
AMENDED FILING EXPLANATION

Subsequent to filing the 2012 Statutory Annual Statement, the Company identified an error in the calculation of reserves on certain specified disease contracts due to missing reserve factors on policies in excess of thirty years in duration. SSAP No. 3 *Accounting Changes and Corrections of Errors*, requires that corrections of errors related to prior periods be reported as adjustments to unassigned surplus.

The Company corrected this error in 2012 by increasing future policy benefit reserves by \$3,802,922 and recording an adjustment to unassigned surplus in the accompanying financial statements, net of applicable federal income taxes, of \$411,084. As a result of this correction, total capital and surplus for 2012 has been reduced by \$3,391,838.

The Company's RBC Calculation is also being amended in order to take the above factors into consideration. As a result, lines 30 and 31 of page 22 is being updated.

Page 49 was not part of the first amendment submission, but is being included at this time.



ANNUAL STATEMENT

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

Loyal American Life Insurance Company

NAIC Group Code.....0901, 0901 (Current Period) (Prior Period)	NAIC Company Code..... 65722	Employer's ID Number..... 63-0343428
Organized under the Laws of Ohio	State of Domicile or Port of Entry Ohio	Country of Domicile US
Incorporated/Organized..... May 18, 1955	Commenced Business..... July 4, 1955	
Statutory Home Office	1300 East Ninth Street..... Cleveland OH US 44114 <i>(Street and Number) (City or Town, State, Country and Zip Code)</i>	
Main Administrative Office	11200 Lakeline Blvd., Suite 100..... Austin TX US..... 78717 <i>(Street and Number) (City or Town, State, Country and Zip Code)</i>	(512)451-2224 <i>(Area Code) (Telephone Number)</i>
Mail Address	11200 Lakeline Blvd., Suite 100..... Austin TX US 78717 <i>(Street and Number or P. O. Box) (City or Town, State, Country and Zip Code)</i>	
Primary Location of Books and Records	11200 Lakeline Blvd., Suite 100..... Austin TX US 78717 <i>(Street and Number) (City or Town, State, Country and Zip Code)</i>	(512)451-2224 <i>(Area Code) (Telephone Number)</i>
Internet Web Site Address	www.loyalamerican.com	
Statutory Statement Contact	Jesse Navarrete <i>(Name)</i> CSBFinRpt@cigna.com <i>(E-Mail Address)</i>	512-807-4801 <i>(Area Code) (Telephone Number) (Extension)</i> (512) 467-1399 <i>(Fax Number)</i>

OFFICERS

Name	Title	Name	Title
1. Bradley Allen Wolfram	President	2. Brenda Weigilia Hardison	Secretary
3. Byron Keith Buescher	Treasurer	4. James Monroe Garvin III #	Appointed Actuary

OTHER

Paul Adolph Severt	Chief Financial Officer	Tracy Eugene Maples	Chief Actuary
David Lawrence Chambers	Vice President	Michael Kenneth Brown #	Vice President
Maureen Hardiman Ryan #	Assistant Treasurer	Barry Richard McHale #	Assistant Treasurer

DIRECTORS OR TRUSTEES

Bradley Allen Wolfram	Paul Adolph Severt	Thomas Barton Richards #	Eric Paul Palmer #
Frank Sataline Jr. #			

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

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

_____ (Signature) Bradley Allen Wolfram	_____ (Signature) Brenda Weigilia Hardison	_____ (Signature) Byron Keith Buescher
1. (Printed Name) President	2. (Printed Name) Secretary	3. (Printed Name) Treasurer
_____ (Title)	_____ (Title)	_____ (Title)

Subscribed and sworn to before me
This _____ day of August 2013

a. Is this an original filing?	Yes [] No [x]
b. If no	
1. State the amendment number	1
2. Date filed	08/15/2013
3. Number of pages attached	15

FIVE-YEAR HISTORICAL DATA

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

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

	1 2012	2 2011	3 2010	4 2009	5 2008
Life Insurance in Force (Exhibit of Life Insurance)					
1. Ordinary - whole life and endowment (Line 34, Col. 4).....	465,988	501,348	547,363	598,382	637,788
2. Ordinary - term (Line 21, Col. 4, less Line 34, Col. 4).....	139,813	151,782	165,538	178,543	199,168
3. Credit life (Line 21, Col. 6).....					
4. Group, excluding FEGLI/SGLI (Line 21, Col. 9 less Lines 43 & 44, Col. 4).....	12,090	14,912	17,210	18,797	19,997
5. Industrial (Line 21, Col. 2).....					
6. FEGLI/SGLI (Lines 43 & 44, Col. 4).....					
7. Total (Line 21, Col. 10).....	617,891	668,042	730,111	795,722	856,953
New Business Issued (Exhibit of Life Insurance)					
8. Ordinary - whole life and endowment (Line 34, Col. 2).....	159	34	124	22,615	4,578
9. Ordinary - term (Line 2, Col. 4, less Line 34, Col. 2).....	2	3	8	31	558
10. Credit life (Line 2, Col. 6).....					76
11. Group (Line 2, Col. 9).....		80		30	155
12. Industrial (Line 2, Col. 2).....					
13. Total (Line 2, Col. 10).....	161	117	132	22,676	5,367
Premium Income - Lines of Business (Exhibit 1-Part 1)					
14. Industrial life (Line 20.4, Col. 2).....					
15.1 Ordinary life insurance (Line 20.4, Col. 3).....	(153,931,185)	1,759,552	1,928,755	2,375,226	1,474,686
15.2 Ordinary individual annuities (Line 20.4, Col. 4).....	(210,644,757)	412,253	1,449,050	1,600,301	78,108,546
16. Credit life (group and individual) (Line 20.4, Col. 5).....					825
17.1 Group life insurance (Line 20.4, Col. 6).....	27,608	107,436	121,536	144,870	162,272
17.2 Group annuities (Line 20.4, Col. 7).....					
18.1 A&H - group (Line 20.4, Col. 8).....	7,030,402	127,178	142,579	167,790	279,328
18.2 A&H - credit (group and individual) (Line 20.4, Col. 9).....					
18.3 A&H - other (Line 20.4, Col. 10).....	277,364,789	100,883,623	83,802,994	48,640,185	27,192,371
19. Aggregate of all other lines of business (Line 20.4, Col. 11).....					
20. Total.....	(80,153,143)	103,290,042	87,444,914	52,928,372	107,218,028
Balance Sheet (Pages 2 and 3)					
21. Total admitted assets excluding Separate Accounts business (Page 2, Line 26, Col. 3).....	282,287,095	438,927,645	452,928,452	465,848,601	483,898,561
22. Total liabilities excluding Separate Accounts business (Page 3, Line 26).....	204,040,242	398,120,312	415,044,506	432,518,494	446,200,556
23. Aggregate life reserves (Page 3, Line 1).....		222,238,520	240,142,087	257,131,032	268,598,384
24. Aggregate A&H reserves (Page 3, Line 2).....	116,361,443	19,119,979	19,806,384	20,036,848	31,449,607
25. Deposit-type contract funds (Page 3, Line 3).....	9,939	13,418,246	13,470,506	13,803,826	12,774,630
26. Asset valuation reserve (Page 3, Line 24.01).....	974,111	1,178,762	1,270,361	870,394	1,282,242
27. Capital (Page 3, Lines 29 & 30).....	5,640,000	5,640,000	5,640,000	5,640,000	5,640,000
28. Surplus (Page 3, Line 37).....	72,606,853	35,167,333	32,243,946	27,690,107	32,058,005
Cash Flow (Page 5)					
29. Net Cash from operations (Line 11).....	(232,416,139)	(14,749,981)	(15,162,326)	(8,521,534)	60,307,225
Risk-Based Capital Analysis					
30. Total adjusted capital.....	79,220,964	42,024,407	39,174,307	34,248,668	39,098,037
31. Authorized control level risk-based capital.....	7,245,626	4,473,042	4,520,185	4,085,794	5,549,068
Percentage Distribution of Cash, Cash Equivalents and Invested Assets (Page 2, Col. 3) (Line No. /Page 2, Line 12, Col. 3) x 100.0					
32. Bonds (Line 1).....	88.8	91.7	90.4	85.2	83.3
33. Stocks (Lines 2.1 and 2.2).....	2.7	4.0	4.0	3.6	3.1
34. Mortgage loans on real estate (Lines 3.1 and 3.2).....					
35. Real estate (Line 4.1, 4.2 and 4.3).....					
36. Cash, cash equivalents and short-term investments (Line 5).....	8.5	0.0	1.3	6.5	9.1
37. Contract loans (Line 6).....		4.3	4.3	4.7	4.5
38. Derivatives (Line 7).....				XXX	XXX
39. Other invested assets (Line 8).....					
40. Receivables for securities (Line 9).....		0.0		0.0	
41. Securities lending reinvested collateral assets (Line 10).....				XXX	XXX
42. Aggregate write-ins for invested assets (Line 11).....					
43. Cash, cash equivalents and invested assets (Line 12).....	100.0	100.0	100.0	100.0	100.0

FIVE-YEAR HISTORICAL DATA

(continued)

	1 2012	2 2011	3 2010	4 2009	5 2008
Investments in Parent, Subsidiaries and Affiliates					
44. Affiliated bonds (Sch. D Summary, Line 12 Col. 1).....					
45. Affiliated preferred stocks (Sch. D Summary, Line 18 Col. 1).....					
46. Affiliated common stocks (Sch. D Summary, Line 24 Col. 1).....	5,436,805	13,766,185	13,481,767	13,342,773	13,807,583
47. Affiliated short-term investments (subtotal included in Sch. DA, Verif. Col. 5, Line 10).....					
48. Affiliated mortgage loans on real estate.....					
49. All other affiliated.....					
50. Total of above Lines 44 to 49.....	5,436,805	13,766,185	13,481,767	13,342,773	13,807,583
51. Total investment in parent included in Lines 44 to 49 above.....					
Total Nonadmitted and Admitted Assets					
52. Total nonadmitted assets (Page 2, Line 28, Col. 2).....	62,285,992	6,334,097	6,856,682	8,640,189	6,623,859
53. Total admitted assets (Page 2, Line 28, Col. 3).....	282,287,095	438,927,645	452,928,452	465,848,601	483,898,561
Investment Data					
54. Net investment income (Exhibit of Net Investment Income).....	19,089,909	24,262,766	24,444,027	24,398,651	26,523,421
55. Realized capital gains (losses) (Page 4, Line 34, Column 1).....	12,432,689	(692,460)	(62,935)	(934,730)	(6,764,669)
56. Unrealized capital gains (losses) (Page 4, Line 38, Column 1).....	(4,584,014)	77,560	1,033,862	332,064	1,381,329
57. Total of above Lines 54, 55 and 56.....	26,938,584	23,647,866	25,414,954	23,795,985	21,140,081
Benefits and Reserve Increase (Page 6)					
58. Total contract benefits - life (Lines 10, 11, 12, 13, 14 and 15 Col. 1 less Lines 10, 11, 12, 13, 14 and 15, Cols. 9, 10 & 11).....	13,572,933	30,142,632	30,983,575	25,525,092	39,079,544
59. Total contract benefits - A&H (Lines 13 & 14, Cols. 9, 10 & 11).....	121,618,600	71,816,293	57,407,634	29,391,029	14,939,903
60. Increase in life reserves - other than group and annuities (Line 19, Cols. 2 & 3).....	(141,396,744)	(94,247)	(434,474)	(320,044)	(638,036)
61. Increase in A&H reserves (Line 19, Cols. 9, 10 & 11).....	94,789,421	(686,404)	(207,477)	1,221,990	2,564,361
62. Dividends to policyholders (Line 30, Col 1).....	11,988	36,575	(12,192)	38,378	39,649
Operating Percentages					
63. Insurance expense percent (Page 6, Col. 1, Lines 21, 22, & 23 less Line 6)/(Page 6 Col. 1, Line 1 plus Exhibit 7, Col. 2, Line 2) x 100.00.....	(49.1)	27.1	26.4	39.7	12.4
64. Lapse percent (ordinary only) [(Exhibit of Life Insurance, Col. 4, Lines 14 & 15) / 1/2 (Exhibit of Life Insurance, Col. 4, Lines 1 & 21)] x 100.00.....	5.3	6.7	6.3	8.2	7.3
65. A&H loss percent (Schedule H, Part 1, Lines 5 & 6, Col. 2).....	75.0	70.3	67.7	61.2	64.3
66. A&H cost containment percent (Schedule H, Part 1, Line 4, Col. 2).....					
67. A&H expense percent excluding cost containment expenses (Schedule H, Part 1, Line 10, Col. 2).....	15.3	29.0	33.8	42.8	46.0
A&H Claim Reserve Adequacy					
68. Incurred losses on prior years' claims - group health (Sch. H, Part 3, Line 3.1, Col. 2).....	330,312	6,421	8,974	12,870	33,546
69. Prior years' claim liability and reserve - group health (Sch. H, Part 3, Line 3.2, Col. 2).....	76,209	48,189	49,260	79,247	124,423
70. Incurred losses on prior years' claims - health other than group (Sch. H, Part 3, Line 3.1, Col. 1 less Col. 2).....	32,038,108	7,866,028	6,472,667	4,590,437	4,158,774
71. Prior years' claim liability and reserve - health other than group (Sch. H, Part 3, Line 3.2, Col. 1 less Col. 2).....	32,476,849	9,505,634	7,864,747	5,295,201	5,720,987
Net Gains From Operations After Federal Income Taxes by Lines of Business (Page 6, Line 33)					
72. Industrial life (Col. 2).....					
73. Ordinary - life (Col. 3).....	5,359,262	272,813	7,217,445	171,367	927,696
74. Ordinary - individual annuities (Col. 4).....	4,379,714	3,242,096	4,312,153	3,104,929	1,485,464
75. Ordinary - supplementary contracts (Col. 5).....	(7,943)	(7,336)	(149,766)	(31,169)	55,535
76. Credit life (Col. 6).....				655	716
77. Group life (Col. 7).....	6,414	(62,938)	(22,473)	(15,761)	(87,524)
78. Group annuities (Col. 8).....	2,033	(36,018)	(44,322)	(5,487)	(12,012)
79. A&H - group (Col. 9).....	(569,048)	56,361	138,208	94,281	163,596
80. A&H - credit (Col. 10).....					
81. A&H - other (Col. 11).....	(42,933,766)	55,247	(766,252)	(130,951)	(489,834)
82. Aggregate of all other lines of business (Col. 12).....	(868,577)				
83. Total (Col. 1).....	(34,631,911)	3,520,225	10,684,993	3,187,864	2,043,637

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: