



# ANNUAL STATEMENT

For the Year Ended December 31, 2012  
of the Condition and Affairs of the

## First Catholic Slovak Ladies Association Of The U.S.A.

NAIC Group Code..... , (Current Period) (Prior Period)	NAIC Company Code..... 56332	Employer's ID Number..... 34-0220540
Organized under the Laws of Ohio	State of Domicile or Port of Entry Ohio	Country of Domicile US
Incorporated/Organized..... October 20, 1899	Commenced Business..... January 1, 1892	
Statutory Home Office	24950 Chagrin Boulevard..... Beachwood ..... OH ..... US ..... 44122-5634 <i>(Street and Number) (City or Town, State, Country and Zip Code)</i>	
Main Administrative Office	24950 Chagrin Boulevard..... Beachwood ..... OH ..... US..... 44122-5634 <i>(Street and Number) (City or Town, State, Country and Zip Code)</i>	800-464-4642 <i>(Area Code) (Telephone Number)</i>
Mail Address	24950 Chagrin Boulevard..... Beachwood ..... OH ..... US ..... 44122-5634 <i>(Street and Number or P. O. Box) (City or Town, State, Country and Zip Code)</i>	
Primary Location of Books and Records	24950 Chagrin Boulevard..... Beachwood ..... OH ..... US ..... 44122-5634 <i>(Street and Number) (City or Town, State, Country and Zip Code)</i>	800-464-4642 <i>(Area Code) (Telephone Number)</i>
Internet Web Site Address	WWW.FCSLA.ORG	
Statutory Statement Contact	Robert Louis Jones <i>(Name)</i> treasdept@fcscla.org <i>(E-Mail Address)</i>	800-464-4642-1017 <i>(Area Code) (Telephone Number) (Extension)</i> 216-464-9260 <i>(Fax Number)</i>

### OFFICERS

Name	Title	Name	Title
1. Cynthia Maria Maleski #	National President	2. Sue Ann Marie Seich #	National Secretary
3. Stephen C Hudak #	National Treasurer	4.	

### OTHER

HOROVITZ, RUDROY & ROTEMAN	ACCOUNTANTS	BRUCE & BRUCE COMPANY	ACTUARIES
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### DIRECTORS OR TRUSTEES

Msgr. Peter M Polando	Cynthia Maria Maleski	Sue Ann Marie Seich #	Stephen C Hudak
Carolyn Marie Bazik	Irene Joan Drotleff	Larry M Golofski #	Barbara A Sekerak
Barbara Novotny Waller #	Dorothy Urbanowicz	John Martin Janovec	Virginia Holmes
Katie A Esterle #			

State of..... OHIO  
County of..... CUYAHOGA

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) Cynthia Maria Maleski _____ 1. (Printed Name) National President _____ (Title)	_____ (Signature) Sue Ann Marie Seich _____ 2. (Printed Name) National Secretary _____ (Title)	_____ (Signature) Stephen C Hudak _____ 3. (Printed Name) National Treasurer _____ (Title)
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Subscribed and sworn to before me  
This \_\_\_\_\_ day of \_\_\_\_\_ 2013

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

## ASSETS

	Current Year			Prior Year
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	4 Net Admitted Assets
1. Bonds (Schedule D).....	667,216,341		667,216,341	628,254,106
2. Stocks (Schedule D):				
2.1 Preferred stocks.....	4,095,422		4,095,422	5,955,960
2.2 Common stocks.....	3,449,333		3,449,333	2,623,237
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens.....	6,261		6,261	7,089
3.2 Other than first liens.....			0	
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$.....0 encumbrances).....	6,014,535		6,014,535	6,189,325
4.2 Properties held for the production of income (less \$.....0 encumbrances).....			0	
4.3 Properties held for sale (less \$.....0 encumbrances).....			0	
5. Cash (\$.....6,785,715, Schedule E-Part 1), cash equivalents (\$.....0, Schedule E-Part 2) and short-term investments (\$.....17,000,000, Schedule DA).....	23,785,715		23,785,715	10,680,463
6. Contract loans (including \$.....0 premium notes).....	2,134,541		2,134,541	1,932,683
7. Derivatives (Schedule DB).....			0	
8. Other invested assets (Schedule BA).....	10,085,591		10,085,591	10,120,512
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).....	716,787,739	0	716,787,739	665,763,375
13. Title plants less \$.....0 charged off (for Title insurers only).....			0	
14. Investment income due and accrued.....	10,801,068		10,801,068	10,187,524
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection.....	16,364		16,364	22,993
15.2 Deferred premiums, agents' balances and installments booked but deferred 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	
18.2 Net deferred tax asset.....			0	
19. Guaranty funds receivable or on deposit.....			0	
20. Electronic data processing equipment and software.....	51,632	5,590	46,042	51,974
21. Furniture and equipment, including health care delivery assets (\$.....0).....	251,258	251,258	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 (\$.....0) and other amounts receivable.....			0	
25. Aggregate write-ins for other than invested assets.....	172,405	123,950	48,455	74,891
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25).....	728,080,466	380,798	727,699,668	676,100,757
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			0	
28. TOTALS (Lines 26 and 27).....	728,080,466	380,798	727,699,668	676,100,757

### 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. Receivable From Estate.....			0	
2502. Goodwill.....	48,455		48,455	74,891
2503. Prepaid Expense.....	123,950	123,950	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).....	172,405	123,950	48,455	74,891

## LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Year	2 Prior Year
1. Aggregate reserve for life certificates and contracts (Exhibit 5, Line 9999999) (including \$.....0 Modco Reserve).....	620,306,824	569,007,000
2. Aggregate reserve for accident and health contracts (Exhibit 6, Line 16, Col. 1) (including \$.....0 Modco Reserve).....		
3. Liability for deposit-type contracts (Exhibit 7, Line 14, Col. 1) (including \$.....0 Modco Reserve).....	9,539,848	8,047,779
4. Contract claims:		
4.1 Life (Exhibit 8, Part 1, Line 4.4, Column 1 less sum of Columns 9, 10 and 11).....	857,226	722,556
4.2 Accident and health (Exhibit 8, Part 1, Line 4.4, sum of Columns 9, 10 and 11).....		
5. Refunds due and unpaid (Exhibit 4, Line 10).....		
6. Provision for refunds payable in following calendar year-estimated amounts:		
6.1 Apportioned for payment.....		
6.2 Not yet apportioned.....	1,244,000	2,157,000
7. 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).....	560,630	619,804
8. Contract liabilities not included elsewhere:		
8.1 Surrender values on canceled contracts.....		
8.2 Other amounts payable on reinsurance including \$.....0 assumed and \$.....0 ceded.....		
8.3 Interest Maintenance Reserve (IMR, Line 6).....	1,225,915	1,307,547
9. Commissions to fieldworkers due or accrued-life and annuity contracts \$....147,767 ; accident and health \$.....0 and deposit-type contract funds \$.....0.....	147,767	234,351
10. Commissions and expense allowances payable on reinsurance assumed.....		
11. General expenses due or accrued (Exhibit 2, Line 12, Col. 7).....	2,051,775	1,635,746
12. Transfers to Separate Accounts due or accrued (net) (including \$.....0 accrued for expense allowances recognized in reserves).....		
13. Taxes, licenses and fees due or accrued (Exhibit 3, Line 8, Col. 6).....	108,893	127,904
14. Unearned investment income.....		
15. Amounts withheld or retained by Society as agent or trustee.....		
16. Amounts held for fieldworkers' account, including \$.....0 fieldworkers' credit balances.....		
17. Remittances and items not allocated.....		40,000
18. Net adjustment in assets and liabilities due to foreign exchange rates.....		
19. Liability for benefits for employees and fieldworkers if not included above.....	29,400	23,500
20. Borrowed money \$.....0 and interest thereon \$.....0.....		
21. Miscellaneous liabilities:		
21.1 Asset valuation reserve (AVR, Line 16, Col. 7).....	7,330,961	6,134,048
21.2 Reinsurance in unauthorized and certified (\$.....0) companies.....		
21.3 Funds held under reinsurance treaties with unauthorized and certified (\$.....0) reinsurers.....		
21.4 Payable to subsidiaries and affiliates.....		
21.5 Drafts outstanding.....		
21.6 Funds held under coinsurance.....		
21.7 Derivatives.....		
21.8 Payable for securities.....		
21.9 Payable for securities lending.....		
22. Aggregate write-ins for liabilities.....	226,776	214,052
23. Total liabilities excluding Separate Accounts business (Lines 1 to 22).....	643,630,015	590,271,287
24. From Separate Accounts statement.....		
25. Total liabilities (Lines 23 and 24).....	643,630,015	590,271,287
26. Aggregate write-ins for other than liabilities and surplus funds.....	0	0
27. Surplus notes.....		
28. Aggregate write-ins for surplus funds.....	0	0
29. Unassigned funds.....	84,069,649	85,829,470
30. Total (Lines 26 through 29) (Page 4, Line 47) (including \$.....0 in Separate Accounts statement).....	84,069,649	85,829,470
31. Totals (Lines 25 + 30) (Page 2, Line 28, Col. 3).....	727,699,664	676,100,757

### DETAILS OF WRITE-INS

2201. WITHHOLDING TAXES.....	34,449	23,773
2202. DELEVOPMENT FUND.....	11,722	13,543
2203. PROVISION FOR INDIGENT MEMBER FUND.....	100,000	100,000
2298. Summary of remaining write-ins for Line 22 from overflow page.....	80,605	76,736
2299. Totals (Lines 2201 thru 2203 plus 2298) (Line 22 above).....	226,776	214,052
2601. ....		
2602. ....		
2603. ....		
2698. Summary of remaining write-ins for Line 26 from overflow page.....	0	0
2699. Totals (Lines 2601 thru 2603 plus 2698) (Line 26 above).....	0	0
2801. ....		
2802. ....		
2803. ....		
2898. Summary of remaining write-ins for Line 28 from overflow page.....	0	0
2899. Totals (Lines 2801 thru 2803 plus 2898) (Line 28 above).....	0	0

## SUMMARY OF OPERATIONS

	1 Current Year	2 Prior Year
1. Premiums and annuity considerations for life and accident and health contracts (Exhibit 1, Part 1, Line 20.4, Col. 1).....	54,409,365	42,846,232
2. Considerations for supplementary contracts with life contingencies.....		
3. Net investment income (Exhibit of Net Investment Income, Line 17).....	37,752,848	35,603,949
4. Amortization of Interest Maintenance Reserve (IMR, Line 5).....	88,655	130,990
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.....	19,114	19,747
9. Totals (Lines 1 to 8.3).....	92,269,982	78,600,918
10. Death benefits.....	4,783,623	4,347,149
11. Matured endowments (excluding guaranteed annual pure endowments).....	38,359	22,945
12. Annuity benefits.....	18,738,063	14,056,427
13. Disability benefits and benefits under accident and health contracts, including premiums waived \$.....0.....		
14. Surrender benefits and withdrawals for life contracts.....	4,397,717	4,683,132
15. Interest and adjustments on contract or deposit-type contracts funds.....	1,563,281	(120,485)
16. Payments on supplementary contracts with life contingencies.....		
17. Increase in aggregate reserve for life and accident and health contracts.....	51,042,825	43,591,376
18. Totals (Lines 10 to 17).....	80,563,868	66,580,544
19. Commissions on premiums, annuity considerations and deposit-type contract funds (direct business only) (Exhibit 1, Part 2, Line 31, Col. 1 less Col. 5).....	3,935,019	2,777,411
20. Commissions and expense allowances on reinsurance assumed (Exhibit 1, Part 2, Line 26.2, Col. 1 less Col. 5).....		
21. General insurance expenses and fraternal expenses (Exhibit 2, Line 10, Cols. 1, 2, 3, 4 and 6).....	8,227,809	8,477,195
22. Insurance taxes, licenses and fees (Exhibit 3, Line 6, Cols. 1, 2, 3 and 5).....	252,286	242,290
23. Increase in loading on deferred and uncollected premiums.....		
24. Net transfers to or (from) Separate Accounts net of reinsurance.....		
25. Aggregate write-ins for deductions.....	0	0
26. Totals (Lines 18 to 25).....	92,978,982	78,077,440
27. Net gain from operations before refunds to members (Line 9 minus Line 26).....	(709,000)	523,478
28. Refunds to members (Exhibit 4, Line 17, Cols. 1 + 2).....	1,192,208	2,110,662
29. Net gain from operations after refunds to members and before realized capital gains (losses) (Line 27 minus Line 28).....	(1,901,208)	(1,587,184)
30. Net realized capital gains (losses) less capital gains tax of \$.....0 (excluding \$.....7,025 transferred to the IMR).....	682,665	(454,799)
31. Net income (Lines 29 + 30).....	(1,218,543)	(2,041,983)
<b>SURPLUS ACCOUNT</b>		
32. Surplus, December 31, previous year (Page 3, Line 30, Col. 2).....	85,829,286	89,517,729
33. Net income from operations (Line 31).....	(1,218,543)	(2,041,983)
34. Change in net unrealized capital gains (losses) less capital gains tax of \$.....0.....	867,638	(420,892)
35. Change in net unrealized foreign exchange capital gain (loss).....		
36. Change in nonadmitted assets.....	44,995	80,540
37. Change in liability for reinsurance in unauthorized and certified companies.....		
38. Change in reserve on account of change in valuation basis, (increase) or decrease (Exhibit 5A, Line 9999999, Col. 4).....		
39. Change in asset valuation reserve.....	(1,196,913)	773,516
40. Surplus (contributed to) withdrawn from Separate Accounts during period.....		
41. Other changes in surplus in Separate Accounts statement.....		
42. Change in surplus notes.....		
43. Cumulative effect of changes in accounting principles.....		
44. Change in surplus as a result of reinsurance.....		
45. Aggregate write-ins for gains and losses in surplus.....	(257,000)	(2,079,623)
46. Net change in surplus for the year (Lines 33 through 45).....	(1,759,823)	(3,688,442)
47. Surplus December 31, current year (Lines 32 + 46) (Page 3, Line 30).....	84,069,463	85,829,286
<b>DETAILS OF WRITE-INS</b>		
08.301. COOKBOOK INCOME.....	12,720	18,006
08.302. MISCELLANEOUS.....	6,394	1,741
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).....	19,114	19,747
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
4501. PRIOR PERIOD ADJUSTMENT DUE TO ERROR IN CALC OF RESERVES.....	(257,000)	(2,079,623)
4502. ....		
4503. ....		
4598. Summary of remaining write-ins for Line 45 from overflow page.....	0	0
4599. Totals (Lines 4501 thru 4503 plus 4598) (Line 45 above).....	(257,000)	(2,079,623)

**CASH FLOW**

	1 Current Year	2 Prior Year
<b>CASH FROM OPERATIONS</b>		
1. Premiums collected net of reinsurance.....	54,356,820	42,900,859
2. Net investment income.....	39,891,379	37,217,707
3. Miscellaneous income.....	19,114	19,747
4. Total (Lines 1 through 3).....	94,267,313	80,138,313
5. Benefit and loss related payments.....	27,906,826	22,929,807
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts.....		
7. Commissions, expenses paid and aggregate write-ins for deductions.....	12,072,945	12,306,933
8. Dividends paid to policyholders.....	2,105,208	1,953,662
9. Federal and foreign income taxes paid (recovered) net of \$.....0 tax on capital gains (losses).....		
10. Total (Lines 5 through 9).....	42,084,979	37,190,402
11. Net cash from operations (Line 4 minus Line 10).....	52,182,334	42,947,911
<b>CASH FROM INVESTMENTS</b>		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds.....	18,329,311	13,772,441
12.2 Stocks.....	1,966,775	455,682
12.3 Mortgage loans.....	828	2,193
12.4 Real estate.....		
12.5 Other invested assets.....		42,445
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).....	20,296,914	14,272,761
13. Cost of investments acquired (long-term only):		
13.1 Bonds.....	59,171,463	64,972,983
13.2 Stocks.....	56,473	279,696
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).....	59,227,936	65,252,679
14. Net increase (decrease) in contract loans and premium notes.....	201,858	235,432
15. Net cash from investments (Line 12.8 minus Lines 13.7 minus Line 14).....	(39,132,880)	(51,215,350)
<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.....	12,522	(212,414)
16.5 Dividends to stockholders.....		
16.6 Other cash provided (applied).....	43,277	134,544
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6).....	55,799	(77,870)
<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).....	13,105,253	(8,345,309)
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year.....	10,680,463	19,025,772
19.2 End of year (Line 18 plus Line 19.1).....	23,785,716	10,680,463

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

20.0001 .....		
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**ANALYSIS OF INCREASE IN RESERVES DURING THE YEAR**

	1 Total	2 Life Insurance	3 Annuities	4 Supplementary Contracts
<b>Involving Life or Disability Contingencies (Reserves)</b>				
(Net of Reinsurance Ceded)				
1. Reserve December 31, prior year.....	569,007,000	209,243,000	359,764,000	
2. Tabular net premiums or considerations.....	54,497,221	34,875,937	19,621,284	
3. Present value of disability claims incurred.....	0			XXX
4. Tabular interest.....	24,828,464	8,975,602	15,852,862	
5. Tabular less actual reserve released.....	323,527		323,527	
6. Increase in reserve on account of change in valuation basis.....	0			
7. Other increases (net).....	2,857,001	2,600,000	257,001	
8. Totals (Lines 1 to 7).....	651,513,213	255,694,539	395,818,674	0
9. Tabular cost.....	3,821,123	3,821,123		XXX
10. Reserves released by death.....	2,870,173	2,870,173	XXX	XXX
11. Reserves released by other terminations (net).....	2,175,243	2,175,243		
12. Annuity, supplementary contract and disability payments involving life contingencies.....	22,339,850		22,339,850	
13. Net transfers to or (from) separate accounts.....	0			
14. Total deductions (Lines 9 to 13).....	31,206,389	8,866,539	22,339,850	0
15. Reserve December 31, current year.....	620,306,824	246,828,000	373,478,824	0

**EXHIBIT OF NET INVESTMENT INCOME**

	1 Collected During Year	2 Earned During Year
1. U.S. government bonds.....	(a).....95,588	.....95,588
1.1 Bonds exempt from U.S. tax.....	(a).....	.....
1.2 Other bonds (unaffiliated).....	(a).....35,615,026	.....36,212,942
1.3 Bonds of affiliates.....	(a).....	.....
2.1 Preferred stocks (unaffiliated).....	(b).....373,707	.....388,967
2.11 Preferred stocks of affiliates.....	(b).....	.....
2.2 Common stocks (unaffiliated).....	.....65,852	.....66,217
2.21 Common stocks of affiliates.....	.....	.....
3. Mortgage loans.....	(c).....672	.....672
4. Real estate.....	(d).....424,458	.....424,458
5. Contract loans.....	.....128,140	.....128,140
6. Cash, cash equivalents and short-term investments.....	(e).....16,411	.....16,411
7. Derivative instruments.....	(f).....	.....
8. Other invested assets.....	.....890,795	.....890,795
9. Aggregate write-ins for investment income.....	.....0	.....0
10. Total gross investment income.....	.....37,610,649	.....38,224,190
11. Investment expenses.....		(g).....187,659
12. Investment taxes, licenses and fees, excluding federal income taxes.....		(g).....108,893
13. Interest expense.....		(h).....
14. Depreciation on real estate and other invested assets.....		(i).....174,790
15. Aggregate write-ins for deductions from investment income.....		.....0
16. Total deductions (Lines 11 through 15).....		.....471,342
17. Net investment income (Line 10 minus Line 16).....		.....37,752,848

**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 \$.....442,190 accrual of discount less \$.....3,003,564 amortization of premium and less \$.....660,442 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 \$.....174,790 depreciation on real estate and \$.....0 depreciation on other invested assets.

**EXHIBIT OF CAPITAL GAINS (LOSSES)**

	1 Realized Gain (Loss) on Sales or Maturity	2 Other Realized Adjustments	3 Total Realized Capital Gain (Loss) (Columns 1 + 2)	4 Change in Unrealized Capital Gain (Loss)	5 Change in Unrealized Foreign Exchange Capital Gain (Loss)
1. U.S. government bonds.....			.....0		
1.1 Bonds exempt from U.S. tax.....			.....0		
1.2 Other bonds (unaffiliated).....	.....681,443		.....681,443		
1.3 Bonds of affiliates.....			.....0		
2.1 Preferred stocks (unaffiliated).....	.....7,028		.....7,028	.....42,700	
2.11 Preferred stocks of affiliates.....			.....0		
2.2 Common stocks (unaffiliated).....	.....1,219		.....1,219	.....824,938	
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).....	.....689,690	.....0	.....689,690	.....867,638	.....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

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

	1		Insurance			6 Total (Columns 2 through 5)	7 Fraternal	8 Expense
	Total	2 Life Insurance	3 Individual Annuities	4 Accident and Health	5 Aggregate of All Other Lines of Business			
<b>FIRST YEAR (other than single)</b>								
1. Uncollected.....	0					0		
2. Deferred and accrued.....	0					0		
3. Deferred, accrued & uncollected:								
3.1 Direct.....	0					0		
3.2 Reinsurance assumed.....	0					0		
3.3 Reinsurance ceded.....	0					0		
3.4 Net (Line 1 + Line 2).....	0	0	0	0	0	0	0	0
4. Advance.....	0					0		
5. Line 3.4 - Line 4.....	0	0	0	0	0	0	0	0
6. Collected during year:								
6.1 Direct.....	10,077,655	180,269	9,897,386			10,077,655		
6.2 Reinsurance assumed.....	0					0		
6.3 Reinsurance ceded.....	0					0		
6.4 Net.....	10,077,655	180,269	9,897,386	0	0	10,077,655	0	0
7. Line 5 + Line 6.4.....	10,077,655	180,269	9,897,386	0	0	10,077,655	0	0
8. Prior year (uncollected + deferred and accrued - advance).....	0					0		
9. First year premiums and considerations:								
9.1 Direct.....	10,077,655	180,269	9,897,386			10,077,655		
9.2 Reinsurance assumed.....	0					0		
9.3 Reinsurance ceded.....	0					0		
9.4 Net (Line 7 - Line 8).....	10,077,655	180,269	9,897,386	0	0	10,077,655	0	0
<b>SINGLE</b>								
10. Single premiums and considerations:								
10.1 Direct.....	31,594,109	31,594,109				31,594,109		
10.2 Reinsurance assumed.....	0					0		
10.3 Reinsurance ceded.....	0					0		
10.4 Net.....	31,594,109	31,594,109	0	0	0	31,594,109	0	0
<b>RENEWAL</b>								
11. Uncollected.....	16,364	16,364				16,364		
12. Deferred and accrued.....	0					0		
13. Deferred, accrued & uncollected:								
13.1 Direct.....	16,364	16,364				16,364		
13.2 Reinsurance assumed.....	0					0		
13.3 Reinsurance ceded.....	0					0		
13.4 Net (Line 11 + Line 12).....	16,364	16,364	0	0	0	16,364	0	0
14. Advance.....	560,630	560,630				560,630		
15. Line 13.4 - Line 14.....	(544,266)	(544,266)	0	0	0	(544,266)	0	0
16. Collected during year:								
16.1 Direct.....	12,967,675	3,243,777	9,723,898			12,967,675		
16.2 Reinsurance assumed.....	0					0		
16.3 Reinsurance ceded.....	282,619	282,619				282,619		
16.4 Net.....	12,685,056	2,961,158	9,723,898	0	0	12,685,056	0	0
17. Line 15 + Line 16.4.....	12,140,790	2,416,892	9,723,898	0	0	12,140,790	0	0
18. Prior year (uncollected + deferred and accrued - advance).....	(596,811)	(596,811)				(596,811)		
19. Renewal premiums and considerations:								
19.1 Direct.....	13,020,220	3,296,322	9,723,898			13,020,220		
19.2 Reinsurance assumed.....	0					0		
19.3 Reinsurance ceded.....	282,619	282,619				282,619		
19.4 Net (Line 17 - Line 18).....	12,737,601	3,013,703	9,723,898	0	0	12,737,601	0	0
<b>TOTAL</b>								
20. Total premiums and annuity considerations:								
20.1 Direct.....	54,691,984	35,070,700	19,621,284	0	0	54,691,984	0	0
20.2 Reinsurance assumed.....	0	0	0	0	0	0	0	0
20.3 Reinsurance ceded.....	282,619	282,619	0	0	0	282,619	0	0
20.4 Net (Lines 9.4 + 10.4 + 19.4).....	54,409,365	34,788,081	19,621,284	0	0	54,409,365	0	0

**EXHIBIT 1 - PART 2 - REFUNDS APPLIED, REINSURANCE COMMISSIONS AND EXPENSE ALLOWANCES AND COMMISSIONS INCURRED (direct business only)**

	1 Total	Insurance				6 Total (Columns 2 through 5)	7 Fraternal	8 Expense
		2 Life Insurance	3 Individual Annuities	4 Accident and Health	5 Aggregate of All Other Lines of Business			
<b>REFUNDS APPLIED (included in Part 1)</b>								
21. To pay renewal premiums.....	22,110	22,110				22,110		
22. All other.....	1,610,145	1,610,145				1,610,145		
<b>REINSURANCE COMMISSIONS AND EXPENSE ALLOWANCES INCURRED</b>								
23. First year (other than single):								
23.1 Reinsurance ceded.....	.0					.0		
23.2 Reinsurance assumed.....	.0					.0		
23.3 Net ceded less assumed.....	.0	.0	.0	.0	.0	.0	.0	.0
24. Single:								
24.1 Reinsurance ceded.....	.0					.0		
24.2 Reinsurance assumed.....	.0					.0		
24.3 Net ceded less assumed.....	.0	.0	.0	.0	.0	.0	.0	.0
25. Renewal:								
25.1 Reinsurance ceded.....	.0					.0		
25.2 Reinsurance assumed.....	.0					.0		
25.3 Net ceded less assumed.....	.0	.0	.0	.0	.0	.0	.0	.0
26. Totals:								
26.1 Reinsurance ceded (Page 6, Line 6).....	.0	.0	.0	.0	.0	.0	.0	.0
26.2 Reinsurance assumed.....	.0	.0	.0	.0	.0	.0	.0	.0
26.3 Net ceded less assumed.....	.0	.0	.0	.0	.0	.0	.0	.0
<b>COMMISSIONS INCURRED (direct business only)</b>								
27. First year (other than single).....	468,347	144,683	323,664			468,347		
28. Single.....	3,430,028	3,430,028				3,430,028		
29. Renewal.....	36,644	36,644				36,644		
30. Deposit-type contract funds.....	.0					.0		
31. Totals (to agree with Page 6, Line 19).....	3,935,019	3,611,355	323,664	.0	.0	3,935,019	.0	.0

**EXHIBIT 2 - GENERAL EXPENSES**

	Insurance				5 Investment	6 Fraternal	7 Total
	1 Life	2 Accident and Health		4 Aggregate of All Other Lines of Business			
		2 Cost Containment	3 All Other				
1. Rent.....	424,458						424,458
2. Salaries and wages.....	1,657,915					150,000	1,807,915
3.11 Insured benefit plans for employees.....	360,120						360,120
3.12 Insured benefit plans for fieldworkers.....							.0
3.21 Uninsured benefit plans for employees.....							.0
3.22 Uninsured benefit plans for fieldworkers.....							.0
3.31 Other employee welfare.....							.0
3.32 Other fieldworker welfare.....							.0
4.1 Legal fees and expenses.....	23,335						23,335
4.2 Medical examination fees.....	215,785						215,785
4.3 Inspection report fees.....							.0
4.4 Fees of public accountants and consulting actuaries.....	386,107						386,107
4.5 Expense of investigation and settlement of certificate claims.....							.0
5.1 Traveling expenses.....	100,517					33,506	134,023
5.2 Advertising.....	190,778					16,196	206,974
5.3 Postage, express, telegraph and telephone.....	311,432						311,432
5.4 Printing and stationery.....	50,141						50,141
5.5 Cost or depreciation of furniture and equipment.....	7,155						7,155
5.6 Rental of equipment.....							.0
5.7 Cost or depreciation of EDP equipment and software.....	98,236						98,236
5.8 Lodge supplies less \$.....0 from sales.....							.0
6.1 Books and periodicals.....	10,275						10,275
6.2 Bureau and association dues.....	7,013						7,013
6.3 Insurance, except on real estate.....	42,751						42,751
6.4 Miscellaneous losses.....							.0
6.5 Collection and bank service charges.....	37,043						37,043
6.6 Sundry general expenses.....	128,227						128,227
7.1 Field expense allowance.....							.0
7.2 Fieldworkers' balances charged off (less \$.....0 recovered).....							.0
7.3 Field conferences other than local meetings.....	80,000						80,000
8.1 Official publications.....						345,217	345,217
8.2 Expense of Supreme Lodge Meetings.....	171,511						171,511
9.1 Real estate expenses.....				184,386			184,386
9.2 Investment expenses not included elsewhere.....				3,273			3,273
9.3 Aggregate write-ins for expenses.....	517,020	0	0	0	2,863,070		3,380,090
10. General Expenses Incurred.....	4,819,819	0	0	0	187,659	(a) 3,407,989	(b) 8,415,467
11. General expenses unpaid December 31, prior year.....	654,004					981,742	1,635,746
12. General expenses unpaid December 31, current year.....	657,544					1,394,231	2,051,775
13. General expenses paid during year (Lines 10 + 11 - 12).....	4,816,279	0	0	0	187,659	2,995,500	7,999,438

**DETAILS OF WRITE-INS**

09.301 DATA PROCESSING.....	381,703						381,703
09.302 REPAIRS - SUPPLIES.....	60,887						60,887
09.303 TEMPORARY HELP.....	74,430						74,430
09.398 Summary of remaining write-ins for Line 9.3 from overflow page.....	0	0	0	0	0	2,863,070	2,863,070
09.399 Totals (Lines 09.301 thru 09.303 plus 09.398)(Line 9.3 above).....	517,020	0	0	0	0	2,863,070	3,380,090

(a) Show the distribution of this amount in the following categories:

1. Charitable \$.....242,820; 2. Institutional \$.....0; 3. Recreational and Health \$.....0; 4. Educational \$.....249,082  
 5. Religious \$.....0; 6. Membership \$.....2,716,386; 7. Other \$.....199,702; 8. Total \$.....3,407,990

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

**EXHIBIT 3 - TAXES, LICENSES AND FEES**

	Insurance			4 Investment	5 Fraternal	6 Total
	1 Life	2 Accident and Health				
		2 Cost Containment	3 All Other			
1. Real estate taxes.....				108,893		108,893
2. State insurance department licenses and fees.....	97,593					97,593
3. Other state taxes, including \$.....0 for employee benefits.....	5,722					5,722
4. U.S. Social Security taxes.....	146,234					146,234
5. All other taxes.....	2,737					2,737
6. Taxes, licenses and fees Incurred.....	252,286	0	0	108,893	0	361,179
7. Taxes, licenses and fees unpaid December 31, prior year.....				127,904		127,904
8. Taxes, licenses and fees unpaid December 31, current year.....				108,893		108,893
9. Taxes, licenses and fees paid during year (Lines 6 + 7 - 8).....	252,286	0	0	127,904	0	380,190

**EXHIBIT 4 - DIVIDENDS OR REFUNDS**

	1 Life	2 Accident and Health
	1. Applied to pay renewal premiums.....	22,110
2. Applied to shorten the endowment or premium-paying period.....		
3. Applied to provide paid-up additions.....	1,610,145	
4. Applied to provide paid-up annuities.....		
5. Total (Lines 1 to 4).....	1,632,255	0
6. Paid-in cash.....	227,942	
7. Left on deposit.....	245,011	
8. Aggregate write-ins for dividend or refund.....	0	0
9. Total (Lines 5 to 8).....	2,105,208	0
10. Amount due and unpaid.....		
11. Provision for dividends or refunds payable in the following calendar year.....	1,244,000	
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).....	1,244,000	0
16. Total from prior year.....	2,157,000	
17. Total dividends or refunds (Line 9 + 15 - 16).....	1,192,208	0

**DETAILS OF WRITE-INS**

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

**EXHIBIT 5 - AGGREGATE RESERVE FOR LIFE CONTRACTS**

1	2	3	4	5	6
Valuation Standard	Total	Industrial	Ordinary	Credit (Group and Individual)	Group
<b>Life Insurance:</b>					
0100001. NFC 4% @ AE 2.5%.....	10,603		10,603		
0100002. AE 4% @ AE2.5%.....	237,047		237,047		
0100003. AE 3.5% @ AE 2.5%.....	2,375,277		2,375,277		
0100004. AM 2.5% @ AE 2.5%.....	10,047,459		10,047,459		
0100005. AM 3% @ AE 2.5%.....	246,864		246,864		
0100006. AM 3.5% @ AE 2.5%.....	147,203		147,203		
0100007. 1941 CSO 2.5%.....	222,905		222,905		
0100008. 58 CSO 2.5%.....	12,897,060		12,897,060		
0100009. 58 CSO 4% @ 58 CSO 2.5%.....	4,453,347		4,453,347		
0100010. 1958 CSO 4.5%.....	702,925		702,925		
0100011. 80 CSO A/F 5.5% Curtate.....	12,839,073		12,839,073		
0100012. 80 CSO 5.5% @ 80 CSO 4.5%.....	41,431,624		41,431,624		
0100013. 80 CSO 5% @ 80 CSO 4.5%.....	4,560,369		4,560,369		
0100014. 80 CSO 6% @ 80 CSO 4.5%.....	738,466		738,466		
0100015. 80 CSO 5.5 & 6% @ 80 CSO 5.5%.....	15,086,503		15,086,503		
0100016. 80 CSO M/F/S/NS 4.5%.....	27,097,082		27,097,082		
0100017. 2001 CSO 4.5%.....	805,257		805,257		
0100018. 2001 CSO 4.0%.....	72,538,538		72,538,538		
0100019. 2001 CSO 4.0% (SU).....	27,310,732		27,310,732		
0100020. 2001 CSO 3.5%.....	234,338		234,338		
0100021. ....	0				
0100022. ....	0				
0100023. Provision for Post Mortem Divd.....	12,950,000		12,950,000		
0100024. Rounding.....	58		58		
0199997. Totals (Gross).....	246,932,730	0	246,932,730	0	0
0199998. Reinsurance ceded.....	225,467		225,467		
0199999. Totals (Net).....	246,707,263	0	246,707,263	0	0
<b>Annuities (excluding supplementary contracts with life contingencies):</b>					
0200001. Individual Deferred Annuities.....	371,996,637	XXX	371,996,637	XXX	
0200002. Single Premium Immediate Annuities - with life contingencies.....	1,482,186	XXX	1,482,186	XXX	
0200003. Rounding.....	177	XXX	177	XXX	
0299997. Totals (Gross).....	373,479,000	XXX	373,479,000	XXX	0
0299999. Totals (Net).....	373,479,000	XXX	373,479,000	XXX	0
<b>Accidental Death Benefits:</b>					
0400001. Accidental Death Benefits.....	10,000		10,000		
0499997. Totals (Gross).....	10,000	0	10,000	0	0
0499999. Totals (Net).....	10,000	0	10,000	0	0
<b>Miscellaneous Reserves:</b>					
0700001. Waiver of Premiums After Age 80 Under OL.....	110,000		110,000		
0700002. Asset Liability Matching.....	0				
0700003. Rounding.....	561		561		
0799997. Totals (Gross).....	110,561	0	110,561	0	0
0799999. Totals (Net).....	110,561	0	110,561	0	0
9999999. Totals (Net) - Page 3, Line 1.....	620,306,824	0	620,306,824	0	0

## 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 Yes [ ]    No [X]  
 PARTICIPATING
- 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 Yes [X]    No [ ]  
 PARTICIPATING
3. Does the reporting entity at present issue or have in force contracts that contain non-guaranteed elements? Yes [X]    No [ ]  
 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.
8. Does the reporting entity have any Contingent Deferred Annuity contracts or agreements in effect as of December of the current year? Yes [ ]    No [X]
- 8.1 If yes, state the total dollar amount of account value covered by these contracts or agreements. \$.....
- 8.2 State the amount of reserves established for this business. \$.....
- 8.3 Identify where the reserves are reported in the blank.
9. Does the reporting entity have any Guaranteed Lifetime Income Benefit contracts, agreements or riders in effect as of December 31 of the current year? Yes [ ]    No [X]
- 9.1 If yes, state the total dollar amount of any account value associated with these contracts, agreements or riders. \$.....
- 9.2 State the amount of reserves established for this business. \$.....
- 9.3 Identify where the reserves are reported in the blank.

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

1 Description of Valuation Class	Valuation Basis		4 Increase in Actuarial Reserve Due To Change
	2 Changed From	3 Changed To	

NONE

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

	1 Total	2 Collectively Renewable	Other Individual Contracts				7 All Other
			3 Non- Cancelable	4 Guaranteed Renewable	5 Non-Renewable for Stated Reasons Only	6 Other Accident Only	
<b>ACTIVE LIFE RESERVE</b>							
1. Unearned premium reserves.....	0						
2. Additional contract reserves (a).....	0						
3. Additional actuarial reserves-Asset/Liability analysis.....	0						
4. Reserve for future contingent benefits.....	0						
5. Aggregate write-ins for reserves.....	0	0	0	0	0	0	0
6. Totals (Gross).....	0	0	0	0	0	0	0
7. Reinsurance ceded.....	0						
8. Totals (Net).....	0	0	0	0	0	0	0
<b>CLAIM RESERVE</b>							
9. Present value of amounts not yet due on claims.....	0						
10. Additional actuarial reserves-Asset/Liability analysis.....	0						
11. Reserve for future contingent benefits.....	0						
12. Aggregate write-ins for reserves.....	0	0	0	0	0	0	0
13. Totals (Gross).....	0	0	0	0	0	0	0
14. Reinsurance ceded.....	0						
15. Totals (Net).....	0	0	0	0	0	0	0
16. TOTAL (Net).....	0	0	0	0	0	0	0
17. TABULAR FUND INTEREST.....	0						

NONE

<b>DETAILS OF WRITE-INS</b>							
0501. ....	0						
0502. ....	0						
0503. ....	0						
0598. Summary of remaining write-ins for Line 5 from overflow page.....	0	0	0	0	0	0	0
0599. Totals (Lines 0501 thru 0503 + 0598) (Line 5 above)	0	0	0	0	0	0	0
1201. ....	0						
1202. ....	0						
1203. ....	0						
1298. Summary of remaining write-ins for Line 12 from overflow page.....	0	0	0	0	0	0	0
1299. Totals (Lines 1201 thru 1203 + 1298) (Line 12 above)	0	0	0	0	0	0	0

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

**EXHIBIT 7 - DEPOSIT-TYPE CONTRACTS**

	1	2	3	4	5	6
	Total	Guaranteed Interest Contracts	Annuities Certain	Supplemental Contracts	Dividend Accumulations or Refunds	Premium and Other Deposit Funds
1. Balance at beginning of the year before reinsurance.....	8,047,779		3,925,000	319,341	3,803,438	
2. Deposits received during the year.....	306,339			61,329	245,010	
3. Investment earnings credited to the account.....	162,908			12,512	150,396	
4. Other net change in reserves.....	1,316,639		1,316,639			
5. Fees and other charges assessed.....	0					
6. Surrender charges.....	0					
7. Net surrender or withdrawal payments.....	293,817			50,813	243,004	
8. Other net transfers to or (from) Separate Accounts.....	0					
9. Balance at the end of the current year before reinsurance (Lines 1 + 2 + 3 + 4 - 5 - 6 - 7 - 8).....	9,539,848	0	5,241,639	342,369	3,955,840	0
10. Reinsurance balance at the beginning of the year.....	0					
11. Net change in reinsurance assumed.....	0					
12. Net change in reinsurance ceded.....	0					
13. Reinsurance balance at the end of the year (Lines 10 + 11 - 12).....	0	0	0	0	0	0
14. Net balance at the end of current year after reinsurance (Lines 9 + 13).....	9,539,848	0	5,241,639	342,369	3,955,840	0

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

### PART 1 - Liability End of Current Year

	1 Total	2 Industrial Life	Ordinary			6 Credit Life (Group and Individual)	Group		Accident and Health		
			3 Life Insurance	4 Individual Annuities	5 Supplementary Contracts		7 Life Insurance	8 Annuities	9 Group	10 Credit (Group and Individual)	11 Other
1. Due and unpaid:											
1.1 Direct.....	757,226		757,226								
1.2 Reinsurance assumed.....	.0										
1.3 Reinsurance ceded.....	.0										
1.4 Net.....	757,226	.0	757,226	.0	.0	.0	.0	.0	.0	.0	.0
2. In course of settlement:											
2.1 Resisted:											
2.11 Direct.....	.0										
2.12 Reinsurance assumed.....	.0										
2.13 Reinsurance ceded.....	.0										
2.14 Net.....	.0	.0	(b).....0	(b).....0	.0	(b).....0	(b).....0	.0	.0	.0	.0
2.2 Other:											
2.21 Direct.....	.0										
2.22 Reinsurance assumed.....	.0										
2.23 Reinsurance ceded.....	.0										
2.24 Net.....	.0	.0	(b).....0	(b).....0	.0	(b).....0	(b).....0	.0	(b).....0	(b).....0	(b).....0
3. Incurred but unreported:											
3.1 Direct.....	100,000		100,000								
3.2 Reinsurance assumed.....	.0										
3.3 Reinsurance ceded.....	.0										
3.4 Net.....	100,000	.0	(b).....100,000	(b).....0	.0	(b).....0	(b).....0	.0	(b).....0	(b).....0	(b).....0
4. Totals:											
4.1 Direct.....	857,226	.0	857,226	.0	.0	.0	.0	.0	.0	.0	.0
4.2 Reinsurance assumed.....	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
4.3 Reinsurance ceded.....	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
4.4 Net.....	857,226	(a).....0	(a).....857,226	.0	.0	.0	(a).....0	.0	.0	.0	.0

15

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

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

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

### PART 2 - Incurred During the Year

	1 Total	2 Industrial Life (a)	Ordinary		6 Credit Life (Group and Individual)	Group		Accident and Health			
			3 Life Insurance (b)	4 Individual Annuities		5 Supplementary Contracts	7 Life Insurance (c)	8 Annuities	9 Group	10 Credit (Group and Individual)	11 Other
1. Settlements during the year:											
1.1 Direct.....	23,476,036		4,737,973	18,738,063							
1.2 Reinsurance assumed.....	.0										
1.3 Reinsurance ceded.....	50,662		50,662								
1.4 Net.....	(d) 23,425,374	.0	4,687,311	18,738,063	.0	.0	.0	.0	.0	.0	.0
2. Liability December 31, current year from Part 1:											
2.1 Direct.....	857,226		857,226								
2.2 Reinsurance assumed.....	.0										
2.3 Reinsurance ceded.....	.0										
2.4 Net.....	857,226	.0	857,226	.0	.0	.0	.0	.0	.0	.0	.0
3. Amounts recoverable from reinsurers December 31, current year.....	.0										
4. Liability December 31, prior year:											
4.1 Direct.....	722,556		722,556								
4.2 Reinsurance assumed.....	.0										
4.3 Reinsurance ceded.....	.0										
4.4 Net.....	722,556	.0	722,556	.0	.0	.0	.0	.0	.0	.0	.0
5. Amounts recoverable from reinsurers December 31, prior year.....	.0										
6. Incurred benefits:											
6.1 Direct.....	23,610,706	.0	4,872,643	18,738,063	.0	.0	.0	.0	.0	.0	.0
6.2 Reinsurance assumed.....	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
6.3 Reinsurance ceded.....	50,662	.0	50,662	.0	.0	.0	.0	.0	.0	.0	.0
6.4 Net.....	23,560,044	.0	4,821,981	18,738,063	.0	.0	.0	.0	.0	.0	.0

(a) Including matured endowments (but not guaranteed annual pure endowments) amounting to \$.....0 in Line 1.1, \$.....0 in Line 1.4, \$.....0 in Line 6.1 and \$.....0 in line 6.4.

(b) Including matured endowments (but not guaranteed annual pure endowments) amounting to \$.....38,359 in Line 1.1, \$.....38,359 in Line 1.4, \$.....38,359 in Line 6.1 and \$.....38,359 in line 6.4.

(c) Including matured endowments (but not guaranteed annual pure endowments) amounting to \$.....0 in Line 1.1, \$.....0 in Line 1.4, \$.....0 in Line 6.1 and \$.....0 in line 6.4.

(d) Includes \$.....0 premiums waived under total and permanent disability benefits.

**EXHIBIT OF NONADMITTED ASSETS**

	1 Current Year Total Nonadmitted Assets	2 Prior Year Total Nonadmitted Assets	3 Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1. Bonds (Schedule D).....			.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.....	5,590	10,381	4,791
21. Furniture and equipment, including health care delivery assets.....	251,258	303,446	52,188
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.....	123,950	111,966	(11,984)
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 through 25).....	380,798	425,793	44,995
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			.0
28. TOTALS (Lines 26 and 27).....	380,798	425,793	44,995

**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. Receivable From Estate.....		3,635	3,635
2502. Prepaid Expense.....	123,950	108,331	(15,619)
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).....	123,950	111,966	(11,984)

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## NOTES TO FINANCIAL STATEMENTS

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### 1. Summary of Significant Accounting Policies

#### A. Accounting Practices

The annual statement of the First Catholic Slovak Ladies Association has been prepared in accordance with accounting procedures as set forth in the NAIC *Accounting Practices and Procedures* manual and by the State of Ohio.

#### B. Use of Estimates in 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

The life and annuity premiums are recognized as income when earned. Expenses incurred in connection with acquiring new insurance are charged to operations as incurred.

The amount of dividends to be paid to policyholders is determined annually by the Company's Board of Directors. The aggregate amount of policyholders' dividends is related to actual interest, mortality, morbidity, and expense experience for the year and judgment as to the appropriate level of statutory surplus to be retained by the Company.

In addition, the company uses the following accounting policies:

- 1) Short-term investments are stated at amortized cost.
- 2) Bonds are stated at amortized cost, unless designated a "6", and are subject to the interest amortization method.
- 3) Common stocks are stated at market.
- 4) Preferred stocks are stated at cost, except for stocks designated as "4, 5, 6", which are stated at market.
- 5) Mortgage loans – recorded at aggregate carrying value less accrued interest.
- 6) Loan-backed securities – are stated at amortized cost or fair market value.
- 7) Subsidiaries controlled and affiliated companies – none.
- 8) Joint ventures, partnerships and limited liability companies – none.
- 9) Derivatives – none.
- 10) Premium deficiency calculation - Not applicable.
- 11) Unpaid losses and loss adjustment expenses include an amount determined from individual case estimates and loss reports and an amount, based on past experience, for losses incurred but not reported. Such liabilities are necessarily based on assumptions and estimates and while management believes the amount is adequate, the ultimate liability may be in excess of or less than the amount provided. The methods for making such estimates and for establishing the resulting liability are continually reviewed and any adjustments are reflected in the period determined.
- 12) The company has not modified its capitalization policy from the prior period.
- 13) Method used for Pharmaceutical Rebate Receivables - Not applicable.

Real Estate, Furniture & Fixtures: The real estate, furniture and fixtures is recorded at cost less depreciation over its estimated useful life.

EDP Equipment & Software: Electronic data processing equipment and software are recorded at cost and amortized over a three year period.

### 2. Accounting Changes and Corrections of Errors

Surplus was adjusted by \$257,000 to correct reserves due to prior period calculation error.

### 3. Business Combinations and Goodwill – not applicable.

### 4. Discontinued Operations – not applicable.

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## NOTES TO FINANCIAL STATEMENTS

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### 5. Investments

#### A. Mortgage Loans – see attached.

1. There were no new loans issued in 2012.
2. During 2012, the Company did not reduce interest rates on any outstanding mortgage loans.
3. The maximum percentage of any one loan to the value of security at the time of the loan, exclusive of insured or guaranteed or purchase money mortgages was: Not Applicable.
4. As of year end, the Company held no mortgages with interest more than 180 days past due.
5. Taxes, assessments and any amounts advanced and not included in the mortgage loan total: \$ 0.
6. Current year impaired loans with a related allowance for credit losses: \$ 0.
7. Impaired mortgage loans without an allowance for credit losses: \$ 0.
8. Average recorded investment in impaired loans: \$ 0.
9. Interest income recognized during the period the loans were impaired: \$ 0.
10. Amount of interest income recognized on a cash basis during the period the loans were impaired: \$ 0.
11. Allowance for credit losses: \$ 0.
12. Cash receipts are recorded when received.

#### B. Debt Restructuring – none.

#### C. Reverse Mortgages – none.

#### D. Loan-backed Securities – the company used book value.

#### E. Repurchase Agreements – none.

#### F. Real Estate –

1. There were no impairment loss in 2012.
2. No land sales operations in 2012.

#### G. Investments in Low-income Housing Tax Credits - none.

### 6. Joint Ventures, Partnerships and Limited Liability Companies – none.

### 7. Investment Income

#### A. Due and accrued income was excluded from surplus on the following bases:

All investment income due and accrued with amounts that are over 90 days past due.

#### B. The total amount excluded was \$ - 0 -.

### 8. Derivative Instruments – none.

### 9. Income Taxes – not applicable.

**NOTES TO FINANCIAL STATEMENTS****10. Information Concerning Parent, Subsidiaries and Affiliates – not applicable.****11. Debt – none.****12. Retirement Plans, Deferred Compensation, Post Employment Benefits and Compensated Absences and Other Post Retirement Benefit Plans.****A. Employee's 401(k) Deferred Compensation Plan**

In January 1997, a 401(k)-retirement plan was offered to employees who were eligible to participate. Eligibility is based on the employee attaining the age of 21 and completing one year of service. Each participant can choose to make "before-tax" contributions ranging from 1% to 15% of their compensation. The employee contributions are always 100% vested. The company makes matching contributions equal to 50% of the employee's contribution, up to 6% of the employee's compensation. In addition, the company makes a profit-sharing contribution of 3% of each eligible employee's compensation. The company contributions to the plan are vested as follows:

Years of Service	Vesting Percentage
1	20%
2	40%
3	60%
4	80%
5	100%

During the year-ended December 31, 2012 and 2011, the company contributed \$78,260 and \$97,967, respectively to the plan, which is administered by Key Corp, in Cleveland, Ohio.

**B. Post –retirement Benefit Plans (Employees):**

The Society provides certain health care and life insurance benefits ("post-retirement benefits") for retired employees. Life insurance benefits are generally set at a fixed amount. The health care coverage is for retirees as of December 31, 1996 only. The employees who retire after December 31, 1996 are not entitled to health insurance coverage during retirement.

Net post-retirement benefit cost for the year ended December 31, 2012 was \$59,031 and includes the expected cost of such benefits for newly eligible or vested employees as of January 1, 2012, interest cost, gains and losses arising from differences between actuarial assumptions and actual experience, and amortization of the transition obligation. The Society's periodic post-retirement benefit cost was \$59,031 in 2012 and \$47,049 in 2011.

As of January 1, 2011 and January 1, 2012, the accumulated post-retirement benefit obligation for retirees and other fully eligible or vested plan participants was \$280,859 and \$358,226, respectively; the accumulated post-retirement benefit obligation for active non-vested employees was \$53,211 and \$60,682 as of January 1, 2011 and January 1, 2012, respectively. The discount rate used in determining the accumulated post-retirement benefit obligations was 5%, and the health care cost trend rate was 7% during pre-retirement years and 6.00% during post-retirement years.

During 2012 and 2011, the post-retirement benefit expense was \$10,000 and \$100,000, respectively. As of December 31, 2012 and December 31, 2011, the accrued post-retirement benefit expense for plan participants included on page 3, was \$255,306 and \$277,541, respectively.

The health care cost trend rate assumption has a significant effect on the amounts reported. To illustrate, increasing the assumed health care cost trend rates by one percentage point in each year would increase the accumulated post-retirement benefit obligation as of January 1, 2012 by \$7,863 and the estimated service cost and interest cost components of net periodic post-retirement benefit cost for 2012 by \$339.

**C. Post – Retirement Benefit Plans (Directors):**

The Society provides certain life insurance benefits ("post-retirement benefits") for retired Directors. Substantially, all Directors will become eligible for these benefits if their Directorship was terminated on or after January 1, 1980. Life insurance benefits are generally set at a fixed amount.

**NOTES TO FINANCIAL STATEMENTS**

In 1995, the Society changed its method of accounting for the costs of its retiree benefit plans to the accrual method, and elected to amortize its transition obligation for retired Directors and fully eligible or vested Directors over the average future life expectancy of the active Directors but not less than 20 years. The unrecognized transition obligation was \$1,111 and \$1,663 as of December 31, 2012 and December 31, 2011, respectively.

Net post-retirement benefit cost for the year ended December 31, 2012 was \$1,530 and includes the expected cost of such benefits for newly eligible or vested Directors as of January 1, 2012, interest cost, gains and losses arising from differences between actuarial assumptions and actual experience, and amortization of the transition obligation. The Society's periodic post-retirement benefit cost was \$1,530 in 2012 and \$1,655 in 2011.

As of January 1, 2012 and January 1, 2011, the accumulated post-retirement benefit obligation for retirees and other fully eligible or vested plan participants was \$29,401, and \$15,860 respectively; the accumulated post-retirement benefit obligation for active non-vested plan participants was \$0 and \$6,973 as of January 1, 2012 and January 1, 2011, respectively. The discount rate used in determining the accumulated post-retirement benefit obligations was 7%.

During 2012 and 2011, the post-retirement benefit expense was \$ 5,900 and \$ 1,000, respectively. As of December 31, 2012 and December 31, 2011, the accrued (prepaid) post-retirement benefit expense for plan participants included on page 3, was \$14,495 and \$10,153, respectively.

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

- 1) The Company has no shares of capital stock outstanding.
- 2) The Company has no preferred stock outstanding.
- 3) Not applicable.
- 4) Not applicable.
- 5) Not applicable.
- 6) There were no restrictions placed on the Company's surplus.
- 7) There were no advances to surplus.
- 8) There were no stock held for special purposes by the Company
- 9) There were no major changes in balances of special surplus funds.
- 10) The portion of unassigned funds (surplus) represented or reduced by each item below is as follows:

a. Unrealized gains and losses:	\$	867,638
b. Non-admitted asset values:	\$	44,995
c. Separate account business:	\$	- 0 -
d. Asset valuation reserve:	\$	(1,196,913)
e. Provision for reinsurance:	\$	- 0 -
f. Prior period adjustment	\$	(257,000)
- 11) The Company issued no surplus notes.
- 12) Not applicable.
- 13) Not applicable.

**14. Contingencies**

- A. Contingent commitments – none.**
- B. Assessments – none.**
- C. Gain contingencies – none.**
- D. Claims Related Extra Contractual Obligation and Bad Faith Losses Stemming from Lawsuits - None**
- E. All other contingencies – none.**

**15. Leases – Not Applicable.****16. Information about Financial Instruments with Off-Balance Sheet Risk and Financial Instruments with Concentrations of Credit Risk – Not Applicable.**

**NOTES TO FINANCIAL STATEMENTS**

**17. Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities – Not Applicable.**

**18. Gain or Loss to the Reporting Entity from Uninsured 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**

Assets at Fair Value	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Bonds	\$	\$757,580,971	\$	\$757,580,971
Preferred Stocks		4,310,866		4,310,866
Common Stocks	<u>3,449,335</u>			<u>3,449,335</u>
Totals	\$3,449,335	\$761,891,837	\$ 0	\$765,341,172

**21. Other items:**

**A. Extraordinary Items – none.**

**B. Troubled Debt Restructuring: Debtors – not applicable.**

**C. Other Disclosures**

Hybrid Securities - During 2012 , the following securities were reported in Schedule D, Part 2, Section 1:

<u>Cusip</u>	<u>Issuer / Description</u>	<u>Carrying Value</u>
--------------	-----------------------------	-----------------------

N O N E

Assets in the amount of \$ 655,000 and \$ 655,000 at December 31, 2012 and 2011, respectively, were on deposit with government authorities or trustees as required by law.

**D. Uncollectible Assets Covered by SSAP No. 6 - none.**

**E. Business Interruption Insurance Recoveries - none.**

**F. State Transferable and Non-transferable Tax Credits - none.**

**G. Subprime Mortgage Related Risk Exposure**

As regards subprime mortgage related risk exposure, we have: (1) no direct investments in subprime mortgage loans; (2) no direct investments in securities with underlying subprime exposure; and (3) no equity investments in subsidiary, controlled or affiliated entities with known significant subprime related risk exposure. Finally, we offer no Mortgage Guaranty or Financial Guaranty insurance coverage.

**H. Retained Assets**

The Company uses an Unpaid Beneficiary Trust account, which is shown as part of the general liabilities on the balance sheet. When there are life insurance death claim benefits to be paid to beneficiaries who are minors, these amounts are added to the Unpaid Beneficiary Trust account. Interest is added to this account at an annual rate of 6%. Items are paid out of this account when the beneficiary reaches adulthood. The balance as of December 31, 2012 is \$14,608.

Also, when a death is reported and the beneficiary does not file a claim for payment, or when there are various documents still needed after a claim is filed, the rules for escheat claims apply. When the applicable number of years has past, depending on the state, the claim is paid to the state after performing the necessary due diligence work. These accounts also earn interest at 6%. These escheat claims are recorded on the books as death claim expense when they are paid to the state.

**22. Events Subsequent – none.**

**NOTES TO FINANCIAL STATEMENTS****23. Reinsurance****A. Ceded Reinsurance Report****Section 1 – General interrogatories**

- 1) 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? **NO**
- 2) Have any policies issued by the company been reinsured with a company chartered in a country other than the United States (excluding U.S. Branches of such companies) that is owned in excess of 10% or controlled directly or indirectly by an insured, a beneficiary, a creditor or an insured or any other person not primarily engaged in the insurance business? **NO**

**Section 2 – Ceded Reinsurance Report – Part A**

- 1) Does the company have any reinsurance agreements in effect under which the reinsurer may unilaterally cancel any reinsurance for reasons other than for nonpayment of premium or other similar credits? **NO**
- 2) Does the company have any reinsurance agreements in effect such that the amount of losses paid or accrued through the statement date may result in 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 reinsurer policies? **NO**

**Section 3 – Ceded Reinsurance Report – Part B**

- 1) What is the estimated amount of the aggregate reduction in surplus, (for agreements other than those under which the reinsurer may unilaterally cancel for reasons other than for nonpayment of premium or other similar credits that are reflected in Section 2 above) of termination of ALL reinsurance agreements, by either party, as of the date of this statement? Where necessary, the company may consider the current or anticipated experience of the business reinsured in making this estimate. **\$ - 0 –**
- 2) Have any new agreements been executed or existing agreements amended, since January 1 of the year of this statement, to include policies or contracts that were in force or which had existing reserves established by the company as of the effective date of this agreement? **NO**

**B. Uncollectible Reinsurance**

- 1.) Describe un-collectible reinsurance written off during the year reported in the following annual statement classifications, including the name or names of the reinsurer(s):
  - a. Claims incurred: not applicable
  - b. Claims adjustment expenses incurred: not applicable
  - c. Premiums earned: not applicable
  - d. Other: not applicable

**C. Commutation of Ceded Reinsurance**

Describe commutation of ceded reinsurance during the year reported in the following annual statement classifications, including the name or names of the reinsurer(s):

- 1) Claims incurred: not applicable
- 2) Claims adjustment expenses incurred: not applicable
- 3) Premiums earned: not applicable
- 4) Other: not applicable

**24. Retrospectively Rated Contracts & Contracts Subject to Redetermination – Not Applicable.****25. Change in Incurred Losses and Loss Adjustment Expenses – Not Applicable.**

**NOTES TO FINANCIAL STATEMENTS****26. Intercompany Pooling Arrangements – Not Applicable.****27. Structured settlements – Not Applicable.****28. Health Care Receivables – Not Applicable.****29. Participating Policies**

- A. 96 % of life business is participating.
- B. The portfolio average method is applied, recognizing plan of insurance, amount of insurance, year of issue and age.
- C. Dividends are accounted for as shown in Exhibit 4.
- D. No additional income was allocated to participating policies.

**30. Premium Deficiency Reserves – Not Applicable.****31. Reserves for Life Contracts and Annuity Contracts**

- A. The Society waives deduction of deferred fractional premiums upon death of insured and returns any portion of final premium beyond the date of death. A reserve for this is provided in Exhibit 5. Surrender values are not promised in excess of the legally computed reserves.
- B. The reserves for substandard policies are provided in the aggregated by strengthening the valuation reserve basis.
- C. Some single pay life premiums are less than the statutory net premiums. The statutory reserves, including deficiencies, are included in Exhibit 5.
- D. The Tabular Interest (page 7 line 4) has been determined from the basic data for the calculation of policy reserves. The Tabular Less Actual Reserves Release (page 7, line 5) has been determined from the basic data for the calculation of policy reserves and the actual reserves released. The Tabular Cost (page 7, line 9) has been determined by formula as described in the instructions for page 7.
- E. Tabular Interest on accumulated dividends is equal to full year's interest on the beginning balance. Tabular Interest on supplementary contracts without life contingencies is equal to a full year's interest on the principal left on deposit. In both cases, Tabular Interest as calculated as stated previously is adjusted in case of withdrawal of deposit during the year.

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

A. Subject to discretionary withdrawal:	<u>Amount</u>	<u>% of Total</u>
1) With market value adjustment	- 0. -	0 %
2) At book value less current surrender charge of 5% or more	\$ 9,996,588	2.64 %
3) At fair value	- 0. -	0 %
4) Total with adjustment or at market value (Total of 1 + 2 + 3 )	9,996,588	2.64 %
5) At book value without adjustment (minimal or no charge or adjustment)	\$ 362,000,049	95.58 %
B. Not subject to discretionary withdrawal provision	\$ 6,724,186	1.78 %
C. Total (Gross: Direct + Assumed)	\$ 378,720,823	100.00 %
D. Reinsurance ceded	- 0. -	0 %
E. Total (net) * ( C – D )	\$ 378,720,823	100.00 %

\* Reconciliation of total annuity actuarial reserves and deposit fund liabilities.

**NOTES TO FINANCIAL STATEMENTS**

F. Fraternal Annual Statement:	<u>Amount</u>
1) Exhibit 5, Annuities, Total (net)	\$ 371,996,637
Exhibit 5, Supplementary Contracts W/ Life Contingencies, Total (net)	1,482,186
2) Exhibit 7, Deposit-Type Contracts, line 16, column 1	5,242,000
3) Subtotal (to agree with "E" above)	378,720,823
Separate Accounts Annual Statement:	
4) Exhibit 3, line 0299999, column 2	- 0. -
5) Exhibit 3, line 0399999, column 2	- 0. -
6) Policyholder dividend and coupon accumulations	- 0. -
7) Policyholder premiums	- 0. -
8) Guaranteed interest contracts	- 0. -
9) Other contract deposit funds	- 0. -
10) Subtotal	- 0. -
11) Combined Total	\$ 378,720,823

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

A. Deferred and uncollected life insurance premiums and annuity considerations as of December 31, 2012, were as follows.

<u>Type</u>	<u>Gross</u>
1) Industrial	\$ - 0. -
2) Ordinary new business	- 0. -
3) Ordinary renewal	\$ 16,364.
4) Credit life	- 0. -
5) Group life	- 0. -
6) Group annuity	- 0. -
7) Total	\$ 16,364.

**34. Separate Accounts – None.****35. Loss / Claim Adjustment Expenses – Not Applicable.**

## GENERAL INTERROGATORIES

### PART 1 - COMMON INTERROGATORIES - GENERAL

- 1.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer? Yes [ ] No [ X ]
- 1.2 If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations? Yes [ ] No [ ] N/A [ X ]
- 1.3 State regulating? Yes [ ] No [ ] N/A [ X ]
- 2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? Yes [ ] No [ X ]
- 2.2 If yes, date of change: \_\_\_\_\_
- 3.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/2008
- 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. 12/31/2008
- 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). 06/05/2009
- 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 [ X ] No [ ] N/A [ ]
- 4.1 During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity) receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
- 4.11 sales of new business? Yes [ ] No [ X ]
- 4.12 renewals? Yes [ ] No [ X ]
- 4.2 During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
- 4.21 sales of new business? Yes [ ] No [ X ]
- 4.22 renewals? Yes [ ] No [ X ]
- 5.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes [ ] No [ X ]
- 5.2 If yes, provide the name of the entity, NAIC company code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

1 Name of Entity	2 NAIC Co. Code	3 State of Domicile

- 6.1 Has the reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? Yes [ ] No [ X ]
- 6.2 If yes, give full information: \_\_\_\_\_

- 7.1 Does any foreign (non-United States) person or entity directly or indirectly control 10% or more of the reporting entity? Yes [ ] No [ X ]
- 7.2 If yes,
- 7.21 State the percentage of foreign control .....%
- 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 Nationality	2 Type of Entity

- 8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board? Yes [ ] No [ X ]
- 8.2 If response to 8.1 is yes, please identify the name of the bank holding company. \_\_\_\_\_

- 8.3 Is the company affiliated with one or more banks, thrifts or securities firms? Yes [ ] No [ X ]
- 8.4 If response to 8.3 is yes, please provide the names and locations (city and state of the main office) of any affiliates regulated by a federal financial regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.

1 Affiliate Name	2 Location (City, State)	3 FRB	4 OCC	5 FDIC	6 SEC

9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?  
HOROVITZ, RUDOY & ROTEMAN KOPPERS BLDG - 6TH FLOOR, 436 SEVENTH AVE, PITTSBURGH, PA 15219-1853
- 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:  
NOT APPLICABLE
- 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:  
NOT APPLICABLE
- 10.5 Has the reporting entity established an Audit Committee in compliance with the domiciliary state insurance laws? Yes [ X ] No [ ] N/A [ ]
- 10.6 If the answer to 10.5 is no or n/a, please explain. \_\_\_\_\_

11. What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with an actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?  
BRUCE & BRUCE COMPANY 916 SHERWOOD DRIVE, LAKE BLUFF, IL 60044

## GENERAL INTERROGATORIES

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.

---

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?

NOT APPLICABLE

---

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 [ ]

14.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards? Yes [ X ] No [ ]

- a. Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
- b. Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
- c. Compliance with applicable governmental laws, rules and regulations;
- d. The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
- e. Accountability for adherence to the code.

14.11 If the response to 14.1 is no, please explain:

---

14.2 Has the code of ethics for senior managers been amended? Yes [ ] No [ X ]

14.21 If the response to 14.2 is yes, provide information related to amendment(s).

---

14.3 Have any provisions of the code of ethics been waived for any of the specified officers? Yes [ ] No [ X ]

14.31 If the response to 14.3 is yes, provide the nature of any waiver(s).

---

15.1 Is the reporting entity the beneficiary of a Letter of Credit that is unrelated to reinsurance where the issuing or confirming bank is not on the SVO Bank List? Yes [ ] No [ X ]

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

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

### 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 [ ] No [ X ]

22.2 If answer is yes:

22.21 Amount paid as losses or risk adjustment .....

22.22 Amount paid as expenses .....

22.23 Other amounts paid .....

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

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

### PART 1 - COMMON INTERROGATORIES - INVESTMENT

24.01 Were all the stocks, bonds and other securities owned December 31 of current year, over which the reporting entity has exclusive control, in the actual possession of the reporting entity on said date (other than securities lending programs addressed in 24.03)? Yes [ X ] No [ ]

24.02 If no, give full and complete information relating thereto.

---

**PART 1 - COMMON INTERROGATORIES - INVESTMENT**

24.03 For security lending programs, provide a description of the program including value for collateral and amount of loaned securities, and whether collateral is carried on or off-balance sheet (an alternative is to reference Note 17 where this information is also provided).  
 NOT APPLICABLE

24.04 Does the company's security lending program meet the requirements for a conforming program as outlined in the Risk-Based Capital Instructions? Yes [ ] No [ ] N/A [ X ]

24.05 If answer to 24.04 is yes, report amount of collateral for conforming programs. ....

24.06 If answer to 24.04 is no, report amount of collateral for other programs. ....

24.07 Does your securities lending program require 102% (domestic securities) and 105% (foreign securities) from the counterparty at the outset of the contract? Yes [ ] No [ ] N/A [ X ]

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

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

24.10 For the reporting entity's security lending program, state the amount of the following as of December 31 of the current year:  
 24.101 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2. ....N/A  
 24.102 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2. ....N/A  
 24.103 Total payable for securities lending reported on the liability page. ....N/A

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

25.2 If yes, state the amount thereof at December 31 of the current year:  
 25.21 Subject to repurchase agreements \$.....0  
 25.22 Subject to reverse repurchase agreements \$.....0  
 25.23 Subject to dollar repurchase agreements \$.....0  
 25.24 Subject to reverse dollar repurchase agreements \$.....0  
 25.25 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 \$.....655,000  
 25.29 Other \$.....0

25.3 For category (25.27) provide the following:

1 Nature of Restriction	2 Description	3 Amount

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

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

27.1 Were any preferred stocks or bonds owned as of December 31 of the current year mandatorily convertible into equity, or, at the option of the issuer, convertible into equity? Yes [ ] No [ X ]

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

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 Name of Custodian(s)	2 Custodian's Address
PNC BANK	155 EAST BROAD STREET, COLUMBUS, OH 423251

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

1 Name(s)	2 Location(s)	3 Complete Explanation(s)
NOT APPLICABLE		

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

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

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

28.05 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 Central Registration Depository Number(s)	2 Name	3 Address

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

29.2 If yes, complete the following schedule:

1 CUSIP #	2 Name of Mutual Fund	3 Book/Adj. Carrying Value
29.2999. TOTAL		0

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

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

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

	1 Statement (Admitted) Value	2 Fair Value	3 Excess of Statement over Fair Value (-), or Fair Value over Statement (+)
30.1 Bonds.....	667,216,336	757,580,971	90,364,635
30.2 Preferred stocks.....	4,095,422	4,310,866	215,444
30.3 Totals.....	671,311,758	761,891,837	90,580,079

30.4 Describe the sources or methods utilized in determining the fair values:

USED NAIC'S YEAR END VALUATION & PNC FINANCIAL'S MARKET PRICES FOR ITEMS NOT LISTED BY NAIC

**PART 1 - COMMON INTERROGATORIES - INVESTMENT**

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

**PART 1 - COMMON INTERROGATORIES - OTHER**

- 33.1 Amount of payments to trade associations, service organizations and statistical or rating bureaus, if any? \$.....770,769
- 33.2 List the name of the organization and the amount paid if any such payment represented 25% or more of the total payments to trade associations, service organizations and statistical or rating bureaus during the period covered by this statement.

1 Name	2 Amount Paid
BRUCE & BRUCE COMPANY	251,645

- 34.1 Amount of payments for legal expenses, if any? \$.....23,335
- 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 Name	2 Amount Paid
CALFEE HALTER GRISWOLD	23,335

- 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 Name	2 Amount Paid

## GENERAL INTERROGATORIES

### PART 2 - FRATERNAL 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 .....
- NOT APPLICABLE
- 
- 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 .....
- 2.1 Does this reporting entity have Separate Accounts? Yes [ ] No [X]
- 2.2 If yes, has a Separate Accounts statement been filed with this Department? Yes [ ] No [ ] N/A [X]
- 2.3 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? .....
- 2.4 State the authority under which Separate Accounts are maintained: .....
- NOT APPLICABLE
- 
- 2.5 Was any of the reporting entity's Separate Accounts business reinsured as of December 31? Yes [ ] No [X]
- 2.6 Has the reporting entity assumed by reinsurance any Separate Accounts business as of December 31? Yes [ ] No [X]
- 2.7 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)?" .....
3. Is the reporting entity organized and conducted on the lodge system, with ritualistic form of work and representative form of government? Yes [X] No [ ]
4. How often are meetings of the subordinate branches required to be held? .....
- MONTHLY
- 
5. How are the subordinate branches represented in the supreme or governing body? .....
- BY DELEGATES
- 
6. What is the basis of representation in the governing body? .....
- ONE DELEGATE FOR EVERY 25 - 150 MEMBERS; SCALED UPWARD WITH MAXIMUM OF 10 DELEGATES
- 
- 7.1 How often are regular meetings of the governing body held? .....
- EVERY FOURTH YEAR
- 
- 7.2 When was the last regular meeting of the governing body held? OCTOBER 2011.....
- 7.3 When and where will the next regular or special meeting of the governing body be held? .....
- OCTOBER 2015; LOUISVILLE, KY
- 
- 7.4 How many members of the governing body attended the last regular meeting? .....377
- 7.5 How many of the same were delegates of the subordinate branches? .....362
8. How are the expenses of the governing body defrayed? .....
- OUT OF OPERATIONS
- 
9. When and by whom are the officers and directors elected? .....
- BY DELEGATES AT THE CONVENTION
- 
10. What are the qualifications for membership? .....
- AS PER THE BYLAWS
- 
11. What are the limiting ages for admission? .....
- ONE DAY TO 85 YEARS
- 
12. What is the minimum and maximum insurance that may be issued on any one life? .....
- MINIMUM - \$1,000; MAXIMUM - NO LIMIT
- 
13. Is a medical examination required before issuing a benefit certificate to applicants? Yes [X] No [ ]
14. Are applicants admitted to membership without filing an application with and becoming a member of a local branch by ballot and initiation? Yes [ ] No [X]
- 15.1 Are notices of the payments required sent to the members? Yes [X] No [ ] N/A [ ]
- 15.2 If yes, do the notices state the purpose for which the money is to be used? Yes [X] No [ ]
16. What proportion of first and subsequent years' payments may be used for management expenses? .....
- 16.11 First year .....0.0 %
- 16.12 Subsequent years .....0.0 %

## GENERAL INTERROGATORIES

### PART 2 - FRATERNAL INTERROGATORIES

17.1 Is any part of the mortuary, disability, emergency or reserve fund, or the accretions from or payments for the same, used for expenses? Yes [ ] No [X]  
 17.2 If so, what amount and for what purpose? .....

18.1 Does the reporting entity pay an old age disability benefit? Yes [ ] No [X]  
 18.2 If yes, at what age does the benefit commence? .....  
 19.1 Has the constitution or have the laws of the reporting entity been amended during the year? Yes [ ] No [X]  
 19.2 If yes, when? .....

20. Have you filed with this Department all forms of benefit certificates issued, a copy of the constitution and of all the laws, rules and regulations in force at the present time? If not, please do so. Yes [X] No [ ]  
 21.1 State whether all or a portion of the regular insurance contributions were waived during the current year under premium-paying certificates on account of meeting attained age or membership requirements? Yes [X] No [ ]  
 21.2 If so, was an additional reserve included in Exhibit 5? Yes [X] No [ ] N/A [ ]

21.3 If yes, explain  
**MEMBERS UPON ATTAINING AGE 80 UNDER WHOLE LIFE CERTIFICATES HAVE SUBSEQUENT PREMIUMS WAIVED**

22.1 Has the reporting entity reinsured, amalgamated with, or absorbed any company, order, society, or association during the year? Yes [ ] No [X]  
 22.2 If yes, was there any contract agreement, or understanding, written or oral, expressed or implied, by means of which any officer, director, trustee, or any other person, or firm, corporation, society or association, received or is to receive any fee, commission, emolument, or compensation of any nature whatsoever in connection with, or on account of such reinsurance, amalgamation, absorption, or transfer of membership or funds? Yes [ ] No [ ] N/A [X]  
 23. Has any present or former officer, director, trustee, incorporator, or any other persons, or any firm, corporation, society or association, any claims of any nature whatsoever against this reporting entity, which is not included in the liabilities on Page 3 of this statement? Yes [ ] No [X]  
 24.1 Does the company have variable annuities with guaranteed benefits? Yes [ ] No [X]  
 24.2 If 24.1 is yes, complete the following table for each type of guaranteed benefit.

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

25. 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:  
 25.1 Amount of loss reserves established by these annuities during the current year? \$.....0  
 25.2 List the name and location of the insurance company purchasing the annuities and the statement value on the purchase date of the annuities.

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

26.1 Do you act as a custodian for health savings account? Yes [ ] No [X]  
 26.2 If yes, please provide the amount of custodial funds held as of the reporting date. .....  
 26.3 Do you act as an administrator for health savings accounts? Yes [ ] No [X]  
 26.4 If yes, please provide the balance of the funds administered as of the reporting date. .....  
 27.1 Does the reporting entity have outstanding assessments in the form of liens against policy benefits that have increased surplus? Yes [ ] No [X]  
 27.2 If yes, what is the date(s) of the original lien and the total outstanding balance of liens that remain in surplus?

Date	Outstanding Lien Amount

**FIVE-YEAR HISTORICAL DATA**

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

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

	1 2012	2 2011	3 2010	4 2009	5 2008
<b>Life Insurance in Force (Exhibit of Life Insurance)</b>					
1. Total (Line 21, Column 2).....	1,031,568	879,259	810,192	766,386	743,910
<b>New Business Issued (Exhibit of Life Insurance)</b>					
2. Total (Line 2, Column 2).....	151,249	83,179	56,944	32,016	21,745
<b>Premium Income (Exhibit 1, Part 1)</b>					
3. Life insurance - first year (Line 9.4, Column 2).....	180,269	173,160	153,254	105,942	117,713
4. Life insurance - single and renewal (Lines 10.4 and 19.4, Column 2).....	34,607,812	24,477,963	14,189,354	8,742,513	5,402,441
5. Annuity (Line 20.4, Column 3).....	19,621,284	18,195,109	32,773,087	34,525,911	15,808,981
6. Accident and health (Line 20.4, Column 4).....					
7. Aggregate of all other lines of business (Line 20.4, Column 5).....					
8. Total (Line 20.4, Column 1).....	54,409,365	42,846,232	47,115,695	43,374,366	21,329,135
<b>Balance Sheet Items (Pages 2 and 3)</b>					
9. Total admitted assets excluding Separate Accounts business (Page 2, Line 26, Col. 3).....	727,699,668	676,100,757	635,734,091	590,101,887	544,659,503
10. Total liabilities excluding Separate Accounts business (Page 3, Line 23).....	643,630,015	590,271,287	546,216,178	503,575,181	460,157,310
11. Aggregate reserve for life certificates and contracts (Page 3, Line 1).....	620,306,824	569,007,000	523,336,000	483,373,000	442,768,000
12. Aggregate reserve for accident and health certificates (Page 3, Line 2).....					
13. Deposit-type contract funds (Page 3, Line 3).....	9,539,848	8,047,779	8,260,202	6,916,351	5,617,683
14. Asset valuation reserve (Page 3, Line 21.1).....	7,330,961	6,134,048	6,907,564	5,893,549	4,645,389
15. Surplus (Page 3, Line 30).....	84,069,649	85,829,470	89,517,916	86,526,708	84,502,187
<b>Cash Flow (Page 5)</b>					
16. Net cash from operations (Line 11).....	52,182,334	42,947,911	46,145,386	45,007,661	25,043,113
<b>Risk-Based Capital Analysis</b>					
17. Total Adjusted Capital.....	92,022,610	93,042,018	96,425,480	93,357,757	90,022,581
18. 50% of the Calculated RBC Amount.....	9,995,542	8,989,712	8,647,098	7,868,947	4,816,378
<b>Percentage Distribution of Cash, Cash Equivalent and Invested Assets</b> (Page 2, Col. 3) (Line No. ÷ Page 2, Line 12, Col. 3) x 100.0					
19. Bonds (Line 1).....	93.1	94.4	92.5	92.6	90.2
20. Stocks (Lines 2.1 and 2.2).....	1.1	1.3	1.6	1.8	1.9
21. Mortgage loans on real estate (Lines 3.1 and 3.2).....	0.0	0.0	0.0	0.0	0.0
22. Real estate (Lines 4.1, 4.2 and 4.3).....	0.8	0.9	1.0	1.1	1.5
23. Cash, cash equivalents and short-term investments (Line 5).....	3.3	1.6	3.0	2.4	4.1
24. Contract loans (Line 6).....	0.3	0.3	0.3	0.3	0.2
25. Derivatives (Line 7).....				XXX	XXX
26. Other invested assets (Line 8).....	1.4	1.5	1.6	1.8	1.9
27. Receivable for securities (Line 9).....					0.1
28. Securities lending reinvested collateral assets (Line 10).....				XXX	XXX
29. Aggregate write-ins for invested assets (Line 11).....					
30. Cash, cash equivalents and invested assets (Line 12).....	100.0	100.0	100.0	100.0	100.0
<b>Investments in Subsidiaries and Affiliates</b>					
31. Affiliated bonds (Schedule D Summary, Line 12, Col. 1).....					
32. Affiliated preferred stock (Schedule D Summary, Line 18, Col. 1).....					
33. Affiliated common stock (Schedule D Summary, Line 24, Col. 1).....					
34. Affiliated short-term investments (subtotals included in Sch. DA, Verif., Col. 5, Line 10).....					
35. Affiliated mortgage loans on real estate.....					
36. All other affiliated.....					
37. Total of above Lines 31 to 36.....	0	0	0	0	0
38. Total investment in parent included in Lines 31 to 36 above.....					
<b>Total Nonadmitted Assets and Admitted Assets</b>					
39. Total nonadmitted assets (Page 2, Line 28, Col. 2).....	380,798	425,793	506,333	482,866	736,900
40. Total admitted assets (Page 2, Line 28, Col. 3).....	727,699,668	676,100,757	635,734,091	590,101,887	544,659,503
<b>Investment Data</b>					
41. Net investment income (Exhibit of Net Investment Income, Line 17).....	37,752,848	35,603,953	34,322,922	31,815,718	31,217,615
42. Realized capital gains (losses) (Page 4, Line 30, Column 1).....	682,665	(454,799)	24,678	(606,561)	
43. Unrealized capital gains (losses) (Page 4, Line 34, Column 1).....	867,638	(420,892)	441,192	1,400,525	
44. Total of above Lines 41, 42 and 43.....	39,303,151	34,728,262	34,788,792	32,609,682	31,217,615

**FIVE-YEAR HISTORICAL DATA**

(Continued)

	1 2012	2 2011	3 2010	4 2009	5 2008
<b>Benefits and Reserve Increases (Page 6)</b>					
45. Total Certificate Benefits - Life (Lines 10, 11, 12, 13 and 14, Column 7 less Line 13, Column 5).....	27,957,762	23,109,653	24,188,984	20,021,253	19,480,189
46. Total Certificate Benefits - Accident and Health (Line 13, Column 5).....					
47. Increase in Life Reserves (Line 17, Column 2).....	37,585,000	27,670,000	12,931,000	9,277,000	5,245,000
48. Increase in Accident and Health Reserves (Line 17, Column 5).....					
49. Refunds to Members (Line 28, Column 1).....	1,192,207	2,110,662	2,064,948	2,003,613	1,798,116
<b>Operating Percentages</b>					
50. Insurance Expense Percent (Page 6, Column 1, Lines 19, 20 and 21 less Line 6, Column 1) + (Page 6 Column 1, Line 1) x 100.0.....	22.4	26.3	21.5	20.6	35.7
51. Lapse Percent [(Exhibit of Life Insurance, Column 2, Lines 14 and 15) + 1/2 (Exhibit of Life Insurance, Column 2, Lines 1 and 21)] x 100.0.....	1.2	1.3	1.3	1.2	1.1
52. Accident and Health Loss Percent (Schedule H, Part 1, Lines 5 and 6, Column 2).....					
53. A&H cost containment percent (Schedule H, Part 1, Line 4, Column 2).....					
54. Accident and Health Expense Percent Excluding Cost Containment Expenses (Schedule H, Part 1, Line 10, Column 2).....					
<b>Accident and Health Reserve Adequacy</b>					
55. Incurred Losses on Prior Years' Claims (Schedule H, Part 3, Line 3.1, Column 1).....					
56. Prior Years' Liability and Reserve (Schedule H, Part 3, Line 3.2, Column 1).....					
<b>Net Gains from Operations After Refunds to Members by Lines of Business (Page 6, Line 29)</b>					
57. Life Insurance (Column 2).....	(2,096,306)	(2,977,320)	1,365,677	958,047	1,616,410
58. Annuity (Column 3).....	3,615,601	4,797,196	5,613,894	4,503,783	3,524,486
59. Supplementary Contracts (Column 4).....	(12,513)	(3,677)	(15,931)	(45,181)	(4,665)
60. Accident and Health (Column 5).....					
61. Aggregate of All Other Lines of Business (Column 6).....			1	1	1
62. Fraternal (Column 8).....	(3,407,989)	(3,403,383)	(3,401,061)	(3,191,912)	(2,757,967)
63. Expense (Column 9).....					
64. Total (Column 1).....	(1,901,207)	(1,587,184)	3,562,579	2,224,737	2,378,264

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:

## EXHIBIT OF LIFE INSURANCE

	1 Number of Certificates	2 Amount of Insurance (a)
1. In force end of prior year.....	96,611	886,853
2. Issued during year.....	2,020	151,249
3. Reinsurance assumed.....		
4. Revived during year.....	4	40
5. Increased during year (net).....		7,154
6. Subtotals, Lines 2 to 5.....	2,024	158,443
7. Additions by refunds during year.....	XXX	5,776
8. Aggregate write-ins for increases.....	513	1,498
9. Totals (Line 1 plus Line 6 to Line 8).....	99,148	1,052,570
Deductions During Year:		
10. Death.....	1,602	5,331
11. Maturity.....	431	2,796
12. Disability.....		
13. Expiry.....	76	674
14. Surrender.....	854	8,582
15. Lapse.....	57	2,500
16. Conversion.....		
17. Decreased (net).....		
18. Reinsurance.....		
19. Aggregate write-ins for decreases.....	15	1,119
20. Totals (Lines 10 to 19).....	3,035	21,002
21. In force end of year (b) (Line 9 minus 20).....	96,113	1,031,568
22. Reinsurance ceded end of year.....	XXX	74,619
23. Line 21 minus Line 22.....	XXX	956,949

### DETAILS OF WRITE-INS

0801. PRE NEED ANNUAL INCREASE - FACE AMOUNT.....		27
0802. CERTIFICATE CORRECTION.....		
0803. RETIREMENT AT 60 FACE INCREASES.....		3
0898. Summary of remaining write-ins for Line 8 from overflow page.....	513	1,468
0899. Totals (Lines 0801 thru 0803 plus 0898) (Line 8 above).....	513	1,498
1901. FIXED RATE YRT DECREASE.....		28
1902. INSURANCE DECREASE.....		
1903. ETI INSURANCE DECREASE.....		19
1998. Summary of remaining write-ins for Line 19 from overflow page.....	15	1,072
1999. Totals (Lines 1901 thru 1903 plus 1998) (Line 19 above).....	15	1,119

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

(b) Paid-up insurance included in the final totals of Line 21 (including additions to certificates), number of certificates.....0, Amount, \$.....0.

Additional accidental death benefits included in life certificates were in amount, \$.....0. Does the society collect any

contributions from members for general expenses of the society under fully paid-up certificates? Yes [ ] No [ ]

If not, how are such expenses met?.....

## EXHIBIT OF NUMBERS OF CERTIFICATES FOR SUPPLEMENTARY CONTRACTS, ANNUITIES AND ACCIDENT AND HEALTH INSURANCE

	1 Supplementary Contracts (Involving Life Contingencies)	2 Supplementary Contracts (Not Involving Life Contingencies)	3 Individual Annuities	4 Accident & Health Insurance
1. In force end of prior year.....		259	11,299	
2. Issued during year.....		41	784	
3. Reinsurance assumed.....				
4. Increased during year (net).....			30	
5. TOTALS (Lines 1 to 4).....	0	300	12,113	0
Deduction during year:				
6. Decreased during year (net).....		76	411	
7. Reinsurance ceded.....				
8. TOTALS (Lines 6 and 7).....	0	76	411	0
9. In force end of year (Line 5 minus Line 8).....	0	224	11,702	0
10. Amount on deposit.....		342,369	378,307,819	XXX
<b>Income now payable:</b>				
11. Amount of income payable.....				XXX
<b>Deferred: fully paid:</b>				
12. Deferred: fully paid - account balance.....	XXX	XXX		XXX
<b>Deferred: not fully paid:</b>				
13. Deferred: not fully paid - account balance.....	XXX	XXX		XXX

**SCHEDULE T - PREMIUMS AND ANNUITY CONSIDERATIONS**

Allocated by States and Territories

States, Etc.	1	Direct Business					
		Life Contracts		4 Accident and Health Insurance Premiums, Including Policy, Mem- bership and Other Fees	5 Other Considerations	6 Total Columns 2 through 5	7 Deposit-Type Contracts
		2 Life Insurance Premiums	3 Annuity Considerations				
1. Alabama	AL	L	113,033	12,000	-	125,033	-
2. Alaska	AK	L	1,915	-	-	1,915	-
3. Arizona	AZ	L	406,415	92,219	-	498,634	35
4. Arkansas	AR	L	-	-	-	0	-
5. California	CA	L	-	-	-	0	-
6. Colorado	CO	L	607,332	19,400	-	626,732	2
7. Connecticut	CT	L	1,002,322	26,075	-	1,028,397	1,188
8. Delaware	DE	L	85,868	1,200	-	87,068	-
9. District of Columbia	DC	L	899	-	-	899	-
10. Florida	FL	L	235,117	160,600	-	395,717	158
11. Georgia	GA	L	50,507	-	-	50,507	-
12. Hawaii	HI	L	-	-	-	0	-
13. Idaho	ID	L	72,354	-	-	72,354	-
14. Illinois	IL	L	2,334,916	982,508	-	3,317,424	17,478
15. Indiana	IN	L	330,372	516,255	-	846,627	12,988
16. Iowa	IA	L	1,317,432	2,012,198	-	3,329,630	11,788
17. Kansas	KS	L	570,714	179,201	-	749,915	10,653
18. Kentucky	KY	L	10,941	-	-	10,941	4
19. Louisiana	LA	L	-	-	-	0	-
20. Maine	ME	L	27,211	-	-	27,211	-
21. Maryland	MD	L	7,502	183,027	-	190,529	191
22. Massachusetts	MA	L	338,018	2,800	-	340,818	14
23. Michigan	MI	L	3,021,352	442,594	-	3,463,946	4,962
24. Minnesota	MN	L	2,189,973	2,301,753	-	4,491,726	6,148
25. Mississippi	MS	N	-	-	-	0	-
26. Missouri	MO	L	468,299	58,200	-	526,499	15
27. Montana	MT	L	10,058	10,000	-	20,058	-
28. Nebraska	NE	L	4,754,508	2,152,403	-	6,906,911	27,756
29. Nevada	NV	L	50,597	20,000	-	70,597	-
30. New Hampshire	NH	N	-	-	-	0	-
31. New Jersey	NJ	L	77,031	305,301	-	382,332	6,565
32. New Mexico	NM	L	951	-	-	951	-
33. New York	NY	L	240,394	219,250	-	459,644	1,574
34. North Carolina	NC	L	1,124,389	-	-	1,124,389	-
35. North Dakota	ND	L	38,005	275,450	-	313,455	7,007
36. Ohio	OH	L	2,658,712	4,052,487	-	6,711,199	61,751
37. Oklahoma	OK	L	596	-	-	596	-
38. Oregon	OR	L	9,392	12,300	-	21,692	1,935
39. Pennsylvania	PA	L	6,182,919	4,125,512	-	10,308,431	63,083
40. Rhode Island	RI	L	277,095	29,064	-	306,159	-
41. South Carolina	SC	L	238,255	6,900	-	245,155	10
42. South Dakota	SD	L	322,583	83,060	-	405,643	3,190
43. Tennessee	TN	L	7,188	12,000	-	19,188	1,180
44. Texas	TX	L	113,857	214,415	-	328,272	823
45. Utah	UT	L	19,999	-	-	19,999	-
46. Vermont	VT	L	-	20,000	-	20,000	-
47. Virginia	VA	L	14,807	21,112	-	35,919	12
48. Washington	WA	L	9,999	-	-	9,999	-
49. West Virginia	WV	L	2,393,310	38,100	-	2,431,410	1,333
50. Wisconsin	WI	L	1,670,873	1,033,901	-	2,704,774	3,168
51. Wyoming	WY	L	-	-	-	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	CAN	N	-	-	-	0	-
58. Aggregate Other Alien	OT	XXX	0	0	0	0	0
59. Subtotal	(a)....49		33,408,010	19,621,285	0	53,029,295	245,011
90. Reporting entity contributions for employee benefit plans	XXX					0	
91. Dividends or refunds applied to purchase paid-up additions and annuities	XXX		1,610,145			1,610,145	
92. Dividends or refunds applied to shorten endowment or premium paying period	XXX					0	
93. Premium or annuity considerations waived under disability or other contract provisions	XXX					0	
94. Aggregate other amounts not allocable by State	XXX		0	0	0	0	0
95. Totals (Direct Business)	XXX		35,018,155	19,621,285	0	54,639,440	245,011
96. Plus Reinsurance Assumed	XXX					0	
97. Totals (All Business)	XXX		35,018,155	19,621,285	0	54,639,440	245,011
98. Less Reinsurance Ceded	XXX		282,619			282,619	
99. Totals (All Business) less reinsurance ceded	XXX		34,735,536	19,621,285	(b).....0	54,356,821	245,011

**DETAILS OF WRITE-INS**

58001	XXX					0	
58002	XXX					0	
58003	XXX					0	
58998. Summ. of remaining write-ins for line 58 from overflow	XXX		0	0	0	0	0
58999. Total (Lines 58001 thru 58003 plus 58998) (Line 58)	XXX		0	0	0	0	0
9401	XXX					0	
9402	XXX					0	
9403	XXX					0	
9498. Summ. of remaining write-ins for line 94 from overflow	XXX		0	0	0	0	0
9499. Total (Lines 9401 thru 9403 plus 9498) (Line 94 above)	XXX		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.**

(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, Col. 4 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

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**2012 ALPHABETICAL INDEX  
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Analysis of Increase in Reserves During The Year	7	Schedule D – Part 2 – Section 1	E11
Analysis of Operations By Lines of Business	6	Schedule D – Part 2 – Section 2	E12
Asset Valuation Reserve (Replications (Synthetic) Assets)	32	Schedule D – Part 3	E13
Asset Valuation Reserve Default Component	27	Schedule D – Part 4	E14
Asset Valuation Reserve Equity Component	29	Schedule D – Part 5	E15
Asset Valuation Reserve	26	Schedule D – Part 6 – Section 1	E16
Assets	2	Schedule D – Part 6 – Section 2	E16
Cash Flow	5	Schedule D – Summary By Country	SI04
Exhibit 1 – Part 1 – Premiums and Annuity Considerations for Life and Accident and Health Contracts	9	Schedule D – Verification Between Years	SI03
Exhibit 1 – Part 2 – Refunds Applied, Reinsurance Commissions and Expense	10	Schedule DA – Part 1	E17
Exhibit 2 – General Expenses	11	Schedule DA – Part 2 – Verification Between Years	SI10
Exhibit 3 – Taxes, Licenses and Fees	11	Schedule DB – Part A – Section 1	E18
Exhibit 4 – Dividends	11	Schedule DB – Part A – Section 2	E19
Exhibit 5 – Aggregate Reserve for Life Contracts	12	Schedule DB – Part A – Verification Between Years	SI11
Exhibit 5 – Interrogatories	13	Schedule DB – Part B – Section 1	E20
Exhibit 5A – Changes in Bases of Valuation During The Year	13	Schedule DB – Part B – Section 2	E21
Exhibit 6 – Aggregate Reserves for Accident and Health Contracts	14	Schedule DB – Part B – Verification Between Years	SI11
Exhibit 7 – Deposit-Type Contracts	14	Schedule DB – Part C – Section 1	SI12
Exhibit 8 – Claims for Life and Accident and Health Contracts - Part 1	15	Schedule DB – Part C – Section 2	SI13
Exhibit 8 – Claims for Life and Accident and Health Contracts - Part 2	16	Schedule DB – Part D	E22
Exhibit of Capital Gains (Losses)	8	Schedule DB – Verification	SI14
Exhibit of Life Insurance	24	Schedule DL – Part 1	E23
Exhibit of Net Investment Income	8	Schedule DL – Part 2	E24
Exhibit of Nonadmitted Assets	17	Schedule E – Part 1 – Cash	E25
Exhibit of Number of Certificates for Supplementary Contracts, Annuities and Accident and Health Insurance	24	Schedule E – Part 2 – Cash Equivalents	E26
Five-Year Historical Data	21	Schedule E – Part 3 – Special Deposits	E27
Form for Calculating the Interest Maintenance Reserve (IMR)	25	Schedule E – Verification Between Years	SI15
General Interrogatories	19	Schedule F	33
Jurat Page	1	Schedule H – Accident and Health Exhibit – Part 1	34
Liabilities, Surplus and Other Funds	3	Schedule H – Part 5 – Health Claims	36
Life Insurance (State Page)	23	Schedule H – Parts – 2, 3, and 4	35
Notes To Financial Statements	18	Schedule S – Part 1 – Section 1	37
Overflow Page For Write-Ins	53	Schedule S – Part 1 – Section 2	38
Schedule A – Part 1	E01	Schedule S – Part 2	39
Schedule A – Part 2	E02	Schedule S – Part 3 – Section 1	40
Schedule A – Part 3	E03	Schedule S – Part 3 – Section 2	41
Schedule A – Verification Between Years	SI02	Schedule S – Part 4	42
Schedule B – Part 1	E04	Schedule S – Part 5	43
Schedule B – Part 2	E05	Schedule S – Part 6	45
Schedule B – Part 3	E06	Schedule S – Part 7	46
Schedule B – Verification Between Years	SI02	Schedule T – Part 2 – Interstate Compact	47
Schedule BA – Part 1	E07	Schedule T – Premiums and Annuity Considerations	48
Schedule BA – Part 2	E08	Schedule Y – Information Concerning Activities of Insurer Members of a Holding Company Group	49
Schedule BA – Part 3	E09	Schedule Y – Part 1A – Detail of Insurance Holding Company System	50
Schedule BA – Verification Between Years	SI03	Schedule Y – Part 2 – Summary of Insurer's Transactions With Any Affiliates	51
Schedule D – Part 1	E10	Summary Investment Schedule	SI01
Schedule D – Part 1A – Section 1	SI05	Summary of Operations	4
Schedule D – Part 1A – Section 2	SI08	Supplemental Exhibits and Schedules Interrogatories	52