



ANNUAL STATEMENT

For the Year Ended December 31, 2015

of the Condition and Affairs of the

CONTINENTAL GENERAL INSURANCE COMPANY

NAIC Group Code.....4852, 0084
(Current Period) (Prior Period)

NAIC Company Code..... 71404

Employer's ID Number..... 47-0463747

Organized under the Laws of Ohio

State of Domicile or Port of Entry Ohio

Country of Domicile US

Incorporated/Organized..... May 24, 1961

Commenced Business..... July 11, 1961

Statutory Home Office

11001 Lakeline Boulevard Suite 120..... Austin TX US 78717
(Street and Number) (City or Town, State, County and Zip Code)

513-357-3300

Main Administrative Office

11001 Lakeline Boulevard Suite 120..... Austin TX US..... 78717
(Street and Number) (City or Town, State, County and Zip Code)

(Area Code) (Telephone Number)

Mail Address

11001 Lakeline Boulevard Suite 120..... Austin TX US 78717
(Street and Number or P. O. Box) (City or Town, State, County and Zip Code)

513-412-2931

Primary Location of Books and Records

301 East Fourth Street..... Cincinnati OH US 45202
(Street and Number) (City or Town, State, County and Zip Code)

(Area Code) (Telephone Number)

Internet Web Site Address

N/A

513-412-2931

Statutory Statement Contact

Brian Patrick Sponaugle
(Name)
bsponaugle@gaiig.com
(E-Mail Address)

(Area Code) (Telephone Number) (Extension)
513-412-1673
(Fax Number)

OFFICERS

Name
1. Michael William Mazur #
3. Roger Eugene Desjardins #

Title
President
Secretary

Name
2. David D Ramsey #

Title
Appointed Actuary and Treasurer

William Travis Simpson #

Vice President

OTHER

DIRECTORS OR TRUSTEES

Daniel Stuart Alter #
Justin Dale Myers #

Evan Bernhard Behrens #

James Paul Corcoran #

Paul Kenneth Voigt #

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

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

(Signature)
Michael William Mazur
1. (Printed Name)
President
(Title)

(Signature)
David D Ramsey
2. (Printed Name)
Appointed Actuary and Treasurer
(Title)

(Signature)
Roger Eugene Desjardins
3. (Printed Name)
Secretary
(Title)

Subscribed and sworn to before me

This _____ day of February 2016

a. Is this an original filing?

Yes [X] No []

b. If no

1. State the amendment number
2. Date filed
3. Number of pages attached

OFFICERS AND DIRECTORS WHO DID NOT OCCUPY THE INDICATED POSITION IN THE PREVIOUS ANNUAL STATEMENT

ASSETS

	Current Year			Prior Year
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	4 Net Admitted Assets
1. Bonds (Schedule D).....	203,789,599		203,789,599	201,888,034
2. Stocks (Schedule D):				
2.1 Preferred stocks.....	4,000,007		4,000,007	3,500,487
2.2 Common stocks.....	11,366,594		11,366,594	5,700,094
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens.....	1,252,165		1,252,165	2,706,425
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 (\$....11,954,169, Schedule E-Part 1), cash equivalents (\$.....0, Schedule E-Part 2) and short-term investments (\$....25,018, Schedule DA).....	11,979,187		11,979,187	12,305,194
6. Contract loans (including \$..... premium notes).....	2,796,194		2,796,194	2,809,555
7. Derivatives (Schedule DB).....			0	
8. Other invested assets (Schedule BA).....	1,178,229		1,178,229	2,335,436
9. Receivables for securities.....	262		262	
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).....	236,362,237	0	236,362,237	231,245,225
13. Title plants less \$.....0 charged off (for Title insurers only).....			0	
14. Investment income due and accrued.....	2,617,504		2,617,504	2,513,693
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection.....	101,471	13,321	88,150	132,805
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$.....0 earned but unbilled premiums).....	1,094,428	34,908	1,059,520	1,199,559
15.3 Accrued retrospective premiums (\$.....0) and contracts subject to redetermination (\$.....0).....			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.....	4,358,357		4,358,357	2,623,149
17. Amounts receivable relating to uninsured plans.....			0	
18.1 Current federal and foreign income tax recoverable and interest thereon.....	3,211,392		3,211,392	
18.2 Net deferred tax asset.....			0	3,462,178
19. Guaranty funds receivable or on deposit.....	1,613,676		1,613,676	1,231,882
20. Electronic data processing equipment and software.....			0	
21. Furniture and equipment, including health care delivery assets (\$.....0).....			0	
22. Net adjustment in assets and liabilities due to foreign exchange rates.....			0	
23. Receivables from parent, subsidiaries and affiliates.....			0	
24. Health care (\$.....0) and other amounts receivable.....			0	
25. Aggregate write-ins for other than invested assets.....	29,148	599	28,549	5,441
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25).....	249,388,213	48,828	249,339,385	242,413,932
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			0	
28. TOTALS (Lines 26 and 27)....	249,388,213	48,828	249,339,385	242,413,932

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. Miscellaneous receivables.....	29,148	599	28,549	5,441
2502.....			0	
2503.....			0	
2598. Summary of remaining write-ins for Line 25 from overflow page.....	0	0	0	0
2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above).....	29,148	599	28,549	5,441

CONTINENTAL GENERAL INSURANCE COMPANY
LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Year	2 Prior Year
1. Aggregate reserve for life contracts \$....62,581,412 (Exhibit 5, Line 9999999) less \$.....0 included in Line 6.3 (including \$.....0 Modco Reserve).....	.62,581,412	66,093,953
2. Aggregate reserve for accident and health contracts (including \$.....0 Modco Reserve).....	154,730,338	144,540,057
3. Liability for deposit-type contracts (Exhibit 7, Line 14, Col. 1) (including \$.....0 Modco Reserve).....	.887,457	740,918
4. Contract claims:		
4.1 Life (Exhibit 8, Part 1, Line 4.4, Col. 1 less sum of Cols. 9, 10 and 11).....	1,317,190	1,458,693
4.2 Accident and health (Exhibit 8, Part 1, Line 4.4, sum of Cols. 9, 10 and 11).....	1,266,842	1,236,376
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 \$....114,815 accident and health premiums (Exhibit 1, Part 1, Col. 1, sum of Lines 4 and 14).....	.121,874	115,956
9. Contract liabilities not included elsewhere:		
9.1 Surrender values on canceled contracts.....		
9.2 Provision for experience rating refunds, including the liability of \$.....0 accident and health experience rating refunds of which \$.....0 is for medical loss ratio rebate per the Public Health Service Act.....		
9.3 Other amounts payable on reinsurance, including \$.....0 assumed and \$.....0 ceded.....		.10,238
9.4 Interest Maintenance Reserve (IMR, Line 6).....	.1,239,439	754,134
10. Commissions to agents due or accrued - life and annuity contracts \$.....0, accident and health \$.....0 and deposit-type contract funds \$.....0.....		
11. Commissions and expense allowances payable on reinsurance assumed.....		
12. General expenses due or accrued (Exhibit 2, Line 12, Col. 6).....	.116,277	129,699
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).....	.2,065,365	2,001,386
15.1 Current federal and foreign income taxes, including \$.....0 on realized capital gains (losses).....		1,374,169
15.2 Net deferred tax liability.....	.4,521,825	
16. Unearned investment income.....	.99,781	.99,156
17. Amounts withheld or retained by company as agent or trustee.....		
18. Amounts held for agents' account, including \$....112,853 agents' credit balances.....	.112,853	.110,701
19. Remittances and items not allocated.....	.194,109	.209,081
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).....	.921,584	.931,286
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.....	.4,020	.388,180
24.05 Drafts outstanding.....		
24.06 Liability for amounts held under uninsured plans.....		
24.07 Funds held under coinsurance.....		
24.08 Derivatives.....		
24.09 Payable for securities.....	.104	.202
24.10 Payable for securities lending.....		
24.11 Capital notes \$.....0 and interest thereon \$.....0.....		
25. Aggregate write-ins for liabilities.....	.659,321	.719,609
26. Total liabilities excluding Separate Accounts business (Lines 1 to 25).....	.230,839,791	.220,913,797
27. From Separate Accounts Statement.....		
28. Total liabilities (Line 26 and 27).....	.230,839,791	.220,913,797
29. Common capital stock.....	.4,196,559	.4,196,559
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).....	.15,452,531	.7,638,870
34. Aggregate write-ins for special surplus funds.....	.0	.0
35. Unassigned funds (surplus).....	(1,149,496)	.9,664,706
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).....	.14,303,035	.17,303,576
38. Totals of Lines 29, 30 and 37 (Page 4, Line 55).....	.18,499,594	.21,500,135
39. Totals of Lines 28 and 38 (Page 2, Line 28, Col. 3).....	.249,339,385	.242,413,932

DETAILS OF WRITE-INS

2501. Unclaimed property.....	.659,321	.719,609
2502.		
2503.		
2598. Summary of remaining write-ins for Line 25 from overflow page.....	.0	.0
2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above).....	.659,321	.719,609
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

CONTINENTAL GENERAL 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)	13,294,084	14,330,841
2. Considerations for supplementary contracts with life contingencies		
3. Net investment income (Exhibit of Net Investment Income, Line 17)	13,963,076	15,163,477
4. Amortization of Interest Maintenance Reserve (IMR) (Line 5)	77,793	68,021
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)	5,962,155	7,030,833
7. Reserve adjustments on reinsurance ceded		
8. Miscellaneous Income:		
8.1 Income from fees associated with investment management, administration and contract guarantees from Separate Accounts		
8.2 Charges and fees for deposit-type contracts		
8.3 Aggregate write-ins for miscellaneous income	2,384	14,616
9. Totals (Lines 1 to 8.3)	33,299,492	36,607,788
10. Death benefits	4,930,545	4,751,532
11. Matured endowments (excluding guaranteed annual pure endowments)	34,489	14,397
12. Annuity benefits (Exhibit 8, Part 2, Line 6.4, Cols. 4 + 8)	1,297,135	2,000,167
13. Disability benefits and benefits under accident and health contracts	10,401,866	8,846,489
14. Coupons, guaranteed annual pure endowments and similar benefits		
15. Surrender benefits and withdrawals for life contracts	3,682,651	4,033,145
16. Group conversions		
17. Interest and adjustments on contract or deposit-type contract funds	489,903	104,346
18. Payments on supplementary contracts with life contingencies		
19. Increase in aggregate reserves for life and accident and health contracts	6,677,741	4,832,933
20. Totals (Lines 10 to 19)	27,514,330	24,583,010
21. Commissions on premiums, annuity considerations and deposit-type contract funds (direct business only) (Exhibit 1, Part 2, Line 31, Col. 1)	3,409,115	3,910,892
22. Commissions and expense allowances on reinsurance assumed (Exhibit 1, Part 2, Line 26.2, Col. 1)	11,782	9,590
23. General insurance expenses (Exhibit 2, Line 10, Columns 1, 2, 3 and 4)	5,582,112	4,540,495
24. Insurance taxes, licenses and fees, excluding federal income taxes (Exhibit 3, Line 7, Cols. 1 + 2 + 3)	1,156,171	987,602
25. Increase in loading on deferred and uncollected premiums	(42,113)	(40,182)
26. Net transfers to or (from) Separate Accounts net of reinsurance		
27. Aggregate write-ins for deductions	0	0
28. Totals (Lines 20 to 27)	37,631,397	33,991,407
29. Net gain from operations before dividends to policyholders and federal income taxes (Line 9 minus Line 28)	(4,331,905)	2,616,381
30. Dividends to policyholders	14,935	15,283
31. Net gain from operations after dividends to policyholders and before federal income taxes (Line 29 minus Line 30)	(4,346,840)	2,601,098
32. Federal and foreign income taxes incurred (excluding tax on capital gains)	(38,672,023)	(839,579)
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)	34,325,183	3,440,677
34. Net realized capital gains (losses) (excluding gains (losses) transferred to the IMR) less capital gains tax of \$....48,309 (excluding taxes of \$....303,207 transferred to the IMR)	(1,769,753)	(1,496,503)
35. Net income (Line 33 plus Line 34)	32,555,430	1,944,174
CAPITAL AND SURPLUS ACCOUNT		
36. Capital and surplus, December 31, prior year (Page 3, Line 38, Col. 2)	21,500,135	22,774,343
37. Net income (Line 35)	32,555,430	1,944,174
38. Change in net unrealized capital gains (losses) less capital gains tax of \$....(24,378)	(45,272)	(279,277)
39. Change in net unrealized foreign exchange capital gain (loss)		
40. Change in net deferred income tax	(36,318,594)	(479,660)
41. Change in nonadmitted assets	28,272,911	(1,251,737)
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	.9,703	148,082
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	7,813,661	
51.2 Transferred to capital (Stock Dividend)		
51.3 Transferred from capital		
51.4 Change in surplus as a result of reinsurance	(1,208,899)	(1,600,470)
52. Dividends to stockholders		
53. Aggregate write-ins for gains and losses in surplus	(34,079,481)	244,681
54. Net change in capital and surplus for the year (Lines 37 through 53)	(3,000,541)	(1,274,208)
55. Capital and surplus, December 31, current year (Lines 36 + 54) (Page 3, Line 38)	18,499,594	21,500,135

DETAILS OF WRITE-INS

08.301. Miscellaneous income	2,384	14,616
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)	2,384	14,616
2701.		
2702.		
2703.		
2798. Summary of remaining write-ins for Line 27 from overflow page	0	0
2799. Totals (Lines 2701 thru 2703 plus 2798) (Line 27 above)	0	0
5301. Dividend of current tax receivable related to the tax benefit from the sale of CGIC	(34,079,481)	
5302. Surplus adjustment - correction of an error		244,681
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)	(34,079,481)	244,681

CONTINENTAL GENERAL INSURANCE COMPANY
CASH FLOW

		1 Current Year	2 Prior Year
CASH FROM OPERATIONS			
1. Premiums collected net of reinsurance.....		13,502,533	14,847,715
2. Net investment income.....		13,914,138	15,618,975
3. Miscellaneous income.....		4,755,640	5,444,979
4. Total (Lines 1 through 3).....		32,172,310	35,911,668
5. Benefit and loss related payments.....		22,693,072	19,933,175
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			
7. Commissions, expenses paid and aggregate write-ins for deductions.....		10,542,274	9,806,162
8. Dividends paid to policyholders.....		14,935	15,283
9. Federal and foreign income taxes paid (recovered) net of \$....351,516 tax on capital gains (losses).....		344,535	(2,592,499)
10. Total (Lines 5 through 9).....		33,594,817	27,162,121
11. Net cash from operations (Line 4 minus Line 10).....		(1,422,507)	8,749,547
CASH FROM INVESTMENTS			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds.....		22,212,373	20,318,418
12.2 Stocks.....		2,021,681	
12.3 Mortgage loans.....		1,454,259	149,155
12.4 Real estate.....			
12.5 Other invested assets.....		1,000,000	109,056
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments.....			
12.7 Miscellaneous proceeds.....			73,898
12.8 Total investment proceeds (Lines 12.1 to 12.7).....		26,688,313	20,650,527
13. Cost of investments acquired (long-term only):			
13.1 Bonds.....		23,625,477	16,868,857
13.2 Stocks.....		9,503,844	5,520,766
13.3 Mortgage loans.....			
13.4 Real estate.....			
13.5 Other invested assets.....			
13.6 Miscellaneous applications.....		360	72,414
13.7 Total investments acquired (Lines 13.1 to 13.6).....		33,129,681	22,462,038
14. Net increase (decrease) in contract loans and premium notes.....		(13,361)	(134,337)
15. Net cash from investments (Line 12.8 minus Lines 13.7 minus Line 14).....		(6,428,007)	(1,677,174)
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.....		7,813,661	
16.3 Borrowed funds.....			
16.4 Net deposits on deposit-type contracts and other insurance liabilities.....		(343,887)	(351,234)
16.5 Dividends to stockholders.....			
16.6 Other cash provided (applied).....		54,732	317,583
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6).....		7,524,506	(33,651)
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).....		(326,008)	7,038,722
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year.....		12,305,195	5,266,473
19.2 End of year (Line 18 plus Line 19.1).....		11,979,187	12,305,195

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

20.0001 Exchanges.....	1,887,894	1,644,802
20.0002 Contribution from parent.....	7,813,661	
20.0003 Capitalized interest.....	10,442	18,100

ANALYSIS OF OPERATIONS BY LINES OF BUSINESS

	1 Total	2 Industrial Life	Ordinary			6 Credit Life (Group and Individual)	Group		Accident and Health			12 Aggregate of All Other Lines of Business
			3 Life Insurance	4 Individual Annuities	5 Supplementary Contracts		7 Life Insurance(a)	8 Annuities	9 Group	10 Credit (Group and Individual)	11 Other	
1. Premiums and annuity considerations for life and accident and health contracts.....	13,294,084		4,634,000	167,936							8,492,147	
2. Considerations for supplementary contracts with life contingencies.....	0											
3. Net investment income.....	13,963,076		1,942,642	1,919,492	57,225						10,043,717	
4. Amortization of Interest Maintenance Reserve (IMR).....	77,793		10,964	10,854	324						55,651	
5. Separate Accounts net gain from operations excluding unrealized gains or losses.....	0											
6. Commissions and expense allowances on reinsurance ceded.....	5,962,155		1,118,500	158,781					14,877		4,669,996	
7. Reserve adjustments on reinsurance ceded.....	0											
8. Miscellaneous Income:												
8.1 Fees associated with income from investment management, administration and contract guarantees from S/A.....	0											
8.2 Charges and fees for deposit-type contracts.....	0											
8.3 Aggregate write-ins for miscellaneous income.....	2,384	0	2,384	0	0		0	0	0	0	0	0
9. Totals (Lines 1 to 8.3).....	33,299,492	0	7,708,490	2,257,064	57,549	0	0	0	14,877	0	23,261,511	0
10. Death benefits.....	4,930,545		4,930,545									
11. Matured endowments (excluding guaranteed annual pure endowments).....	34,489		34,489									
12. Annuity benefits.....	1,297,135			1,297,135								
13. Disability benefits and benefits under accident and health contracts.....	10,401,866										10,401,866	
14. Coupons, guaranteed annual pure endowments and similar benefits.....	0											
15. Surrender benefits and withdrawals for life contracts.....	3,682,651		1,202,023	2,635,714	(155,086)							
16. Group conversions.....	0											
17. Interest and adjustments on contract or deposit-type contract funds.....	489,903		60,625		429,278							
18. Payments on supplementary contracts with life contingencies.....	0											
19. Increase in aggregate reserves for life and accident and health contracts.....	6,677,741		(688,522)	(2,768,170)	(55,848)						10,190,281	
20. Totals (Lines 10 to 19).....	27,514,330	0	5,539,160	1,164,679	218,344	0	0	0	0	0	20,592,147	0
21. Commissions on premiums, annuity considerations and deposit-type contract funds (direct business only).....	3,409,115		625,468	12,212					14,605		2,756,831	
22. Commissions and expense allowances on reinsurance assumed.....	11,782		6,340	1,380					273		3,789	
23. General insurance expenses.....	5,582,112		1,256,898	132,009	6,084						4,187,121	
24. Insurance taxes, licenses and fees, excluding federal income taxes.....	1,156,171		510,442	53,611	2,471						589,647	
25. Increase in loading on deferred and uncollected premiums.....	(42,113)		(39,284)								(2,829)	
26. Net transfers to or (from) Separate Accounts net of reinsurance.....	0											
27. Aggregate write-ins for deductions.....	0	0	0	0	0	0	0	0	0	0	0	0
28. Totals (Lines 20 to 27).....	37,631,397	0	7,899,024	1,363,891	226,899	0	0	0	14,877	0	28,126,706	0
29. Net gain from operations before dividends to policyholders and federal income taxes (Line 9 minus Line 28).....	(4,331,905)	0	(190,534)	893,173	(169,350)	0	0	0	(0)	0	(4,865,194)	0
30. Dividends to policyholders.....	14,935		14,935									
31. Net gain from operations after dividends to policyholders and before federal income taxes (Line 29 minus Line 30).....	(4,346,840)	0	(205,469)	893,173	(169,350)	0	0	0	(0)	0	(4,865,194)	0
32. Federal income taxes incurred (excluding tax on capital gains).....	(38,672,023)		(533,796)	(4,385,701)	(186,912)						(33,565,614)	
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).....	34,325,183	0	326,327	5,278,874	17,562	0	0	0	(0)	0	28,700,420	0

DETAILS OF WRITE-INS

08.301. Miscellaneous Income.....	2,384		2,384									
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).....	2,384	0	2,384	0	0	0	0	0	0	0	0	0
2701.	0											
2702.	0											
2703.	0											
2798. Summary of remaining write-ins for Line 27 from overflow page.....	0	0	0	0	0	0	0	0	0	0	0	0
2799. Total (Lines 2701 thru 2703 plus 2798) (Line 27 above).....	0	0	0	0	0	0	0	0	0	0	0	0

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

ANALYSIS OF INCREASE IN RESERVES DURING THE YEAR

	1 Total	2 Industrial Life	Ordinary			6 Credit Life (Group and Individual)	Group				
			3 Life Insurance	4 Individual Annuities	5 Supplementary Contracts		7 Life Insurance	8 Annuities			
Involving Life or Disability Contingencies (Reserves)											
(Net of Reinsurance Ceded)											
1. Reserve December 31, prior year.....	66,093,953		32,614,727	33,057,810	421,416						
2. Tabular net premiums or considerations.....	4,905,758		4,749,822	155,936							
3. Present value of disability claims incurred.....	0				XXX						
4. Tabular interest.....	2,646,953		1,566,014	1,057,311	23,628						
5. Tabular less actual reserve released.....	26,346		5,126		21,220						
6. Increase in reserve on account of change in valuation basis.....	0										
7. Other increases (net).....	(150,431)			(107,178)	(43,253)						
8. Totals (Lines 1 to 7).....	73,522,579	0	38,935,689	34,163,879	423,011	0	0	0			
9. Tabular cost.....	4,803,125		4,803,125		XXX						
10. Reserves released by death.....	1,320,409		1,320,409	XXX	XXX			XXX			
11. Reserves released by other terminations (net).....	885,949		885,949								
12. Annuity, supplementary contract, and disability payments involving life contingencies.....	3,931,684			3,874,241	.57,443						
13. Net transfers to or (from) Separate Accounts.....	0										
14. Total deductions (Lines 9 to 13).....	10,941,167	0	7,009,483	3,874,241	.57,443	0	0	0			
15. Reserve December 31, current year.....	62,581,412	0	31,926,206	30,289,638	365,568	0	0	0			

CONTINENTAL GENERAL INSURANCE COMPANY
EXHIBIT OF NET INVESTMENT INCOME

	1 Collected During Year	2 Earned During Year
1. U.S. government bonds.....	(a).....314,269	314,068
1.1 Bonds exempt from U.S. tax.....	(a).....351,220	349,351
1.2 Other bonds (unaffiliated).....	(a).....12,089,299	12,128,008
1.3 Bonds of affiliates.....	(a).....	.....
2.1 Preferred stocks (unaffiliated).....	(b).....195,444	255,188
2.11 Preferred stocks of affiliates.....	(b).....	.....
2.2 Common stocks (unaffiliated).....	.....497,540	491,375
2.21 Common stocks of affiliates.....	.....	.....
3. Mortgage loans.....	(c).....154,827	154,827
4. Real estate.....	(d).....	.....
5. Contract loans.....	.....174,461	194,463
6. Cash, cash equivalents and short-term investments.....	(e).....1,329	1,329
7. Derivative instruments.....	(f).....	.....
8. Other invested assets.....	.....158,483	158,483
9. Aggregate write-ins for investment income.....	.....617	617
10. Total gross investment income.....	.....13,937,489	14,047,708
11. Investment expenses.....	(g).....84,633	.....
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	0
15. Aggregate write-ins for deductions from investment income.....	.....	.....
16. Total deductions (Lines 11 through 15).....	.....84,633	.....
17. Net investment income (Line 10 minus Line 16).....	.....13,963,075	.....

DETAILS OF WRITE-INS

0901. Miscellaneous investment income.....	617	617
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).....	617	617
1501. ....	.....	.....
1502. ....	.....	.....
1503. ....	.....	.....
1598. Summary of remaining write-ins for Line 15 from overflow page.....	.0	.0
1599. Totals (Lines 1501 thru 1503 plus 1598) (Line 15 above).....	.0	.0

- (a) Includes \$....1,076,195 accrual of discount less \$....1,129,963 amortization of premium and less \$....56,428 paid for accrued interest on purchases.
- (b) Includes \$.....0 accrual of discount less \$....480 amortization of premium and less \$.....0 paid for accrued dividends on purchases.
- (c) Includes \$.....0 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued interest on purchases.
- (d) Includes \$.....0 for company's occupancy of its own buildings; and excludes \$.....0 interest on encumbrances.
- (e) Includes \$.....0 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued interest on purchases.
- (f) Includes \$.....0 accrual of discount less \$.....0 amortization of premium.
- (g) Includes \$.....0 investment expenses and \$.....0 investment taxes, licenses and fees, excluding federal income taxes, attributable to Segregated and Separate Accounts.
- (h) Includes \$.....0 interest on surplus notes and \$.....0 interest on capital notes.
- (i) Includes \$.....0 depreciation on real estate and \$.....0 depreciation on other invested assets.

EXHIBIT OF CAPITAL GAINS (LOSSES)

	1 Realized Gain (Loss) on Sales or Maturity	2 Other Realized Adjustments	3 Total Realized Capital Gain (Loss) (Columns 1 + 2)	4 Change in Unrealized Capital Gain (Loss)	5 Change in Unrealized Foreign Exchange Capital Gain (Loss)
1. U.S. government bonds.....	.....	.....	.0	.....	.....
1.1 Bonds exempt from U.S. tax.....	.....	.....	.0	.....	.....
1.2 Other bonds (unaffiliated).....	992,101	(449,873)	542,228	.....	.....
1.3 Bonds of affiliates.....	.....	.....	.0	.....	.....
2.1 Preferred stocks (unaffiliated).....	.....	.....	.0	.....	.....
2.11 Preferred stocks of affiliates.....	.....	.....	.0	.....	.....
2.2 Common stocks (unaffiliated).....	(243,109)	(1,002,903)	(1,246,012)	(69,652)	.....
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.....	.....(151,355)	.....	(151,355)	.....	.....
9. Aggregate write-ins for capital gains (losses).....	.0	0	.0	0	0
10. Total capital gains (losses).....	748,992	(1,604,131)	(855,139)	(69,652)	0

DETAILS OF WRITE-INS

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

CONTINENTAL GENERAL INSURANCE COMPANY
EXHIBIT 1 - PART 1 - PREMIUMS AND ANNUITY CONSIDERATIONS FOR LIFE AND ACCIDENT AND HEALTH CONTRACTS

	1 Total	2 Industrial Life	Ordinary		5 Credit Life (Group and Individual)	Group		Accident and Health			11 Aggregate of All Other Lines of Business
			3 Life Insurance	4 Individual Annuities		6 Life Insurance	7 Annuities	8 Group	9 Credit (Group & Individual)	10 Other	
FIRST YEAR (other than single)											
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.....	0										
6.2 Reinsurance assumed.....	0										
6.3 Reinsurance ceded.....	0										
6.4 Net.....	0	0	0	0	0	0	0	0	0	0	0
7. Line 5 + Line 6.4.....	0	0	0	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.....	0										
9.2 Reinsurance assumed.....	0										
9.3 Reinsurance ceded.....	0										
9.4 Net (Line 7 - Line 8).....	0	0	0	0	0	0	0	0	0	0	0
SINGLE											
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
RENEWAL											
11. Uncollected.....	120,516		45,866								74,650
12. Deferred and accrued.....	1,419,822		1,419,822								
13. Deferred, accrued and uncollected:											
13.1 Direct.....	2,761,961		2,388,051								373,485
13.2 Reinsurance assumed.....	4,239		3,737								214
13.3 Reinsurance ceded.....	1,225,862		926,100								299,049
13.4 Net (Line 11 + Line 12).....	1,540,339	0	1,465,689	0	0	0	0	0	0	0	74,650
14. Advance.....	121,874		7,059								114,815
15. Line 13.4 - Line 14.....	1,418,465	0	1,458,630	0	0	0	0	0	0	0	(40,165)
16. Collected during year:											
16.1 Direct.....	85,222,309		9,108,693	395,809							75,479,516
16.2 Reinsurance assumed.....	466,048		433,538	6,000							25,271
16.3 Reinsurance ceded.....	72,185,824		4,741,359	233,873							66,971,062
16.4 Net.....	13,502,533	0	4,800,872	167,936	0	0	0	0	0	0	8,533,725
17. Line 15 + Line 16.4.....	14,920,998	0	6,259,502	167,936	0	0	0	0	0	0	8,493,560
18. Prior year (uncollected + deferred and accrued - advance).....	1,626,914		1,625,501								1,413
19. Renewal premiums and considerations:											
19.1 Direct.....	84,900,255		8,841,018	395,809							75,427,424
19.2 Reinsurance assumed.....	465,421		432,409	6,000							25,485
19.3 Reinsurance ceded.....	72,071,593	0	4,639,427	233,873	0	0	0	0	0	0	66,960,762
19.4 Net (Line 17 - Line 18).....	13,294,084	0	4,634,001	167,936	0	0	0	0	0	0	8,492,147
TOTAL											
20. Total premiums and annuity considerations:											
20.1 Direct.....	84,900,255	0	8,841,018	395,809	0	0	0	236,004	0	75,427,424	0
20.2 Reinsurance assumed.....	465,421	0	432,409	6,000	0	0	0	1,527	0	25,485	0
20.3 Reinsurance ceded.....	72,071,593	0	4,639,427	233,873	0	0	0	237,531	0	66,960,762	0
20.4 Net (Lines 9.4 + 10.4 + 19.4).....	13,294,084	0	4,634,001	167,936	0	0	0	0	0	8,492,147	0

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

	1 Total	2 Industrial Life	Ordinary		5 Credit Life (Group and Individual)	Group		Accident and Health			11 Aggregate of All Other Lines of Business
			3 Life Insurance	4 Individual Annuities		6 Life Insurance	7 Annuities	8 Group	9 Credit (Group & Individual)	10 Other	
DIVIDENDS AND COUPONS APPLIED (included in Part 1)											
21. To pay renewal premiums.....	0										
22. All other.....	0										
REINSURANCE COMMISSIONS AND EXPENSE ALLOWANCES INCURRED											
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.....	5,962,154		1,118,500	158,781				14,877		4,669,996	
25.2 Reinsurance assumed.....	11,782		6,340	1,380				273		3,789	
25.3 Net ceded less assumed.....	5,950,372	0	1,112,160	157,401	0	0	0	14,604	0	4,666,207	0
26. Totals:											
26.1 Reinsurance ceded (Page 6, Line 6).....	5,962,154	0	1,118,500	158,781	0	0	0	14,877	0	4,669,996	0
26.2 Reinsurance assumed (Page 6, Line 22).....	11,782	0	6,340	1,380	0	0	0	273	0	3,789	0
26.3 Net ceded less assumed.....	5,950,372	0	1,112,160	157,401	0	0	0	14,604	0	4,666,207	0
COMMISSIONS INCURRED (direct business only)											
27. First year (other than single).....	0										
28. Single.....	0										
29. Renewal.....	3,409,115		625,468	12,212				14,605		2,756,830	
30. Deposit-type contract funds.....	0										
31. Totals (to agree with Page 6, Line 21).....	3,409,115	0	625,468	12,212	0	0	0	14,605	0	2,756,830	0

CONTINENTAL GENERAL INSURANCE COMPANY
EXHIBIT 2 - GENERAL EXPENSES

	Insurance				5	6		
	1 Life	Accident and Health		4 All Other Lines of Business				
		2 Cost Containment	3 All Other					
1. Rent.....	106,956		320,867			427,823		
2. Salaries and wages.....	658,804		1,978,557			2,637,361		
3.11 Contributions for benefit plans for employees.....	87,471		262,412			349,883		
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.....	48,014		144,042			192,056		
3.32 Other agent welfare.....	5,056		15,169			20,225		
4.1 Legal fees and expenses.....	29,978		89,934			119,912		
4.2 Medical examination fees.....	114		341			455		
4.3 Inspection report fees.....	8,792		26,375			35,167		
4.4 Fees of public accountants and consulting actuaries.....	58,938		176,813			235,751		
4.5 Expense of investigation and settlement of policy claims.....	503		1,510			2,013		
5.1 Traveling expenses.....	28,095		84,286			112,381		
5.2 Advertising.....	13,987		41,961			55,948		
5.3 Postage, express, telegraph and telephone.....	30,743		92,230			122,973		
5.4 Printing and stationery.....	17,388		52,165			69,553		
5.5 Cost or depreciation of furniture and equipment.....	1,695		5,084			6,779		
5.6 Rental of equipment.....	.55		165			220		
5.7 Cost or depreciation of EDP equipment and software.....	14,446		43,337			57,783		
6.1 Books and periodicals.....	2,408		7,224			9,632		
6.2 Bureau and association fees.....	36,877		110,632			147,509		
6.3 Insurance, except on real estate.....	1,800		5,401			7,201		
6.4 Miscellaneous losses.....	1,371		4,113			5,484		
6.5 Collection and bank service charges.....	14,634		43,902			58,536		
6.6 Sundry general expenses.....	39,456		118,369			157,825		
6.7 Group service and administration fees.....	66,406		199,217			265,623		
6.8 Reimbursements by uninsured plans.....						0		
7.1 Agency expense allowance.....	9,346		28,037			37,383		
7.2 Agents' balances charged off (less \$.....0 recovered).....	1,456		4,368			5,824		
7.3 Agency conferences other than local meetings.....	15,666		46,998			62,664		
9.1 Real estate expenses.....						0		
9.2 Investment expenses not included elsewhere.....					84,633	84,633		
9.3 Aggregate write-ins for expenses.....	94,537	0	283,611	0	0	378,148		
10. General expenses Incurred.....	1,394,992	0	4,187,120	0	84,633	(a) 5,666,745		
11. General expenses unpaid December 31, prior year.....	38,910		90,789			129,699		
12. General expenses unpaid December 31, current year.....	29,069		87,208			116,277		
13. Amounts receivable relating to uninsured plans, prior year.....						0		
14. Amounts receivable relating to uninsured plans, current year.....						0		
15. General expenses paid during year (Lines 10+11-12-13+14).....	1,404,833	0	4,190,701	0	84,633	5,680,167		

DETAILS OF WRITE-INS

09.301. PC and EDP expenses.....	56,911		170,732			227,643
09.302. Consulting.....	37,626		112,879			150,505
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).....	94,537	0	283,611	0	0	378,148

(a) Includes management fees of \$..... to affiliates and \$.....55,882 to non-affiliates.

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

	Insurance			4 Investment	5 Total
	1 Life	2 Accident and Health	3 All Other Lines of Business		
1. Real estate taxes.....					0
2. State insurance department licenses and fees.....	129,553	134,841			264,394
3. State taxes on premiums.....	332,599	346,174			678,773
4. Other state taxes, including \$.....0 for employee benefits.....	19,276	20,062			39,338
5. U.S. Social Security taxes.....	79,086	82,315			161,401
6. All other taxes.....	6,010	6,255			12,265
7. Taxes, licenses and fees incurred.....	566,524	589,647	0	0	1,156,171
8. Taxes, licenses and fees unpaid December 31, prior year.....	600,416	1,400,970			2,001,386
9. Taxes, licenses and fees unpaid December 31, current year.....	1,012,029	1,053,336			2,065,365
10. Taxes, licenses and fees paid during year (Lines 7 + 8 - 9).....	154,911	937,281	0	0	1,092,192

EXHIBIT 4 - DIVIDENDS OR REFUNDS

	1 Life	2 Accident and Health	4	5
1. Applied to pay renewal premiums.....				
2. Applied to shorten the endowment or premium-paying period.....				
3. Applied to provide paid-up additions.....			9,642	
4. Applied to provide paid-up annuities.....				
5. Total Lines 1 through 4.....			9,642	0
6. Paid-in cash.....			4,602	
7. Left on deposit.....			.691	
8. Aggregate write-ins for dividend or refund options.....			0	0
9. Total Lines 5 through 8.....			14,935	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).....			14,935	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

CONTINENTAL GENERAL INSURANCE COMPANY
EXHIBIT 5 - AGGREGATE RESERVE FOR LIFE CONTRACTS

1 Valuation Standard	2 Total	3 Industrial	4 Ordinary	5 Credit (Group and Individual)	6 Group
Life Insurance:					
0100001. 58 CET 3.0% ALB NLP CRF.....(67-82).....	50,049		50,049		
0100002. 58 CET 3.0% ANB NLP CRF.....(67-82).....	100,478		100,478		
0100003. 58 CET 3.5% ANB NLP CRF.....(67-82).....	1,174		1,174		
0100004. 58 CET 4.5% ALB NLP CRF.....(80-82).....	20,729		20,729		
0100005. 58 CET 4.5% ANB NLP CRF.....(80-82).....	63,451		63,451		
0100006. 58 CSO 3.0% ALB CRVM CRF.....(67-82).....	17,841		17,841		
0100007. 58 CSO 3.0% ALB NLP CRF.....(67-82).....	344,330		344,330		
0100008. 58 CSO 3.0% ANB CRVM CRF.....(67-82).....	519,764		519,764		
0100009. 58 CSO 3.0% ANB NLP CRF.....(67-82).....	754,387		754,387		
0100010. 58 CSO 3.0%/20/2.5% ALB CRVM CRF.....(67-82).....	199,550		199,550		
0100011. 58 CSO 3.5% ANB CRVM CRF.....(67-82).....	132,398		132,398		
0100012. 58 CSO 3.5% ANB NLP CRF.....(67-82).....	507		507		
0100013. 58 CSO 4.0% ANB CRVM CRF.....(75-82).....	3,764,889		3,764,889		
0100014. 58 CSO 4.0% ANB NLP CRF.....(75-82).....	27,490		27,490		
0100015. 58 CSO 4.5% ANB CRVM CRF.....(75-82).....	292,210		292,210		
0100016. 58 CSO 4.5% ANB MOD CRF.....(75-82).....	25,114		25,114		
0100017. 58 CSO 4.5% ANB NLP CRF.....(75-82).....	35,358		35,358		
0100018. 80 CET 4.5% ANB NLP CRF.....(95-06).....	874,526		874,526		
0100019. 80 CET 5.0% ANB NLP CRF.....(93-94).....	18,946		18,946		
0100020. 80 CET 5.5% ANB NLP CRF.....(88-92).....	2,898		2,898		
0100021. 80 CSO 4.0% ANB CRVM CNF.....(06-08).....	1,479,514		1,479,514		
0100022. 80 CSO 4.5% ALB NLP CNF.....(95-06).....	12,395		12,395		
0100023. 80 CSO 4.5% ANB CRVM CNF.....(95-06).....	47,681,504		47,681,504		
0100024. 80 CSO 4.5% ANB NLP CNF.....(95-06).....	565,806		565,806		
0100025. 80 CSO 4.5% ANB MOD CNF.....(95-06).....	10,113,490		10,113,490		
0100026. 80 CSO 5.0% ALB CRVM CNF.....(93-94).....	39,650		39,650		
0100027. 80 CSO 5.0% ALB NLP CNF.....(93-94).....	542		542		
0100028. 80 CSO 5.0% ANB CRVM CNF.....(93-94).....	380,978		380,978		
0100029. 80 CSO 5.0% ANB NLP CNF.....(93-94).....	7,811		7,811		
0100030. 80 CSO 5.5% ANB CRVM CNF.....(88-92).....	607,758		607,758		
0100031. 80 CSO 5.5% ANB NLP CNF.....(88-92).....	31,696		31,696		
0100032. 2001 CSO 4.0% ANB CRVM CNF.....(06-12).....	6,554,496		6,554,496		
0100033. 2001 CSO 4.0% ANB NLP CNF.....(06-12).....	237,009		237,009		
0100034. 2001 CSO 4.0% ALB CRVM CNF.....(06-12).....	11,054		11,054		
0100035. 2001 CSO 4.5% ANB CRVM CNF.....(06-08).....	1,050,703		1,050,703		
0100036. 2001 CSO 4.5% ANB NLP CNF.....(06-08).....	34,298		34,298		
0199997. Totals (Gross).....	76,054,793	0	76,054,793	0	0
0199998. Reinsurance ceded.....	44,372,529		44,372,529		
0199999. Totals (Net).....	31,682,264	0	31,682,264	0	0

Annuities (excluding supplementary contracts with life contingencies):

0200001. Deferred @ 3%.....(72-74).....	30,365,440	XXX	30,365,440	XXX	
0200002. Deferred @ 3.25%.....(72-74).....	21,034,780	XXX	21,034,780	XXX	
0200003. Deferred @ 3.5%.....(72-74).....	1,630,853	XXX	1,630,853	XXX	
0200004. Deferred @ 4.5%.....(80-82).....	15,519,921	XXX	15,519,921	XXX	
0200005. Deferred @ 5.5%.....(83-08).....	442,350	XXX	442,350	XXX	
0299997. Totals (Gross).....	68,993,344	XXX	68,993,344	XXX	0
0299998. Reinsurance ceded.....	38,703,706	XXX	38,703,706	XXX	
0299999. Totals (Net).....	30,289,638	XXX	30,289,638	XXX	0

Supplementary Contracts with Life Contingencies:

0300001. 1983a ANNUITY TABLE 5.25% (85-08).....	82,097		82,097		
0300002. 1983a ANNUITY TABLE 5.50% (85-08).....	25,448		25,448		
0300003. 1983a ANNUITY TABLE 6.00% (85-08).....	149,077		149,077		
0300004. 1983a ANNUITY TABLE 6.25% (85-08).....	149,131		149,131		
0300005. 1983a ANNUITY TABLE 6.50% (85-08).....	100,869		100,869		
0300006. 1983a ANNUITY TABLE 6.75% (85-08).....	362,100		362,100		
0300007. 1983a ANNUITY TABLE 7.00% (85-08).....	88,204		88,204		
0300008. 1983a ANNUITY TABLE 7.25% (85-08).....	247,582		247,582		
0300009. 1983a ANNUITY TABLE 8.00% (85-08).....	6,329		6,329		
0300010. 1983a ANNUITY TABLE 8.25% (85-08).....	12,046		12,046		
0300011. 1983a ANNUITY TABLE 8.75% (85-08).....	8,915		8,915		
0399997. Totals (Gross).....	1,231,798	0	1,231,798	0	0
0399998. Reinsurance ceded.....	866,230		866,230		
0399999. Totals (Net).....	365,568	0	365,568	0	0

Accidental Death Benefits:

0400001. 1958 CSO 3% NP (72-83).....	2,332		2,332		
0400002. 1959 ADB with 58 CSO 3.5% (72-08).....	8,683		8,683		
0499997. Totals (Gross).....	11,015	0	11,015	0	0
0499998. Reinsurance ceded.....	6,859		6,859		
0499999. Totals (Net).....	4,156	0	4,156	0	0

Disability - Active Lives:

0500001. Unearned Premium.....	13,121		13,121		
0500002. 52 INTERCO DISA with 58 CSO 3.5% (72-08).....	907		907		

CONTINENTAL GENERAL INSURANCE COMPANY
EXHIBIT 5 - AGGREGATE RESERVE FOR LIFE CONTRACTS

1	2	3	4	5 Credit (Group and Individual)	6
Valuation Standard	Total	Industrial	Ordinary		
0599997. Totals (Gross).....	14,028	0	14,028	0	0
0599998. Reinsurance ceded.....	9,773		9,773		
0599999. Totals (Net).....	4,255	0	4,255	0	0
Disability - Disabled Lives:					
0600001. 1964 CDT @ 3% (72-08).....	78,286		78,286		
0600002. 52 INTERCO DISA with 58 CSO 3.5% (72-08).....	46,600		46,600		
0699997. Totals (Gross).....	124,886	0	124,886	0	0
0699998. Reinsurance ceded.....	79,119		79,119		
0699999. Totals (Net).....	45,767	0	45,767	0	0
Miscellaneous Reserves:					
0700001. Deficiency reserves.....	75,100		75,100		
0700002. Non-deduction of fractional premiums.....	303,330		303,330		
0700003. Immediate payment of claims.....	122,279		122,279		
0700004. Substandard Extra NP.....	10,347		10,347		
0799997. Totals (Gross).....	511,056	0	511,056	0	0
0799998. Reinsurance ceded.....	321,291		321,291		
0799999. Totals (Net).....	189,765	0	189,765	0	0
9999999. Totals (Net) - Page 3, Line 1.....	62,581,413	0	62,581,413	0	0

CONTINENTAL GENERAL INSURANCE COMPANY
EXHIBIT 5 - INTERROGATORIES

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

Yes [] No []

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

Yes [] No []

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

Yes [] No []

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

Yes [] No []

4.1 Amount of insurance: \$.....
 4.2 Amount of reserve: \$.....
 4.3 Basis of reserve:

4.4 Basis of regular assessments:

4.5 Basis of special assessments:

4.6 Assessments collected during year: \$.....

5. If the contract loan interest rate guaranteed in any one or more of its currently issued contracts is less than 5%, not in advance, state the contract loan rate guarantees on any such contracts.

6. Does the reporting entity hold reserves for any annuity contracts that are less than the reserves that would be held on a standard basis?

Yes [] No []

6.1 If so, state the amount of reserve on such contracts on the basis actually held: \$.....

6.2 That would have been held (on an exact or approximate basis) using the actual ages of the annuitants; the interest rate(s) used in 6.1; and the same mortality basis used by the reporting entity for the valuation of comparable annuity benefits issued to standard lives. If the reporting entity has no comparable annuity benefits for standard lives to be valued, the mortality basis shall be the table most recently approved by the state of domicile for valuing individual annuity benefits:

\$.....

Attach statement of methods employed in their valuation.

7. Does the reporting entity have any Synthetic GIC contracts or agreements in effect as of December 31 of the current year?

Yes [] No []

7.1 If yes, state the total dollar amount of assets covered by these contracts or agreements: \$.....

7.2 Specify the basis (fair value, amortized cost, etc.) for determining the amount:

7.3 State the amount of reserves established for this business: \$.....

7.4 Identify where the reserves are reported in the blank.

8. Does the reporting entity have any Contingent Deferred Annuity contracts or agreements in effect as of December of the current year?

Yes [] No []

8.1 If yes, state the total dollar amount of account value covered by these contracts or agreements: \$.....

8.2 State the amount of reserves established for this business: \$.....

8.3 Identify where the reserves are reported in the blank.

9. Does the reporting entity have any Guaranteed Lifetime Income Benefit contracts, agreements or riders in effect as of December 31 of the current year?

Yes [] No []

9.1 If yes, state the total dollar amount of any account value associated with these contracts, agreements or riders: \$.....

9.2 State the amount of reserves established for this business: \$.....

9.3 Identify where the reserves are reported in the blank.

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

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

NONE

EXHIBIT 6 - AGGREGATE RESERVES FOR ACCIDENT AND HEALTH CONTRACTS

	1 Total	2 Group Accident and Health	3 Credit Accident and Health (Group and Individual)	4 Collectively Renewable	Other Individual Contracts				
					5 Non- Cancelable	6 Guaranteed Renewable	7 Non-Renewable for Stated Reasons Only	8 Other Accident Only	9 All Other
ACTIVE LIFE RESERVE									
1. Unearned premium reserves.....	11,406,530		15,391			34,822		11,239,330	116,987
2. Additional contract reserves (a).....	270,669,191		89,306			6,504		270,573,381	
3. Additional actuarial reserves - Asset/Liability analysis.....	32,492,145							32,492,145	
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).....	314,567,866		104,697			41,326		314,304,856	116,987
8. Reinsurance ceded.....	195,941,574		104,697			41,326		195,678,564	116,987
9. Totals (Net).....	118,626,292		0			0		118,626,292	0
CLAIM RESERVE									
10. Present value of amounts not yet due on claims.....	117,933,783							117,923,431	10,352
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).....	117,933,783		0			0		117,923,431	10,352
15. Reinsurance ceded.....	81,829,737							81,819,385	10,352
16. Totals (Net).....	36,104,046		0			0		36,104,046	0
17. TOTALS (Net).....	154,730,338		0			0		154,730,338	0
18. TABULAR FUND INTEREST.....	4,870,212							4,870,212	

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.

This statement is attached as an appendix to the actuarial opinion.

EXHIBIT 7 - DEPOSIT-TYPE CONTRACTS

	1 Total	2 Guaranteed Interest Contracts	3 Annuities Certain	4 Supplemental Contracts	5 Dividend Accumulations or Refunds	6 Premium and Other Deposit Funds
1. Balance at the beginning of the year before reinsurance.....	1,327,030			1,293,380	33,650	
2. Deposits received during the year.....	0					
3. Investment earnings credited to the account.....	59,328			58,511	817	
4. Other net change in reserves.....	313,261			311,442	1,819	
5. Fees and other charges assessed.....	0					
6. Surrender charges.....	0					
7. Net surrender or withdrawal payments.....	343,887			343,468	419	
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).....	1,355,732	0	0	1,319,865	35,867	0
10. Reinsurance balance at the beginning of the year.....	(586,111)			(586,111)		
11. Net change in reinsurance assumed.....	0					
12. Net change in reinsurance ceded.....	(117,836)			(117,836)		
13. Reinsurance balance at the end of the year (Lines 10 + 11 - 12).....	(468,275)	0	0	(468,275)	0	0
14. Net balance at the end of the current year after reinsurance (Lines 9 + 13).....	887,457	0	0	851,590	35,867	0

EXHIBIT 8 - CLAIMS FOR LIFE AND ACCIDENT AND HEALTH CONTRACTS

PART 1 - Liability End of Current Year

	1 Total	2 Industrial Life	Ordinary			6 Credit Life (Group and Individual)	Group		Accident and Health		
			3 Life Insurance	4 Individual Annuities	5 Supplementary Contracts		7 Life Insurance	8 Annuities	9 Group	10 Credit (Group and Individual)	11 Other
1. Due and unpaid:											
1.1 Direct.....	0										
1.2 Reinsurance assumed.....	0										
1.3 Reinsurance ceded.....	0										
1.4 Net.....	0	0	0	0	0	0	0	0	0	0	0
2. In course of settlement:											
2.1 Resisted:											
2.11 Direct.....	0										
2.12 Reinsurance assumed.....	0										
2.13 Reinsurance ceded.....	0										
2.14 Net.....	0	0	(b) 0	(b) 0	0	(b) 0	(b) 0	0	0	0	0
2.2 Other:											
2.21 Direct.....	5,391,021		1,120,713	517,248					2,658		3,750,403
2.22 Reinsurance assumed.....	96,672		96,598								74
2.23 Reinsurance ceded.....	3,537,514		604,472	277,077					2,658		2,653,307
2.24 Net.....	1,950,179	0	(b) 612,839	(b) 240,171	0	(b) 0	(b) 0	0	(b) 0	(b) 0	(b) 1,097,169
3. Incurred but unreported:											
3.1 Direct.....	5,495,521		1,140,594						25,435		4,329,492
3.2 Reinsurance assumed.....	26,344		24,834								1,510
3.3 Reinsurance ceded.....	4,888,011		701,247						25,435		4,161,329
3.4 Net.....	633,854	0	(b) 464,181	(b) 0	0	(b) 0	(b) 0	0	(b) 0	(b) 0	(b) 169,673
4. Totals:											
4.1 Direct.....	10,886,542	0	2,261,307	517,248	0	0	0	0	28,093	0	8,079,895
4.2 Reinsurance assumed.....	123,016	0	121,432	0	0	0	0	0	0	0	1,584
4.3 Reinsurance ceded.....	8,425,525	0	1,305,719	277,077	0	0	0	0	28,093	0	6,814,636
4.4 Net.....	2,584,033	(a) 0	(a) 1,077,020	240,171	0	0	(a) 0	0	0	0	1,266,842

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

(b) Include only portion of disability and accident and health claim liabilities applicable to assumed "accrued" benefits. Reserves (including reinsurance assumed and net of reinsurance ceded) for unaccrued benefits for

Ordinary Life Insurance \$.....0, Individual Annuities \$.....0, Credit Life (Group and Individual) \$.....0, and Group Life \$.....0,

are included in Page 3, Line 1, (See Exhibit 5, Section on Disability Disabled Lives); and for Group Accident and Health \$.....0, Credit (Group and Individual) Accident and Health \$.....0 and Other Accident and Health \$....3,223,786

are included in Page 3, Line 2, (See Exhibit 6, Claim Reserve).

EXHIBIT 8 - CLAIMS FOR LIFE AND ACCIDENT AND HEALTH CONTRACTS**PART 2 - Incurred During the Year**

	1 Total	2 Industrial Life (a)	Ordinary			6 Credit Life (Group and Individual)	Group		Accident and Health		
			3 Life Insurance (b)	4 Individual Annuities	5 Supplementary Contracts		7 Life Insurance (c)	8 Annuities	9 Group	10 Credit (Group and Individual)	11 Other
1. Settlements during the year:											
1.1 Direct.....	83,539,251		9,711,986	3,889,022					248,896		69,689,347
1.2 Reinsurance assumed.....	669,097		.653,855								15,242
1.3 Reinsurance ceded.....	67,433,276		5,353,598	2,497,593					248,896		59,333,189
1.4 Net.....(d)	16,775,072	0	5,012,243	1,391,429	0	0	0	0	0	0	10,371,400
2. Liability December 31, current year from Part 1:											
2.1 Direct.....	10,886,542	0	2,261,307	517,248	0	0	0	0	28,093	0	8,079,895
2.2 Reinsurance assumed.....	123,016	0	.121,432	0	0	0	0	0	0	0	1,584
2.3 Reinsurance ceded.....	8,425,525	0	1,305,719	277,077	0	0	0	0	28,093	0	6,814,636
2.4 Net.....	2,584,033	0	1,077,020	240,171	0	0	0	0	0	0	1,266,842
3. Amounts recoverable from reinsurers Dec. 31, current year.....	0										
4. Liability December 31, prior year:											
4.1 Direct.....	12,246,332		2,455,779	940,022					7,289		8,843,242
4.2 Reinsurance assumed.....	149,274		.146,343								2,931
4.3 Reinsurance ceded.....	9,700,537		1,477,893	605,558					7,289		7,609,797
4.4 Net.....	2,695,069	0	1,124,229	334,464	0	0	0	0	0	0	1,236,376
5. Amounts recoverable from reinsurers Dec. 31, prior year.....	0										
6. Incurred benefits:											
6.1 Direct.....	82,179,461	0	9,517,514	3,466,248	0	0	0	0	269,700	0	68,926,000
6.2 Reinsurance assumed.....	642,839	0	.628,944	0	0	0	0	0	0	0	13,895
6.3 Reinsurance ceded.....	66,158,264	0	5,181,424	2,169,112	0	0	0	0	269,700	0	58,538,028
6.4 Net.....	16,664,036	0	4,965,034	1,297,136	0	0	0	0	0	0	10,401,866

(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 \$....34,489 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.

CONTINENTAL GENERAL INSURANCE COMPANY
EXHIBIT OF NONADMITTED ASSETS

	1 Current Year Total Nonadmitted Assets	2 Prior Year Total Nonadmitted Assets	3 Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1. Bonds (Schedule D).....			0
2. Stocks (Schedule D):			
2.1 Preferred stocks.....			0
2.2 Common stocks.....			0
3. Mortgage loans on real estate (Schedule B):			
3.1 First liens.....			0
3.2 Other than first liens.....			0
4. Real estate (Schedule A):			
4.1 Properties occupied by the company.....			0
4.2 Properties held for the production of income.....			0
4.3 Properties held for sale.....			0
5. Cash (Schedule E-Part 1), cash equivalents (Schedule E-Part 2) and short-term investments (Schedule DA).....			0
6. Contract loans.....			0
7. Derivatives (Schedule DB).....			0
8. Other invested assets (Schedule BA).....			0
9. Receivables for securities.....			0
10. Securities lending reinvested collateral assets (Schedule DL).....			0
11. Aggregate write-ins for invested assets.....	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11).....	0	0	0
13. Title plants (for Title insurers only).....			0
14. Investment income due and accrued.....			0
15. Premiums and considerations:			
15.1 Uncollected premiums and agents' balances in the course of collection.....	13,321	5,209	(8,112)
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due.....	34,908	6,294	(28,614)
15.3 Accrued retrospective premiums and contracts subject to redetermination.....			0
16. Reinsurance:			
16.1 Amounts recoverable from reinsurers.....			0
16.2 Funds held by or deposited with reinsured companies.....			0
16.3 Other amounts receivable under reinsurance contracts.....			0
17. Amounts receivable relating to uninsured plans.....			0
18.1 Current federal and foreign income tax recoverable and interest thereon.....			0
18.2 Net deferred tax asset.....		28,310,213	28,310,213
19. Guaranty funds receivable or on deposit.....			0
20. Electronic data processing equipment and software.....			0
21. Furniture and equipment, including health care delivery assets.....			0
22. Net adjustment in assets and liabilities due to foreign exchange rates.....			0
23. Receivables from parent, subsidiaries and affiliates.....			0
24. Health care and other amounts receivable.....			0
25. Aggregate write-ins for other than invested assets.....	599	24	(575)
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 through 25).....	48,828	28,321,740	28,272,912
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			0
28. TOTALS (Lines 26 and 27).....	48,828	28,321,740	28,272,912

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. Miscellaneous receivable.....	599	24	(575)
2502.			0
2503.			0
2598. Summary of remaining write-ins for Line 25 from overflow page.....	0	0	0
2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above).....	599	24	(575)

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

The financial statements of Continental General Insurance Company ("CGIC" or "the Company") are presented on the basis of accounting practices prescribed or permitted by the Ohio Department of Insurance.

The Ohio Department of Insurance recognizes only statutory accounting practices prescribed or permitted by the State of Ohio for determining and reporting the financial condition and results of operations of an insurance company, for determining its solvency under the Ohio Insurance Law. The National Association of Insurance Commissioners' ("NAIC") *Accounting Practices and Procedures Manual* has been adopted as a component of prescribed or permitted practices by the State of Ohio. The Company has no prescribed or permitted practices that would result in differences between NAIC Statutory Accounting Principles ("NAIC SAP") and the state of Ohio basis, as shown below:

	State of Domicile	2015	2014
Net Income			
(1) State basis	Ohio	\$ 32,555,430	\$ 1,944,174
(2) State prescribed practices that increase/(decrease) NAIC SAP	Ohio	-	-
(3) State permitted practices that increase/(decrease) NAIC SAP	Ohio	-	-
(4) NAIC SAP		<u>\$ 32,555,430</u>	<u>\$ 1,944,174</u>
Surplus			
(5) Statutory surplus state basis	Ohio	\$ 18,499,594	\$ 21,500,135
(6) State prescribed practices that increase/(decrease) NAIC SAP	Ohio	-	-
(7) State permitted practices that increase/(decrease) NAIC SAP	Ohio	-	-
(8) NAIC SAP		<u>\$ 18,499,594</u>	<u>\$ 21,500,135</u>

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

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

C. Accounting Policy

Life premiums are recognized as revenues over the premium paying period of the related policies. Annuity considerations are recognized as revenue when received. Health premiums are earned ratably over the terms of the related insurance and reinsurance contracts or policies. Expenses incurred in connection with acquiring new insurance business, including acquisition costs such as sales commissions, are charged to operations as incurred.

In addition, the Company uses the following accounting policies:

- (1) Short-term investments are stated at cost.
- (2) Bonds with a NAIC rating of 1 through 5 are stated at amortized cost using the interest method; all others are stated at lower of amortized cost or fair value.
- (3) Common stocks are stated at fair value, except investments in stocks of wholly-owned subsidiaries which are carried on the equity basis, in accordance with Statement of Statutory Accounting Principle ("SSAP") No. 97.
- (4) Redeemable preferred stocks rated RP1 through RP3 and perpetual preferred stocks rated P1 through P3 are stated at book value.
- (5) Mortgage loans are stated at the aggregate carrying value less accrued interest.
- (6) Loan-backed securities are stated at either amortized cost or the lower of amortized cost or fair value. For residential mortgage-backed securities ("MBS"), commercial MBS and loan-backed and structured securities ("LBASS"), the NAIC has retained third-party investment management firms to assist in the determination of the appropriate NAIC designations and Book Adjusted Carrying Values based not only on the probability of loss, but also the severity of loss. Those residential MBS, commercial MBS and LBASS securities that are not modeled but receive a current year Acceptable Rating Organizations rating are subject to the Modified Filing Exempt process which determines the appropriate NAIC designations and Book Adjusted Carrying Values. Mortgage-backed securities are amortized over a period based on estimated future principal payments, including prepayments. Prepayment assumptions are reviewed periodically and adjusted to reflect actual prepayments and changes in expectations.
- (7) The Company carries several affiliated non-insurance companies at Statutory and GAAP equity, respectively, in accordance with SSAP No. 97.
- (8) The Company's investments in joint ventures, partnerships and limited liability companies are stated at the equity carrying value.
- (9) Derivatives – Not applicable.
- (10) The Company utilizes anticipated investment income as a factor in the premium deficiency calculation.
- (11) Unpaid losses and loss adjustment expenses include an amount determined from individual case estimates and loss reports and an amount, based on past experience, for losses incurred but not reported. Such liabilities are necessarily based on assumptions and estimates and while management believes the amount is adequate, the ultimate liability may be in excess of or less than the amount provided. The methods for making such estimates and for establishing the resulting liability is continually reviewed and any adjustments are reflected in the period determined.
- (12) The Company has not modified its capitalization policy from the prior period.
- (13) The Company has no pharmaceutical rebate receivables.

D. Going Concern

After review of the Company's financial condition, management has no doubts about the Company's ability to continue as a going concern.

Note 2 - Accounting Changes and Correction of Errors

The Company recorded an increase to surplus of \$244,681 as of December 31, 2014 in the Summary of Operations (Page 4, Line 53), for a correction of the health reserves. The adjustment was the result of corrections to the Company's long term care reserves for certain ancillary benefits.

NOTES TO FINANCIAL STATEMENTS**Note 3 - Business Combinations and Goodwill**

- A. The Company has no business combinations accounted for under the statutory purchase method.
- B. The Company was not involved in any statutory mergers.
- C. The Company did not recognize any goodwill resulting from assumption reinsurance transactions.
- D. The Company did not recognize any impairment losses related to business combinations or goodwill.

Note 4 - Discontinued Operations

The Company has no discontinued operations.

Note 5 - Investments

- A. Mortgage Loans, including Mezzanine Real Estate Loans
 - (1) The minimum and maximum lending rates for commercial mortgage loans were 5.585% and 6.205%, respectively.
 - (2) The maximum percentage of any one loan to the value of security at the time of the loan, exclusive of insured, guaranteed or purchase money mortgages, was 75%.
 - (3) The Company did not have any taxes, assessments or any amounts advanced and not included in the mortgage loan total.
 - (4) Age Analysis of Mortgage Loans:

	Residential		Commercial		Mezzanine	Total	
	Farm	Insured	All Other	Insured	All Other		
a. Current Year							
1. Recorded Investment (All)							
a. Current	\$ -	\$ -	\$ -	\$ -	\$ 1,252,165	\$ -	\$ 1,252,165
b. 30-59 Days Past Due	-	-	-	-	-	-	-
c. 60-89 Days Past Due	-	-	-	-	-	-	-
d. 90-179 Days Past Due	-	-	-	-	-	-	-
e. 180+ Days Past Due	-	-	-	-	-	-	-
2. Accruing Interest 90-179 Days Past Due							
a. Recorded Investment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
b. Interest Accrued	-	-	-	-	-	-	-
3. Accruing Interest 180+ Days Past Due							
a. Recorded Investment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
b. Interest Accrued	-	-	-	-	-	-	-
4. Interest Reduced							
a. Recorded Investment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
b. Number of Loans	-	-	-	-	-	-	-
c. Percent Reduced	0%	0%	0%	0%	0%	0%	0%
b. Prior Year							
1. Recorded Investment (All)							
a. Current	\$ -	\$ -	\$ -	\$ -	\$ 2,706,425	\$ -	\$ 2,706,425
b. 30-59 Days Past Due	-	-	-	-	-	-	-
c. 60-89 Days Past Due	-	-	-	-	-	-	-
d. 90-179 Days Past Due	-	-	-	-	-	-	-
e. 180+ Days Past Due	-	-	-	-	-	-	-
2. Accruing Interest 90-179 Days Past Due							
a. Recorded Investment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
b. Interest Accrued	-	-	-	-	-	-	-
3. Accruing Interest 180+ Days Past Due							
a. Recorded Investment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
b. Interest Accrued	-	-	-	-	-	-	-
4. Interest Reduced							
a. Recorded Investment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
b. Number of Loans	-	-	-	-	-	-	-
c. Percent Reduced	0%	0%	0%	0%	0%	0%	0%

- (5) The Company had no investment in impaired loans with or without allowance for credit losses.
- (6) The Company had no investment in impaired loans.
- (7) The Company had no allowance for credit losses.
- (8) The Company had no mortgage loans derecognized as a result of foreclosure.
- (9) The Company recognizes interest income on its impaired loans upon receipt.
- B. The Company has no restructured debt.
- C. The Company has no investment in reverse mortgages.

NOTES TO FINANCIAL STATEMENTS**D. Loan-Backed Securities**

(1) The Company uses dealer-modeled prepayment assumptions for mortgage-backed and asset-backed securities at the date of purchase to determine the effective yields; significant changes in estimated cash flows from the original purchase assumptions are accounted for on a prospective basis.

(2) The Company does not currently hold any aggregate loan-backed securities with a recognized other-than-temporary impairment ("OTTI") in which the Company has the intent to sell or the inability or lack of intent to retain the investment in the security for a period of time to recover the amortized cost basis.

(3) The following table shows each security with a credit-related OTTI charge recognized during the period:

CUSIP	Amortized Cost Before OTTI	Present Value of Projected Cash Flow s	OTTI Charge Recognized in Income Statement	Amortized Cost After OTTI	Fair Value at Time of OTTI	Date Reported
40432BAZ2	\$ 684,164	\$ 608,736	\$ 9,499	\$ 674,664	\$ 674,664	6/30/2015
40432BAZ2	672,453	654,178	14,518	657,935	657,935	9/30/2015
38378FYC8	260,759	255,174	5,585	255,174	255,174	12/31/2015
36186XAE7	485,167	415,800	69,367	415,800	415,800	12/31/2015
52520MFR9	229,132	214,567	14,565	214,567	214,567	12/31/2015
40432BAZ2	615,170	604,593	10,577	604,593	605,412	12/31/2015
Total			\$ 124,111			

(4) The following table shows all loan-backed securities with an unrealized loss:

a. The aggregate amount of unrealized losses:

1. Less than 12 months	\$ 19,148
2. 12 months or longer	51,545

b. The aggregate related fair value of securities with unrealized losses:

1. Less than 12 months	\$ 4,376,256
2. 12 months or longer	3,168,346

(5) Based on cash flow projections received from independent sources (which reflect loan to collateral values, subordination, vintage and geographic concentration), implied cash flows inherent in security ratings and analysis of historical payment data, management believes that the Company will recover its cost basis in all securities with unrealized losses. The Company has the intent to hold securities in an unrealized loss position until they recover in value or mature.

E. Repurchase Agreements and/or Securities Lending Transactions – Not applicable.**F. Real Estate – Not applicable.****G. Low Income Housing Tax Credits – Not applicable.****H. Restricted Assets**

(1) Restricted Assets (including pledged):

Restricted Asset Category	Gross Restricted						8	Percentage		
	Current Year					6	7	9	10	
	1	2	3	4	5					
Restricted Asset Category	Total General Account (GA)	G/A Supporting Separate Account S/A Activity (a)	Total (S/A) Restricted Assets	S/A Assets Supporting G/A Activity (b)	Total (1 plus 3)	Total from Prior Year	Increase/(Decrease) (5 minus 6)	Total Current Year Admitted Restricted	Gross Restricted to Total Assets	Admitted Restricted to Total Admitted Assets
a. Subject to contractual obligation for which liability is not shown	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%	0%
b. Collateral held under security lending agreements	-	-	-	-	-	-	-	-	0%	0%
c. Subject to repurchase agreements	-	-	-	-	-	-	-	-	0%	0%
d. Subject to reverse repurchase agreements	-	-	-	-	-	-	-	-	0%	0%
e. Subject to dollar repurchase agreements	-	-	-	-	-	-	-	-	0%	0%
f. Subject to dollar reverse repurchase agreements	-	-	-	-	-	-	-	-	0%	0%
g. Placed under option contracts	-	-	-	-	-	-	-	-	0%	0%
h. Letter stock or securities restricted as to sale -excluding FHLB capital stock	7,996,555	-	-	-	7,996,555	363,147	7,633,408	7,996,555	3.2%	3.3%
i. FHLB capital stock	-	-	-	-	-	-	-	-	0.0%	0.0%
j. On deposit w/ states	5,301,982	-	-	-	5,301,982	5,330,410	(28,428)	5,301,982	2.1%	2.2%
k. On deposit w/ other regulatory bodies	-	-	-	-	-	-	-	-	0%	0%
l. Pledged as collateral to FHLB (including assets backing funding agreements)	-	-	-	-	-	-	-	-	0%	0%
m. Pledged as collateral not captured in other categories	-	-	-	-	-	-	-	-	0%	0%
n. Other restricted assets	-	-	-	-	-	-	-	-	0%	0%
Total restricted assets	\$ 13,298,537	\$ -	\$ -	\$ -	\$ 13,298,537	\$ 5,693,557	\$ 7,604,980	\$ 13,298,537	5.3%	5.5%

(a) Subset of column 1

(b) Subset of column 2

(2) Details of Assets Pledged as Collateral not Captured in Other Categories – Not applicable.

(3) Detail of Other Restricted Assets – Not applicable.

I. Working Capital Finance Investments – Not applicable.

J. Offsetting and Netting of Assets and Liabilities – Not applicable.

K. Structured Notes – Not applicable.

Note 6 - Joint Ventures, Partnerships and Limited Liability Companies

A. The Company has no investments in joint ventures, partnerships, or limited liability companies that exceed 10% of its admitted assets.

B. The Company recorded impairments of \$151,355 related to its investment in NYLM-CCRII LP due to underlying losses based on best and worst case cash flow scenarios.

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

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

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

B. The amount of investment income due and accrued that is excluded from surplus is \$0.

Note 8 - Derivative Instruments

Not applicable.

Note 9 - Income Taxes

A. Deferred Tax Assets and Deferred Tax Liabilities

(1) The components of the net deferred tax asset/(liability) at December 31 are as follows:

	2015			2014			Change		
	Ordinary	Capital	Total	Ordinary	Capital	Total	Ordinary	Capital	Total
a. Gross deferred tax assets	\$ 15,871,959	\$ 99,939	\$ 15,971,898	\$ 31,632,675	\$ 660,237	\$ 32,292,912	\$ (15,760,716)	\$ (560,298)	\$ (16,321,014)
b. Statutory valuation allowance adjustment	-	-	-	-	-	-	-	-	-
c. Adjusted gross deferred tax assets	15,871,959	99,939	15,971,898	31,632,675	660,237	32,292,912	(15,760,716)	(560,298)	(16,321,014)
d. Deferred tax assets nonadmitted	-	-	-	28,310,213	-	28,310,213	(28,310,213)	-	(28,310,213)
e. Subtotal net admitted deferred tax asset	15,871,959	99,939	15,971,898	3,322,462	660,237	3,982,699	12,549,497	(560,298)	11,989,199
f. Deferred tax liabilities	4,420,640	16,073,083	20,493,723	520,521	-	520,521	3,900,119	16,073,083	19,973,202
g. Net admitted deferred tax assets/(net deferred tax liability)	\$ 11,451,319	\$ (15,973,144)	\$ (4,521,825)	\$ 2,801,941	\$ 660,237	\$ 3,462,178	\$ 8,649,378	\$ (16,633,381)	\$ (7,984,003)

(2) Admission calculation components, SSAP No. 101:

	2015			2014			Change		
	Ordinary	Capital	Total	Ordinary	Capital	Total	Ordinary	Capital	Total
a. Federal income taxes paid in prior years recoverable through loss carrybacks	\$ 90,915	\$ -	\$ 90,915	\$ -	\$ 660,237	\$ 660,237	\$ 90,915	\$ (660,237)	\$ (569,322)
b. Adjusted gross deferred tax assets expected to be realized (excluding the amount of deferred tax assets from 2(a) above) after application of the threshold limitation. (The lesser of 2(b)1 and 2(b)2 below)	90,915	-	90,915	2,801,941	-	2,801,941	(2,711,026)	-	(2,711,026)
1. Adjusted gross deferred tax assets expected to be realized following the balance sheet date	90,915	-	90,915	10,301,406	-	10,301,406	(10,210,491)	-	(10,210,491)
2. Adjusted gross deferred tax assets allowed per limitation threshold	XXX	XXX	2,928,917	XXX	XXX	2,801,941	XXX	XXX	126,976
c. Adjusted gross deferred tax assets (excluding the amount of deferred tax assets from 2(a) and 2(b) above) offset by gross deferred tax liabilities	15,690,129	99,939	15,790,068	520,521	-	520,521	15,169,608	99,939	15,269,547
d. Deferred tax assets admitted as the result of application of SSAP No. 101	\$ 15,871,959	\$ 99,939	\$ 15,971,898	\$ 3,322,462	\$ 660,237	\$ 3,982,699	\$ 12,549,497	\$ (560,298)	\$ 11,989,199

(3) Other admissibility criteria:

	2015		2014	
	Ordinary	Capital	Ordinary	Capital
a. Ratio percentage used to determine recovery period and threshold limitation amount	455%	455%		
b. Amount of adjusted capital and surplus used to determine recovery period and threshold limitation in 2(b)2 above	\$ 19,526,114	\$ 18,679,610		

(4) Impact of tax planning strategies:

	2015			2014			Change	
	Ordinary	Capital	Ordinary	Capital	Ordinary	Capital	Ordinary	Capital
a. Determination of adjusted gross deferred tax assets and net admitted deferred tax assets, by tax character as a percentage								
1. Adjusted gross DTAs amount from Note 9A1(c)	\$ 15,871,959	\$ 99,939	\$ 31,632,675	\$ 660,237	\$ (15,760,716)	\$ (560,298)		
2. Percentage of adjusted gross DTAs by tax character attributable to the impact of tax planning strategies	0%	0%	0%	2%	0%	-2%		
3. Net admitted adjusted gross DTAs amount from Note 9A1(e)	15,871,959	99,939	3,322,462	660,237	12,549,497	(560,298)		
4. Percentage of net admitted adjusted gross DTAs by tax character admitted because of the impact of tax planning strategies	0%	0%	0%	17%	0%	-17%		

b. Does the company's tax planning strategies include the use of reinsurance? Yes [] No [X]

B. The Company has recognized all of its deferred tax liabilities.

NOTES TO FINANCIAL STATEMENTS

C. Current income taxes incurred consist of the following major components:

(1) Current income tax expense (benefit):

	2015	2014	Change
(a) Federal	\$(38,672,023)	\$(839,579)	\$(37,832,444)
(b) Foreign	-	-	-
(c) Subtotal	<u>\$(38,672,023)</u>	<u>\$(839,579)</u>	<u>\$(37,832,444)</u>
(d) Federal income tax on net capital gains	351,515	381,144	(29,629)
(e) Utilization of capital loss carry-forwards	-	-	-
(f) Other	-	-	-
(g) Federal and foreign income taxes incurred	<u><u>\$(38,320,508)</u></u>	<u><u>\$(458,435)</u></u>	<u><u>\$(37,862,073)</u></u>

(2) Deferred tax assets:

	2015	2014	Change
(a) Ordinary			
(1) Discounting of unpaid losses	\$ -	\$ -	\$ -
(2) Unearned premium reserve	-	-	-
(3) Policyholder reserve	15,340,331	16,543,221	(1,202,890)
(4) Investments	-	-	-
(5) Deferred acquisition costs	24,326	14,613,097	(14,588,771)
(6) Policyholder dividends accrual	-	-	-
(7) Fixed assets	-	-	-
(8) Compensation and benefits accrual	-	-	-
(9) Pension accrual	-	-	-
(10) Receivables - nonadmitted	17,090	4,034	13,056
(11) Net operating loss carry-forward	-	-	-
(12) Tax credit carry-forward	-	-	-
(13) Other	490,212	472,322	17,890
(14) Accruals	-	-	-
(15) Amortization of intangibles	-	-	-
(16) Underwriting expenses	-	-	-
(99) Subtotal	<u>\$ 15,871,959</u>	<u>\$ 31,632,674</u>	<u>\$ (15,760,715)</u>
(b) Statutory valuation allowance adjustment			
(c) Nonadmitted	-	28,310,213	(28,310,213)
(d) Admitted ordinary deferred tax assets	<u>\$ 15,871,959</u>	<u>\$ 3,322,461</u>	<u>\$ 12,549,498</u>
(e) Capital			
(1) Investments	\$ 8,456	\$ 593,132	\$ (584,676)
(2) Net capital loss carry-forward	-	-	-
(3) Real estate	-	-	-
(4) Other	91,483	67,106	24,377
(99) Subtotal	<u>\$ 99,939</u>	<u>\$ 660,238</u>	<u>\$ (560,299)</u>
(f) Statutory valuation allowance adjustment			
(g) Nonadmitted	-	-	-
(h) Admitted capital deferred tax assets	<u>\$ 99,939</u>	<u>\$ 660,238</u>	<u>\$ (560,299)</u>
(i) Admitted deferred tax assets	<u><u>\$ 15,971,898</u></u>	<u><u>\$ 3,982,699</u></u>	<u><u>\$ 11,989,199</u></u>

(3) Deferred tax liabilities:

	2015	2014	Change
(a) Ordinary			
(1) Investments	\$ -	\$ -	\$ -
(2) Fixed assets	-	-	-
(3) Deferred and uncollected premium	408,311	468,400	(60,089)
(4) Policyholder reserves	-	-	-
(5) Guaranty fund accrual & Accrued Dividends	147,874	52,121	95,753
(6) Policy loans & other assets	3,864,455	-	3,864,455
(7) Other	-	-	-
(99) Subtotal	<u>\$ 4,420,640</u>	<u>\$ 520,521</u>	<u>\$ 3,900,119</u>
(b) Capital			
(1) Investments	\$ 16,073,083	\$ -	\$ 16,073,083
(2) Real estate	-	-	-
(3) Other	-	-	-
(99) Subtotal	<u>\$ 16,073,083</u>	<u>\$ -</u>	<u>\$ 16,073,083</u>
(c) Deferred tax liabilities	<u><u>\$ 20,493,723</u></u>	<u><u>\$ 520,521</u></u>	<u><u>\$ 19,973,202</u></u>
(4) Net deferred tax assets/(liabilities)	<u><u>\$ (4,521,825)</u></u>	<u><u>\$ 3,462,178</u></u>	<u><u>\$ (7,984,003)</u></u>

NOTES TO FINANCIAL STATEMENTS

D. The provision for federal income taxes incurred on operations is different from that which would be obtained by applying the statutory federal income tax rate to income before income taxes. The significant items causing this difference are as follows:

	2015	2014
Provision computed at statutory rate (operations and realized gains/losses)	\$ (1,847,920)	\$ 509,933
Permanent differences:		
Ceding commission	(423,115)	(560,165)
Dividend exclusion	(5,703)	(333)
Provision to return adjustments	(2,027)	5,490
Other	(15,949)	(18,645)
Total permanent differences	<u>(446,794)</u>	<u>(573,652)</u>
Timing adjustments:		
Investment differences	44,715	166,186
Reserves	(1,186,934)	786,205
DAC tax adjustment	(1,288,271)	(1,535,730)
Amortization of goodwill	-	(38,634)
Provision to return	86,706	57,946
Change in premiums	51,428	54,067
Policy loans & other assets	267,509	-
IRC section 338(h)(10) election	(34,079,481)	-
Other	78,534	115,244
Total timing adjustments	<u>(36,025,794)</u>	<u>(394,717)</u>
Federal income tax benefit on operations and realized gains/losses	<u><u>\$ (38,320,508)</u></u>	<u><u>\$ (458,436)</u></u>
Gross change in deferred tax asset:		
Timing adjustments - Current year activity	\$ 1,946,303	\$ 565,992
Impact of 338(h)(10)	33,143,144	-
Unrealized gains/losses	(24,378)	(150,380)
Impact of non-admitted assets	(17,718)	(4,628)
Basis differences on investments contributed by HC2	998,010	-
Other	248,855	(81,703)
Total change in deferred tax asset recorded directly to surplus	<u>36,294,216</u>	<u>329,281</u>
Total statutory income tax benefit	<u><u>\$ (2,026,291)</u></u>	<u><u>\$ (129,154)</u></u>

E. (1) The Company does not have any operating loss carry-forwards or capital loss carry-forwards available to offset future net income subject to federal incomes taxes.

(2) The following are income taxes on operations and realized gains incurred in the current and prior years that will be available for recoupment in the event of future net losses:

Period	Ordinary	Capital	Total
2015	\$ 171,188	\$ -	\$ 171,188
2014	-	-	-
2013	-	-	-

(3) The Company had no deposits to disclose under Section 6603 of the Internal Revenue Service Code.

NOTES TO FINANCIAL STATEMENTS

F. The Company's federal income tax return prior to the acquisition agreement in Note 10 is consolidated.

(1) The Company's federal income tax return is consolidated with the following entities:

AAG Insurance Agency, Inc.	Great American Life Insurance Company
American Empire Insurance Company	Great American Lloyd's Insurance Company
American Empire Surplus Lines Insurance Company	Great American Lloyd's, Inc.
American Empire Underwriters, Inc.	Great American Management Services, Inc.
American Financial Enterprises, Inc.	Great American Protection Insurance Company
American Financial Group, Inc.	Great American Re Inc.
American Money Management Corporation	Great American Security Insurance Company
American Premier Underwriters, Inc.	Great American Spirit Insurance Company
American Signature Underwriters, Inc.	Great Southwest Corporation
Annuity Investors Life Insurance Company	Hangar Acquisition Corp.
APU Holding Company	Indianapolis Union Railway Company (The)
Associates of the Jersey Company (The)	Key Largo Group, Inc.
Bridgefield Casualty Insurance Company	Lehigh Valley Railroad Company
Bridgefield Employers Insurance Company	Magnolia Alabama Holdings, Inc.
Brothers Pennsylvanian Corporation	Manhattan National Holding Corporation
Brothers Property Corporation	Manhattan National Life Insurance Company
Brothers Property Management Corporation	Mid-Continent Assurance Company
Cal Coal, Inc.	Mid-Continent Casualty Company
Ceres Group, Inc.	Mid-Continent Excess and Surplus Insurance Company
Continental General Corporation	Mid-Continent Specialty Insurance Services, Inc.
Continental General Insurance Company	Oklahoma Surety Company
Crop Managers Insurance Agency, Inc.	One East Fourth, Inc.
Dempsey & Siders Agency, Inc.	Owasco River Railway, Inc. (The)
Dixie Terminal Corporation	PCC Maryland Realty Corp.
Eden Park Insurance Brokers, Inc.	PCC Real Estate, Inc.
Farmers Crop Insurance Alliance, Inc.	PCC Technical Industries, Inc.
FCIA Management Company, Inc.	Penn Central Energy Management Company
GAI Insurance Company, Ltd.	Penn Towers, Inc.
GAI Warranty Company	Pioneer Carpet Mills, Inc.
GAI Warranty Company of Florida	Pittsburgh and Cross Creek Railroad Company
GALIC Brothers, Inc.	Premier Lease & Loan Services Insurance Agency, Inc.
Global Premier Finance Company	Premier Lease & Loan Services of Canada, Inc.
Great American Advisors, Inc.	Professional Risk Brokers, Inc.
Great American Agency of Texas, Inc.	QQAgency of Texas, Inc.
Great American Alliance Insurance Company	Republic Indemnity Company of America
Great American Assurance Company	Republic Indemnity Company of California
Great American Casualty Insurance Company	Risico Management Corporation
Great American Claims Services, Inc.	Skipjack Marina Corp.
Great American Contemporary Insurance Company	Summit Consulting, LLC
Great American E & S Insurance Company	Summit Holding Southeast, Inc.
Great American Fidelity Insurance Company	TEJ Holdings, Inc.
Great American Financial Resources, Inc.	Terminal Realty Penn Co.
Great American Holding, Inc.	Three East Fourth, Inc.
Great American Insurance Agency, Inc.	United Teacher Associates Insurance Company
Great American Insurance Company	United Teacher Associates, Ltd.
Great American Insurance Company of New York	Waynesburg Southern Railroad Company

(2) Pursuant to the tax allocation agreement, the Company's tax expense will be determined based upon its inclusion in the consolidated tax return of American Financial Group, Inc. and its includable subsidiaries. Estimated payments are to be made quarterly during the year. Following year-end, additional settlements will be made on the original due date of the return and, when extended, at the time the return is filed. The method of allocation among the companies under the agreement is based upon separate return calculations with current credit for net losses to the extent the losses provide a benefit in the consolidated tax return.

G. Federal or Foreign Federal Income Tax Loss Contingencies

The Company does not have any tax loss contingencies.

Note 10 - Information Concerning Parent, Subsidiaries, Affiliates and Other Related Parties

A., B. & C.

As a result of the acquisition agreement on December 24, 2015 between HC2 Holdings, Inc. ("HC2"), the Buyer, and Continental General Corporation and Great American Financial Resources, Inc. ("GAFRI"), the Sellers, the Company became a wholly-owned subsidiary of Continental Insurance, Inc. ("CII") which is indirectly a wholly-owned subsidiary of HC2. See Schedule Y, Part 1, Organizational Chart.

During 2015, the Company received one capital contribution from HC2:

12/30/2015 \$7,813,661

The Company did not receive any capital contributions from its parent in 2014.

D. The Company reported \$0 due from and \$4,020 due to affiliated companies. The terms of the agreements require that these amounts be settled within 90 days.

E. The Company has no material guarantees or undertakings for the benefit of an affiliate.

NOTES TO FINANCIAL STATEMENTS

- F. Certain administrative, management, underwriting, claims, accounting, data processing, collection and investment services are provided under a cost sharing agreement between the Company and affiliates at charges not unfavorable to the Company or affiliates.
- G. The Company's outstanding shares are 100% owned by CII, an indirect wholly-owned subsidiary of HC2.
- H. The Company does not own shares of any upstream intermediate entity or its ultimate parent.
- I. The Company has no investment in a subsidiary, controlled or affiliated entity that exceeds 10% of admitted assets.
- J. The Company did not recognize any impairment or write down for its investments in subsidiary, controlled or affiliated companies during the statement period.
- K. The company has no investment in a foreign insurance subsidiary.
- L. The company does not hold an investment in a downstream non-insurance holding company.
- M. Valuation of Subsidiary, Controlled and Affiliated Entities (excluding U.S. Insurance Entities) – Not applicable.
- N. The Company has no investments in insurance subsidiary, controlled, or affiliated entities.

Note 11 - Debt

- A. The Company has no outstanding debt instruments.
- B. The Company has no Federal Home Loan Bank agreements.

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

A., B., C. & D.

The Company does not participate in a defined benefit plan.

- E. Defined Contribution Plan -- See item G below.
- F. The Company does not participate in multiemployer plans.
- G. Consolidated/Holding Company Plans:

(1) Employees' Retirement Plan

In connection with the sale of the Company on December 24, 2015, GAFRI agreed to remain the employer through the end of 2015 of the Austin-based employees responsible for the Company's operations. As a result, the Austin-based employees participated in the employee benefit plans sponsored by GAFRI for the full year of 2015. Effective January 1, 2016 the Austin-based employees become covered by benefit plans sponsored by the Company.

American Financial Group ("AFG") has established the American Financial Group, Inc. 401(k) Retirement and Savings Plan (the "Plan") for the benefit of employees of AFG and its participating subsidiaries. Substantially all employees meeting minimum requirements regarding service are eligible to participate in this Plan. The Plan is a defined contribution plan in which participating employees are entitled to share in contributions made by the Company on their behalf. The Plan has three types of contributions, including (1) Retirement Contributions made by the Company, (2) 401(k) Contributions made by participating employees, and (3) Matching Contributions made by the Company. The benefits for the Retirement Contributions are based on eligible compensation as defined by the Plan for each year of participation. Funding is determined annually. Each company contributes an amount for the Retirement Contributions based upon the relationship of its total eligible compensation to total eligible compensation under the Plan for all participating subsidiaries. In addition, participating employees are permitted to make 401(k) Contributions to the Plan. Matching Contributions may be made by the Company based on the amount of 401(k) Contributions made by the participating employees. Plan costs are funded as they accrue and vested benefits are fully funded. Both Retirement Contributions and Matching Contributions to the Plan are subject to the discretion of the Board of Directors of AFG, and the Company has no liability for future contributions to the Plan. At December 31, 2015, the fair market value of the Plan's Retirement Contributions assets was \$417,970,518 and the fair market value of the Plan's Matching Contributions assets was \$192,722,198. GAFRI's share of the expense for the Plan during 2015 was \$2,737,693.

(2) Deferred Compensation Plans

Effective October 1, 1994, GAFRI offered to its officers and selected employees the opportunity to defer receipt of a specific percentage of the employee's compensation. Amounts deferred were credited either with a fixed rate of interest or a rate based on the performance of GAFRI's common stock, based on the participant's election. Effective November 1, 2007, this plan was merged into a similar plan maintained by AFG and existing balances were transferred to that plan. The AFG plan offers additional options into which participants may elect to invest their balances.

(3) Postretirement Benefits

GAFRI provides postretirement health care and life insurance benefits to employees meeting age and service requirements through plans sponsored by AFG. The retiree medical care plan is a contributory plan covering all eligible employees hired prior to 1993; employees hired after 1992 pay the full cost of retiree medical coverage. GAFRI has established a cap on the total amount of health care costs that are subsidized for the majority of current retirees. All eligible future retirees receive a flat dollar amount contributed to a Retiree Health Reimbursement Arrangement Account. GAFRI currently pays the full cost of life insurance coverage for past retirees, but no coverage is provided for new retirees after 2005. The medical plan is funded by monthly payments to a trust. Life insurance benefits are provided by insurance contracts. AFG has the right to modify or terminate either of these plans in the future. GAFRI has the right to terminate its participation at any time in the future.

GAFRI accrues its postretirement benefits over the period the employees qualify for such benefits. At December 31, 2015, GAFRI's accumulated postretirement benefit obligation was \$504,378 using a discount rate of 3.25% of which all is currently accrued. Net post retirement benefits costs for the year ended December 31, 2015, was a \$75,621 credit which includes service cost, interest cost, and amortization of the transition obligation.

The weighted average annual assumed rate of increase in the health care cost trend rate is 7% for 2016 and is assumed to decrease gradually to 5% over 9 years and to remain at that level thereafter. The effect of a 1% increase in the assumed health care cost trend rate for each year would have an immaterial impact on the postretirement benefit obligation at December 31, 2015.

H. Postemployment Benefits and Compensated Absences:

The Company accrues obligations for postemployment benefits and compensated absences in accordance with SSAP No. 11.

NOTES TO FINANCIAL STATEMENTS

I. The Medicare Modernization Act:

(1) In December 2003, the Medicare Prescription Drug, Improvement and Modernization Act of 2003 (the "Act") became law. Under the Act, starting in 2006, retirees will have the ability to obtain prescription drug benefits through a new Medicare Part D program and companies that continue to provide postretirement prescription drug benefits to their retirees may be eligible to receive a new federal subsidy.

(2) & (3) The Medicare Modernization Act had no impact on the Company's postretirement benefits.

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

(1) The Company's capital is common stock. There are 6,500,000 shares authorized and 4,196,559 shares issued and outstanding, with a per share par value of \$1. There are no other classes of capital stock.

(2) The Company has no preferred stock outstanding.

(3) The maximum amount of dividends which can be paid to stockholders by life insurance companies domiciled in the State of Ohio without prior approval of the Insurance Commissioner is the greater of 10% of surplus as regards to policyholders or net income as of the preceding December 31, but only to the extent of earned surplus as of the preceding December 31. The maximum amount of dividends payable in 2016 without prior approval is \$0 based on earned surplus. At December 31, 2015 surplus as regards to policyholders was \$14,303,035, net income was \$32,555,430 and earned surplus was (\$1,149,496). In connection with HC2's acquisition of the Company, HC2 has agreed not to cause the Company to pay dividends for three years from the date of the acquisition of the Company without prior approval of the Insurance Commissioner.

(4) The company paid no dividends.

(5) Within the limitations of (3) above, there are no restrictions placed on the portion of Company profits that may be paid as ordinary dividends to stockholders.

(6) The Company has placed no restrictions on unassigned surplus funds.

(7) The total amount of advances to surplus not repaid is \$0. The Company is not organized as a mutual insurer or similar entity.

(8) The amounts of stock held by the Company, including stock of affiliated companies, for special purposes are:

a. For conversion of preferred stock:	0 shares
b. For employee stock options:	0 shares
c. For stock purchase warrants:	0 shares

(9) The Company has no special surplus funds.

(10) The portion of unassigned funds (surplus) represented or reduced by each item below is as follows:

a. Unrealized gains and losses:	\$ (261,381)
b. Nonadmitted asset values:	\$ (48,828)
c. Separate account business:	\$ -
d. Asset valuation reserves:	\$ (921,584)
e. Provision for reinsurance:	\$ -

(11) The Company has not issued any surplus debentures or similar obligations.

(12) & (13) There has been no restatement of surplus due to quasi-reorganization.

Note 14 - Contingencies

A. The Company is not aware of any material contingent liabilities and has committed no reserves to cover any contingent liabilities.

B. The Company holds a liability for future guaranty fund assessments of \$1,212,987. The Company also holds a premium tax offset asset related to guaranty fund assessments paid or accrued.

C. The Company has no gain contingencies to report.

D. The Company is not aware of any claims related to extra contractual obligations and bad faith losses stemming from lawsuits

E. The Company has no joint and several liabilities.

F. The Company is not aware of any other material loss contingencies as of the Balance Sheet date, or any date subsequent up to the filing of this statement.

Note 15 - Leases

Not applicable.

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

Not applicable.

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

The Company has no reportable transactions.

Note 18 - Gain or Loss to the Reporting Entity from Uninsured Plans and the Uninsured Portion of Partially Insured Plans

Not applicable.

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

Not applicable.

NOTES TO FINANCIAL STATEMENTS**Note 20 - Fair Value Measurements****A.****(1) Fair Value Measurements at Reporting Date**

The Company has categorized its assets and liabilities measured at fair value into the three-level fair value hierarchy as reflected in the following table. See item (4) below for a discussion of each of these levels.

	Level 1	Level 2	Level 3	Total
Assets at fair value:				
Bonds:				
U.S. Government and government agencies	\$ -	\$ -	\$ -	\$ -
States, municipalities and political subdivisions	-	-	-	-
Foreign government	-	-	-	-
Residential MBS	-	-	-	-
Commercial MBS	-	-	-	-
All other bonds	-	-	-	-
Total bonds	-	-	-	-
Non-affiliated preferred stock	-	-	-	-
Non-affiliated common stock	3,552,932	-	-	3,552,932
Affiliated common stocks	4,715,293	3,098,368	-	7,813,661
Total assets accounted for at fair value	\$ 8,268,225	\$ 3,098,368	\$ -	\$11,366,593

There were no transfers between Level 1 and Level 2.

(2) Fair Value Measurements in Level 3 of the Fair Value Hierarchy

	Beginning balance at 1/1/2015	Transfers into Level 3	Transfers out of Level 3	Total gains and (losses) included in Net Income	Total gains and (losses) included in Surplus	Purchases	Sales	Ending balance at 12/31/2015
U.S. Government and government agencies	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
States, municipalities and political subdivisions	-	-	-	-	-	-	-	-
Residential MBS	-	-	-	-	-	-	-	-
All other bonds	-	-	-	-	-	-	-	-
Non-affiliated preferred stock	-	-	-	-	-	-	-	-
Non-affiliated common stocks	1,026,428	-	(966,273)	(35,000)	(25,155)	-	-	-
Total	\$ 1,026,428	\$ -	\$ (966,273)	\$ (35,000)	\$ (25,155)	\$ -	\$ -	\$ -

(3) Fair Value Recognition of Transfers Between Levels

The Company recognizes and records the transfer of securities into and out of Level 3 due to changes in availability of market observable inputs. All transfers are reflected in the table above at fair value as of the end of the reporting period.

(4) Inputs and Techniques Used in Estimating Fair Value

Level 1 - Quoted prices for identical assets or liabilities in active markets (markets in which transactions occur with sufficient frequency and volume to provide pricing information on an ongoing basis). The Company's Level 1 financial instruments consist primarily of publicly traded equity securities for which quoted market prices in active markets are available.

Level 2 - Quoted prices for similar instruments in active markets; quoted prices for identical or similar assets or liabilities in inactive markets (markets in which there are few transactions, the prices are not current, price quotations vary substantially over time or among market makers, or in which little information is released publicly); and valuations based on other significant inputs that are observable in active markets. Level 2 inputs include benchmark yields, reported trades, corroborated broker/dealer quotes, issuer spreads and benchmark securities. When non-binding broker quotes can be corroborated by comparison to similar securities priced using observable inputs, they are classified as Level 2.

Level 3 - Valuations derived from market valuation techniques generally consistent with those used to estimate the fair value of Level 2 financial instruments in which one or more significant inputs are unobservable or when the market for a security exhibits significantly less liquidity relative to markets supporting Level 2 fair value measurements. The unobservable inputs may include management's own assumptions about the assumptions market participants would use based on the best information available in the circumstances. The Company's Level 3 is comprised of financial instruments whose fair value is estimated based on non-binding broker quotes or internally developed using significant inputs not based on, or corroborated by, observable market information.

The Company's investment manager, American Money Management Corporation ("AMMC"), is responsible for the valuation process and uses data from outside sources (including nationally recognized pricing services and broker/dealers) in establishing fair value. Valuation techniques utilized by pricing services and prices obtained from external sources are reviewed by AMMC's internal investment professionals who are familiar with the securities being priced and the markets in which they trade to ensure the fair value determination is representative of an exit price. To validate the appropriateness of the prices obtained, the investment manager considers widely published indices (as benchmarks), recent trades, changes in interest rates, general economic conditions and the credit quality of the specific issuers. In addition, AMMC communicates directly with the pricing service regarding the methods and assumptions used in pricing, including verifying, on a test basis, the inputs used by the service to value specific securities.

(5) Derivative Assets and Liabilities

Not applicable.

B. The Company has no additional fair value disclosures.

NOTES TO FINANCIAL STATEMENTS

C. The Company has categorized all the financial assets in the financial statements into the three-level hierarchy as reflected in the following table. See item (4) above for a discussion of each of these three levels.

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	Level 1	Level 2	Level 3
Financial Assets:					
Bonds:					
U.S. Government and government agencies	\$ 5,761,476	\$ 5,597,038	\$ 1,673,763	\$ 4,087,713	\$ -
States, municipalities and political subdivisions	55,647,724	52,590,517	-	55,647,724	-
Foreign government	1,753,362	1,493,412	-	1,753,362	-
Residential MBS	38,081,656	34,083,196	-	31,298,437	6,783,219
Commercial MBS	19,228,161	18,334,621	-	18,812,361	415,800
Asset backed securities	5,643,253	5,464,971	-	5,643,253	-
All other bonds	94,290,448	86,225,844	-	94,290,448	-
Total bonds	\$ 220,406,080	\$ 203,789,599	\$ 1,673,763	\$ 211,533,298	\$ 7,199,019
Preferred stock	\$ 4,039,725	\$ 4,000,007	\$ 3,034,725	\$ 1,005,000	\$ -
Non-affiliated common stock	3,552,932	3,552,932	3,552,932	-	-
Affiliated common stock	7,813,661	7,813,661	4,715,293	3,098,368	-
Other investments	-	-	-	-	-
Mortgage loans	1,251,977	1,252,165	-	-	1,251,977
Policy loans	2,796,194	2,796,194	-	-	2,796,194
Total financial assets	\$ 239,860,569	\$ 223,204,558	\$ 12,976,713	\$ 215,636,666	\$ 11,247,190

D. Not Practicable to Estimate Fair Value – The Company has no financial instruments that fall under this classification.

Note 21 - Other Items

- A. The company had no unusual or infrequent items to report.
- B. The company had no troubled debt restructuring.
- C. The company had no other disclosures to report.
- D. The Company has no business interruption insurance recoveries.
- E. The Company has no state transferable or non-transferable tax credits.
- F. Subprime Mortgage Related Risk Exposure

- (1) Included in determining the company's exposure to sub-prime mortgage loans are the debt and equity securities of companies whose principal business includes the origination, securitization, providing of mortgage insurance on, investment in or management of subprime mortgage loans. Also included in such determination are those residential MBS and collateral debt obligations in which the ultimate collateral supporting anticipated cash flows are subprime mortgage loans. In general, we limit the Company's purchases of subprime residential mortgage backed securities to those securities with AAA ratings and whose underlying collateral is fixed-rate (as opposed to adjustable rate).
- (2) The company does not have any investments with direct exposure in subprime mortgage loans.
- (3) Direct exposure to subprime mortgage risk through investments in the following securities:

	Actual Cost	Book/Adjusted Carrying Value (excluding interest)	Fair Value	Other Than Temporary Impairment Losses Recognized
a. Residential MBS	\$ 7,433,267	\$ 7,433,978	\$ 7,465,048	\$ -
b. Commercial MBS	-	-	-	-
c. Collateralized debt obligations	-	-	-	-
d. Structured securities	-	-	-	-
e. Equity investments in SCAs	-	-	-	-
f. Other assets	75,147	67,120	67,120	-
g. Total	\$ 7,508,414	\$ 7,501,098	\$ 7,532,168	\$ -

- (4) The company has no net underwriting exposure to subprime mortgage risk through Mortgage Guaranty or Financial Guaranty coverage.

- G. The Company does not have retained asset accounts.
- H. The Company is not an issuer, ceding insurer or counterparty of insurance-linked securities.

Note 22 - Events Subsequent

Management has evaluated the financial statements for subsequent events through February 25, 2016, the date the financial statements were available to be issued. There have been no subsequent events that have a material financial effect on the Company.

NOTES TO FINANCIAL STATEMENTS**Note 23 - Reinsurance**

A. Ceded Reinsurance Report

Section 1 - General Interrogatories

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

(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) If yes, give full details

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)

(a) If yes, what is the estimated amount of the aggregate reduction in surplus of a unilateral cancellation by the reinsurer as of the date of this statement, for those agreements in which cancellation results in a net obligation of the Company to the reinsurer, and for which such obligation is not presently accrued? Where necessary, the Company may consider the current or anticipated experience of the business reinsured in making this estimate. \$0

(b) What is the total amount of reinsurance credits taken, whether as an asset or as a reduction of liability, for these agreements in this statement? \$0.

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

Section 3 - Ceded Reinsurance Report - Part B

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

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

If yes, what is the amount of reinsurance credits, whether an asset or a reduction of liability, taken for such new agreements or amendments? \$0

B. Uncollectible Reinsurance

The Company did not write off any uncollectible reinsurance.

C. Commutation of Ceded Reinsurance

The Company was not involved in any commutation of ceded reinsurance.

D. Certified Reinsurer Downgraded or Status Subject to Revocation

The Company had no reinsurance contracts with certified reinsurers.

E., F. & G.

The Company has no captive reinsurance agreements

Note 24 - Retrospectively Rated Contracts & Contracts Subject to Redetermination

Not applicable.

Note 25 - Change in Incurred Losses and Loss Adjustment Expenses

Reserves as of December 31, 2014 were \$35,948,842. As of December 31, 2015, \$7,533,626 has been paid for incurred claims and claim adjustment expenses attributable to insured events of prior years. Reserves remaining for prior years are now \$26,765,694 as a result of re-estimation of unpaid claims and claim adjustment expenses principally on long term care lines of insurance. Therefore, there has been a \$1,649,522 favorable prior year development since December 31, 2014 to December 31, 2015. The decrease is generally the result of ongoing analysis of recent loss development trends. Original estimates are increased or decreased as additional information becomes known regarding individual claims.

Note 26 - Intercompany Pooling Arrangements

Not applicable.

Note 27 - Structured Settlements

Not applicable.

Note 28 - Health Care Receivables

Not applicable.

NOTES TO FINANCIAL STATEMENTS**Note 29 - Participating Policies**

- A. Participating policies represent less than 1% of the Company's total life insurance in force.
- B. Policyholder dividends are recognized on the policy's anniversary.
- C. Dividends to policyholders were \$14,935.
- D. There are no other amounts of additional income allocated to participating policyholders.

Note 30 - Premium Deficiency Reserves

A. Liability carried for premium deficiency reserves	\$32,492,145
B. Date of the most recent evaluation of this liability	12/31/2015
C. Was anticipated investment income utilized in the calculation?	YES

Note 31 - Reserves for Life Contracts and Annuity Contracts

- (1) The Company waives deduction of deferred fractional premiums upon the death of insured and returns any portion of the final premium beyond the date of death promised in excess of the legally computed reserves.
- (2) Reserves for substandard policies are equal to the standard reserve for the particular plan, age and duration plus extra premium charged for the year.
- (3) The Company has \$8,233,845 of insurance in force for which the gross premiums are less than net premiums according to the required valuation standard. Reserves to cover the above insurance are reported in Exhibit 5, Miscellaneous Reserves.
- (4) The tabular interest has been determined by the formula as described in the instructions. The tabular less actual reserve released has been determined by the formula as described in the instructions. The tabular cost has been determined by the formula as described in the instructions.
- (5) Tabular interest on funds not involving life contingencies is calculated as one-hundredth of the product of such valuation rate of interest times the mean of the amount of funds subject to such valuation rate of interest held at the beginning and end of the year of valuation.
- (6) The Company has no reserve changes not captured elsewhere.

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

Withdrawal Characteristics of Annuity Actuarial Reserves and Deposit – Type Contract Funds and Other Liabilities Without Life or Disability Contingencies

	General Account	Separate Account w/ih Guarantees	Separate Account Nonguaranteed	Total	% of Total
A. Subject to discretionary withdrawal:					
(1) With fair value adjustment	\$ -	\$ -	\$ -	\$ -	0.0%
(2) At book value less current surrender charge of 5% or more	- -	- -	- -	- -	0.0%
(3) At fair value	- -	- -	- -	- -	0.0%
(4) Total with adjustment or at fair value (total of 1 through 3)	- -	- -	- -	- -	0.0%
(5) At book value without adjustment (minimal or no charge or adjustment)	69,029,212	- -	- -	69,029,212	96.4%
B. Not subject to discretionary withdrawal	2,551,663	- -	- -	2,551,663	3.6%
C. Total (gross: direct + assumed)	71,580,875	- -	- -	71,580,875	100.0%
D. Reinsurance ceded	40,038,211	- -	- -	40,038,211	
E. Total (net)* (C) - (D)	<u><u>\$ 31,542,664</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 31,542,664</u></u>	

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

	Amount
F. Life & Accident & Health Annual Statement:	
1. Exhibit 5, Annuities Section, Total (net)	\$ 30,289,639
2. Exhibit 5, Supplementary Contracts with Life Contingencies Section, Total (net)	365,568
3. Exhibit 7, Deposit-Type Contracts, Line 14, Column 4	851,590
4. Exhibit 7, Deposit-Type Contracts, Line 14, Column 5	35,867
5. Subtotal	<u><u>\$ 31,542,664</u></u>
Separate Accounts Annual Statement:	
6. Exhibit 3, Line 0299999, Column 2	- -
7. Exhibit 3, Line 0399999, Column 2	- -
8. Policyholder dividend and coupon accumulations	- -
9. Policyholder premiums	- -
10. Guaranteed interest contracts	- -
11. Other contract deposit funds	- -
12. Subtotal	- -
13. Combined Total	<u><u>\$ 31,542,664</u></u>

NOTES TO FINANCIAL STATEMENTS

Note 33 - Premium and Annuity Considerations Deferred and Uncollected

A. Deferred and uncollected life insurance premiums and annuity considerations are as follows:

Type	Gross	Net of Loading
(1) Industrial	\$ -	\$ -
(2) Ordinary New Business	-	-
(3) Ordinary Renewal	2,391,757	1,862,907
(4) Credit Life	-	-
(5) Group Life	-	-
(6) Group Annuity	-	-
(7) Total	<u>\$ 2,391,757</u>	<u>\$ 1,862,907</u>

Note 34 - Separate Accounts

Not applicable.

Note 35 - Loss/Claim Adjustment Expenses

Reserves for loss/claim adjustment expenses are contained within the claim liability reserve for incurred but not reported claims. For December 31, 2015 and 2014, loss/claim adjustment expense reserves were \$1,371,409 and \$1,319,224, respectively.

CONTINENTAL GENERAL INSURANCE COMPANY**GENERAL INTERROGATORIES****PART 1 - COMMON INTERROGATORIES****GENERAL**

1.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer? Yes [X] No []
If yes, complete Schedule Y, Parts 1, 1A and 2.

1.2 If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations? Yes [X] No [] N/A []

1.3 State regulating? Ohio

2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? Yes [] No [X]

2.2 If yes, date of change:

3.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/2011

3.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. 12/31/2011

3.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). 10/26/2012

3.4 By what department or departments? Ohio Department of Insurance

3.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with departments? Yes [] No [] N/A [X]

3.6 Have all of the recommendations within the latest financial examination report been complied with? Yes [] No [] N/A [X]

4.1 During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity) receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:

4.11 sales of new business? Yes [] No [X]

4.12 renewals? Yes [] No [X]

4.2 During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:

4.21 sales of new business? Yes [] No [X]

4.22 renewals? Yes [] No [X]

5.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes [] No [X]

5.2 If yes, provide name of entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

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

6.1 Has the reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? Yes [] No [X]

6.2 If yes, give full information:

7.1 Does any foreign (non-United States) person or entity directly or indirectly control 10% or more of the reporting entity? Yes [] No [X]

7.2 If yes,

7.21 State the percentage of foreign control %

7.22 State the nationality(ies) of the foreign person(s) or entity(ies); or if the entity is a mutual or reciprocal, the nationality of its manager or attorney-in-fact and identify the type of entity(ies) (e.g., individual, corporation, government, manager or attorney-in-fact).

1 Nationality	2 Type of Entity

8.1 Is the company a subsidiary of a bank holding company regulated with the Federal Reserve Board? Yes [] No [X]

8.2 If response to 8.1 is yes, please identify the name of the bank holding company.

8.3 Is the company affiliated with one or more banks, thrifts or securities firms? Yes [] No [X]

8.4 If the response to 8.3 is yes, please provide below the names and locations (city and state of the main office) of any affiliates regulated by a federal financial regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.

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

9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit? BDO, 8401 Greensboro Drive, Suite 100, McLean, VA 22102

10.1 Has the insurer been granted any exemptions to the prohibited non-audit services provided by the certified independent public accountant requirements as allowed in Section 7H of the Annual Financial Reporting Model Regulation (Model Audit Rule), or substantially similar state law or regulation? Yes [] No [X]

10.2 If the response to 10.1 is yes, provide information related to this exemption:

10.3 Has the insurer been granted any exemptions related to other requirements of the Annual Financial Reporting Model Regulation as allowed for in Section 18A of the Model Regulation, or substantially similar state law or regulation? Yes [] No [X]

10.4 If the response to 10.3 is yes, provide information related to this exemption:

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

10.6 If the response to 10.5 is no or n/a, please explain:

CONTINENTAL GENERAL INSURANCE COMPANY**GENERAL INTERROGATORIES****PART 1 - COMMON INTERROGATORIES**

11. What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with an actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?
David D. Ramsey, 11001 Lakeline Boulevard Suite 120 Austin, TX 78717

12.1 Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly? Yes [] No [X]

12.11 Name of real estate holding company _____

12.12 Number of parcels involved _____ 0

12.13 Total book/adjusted carrying value _____ \$ 0

12.2 If yes, provide explanation

13. FOR UNITED STATES BRANCHES OF ALIEN REPORTING ENTITIES ONLY:

13.1 What changes have been made during the year in the United States manager or the United States trustees of the reporting entity?

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

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

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

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

(a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;

(b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;

(c) Compliance with applicable governmental laws, rules and regulations;

(d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and

(e) Accountability for adherence to the code.

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

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

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

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

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

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

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

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

BOARD OF DIRECTORS

16. Is the purchase or sale of all investments of the reporting entity passed upon either by the Board of Directors or a subordinator committee thereof? Yes [X] No []

17. Does the reporting entity keep a complete permanent record of the proceedings of its Board of Directors and all subordinate committees thereof? Yes [X] No []

18. Has the reporting entity an established procedure for disclosure to its Board of Directors or trustees of any material interest or affiliation on the part of any of its officers, directors, trustees or responsible employees that is in conflict or is likely to conflict with the official duties of such person? Yes [X] No []

FINANCIAL

19. Has this statement been prepared using a basis of accounting other than Statutory Accounting Principles (e.g., Generally Accepted Accounting Principles)? Yes [] No [X]

20.1 Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):

20.11 To directors or other officers _____ \$ 0

20.12 To stockholders not officers _____ \$ 0

20.13 Trustees, supreme or grand (Fraternal only) _____ \$ 0

20.2 Total amount of loans outstanding at the end of year (inclusive of Separate Accounts, exclusive of policy loans):

20.21 To directors or other officers _____ \$ 0

20.22 To stockholders not officers _____ \$ 0

20.23 Trustees, supreme or grand (Fraternal only) _____ \$ 0

21.1 Were any assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reporting in the statement? Yes [] No [X]

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

21.21 Rented from others _____ \$ 0

21.22 Borrowed from others _____ \$ 0

21.23 Leased from others _____ \$ 0

21.24 Other _____ \$ 0

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

22.2 If answer is yes:

22.21 Amount paid as losses or risk adjustment _____ \$ 0

22.22 Amount paid as expenses _____ \$ 0

22.23 Other amounts paid _____ \$ 6,411

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

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

INVESTMENT

GENERAL INTERROGATORIES**PART 1 - COMMON INTERROGATORIES**

24.01	Were all of 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 [<input checked="" type="checkbox"/>]	No [<input type="checkbox"/>]
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 <i>Risk-Based Capital Instructions</i> ?	Yes [<input type="checkbox"/>]	No [<input type="checkbox"/>]
24.05	If answer to 24.04 is yes, report amount of collateral for conforming programs.	\$	0
24.06	If answer to 24.04 is no, report amount of collateral for other programs	\$	0
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 [<input type="checkbox"/>]	No [<input type="checkbox"/>]
24.08	Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%?	Yes [<input type="checkbox"/>]	No [<input type="checkbox"/>]
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 [<input type="checkbox"/>]	No [<input type="checkbox"/>]
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:	\$	0
24.102	Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2:	\$	0
24.103	Total payable for securities lending reported on the liability page:	\$	0
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 current in force? (Exclude securities subject to Interrogatory 21.1 and 24.03.)	Yes [<input type="checkbox"/>]	No [<input type="checkbox"/>]
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 sale – excluding FHLB Capital Stock	\$	7,996,555
25.27	FHLB Capital Stock	\$	0
25.28	On deposit with states	\$	5,301,982
25.29	On deposit with other regulatory bodies	\$	0
25.30	Pledged as collateral – excluding collateral pledged to an FHLB	\$	0
25.31	Pledged as collateral to FHLB – including assets backing funding agreements	\$	0
25.32	Other	\$	0
25.3	For category (25.26) provide the following:		
	1 Nature of Restriction	2 Description	3 Amount
	Partnership limitation	NYLIM-CCR 1-2002 L.P. 4.13%	\$
	Partnership limitation	NYLIM-CCR 1-2002 L.P. 3.328%	182,894
	Not registered with SEC	NOVATEL WIRELESS INC	4,715,293
	Not registered with SEC	SCHUFF INTERNATIONAL INC	3,098,368
26.1	Does the reporting entity have any hedging transactions reported on Schedule DB?	Yes [<input type="checkbox"/>]	No [<input type="checkbox"/> X]
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 [<input type="checkbox"/>]	No [<input type="checkbox"/>]
26.2	N/A [<input type="checkbox"/> X]		
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 [<input type="checkbox"/>]	No [<input type="checkbox"/> X]
27.2	If yes, state the amount thereof at December 31 of the current year:	\$	0
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 <i>Financial Condition Examiners Handbook</i> ?	Yes [<input type="checkbox"/> X]	No [<input type="checkbox"/>]
28.01	For all agreements that comply with the requirements of the NAIC <i>Financial Condition Examiners Handbook</i> , complete the following:		
	1 Name of Custodian(s)	2 Custodian Address	
	The Bank of New York Mellon	One Wall Street, New York, NY 10286	
28.02	For all agreements that do not comply with the requirements of the NAIC <i>Financial Condition Examiners Handbook</i> , provide the name, location and a complete explanation		
	1 Name(s)	2 Location(s)	3 Complete Explanation(s)
28.03	Have there been any changes, including name changes, in the custodian(s) identified in 28.01 during the current year?	Yes [<input type="checkbox"/>]	No [<input type="checkbox"/> X]
28.04	If yes, give full and complete information relating thereto:		
	1 Old Custodian	2 New Custodian	3 Date of Change
			4 Reason
28.05	Identify all investment advisors, broker/dealers or individuals acting on behalf of broker/dealers that have access to the investment accounts, handle securities and have authority to make investments on behalf of the reporting entity:		
	1 Central Registration Depository	2 Name(s)	3 Address
	161853	American Money Management Corporation	301 East Fourth Street, Cincinnati, OH 45202

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

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

29.2 If yes, complete the following schedule:

1 CUSIP	2 Name of Mutual Fund	3 Book/Adjusted Carrying Value
29 2999 TOTAL		

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

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

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

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

	1 Statement (Admitted) Value	2 Fair Value	3 Excess of Statement over Fair Value (-), or Fair Value over Statement (+)
30.1 Bonds	203,814,617	220,431,098	16,616,481
30.2 Preferred Stocks	4,000,007	4,039,725	39,718
30.3 Totals	207,814,624	224,470,823	16,656,199

30.4 Describe the sources or methods utilized in determining fair values:
Fair values for bonds and preferred stocks are determined by the Internal investment professionals at American Money Management Corporation (the manager of the Company's Investment portfolio) using data from nationally recognized pricing services, broker quotes and available trade information. When data from these sources is not available (typically less than 1% of the portfolio), prices are developed internally by the investment professionals using widely published indices (as benchmarks), interest rates, issuer spreads, credit quality of the specific issuer and general economic conditions.

31.1 Was the rate used to calculate fair value determined by a broker or custodian for any of the securities in Schedule D? Yes [] No []

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

31.3 If the answer to 31.2 is no, describe the reporting entity's process for determining a reliance pricing source for purposes of disclosure of fair value for Schedule D:
For the securities that were priced using broker prices, the Company obtains data from brokers that are familiar with the securities being priced and the markets in which they trade.

32.1 Have all the filing requirements of the *Purposes and Procedures Manual of the NAIC Investment Analysis Office* been followed? Yes [] No []

32.2 If no, list exceptions:

OTHER

33.1 Amount of payments to trade associations, service organizations and statistical or rating bureaus, if any? \$ 0
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
	\$

34.1	Amount of payments for legal expenses, if any?	\$	251,367
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 in the past year. If there is more than one, list the firm with the largest payment first.		

expenses during the period covered by this statement.	1 Name	2 Amount Paid
MANUFACTURED HOME TRUST ACCOUNT		\$ 0.00

WHITEFIELD & EDDY, P.L.C. TRUST ACCOUNT		\$ 250,000
35.1	Amount of payments for expenditures in connection with matters before legislative bodies, officers or departments of government, if any?	\$ 1,761
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	

List the name of the firm and the amount paid for each payment reported for officers or directors of the total payment reported in connection with matters before legislative bodies, officers or departments of government during the period covered by this statement.

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.	\$	48,473,883
1.3	What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit?	\$	0
1.3	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.	\$	34,323,237
1.6	Individual policies:		
	Most current three years:		
1.61	Total premium earned	\$	2,574,124
1.62	Total incurred claims	\$	2,055,793
1.63	Number of covered lives	\$	1,248
	All years prior to most current three years:		
1.64	Total premium earned	\$	45,789,897
1.65	Total incurred claims	\$	32,105,794
1.66	Number of covered lives	\$	14,314
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	\$	109,862
1.75	Total incurred claims	\$	161,650
1.76	Number of covered lives	\$	52
2.	Health Test:		
		1 Current Year	2 Prior Year
2.1	Premium Numerator	\$ 0	\$ 0
2.2	Premium Denominator	\$ 13,294,084	\$ 14,330,841
2.3	Premium Ratio (2.1/2.2)	0.000	0.000
2.4	Reserve Numerator	\$ 12,673,372	\$ 13,474,295
2.5	Reserve Denominator	\$ 187,213,872	\$ 188,732,168
2.6	Reserve Ratio (2.4/2.5)	6.769	7.139
3.1	Does the reporting entity have Separate Accounts?	Yes []	No [X]
3.2	If yes, has a Separate Accounts statement been filed with this Department	Yes []	No []
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?	Yes []	No []
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)?"	\$ 0	
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	\$ 5,476,355	
4.22	Received	\$ 0	
5.1	Does the reporting entity write any guaranteed interest contracts?	Yes []	No [X]
5.2	If yes, what amount pertaining to these items is included in:		
5.21	Page 3, Line 1	\$ 0	
5.22	Page 4, Line 1	\$ 0	
6.	For stock reporting entities only:		
6.1	Total amount paid in by stockholders as surplus funds since organization of the reporting entity:	\$ 15,452,531	
7.	Total dividends paid stockholders since organization of the reporting entity:		

CONTINENTAL GENERAL INSURANCE COMPANY**GENERAL INTERROGATORIES****PART 2 – LIFE INTERROGATORIES**

7.11	Cash	\$	76,041,493
7.12	Stock	\$	3,500,844

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

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 [X]

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

	1 Reinsurance Assumed	2 Reinsurance Ceded	3 Net Retained
8.31	Earned premium	\$ 0	\$ 0
8.32	Paid claims	\$ 0	\$ 0
8.33	Claim liability and reserve (beginning of year)	\$ 0	\$ 0
8.34	Claim liability and reserve (end of year)	\$ 0	\$ 0
8.35	Incurred claims	\$ 0	\$ 0

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 Column (1) are:

Attachment Point	1 Earned Premium	2 Claim Liability and Reserve
8.41 <\$25,000	\$ 0	\$ 0
8.42 \$25,000 — 99,999	\$ 0	\$ 0
8.43 \$100,000 — 249,999	\$ 0	\$ 0
8.44 \$250,000 — 999,999	\$ 0	\$ 0
8.45 \$1,000,000 or more	\$ 0	\$ 0

8.5 What portion of earned premium reported in 8.31, Column 1 was assumed from pools?

\$ 0

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 Guaranteed Death Benefit	2 Guaranteed Living Benefit	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

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

10.1 Amount of loss reserves established by these annuities during the current year:

\$ 0

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

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

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

Yes [] No [X]

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

\$ 0

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.

\$ 0

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 Company Name	2 NAIC Company Code	3 Domiciliary Jurisdiction	4 Reserve Credit	Assets Supporting Reserve Credit		
				5 Letters of Credit	6 Trust Agreements	7 Other
	0					

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 Premiums Written	\$	8,841,018
13.2	Total Incurred Claims	\$	9,517,514
13.3	Number of Covered Lives		19,694

*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)	

CONTINENTAL GENERAL 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 2015	2 2014	3 2013	4 2012	5 2011
Life Insurance in Force (Exhibit of Life Insurance)					
1. Ordinary - whole life and endowment (Line 34, Col. 4).....	625,802	661,800	699,151	772,819	824,813
2. Ordinary - term (Line 21, Col. 4, less Line 34, Col. 4).....	151,107	160,448	170,204	185,953	199,526
3. Credit life (Line 21, Col. 6).....	.....	.....	.....	.....	.....
4. Group, excluding FEGLI/SGLI (Line 21, Col. 9 less Lines 43 & 44, Col. 4).....	106	110	118	122	142
5. Industrial (Line 21, Col. 2).....	.....	.....	.....	.....	.....
6. FEGLI/SGLI (Lines 43 & 44, Col. 4).....	.....	.....	.....	.....	.....
7. Total (Line 21, Col. 10).....	777,015	822,358	869,473	958,894	1,024,481
New Business Issued (Exhibit of Life Insurance)					
8. Ordinary - whole life and endowment (Line 34, Col. 2).....	.....	.....	.....	1,436	2,239
9. Ordinary - term (Line 2, Col. 4, less Line 34, Col. 2).....	.....	.....	.....	.....	.....
10. Credit life (Line 2, Col. 6).....	.....	.....	.....	.....	.....
11. Group (Line 2, Col. 9).....	.....	.....	.....	.....	.....
12. Industrial (Line 2, Col. 2).....	.....	.....	.....	.....	.....
13. Total (Line 2, Col. 10).....	0	0	0	1,436	2,239
Premium Income - Lines of Business (Exhibit 1-Part 1)					
14. Industrial life (Line 20.4, Col. 2).....	.....	.....	.....	.....	.....
15.1 Ordinary life insurance (Line 20.4, Col. 3).....	4,634,001	5,141,932	5,678,104	5,615,251	6,026,334
15.2 Ordinary individual annuities (Line 20.4, Col. 4).....	167,936	165,821	164,845	1,846,791	2,263,113
16. Credit life (group and individual) (Line 20.4, Col. 5).....	.....	.....	.....	.....	.....
17.1 Group life insurance (Line 20.4, Col. 6).....	.....	.....	.....	.....	.....
17.2 Group annuities (Line 20.4, Col. 7).....	.....	.....	.....	.....	.....
18.1 A&H - group (Line 20.4, Col. 8).....	.....	.....	.....	61,462	126,553
18.2 A&H - credit (group and individual) (Line 20.4, Col. 9).....	.....	.....	.....	.....	.....
18.3 A&H - other (Line 20.4, Col. 10).....	8,492,147	9,023,088	9,464,724	20,029,513	48,172,610
19. Aggregate of all other lines of business (Line 20.4, Col. 11).....	.....	.....	.....	.....	.....
20. Total.....	13,294,084	14,330,841	15,307,673	27,553,017	56,588,610
Balance Sheet (Pages 2 and 3)					
21. Total admitted assets excluding Separate Accounts business (Page 2, Line 26, Col. 3)....	249,339,385	242,413,932	238,444,564	231,874,753	234,136,142
22. Total liabilities excluding Separate Accounts business (Page 3, Line 26).....	230,839,791	220,913,797	215,670,221	211,399,906	207,245,253
23. Aggregate life reserves (Page 3, Line 1).....	62,581,412	66,093,953	70,389,886	74,856,498	76,690,102
24. Aggregate A&H reserves (Page 3, Line 2).....	154,730,338	144,540,057	135,655,870	127,496,046	117,715,403
25. Deposit-type contract funds (Page 3, Line 3).....	887,457	740,918	649,805	161,788	223,731
26. Asset valuation reserve (Page 3, Line 24.01).....	921,584	931,286	1,079,368	975,573	599,491
27. Capital (Page 3, Lines 29 & 30).....	4,196,559	4,196,559	4,196,559	4,196,559	4,196,559
28. Surplus (Page 3, Line 37).....	14,303,035	17,303,576	18,577,784	16,278,288	22,694,330
Cash Flow (Page 5)					
29. Net Cash from operations (Line 11).....	(1,422,507)	8,749,547	4,585,443	(4,425,695)	13,324,181
Risk-Based Capital Analysis					
30. Total adjusted capital.....	19,421,178	21,500,135	23,853,711	21,450,420	26,964,952
31. Authorized control level risk-based capital.....	4,268,509	4,171,167	4,175,692	4,274,545	5,198,871
Percentage Distribution of Cash, Cash Equivalents and Invested Assets (Page 2, Col. 3) (Line No. /Page 2, Line 12, Col. 3) x 100.0					
32. Bonds (Line 1).....	86.2	87.3	91.8	90.3	93.0
33. Stocks (Lines 2.1 and 2.2).....	6.5	4.0	2.2	1.9	.....
34. Mortgage loans on real estate (Lines 3.1 and 3.2).....	0.5	1.2	1.3	1.6	1.7
35. Real estate (Line 4.1, 4.2 and 4.3).....	.....	.....	.....	.....	.....
36. Cash, cash equivalents and short-term investments (Line 5).....	5.1	5.3	2.3	3.5	2.2
37. Contract loans (Line 6).....	1.2	1.2	1.3	1.3	1.5
38. Derivatives (Line 7).....	.....	.....	.....	.....	.....
39. Other invested assets (Line 8).....	0.5	1.0	1.1	1.4	1.6
40. Receivables for securities (Line 9).....	0.0	.....	0.0	.....	.....
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

CONTINENTAL GENERAL INSURANCE COMPANY
FIVE-YEAR HISTORICAL DATA

(continued)

	1 2015	2 2014	3 2013	4 2012	5 2011
Investments in Parent, Subsidiaries and Affiliates					
44. Affiliated bonds (Sch. D Summary, Line 12 Col. 1).....					
45. Affiliated preferred stocks (Sch. D Summary, Line 18 Col. 1).....					
46. Affiliated common stocks (Sch. D Summary, Line 24 Col. 1).....	7,813,661				
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.....	7,813,661	0	0	0	0
51. Total investment in parent included in Lines 44 to 49 above.....					
Total Nonadmitted and Admitted Assets					
52. Total nonadmitted assets (Page 2, Line 28, Col. 2).....	48,828	28,321,740	27,070,002	28,481,820	27,592,078
53. Total admitted assets (Page 2, Line 28, Col. 3).....	249,339,385	242,413,932	238,444,564	231,874,753	234,136,142
Investment Data					
54. Net investment income (Exhibit of Net Investment Income).....	13,963,075	15,163,477	13,965,677	13,218,296	11,550,699
55. Realized capital gains (losses) (Page 4, Line 34, Column 1).....	(1,769,753)	(1,496,503)	(832,895)	(503,255)	683,924
56. Unrealized capital gains (losses) (Page 4, Line 38, Column 1).....	(45,272)	(279,277)	288	(697,088)	57,919
57. Total of above Lines 54, 55 and 56.....	12,148,050	13,387,697	13,133,070	12,017,953	12,292,542
Benefits and Reserve Increase (Page 6)					
58. Total contract benefits - life (Lines 10, 11, 12, 13, 14 and 15 Col. 1 less Lines 10, 11, 12, 13, 14 and 15, Cols. 9, 10 & 11).....	9,944,819	10,799,241	11,675,149	10,848,011	10,693,791
59. Total contract benefits - A&H (Lines 13 & 14, Cols. 9, 10 & 11).....	10,401,866	8,846,489	8,390,236	24,339,094	35,171,384
60. Increase in life reserves - other than group and annuities (Line 19, Cols. 2 & 3).....	(688,522)	(336,271)	(63,834)	(246,152)	315,096
61. Increase in A&H reserves (Line 19, Cols. 9, 10 & 11).....	10,190,282	9,128,867	8,159,819	7,497,681	8,453,205
62. Dividends to policyholders (Line 30, Col 1).....	14,935	15,283	31,300	4,081	2,299
Operating Percentages					
63. Insurance expense percent (Page 6, Col. 1, Lines 21, 22, & 23 less Line 6)/(Page 6 Col. 1, Line 1 plus Exhibit 7, Col. 2, Line 2) x 100.00.....	22.9	10.0	(7.4)	6.2	5.3
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.....	6.0	5.6	5.5	6.5	6.1
65. A&H loss percent (Schedule H, Part 1, Lines 5 & 6, Col. 2).....	238.5	195.4	175.0	148.7	90.4
66. A&H cost containment percent (Schedule H, Part 1, Line 4, Col. 2).....					
67. A&H expense percent excluding cost containment expenses (Schedule H, Part 1, Line 10, Col. 2).....	33.2	16.5	(6.5)	11.6	8.9
A&H Claim Reserve Adequacy					
68. Incurred losses on prior years' claims - group health (Sch. H, Part 3, Line 3.1, Col. 2).....				10,054	5,366
69. Prior years' claim liability and reserve - group health (Sch. H, Part 3, Line 3.2, Col. 2).....				10,054	11,946
70. Incurred losses on prior years' claims - health other than group (Sch. H, Part 3, Line 3.1, Col. 1 less Col. 2).....	34,299,320	32,747,709	29,742,412	31,484,623	26,376,171
71. Prior years' claim liability and reserve - health other than group (Sch. H, Part 3, Line 3.2, Col. 1 less Col. 2).....	35,948,843	34,003,606	29,190,723	31,114,738	28,167,739
Net Gains From Operations After Federal Income Taxes by Lines of Business (Page 6, Line 33)					
72. Industrial life (Col. 2).....					
73. Ordinary - life (Col. 3).....	328,327	689,764	1,709,001	509,731	776,281
74. Ordinary - individual annuities (Col. 4).....	5,278,874	1,602,592	371,554	489,761	176,839
75. Ordinary - supplementary contracts (Col. 5).....	17,563	245,971	430,539	3,029	(10,253)
76. Credit life (Col. 6).....					
77. Group life (Col. 7).....				6	(84)
78. Group annuities (Col. 8).....					
79. A&H - group (Col. 9).....	(0)	435		6,588	20,462
80. A&H - credit (Col. 10).....					
81. A&H - other (Col. 11).....	28,700,420	901,915	3,030,414	(567,798)	6,485,365
82. Aggregate of all other lines of business (Col. 12).....					
83. Total (Col. 1).....	34,325,183	3,440,677	5,541,508	441,317	7,448,610

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 [X]

If no, please explain:

The Company was not party to a merger.

EXHIBIT OF LIFE INSURANCE

	Industrial		Ordinary		Credit Life (Group and Individual)		Group		10 Total Amount of Insurance (a)	
	1 Number of Policies	2 Amount of Insurance (a)	3 Number of Policies	4 Amount of Insurance (a)	5 Number of Individual Policies and Group Certificates	6 Amount of Insurance (a)	7 Number of Policies	8 Certificates		
1. In force end of prior year.....			21,344	822,248				18	110	822,358
2. Issued during year.....										0
3. Reinsurance assumed.....										0
4. Revived during year.....			5	527						527
5. Increased during year (net).....				23,728						23,728
6. Subtotals, Lines 2 to 5.....	0	0	5	24,255	0	0	0	0	0	24,255
7. Additions by dividends during year.....	XXX		XXX	.68	XXX		XXX	XXX		.68
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	21,349	846,570	0	0	0	18	110	846,680
Deductions during year:										
10. Death.....			.808	9,793			XXX			9,793
11. Maturity.....			1	.20			XXX			.20
12. Disability.....							XXX			0
13. Expiry.....			199	3,192					1	3,196
14. Surrender.....			.419	23,120						23,120
15. Lapse.....			228	24,710						24,710
16. Conversion.....							XXX	XXX	XXX	0
17. Decreased (net).....				8,826						8,826
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	1,655	69,661	0	0	0	1	4	69,665
21. In force end of year (Line 9 minus Line 20).....	0	0	19,694	776,909	0	0	0	17	106	777,015
22. Reinsurance ceded end of year.....	XXX		XXX	.526,398	XXX		XXX	XXX		.526,451
23. Line 21 minus Line 22.....	XXX	0	XXX	.250,511	XXX	(b)	XXX	XXX		.250,564

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.

CONTINENTAL GENERAL INSURANCE COMPANY
EXHIBIT OF LIFE INSURANCE (continued)
 ADDITIONAL INFORMATION ON INSURANCE IN FORCE END OF YEAR

	Industrial		Ordinary	
	1 Number of Policies	2 Amount of Insurance (a)	3 Number of Policies	4 Amount of Insurance (a)
24. Additions by dividends.....	..XXX.....		XXX.....	
25. Other paid-up insurance.....			761	2,649
26. Debit ordinary insurance.....	..XXX.....	XXX.....		

ADDITIONAL INFORMATION ON ORDINARY INSURANCE

Term Insurance Excluding Extended Term Insurance	Issued During Year (Included in Line 2)		In Force End of Year (Included in Line 21)	
	1 Number of Policies	2 Amount of Insurance (a)	3 Number of Policies	4 Amount of Insurance (a)
27. Term policies-decreasing.....			79	731
28. Term policies-other.....			1,973	137,130
29. Other term insurance-decreasing.....	..XXX.....		XXX.....	
30. Other term insurance.....	..XXX.....		XXX.....	
31. Totals (Lines 27 to 30).....	0	0	2,052	137,861
Reconciliation to Lines 2 and 21:			XXX.....	
32. Term additions.....	..XXX.....		XXX.....	
33. Totals, extended term insurance.....	..XXX.....	XXX.....	1,080	13,247
34. Totals, whole life and endowment.....			16,562	625,802
35. Totals (Lines 31 to 34).....	0	0	19,694	776,909

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.....			775,643	1,266
38. Credit Life (Group and Individual).....				
39. Group.....			106	
40. Totals (Lines 36 to 39).....	0	0	775,749	1,266

ADDITIONAL INFORMATION ON CREDIT LIFE AND GROUP INSURANCE

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

ADDITIONAL ACCIDENTAL DEATH BENEFITS

46. Amount of additional accidental death benefits in force end of year under ordinary policies (a).....	15,536
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BASIS OF CALCULATION OF ORDINARY TERM INSURANCE

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

POLICIES WITH DISABILITY PROVISIONS

Disability Provision	Industrial		Ordinary		Credit		Group	
	1 Number of Policies	2 Amount of Insurance (a)	3 Number of Policies	4 Amount of Insurance (a)	5 Number of Policies	6 Amount of Insurance (a)	7 Number of Certificates	8 Amount of Insurance (a)
48. Waiver of Premium.....			347	19,189				
49. Disability Income.....			312	41,900				
50. Extended Benefits.....			XXX.....	XXX.....				
51. Other.....								
52. Total.....	0	(b).....0	659	(b).....61,089	0	(b).....0	0	(b).....0

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

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

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

SUPPLEMENTARY CONTRACTS

	Ordinary		Group	
	1 Involving Life Contingencies	2 Not Involving Life Contingencies	3 Involving Life Contingencies	4 Not Involving Life Contingencies
1. In force end of prior year.....	81	44		
2. Issued during year.....		11		
3. Reinsurance assumed.....				
4. Increased during year (net).....				
5. Total (Lines 1 to 4).....	81	55	0	0
Deductions during year:				
6. Decreased (net).....	5	6		
7. Reinsurance ceded.....				
8. Totals (Lines 6 and 7).....	5	6	0	0
9. In force end of year.....	76	49	0	0
10. Amount on deposit.....	1,231,798	(a).....1,319,865		(a)...
11. Income now payable.....	76	49		
12. Amount of income payable.....	(a).....235,414	(a).....383,239	(a).....	(a)...

ANNUITIES

	Ordinary		Group	
	1 Immediate	2 Deferred	3 Contracts	4 Certificates
1. In force end of prior year.....		2,933		
2. Issued during year.....				
3. Reinsurance assumed.....				
4. Increased during year (net).....				
5. Total (Lines 1 to 4).....	0	2,933	0	0
Deductions during year:				
6. Decreased (net).....		221		
7. Reinsurance ceded.....				
8. Totals (Lines 6 and 7).....	0	221	0	0
9. In force end of year.....	0	2,712	0	0
Income now payable:				
10. Amount of income payable.....	(a).....	XXX.....	XXX.....	(a)...
Deferred fully paid:				
11. Account balance.....	XXX.....	(a).....32,060,212	XXX.....	(a)...
Deferred not fully paid:				
12. Account balance.....	XXX.....	(a).....37,000,427	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.....					7,900	27,467,758
2. Issued during year.....	.21	9,591			4	1,664
3. Reinsurance assumed.....						
4. Increased during year (net).....		XXX.....		XXX.....		XXX.....
5. Total (Lines 1 to 4).....	.21	XXX.....	0	XXX.....	7,904	XXX.....
Deductions during year:						
6. Conversions.....		XXX.....	XXX.....	XXX.....	XXX.....	XXX.....
7. Decreased (net).....		XXX.....		XXX.....	354	XXX.....
8. Reinsurance ceded.....		XXX.....		XXX.....	4	XXX.....
9. Totals (Lines 6 to 8).....	0	XXX.....	0	XXX.....	358	XXX.....
10. In force end of year.....	.21 (a).....		0 (a).....		7,546 (a).....	27,104,789

DEPOSIT FUNDS AND DIVIDEND ACCUMULATIONS

	1 Deposit Funds		2 Dividend Accumulations	
	Contracts	Contracts	Contracts	Contracts
1. In force end of prior year.....				.236
2. Issued during year.....				
3. Reinsurance assumed.....				
4. Increased during year (net).....				
5. Total (Lines 1 to 4).....		0		.236
Deductions during year:				
6. Decreased (net).....				37
7. Reinsurance ceded.....				
8. Totals (Lines 6 and 7).....		0		37
9. In force end of year.....		0		.199
10. Amount of account balance.....	(a).....		(a).....	.35,867

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

CONTINENTAL GENERAL INSURANCE COMPANY
SCHEDULE T - PREMIUMS AND ANNUITY CONSIDERATIONS

Allocated by States and Territories

States, Etc.	Active Status	Life Insurance Premiums	Direct Business Only				
			Life Contracts		Accident and Health Insurance Premiums, Including Policy, Membership and Other Fees	Other Considerations	Total Columns 2 through 5
			2	3			
1. Alabama.....	.AL	287,536	1,020	704,685			.993,241
2. Alaska.....	.AK	5,757		10,429			.16,186
3. Arizona.....	.AZ	70,967	39,196	527,464			.637,627
4. Arkansas.....	.AR	90,364	300	265,010			.355,674
5. California.....	.CA	120,436		333,097			.453,533
6. Colorado.....	.CO	135,618	2,830	2,039,621			.2,178,069
7. Connecticut.....	.CT	13,841	1,200	233,382			.248,423
8. Delaware.....	.DE	244		29,840			.30,084
9. District of Columbia.....	.DC	1,951	1,250	5,635			.8,836
10. Florida.....	.FL	239,208	1,562	7,086,860			.7,327,630
11. Georgia.....	.GA	377,335	11,045	2,698,640			.3,087,020
12. Hawaii.....	.HI	7,694		351,205			.358,899
13. Idaho.....	.ID	19,771		128,378			.148,149
14. Illinois.....	.IL	340,805	11,750	3,256,578			.3,609,133
15. Indiana.....	.IN	214,179	14,095	2,780,727			.3,009,001
16. Iowa.....	.IA	348,160	24,060	3,924,877			.4,297,097
17. Kansas.....	.KS	247,718	5,375	3,586,984			.3,840,077
18. Kentucky.....	.KY	232,916	8,108	1,689,063			.1,930,087
19. Louisiana.....	.LA	244,656	2,640	701,757			.949,053
20. Maine.....	.ME	4,043		44,519			.48,562
21. Maryland.....	.MD	30,794		248,336			.279,130
22. Massachusetts.....	.MA	6,045		95,644			.101,689
23. Michigan.....	.MI	195,278		1,934,777			.2,130,055
24. Minnesota.....	.MN	308,580	40,870	3,891,267			.4,240,717
25. Mississippi.....	.MS	114,527	1,850	811,699			.928,076
26. Missouri.....	.MO	317,639	5,000	1,845,699			.2,168,338
27. Montana.....	.MT	47,253		791,687			.838,940
28. Nebraska.....	.NE	1,155,875	75,300	6,032,429			.7,263,604
29. Nevada.....	.NV	21,110	6,500	165,024			.192,634
30. New Hampshire.....	.NH	498		129,222			.129,720
31. New Jersey.....	.NJ	9,329		116,339			.125,668
32. New Mexico.....	.NM	20,454		181,971			.202,425
33. New York.....	.NY	7,160		133,852			.141,012
34. North Carolina.....	.NC	440,981	4,175	1,634,215			.2,079,371
35. North Dakota.....	.ND	50,475	10,700	643,442			.704,617
36. Ohio.....	.OH	331,937	3,300	3,850,262			.4,185,499
37. Oklahoma.....	.OK	150,852	900	964,558			.1,116,310
38. Oregon.....	.OR	74,954	1,200	348,907			.425,061
39. Pennsylvania.....	.PA	156,521	2,100	3,104,058			.3,262,679
40. Rhode Island.....	.RI			17,489			.17,489
41. South Carolina.....	.SC	343,984	1,800	1,204,619			.1,550,403
42. South Dakota.....	.SD	199,412	4,000	939,679			.1,143,091
43. Tennessee.....	.TN	409,349	13,146	1,586,294			.2,008,789
44. Texas.....	.TX	778,728	90,570	6,396,609			.7,265,907
45. Utah.....	.UT	94,422		114,535			.208,957
46. Vermont.....	.VT	217		11,443			.11,660
47. Virginia.....	.VA	323,489		2,553,761			.2,877,250
48. Washington.....	.WA	68,076		473,331			.541,407
49. West Virginia.....	.WV	172,249	6,792	741,244			.920,285
50. Wisconsin.....	.WI	199,936	1,800	1,569,895			.1,771,631
51. Wyoming.....	.WY	63,871	1,375	774,109			.839,355
52. American Samoa.....	.AS	N					0
53. Guam.....	.GU	N		2,540			.2,540
54. Puerto Rico.....	.PR	N					0
55. US Virgin Islands.....	.VI	L		11,887			.11,887
56. Northern Mariana Islands.....	.MP	N					0
57. Canada.....	CAN	N					0
58. Aggregate Other Alien.....	.OT	XXX	0	0	0	0	0
59. Subtotal.....		(a) 51	9,097,194	395,809	73,719,574	0	83,212,577
60. Reporting entity contributions for employee benefit plans.....		XXX					0
61. Dividends or refunds applied to purchase paid-up additions and annuities.....		XXX					0
62. Dividends or refunds applied to shorten endowment or premium paying period.....		XXX					0
63. Premium or annuity considerations waived under disability or other contract provisions.....		XXX	11,499		1,998,232		2,009,731
64. Aggregate other amounts not allocable by State.....		XXX	0	0	0	0	0
65. Totals (Direct Business).....		XXX	9,108,693	395,809	75,717,806	0	85,222,308
66. Plus reinsurance assumed.....		XXX	433,538	6,000	26,510		.466,048
67. Totals (All Business).....		XXX	9,542,231	401,809	75,744,316	0	85,688,356
68. Less reinsurance ceded.....		XXX	4,741,359	233,873	67,210,591		.72,185,823
69. Totals (All Business) less reinsurance ceded.....		XXX	4,800,872	167,936	(b) 8,533,725	0	13,502,533

DETAILS OF WRITE-INS

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

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

Explanation of basis of allocation by states, etc., of premiums and annuity considerations.

Premiums and annuity considerations are allocated on the residences of policyholders.

(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:
 Exhibit 1, Lines 6.4, 10.4 and 16.4, Cols. 8, 9 and 10.

Schedule Y - Information Concerning Activities of Insurer Members of a Holding Company Group
Part 1 - Organizational Chart

	Domiciliary Location	FEIN	NAIC Co. Code	% Owned
HC2 Holdings, Inc.	DE	54-1708481		100%
PTGi International Holding, Inc	DE	20-0346064		100%
Arbinet Corporation	DE	13-3930916		100%
PTGi International Carrier Services, Inc.	DE	26-1851410		100%
Arbinet - Thexchange Ltd.	UK			100%
PTGi-ICS Holdings LTD	UK			100%
PTGi-International Carrier Services LTD	UK			100%
HC2 Europe, B.V.	The Netherlands			100%
PTGi A/G	Switzerland			100%
PTGi SRL	Italy			100%
PTI Telecom GmbH	Austria			100%
Delta One America DO SUL	Brazil			100%
HC2 International, Inc.	DE	95-4606096		100%
Primus Telecomm. EL. Salvador S.A.DE C.V	El Salvador			100%
St. Thomas and San Juan Telephone Company	VI	66-0446921		100%
STSJ Overseas Telephone Company, Inc.	DE	66-0465791		100%
Schuff Merger Sub Inc	DE	47-2196364		100%
Schuff International, Inc	DE	86-1033353		100%
Schuff Premier Services, LLC	DE			100%
Schuff Holding Company	DE	45-4483357		100%
Addison Structural Services, Inc	FL	58-2178447		100%
Quincy Joist Company	DE	58-1921954		100%
On-Time Steel Management Holding, Inc	DE	71-0907546		100%
Schuff Steel Management Company SW, Inc	DE	86-1034262		100%
Schuff Steel Management Company Colorado, LLC	DE			100%
Schuff Steel Management Company SE, LLC	DE			100%
Schuff Steel Company	DE	86-0318760		100%
Schuff Steel Atlantic, LLC	FL			100%
Schuff Steel Gulf Coast Inc	DE	76-0114030		100%
Schuff Steel Company Panama S de RL	Panama			100%
HC2 Holdings 2, Inc	DE	46-4830394		100%
Pansend Life Sciences, LLC	DE	32-0433659		100%
Genovel Orthopedics, Inc	DE	46-5140882		80%
R2 Dematology Incorporated	DE	47-2464622		61%
HC2 Tech Ventures, LLC	DE	36-4790085		100%
DMI, Inc.	DE	30-0852152		100%
Continental Insurance Group Ltd	DE	37-1781514		100%
Continental Insurance, Inc.	DE	47-3724069		100%
United Teacher Associates Insurance Company	TX	58-0869673	63479	100%
Continental General Insurance Company	OH	47-0463747	71404	100%
ANG Holdings, Inc	DE	47-3266698		53%
American Natural Gas, LLC	NY	45-2920498		100%
Global Marine Holdings, LLC	DE	36-4793625		97%
Bridgehouse Marine Ltd	England and Wales			100%
Global Marine Systems, Ltd	England and Wales			100%
Global Marine Systems Oil and Gas, LTD	England and Wales			100%
Global Marine Systems (Vessels), Ltd	England and Wales			100%
Global Marine Systems (Vessels II), Ltd	England and Wales			100%
GMSG, LTD	England and Wales			100%
Guernsey				100%
Global Marine Systems (Depots), Ltd	Canada			100%
Global Marine Systems (Bermuda), Ltd	Bermuda			100%
Vibro-Einspultechnik Duker- and Wasserbau GmbH	Germany			100%
Global Marine Cable Systems Pte, Ltd	Singapore			100%
GMSL Employee Benefit Trust Ltd	England and Wales			100%
Global Marine Systems Pension Trustee, Ltd	England and Wales			100%
GMS Guernsey Pension Plans, Ltd	Guernsey			100%
Global Marine Systems (Netherlands), BV	The Netherlands			100%
Global Marine Search, Ltd	Isle of Man			100%
Global Marine Salvage, Ltd	England and Wales			100%
Global Marine Systems (Investments), Ltd	England and Wales			100%
Red Sky Subsea, Ltd	England and Wales			100%
Global Marine Systems (Americas), Inc	DE			100%
Global Cable Technology, Ltd (GCT)	England and Wales			100%

Note: Entities owned less than 50% are not shown

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