



ANNUAL STATEMENT

For the Year Ended December 31, 2014  
of the Condition and Affairs of the

Consumers Life Insurance Company

NAIC Group Code.....730, 730  
(Current Period) (Prior Period)

Organized under the Laws of Ohio

Incorporated/Organized..... October 3, 1955

Statutory Home Office

Main Administrative Office

Mail Address

Primary Location of Books and Records

Internet Web Site Address

Statutory Statement Contact

NAIC Company Code..... 62375

State of Domicile or Port of Entry Ohio

2060 East Ninth Street .. Cleveland ..... OH ..... US ..... 44115-1355  
(Street and Number) (City or Town, State, Country and Zip Code)

2060 East Ninth Street .. Cleveland ..... OH ..... US..... 44115-1355  
(Street and Number) (City or Town, State, Country and Zip Code)

2060 East Ninth Street .. Cleveland ..... OH ..... US ..... 44115-1355  
(Street and Number or P. O. Box) (City or Town, State, Country and Zip Code)

2060 East Ninth Street .. Cleveland ..... OH ..... US ..... 44115-1355  
(Street and Number) (City or Town, State, Country and Zip Code)

www.ConsumersLife.com

Sharon Matonis  
(Name)

Sharon.Matonis@medmutual.com  
(E-Mail Address)

Employer's ID Number..... 21-0706531

Country of Domicile US

Commenced Business..... October 3, 1955

216-687-7000  
(Area Code) (Telephone Number)

216-687-7000  
(Area Code) (Telephone Number)

216-687-6049  
(Area Code) (Telephone Number) (Extension)

216-360-4073  
(Fax Number)

OFFICERS

Name	Title	Name	Title
1. Richard Alan Chiricosta	President & CEO	2. Steffany Matticola Larkins	Secretary
3. Raymond Karl Mueller	Treasurer	4.	

OTHER

DIRECTORS OR TRUSTEES

James Charles Cellura	Jared Paul Chaney	Richard Alan Chiricosta	Steffany Matticola Larkins
Raymond Karl Mueller			

State of..... Ohio  
County of..... Cuyahoga

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

(Signature)	(Signature)	(Signature)
Richard Alan Chiricosta	Steffany Matticola Larkins	Raymond Karl Mueller
1. (Printed Name)	2. (Printed Name)	3. (Printed Name)
President & CEO	Secretary	Treasurer
(Title)	(Title)	(Title)
Subscribed and sworn to before me	a. Is this an original filing?	Yes [ X ] No [ ]
This _____ day of _____ 2015	b. If no	1. State the amendment number
		2. Date filed
		3. Number of pages attached

ASSETS

	Current Year			Prior Year
	1	2	3	4
	Assets	Nonadmitted Assets	Net Admitted Assets (Cols. 1 - 2)	Net Admitted Assets
1. Bonds (Schedule D).....	17,097,601		17,097,601	17,785,355
2. Stocks (Schedule D):				
2.1 Preferred stocks.....			.0	
2.2 Common stocks.....			.0	
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens.....			.0	
3.2 Other than first liens.....			.0	
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$.....0 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 (\$.....9,667,159, Schedule E-Part 1), cash equivalents (\$.....0, Schedule E-Part 2) and short-term investments (\$.....955,309, Schedule DA).....	10,622,468		10,622,468	1,935,348
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).....	27,720,069	.0	27,720,069	19,720,703
13. Title plants less \$.....0 charged off (for Title insurers only).....			.0	
14. Investment income due and accrued.....	221,981		221,981	246,294
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection.....	2,149,703		2,149,703	2,142,345
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.....	75,285		75,285	5,352,375
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.....	1,119,360	14,000	1,105,360	872,251
18.1 Current federal and foreign income tax recoverable and interest thereon.....			.0	
18.2 Net deferred tax asset.....			.0	463,187
19. Guaranty funds receivable or on deposit.....	1,448,560		1,448,560	1,530,655
20. Electronic data processing equipment and software.....			.0	
21. Furniture and equipment, including health care delivery assets (\$.....0).....	77,191	77,191	.0	
22. Net adjustment in assets and liabilities due to foreign exchange rates.....			.0	
23. Receivables from parent, subsidiaries and affiliates.....	3,498,629		3,498,629	7,241,547
24. Health care (\$.....1,000) and other amounts receivable.....	1,000	1,000	.0	836,990
25. Aggregate write-ins for other than invested assets.....	324,663	95,463	229,200	1,301,757
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25).....	36,636,441	187,654	36,448,787	39,708,104
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			.0	
28. TOTALS (Lines 26 and 27).....	36,636,441	187,654	36,448,787	39,708,104

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. Prepaid Assets.....	55,417	55,417	.0	
2502. Other Assets.....	29,000	29,000	.0	
2503. Premium Tax Recoverable.....	229,200		229,200	869,371
2598. Summary of remaining write-ins for Line 25 from overflow page.....	11,046	11,046	.0	432,386
2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above).....	324,663	95,463	229,200	1,301,757

LIABILITIES, SURPLUS AND OTHER FUNDS

	1	2
	Current Year	Prior Year
1. Aggregate reserve for life contracts \$.....1,195,500 (Exhibit 5, Line 9999999) less \$.....0 included in Line 6.3 (including \$.....0 Modco Reserve).....	1,195,500	1,260,000
2. Aggregate reserve for accident and health contracts (including \$.....0 Modco Reserve).....	877,000	852,000
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).....	3,905,545	3,376,379
4.2 Accident and health (Exhibit 8, Part 1, Line 4.4, sum of Cols. 9, 10 and 11).....	(50,000)	1,389,000
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 \$.....112,846 accident and health premiums (Exhibit 1, Part 1, Col. 1, sum of Lines 4 and 14).....	450,775	223,834
9. Contract liabilities not included elsewhere:		
9.1 Surrender values on canceled contracts.....		
9.2 Provision for experience rating refunds, including the liability of \$.....7,171,001 accident and health experience rating refunds of which \$.....0 is for medical loss ratio rebate per the Public Health Service Act.....	7,171,001	4,836,421
9.3 Other amounts payable on reinsurance, including \$.....0 assumed and \$.....371,000 ceded.....	371,000	2,733,827
9.4 Interest Maintenance Reserve (IMR, Line 6).....		
10. Commissions to agents due or accrued - life and annuity contracts \$.....96,525, accident and health \$.....43,575 and deposit-type contract funds \$.....0.....	140,100	532,443
11. Commissions and expense allowances payable on reinsurance assumed.....		
12. General expenses due or accrued (Exhibit 2, Line 12, Col. 6).....	330,629	494,920
13. Transfers to Separate Accounts due or accrued (net) (including \$.....0 accrued for expense allowances recognized in reserves, net of reinsured allowances).....		
14. Taxes, licenses and fees due or accrued, excluding federal income taxes (Exhibit 3, Line 9, Col. 5).....	1,800,119	3,373,370
15.1 Current federal and foreign income taxes, including \$.....0 on realized capital gains (losses).....	284,969	542,989
15.2 Net deferred tax liability.....		
16. Unearned investment income.....		
17. Amounts withheld or retained by company as agent or trustee.....	1,683	6,412
18. Amounts held for agents' account, including \$.....0 agents' credit balances.....		
19. Remittances and items not allocated.....		572
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).....	32,087	27,521
24.02 Reinsurance in unauthorized and certified (\$.....0) companies.....		
24.03 Funds held under reinsurance treaties with unauthorized and certified (\$.....0) reinsurers.....		
24.04 Payable to parent, subsidiaries and affiliates.....		
24.05 Drafts outstanding.....		
24.06 Liability for amounts held under uninsured plans.....	47,395	
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.....	168,522	387,656
26. Total liabilities excluding Separate Accounts business (Lines 1 to 25).....	16,726,325	20,037,344
27. From Separate Accounts Statement.....		
28. Total liabilities (Line 26 and 27).....	16,726,325	20,037,344
29. Common capital stock.....	1,600,000	1,600,000
30. Preferred capital stock.....		
31. Aggregate write-ins for other than special surplus funds.....	0	0
32. Surplus notes.....		
33. Gross paid in and contributed surplus (Page 3, Line 33, Col. 2 plus Page 4, Line 51.1, Col. 1).....	36,633,368	35,925,250
34. Aggregate write-ins for special surplus funds.....	0	0
35. Unassigned funds (surplus).....	(18,510,906)	(17,854,490)
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).....	18,122,462	18,070,760
38. Totals of Lines 29, 30 and 37 (Page 4, Line 55).....	19,722,462	19,670,760
39. Totals of Lines 28 and 38 (Page 2, Line 28, Col. 3).....	36,448,787	39,708,104

DETAILS OF WRITE-INS

2501. Unclaimed Funds.....	164,497	73,517
2502. Other Liabilities.....	4,025	314,139
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).....	168,522	387,656
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

Consumers 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)	25,914,233	60,938,349
2. Considerations for supplementary contracts with life contingencies		
3. Net investment income (Exhibit of Net Investment Income, Line 17)	257,584	255,407
4. Amortization of Interest Maintenance Reserve (IMR) (Line 5)		1,085
5. Separate Accounts net gain from operations excluding unrealized gains or losses		
6. Commissions and expense allowances on reinsurance ceded (Exhibit 1, Part 2, Line 26.1, Col. 1)		
7. Reserve adjustments on reinsurance ceded		
8. Miscellaneous Income:		
8.1 Income from fees associated with investment management, administration and contract guarantees from Separate Accounts		
8.2 Charges and fees for deposit-type contracts		
8.3 Aggregate write-ins for miscellaneous income	110,485	2,384,387
9. Totals (Lines 1 to 8.3)	26,282,302	63,579,228
10. Death benefits	16,365,165	14,431,396
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	5,460,665	23,346,027
14. Coupons, guaranteed annual pure endowments and similar benefits		
15. Surrender benefits and withdrawals for life contracts		
16. Group conversions		
17. Interest and adjustments on contract or deposit-type contract funds		
18. Payments on supplementary contracts with life contingencies		
19. Increase in aggregate reserves for life and accident and health contracts	(39,500)	(2,761,000)
20. Totals (Lines 10 to 19)	21,786,330	35,016,423
21. Commissions on premiums, annuity considerations and deposit-type contract funds (direct business only) (Exhibit 1, Part 2, Line 31, Col. 1)	1,779,052	11,477,886
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)	2,457,345	12,285,807
24. Insurance taxes, licenses and fees, excluding federal income taxes (Exhibit 3, Line 7, Cols. 1 + 2 + 3)	620,937	2,671,392
25. Increase in loading on deferred and uncollected premiums		
26. Net transfers to or (from) Separate Accounts net of reinsurance		
27. Aggregate write-ins for deductions	107,510	552,500
28. Totals (Lines 20 to 27)	26,751,174	62,004,008
29. Net gain from operations before dividends to policyholders and federal income taxes (Line 9 minus Line 28)	(468,872)	1,575,220
30. Dividends to policyholders		
31. Net gain from operations after dividends to policyholders and before federal income taxes (Line 29 minus Line 30)	(468,872)	1,575,220
32. Federal and foreign income taxes incurred (excluding tax on capital gains)	899,604	371,395
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)	(1,368,476)	1,203,825
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)	(1,368,476)	1,203,825
CAPITAL AND SURPLUS ACCOUNT		
36. Capital and surplus, December 31, prior year (Page 3, Line 38, Col. 2)	19,670,760	12,948,315
37. Net income (Line 35)	(1,368,476)	1,203,825
38. Change in net unrealized capital gains (losses) less capital gains tax of \$.....0		
39. Change in net unrealized foreign exchange capital gain (loss)		
40. Change in net deferred income tax		(156,689)
41. Change in nonadmitted assets	538,648	682,059
42. Change in liability for reinsurance in unauthorized and certified companies		
43. Change in reserve on account of change in valuation basis, (increase) or decrease		
44. Change in asset valuation reserve	(4,566)	(6,750)
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:		
51.1 Paid in	708,118	5,000,000
51.2 Transferred to capital (Stock Dividend)		
51.3 Transferred from capital		
51.4 Change in surplus as a result of reinsurance		
52. Dividends to stockholders		
53. Aggregate write-ins for gains and losses in surplus	177,978	0
54. Net change in capital and surplus for the year (Lines 37 through 53)	51,702	6,722,445
55. Capital and surplus, December 31, current year (Lines 36 + 54) (Page 3, Line 38)	19,722,462	19,670,760
DETAILS OF WRITE-INS		
08.301. Other Income	110,485	2,384,387
08.302.		
08.303.		
08.398. Summary of remaining write-ins for Line 8.3 from overflow page	0	0
08.399. Totals (Lines 08.301 thru 08.303 plus 08.398) (Line 8.3 above)	110,485	2,384,387
2701. Other Expense	107,510	552,500
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)	107,510	552,500
5301. Correction of Error	177,978	
5302.		
5303.		
5398. Summary of remaining write-ins for Line 53 from overflow page	0	0
5399. Totals (Lines 5301 thru 5303 plus 5398) (Line 53 above)	177,978	0

CASH FLOW

	1 Current Year	2 Prior Year
CASH FROM OPERATIONS		
1. Premiums collected net of reinsurance.....	26,105,569	62,871,203
2. Net investment income.....	672,347	598,483
3. Miscellaneous income.....	110,485	2,384,387
4. Total (Lines 1 through 3).....	26,888,401	65,854,073
5. Benefit and loss related payments.....	17,458,574	40,847,186
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts.....		
7. Commissions, expenses paid and aggregate write-ins for deductions.....	7,389,937	27,407,457
8. Dividends paid to policyholders.....		
9. Federal and foreign income taxes paid (recovered) net of \$.....0 tax on capital gains (losses).....	200,000	(354,994)
10. Total (Lines 5 through 9).....	25,048,511	67,899,649
11. Net cash from operations (Line 4 minus Line 10).....	1,839,890	(2,045,576)
CASH FROM INVESTMENTS		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds.....	7,225,000	1,875,000
12.2 Stocks.....		
12.3 Mortgage loans.....		
12.4 Real estate.....		
12.5 Other invested assets.....		
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments.....		
12.7 Miscellaneous proceeds.....		
12.8 Total investment proceeds (Lines 12.1 to 12.7).....	7,225,000	1,875,000
13. Cost of investments acquired (long-term only):		
13.1 Bonds.....	6,931,522	3,941,563
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).....	6,931,522	3,941,563
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).....	293,478	(2,066,563)
CASH FROM FINANCING AND MISCELLANEOUS SOURCES		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes.....		
16.2 Capital and paid in surplus, less treasury stock.....		5,000,000
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).....	6,553,752	(8,188,142)
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6).....	6,553,752	(3,188,142)
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS		
18. Net change in cash, cash equivalents and short-term investments (Line 11 plus Line 15 plus Line 17).....	8,687,120	(7,300,281)
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year.....	1,935,348	9,235,629
19.2 End of year (Line 18 plus Line 19.1).....	10,622,468	1,935,348

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	2	Ordinary			6	Group		Accident and Health			12
	Total	Industrial Life	3 Life Insurance	4 Individual Annuities	5 Supplementary Contracts	Credit Life (Group and Individual)	7 Life Insurance(a)	8 Annuities	9 Group	10 Credit (Group and Individual)	11 Other	Aggregate of All Other Lines of Business
1. Premiums and annuity considerations for life and accident and health contracts.....	25,914,233		289,311				19,957,697		4,965,063		702,162	
2. Considerations for supplementary contracts with life contingencies.....	0											
3. Net investment income.....	257,584		2,876				198,377		49,352		6,979	
4. Amortization of Interest Maintenance Reserve (IMR).....	0											
5. Separate Accounts net gain from operations excluding unrealized gains or losses.....	0											
6. Commissions and expense allowances on reinsurance ceded.....	0											
7. Reserve adjustments on reinsurance ceded.....	0											
8. Miscellaneous Income:												
8.1 Fees associated with income from investment management, administration and contract guarantees from S/A.....	0											
8.2 Charges and fees for deposit-type contracts.....	0											
8.3 Aggregate write-ins for miscellaneous income.....	110,485	0	0	0	0	0	0	0	110,485	0	0	0
9. Totals (Lines 1 to 8.3).....	26,282,302	0	292,187	0	0	0	20,156,074	0	5,124,900	0	709,141	0
10. Death benefits.....	16,365,165		385,000				15,980,165					
11. Matured endowments (excluding guaranteed annual pure endowments).....	0											
12. Annuity benefits.....	0											
13. Disability benefits and benefits under accident and health contracts.....	5,460,665								5,045,014		415,651	
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.....	(39,500)		4,500				(69,000)		25,000			
20. Totals (Lines 10 to 19).....	21,786,330	0	389,500	0	0	0	15,911,165	0	5,070,014	0	415,651	0
21. Commissions on premiums, annuity considerations and deposit-type contract funds (direct business only).....	1,779,052		65,322				1,455,029		213,260		45,441	
22. Commissions and expense allowances on reinsurance assumed.....	0											
23. General insurance expenses.....	2,457,345		10,860				1,938,418		(497,119)		1,005,186	
24. Insurance taxes, licenses and fees, excluding federal income taxes.....	620,937		3,890				388,569		112,523		115,955	
25. Increase in loading on deferred and uncollected premiums.....	0											
26. Net transfers to or (from) Separate Accounts net of reinsurance.....	0											
27. Aggregate write-ins for deductions.....	107,510	0	0	0	0	0	0	0	0	0	107,510	0
28. Totals (Lines 20 to 27).....	26,751,174	0	469,572	0	0	0	19,693,181	0	4,898,678	0	1,689,743	0
29. Net gain from operations before dividends to policyholders and federal income taxes (Line 9 minus Line 28).....	(468,872)	0	(177,385)	0	0	0	462,893	0	226,222	0	(980,602)	0
30. Dividends to policyholders.....	0											
31. Net gain from operations after dividends to policyholders and before federal income taxes (Line 29 minus Line 30).....	(468,872)	0	(177,385)	0	0	0	462,893	0	226,222	0	(980,602)	0
32. Federal income taxes incurred (excluding tax on capital gains).....	899,604		341,850				(890,608)		(440,806)		1,889,168	
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).....	(1,368,476)	0	(519,235)	0	0	0	1,353,501	0	667,028	0	(2,869,770)	0

**DETAILS OF WRITE-INS**

08.301. Other Income.....	110,485								110,485			
08.302. ....	0											
08.303. ....	0											
08.398. Summary of remaining write-ins for Line 8.3 from overflow page.....	0	0	0	0	0	0	0	0	0	0	0	0
08.399. Total (Lines 08.301 thru 08.303 plus 08.398) (Line 8.3 above).....	110,485	0	0	0	0	0	0	0	110,485	0	0	0
2701. Other Expense.....	107,510										107,510	
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).....	107,510	0	0	0	0	0	0	0	0	0	107,510	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
Involving Life or Disability Contingencies (Reserves)								
(Net of Reinsurance Ceded)								
1. Reserve December 31, prior year.....	1,260,000		83,000				1,177,000	
2. Tabular net premiums or considerations.....	980,868		202,518				778,350	
3. Present value of disability claims incurred.....	264,000				XXX		264,000	
4. Tabular interest.....	34,230		7,437				26,793	
5. Tabular less actual reserve released.....	0							
6. Increase in reserve on account of change in valuation basis.....	0							
7. Other increases (net).....	32,774		32,774					
8. Totals (Lines 1 to 7).....	2,571,872	0	325,729	0	0	0	2,246,143	0
9. Tabular cost.....	1,015,098		209,955		XXX		805,143	
10. Reserves released by death.....	333,000			XXX	XXX		333,000	XXX
11. Reserves released by other terminations (net).....	28,274		28,274					
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).....	1,376,372	0	238,229	0	0	0	1,138,143	0
15. Reserve December 31, current year.....	1,195,500	0	87,500	0	0	0	1,108,000	0

EXHIBIT OF NET INVESTMENT INCOME

		1	2
		Collected During Year	Earned During Year
1.	U.S. government bonds.....	(a).....53,802	.....44,789
1.1	Bonds exempt from U.S. tax.....	(a).....	.....
1.2	Other bonds (unaffiliated).....	(a).....265,629	.....250,316
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).....372	.....385
7.	Derivative instruments.....	(f).....	.....
8.	Other invested assets.....	.....	.....
9.	Aggregate write-ins for investment income.....	.....0	.....0
10.	Total gross investment income.....	.....319,803	.....295,490
11.	Investment expenses.....		(g).....37,906
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).....		.....37,906
17.	Net investment income (Line 10 minus Line 16).....		.....257,584

DETAILS OF WRITE-INS

0901.	.....	.....	.....
0902.	.....	.....	.....
0903.	.....	.....	.....
0998.	Summary of remaining write-ins for Line 9 from overflow page.....	.....0	.....0
0999.	Totals (Lines 0901 thru 0903 plus 0998) (Line 9 above).....	.....0	.....0
1501.	.....	.....	.....
1502.	.....	.....	.....
1503.	.....	.....	.....
1598.	Summary of remaining write-ins for Line 15 from overflow page.....	.....	.....0
1599.	Totals (Lines 1501 thru 1503 plus 1598) (Line 15 above).....	.....	.....0
(a)	Includes \$.....1,072 accrual of discount less \$.....395,348 amortization of premium and less \$.....26,434 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	2	3	4	5
	Realized Gain (Loss) on Sales or Maturity	Other Realized Adjustments	Total Realized Capital Gain (Loss) (Columns 1 + 2)	Change in Unrealized Capital Gain (Loss)	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	.....	.....
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
10.	Total capital gains (losses).....	.....0	.....0	.....0	.....0

DETAILS OF WRITE-INS

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



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

	1	2	Ordinary		5	Group		Accident and Health			11
	Total	Industrial Life	3 Life Insurance	4 Individual Annuities	Credit Life (Group and Individual)	6 Life Insurance	7 Annuities	8 Group	9 Credit (Group & Individual)	10 Other	Aggregate of All Other Lines of Business
<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.....	39,359		39,359								
6.2 Reinsurance assumed.....	.0										
6.3 Reinsurance ceded.....	.0										
6.4 Net.....	39,359	.0	39,359	0	.0	.0	0	.0	.0	.0	.0
7. Line 5 + Line 6.4.....	39,359	.0	39,359	0	.0	.0	0	.0	.0	.0	.0
8. Prior year (uncollected + deferred and accrued - advance).....	.0										
9. First year premiums and considerations:											
9.1 Direct.....	39,359		39,359								
9.2 Reinsurance assumed.....	.0										
9.3 Reinsurance ceded.....	.0										
9.4 Net (Line 7 - Line 8).....	39,359	.0	39,359	0	.0	.0	0	.0	.0	.0	.0
<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.....	2,149,703		20,506			1,552,718		531,127		45,352	
12. Deferred and accrued.....	(7,542,002)					(7,332,002)		(210,000)			
13. Deferred, accrued and uncollected:											
13.1 Direct.....	(5,021,299)		20,506			(5,618,284)		531,127		45,352	
13.2 Reinsurance assumed.....	.0										
13.3 Reinsurance ceded.....	371,000					161,000		210,000			
13.4 Net (Line 11 + Line 12).....	(5,392,299)	.0	20,506	0	.0	(5,779,284)	0	321,127	.0	45,352	.0
14. Advance.....	450,775		6,280			331,649		80,779		32,067	
15. Line 13.4 - Line 14.....	(5,843,074)	.0	14,226	0	.0	(6,110,933)	0	240,348	.0	13,285	.0
16. Collected during year:											
16.1 Direct.....	32,962,378		236,657			23,239,892		8,694,126		791,703	
16.2 Reinsurance assumed.....	.0										
16.3 Reinsurance ceded.....	6,896,168					1,984,485		4,509,869		401,814	
16.4 Net.....	26,066,210	.0	236,657	0	.0	21,255,407	0	4,184,257	.0	389,889	.0
17. Line 15 + Line 16.4.....	20,223,136	.0	250,883	0	.0	15,144,474	0	4,424,605	.0	403,174	.0
18. Prior year (uncollected + deferred and accrued - advance).....	(5,651,738)		931			(4,813,223)		(540,458)		(298,988)	
19. Renewal premiums and considerations:											
19.1 Direct.....	30,408,214		249,952			21,931,972		7,524,128		702,162	
19.2 Reinsurance assumed.....	.0										
19.3 Reinsurance ceded.....	4,533,340					1,974,275		2,559,065			
19.4 Net (Line 17 - Line 18).....	25,874,874	.0	249,952	0	.0	19,957,697	0	4,965,063	.0	702,162	.0
<b>TOTAL</b>											
20. Total premiums and annuity considerations:											
20.1 Direct.....	30,447,573	.0	289,311	0	.0	21,931,972	0	7,524,128	.0	702,162	.0
20.2 Reinsurance assumed.....	.0	.0	0	0	.0	.0	0	.0	.0	.0	.0
20.3 Reinsurance ceded.....	4,533,340	.0	0	0	.0	1,974,275	0	2,559,065	.0	0	.0
20.4 Net (Lines 9.4 + 10.4 + 19.4).....	25,914,233	.0	289,311	0	.0	19,957,697	0	4,965,063	.0	702,162	.0

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

	1	2	Ordinary		5	Group		Accident and Health			11
	Total	Industrial Life	3 Life Insurance	4 Individual Annuities	Credit Life (Group and Individual)	6 Life Insurance	7 Annuities	8 Group	9 Credit (Group & Individual)	10 Other	Aggregate of All Other Lines of Business
<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.....	0										
25.2 Reinsurance assumed.....	0										
25.3 Net ceded less assumed.....	0	0	0	0	0	0	0	0	0	0	0
26. Totals:											
26.1 Reinsurance ceded (Page 6, Line 6).....	0	0	0	0	0	0	0	0	0	0	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.....	0	0	0	0	0	0	0	0	0	0	0
<b>COMMISSIONS INCURRED (direct business only)</b>											
27. First year (other than single).....	108,473		15,879			87,287		5,307			
28. Single.....	0										
29. Renewal.....	1,670,579		49,443			1,367,742		207,953		45,441	
30. Deposit-type contract funds.....	0										
31. Totals (to agree with Page 6, Line 21).....	1,779,052	0	65,322	0	0	1,455,029	0	213,260	0	45,441	0

Consumers Life Insurance Company  
EXHIBIT 2 - GENERAL EXPENSES

		Insurance				5	6
		1	Accident and Health		4		
			2	3			
		Life	Cost Containment	All Other	All Other Lines of Business	Investment	Total
1.	Rent.....	78,879		121,166			200,045
2.	Salaries and wages.....	1,328,702	258,131	933,976			2,520,809
3.11	Contributions for benefit plans for employees.....	307,392	31,575	248,357			587,324
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.....	243		12,516			12,759
3.32	Other agent welfare.....						0
4.1	Legal fees and expenses.....		2	3,166			3,168
4.2	Medical examination fees.....						0
4.3	Inspection report fees.....						0
4.4	Fees of public accountants and consulting actuaries.....	39,872		9,269			49,141
4.5	Expense of investigation and settlement of policy claims.....						0
5.1	Traveling expenses.....	11,997	1,071	11,293			24,361
5.2	Advertising.....	1,466		9,188			10,654
5.3	Postage, express, telegraph and telephone.....	11,633	3,383	30,919			45,935
5.4	Printing and stationery.....	3	308	12,032			12,343
5.5	Cost or depreciation of furniture and equipment.....	13,241	158	15,067			28,466
5.6	Rental of equipment.....						0
5.7	Cost or depreciation of EDP equipment and software.....	45,854	3,515	22,123			71,492
6.1	Books and periodicals.....	1,271	284	5,435			6,990
6.2	Bureau and association fees.....	4,164	244	3,779			8,187
6.3	Insurance, except on real estate.....			1,969			1,969
6.4	Miscellaneous losses.....						0
6.5	Collection and bank service charges.....					34,460	34,460
6.6	Sundry general expenses.....						0
6.7	Group service and administration fees.....						0
6.8	Reimbursements by uninsured plans.....			(1,556,149)			(1,556,149)
7.1	Agency expense allowance.....						0
7.2	Agents' balances charged off (less \$.....0 recovered).....						0
7.3	Agency conferences other than local meetings.....						0
9.1	Real estate expenses.....						0
9.2	Investment expenses not included elsewhere.....					3,446	3,446
9.3	Aggregate write-ins for expenses.....	104,561	110,381	214,909	0	0	429,851
10.	General expenses Incurred.....	1,949,278	409,052	99,015	0	37,906	(a).....2,495,251
11.	General expenses unpaid December 31, prior year.....	176,168	60,254	250,575		7,923	494,920
12.	General expenses unpaid December 31, current year.....	195,763	16,612	114,157		4,097	330,629
13.	Amounts receivable relating to uninsured plans, prior year.....			909,971			909,971
14.	Amounts receivable relating to uninsured plans, current year.....			1,119,360			1,119,360
15.	General expenses paid during year (Lines 10+11-12-13+14).....	1,929,683	452,694	444,822	0	41,732	2,868,931
DETAILS OF WRITE-INS							
09.301.	Access Fees.....		83,191				83,191
09.302.	Vendor Services.....	104,561	27,190	214,909			346,660
09.303.							0
09.398.	Summary of remaining write-ins for Line 9.3 from overflow page.....	0	0	0	0	0	0
09.399.	Totals (Lines 09.301 thru 09.303 plus 09.398)(Line 9.3 above).....	104,561	110,381	214,909	0	0	429,851
(a) Includes management fees of \$.....1,520,812 to affiliates and \$.....0 to non-affiliates.							

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

		Insurance			4	5
		1	2	3	Investment	Total
		Life	Accident and Health	All Other Lines of Business		
1.	Real estate taxes.....					0
2.	State insurance department licenses and fees.....	82,565	178,272			260,837
3.	State taxes on premiums.....	309,894	69,055			378,949
4.	Other state taxes, including \$.....0 for employee benefits.....		(18,111)			(18,111)
5.	U.S. Social Security taxes.....					0
6.	All other taxes.....		(738)			(738)
7.	Taxes, licenses and fees incurred.....	392,459	228,478	0	0	620,937
8.	Taxes, licenses and fees unpaid December 31, prior year.....	494,925	2,878,445			3,373,370
9.	Taxes, licenses and fees unpaid December 31, current year.....	341,041	1,459,078			1,800,119
10.	Taxes, licenses and fees paid during year (Lines 7 + 8 - 9).....	546,343	1,647,845	0	0	2,194,188

EXHIBIT 4 - DIVIDENDS OR REFUNDS

		1	2
		Life	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	0
0899.	Totals (Line 0801 thru 0803 plus 0898) (Line 8 above).....	0	0

EXHIBIT 5 - AGGREGATE RESERVE FOR LIFE CONTRACTS

1	2	3	4	5	6
Valuation Standard	Total	Industrial	Ordinary	Credit (Group and Individual)	Group
Life Insurance:					
0100001. 01 CSO - 4% CRVM ALB.....	51,700		51,700		
0100002. 01 CSO - 3.5% CRVM ALB.....	35,800		35,800		
0199997. Totals (Gross).....	87,500	0	87,500	0	0
0199999. Totals (Net).....	87,500	0	87,500	0	0
Disability - Disabled Lives:					
0600001. 05 GTLW - 3.5% ALB.....	21,000				21,000
0600002. 05 GTLW - 2.5% ALB.....	21,000				21,000
0600003. 05 GTLW - 1.5% ALB.....	1,351,000				1,351,000
0699997. Totals (Gross).....	1,393,000	0	0	0	1,393,000
0699998. Reinsurance ceded.....	285,000				285,000
0699999. Totals (Net).....	1,108,000	0	0	0	1,108,000
9999999. Totals (Net) - Page 3, Line 1.....	1,195,500	0	87,500	0	1,108,000



EXHIBIT 6 - AGGREGATE RESERVES FOR ACCIDENT AND HEALTH CONTRACTS

	1	2	3	4	Other Individual Contracts				
					5	6	7	8	9
	Total	Group Accident and Health	Credit Accident and Health (Group and Individual)	Collectively Renewable	Non- Cancelable	Guaranteed Renewable	Non-Renewable for Stated Reasons Only	Other Accident Only	All Other
ACTIVE LIFE RESERVE									
1. Unearned premium reserves.....	.0								
2. Additional contract reserves (a).....	.0								
3. Additional actuarial reserves - Asset/Liability analysis.....	.0								
4. Reserve for future contingent benefits.....	.0								
5. Reserve for rate credits.....	.0								
6. Aggregate write-ins for reserves.....	.0	.0	.0	.0	.0	.0	.0	.0	.0
7. Totals (Gross).....	.0	.0	.0	.0	.0	.0	.0	.0	.0
8. Reinsurance ceded.....	.0								
9. Totals (Net).....	.0	.0	.0	.0	.0	.0	.0	.0	.0
CLAIM RESERVE									
10. Present value of amounts not yet due on claims.....	9,630,000	9,630,000							
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).....	9,630,000	9,630,000	.0	.0	.0	.0	.0	.0	.0
15. Reinsurance ceded.....	8,753,000	8,753,000							
16. Totals (Net).....	877,000	877,000	.0	.0	.0	.0	.0	.0	.0
17. TOTALS (Net).....	877,000	877,000	.0	.0	.0	.0	.0	.0	.0
18. TABULAR FUND INTEREST.....	.0								

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	2	3	4	5	6
	Total	Guaranteed Interest Contracts	Annuities Certain	Supplemental Contracts	Dividend Accumulations or Refunds	Premium and Other Deposit Funds
1. Balance at the beginning of the year before reinsurance.....	.....0	NONE				
2. Deposits received during the year.....	.....0					
3. Investment earnings credited to the account.....	.....0					
4. Other net change in reserves.....	.....0					
5. Fees and other charges assessed.....	.....0					
6. Surrender charges.....	.....0					
7. Net surrender or withdrawal payments.....	.....0					
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).....	.....0	.....0	.....0	.....0	.....0	.....0
10. Reinsurance balance at the beginning of the year.....	.....0					
11. Net change in reinsurance assumed.....	.....0					
12. Net change in reinsurance ceded.....	.....0					
13. Reinsurance balance at the end of the year (Lines 10 + 11 - 12).....	.....0	.....0	.....0	.....0	.....0	.....0
14. Net balance at the end of 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	2	Ordinary			6	Group		Accident and Health		
			3	4	5		7	8	9	10	11
	Total	Industrial Life	Life Insurance	Individual Annuities	Supplementary Contracts	Credit Life (Group and Individual)	Life Insurance	Annuities	Group	Credit (Group and Individual)	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.....	1,534,825						1,534,825				
2.22 Reinsurance assumed.....	0										
2.23 Reinsurance ceded.....	341,280						341,280				
2.24 Net.....	1,193,545	0	(b)0	(b)0	0	(b)0	(b)1,193,545	0	(b)0	(b)0	(b)0
3. Incurred but unreported:											
3.1 Direct.....	2,770,000		14,000				2,806,000		(36,667)		(13,333)
3.2 Reinsurance assumed.....	0										
3.3 Reinsurance ceded.....	108,000						108,000				
3.4 Net.....	2,662,000	0	(b)14,000	(b)0	0	(b)0	(b)2,698,000	0	(b)(36,667)	(b)0	(b)(13,333)
4. Totals:											
4.1 Direct.....	4,304,825	0	14,000	0	0	0	4,340,825	0	(36,667)	0	(13,333)
4.2 Reinsurance assumed.....	0	0	0	0	0	0	0	0	0	0	0
4.3 Reinsurance ceded.....	449,280	0	0	0	0	0	449,280	0	0	0	0
4.4 Net.....	3,855,545	(a)0	(a)14,000	0	0	0	(a)3,891,545	0	(36,667)	0	(13,333)

(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 \$.....1,108,000, are included in Page 3, Line 1, (See Exhibit 5, Section on Disability Disabled Lives); and for Group Accident and Health \$.....877,000, 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	2	Ordinary			6	Group		Accident and Health		
			3	4	5		7	8	9	10	11
	Total	Industrial Life (a)	Life Insurance (b)	Individual Annuities	Supplementary Contracts	Credit Life (Group and Individual)	Life Insurance (c)	Annuities	Group	Credit (Group and Individual)	Other
1. Settlements during the year:											
1.1 Direct.....	31,733,969		384,000				16,641,567		13,384,186		1,324,216
1.2 Reinsurance assumed.....	0										
1.3 Reinsurance ceded.....	9,148,146						1,339,409		7,132,906		675,831
1.4 Net.....(d)	22,585,823	0	384,000	0	0	0	15,302,158	0	6,251,280	0	648,385
2. Liability December 31, current year from Part 1:											
2.1 Direct.....	4,304,825	0	14,000	0	0	0	4,340,825	0	(36,667)	0	(13,333)
2.2 Reinsurance assumed.....	0	0	0	0	0	0	0	0	0	0	0
2.3 Reinsurance ceded.....	449,280	0	0	0	0	0	449,280	0	0	0	0
2.4 Net.....	3,855,545	0	14,000	0	0	0	3,891,545	0	(36,667)	0	(13,333)
3. Amounts recoverable from reinsurers Dec. 31, current year.....	75,285						75,285				
4. Liability December 31, prior year:											
4.1 Direct.....	10,999,250		13,000				3,789,250		6,060,229		1,136,771
4.2 Reinsurance assumed.....	0										
4.3 Reinsurance ceded.....	6,233,871						425,871		4,890,630		917,370
4.4 Net.....	4,765,379	0	13,000	0	0	0	3,363,379	0	1,169,599	0	219,401
5. Amounts recoverable from reinsurers Dec. 31, prior year.....	225,126						225,126				
6. Incurred benefits:											
6.1 Direct.....	25,039,544	0	385,000	0	0	0	17,193,142	0	7,287,290	0	174,112
6.2 Reinsurance assumed.....	0	0	0	0	0	0	0	0	0	0	0
6.3 Reinsurance ceded.....	3,213,714	0	0	0	0	0	1,212,977	0	2,242,276	0	(241,539)
6.4 Net.....	21,825,830	0	385,000	0	0	0	15,980,165	0	5,045,014	0	415,651

(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.

EXHIBIT OF NONADMITTED ASSETS

	1 Current Year Total Nonadmitted Assets	2 Prior Year Total Nonadmitted Assets	3 Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1. Bonds (Schedule D).....			.....0
2. Stocks (Schedule D):			
2.1 Preferred stocks.....			.....0
2.2 Common stocks.....			.....0
3. Mortgage loans on real estate (Schedule B):			
3.1 First liens.....			.....0
3.2 Other than first liens.....			.....0
4. Real estate (Schedule A):			
4.1 Properties occupied by the company.....			.....0
4.2 Properties held for the production of income.....			.....0
4.3 Properties held for sale.....			.....0
5. Cash (Schedule E-Part 1), cash equivalents (Schedule E-Part 2) and short-term investments (Schedule DA).....			.....0
6. Contract loans.....			.....0
7. Derivatives (Schedule DB).....			.....0
8. Other invested assets (Schedule BA).....			.....0
9. Receivables for securities.....			.....0
10. Securities lending reinvested collateral assets (Schedule DL).....			.....0
11. Aggregate write-ins for invested assets.....	.....0	.....0	.....0
12. Subtotals, cash and invested assets (Lines 1 to 11).....	.....0	.....0	.....0
13. Title plants (for Title insurers only).....			.....0
14. Investment income due and accrued.....			.....0
15. Premiums and considerations:			
15.1 Uncollected premiums and agents' balances in the course of collection.....			.....0
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due.....			.....0
15.3 Accrued retrospective premiums.....			.....0
16. Reinsurance:			
16.1 Amounts recoverable from reinsurers.....			.....0
16.2 Funds held by or deposited with reinsured companies.....			.....0
16.3 Other amounts receivable under reinsurance contracts.....			.....0
17. Amounts receivable relating to uninsured plans.....	.....14,000	.....37,720	.....23,720
18.1 Current federal and foreign income tax recoverable and interest thereon.....			.....0
18.2 Net deferred tax asset.....		.....5,124	.....5,124
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.....	.....77,191	.....93,442	.....16,251
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.....	.....1,000	.....480,782	.....479,782
25. Aggregate write-ins for other than invested assets.....	.....95,463	.....114,360	.....18,897
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 through 25).....	.....187,654	.....731,428	.....543,774
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			.....0
28. TOTALS (Lines 26 and 27).....	.....187,654	.....731,428	.....543,774

DETAILS OF WRITE-INS

1101. ....			.....0
1102. ....			.....0
1103. ....			.....0
1198. Summary of remaining write-ins for Line 11 from overflow page.....	.....0	.....0	.....0
1199. Totals (Lines 1101 thru 1103 plus 1198) (Line 11 above).....	.....0	.....0	.....0
2501. Prepaid Assets.....	.....55,417	.....78,960	.....23,543
2502. Other Assets.....	.....29,000	.....29,000	.....0
2503. Other Receivables.....	.....11,046	.....6,400	.....(4,646)
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).....	.....95,463	.....114,360	.....18,897

Dollars are in thousands

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Accounting Practices

	State of Domicile	2014	2013
NET INCOME			
(1) Consumers Life Insurance Company state basis (Page 4, Line 35, Columns 1 & 2)	OH	\$ (1,369)	\$ 1,204
(2) State Prescribed Practices that increase/decrease NAIC SAP			
(3) State Permitted Practices that increase/decrease NAIC SAP			
(4) NAIC SAP (1 2 3 = 4)	OH	\$ (1,369)	\$ 1,204
SURPLUS			
(5) Consumers Life Insurance Company state basis (Page 3, line 37, Columns 1 & 2)	OH	\$ 19,722	\$ 19,671
(6) State Prescribed Practices that increase/decrease NAIC SAP			
(7) State Permitted Practices that increase/decrease NAIC SAP			
(8) NAIC SAP (5 6 7 = 8)	OH	\$ 19,722	\$ 19,671

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

The preparation of the financial statements requires management to make estimates and assumptions that affect amounts reported in the financial statements and accompanying notes. Such estimates and assumptions could change in the future as more information becomes known, which could impact the amounts reported and disclosed herein.

C. Accounting Policy

The accompanying financial statements of Consumers Life Insurance Company (the Company) have been prepared in conformity with the National Association of Insurance Commissioners (NAIC) *Accounting Practices and Procedures Manual*, as prescribed by the Ohio Department of Insurance (ODI).

Statutory accounting practices vary from generally accepted accounting principles (GAAP). The more significant differences from GAAP are as follows:

*Investments* Investments in bonds are reported at amortized cost or fair value based on their NAIC rating; for GAAP, such fixed maturity investments would be designated at purchase as held-to-maturity, trading or available-for-sale. Held-to-maturity fixed investments would be reported at amortized cost, and the remaining fixed maturity investments would be reported at fair value, with unrealized holding gains and losses reported in operations for those designated as trading and as a separate component of capital and surplus for those designated as available-for-sale.

A realized loss is recorded upon the sale of an investment at a loss or when a decline in the fair value of an investment is determined by management to be other than temporary. Realized capital gains and losses are determined on the first-in, first-out cost method.

For GAAP, when a decline in the fair value is other than temporary, the difference between the security's fair value and carrying value (amortized cost) must be realized in earnings if the Company has the intent to sell the security or does not have the intent and ability to hold the security until recovery of the carrying value. If the Company does not intend to sell the security and it is more likely than not that the Company will be required to sell the security before recovery of its amortized cost basis, the other-than-temporary impairment (OTTI) would be separated into (a) the amount representing the credit loss and (b) the amount related to all other factors. The amount of the total OTTI related to the credit loss would be recognized in earnings. The amount of the total OTTI related to other factors would be recognized in other comprehensive income.

*Nonadmitted Assets* Certain assets designated as nonadmitted, principally deferred tax assets, furniture and equipment, certain accounts receivable, prepaid expenses and other assets not specifically identified as an admitted asset in the NAIC's *Accounting Practices and Procedures Manual*, are excluded from the statutory-basis balance sheets and are charged directly to capital and surplus. Under GAAP, such assets are included in the balance sheets. Capital and surplus was reduced by nonadmitted assets of \$194 and \$731 at December 31, 2014 and 2013, respectively.

*Deferred Income Taxes* The Company computes deferred income taxes in accordance with Statement of Statutory Accounting Principle (SSAP) No. 101, *Income Taxes, A Replacement of SSAP No. 10R and SSAP No. 10*. Under SSAP 101, gross deferred tax assets are reduced by a statutory valuation allowance adjustment if, based on the weight of available evidence, it is more-likely-than-not that some portion or all of the gross deferred tax assets will not be realized to calculate the adjusted gross deferred tax assets. Admitted adjusted deferred income tax assets are limited to (1) the amount of federal income taxes paid in prior years that can be recovered through loss carrybacks for existing temporary differences that reverse during a timeframe corresponding with the Internal Revenue Service tax loss carryback provisions, not to exceed three years, plus (2) the amount of adjusted gross deferred income tax assets expected to be realized within three years limited to an amount that is no greater than 15% of current period's adjusted statutory capital and surplus, plus (3) the amount of remaining adjusted gross deferred income tax assets that can be offset against existing gross deferred income tax liabilities after considering the character (i.e., ordinary versus capital) and reversal patterns of the deferred tax assets and liabilities. The remaining adjusted deferred income tax assets are nonadmitted.

Deferred income taxes do not include amounts for state taxes. Under GAAP, state taxes are included in the computation of deferred income taxes, a deferred income tax asset is recorded for the amount of gross deferred income tax assets expected to be realized in all future years, and a valuation allowance is established for deferred income tax assets not realizable.

**NOTES TO FINANCIAL STATEMENTS**

*Reinsurance* Policy and contract liabilities ceded to reinsurers have been reported as reductions of the related reserves rather than as assets as would be required under GAAP.

*Statements of Cash Flow* Cash, cash equivalents, and short-term investments in the statements of cash flow represent cash balances and investments with initial maturities of one year or less. Under GAAP, the corresponding caption of cash and cash equivalents includes cash balances and investments with initial maturities of three months or less.

*Discontinued Operations* – The Company reports discontinued operations consistently with its reporting of continuing operations. Under GAAP, discontinued operations are reported in a separate line item in the balance sheets and statements of operations whereby current and future losses are aggregated from the measurement date.

Other significant accounting practices are as follows:

*Cash and Invested Assets* Short-term investments, principally money market accounts, include investments with remaining maturities of one year or less at the time of acquisition and are principally carried at amortized cost, which approximates fair value.

*Investments* U.S. government securities and corporate bonds not backed by other assets are recorded at cost adjusted for amortization of premiums and discounts using the interest method. The fair values disclosed for these securities are obtained from independent pricing services.

*Other-Than-Temporary Impairment* The Company reviews the values of the Company's investments on a quarterly basis. If the value of the investment falls below its cost basis, the decline is analyzed to determine whether it is an other-than-temporary decline in value. To make this determination for each security, the following is considered:

- The length of time and the extent to which the fair value has been less than the amortized cost basis.
- The Company's ability and intent to hold the security long enough for it to recover its value.
- A significant deterioration in the earning performance, credit rating, asset quality or business prospects of the investee.
- A significant adverse change in the regulatory, economic, or technological environment of the investee.
- Factors that raise significant concerns about the investee's ability to continue as a going concern such as negative cash flows from operations, working capital deficiencies, or noncompliance with statutory capital requirements or debt covenants.

*Premiums* Premiums are earned and recorded, net of amounts assumed and ceded under reinsurance agreements, pro rata over the period for which coverage is provided. Uncollected premiums include uncollected amounts from insured individuals and groups and are reported net of an allowance for amounts deemed uncollectible. Premium payments received prior to the period of coverage are classified as advance premiums.

The Company is subject to experience refund agreements with certain life insurance customers whereby life insurance premiums may be refunded based upon the loss experience of the customer. These retrospective premium adjustments are recognized as adjustments to earned premium in the period in which it is determined that adjustments are required. Total net premiums subject to retrospective rating features in 2014 and 2013 was approximately \$7,698 and \$6,791, respectively, which represents 28% and 24%, respectively, of the Company's net earned life and disability insurance premiums. As of December 31, 2014 and 2013, the Company recognized a liability of \$7,171 and \$4,836, respectively, to refund premiums to customers. Net earned premiums for the years ended December 31, 2014 and 2013, have been reduced by \$2,424 and \$3,425, respectively, due to the experience refund agreements.

*Aggregate Reserves* Aggregate reserves include future policy benefit reserves for life insurance policies and active life reserves for individual accident and health insurance policies. Active life reserves are based on the net level premium method, and estimates of future premium, claims, and lapses using the Company's experience and actuarial judgment.

*Contract Claims Reserves* The liabilities for contract claims represent management's best estimate of the ultimate net cost of all reported and unreported claims, less the estimated amount recoverable from claim overpayments and subrogation. The liabilities are actuarially estimated based on a review of historical claim payment patterns and claim trends. The estimates are subject to the effects of trends in claim severity and frequency, and a reasonable provision for adverse development has been incorporated in management's best estimate. Although considerable variability is inherent in such estimates, management believes that the amounts reported are adequate. The estimates are continually reviewed and adjusted as necessary as experience develops or new information becomes known; such adjustments are included in current operations.

*Federal Medical Loss Ratio Rebate* In 2013, the Company was subject to the ACA, which requires the payment of rebates to eligible policyholders or enrollees when the amounts paid for healthcare benefits and quality improvement initiatives fall below specified thresholds. Separate calculations were performed for each state and by employer group size (individual, small group, and large group). The Company did not incur or pay any federal medical loss ratio rebates in 2013. The Company had no business subject to the medical loss ratio rebate requirement of the ACA in 2014.

*Income Taxes* Changes to liabilities for uncertain tax positions are recorded as income tax expense in the accompanying statement of operations. The total liability for uncertain tax positions at December 31, 2014 and 2013, was \$3 and \$155, respectively. The Company does not expect any significant changes in its uncertain tax positions in 2015.

**NOTE 2 – ACCOUNTING CHANGES AND CORRECTIONS OF ERRORS**

In 2014, the Company identified an error in the calculation of the federal income tax expenses and settlement of taxes with the Parent. The effect of the error was to overstate total assets and total liabilities by \$363 and \$542, respectively, and understate total capital and surplus by \$179 at December 31, 2013. For the year ended December 31, 2013, net income was overstated by \$340. In accordance with SSAP No. 3, the Company recorded the correction of this error directly in capital and surplus in 2014.

**NOTE 3 – BUSINESS COMBINATIONS AND GOODWILL**

Items (A) (D) Not applicable

NOTES TO FINANCIAL STATEMENTS

NOTE 4 – DISCONTINUED OPERATIONS

Amounts related to the discontinued operations for the individual and group medical insurance business are as follows:

	<b>December 31, 2013</b>
<b>Admitted assets</b>	
Uncollected premiums	\$ 295
Reinsurance recoverable	5,127
Net deferred tax asset	232
Other assets	4,191
Total admitted assets	<u>\$ 9,845</u>
	<b>December 31, 2013</b>
Total reserves	\$ 1,417
Advanced premiums	53
Reinsurance payable	2,353
Accounts payable and accrued expenses	3,292
Current federal income tax payable	543
Amount due to parent and affiliates	1,583
Other liabilities	441
Total liabilities	<u>\$ 9,682</u>
	<b>2013</b>
Net premium	\$ 35,481
Other income	2,384
Total revenue	<u>37,865</u>
Benefit expenses	16,665
Other expenses	20,278
Total expense	<u>36,943</u>
Income before federal income tax expense	<u>\$ 922</u>

In 2013, the Company entered into an agreement with United Healthcare Services, Inc. to provide marketing assistance as they offered a renewal option for our individual and group medical customers in Georgia. Revenue associated with this agreement totaled \$2,380 in 2013 and is included in the amounts disclosed above. Exit costs recorded were \$1,161 in 2013.

Separate amounts related to the discontinued operations for 2014 are not disclosed as the remaining assets and liabilities, and 2014 income statement activity are not material to the overall operations of the Company.

NOTE 5 – INVESTMENTS

Items (A) (G) Not applicable

H. Restricted Assets

(1) Restricted Assets

Certain state insurance laws require the Company to maintain deposits with the respective state insurance departments in connection with the licensing requirements. The carrying amounts of these deposits at December 31, 2014 and 2013 were \$2,048 and \$2,066, respectively.

Items (2) (3) Not applicable

Items (I) (K) Not applicable

NOTE 6 – JOINT VENTURES, PARTNERSHIPS AND LIMITED LIABILITY COMPANIES

Items (A) (B) Not applicable

NOTE 7 – INVESTMENT INCOME

Items (A) (B) Not applicable

NOTE 8 – DERIVATIVE INSTRUMENTS

Items (A) (F) Not applicable

**NOTES TO FINANCIAL STATEMENTS**

**NOTE 9 – INCOME TAXES**

The Company was taxed as a stock property and casualty insurance company and filed a consolidated federal income tax return with Medical Mutual of Ohio (MMO or Parent), Carolina Care Plan, and Medical Health Insuring Corporation of Ohio prior to 2014. For the tax year ended December 31, 2014 the Company will be taxed as a life insurance company and file a stand-alone federal income tax return. According to Internal Revenue Code (IRC) Section 816(a), if a company's life reserves comprise more than 50 percent of its aggregate reserves it will be taxed as a life insurance company. Prior to 2014, the Company's life reserves were less than 50 percent of its total reserves. In 2014 this test was met.

Deferred income tax assets (DTAs) and liabilities (DTLs) represent the expected future tax consequences of temporary differences generated by statutory accounting as defined in SSAP No. 101. DTAs and DTLs are computed by means of identifying temporary differences which are measured using a balance sheet approach whereby statutory and tax basis balance sheets are compared. Current income tax recoverables include all current income taxes, including interest, reasonably expected to be recovered in a subsequent accounting period. Conversely, current income tax payables include all current income taxes, including interest, expected to be paid in a subsequent accounting period.

In 2014 the Company paid \$200 towards its stand-alone federal income tax liability. The Company received a net payment for utilization of NOLs and payment of its portion of the federal income taxes of \$18 during 2013. The Company can recover \$501 and \$0 of ordinary income tax incurred relating to 2014 and 2013 if the Company has losses in future years. At December 31, 2014, the Company had net operating loss carryforwards of approximately \$927 expiring through 2032. The Company holds no AMT credit carryforwards at December 31, 2014. The Company has no capital loss carryforwards to utilize in future years at December 31, 2014.

The Company is subject to federal income tax examinations by tax authorities for the years 2011 through 2014.

A. Deferred Tax Assets/(Liabilities)

1. At December 31, 2014 and 2013, there were no capital DTAs or DTLs. Components of ordinary DTAs and DTLs are as follows:

	December 31		
	2014	2013	Change
Gross deferred tax assets	\$ 4,090	\$ 4,016	\$ 74
Statutory valuation allowance	(4,067)	(3,444)	(623)
Adjusted gross deferred tax assets	23	572	(549)
Deferred tax assets nonadmitted	–	5	(5)
Subtotal net admitted deferred tax asset	23	567	(544)
Deferred tax liabilities	23	104	(81)
Net admitted deferred tax asset	\$ –	\$ 463	\$ (463)

2. The admission calculation components for the ordinary DTAs are as follows:

Description	December 31		
	2014	2013	Change
a. Federal income taxes paid in prior years recoverable through loss carrybacks	\$	\$ 463	\$ (463)
b. Adjusted gross deferred tax assets expected to be realized (excluding the amount of deferred tax assets from above) after application of the threshold limitation (the lesser of i. and ii. below):			
i. Adjusted gross deferred tax assets expected to be realized following the balance sheet date			
ii. Adjusted gross deferred tax assets allowed per limitation threshold			
Adjusted gross deferred tax assets (excluding the amount of deferred tax assets from (a) and (b) above) offset by gross deferred tax liabilities	23	104	(81)
Deferred tax assets admitted as the result of application of SSAP No. 101	23	567	(544)
Total admitted adjusted gross deferred tax assets	23	567	(544)
Deferred tax liability	23	104	(81)
Net admitted deferred tax assets	\$	\$ 463	\$ (463)
Nonadmitted deferred tax assets	\$	\$ 5	\$ (5)

3. Other admissibility criteria for the Company are as follows:

	2014	2013
Ratio percentage used to determine recovery period and threshold limitation amounts	724%	945%
Amount of adjusted capital and surplus used to determine recovery period and threshold limitation	\$ 19,755	\$ 19,208

4. Impact of Tax Planning Strategies

Items (A) (B) Tax planning strategies had no impact on adjusted gross DTAs and net admitted DTAs.

**NOTES TO FINANCIAL STATEMENTS**

B. Deferred Tax Liabilities Not Recognized

There are no temporary differences for deferred tax liabilities that are not recognized at December 31, 2014 and 2013.

C. Current and Deferred Income Taxes

1. Current income taxes incurred consisted of the following major components:

Description	December 31		
	2014	2013	Change
Current income tax expense	\$ 348	\$ 371	\$ (23)
Prior year underaccrual/(overaccrual)	552		552
Federal income taxes incurred	<u>\$ 900</u>	<u>\$ 371</u>	<u>\$ 529</u>

2. Deferred Tax Assets

	December 31		
	2014	2013	Change
<b>Ordinary DTAs</b>			
Experience rating refund	\$ 2,510	\$ 1,653	\$ 857
Net operating loss and AMT credit carryforwards	927	1,431	(504)
Deferred acquisition costs	381	346	35
Accrued premium taxes	145	141	4
Nonadmitted assets	66	222	(156)
Intangible assets	53	62	(9)
Claim and other reserves	3	61	(58)
Other	5	100	(95)
Gross ordinary DTAs	<u>4,090</u>	<u>4,016</u>	<u>74</u>
Statutory valuation allowance ordinary	<u>(4,067)</u>	<u>(3,444)</u>	<u>(623)</u>
Nonadmitted ordinary DTAs		5	(5)
Admitted ordinary DTAs	<u>\$ 23</u>	<u>\$ 567</u>	<u>\$ (544)</u>

3. Deferred Tax Liabilities

DTLs Resulting From Book/ Tax Differences In	December 31		
	2014	2013	Change
<b>Ordinary DTLs</b>			
Depreciation	\$ 23	\$ 26	\$ (3)
Other	–	78	(78)
Ordinary DTLs	<u>23</u>	<u>104</u>	<u>(81)</u>
Net admitted deferred tax asset	<u>\$ –</u>	<u>\$ 463</u>	<u>\$ (463)</u>

4. Net Deferred Income Taxes

The change in net deferred income taxes is zero in 2014 as the net deferred tax assets of \$463 at December 31, 2013 were recorded in the prior period adjustment directly to capital and surplus in 2014.

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 taxes. The significant items causing this difference are as follows:

Description	December 31, 2014			December 31, 2013		
	Amount	Tax Effect	Effective Tax Rate	Amount	Tax Effect	Effective Tax Rate
(Loss) income before taxes	\$ (469)	\$ (164)	35.0%	\$ 1,575	\$ 551	35.0%
Tax-sharing expense	–	–	–	(276)	(97)	(6.1)
Permanent items	(79)	(28)	6.0	(186)	(65)	(4.1)
Change in valuation allowance	1,778	623	(132.8)	382	134	8.5
DTA adjustments	1,311	459	(97.9)			
Change in other reserves	(436)	(153)	32.6			
Change in nonadmitted assets	445	156	(33.3)			
Other	20	7	(1.5)	13	5	0.2
	<u>\$ 2,570</u>	<u>\$ 900</u>	<u>(191.9)%</u>	<u>\$ 1,508</u>	<u>\$ 528</u>	<u>33.5%</u>
Federal income taxes incurred	\$ 900	(191.9)%		\$ 371	23.6%	
Change in net deferred income taxes		–	–		157	9.9%
Total statutory income taxes	<u>\$ 900</u>	<u>(191.9)%</u>		<u>\$ 528</u>	<u>33.5%</u>	



**NOTES TO FINANCIAL STATEMENTS**

**NOTE 10 – INFORMATION CONCERNING PARENT, SUBSIDIARIES, AFFILIATES AND OTHER RELATED PARTIES**

The Company is a stock life insurance company which is wholly-owned by MMO, a mutual casualty insurance organization.

MMO provides administrative services, including billing, claims adjudication, accounting, marketing, provider relations, and management information systems to the Company in connection with an administrative services agreement. In 2014 and 2013, charges to the Company for these services totaled \$1,521 and \$9,459, respectively. These charges could vary if the administrative services were provided by an unaffiliated vendor. Amounts receivable and payable between the Company and MMO are settled within three months.

During 2014 and 2013, the Company provided life, accidental death and dismemberment, and long term disability coverage to employees of MMO and its subsidiaries, and recognized net earned premium of \$1,352 and \$1,390 for 2014 and 2013, respectively, related to such coverage.

During 2014 and 2013, commission expenses included \$94 and \$4,174, respectively, of net commissions paid to a majority-owned subsidiary of MMO Agency Management, which is an affiliate of the Company. MMO Agency Management is wholly owned by MMO.

During 2013, the Company ceded 80% of its accident and health business, excluding disability income products, to its Parent pursuant to a quota share reinsurance treaty. The premium subject to this agreement excludes an amount fully retained by the Company to cover administrative expenses. This agreement has been terminated effective December 31, 2013.

**NOTE 11 – DEBT**

Items (A) (B) Not applicable

**NOTE 12 – RETIREMENT PLANS, DEFERRED COMPENSATION, POSTEMPLOYMENT BENEFITS AND COMPENSATED ABSENCES AND OTHER POSTRETIREMENT BENEFIT PLANS**

Items (A) (F) Not applicable

**G. Consolidated/Holding Company Plans**

Certain eligible employees and retirees of MMO meeting age and years of service requirements participate in a retirement savings plan sponsored by MMO. The retirement savings plan is comprised of a defined contribution employee retirement savings plan (the 401(k) Plan) and a defined contribution retirement plan (the Horizons Plan). A summary of these plans and their impact on the accompanying financial statements follow:

*401(k) Plan*

MMO contributes 100% of the first 3% and 50% of the next 2% of compensation that a participant contributes to the 401(k) Plan. Participants in the plan immediately vest in the employer matching contributions. Matching contributions allocated to the Company totaled \$46 and \$82 in 2014 and 2013, respectively.

*Horizons Plan*

The Horizons Plan provides a fixed contribution to eligible employees calculated as a percentage of the employees' covered compensation. Fixed contributions are calculated using percentages ranging from 3% to 8%, based on an age plus years of service-graded scale. The total expense allocated to the Company from MMO for the Horizons Plan was \$110 and \$184 in 2014 and 2013, respectively.

*Postretirement Life and Health Benefits Plan*

MMO sponsors a postretirement plan (the Postretirement Plan) that provides certain health care and life insurance benefits for retired employees who have attained age 55 and have provided at least ten years of service. Retiree contributions, which vary by employee age and years of service at retirement, are made only for retirees utilizing these benefits. Retiree contributions may be adjusted as the cost of health care changes. The net periodic postretirement benefit cost allocated to the Company from MMO was approximately \$36 and \$98 for 2014 and 2013, respectively. Amounts related to the present value of plan benefits are not separately calculated for the Company.

Items (H) (I) Not applicable

**NOTE 13 – CAPITAL AND SURPLUS, DIVIDEND RESTRICTIONS AND QUASI-REORGANIZATIONS**

1. The Company has 50,000 shares of common stock authorized; 16,000 shares issued and outstanding. All shares have a par value of \$100.
2. The Company has no preferred stock authorized or outstanding.
3. The payment of dividends by the Company to MMO is limited and can only be made from earned profits unless prior approval is received from the Ohio Insurance Commissioner. The maximum amount of dividends that may be paid without prior approval of the Ohio Insurance Commissioner is also subject to restrictions relating to statutory surplus and net income. There were no dividends paid by the Company in 2014 or 2013.
4. Dates dividends were paid out. Not applicable.
5. Within the limitations of (3) above, there are no restrictions placed on the portion of the Company profits that may be paid as ordinary dividends to stockholders.
6. There were no restrictions placed on the Company's surplus, including for whom the surplus is being held.
7. There were no advances to surplus not repaid.



Items (8) (13) Not applicable

NOTE 14 – LIABILITIES, CONTINGENCIES AND ASSESSMENTS

Items (A) (E) Not applicable

F. All Other Contingencies

Various lawsuits against the Company have arisen in the ordinary course of business. While the outcome of these matters cannot be predicted with certainty at this time, management believes they will not have a material adverse effect on the Company’s financial position or results of operations.

NOTE 15 – LEASES

Items (A) (B) Not applicable

NOTE 16 – INFORMATION ABOUT FINANCIAL INSTRUMENTS WITH OFF-BALANCE SHEET RISK AND FINANCIAL INSTRUMENTS WITH CONCENTRATIONS OF CREDIT RISK

Items (1) (4) Not applicable

NOTE 17 – SALE, TRANSFER AND SERVICING OF FINANCIAL ASSETS AND EXTINGUISHMENTS OF LIABILITIES

Items (A) (C) Not applicable

NOTE 18 – GAIN OR LOSS TO THE REPORTING ENTITY FROM UNINSURED PLANS AND THE PORTION OF PARTIALLY INSURED PLANS

A. ASO Plans  
The gain from operations from Administrative Services Only (ASO) uninsured plans and he uninsured portion of partially insured plans was as follows during 2014:

	ASO Uninsured Plans	Uninsured Portion of Partially Insured Plans	Total ASO
Net reimbursement for administrative expenses (including administrative fees) in excess of actual expenses	\$ 1,556	\$ -	\$ 1,556
Total net other income or expenses (including interest paid to or receive from plans)	-	-	-
Net gain or (loss) from operations	1,556	-	1,556
Total claim payment volume	\$ 22,680	\$ -	\$ 22,680

Items (B) (C) Not applicable

NOTE 19 – DIRECT PREMIUM WRITTEN/PRODUCED BY MANAGING GENERAL AGENTS/THIRD PARTY ADMINISTRATORS

Not applicable

NOTE 20 – FAIR VALUE MEASUREMENTS

- A. The Company has no assets or liabilities that are reported at fair value as of December 31, 2014.
- B. Not applicable
- C. Aggregate Fair Value of Financial Instrument

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	(Level 1)	(Level 2)	(Level 3)	Not Practicable (Carrying Value)
Bonds	\$ 17,263	\$ 17,098	\$ -	\$ 17,263	\$ -	\$ -
Total	\$ 17,263	\$ 17,098	\$ -	\$ 17,263	\$ -	\$ -

D. Not applicable

NOTE 21 – OTHER ITEMS

Items (A) (B) Not applicable

C. Other Disclosures and Unusual Items

The Company is subject to certain Risk-Based Capital (RBC) requirements specified by the NAIC and required by the ODI. Under those requirements, the amount of capital and surplus maintained by the Company is determined based on various risk factors. At December 31, 2014, the Company meets the minimum RBC requirements.

Items (D) (G) Not applicable

**NOTES TO FINANCIAL STATEMENTS**

**NOTE 22 – EVENTS SUBSEQUENT**

Items (A) (H) Not applicable

**NOTE 23 – REINSURANCE**

A. Ceded Reinsurance Report

Certain premiums and benefits are ceded to other insurance companies under various reinsurance agreements. The ceded reinsurance agreements provide the Company with increased capacity to write larger risks and maintain its exposure to loss within its capital resources. The Company remains obligated for amounts ceded in the event that the reinsurers do not meet their obligations.

In 2013, the Company ceded 80% of its accident and health business, excluding disability income products, to its Parent pursuant to a quota share reinsurance treaty. The premium subject to this agreement excludes an amount fully retained by the Company to cover administrative expenses. This agreement was terminated effective January 1, 2014. The Parent was liable for all losses that were incurred prior to the effective date of termination provided that such losses were reported to the Company on or before June 30, 2014.

For the majority of groups, the Company cedes claims incurred on accidental death and dismemberment coverages and life claims in excess of \$200 on any individual life. In addition, the Company cedes all of the risk for long-term disability coverage.

The effects of reinsurance on earned premiums are as follows:

	Year Ended December 31	
	2014	2013
Direct premiums	\$ 30,447	\$ 130,780
Ceded premiums:		
Affiliates	–	65,243
Non-affiliates	4,533	4,599
Net premiums	\$ 25,914	\$ 60,938

Differences between written and earned premiums subject to reinsurance are not significant.

The Company's ceded reinsurance arrangements reduced certain other items in the accompanying statutory-basis financial statements by the following amounts:

	Year Ended December 31	
	2014	2013
Benefits incurred:		
Affiliates	\$ 483	\$ 77,999
Non-affiliates	2,731	2,409
Contract claims and aggregate reserves:		
Affiliates	–	5,808
Non-affiliates	9,488	7,215

Section1 General Interrogatories

(1) Are any of the reinsurers listed in Schedule S as non-affiliated, owned in excess of 10% or controlled, either directly or indirectly, by the company or by any representative, officer, trustee, or director of the company?

YES ( ) NO (X)

(2) Have any policies issued by the company been reinsured with a company chartered in a country other than the United States (excluding U.S. Branches of such companies) that is owned in excess of 10% or controlled directly or indirectly by an insured, a beneficiary, a creditor or any other person not primarily engaged in the insurance business?

YES ( ) NO (X)

Section 2 Ceded Reinsurance Report Part A

(1) Does the company have any reinsurance agreements in effect under which the reinsurer may unilaterally cancel any reinsurance for reasons other than for nonpayment of premium or other similar credits?

YES ( ) NO (X)

(2) 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)

Section 3 Ceded Reinsurance Report Part B

(1) What is the estimated amount of the aggregate reduction in surplus, (for agreements other than those under which the reinsurer may unilaterally cancel for reasons other than for nonpayment of premium or other similar credits that are reflected in Section 2 above) of termination of ALL reinsurance agreements, by either party, as of the date of this statement? Where necessary, the company may consider the current or anticipated experience of the business reinsured in making this estimate. \$0

NOTES TO FINANCIAL STATEMENTS

(2) Have any new agreements been executed or existing agreements amended, since January 1 of the year of this statement, to include policies or contracts that were in force or which had existing reserves established by the company as of the effective date of the agreement?

YES ( ) NO (X)

Items (B) (D) Not applicable

NOTE 24 – RETROSPECTIVELY RATED CONTRACTS AND CONTRACTS SUBJECT TO REDTERMINATION

Items (A) (E) Not applicable

NOTE 25 – CHANGE IN INCURRED LOSSES AND LOSS ADJUSTMENT EXPENSES

A \$539 deficiency in the December 31, 2013 reserves emerged in 2014 and a \$1,373 redundancy in the December 31, 2012 reserves emerged in 2013. The deviations in the year end reserves that emerged in 2014 and 2013 were due in part to the ultimate reserves developing differently as a result of higher and lower claims, respectively, than estimated.

NOTE 26 – INTERCOMPANY POOLING ARRANGEMENTS

Items (A) (G) Not applicable

NOTE 27 –STRUCTURED SETTLEMENTS

Items (A) (B) Not applicable

NOTE 28 – HEALTH CARE RECEIVABLES

A. Pharmaceutical Rebate Receivables

The Company accounts for pharmaceutical rebate receivables in accordance with SSAP No. 84, *Certain Health Care Receivables and Receivables Under Government Insured Plans* (SSAP No. 84). The admitted receivable balances as of December 31, 2014 and 2013 are \$426 and \$1,236, respectively. These amounts are comprised of the estimated pharmacy rebates for the current quarter as reported in the financial statements plus the pharmacy rebates invoiced/confirmed for the preceding quarter. Additional details are included in the table below:

Quarter	Estimated Pharmacy Rebates as Reported on Financial Statements	Pharmacy Rebates as Invoiced/ Confirmed	Actual Rebates Collected Within 90 Days of Invoicing/ Confirmation	Actual Rebates Collected Within 91 to 180 Days of Invoicing/ Confirmation	Actual Rebates Collected More Than 180 Days After Invoicing/ Confirmation
December 31, 2014	\$ 225	\$ 225	\$	\$	\$
September 30, 2014	160	210	9		
June 30, 2014	150	150	2	150	
March 31, 2014	180	180		180	
December 31, 2013	479	708	671	151	24
September 30, 2013	762	757	744	13	
June 30, 2013	720	836	795	41	
March 31, 2013	690	845	845		

Item (B) Not applicable

NOTE 29 – PARTICIPATING POLICIES

Not applicable

NOTE 30 – PREMIUM DEFICIENCY RESERVES

Not applicable

NOTE 31 – RESERVES FOR LIFE CONTRACTS AND DEPOSIT-TYPE CONTRACTS

*Contract Claims Reserves* The liabilities for contract claims represent management’s best estimate of the ultimate net cost of all reported and unreported claims, less the estimated amount recoverable from claim overpayments and subrogation. The liabilities are actuarially estimated based on a review of historical claim payment patterns and claim trends. The estimates are subject to the effects of trends in claim severity and frequency, and a reasonable provision for adverse development has been incorporated in management’s best estimate. Although considerable variability is inherent in such estimates, management believes that the amounts reported are adequate. The estimates are continually reviewed and adjusted as necessary as experience develops or new information becomes known; such adjustments are included in current operations.

Aggregate reserves include future policy benefit reserves for life insurance policies and active life reserves for individual accident and health insurance policies. Active life reserves are based on the net level premium method, and estimates of future premium, claims, and lapses using the Company’s experience and actuarial judgment.

NOTE 32 – ANALYSIS OF ANNUITY ACTUARIAL RESERVES AND DEPOSIT LIABILITIES BY WITHDRAWAL CHARACTERISTICS

Items (A) (F) Not applicable

NOTES TO FINANCIAL STATEMENTS

NOTE 33 – PREMIUM AND ANNUITY CONSIDERATIONS DEFERRED AND UNCOLLECTED

Item (A) Not applicable

NOTE 34 – SEPARATE ACCOUNTS

Items (A) (C) Not applicable

NOTE 35 – LOSS/CLAIM ADJUSTMENT EXPENSES

The following table provides a reconciliation of the beginning and ending balances for reserves for contract claims and claims adjustment expenses (CAE), net of recoveries for healthcare receivables of \$1 and \$1,318 for 2014 and 2013, respectively.

	Year Ended December 31	
	2014	2013
Reserves for contract claims and CAE at beginning of year, net of reinsurance recoverables	\$ 3,566	\$ 5,469
Add provision for benefits and claims adjustment expenses (CAE), net of reinsurance, occurring in:		
Current year	22,635	45,735
Prior years	539	(1,373)
Net benefit expenses and CAE during the current year	23,174	44,362
Deduct payments for benefits and CAE, net of reinsurance, occurring in:		
Current year	18,839	41,863
Prior years	3,966	4,402
Net benefits and CAE payments during the current year	22,805	46,265
Reserves for contract claims and CAE at end of year, net of reinsurance recoverables	\$ 3,935	\$ 3,566

The reserves for contract claims and CAE at December 31, 2014 and 2013, has been reduced by \$200 and \$113, respectively, related to anticipated subrogation claims recoverable.

## PART 1 - COMMON INTERROGATORIES - GENERAL

1	2
Nationality	Type of Entity



Consumers 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 [ ☐ ]    No [ ☒ ]

22.2

If answer is yes:

22.21

Amount paid as losses or risk adjustment

.....

22.22

Amount paid as expenses

.....

22.23

Other amounts paid

.....

23.1

Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement?

Yes [ ☒ ]    No [ ☐ ]

23.2

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

\$.....3,501,390

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 [ ☒ ]    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 [ ☒ ]

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 [ ☒ ]

24.08

Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%?

Yes [ ☐ ]    No [ ☐ ]    N/A [ ☒ ]

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 [ ☒ ]

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 [ ☒ ]    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

\$.....0

25.29

On deposit with other regulatory bodies

\$.....2,048,748

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	2	3
Nature of Restriction	Description	Amount

26.1

Does the reporting entity have any hedging transactions reported on Schedule DB?

Yes [ ☐ ]    No [ ☒ ]

26.2

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

Yes [ ☐ ]    No [ ☐ ]    N/A [ ☒ ]

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 [ ☒ ]

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 [ ☒ ]    No [ ☐ ]

28.01

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

1	2
Name of Custodian(s)	Custodian's Address
FIFTH THIRD BANK	5050 KINGSLEY DRIVE, CINCINNATI, OHIO 45263

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

28.03

Have there been any changes, including name changes, in the custodian(s) identified in 28.01 during the current year?

Yes [ ☐ ]    No [ ☒ ]

28.04

If yes, give full and complete information relating thereto:

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

28.05

Identify all investment advisors, brokers/dealers or individuals acting on behalf of broker/dealers that have access to the investment accounts, handle securities and have authority to make investments on behalf of the reporting entity:

1	2	3
Central Registration Depository Number(s)	Name	Address

29.1

Does the reporting entity have any diversified mutual funds reported in Schedule D-Part 2 (diversified according to the Securities and Exchange Commission (SEC) in the Investment Company Act of 1940 [Section 5 (b) (1)])?

Yes [ ☐ ]    No [ ☒ ]

Consumers 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	2	3
	Statement (Admitted) Value	Fair Value	Excess of Statement over Fair Value (-), or Fair Value over Statement (+)
30.1 Bonds.....	.....18,052,910	.....18,218,664	.....165,754
30.2 Preferred stocks.....	.....	.....	.....0
30.3 Totals.....	.....18,052,910	.....18,218,664	.....165,754

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

The fair value of our securities was determined by utilizing prices obtained from our custodian, Fifth Third Bank. Fifth Third Bank utilizes FT Interactive Data for their pricing.

- 31.1 Was the rate used to calculate fair value determined by a broker or custodian for any of the securities in Schedule D?

Yes [ X ]    No [   ]
- 31.2 If the answer to 31.1 is yes, does the reporting entity have a copy of the broker's or custodian's pricing policy (hard copy or electronic copy) for all brokers or custodians used as a pricing source?

Yes [ X ]    No [   ]
- 31.3 If the answer to 31.2 is no, describe the reporting entity's process for determining a reliable pricing source for purposes of disclosure of fair value for Schedule D.

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

Yes [ X ]    No [   ]
- 32.2 If no, list exceptions:

PART 1 - COMMON INTERROGATORIES - OTHER

33.1 Amount of payments to trade associations, service organizations and statistical or rating bureaus, if any? \$.....11,610

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
Milliman USA	6,485
LOMA	3,425

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

\$.....702,162

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.

\$.....446,161

1.6

Individual policies:

Most current three years:

1.61

Total premium earned

\$.....1,292

1.62

Total incurred claims

\$.....796

1.63

Number of covered lives

.....0

All years prior to most current three years:

1.64

Total premium earned

\$.....700,870

1.65

Total incurred claims

\$.....445,365

1.66

Number of covered lives

.....267

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	2	
	Current Year	Prior Year	
2.1	Premium Numerator.....	.....702,162	.....35,740,321
2.2	Premium Denominator.....	.....25,914,233	.....60,938,349
2.3	Premium Ratio (2.1/2.2).....	.....2.7	.....58.6
2.4	Reserve Numerator.....	.....(50,000)	.....1,389,000
2.5	Reserve Denominator.....	.....5,928,045	.....6,877,379
2.6	Reserve Ratio (2.4/2.5).....	.....(0.8)	.....20.2

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 [ X ]

3.6

Has the reporting entity assumed by reinsurance any Separate Accounts business as of December 31?

Yes [ ] No [ X ]

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

\$.....1,316,551

4.22

Received

\$.....203,100

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:

\$.....0

7.

Total dividends paid stockholders since organization of the reporting entity:

7.11

Cash

\$.....0

7.12

Stock

\$.....0

21

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	2	3
Reinsurance Assumed	Reinsurance Ceded	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:

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

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	2
P&C Insurance Company and Location	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 [X]

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

1	2	3	4	Assets Supporting Reserve Credit		
				5	6	7
Company Name	NAIC Company Code	Domiciliary Jurisdiction	Reserve Credit	Letters of Credit	Trust Agreements	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..... \$.....289,311

13.2 Total incurred claims ..... \$.....385,000

13.3 Number of covered lives ..... .....1,158

*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)

Consumers 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).....					
2. Ordinary - term (Line 21, Col. 4, less Line 34, Col. 4).....	33,945	49,228	40,690	30,740	22,288
3. Credit life (Line 21, Col. 6).....					
4. Group, excluding FEGLI/SGLI (Line 21, Col. 9 less Lines 43 & 44, Col. 4).....	9,838,102	10,234,769	9,964,160	5,207,726	3,687,926
5. Industrial (Line 21, Col. 2).....					
6. FEGLI/SGLI (Lines 43 & 44, Col. 4).....					
7. Total (Line 21, Col. 10).....	9,872,047	10,283,997	10,004,850	5,238,466	3,710,214
<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).....	2,233	27,440	20,930	18,865	18,963
10. Credit life (Line 2, Col. 6).....					
11. Group (Line 2, Col. 9).....	78,430	1,393,737	5,312,330	1,781,995	551,254
12. Industrial (Line 2, Col. 2).....					
13. Total (Line 2, Col. 10).....	80,663	1,421,177	5,333,260	1,800,860	570,217
<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).....	289,311	287,137	224,047	163,194	115,490
15.2 Ordinary individual annuities (Line 20.4, Col. 4).....					
16. Credit life (group and individual) (Line 20.4, Col. 5).....					
17.1 Group life insurance (Line 20.4, Col. 6).....	19,957,697	19,683,616	20,059,740	12,967,080	9,020,610
17.2 Group annuities (Line 20.4, Col. 7).....					
18.1 A&H - group (Line 20.4, Col. 8).....	4,965,063	37,464,394	39,260,893	37,030,949	32,859,281
18.2 A&H - credit (group and individual) (Line 20.4, Col. 9).....					
18.3 A&H - other (Line 20.4, Col. 10).....	702,162	3,503,202	3,475,362	5,146,145	5,740,077
19. Aggregate of all other lines of business (Line 20.4, Col. 11).....					
20. Total.....	25,914,233	60,938,349	63,020,042	55,307,368	47,735,458
<b>Balance Sheet (Pages 2 and 3)</b>					
21. Total admitted assets excluding Separate Accounts business (Page 2, Line 26, Col. 3)....	36,448,787	39,708,104	38,752,670	34,134,398	31,902,802
22. Total liabilities excluding Separate Accounts business (Page 3, Line 26).....	16,726,325	20,037,344	25,804,355	15,786,737	18,272,267
23. Aggregate life reserves (Page 3, Line 1).....	1,195,500	1,260,000	1,443,000	656,500	738,500
24. Aggregate A&H reserves (Page 3, Line 2).....	877,000	852,000	3,430,000	1,766,000	1,532,000
25. Deposit-type contract funds (Page 3, Line 3).....					
26. Asset valuation reserve (Page 3, Line 24.01).....	32,087	27,521	20,771	14,120	10,486
27. Capital (Page 3, Lines 29 & 30).....	1,600,000	1,600,000	1,600,000	1,600,000	1,600,000
28. Surplus (Page 3, Line 37).....	18,122,462	18,070,760	11,348,315	16,747,661	12,030,535
<b>Cash Flow (Page 5)</b>					
29. Net Cash from operations (Line 11).....	1,839,890	(2,045,576)	628,895	(2,287,850)	585,510
<b>Risk-Based Capital Analysis</b>					
30. Total adjusted capital.....	19,754,549	19,698,281	12,969,086	18,361,781	13,641,021
31. Authorized control level risk-based capital.....	2,727,792	4,311,669	4,978,182	3,672,526	2,986,916
<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).....	61.7	90.2	63.5	67.0	75.8
33. Stocks (Lines 2.1 and 2.2).....					
34. Mortgage loans on real estate (Lines 3.1 and 3.2).....					
35. Real estate (Line 4.1, 4.2 and 4.3).....					
36. Cash, cash equivalents and short-term investments (Line 5).....	38.3	9.8	36.5	33.0	24.2
37. Contract loans (Line 6).....					
38. Derivatives (Line 7).....					
39. Other invested assets (Line 8).....					
40. Receivables for securities (Line 9).....					
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

Consumers 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).....					
47. Affiliated short-term investments (subtotal included in Sch. DA, Verif. Col. 5, Line 10).....					
48. Affiliated mortgage loans on real estate .....					
49. All other affiliated.....					
50. Total of above Lines 44 to 49.....	0	0	0	0	0
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).....	187,654	731,428	1,413,487	1,518,896	622,949
53. Total admitted assets (Page 2, Line 28, Col. 3).....	36,448,787	39,708,104	38,752,670	34,134,398	31,902,802
<b>Investment Data</b>					
54. Net investment income (Exhibit of Net Investment Income).....	257,584	255,407	364,417	403,117	446,941
55. Realized capital gains (losses) (Page 4, Line 34, Column 1).....					
56. Unrealized capital gains (losses) (Page 4, Line 38, Column 1).....					
57. Total of above Lines 54, 55 and 56.....	257,584	255,407	364,417	403,117	446,941
<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).....	16,365,165	14,431,396	15,718,020	7,914,052	3,549,851
59. Total contract benefits - A&H (Lines 13 & 14, Cols. 9, 10 & 11).....	5,460,665	23,346,027	21,633,700	19,309,659	17,743,914
60. Increase in life reserves - other than group and annuities (Line 19, Cols. 2 & 3).....	4,500	19,000	19,500	20,000	24,500
61. Increase in A&H reserves (Line 19, Cols. 9, 10 & 11).....	25,000	(2,578,000)	1,664,000	234,000	595,000
62. Dividends to policyholders (Line 30, Col 1).....					
<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.....	16.3	39.0	42.8	48.1	53.0
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.....					
65. A&H loss percent (Schedule H, Part 1, Lines 5 & 6, Col. 2).....	104.0	57.6	63.2	56.3	57.8
66. A&H cost containment percent (Schedule H, Part 1, Line 4, Col. 2).....	7.2	6.9	8.7	9.9	10.3
67. A&H expense percent excluding cost containment expenses (Schedule H, Part 1, Line 10, Col. 2).....	10.3	47.2	48.4	47.9	49.5
<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).....	2,893,105	2,968,392	2,021,535	2,112,848	1,818,653
69. Prior years' claim liability and reserve - group health (Sch. H, Part 3, Line 3.2, Col. 2).....	2,021,599	2,934,893	2,254,251	2,572,101	2,101,866
70. Incurred losses on prior years' claims - health other than group (Sch. H, Part 3, Line 3.1, Col. 1 less Col. 2).....	189,183	133,913	258,065	375,952	348,947
71. Prior years' claim liability and reserve - health other than group (Sch. H, Part 3, Line 3.2, Col. 1 less Col. 2).....	219,401	238,707	175,349	293,099	244,134
<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).....	(519,235)	(277,376)	(1,484,522)	19,232	(70,491)
74. Ordinary - individual annuities (Col. 4).....					
75. Ordinary - supplementary contracts (Col. 5).....					
76. Credit life (Col. 6).....					
77. Group life (Col. 7).....	1,353,501	1,447,973	769,896	1,305,766	1,228,158
78. Group annuities (Col. 8).....					
79. A&H - group (Col. 9).....	667,028	135,135	(3,492,538)	(626,777)	(1,330,636)
80. A&H - credit (Col. 10).....					
81. A&H - other (Col. 11).....	(2,869,770)	(101,907)	(707,940)	(1,129,514)	(1,066,272)
82. Aggregate of all other lines of business (Col. 12).....					
83. Total (Col. 1).....	(1,368,476)	1,203,825	(4,915,104)	(431,293)	(1,239,241)

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)	Number of		9 Amount of Insurance (a)	
								7	8		
								Policies	Certificates		
1.	In force end of prior year.....			1,722	49,228			8,005	223,402	10,234,769	10,283,997
2.	Issued during year.....			54	2,233			207	2,812	78,430	80,663
3.	Reinsurance assumed.....										0
4.	Revived during year.....										0
5.	Increased during year (net).....										0
6.	Subtotals, Lines 2 to 5.....	0	0	54	2,233	0	0	207	2,812	78,430	80,663
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	0
9.	Totals (Lines 1 and 6 to 8).....	0	0	1,776	51,461	0	0	8,212	226,214	10,313,199	10,364,660
Deductions during year:											
10.	Death.....			6	384			XXX	526	14,877	15,261
11.	Maturity.....							XXX			0
12.	Disability.....							XXX			0
13.	Expiry.....			612	17,132			1,785	20,936	460,220	477,352
14.	Surrender.....										0
15.	Lapse.....										0
16.	Conversion.....							XXX	XXX	XXX	0
17.	Decreased (net).....										0
18.	Reinsurance.....										0
19.	Aggregate write-ins for decreases.....	0	0	0	0	0	0	0	0	0	0
20.	Totals (Lines 10 to 19).....	0	0	618	17,516	0	0	1,785	21,462	475,097	492,613
21.	In force end of year (Line 9 minus Line 20).....	0	0	1,158	33,945	0	0	6,427	204,752	9,838,102	9,872,047
22.	Reinsurance ceded end of year.....	XXX		XXX		XXX		XXX	XXX	469,986	469,986
23.	Line 21 minus Line 22.....	XXX	0	XXX	33,945	XXX	(b)0	XXX	XXX	9,368,116	9,402,061

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	0
0899. Totals (Lines 0801 thru 0803 plus 0898) (Line 8 above).....	0	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	0
1999. Totals (Lines 1901 thru 1903 plus 1998) (Line 19 above).....	0	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.

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	
25. Other paid-up insurance.....				
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.....				
28. Term policies-other.....	54	2,233	1,158	33,945
29. Other term insurance-decreasing.....	XXX		XXX	
30. Other term insurance.....	XXX		XXX	
31. Totals (Lines 27 to 30).....	54	2,233	1,158	33,945
Reconciliation to Lines 2 and 21:				
32. Term additions.....	XXX		XXX	
33. Totals, extended term insurance.....	XXX	XXX		
34. Totals, whole life and endowment.....				
35. Totals (Lines 31 to 34).....	54	2,233	1,158	33,945

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.....	2,233		33,945	
38. Credit Life (Group and Individual).....				
39. Group.....	78,430		9,838,102	
40. Totals (Lines 36 to 39).....	80,663	0	9,872,047	0

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	571
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.....			75	1,380

ADDITIONAL ACCIDENTAL DEATH BENEFITS

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

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 _____
47.2 _____

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.....							122,398	3,900,179
49. Disability Income.....								
50. Extended Benefits.....			XXX	XXX				
51. Other.....								
52. Total.....	0	(b).....0	0	(b).....0	0	(b).....0	122,398	(b).....3,900,179

(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.....				
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.....	36,915	43,621,031			2,075	7,855,939
2. Issued during year.....	1,054	(36,238,343)				(7,166,521)
3. Reinsurance assumed.....						
4. Increased during year (net).....		XXX.....		XXX.....	1	XXX.....
5. Total (Lines 1 to 4).....	37,969	XXX.....	0	XXX.....	2,076	XXX.....
Deductions during year:						
6. Conversions.....		XXX.....	XXX.....	XXX.....	XXX.....	XXX.....
7. Decreased (net).....	8,231	XXX.....		XXX.....	1,809	XXX.....
8. Reinsurance ceded.....		XXX.....		XXX.....		XXX.....
9. Totals (Lines 6 to 8).....	8,231	XXX.....	0	XXX.....	1,809	XXX.....
10. In force end of year.....	29,738	(a).....7,382,688	0	(a).....	267	(a).....689,418

**DEPOSIT FUNDS AND DIVIDEND ACCUMULATIONS**

	1	2
	Deposit Funds Contracts	Dividend Accumulations 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.

Consumers Life Insurance Company  
SCHEDULE T - PREMIUMS AND ANNUITY CONSIDERATIONS  
Allocated by States and Territories

			1	Direct Business Only					
				Life Contracts		4	5	6	7
				2	3				
States, Etc.			Active Status	Life Insurance Premiums	Annuity Considerations	Accident and Health Insurance Premiums, Including Policy, Membership and Other Fees	Other Considerations	Total Columns 2 through 5	Deposit-Type Contracts
1.	Alabama.....	AL	N					0	
2.	Alaska.....	AK	N					0	
3.	Arizona.....	AZ	L					0	
4.	Arkansas.....	AR	L					0	
5.	California.....	CA	N					0	
6.	Colorado.....	CO	L					0	
7.	Connecticut.....	CT	N					0	
8.	Delaware.....	DE	L					0	
9.	District of Columbia.....	DC	L					0	
10.	Florida.....	FL	N					0	
11.	Georgia.....	GA	L	49,167		10,471		59,638	
12.	Hawaii.....	HI	N					0	
13.	Idaho.....	ID	N					0	
14.	Illinois.....	IL	L					0	
15.	Indiana.....	IN	L	111,431		41,807		153,238	
16.	Iowa.....	IA	L					0	
17.	Kansas.....	KS	L					0	
18.	Kentucky.....	KY	L					0	
19.	Louisiana.....	LA	L					0	
20.	Maine.....	ME	N					0	
21.	Maryland.....	MD	L					0	
22.	Massachusetts.....	MA	N					0	
23.	Michigan.....	MI	L	737,461		1,744		739,205	
24.	Minnesota.....	MN	L					0	
25.	Mississippi.....	MS	L					0	
26.	Missouri.....	MO	L					0	
27.	Montana.....	MT	L					0	
28.	Nebraska.....	NE	L					0	
29.	Nevada.....	NV	L					0	
30.	New Hampshire.....	NH	N					0	
31.	New Jersey.....	NJ	L					0	
32.	New Mexico.....	NM	L					0	
33.	New York.....	NY	N					0	
34.	North Carolina.....	NC	N					0	
35.	North Dakota.....	ND	L					0	
36.	Ohio.....	OH	L	20,863,603		7,360,315		28,223,918	
37.	Oklahoma.....	OK	L					0	
38.	Oregon.....	OR	L					0	
39.	Pennsylvania.....	PA	L	1,430		1,054		2,484	
40.	Rhode Island.....	RI	N					0	
41.	South Carolina.....	SC	L	451,848		810,899		1,262,747	
42.	South Dakota.....	SD	L					0	
43.	Tennessee.....	TN	N					0	
44.	Texas.....	TX	L					0	
45.	Utah.....	UT	L					0	
46.	Vermont.....	VT	N					0	
47.	Virginia.....	VA	L					0	
48.	Washington.....	WA	N					0	
49.	West Virginia.....	WV	L	6,343				6,343	
50.	Wisconsin.....	WI	L					0	
51.	Wyoming.....	WY	L					0	
52.	American Samoa.....	AS	N					0	
53.	Guam.....	GU	N					0	
54.	Puerto Rico.....	PR	N					0	
55.	US Virgin Islands.....	VI	N					0	
56.	Northern Mariana Islands.....	MP	N					0	
57.	Canada.....	CAN	N					0	
58.	Aggregate Other Alien.....	OT	XXX	0	0	0	0	0	0
59.	Subtotal.....	(a)	35	22,221,283	0	8,226,290	0	30,447,573	0
90.	Reporting entity contributions for employee benefit plans.....	XXX						0	
91.	Dividends or refunds applied to purchase paid-up additions and annuities.....	XXX						0	
92.	Dividends or refunds applied to shorten endowment or premium paying period.....	XXX						0	
93.	Premium or annuity considerations waived under disability or other contract provisions.....	XXX						0	
94.	Aggregate other amounts not allocable by State.....	XXX		0	0	0	0	0	0
95.	Totals (Direct Business).....	XXX		22,221,283	0	8,226,290	0	30,447,573	0
96.	Plus reinsurance assumed.....	XXX						0	
97.	Totals (All Business).....	XXX		22,221,283	0	8,226,290	0	30,447,573	0
98.	Less reinsurance ceded.....	XXX		1,974,275		2,559,065		4,533,340	
99.	Totals (All Business) less reinsurance ceded.....	XXX		20,247,008	0	(b) 5,667,225	0	25,914,233	0
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

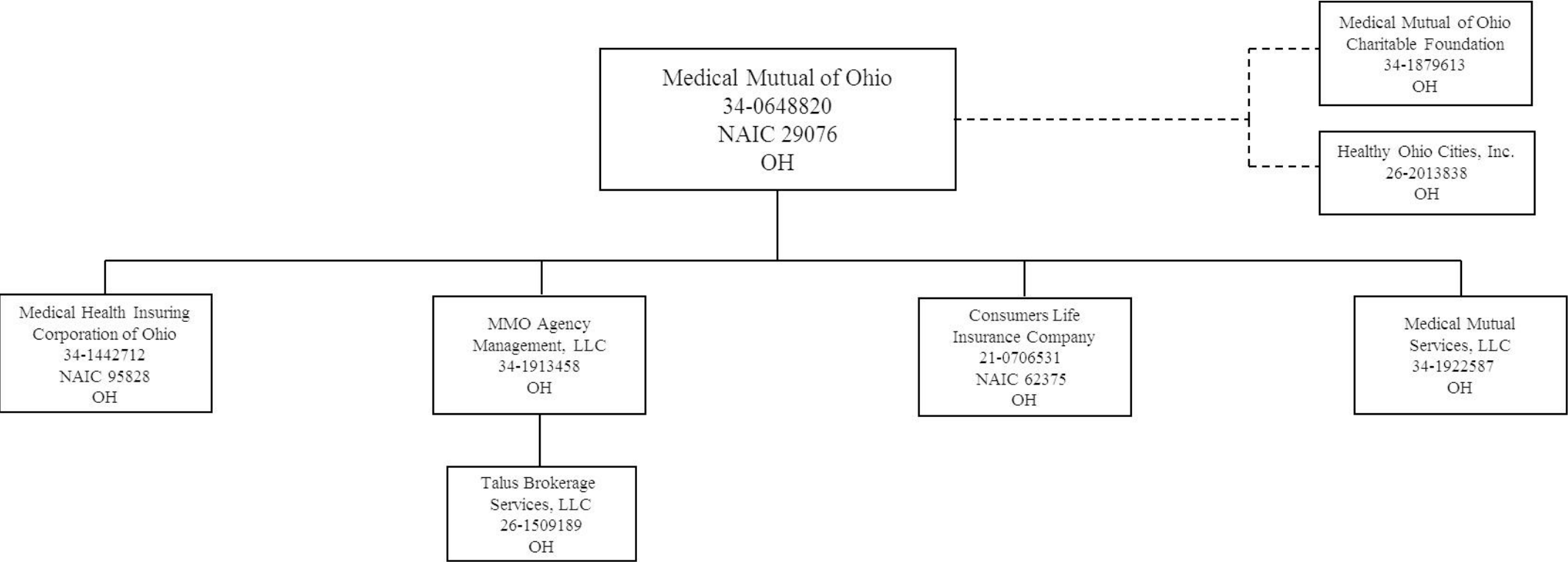
(L) - Licensed or Chartered - Licensed Insurance Carrier or Domiciled RRG; (R) - Registered - Non-domicled RRGs; (Q) - Qualified - Qualified or Accredited Reinsurer;  
(E) - Eligible - Reporting Entities eligible or approved to write Surplus Lines in the state; (N) - None of the above - Not allowed to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

Explanation of basis of allocation by states, etc., of premiums and annuity considerations.  
Premiums are allocated based upon the location of the group's home office or the individual's home address.

(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 H, Part 1, Column 1, Line 1



**SCHEDULE Y – INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP**  
PART 1 – ORGANIZATIONAL CHART



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