



# ANNUAL STATEMENT

For the Year Ended December 31, 2011

of the Condition and Affairs of the

## United Benefit Life Insurance Company

NAIC Group Code.....0084, 0084

(Current Period) (Prior Period)

Organized under the Laws of Ohio

Incorporated/Organized..... June 26, 1957

Statutory Home Office

NAIC Company Code..... 65269

Employer's ID Number..... 75-2305400

State of Domicile or Port of Entry Ohio

Country of Domicile US

Commenced Business..... August 13, 1957

Main Administrative Office

301 East Fourth Street..... Cincinnati ..... OH ..... 45202  
(Street and Number) (City or Town, State and Zip Code)

512-451-2224

(Area Code) (Telephone Number)

Mail Address

11200 Lakeline Blvd Ste 100..... Austin ..... TX ..... 78717  
(Street and Number) (City or Town, State and Zip Code)

Primary Location of Books and Records

11200 Lakeline Blvd Ste 100..... Austin ..... TX ..... 78717  
(Street and Number) (City or Town, State and Zip Code)

512-451-2224

(Area Code) (Telephone Number)

Internet Web Site Address

N/A

512-807-4801

Statutory Statement Contact

Jesse Navarrete

(Area Code) (Telephone Number) (Extension)

(Name)

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512-467-1399

(E-Mail Address)

(Fax Number)

## OFFICERS

### Name

1. Bradley Allen Wolfram #  
3. Brenda Weigilia Hardison

### Title

President  
Secretary

### Name

2. Byron Keith Buescher  
4. Mark Edward Alberts #

### Title

Treasurer  
Appointed Actuary

Thomas Edward Mischell  
Tracy Eugene Maples  
Christopher Patrick Miliano

Assistant Treasurer  
Chief Actuary  
Assistant Treasurer

Paul Adolph Severt  
Mark Francis Muething  
James Monroe Garvin, III #

Chief Financial Officer  
Assistant Secretary  
Vice President

## OTHER

Bradley Allen Wolfram #  
Paul Adolph Severt #

Christopher Patrick Miliano

Mark Francis Muething

Michael James Prager

## DIRECTORS OR TRUSTEES

State of..... Texas  
County of.... Williamson

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. 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)  
Bradley Allen Wolfram  
1. (Printed Name)  
President  
(Title)

(Signature)  
Byron Keith Buescher  
2. (Printed Name)  
Treasurer  
(Title)

(Signature)  
Brenda Weigilia Hardison  
3. (Printed Name)  
Secretary  
(Title)

Subscribed and sworn to before me  
This \_\_\_\_\_ day of February 2012

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

Yes [ X ] No [ ]

\_\_\_\_\_

**ASSETS**

|   | Current Year |                            |  | Prior Year                  |
|---|--------------|----------------------------|--|-----------------------------|
|   | 1<br>Assets  | 2<br>Nonadmitted<br>Assets | 3<br>Net Admitted<br>Assets<br>(Cols. 1 - 2) | 4<br>Net<br>Admitted Assets |
| 1. Bonds (Schedule D).....  | 1,983,440    |                            | 1,983,440                                    | 2,012,152                   |
| 2. Stocks (Schedule D):   |              |                            |  |                             |
| 2.1 Preferred stocks.....   |              |                            | 0  |                             |
| 2.2 Common stocks.....  |              |                            | 0  |                             |
| 3. Mortgage loans on real estate (Schedule B):  |              |                            |  |                             |
| 3.1 First liens.....  |              |                            | 0  |                             |
| 3.2 Other than first liens.....   |              |                            | 0  |                             |
| 4. Real estate (Schedule A):  |              |                            |  |                             |
| 4.1 Properties occupied by the company (less \$.....0<br>encumbrances).....   |              |                            | 0  |                             |
| 4.2 Properties held for the production of income (less \$.....0<br>encumbrances).....   |              |                            | 0  |                             |
| 4.3 Properties held for sale (less \$.....0 encumbrances).....  |              |                            | 0  |                             |
| 5. Cash (\$....43,719, Sch. E-Part 1), cash equivalents (\$.....0,<br>Sch. E-Part 2) and short-term investments (\$....1,133,749, Sch. DA).....         | 1,177,468    |                            | 1,177,468                                    | 1,146,033                   |
| 6. Contract loans (including \$.....0 premium notes).....   |              |                            | 0  |                             |
| 7. Derivatives (Schedule DB).....   |              |                            | 0  |                             |
| 8. Other invested assets (Schedule BA).....   |              |                            | 0  |                             |
| 9. Receivables for securities.....  |              |                            | 0  |                             |
| 10. Securities lending reinvested collateral assets (Schedule DL).....  |              |                            | 0  |                             |
| 11. Aggregate write-ins for invested assets.....  | 0            | 0                          | 0  | 0                           |
| 12. Subtotals, cash and invested assets (Lines 1 to 11).....  | 3,160,908    | 0                          | 3,160,908                                    | 3,158,185                   |
| 13. Title plants less \$.....0 charged off (for Title insurers only).....   |              |                            | 0  |                             |
| 14. Investment income due and accrued.....  | 26,097       |                            | 26,097                                       | 26,097                      |
| 15. Premiums and considerations:  |              |                            |  |                             |
| 15.1 Uncollected premiums and agents' balances in course of collection.....   |              |                            | 0  |                             |
| 15.2 Deferred premiums, agents' balances and installments booked but deferred<br>and not yet due (including \$.....0 earned but unbilled premiums)..... |              |                            | 0  |                             |
| 15.3 Accrued retrospective premiums.....  |              |                            | 0  |                             |
| 16. Reinsurance:  |              |                            |  |                             |
| 16.1 Amounts recoverable from reinsurers.....   |              |                            | 0  |                             |
| 16.2 Funds held by or deposited with reinsured companies.....   |              |                            | 0  |                             |
| 16.3 Other amounts receivable under reinsurance contracts.....  |              |                            | 0  |                             |
| 17. Amounts receivable relating to uninsured plans.....   |              |                            | 0  |                             |
| 18.1 Current federal and foreign income tax recoverable and interest thereon.....   |              |                            | 0  | .49                         |
| 18.2 Net deferred tax asset.....  | 458          |                            | .458   |                             |
| 19. Guaranty funds receivable or on deposit.....  | 328          |                            | 328  | .328                        |
| 20. Electronic data processing equipment and software.....  |              |                            | 0  |                             |
| 21. Furniture and equipment, including health care delivery assets (\$.....0).....  |              |                            | 0  |                             |
| 22. Net adjustment in assets and liabilities due to foreign exchange rates.....   |              |                            | 0  |                             |
| 23. Receivables from parent, subsidiaries and affiliates.....   | 5,685        |                            | .5,685                                       |                             |
| 24. Health care (\$.....0) and other amounts receivable.....  |              |                            | 0  |                             |
| 25. Aggregate write-ins for other than invested assets.....   | 1,309        | 1,309                      | 0  | 0                           |
| 26. Total assets excluding Separate Accounts, Segregated Accounts and Protected<br>Cell Accounts (Lines 12 to 25).....                                  | 3,194,785    | 1,309                      | 3,193,476                                    | 3,184,659                   |
| 27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....  |              |                            | 0  |                             |
| 28. TOTALS (Lines 26 and 27).....   | 3,194,785    | 1,309                      | 3,193,476                                    | 3,184,659                   |

**DETAILS OF WRITE-INS**

|  |       |       |   |   |
|--|-------|-------|---|---|
| 1101. ....   |       |       | 0 |   |
| 1102. ....   |       |       | 0 |   |
| 1103. ....   |       |       | 0 |   |
| 1198. Summary of remaining write-ins for Line 11 from overflow page..... | 0     | 0     | 0 | 0 |
| 1199. Totals (Lines 1101 thru 1103 plus 1198) (Line 11 above).....       | 0     | 0     | 0 | 0 |
| 2501. Premium Tax Refund.....  | 1,309 | 1,309 | 0 |   |
| 2502. ....   |       |       | 0 |   |
| 2503. ....   |       |       | 0 |   |
| 2598. Summary of remaining write-ins for Line 25 from overflow page..... | 0     | 0     | 0 | 0 |
| 2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above).....       | 1,309 | 1,309 | 0 | 0 |

**LIABILITIES, SURPLUS AND OTHER FUNDS**

|   | 1<br>Current Year | 2<br>Prior Year |
|---|-------------------|-----------------|
| 1. Aggregate reserve for life contracts \$.....0 (Exhibit 5, Line 9999999) less \$.....0 included in Line 6.3 (including \$.....0 Modco Reserve).....   |                   |                 |
| 2. Aggregate reserve for accident and health contracts (Exhibit 6, Line 17, Col. 1) (including \$.....0 Modco Reserve).....   |                   |                 |
| 3. Liability for deposit-type contracts (Exhibit 7, Line 14, Col. 1) (including \$.....0 Modco Reserve).....  |                   |                 |
| 4. Contract claims:   |                   |                 |
| 4.1 Life (Exhibit 8, Part 1, Line 4.4, Col. 1 less sum of Cols. 9, 10 and 11).....  |                   |                 |
| 4.2 Accident and health (Exhibit 8, Part 1, Line 4.4, sum of Cols. 9, 10 and 11).....   |                   |                 |
| 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, Col. 1, sum of Lines 4 and 14)..... |                   |                 |
| 9. Contract liabilities not included elsewhere:   |                   |                 |
| 9.1 Surrender values on canceled contracts.....   |                   |                 |
| 9.2 Provision for experience rating refunds, including the liability of \$.....0 accident and health experience rating refunds of which \$.....0 is for medical loss ratio rebate per the Public Health Service Act.....              |                   |                 |
| 9.3 Other amounts payable on reinsurance, including \$.....0 assumed and \$.....0 ceded.....  |                   |                 |
| 9.4 Interest Maintenance Reserve (IMR, Line 6).....   | 54,962            | 57,134          |
| 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 (Exhibit 2, Line 12, Col. 6).....   |                   |                 |
| 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).....  |                   | 1,890           |
| 15.1 Current federal and foreign income taxes, including \$.....0 on realized capital gains (losses).....   | 3,037             |                 |
| 15.2 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:  |                   |                 |
| 24.01 Asset valuation reserve (AVR Line 16, Col. 7).....  | .75               | .75             |
| 24.02 Reinsurance in unauthorized companies.....  |                   |                 |
| 24.03 Funds held under reinsurance treaties with unauthorized reinsurers.....   |                   |                 |
| 24.04 Payable to parent, subsidiaries and affiliates.....   | 149               | 188             |
| 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.....  | 0                 | 0               |
| 26. Total liabilities excluding Separate Accounts business (Lines 1 to 25).....   | 58,223            | 59,287          |
| 27. From Separate Accounts Statement.....   |                   |                 |
| 28. Total liabilities (Line 26 and 27).....   | 58,223            | 59,287          |
| 29. Common capital stock.....   | 1,500,000         | 2,500,000       |
| 30. Preferred capital stock.....  | 0                 | 0               |
| 31. Aggregate write-ins for other than special surplus funds.....   | 0                 | 0               |
| 32. Surplus notes.....  |                   |                 |
| 33. Gross paid in and contributed surplus (Page 3, Line 33, Col. 2 plus Page 4, Line 51.1, Col. 1).....   | 18,817,345        | 17,817,345      |
| 34. Aggregate write-ins for special surplus funds.....  | 0                 | 0               |
| 35. Unassigned funds (surplus).....   | (17,182,092)      | (17,191,973)    |
| 36. Less treasury stock, at cost:   |                   |                 |
| 36.1 ....0.000 shares common (value included in Line 29 \$.....0).....  |                   |                 |
| 36.2 ....0.000 shares preferred (value included in Line 30 \$.....0).....   |                   |                 |
| 37. Surplus (Total Lines 31 + 32 + 33 + 34 + 35 - 36) (including \$.....0 in Separate Accounts Statement).....  | 1,635,253         | 625,372         |
| 38. Totals of Lines 29, 30 and 37 (Page 4, Line 55).....  | 3,135,253         | 3,125,372       |
| 39. Totals of Lines 28 and 38 (Page 2, Line 28, Col. 3).....  | 3,193,476         | 3,184,659       |

**DETAILS OF WRITE-INS**

|  |   |   |
|--|---|---|
| 2501. ....   |   |   |
| 2502. ....   |   |   |
| 2503. ....   |   |   |
| 2598. Summary of remaining write-ins for Line 25 from overflow page..... | 0 | 0 |
| 2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above).....       | 0 | 0 |
| 3101. ....   |   |   |
| 3102. ....   |   |   |
| 3103. ....   |   |   |
| 3198. Summary of remaining write-ins for Line 31 from overflow page..... | 0 | 0 |
| 3199. Totals (Lines 3101 thru 3103 plus 3198) (Line 31 above).....       | 0 | 0 |
| 3401. ....   |   |   |
| 3402. ....   |   |   |
| 3403. ....   |   |   |
| 3498. Summary of remaining write-ins for Line 34 from overflow page..... | 0 | 0 |
| 3499. Totals (Lines 3401 thru 3403 plus 3498) (Line 34 above).....       | 0 | 0 |

# United Benefit Life Insurance Company

## SUMMARY OF OPERATIONS

|  | 1<br>Current Year | 2<br>Prior Year |
|--|-------------------|-----------------|
| 1. Premiums and annuity considerations for life and accident and health contracts (Exhibit 1, Part 1, Line 20.4, Col. 1, less Col. 11).....  |                   |                 |
| 2. Considerations for supplementary contracts with life contingencies.....   |                   |                 |
| 3. Net investment income (Exhibit of Net Investment Income, Line 17).....  | 40,204            | 40,391          |
| 4. Amortization of Interest Maintenance Reserve (IMR) (Line 5).....  | 2,172             | 2,016           |
| 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, Col. 1).....   |                   |                 |
| 7. Reserve adjustments on reinsurance ceded.....   |                   |                 |
| 8. Miscellaneous Income:   |                   |                 |
| 8.1 Income from fees associated with investment management, administration and contract guarantees from Separate Accounts.....   |                   |                 |
| 8.2 Charges and fees for deposit-type contracts.....   |                   |                 |
| 8.3 Aggregate write-ins for miscellaneous income.....  | 18,962            | 15,684          |
| 9. Totals (Lines 1 to 8.3).....  | 61,338            | 58,091          |
| 10. Death benefits.....  |                   |                 |
| 11. Matured endowments (excluding guaranteed annual pure endowments).....  |                   |                 |
| 12. Annuity benefits (Exhibit 8, Part 2, Line 6.4, Cols. 4 + 8).....   |                   |                 |
| 13. Disability benefits and benefits under accident and health contracts.....  |                   |                 |
| 14. Coupons, guaranteed annual pure endowments and similar benefits.....   |                   |                 |
| 15. Surrender benefits and withdrawals for life contracts.....   |                   |                 |
| 16. Group conversions.....   |                   |                 |
| 17. Interest and adjustments on contract or deposit-type contract funds.....   |                   |                 |
| 18. Payments on supplementary contracts with life contingencies.....   |                   |                 |
| 19. Increase in aggregate reserves for life and accident and health contracts.....   |                   |                 |
| 20. Totals (Lines 10 to 19).....   | 0                 | 0               |
| 21. Commissions on premiums, annuity considerations and deposit-type contract funds (direct business only) (Exhibit 1, Part 2, Line 31, Col. 1).....                                   |                   |                 |
| 22. Commissions and expense allowances on reinsurance assumed (Exhibit 1, Part 2, Line 26.2, Col. 1).....  |                   |                 |
| 23. General insurance expenses (Exhibit 2, Line 10, Columns 1, 2, 3 and 4).....  | 4,060             | 5,108           |
| 24. Insurance taxes, licenses and fees, excluding federal income taxes (Exhibit 3, Line 7, Cols. 1 + 2 + 3).....   | 41,982            | 44,879          |
| 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.....  | 0                 | 4,402           |
| 28. Totals (Lines 20 to 27).....   | 46,042            | 54,389          |
| 29. Net gain from operations before dividends to policyholders and federal income taxes (Line 9 minus Line 28).....  | 15,296            | 3,702           |
| 30. Dividends to policyholders.....  |                   |                 |
| 31. Net gain from operations after dividends to policyholders and before federal income taxes (Line 29 minus Line 30).....   | 15,296            | 3,702           |
| 32. Federal and foreign income taxes incurred (excluding tax on capital gains).....  | 4,564             | 11,028          |
| 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).....                      | 10,732            | (7,326)         |
| 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)..... |                   | (305)           |
| 35. Net income (Line 33 plus Line 34).....   | 10,732            | (7,631)         |
| <b>CAPITAL AND SURPLUS ACCOUNT</b>   |                   |                 |
| 36. Capital and surplus, December 31, prior year (Page 3, Line 38, Col. 2).....  | 3,125,372         | 3,131,781       |
| 37. Net income (Line 35).....  | 10,732            | (7,631)         |
| 38. Change in net unrealized capital gains (losses) less capital gains tax of \$.....0.....  |                   |                 |
| 39. Change in net unrealized foreign exchange capital gain (loss) .....  |                   |                 |
| 40. Change in net deferred income tax.....   | 458               | 122             |
| 41. Change in nonadmitted assets.....  | (1,309)           | 500             |
| 42. Change in liability for reinsurance in unauthorized companies.....   |                   |                 |
| 43. Change in reserve on account of change in valuation basis, (increase) or decrease (Exhibit 5A, Line 9999999, Col. 4).....  |                   |                 |
| 44. Change in asset valuation reserve .....  |                   | 600             |
| 45. Change in treasury stock, (Page 3, Lines 36.1 and 36.2 Col. 2 minus Col. 1).....   |                   |                 |
| 46. Surplus (contributed to) withdrawn from Separate Accounts during period.....   |                   |                 |
| 47. Other changes in surplus in Separate Accounts Statement.....   |                   |                 |
| 48. Change in surplus notes.....   |                   |                 |
| 49. Cumulative effect of changes in accounting principles.....   |                   |                 |
| 50. Capital changes:   |                   |                 |
| 50.1 Paid in.....  |                   |                 |
| 50.2 Transferred from surplus (Stock Dividend).....  |                   |                 |
| 50.3 Transferred to surplus.....   | (1,000,000)       |                 |
| 51. Surplus adjustment:  |                   |                 |
| 51.1 Paid in.....  |                   |                 |
| 51.2 Transferred to capital (Stock Dividend).....  |                   |                 |
| 51.3 Transferred from capital.....   | 1,000,000         |                 |
| 51.4 Change in surplus as a result of reinsurance.....   |                   |                 |
| 52. Dividends to stockholders.....   |                   |                 |
| 53. Aggregate write-ins for gains and losses in surplus.....   | 0                 | 0               |
| 54. Net change in capital and surplus for the year (Lines 37 through 53).....  | 9,881             | (6,409)         |
| 55. Capital and surplus, December 31, current year (Lines 36 + 54) (Page 3, Line 38).....  | 3,135,253         | 3,125,372       |

### DETAILS OF WRITE-INS

|   |        |        |
|---|--------|--------|
| 08.301. Miscellaneous Income.....   | 18,962 | 15,684 |
| 08.302. .....   |        |        |
| 08.303. .....   |        |        |
| 08.398. Summary of remaining write-ins for Line 8.3 from overflow page..... | 0      | 0      |
| 08.399. Totals (Lines 08.301 thru 08.303 plus 08.398) (Line 8.3 above)..... | 18,962 | 15,684 |
| 2701. Penalties.....  |        | 4,402  |
| 2702. .....   |        |        |
| 2703. .....   |        |        |
| 2798. Summary of remaining write-ins for Line 27 from overflow page.....    | 0      | 0      |
| 2799. Totals (Lines 2701 thru 2703 plus 2798) (Line 27 above).....          | 0      | 4,402  |
| 5301. .....   |        |        |
| 5302. .....   |        |        |
| 5303. .....   |        |        |
| 5398. Summary of remaining write-ins for Line 53 from overflow page.....    | 0      | 0      |
| 5399. Totals (Lines 5301 thru 5303 plus 5398) (Line 53 above).....          | 0      | 0      |

# United Benefit Life Insurance Company

## CASH FLOW

|  | 1<br>Current Year | 2<br>Prior Year |
|--|-------------------|-----------------|
| <b>CASH FROM OPERATIONS</b>  |                   |                 |
| 1. Premiums collected net of reinsurance.....  |                   |                 |
| 2. Net investment income.....  | .68,916           | 66,549          |
| 3. Miscellaneous income.....   | 18,962            | 15,684          |
| 4. Total (Lines 1 through 3).....  | 87,878            | 82,233          |
| 5. Benefit and loss related payments.....  |                   |                 |
| 6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts.....                    |                   |                 |
| 7. Commissions, expenses paid and aggregate write-ins for deductions.....                                      | 47,932            | 54,654          |
| 8. Dividends paid to policyholders.....  |                   |                 |
| 9. Federal and foreign income taxes paid (recovered) net of \$.....0 tax on capital gains (losses).....        | 1,478             |                 |
| 10. Total (Lines 5 through 9).....   | 49,410            | 54,654          |
| 11. Net cash from operations (Line 4 minus Line 10).....   | 38,468            | 27,579          |
| <b>CASH FROM INVESTMENTS</b>   |                   |                 |
| 12. Proceeds from investments sold, matured or repaid:   |                   |                 |
| 12.1 Bonds.....  |                   | 200,000         |
| 12.2 Stocks.....   |                   |                 |
| 12.3 Mortgage loans.....   |                   |                 |
| 12.4 Real estate.....  |                   |                 |
| 12.5 Other invested assets.....  |                   |                 |
| 12.6 Net gains or (losses) on cash, cash equivalents and short-term investments.....                           |                   |                 |
| 12.7 Miscellaneous proceeds.....   |                   |                 |
| 12.8 Total investment proceeds (Lines 12.1 to 12.7).....   | 0                 | 200,000         |
| 13. Cost of investments acquired (long-term only):   |                   |                 |
| 13.1 Bonds.....  |                   | 520,586         |
| 13.2 Stocks.....   |                   |                 |
| 13.3 Mortgage loans.....   |                   |                 |
| 13.4 Real estate.....  |                   |                 |
| 13.5 Other invested assets.....  |                   |                 |
| 13.6 Miscellaneous applications.....   |                   |                 |
| 13.7 Total investments acquired (Lines 13.1 to 13.6).....  | 0                 | 520,586         |
| 14. Net increase (decrease) in contract loans and premium notes.....   |                   |                 |
| 15. Net cash from investments (Line 12.8 minus Lines 13.7 minus Line 14).....                                  | 0                 | (320,586)       |
| <b>CASH FROM FINANCING AND MISCELLANEOUS SOURCES</b>   |                   |                 |
| 16. Cash provided (applied):   |                   |                 |
| 16.1 Surplus notes, capital notes.....   |                   |                 |
| 16.2 Capital and paid in surplus, less treasury stock.....   |                   |                 |
| 16.3 Borrowed funds.....   |                   |                 |
| 16.4 Net deposits on deposit-type contracts and other insurance liabilities.....                               |                   |                 |
| 16.5 Dividends to stockholders.....  |                   |                 |
| 16.6 Other cash provided (applied).....  | (7,033)           | 734             |
| 17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6)..... | (7,033)           | 734             |
| <b>RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS</b>                                     |                   |                 |
| 18. Net change in cash, cash equivalents and short-term investments (Line 11 plus Line 15 plus Line 17).....   | 31,435            | (292,273)       |
| 19. Cash, cash equivalents and short-term investments:   |                   |                 |
| 19.1 Beginning of year.....  | 1,146,033         | 1,438,306       |
| 19.2 End of year (Line 18 plus Line 19.1).....   | 1,177,468         | 1,146,033       |

Note: Supplemental disclosures of cash flow information for non-cash transactions:

|               |       |       |
|---------------|-------|-------|
| 20,0001 ..... | ..... | ..... |
|---------------|-------|-------|

**ANALYSIS OF OPERATIONS BY LINES OF BUSINESS**

|   | 1<br>Total | 2<br>Industrial<br>Life | Ordinary               |                              |                                 | 6<br>Credit Life<br>(Group and<br>Individual) | Group                     |                | Accident and Health |  |             | 12<br>Aggregate of<br>All Other Lines<br>of Business |
|---|------------|-------------------------|------------------------|------------------------------|---------------------------------|---|---------------------------|----------------|---------------------|--|-------------|--|
|   |            |                         | 3<br>Life<br>Insurance | 4<br>Individual<br>Annuities | 5<br>Supplementary<br>Contracts |   | 7<br>Life<br>Insurance(a) | 8<br>Annuities | 9<br>Group          | 10<br>Credit (Group<br>and Individual) | 11<br>Other |  |
| 1. Premiums and annuity considerations for life and accident and health contracts.....  | ..0        |                         |                        |                              |                                 |   |                           |                |                     |  |             |  |
| 2. Considerations for supplementary contracts with life contingencies.....  | ..0        |                         |                        |                              |                                 |   |                           |                |                     |  |             |  |
| 3. Net investment income.....   | 40,204     |                         |                        |                              |                                 |   |                           |                |                     |  |             | 40,204   |
| 4. Amortization of Interest Maintenance Reserve (IMR).....  | 2,172      |                         |                        |                              |                                 |   |                           |                |                     |  |             | 2,172  |
| 5. Separate Accounts net gain from operations excluding unrealized gains or losses.....   | ..0        |                         |                        |                              |                                 |   |                           |                |                     |  |             |  |
| 6. Commissions and expense allowances on reinsurance ceded.....   | ..0        |                         |                        |                              |                                 |   |                           |                |                     |  |             |  |
| 7. Reserve adjustments on reinsurance ceded.....  | ..0        |                         |                        |                              |                                 |   |                           |                |                     |  |             |  |
| 8. Miscellaneous Income:  |            |                         |                        |                              |                                 |   |                           |                |                     |  |             |  |
| 8.1 Fees associated with income from investment management, administration and contract guarantees from S/A.....  | ..0        |                         |                        |                              |                                 |   |                           |                |                     |  |             |  |
| 8.2 Charges and fees for deposit-type contracts.....  | ..0        |                         |                        |                              |                                 |   |                           |                |                     |  |             |  |
| 8.3 Aggregate write-ins for miscellaneous income.....   | 18,962     | 0                       | 0                      | 0                            | 0                               | 0   | 0                         | 0              | 0                   | 0                                      | 0           | 18,962   |
| 9. Totals (Lines 1 to 8.3).....   | 61,338     | 0                       | 0                      | 0                            | 0                               | 0   | 0                         | 0              | 0                   | 0                                      | 0           | 61,338   |
| 10. Death benefits.....   | ..0        |                         |                        |                              |                                 |   |                           |                |                     |  |             |  |
| 11. Matured endowments (excluding guaranteed annual pure endowments).....   | ..0        |                         |                        |                              |                                 |   |                           |                |                     |  |             |  |
| 12. Annuity benefits.....   | ..0        |                         |                        |                              |                                 |   |                           |                |                     |  |             |  |
| 13. Disability benefits and benefits under accident and health contracts.....   | ..0        |                         |                        |                              |                                 |   |                           |                |                     |  |             |  |
| 14. Coupons, guaranteed annual pure endowments and similar benefits.....  | ..0        |                         |                        |                              |                                 |   |                           |                |                     |  |             |  |
| 15. Surrender benefits and withdrawals for life contracts.....  | ..0        |                         |                        |                              |                                 |   |                           |                |                     |  |             |  |
| 16. Group conversions.....  | ..0        |                         |                        |                              |                                 |   |                           |                |                     |  |             |  |
| 17. Interest and adjustments on contract or deposit-type contract funds.....  | ..0        |                         |                        |                              |                                 |   |                           |                |                     |  |             |  |
| 18. Payments on supplementary contracts with life contingencies.....  | ..0        |                         |                        |                              |                                 |   |                           |                |                     |  |             |  |
| 19. Increase in aggregate reserves for life and accident and health contracts.....  | ..0        |                         |                        |                              |                                 |   |                           |                |                     |  |             |  |
| 20. Totals (Lines 10 to 19).....  | ..0        | 0                       | 0                      | 0                            | 0                               | 0   | 0                         | 0              | 0                   | 0                                      | 0           | 0  |
| 21. Commissions on premiums, annuity considerations and deposit-type contract funds (direct business only).....   | ..0        |                         |                        |                              |                                 |   |                           |                |                     |  |             |  |
| 22. Commissions and expense allowances on reinsurance assumed.....  | ..0        |                         |                        |                              |                                 |   |                           |                |                     |  |             |  |
| 23. General insurance expenses.....   | 4,060      |                         |                        |                              |                                 |   |                           |                |                     |  |             | 4,060  |
| 24. Insurance taxes, licenses and fees, excluding federal income taxes.....   | 41,982     |                         |                        |                              |                                 |   |                           |                |                     |  |             | 41,982   |
| 25. Increase in loading on deferred and uncollected premiums.....   | ..0        |                         |                        |                              |                                 |   |                           |                |                     |  |             |  |
| 26. Net transfers to or (from) Separate Accounts net of reinsurance.....  | ..0        |                         |                        |                              |                                 |   |                           |                |                     |  |             |  |
| 27. Aggregate write-ins for deductions.....   | ..0        | 0                       | 0                      | 0                            | 0                               | 0   | 0                         | 0              | 0                   | 0                                      | 0           | 0  |
| 28. Totals (Lines 20 to 27).....  | 46,042     | 0                       | 0                      | 0                            | 0                               | 0   | 0                         | 0              | 0                   | 0                                      | 0           | 46,042   |
| 29. Net gain from operations before dividends to policyholders and federal income taxes (Line 9 minus Line 28).....   | 15,296     | 0                       | 0                      | 0                            | 0                               | 0   | 0                         | 0              | 0                   | 0                                      | 0           | 15,296   |
| 30. Dividends to policyholders.....   | ..0        |                         |                        |                              |                                 |   |                           |                |                     |  |             |  |
| 31. Net gain from operations after dividends to policyholders and before federal income taxes (Line 29 minus Line 30).....  | 15,296     | 0                       | 0                      | 0                            | 0                               | 0   | 0                         | 0              | 0                   | 0                                      | 0           | 15,296   |
| 32. Federal income taxes incurred (excluding tax on capital gains).....   | 4,564      |                         |                        |                              |                                 |   |                           |                |                     |  |             | 4,564  |
| 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)..... | 10,732     | 0                       | 0                      | 0                            | 0                               | 0   | 0                         | 0              | 0                   | 0                                      | 0           | 10,732   |

**DETAILS OF WRITE-INS**

|   |        |   |   |   |   |   |   |   |   |   |   |        |
|---|--------|---|---|---|---|---|---|---|---|---|---|--------|
| 08.301. Miscellaneous Income.....   | 18,962 |   |   |   |   |   |   |   |   |   |   | 18,962 |
| 08.302. .....   | 0      |   |   |   |   |   |   |   |   |   |   |        |
| 08.303. .....   | 0      |   |   |   |   |   |   |   |   |   |   |        |
| 08.398. Summary of remaining write-ins for Line 8.3 from overflow page..... | 0      | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0      |
| 08.399. Total (Lines 08.301 thru 08.303 plus 08.398) (Line 8.3 above).....  | 18,962 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 18,962 |
| 2701. .....   | 0      |   |   |   |   |   |   |   |   |   |   |        |
| 2702. .....   | 0      |   |   |   |   |   |   |   |   |   |   |        |
| 2703. .....   | 0      |   |   |   |   |   |   |   |   |   |   |        |
| 2798. Summary of remaining write-ins for Line 27 from overflow page.....    | 0      | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0      |
| 2799. Total (Lines 2701 thru 2703 plus 2798) (Line 27 above).....           | 0      | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0      |

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

**ANALYSIS OF INCREASE IN RESERVES DURING THE YEAR**

|  | 1<br>Total | 2<br>Industrial<br>Life | Ordinary            |                           |                                 | 6<br>Credit Life<br>(Group and<br>Individual) | Group               |                |
|--|------------|-------------------------|---------------------|---------------------------|---------------------------------|---|---------------------|----------------|
|  |            |                         | 3<br>Life Insurance | 4<br>Individual Annuities | 5<br>Supplementary<br>Contracts |   | 7<br>Life Insurance | 8<br>Annuities |
| <b>Involving Life or Disability Contingencies (Reserves)</b>                                   |            |                         |                     |                           |                                 |   |                     |                |
| (Net of Reinsurance Ceded)   |            |                         |                     |                           |                                 |   |                     |                |
| 1. Reserve December 31, prior year.....  | 0          |                         |                     |                           |                                 |   |                     |                |
| 2. Tabular net premiums or considerations.....   | 0          |                         |                     |                           |                                 |   |                     |                |
| 3. Present value of disability claims incurred.....  | 0          |                         |                     |                           | XXX                             |   |                     |                |
| 4. Tabular interest.....   | 0          |                         |                     |                           |                                 |   |                     |                |
| 5. Tabular less actual reserve released.....   | 0          |                         |                     |                           |                                 |   |                     |                |
| 6. Increase in reserve on account of change in valuation basis.....                            | 0          |                         |                     |                           |                                 |   |                     |                |
| 7. Other increases (net).....  | 0          |                         |                     |                           |                                 |   |                     |                |
| 8. Totals (Lines 1 to 7).....  | 0          | 0                       | 0                   | 0                         | 0                               | 0   | 0                   | 0              |
| 9. Tabular cost.....   | 0          |                         |                     |                           | XXX                             |   |                     |                |
| 10. Reserves released by death.....  | 0          |                         |                     | XXX                       | XXX                             |   |                     | XXX            |
| 11. Reserves released by other terminations (net).....   | 0          |                         |                     |                           |                                 |   |                     |                |
| 12. Annuity, supplementary contract, and disability payments involving life contingencies..... | 0          |                         |                     |                           |                                 |   |                     |                |
| 13. Net transfers to or (from) Separate Accounts.....  | 0          |                         |                     |                           |                                 |   |                     |                |
| 14. Total deductions (Lines 9 to 13).....  | 0          | 0                       | 0                   | 0                         | 0                               | 0   | 0                   | 0              |
| 15. Reserve December 31, current year.....   | 0          | 0                       | 0                   | 0                         | 0                               | 0   | 0                   | 0              |

**NONE**

**EXHIBIT OF NET INVESTMENT INCOME**

|  |          | 1<br>Collected<br>During Year | 2<br>Earned<br>During Year |
|--|----------|-------------------------------|----------------------------|
| 1. U.S. government bonds.....  | (a)..... | 43,706                        | .43,706                    |
| 1.1 Bonds exempt from U.S. tax.....  | (a)..... |                               |                            |
| 1.2 Other bonds (unaffiliated).....  | (a)..... |                               |                            |
| 1.3 Bonds of affiliates.....   | (a)..... |                               |                            |
| 2.1 Preferred stocks (unaffiliated).....                                     | (b)..... |                               |                            |
| 2.11 Preferred stocks of affiliates.....                                     | (b)..... |                               |                            |
| 2.2 Common stocks (unaffiliated).....  |          |                               |                            |
| 2.21 Common stocks of affiliates.....  |          |                               |                            |
| 3. Mortgage loans.....   | (c)..... |                               |                            |
| 4. Real estate.....  | (d)..... |                               |                            |
| 5. Contract loans.....   |          |                               |                            |
| 6. Cash, cash equivalents and short-term investments.....                    | (e)..... | 287                           | .287                       |
| 7. Derivative instruments.....   | (f)..... |                               |                            |
| 8. Other invested assets.....  |          |                               |                            |
| 9. Aggregate write-ins for investment income.....                            |          | 0                             | .0                         |
| 10. Total gross investment income.....                                       |          | 43,993                        | .43,993                    |
| 11. Investment expenses.....   | (g)..... |                               | 3,789                      |
| 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)..... |                               | .0                         |
| 15. Aggregate write-ins for deductions from investment income.....           |          |                               | .0                         |
| 16. Total deductions (Lines 11 through 15).....                              |          |                               | 3,789                      |
| 17. Net investment income (Line 10 minus Line 16).....                       |          |                               | .40,204                    |

**DETAILS OF WRITE-INS**

|  |  |   |    |
|--|--|---|----|
| 0901.....  |  |   |    |
| 0902.....  |  |   |    |
| 0903.....  |  |   |    |
| 0998. Summary of remaining write-ins for Line 9 from overflow page.....  |  | 0 | .0 |
| 0999. Totals (Lines 0901 thru 0903 plus 0998) (Line 9 above).....        |  | 0 | .0 |
| 1501.....  |  |   |    |
| 1502.....  |  |   |    |
| 1503.....  |  |   |    |
| 1598. Summary of remaining write-ins for Line 15 from overflow page..... |  |   | .0 |
| 1599. Totals (Lines 1501 thru 1503 plus 1598) (Line 15 above).....       |  |   | .0 |

(a) Includes \$.....0 accrual of discount less \$.....28,712 amortization of premium and less \$.....0 paid for accrued interest on purchases.  
 (b) Includes \$.....0 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued dividends on purchases.  
 (c) Includes \$.....0 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued interest on purchases.  
 (d) Includes \$.....0 for company's occupancy of its own buildings; and excludes \$.....0 interest on encumbrances.  
 (e) Includes \$.....0 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued interest on purchases.  
 (f) Includes \$.....0 accrual of discount less \$.....0 amortization of premium.  
 (g) Includes \$.....0 investment expenses and \$.....0 investment taxes, licenses and fees, excluding federal income taxes, attributable to Segregated and Separate Accounts.  
 (h) Includes \$.....0 interest on surplus notes and \$.....0 interest on capital notes.  
 (i) Includes \$.....0 depreciation on real estate and \$.....0 depreciation on other invested assets.

**EXHIBIT OF CAPITAL GAINS (LOSSES)**

|   | 1<br>Realized<br>Gain (Loss)<br>on Sales<br>or Maturity | 2<br>Other<br>Realized<br>Adjustments | 3<br>Total Realized<br>Capital Gain (Loss)<br>(Columns 1 + 2) | 4<br>Change in<br>Unrealized<br>Capital Gain (Loss) | 5<br>Change in<br>Unrealized<br>Foreign Exchange<br>Capital Gain (Loss) |
|---|---|---------------------------------------|---|---|---|
| 1. U.S. government bonds.....                             |   |                                       | 0   |   |   |
| 1.1 Bonds exempt from U.S. tax.....                       |   |                                       | 0   |   |   |
| 1.2 Other bonds (unaffiliated).....                       |   |                                       | 0   |   |   |
| 1.3 Bonds of affiliates.....                              |   |                                       | 0   |   |   |
| 2.1 Preferred stocks (unaffiliated).....                  |   |                                       | 0   |   |   |
| 2.11 Preferred stocks of affiliates.....                  |   |                                       | 0   |   |   |
| 2.2 Common stocks (unaffiliated).....                     |   |                                       | 0   |   |   |
| 2.21 Common stocks of affiliates.....                     |   |                                       | 0   |   |   |
| 3. Mortgage loans.....                                    |   |                                       | 0   |   |   |
| 4. Real estate.....                                       |   |                                       | 0   |   |   |
| 5. Contract loans.....                                    |   |                                       | 0   |   |   |
| 6. Cash, cash equivalents and short-term investments..... |   |                                       | 0   |   |   |
| 7. Derivative instruments.....                            |   |                                       | 0   |   |   |
| 8. Other invested assets.....                             |   |                                       | 0   |   |   |
| 9. Aggregate write-ins for capital gains (losses).....    | 0   | 0                                     | 0   | 0   | 0   |
| 10. Total capital gains (losses).....                     | 0   | 0                                     | 0   | 0   | 0   |

**DETAILS OF WRITE-INS**

|   |   |   |   |   |   |
|---|---|---|---|---|---|
| 0901.....   |   |   | 0 |   |   |
| 0902.....   |   |   | 0 |   |   |
| 0903.....   |   |   | 0 |   |   |
| 0998. Summary of remaining write-ins for Line 9 from overflow page..... | 0 | 0 | 0 | 0 | 0 |
| 0999. Totals (Lines 0901 thru 0903 plus 0998) (Line 9 above).....       | 0 | 0 | 0 | 0 | 0 |

**Ex. 1-Pt. 1-Premiums & Annuity Considerations**  
**NONE**

**Ex. 1-Pt. 2-Dividends & Coupons Applied**  
**NONE**

**United Benefit Life Insurance Company**  
**EXHIBIT 2 - GENERAL EXPENSES**

|   | Insurance                   |                       |                | 5<br>Investment | 6<br>Total |  |  |
|---|-----------------------------|-----------------------|----------------|-----------------|------------|--|--|
|   | 1<br>Life                   | Accident and Health   |                |                 |            |  |  |
|   |                             | 2<br>Cost Containment | 3<br>All Other |                 |            |  |  |
| 1. Rent.....  |                             |                       |                |                 | 0          |  |  |
| 2. Salaries and wages.....  |                             |                       |                |                 | 0          |  |  |
| 3.11 Contributions for benefit plans for employees.....                     |                             |                       |                |                 | 0          |  |  |
| 3.12 Contributions for benefit plans for agents.....                        |                             |                       |                |                 | 0          |  |  |
| 3.21 Payments to employees under non-funded benefit plans.....              |                             |                       |                |                 | 0          |  |  |
| 3.22 Payments to agents under non-funded benefit plans.....                 |                             |                       |                |                 | 0          |  |  |
| 3.31 Other employee welfare.....  |                             |                       |                |                 | 0          |  |  |
| 3.32 Other agent welfare.....   |                             |                       |                |                 | 0          |  |  |
| 4.1 Legal fees and expenses.....  |                             |                       |                |                 | 0          |  |  |
| 4.2 Medical examination fees.....   |                             |                       |                |                 | 0          |  |  |
| 4.3 Inspection report fees.....   |                             |                       |                |                 | 0          |  |  |
| 4.4 Fees of public accountants and consulting actuaries.....                |                             |                       |                |                 | 0          |  |  |
| 4.5 Expense of investigation and settlement of policy claims.....           |                             |                       |                | 14              | 14         |  |  |
| 5.1 Traveling expenses.....   |                             |                       |                |                 | 0          |  |  |
| 5.2 Advertising.....  |                             |                       |                |                 | 0          |  |  |
| 5.3 Postage, express, telegraph and telephone.....                          |                             |                       |                |                 | 0          |  |  |
| 5.4 Printing and stationery.....  |                             |                       |                | 1,387           | 1,387      |  |  |
| 5.5 Cost or depreciation of furniture and equipment.....                    |                             |                       |                |                 | 0          |  |  |
| 5.6 Rental of equipment.....  |                             |                       |                |                 | 0          |  |  |
| 5.7 Cost or depreciation of EDP equipment and software.....                 |                             |                       |                |                 | 0          |  |  |
| 6.1 Books and periodicals.....  |                             |                       |                |                 | 0          |  |  |
| 6.2 Bureau and association fees.....  |                             |                       |                |                 | 0          |  |  |
| 6.3 Insurance, except on real estate.....                                   |                             |                       |                |                 | 0          |  |  |
| 6.4 Miscellaneous losses.....   |                             |                       |                |                 | 0          |  |  |
| 6.5 Collection and bank service charges.....                                |                             |                       |                | 2,659           | 2,659      |  |  |
| 6.6 Sundry general expenses.....  |                             |                       |                |                 | 0          |  |  |
| 6.7 Group service and administration fees.....                              |                             |                       |                |                 | 0          |  |  |
| 6.8 Reimbursements by uninsured plans.....                                  |                             |                       |                |                 | 0          |  |  |
| 7.1 Agency expense allowance.....   |                             |                       |                |                 | 0          |  |  |
| 7.2 Agents' balances charged off (less \$.....0 recovered).....             |                             |                       |                |                 | 0          |  |  |
| 7.3 Agency conferences other than local meetings.....                       |                             |                       |                |                 | 0          |  |  |
| 9.1 Real estate expenses.....   |                             |                       |                |                 | 0          |  |  |
| 9.2 Investment expenses not included elsewhere.....                         |                             |                       |                | 3,789           | 3,789      |  |  |
| 9.3 Aggregate write-ins for expenses.....                                   | 0                           | 0                     | 0              | 0               | 0          |  |  |
| 10. General expenses Incurred.....  | 0                           | 0                     | 0              | 4,060           | 3,789      |  |  |
| 11. General expenses unpaid December 31, prior year.....                    |                             |                       |                |                 | (a) 7,849  |  |  |
| 12. General expenses unpaid December 31, current year.....                  |                             |                       |                |                 | 0          |  |  |
| 13. Amounts receivable relating to uninsured plans, prior year.....         |                             |                       |                |                 | 0          |  |  |
| 14. Amounts receivable relating to uninsured plans, current year.....       |                             |                       |                |                 | 0          |  |  |
| 15. General expenses paid during year (Lines 10 + 11 - 12 - 13 + 14).....   | 0                           | 0                     | 0              | 4,060           | 3,789      |  |  |
|   | <b>DETAILS OF WRITE-INS</b> |                       |                |                 |            |  |  |
| 09.301.....   |                             |                       |                |                 | 0          |  |  |
| 09.302.....   |                             |                       |                |                 | 0          |  |  |
| 09.303.....   |                             |                       |                |                 | 0          |  |  |
| 09.398. Summary of remaining write-ins for Line 9.3 from overflow page..... | 0                           | 0                     | 0              | 0               | 0          |  |  |
| 09.399. Totals (Lines 09.301 thru 09.303 plus 09.398)(Line 9.3 above).....  | 0                           | 0                     | 0              | 0               | 0          |  |  |

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

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

|  | Insurance |                             |                                     | 4<br>Investment | 5<br>Total |
|--|-----------|-----------------------------|-------------------------------------|-----------------|------------|
|  | 1<br>Life | 2<br>Accident<br>and Health | 3<br>All Other Lines<br>of Business |                 |            |
| 1. Real estate taxes.....  |           |                             |                                     |                 | 0          |
| 2. State insurance department licenses and fees.....                 |           |                             |                                     |                 | 33,942     |
| 3. State taxes on premiums.....                                      |           |                             |                                     |                 | 3,778      |
| 4. Other state taxes, including \$.....0 for employee benefits.....  |           |                             |                                     |                 | 0          |
| 5. U.S. Social Security taxes.....                                   |           |                             |                                     |                 | 0          |
| 6. All other taxes.....  |           |                             |                                     |                 | 4,262      |
| 7. Taxes, licenses and fees incurred.....                            | 0         | 0                           | 41,982                              | 0               | 41,982     |
| 8. Taxes, licenses and fees unpaid December 31, prior year.....      |           |                             | 1,890                               |                 | 1,890      |
| 9. Taxes, licenses and fees unpaid December 31, current year.....    |           |                             |                                     |                 | 0          |
| 10. Taxes, licenses and fees paid during year (Lines 7 + 8 - 9)..... | 0         | 0                           | 43,872                              | 0               | 43,872     |

**EXHIBIT 4 - DIVIDENDS OR REFUNDS**

|  | 1<br>Life | 2<br>Accident and Health |
|--|-----------|--------------------------|
| 1. Applied to pay renewal premiums.....  |           |                          |
| 2. Applied to shorten the endowment or premium-paying period.....                          |           |                          |
| 3. Applied to provide paid-up additions.....   |           |                          |
| 4. Applied to provide paid-up annuities.....   |           |                          |
| 5. Total Lines 1 through 4.....  | 0         | 0                        |
| 6. Paid-in cash.....   |           |                          |
| 7. Left on deposit.....  |           |                          |
| 8. Aggregate write-ins for dividend or refund options.....                                 | 0         | 0                        |
| 9. Total Lines 5 through 8.....  | 0         | 0                        |
| 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.....   | 0         | 0                        |
| 16. Total from prior year.....   |           |                          |
| 17. Total dividends or refunds (Lines 9 + 15 - 16).....                                    | 0         | 0                        |

**DETAILS OF WRITE-INS**

|   |  |   |
|---|--|---|
| 0801.....   |  |   |
| 0802.....   |  |   |
| 0803.....   |  |   |
| 0898. Summary of remaining write-ins for Line 8 from overflow page..... |  | 0 |
| 0899. Totals (Line 0801 thru 0803 plus 0898) (Line 8 above).....        |  | 0 |

**United Benefit Life Insurance Company**  
**EXHIBIT 5 - AGGREGATE RESERVE FOR LIFE CONTRACTS**

| 1<br>Valuation Standard | 2<br>Total | 3<br>Industrial | 4<br>Ordinary | 5<br>Credit<br>(Group and<br>Individual) | 6<br>Group |
|-------------------------|------------|-----------------|---------------|--|------------|
|-------------------------|------------|-----------------|---------------|--|------------|

**NONE**

**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? If so, state: Yes [ ] No [X]  
 4.1 Amount of insurance: \$.....  
 4.2 Amount of reserve: \$.....  
 4.3 Basis of reserve: \$.....  
 4.4 Basis of regular assessments: \$.....  
 4.5 Basis of special assessments: \$.....  
 4.6 Assessments collected during year: \$.....

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: \$.....  
 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: \$.....  
 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: \$.....  
 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: \$.....  
 7.4 Identify where the reserves are reported in the blank.

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

| 1<br>Description of Valuation Class | Valuation Basis   |                 | 4<br>Increase in Actuarial Reserve Due To Change |
|-------------------------------------|-------------------|-----------------|--|
|                                     | 2<br>Changed From | 3<br>Changed To |  |
|                                     |                   |                 |  |

# NONE

**Ex. 6-Aggregate Reserves for A&H Policies**  
**NONE**

**Ex. 7-Deposit-Type Contracts**  
**NONE**

**Ex. 8-Pt. 1-Claims-Liability End of Current Year**  
**NONE**

**Ex. 8-Pt. 2-Claims-Incurred During the Year**  
**NONE**

**EXHIBIT OF NONADMITTED ASSETS**

|  | 1<br>Current Year<br>Total<br>Nonadmitted Assets | 2<br>Prior Year<br>Total<br>Nonadmitted Assets | 3<br>Change in Total<br>Nonadmitted Assets<br>(Col. 2 - Col. 1) |
|--|--|--|---|
| 1. Bonds (Schedule D).....   |  |  | 0   |
| 2. Stocks (Schedule D):  |  |  |   |
| 2.1 Preferred stocks.....  |  |  | 0   |
| 2.2 Common stocks.....   |  |  | 0   |
| 3. Mortgage loans on real estate (Schedule B):   |  |  |   |
| 3.1 First liens.....   |  |  | 0   |
| 3.2 Other than first liens.....  |  |  | 0   |
| 4. Real estate (Schedule A):   |  |  |   |
| 4.1 Properties occupied by the company.....  |  |  | 0   |
| 4.2 Properties held for the production of income.....  |  |  | 0   |
| 4.3 Properties held for sale.....  |  |  | 0   |
| 5. Cash (Schedule E-Part 1), cash equivalents (Schedule E-Part 2) and short-term investments (Schedule DA).....          |  |  | 0   |
| 6. Contract loans.....   |  |  | 0   |
| 7. Derivatives (Schedule DB).....  |  |  | 0   |
| 8. Other invested assets (Schedule BA).....  |  |  | 0   |
| 9. Receivables for securities.....   |  |  | 0   |
| 10. Securities lending reinvested collateral assets (Schedule DL).....   |  |  | 0   |
| 11. Aggregate write-ins for invested assets.....   | 0  | 0  | 0   |
| 12. Subtotals, cash and invested assets (Lines 1 to 11).....   | 0  | 0  | 0   |
| 13. Title plants (for Title insurers only).....  |  |  | 0   |
| 14. Investment income due and accrued.....   |  |  | 0   |
| 15. Premiums and considerations:   |  |  |   |
| 15.1 Uncollected premiums and agents' balances in the course of collection.....  |  |  | 0   |
| 15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due.....                       |  |  | 0   |
| 15.3 Accrued retrospective premiums.....   |  |  | 0   |
| 16. Reinsurance:   |  |  |   |
| 16.1 Amounts recoverable from reinsurers.....  |  |  | 0   |
| 16.2 Funds held by or deposited with reinsured companies.....  |  |  | 0   |
| 16.3 Other amounts receivable under reinsurance contracts.....   |  |  | 0   |
| 17. Amounts receivable relating to uninsured plans.....  |  |  | 0   |
| 18.1 Current federal and foreign income tax recoverable and interest thereon.....  |  |  | 0   |
| 18.2 Net deferred tax asset.....   |  |  | 0   |
| 19. Guaranty funds receivable or on deposit.....   |  |  | 0   |
| 20. Electronic data processing equipment and software.....   |  |  | 0   |
| 21. Furniture and equipment, including health care delivery assets.....  |  |  | 0   |
| 22. Net adjustment in assets and liabilities due to foreign exchange rates.....  |  |  | 0   |
| 23. Receivables from parent, subsidiaries and affiliates.....  |  |  | 0   |
| 24. Health care and other amounts receivable.....  |  |  | 0   |
| 25. Aggregate write-ins for other than invested assets.....  | 1,309  | 0  | (1,309)   |
| 26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 through 25)..... | 1,309  | 0  | (1,309)   |
| 27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....   |  |  | 0   |
| 28. TOTALS (Lines 26 and 27).....  | 1,309  | 0  | (1,309)   |

**DETAILS OF WRITE-INS**

|  |       |   |         |
|--|-------|---|---------|
| 1101. ....   |       |   | 0       |
| 1102. ....   |       |   | 0       |
| 1103. ....   |       |   | 0       |
| 1198. Summary of remaining write-ins for Line 11 from overflow page..... | 0     | 0 | 0       |
| 1199. Totals (Lines 1101 thru 1103 plus 1198) (Line 11 above).....       | 0     | 0 | 0       |
| 2501. Premium Tax Refund.....  | 1,309 |   | (1,309) |
| 2502. ....   |       |   | 0       |
| 2503. ....   |       |   | 0       |
| 2598. Summary of remaining write-ins for Line 25 from overflow page..... | 0     | 0 | 0       |
| 2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above).....       | 1,309 | 0 | (1,309) |

**NOTES TO FINANCIAL STATEMENTS****1. Summary of Significant Accounting Policies****a. Accounting Practices and Procedures**

The financial statements of United Benefit Life Insurance Company ("UBLIC" or "the Company") are presented on the basis of accounting practices prescribed or permitted by the Ohio Department of Insurance.

The Ohio Department of Insurance recognizes only Statutory Accounting Principles prescribed or permitted by the State of Ohio for determining and reporting the financial condition and results of operations of an insurance company, for determining its solvency under the Ohio Insurance Law. The National Association of Insurance Commissioners ("NAIC") *Accounting Practices and Procedures Manual* ("NAIC SAP") has been adopted as a component of prescribed or permitted practices by the State of Ohio.

**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. It also requires disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates.

**c. Accounting Policy**

In addition, the company uses the following accounting policies:

- (1) Short-term investments are stated at amortized cost.
- (2) Bonds not backed by other loans, rated 1 through 5 are stated at amortized cost using the interest method; those rated 6 are stated at lower of cost or market.
- (3) Common stocks -- Not applicable
- (4) Preferred stocks -- Not applicable
- (5) Mortgage loans -- Not applicable
- (6) Loan-backed securities with a NAIC rating 1 through 5 are stated at amortized cost using the interest method; all others are stated at the lower of amortized cost or market; for loan-backed bonds and structured securities, dealer modified anticipated prepayment assumptions are used at the date of purchase to determine effective yields; significant changes in estimated cash flows from the original purchase assumptions are accounted for on a prospective basis.
- (7) Investments in subsidiaries controlled and affiliated companies -- Not applicable.
- (8) Investments in joint ventures, partnerships and limited liability companies -- Not applicable
- (9) Derivatives -- Not applicable
- (10) Premium deficiency calculation -- Not applicable.
- (11) The Company has no accident and health contracts.
- (12) The Company has not modified its capitalization policy from the prior period.
- (13) The Company has no pharmaceutical rebate receivables.

**2. Accounting Changes and Corrections of Errors****a. The Company had no material changes in accounting principles and/or correction of errors.****3. Business Combinations and Goodwill -- Not applicable****4. Discontinued Operations -- The Company has no reportable discontinued operations.****5. Investments****a. Mortgage Loans, including Mezzanine Real Estate Loans -- Not applicable****b. Debt Restructuring -- Not applicable.****c. Reverse Mortgages -- Not applicable****d. Loan-Backed Securities**

- (1) The Company uses dealer-modeled prepayment assumptions for mortgage-backed and asset-backed securities at the date of purchase to determine effective yields; significant changes in estimated cash flows from the original purchase assumptions are accounted for on a prospective basis.
- (2) The Company does not currently hold any securities with a recognized other-than-temporary impairment where there is an intent to sell or an inability or lack of intent to hold the securities for a sufficient period of time necessary to recover the amortized cost basis of the securities.
- (3) The Company has no other-than-temporary impairments recognized in 2011.
- (4) The Company has no other-than-temporary unrealized losses in 2011.

**e. Repurchase Agreements and Securities Lending Transactions -- Not applicable****f. Real Estate -- Not applicable****g. Low Income Housing Tax Credits -- Not applicable****6. Joint Ventures, Partnerships and Limited Liability Companies -- Not applicable****7. Investment Income -- There was no due and accrued investment income excluded from capital and surplus at December 31, 2011 or 2010.**

**NOTES TO FINANCIAL STATEMENTS**

8. Derivative Instruments -- Not applicable.

9. Income Taxes

## a. Deferred Tax Assets and Deferred Tax Liabilities

(1) The components of the net deferred tax asset/(liability) at December 31, were as follows:

|   | 2011     |         |               | 2010     |         |             |
|---|----------|---------|---------------|----------|---------|-------------|
|   | Ordinary | Capital | Total         | Ordinary | Capital | Total       |
| Gross deferred tax assets                   | \$ 458   | \$ -    | \$ 458        | \$ -     | \$ -    | \$ -        |
| Gross deferred tax liabilities              | -        | -       | -             | -        | -       | -           |
| Net deferred tax assets (liabilities)       |          |         | 458           |          |         | -           |
| Deferred tax assets non-admitted            |          |         | -             |          |         | -           |
| Net admitted deferred tax asset (liability) |          |         | <u>\$ 458</u> |          |         | <u>\$ -</u> |

(2) The Company has elected to admit DTAs pursuant to SSAP 10R – Paragraph 10.e.

(3) As a result of this election, the Company has recognized additional deferred tax assets, as follows:

|   | 2011 | 2010 |
|---|------|------|
| Additional admitted deferred tax assets - SSAP 10R - Paragraph 10.e | \$ 0 | \$ 0 |
| Increase (decrease) for the year                                    | 0    | 0    |

(4) The result of the admissibility calculations pursuant to paragraph 10.a – 10.c are as follows:

|  | 2011     |         |                | 2010     |         |                |
|--|----------|---------|----------------|----------|---------|----------------|
|  | Ordinary | Capital | Total          | Ordinary | Capital | Total          |
| Recoverable through loss carrybacks                                      | \$ 458   | \$ -    | \$ 458         | \$ -     | \$ -    | \$ -           |
| Lesser of:   |          |         |                |          |         |                |
| Reversal of deferred tax assets<br>in the following year                 | -        | -       | -              | -        | -       | -              |
| 10% of adjusted capital and surplus                                      |          |         | <u>312,716</u> |          |         | <u>312,471</u> |
| Adjusted gross deferred tax assets<br>offset by deferred tax liabilities | -        | -       | -              | -        | -       | -              |
| Admitted deferred tax assets   |          |         | <u>\$ 458</u>  |          |         | <u>\$ -</u>    |

The result of the admissibility calculations pursuant to paragraph 10.e. are as follows:

|  | 2011     |         |                | 2010     |         |                |
|--|----------|---------|----------------|----------|---------|----------------|
|  | Ordinary | Capital | Total          | Ordinary | Capital | Total          |
| Recoverable through loss carrybacks                                      | \$ 458   | \$ -    | \$ 458         | \$ -     | \$ -    | \$ -           |
| Lesser of:   |          |         |                |          |         |                |
| Reversal of deferred tax assets<br>within three years                    | -        | -       | -              | -        | -       | -              |
| 15% of adjusted capital and surplus                                      |          |         | <u>469,073</u> |          |         | <u>468,707</u> |
| Adjusted gross deferred tax assets<br>offset by deferred tax liabilities | -        | -       | -              | -        | -       | -              |
| Admitted deferred tax assets   |          |         | <u>\$ 458</u>  |          |         | <u>\$ -</u>    |

(5) There was no impact of the Company's tax planning strategies on the adjusted gross DTA and net admitted DTA by character in 2011 and 2010.

(6) In 2011 and 2010, the Company elected to admit additional deferred tax assets pursuant to paragraph 10.e. of SSAP No. 10R. However, as result of this election, there were no changes to net of deferred tax liabilities, admitted assets, statutory capital and surplus, total adjusted capital for risk based capital ("RBC") or authorized control level RBC as of December 31, 2011 or 2010.

**NOTES TO FINANCIAL STATEMENTS**

b. The Company has recognized all its deferred tax liabilities.

c. The provisions for incurred taxes on earnings for the years ended December 31 are as follows:

|   | 2011            | 2010             |
|---|-----------------|------------------|
| Taxes on current operations             |                 |                  |
| Current year                            | \$ 4,564        | \$ 2,122         |
| Prior year adjustment                   | -               | 8,906            |
|   | <u>4,564</u>    | <u>11,028</u>    |
| Taxes on capital gains (losses)         |                 |                  |
| Current year                            | -               | 305              |
| Federal income taxes (benefit) incurred | <u>\$ 4,564</u> | <u>\$ 11,333</u> |

d. The Company's income tax expense and change in deferred income taxes differs from the amount obtained by applying the federal statutory rate of 35% to net income after dividends to policyholders are as follows:

|                                      | 2011            | 2010             |
|--------------------------------------|-----------------|------------------|
| Expected income tax at 35%           | \$ 5,354        | \$ 1,295         |
| Prior year adjustment                | -               | 8,906            |
| Other permanent differences          | 16              | -                |
| IMR Amortization                     | (760)           | (706)            |
| Non-deductible penalties             | -               | 1,540            |
| Non-admitted assets                  | (458)           | 175              |
| Other                                | (46)            | 1                |
| Total statutory federal income taxes | <u>\$ 4,106</u> | <u>\$ 11,211</u> |
| <br>Federal income taxes incurred    | <br>\$ 4,564    | <br>\$ 11,333    |
| Change in net deferred income taxes  | (458)           | (122)            |
| Total statutory federal income taxes | <u>\$ 4,106</u> | <u>\$ 11,211</u> |

e. As of December 31, 2011, the Company does not have any operating loss carryforwards or capital loss carryforwards available to offset future net income subject to federal income taxes.

The amount of federal income taxes paid and available for recoupment in the event of future net losses:

| Tax Year | Ordinary | Capital | Total   |
|----------|----------|---------|---------|
| 2011     | \$4,609  | -       | \$4,609 |
| 2010     | 2,122    | 305     | 2,427   |
| 2009     | -        | -       | -       |

f. The Company's federal income tax return is filed on a stand alone basis.

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

a.,b. & c. Related party transactions for 2011 and 2010 -- Not applicable.

d. At December 31, 2011, the Company reported \$5,685 due from and \$149 due to affiliated companies. The terms of the agreements require that these amounts be settled within 90 days.

e. During 2011 there were no material guarantees or undertakings, written or otherwise, for the benefit of an affiliate or related party that resulted in a material contingent exposure of the Company's or any related party's assets or liabilities.

f. Management or service contracts and all cost sharing arrangements involving the Company:

- (1) The Company has an agreement with GAFRI, subject to the direction of the finance committee of the Company, whereby GAFRI, along with the services provided by American Money Management, provides for money management and accounting services related to the investment portfolio.
- (2) Certain administrative, management, underwriting, claims, accounting, data processing, collection and investment services are provided under agreements between the Company and affiliates at charges not unfavorable to the Company or the affiliate.

g. The Company is an indirect subsidiary of Great American Financial Resources, Inc. ("GAFRI"), which is a subsidiary of American Financial Group, Inc.; 100% of the Company's outstanding common stock is directly owned by Provident American Life and Health Insurance Company. ("PALHIC"). See Schedule Y, Part 1, Organizational Chart.

h. The Company does not own shares of any upstream immediate entity or ultimate parent.

i. The Company has no investments in SCA entities.

j. The Company did not recognize any impairment write down for its investments in Subsidiary, Controlled or Affiliated companies during the statement period.

k. The Company has no investment in a foreign insurance subsidiary.

l. The Company has no investment in a downstream non-insurance holding company.

**11. Debt** -- The Company has no outstanding debt instruments.

**NOTES TO FINANCIAL STATEMENTS****12. Retirement Plans, Deferred Compensation, Post-employment Benefits and Compensated Absences and Other Post-retirement Benefit Plans.**

The Company does not participate in retirement plans, deferred compensation, post employment benefits, compensated absences and other post-retirement benefit plans.

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

a. The Company has 1,000 shares authorized and 1,000 shares issued and outstanding which are Class A shares. The Articles of Incorporation of UBLIC were amended to affect a change in the par value of their stock from \$2,500 per share to \$1,500 per share. As a result common capital stock was reduced and paid-in and contributed surplus was increased by \$1,000,000, respectively. These changes were reflected in the balance sheet as of June 30, 2011.

b. The Company has no preferred stock outstanding.

c. The maximum amount of dividends which can be paid to stockholders by life insurance companies domiciled in the State of Ohio without prior approval of the Insurance Commissioner is the greater of 10% of surplus as regards to policyholders or net income as of the preceding December 31, but only to the extent of earned surplus as of the preceding December 31. The maximum amount of dividends payable in 2012 without prior approval is \$0, as the Company has no earned surplus

d. The Company paid out no dividends in the year 2011.

e. Within the limitations of (c) above, there are no restrictions placed on the portion of Company profits that may be paid as ordinary dividends to stockholders.

f. There are no restrictions on the Company's surplus.

g. The total amount of advances to surplus not repaid is \$0.

h. The amounts of stock held by the Company, including stock of affiliated companies, for special purposes is:

|                                    |          |
|------------------------------------|----------|
| (1) Conversion of preferred stock: | 0 shares |
| (2) Employee stock options:        | 0 shares |
| (3) Stock purchase warrants:       | 0 shares |

i. There are no special surplus funds in the balance sheet.

j. The portion of unassigned funds (surplus) represented or (reduced) by each of the following items:

|  |         |
|--|---------|
| (1) Unrealized gains and losses:           | 0       |
| (2) Non-admitted asset values:             | (1,309) |
| (3) Separate account business:             | 0       |
| (4) Asset valuation reserves:              | (75)    |
| (5) Reinsurance in unauthorized companies: | 0       |

k. Surplus Notes -- Not applicable

l. The impact of any restatement due to prior quasi-reorganizations is as follows -- Not applicable

m. The effective date of all quasi-reorganization in the prior 10 years is/are -- Not applicable

**14. Contingencies**

a. Contingent Commitments -- No reportable material commitments or contingent commitments.

b. Assessments

From time to time, insurance companies may be assessed by various state insurance guaranty funds to help pay for the cost of other insurance companies' insolvencies. These assessments are generally recoverable in most states over a 3 to 10 year period through reduction in future premium tax liabilities. At December 31, 2011, the Company held \$328 in receivables from guaranty funds representing amounts previously paid or accrued which will be offset against future premium taxes.

c. Gain Contingencies -- No reportable material gain contingencies.

d. Claims related extra contractual obligations and bad faith losses stemming from lawsuits -- No reportable material losses.

e. All Other Contingencies -- No reportable material other contingencies.

**15. The Company has no leases.****16. Information About Financial Instruments with Off-Balance Sheet Risk and Financial Instruments with Concentrations of Credit Risk -- Not applicable****17. Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities -- The Company has no reportable transactions.****18. Gain or Loss to the Reporting Entity from Uninsured A&H 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 --The Company has no material assets and liabilities held at fair value.****21. Other Items**

a. Extraordinary Items -- No reportable material extraordinary items.

**NOTES TO FINANCIAL STATEMENTS**

- b. Troubled debt restructuring: Debtors -- Not applicable
- c. Other disclosures.

Assets in the amount of \$1,678,895 and \$1,703,729 at December 31, 2011 and 2010, respectively, were on deposit with government authorities or trustees as required by law.

- d. Uncollectible assets -- Not Applicable.
- e. Business interruption insurance recoveries -- There were no business interruption claims made or recovered.
- f. State transferable tax credits -- Not applicable.
- g. Subprime mortgage related risk exposure.
  - (1) Included in determining the company's exposure to sub-prime mortgage loans are the debt and equity securities of companies whose principal business includes the origination, securitization, providing of mortgage insurance on, investment in or management of sub-prime mortgage loans. Also included in such determination are those residential mortgage backed securities and collateral debt obligations in which the ultimate collateral supporting anticipated cash flows are sub-prime mortgage loans. In general, we limit the company's purchases of sub-prime residential mortgage backed securities to those securities with AAA ratings and whose underlying collateral is fixed-rate (as opposed to adjustable rate).
  - (2) The company does not have any investment with direct exposure in subprime mortgage loans.
  - (3) The company does not have any investments with indirect exposure in subprime mortgage loans.
  - (4) The company has no net underwriting exposure to subprime mortgage risk through Mortgage Guaranty coverage, Financial Guaranty coverage, Directors and officer liability coverage or Errors and omissions liability coverage, as a result of the pooling agreement (see Note 25).
- h. Retained Assets -- Not applicable.

22. Events Subsequent - Management has evaluated the financial statements for subsequent events through February 17, 2011, the date financial statements were available to be issued.

23. Reinsurance

- a. Ceded Reinsurance Report

(1) 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 )

If yes, give full details.

- (b) Have any policies issued by the company been reinsured with a company chartered in a country other than the United States (excluding U.S. Branches of such companies) that 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 )

If yes, give full details.

(2) 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 )

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

(ii) What is the total amount of reinsurance credits taken, whether as an asset or as a reduction of liability, for these agreements in this statement? \$\_\_\_\_\_

- (b) Does the reporting entity have any reinsurance agreements in effect such that the amount of losses paid or accrued through the statement date may result in a payment to the reinsurer of amounts that, in aggregate and allowing for offset of mutual credits from other reinsurance agreements with the same reinsurer, exceed the total direct premium collected under the reinsured policies?  
Yes ( ) No ( X )

If yes, give full details.

(3) Section 3 - Ceded Reinsurance Report - Part B

- (a) What is the estimated amount of the aggregate reduction in surplus, (for agreements other than those under which the reinsurer may unilaterally cancel for reasons other than for nonpayment of premium or other similar credits that are reflected in Section 2 above) of termination of ALL reinsurance agreements, by either party, as of the date of this statement? Where necessary, the company may consider the current or anticipated experience of the business reinsured in making this estimate. \$\_\_\_\_\_ None

- (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 that were in force or which had existing reserves established by the company as of the effective date of the agreement?  
Yes ( ) No ( X )

- b. Uncollectible Reinsurance -- No reinsurance recoverables were written off.

- c. The Company has no commutation of ceded reinsurance.

24. Retrospectively Rated Contracts & Contracts Subject to Redetermination -- Not applicable

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## **NOTES TO FINANCIAL STATEMENTS**

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25. Change in Incurred Losses and Loss Adjustment Expenses -- Not applicable.
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 Annuity Contracts -- Not applicable.
32. Analysis of Annuity Actuarial Reserves and Deposit Type Liabilities by Withdrawal Characteristics -- Not applicable.
33. Premium and Annuity Considerations Deferred and Uncollected -- Not applicable.
34. Separate Accounts -- Not applicable.
35. Loss/Claim Adjustment Expenses -- Not applicable.

# United Benefit Life Insurance Company

## 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 [ ]

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 [X] No [ ] N/A [ ]

1.3 State regulating? Ohio

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: N/A  
12/31/2011

3.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/2006

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. 12/31/2006

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). 01/25/2008

3.4 By what department or departments? Ohio Department of Insurance

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<br>Name of Entity | 2<br>NAIC Co. Code | 3<br>State of Domicile |
|                     |                    |                        |

6.1 Has the reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? Yes [ ] No [X]

6.2 If yes, give full information:

7.1 Does any foreign (non-United States) person or entity directly or indirectly control 10% or more of the reporting entity? Yes [ ] No [X]

7.2 If yes,  
7.21 State the percentage of foreign control .....%  
7.22 State the nationality(ies) of the foreign person(s) or entity(ies); or if the entity is a mutual or reciprocal, the nationality of its manager or attorney-in-fact and identify the type of entity(ies) (e.g., individual, corporation, government, manager or attorney-in-fact)

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

8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board? Yes [ ] No [X]

8.2 If response to 8.1 is yes, please identify the name of the bank holding company.

8.3 Is the company affiliated with one or more banks, thrifts or securities firms? Yes [ ] No [X]

8.4 If response to 8.3 is yes, please provide the names and 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 Office of Thrift Supervision (OTS), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.

|                     |                             |          |          |          |           |          |
|---------------------|-----------------------------|----------|----------|----------|-----------|----------|
| 1<br>Affiliate Name | 2<br>Location (City, State) | 3<br>FRB | 4<br>OCC | 5<br>OTS | 6<br>FDIC | 7<br>SEC |
|                     |                             |          |          |          |           |          |

9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?  
Ernst & Young, LLP 1900 Scripps Center, 312 Walnut Street, Cincinnati, Ohio 45202

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 the response to 10.1 is yes, provide information related to this exemption:

10.3 Has the insurer been granted any exemptions related to the other requirements of the Annual Financial Reporting Model Regulation as allowed for in Section 17A of the Model Regulation, or substantially similar state law or regulation? Yes [ ] No [X]

10.4 If the 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 [ ] No [X]

10.6 If the answer to 10.5 is no or n/a, please explain.  
The Audit Committee of American Financial Group, Inc., the Company's SOX compliant ultimate parent, will be deemed to serve as the Company's Audit Committee for the purposes of compliance with Ohio insurance law.

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?  
Mark E. Alberts FSA, MAAA; Alberts Actuarial Consulting LLC, 22 East 55th St, Indianapolis, IN 46220

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 .....  
12.13 Total book/adjusted carrying value .....

12.2 If yes, provide explanation.

# United Benefit Life Insurance Company

## GENERAL INTERROGATORIES

## 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 [ ] No [ ]

13.3 Have there been any changes made to any of the trust indentures during the year? Yes [ ] No [ ]

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 with a NAIC rating of 3 or below? Yes [ ] No [X]

15.2 If the response to 15.1 is yes, indicate the American Bankers Association (ABA) Routing Number and the name of the issuing or confirming bank of the Letter of Credit and describe the circumstances in which the Letter of Credit is triggered.

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

### PART 1 - COMMON INTERROGATORIES - 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 [ ]

### PART 1 - COMMON INTERROGATORIES - 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 the 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   | ..... |
| 21.22 Borrowed from others | ..... |
| 21.23 Leased from others   | ..... |
| 21.24 Other                | ..... |

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 [X] No [ ]

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                       | \$.....2,602 |

23.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? Yes [X] No [ ]

23.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount. \$.....0

### PART 1 - COMMON INTERROGATORIES - INVESTMENT

24.1 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 24.3)? Yes [X] No [ ]

24.2 If no, give full and complete information relating thereto.  
Not Applicable

24.3 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).  
The Company does not engage in securities lending.

24.4 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]

24.5 If answer to 24.4 is yes, report amount of collateral for conforming programs.

24.6 If answer to 24.4 is no, report amount of collateral for other programs.

24.7 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]

24.8 Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%? Yes [ ] No [ ] N/A [X]

**United Benefit Life Insurance Company****PART 1 - COMMON INTERROGATORIES - INVESTMENT**

24.9 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]

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 24.3)  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 Pledged as collateral                            | \$.....0         |
| 25.26 Placed under option agreements                   | \$.....0         |
| 25.27 Letter stock or securities restricted as to sale | \$.....0         |
| 25.28 On deposit with state or other regulatory body   | \$.....1,678,895 |
| 25.29 Other  | \$.....0         |

25.3 For category (25.27) provide the following:

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

26.1 Does the reporting entity have any hedging transactions reported on Schedule DB?  Yes [ ]  No [X]

26.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state?  Yes [ ]  No [ ]  N/A [X]

26.2 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:  Yes [ ]  No [X]

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

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

| 1<br>Name of Custodian(s)   | 2<br>Custodian's Address            |
|-----------------------------|-------------------------------------|
| The Bank of New York Mellon | One Wall Street, New York, NY 10286 |

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

| 1<br>Name(s) | 2<br>Location(s) | 3<br>Complete Explanation(s) |
|--------------|------------------|------------------------------|
|              |                  |                              |

28.03 Have there been any changes, including name changes, in the custodian(s) identified in 28.01 during the current year?  Yes [ ]  No [X]

28.04 If yes, give full and complete information relating thereto:

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

28.05 Identify all investment advisors, 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<br>Central Registration Depository Number(s) | 2<br>Name                             | 3<br>Address                              |
|--|---------------------------------------|---|
| Not Applicable                                 | American Money Management Corporation | 301 East 4th Street, Cincinnati, OH 45202 |

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

29.2 If yes, complete the following schedule:

| 1<br>CUSIP #   | 2<br>Name of Mutual Fund | 3<br>Book/Adj.Carrying Value |
|----------------|--------------------------|------------------------------|
| 29.2999. TOTAL |                          | 0                            |

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

| 1<br>Name of Mutual Fund<br>(from the above table) | 2<br>Name of Significant Holding<br>of the Mutual Fund | 3<br>Amount of Mutual<br>Fund's Book/Adjusted<br>Carrying Value<br>Attributable to Holding | 4<br>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<br>Statement<br>(Admitted)<br>Value | 2<br>Fair<br>Value | 3<br>Excess of Statement<br>over Fair Value (-),<br>or Fair Value over<br>Statement (+) |
|----------------------------|---------------------------------------|--------------------|---|
| 30.1 Bonds.....            | 3,117,189                             | 3,136,099          | 18,910  |
| 30.2 Preferred stocks..... |                                       |                    | 0   |
| 30.3 Totals.....           | 3,117,189                             | 3,136,099          | 18,910  |

30.4 Describe the sources or methods utilized in determining the fair values:  
 Fair values for Bond and Preferred stocks are determined by internal investment professionals at American Money Management Corporation (the Company's investment portfolio) using data from nationally recognized pricing services, broker quotes and available trade information. When data from these sources is not available (typically less than 1% of the portfolio), prices are developed internally by the investment professionals using widely published indices (as benchmarks), interest rates, issuer spreads, credit quality of the specific issuer and general economic conditions.

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 [ ]  No [X]

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. For securities that were priced using broker prices, the Company obtains data from brokers that are familiar with the securities being priced and the markets in which they trade.  Yes [ ]  No [ ]

32.1 Have all the filing requirements of the Purposes and Procedures Manual of the NAIC Securities Valuation Office been followed?  Yes [X]  No [ ]

32.2 If no, list exceptions:

**United Benefit Life Insurance Company****PART 1 - COMMON INTERROGATORIES - OTHER**

33.1 Amount of payments to trade associations, service organizations and statistical or rating bureaus, if any? \$.....0

33.2 List the name of the organization and the amount paid if any such payment represented 25% or more of the total payments to trade associations, service organizations and statistical or rating bureaus during the period covered by this statement.

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

34.1 Amount of payments for legal expenses, if any? \$.....0

34.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payments for legal expenses during the period covered by this statement.

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

35.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers or departments of government, if any? \$.....0

35.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payment expenditures in connection with matters before legislative bodies, officers or departments of government during the period covered by this statement.

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

**NONE**

**GENERAL INTERROGATORIES****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 .....

1.3 What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit? .....

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. .....

1.5 Indicate total incurred claims on all Medicare Supplement insurance. .....

1.6 Individual policies:

Most current three years:

1.61 Total premium earned .....

1.62 Total incurred claims .....

1.63 Number of covered lives .....

All years prior to most current three years:

1.64 Total premium earned .....

1.65 Total incurred claims .....

1.66 Number of covered lives .....

1.7 Group policies:

Most current three years:

1.71 Total premium earned .....

1.72 Total incurred claims .....

1.73 Number of covered lives .....

All years prior to most current three years:

1.74 Total premium earned .....

1.75 Total incurred claims .....

1.76 Number of covered lives .....

2. Health test:

| 1<br>Current Year                   | 2<br>Prior Year |
|-------------------------------------|-----------------|
| 2.1 Premium Numerator.....0         | .....0          |
| 2.2 Premium Denominator.....0       | .....0          |
| 2.3 Premium Ratio (2.1/2.2).....0.0 | .....0.0        |
| 2.4 Reserve Numerator.....0         | .....0          |
| 2.5 Reserve Denominator.....0       | .....0          |
| 2.6 Reserve Ratio (2.4/2.5).....0.0 | .....0.0        |

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? .....

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 [ ] .....

3.6 Has the reporting entity assumed by reinsurance any Separate Accounts business as of December 31? Yes [ ] No [ ] .....

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)"? .....

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 [X] No [ ] .....

4.2 Net reimbursement of such expenses between reporting entities:

4.21 Paid \$.....979 .....

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 .....

5.22 Page 4, Line 1 .....

6. For stock reporting entities only:

6.1 Total amount paid in by stockholders as surplus funds since organization of the reporting entity: \$.....18,817,345 .....

7. Total dividends paid stockholders since organization of the reporting entity:

7.11 Cash \$.....1,505,235 .....

7.12 Stock \$.....284,132 .....

**GENERAL INTERROGATORIES****PART 2 - LIFE INTERROGATORIES**

8.1 Does the company 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 [ ]

8.3 If 8.1 is yes, the amounts of earned premiums and claims incurred in this statement are:

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

8.4 If reinsurance assumed included amounts with attachment points below \$1,000,000, the distribution of the amounts reported in Lines 8.31 and

8.34 for Col. (1) are:

| 1<br>Earned<br>Premium         | 2<br>Claim Liability<br>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, Col. 1 was assumed from pools? .....

9.1 Does the company have variable annuities with guaranteed benefits?

Yes [ ] No [X]

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

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

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

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

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

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

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

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

.....

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.

.....

# United Benefit Life Insurance Company

## FIVE-YEAR HISTORICAL DATA

Show amounts in whole dollars only, no cents; show percentages to one decimal place, i.e., 17.6.

Show amounts of life insurance in this exhibit in thousands (omit \$000)

|   | 1<br>2011 | 2<br>2010 | 3<br>2009 | 4<br>2008 | 5<br>2007 |
|---|-----------|-----------|-----------|-----------|-----------|
| <b>Life Insurance in Force (Exhibit of Life Insurance)</b>  |           |           |           |           |           |
| 1. Ordinary - whole life and endowment (Line 34, Col. 4).....   |           |           |           |           |           |
| 2. Ordinary - term (Line 21, Col. 4, less Line 34, Col. 4).....   |           |           |           |           |           |
| 3. Credit life (Line 21, Col. 6).....   |           |           |           |           |           |
| 4. Group, excluding FEGLI/SGLI (Line 21, Col. 9 less Lines 43 & 44, Col. 4).....  |           |           |           |           |           |
| 5. Industrial (Line 21, Col. 2).....  |           |           |           |           |           |
| 6. FEGLI/SGLI (Lines 43 & 44, Col. 4).....  |           |           |           |           |           |
| 7. Total (Line 21, Col. 10).....  | 0         | 0         | 0         | 0         | 0         |
| <b>New Business Issued (Exhibit of Life Insurance)</b>  |           |           |           |           |           |
| 8. Ordinary - whole life and endowment (Line 34, Col. 2).....   |           |           |           |           |           |
| 9. Ordinary - term (Line 2, Col. 4, less Line 34, Col. 2).....  |           |           |           |           |           |
| 10. Credit life (Line 2, Col. 6).....   |           |           |           |           |           |
| 11. Group (Line 2, Col. 9).....   |           |           |           |           |           |
| 12. Industrial (Line 2, Col. 2).....  |           |           |           |           |           |
| 13. Total (Line 2, Col. 10).....  | 0         | 0         | 0         | 0         | 0         |
| <b>Premium Income - Lines of Business (Exhibit 1-Part 1)</b>  |           |           |           |           |           |
| 14. Industrial life (Line 20.4, Col. 2).....  |           |           |           |           |           |
| 15.1 Ordinary life insurance (Line 20.4, Col. 3).....   |           |           |           |           |           |
| 15.2 Ordinary individual annuities (Line 20.4, Col. 4).....   |           |           |           |           |           |
| 16. Credit life (group and individual) (Line 20.4, Col. 5).....   |           |           |           |           |           |
| 17.1 Group life insurance (Line 20.4, Col. 6).....  |           |           |           |           |           |
| 17.2 Group annuities (Line 20.4, Col. 7).....   |           |           |           |           |           |
| 18.1 A&H - group (Line 20.4, Col. 8).....   |           |           |           |           |           |
| 18.2 A&H - credit (group and individual) (Line 20.4, Col. 9).....   |           |           |           |           |           |
| 18.3 A&H - other (Line 20.4, Col. 10).....  |           |           |           |           |           |
| 19. Aggregate of all other lines of business (Line 20.4, Col. 11).....  |           |           |           |           |           |
| 20. Total.....  | 0         | 0         | 0         | 0         | 0         |
| <b>Balance Sheet (Pages 2 and 3)</b>  |           |           |           |           |           |
| 21. Total admitted assets excluding Separate Accounts business (Page 2, Line 26, Col. 3)....  | 3,193,476 | 3,184,659 | 3,193,626 | 3,194,511 | 3,154,064 |
| 22. Total liabilities excluding Separate Accounts business (Page 3, Line 26).....   | 58,223    | 59,287    | 61,845    | 64,770    | 42,141    |
| 23. Aggregate life reserves (Page 3, Line 1).....   |           |           |           |           |           |
| 24. Aggregate A&H reserves (Page 3, Line 2).....  |           |           |           |           |           |
| 25. Deposit-type contract funds (Page 3, Line 3).....   |           |           |           |           |           |
| 26. Asset valuation reserve (Page 3, Line 24.01).....   | .75       | .75       | .675      | 1,850     | 1,507     |
| 27. Capital (Page 3, Lines 29 & 30).....  | 1,500,000 | 2,500,000 | 2,500,000 | 2,500,000 | 2,500,000 |
| 28. Surplus (Page 3, Line 37).....  | 1,635,253 | 625,372   | 631,781   | 629,741   | 611,923   |
| <b>Cash Flow (Page 5)</b>   |           |           |           |           |           |
| 29. Net Cash from operations (Line 11).....   | 38,468    | 27,579    | 19,525    | (6,909)   | 67,312    |
| <b>Risk-Based Capital Analysis</b>  |           |           |           |           |           |
| 30. Total adjusted capital.....   | 3,135,328 | 3,125,447 | 3,132,456 | 3,131,591 | 3,113,430 |
| 31. Authorized control level risk-based capital.....  | 8,206     | 8,381     | 9,222     | 12,504    | 15,697    |
| <b>Percentage Distribution of Cash, Cash Equivalents and Invested Assets<br/>(Page 2, Col. 3) (Line No. /Page 2, Line 12, Col. 3) x 100.0</b> |           |           |           |           |           |
| 32. Bonds (Line 1).....   | 62.7      | 63.7      | 54.5      | 54.3      | 81.4      |
| 33. Stocks (Lines 2.1 and 2.2).....   |           |           |           |           |           |
| 34. Mortgage loans on real estate (Lines 3.1 and 3.2).....  |           |           |           |           |           |
| 35. Real estate (Line 4.1, 4.2 and 4.3).....  |           |           |           |           |           |
| 36. Cash, cash equivalents and short-term investments (Line 5).....   | .37.3     | .36.3     | .45.6     | .45.7     | .18.6     |
| 37. Contract loans (Line 6).....  |           |           |           |           |           |
| 38. Derivatives (Line 7).....   |           |           | XXX.....  | XXX.....  | XXX.....  |
| 39. Other invested assets (Line 8).....   |           |           |           |           |           |
| 40. Receivables for securities (Line 9).....  |           |           |           |           |           |
| 41. Securities lending reinvested collateral assets (Line 10).....  |           |           | XXX.....  | XXX.....  | XXX.....  |
| 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     |

**United Benefit Life Insurance Company**  
**FIVE-YEAR HISTORICAL DATA**

(continued)

|   | 1<br>2011 | 2<br>2010 | 3<br>2009 | 4<br>2008 | 5<br>2007 |
|---|-----------|-----------|-----------|-----------|-----------|
| <b>Investments in Parent, Subsidiaries and Affiliates</b>   |           |           |           |           |           |
| 44. Affiliated bonds (Sch. D Summary, Line 12 Col. 1).....  |           |           |           |           |           |
| 45. Affiliated preferred stocks (Sch. D Summary, Line 18 Col. 1).....   |           |           |           |           |           |
| 46. Affiliated common stocks (Sch. D Summary, Line 24 Col. 1).....  |           |           |           |           |           |
| 47. Affiliated short-term investments (subtotal included in Sch. DA, Verif. Col. 5, Line 10).....   |           |           |           |           |           |
| 48. Affiliated mortgage loans on real estate .....  |           |           |           |           |           |
| 49. All other affiliated.....   |           |           |           |           |           |
| 50. Total of above Lines 44 to 49.....  | 0         | 0         | 0         | 0         | 0         |
| <b>Total Nonadmitted and Admitted Assets</b>  |           |           |           |           |           |
| 51. Total nonadmitted assets (Page 2, Line 28, Col. 2).....   | 1,309     |           | 500       | 6,767     |           |
| 52. Total admitted assets (Page 2, Line 28, Col. 3).....  | 3,193,476 | 3,184,659 | 3,193,626 | 3,194,511 | 3,154,064 |
| <b>Investment Data</b>  |           |           |           |           |           |
| 53. Net investment income (Exhibit of Net Investment Income).....   | 40,204    | 40,391    | 44,350    | 85,156    | 89,552    |
| 54. Realized capital gains (losses) (Page 4, Line 34, Column 1).....  |           | (305)     |           |           |           |
| 55. Unrealized capital gains (losses) (Page 4, Line 38, Column 1).....  |           |           |           |           |           |
| 56. Total of above Lines 53, 54 and 55.....   | 40,204    | 40,086    | 44,350    | 85,156    | 89,552    |
| <b>Benefits and Reserve Increase (Page 6)</b>   |           |           |           |           |           |
| 57. Total contract benefits - life (Lines 10, 11, 12, 13, 14 and 15<br>Col. 1 less Lines 10, 11, 12, 13, 14 and 15, Cols. 9, 10 & 11).....                      |           |           |           |           |           |
| 58. Total contract benefits - A&H (Lines 13 & 14, Cols. 9, 10 & 11).....  |           |           |           |           |           |
| 59. Increase in life reserves - other than group and annuities<br>(Line 19, Cols. 2 & 3).....   |           |           |           |           |           |
| 60. Increase in A&H reserves (Line 19, Cols. 9, 10 & 11).....   |           |           |           |           |           |
| 61. Dividends to policyholders (Line 30, Col 1).....  |           |           |           |           |           |
| <b>Operating Percentages</b>  |           |           |           |           |           |
| 62. Insurance expense percent (Page 6, Col. 1, Lines 21, 22, & 23 less Line<br>6)/(Page 6 Col. 1, Line 1 plus Exhibit 7, Col. 2, Line 2) x 100.00.....          |           |           |           |           |           |
| 63. Lapse percent (ordinary only) [(Exhibit of Life Insurance, Col. 4, Lines 14 & 15)<br>/ 1/2 (Exhibit of Life Insurance, Col. 4, Lines 1 & 21)] x 100.00..... |           |           |           |           |           |
| 64. A&H loss percent (Schedule H, Part 1, Lines 5 & 6, Col. 2).....   |           |           |           |           |           |
| 65. A&H cost containment percent (Schedule H, Part 1, Line 4, Col. 2).....  |           |           |           |           |           |
| 66. A&H expense percent excluding cost containment expenses<br>(Schedule H, Part 1, Line 10, Col. 2).....   |           |           |           |           |           |
| <b>A&amp;H Claim Reserve Adequacy</b>   |           |           |           |           |           |
| 67. Incurred losses on prior years' claims - group health (Sch. H, Part 3, Line 3.1, Col. 2).....   |           |           |           |           |           |
| 68. Prior years' claim liability and reserve - group health (Sch. H, Part 3, Line 3.2, Col. 2).....   |           |           |           |           |           |
| 69. Incurred losses on prior years' claims - health other than group (Sch. H, Part 3,<br>Line 3.1, Col. 1 less Col. 2).....                                     |           |           |           |           |           |
| 70. Prior years' claim liability and reserve - health other than group (Sch. H, Part 3,<br>Line 3.2, Col. 1 less Col. 2).....                                   |           |           |           |           |           |
| <b>Net Gains From Operations After Federal Income Taxes by Lines of Business<br/>(Page 6, Line 33)</b>  |           |           |           |           |           |
| 71. Industrial life (Col. 2).....   |           |           |           |           |           |
| 72. Ordinary - life (Col. 3).....   |           |           |           |           |           |
| 73. Ordinary - individual annuities (Col. 4).....   |           |           |           |           |           |
| 74. Ordinary - supplementary contracts (Col. 5).....  |           |           |           |           |           |
| 75. Credit life (Col. 6).....   |           |           |           |           |           |
| 76. Group life (Col. 7).....  |           |           |           |           |           |
| 77. Group annuities (Col. 8).....   |           |           |           |           |           |
| 78. A&H - group (Col. 9).....   |           |           |           |           | 18,405    |
| 79. A&H - credit (Col. 10).....   |           |           |           |           |           |
| 80. A&H - other (Col. 11).....  |           |           |           |           | 48,592    |
| 81. Aggregate of all other lines of business (Col. 12).....   | 10,732    | (7,326)   | (3,140)   | 22,788    |           |
| 82. Total (Col. 1).....   | 10,732    | (7,326)   | (3,140)   | 22,788    | 66,998    |

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

If no, please explain:

---

**Ex. of Life Ins.- (Lines 1-23)**  
**NONE**

**Ex. of Life Ins.- (Lines 24-26)**  
**NONE**

**Ex. of Life Ins.- (Lines 27-35)**  
**NONE**

**Ex. of Life Ins.- (Lines 36-40)**  
**NONE**

**Ex. of Life Ins.- (Lines 41-45)**  
**NONE**

**Ex. of Life Ins.- (Line 46)**  
**NONE**

**Ex. of Life Ins.- (Line 47)**  
**NONE**

**Ex. of Life Ins.- (Lines 48-52)**  
**NONE**

**Ex. of Policies - Supp. Contracts**  
**NONE**

**Ex. of Policies - Annuities**  
**NONE**

**Ex. of Policies - A&H Ins.**  
**NONE**

**Ex. of Policies - Deposits Funds & Dividend Accumulations**  
**NONE**

# United Benefit Life Insurance Company

## SCHEDULE T - PREMIUMS AND ANNUITY CONSIDERATIONS

Allocated by States and Territories

| States, Etc.  | Active Status | 1              |        | Direct Business Only |          |                           |        | Deposit-Type Contracts |  |
|---|---------------|----------------|--------|----------------------|----------|---------------------------|--------|------------------------|--|
|   |               | Life Contracts |        | 4                    | 5        | 6                         |        |                        |  |
|   |               | 2              | 3      |                      |          | Total Columns 2 through 5 |        |                        |  |
| 1. Alabama.....   | AL.....       | .....L.....    | .....  | .....                | .....    | .....                     | .....  | 0.....                 |  |
| 2. Alaska.....  | AK.....       | .....N.....    | .....  | .....                | .....    | .....                     | .....  | 0.....                 |  |
| 3. Arizona.....   | AZ.....       | .....L.....    | .....  | .....                | .....    | .....                     | .....  | 0.....                 |  |
| 4. Arkansas.....  | AR.....       | .....N.....    | .....  | .....                | .....    | .....                     | .....  | 0.....                 |  |
| 5. California.....  | CA.....       | .....L.....    | .....  | .....                | .....    | .....                     | .....  | 0.....                 |  |
| 6. Colorado.....  | CO.....       | .....L.....    | .....  | .....                | .....    | .....                     | .....  | 0.....                 |  |
| 7. Connecticut.....   | CT.....       | .....N.....    | .....  | .....                | .....    | .....                     | .....  | 0.....                 |  |
| 8. Delaware.....  | DE.....       | .....L.....    | .....  | .....                | .....    | .....                     | .....  | 0.....                 |  |
| 9. District of Columbia.....  | DC.....       | .....L.....    | .....  | .....                | .....    | .....                     | .....  | 0.....                 |  |
| 10. Florida.....  | FL.....       | .....N.....    | .....  | .....                | .....    | .....                     | .....  | 0.....                 |  |
| 11. Georgia.....  | GA.....       | .....L.....    | .....  | .....                | .....    | .....                     | .....  | 0.....                 |  |
| 12. Hawaii.....   | HI.....       | .....N.....    | .....  | .....                | .....    | .....                     | .....  | 0.....                 |  |
| 13. Idaho.....  | ID.....       | .....L.....    | .....  | .....                | .....    | .....                     | .....  | 0.....                 |  |
| 14. Illinois.....   | IL.....       | .....L.....    | .....  | .....                | .....    | .....                     | .....  | 0.....                 |  |
| 15. Indiana.....  | IN.....       | .....L.....    | .....  | .....                | .....    | .....                     | .....  | 0.....                 |  |
| 16. Iowa.....   | IA.....       | .....N.....    | .....  | .....                | .....    | .....                     | .....  | 0.....                 |  |
| 17. Kansas.....   | KS.....       | .....L.....    | .....  | .....                | .....    | .....                     | .....  | 0.....                 |  |
| 18. Kentucky.....   | KY.....       | .....L.....    | .....  | .....                | .....    | .....                     | .....  | 0.....                 |  |
| 19. Louisiana.....  | LA.....       | .....L.....    | .....  | .....                | .....    | .....                     | .....  | 0.....                 |  |
| 20. Maine.....  | ME.....       | .....N.....    | .....  | .....                | .....    | .....                     | .....  | 0.....                 |  |
| 21. Maryland.....   | MD.....       | .....N.....    | .....  | .....                | .....    | .....                     | .....  | 0.....                 |  |
| 22. Massachusetts.....  | MA.....       | .....N.....    | .....  | .....                | .....    | .....                     | .....  | 0.....                 |  |
| 23. Michigan.....   | MI.....       | .....N.....    | .....  | .....                | .....    | .....                     | .....  | 0.....                 |  |
| 24. Minnesota.....  | MN.....       | .....N.....    | .....  | .....                | .....    | .....                     | .....  | 0.....                 |  |
| 25. Mississippi.....  | MS.....       | .....N.....    | .....  | .....                | .....    | .....                     | .....  | 0.....                 |  |
| 26. Missouri.....   | MO.....       | .....L.....    | .....  | .....                | .....    | .....                     | .....  | 0.....                 |  |
| 27. Montana.....  | MT.....       | .....L.....    | .....  | .....                | .....    | .....                     | .....  | 0.....                 |  |
| 28. Nebraska.....   | NE.....       | .....L.....    | .....  | .....                | .....    | .....                     | .....  | 0.....                 |  |
| 29. Nevada.....   | NV.....       | .....L.....    | .....  | .....                | .....    | .....                     | .....  | 0.....                 |  |
| 30. New Hampshire.....  | NH.....       | .....N.....    | .....  | .....                | .....    | .....                     | .....  | 0.....                 |  |
| 31. New Jersey.....   | NJ.....       | .....N.....    | .....  | .....                | .....    | .....                     | .....  | 0.....                 |  |
| 32. New Mexico.....   | NM.....       | .....L.....    | .....  | .....                | .....    | .....                     | .....  | 0.....                 |  |
| 33. New York.....   | NY.....       | .....N.....    | .....  | .....                | .....    | .....                     | .....  | 0.....                 |  |
| 34. North Carolina.....   | NC.....       | .....N.....    | .....  | .....                | .....    | .....                     | .....  | 0.....                 |  |
| 35. North Dakota.....   | ND.....       | .....L.....    | .....  | .....                | .....    | .....                     | .....  | 0.....                 |  |
| 36. Ohio.....   | OH.....       | .....L.....    | .....  | .....                | .....    | .....                     | .....  | 0.....                 |  |
| 37. Oklahoma.....   | OK.....       | .....L.....    | .....  | .....                | .....    | .....                     | .....  | 0.....                 |  |
| 38. Oregon.....   | OR.....       | .....L.....    | .....  | .....                | .....    | .....                     | .....  | 0.....                 |  |
| 39. Pennsylvania.....   | PA.....       | .....L.....    | .....  | .....                | .....    | .....                     | .....  | 0.....                 |  |
| 40. Rhode Island.....   | RI.....       | .....N.....    | .....  | .....                | .....    | .....                     | .....  | 0.....                 |  |
| 41. South Carolina.....   | SC.....       | .....N.....    | .....  | .....                | .....    | .....                     | .....  | 0.....                 |  |
| 42. South Dakota.....   | SD.....       | .....L.....    | .....  | .....                | .....    | .....                     | .....  | 0.....                 |  |
| 43. Tennessee.....  | TN.....       | .....L.....    | .....  | .....                | .....    | .....                     | .....  | 0.....                 |  |
| 44. Texas.....  | TX.....       | .....L.....    | .....  | .....                | .....    | .....                     | .....  | 0.....                 |  |
| 45. Utah.....   | UT.....       | .....L.....    | .....  | .....                | .....    | .....                     | .....  | 0.....                 |  |
| 46. Vermont.....  | VT.....       | .....N.....    | .....  | .....                | .....    | .....                     | .....  | 0.....                 |  |
| 47. Virginia.....   | VA.....       | .....N.....    | .....  | .....                | .....    | .....                     | .....  | 0.....                 |  |
| 48. Washington.....   | WA.....       | .....N.....    | .....  | .....                | .....    | .....                     | .....  | 0.....                 |  |
| 49. West Virginia.....  | WV.....       | .....L.....    | .....  | .....                | .....    | .....                     | .....  | 0.....                 |  |
| 50. Wisconsin.....  | WI.....       | .....N.....    | .....  | .....                | .....    | .....                     | .....  | 0.....                 |  |
| 51. Wyoming.....  | WY.....       | .....N.....    | .....  | .....                | .....    | .....                     | .....  | 0.....                 |  |
| 52. American Samoa.....   | AS.....       | .....N.....    | .....  | .....                | .....    | .....                     | .....  | 0.....                 |  |
| 53. Guam.....   | GU.....       | .....N.....    | .....  | .....                | .....    | .....                     | .....  | 0.....                 |  |
| 54. Puerto Rico.....  | PR.....       | .....N.....    | .....  | .....                | .....    | .....                     | .....  | 0.....                 |  |
| 55. US Virgin Islands.....  | VI.....       | .....N.....    | .....  | .....                | .....    | .....                     | .....  | 0.....                 |  |
| 56. Northern Mariana Islands.....   | MP.....       | .....N.....    | .....  | .....                | .....    | .....                     | .....  | 0.....                 |  |
| 57. Canada.....   | CN.....       | .....N.....    | .....  | .....                | .....    | .....                     | .....  | 0.....                 |  |
| 58. Aggregate Other Alien.....  | OT.....       | ....XXX....    | 0..... | 0.....               | 0.....   | 0.....                    | 0..... | 0.....                 |  |
| 59. Subtotal.....   |               | (a)....28..... | 0..... | 0.....               | 0.....   | 0.....                    | 0..... | 0.....                 |  |
| 60. Reporting entity contributions for employee benefit plans.....                              |               | ....XXX....    | .....  | .....                | .....    | .....                     | .....  | 0.....                 |  |
| 61. Dividends or refunds applied to purchase paid-up additions and annuities.....               |               | ....XXX....    | .....  | .....                | .....    | .....                     | 0..... | 0.....                 |  |
| 62. Dividends or refunds applied to shorten endowment or premium paying period.....             |               | ....XXX....    | .....  | .....                | .....    | .....                     | 0..... | 0.....                 |  |
| 63. Premium or annuity considerations waived under disability or other contract provisions..... |               | ....XXX....    | .....  | .....                | .....    | 0.....                    | 0..... | 0.....                 |  |
| 64. Aggregate other amounts not allocable by State.....   |               | ....XXX....    | 0..... | 0.....               | 0.....   | 0.....                    | 0..... | 0.....                 |  |
| 65. Totals (Direct Business).....   |               | ....XXX....    | 0..... | 0.....               | 0.....   | 0.....                    | 0..... | 0.....                 |  |
| 66. Plus reinsurance assumed.....   |               | ....XXX....    | .....  | .....                | .....    | 0.....                    | 0..... | 0.....                 |  |
| 67. Totals (All Business).....  |               | ....XXX....    | 0..... | 0.....               | 0.....   | 0.....                    | 0..... | 0.....                 |  |
| 68. Less reinsurance ceded.....   |               | ....XXX....    | .....  | .....                | .....    | 0.....                    | 0..... | 0.....                 |  |
| 69. Totals (All Business) less reinsurance ceded.....   |               | ....XXX....    | 0..... | 0.....               | (b)..... | 0.....                    | 0..... | 0.....                 |  |

## DETAILS OF WRITE-INS

|  |             |        |        |        |        |        |        |        |
|--|-------------|--------|--------|--------|--------|--------|--------|--------|
| 5801.....  | ....XXX.... | .....  | .....  | .....  | .....  | .....  | 0..... | 0..... |
| 5802.....  | ....XXX.... | .....  | .....  | .....  | .....  | .....  | 0..... | 0..... |
| 5803.....  | ....XXX.... | .....  | .....  | .....  | .....  | .....  | 0..... | 0..... |
| 5898. Summ. of remaining write-ins for line 58 from overflow page..... | ....XXX.... | 0..... | 0..... | 0..... | 0..... | 0..... | 0..... | 0..... |
| 5899. Total (Lines 5801 thru 5803 plus 5898) (Line 58 above).....      | ....XXX.... | 0..... | 0..... | 0..... | 0..... | 0..... | 0..... | 0..... |
| 9401.....  | ....XXX.... | .....  | .....  | .....  | .....  | .....  | 0..... | 0..... |
| 9402.....  | ....XXX.... | .....  | .....  | .....  | .....  | .....  | 0..... | 0..... |
| 9403.....  | ....XXX.... | .....  | .....  | .....  | .....  | .....  | 0..... | 0..... |
| 9498. Summ. of remaining write-ins for line 94 from overflow page..... | ....XXX.... | 0..... | 0..... | 0..... | 0..... | 0..... | 0..... | 0..... |
| 9499. Total (Lines 9401 thru 9403 plus 9498) (Line 94 above).....      | ....XXX.... | 0..... | 0..... | 0..... | 0..... | 0..... | 0..... | 0..... |

(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.

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

Not Applicable

(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:

**Schedule Y - Information Concerning Activities of Insurer Members of a Holding Company Group**  
**Part 1 - Organizational Chart**

|  | <b>Domiciliary Location</b> | <b>FEIN</b> | <b>NAIC Co. Code</b> |
|--|-----------------------------|-------------|----------------------|
| American Financial Group, Inc.                       | OH                          | 31-1544320  |                      |
| American Financial Capital Trust II                  | DE                          | 31-6549738  |                      |
| American Financial Capital Trust III                 | DE                          | 16-6543606  |                      |
| American Financial Capital Trust IV                  | DE                          | 16-6543609  |                      |
| American Financial Enterprises, Inc.                 | CT                          | 31-0996797  |                      |
| American Money Management Corporation                | OH                          | 31-0828578  |                      |
| American Real Estate Capital Company, LLC (80%)      | OH                          | 27-1577326  |                      |
| MidMarket Capital Partners, LLC (51%)                | DE                          | 27-2829629  |                      |
| APU Holding Company                                  | OH                          | 41-2112001  |                      |
| American Premier Underwriters, Inc.                  | PA                          | 23-6000765  |                      |
| The Associates of the Jersey Company                 | NJ                          | 23-6297584  |                      |
| Cal Coal, Inc.                                       | IL                          | 37-1094159  |                      |
| Great Southwest Corporation                          | DE                          | 95-2802826  |                      |
| The Indianapolis Union Railway Company               | IN                          | 35-6001691  |                      |
| Lehigh Valley Railroad Company                       | PA                          | 13-6400464  |                      |
| Magnolia Alabama Holdings, Inc.                      | DE                          | 20-1548213  |                      |
| Magnolia Alabama Holdings LLC                        | AL                          | 20-1574094  |                      |
| The Owasco River Railway, Inc.                       | NY                          | 13-6021353  |                      |
| PCC Real Estate, Inc.                                | NY                          | 31-1236926  |                      |
| PCC Technical Industries, Inc.                       | DE                          | 76-0080537  |                      |
| PCC Maryland Realty Corp.                            | MD                          | 31-1388401  |                      |
| Penn Central Energy Management Company               | DE                          | 06-1209709  |                      |
| Penn Towers, Inc.                                    | PA                          | 23-1537928  |                      |
| Pennsylvania-Reading Seashore Lines (66.67%)         | NJ                          | 23-6000766  |                      |
| Pittsburgh and Cross Creek Railroad Company (83%)    | PA                          | 23-6207599  |                      |
| Terminal Realty Penn Co.                             | DC                          | 23-1707450  |                      |
| Waynesburg Southern Railroad Company                 | PA                          | 23-1675796  |                      |
| GAI Insurance Company, Ltd. *                        | BM                          |             |                      |
| Hangar Acquisition Corp.                             | OH                          | 31-1446308  |                      |
| PLLS, Ltd.   | WA                          | 91-1508643  |                      |
| Premier Lease & Loan Services Insurance Agency, Inc. | WA                          | 91-1242743  |                      |
| Premier Lease & Loan Services of Canada, Inc.        | WA                          | 91-1508644  |                      |
| Republic Indemnity Company of America *              | CA                          | 95-2801326  | 22179                |
| Republic Indemnity Company of California *           | CA                          | 31-1054123  | 43753                |
| Risico Management Corporation                        | DE                          | 31-1262960  |                      |
| Atlas Building Company, LLC                          | OH                          | 27-4521779  |                      |
| Dixie Terminal Corporation                           | OH                          | 31-0823725  |                      |
| Flextech Holding Co., Inc.                           | OH                          | 31-1733037  |                      |
| GAI Holding Bermuda Ltd.                             | BM                          | 98-0606803  |                      |
| GAI Indemnity, Ltd. #                                | GB                          | 98-0556144  |                      |
| Marketform Group Limited (71.6%)                     | GB                          |             |                      |
| Marketform Holdings Limited                          | GB                          |             |                      |
| Caduceus Underwriting Limited                        | GB                          |             |                      |
| Lavenham Underwriting Limited #                      | GB                          | 98-0412245  |                      |
| Marketform Limited                                   | GB                          |             |                      |
| Gabinet Marketform SL                                | ES                          |             |                      |
| Marketform Australia Pty Limited                     | AU                          |             |                      |
| Studio Marketform SRL                                | IT                          |             |                      |
| Marketform Management Services Limited               | GB                          |             |                      |
| Marketform Managing Agency Limited                   | GB                          |             |                      |
| Sampford Underwriting Limited #                      | GB                          | 98-0431601  |                      |
| Marketform Trust Company Limited                     | GB                          |             |                      |

\* Denotes insurer

@ Company affiliated but not owned

# Participant in Lloyd's Syndicate 2468

Subsidiaries 100% owned by respective parent unless otherwise stated

^ Total percentage owned by respective parent and other affiliated companies

**Schedule Y - Information Concerning Activities of Insurer Members of a Holding Company Group**  
**Part 1 - Organizational Chart**

|  | Domiciliary Location | FEIN       | NAIC Co. Code |
|--|----------------------|------------|---------------|
| American Financial Group, Inc.                       | OH                   | 31-1544320 |               |
| Great American Financial Resources, Inc. ^           | DE                   | 06-1356481 |               |
| AAG Holding Company, Inc.                            | OH                   | 31-1475936 |               |
| Great American Financial Statutory Trust IV          | CT                   | 58-646032  |               |
| Great American Life Insurance Company *              | OH                   | 13-1935920 | 63312         |
| Aerielle IP Holdings, LLC ^                          | OH                   | 45-2969767 |               |
| Aerielle, LLC ^                                      | DE                   | 26-4391696 |               |
| Aerielle Technologies, Inc.                          | CA                   | 26-0756104 |               |
| Annuity Investors Life Insurance Company *           | OH                   | 31-1021738 | 93661         |
| Bay Bridge Marina Hemingway's Restaurant, LLC (85%)  | MD                   | 27-4078277 |               |
| Bay Bridge Marina Management, LLC (85%)              | MD                   | 27-0513333 |               |
| Brothers Management, LLC (99%)                       | FL                   | 20-1246122 |               |
| Consolidated Financial Corporation                   | MI                   | 36-3383108 |               |
| FT Liquidation, LLC                                  | OH                   | 45-3988240 |               |
| GALIC - Bay Bridge Marina, LLC                       | MD                   | 20-4604276 |               |
| GALIC - Stoneleigh, LLC                              | FL                   | 45-3829557 |               |
| GALIC Brothers, Inc. (80%)                           | OH                   | 31-1391777 |               |
| GALIC Pointe, LLC ^                                  | FL                   | 45-1144095 |               |
| GALIC Port Orange, LLC (80%) ^                       | FL                   | 27-1026964 |               |
| Manhattan National Holding Corporation               | OH                   | 26-3260520 |               |
| Manhattan National Life Insurance Company *          | IL                   | 45-0252531 | 67083         |
| Skipjack Marina Corp.                                | MD                   | 52-2179330 |               |
| Loyal American Holding Corporation                   | OH                   | 20-3568924 |               |
| Loyal American Life Insurance Company *              | OH                   | 63-0343428 | 65722         |
| American Retirement Life Insurance Company *         | OH                   | 59-2760189 | 88366         |
| GALAC Holding Company                                | OH                   | 45-4121852 |               |
| Great American Life Assurance Company *              | OH                   | 95-2496321 | 62200         |
| United Teacher Associates, Ltd. ^                    | TX                   | 74-2180806 |               |
| United Teacher Associates Insurance Company *        | TX                   | 58-0869673 | 63479         |
| AAG Insurance Agency, Inc.                           | KY                   | 31-1422717 |               |
| Ceres Group, Inc.                                    | DE                   | 34-1017531 |               |
| Central Reserve Life Insurance Company *             | OH                   | 34-0970995 | 61727         |
| Provident American Life & Health Insurance Company * | OH                   | 23-1335885 | 67903         |
| United Benefit Life Insurance Company *              | OH                   | 75-2305400 | 65269         |
| Ceres Administrators, L.L.C.                         | DE                   | 34-1880408 |               |
| Ceres Sales, LLC                                     | DE                   | 34-1947043 |               |
| Ceres Sales of Ohio, LLC                             | OH                   | 34-1970892 |               |
| HealthMark Sales, LLC                                | DE                   | 34-1920479 |               |
| Continental General Corporation                      | NE                   | 47-0717079 |               |
| Continental General Insurance Company *              | OH                   | 47-0463747 | 71404         |
| Continental Print & Photo Co.                        | NE                   | 47-0562685 |               |
| QQAgency of Texas, Inc.                              | TX                   | 34-1947042 |               |
| Great American Advisors, Inc.                        | OH                   | 31-1395344 |               |
| Great American Holding, Inc.                         | OH                   | 42-1575938 |               |
| Agricultural Services, LLC                           | OH                   | 27-3062314 |               |
| United States Commodities Producers, LLC (51.3%)     | MT                   | 45-4110027 |               |
| United States Livestock Producers, LLC (51.3%)       | NV                   | 27-2354685 |               |
| Livestock Market Enhancement Risk Retention Group *  | NV                   | 27-4395897 | 14084         |
| American Empire Surplus Lines Insurance Company *    | DE                   | 31-0912199 | 35351         |
| American Empire Insurance Company *                  | OH                   | 31-0973761 | 37990         |
| American Empire Underwriters, Inc.                   | TX                   | 59-1671722 |               |
| Great American International Insurance Limited *     | IE                   |            |               |
| Mid-Continent Casualty Company *                     | OH                   | 73-0556513 | 23418         |
| Mid-Continent Assurance Company *                    | OH                   | 73-1406844 | 15380         |
| Mid-Continent Excess and Surplus Insurance Company * | DE                   | 38-3803661 | 13794         |
| Mid-Continent Specialty Insurance Services, Inc.     | OK                   | 30-0571535 |               |
| Oklahoma Surety Company *                            | OH                   | 73-0773259 | 23426         |
| Premier International Insurance Company *            | TC                   | 98-0627464 |               |

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**Schedule Y - Information Concerning Activities of Insurer Members of a Holding Company Group**  
**Part 1 - Organizational Chart**

|   | <b>Domiciliary Location</b> | <b>FEIN</b> | <b>NAIC Co. Code</b> |
|---|-----------------------------|-------------|----------------------|
| American Financial Group, Inc.                          |                             |             |                      |
| Great American Insurance Company *                      | OH                          | 31-1544320  |                      |
| American Signature Underwriters, Inc.                   | OH                          | 31-0501234  | 16691                |
| Brothers Property Corporation (80%)                     | OH                          | 31-1463075  |                      |
| Brothers Le Pavillon, LLC                               | OH                          | 59-2840291  |                      |
| Brothers Le Pavillon (SPE), LLC                         | DE                          | 20-5173494  |                      |
| Brothers Pennsylvanian Corporation                      | DE                          | 20-5173589  |                      |
| Brothers Property Management Corporation                | PA                          | 25-1754638  |                      |
| Crescent Centre Apartments ^                            | OH                          | 20-4498054  |                      |
| Crop Managers Insurance Agency, Inc.                    | KS                          | 31-1277904  |                      |
| Dempsey & Siders Agency, Inc.                           | OH                          | 31-0589001  |                      |
| Eden Park Insurance Brokers, Inc.                       | CA                          | 31-1341668  |                      |
| El Aguila, Compañía de Seguros, S.A. de C.V. *          | MX                          |             |                      |
| Financiadora de Primas Condor, S.A. de C.V. (99%)       | MX                          |             |                      |
| Farmers Crop Insurance Alliance, Inc.                   | KS                          | 39-1404033  |                      |
| FCIA Management Company, Inc.                           | NY                          | 13-3628555  |                      |
| Foreign Credit Insurance Association @                  | NY                          |             |                      |
| GAI Warranty Company                                    | OH                          | 31-1753938  |                      |
| GAI Warranty Company of Florida                         | FL                          | 31-1765544  |                      |
| GAI Warranty Company of Canada Inc.                     | CN                          |             |                      |
| Global Premier Finance Company                          | OH                          | 61-1329718  |                      |
| Great American Agency of Texas, Inc.                    | TX                          | 74-2693636  |                      |
| Great American Alliance Insurance Company *             | OH                          | 95-1542353  | 26832                |
| Great American Assurance Company *                      | OH                          | 15-6020948  | 26344                |
| Great American Casualty Insurance Company *             | OH                          | 61-0983091  | 39896                |
| Great American Claims Services, Inc.                    | DE                          | 31-1228726  |                      |
| Great American Contemporary Insurance Company *         | OH                          | 36-4079497  | 10646                |
| Great American E & S Insurance Company *                | DE                          | 31-0954439  | 37532                |
| Great American Fidelity Insurance Company *             | DE                          | 31-1036473  | 41858                |
| Great American Insurance Agency, Inc.                   | OH                          | 31-1652643  |                      |
| Great American Insurance Company of New York *          | NY                          | 13-5539046  | 22136                |
| Great American Lloyd's Insurance Company * @            | TX                          | 31-0974853  | 38024                |
| Great American Lloyd's, Inc.                            | TX                          | 31-1073664  |                      |
| Great American Management Services, Inc.                | OH                          | 31-0856644  |                      |
| Great American Protection Insurance Company *           | OH                          | 31-1288778  | 38580                |
| Great American Re Inc.                                  | DE                          | 31-0918893  |                      |
| Great American Security Insurance Company *             | OH                          | 31-1209419  | 31135                |
| Great American Spirit Insurance Company *               | OH                          | 31-1237970  | 33723                |
| Key Largo Group, Inc.                                   | FL                          | 59-1263251  |                      |
| National Interstate Corporation (52.4%)                 | OH                          | 34-1607394  |                      |
| American Highways Insurance Agency, Inc.                | OH                          | 34-1899058  |                      |
| Explorer RV Insurance Agency, Inc.                      | OH                          | 31-1548235  |                      |
| Hudson Indemnity, Ltd.                                  | KY                          | 98-0191335  |                      |
| Hudson Management Group, Ltd.                           | VI                          | 66-0660039  |                      |
| National Interstate Insurance Agency, Inc.              | OH                          | 34-1607396  |                      |
| Commercial For Hire Transportation Purchasing Group @   | SC                          | 36-4670968  |                      |
| National Interstate Insurance Company *                 | OH                          | 34-1607395  | 32620                |
| National Interstate Insurance Company of Hawaii, Inc. * | OH                          | 99-0345306  | 11051                |
| Triumphe Casualty Company *                             | OH                          | 95-3623282  | 41106                |
| Vanliner Group, Inc.                                    | DE                          | 43-1415856  |                      |
| TransProtection Service Company                         | MO                          | 43-1254631  |                      |
| Vanliner Insurance Company *                            | MO                          | 86-0114294  | 21172                |
| Vanliner Reinsurance Limited *                          | BM                          |             |                      |
| Safety Claims and Litigation Services, LLC              | MT                          | 20-5546054  |                      |
| Safety, Claims & Litigation Services, Inc.              | PA                          | 23-2825108  |                      |
| Penn Central U.K. Limited                               | GB                          |             |                      |
| Insurance (GB) Limited *                                | GB                          |             |                      |
| Pinecrest Place LLC                                     | FL                          | 27-2226948  |                      |
| PLLS Canada Insurance Brokers Inc. ^                    | CN                          | 871850814   |                      |
| Professional Risk Brokers, Inc.                         | IL                          | 31-1293064  |                      |
| Strategic Comp Holdings, L.L.C.                         | LA                          | 72-1331800  |                      |
| Strategic Comp Services, L.L.C.                         | LA                          | 36-4517754  |                      |
| Strategic Comp, L.L.C.                                  | LA                          | 32-0050970  |                      |
| One East Fourth, Inc.                                   | OH                          | 31-0686194  |                      |
| Pioneer Carpet Mills, Inc.                              | OH                          | 31-0883227  |                      |
| Superior NWVN of Ohio, Inc.                             | OH                          | 31-1737792  |                      |
| TEJ Holdings, Inc.                                      | OH                          | 31-1119320  |                      |
| Three East Fourth, Inc.                                 | OH                          | 31-0728327  |                      |

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# Participant in Lloyd's Syndicate 2468

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