



QUARTERLY STATEMENT

As of March 31, 2014
of the Condition and Affairs of the

Family Heritage Life Insurance Company of America

NAIC Group Code.....0290, 0290 (Current Period) (Prior Period)	NAIC Company Code..... 77968	Employer's ID Number..... 34-1626521
Organized under the Laws of Ohio	State of Domicile or Port of Entry Ohio	Country of Domicile US
Incorporated/Organized..... August 22, 1989	Commenced Business..... November 17, 1989	
Statutory Home Office	6001 East Royalton Road, Suite 200..... Cleveland OH US 44147-3529 <i>(Street and Number) (City or Town, State, Country and Zip Code)</i>	
Main Administrative Office	6001 East Royalton Road, Suite 200..... Cleveland OH US 44147-3529 440-922-5200 <i>(Street and Number) (City or Town, State, Country and Zip Code) (Area Code) (Telephone Number)</i>	
Mail Address	P. O. Box 470608..... Cleveland OH US 44147-3529 <i>(Street and Number or P. O. Box) (City or Town, State, Country and Zip Code)</i>	
Primary Location of Books and Records	6001 East Royalton Road, Suite 200..... Cleveland OH US 44147-3529 440-922-5200 <i>(Street and Number) (City or Town, State, Country and Zip Code) (Area Code) (Telephone Number)</i>	
Internet Web Site Address	www.FamilyHeritageLife.com	
Statutory Statement Contact	John A. Wise <i>(Name)</i> acctdept@familyheritagelife.com <i>(E-Mail Address)</i>	440-922-5200 <i>(Area Code) (Telephone Number) (Extension)</i> 440-922-5120 <i>(Fax Number)</i>

OFFICERS

Name	Title	Name	Title
1. Howard L. Lewis	Chief Executive Officer	2. Ronald L. Sarosy	Treasurer/Chief Financial Officer
3. Edward J. Rocheck	Secretary	4. Jeffrey S. Morris	Actuary

OTHER

Kenneth J. Matson #	President	Jeffrey S. Morris	Senior Vice President
Edward J. Rocheck	Senior Vice President	Alan S. Hintz	Senior Vice President
Douglas B. Kelly	Vice President	Henry G. Grendell	Vice President
Ronald L. Sarosy	Vice President	W. Michael Pressley	Vice President
Joel P. Scarborough	Vice President, Assistant Secretary	David K. Carlson	Vice President
John A. Wise	Assistant Vice President	Carol A. McCoy	Assistant Secretary
Eric W. Shanaberger	Vice President	Travis W. Korth #	Assistant Vice President
Bret D. Mottl #	Assistant Vice President		

DIRECTORS OR TRUSTEES

Howard L. Lewis	Ben W. Lutek	Kenneth J. Matson	Jeffrey S. Morris
R. Brian Mitchell	Edward J. Rocheck	Frank M. Svoboda	

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) Howard L. Lewis 1. (Printed Name) Chief Executive Officer (Title)	_____ (Signature) Ronald L. Sarosy 2. (Printed Name) Treasurer/Chief Financial Officer (Title)	_____ (Signature) Edward J. Rocheck 3. (Printed Name) Secretary (Title)
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Subscribed and sworn to before me
This _____ day of May 2014

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 Statement Date			4 December 31 Prior Year Net Admitted Assets
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	
1. Bonds.....	637,959,015		637,959,015	615,251,173
2. Stocks:				
2.1 Preferred stocks.....			.0	
2.2 Common stocks.....			.0	
3. Mortgage loans on real estate:				
3.1 First liens.....			.0	
3.2 Other than first liens.....			.0	
4. Real estate:				
4.1 Properties occupied by the company (less \$.....0 encumbrances).....			.0	
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 (\$.....(1,303,960)), cash equivalents (\$.....8,561,155) and short-term investments (\$.....45,191).....	7,302,386		7,302,386	4,449,470
6. Contract loans (including \$.....0 premium notes).....	6,874		6,874	3,354
7. Derivatives.....			.0	
8. Other invested assets.....	775,746	606,821	168,925	177,313
9. Receivables for securities.....			.0	
10. Securities lending reinvested collateral assets.....			.0	
11. Aggregate write-ins for invested assets.....	.0	.0	.0	.0
12. Subtotals, cash and invested assets (Lines 1 to 11).....	646,044,021	606,821	645,437,200	619,881,310
13. Title plants less \$.....0 charged off (for Title insurers only).....			.0	
14. Investment income due and accrued.....	3,893,268		3,893,268	3,173,370
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection.....	3,481,203		3,481,203	3,410,225
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$.....0 earned but unbilled premiums).....	1,671,271		1,671,271	313,794
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.....	9,357,856		9,357,856	
17. Amounts receivable relating to uninsured plans.....			.0	
18.1 Current federal and foreign income tax recoverable and interest thereon.....			.0	61,985
18.2 Net deferred tax asset.....	59,625,000	44,836,000	14,789,000	14,398,000
19. Guaranty funds receivable or on deposit.....	40,313		40,313	52,000
20. Electronic data processing equipment and software.....	402,267	165,550	236,717	248,090
21. Furniture and equipment, including health care delivery assets (\$.....0).....	10,101	10,101	.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.....	9,299,777	9,299,777	.0	.0
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 through 25).....	733,825,077	54,918,249	678,906,828	641,538,774
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			.0	
28. Total (Lines 26 and 27).....	733,825,077	54,918,249	678,906,828	641,538,774

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. Agent Balances.....	8,522,358	8,522,358	.0	
2502. Prepaid Expenses.....	736,922	736,922	.0	
2503. Other Assets Non-Admitted.....	40,497	40,497	.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).....	9,299,777	9,299,777	.0	.0

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Statement Date	2 December 31 Prior Year
1. Aggregate reserve for life contracts \$.....1,981,396 less \$.....0 included in Line 6.3 (including \$.....885,721 Modco Reserve).....	2,867,117	1,837,436
2. Aggregate reserve for accident and health contracts (including \$.....0 Modco Reserve).....	563,052,668	543,598,121
3. Liability for deposit-type contracts (including \$.....0 Modco Reserve).....		
4. Contract claims:		
4.1 Life.....	142,500	81,500
4.2 Accident and health.....	15,496,441	15,276,357
5. Policyholders' dividends \$.....0 and coupons \$.....0 due and unpaid.....		
6. Provision for policyholders' dividends and coupons payable in following calendar year - estimated amounts:		
6.1 Dividends apportioned for payment (including \$.....0 Modco).....		
6.2 Dividends not yet apportioned (including \$.....0 Modco).....		
6.3 Coupons and similar benefits (including \$.....0 Modco).....		
7. Amount provisionally held for deferred dividend policies not included in Line 6.....		
8. Premiums and annuity considerations for life and accident and health contracts received in advance less \$.....0 discount; including \$.....0 accident and health premiums.....	8,210	
9. Contract liabilities not included elsewhere:		
9.1 Surrender values on canceled contracts.....		
9.2 Provision for experience rating refunds, including the liability of \$.....0 accident and health experience rating refunds of which \$.....0 is for medical loss ratio rebate per the Public Health Service Act.....		
9.3 Other amounts payable on reinsurance, including \$.....2,596,727 assumed and \$.....85,161 ceded.....	2,681,888	78,477
9.4 Interest Maintenance Reserve.....	4,906,611	5,236,629
10. Commissions to agents due or accrued - life and annuity contracts \$....14,300, accident and health \$....685,700 and deposit-type contract funds \$.....0.....	700,000	718,200
11. Commissions and expense allowances payable on reinsurance assumed.....	7,209,059	
12. General expenses due or accrued.....	3,295,687	3,733,319
13. Transfers to Separate Accounts due or accrued (net) (including \$.....0 accrued for expense allowances recognized in reserves, net of reinsured allowances).....		
14. Taxes, licenses and fees due or accrued, excluding federal income taxes.....	855,045	1,081,260
15.1 Current federal and foreign income taxes, including \$.....0 on realized capital gains (losses).....	2,651,887	
15.2 Net deferred tax liability.....		
16. Unearned investment income.....		
17. Amounts withheld or retained by company as agent or trustee.....		
18. Amounts held for agents' account, including \$.....0 agents' credit balances.....		
19. Remittances and items not allocated.....	475,937	495,702
20. Net adjustment in assets and liabilities due to foreign exchange rates.....		
21. Liability for benefits for employees and agents if not included above.....		
22. Borrowed money \$.....0 and interest thereon \$.....0.....		
23. Dividends to stockholders declared and unpaid.....	1,458,000	
24. Miscellaneous liabilities:		
24.01 Asset valuation reserve.....	1,952,510	1,860,460
24.02 Reinsurance in unauthorized and certified (\$.....0) companies.....		
24.03 Funds held under reinsurance treaties with unauthorized and certified (\$.....0) reinsurers.....		
24.04 Payable to parent, subsidiaries and affiliates.....		
24.05 Drafts outstanding.....		
24.06 Liability for amounts held under uninsured plans.....		
24.07 Funds held under coinsurance.....		
24.08 Derivatives.....		
24.09 Payable for securities.....		
24.10 Payable for securities lending.....		
24.11 Capital notes \$.....0 and interest thereon \$.....0.....		
25. Aggregate write-ins for liabilities.....	645,459	636,611
26. Total liabilities excluding Separate Accounts business (Lines 1 to 25).....	608,399,019	574,634,072
27. From Separate Accounts statement.....		
28. Total liabilities (Lines 26 and 27).....	608,399,019	574,634,072
29. Common capital stock.....	2,556,950	2,556,950
30. Preferred capital stock.....		
31. Aggregate write-ins for other than special surplus funds.....	0	0
32. Surplus notes.....		
33. Gross paid in and contributed surplus.....	32,646,050	32,646,050
34. Aggregate write-ins for special surplus funds.....	0	0
35. Unassigned funds (surplus).....	35,304,809	31,701,702
36. Less treasury stock, at cost:		
36.1 ....0.000 shares common (value included in Line 29 \$.....0).....		
36.2 ....0.000 shares preferred (value included in Line 30 \$.....0).....		
37. Surplus (Total Lines 31 + 32 + 33 + 34 + 35 - 36) (including \$.....0 in Separate Accounts Statement).....	67,950,859	64,347,752
38. Totals of Lines 29, 30 and 37.....	70,507,809	66,904,702
39. Totals of Lines 28 and 38 (Page 2, Line 28, Col. 3).....	678,906,828	641,538,774

DETAILS OF WRITE-INS

2501. Unclaimed Property.....	645,459	636,611
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).....	645,459	636,611
3101.		
3102.		
3103.		
3198. Summary of remaining write-ins for Line 31 from overflow page.....	0	0
3199. Totals (Lines 3101 thru 3103 plus 3198) (Line 31 above).....	0	0
3401.		
3402.		
3403.		
3498. Summary of remaining write-ins for Line 34 from overflow page.....	0	0
3499. Totals (Lines 3401 thru 3403 plus 3498) (Line 34 above).....	0	0

SUMMARY OF OPERATIONS

	1 Current Year to Date	2 Prior Year to Date	3 Prior Year Ended December 31
1. Premiums and annuity considerations for life and accident and health contracts.....	60,473,534	46,813,332	192,735,008
2. Considerations for supplementary contracts with life contingencies.....			
3. Net investment income.....	6,929,861	6,538,387	26,097,364
4. Amortization of Interest Maintenance Reserve (IMR).....	330,380	51,609	677,018
5. Separate Accounts net gain from operations excluding unrealized gains or losses.....			
6. Commissions and expense allowances on reinsurance ceded.....	7,382,337	177,941	711,459
7. Reserve adjustments on reinsurance ceded.....	(458,139)		
8. Miscellaneous Income:			
8.1 Income from fees associated with investment management, administration and contract guarantees from Separate Accounts.....			
8.2 Charges and fees for deposit-type contracts.....			
8.3 Aggregate write-ins for miscellaneous income.....	9,958	89,673	103,503
9. Totals (Lines 1 to 8.3).....	74,667,931	53,670,942	220,324,352
10. Death benefits.....	61,000	26,817	124,011
11. Matured endowments (excluding guaranteed annual pure endowments).....			
12. Annuity benefits.....			
13. Disability benefits and benefits under accident and health contracts.....	11,564,842	11,732,009	51,443,816
14. Coupons, guaranteed annual pure endowments and similar benefits.....			
15. Surrender benefits and withdrawals for life contracts.....	8,383	4,750	37,486
16. Group conversions.....			
17. Interest and adjustments on contract or deposit-type contract funds.....		180	278
18. Payments on supplementary contracts with life contingencies.....			
19. Increase in aggregate reserves for life and accident and health contracts.....	20,484,228	16,237,171	70,838,263
20. Totals (Lines 10 to 19).....	32,118,453	28,000,927	122,443,854
21. Commissions on premiums, annuity considerations and deposit-type contract funds (direct business only).....	11,417,303	11,055,614	45,099,827
22. Commissions and expense allowances on reinsurance assumed.....	7,209,059		
23. General insurance expenses.....	5,270,227	4,625,163	19,903,902
24. Insurance taxes, licenses and fees, excluding federal income taxes.....	1,210,944	1,168,493	4,378,107
25. Increase in loading on deferred and uncollected premiums.....	8,812,408	7,813	66,051
26. Net transfers to or (from) Separate Accounts net of reinsurance.....			
27. Aggregate write-ins for deductions.....	0	0	0
28. Totals (Lines 20 to 27).....	66,038,394	44,858,010	191,891,741
29. Net gain from operations before dividends to policyholders and federal income taxes (Line 9 minus Line 28).....	8,629,537	8,812,932	28,432,611
30. Dividends to policyholders.....			
31. Net gain from operations after dividends to policyholders and before federal income taxes (Line 29 minus Line 30).....	8,629,537	8,812,932	28,432,611
32. Federal and foreign income taxes incurred (excluding tax on capital gains).....	3,473,101	3,632,831	11,648,588
33. Net gain from operations after dividends to policyholders and federal income taxes and before realized capital gains or (losses) (Line 31 minus Line 32).....	5,156,436	5,180,101	16,784,023
34. Net realized capital gains (losses) (excluding gains (losses) transferred to the IMR) less capital gains tax of \$.....9,603 (excluding taxes of \$.....374 transferred to the IMR).....	9,603	14,952	174,525
35. Net income (Line 33 plus Line 34).....	5,166,039	5,195,053	16,958,548
CAPITAL AND SURPLUS ACCOUNT			
36. Capital and surplus, December 31, prior year.....	66,904,702	62,144,284	62,144,284
37. Net income (Line 35).....	5,166,039	5,195,053	16,958,548
38. Change in net unrealized capital gains (losses) less capital gains tax of \$.....1,000.....	1,178	330	(84,670)
39. Change in net unrealized foreign exchange capital gain (loss).....			
40. Change in net deferred income tax.....	667,000	(526,000)	(70,000)
41. Change in nonadmitted assets.....	(681,060)	6,523,459	4,717,000
42. Change in liability for reinsurance in unauthorized and certified companies.....			
43. Change in reserve on account of change in valuation basis, (increase) or decrease.....			
44. Change in asset valuation reserve.....	(92,050)	(44,430)	(260,460)
45. Change in treasury stock.....			
46. Surplus (contributed to) withdrawn from Separate Accounts during period.....			
47. Other changes in surplus in Separate Accounts Statement.....			
48. Change in surplus notes.....			
49. Cumulative effect of changes in accounting principles.....			
50. Capital changes:			
50.1 Paid in.....			
50.2 Transferred from surplus (Stock Dividend).....			
50.3 Transferred to surplus.....			
51. Surplus adjustment:			
51.1 Paid in.....			
51.2 Transferred to capital (Stock Dividend).....			
51.3 Transferred from capital.....			
51.4 Change in surplus as a result of reinsurance.....			
52. Dividends to stockholders.....	(1,458,000)	(1,000,000)	(16,500,000)
53. Aggregate write-ins for gains and losses in surplus.....	0	0	0
54. Net change in capital and surplus (Lines 37 through 53).....	3,603,107	10,148,412	4,760,418
55. Capital and surplus as of statement date (Lines 36 + 54).....	70,507,809	72,292,696	66,904,702
DETAILS OF WRITE-INS			
08.301. Misc Income.....	9,958	89,673	103,503
08.302.			
08.303.			
08.398. Summary of remaining write-ins for Line 8.3 from overflow page.....	0	0	0
08.399. Totals (Lines 08.301 thru 08.303 plus 08.398) (Line 8.3 above).....	9,958	89,673	103,503
2701. Misc Interest Expense.....			
2702.			
2703.			
2798. Summary of remaining write-ins for Line 27 from overflow page.....	0	0	0
2799. Totals (Lines 2701 thru 2703 plus 2798) (Line 27 above).....	0	0	0
5301.			
5302.			
5303.			
5398. Summary of remaining write-ins for Line 53 from overflow page.....	0	0	0
5399. Totals (Lines 5301 thru 5303 plus 5398) (Line 53 above).....	0	0	0

CASH FLOW

	1 Current Year to Date	2 Prior Year To Date	3 Prior Year Ended December 31
CASH FROM OPERATIONS			
1. Premiums collected net of reinsurance.....	50,247,331	46,612,529	192,502,184
2. Net investment income.....	2,387,608	954,720	8,354,524
3. Miscellaneous income.....	173,227	210,514	763,262
4. Total (Lines 1 through 3).....	52,808,166	47,777,763	201,619,970
5. Benefit and loss related payments.....	11,346,457	11,543,302	49,184,600
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			
7. Commissions, expenses paid and aggregate write-ins for deductions.....	18,560,843	17,726,015	70,131,398
8. Dividends paid to policyholders.....			
9. Federal and foreign income taxes paid (recovered) net of \$.....0 tax on capital gains (losses).....	750,000	2,145,000	13,755,000
10. Total (Lines 5 through 9).....	30,657,300	31,414,317	133,070,998
11. Net cash from operations (Line 4 minus Line 10).....	22,150,866	16,363,446	68,548,972
CASH FROM INVESTMENTS			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds.....	530,456	79,085,110	113,138,179
12.2 Stocks.....			
12.3 Mortgage loans.....			
12.4 Real estate.....			
12.5 Other invested assets.....			
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments.....			
12.7 Miscellaneous proceeds.....		(23,211,528)	8,600,000
12.8 Total investment proceeds (Lines 12.1 to 12.7).....	530,456	55,873,582	121,738,179
13. Cost of investments acquired (long-term only):			
13.1 Bonds.....	19,412,610	64,054,247	171,892,195
13.2 Stocks.....			
13.3 Mortgage loans.....			
13.4 Real estate.....			
13.5 Other invested assets.....			185,682
13.6 Miscellaneous applications.....		3,981,065	10,068,902
13.7 Total investments acquired (Lines 13.1 to 13.6).....	19,412,610	68,035,312	182,146,779
14. Net increase or (decrease) in contract loans and premium notes.....	3,520		1,949
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14).....	(18,885,674)	(12,161,730)	(60,410,549)
CASH FROM FINANCING AND MISCELLANEOUS SOURCES			
16. Cash provided (applied):			
16.1 Surplus notes, capital notes.....			
16.2 Capital and paid in surplus, less treasury stock.....			
16.3 Borrowed funds.....			
16.4 Net deposits on deposit-type contracts and other insurance liabilities.....			
16.5 Dividends to stockholders.....			16,500,000
16.6 Other cash provided (applied).....	(412,276)	2,459,576	1,592,449
17. Net cash from financing and miscellaneous sources (Lines 16.1 through 16.4 minus Line 16.5 plus Line 16.6).....	(412,276)	2,459,576	(14,907,551)
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS			
18. Net change in cash, cash equivalents and short-term investments (Line 11 plus Line 15 plus Line 17).....	2,852,916	6,661,292	(6,769,128)
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year.....	4,449,470	11,218,598	11,218,598
19.2 End of period (Line 18 plus Line 19.1).....	7,302,386	17,879,890	4,449,470

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

20.0001			
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EXHIBIT 1

DIRECT PREMIUMS AND DEPOSIT-TYPE CONTRACTS

	1 Current Year To Date	2 Prior Year To Date	3 Prior Year Ended December 31
1. Industrial life.....			
2. Ordinary life insurance.....	470,511	282,849	1,242,401
3. Ordinary individual annuities.....			
4. Credit life (group and individual).....			
5. Group life insurance.....			
6. Group annuities.....			
7. A&H - group.....	1,430,744	1,142,186	4,973,080
8. A&H - credit (group and individual).....			
9. A&H - other.....	48,877,282	45,715,767	187,933,358
10. Aggregate of all other lines of business.....	.0	.0	.0
11. Subtotal.....	50,778,537	47,140,802	194,148,839
12. Deposit-type contracts.....			
13. Total.....	50,778,537	47,140,802	194,148,839

DETAILS OF WRITE-INS

1001.			
1002.			
1003.			
1098. Summary of remaining write-ins for Line 10 from overflow page.....	.0	.0	.0
1099. Total (Lines 1001 thru 1003 plus 1098) (Line 10 above).....	.0	.0	.0

NOTES TO FINANCIAL STATEMENTS**Note 1 - Summary of Significant Accounting Policies**

This is a statement of the accounting principles and methods applied in preparing these statutory financial statements.

A. Accounting Practices

The Company presents these financial statements on the basis of accounting principles prescribed or permitted by the Ohio Insurance Department. The National Association of Insurance Commissioners (NAIC) Accounting Practices and Procedures Manual, (NAIC SAP) has been adopted as a component of prescribed or permitted practices by the state of Ohio.

	<u>03-31-2014</u>	<u>12-31-2013</u>
Net Income - Ohio Basis	\$5,166,039	\$16,958,548
State Prescribe Practices - None	-0-	-0-
State Permitted Practices - None	-0-	-0-
Net Income - NAIC SAP	\$5,166,039	\$16,958,548
Statutory Surplus - Ohio Basis	\$70,507,809	\$66,904,702
State Prescribe Practices - None	-0-	-0-
State Permitted Practices - None	-0-	-0-
Statutory Surplus - NAIC SAP	\$70,507,809	\$66,904,702

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

The preparation of financial statements in conformity with Statutory Accounting Principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities. It also requires disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates.

C. Accounting Policy

Life premiums are recognized as income over the premium paying period of the related policies. Health premiums are earned ratably over the terms of the related insurance policies. Expenses incurred in connection with acquiring new insurance business, including acquisition costs such as sales commissions, are charged to operations as incurred.

In addition, the Company uses the following accounting policies:

1. Short-term investments are stated at amortized cost.
2. Bonds not backed by other loans are stated at amortized cost using yield to worst.
3. Liabilities for losses and loss/claim adjustment expenses for accident and health contracts are estimated by the Company's valuation actuary using statistical claim development models and tabular reserves employing mortality/morbidity tables.
4. The Company has a 50% ownership interest in the joint venture which owns the company's home office site. This investment is non-admitted at March 31, 2014. The Company's liability is limited to its amount invested.

Note 2 - Accounting Changes and Corrections of Errors

No significant change.

Note 3 - Business Combinations and Goodwill

No significant change.

Note 4 - Discontinued Operations

No significant change.

Note 5 - Investments

No significant change.

Note 6 - Joint Ventures, Partnerships and Limited Liability Companies

No significant change.

NOTES TO FINANCIAL STATEMENTS**Note 7 - Investment Income**

No significant change.

Note 8 - Derivative Instruments

No significant change.

Note 9 - Income Taxes

No significant change.

Note 10 - Information Concerning Parent, Subsidiaries and Affiliates

Effective January 1, 2014, the Company entered into reinsurance agreements with two affiliates:

- 1) Coinsurance agreement - The Company assumes from American Income Life, on a 50% quota share basis, the risks on life policies issued in the United States (excluding New York) on or after the effective date.
- 2) Modified coinsurance agreement - The Company cedes to United American, on a 100% quota share basis, the life policies that were assumed from American Income Life as noted above. The company will retain, control, and own all assets for the modified coinsurance reserve.

The Company's investment management function is managed by Torchmark Corp. under the master services agreement with Torchmark discussed below. The fee for these services is based on the total value of the securities managed. For the 2014 reporting period, investment fees paid to Torchmark totaled \$318,000.

The Company has a separate service agreement with Torchmark Corporation to provide a wide variety of possible services. The Torchmark agreement is a master service agreement with the Company and the other insurance affiliates. The fee is based on the ratio of certain expenses at the affiliate level to comparable Torchmark consolidated expenses applied to Torchmark's total operating expenses for the prior year. For the 2014 reporting period, management fees paid to Torchmark Corp totaled \$729,000.

These fees are paid on a monthly basis.

Note 11 - Debt

No significant change.

Note 12 - Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences and Other Postretirement Benefit Plans

No significant change.

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

Dividends on company stock are paid as declared by its Board of Directors and are subject to regulations of the State of Ohio.

	<u>DECLARED</u>	<u>PAID</u>
\$1,458,000 ordinary dividend	03/31/2014	04/11/2014

Note 14 - Contingencies

No significant change.

Note 15 - Leases

No significant change.

Note 16 - Information About Financial Instruments With Off-Balance Sheet Risk and Financial Instruments With Concentrations of Credit Risk

No significant change.

Note 17 - Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities

No significant change.

NOTES TO FINANCIAL STATEMENTS**Note 18 - Gain or Loss to the Reporting Entity from Uninsured Plans and the Uninsured Portion of Partially Insured Plans**

No significant change.

Note 19 - Direct Premium Written/Produced by Managing General Agents/Third Party Administrators

No significant change.

Note 20 - Fair Value Measurements

A & B - The company does not value any assets or liabilities at fair value.

C. Fair Values for All Financial Instruments by Levels 1, 2 and 3

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	(Level 1)	(Level 2)	(Level 3)	Not Practicable (Carrying Value)
Bonds	639,267,212	637,959,015	-	639,267,212	-	-
Other invested asset - Guaranteed LIHTC	168,925	168,925	-	-	168,925	-
Cash, cash equivalents, and short-term investments	7,302,386	7,302,386	7,302,386	-	-	-
Contract loans	6,874	6,874	-	-	-	6,874
Total	646,745,397	645,437,200	7,302,386	639,267,212	168,925	6,874

D. Not Practicable to Estimate Fair Value

Type of Class or Financial Instrument	Carrying Value	Effective Interest Rate	Maturity Date	Explanation
Contract loans	6,874	7.400	-	Quoted market price not available

Note 21 - Other Items

No significant change.

Note 22 - Events Subsequent

No significant change.

Note 23 - Reinsurance

No significant change.

Note 24 - Retrospectively Rated Contracts & Contracts Subject to Redetermination

No significant change.

Note 25 - Change in Incurred Losses and Loss Adjustment Expenses

Reserves on accident and health contracts for incurred losses and loss adjustment expenses attributable to insured events or prior years developed as anticipated during 2013. See Schedule H - Part 3 and the Five Year Historical Data. Original estimates are increased or decreased as additional information becomes known regarding individual claims. However, no significant trends or unanticipated events were noted in 2013. None of the Company's accident and health contracts are subject to retrospective rating or experience refunds.

Note 26 - Intercompany Pooling Arrangements

No significant change.

Note 27 - Structured Settlements

No significant change.

Note 28 - Health Care Receivables

No significant change.

NOTES TO FINANCIAL STATEMENTS

Note 29 - Participating Policies

No significant change.

Note 30 - Premium Deficiency Reserves

No significant change.

Note 31 - Reserves for Life Contracts and Annuity Contracts

No significant change.

Note 32 - Analysis of Annuity Actuarial Reserves and Deposit Type Liabilities by Withdrawal Characteristics

No significant change.

Note 33 - Premiums and Annuity Considerations Deferred and Uncollected

No significant change.

Note 34 - Separate Accounts

No significant change.

Note 35 - Loss/Claim Adjustment Expenses

No significant change.

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES - GENERAL

- 1.1 Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act? Yes [] No [X]
- 1.2 If yes, has the report been filed with the domiciliary state? Yes [] No []
- 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 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer? Yes [X] No []
If yes, complete Schedule Y, Parts 1 and 1A.
- 3.2 Have there been any substantial changes in the organizational chart since the prior quarter end? Yes [] No [X]
- 3.3 If the response to 3.2 is yes, provide a brief description of those changes.

- 4.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes [] No [X]
- 4.2 If yes, provide name of entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

1 Name of Entity	2 NAIC Company Code	3 State of Domicile

- 5. If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved? Yes [] No [X] N/A []
If yes, attach an explanation.

- 6.1 State as of what date the latest financial examination of the reporting entity was made or is being made.12/31/2011.....
- 6.2 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.12/31/2011.....
- 6.3 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).6/3/2013.....

- 6.4 By what department or departments?
Ohio Department of Insurance

- 6.5 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]
- 6.6 Have all of the recommendations within the latest financial examination report been complied with? Yes [] No [] N/A [X]
- 7.1 Has this reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? Yes [] No [X]
- 7.2 If yes, give full information:

- 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 the response to 8.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal 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

- 9.1 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.

- 9.11 If the response to 9.1 is No, please explain:

- 9.2 Has the code of ethics for senior managers been amended? Yes [] No [X]
- 9.21 If the response to 9.2 is Yes, provide information related to amendment(s).

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

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES - GENERAL

9.31 If the response to 9.3 is Yes, provide the nature of any waiver(s).

PART 1 - FINANCIAL

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

10.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount:

PART 1 - INVESTMENT

11.1 Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.) Yes [] No [X]

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

12. Amount of real estate and mortgages held in other invested assets in Schedule BA: \$.....0

13. Amount of real estate and mortgages held in short-term investments: \$.....0

14.1 Does the reporting entity have any investments in parent, subsidiaries and affiliates? Yes [] No [X]

14.2 If yes, please complete the following:

	1 Prior Year-End Book/Adjusted Carrying Value	2 Current Quarter Book/Adjusted Carrying Value
14.21 Bonds.....	\$0	\$0
14.22 Preferred Stock.....	\$0	\$0
14.23 Common Stock.....	\$0	\$0
14.24 Short-Term Investments.....	\$0	\$0
14.25 Mortgage Loans on Real Estate.....	\$0	\$0
14.26 All Other.....	\$0	\$0
14.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26).....	\$0	\$0
14.28 Total Investment in Parent included in Lines 14.21 to 14.26 above.....	\$0	\$0

15.1 Has the reporting entity entered into any hedging transactions reported on Schedule DB? Yes [] No [X]

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

16. For the reporting entity's security lending program, state the amount of the following as of current statement date:

- 16.1 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2: \$.....0
- 16.2 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2: \$.....0
- 16.3 Total payable for securities lending reported on the liability page: \$.....0

17. 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 []

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

1 Name of Custodian(s)	2 Custodian Address
PNC Bank, National Association	PO Box 5756, Cleveland OH 44101
Bank of New York Mellon	One Wall Street, 14th Floor, New York, NY 10286

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

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

17.3 Have there been any changes, including name changes, in the custodian(s) identified in 17.1 during the current quarter? Yes [X] No []

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

1 Old Custodian	2 New Custodian	3 Date of Change	4 Reason
PNC Bank, National Association	Bank of New York Mellon	03/04 - 04/22	Converting to parent company's custodian

17.5 Identify all investment advisors, broker/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	2 Name(s)	3 Address
106442	Prudential Private Placement Investors, LP	Three Gateway, 18th Floor, Newark NJ 07102

PART 1 - INVESTMENT

18.1 Have all the filing requirements of the Purposes and Procedures Manual of the NAIC Securities Valuation Office been followed?

Yes [X] No []

18.2 If no, list exceptions:

Family Heritage Life Insurance Company of America
GENERAL INTERROGATORIES (continued)

PART 2 - LIFE & HEALTH

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

		Amount
1.1 Long-term mortgages in good standing		
1.11 Farm mortgages.....	\$.....	
1.12 Residential mortgages.....	\$.....	
1.13 Commercial mortgages.....	\$.....	
1.14 Total mortgages in good standing.....	\$.....	0
1.2 Long-term mortgages in good standing with restructured terms		
1.21 Total mortgages in good standing with restructured terms.....	\$.....	
1.3 Long-term mortgage loans upon which interest is overdue more than three months		
1.31 Farm mortgages.....	\$.....	
1.32 Residential mortgages.....	\$.....	
1.33 Commercial mortgages.....	\$.....	
1.34 Total mortgages with interest overdue more than three months.....	\$.....	0
1.4 Long-term mortgage loans in process of foreclosure		
1.41 Farm mortgages.....	\$.....	
1.42 Residential mortgages.....	\$.....	
1.43 Commercial mortgages.....	\$.....	
1.44 Total mortgages in process of foreclosure.....	\$.....	0
1.5 Total mortgage loans (Lines 1.14 + 1.21 + 1.34 + 1.44) (Page 2, Column 3, Lines 3.1 + 3.2)	\$.....	0
1.6 Long-term mortgages foreclosed, properties transferred to real estate in current quarter		
1.61 Farm mortgages.....	\$.....	
1.62 Residential mortgages.....	\$.....	
1.63 Commercial mortgages.....	\$.....	
1.64 Total mortgages foreclosed and transferred to real estate.....	\$.....	0
2. Operating Percentages:		
2.1 A&H loss percent.....	.....	61.7
2.2 A&H cost containment percent.....	.....
2.3 A&H expense percent excluding cost containment expenses.....	.....	35.5
3.1 Do you act as a custodian for health savings accounts?.....	Yes []	No [X]
3.2 If yes, please provide the amount of custodial funds held as of the reporting date.....	\$.....	
3.3 Do you act as an administrator for health savings accounts?.....	Yes []	No [X]
3.4 If yes, please provide the balance of the funds administered as of the reporting date.....	\$.....	

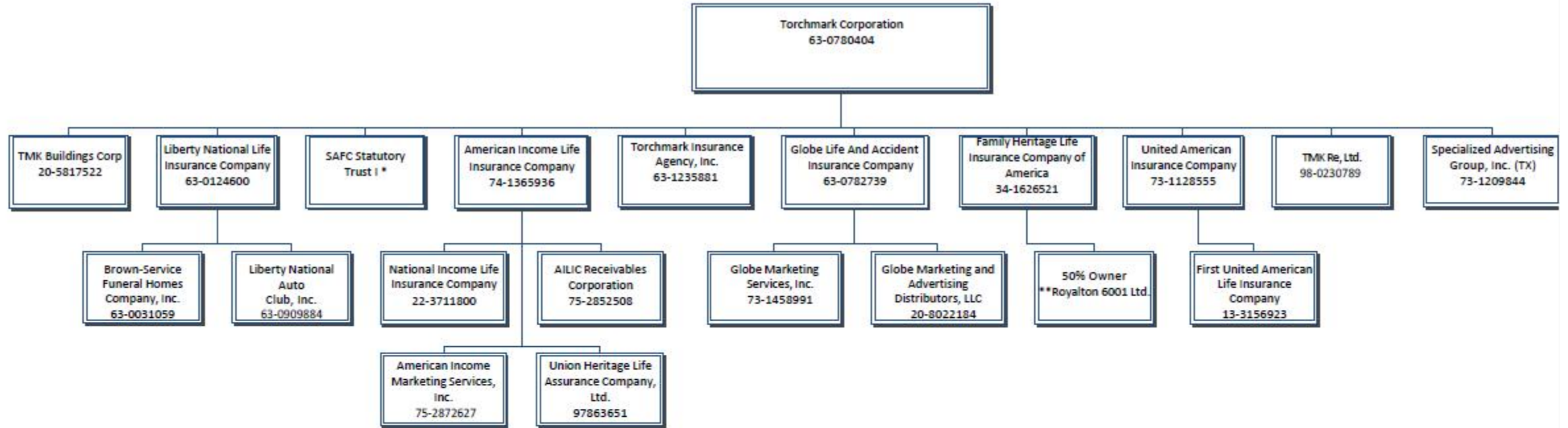
SCHEDULE S - CEDED REINSURANCE

Showing All New Reinsurance Treaties - Current Year to Date

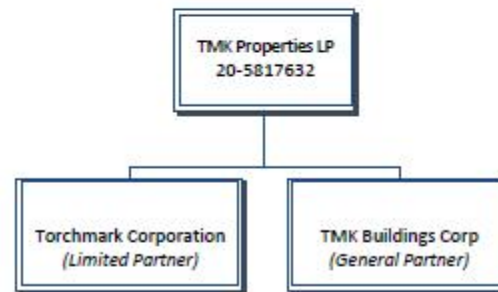
1 NAIC Company Code	2 ID Number	3 Effective Date	4 Name of Reinsurer	5 Domiciliary Jurisdiction	6 Type of Reinsurance Ceded	7 Type of Reinsurer	8 Certified Reinsurer Rating (1 through 6)	9 Effective Date of Certified Reinsurer Rating
Life Affiliates								
92916.....	73-112855.....	01/01/2014	United American Insurance Company.....	NE.....	MCO.....	Authorized.....	.....	.....

SCHEDULE Y – INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP

PART 1 – ORGANIZATIONAL CHART



Company	State of Domicile
AILIC RECEIVABLES Corporation (ARC)	Indiana
American Income Life Insurance Company (AIL)	Indiana
American Income Marketing Services, Inc. (AIMS)	Texas
Brown-Service Funeral Homes Company, Inc. (Brown Service)	Alabama
Family Heritage Life Insurance Company of America	Ohio
First United American Life Insurance Company (First UA)	New York
Globe Life and Accident Insurance Company (Globe)	Nebraska
Globe Marketing Services, Inc. (Globe Marketing)	Oklahoma
Liberty National Auto Club, Inc. (Auto Club)	Alabama
Liberty National Life Insurance Company (LNL)	Nebraska
National Income Life Insurance Company (NILCO)	New York
Specialized Advertising Group, Inc.	Texas
TMK Buildings Corporation (TBC)	Texas
TMK Re, Ltd. (TMK Re)	Bermuda
Torchmark Corporation (TMK)	Delaware
Torchmark Insurance Agency, Inc. (TIA)	Alabama
Union Heritage Life Assurance Company Limited	Ireland
United American Life Insurance Company (UA)	Nebraska



*Special purpose business trust whose obligations were assumed by Torchmark in the acquisition of Family Heritage, common securities of which are owned by Torchmark and preferred securities publicly held.
 **Limited liability company, in which Family Heritage has a 50% interest, which leases home office property to Family Heritage; remaining 50% interest held by an unaffiliated entity.

SCHEDULE Y

PART 1A - DETAIL OF INSURANCE HOLDING COMPANY SYSTEM

1 Group Code	2 Group Name	3 NAIC Company Code	4 Federal ID Number	5 Federal RSSD	6 CIK	7 Name of Securities Exchange if Publicly Traded (U.S. or International)	8 Names of Parent, Subsidiaries or Affiliates	9 Domiciliary Location	10 Relationship to Reporting Entity	11 Directly Controlled by (Name of Entity/Person)	12 Type of Control (Ownership Board, Management Attorney-in-Fact, Influence, Other)	13 If Control is Ownership Provide Percentage	14 Ultimate Controlling Entity(ies)/Person(s)	15 *
Members														
	Torchmark Corporation.....		63-0780404		0000320335	NYSE.....	Torchmark Corporation.....	DE.....	UDP.....					
			20-5817522				TMK Buildings Corp.....	TX.....	NIA.....	Torchmark Corporation.....	Ownership.....	100.000	Torchmark Corporation.....	
			20-5817632				TMK Properties LLP.....	TX.....	NIA.....	Torchmark Corporation.....	Ownership.....	99.000	Torchmark Corporation.....	
			98-0230789				TMK RE Ltd.....		IA.....	Torchmark Corporation.....	Ownership.....	100.000	Torchmark Corporation.....	
			63-1235881				Torchmark Insurance Agency, Inc.....	AL.....	NIA.....	Torchmark Corporation.....	Ownership.....	100.000	Torchmark Corporation.....	
			20-4759756				Torchmark Capital LLC.....		NIA.....	Torchmark Corporation.....	Ownership.....	100.000	Torchmark Corporation.....	
			73-1209844				Specialized Marketing Group, Inc.....	TX.....	NIA.....	Torchmark Corporation.....	Ownership.....	100.000	Torchmark Corporation.....	
0290.....	Torchmark Corporation.....	77968.....	34-1626521				Family Heritage Life Insurance Company of America	OH.....	RE.....	Torchmark Corporation.....	Ownership.....	100.000	Torchmark Corporation.....	
							Royalton 6001Ltd. (Joint Venture).....	OH.....	DS.....	Family Heritage Life Insurance Company of America	Ownership.....	50.000	Torchmark Corporation.....	
0290.....	Torchmark Corporation.....	65331.....	63-0124600				Liberty National Life Insurance Company.....	NE.....	IA.....	Torchmark Corporation.....	Ownership.....	100.000	Torchmark Corporation.....	
			63-0031059				Brown-Service Funeral Homes Company Inc.....	AL.....	NIA.....	Liberty National Life Insurance Company.....	Ownership.....	100.000	Torchmark Corporation.....	
			63-0909884				Liberty National Auto Club, Inc.....	AL.....	NIA.....	Liberty National Life Insurance Company.....	Ownership.....	100.000	Torchmark Corporation.....	
0290.....	Torchmark Corporation.....	91472.....	63-0782739	1610611.....			Globe Life and Accident Insurance Company.....	NE.....	IA.....	Torchmark Corporation.....	Ownership.....	100.000	Torchmark Corporation.....	
			73-1458991				Globe Marketing Services, Inc.....	OK.....	NIA.....	Globe Life and Accident Insurance Company.....	Ownership.....	100.000	Torchmark Corporation.....	
			20-8022184				Globe Marketing and Advertising Distributors, LLC.....		NIA.....	Globe Life and Accident Insurance Company.....	Ownership.....	100.000	Torchmark Corporation.....	
0290.....	Torchmark Corporation.....	60577.....	74-1365936	1102198.....			American Income Life Insurance Company.....	IN.....	IA.....	Torchmark Corporation.....	Ownership.....	100.000	Torchmark Corporation.....	
0290.....	Torchmark Corporation.....	10093.....	22-3711800				National Income Life Insurance Company.....	NY.....	IA.....	American Income Life Insurance Company.....	Ownership.....	100.000	Torchmark Corporation.....	
			75-2852508				ALLIC Receivables Corporation.....	IN.....	NIA.....	American Income Life Insurance Company.....	Ownership.....	100.000	Torchmark Corporation.....	
			75-2872627				American Income Marketing Services, Inc.....	TX.....	NIA.....	American Income Life Insurance Company.....	Ownership.....	100.000	Torchmark Corporation.....	
							Union Heritage Life Assurance Company Limited..		IA.....	American Income Life Insurance Company.....	Ownership.....	100.000	Torchmark Corporation.....	
0290.....	Torchmark Corporation.....	92916.....	73-1128555				United American Insurance Company.....	NE.....	IA.....	American Income Life Insurance Company.....	Ownership.....	100.000	Torchmark Corporation.....	
0290.....	Torchmark Corporation.....	74101.....	13-3156923				First United American Life Insurance Company.....	NY.....	IA.....	Torchmark Corporation.....	Ownership.....	100.000	Torchmark Corporation.....	

Q13

Asterisk

Explanation

NONE

Family Heritage Life Insurance Company of America

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

The following supplemental reports are required to be filed as part of your statement filing. However, in the event that your company does not transact the type of business for which the special report must be filed, your response of NO to the specific interrogatory will be accepted in lieu of filing a "NONE" report and a bar code will be printed below. If the supplement is required of your company but is not being filed for whatever reason, enter SEE EXPLANATION and provide an explanation following the interrogatory questions.

	Response
1. Will the Trusteed Surplus Statement be filed with the state of domicile and the NAIC with this statement?	NO
2. Will the Medicare Part D Coverage Supplement be filed with the state of domicile and the NAIC with this statement?	NO
3. Will the Reasonableness of Assumptions Certification required by Actuarial Guideline XXXV be filed with the state of domicile and electronically with the NAIC?	NO
4. Will the Reasonableness and Consistency of Assumptions Certification required by Actuarial Guideline XXXV be filed with the state of domicile and electronically with the NAIC?	NO
5. Will the Reasonableness of Assumptions Certification for Implied Guaranteed Rate Method required by Actuarial Guideline XXXVI be filed with the state of domicile and electronically with the NAIC?	NO
6. Will the Reasonableness and Consistency of Assumptions Certification required by Actuarial Guideline XXXVI (Updated Average Market Value) be filed with the state of domicile and electronically with the NAIC?	NO
7. Will the Reasonableness and Consistency of Assumptions Certification required by Actuarial Guideline XXXVI (Updated Market Value) be filed with the state of domicile and electronically with the NAIC?	NO

Explanations:

- 1.
- 2.
- 3.
- 4.
- 5.
- 6.
- 7.

Bar Code:



NONE

Statement as of March 31, 2014 of the **Family Heritage Life Insurance Company of America**
SCHEDULE A - VERIFICATION

Real Estate

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year.....	0	
2. Cost of acquired:		
2.1 Actual cost at time of acquisition.....		
2.2 Additional investment made after acquisition.....		
3. Current year change in encumbrances.....		
4. Total gain (loss) on disposals.....		
5. Deduct amounts received on disposals.....		
6. Total foreign exchange change in book/adjusted carrying value.....		
7. Deduct current year's other than temporary impairment recognized.....		
8. Deduct current year's depreciation.....		
9. Book/adjusted carrying value at end of current period (Lines 1+2+3+4-5+6-7-8).....	0	0
10. Deduct total nonadmitted amounts.....		
11. Statement value at end of current period (Line 9 minus Line 10).....	0	0

SCHEDULE B - VERIFICATION

Mortgage Loans

	1 Year to Date	2 Prior Year Ended December 31
1. Book value/recorded investment excluding accrued interest, December 31 of prior year.....	0	
2. Cost of acquired:		
2.1 Actual cost at time of acquisition.....		
2.2 Additional investment made after acquisition.....		
3. Capitalized deferred interest and other.....		
4. Accrual of discount.....		
5. Unrealized valuation increase (decrease).....		
6. Total gain (loss) on disposals.....		
7. Deduct amounts received on disposals.....		
8. Deduct amortization of premium and mortgage interest points and commitment fees.....		
9. Total foreign exchange change in book value/recorded investment excluding accrued interest.....		
10. Deduct current year's other than temporary impairment recognized.....		
11. Book value/recorded investment excluding accrued interest at end of current period (Lines 1+2+3+4+5+6-7-8+9-10).....	0	0
12. Total valuation allowance.....		
13. Subtotal (Line 11 plus Line 12).....	0	0
14. Deduct total nonadmitted amounts.....		
15. Statement value at end of current period (Line 13 minus Line 14).....	0	0

SCHEDULE BA - VERIFICATION

Other Long-Term Invested Assets

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year.....	781,956	604,313
2. Cost of acquired:		
2.1 Actual cost at time of acquisition.....		185,682
2.2 Additional investment made after acquisition.....		
3. Capitalized deferred interest and other.....		
4. Accrual of discount.....		
5. Unrealized valuation increase (decrease).....	27,178	100,330
6. Total gain (loss) on disposals.....		
7. Deduct amounts received on disposals.....	25,000	100,000
8. Deduct amortization of premium and depreciation.....	8,388	8,369
9. Total foreign exchange change in book/adjusted carrying value.....		
10. Deduct current year's other than temporary impairment recognized.....		
11. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5+6-7-8+9-10).....	775,746	781,956
12. Deduct total nonadmitted amounts.....	606,821	604,643
13. Statement value at end of current period (Line 11 minus Line 12).....	168,925	177,313

SCHEDULE D - VERIFICATION

Bonds and Stocks

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year.....	615,251,173	534,489,901
2. Cost of bonds and stocks acquired.....	19,412,610	171,892,195
3. Accrual of discount.....	3,910,800	16,510,725
4. Unrealized valuation increase (decrease).....		
5. Total gain (loss) on disposals.....	736	5,915,380
6. Deduct consideration for bonds and stocks disposed of.....	530,456	113,138,179
7. Deduct amortization of premium.....	85,848	418,849
8. Total foreign exchange change in book/adjusted carrying value.....		
9. Deduct current year's other than temporary impairment recognized.....		
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9).....	637,959,015	615,251,173
11. Deduct total nonadmitted amounts.....		
12. Statement value at end of current period (Line 10 minus Line 11).....	637,959,015	615,251,173

SCHEDULE D - PART 1B

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

	1	2	3	4	5	6	7	8
NAIC Designation	Book/Adjusted Carrying Value Beginning of Current Quarter	Acquisitions During Current Quarter	Dispositions During Current Quarter	Non-Trading Activity During Current Quarter	Book/Adjusted Carrying Value End of First Quarter	Book/Adjusted Carrying Value End of Second Quarter	Book/Adjusted Carrying Value End of Third Quarter	Book/Adjusted Carrying Value December 31 Prior Year
BONDS								
1. NAIC 1 (a).....	510,695,527	6,289,149	532,827	6,837,562	523,289,411			510,695,527
2. NAIC 2 (a).....	104,603,944	13,123,461		(3,012,610)	114,714,795			104,603,944
3. NAIC 3 (a).....								
4. NAIC 4 (a).....								
5. NAIC 5 (a).....								
6. NAIC 6 (a).....								
7. Total Bonds.....	615,299,471	19,412,610	532,827	3,824,952	638,004,206	0	0	615,299,471
PREFERRED STOCK								
8. NAIC 1.....								
9. NAIC 2.....								
10. NAIC 3.....								
11. NAIC 4.....								
12. NAIC 5.....								
13. NAIC 6.....								
14. Total Preferred Stock.....	0	0	0	0	0	0	0	0
15. Total Bonds and Preferred Stock.....	615,299,471	19,412,610	532,827	3,824,952	638,004,206	0	0	615,299,471

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(a) Book/Adjusted Carrying Value column for the end of the current reporting period includes the following amount of non-rated short-term and cash equivalent bonds by NAIC designation:
NAIC 1 \$.....0; NAIC 2 \$.....0; NAIC 3 \$.....0; NAIC 4 \$.....0; NAIC 5 \$.....0; NAIC 6 \$.....0.

SCHEDULE DA - PART 1

Short-Term Investments

	1 Book/Adjusted Carrying Value	2 Par Value	3 Actual Cost	4 Interest Collected Year To Date	5 Paid for Accrued Interest Year To Date
9199999.....	45,191	XXX	45,191	274	

SCHEDULE DA - VERIFICATION

Short-Term Investments

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year.....	48,298	4,993,728
2. Cost of short-term investments acquired.....		
3. Accrual of discount.....		
4. Unrealized valuation increase (decrease).....		
5. Total gain (loss) on disposals.....		
6. Deduct consideration received on disposals.....	3,107	4,945,430
7. Deduct amortization of premium.....		
8. Total foreign exchange change in book/adjusted carrying value.....		
9. Deduct current year's other than temporary impairment recognized.....		
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9).....	45,191	48,298
11. Deduct total nonadmitted amounts.....		
12. Statement value at end of current period (Line 10 minus Line 11).....	45,191	48,298

**Sch. DB-Pt A-Verification
NONE**

**Sch. DB-Pt B-Verification
NONE**

**Sch. DB-Pt C-Sn 1
NONE**

**Sch. DB-Pt C-Sn 2
NONE**

**Sch. DB-Verification
NONE**

SCHEDULE E- VERIFICATION

Cash Equivalents

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year.....	7,986,482	9,265,021
2. Cost of cash equivalents acquired.....	574,673	
3. Accrual of discount.....		
4. Unrealized valuation increase (decrease).....		
5. Total gain (loss) on disposals.....		
6. Deduct consideration received on disposals.....		1,278,539
7. Deduct amortization of premium.....		
8. Total foreign exchange change in book/ adjusted carrying value.....		
9. Deduct current year's other than temporary impairment recognized.....		
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9).....	8,561,155	7,986,482
11. Deduct total nonadmitted amounts.....		
12. Statement value at end of current period (Line 10 minus Line 11).....	8,561,155	7,986,482

Sch. A-Pt 2
NONE

Sch. A-Pt 3
NONE

Sch. B-Pt 2
NONE

Sch. B-Pt 3
NONE

SCHEDULE BA - PART 2

Showing Other Long-Term Invested Assets ACQUIRED AND ADDITIONS MADE During the Current Quarter

1 CUSIP Identification	2 Name or Description	Location		5 Name of Vendor or General Partner	6 NAIC Designation	7 Date Originally Acquired	8 Type and Strategy	9 Actual Cost at Time of Acquisition	10 Additional Investment Made After Acquisition	11 Amount of Encumbrances	12 Commitment for Additional Investment	13 Percentage of Ownership
		3 City	4 State									

NONE

SCHEDULE BA - PART 3

Showing Other Long-Term Invested Assets DISPOSED, Transferred or Repaid During the Current Quarter

1 CUSIP Identification	2 Name or Description	Location		5 Name of Purchaser or Nature of Disposal	6 Date Originally Acquired	7 Disposal Date	8 Book/Adjusted Carrying Value Less Encumbrances, Prior Year	Changes in Book/Adjusted Carrying Value					15 Book/Adjusted Carrying Value Less Encumbrances on Disposal	16 Consideration	17 Foreign Exchange Gain (Loss) on Disposal	18 Realized Gain (Loss) on Disposal	19 Total Gain (Loss) on Disposal	20 Investment Income		
		3 City	4 State					9 Unrealized Valuation Increase (Decrease)	10 Current Year's (Depreciation) or (Amortization)/ Accretion	11 Current Year's Other Than Temporary Impairment Recognized	12 Capitalized Deferred Interest and Other	13 Total Change in B./A.C.V. (9+10-11+12)							14 Total Foreign Exchange Change in B./A.C.V.	
Joint Venture or Partnership Interests That Have Underlying Characteristics of Real Estate - Unaffiliated																				
	Royalton 6001 LTD.....	Broadview Heights.....	OH.....		04/14/2003		604,643	27,178				27,178		25,000			0	25,000		
1799999. Total - Joint Venture or Partnership Interests That Have Underlying Characteristics of Real Estate - Unaffiliated.....								604,643	27,178	0	0	0	27,178	0	25,000	0	0	0	25,000	
4499999. Subtotal - Unaffiliated.....								604,643	27,178	0	0	0	27,178	0	25,000	0	0	0	0	25,000
4699999. Totals.....								604,643	27,178	0	0	0	27,178	0	25,000	0	0	0	0	25,000

QE03

SCHEDULE D - PART 3

Show all Long-Term Bonds and Stock Acquired During the Current Quarter

1 CUSIP Identification	2 Description	3 Foreign	4 Date Acquired	5 Name of Vendor	6 Number of Shares of Stock	7 Actual Cost	8 Par Value	9 Paid for Accrued Interest and Dividends	10 NAIC Designation or Market Indicator (a)
Bonds - Industrial and Miscellaneous									
23311V AF 4	DCP MIDSTREAM OPERATING SR UNSCD.....		03/10/2014	US BANCORP.....		2,970,180	3,000,000		2FE.....
361448 AU 7	GATX CORPORATION SR UNSCD.....		02/27/2014	BANK OF AMERICA MERRILL LYNCH.....		2,995,860	3,000,000		2FE.....
90131H AB 1	21ST CENTURY FOX AMERICA SR UNSCD.....		01/30/2014	FTN.....		1,056,950	1,000,000	18,600	2FE.....
94974B FP 0	WELLS FARGO & CO SUBORD.....		01/28/2014	AK CAPITAL.....		1,026,870	1,000,000	13,885	1FE.....
988498 AK 7	YUM BRANDS INC SR UNSCD.....		01/30/2014	DEUTSCHE BANK.....		2,027,740	2,000,000	27,939	2FE.....
008916 AM 0	AGRIUM INC SR UNSCD.....	A.....	01/30/2014	STERNE AGEE & LEACH INC.....		956,780	1,000,000	8,575	2FE.....
191241 AF 5	COCA-COLA FEMSA SAB CV SR UNSCD.....	F.....	01/30/2014	BANK OF AMERICA MERRILL LYNCH.....		2,083,900	2,000,000	19,833	1FE.....
21685W CJ 4	RABOBANK NEDERLAND SR UNSCD.....	R.....	02/06/2014	CITIGROUP GLOBAL.....		3,178,380	3,000,000	33,688	1FE.....
92936M AE 7	WPP FINANCE 2010 SR UNSCD.....	F.....	02/04/2014	STERNE AGEE & LEACH INC.....		3,115,950	3,000,000	39,844	2FE.....
3899999	Total Bonds - Industrial and Miscellaneous.....					19,412,610	19,000,000	162,364	XXX.....
8399997	Total Bonds - Part 3.....					19,412,610	19,000,000	162,364	XXX.....
8399999	Total Bonds.....					19,412,610	19,000,000	162,364	XXX.....
9999999	Total Bonds, Preferred and Common Stocks.....					19,412,610	XXX.....	162,364	XXX.....

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues:.....0.

QE04

SCHEDULE D - PART 4

Show All Long-Term Bonds and Stock Sold, Redeemed or Otherwise Disposed of During the Current Quarter

1 CUSIP Identification	2 Description	3 F o r e i g n	4 Disposal Date	5 Name of Purchaser	6 Number of Shares of Stock	7 Consideration	8 Par Value	9 Actual Cost	10 Prior Year Book/ Adjusted Carrying Value	Change in Book/Adjusted Carrying Value					16 Book/ Adjusted Carrying Value At Disposal Date	17 Foreign Exchange Gain (Loss) on Disposal	18 Realized Gain (Loss) on Disposal	19 Total Gain (Loss) on Disposal	20 Bond Interest/ Stock Dividends Received During Year	21 Stated Contractual Maturity Date	22 NAIC Desig- nation or Market Indicator (a)
										11 Unrealized Valuation Increase/ (Decrease)	12 Current Year's (Amortization)/ Accretion	13 Current Year's Other Than Temporary Impairment Recognized	14 Total Change in B./A.C.V. (11+12-13)	15 Total Foreign Exchange Change in B./A.C.V.							
Bonds - U.S. Political Subdivisions of States, Territories and Possessions																					
353172	3Y 3		03/14/2014	FRANKLIN COUNTY OHIO (TAXABLE).....		500,000	500,000	500,000	500,000				0		500,000			0	8,011	12/01/2030	1FE.....
2499999. Total Bonds - U.S. Political Subdivisions of States, Territories and Possessions.....						500,000	500,000	500,000	500,000	0	0	0	0	0	500,000	0	0	0	8,011	XXX...	XXX...
Bonds - U.S. Special Revenue and Special Assessment																					
658207	PA 7		02/01/2014	NORTH CAROLINA HOUSING FIN AGY (TAXABLE).....		5,000	5,000	5,005	5,004		(4)		(4)	5,000			0	126	01/01/2029	1FE.....	
92818G	JN 4		01/09/2014	VIRGINIA RESOURCES AUTHORITY (TAXABLE).....		25,456	20,000	24,999	24,725		(5)		(5)	24,720		736	736	227	11/01/2039	1FE.....	
3199999. Total Bonds - U.S. Special Revenue and Special Assessment.....						30,456	25,000	30,004	29,729	0	(9)	0	(9)	29,720	0	736	736	353	XXX...	XXX...	
8399997. Total Bonds - Part 3.....						530,456	525,000	530,004	529,729	0	(9)	0	(9)	529,720	0	736	736	8,364	XXX...	XXX...	
8399999. Total Bonds.....						530,456	525,000	530,004	529,729	0	(9)	0	(9)	529,720	0	736	736	8,364	XXX...	XXX...	
9999999. Total Bonds, Preferred and Common Stocks.....						530,456	XXX.....	530,004	529,729	0	(9)	0	(9)	529,720	0	736	736	8,364	XXX...	XXX...	

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues:.....0.

QE05

**Sch. DB-Pt A-Sn 1
NONE**

**Sch. DB-Pt A-Sn 1-Footer A
NONE**

**Sch. DB-Pt A-Sn 1-Footer B
NONE**

**Sch. DB-Pt B-Sn 1
NONE**

**Sch. DB-Pt B-Sn 1-Footer A
NONE**

**Sch. DB-Pt B-Sn 1-Footer B
NONE**

**Sch. DB-Pt B-Sn 1B-Broker List
NONE**

**Sch. DB-Pt D-Sn 1
NONE**

**Sch. DB-Pt D-Sn 2
NONE**

**Sch. DL-Pt. 1
NONE**

**Sch. DL-Pt. 2
NONE**

SCHEDULE E - PART 1 - CASH

Month End Depository Balances

1 Depository	2 Code	3 Rate of Interest	4 Amount of Interest Received During Current Quarter	5 Amount of Interest Accrued at Current Statement Date	Book Balance at End of Each Month During Current Quarter			9 *
					6 First Month	7 Second Month	8 Third Month	
Open Depositories								
PNC - Checking..... Cleveland, OH.....					.....671,294	.....759,711	.....950,647	XXX..
American Founders Bank - Checking..... Frankfort, KY.....					.....82,271	.....62,717	.....91,483	XXX..
Wells Fargo Bank, N.A. - DDA & Cont. Disb..... Cleveland, OH.....					.....(2,705,217)	.....(2,256,041)	.....(2,349,490)	XXX..
0199999. Total Open Depositories.....	...XXX.....	...XXX.....	.....0	.....0	.....(1,951,652)	.....(1,433,613)	.....(1,307,360)	XXX..
0399999. Total Cash on Deposit.....	...XXX.....	...XXX.....	.....0	.....0	.....(1,951,652)	.....(1,433,613)	.....(1,307,360)	XXX..
0499999. Cash in Company's Office.....	...XXX.....	...XXX.....	...XXX.....	...XXX.....		.....3,400	.....3,400	XXX..
0599999. Total Cash.....	...XXX.....	...XXX.....	.....0	.....0	.....(1,951,652)	.....(1,430,213)	.....(1,303,960)	XXX..

SCHEDULE E - PART 2 - CASH EQUIVALENTS

Show Investments Owned End of Current Quarter

1 Description	2 Code	3 Date Acquired	4 Rate of Interest	5 Maturity Date	6 Book/Adjusted Carrying Value	7 Amount of Interest Due & Accrued	8 Amount Received During Year
Sweep Accounts							
Wells Fargo - Stagecoach Sweep Preferred.....		03/24/2014	0.100	03/25/2014	8,561,155	200	2,165
8499999. Total - Sweep Accounts.....					8,561,155	200	2,165
8699999. Total - Cash Equivalents.....					8,561,155	200	2,165

QE13