



# ANNUAL STATEMENT

For the Year Ended December 31, 2014

of the Condition and Affairs of the

## CENTRAL RESERVE LIFE INSURANCE COMPANY

NAIC Group Code.....0901, 0901  
(Current Period) (Prior Period)

NAIC Company Code..... 61727

Employer's ID Number..... 34-0970995

Organized under the Laws of Ohio

State of Domicile or Port of Entry Ohio

Country of Domicile US

Incorporated/Organized..... July 2, 1963

Commenced Business..... May 12, 1965

Statutory Home Office

1300 East Ninth Street..... Cleveland ..... OH ..... US ..... 44114  
(Street and Number) (City or Town, State, Country and Zip Code)

Main Administrative Office

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

512-451-2224

(Area Code) (Telephone Number)

Mail Address

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

Primary Location of Books and Records

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

512-451-2224

(Area Code) (Telephone Number)

Internet Web Site Address

www.CignaSupplementalBenefits.com

Statutory Statement Contact

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512-807-4801

(Area Code) (Telephone Number) (Extension)

512-467-1399

(Fax Number)

### OFFICERS

Name	Title	Name	Title
1. Brian Case Evanko #	President	2. Byron Keith Buescher	Treasurer
3. Brenda Weigilia Hardison	Secretary	4. James Monroe Garvin III	Appointed Actuary

Jessica Kierulf Tutwiler #	Chief Financial Officer	David Lawrence Chambers #	Vice President
Mark Fleming #	Assistant Treasurer	Joanne Ruth Hart #	Assistant Treasurer
Scott Ronald Lambert #	Assistant Treasurer	Maureen Hardiman Ryan	Assistant Treasurer
Man-Kit Simon Tang #	Chief Actuary	Eric Paul Palmer	Vice President
Patricia Julie Walsh #	Assistant Vice President		

### OTHER

Brian Case Evanko #  
James Yablecki #

### DIRECTORS OR TRUSTEES

Jessica Kierulf Tutwiler #

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)  
Brian Case Evanko  
1. (Printed Name)  
President  
(Title)

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

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

Subscribed and sworn to before me  
This \_\_\_\_\_ day of February 2015

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

Yes [ X ]   No [ ]

\_\_\_\_\_  
\_\_\_\_\_

**ASSETS**

	Current Year			Prior Year
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	4 Net Admitted Assets
1. Bonds (Schedule D).....	7,045,715		7,045,715	4,554,133
2. Stocks (Schedule D):				
2.1 Preferred stocks.....			0	
2.2 Common stocks.....	14,589,119		14,589,119	12,798,822
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens.....			0	
3.2 Other than first liens.....			0	
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$.....0 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 (\$....327,809, Schedule E-Part 1), cash equivalents (\$.....0, Schedule E-Part 2) and short-term investments (\$....2,996,028, Schedule DA).....	3,323,837		3,323,837	4,926,474
6. Contract loans (including \$.....0 premium notes).....			0	
7. Derivatives (Schedule DB).....			0	
8. Other invested assets (Schedule BA).....			0	
9. Receivables for securities.....			0	
10. Securities lending reinvested collateral assets (Schedule DL).....			0	
11. Aggregate write-ins for invested assets.....	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11).....	24,958,671	0	24,958,671	22,279,429
13. Title plants less \$.....0 charged off (for Title insurers only).....			0	
14. Investment income due and accrued.....	36,699		36,699	23,126
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection.....	(556,041)	316	(556,357)	(662,948)
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.....	402,751		402,751	399,291
16.2 Funds held by or deposited with reinsured companies.....			0	
16.3 Other amounts receivable under reinsurance contracts.....	67,150		67,150	83,093
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.....	2,938,422	2,188,190	750,232	765,912
19. Guaranty funds receivable or on deposit.....	95,708		95,708	100,590
20. Electronic data processing equipment and software.....			0	
21. Furniture and equipment, including health care delivery assets (\$.....0).....			0	
22. Net adjustment in assets and liabilities due to foreign exchange rates.....			0	
23. Receivables from parent, subsidiaries and affiliates.....	220		220	6,795
24. Health care (\$.....0) and other amounts receivable.....	82	82	0	
25. Aggregate write-ins for other than invested assets.....	115,329	115,329	0	0
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25).....	28,058,991	2,303,917	25,755,074	22,995,288
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			0	
28. TOTALS (Lines 26 and 27).....	28,058,991	2,303,917	25,755,074	22,995,288

**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. Other Receivables.....	114,118	114,118	0	
2502. Suspense.....	1,211	1,211	0	
2503. ....			0	
2598. Summary of remaining write-ins for Line 25 from overflow page.....	0	0	0	0
2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above).....	115,329	115,329	0	0

**CENTRAL RESERVE LIFE INSURANCE COMPANY**  
**LIABILITIES, SURPLUS AND OTHER FUNDS**

	1 Current Year	2 Prior Year
1. Aggregate reserve for life contracts \$.....0 (Exhibit 5, Line 9999999) less \$.....0 included in Line 6.3 (including \$.....0 Modco Reserve).....		
2. Aggregate reserve for accident and health contracts (including \$.....0 Modco Reserve).....	1,136,424	1,138,454
3. Liability for deposit-type contracts (Exhibit 7, Line 14, Col. 1) (including \$.....0 Modco Reserve).....		
4. Contract claims:		
4.1 Life (Exhibit 8, Part 1, Line 4.4, Col. 1 less sum of Cols. 9, 10 and 11).....		
4.2 Accident and health (Exhibit 8, Part 1, Line 4.4, sum of Cols. 9, 10 and 11).....	484,485	458,902
5. Policyholders' dividends \$.....0 and coupons \$.....0 due and unpaid (Exhibit 4, Line 10).....		
6. Provision for policyholders' dividends and coupons payable in following calendar year - estimated amounts:		
6.1 Dividends apportioned for payment (including \$.....0 Modco).....		
6.2 Dividends not yet apportioned (including \$.....0 Modco).....		
6.3 Coupons and similar benefits (including \$.....0 Modco).....		
7. Amount provisionally held for deferred dividend policies not included in Line 6.....		
8. Premiums and annuity considerations for life and accident and health contracts received in advance less \$.....0 discount; including \$....60,775 accident and health premiums (Exhibit 1, Part 1, Col. 1, sum of Lines 4 and 14).....	60,775	55,055
9. Contract liabilities not included elsewhere:		
9.1 Surrender values on canceled contracts.....		
9.2 Provision for experience rating refunds, including the liability of \$.....0 accident and health experience rating refunds of which \$.....0 is for medical loss ratio rebate per the Public Health Service Act.....		
9.3 Other amounts payable on reinsurance, including \$.....0 assumed and \$.....0 ceded.....		
9.4 Interest Maintenance Reserve (IMR, Line 6).....	35,110	41,398
10. Commissions to agents due or accrued - life and annuity contracts \$.....0, accident and health \$.....0 and deposit-type contract funds \$.....0.....	4,039	
11. Commissions and expense allowances payable on reinsurance assumed.....		
12. General expenses due or accrued (Exhibit 2, Line 12, Col. 6).....	41,254	21,593
13. Transfers to Separate Accounts due or accrued (net) (including \$.....0 accrued for expense allowances recognized in reserves, net of reinsured allowances).....		
14. Taxes, licenses and fees due or accrued, excluding federal income taxes (Exhibit 3, Line 9, Col. 5).....	144,974	159,765
15.1 Current federal and foreign income taxes, including \$.....0 on realized capital gains (losses).....	88,044	80,420
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.....	581	
19. Remittances and items not allocated.....	6,873	15,117
20. Net adjustment in assets and liabilities due to foreign exchange rates.....		
21. Liability for benefits for employees and agents if not included above.....		
22. Borrowed money \$.....0 and interest thereon \$.....0.....		
23. Dividends to stockholders declared and unpaid.....		
24. Miscellaneous liabilities:		
24.01 Asset valuation reserve (AVR Line 16, Col. 7).....	5,347	3,763
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.....	13,586	
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.....	76,421	80,074
26. Total liabilities excluding Separate Accounts business (Lines 1 to 25).....	2,097,913	2,054,541
27. From Separate Accounts Statement.....		
28. Total liabilities (Line 26 and 27).....	2,097,913	2,054,541
29. Common capital stock.....	2,500,000	2,500,000
30. Preferred capital stock.....	0	0
31. Aggregate write-ins for other than special surplus funds.....	0	0
32. Surplus notes.....		
33. Gross paid in and contributed surplus (Page 3, Line 33, Col. 2 plus Page 4, Line 51.1, Col. 1).....	39,862,110	39,862,110
34. Aggregate write-ins for special surplus funds.....	0	0
35. Unassigned funds (surplus).....	(18,704,949)	(21,421,363)
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).....	21,157,161	18,440,747
38. Totals of Lines 29, 30 and 37 (Page 4, Line 55).....	23,657,161	20,940,747
39. Totals of Lines 28 and 38 (Page 2, Line 28, Col. 3).....	25,755,074	22,995,288

**DETAILS OF WRITE-INS**

2501. Escheat Liability.....	76,421	80,074
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).....	76,421	80,074
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

# CENTRAL RESERVE LIFE INSURANCE COMPANY

## 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, less Col. 11)	.....5,511,388	.....6,501,784
2. Considerations for supplementary contracts with life contingencies	.....	.....
3. Net investment income (Exhibit of Net Investment Income, Line 17)	.....57,133	.....77,698
4. Amortization of Interest Maintenance Reserve (IMR) (Line 5)	.....6,288	.....7,550
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)	.....353,336	.....451,685
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	.....2,017	.....4,232
9. Totals (Lines 1 to 8.3)	.....5,930,162	.....7,042,949
10. Death benefits	.....	.....
11. Matured endowments (excluding guaranteed annual pure endowments)	.....	.....
12. Annuity benefits (Exhibit 8, Part 2, Line 6.4, Cols. 4 + 8)	.....	.....
13. Disability benefits and benefits under accident and health contracts	.....	.....3,725,349
14. Coupons, guaranteed annual pure endowments and similar benefits	.....	.....4,346,005
15. Surrender benefits and withdrawals for life contracts	.....	.....
16. Group conversions	.....	.....
17. Interest and adjustments on contract or deposit-type contract funds	.....	.....
18. Payments on supplementary contracts with life contingencies	.....	.....
19. Increase in aggregate reserves for life and accident and health contracts	.....(2,030)	.....(34,955)
20. Totals (Lines 10 to 19)	.....3,723,319	.....4,311,050
21. Commissions on premiums, annuity considerations and deposit-type contract funds (direct business only) (Exhibit 1, Part 2, Line 31, Col. 1)	.....254,975	.....522,972
22. Commissions and expense allowances on reinsurance assumed (Exhibit 1, Part 2, Line 26.2, Col. 1)	.....	.....
23. General insurance expenses (Exhibit 2, Line 10, Columns 1, 2, 3 and 4)	.....589,358	.....722,341
24. Insurance taxes, licenses and fees, excluding federal income taxes (Exhibit 3, Line 7, Cols. 1 + 2 + 3)	.....246,279	.....267,874
25. Increase in loading on deferred and uncollected premiums	.....17	.....(1,251)
26. Net transfers to or (from) Separate Accounts net of reinsurance	.....	.....
27. Aggregate write-ins for deductions	.....0	.....858
28. Totals (Lines 20 to 27)	.....4,813,948	.....5,823,844
29. Net gain from operations before dividends to policyholders and federal income taxes (Line 9 minus Line 28)	.....1,116,214	.....1,219,105
30. Dividends to policyholders	.....	.....
31. Net gain from operations after dividends to policyholders and before federal income taxes (Line 29 minus Line 30)	.....1,116,214	.....1,219,105
32. Federal and foreign income taxes incurred (excluding tax on capital gains)	.....119,478	.....125,215
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)	.....996,736	.....1,093,890
34. Net realized capital gains (losses) (excluding gains (losses) transferred to the IMR) less capital gains tax of \$.....0 (excluding taxes of \$.....0 transferred to the IMR)	.....	.....
35. Net income (Line 33 plus Line 34)	.....996,736	.....1,093,890
<b>CAPITAL AND SURPLUS ACCOUNT</b>		
36. Capital and surplus, December 31, prior year (Page 3, Line 38, Col. 2)	.....20,940,747	.....27,448,459
37. Net income (Line 35)	.....996,736	.....1,093,890
38. Change in net unrealized capital gains (losses) less capital gains tax of \$.....0	.....1,790,297	.....2,461,365
39. Change in net unrealized foreign exchange capital gain (loss)	.....	.....
40. Change in net deferred income tax	.....(1,072,602)	.....528,520
41. Change in nonadmitted assets	.....1,101,985	.....(459,951)
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	.....	.....(3,688)
44. Change in asset valuation reserve	.....(1,584)	.....
45. Change in treasury stock, (Page 3, Lines 36.1 and 36.2 Col. 2 minus Col. 1)	.....	.....
46. Surplus (contributed to) withdrawn from Separate Accounts during period	.....	.....
47. Other changes in surplus in Separate Accounts Statement	.....	.....
48. Change in surplus notes	.....	.....
49. Cumulative effect of changes in accounting principles	.....	.....
50. Capital changes:	.....	.....
50.1 Paid in	.....	.....
50.2 Transferred from surplus (Stock Dividend)	.....	.....
50.3 Transferred to surplus	.....	.....
51. Surplus adjustment:	.....	.....(10,000,000)
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	.....(98,418)	.....(127,848)
52. Dividends to stockholders	.....	.....
53. Aggregate write-ins for gains and losses in surplus	.....0	.....0
54. Net change in capital and surplus for the year (Lines 37 through 53)	.....2,716,414	.....(6,507,712)
55. Capital and surplus, December 31, current year (Lines 36 + 54) (Page 3, Line 38)	.....23,657,161	.....20,940,747

### DETAILS OF WRITE-INS

08.301. Miscellaneous Income..	.....1,031	.....1,145
08.302. Interest on Agent Balances..	.....986	.....3,087
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)..	.....2,017	.....4,232
2701. Penalties..	.....	.....858
2702. .....	.....	.....
2703. .....	.....	.....
2798. Summary of remaining write-ins for Line 27 from overflow page..	.....0	.....0
2799. Totals (Lines 2701 thru 2703 plus 2798) (Line 27 above)..	.....0	.....858
5301. SSAP 10 R Additional Surplus..	.....	.....
5302. Subsidiary SSAP 10 R Additional Surplus..	.....	.....
5303. .....	.....	.....
5398. Summary of remaining write-ins for Line 53 from overflow page..	.....0	.....0
5399. Totals (Lines 5301 thru 5303 plus 5398) (Line 53 above)..	.....0	.....0

**CENTRAL RESERVE LIFE INSURANCE COMPANY**  
**CASH FLOW**

	1 Current Year	2 Prior Year
<b>CASH FROM OPERATIONS</b>		
1. Premiums collected net of reinsurance.....	5,410,444	6,064,323
2. Net investment income.....	72,106	119,719
3. Miscellaneous income.....	256,935	328,069
4. Total (Lines 1 through 3).....	5,739,485	6,512,111
5. Benefit and loss related payments.....	3,687,283	4,064,201
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts.....		
7. Commissions, expenses paid and aggregate write-ins for deductions.....	1,145,002	1,932,867
8. Dividends paid to policyholders.....		
9. Federal and foreign income taxes paid (recovered) net of \$.....0 tax on capital gains (losses).....	111,854	(547,432)
10. Total (Lines 5 through 9).....	4,944,139	5,449,636
11. Net cash from operations (Line 4 minus Line 10).....	795,346	1,062,475
<b>CASH FROM INVESTMENTS</b>		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds.....		2,500,000
12.2 Stocks.....		10,000,000
12.3 Mortgage loans.....		
12.4 Real estate.....		
12.5 Other invested assets.....		
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments.....		
12.7 Miscellaneous proceeds.....		
12.8 Total investment proceeds (Lines 12.1 to 12.7).....	0	12,500,000
13. Cost of investments acquired (long-term only):		
13.1 Bonds.....	2,520,127	2,934,083
13.2 Stocks.....		
13.3 Mortgage loans.....		
13.4 Real estate.....		
13.5 Other invested assets.....		
13.6 Miscellaneous applications.....		
13.7 Total investments acquired (Lines 13.1 to 13.6).....	2,520,127	2,934,083
14. Net increase (decrease) in contract loans and premium notes.....		
15. Net cash from investments (Line 12.8 minus Lines 13.7 minus Line 14).....	(2,520,127)	9,565,917
<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.....		(10,000,000)
16.3 Borrowed funds.....		
16.4 Net deposits on deposit-type contracts and other insurance liabilities.....		
16.5 Dividends to stockholders.....		
16.6 Other cash provided (applied).....	122,144	159,154
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6).....	122,144	(9,840,846)
<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).....	(1,602,637)	787,546
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year.....	4,926,474	4,138,928
19.2 End of year (Line 18 plus Line 19.1).....	3,323,837	4,926,474

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

20.0001 .....		
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**ANALYSIS OF OPERATIONS BY LINES OF BUSINESS**

	1 Total	2 Industrial Life	Ordinary			6 Credit Life (Group and Individual)	Group		Accident and Health			12 Aggregate of All Other Lines of Business
			3 Life Insurance	4 Individual Annuities	5 Supplementary Contracts		7 Life Insurance(a)	8 Annuities	9 Group	10 Credit (Group and Individual)	11 Other	
1. Premiums and annuity considerations for life and accident and health contracts.....	5,511,388								37,732		5,473,656	
2. Considerations for supplementary contracts with life contingencies.....	0											
3. Net investment income.....	57,133								11,195		45,938	
4. Amortization of Interest Maintenance Reserve (IMR).....	6,288								1,232		5,056	
5. Separate Accounts net gain from operations excluding unrealized gains or losses.....	0											
6. Commissions and expense allowances on reinsurance ceded.....	353,336		33,859	4,141					5,436		309,900	
7. Reserve adjustments on reinsurance ceded.....	0											
8. Miscellaneous Income:												
8.1 Fees associated with income from investment management, administration and contract guarantees from S/A.....	0											
8.2 Charges and fees for deposit-type contracts.....	0											
8.3 Aggregate write-ins for miscellaneous income.....	2,017	0	0	0	0	0	0	0	193	0	1,824	0
9. Totals (Lines 1 to 8.3).....	5,930,162	0	33,859	4,141		0	0	0	55,788	0	5,836,374	0
10. Death benefits.....	0											
11. Matured endowments (excluding guaranteed annual pure endowments).....	0											
12. Annuity benefits.....	0											
13. Disability benefits and benefits under accident and health contracts.....	3,725,349									16,808		3,708,541
14. Coupons, guaranteed annual pure endowments and similar benefits.....	0											
15. Surrender benefits and withdrawals for life contracts.....	0											
16. Group conversions.....	0											
17. Interest and adjustments on contract or deposit-type contract funds.....	0											
18. Payments on supplementary contracts with life contingencies.....	0											
19. Increase in aggregate reserves for life and accident and health contracts.....	(2,030)								78,411		(80,441)	
20. Totals (Lines 10 to 19).....	3,723,319	0	0	0	0	0	0	0	95,219	0	3,628,100	0
21. Commissions on premiums, annuity considerations and deposit-type contract funds (direct business only).....	254,975		33,859	4,141					3,330		213,645	
22. Commissions and expense allowances on reinsurance assumed.....	0											
23. General insurance expenses.....	589,358									4,036		574,408
24. Insurance taxes, licenses and fees, excluding federal income taxes.....	246,279		1,865							1,107		243,199
25. Increase in loading on deferred and uncollected premiums.....	17									(3)		20
26. Net transfers to or (from) Separate Accounts net of reinsurance.....	0											
27. Aggregate write-ins for deductions.....	0	0	0	0	0	0	0	0	0	0	0	0
28. Totals (Lines 20 to 27).....	4,813,948	0	35,724	4,141		0	0	0	103,689	0	4,659,372	11,022
29. Net gain from operations before dividends to policyholders and federal income taxes (Line 9 minus Line 28).....	1,116,214	0	(1,865)	0	0	0	0	0	(47,901)	0	1,177,002	(11,022)
30. Dividends to policyholders.....	0											
31. Net gain from operations after dividends to policyholders and before federal income taxes (Line 29 minus Line 30).....	1,116,214	0	(1,865)	0	0	0	0	0	(47,901)	0	1,177,002	(11,022)
32. Federal income taxes incurred (excluding tax on capital gains).....	119,478		(200)							(5,127)		125,985
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).....	996,736	0	(1,665)	0	0	0	0	0	(42,774)	0	1,051,017	(9,842)

**DETAILS OF WRITE-INS**

08.301. Miscellaneous Income.....	1,031										1,031	
08.302. Interest on Agent Balances.....	.986										.793	
08.303. ....	0											
08.398. Summary of remaining write-ins for Line 8.3 from overflow page.....	0	0	0	0	0	0	0	0	0	0	0	0
08.399. Total (Lines 08.301 thru 08.303 plus 08.398) (Line 8.3 above).....	2,017	0	0	0	0	0	0	0	193	0	1,824	0
2701. ....	0											
2702. ....	0											
2703. ....	0											
2798. Summary of remaining write-ins for Line 27 from overflow page.....	0	0	0	0	0	0	0	0	0	0	0	0
2799. Total (Lines 2701 thru 2703 plus 2798) (Line 27 above).....	0	0	0	0	0	0	0	0	0	0	0	0

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

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

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

**NONE**

**CENTRAL RESERVE LIFE INSURANCE COMPANY**  
**EXHIBIT OF NET INVESTMENT INCOME**

	1 Collected During Year	2 Earned During Year
1. U.S. government bonds.....	(a).....	48,720.....
1.1 Bonds exempt from U.S. tax.....	(a).....	62,293.....
1.2 Other bonds (unaffiliated).....	(a).....	.....
1.3 Bonds of affiliates.....	(a).....	.....
2.1 Preferred stocks (unaffiliated).....	(b).....	.....
2.11 Preferred stocks of affiliates.....	(b).....	.....
2.2 Common stocks (unaffiliated).....	.....	.....
2.21 Common stocks of affiliates.....	.....	.....
3. Mortgage loans.....	(c).....	.....
4. Real estate.....	(d).....	.....
5. Contract loans.....	.....	.....
6. Cash, cash equivalents and short-term investments.....	(e).....	7,397.....
7. Derivative instruments.....	(f).....	.....
8. Other invested assets.....	.....	.....
9. Aggregate write-ins for investment income.....	.....	0.....
10. Total gross investment income.....	.....	56,117.....
		69,690.....
11. Investment expenses.....		(g).....12,557
12. Investment taxes, licenses and fees, excluding federal income taxes.....		(g).....
13. Interest expense.....		(h).....
14. Depreciation on real estate and other invested assets.....		(i).....0
15. Aggregate write-ins for deductions from investment income.....		.....0
16. Total deductions (Lines 11 through 15).....		.....12,557
17. Net investment income (Line 10 minus Line 16).....		.....57,133

**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.....	0.....
1599. Totals (Lines 1501 thru 1503 plus 1598) (Line 15 above).....	0.....	0.....

(a) Includes \$....257 accrual of discount less \$....28,803 amortization of premium and less \$....1,459 paid for accrued interest on purchases.  
 (b) Includes \$.....0 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued dividends on purchases.  
 (c) Includes \$.....0 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued interest on purchases.  
 (d) Includes \$.....0 for company's occupancy of its own buildings; and excludes \$.....0 interest on encumbrances.  
 (e) Includes \$.....0 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued interest on purchases.  
 (f) Includes \$.....0 accrual of discount less \$.....0 amortization of premium.  
 (g) Includes \$.....0 investment expenses and \$.....0 investment taxes, licenses and fees, excluding federal income taxes, attributable to Segregated and Separate Accounts.  
 (h) Includes \$.....0 interest on surplus notes and \$.....0 interest on capital notes.  
 (i) Includes \$.....0 depreciation on real estate and \$.....0 depreciation on other invested assets.

**EXHIBIT OF CAPITAL GAINS (LOSSES)**

	1 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).....			0.....		
1.3 Bonds of affiliates.....			0.....		
2.1 Preferred stocks (unaffiliated).....			0.....		
2.11 Preferred stocks of affiliates.....			0.....		
2.2 Common stocks (unaffiliated).....			0.....		
2.21 Common stocks of affiliates.....			0.....	1,790,297	
3. Mortgage loans.....			0.....		
4. Real estate.....			0.....		
5. Contract loans.....			0.....		
6. Cash, cash equivalents and short-term investments.....			0.....		
7. Derivative instruments.....			0.....		
8. Other invested assets.....			0.....		
9. Aggregate write-ins for capital gains (losses).....	0.....	0.....	0.....	0.....	0.....
10. Total capital gains (losses).....	0.....	0.....	0.....	1,790,297	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.....

**CENTRAL RESERVE LIFE INSURANCE COMPANY**  
**EXHIBIT 1 - PART 1 - PREMIUMS AND ANNUITY CONSIDERATIONS FOR LIFE AND ACCIDENT AND HEALTH CONTRACTS**

	1 Total	2 Industrial Life	Ordinary			5 Credit Life (Group and Individual)	Group		Accident and Health			11 Aggregate of All Other Lines of Business
			3 Life Insurance	4 Individual Annuities	6 Life Insurance		7 Annuities	8 Group	9 Credit (Group & Individual)	10 Other		
<b>FIRST YEAR (other than single)</b>												
1. Uncollected.....	0											
2. Deferred and accrued.....	0											
3. Deferred, accrued and uncollected:												
3.1 Direct.....	0											
3.2 Reinsurance assumed.....	0											
3.3 Reinsurance ceded.....	0											
3.4 Net (Line 1 + Line 2).....	0	0	0	0	0	0	0	0	0	0	0	
4. Advance.....	0											
5. Line 3.4 - Line 4.....	0	0	0	0	0	0	0	0	0	0	0	
6. Collected during year:												
6.1 Direct.....	39,973								2,835		37,138	
6.2 Reinsurance assumed.....	0											
6.3 Reinsurance ceded.....	0											
6.4 Net.....	39,973	0	0	0	0	0	0	0	2,835	0	37,138	
7. Line 5 + Line 6.4.....	39,973	0	0	0	0	0	0	0	2,835	0	37,138	
8. Prior year (uncollected + deferred and accrued - advance).....	1,334										1,334	
9. First year premiums and considerations:												
9.1 Direct.....	38,639								2,835		35,804	
9.2 Reinsurance assumed.....	0											
9.3 Reinsurance ceded.....	0											
9.4 Net (Line 7 - Line 8).....	38,639	0	0	0	0	0	0	0	2,835	0	35,804	
<b>SINGLE</b>												
10. Single premiums and considerations:												
10.1 Direct.....	0											
10.2 Reinsurance assumed.....	0											
10.3 Reinsurance ceded.....	0											
10.4 Net.....	0	0	0	0	0	0	0	0	0	0	0	
<b>RENEWAL</b>												
11. Uncollected.....	(554,567)								(6,700)		(547,867)	
12. Deferred and accrued.....	0											
13. Deferred, accrued and uncollected:												
13.1 Direct.....	211,854		189,046						90		22,718	
13.2 Reinsurance assumed.....	0											
13.3 Reinsurance ceded.....	766,421		189,046						6,790		570,585	
13.4 Net (Line 11 + Line 12).....	(554,567)	0	0	0	0	0	0	0	(6,700)	0	(547,867)	
14. Advance.....	60,775								778		59,997	
15. Line 13.4 - Line 14.....	(615,342)	0	0	0	0	0	0	0	(7,478)	0	(607,864)	
16. Collected during year:												
16.1 Direct.....	8,706,034		632,881	97,920	.75				68,709		7,906,449	
16.2 Reinsurance assumed.....	0											
16.3 Reinsurance ceded.....	3,335,563		632,881	97,920	.75				34,092		2,570,595	
16.4 Net.....	5,370,471	0	0	0	0	0	0	0	34,617	0	5,335,854	
17. Line 15 + Line 16.4.....	4,755,129	0	0	0	0	0	0	0	27,139	0	4,727,990	
18. Prior year (uncollected + deferred and accrued - advance).....	(717,620)								(7,758)		(709,862)	
19. Renewal premiums and considerations:												
19.1 Direct.....	8,674,036		614,490	97,920	.75				67,406		7,894,145	
19.2 Reinsurance assumed.....	0											
19.3 Reinsurance ceded.....	3,201,287	0	614,490	97,920	.75				32,509		2,456,293	
19.4 Net (Line 17 - Line 18).....	5,472,749	0	0	0	0	0	0	0	34,897	0	5,437,852	
<b>TOTAL</b>												
20. Total premiums and annuity considerations:												
20.1 Direct.....	8,712,675	0	614,490	97,920	.75				70,241	0	7,929,949	
20.2 Reinsurance assumed.....	0	0	0	0	0				0	0	0	
20.3 Reinsurance ceded.....	3,201,287	0	614,490	97,920	.75				32,509	0	2,456,293	
20.4 Net (Lines 9.4 + 10.4 + 19.4).....	5,511,388	0	0	0	0				37,732	0	5,473,656	

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

	1 Total	2 Industrial Life	Ordinary		5 Credit Life (Group and Individual)	Group		Accident and Health			11 Aggregate of All Other Lines of Business
			3 Life Insurance	4 Individual Annuities		6 Life Insurance	7 Annuities	8 Group	9 Credit (Group & Individual)	10 Other	
<b>DIVIDENDS AND COUPONS APPLIED (included in Part 1)</b>											
21. To pay renewal premiums.....	0										
22. All other.....	0										
<b>REINSURANCE COMMISSIONS AND EXPENSE ALLOWANCES INCURRED</b>											
23. First year (other than single):											
23.1 Reinsurance ceded.....	0										
23.2 Reinsurance assumed.....	0										
23.3 Net ceded less assumed.....	0	0	0	0	0	0	0	0	0	0	0
24. Single:											
24.1 Reinsurance ceded.....	0										
24.2 Reinsurance assumed.....	0										
24.3 Net ceded less assumed.....	0	0	0	0	0	0	0	0	0	0	0
25. Renewal:											
25.1 Reinsurance ceded.....	353,336		33,859	4,141				5,436		309,900	
25.2 Reinsurance assumed.....	0										
25.3 Net ceded less assumed.....	353,336	0	33,859	4,141	0	0	0	5,436	0	309,900	0
26. Totals:											
26.1 Reinsurance ceded (Page 6, Line 6).....	353,336	0	33,859	4,141	0	0	0	5,436	0	309,900	0
26.2 Reinsurance assumed (Page 6, Line 22).....	0	0	0	0	0	0	0	0	0	0	0
26.3 Net ceded less assumed.....	353,336	0	33,859	4,141	0	0	0	5,436	0	309,900	0
<b>COMMISSIONS INCURRED (direct business only)</b>											
27. First year (other than single).....	15,992									15,992	
28. Single.....	0										
29. Renewal.....	238,982		33,859	4,141				3,330		197,652	
30. Deposit-type contract funds.....	0										
31. Totals (to agree with Page 6, Line 21).....	254,974	0	33,859	4,141	0	0	0	3,330	0	213,644	0

**CENTRAL RESERVE LIFE INSURANCE COMPANY**  
**EXHIBIT 2 - GENERAL EXPENSES**

	Insurance			5	6		
	1 Life	Accident and Health					
		2 Cost Containment	3 All Other				
1. Rent.....			17,742		17,742		
2. Salaries and wages.....			233,471	4,174	237,645		
3.11 Contributions for benefit plans for employees.....			34,831		34,831		
3.12 Contributions for benefit plans for agents.....					0		
3.21 Payments to employees under non-funded benefit plans.....					0		
3.22 Payments to agents under non-funded benefit plans.....					0		
3.31 Other employee welfare.....			2,579	3	2,582		
3.32 Other agent welfare.....					0		
4.1 Legal fees and expenses.....					0		
4.2 Medical examination fees.....					0		
4.3 Inspection report fees.....					0		
4.4 Fees of public accountants and consulting actuaries.....			11,300		11,300		
4.5 Expense of investigation and settlement of policy claims.....			42,833		42,833		
5.1 Traveling expenses.....			3,105	197	3,302		
5.2 Advertising.....			880		880		
5.3 Postage, express, telegraph and telephone.....			50,273		50,273		
5.4 Printing and stationery.....			13,059		13,059		
5.5 Cost or depreciation of furniture and equipment.....			305	17	322		
5.6 Rental of equipment.....			17,033	217	17,250		
5.7 Cost or depreciation of EDP equipment and software.....			22,773	305	23,078		
6.1 Books and periodicals.....			1,122		1,122		
6.2 Bureau and association fees.....			31		31		
6.3 Insurance, except on real estate.....					0		
6.4 Miscellaneous losses.....			(24)		(24)		
6.5 Collection and bank service charges.....			51,338		51,338		
6.6 Sundry general expenses.....			9,730	65	9,795		
6.7 Group service and administration fees.....					0		
6.8 Reimbursements by uninsured plans.....					0		
7.1 Agency expense allowance.....					0		
7.2 Agents' balances charged off (less \$.....0 recovered).....					0		
7.3 Agency conferences other than local meetings.....			190		190		
9.1 Real estate expenses.....					0		
9.2 Investment expenses not included elsewhere.....				12,557	12,557		
9.3 Aggregate write-ins for expenses.....	0	0	65,873	5,936	71,809		
10. General expenses Incurred.....	0	0	578,444	10,914	12,557		
11. General expenses unpaid December 31, prior year.....			21,593		21,593		
12. General expenses unpaid December 31, current year.....			41,254		41,254		
13. Amounts receivable relating to uninsured plans, prior year.....					0		
14. Amounts receivable relating to uninsured plans, current year.....					0		
15. General expenses paid during year (Lines 10+11-12-13+14).....	0	0	558,783	10,914	12,557		
	<b>DETAILS OF WRITE-INS</b>						
09.301. Consulting.....			50,366	5,936	56,302		
09.302. TPA Service Fees.....			15,507		15,507		
09.303. ....					0		
09.398. Summary of remaining write-ins for Line 9.3 from overflow page.....	0	0	0	0	0		
09.399. Totals (Lines 09.301 thru 09.303 plus 09.398)(Line 9.3 above).....	0	0	65,873	5,936	71,809		

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

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

	Insurance			4 Investment	5 Total
	1 Life	2 Accident and Health	3 All Other Lines of Business		
1. Real estate taxes.....					0
2. State insurance department licenses and fees.....					79,586
3. State taxes on premiums.....			107,761		109,626
4. Other state taxes, including \$.....0 for employee benefits.....		(2,247)			(2,247)
5. U.S. Social Security taxes.....		14,884	108		14,992
6. All other taxes.....		44,322			44,322
7. Taxes, licenses and fees incurred.....	1,865	244,306	108	0	246,279
8. Taxes, licenses and fees unpaid December 31, prior year.....		159,765			159,765
9. Taxes, licenses and fees unpaid December 31, current year.....		144,974			144,974
10. Taxes, licenses and fees paid during year (Lines 7 + 8 - 9).....	1,865	259,097	108	0	261,070

**EXHIBIT 4 - DIVIDENDS OR REFUNDS**

	1 Life	2 Accident and Health
1. Applied to pay renewal premiums.....		
2. Applied to shorten the endowment or premium-paying period.....		
3. Applied to provide paid-up additions.....		
4. Applied to provide paid-up annuities.....		
5. Total Lines 1 through 4.....	0	0
6. Paid-in cash.....		
7. Left on deposit.....		
8. Aggregate write-ins for dividend or refund options.....	0	0
9. Total Lines 5 through 8.....	0	0
10. Amount due and unpaid.....		
11. Provision for dividends or refunds payable in the following calendar year.....		
12. Terminal dividends.....		
13. Provision for deferred dividend contracts.....		
14. Amount provisionally held for deferred dividend contracts not included in Line 13.....		
15. Total Lines 10 through 14.....	0	0
16. Total from prior year.....		
17. Total dividends or refunds (Lines 9 + 15 - 16).....	0	0

**DETAILS OF WRITE-INS**

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

**CENTRAL RESERVE LIFE INSURANCE COMPANY**  
**EXHIBIT 5 - AGGREGATE RESERVE FOR LIFE CONTRACTS**

1 Valuation Standard	2 Total	3 Industrial	4 Ordinary	5 Credit (Group and Individual)	6 Group
<b>Life Insurance:</b>					
0100001. 58 CET 3.0% ALB NLP CRF.....(66-00).....	.39,107		39,107		
0100002. 58 CSO 2.5% ANB CRVM CRF.....(68-84).....	15,146		15,146		
0100003. 58 CSO 3.0% ALB NLP CRF.....(67-69).....	17,936		17,936		
0100004. 58 CSO 3.0% ANB CRVM CRF.....(66-86).....	51,111		51,111		
0100005. 58 CSO 3.0% ANB NLP CRF.....(66-86).....	307,195		307,195		
0100006. 58 CSO 3.25% ANB CRVM CRF.....(68-84).....	1,108		1,108		
0100007. 58 CSO 3.5% ANB CRVM CRF.....(66-77).....	15		15		
0100008. 58 CSO 3.5% ANB NLP CRF.....(66-86).....	5		5		
0100009. 58 CSO 3.5%/20/ 3% CRVM NLP CRF.....(66-86).....	86,664		86,664		
0100010. 58 CSO 4.5% ANB CRVM CRF.....(87-96).....	1,201		1,201		
0100011. 58 CSO 4.5% ANB NLP CRF.....(87-06).....	0				
0100012. 80 CET 4.5% ANB NLP CRF.....(87-06).....	12,942		12,942		
0100013. 80 CSO 4.5% ANB CRVM CNF.....(87-06).....	734,184		734,184		
0100014. 2001 CSO 4.0% ANB CRVM CNF.....(06-10).....	998,358		998,358		
0100015. 2001 CSO 4.0% ANB NLP CRF.....(06-10).....	9,439		9,439		
0100016. 2001 CSO 4.5% ANB CRVM CNF.....(05).....	93,229		93,229		
0100017. 2001 CSO 4.5% ANB NLP CRF.....(05).....	4,166		4,166		
0199997. Totals (Gross).....	2,371,806	0	2,371,806	0	0
0199998. Reinsurance ceded.....	2,371,806		2,371,806		
0199999. Totals (Net).....	0	0	0	0	0
<b>Annuities (excluding supplementary contracts with life contingencies):</b>					
0200001. Deferred @ 3 1/2%.....(89-98).....	105,737	XXX	105,737	XXX	
0200002. Deferred @ 4 1/2%.....(89-98).....	6,071,742	XXX	6,071,742	XXX	
0200003. Deferred @ 5 1/2%.....(89-98).....	2,291,840	XXX	2,291,840	XXX	
0299997. Totals (Gross).....	8,469,319	XXX	8,469,319	XXX	0
0299998. Reinsurance ceded.....	8,469,319	XXX	8,469,319	XXX	
0299999. Totals (Net).....	0	XXX	0	XXX	0
<b>Supplementary Contracts with Life Contingencies:</b>					
0300001. 1983A 6.50%.....(86-08).....	.46,914		46,914		
0300002. 1983A 6.75%.....(86-08).....	.44,502		44,502		
0300003. 1983A 7.00%.....(86-08).....	.20,501		20,501		
0300004. 1983A 7.75%.....(86-08).....	.4,192		4,192		
0300005. 1983A 8.75%.....(86-08).....	.29,723		29,723		
0399997. Totals (Gross).....	145,832	0	145,832	0	0
0399998. Reinsurance ceded.....	145,832		145,832		
0399999. Totals (Net).....	0	0	0	0	0
<b>Accidental Death Benefits:</b>					
0400001. 1959 ADB 1958 CSO 3%.....(84-08).....	.476		476		
0499997. Totals (Gross).....	.476	0	476	0	0
0499998. Reinsurance ceded.....	.476		476		
0499999. Totals (Net).....	0	0	0	0	0
<b>Disability - Active Lives:</b>					
0500001. 1952 DIS - 1958 CSO 3%.....(84-08).....	1,730		1,730		
0599997. Totals (Gross).....	1,730	0	1,730	0	0
0599998. Reinsurance ceded.....	1,730		1,730		
0599999. Totals (Net).....	0	0	0	0	0
<b>Disability - Disabled Lives:</b>					
0600001. 1964 CDT 3%.....(84-12).....	.29,176		29,176		
0699997. Totals (Gross).....	.29,176	0	29,176	0	0
0699998. Reinsurance ceded.....	.29,176		29,176		
0699999. Totals (Net).....	0	0	0	0	0
<b>Miscellaneous Reserves:</b>					
0700001. Deficiency Reserve.....	.65,210		65,210		
0700002. Non-deduction of fractional premiums.....	.11,908		11,908		
0700003. Immediate Payment of Death Claims.....	.30,765		30,765		
0799997. Totals (Gross).....	.107,883	0	107,883	0	0
0799998. Reinsurance ceded.....	.107,883		107,883		
0799999. Totals (Net).....	0	0	0	0	0
9999999. Totals (Net) - Page 3, Line 1.....	0	0	0	0	0

**CENTRAL RESERVE LIFE INSURANCE COMPANY**  
**EXHIBIT 5 - INTERROGATORIES**

1.1 Has the reporting entity ever issued both participating and non-participating contracts?  
 1.2 If not, state which kind is issued

Yes [  ] No [  ]

2.1 Does the reporting entity at present issue both participating and non-participating contracts?  
 2.2 If not, state which kind is issued

Yes [  ] No [  ]

Non-Participating

3. Does the reporting entity at present issue or have in force contracts that contain non-guaranteed elements?  
 If so, attach a statement that contains the determination procedures, answers to the interrogatories and an actuarial opinion as described in the instructions.

Yes [  ] No [  ]

4. Has the reporting entity any assessment or stipulated premium contracts in force? If so, state:

Yes [  ] No [  ]

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 [  ]

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 [  ]

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 [  ]

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 [  ]

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 Group Accident and Health	3 Credit Accident and Health (Group and Individual)	4 Collectively Renewable	Other Individual Contracts				
					5 Non- Cancelable	6 Guaranteed Renewable	7 Non-Renewable for Stated Reasons Only	8 Other Accident Only	9 All Other
<b>ACTIVE LIFE RESERVE</b>									
1. Unearned premium reserves.....	574,737	1,044		5,530		567,969	194		
2. Additional contract reserves (a).....	1,438,915	1,165,241				273,674			
3. Additional actuarial reserves - Asset/Liability analysis.....	0								
4. Reserve for future contingent benefits.....	0								
5. Reserve for rate credits.....	0								
6. Aggregate write-ins for reserves.....	0	0	0	0	0	0	0	0	0
7. Totals (Gross).....	2,013,652	1,166,285	0	5,530	0	841,643	194	0	0
8. Reinsurance ceded.....	883,325	586,418		2,765		293,948	194		
9. Totals (Net).....	1,130,327	579,867	0	2,765	0	547,695	0	0	0
<b>CLAIM RESERVE</b>									
10. Present value of amounts not yet due on claims.....	99,878	99,878							
11. Additional actuarial reserves - Asset/Liability analysis.....	0								
12. Reserve for future contingent benefits.....	0								
13. Aggregate write-ins for reserves.....	0	0	0	0	0	0	0	0	0
14. Totals (Gross).....	99,878	99,878	0	0	0	0	0	0	0
15. Reinsurance ceded.....	93,781	93,781							
16. Totals (Net).....	6,097	6,097	0	0	0	0	0	0	0
17. TOTALS (Net).....	1,136,424	585,964	0	2,765	0	547,695	0	0	0
18. TABULAR FUND INTEREST.....	50,972	26,158		129		24,685			

**DETAILS OF WRITE-INS**

0601.....									
0602.....									
0603.....									
0698. Summary of remaining write-ins for Line 6 from overflow page.....	0	0	0	0	0	0	0	0	0
0699. Totals (Lines 0601 thru 0603 plus 0698) (Line 6 above).....	0	0	0	0	0	0	0	0	0
1301.....									
1302.....									
1303.....									
1398. Summary of remaining write-ins for Line 13 from overflow page.....	0	0	0	0	0	0	0	0	0
1399. Totals (Lines 1301 thru 1303 + 1398) (Line 13 above).....	0	0	0	0	0	0	0	0	0

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

**EXHIBIT 7 - DEPOSIT-TYPE CONTRACTS**

	1 Total	2 Guaranteed Interest Contracts	3 Annuities Certain	4 Supplemental Contracts	5 Dividend Accumulations or Refunds	6 Premium and Other Deposit Funds
1. Balance at the beginning of the year before reinsurance.....	18,233			10,529	7,704	
2. Deposits received during the year.....	0					
3. Investment earnings credited to the account.....	512			272	240	
4. Other net change in reserves.....	(5,607)			(6,647)	1,040	
5. Fees and other charges assessed.....	0					
6. Surrender charges.....	0					
7. Net surrender or withdrawal payments.....	4,163			3,323	.840	
8. Other net transfers to or (from) Separate Accounts.....	0					
9. Balance at the end of current year before reinsurance (Lines 1 + 2 + 3 + 4 - 5 - 6 - 7 - 8).....	8,975	0	0	.831	8,144	0
10. Reinsurance balance at the beginning of the year.....	(18,233)			(10,529)	(7,704)	
11. Net change in reinsurance assumed.....	0					
12. Net change in reinsurance ceded.....	(9,258)			(9,698)	.440	
13. Reinsurance balance at the end of the year (Lines 10 + 11 - 12).....	(8,975)	0	0	(831)	(8,144)	0
14. Net balance at the end of the current year after reinsurance (Lines 9 + 13).....	0	0	0	0	0	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.....	0										
1.2 Reinsurance assumed.....	0										
1.3 Reinsurance ceded.....	0										
1.4 Net.....	0	0	0	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.....	117,825		47,212	35,186					582		34,845
2.22 Reinsurance assumed.....	0										
2.23 Reinsurance ceded.....	92,247		47,212	35,186					291		9,558
2.24 Net.....	25,578	0	(b) 0	(b) 0	0	(b) 0	(b) 0	0	(b) 291	(b) 0	(b) 25,287
3. Incurred but unreported:											
3.1 Direct.....	677,470		49,000						8,221		620,249
3.2 Reinsurance assumed.....	0										
3.3 Reinsurance ceded.....	218,563		49,000						5,281		164,282
3.4 Net.....	458,907	0	(b) 0	(b) 0	0	(b) 0	(b) 0	0	(b) 2,940	(b) 0	(b) 455,967
4. Totals:											
4.1 Direct.....	795,295	0	96,212	35,186	0	0	0	0	8,803	0	655,094
4.2 Reinsurance assumed.....	0	0	0	0	0	0	0	0	0	0	0
4.3 Reinsurance ceded.....	310,810	0	96,212	35,186	0	0	0	0	5,572	0	173,840
4.4 Net.....	484,485	(a) 0	(a) 0	0	0	0	(a) 0	0	3,231	0	481,254

(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 - 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.....	6,528,813			622,450	621,545			18,682		84,221	5,181,915
1.2 Reinsurance assumed.....	0										
1.3 Reinsurance ceded.....	2,825,588			622,450	621,545			18,682		68,383	1,494,528
1.4 Net.....(d)	3,703,225	0		0	0	0	0	0	0	15,838	3,687,387
2. Liability December 31, current year from Part 1:											
2.1 Direct.....	795,295			96,212	35,186	0	0	0	0	8,803	655,094
2.2 Reinsurance assumed.....	0			0	0	0	0	0	0	0	0
2.3 Reinsurance ceded.....	310,810			96,212	35,186	0	0	0	0	5,572	173,840
2.4 Net.....	484,485			0	0	0	0	0	0	3,231	481,254
3. Amounts recoverable from reinsurers Dec. 31, current year.....	402,750									2,980	399,770
4. Liability December 31, prior year:											
4.1 Direct.....	853,921			108,448	11,967			60,092		8,877	664,537
4.2 Reinsurance assumed.....	0										
4.3 Reinsurance ceded.....	395,019			108,448	11,967			60,092		5,639	208,873
4.4 Net.....	458,902			0	0	0	0	0	0	3,238	455,664
5. Amounts recoverable from reinsurers Dec. 31, prior year.....	399,291									3,957	395,334
6. Incurred benefits:											
6.1 Direct.....	6,470,187			610,214	644,764	0	0	(41,410)	0	84,147	5,172,472
6.2 Reinsurance assumed.....	0			0	0	0	0	0	0	0	0
6.3 Reinsurance ceded.....	2,744,838			610,214	644,764	0	0	(41,410)	0	67,339	1,463,931
6.4 Net.....	3,725,349	0		0	0	0	0	0	0	16,808	3,708,541

(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 \$.....0 in Line 1.1, \$.....0 in Line 1.4, \$.....0 in Line 6.1 and \$.....0 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.

**CENTRAL RESERVE LIFE INSURANCE COMPANY**  
**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.....	316	260	(56)
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.....	2,188,190	3,245,111	1,056,921
19. Guaranty funds receivable or on deposit.....			0
20. Electronic data processing equipment and software.....			0
21. Furniture and equipment, including health care delivery assets.....			0
22. Net adjustment in assets and liabilities due to foreign exchange rates.....			0
23. Receivables from parent, subsidiaries and affiliates.....			0
24. Health care and other amounts receivable.....	82	10,204	10,122
25. Aggregate write-ins for other than invested assets.....	115,328	150,326	34,998
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 through 25).....	2,303,916	3,405,901	1,101,985
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			0
28. TOTALS (Lines 26 and 27).....	2,303,916	3,405,901	1,101,985

**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. Other Receivables.....	114,118	150,164	36,046
2502. Suspense.....	1,210	162	(1,048)
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).....	115,328	150,326	34,998

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

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

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

**b. Use of Estimates in the Preparation of the Financial Statements**

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

A reconciliation of the Company's net income and capital and surplus between NAIC SAP and practices prescribed and permitted by the State of Ohio is shown below:

		<b>State of Domicile</b>	<b>2014</b>	<b>2013</b>
<b>Net Income</b>				
1)	Central Reserve Life Insurance Company state basis (Page 4, Line 35, Columns 1 & 2)	OH	\$ 996,736	\$ 1,093,890
2)	State Prescribed Practices that increase/decrease NAIC SAP		-	-
3)	State Permitted Practices that increase/decrease NAIC SAP		-	-
4)	<b>NAIC SAP (1 – 2 – 3 = 4)</b>	OH	<b>\$ 996,736</b>	<b>\$ 1,093,890</b>
<b>Surplus</b>				
5)	Central Reserve Life Insurance Company state basis (Page 3, line 38, Columns 1 & 2)	OH	\$ 23,657,161	\$ 20,940,747
6)	State Prescribed Practices that increase/decrease NAIC SAP		-	-
7)	State Permitted Practices that increase/decrease NAIC SAP		-	-
8)	<b>NAIC SAP (5 – 6 – 7 = 8)</b>	OH	<b>\$ 23,657,161</b>	<b>\$ 20,940,747</b>

**c. Accounting Policy**

Life premiums are recognized as income over the premium-paying period of the related policies. Annuity considerations are recognized as revenue when received. Health premiums are earned ratably over the terms of the related insurance. Expenses incurred in connection with acquiring new insurance business, including acquisition costs such as sales commissions, are charged to operations as incurred. The Company pays dividends to participating policyholders.

In addition, the company uses the following accounting policies:

- 1) – (2) Bonds and Short-term Investments. Investments in bonds and short-term investments are carried at amortized cost, except those in or near default, that are carried at the lesser of cost or fair value. Amortization of bond premium or discount is calculated using the scientific (constant yield) interest method. Bonds containing call provisions are amortized to call date which produces the lowest asset value (yield to worst). Investments with original maturities of one year or less from the time of purchase are classified as short-term. Bonds are considered impaired and their cost basis is written down to fair value through an asset valuation reserve for credit-related losses or an interest maintenance reserve for interest-related losses, when management expects a decline in value to persist (i.e., the decline is other-than-temporary).
- (3) Common stocks are carried at fair value, except for common stock of affiliates, which are valued using methods described below.
- (4) – (6) -- Not applicable.
- (7) Investments in subsidiaries, controlled and affiliated entities are reported using the statutory equity method based on the entity's audited equity prepared using NAIC SAP in accordance with SSAP No. 97, *Investments in Subsidiary, Controlled, and Affiliated Entities*. These entities are presented on the balance sheet as common stock
- (8) – (10) -- 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 is continually reviewed and any adjustments are reflected in the period determined.
- (12) – (13) -- Not applicable

2. Accounting Changes and Corrections of Errors -- Not applicable
3. Business Combinations and Goodwill -- Not applicable

**NOTES TO FINANCIAL STATEMENTS**

## 4. Discontinued Operations -- Not applicable

## 5. Investments

## a. -- g. -- Not applicable

## h. Restricted Assets

Restricted Asset Category	Gross Restricted						Total Gross Restricted From Prior Year	Increase/(Decrease) (5 minus 6)	Total Current Year Admitted Restricted	Percentage	
	Current Year		Protected Cell Account Assets Supporting G/A Activity		Total (1 plus 3)	6	7	8	9	10	
	1	2	3	4							
	Total General Account (G/A)	Supporting Protected Cell Account Activity (a)	Total Protected Cell Account Restricted Assets	Protected Cell Account Assets Supporting G/A Activity (b)						Percentage Admitted Restricted to Total Admitted Assets	Percentage Admitted Restricted to Total Admitted Assets
a. Subject to contractual obligation for which liability is not shown	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%	0%
b. Collateral held under security lending agreements	-	-	-	-	-	-	-	-	-	0%	0%
c. Subject to repurchase agreements	-	-	-	-	-	-	-	-	-	0%	0%
d. Subject to reverse repurchase agreements	-	-	-	-	-	-	-	-	-	0%	0%
e. Subject to dollar repurchase agreements	-	-	-	-	-	-	-	-	-	0%	0%
f. Subject to dollar reverse repurchase agreements	-	-	-	-	-	-	-	-	-	0%	0%
g. Placed under option contracts	-	-	-	-	-	-	-	-	-	0%	0%
h. Letter stock or securities restricted as to sale excluding FHLB capital stock	-	-	-	-	-	-	-	-	-	0%	0%
i. FHLB Capital Stock	-	-	-	-	-	-	-	-	-	0%	0%
j. On deposit with states	4,529,029	-	-	-	4,529,029	4,554,133	(25,104)	4,529,029	4,529,029	2%	2%
k. On deposit with other regulatory bodies	-	-	-	-	-	-	-	-	-	0%	0%
l. Pledged as collateral to FHLB (including assets backing funding agreements)	-	-	-	-	-	-	-	-	-	0%	0%
m. Pledged as collateral not captured in other categories	-	-	-	-	-	-	-	-	-	0%	0%
n. Other restricted assets	-	-	-	-	-	-	-	-	-	0%	0%
o. Total Restricted Assets	\$ 4,529,029	\$ -	\$ -	\$ -	\$ 4,529,029	\$ 4,554,133	\$ (25,104)	\$ 4,529,029	\$ 4,529,029	2%	2%

(a) Subset of Column 1

(b) Subset of Column 3

## 6. Joint Ventures, Partnerships and Limited Liability Companies -- Not applicable

## 7. Investment Income

## a. Due and accrued is excluded from investment income on the following basis:

1) Bonds -- When investment income due and accrued exceeds 90 days past due.

b. No income was excluded for the years ended December 31, 2014 and 2013

## 8. Derivative Instruments -- Not applicable

## 9. Income Taxes

The Company's deferred tax assets (DTA) and liabilities (DTL) are determined by identifying its temporary differences. These temporary differences are measured using a balance sheet approach by comparing statutory and tax basis balance sheets for the Company.

**NOTES TO FINANCIAL STATEMENTS**

a. The components of the net deferred tax asset (DTA)/liability (DTL) at December 31 are as follows:

1.

	December 31, 2014			December 31, 2013			Change		
	Ordinary	Capital	Total	Ordinary	Capital	Total	Ordinary	Capital	Total
(a) Gross DTA	2,943,677		2,943,677	4,016,303		4,016,303	(1,072,626)		(1,072,626)
(b) Valuation allowance	-		-	-		-	-		-
(c) Adjusted gross DTA (1a - 1b)	2,943,677		2,943,677	4,016,303		4,016,303	(1,072,626)		(1,072,626)
(d) Nonadmitted DTA	(2,188,189)		(2,188,189)	(3,245,111)		(3,245,111)	1,056,922		1,056,922
(e) Subtotal Net Admitted DTA (1c - 1d)	755,488		755,488	771,192		771,192	(15,704)		(15,704)
(f) DTL	(5,256)		(5,256)	(5,280)		(5,280)	24		24
(g) Net admitted DTA (1e - 1f)	750,232		750,232	765,912		765,912	(15,680)		(15,680)

2.

	December 31, 2014			December 31, 2013			Change		
	Ordinary	Capital	Total	Ordinary	Capital	Total	Ordinary	Capital	Total
<b>SSAP 101, paragraphs 11a, 11b, and 11c</b>									
(a) Admitted pursuant to ¶11.a. (loss carrybacks)	250,015	-	250,015	137,365	-	137,365	112,650	-	112,650
(b) Admitted pursuant to ¶11.b. (realization)	500,217	-	500,217	628,548	-	628,548	(128,331)	-	(128,331)
1. Realization per ¶11.b.i.	500,217	-	500,217	628,548	-	628,548	(128,331)	-	(128,331)
2. Limitation per ¶11.b.ii.	-		3,399,815	-		3,016,171	-		383,644
(c) Admitted pursuant to ¶11.c.	5,256	-	5,256	5,280	-	5,280	(24)	-	(24)
(d) Total admitted adjusted gross deferred tax asset (2a+2b+2c)	755,488	-	755,488	771,193	-	771,193	(15,705)	-	(15,705)

3.

	2014 Percentage	2013 Percentage
(a) Ratio Percentage Used to Determine Recovery Period and Threshold Limitation Amount	2361%	2251%
(b) Amount of adjusted capital and surplus used to determine recovery period and threshold limitation in 2(b)2 above	22,912,276	20,178,598

4. Impact of tax planning strategies (TPS) on adjusted gross DTAs and net admitted DTAs:

	December 31, 2014			December 31, 2013			Change		
	Ordinary	Capital	Total	Ordinary	Capital	Total	Ordinary	Capital	Total
<b>Impact of Tax Planning Strategies</b>									
(a) Adjusted Gross DTAs (% of Total Adjusted Gross DTAs)	0%	0%	0%	0%	0%	0%	0%	0%	0%
(b) Net admitted Adjusted Gross DTAs (% of Total Net Admitted Adjusted Gross DTAs)	0%	0%	0%	0%	0%	0%	0%	0%	0%
(c) Do TPS include a reinsurance strategy?			No			No			

b. Unrecognized DTLs

All deferred tax liabilities have been properly recognized.

c. Current tax and change in deferred tax

1. Current income taxes:

	2014	2013	Change
(a) Current federal income tax expense/(benefit)	113,535	125,529	(11,994)
(b) Foreign income tax expense/(benefit)	-	-	-
(c) Subtotal	113,535	125,529	(11,994)
(d) Tax expense/(benefit) on realized capital gains/(losses)	0	0	0
(e) Utilization of capital loss carry-forwards	-	-	-
(f) Other, including prior year underaccrual/(overaccrual)	(816,303)	(314)	6,257
Federal and foreign income taxes incurred	(702,768)	125,215	(5,737)

The tax effects of temporary differences that give rise to significant portions of the deferred tax assets and liabilities are as follows:

2. Deferred tax assets:

	December 31, 2014	December 31, 2013	Change
Other insurance & contract holder liability	6,063	6,050	13
Goodwill & Intangibles	2,873,194	3,100,026	(226,832)
Nondeductible Liabilities	8,977	3,949	5,028
Nonadmitted assets	40,504	56,277	(15,773)
Investment, net	14,938	850,001	(835,063)
Gross DTA	2,943,677	4,016,303	(1,072,626)
Valuation allowance	0	0	0
Adjusted gross DTA	2,943,677	4,016,303	(1,072,626)
Nonadmitted DTA	(2,188,189)	(3,245,111)	1,056,922
Admitted DTA	755,488	771,192	(15,704)

3. Deferred tax liabilities:

	December 31, 2014	December 31, 2013	Change
Other	5,256	5,280	(24)
Gross DTL	5,256	5,280	(24)

4.

Net Deferred Tax Assets/Liabilities	750,232	765,913	(15,681)
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**NOTES TO FINANCIAL STATEMENTS**

The change in net deferred income taxes is comprised of the following (this analysis is exclusive of nonadmitted assets as the change in nonadmitted assets is reported separately from the change in net deferred income taxes in the surplus section of the annual statement):

	<u>December 31, 2014</u>	<u>December 31, 2013</u>	<u>Change</u>
Total deferred tax assets	2,943,677	4,016,303	(1,072,626)
Total deferred tax liabilities	(5,256)	(5,280)	24
Net Deferred tax asset/liabilities	2,938,421	4,011,023	(1,072,602)
Statutory valuation allowance adjustment	0	0	-
Net deferred tax assets/liabilities after SVA	2,938,421	4,011,023	(1,072,602)
Tax effect of unrealized gains (losses)			-
Statutory valuation allowance adjustment allocated to unrealized			-
Other intraperiod allocation of deferred tax movement			-
Change in net deferred income tax			(1,072,602)

The change in net deferred income taxes is comprised of the following (this analysis is exclusive of nonadmitted assets as the change in nonadmitted assets is reported separately from the change in net deferred income taxes in the surplus section of the annual statement):

d. Reconciliation of federal income tax rate to actual effective rate

The provision for federal income taxes incurred is different from that which would be obtained by applying the statutory federal income tax rate to income before income taxes including realized capital gains/losses. The significant items causing this difference are as follows:

	<u>December 31, 2014</u>	<u>Effective Tax Rate</u>
Provision computed at statutory rate (BFIT@35%)	390,675	35.00%
Change in nonadmitted assets	15,773	1.41%
Ceding Commissions	(34,446)	-3.08%
IMR	(2,201)	-0.20%
M&E	33	0.00%
Total	369,834	33.13%
 Federal and foreign income taxes incurred	(702,768)	10.70%
Change in deferred income taxes	1,072,602	22.43%
 Total statutory income taxes	369,834	33.13%

e. Operating loss and tax credit carryforwards

(1) At December 31, 2014, the Company has no net operating loss carry forward and no capital loss carry forward.

(2) Income taxes, ordinary and capital, available for recoupment in the event of future losses include:

<u>Year</u>	<u>Amount</u>
2014	113,535
2013	131,472
2012	20,161

(3) Deposits under IRS Code Section 6603 - not applicable

f. Federal or foreign income tax loss contingencies

(1) In the third quarter of 2014, the Internal Revenue Service began an examination of the 2011 and 2012 tax years, which is expected to continue through 2015. As of December 31, 2014, the examination has not resulted in any adjustments that would materially impact the Company's financial condition.

g. Federal income tax return

(1) The Company files a consolidated federal income tax return with its subsidiary Provident American Life and Health Insurance Company.

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

a. - c. -- Not applicable

d. At December 31, 2014, the Company reported \$220 as amounts due from affiliated companies and \$13,586 due to affiliated companies. The terms of the agreements require that these amounts be settled within 90 days.

e. Not applicable

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

(1) The Company's investment portfolio is managed by Cigna Investments, Inc. ("CII"). The Company paid \$12,390 in 2014, related to those services.

(2) The Company and certain related parties have entered into service contracts and cost-sharing arrangements, including an expense sharing agreement in which the parties share expenses for certain shared services. These arrangements include management services, computers, data processing and other services, as well as equipment, supplies and office space. Expenses incurred under these arrangements were \$511,652 in 2014.

(3) Central Reserve Life Insurance Company ("CRLIC") and its wholly owned domestic subsidiary Provident American Life and Health Insurance Company ("PALHIC") have entered into a Consolidated Federal Income Tax Agreement (the Agreement). The Agreement sets forth the method of allocation of federal income taxes for CRLIC and PALHIC. The Agreement provides for immediate reimbursement to companies with net operating losses to the extent that their losses are utilized to reduce consolidated taxable income; while those companies with current taxable income as calculated under federal separate return

**NOTES TO FINANCIAL STATEMENTS**

provisions, are liable for payments determined as if they had each filed a separate return. However, current credit is given for any foreign tax credit, operating loss, or investment tax credit carryovers actually utilized in the current consolidated return.

- (4) On February 19, 2013, the Company entered into a line of credit agreement with Cigna Holdings, Inc. ("CHI") under which CRLIC can borrow up to \$10,000,000 from CHI. The agreement provides for two rate/maturity options; a) a variable rate payable on demand or b) a fixed rate with a stated maturity not to exceed 270 days. CRLIC did not borrow under this agreement in 2014.
- (5) On February 19, 2013, the Company also entered into a line of credit agreement with Cigna under which Cigna can borrow up to \$10,000,000 from CRLIC. Borrowing terms under this agreement are identical to the terms under the CRLIC/CHI agreement discussed above. Cigna did not borrow under this agreement in 2014.
- g. All of The Company's outstanding shares are owed by Cigna Corporation, a Delaware domiciled insurance holding company.
- h. – i. -- Not applicable

## 11. Debt -- Not applicable

## 12. Retirement Plans, Deferred Compensation, Post-employment Benefits and Compensated Absences and Other Post-retirement Benefit Plans

- a. - f. -- Not applicable

## g. Consolidated/Holding Company Plans

## (1) Employees' Retirement Plan

- (a) Effective January 1, 2013, the Company participates in the Cigna 401(k) Plan (the Savings Plan) that is sponsored by Cigna. Employees are eligible to participate in the Savings Plan immediately upon hire; however, a one-year service requirement must be met to receive company contributions. Expense allocated to the Company was \$7,580 in 2014.
- (b) Salaried officers and other key employees of the Company are eligible to be awarded shares of Cigna Common Stock in the form of stock options, restricted stock grants, dividend equivalent rights and grants of Cigna Common Stock in lieu of cash payable under various plans.

The People Resources Committee of the Board of Directors of Cigna (the Committee) determines awards under these plans, including grants of restricted stock and stock options and strategic performance shares to certain employees of Cigna and its indirect subsidiaries.

In 2014, the Committee awarded restricted stock and strategic performance shares to eligible officers and employees under various plans. \$2,432 allocated to the Company under the plan in 2014.

## (2) Deferred Compensation Plans

- (a) The Company offers the Cigna Deferred Compensation Plan to officers and key employees pursuant to which they may defer receipt of all or part of their compensation. The amount of compensation deferred is not funded but represents a general liability of Cigna and participating affiliates including the Company. Currently, deferred cash compensation is credited with interest at the rate paid on contributions to the Fixed Income Fund of the Savings Plan. Certain officers and key employees also have the option of selecting to have deferred cash compensation credited with interest at the rate paid under the Savings Plan's other investment funds. Deferred compensation which would have otherwise been payable in Cigna Common Stock is hypothetically invested in the same number of Common Stock equivalent units as the number of shares which would have been paid if such compensation had not been deferred. An amount equal to cash dividends that would have been paid on such hypothetically invested Common Stock is deemed to have been paid and hypothetically invested in the same way as deferred cash compensation. At a future date or dates selected by each participant, the aggregate of amounts deferred and hypothetical investment results is distributed either in a lump sum or in installments, in which case unpaid installments continue to be credited with interest. Compensation deferred by officers and key employees that was otherwise payable in Common Stock is distributed in Common Stock.

Effective January 25, 1995, the Committee approved a special program to postpone payments to senior executive officers as needed to avoid payments to these officers which would not qualify for a tax deduction because of the provisions of Internal Revenue Code section 162(m), which limits the deductibility of compensation paid to each officer to \$1 million, unless certain exceptions apply.

The Company has not incurred any obligation under the plan as of December 31, 2014.

## h. Post-Employment Benefits and Compensated Absences – Not applicable

## i. The Medicare Modernization Act

- (1) In December 2003, the Medicare Prescription Drug, Improvement and Modernization Act of 2003 ("the Act") became law. Under the Act, starting in 2006, retirees will have the ability to obtain prescription drug benefits through a new Medicare Part D program and companies that continue to provide postretirement prescription drug benefits to their retirees may be eligible to receive a new federal subsidy.
- (2) The Medicare Modernization Act had no impact on the Company's postretirement benefits.

**NOTES TO FINANCIAL STATEMENTS****13. Capital and Surplus, Shareholders' Dividend Restrictions and Quasi-Reorganizations**

- a. The Company has 3,000,000 shares authorized. 1,250,000 shares issued and outstanding. All shares are class A shares, par value \$2.00 per share.
- b. – d. -- Not applicable
- e. The maximum amount of dividends which can be paid to stockholders by life insurance companies domiciled in the State of Ohio without prior approval of the Insurance Commissioner is the greater of 10% of surplus as regards to policyholders or net income as of the preceding December 31, but only to the extent of earned surplus as of the preceding December 31. The maximum amount of dividends payable in 2015 without prior approval is \$0, as the Company has no earned surplus.
- f. – h. -- Not applicable
- i. Not applicable.
- j. The portion of unassigned funds (surplus) represented or (reduced) by unrealized gains and losses is \$(491,952).
- k. – m -- Not applicable

**14. Contingencies**

- a. Contingent Commitments -- Not applicable
- b. Assessments

From time to time, insurance companies may be assessed by various state insurance guaranty funds to help pay for the cost of other insurance companies insolvency's. These assessments are generally recoverable in most states over a 3 to 10 year period through reduction in future premium tax liabilities. The Company periodically adjusts its accrual for future assessments utilizing information provided by the National Organization of Life and Health Insurance Guaranty Associations. At December 31, 2014, the Company held a liability for future assessments of \$118,745. The Company also holds an asset for premium tax offsets related to guaranty fund assessments paid or accrued.

Assets recognized from paid and accrued tax offsets for the year ended December 31, 2014, are as follows:

Balance beginning of year	\$ 100,590
Premium tax offsets accrued	4,025
Premium tax offsets applied	(14,894)
Allowance for unrealizability	<u>5,987</u>
Balance, December 31, 2014	<u>\$ 95,708</u>

- c. – e. -- Not applicable

**15. Leases -- Not applicable****16. Information About Financial Instruments with Off-Balance Sheet Risk and Financial Instruments with Concentrations of Credit Risk -- Not applicable****17. Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities -- Not applicable****18. Gain or Loss to the Reporting Entity from Uninsured 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**

- a. The Company's financial assets measured at fair value include bonds valued at the lower of cost or fair value when reported at fair value at the balance sheet date. As of December 31, 2014 and December 31, 2013, the Company had no bonds carried at fair value in the financial statements.

Financial instruments (bonds) that are subject to fair value disclosure requirements are carried in the financial statements at amortized cost. The fair values used for financial instruments are estimates, which in many cases may differ significantly from the amounts, which could be realized upon immediate liquidation.

The Company's financial assets have been classified based upon a hierarchy defined by SAP. The hierarchy gives the highest ranking to fair values determined using unadjusted quoted prices in active markets for identical assets and liabilities (Level 1) and the lowest ranking to fair values determined using methodologies and models with unobservable inputs (Level 3). An asset's or a liability's classification is based on the lowest level input that is significant to its measurement. For example, a financial asset or liability carried at fair value would be classified in Level 3 if unobservable inputs were significant to the instrument's fair value, even though the measurement may be derived using inputs that are both observable (Levels 1 and 2) and unobservable (Level 3).

The Company estimates fair values of bonds using prices from third parties or internal pricing methods. Fair value estimates received from third-party pricing services are based on reported trade activity and quoted market prices when available and other market information that a market participant may use to estimate fair value. The internal pricing methods are performed by the Company's investment professionals, and generally involve using discounted cash flow analyses, incorporating current market inputs for similar financial instruments with comparable terms and credit quality, as well as other qualitative factors. In instances where there is little to no market activity for the same or similar instruments, the fair value is estimated using methods, models and assumptions that the Company believes a hypothetical market participant would use to determine a current transaction price. These

**NOTES TO FINANCIAL STATEMENTS**

valuation techniques involve some level of estimation and judgment that becomes significant with increasingly complex instruments or pricing models.

- b. Not applicable
- c. The following table provides the fair value, carrying value and classification in the fair value hierarchy of the Company's bonds not recorded at fair value as of December 31, 2014 and December 31, 2013.

December 31, 2014

	Aggregate Fair Value	Admitted Assets	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservabl e Inputs (Level 3)	Not Practicable (Carrying Value)
<i>Financial assets</i>						
Bonds	\$ 7,097,763	\$ 7,045,715	\$ 7,097,763	\$ -	\$ -	\$ -

December 31, 2013

	Aggregate Fair Value	Admitted Assets	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservabl e Inputs (Level 3)	Not Practicable (Carrying Value)
<i>Financial assets</i>						
Bonds	\$ 4,629,342	\$ 4,554,133	\$ 4,629,342	\$ -	\$ -	\$ -

- d. Not applicable

21. Other Items

- a. – b. -- Not applicable
- c. Other disclosures

Assets in the amount of \$4,529,172 and \$4,554,134 at December 31, 2014 and 2013, respectively, were on deposit with government authorities or trustees as required by law or in accordance with the terms of various reinsurance agreements.

- d. – h. -- Not applicable

22. Events Subsequent – Management has evaluated the financial statements for subsequent events through February 23, 2015, the date financial statements were available to be issued.

23. Reinsurance

- a. Ceded Reinsurance Report

(1) Section 1 - General Interrogatories

(a) Are any of the reinsurers, listed in Schedule S as non-affiliated, owned in excess of 10% or controlled, either directly or indirectly, by the company or by any representative, officer, trustee, or director of the company?  
Yes ( ) No ( X )

If yes, give full details.

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

If yes, give full details.

(2) Section 2 - Ceded Reinsurance Report - Part A

(a) Does the company have any reinsurance agreements in effect under which the reinsurer may unilaterally cancel any reinsurance for reasons other than for nonpayment of premium or other similar credits?  
Yes ( ) No ( X )

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

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

**NOTES TO FINANCIAL STATEMENTS**

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

If yes, give full details.

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

(a) What is the estimated amount of the aggregate reduction in surplus, (for agreements other than those under which the reinsurer may unilaterally cancel for reasons other than for nonpayment of premium or other similar credits that are reflected in Section 2 above) of termination of ALL reinsurance agreements, by either party, as of the date of this statement? Where necessary, the company may consider the current or anticipated experience of the business reinsured in making this estimate. \$ \_\_\_\_\_

(b) Have any new agreements been executed or existing agreements amended, since January 1 of the year of this statement, to include policies or contracts that were in force or which had existing reserves established by the company as of the effective date of the agreement?  
 Yes ( )      No ( X )

If yes, what is the amount of reinsurance credits, whether an asset or a reduction of liability, taken for such new agreements or amendments? \$ \_\_\_\_\_

b. – d. -- Not applicable

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

25. Change in Incurred Losses and Loss Adjustment Expenses

Reserves as of December 31, 2013 were \$471,732. As of December 31, 2014, \$465,502 has been paid for incurred claims and claim adjustment expenses attributable to insured events of prior years. Reserves remaining for prior years are now \$20,827 as a result of re-estimation of unpaid claims and claim adjustment expenses principally on Medicare Supplement lines of insurance. Therefore, there has been a \$14,597 unfavorable prior year development since December 31, 2013 to December 31, 2014. The change is generally the result of ongoing analysis of recent loss development trends. Original estimates are increased or decreased, as additional information becomes known regarding individual claims.

26. Intercompany Pooling Arrangements -- Not applicable

27. Structured Settlements -- Not applicable

28. Health Care Receivables -- Not applicable

29. Participating Policies

- a. Participating policies represent less than 1% of the total life insurance in force at December 31, 2014. All life business in force is ceded under a 100% coinsurance agreement.
- b. Policyholder dividends are recognized on the policy's anniversary.
- c. Dividends to policyholders in 2014 were \$2,724 all of which is ceded to another company.
- d. There is no additional income allocated to participating policyholders at December 31, 2014.

30. Premium Deficiency Reserves -- Not applicable

31. Reserves for Life Contracts and Annuity Contracts

- a. The Company waives deduction of deferred fractional premiums upon death of insured and returns any portion of the final premium beyond the date of death. Surrender values are not promised in excess of the legally computed reserves.
- b. Extra premiums are charged for substandard lives. Reserves are based on a combination of mean reserves for substandard lives and the gross premiums charged for such.
- c. As of December 31, 2014, the Company has \$2,034,241 of insurance in force for which the gross premiums are less than the net premiums according to the standard valuation set by the State of Ohio. Reserves to cover the above insurance totaled \$65,210 at year-end and are reported in Exhibit 5, Section G.
- d. Not applicable.
- e. As of December 31, 2014, for the determination of tabular interest on funds falling under the category of not involving life contingencies, for each valuation rate of interest, the tabular interest equals the actual interest credited on each contract during the year. The total amount of such interest is entered under Exhibit 7, line 3.

**NOTES TO FINANCIAL STATEMENTS**

f. On page 15, Exhibit 7 – Deposit-Type Contracts, the \$6,647 decrease in column 4 for supplemental contracts is due to a decrease in the number of policies in force attributable to factors other than surrenders or withdrawals such as contracts reaching the end of their terms. The change in column 5 of \$1,040 is due to data differences/inconsistencies.

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

	<u>General Account</u>	<u>Separate Account with Guarantees</u>	<u>Separate Account Nonguaranteed</u>	<u>Total</u>	<u>% of Total</u>
a. Subject to discretionary withdrawal:					
(1) With fair value adjustment	\$ -	\$ -	\$ -	\$ -	-
(2) At book value less current surrender charge of 5% or more	-	-	-	-	-
(3) At fair value	-	-	-	-	-
(4) Total with adjustment or at fair value (total of 1 through 3)	-	-	-	-	-
(5) At book value without adjustment	<u>8,477,462</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>98.30%</u>
b. Not subject to discretionary withdrawal	<u>146,663</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1.70%</u>
c. Total (gross: direct + assumed)	<u>8,624,125</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>100.00%</u>
d. Reinsurance Ceded	<u>(8,624,125)</u>	<u>-</u>	<u>-</u>	<u>-</u>	
e. Total (net)* (c) – (d)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	

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

f.		<u>Amount</u>
	Life & Accident & Health Annual Statement:	
1.	Exhibit 5, Annuities Section,	
2.	Total (net)	\$ -
	Exhibit 5, Supplementary Contracts with Life Contingencies Section,	-
3.	Total (net)	-
	Exhibit 7, Deposit-Type Contracts, Line 14, Column	
4.	1	-
5.	Subtotal	-
	Separate Accounts Annual Statement:	
6.	Exhibit 3, Line 0299999,	
7.	Column2	-
8.	Exhibit 3, Line 0399999,	-
9.	Column2	-
10.	Policyholder divided and coupon accumulations	-
11.	Policyholder premiums	-
12.	Guaranteed interest contracts	-
13.	Other contract deposit funds	-
14.	Subtotal	-
15.	Combined Total	\$ -

## g. Not applicable

## 33. Premium and Annuity Considerations Deferred and Uncollected

a. Not applicable

## 34. Separate Accounts -- Not applicable

## 35. Loss/Claim Adjustment Expenses

Reserves for loss adjustment expenses (LAE) in the amount of \$17,582 and \$ 17,193 at December 31, 2014 and 2013, respectively, were included as a component of General Expenses Due and Accrued.

The Company incurred \$141,768 and paid \$ 141,379 of loss adjustment expenses in the current year of which \$16,683 of the paid amount was attributable to insured events of prior years.

The company did not materially increase or decrease the provision for LAE related to insured events of the prior year.

# CENTRAL RESERVE LIFE INSURANCE COMPANY

## GENERAL INTERROGATORIES

### PART 1 - COMMON INTERROGATORIES - GENERAL

1.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer?	Yes [ <input checked="" type="checkbox"/> ]   No [ <input type="checkbox"/> ]												
If yes, complete Schedule Y, Parts 1, 1A and 2.													
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 [ <input checked="" type="checkbox"/> ]   No [ <input type="checkbox"/> ]   N/A [ <input type="checkbox"/> ]												
1.3 State regulating? <u>Ohio</u>													
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 [ <input type="checkbox"/> ]   No [ <input checked="" type="checkbox"/> ]												
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.	12/31/2013												
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.	12/31/2011												
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).	12/21/2012												
3.4 By what department or departments? <u>Ohio Department of Insurance</u>													
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 [ <input type="checkbox"/> ]   No [ <input type="checkbox"/> ]   N/A [ <input checked="" type="checkbox"/> ]												
3.6 Have all of the recommendations within the latest financial examination report been complied with?	Yes [ <input checked="" type="checkbox"/> ]   No [ <input type="checkbox"/> ]   N/A [ <input type="checkbox"/> ]												
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 [ <input type="checkbox"/> ]   No [ <input checked="" type="checkbox"/> ]												
4.12 renewals?	Yes [ <input type="checkbox"/> ]   No [ <input checked="" type="checkbox"/> ]												
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 [ <input type="checkbox"/> ]   No [ <input checked="" type="checkbox"/> ]												
4.22 renewals?	Yes [ <input type="checkbox"/> ]   No [ <input checked="" type="checkbox"/> ]												
5.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement?	Yes [ <input type="checkbox"/> ]   No [ <input checked="" type="checkbox"/> ]												
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.													
<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%; text-align: center;">1 Name of Entity</td> <td style="width: 25%; text-align: center;">2 NAIC Co. Code</td> <td style="width: 25%; text-align: center;">3 State of Domicile</td> </tr> <tr> <td colspan="3" style="height: 40px;"></td> </tr> </table>		1 Name of Entity	2 NAIC Co. Code	3 State of Domicile									
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 [ <input type="checkbox"/> ]   No [ <input checked="" type="checkbox"/> ]												
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 [ <input type="checkbox"/> ]   No [ <input checked="" type="checkbox"/> ]												
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)													
<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%; text-align: center;">1 Nationality</td> <td style="width: 25%; text-align: center;">2 Type of Entity</td> </tr> <tr> <td colspan="2" style="height: 40px;"></td> </tr> </table>		1 Nationality	2 Type of Entity										
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 [ <input type="checkbox"/> ]   No [ <input checked="" type="checkbox"/> ]												
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 [ <input type="checkbox"/> ]   No [ <input checked="" type="checkbox"/> ]												
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.													
<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 16.66%; text-align: center;">1 Affiliate Name</td> <td style="width: 16.66%; text-align: center;">2 Location (City, State)</td> <td style="width: 16.66%; text-align: center;">3 FRB</td> <td style="width: 16.66%; text-align: center;">4 OCC</td> <td style="width: 16.66%; text-align: center;">5 FDIC</td> <td style="width: 16.66%; text-align: center;">6 SEC</td> </tr> <tr> <td colspan="6" style="height: 40px;"></td> </tr> </table>		1 Affiliate Name	2 Location (City, State)	3 FRB	4 OCC	5 FDIC	6 SEC						
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?													
PriceWaterhouseCoopers LLP, Two Commerce Square, 2001 Market Square, Philadelphia, PA 19103-7041													
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 [ <input type="checkbox"/> ]   No [ <input checked="" type="checkbox"/> ]												
10.2 If the response to 10.1 is yes, provide information related to this exemption:													
10.3 Has the insurer been granted any exemptions related to the other requirements of the Annual Financial Reporting Model Regulation as allowed for in Section 17A of the Model Regulation, or substantially similar state law or regulation?	Yes [ <input type="checkbox"/> ]   No [ <input checked="" type="checkbox"/> ]												
10.4 If the response to 10.3 is yes, provide information related to this exemption:													

# CENTRAL RESERVE LIFE INSURANCE COMPANY

## GENERAL INTERROGATORIES

### PART 1 - COMMON INTERROGATORIES - GENERAL

10.5 Has the reporting entity established an Audit Committee in compliance with the domiciliary state insurance laws? Yes [ ] No [ X ] N/A [ ]

10.6 If the answer to 10.5 is no or n/a, please explain.

The Audit Committee of Connecticut General Corporation serves as the Company's Audit Committee for the purpose of compliance with Ohio insurance law.

11. What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with an actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?

James Monroe Garvin, III, FSA, MAAA, Vice President, 11200 Lakeline Blvd, Suite 100, Austin, TX 78717

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?

13.2 Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located? Yes [ ] No [ ]

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

13.4 If answer to (13.3) is yes, has the domiciliary or entry state approved the changes? Yes [ ] No [ ] N/A [ X ]

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

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

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

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

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

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

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

15.1 Is the reporting entity the beneficiary of a Letter of Credit that is unrelated to reinsurance 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 \$.....

**CENTRAL RESERVE LIFE INSURANCE COMPANY****PART 1 - COMMON INTERROGATORIES - FINANCIAL**

22.1 Does this statement include payments for assessments as described in the Annual Statement Instructions other than guaranty fund or guaranty association assessments? Yes [ X ] No [ ]

22.2 If answer is yes:

- 22.21 Amount paid as losses or risk adjustment \$.....0
- 22.22 Amount paid as expenses \$.....20,413
- 22.23 Other amounts paid \$.....0

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

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

**PART 1 - COMMON INTERROGATORIES - INVESTMENT**

24.01 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.

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).

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. .....
- 24.102 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2. .....
- 24.103 Total payable for securities lending reported on the liability page. .....

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 Placed under option agreements \$.....0
- 25.26 Letter stock or securities restricted as to sale - excluding FHLB Capital Stock \$.....0
- 25.27 FHLB Capital Stock \$.....0
- 25.28 On deposit with states \$.....4,529,172
- 25.29 On deposit with other regulatory bodies \$.....0
- 25.30 Pledged as collateral - excluding collateral pledged to an FHLB \$.....0
- 25.31 Pledged as collateral to FHLB - including assets backing funding agreements \$.....0
- 25.32 Other \$.....0

25.3 For category (25.26) 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 [ ]

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
JP Morgan Chase Bank, N.A.	4 Chase Metro Tech Center, Brooklyn, New York 11245

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)

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

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

1 Old Custodian	2 New Custodian	3 Date of Change	4 Reason
JP Morgan Chase Bank, N.A.	JP Morgan Chase Bank, N.A.	12/01/2013	Adress change

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
105811	Cigna Investments, Inc.	900 Cottage Grove Road, Hartford, CT

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 ]

**CENTRAL RESERVE LIFE INSURANCE COMPANY****PART 1 - COMMON INTERROGATORIES - INVESTMENT**

29.2 If yes, complete the following schedule:

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

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

1	2	3	4
Name of Mutual Fund (from the above table)	Name of Significant Holding of the Mutual Fund	Amount of Mutual Fund's Book/Adjusted Carrying Value Attributable to Holding	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.....	.....10,041,743	.....10,093,791	.....52,048
30.2 Preferred stocks.....			0
30.3 Totals.....	.....10,041,743	.....10,093,791	.....52,048

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

Fair values are based on quoted market prices when available. When market prices are not available, fair value is generally estimated using discounted cash flow analyses, incorporating current market inputs for similar financial instruments with comparable terms and credit quality. In instances where there is little or no market activity for the same or similar instruments, the Company estimates fair value using methods, models and assumptions that the Company believes a hypothetical market participant would use to determine a current transaction price. These valuation techniques involve some level of estimation and judgment by the Company which become significant with increasingly complex instrument or pricing models. Where appropriate, adjustments are included to reflect the risk inherent in a particular methodology, model or input used.

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 [ ] No [ X ]

31.2 If the answer to 31.1 is yes, does the reporting entity have a copy of the broker's or custodian's pricing policy (hard copy or electronic copy) for all brokers or custodians used as a pricing source?

Yes [ ] No [ ]

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:

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**PART 1 - COMMON INTERROGATORIES - OTHER**

33.1 Amount of payments to trade associations, service organizations and statistical or rating bureaus, if any? \$.....15,400

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
A.M Best Rating Agency	15,400

34.1 Amount of payments for legal expenses, if any?

\$.....0

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

1 Name	2 Amount Paid
	0

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
	0

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

1.1 Does the reporting entity have any direct Medicare Supplement Insurance in force? Yes [X] No [ ]

1.2 If yes, indicate premium earned on U.S. business only \$.....7,735,435

1.3 What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit? \$.....0

1.31 Reason for excluding

---

1.4 Indicate amount of earned premium attributable to Canadian and/or Other Alien not included in Item (1.2) above. \$.....0

1.5 Indicate total incurred claims on all Medicare Supplement insurance. \$.....5,017,640

1.6 Individual policies:

Most current three years:

1.61 Total premium earned \$.....0

1.62 Total incurred claims \$.....0

1.63 Number of covered lives \$.....0

All years prior to most current three years:

1.64 Total premium earned \$.....7,735,435

1.65 Total incurred claims \$.....5,017,640

1.66 Number of covered lives \$.....1,963

1.7 Group policies:

Most current three years:

1.71 Total premium earned \$.....0

1.72 Total incurred claims \$.....0

1.73 Number of covered lives \$.....0

All years prior to most current three years:

1.74 Total premium earned \$.....0

1.75 Total incurred claims \$.....0

1.76 Number of covered lives \$.....0

2. Health test:

	1 Current Year	2 Prior Year
2.1 Premium Numerator.....	5,436,898	6,404,501
2.2 Premium Denominator.....	5,511,388	6,501,784
2.3 Premium Ratio (2.1/2.2).....	98.6	98.5
2.4 Reserve Numerator.....	1,059,222	1,137,029
2.5 Reserve Denominator.....	1,620,909	1,597,356
2.6 Reserve Ratio (2.4/2.5).....	65.3	71.2

3.1 Does this reporting entity have Separate Accounts? Yes [ ] No [X]

3.2 If yes, has a Separate Accounts statement been filed with this Department? Yes [ ] No [ ] N/A [X]

3.3 What portion of capital and surplus funds of the reporting entity covered by assets in the Separate Accounts statement, is not currently distributable from the Separate Accounts to the general account for use by the general account? .....

3.4 State the authority under which Separate Accounts are maintained:

---

3.5 Was any of the reporting entity's Separate Accounts business reinsured as of December 31? Yes [ ] No [ ]

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

3.7 If the reporting entity has assumed Separate Accounts business, how much, if any, reinsurance assumed receivable for reinsurance of Separate Accounts reserve expense allowances is included as a negative amount in the liability for "Transfers to Separate Accounts due or accrued (net)"? .....

4.1 Are personnel or facilities of this reporting entity used by another entity or entities or are personnel or facilities of another entity or entities used by this reporting entity (except for activities such as administration of jointly underwritten group contracts and joint mortality or morbidity studies)? Yes [X] No [ ]

4.2 Net reimbursement of such expenses between reporting entities:

4.21 Paid \$.....511,652

4.22 Received \$.....0

5.1 Does the reporting entity write any guaranteed interest contracts? Yes [ ] No [X]

5.2 If yes, what amount pertaining to these items is included in:

5.21 Page 3, Line 1 .....

5.22 Page 4, Line 1 .....

6. For stock reporting entities only:

6.1 Total amount paid in by stockholders as surplus funds since organization of the reporting entity: \$.....39,862,110

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

7.11 Cash \$.....27,613,250

7.12 Stock \$.....12,000,000

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

8.1 Does the company reinsure any Workers' Compensation Carve-Out business defined as:

Yes [ ] No [X]

Reinsurance (including retrocessional reinsurance) assumed by life and health insurers of medical, wage loss and death benefits of the occupational illness and accident exposures, but not the employers liability exposures, of business originally written as workers' compensation insurance.

8.2 If yes, has the reporting entity completed the Workers' Compensation Carve-Out Supplement to the Annual Statement?

Yes [ ] No [ ]

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

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

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

8.34 for Col. (1) are:

1 Earned Premium	2 Claim Liability and Reserve
8.41 < \$25,000.....	.....
8.42 \$25,000 -- 99,999.....	.....
8.43 \$100,000 -- 249,999.....	.....
8.44 \$250,000 -- 999,999.....	.....
8.45 \$1,000,000 or more.....	.....

8.5 What portion of earned premium reported in 8.31, Col. 1 was assumed from pools? \_\_\_\_\_

9.1 Does the company have variable annuities with guaranteed benefits?

Yes [ ] No [X]

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

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

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

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

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

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

11.1 Do you act as a custodian for health savings account?

Yes [ ] No [X]

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

.....

11.3 Do you act as an administrator for health savings accounts?

Yes [ ] No [X]

11.4 If yes, please provide the balance of the funds administered as of the reporting date.

.....

12.1 Are any of the captive affiliates reported on Schedule S, Part 3, authorized reinsurers?

Yes [ ] No [ ] N/A [ ]

12.2 If the answer to 12.1 is yes, please provide the following:

1 Company Name	2 NAIC Company Code	3 Domiciliary Jurisdiction	4 Reserve Credit	Assets Supporting Reserve Credit		
				5 Letters of Credit	6 Trust Agreements	7 Other

13. Provide the following for Individual Ordinary Life insurance\* policies (U.S. business only) for the current year (prior to reinsurance assumed or ceded):

13.1 Direct Premium Written..... \$.....614,490

13.2 Total incurred claims ..... \$.....610,214

13.3 Number of covered lives ..... 0

*Ordinary Life Insurance Includes:
Term (whether full underwriting, limited underwriting, jet issue, "short form app")
Whole Life (whether full underwriting, limited underwriting, jet issue, "short form app")
Variable Life (with or without secondary guarantee)
Universal Life (with or without secondary guarantee)
Variable Universal Life (with or without secondary guarantee)

**CENTRAL RESERVE LIFE INSURANCE COMPANY**  
**FIVE-YEAR HISTORICAL DATA**

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

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

	1 2014	2 2013	3 2012	4 2011	5 2010
<b>Life Insurance in Force (Exhibit of Life Insurance)</b>					
1. Ordinary - whole life and endowment (Line 34, Col. 4).....	8,894	9,803	11,527	11,574	12,361
2. Ordinary - term (Line 21, Col. 4, less Line 34, Col. 4).....	33,613	35,906	39,616	41,882	44,581
3. Credit life (Line 21, Col. 6).....					
4. Group, excluding FEGLI/SGLI (Line 21, Col. 9 less Lines 43 & 44, Col. 4).....					
5. Industrial (Line 21, Col. 2).....					
6. FEGLI/SGLI (Lines 43 & 44, Col. 4).....					
7. Total (Line 21, Col. 10).....	42,507	45,709	51,143	53,456	56,942
<b>New Business Issued (Exhibit of Life Insurance)</b>					
8. Ordinary - whole life and endowment (Line 34, Col. 2).....					
9. Ordinary - term (Line 2, Col. 4, less Line 34, Col. 2).....					
10. Credit life (Line 2, Col. 6).....					
11. Group (Line 2, Col. 9).....					
12. Industrial (Line 2, Col. 2).....					
13. Total (Line 2, Col. 10).....	0	0	0	0	0
<b>Premium Income - Lines of Business (Exhibit 1-Part 1)</b>					
14. Industrial life (Line 20.4, Col. 2).....					
15.1 Ordinary life insurance (Line 20.4, Col. 3).....			(5,753,051)	545,523	615,933
15.2 Ordinary individual annuities (Line 20.4, Col. 4).....			121,520	75,123	92,330
16. Credit life (group and individual) (Line 20.4, Col. 5).....					
17.1 Group life insurance (Line 20.4, Col. 6).....					
17.2 Group annuities (Line 20.4, Col. 7).....					
18.1 A&H - group (Line 20.4, Col. 8).....	37,732	39,003	53,996	83,867	86,085
18.2 A&H - credit (group and individual) (Line 20.4, Col. 9).....					
18.3 A&H - other (Line 20.4, Col. 10).....	5,473,656	6,462,781	7,556,664	8,928,460	11,670,229
19. Aggregate of all other lines of business (Line 20.4, Col. 11).....					
20. Total.....	5,511,388	6,501,784	1,979,129	9,632,973	12,464,577
<b>Balance Sheet (Pages 2 and 3)</b>					
21. Total admitted assets excluding Separate Accounts business (Page 2, Line 26, Col. 3)....	25,755,074	22,995,288	30,087,316	29,806,463	27,685,829
22. Total liabilities excluding Separate Accounts business (Page 3, Line 26).....	2,097,913	2,054,541	2,638,857	9,184,198	8,616,358
23. Aggregate life reserves (Page 3, Line 1).....				5,582,513	5,489,977
24. Aggregate A&H reserves (Page 3, Line 2).....	1,136,424	1,138,454	1,173,409	1,250,535	1,029,963
25. Deposit-type contract funds (Page 3, Line 3).....				21,155	55,201
26. Asset valuation reserve (Page 3, Line 24.01).....	5,347	3,763	75	7,630	10,814
27. Capital (Page 3, Lines 29 & 30).....	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000
28. Surplus (Page 3, Line 37).....	21,157,161	18,440,747	24,948,459	18,122,265	16,569,471
<b>Cash Flow (Page 5)</b>					
29. Net Cash from operations (Line 11).....	795,346	1,062,475	(3,415,454)	1,286,842	685,996
<b>Risk-Based Capital Analysis</b>					
30. Total adjusted capital.....	23,679,017	20,963,663	27,463,577	20,675,034	19,096,076
31. Authorized control level risk-based capital.....	970,488	896,243	844,065	1,157,119	1,477,164
<b>Percentage Distribution of Cash, Cash Equivalents and Invested Assets (Page 2, Col. 3) (Line No. /Page 2, Line 12, Col. 3) x 100.0</b>					
32. Bonds (Line 1).....	28.2	20.4	14.5	33.8	38.4
33. Stocks (Lines 2.1 and 2.2).....	58.5	57.4	71.1	57.3	49.7
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).....	13.3	22.1	14.5	8.8	11.5
37. Contract loans (Line 6).....				0.2	0.2
38. Derivatives (Line 7).....					
39. Other invested assets (Line 8).....					
40. Receivables for securities (Line 9).....					0.2
41. Securities lending reinvested collateral assets (Line 10).....					
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

**CENTRAL RESERVE LIFE INSURANCE COMPANY**  
**FIVE-YEAR HISTORICAL DATA**

(continued)

	1 2014	2 2013	3 2012	4 2011	5 2010
<b>Investments in Parent, Subsidiaries and Affiliates</b>					
44. Affiliated bonds (Sch. D Summary, Line 12 Col. 1).....					
45. Affiliated preferred stocks (Sch. D Summary, Line 18 Col. 1).....					
46. Affiliated common stocks (Sch. D Summary, Line 24 Col. 1).....	14,589,119	12,798,822	20,337,458	15,637,506	12,751,051
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.....	14,589,119	12,798,822	20,337,458	15,637,506	12,751,051
51. Total investment in parent included in Lines 44 to 49 above.....					
<b>Total Nonadmitted and Admitted Assets</b>					
52. Total nonadmitted assets (Page 2, Line 28, Col. 2).....	2,303,917	3,405,901	2,945,950	1,668,585	1,983,627
53. Total admitted assets (Page 2, Line 28, Col. 3).....	25,755,074	22,995,288	30,087,316	29,806,463	27,685,829
<b>Investment Data</b>					
54. Net investment income (Exhibit of Net Investment Income).....	57,133	77,698	229,217	301,830	1,307,964
55. Realized capital gains (losses) (Page 4, Line 34, Column 1).....			(34,940)		
56. Unrealized capital gains (losses) (Page 4, Line 38, Column 1).....	1,790,297	2,461,365	5,742,449	2,748,829	412,661
57. Total of above Lines 54, 55 and 56.....	1,847,430	2,539,063	5,936,726	3,050,659	1,720,625
<b>Benefits and Reserve Increase (Page 6)</b>					
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).....			284,598	549,039	709,886
59. Total contract benefits - A&H (Lines 13 & 14, Cols. 9, 10 & 11).....	3,725,349	4,346,005	5,067,843	6,351,200	7,983,203
60. Increase in life reserves - other than group and annuities (Line 19, Cols. 2 & 3).....			(1,461,416)	119,573	127,746
61. Increase in A&H reserves (Line 19, Cols. 9, 10 & 11).....	(2,030)	(34,955)	(77,126)	220,572	(186,917)
62. Dividends to policyholders (Line 30, Col 1).....			.879	1,340	1,539
<b>Operating Percentages</b>					
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.....	8.9	12.2	47.1	11.4	13.2
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.....	4.9	8.0	4.7	5.0	5.5
65. A&H loss percent (Schedule H, Part 1, Lines 5 & 6, Col. 2).....	.67.9	.66.8	.66.1	.73.3	.66.9
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).....	.13.0	.15.2	.15.6	.12.5	.16.3
<b>A&amp;H Claim Reserve Adequacy</b>					
68. Incurred losses on prior years' claims - group health (Sch. H, Part 3, Line 3.1, Col. 2).....	12,500	13,888	(28,108)	.21,007	6,072
69. Prior years' claim liability and reserve - group health (Sch. H, Part 3, Line 3.2, Col. 2).....	10,261	12,325	15,314	15,673	9,705
70. Incurred losses on prior years' claims - health other than group (Sch. H, Part 3, Line 3.1, Col. 1 less Col. 2).....	473,829	453,917	550,607	.628,350	879,073
71. Prior years' claim liability and reserve - health other than group (Sch. H, Part 3, Line 3.2, Col. 1 less Col. 2).....	461,471	557,457	603,011	754,271	1,122,745
<b>Net Gains From Operations After Federal Income Taxes by Lines of Business (Page 6, Line 33)</b>					
72. Industrial life (Col. 2).....					
73. Ordinary - life (Col. 3).....	(1,665)	(2,294)	(2,760,191)	.60,278	107,750
74. Ordinary - individual annuities (Col. 4).....			2,869,576	(13,253)	313,799
75. Ordinary - supplementary contracts (Col. 5).....			107,977	(8,562)	21,090
76. Credit life (Col. 6).....					
77. Group life (Col. 7).....					
78. Group annuities (Col. 8).....					
79. A&H - group (Col. 9).....	(42,774)	(51,139)	44,790	(278,700)	182,449
80. A&H - credit (Col. 10).....					
81. A&H - other (Col. 11).....	1,051,017	1,196,367	2,751,750	1,453,265	2,062,974
82. Aggregate of all other lines of business (Col. 12).....	(9,842)	(49,044)	(7,963)		
83. Total (Col. 1).....	.996,736	1,093,890	3,005,939	1,213,028	2,688,062

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**

	Industrial		Ordinary		Credit Life (Group and Individual)		Group		10 Total Amount of Insurance (a)
	1 Number of Policies	2 Amount of Insurance (a)	3 Number of Policies	4 Amount of Insurance (a)	5 Number of Individual Policies and Group Certificates	6 Amount of Insurance (a)	7 Number of Policies	8 Certificates	
1. In force end of prior year.....			1,536	45,709					45,709
2. Issued during year.....									0
3. Reinsurance assumed.....									0
4. Revived during year.....									0
5. Increased during year (net).....				1					1
6. Subtotals, Lines 2 to 5.....	0	0	0	1	0	0	0	0	1
7. Additions by dividends during year.....	XXX		XXX		XXX		XXX	XXX	0
8. Aggregate write-ins for increases.....	0	0	0	0	0	0	0	0	0
9. Totals (Lines 1 and 6 to 8).....	0	0	1,536	45,710	0	0	0	0	45,710
<b>Deductions during year:</b>									
10. Death.....			.59	674			XXX		674
11. Maturity.....							XXX		0
12. Disability.....							XXX		0
13. Expiry.....			17	305					305
14. Surrender.....			23	465					465
15. Lapse.....			28	1,697					1,697
16. Conversion.....							XXX	XXX	0
17. Decreased (net).....				.62					.62
18. Reinsurance.....									0
19. Aggregate write-ins for decreases.....	0	0	0	0	0	0	0	0	0
20. Totals (Lines 10 to 19).....	0	0	127	3,203	0	0	0	0	3,203
21. In force end of year (Line 9 minus Line 20).....	0	0	1,409	42,507	0	0	0	0	42,507
22. Reinsurance ceded end of year.....	XXX		XXX	42,507	XXX		XXX	XXX	42,507
23. Line 21 minus Line 22.....	XXX	0	XXX	0	XXX	(b) 0	XXX	XXX	0

**DETAILS OF WRITE-INS**

0801.....									0
0802.....									0
0803.....									0
0898. Summary of remaining write-ins for Line 8 from overflow page	0	0	0	0	0	0	0	0	0
0899. Totals (Lines 0801 thru 0803 plus 0898) (Line 8 above).....	0	0	0	0	0	0	0	0	0
1901.....									0
1902.....									0
1903.....									0
1998. Summary of remaining write-ins for Line 19 from overflow page	0	0	0	0	0	0	0	0	0
1999. Totals (Lines 1901 thru 1903 plus 1998) (Line 19 above).....	0	0	0	0	0	0	0	0	0

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

(b) Group \$.....0; Individual \$.....0.

**CENTRAL RESERVE LIFE INSURANCE COMPANY**  
**EXHIBIT OF LIFE INSURANCE (continued)**

## ADDITIONAL INFORMATION ON INSURANCE IN FORCE END OF YEAR

	Industrial		Ordinary	
	1 Number of Policies	2 Amount of Insurance (a)	3 Number of Policies	4 Amount of Insurance (a)
24. Additions by dividends.....	....XXX.....		....XXX.....	2
25. Other paid-up insurance.....			36	104
26. Debit ordinary insurance.....	....XXX.....	....XXX.....		

## ADDITIONAL INFORMATION ON ORDINARY INSURANCE

Term Insurance Excluding Extended Term Insurance	Issued During Year (Included in Line 2)		In Force End of Year (Included in Line 21)	
	1 Number of Policies	2 Amount of Insurance (a)	3 Number of Policies	4 Amount of Insurance (a)
27. Term policies-decreasing.....			79	219
28. Term policies-other.....			508	33,060
29. Other term insurance-decreasing.....	....XXX.....		....XXX.....	
30. Other term insurance.....	....XXX.....		....XXX.....	
31. Totals (Lines 27 to 30).....	....0.....	....0.....	587	33,279
Reconciliation to Lines 2 and 21:			....XXX.....	
32. Term additions.....	....XXX.....		....XXX.....	
33. Totals, extended term insurance.....	....XXX.....	....XXX.....	47	334
34. Totals, whole life and endowment.....			775	8,894
35. Totals (Lines 31 to 34).....	....0.....	....0.....	1,409	42,507

## CLASSIFICATION OF AMOUNT OF INSURANCE (a) BY PARTICIPATING STATUS

	Issued During Year (Included in Line 2)		In Force End of Year (Included in Line 21)	
	1 Non-Participating	2 Participating	3 Non-Participating	4 Participating
36. Industrial.....				
37. Ordinary.....			42,360	147
38. Credit Life (Group and Individual).....				
39. Group.....				
40. Totals (Lines 36 to 39).....	....0.....	....0.....	42,360	147

## ADDITIONAL INFORMATION ON CREDIT LIFE AND GROUP INSURANCE

	Credit Life		Group	
	1 Number of Individual Policies and Group Certificates	2 Amount of Insurance (a)	3 Number of Certificates	4 Amount of Insurance (a)
41. Amount of insurance included in Line 2 ceded to other companies.....	....XXX.....		....XXX.....	
42. Number in force end of year if the number under shared groups is counted on a pro-rata basis.....		....XXX.....		....XXX.....
43. Federal Employees' Group Life Insurance included in Line 21.....				
44. Servicemen's Group Life Insurance included in Line 21.....				
45. Group Permanent Insurance included in Line 21.....				

## ADDITIONAL ACCIDENTAL DEATH BENEFITS

46. Amount of additional accidental death benefits in force end of year under ordinary policies (a).....	645
--	-----

## BASIS OF CALCULATION OF ORDINARY TERM INSURANCE

47. State basis of calculation of (47.1) decreasing term insurance contained in Family Income, Mortgage Protection, etc., policies and riders and of (47.2) term insurance on wife and children under Family, Parent and Children, etc., policies and riders included above.
47.1 Actual Amount
47.2 Actual Amount

## POLICIES WITH DISABILITY PROVISIONS

Disability Provision	Industrial		Ordinary		Credit		Group	
	1 Number of Policies	2 Amount of Insurance (a)	3 Number of Policies	4 Amount of Insurance (a)	5 Number of Policies	6 Amount of Insurance (a)	7 Number of Certificates	8 Amount of Insurance (a)
48. Waiver of Premium.....			....180.....	....15,380.....				
49. Disability Income.....			....XXX.....	....XXX.....				
50. Extended Benefits.....								
51. Other.....								
52. Total.....	....0.....	(b)....0.....	....180.....	(b)....15,380.....	....0.....	(b)....0.....	....0.....	(b)....0.....

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

(b) See Paragraph 9 of the Annual Audited Financial Reports in the General section of the Annual Statement Instructions.

**EXHIBIT OF NUMBER OF POLICIES, CONTRACTS, CERTIFICATES, INCOME PAYABLE  
AND ACCOUNT VALUES IN FORCE FOR SUPPLEMENTARY CONTRACTS,  
ANNUITIES, ACCIDENT & HEALTH AND OTHER POLICIES**

**SUPPLEMENTARY CONTRACTS**

	Ordinary		Group	
	1 Involving Life Contingencies	2 Not Involving Life Contingencies	3 Involving Life Contingencies	4 Not Involving Life Contingencies
1. In force end of prior year.....				
2. Issued during year.....				
3. Reinsurance assumed.....				
4. Increased during year (net).....				
5. Total (Lines 1 to 4).....	.0	.0	0	.0
Deductions during year:				
6. Decreased (net).....				
7. Reinsurance ceded.....				
8. Totals (Lines 6 and 7).....	.0	.0	0	.0
9. In force end of year.....	0	.0	0	0
10. Amount on deposit.....		(a).....		(a).....
11. Income now payable.....		(a).....		(a).....
12. Amount of income payable.....	(a).....	(a).....	(a).....	(a).....

**ANNUITIES**

	Ordinary		Group	
	1 Immediate	2 Deferred	3 Contracts	4 Certificates
1. In force end of prior year.....				
2. Issued during year.....				
3. Reinsurance assumed.....				
4. Increased during year (net).....				
5. Total (Lines 1 to 4).....	0	.0	0	.0
Deductions during year:				
6. Decreased (net).....				
7. Reinsurance ceded.....				
8. Totals (Lines 6 and 7).....	.0	.0	0	.0
9. In force end of year.....	0	.0	0	.0
Income now payable:				
10. Amount of income payable.....	(a).....	XXX.....	XXX.....	(a).....
Deferred fully paid:				
11. Account balance.....	XXX.....	(a).....	XXX.....	(a).....
Deferred not fully paid:				
12. Account balance.....	XXX.....	(a).....	XXX.....	(a).....

**ACCIDENT AND HEALTH INSURANCE**

	Group		Credit		Other	
	1 Certificates	2 Premiums in force	3 Policies	4 Premiums in force	5 Policies	6 Premiums in force
1. In force end of prior year.....	164	70,593			2,968	8,912,096
2. Issued during year.....	5	2,387				
3. Reinsurance assumed.....						
4. Increased during year (net).....	5	XXX.....		XXX.....		XXX.....
5. Total (Lines 1 to 4).....	174	XXX.....	0	XXX.....	2,968	XXX.....
Deductions during year:						
6. Conversions.....		XXX.....	XXX.....	XXX.....	XXX.....	XXX.....
7. Decreased (net).....		XXX.....		XXX.....	507	XXX.....
8. Reinsurance ceded.....		XXX.....		XXX.....		XXX.....
9. Totals (Lines 6 to 8).....	0	XXX.....	0	XXX.....	507	XXX.....
10. In force end of year.....	174	(a).....65,316	0	(a).....	2,461	(a).....7,551,484

**DEPOSIT FUNDS AND DIVIDEND ACCUMULATIONS**

	1 Deposit Funds		2 Dividend Accumulations	
	Contracts	Contracts	Contracts	Contracts
1. In force end of prior year.....				
2. Issued during year.....				
3. Reinsurance assumed.....				
4. Increased during year (net).....				
5. Total (Lines 1 to 4).....		0		0
Deductions during year:				
6. Decreased (net).....				
7. Reinsurance ceded.....				
8. Totals (Lines 6 and 7).....		0		0
9. In force end of year.....		0		0
10. Amount of account balance.....		(a).....		(a).....

(a) See Paragraph 9 of the Annual Audited Financial Reports in the General section of the Annual Statement Instructions.

# CENTRAL RESERVE LIFE INSURANCE COMPANY

## SCHEDULE T - PREMIUMS AND ANNUITY CONSIDERATIONS

Allocated by States and Territories

States, Etc.	Active Status	Life Insurance Premiums	Direct Business Only				
			Life Contracts		Accident and Health Insurance Premiums, Including Policy, Membership and Other Fees	Other Considerations	Total Columns 2 through 5
			2	3			
1. Alabama.....	.AL	14,692	2,400	50,552			67,644
2. Alaska.....	.AK	381					381
3. Arizona.....	.AZ	9,448		20,994			30,442
4. Arkansas.....	.AR	12,484		59,542			72,026
5. California.....	.CA	220		934			1,154
6. Colorado.....	.CO	3,772		6,104			9,876
7. Connecticut.....	.CT	N					0
8. Delaware.....	.DE	L	413		313		726
9. District of Columbia.....	.DC	N					0
10. Florida.....	.FL	N	6,269		16,552		22,821
11. Georgia.....	.GA	L	1,205		32,308		33,513
12. Hawaii.....	.HI	N					0
13. Idaho.....	.ID	N	190				190
14. Illinois.....	.IL	L	30,864		646,683		677,547
15. Indiana.....	.IN	L	45,421	4,000	304,778		354,199
16. Iowa.....	.IA	L	4,064		182,745		186,809
17. Kansas.....	.KS	L	43,507	1,200	412,066		456,773
18. Kentucky.....	.KY	L	2,973		82,129		85,102
19. Louisiana.....	.LA	L	301		37,955		38,256
20. Maine.....	.ME	N					0
21. Maryland.....	.MD	N	826		5,845		6,671
22. Massachusetts.....	.MA	L					0
23. Michigan.....	.MI	N	9,858		9,838		19,696
24. Minnesota.....	.MN	N			5,210		5,210
25. Mississippi.....	.MS	L	2,025		18,268		20,293
26. Missouri.....	.MO	L	37,150		121,171		158,321
27. Montana.....	.MT	L	(72)		224,837		224,765
28. Nebraska.....	.NE	L	1,923		605,462		607,385
29. Nevada.....	.NV	L	739		7,509		8,248
30. New Hampshire.....	.NH	N					0
31. New Jersey.....	.NJ	N	100		9,395		9,495
32. New Mexico.....	.NM	L			3,337		3,337
33. New York.....	.NY	N	58				58
34. North Carolina.....	.NC	L	111,770		928,632		1,040,402
35. North Dakota.....	.ND	L	1,919		85,719		87,638
36. Ohio.....	.OH	L	99,088	63,651	297,717		460,456
37. Oklahoma.....	.OK	L	4,946		69,233		74,179
38. Oregon.....	.OR	L			19,964		19,964
39. Pennsylvania.....	.PA	L	6,333	2,200	398,148		406,681
40. Rhode Island.....	.RI	N					0
41. South Carolina.....	.SC	L	17,895		302,552		320,447
42. South Dakota.....	.SD	L	632		28,628		29,260
43. Tennessee.....	.TN	L	17,358		182,912		200,270
44. Texas.....	.TX	L	42,843		874,521		917,364
45. Utah.....	.UT	L	2,739				2,739
46. Vermont.....	.VT	N					0
47. Virginia.....	.VA	L	93,385	15,000	1,827,733		1,936,118
48. Washington.....	.WA	N			14,133		14,133
49. West Virginia.....	.WV	L	10,307	600	16,294		27,201
50. Wisconsin.....	.WI	L	575		18,198		18,773
51. Wyoming.....	.WY	L			74,951		74,951
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) 34	638,601	89,051	8,003,862	0	8,731,514
60. Reporting entity contributions for employee benefit plans.....		XXX					0
61. Dividends or refunds applied to purchase paid-up additions and annuities.....		XXX					0
62. Dividends or refunds applied to shorten endowment or premium paying period.....		XXX					0
63. Premium or annuity considerations waived under disability or other contract provisions.....		XXX	3,651		417		4,068
64. Aggregate other amounts not allocable by State.....		XXX	0	0	0	0	0
65. Totals (Direct Business).....		XXX	642,252	89,051	8,004,279	0	8,735,582
66. Plus reinsurance assumed.....		XXX					0
67. Totals (All Business).....		XXX	642,252	89,051	8,004,279	0	8,735,582
68. Less reinsurance ceded.....		XXX	632,958	97,920	2,593,835		3,324,713
69. Totals (All Business) less reinsurance ceded.....		XXX	9,294	(8,869)	5,410,444	0	5,410,869

## DETAILS OF WRITE-INS

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

(L) - Licensed or Chartered - Licensed Insurance Carrier or Domiciled RRG; (R) - Registered - Non-domiciled RRGs; (Q) - Qualified - Qualified or Accredited Reinsurer;  
(E) - Eligible - Reporting Entities eligible or approved to write Surplus Lines in the state; (N) - None of the above - Not allowed to write business in the state.

**Explanation of basis of allocation by states, etc., of premiums and annuity considerations.**  
Premiums are allocated to the state in which the related policy or certificate holder resides.

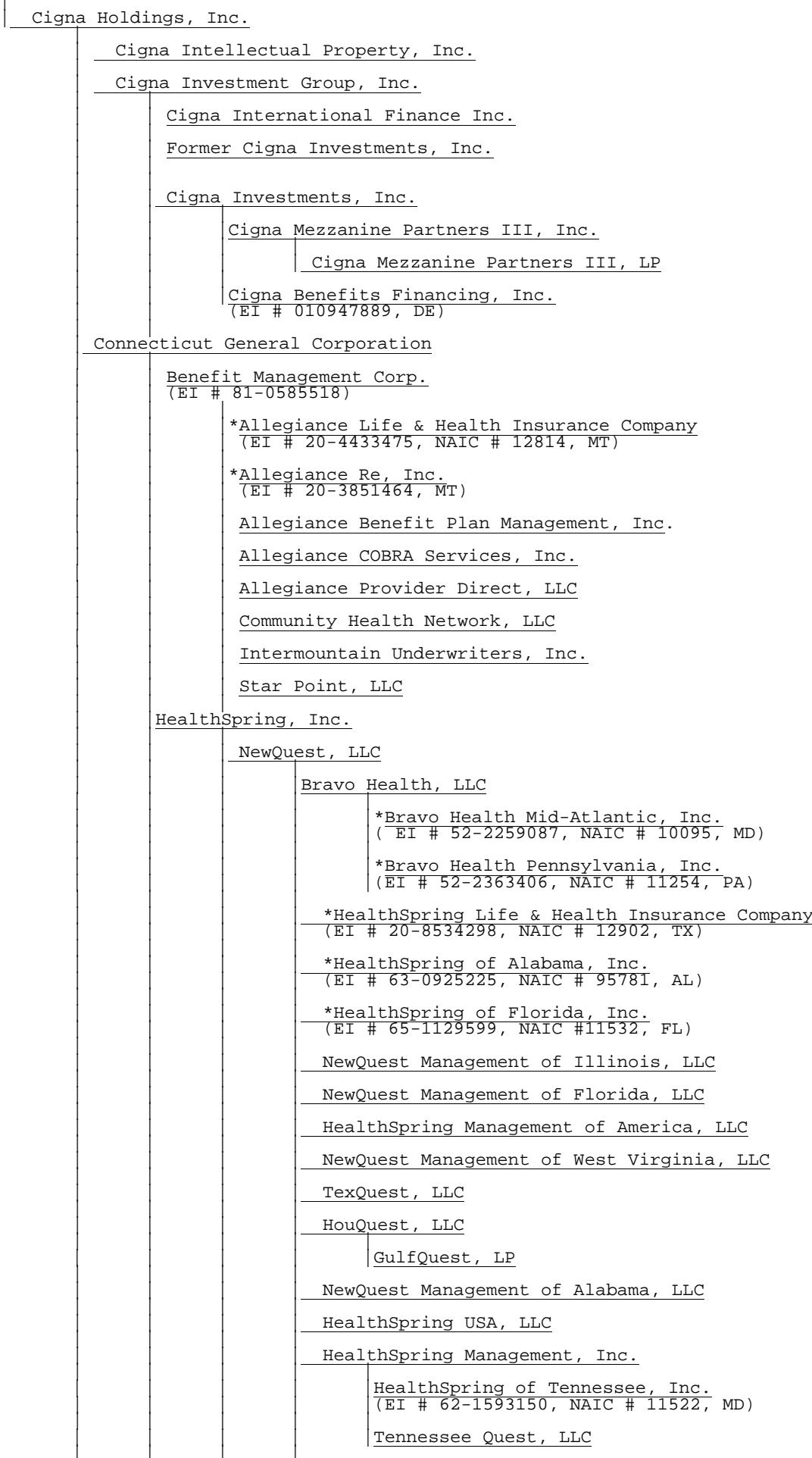
(a) Insert the number of "L" responses except for Canada and Other Alien.  
(b) Column 4 should balance with Exhibit 1, Lines 6.4, 10.4 and 16.4, Cols. 8, 9, and 10, or with Schedule H, Part 1, Column 1, Line 1. Indicate which:

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

## PART 1 – ORGANIZATIONAL CHART

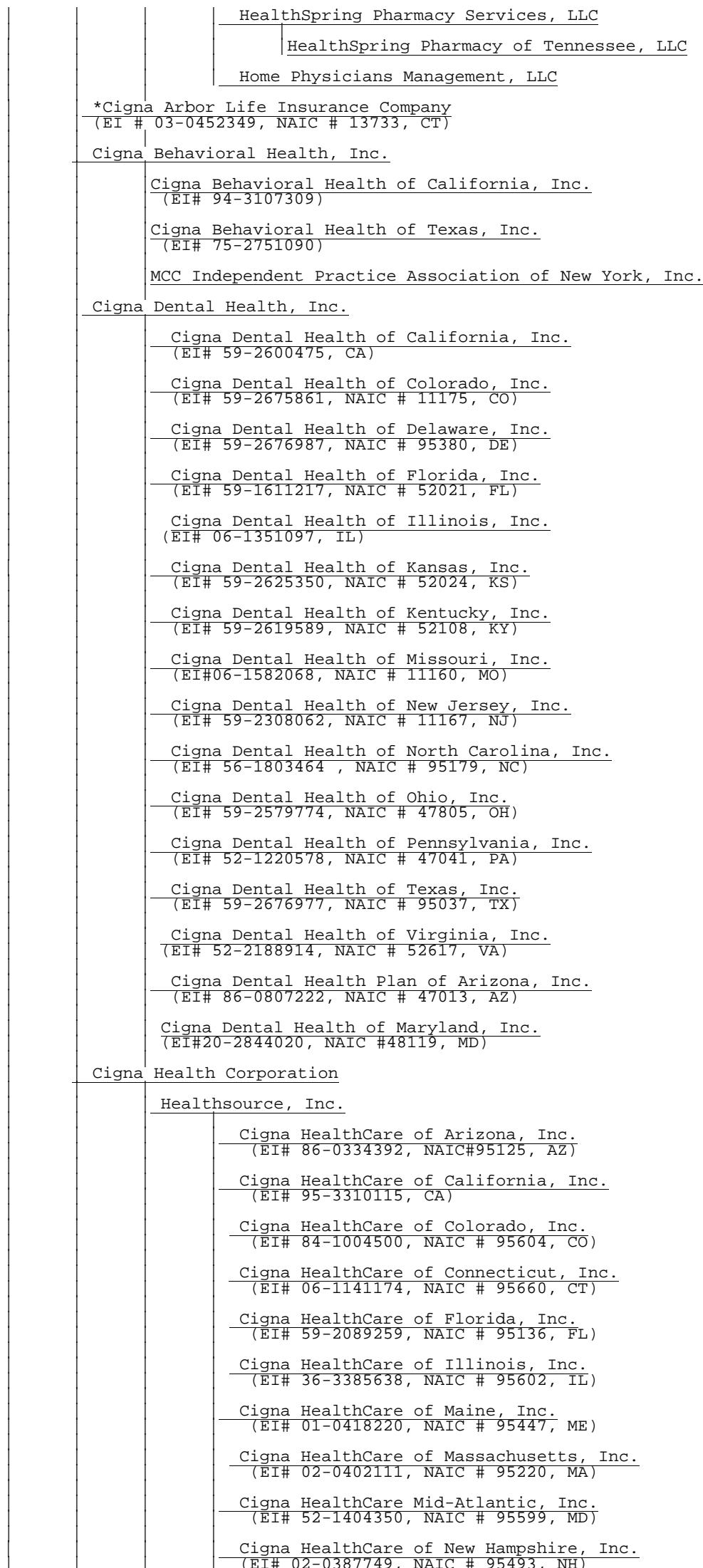
The following is a listing identifying and indicating the interrelationships among all affiliated insurers (identified by an asterisk, and if such insurer is incorporated in the United States of America, by a Federal Employer Identification Number, NAIC Company Code and Jurisdiction of Incorporation) and all other affiliates, as of December 31, 2014:

**Cigna CORPORATION**  
(A Delaware corporation and ultimate parent company)



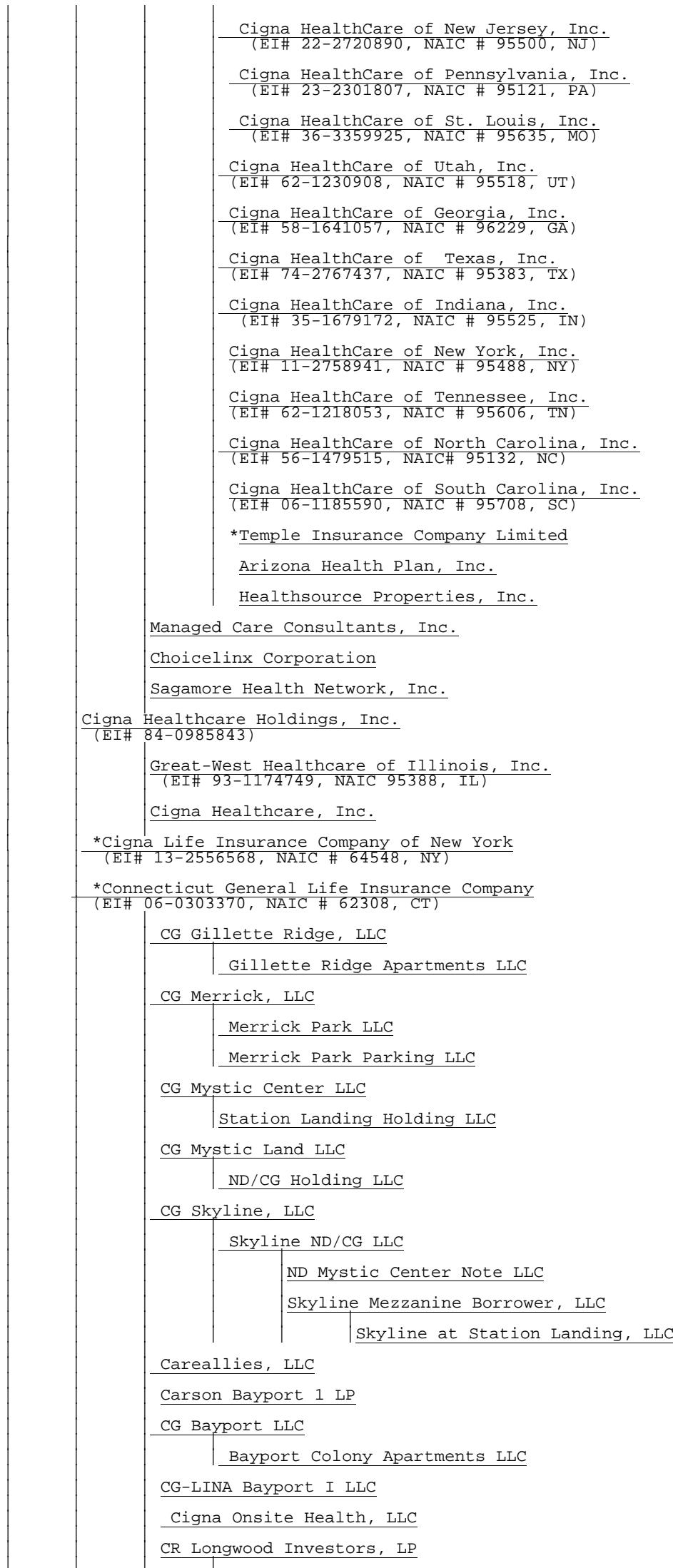
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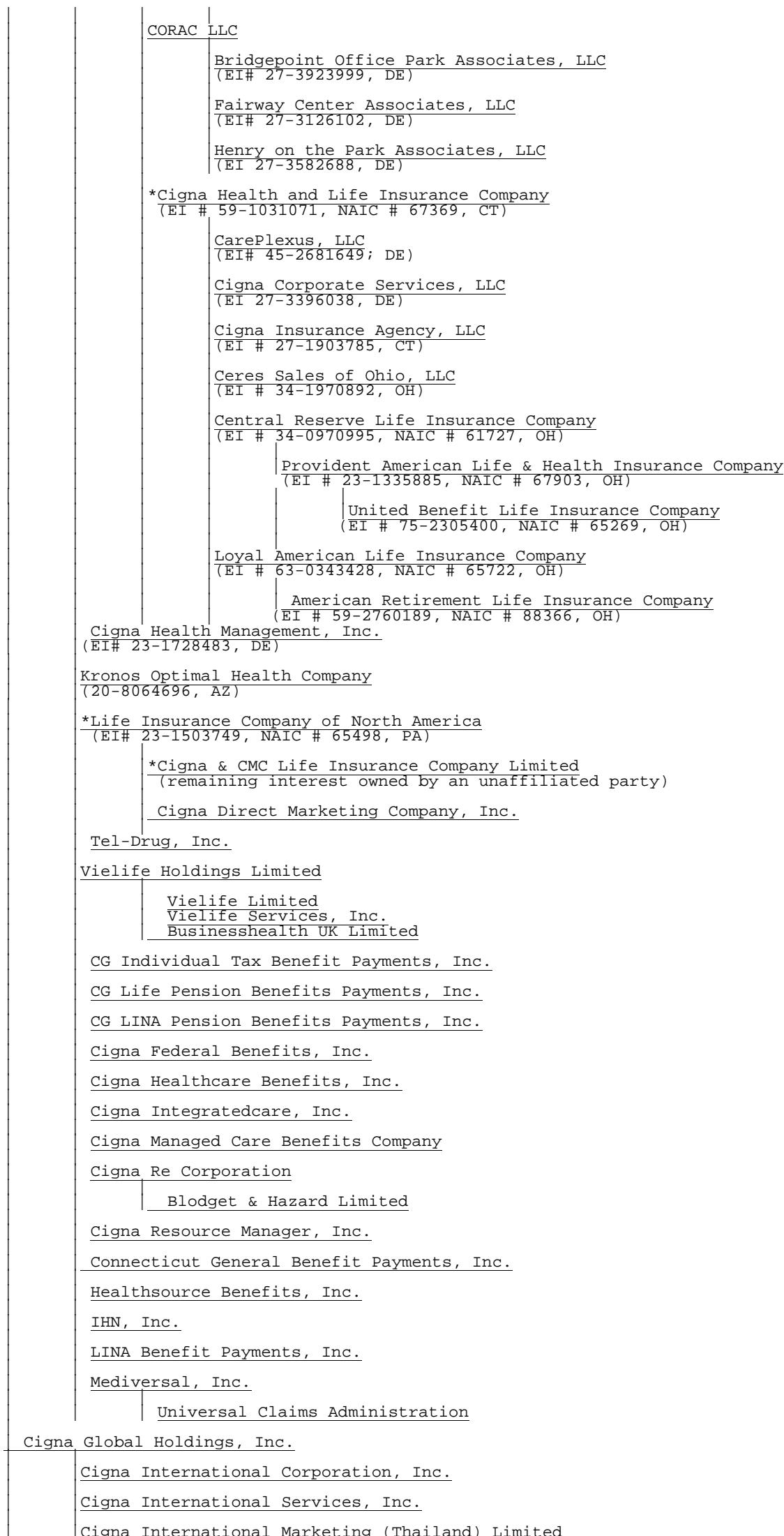
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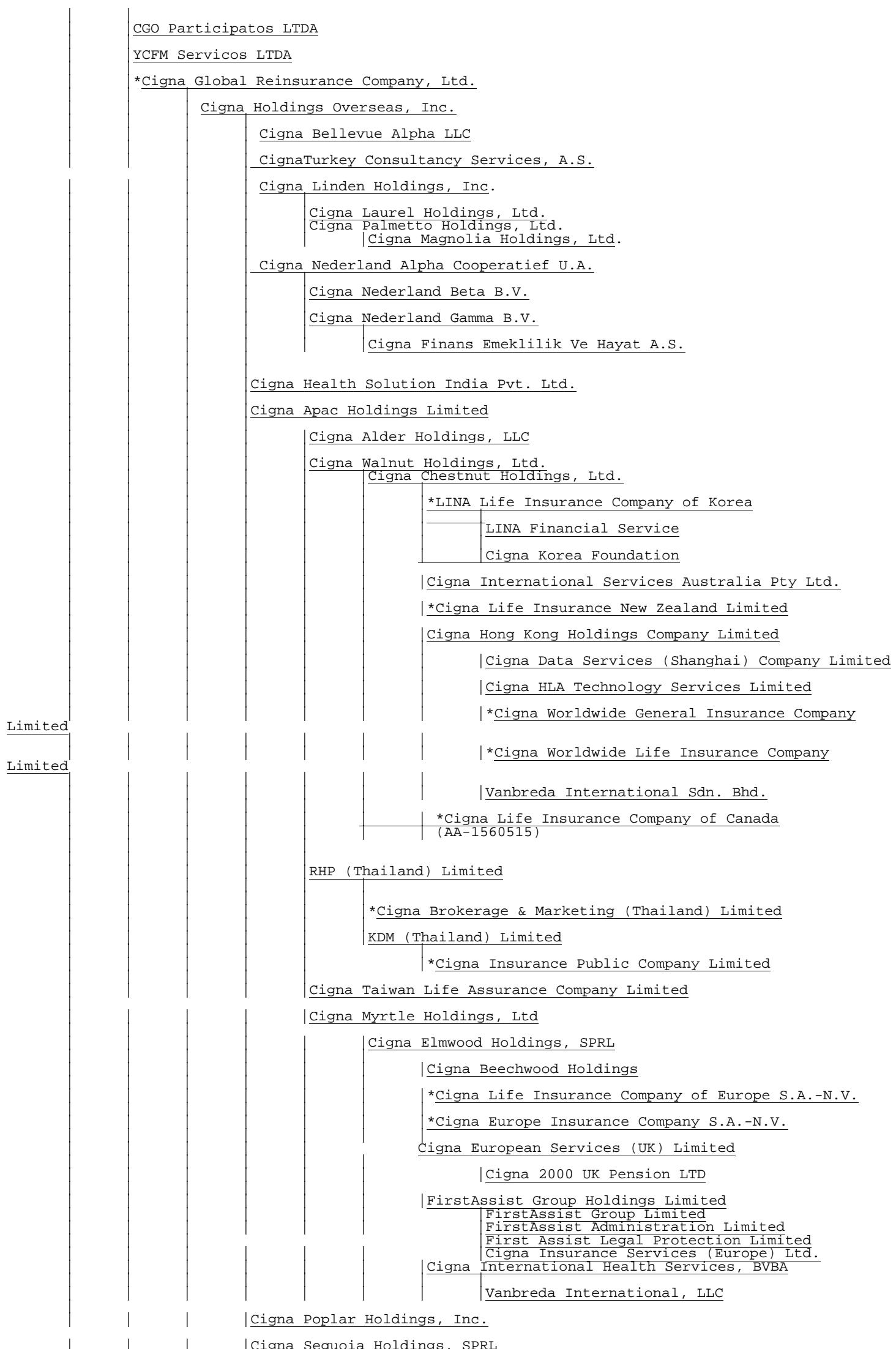
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