Date	
	1 Number of Positions	2 Total Replicated (Synthetic) Assets Statement Value	3 Number of Positions	4 Total Replicated (Synthetic) Assets Statement Value	5 Number of Positions	6 Total Replicated (Synthetic) Assets Statement Value	7 Number of Positions	8 Total Replicated (Synthetic) Assets Statement Value	9 Number of Positions	10 Total Replicated (Synthetic) Assets Statement Value
1. Beginning Inventory										
2. Add: Opened or Acquired Transactions										
3. Add: Increases in Replicated Asset Statement Value	X X X		X X X		X X X		X X X		X X X	
4. Less: Closed or Disposed of Transactions										
5. Less: Positions Disposed of for Failing Effectiveness Criteria										
6. Less: Decreases in Replicated (Synthetic) Asset Statement Value	X X X		X X X		X X X		X X X		X X X	
7. Ending Inventory										





SCHEDULE T - PREMIUMS AND ANNUITY CONSIDERATIONS

Allocated by States and Territories

States, Etc.	1	Direct Business Only				
		Life Contracts		4 Accident and Health Insurance Premiums, Including Policy, Membership and Other Fees	5 Deposit-Type Contract Funds	6 Other Considerations
		2 Life Insurance Premiums	3 Annuity Considerations			
1. Alabama	AL	NO				
2. Alaska	AK	NO				
3. Arizona	AZ	NO				
4. Arkansas	AR	NO				
5. California	CA	NO				
6. Colorado	CO	NO				
7. Connecticut	CT	NO				
8. Delaware	DE	NO				
9. District of Columbia	DC	NO				
10. Florida	FL	NO				
11. Georgia	GA	NO				
12. Hawaii	HI	NO				
13. Idaho	ID	NO				
14. Illinois	IL	NO				
15. Indiana	IN	NO				
16. Iowa	IA	NO				
17. Kansas	KS	NO				
18. Kentucky	KY	NO				
19. Louisiana	LA	NO				
20. Maine	ME	NO				
21. Maryland	MD	NO				
22. Massachusetts	MA	NO				
23. Michigan	MI	NO				
24. Minnesota	MN	NO				
25. Mississippi	MS	NO				
26. Missouri	MO	NO				
27. Montana	MT	NO				
28. Nebraska	NE	NO				
29. Nevada	NV	NO				
30. New Hampshire	NH	NO				
31. New Jersey	NJ	NO				
32. New Mexico	NM	NO				
33. New York	NY	NO				
34. North Carolina	NC	NO				
35. North Dakota	ND	NO				
36. Ohio	OH	YES		5,873		
37. Oklahoma	OK	NO				
38. Oregon	OR	NO				
39. Pennsylvania	PA	NO				
40. Rhode Island	RI	NO				
41. South Carolina	SC	NO				
42. South Dakota	SD	NO				
43. Tennessee	TN	NO				
44. Texas	TX	NO				
45. Utah	UT	NO				
46. Vermont	VT	NO				
47. Virginia	VA	NO				
48. Washington	WA	NO				
49. West Virginia	WV	NO				
50. Wisconsin	WI	NO				
51. Wyoming	WY	NO				
52. American Samoa	AS	NO				
53. Guam	GU	NO				
54. Puerto Rico	PR	NO				
55. US Virgin Islands	VI	NO				
56. Canada	CN	NO				
57. Aggregate Other Alien	OT	X X X				
58. Subtotal	(a) 1	X X X		5,873		
90. Reporting entity contributions for employee benefits plans		X X X				
91. Dividends or refunds applied to purchase paid-up additions and annuities		X X X				
92. Dividends or refunds applied to shorten endowment or premium paying period		X X X				
93. Premium or annuity considerations waived under disability or other contract provisions		X X X				
94. Aggregate other amounts not allocable by State		X X X				
95. Totals (Direct Business)		X X X		5,873		
96. Plus Reinsurance Assumed		X X X				
97. Totals (All Business)		X X X		5,873		
98. Less Reinsurance Ceded		X X X				
99. Totals (All Business) less Reinsurance Ceded		X X X		5,873		
DETAILS OF WRITE-INS						
5701.		X X X				
5702.		X X X				
5703.		X X X				
5798. Summary of remaining write-ins for Line 57 from overflow page		X X X				
5799. Total (Lines 5701 through 5703 plus 5798) (Line 57 above)		X X X				
9401.		X X X				
9402.		X X X				
9403.		X X X				
9498. Summary of remaining write-ins for Line 94 from overflow page		X X X				
9499. Total (Lines 9401 through 9403 plus 9498) (Line 94 Above)		X X X				

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

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

**Farley Health Care Corporation**  
**Organizational Chart**



