Amendment due to revisions to the following schedules: Page 3 - LIAB, Page 4 - SUMOPS, Page 6 - ANAOPS, Page 7 - ANINRES, Page 8 - EXNETINVT & EXCAPGLOSS, Page 12 - EXAGCRESL, Page 19 - NOTESPR, Page 21 GEN, Page 22 - HIST5YR, Page SI03 - SCDVER, Page E12 - SCDPT2SN2, Page 440 - STMTACT

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LIFE AND ACCIDENT AND HEALTH COMPANIES — ASSOCIATION EDITION

ANNUAL STATEMENT

For the Year Ended December 31, 2016

OF THE CONDITION AND AFFAIRS OF THE

GRANGE LIFE INSURANCE COMPANY

NAIC Group Code 00267 (Current Period), 00267 (Prior Period) NAIC Company Code 71218 Employer's ID Number 31-0739286

Organized under the Laws of Ohio, State of Domicile or Port of Entry Ohio

Country of Domicile United States

Incorporated/Organized 03/05/1968 Commenced Business 07/01/1968

Statutory Home Office 671 South High Street (Street and Number), Columbus, OH, US 43206-1066 (City or Town, State, Country and Zip Code)

Main Administrative Office 671 South High Street (Street and Number) Columbus, OH, US 43206-1066 (City or Town, State, Country and Zip Code) 614-445-2900 (Area Code) (Telephone Number)

Mail Address P.O. Box 1218 (Street and Number or P.O. Box), Columbus, OH, US 43216-1212 (City or Town, State, Country and Zip Code)

Primary Location of Books and Records 671 South High Street (Street and Number) Columbus, OH, US 43206-1066 (City or Town, State, Country and Zip Code) 614-445-2900 (Area Code) (Telephone Number)

Internet Web Site Address www.grangeinsurance.com

Statutory Statement Contact Jeffrey P. Siefker (Name) 614-593-4014 (Area Code) (Telephone Number) (Extension)

siefkerj@grangeinsurance.com (E-Mail Address) 614-445-2619 (FAX Number)

OFFICERS

Name	Title	Name	Title
Theresa Marie Mason #	President	Teresa Jean Dalenta #	EVP & CFO
LaVawn Dee Coleman	EVP & Secretary	Milliman	Actuary

OTHER OFFICERS

DIRECTORS OR TRUSTEES

JOHN (NMN) AMMENDOLA	MARK LEWIS BOXER	DOUGLAS PAUL BUTH	GLENN EUGENE CORLETT
TERESA JEAN DALENTA #	MICHAEL DESMOND FRAIZER #	ROBERT ENLOW HOYT	MARY MARNETTE PERRY
THOMAS SIMRALL STEWART	DAVID CHARLES WETMORE	CHRISTIANNA (NMN) WOOD	

State of Ohio
County of Franklin
ss

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.

Theresa Marie Mason President	Teresa Jean Dalenta EVP & CFO	LaVawn Dee Coleman EVP & Secretary

a. Is this an original filing? Yes [ ] No [X]

Subscribed and sworn to before me this ____ day of ____, ____

b. If no:
1. State the amendment number 2
2. Date filed 05/30/2017
3. Number of pages attached

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Year	2 Prior Year
1. Aggregate reserve for life contracts $ 345,695,922 (Exhibit 5, Line 9999999) less $ included in Line 6.3 (including $ Modco Reserve)	345,695,922	299,925,958
2. Aggregate reserve for accident and health contracts (including $ 0 Modco Reserve)	358,790	388,183
3. Liability for deposit-type contracts (Exhibit 7, Line 14, Col. 1) (including $ Modco Reserve)	319,224	362,073
4. Contract claims:		
4.1 Life (Exhibit 8, Part 1, Line 4.4, Col. 1 less sum of Cols. 9, 10 and 11)	5,117,741	3,533,376
4.2 Accident and health (Exhibit 8, Part 1, Line 4.4, sum of Cols. 9, 10 and 11)	(6,225)	(5,978)
5. Policyholders' dividends $ and coupons $ due and unpaid (Exhibit 4, Line 10)	294,703	273,955
6. Provision for policyholders' dividends and coupons payable in following calendar year—estimated amounts:		
6.1 Dividends apportioned for payment (including $ Modco)	59,401	57,446
6.2 Dividends not yet apportioned (including $ Modco)		0
6.3 Coupons and similar benefits (including $ Modco)		0
7. Amount provisionally held for deferred dividend policies not included in Line 6		0
8. Premiums and annuity considerations for life and accident and health contracts received in advance less $ discount; including $ 0 accident and health premiums (Exhibit 1, Part 1, Col. 1, sum of Lines 4 and 14)	282,186	259,094
9. Contract liabilities not included elsewhere:		
9.1 Surrender values on canceled contracts		0
9.2 Provision for experience rating refunds, including the liability of $ accident and health experience rating refunds of which $ is for medical loss ratio rebate per the Public Health Service Act		0
9.3 Other amounts payable on reinsurance, including $ assumed and $ 3,881,793 ceded	3,881,793	1,935,122
9.4 Interest Maintenance Reserve (IMR, Line 6)	1,294,572	1,075,189
10. Commissions to agents due or accrued-life and annuity contracts $ accident and health $ and deposit-type contract funds $	1,137,126	1,227,739
11. Commissions and expense allowances payable on reinsurance assumed		0
12. General expenses due or accrued (Exhibit 2, Line 12, Col. 6)	1,564,724	1,557,594
13. Transfers to Separate Accounts due or accrued (net) (including $ accrued for expense allowances recognized in reserves, net of reinsured allowances)		0
14. Taxes, licenses and fees due or accrued, excluding federal income taxes (Exhibit 3, Line 9, Col. 5)	1,874,428	1,793,425
15.1 Current federal and foreign income taxes, including $ on realized capital gains (losses)	4,036,240	125,546
15.2 Net deferred tax liability		0
16. Unearned investment income	483,911	455,934
17. Amounts withheld or retained by company as agent or trustee		0
18. Amounts held for agents' account, including $ agents' credit balances		0
19. Remittances and items not allocated	185,300	93,483
20. Net adjustment in assets and liabilities due to foreign exchange rates		0
21. Liability for benefits for employees and agents if not included above		0
22. Borrowed money $ and interest thereon $		0
23. Dividends to stockholders declared and unpaid		0
24. Miscellaneous liabilities:		
24.01 Asset valuation reserve (AVR, Line 16, Col. 7)	2,809,978	2,693,373
24.02 Reinsurance in unauthorized and certified ($) companies	0	0
24.03 Funds held under reinsurance treaties with unauthorized and certified ($) reinsurers		0
24.04 Payable to parent, subsidiaries and affiliates	10,372,674	10,573,350
24.05 Drafts outstanding		0
24.06 Liability for amounts held under uninsured plans		0
24.07 Funds held under coinsurance		17,743,371
24.08 Derivatives	0	0
24.09 Payable for securities		0
24.10 Payable for securities lending	1,161,380	6,702,589
24.11 Capital notes $ and interest thereon $		0
25. Aggregate write-ins for liabilities	0	0
26. Total liabilities excluding Separate Accounts business (Lines 1 to 25)	380,923,868	350,770,822
27. From Separate Accounts statement	0	0
28. Total liabilities (Lines 26 and 27)	380,923,868	350,770,822
29. Common capital stock	1,893,750	1,893,750
30. Preferred capital stock		0
31. Aggregate write-ins for other than special surplus funds	0	0
32. Surplus notes		0
33. Gross paid in and contributed surplus (Page 3, Line 33, Col. 2 plus Page 4, Line 51.1, Col. 1)	67,031,250	7,031,250
34. Aggregate write-ins for special surplus funds	0	0
35. Unassigned funds (surplus)	2,421,081	33,530,075
36. Less treasury stock, at cost:		
36.1 shares common (value included in Line 29 $)		0
36.2 shares preferred (value included in Line 30 $)		0
37. Surplus (Total Lines 31+32+33+34+35-36) (including $ in Separate Accounts Statement)	69,452,331	40,561,325
38. Totals of Lines 29, 30 and 37 (Page 4, Line 55)	71,346,081	42,455,075
39. Totals of Lines 28 and 38 (Page 2, Line 28, Col. 3)	452,269,949	393,225,897
DETAILS OF WRITE-INS		
2501.		0
2502.		
2503.		
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	0	0
3101.		0
3102.		0
3103.		0
3198. Summary of remaining write-ins for Line 31 from overflow page	0	0
3199. Totals (Lines 3101 through 3103 plus 3198) (Line 31 above)	0	0
3401.		0
3402.		0
3403.		0
3498. Summary of remaining write-ins for Line 34 from overflow page	0	0
3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34 above)	0	0

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)	68,279,973	56,645,239
2. Considerations for supplementary contracts with life contingencies		45,314
3. Net investment income (Exhibit of Net Investment Income, Line 17)	12,616,422	12,781,359
4. Amortization of Interest Maintenance Reserve (IMR, Line 5)	438,179	563,988
5. Separate Accounts net gain from operations excluding unrealized gains or losses	0	0
6. Commissions and expense allowances on reinsurance ceded (Exhibit 1, Part 2, Line 26.1, Col. 1)	8,561,833	14,624,833
7. Reserve adjustments on reinsurance ceded		0
8. Miscellaneous Income:		
8.1 Income from fees associated with investment management, administration and contract guarantees from Separate Accounts		0
8.2 Charges and fees for deposit-type contracts		0
8.3 Aggregate write-ins for miscellaneous income	30,721	5,212
9. Totals (Lines 1 to 8.3)	89,927,128	84,665,945
10. Death benefits	28,299,434	25,105,458
11. Matured endowments (excluding guaranteed annual pure endowments)	0	0
12. Annuity benefits (Exhibit 8, Part 2, Line 6.4, Cols. 4 + 8)	5,077,267	4,198,198
13. Disability benefits and benefits under accident and health contracts	113,930	29,230
14. Coupons, guaranteed annual pure endowments and similar benefits		0
15. Surrender benefits and withdrawals for life contracts	9,139,479	7,329,707
16. Group conversions		0
17. Interest and adjustments on contract or deposit-type contract funds		0
18. Payments on supplementary contracts with life contingencies		0
19. Increase in aggregate reserves for life and accident and health contracts	45,697,540	21,244,762
20. Totals (Lines 10 to 19)	88,327,650	57,907,355
21. Commissions on premiums, annuity considerations and deposit-type contract funds (direct business only) (Exhibit 1, Part 2, Line 31, Col. 1)	11,563,767	11,186,858
22. Commissions and expense allowances on reinsurance assumed (Exhibit 1, Part 2, Line 26.2, Col. 1)	154,559	167,331
23. General insurance expenses (Exhibit 2, Line 10, Columns 1, 2, 3 and 4)	14,687,987	14,800,437
24. Insurance taxes, licenses and fees, excluding federal income taxes (Exhibit 3, Line 7, Cols. 1 + 2 + 3)	2,023,452	2,086,160
25. Increase in loading on deferred and uncollected premiums	(724,406)	(727,542)
26. Net transfers to or (from) Separate Accounts net of reinsurance		0
27. Aggregate write-ins for deductions	0	169,201
28. Totals (Lines 20 to 27)	116,033,009	85,589,800
29. Net gain from operations before dividends to policyholders and federal income taxes (Line 9 minus Line 28)	(26,105,881)	(923,855)
30. Dividends to policyholders	356,064	332,959
31. Net gain from operations after dividends to policyholders and before federal income taxes (Line 29 minus Line 30)	(26,461,945)	(1,256,814)
32. Federal and foreign income taxes incurred (excluding tax on capital gains)	4,012,850	105,625
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)	(30,474,795)	(1,362,439)
34. Net realized capital gains (losses) (excluding gains (losses) transferred to the IMR) less capital gains tax of $ .... (excluding taxes of $ .... transferred to the IMR)	(6,906,650)	(200,558)
35. Net income (Line 33 plus Line 34)	(37,381,445)	(1,562,997)
CAPITAL AND SURPLUS ACCOUNT		
36. Capital and surplus, December 31, prior year (Page 3, Line 38, Col. 2)	42,455,075	56,130,255
37. Net income (Line 35)	(37,381,445)	(1,562,997)
38. Change in net unrealized capital gains (losses) less capital gains tax of $	8,284,749	(11,760,432)
39. Change in net unrealized foreign exchange capital gain (loss)		0
40. Change in net deferred income tax	5,896,884	1,282,932
41. Change in nonadmitted assets	(5,159,369)	(348,747)
42. Change in liability for reinsurance in unauthorized and certified companies	0	0
43. Change in reserve on account of change in valuation basis, (increase) or decrease	0	0
44. Change in asset valuation reserve	(116,605)	(63,256)
45. Change in treasury stock (Page 3, Lines 36.1 and 36.2 Col. 2 minus Col. 1)	0	0
46. Surplus (contributed to) withdrawn from Separate Accounts during period		0
47. Other changes in surplus in Separate Accounts statement	0	0
48. Change in surplus notes	0	0
49. Cumulative effect of changes in accounting principles		0
50. Capital changes:		
50.1 Paid in		0
50.2 Transferred from surplus (Stock Dividend)		0
50.3 Transferred to surplus		0
51. Surplus adjustment:		
51.1 Paid in	60,000,000	0
51.2 Transferred to capital (Stock Dividend)		0
51.3 Transferred from capital		0
51.4 Change in surplus as a result of reinsurance	(2,633,208)	(156,635)
52. Dividends to stockholders		0
53. Aggregate write-ins for gains and losses in surplus	0	(1,066,045)
54. Net change in capital and surplus for the year (Lines 37 through 53)	28,891,006	(13,675,180)
55. Capital and surplus, December 31, current year (Lines 36 + 54) (Page 3, Line 38)	71,346,081	42,455,075
DETAILS OF WRITE-INS		
08.301 SERVICE FEES	30,721	5,212
08.302		0
08.303		
08.398 Summary of remaining write-ins for Line 8.3 from overflow page	0	0
08.399 Totals (Lines 08.301 through 08.303 plus 08.398) (Line 8.3 above)	30,721	5,212
2701. Investment Income Due GLRE-Classified as Misc Deduction		146,305
2702. Misc Deduction		22,896
2703.		0
2798. Summary of remaining write-ins for Line 27 from overflow page	0	0
2799. Totals (Lines 2701 through 2703 plus 2798) (Line 27 above)	0	169,201
5301. Prior Period Adjustment	0	(1,066,045)
5302.	0	0
5303.		0
5398. Summary of remaining write-ins for Line 53 from overflow page	0	0
5399. Totals (Lines 5301 through 5303 plus 5398) (Line 53 above)	0	(1,066,045)

ANALYSIS OF OPERATIONS BY LINES OF BUSINESS

	1	2	Ordinary			6	Group		Accident and Health			12
	Total	Industrial Life	3 Life Insurance	4 Individual Annuities	5 Supplementary Contracts	Credit Life (Group and Individual)	7 Life Insurance (a)	8 Annuities	9 Group	10 Credit (Group and Individual)	11 Other	Aggregate of All Other Lines of Business
1. Premiums and annuity considerations for life and accident and health contracts	68,279,973	0	65,672,812	1,039,944		0	1,465,679	0	0	0	101,538	
2. Considerations for supplementary contracts with life contingencies	0											
3. Net investment income	12,616,422		10,765,590	1,851,212							(380)	
4. Amortization of Interest Maintenance Reserve (IMR)	438,178		377,046	61,132								
5. Separate Accounts net gain from operations excluding unrealized gains or losses	0											
6. Commissions and expense allowances on reinsurance ceded	8,561,833	0	8,055,342	0		0	496,933	0	0	0	9,558	0
7. Reserve adjustments on reinsurance ceded	0											
8. Miscellaneous Income:												
8.1 Fees associated with income from investment management, administration and contract guarantees from Separate Accounts	0											
8.2 Charges and fees for deposit-type contracts	0											
8.3 Aggregate write-ins for miscellaneous income	30,721	0	30,721	0	0	0	0	0	0	0	0	0
9. Totals (Lines 1 to 8.3)	89,927,127	0	84,901,511	2,952,288	0	0	1,962,612	0	0	0	110,716	0
10. Death benefits	28,299,434		28,052,983				246,451					
11. Matured endowments (excluding guaranteed annual pure endowments)	0	0	0				0					
12. Annuity benefits	5,077,267			5,077,267				0				
13. Disability benefits and benefits under accident and health contracts	113,930								0	0	113,930	
14. Coupons, guaranteed annual pure endowments and similar benefits	0											
15. Surrender benefits and withdrawals for life contracts	9,139,479		9,139,479									
16. Group conversions	0											
17. Interest and adjustments on contract or deposit-type contract funds	0											
18. Payments on supplementary contracts with life contingencies	0											
19. Increase in aggregate reserves for life and accident and health contracts	45,697,539		47,739,766	(2,012,889)							(29,338)	
20. Totals (Lines 10 to 19)	88,327,649	0	84,932,228	3,064,378	0	0	246,451	0	0	0	84,592	0
21. Commissions on premiums, annuity considerations and deposit-type contract funds (direct business only)	11,563,767	0	11,563,595	163		0	0	0	0	0	9	0
22. Commissions and expense allowances on reinsurance assumed	154,559	0	154,559	0		0	0	0	0	0	0	0
23. General insurance expenses	14,687,987		14,497,762	105,585			58,627		0	0	26,013	0
24. Insurance taxes, licenses and fees, excluding federal income taxes	2,023,452		2,023,452						0	0	0	0
25. Increase in loading on deferred and uncollected premiums	(724,406)		(724,406)									
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)	116,033,008	0	112,447,190	3,170,126	0	0	305,078	0	0	0	110,614	0
29. Net gain from operations before dividends to policyholders and federal income taxes (Line 9 minus Line 28)	(26,105,881)	0	(27,545,679)	(217,838)	0	0	1,657,534	0	0	0	102	0
30. Dividends to policyholders	356,064		61,356				294,708		0	0	0	
31. Net gain from operations after dividends to policyholders and before federal income taxes (Line 29 minus Line 30)	(26,461,945)	0	(27,607,035)	(217,838)	0	0	1,362,826	0	0	0	102	0
32. Federal income taxes incurred (excluding tax on capital gains)	4,012,850		4,321,535	(80,114)			(228,554)		0		(17)	
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)	(30,474,795)	0	(31,928,570)	(137,724)	0	0	1,591,380	0	0	0	119	0
DETAILS OF WRITE-INS												
08.301. Service Fees	30,721		30,721	0			0					
08.302.												
08.303.												
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 through 08.303 plus 08.398) (Line 8.3 above)	30,721	0	30,721	0	0	0	0	0	0	0	0	0
2701.												
2702.												
2703.												
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 through 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 .... Line 10 .... Line 16 .... Line 23 .... Line 24 ....

ANALYSIS OF INCREASE IN RESERVES DURING THE YEAR

	1	2	Ordinary			6	Group	
			3	4	5		7	8
	Total	Industrial Life	Life Insurance	Individual Annuities	Supplementary Contracts	Credit Life (Group and Individual)	Life Insurance	Annuities
Involving Life or Disability Contingencies (Reserves)								
(Net of Reinsurance Ceded)								
1. Reserve December 31, prior year	299,925,959	0	241,724,614	58,201,345	0	0	0	0
2. Tabular net premiums or considerations	125,995,469		124,267,498	1,039,944			688,027	
3. Present value of disability claims incurred	82,611		82,611		XXX			
4. Tabular interest	14,090,116		12,328,909	1,747,446			13,761	
5. Tabular less actual reserve released	318,070			318,070				
6. Increase in reserve on account of change in valuation basis	0							
7. Other increases (net)	0							
8. Totals (Lines 1 to 7)	440,412,225	0	378,403,632	61,306,805	0	0	701,788	0
9. Tabular cost	68,312,175		67,610,387		XXX		701,788	
10. Reserves released by death	3,689,085		3,689,085	XXX	XXX			XXX
11. Reserves released by other terminations (net)	17,449,403		17,449,403					
12. Annuity, supplementary contract, and disability payments involving life contingencies	5,265,639		188,372	5,077,267				
13. Net transfers to or (from) Separate Accounts	0							
14. Total deductions (Lines 9 to 13)	94,716,302	0	88,937,247	5,077,267	0	0	701,788	0
15. Reserve December 31, current year	345,695,923	0	289,466,385	56,229,538	0	0	0	0

EXHIBIT OF NET INVESTMENT INCOME

		1 Collected During Year	2 Earned During Year
1.	U.S. Government bonds	(a) 611,437	566,942
1.1	Bonds exempt from U.S. tax	(a)	
1.2	Other bonds (unaffiliated)	(a) 11,392,454	11,970,382
1.3	Bonds of affiliates	(a) 0	
2.1	Preferred stocks (unaffiliated)	(b) 0	
2.11	Preferred stocks of affiliates	(b) 0	
2.2	Common stocks (unaffiliated)	0	
2.21	Common stocks of affiliates	0	
3.	Mortgage loans	(c)	
4.	Real estate	(d)	
5.	Contract loans	832,402	804,425
6.	Cash, cash equivalents and short-term investments	(e)	
7.	Derivative instruments	(f)	
8.	Other invested assets		
9.	Aggregate write-ins for investment income	(510,937)	(510,937)
10.	Total gross investment income	12,325,356	12,830,812
11.	Investment expenses		(g) 214,390
12.	Investment taxes, licenses and fees, excluding federal income taxes		(g) 0
13.	Interest expense		(h)
14.	Depreciation on real estate and other invested assets		(i)
15.	Aggregate write-ins for deductions from investment income		0
16.	Total deductions (Lines 11 through 15)		214,390
17.	Net investment income (Line 10 minus Line 16)		12,616,422
	DETAILS OF WRITE-INS		
0901.	Miscellaneous Income	19,976	19,976
0902.	GLRE Paid Interest - Funds Withheld	(530,913)	(530,913)
0903.			
0998.	Summary of remaining write-ins for Line 9 from overflow page	0	0
0999.	Totals (Lines 0901 through 0903 plus 0998) (Line 9 above)	(510,937)	(510,937)
1501.	Investment Income Due GLRE - Classified as Misc Deduction		
1502.			
1503.			
1598.	Summary of remaining write-ins for Line 15 from overflow page		0
1599.	Totals (Lines 1501 through 1503 plus 1598) (Line 15 above)		0

(a) Includes $ 741,843 accrual of discount less $ 1,592,523 amortization of premium and less $ 812,344 paid for accrued interest on purchases.
(b) Includes $ accrual of discount less $ 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 $ paid for accrued interest on purchases.
(d) Includes $ for company's occupancy of its own buildings; and excludes $ interest on encumbrances.
(e) Includes $ accrual of discount less $ amortization of premium and less $ paid for accrued interest on purchases.
(f) Includes $ accrual of discount less $ amortization of premium.
(g) Includes $ 189,390 investment expenses and $ investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.
(h) Includes $ interest on surplus notes and $ interest on capital notes.
(i) Includes $ depreciation on real estate and $ 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)	657,561	(744,541)	(86,980)	0	
1.3	Bonds of affiliates	0	0	0	0	0
2.1	Preferred stocks (unaffiliated)	0	0	0	0	0
2.11	Preferred stocks of affiliates	0	0	0	0	0
2.2	Common stocks (unaffiliated)	0	0	0	0	0
2.21	Common stocks of affiliates	0	(6,162,109)	(6,162,109)	8,284,749	0
3.	Mortgage loans	0	0	0	0	0
4.	Real estate	0	0	0		0
5.	Contract loans			0		
6.	Cash, cash equivalents and short-term investments			0	0	0
7.	Derivative instruments			0		
8.	Other invested assets	0	0	0	0	0
9.	Aggregate write-ins for capital gains (losses)	0	0	0	0	0
10.	Total capital gains (losses)	657,561	(6,906,650)	(6,249,089)	8,284,749	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 through 0903 plus 0998) (Line 9 above)	0	0	0	0	0

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 CSO ALB 3.50%	3,175,545		3,175,545		
0100002. 58 CSO ALB 4.00%	43,039		43,039		
0100003. 58 CSO ALB 2.50%	414,062		414,062		
0100004. 58 CSO ALB 4.50%	327,792		327,792		
0100005. 80 CSO ALB 4.00%	35,762,179		35,762,179		
0100006. 80 CSO ALB 4.50%	109,472,994		109,472,994		
0100007. 80 CSO ALB 5.00%	3,183,636		3,183,636		
0100008. 80 CSO ALB 5.50%	5,025,953		5,025,953		
0100009. 80 CSO ALB 4.00% SEGMENTED	71,532,131		71,532,131		
0100010. 80 CSO ALB 4.50% SEGMENTED	87,690,857		87,690,857		
0100011. 2001 CSO ALB 3.00%	18,467,772		18,467,772		
0100012. 2001 CSO ALB 4.00%	105,711,512		105,711,512		
0100013. 2001 CSO ALB 4.00% - AG38	6,878,468		6,878,468		
0100014. 2001 CSO ALB 4.50%	6,031		6,031		
0100015. 58 CET 2.5%	0				
0100016. 2001 CSO ALB 3.50% - AG38	13,991,527		13,991,527		
0100017. 2001 CSO ALB 3.50% - AG38	66,076,241		66,076,241		
0100018. 58 CET 2.5%	234		234		
0100019. 80 CET 4.5%	791,609		791,609		
0100020. 2001 CSO ALB 5.0%	1,720,876		1,720,876		
0199997 Totals (Gross)	530,272,458	0	530,272,458	0	0
0199998 Reinsurance ceded	255,260,509		255,260,509		
0199999 Totals (Net)	275,011,949	0	275,011,949	0	0
ANNUITIES (excluding supplementary contracts with life contingencies):					
0200001. 37 SA 3.5% Def	0	XXX		XXX	
0200002. 37 SA 4.5% Def	6,474,006	XXX	6,474,006	XXX	
0200003. Single Pay Def Annuity	30,733,570	XXX	30,733,570	XXX	
0200004. Flex Pay Def Annuity	17,614,753	XXX	17,614,753	XXX	
0200005. 457 Annuity	0	XXX		XXX	
0200006. Immediate Annuities	1,407,210	XXX	1,407,210	XXX	
0299997 Totals (Gross)	56,229,539	XXX	56,229,539	XXX	0
0299998 Reinsurance ceded	0	XXX		XXX	
0299999 Totals (Net)	56,229,539	XXX	56,229,539	XXX	0
SUPPLEMENTARY CONTRACTS WITH LIFE CONTINGENCIES:					
0399997 Totals (Gross)	0	0	0	0	0
0399998 Reinsurance ceded	0				
0399999 Totals (Net)	0	0	0	0	0
ACCIDENTAL DEATH BENEFITS:					
0400001. 59 ADB and 58 CSO 3.5%	211,758		211,758		
0499997 Totals (Gross)	211,758	0	211,758	0	0
0499998 Reinsurance ceded	166,085		166,085		
0499999 Totals (Net)	45,673	0	45,673	0	0
DISABILITY-ACTIVE LIVES:					
0500001. 52 Disability and 58 CSO 3.00%	1,383,772		1,383,772		
0599997 Totals (Gross)	1,383,772	0	1,383,772	0	0
0599998 Reinsurance ceded	0				
0599999 Totals (Net)	1,383,772	0	1,383,772	0	0
DISABILITY-DISABLED LIVES:					
0600001. 52 Dis / 58 CSO	1,385,670		1,385,670		
0699997 Totals (Gross)	1,385,670	0	1,385,670	0	0
0699998 Reinsurance ceded	0				
0699999 Totals (Net)	1,385,670	0	1,385,670	0	0
MISCELLANEOUS RESERVES					
0700001. For excesss of valuation net premiums over corresponding gross premiums on respective policies	20,570,643		20,570,643		
0700002. For non-deduction of deferred fractional premiums at the death of the insured	5,816,973		5,816,973		
0799997 Totals (Gross)	26,387,616	0	26,387,616	0	0
0799998 Reinsurance ceded	14,748,297		14,748,297		
0799999 Totals (Net)	11,639,319	0	11,639,319	0	0
9999999 Totals (Net) - Page 3, Line 1	345,695,922	0	345,695,922	0	0

1) Summary of Significant Accounting Policies

A. Accounting Practices

The accompanying financial statements of Grange Life Insurance Company (Company) have been prepared in conformity with the *Accounting Practices and Procedures Manual* of the National Association of Insurance Commissioners (NAIC) and accounting practices prescribed or permitted by The Ohio Department of Insurance (Department).

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

NET INCOME		SSAP #	F/S Page	F/S Line #	2016	2015
(1)	Grange Life Insurance Company state basis (Page 4, Line 35, Columns 1&2)				(37,381,445)	(1,562,997)
(2)	State Prescribed Practices that increase/(decrease) NAIC SAP				0	0
(3)	State Permitted Practices that increase/(decrease) NAIC SAP				0	0
(4)	**NAIC SAP (1-2-3=4)**				**(37,381,445)**	**(1,562,997)**

SURPLUS		SSAP #	F/S Page	F/S Line#	2016	2015
(5)	Grange Life Insurance Company state basis (Page 3, Line 38, Columns 1&2)				71,346,081	42,455,075
(6)	State Prescribed Practices that increase/(decrease) NAIC SAP				0	0
(7)	State Permitted Practices that increase/(decrease) NAIC SAP				0	0
(8)	**NAIC SAP (5-6-7=8)**				**71,346,081**	**42,455,075**

Failure of the amounts to add to totals is due to rounding or truncation.

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

In preparing the financial statements in conformity with Statutory Accounting Principles (SAP) as described in the *Annual Statement Instructions* and the *Accounting Practices and Procedures Manual*, management is required to make certain estimates and assumptions that affect 1) the reported amounts of assets and liabilities and the disclosures of contingent assets and liabilities as of the date of the financial statements and 2) the reported amounts of revenues and expenses for the reporting period. Actual results could differ from those estimates.

C. Accounting Policies

Investments

Management regularly reviews the Company's investment portfolio to evaluate the necessity of recording impairment losses for other-than-temporary declines in the fair value of invested assets. A number of criteria are considered during this process including, but not limited to, the following: 1) the Company's intent and ability to retain the security for a period of time sufficient to allow for an anticipated recovery in fair value; 2) the recoverability of principal and interest in accordance with the contractual terms of the bond or other debt security in effect at the date of acquisition; 3) the extent and duration to which a security's fair value has been less than cost or amortized cost, as appropriate; 4) the current financial condition, near-term and long-term prospects of the issuer, including relevant industry conditions and trends; and 5) general economic conditions. Other-than-temporary impairment losses result in a permanent reduction of the cost basis of the underlying investment. Estimates for other-than-temporary declines in the fair value of invested assets are included in realized capital gains and losses on investments in the Summary of Operations (Page 4, Line 34).

Insurance Revenue and Expense Recognition

Life premiums are recognized as income over the premium paying period of the related policies. Premium income includes deposits made for universal life investment contracts. Annuity considerations are recognized as revenue when received. Accident & health and disability income 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, principally commission expenses and certain policy issue expenses (such as medical examination and inspection report fees), are charged to operations as incurred.

In addition, the Company uses the following accounting policies:

1. Short-term investments are stated at amortized cost, which approximates fair value.

2. Bonds are stated at amortized cost unless rated at a "6" by the NAIC, in which case bonds are stated at the lower of amortized cost or fair value. Amortization of bond premium or discount is calculated using the scientific interest method, taking into consideration interest and principal provisions over the remaining life of the bond.

3. Common stocks are stated at fair value.

4. The Company has no preferred stocks.

5. The Company has no mortgage loans.

6. Single class and multi-class mortgage-backed/asset-backed securities are stated at amortized cost using the scientific interest method, including anticipated prepayments. The retrospective adjustment method is used to value these securities.

7. The Company carries its wholly owned subsidiaries, Grange Life Reinsurance Company (Grange Life Re) and Northview Insurance Agency, Inc., at the value of its underlying equity.

8. The Company has no ownership interests in joint ventures, partnerships or limited liability companies.

9. The Company has no derivative instruments.

10. The Company does not consider investment income as a factor in the deficiency reserve calculation, in accordance with Statement of Statutory Accounting Principles No. 54, *Individual and Group Accident and Health Contracts.*

11. The Company's accident & health liabilities include amounts for long-term disability (LTD). For accident only liabilities, an active life reserve is established for individual policies using an established valuation table and interest rates. For LTD liabilities, a seriatim reserve is established for individual claimants using an established valuation table and interest rates.

    The liability recorded for life insurance and accident & health claims includes 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 that the recorded amounts are 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 liabilities are continually reviewed; any adjustments are reflected in the current period.

12. The Company has not modified its capitalization policy from the prior period.

13. The Company has no pharmaceutical rebate receivables.

2) Accounting Changes and Correction of Errors

A. Material Changes in Accounting Principles

NONE

B. Correction of Errors

1. In 2015, as the Company was in the process of working with the reinsurance companies to collect on the reinsurance recoverable amounts identified in 2014 (see 2014 correction of error footnote), further consideration as to the legal rights to collect such amounts arose. As a result, the Company identified adjustments in net admitted reinsurance recoverable assets and contingent fees accrued of $1,024,757 as of December 31, 2015. The primary reasons for the inability to collect the reinsurance recoverable amounts were the discovery of an errors and omissions amendment with one reinsurer, and the misinterpretation of contractual language with another reinsurer. This resulted in the Company being unable to collect reinsurance recoverable amounts from these reinsurers and also alleviating the Company of the related contingent fees accrued and initially deemed owed to the consultant. The net result of these errors was that net income in prior periods (and, as a result, unassigned surplus) had been understated by $110,277, while total capital and surplus was overstated by $725,923. Details of the errors and the financial impact on prior periods is as follows:

    a. During the collection activities, the Company identified the contractual issues resulting in the inability to collect the reinsurance recoverable amounts. As such, the net admitted reinsurance recoverable amounts related to the reinsurers associated with these contracts were overstated and the accrued contingent fees initially deemed owed to the consultant were overstated. The net impact of the Company's previously issued financial statements is the net admitted reinsurance recoverable (Assets, line 25) was overstated by $1,024,757 and the contingent fees accrued (Liabilities, Surplus, and Other Funds, line 12) was overstated by $298,834 as of December 31, 2014. Additionally, premiums and annuity considerations for life and accident and health contracts (Summary of Operations, line 1) was overstated and general insurance expenses (Summary of Operations, line 23) was overstated during the period by $188,557 and $298,834, respectively. The following adjustments were recorded in the December 31, 2015 financial results to reflect this error: a) on line 25.03 of Assets, a decrease in net admitted assets of $1,024,757 was recorded to account for the amounts of reinsurance uncollectible (including the impact of the reversal of the $340,122 amount non admitted attributable to an estimated allowance for uncollectible amounts); b) on line 12 of the Liabilities, Surplus, and Other Funds page, a decrease in contingent fees accrued of $298,834 was recorded to reflect the amounts no longer owed to the consultant; c) on line 35 of the Liabilities, Surplus and Other Funds Page, ($725,923) was recorded to decrease unassigned funds (surplus).

3) Business Combinations and Goodwill

NONE

4) Discontinued Operations

NONE

5) Investments

A. Mortgage Loans, including Mezzanine Real Estate Loans

NONE

B. Debt Restructuring

NONE

C. Reverse Mortgages

NONE

D. Loan-Backed Securities

1. Prepayment assumptions for single class and multi-class mortgage-backed/asset-backed securities were obtained from Hub Data and Bloomberg. These assumptions are consistent with the current interest rate and economic environment.

2. All securities during 2016 with a recognized other-than-temporary impairment, disclosed in the aggregate, classified on the basis for the other-than-temporary impairment: NONE

3. Securities with a recognized other-than-temporary impairment currently held by the Company, where the present value of cash flows expected to be collected is less than the amortized cost basis of securities: NONE

NOTES TO FINANCIAL STATEMENTS

4. All impaired securities (fair value is less than cost or amortized cost) for which another-than-temporary impairment has not been recognized in earnings as a realized loss (including securities with a recognized other-than-temporary impairment for non-interest related declines when a non-recognized interest related impairment remains):

   a. The aggregate amount of unrealized loss:

1. Less than 12 Months	$	(3,855,485)
2. 12 Months or Longer	$	(46,245)

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

1. Less than 12 Months	$	105,261,869
2. 12 Months or Longer	$	2,786,646

5. According to SSAP 43R, the best estimate of future cash flows using the appropriate discount rate was calculated for each affected security, with other-than-temporary impairments realized to the extent that present value was less than amortized cost. Securities held with an intent to sell were other-than-temporarily impaired to current fair value. Securities with a present value greater than amortized cost were not other-than-temporarily impaired.

E. Repurchase Agreements and/or Securities Lending Transactions

1. Collateral from lending activities: According to the securities lending agreement, the collateral requirement shall be an amount equal to 102% of the then current market value of the relevant loaned securities where securities and collateral are denominated in the same currency, and 105% for all other securities.

2. As of December 31, 2016, the Company has not pledged any of its assets as collateral.

3. Collateral Received

   a. Aggregate Amount of Cash Collateral Received

      1. Repurchase Agreements

         NONE

      2. Securities Lending

	(1) Fair Value
a. Open	
b. 30 Days or Less	$1,161,380
c. 31 to 60 Days	0
d. 61 to 90 Days	0
e. Greater Than 90 Days	0
f. Subtotal	$1,161,380
g. Securities Received	0
h. Total Collateral Received	$1,161,380

      3. Dollar Repurchase Agreement

         NONE

   b. The aggregate fair value of all securities acquired from the sale, trade or use of the accepted collateral (reinvested collateral): $1,161,380.

   c. The Company receives primarily cash collateral in an amount in excess of the fair value of the securities lent. The Company's lending agent, JPMorgan Corporate and Investment Bank, reinvests the cash collateral according to investment guidelines outlined in the securities lending agreement. Under current conditions, the Company has $343,395,400 of par value bonds (fair value of $359,897,381) that are currently tradable securities that could be sold and used to pay for the $1,161,380 in collateral calls that could come due under a worst-case scenario.

4. Securities Lending Transactions Administered by an Affiliated Agent

   NONE

5. Collateral Reinvestment

   a. Aggregate Amount of Cash Collateral Received (See schedule)

      1. Repurchase Agreements

         NONE

      2. Securities Lending

	(1) Amortized Cost	(2) Fair Value
a. Open	$0	$0
b. 30 Days or Less	1,032,359	1,032,359
c. 31 to 60 Days	129,021	129,021
d. 61 to 90 Days	0	0
e. 90 to 120 Days	0	0
f. 121 to 180 Days	0	0
g. 181 to 365 Days	0	0
h. 1 to 2 Years	0	0
i. 2 to 3 Years	0	0
j. Greater Than 3 Years	0	0
k. Sub-Total	$1,161,380	$1,161,380
l. Securities Received	0	0
m. Total Collateral Reinvested	$1,161,380	$1,161,380

NOTES TO FINANCIAL STATEMENTS

3. Dollar Repurchase Agreement

   NONE

b. The Company's sources of cash that it uses to return cash collateral is dependent upon the liquidity of the current market conditions. Under current conditions, the Company has $343,395,400 of par value bonds (fair value of $359,897,381) that are currently tradable securities that could be sold and used to pay for the $1,161,380 in collateral calls that could come due under a worst-case scenario.

F. Real Estate

NONE

G. Low-income housing tax credits (LHITC)

NONE

H. Restricted Assets

1. Restricted Assets (Including Pledged)

								Current Year			
	Gross (Admitted and Non-admitted) Restricted							8	9	Percentage	
	Current Year					6	7			10	11
	1	2	3	4	5						
Restricted Asset Category	Total General Account (G/A)	G/A Supporting Protected Cell Account Activity (a)	Total Protected Cell Account Restricted Assets	Protected Cell Account Assets Supporting G/A Activity (b)	Total (1 plus 3)	Total From Prior Year	Increase/ (Decrease) (5 minus 6)	Total Non-admitted Restricted	Total Admitted Restricted (5 minus 8)	Gross (Admitted & Non-Admitted) Restricted to Total Assets (c)	Admitted Restricted to Total Admitted Assets (d)
a. Subject to contractual obligation for which liability is not shown											
b. Collateral held under security lending agreements	$1,161,380	$0.00	$0.00	$0.00	$1,161,380	$6,702,589	($5,541,209)	$0.00	$1,161,380	0.3%	0.3%
c. Subject to repurchase agreements											
d. Subject to reverse repurchase agreements											
e. Subject to dollar repurchase agreements											
f. Subject to dollar reverse repurchase agreements											
g. Placed under option contracts											
h. Letter stock or securities restricted as to sale – excluding FHLB capital stock											
i. FHLB capital stock											
j. On deposit with states	$2,558,575	$0.00	$0.00	$0.00	$2,558,575	$2,561,186	($2,611)	$0.00	$2,558,575	0.6%	0.6%
k. On deposit with other regulatory bodies											
l. Pledged collateral to FHLB (including assets backing funding agreements)											
m. Pledged as collateral not captured in other categories											
n. Other restricted assets											
o. Total Restricted Assets	$3,719,955	$0.00	$0.00	$0.00	$3,719,955	$9,263,775	($5,543,820)		$3,719,955	0.8%	0.8%

(a) Subset of column 1
(b) Subset of column 3
(c) Column 5 divided by Asset Page, Column 1, Line 28
(d) Column 9 divided by Asset Page, Column 3, Line 28

2. Through 8.

   NONE

NOTES TO FINANCIAL STATEMENTS

I. Working Capital Finance Investments

NONE

J. Offsetting and Netting of Assets and Liabilities

NONE

K. Structured Notes

Structured notes as defined per the Purposes and Procedures Manual of the NAIC Investment Analysis Office at December 31, 2016:

Cusip Identification	Actual Cost	Fair Value	Book/Adj Carrying Value	Mtg-Ref Security (YES/NO)
3130A9YG0	3,000,000	2,880,330	3,000,000	No
3134GAFP4	1,000,000	957,390	999,981	No
89236TBK0	739,875	742,980	757,180	No
TOTAL	4,739,875	4,580,700	4,757,161	

L. 5* Securities

NONE

6) Joint Ventures, Partnerships and Limited Liability Companies

A. The Company has no investments in Joint Ventures, Partnerships or Limited Liability Companies.

B. NONE

7) Investment Income

A. Investment income due and accrued on bonds in default is excluded (non-admitted) from surplus.

B. The total amount excluded at December 31, 2016 and 2015 was $0 and $0, respectively.

8) Derivative Instruments

NONE

9) Income Taxes

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

1.

	12/31/2016 (1) Ordinary	12/31/2016 (2) Capital	12/31/2016 (3) (Col 1+2) Total
(a) Gross Deferred Tax Assets	$.........14,198,707	$ 160,514	$ 14,359,221
(b) Statutory Valuation Allowance Adjustments	$........................ 0	$ 0	$ 0
(c) Adjusted Gross Deferred Tax Assets (1a - 1b)	$.........14,198,707	$ 160,514	$ 14,359,221
(d) Deferred Tax Assets Nonadmitted	$...........8,778,995	$ 160,514	$ 8,939,509
(e) Subtotal Net Admitted Deferred Tax Asset (1c -1d)	$...........5,419,712	$ 0	$ 5,419,712
(f) Deferred Tax Liabilities	$..............296,154	$ 0	$ 296,154
(g) Net Admitted Deferred Tax Asset/(Net Deferred Tax Liability) (1e - 1f)	$...........5,123,558	$ 0	$ 5,123,558

	12/31/2015 (4) Ordinary	12/31/2015 (5) Capital	12/31/2015 (6) (Col 4+5) Total
(a) Gross Deferred Tax Assets	$...........8,496,165	$ 208,439	$ 8,677,604
(b) Statutory Valuation Allowance Adjustments	$........................ 0	$ 0	$ 0
(c) Adjusted Gross Deferred Tax Assets (1a - 1b)	$...........8,469,165	$ 208,439	$ 8,677,604
(d) Deferred Tax Assets Nonadmitted	$...........3,445,081	$ 0	$ 3,445,081
(e) Subtotal Net Admitted Deferred Tax Asset (1c -1d)	$...........5,024,084	$ 208,439	$ 5,232,523
(f) Deferred Tax Liabilities	$............. 511,421	$ 0	$ 511,421
(g) Net Admitted Deferred Tax Asset/(Net Deferred Tax Liability) (1e - 1f)	$...........4,512,663	$ 208,439	$ 4,721,102

	Change (7) (Col 1-4) Ordinary	Change (8) (Col 2-5) Capital	Change (9) (Col 7+8) Total
(a) Gross Deferred Tax Assets	$...........5,729,542	$ ....(47,925)	$ 5,681,617
(b) Statutory Valuation Allowance Adjustments	$........................ 0	$ 0	$ 0
(c) Adjusted Gross Deferred Tax Assets (1a - 1b)	$...........5,729,542	$ ....(47,925)	$ 5,681,617
d) Deferred Tax Assets Nonadmitted	$...........5,333,914	$ 160,514	$ 5,494,428
(e) Subtotal Net Admitted Deferred Tax Asset (1c -1d)	$.............395,628	$ ....(208,439)	$ 187,189
(f) Deferred Tax Liabilities	$............(215,267)	$ 0	$ ....(215,267)
(g) Net Admitted Deferred Tax Asset/(Net Deferred Tax Liability) (1e - 1f)	$.............610,895	$ ....(208,439)	$ 402,456

NOTES TO FINANCIAL STATEMENTS

2.

Admission Calculation Components SSAP No. 101

	12/31/2016 (1) Ordinary	12/31/2016 (2) Capital	12/31/2016 (3) (Col 1+2) Total
(a) Federal Income Taxes Paid In Prior Years Recoverable Through Loss Carrybacks.	$........................0	$ 0	$ 0
(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)	$...........5,123,558	$ 0	$ 5,123,558
1. Adjusted Gross Deferred Tax Assets Expected to be Realized Following the Balance Sheet Date.	$...........5,123,558	$ 0	$ 5,123,558
2. Adjusted Gross Deferred Tax Assets Allowed per Limitation Threshold.	XXX	XXX	$ 9,889,567
(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.	$.............296,154	$ 0	$ 296,154
(d) Deferred Tax Assets Admitted as the result of application of SSAP No. 101. Total (2(a) + 2(b) + 2(c))	$..........5,419,712	$ 0	$ 5,419,712

	12/31/2015 (4) Ordinary	12/31/2015 (5) Capital	12/31/2015 (6) (Col 4+5) Total
(a) Federal Income Taxes Paid In Prior Years Recoverable Through Loss Carrybacks.	$.........................0	$ 0	$ 0
(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)	$...........4,512,663	$ 208,439	$ 4,721,102
1. Adjusted Gross Deferred Tax Assets Expected to be Realized Following the Balance Sheet Date.	$...........4,512,663	$ 208,439	$ 4,721,102
2. Adjusted Gross Deferred Tax Assets Allowed per Limitation Threshold.	XXX	XXX	$ 5,659,925
(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.	$.............511,421	$ 0	$ 511,421
(d) Deferred Tax Assets Admitted as the result of application of SSAP No. 101. Total (2(a) + 2(b) + 2(c))	$......... 5,024,084	$ 208,439	$ 5,232,523

	Change (7) (Col 1-4) Ordinary	Change (8) (Col 2-5) Capital	Change (9) (Col 7+8) Total
(a) Federal Income Taxes Paid In Prior Years Recoverable Through Loss Carrybacks.	$.........................0	$ 0	$ 0
(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)	$........... 610,895	$ ....(208,439)	$ 402,456
1. Adjusted Gross Deferred Tax Assets Expected to be Realized Following the Balance Sheet Date.	$...........610,895	$ ....(208,439)	$ 402,456
2. Adjusted Gross Deferred Tax Assets Allowed per Limitation Threshold.	XXX	XXX	$ 4,229,642
(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.	$...........(215,267)	$ 0	$ ....(215,267)
(d) Deferred Tax Assets Admitted as the result of application of SSAP No. 101. Total (2(a) + 2(b) + 2(c))	$............395,628	$ ....(208,439)	$ 187,189

3.

	2016	2015
(a) Ratio Percentage Used To Determine Recovery Period And Threshold Limitation Amount.	...............1337.49%	............612.9%
(b) Amount Of Adjusted Capital And Surplus Used To Determine Recovery Period And Threshold Limitation In 2(b) 2 Above.	$........69,046,884	$ 40,427,346

4.

Impact of Tax Planning Strategies

	12/31/2016 (1) Ordinary Percent	12/31/2016 (2) Capital Percent	12/31/2016 (3) (Col 1+2) Total Percent
(a) Adjusted Gross DTAs (% of Total Adjusted Gross DTAs)	..................-0.0%	..................0.0%	..................0.0%
(b) Net Admitted Adjusted Gross DTAs (% of Total Net Admitted Adjusted Gross DTAs)	..................-0.0%	..................0.0%	.... 0.0%

NOTES TO FINANCIAL STATEMENTS

		12/31/2015		
		(4) Ordinary Percent	(5) Capital Percent	(6) (Col 4+5) Total Percent
(a)	Adjusted Gross DTAs (% of Total Adjusted Gross DTAs)	20.4%	2.4%	22.8%
(b)	Net Admitted Adjusted Gross DTAs (% of Total Net Admitted Adjusted Gross DTAs)	37.5%	4.4%	41.9%

		Change		
		(7) (Col 1-4) Ordinary Percent	(8) (Col 2-5) Capital Percent	(9) (Col 7+8) Total Percent
(a)	Adjusted Gross DTAs (% of Total Adjusted Gross DTAs)	-21.0%	-1.7%	-22.70%
(b)	Net Admitted Adjusted Gross DTAs (% of Total Net Admitted Adjusted Gross DTAs)	-39.3%	-2.5%	-41.9%

(c) Does the Company's tax-planning strategies include the use of reinsurance? Yes.......... .... No ....X ....

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

		(1) 12/31/2016	(2) 12/31/2015	(3) (Col 1-2) Change
1.	**Current Income Tax**			
(a)	Federal	$4,036,240	$227,334	$3,808,906
(b)	Foreign	$0	$0	$0
(c)	Subtotal	$4,036,240	$227,334	$3,808,906
(d)	Federal income tax on net capital gains	$0	$(101,787)	$101,787
(e)	Utilization of capital loss carry-forwards	$0	$0	$0
(f)	Other	$(23,390)	$(121,709)	$97,319
(g)	Federal and foreign income taxes incurred	$4,012,850	$3,838	$4,009,012
2.	**Deferred Tax Assets:**			
(a)	Ordinary			
(1)	Discounting of unpaid losses	$0	$0	$0
(2)	Unearned premium reserve	$0	$0	$0
(3)	Policyholder reserves	$6,433,996	$4,194,398	$2,239,598
(4)	Investments	$0	$0	$0
(5)	Deferred acquisition costs	$3,384,360	$3,136,685	$247,675
(6)	Policyholder dividends accrual	$20,790	$19,532	$1,258
(7)	Fixed assets	$5,935	$0	$5,935
(8)	Compensation and benefits accrual	$0	$0	$0
(9)	Pension accrual	$0	$0	$0
(10)	Receivables - nonadmitted	$577,099	$674,531	$(97,432)
(11)	Net operating loss carry-forward	$3,048,838	$0	$3,048,838
(12)	Tax credit carry-forward	$394,904	$21,098	$373,806
(13)	Other (including items <5% of total ordinary tax assets)	$332,785	$422,919	$(90,134)
(99)	Subtotal	$14,198,707	$8,469,163	$5,729,544
(b)	Statutory valuation allowance adjustment	$0	$0	$0
(c)	Nonadmitted	$8,778,995	$3,445,081	$5,333,914
(d)	Admitted ordinary deferred tax assets (2a99 - 2b - 2c)	$5,419,712	$5,024,082	$395,630
(e)	Capital:			
(1)	Investments	$72,279	$56,834	$15,445
(2)	Net capital loss carry-forward	$88,235	$151,604	$(63,369)
(3)	Real estate	$0	$0	$0
(4)	Other (including items <5% of total capital tax assets)	$0	$0	$0
(99)	Subtotal	$160,514	$208,438	$(47,924)
(f)	Statutory valuation allowance adjustment	$0	$0	$0
(g)	Nonadmitted	$160,514	$0	$160,514
(h)	Admitted capital deferred tax assets (2e99 - 2f - 2g)	$0	$208,438	$(208,438)
(i)	Admitted deferred tax assets (2d + 2h)	$5,419,712	$5,232,520	$187,192
3.	**Deferred Tax Liabilities:**			
(a)	Ordinary			
(1)	Investments	$296,154	$304,776	$(8,622)
(2)	Fixed assets	$0	$86,695	$(86,695)
(3)	Deferred and uncollected premium	$0	$0	$0
(4)	Policyholder reserves	$0	$0	$0
(5)	Other (including items<5% of total ordinary tax liabilities)	$0	$119,947	$(119,947)
(99)	Subtotal	$296,154	$511,418	$(215,264)

NOTES TO FINANCIAL STATEMENTS

(b) Capital:

(1) Investments	$........................ 0	$ 0	$ 0
(2) Real Estate	$........................ 0	$ 0	$ 0
(3) Other (including items <5% of total capital tax liabilities)	$........................ 0	$ 0	$ 0
(99) Subtotal	$........................ 0	$ 0	$ 0
(c) Deferred tax liabilities (3a99 + 3b99)	$.............296,154	$ 511,418	$.............(215,264)
4. Net deferred tax assets/liabilities (2i - 3c)	$......... 5,123,558	$..........4,721,102	$ 402,456

D. Reconciliation of federal income tax rate to actual effective rate:

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

1. Description:	Amount	Tax Effect	Effective Tax Rate
(a) Income Before Taxes	$......(32,711,035)	$ ....(11,448,862)	.... 35.00%
(b) Reinsurance Recaptured	$...... .48,116,434	$ 16,840,752	..............-51.48%
(c) Deferred Taxes transferred With Dissolution Election	$......(23,663,829)	$ ....(8,282,340)	................25.32%
(d) Meals & Entertainment	$................24,751	$ 8,663	.... -0.03%
(e) Realized Loss on Investment in Subsidiary	$.........6,162,109	$ 2,156,738	................-6.59%
(f) Reinsurance Deferred income from in-force block	$.........(2,633,209)	$ ....(921,623)	.................2.82%
(g) Amortization of IMR	$........... (438,179)	$ ....(153,363)	................0.47%
(h) Tax Rate differential	$............(682,503)	$ ....(238,876)	..................0.73%
Other, Including Prior Year True-Up	$.............442,506	$ 154,877	.... -0.47%
Total	$........(5,382,954)	$ ....(1,884,034)	.... 5.76%

2. Description:

(a) Federal Income Tax Incurred [Expense/(Benefit)]	$ 4,012,850
(b) Tax on Capital Gains/(Losses)	$......................0
(c) Change in Net Deferred Income Tax [Charge/(Benefit)]	$.........(5,896,884)
Total	$........... (1,884,034)

E.

Carryforwards, recoverable taxes, and IRC S6603 deposits:

1. At December 31, 2016, the Company had net operating loss carry forwards of: $ 8,710,965

   At December 31, 2016, the Company had capital loss carry forwards, that expire in 2021, in the amount of: $.............252,101

   At December 31, 2016, the Company had AMT credit carry forwards, which do not expire, in the amount of: $.............394,904

2. The following is income tax expense for 2014, 2015, and 2016 that is available for recoupment in the event of future net losses:

Year	Ordinary	Capital	Total
2014	$ 0	$ 0	$........................0
2015	$ 0	$ 0	$........................0
2016	$ 0	$ 0	$........................0
Total	$ 0	$ 0	$........................0

3. Deposits admitted under IRC S6603:
   NONE

F. The Company's federal income tax return is consolidated with the following entities:

1. Grange Life Reinsurance Company
   Northview Insurance Agency, Inc.

2. The method of allocation among companies is subject to a written agreement, approved by the Board of Directors, whereby allocation is made primarily on a separate company basis with current credit for losses.

G. Income tax loss contingencies:

NONE

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

A, B, & C. All employees of the parent company, Grange Mutual Casualty Company (Grange Mutual), are covered by a participating group life insurance policy issued by the Company. Premiums received from Grange Mutual amounted to $2,293,424 and $2,092,333 in 2016 and 2015, respectively. Dividends of $273,960 and $294,720 were paid to Grange Mutual in 2016 and 2015, respectively.

In December 2012, the Company formed Grange Life Reinsurance Company (Grange Life Re) as a Vermont special purpose financial captive insurance company. Grange Life Re issued 250,000 common shares of its capital stock, each with a par value of $1.00, to the Company in exchange for paid-in capital of $250,000. In 2012, the Company contributed an additional $3,000,000 in surplus, designated as unassigned surplus. In August and December 2015, $5,000,000 and $10,000,000, respectively, of additional paid in capital were contributed by the Company and designated as unassigned surplus.

The Company entered into a coinsurance agreement on a funds withheld basis with Grange Life Re, whereby the captive will assume 100% of the risks and rewards of the universal and term life insurance policies effective January 1, 2012.

NOTES TO FINANCIAL STATEMENTS

On November 1, 2016, the Company recaptured its universal life with secondary guarantees and term life business from its wholly-owned captive insurance company, GLRE, under the provisions of the coinsurance reinsurance agreement. The Company recognized a one-time loss of $ ($26.9) million, after tax, related to this recapture, with the loss driven primarily by the net increase in reserves of $25.1 million. Following the recapture, GLRE will be dissolved in early 2017 subject to the approval of the Vermont Department of Financial Regulation. The recapture transaction and the subsequent dissolution will be treated as an integrated transaction and taxable as a tax free liquidation under section 332 of the IRS tax code. In addition, the Company and the GLIC have elected to transfer the tax attributes of Company as of the date of the recapture transaction under Treasury Regulation 1.381-1(b)-1.

On November 1, 2016, contemporaneous with the recapture of GLRE business, GLIC entered into a coinsurance agreement with Reinsurance Group of America (RGA). GLIC ceded 100% of the term business recaptured from GLRE to RGA for an initial premium of $51.4 million and initial ceding allowance of $28.9 million. GLIC also initially transfered cash of $22.5 million to RGA. Trailing ceding commission allowances of 2.5% based on annual premiums will be paid by RGA to GLIC. Policy fees of $75 per policy on the term series J-L and $60 per policy on the term series E-I, will be charged by GLIC, of which $34 will be retained and the remaining will be RGA's share of the policy fee. These allowances and fees are required to cover GLIC's maintenance expenses.

RGA will pay GLIC YRT premiums equal to the reinsurance premiums in each of GLIC's reinsurance agreements with Canada Life, Gen Re, and Hannover Re that are in effect on the date of this agreement. The YRT premium rates between RGA and GLIC will not change for the duration of this reinsurance agreement, and RGA will not participate in any changes to the YRT rates between GLIC and the other reinsurers. GLIC will pay RGA, the proportionate amount of each death claim that is reinsured by Canada Life, Gen Re, and Hannover. GLIC is responsible to pay the claim to RGA irrespective of whether the other reinsurers pay GLIC. GLIC will not recapture any of the third-party YRT reinsurance, nor change the terms or amounts reinsured without mutual agreement with RGA.

The Company recorded the following transactions with Grange Life Re as of December 31, related to the reinsurance agreement:

Transactions	2016	2015
Ceded Premiums	(46,732,094)	19,576,704
Ceded Losses	1,429,508	4,109,046
Ceded Reserves	(62,118,824)	20,655,124
Ceding Allowances	30,137,824	10,554,631
Realized loss on Inv. In Sub.	(6,162,109)	-

The Company identified Grange Life Re as an unauthorized affiliate U.S. Captive reinsurer on Schedule S, collateralized with a syndicated letter of credit and funds-withheld. As of December 31, 2016 and 2015, the letter of credit totaled $0 and $44,131,976, respectively and funds withheld amounts of $0 and $17,743,371 respectively. The letter of credit was terminated as of December 16, 2016.

In 2012, the Company recorded aggregate write-ins for deductions and gains in surplus related to the deferred gain of $3,247,415 (net of tax of $1,418,411) on in-force business ceded to Grange Life Re. The Company recognized $2,633,208 (net of tax of $1,150,137) of the deferred income and $156,635 (net of tax of $68,415) in 2016 and 2015, respectively, through Expense Allowances on Ceded Commission with $0.00 remaining deferred in surplus to be recognized in future periods.

D. The Company reported amounts due to the parent company, Grange Mutual, of $10,372,674 and $10,672,752 at December 31, 2016 and 2015, respectively. All amounts due to the parent company were settled within 30 days.

As of December 31, 2016 the Company incurred amounts due to Grange Life Re of $3,900,648 in accordance with tax sharing obligations that will be paid within 30 days of the consolidated federal income tax filing with the Internal Revenue Service. Additionally, $178,018 is due from Grange Life Re for the settlement of intercompany general expenses, which was settled within 60 days. As of December 31, 2015 the Company reported amounts due to Grange Life Re of $125,547 for tax sharing obligations that were paid upon receipt of funds from the Internal Revenue Service, and $146,305 due to Grange Life Re for the settlement of Funds withheld. Additionally, $244,416 was due from Grange Life Re for the settlement of intercompany general expenses and reinsurance related to funds withheld, which was settled within 30 days.

The Company received proceeds from Grange Life Re of $0 and $0 in 2016 and 2015, respectively.

E. The Company does not have any guarantees or undertakings.

F. The parent company, Grange Mutual, has a formal cost-sharing agreement with its property-casualty affiliate and certain of its subsidiaries, including the Company, whereby the parent company provides certain operational and administrative services – such as sales support, advertising, information technology support, investment management services, employee benefits and personnel management services, and other general management services – to these companies. Expenses covered by this agreement are subject to allocation among the parent company, its affiliate and its subsidiaries. The allocations are based on techniques and procedures in accordance with SAP and insurance regulatory guidelines. Measures used to allocate expenses among the companies include individual employee estimates of time spent, specific cost studies, salary expenses, and other methods agreed to by the participating companies that are within industry guidelines and practices. The Company does not believe that expenses recognized under this agreement are materially different than expenses that would have been recognized had the Company operated on a stand-alone basis.

In addition, a management fee is assessed by and paid to Grange Mutual as a reimbursement for certain expenses – such as salaries, pension and post-retirement benefits – that are incurred on behalf of the Company.

The Company is also a party to a service agreement with Grange Life Re whereby they provide services and make available services necessary to support their business operations. These services include all necessary financial, actuarial, audit, accounting, tax, information technology, records management and legal and compliance services, other than those provided by third-party service providers. The Company is reimbursed for all direct costs incurred by their subsidiary.

G. The Company is controlled by Grange Mutual, an Ohio domiciled property-casualty insurance company, which owns approximately 100.00% of the outstanding capital stock of the Company.

H. The Company did not deduct from the value of an upstream intermediate entity or ultimate parent owned, either directly or indirectly, via a downstream subsidiary, controlled, or affiliated entity.

I. The Company's investment in Grange Life Re is less than 10% of admitted assets. The Company carries its investment in Grange Life Re at statutory basis equity. Grange Life Re, with the explicit permission of the Commissioner of Insurance of the State of Vermont, records the value of its Letters of Credit (LOC) as part of surplus instead of being excluded from surplus as required by the Manual of the NAIC. The LOC was drawn down and closed (as of December 31, 2016) as a result of the Grange Life Insurance Company recapture of ceded reinsurance on 11/01/2016. As a result the LOC was valued at $0.00, and the statutory surplus of Grange Life Re was $12,087,891.

NOTES TO FINANCIAL STATEMENTS

J. Due to the recapture transaction during 2016 and plans for dissolution of Grange Life Re in 2017 (see additional discussion in Note 8), the Company recognized $6,162,109 of realized losses for affiliated common stocks with respect to other-than-temporary declines in fair value in 2016. The Company held $0 and $8,284,749 of unrealized losses in Grange Life Re in 2016 and 2015, respectively.

K. The Company does not hold an investment in a foreign insurance subsidiary.

L. The Company does not hold an investment in a downstream noninsurance holding company.

M. All SCA Investments

1) Balance Sheet Value (admitted and Non-admitted) All SCAs (except 8bi Entities)

SCA Entity	Percentage of SCA Ownership	Gross Amount	Admitted Amount	Nonadmitted Amount
a. SSAP No. 97 8a Entities				
b. SSAP No. 97 8b(ii) Entities	100%	781	0	781
c. SSAP No. 97 8b(iii) Entities				
d. SSAP No. 97 8b(iv) Entities				
e. SSAP No. 97 8b Entities (except 8bi entities)(b+c+d)		781	0	781
f. Aggregate Total (a+e)		781	0	781

1) NAIC Filing Response Information

All non-insurance subsidiaries listed in the preceding table are non-admitted and therefore do not have NAIC Sub-2 filings.

SCA Entity	Type of NAIC Filing*	Date of Filing to the NAIC	NAIC Response Received Y/N	NAIC Disallowed Entities Valuation Method, Resubmission Required Y/N	Code**
a. SSAP No. 97 8a Entities					
b. SSAP No. 97 8b(ii) Entities					
c. SSAP No. 97 8b(iii) Entities					
d. SSAP No. 97 8b(iv) Entities					
e. SSAP No. 97 8b Entities (except 8bi entities)(b+c+d)					
f. Aggregate Total (a+e)					

* S1 – Sub-1, S2 – Sub-s or RDF – Resubmission of Disallowed Filing
** I- Immaterial or M - Material

N. See (I.) above for a description of the accounting practice and the effect on surplus. The effect on Net Income was $0. If the Company had not been permitted to include the LOC as a part of surplus, the Company's risk-based capital would have triggered a regulatory event in 2015. However, the LOC was terminated as of December 16, 2016 as a result of the Grange Life Insurance Company recapture of ceded reinsurance as of November 1, 2016. The Company's investment in Grange Life Re had a carrying value of $12,087,891 at December 31, 2016.

11) Debt

NONE

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

A. Defined Benefit Plan

NONE

B. Defined Contribution Plans

NONE

C. Multi-employer Plans

NONE

D. Consolidated/Holding Company Plans

Employees of the parent company, Grange Mutual, including those employees that provide services to the Company, participate in 1) a defined benefit plan providing pension benefits to eligible participants (for employees hired on or before December 31, 2006), 2) a defined benefit plan providing postretirement health care benefits and life insurance coverage to eligible participants (for employees hired on or before December 31, 2005), 3) a defined contribution Retirement Accumulation Accounts plan that covers substantially all employees hired on or after January 1, 2007, and 4) a defined contribution Incentive Savings Plan (a 401k plan) that covers substantially all employees. Each of these plans is sponsored by the parent company, and the Company has no legal obligation for the related employee benefits. The parent company's policy is to fund pension costs as incurred. Under the Incentive Savings Plan, employee salary deferrals of up to 6% of the base salary are subject to a 50% matching contribution from the parent company. Under the Retirement Accumulation Accounts, the parent company makes annual contributions to eligible employees based on a formula utilizing the employee's salary, age, and years of credited service.

Expenses incurred related to these plans that are attributable to employees providing services to the Company are allocated to the Company and reimbursed to the parent company through a management fee (see note 10F). The Company's allocated share of the net periodic pension benefit cost was $252,068 and $376,946 in 2016 and 2015, respectively. The Company's allocated share of the net periodic postretirement benefit cost was $45,460 and $74,532 in 2016 and 2015, respectively. The Company's allocated share of the 401k matching contribution cost was $152,654 and $135,149 in 2016 and 2015, respectively.

NOTES TO FINANCIAL STATEMENTS

E. Postemployment Benefits and Compensated Absences

The Company accrued $227,000 and $222,000 for compensated absences at December 31, 2016 and 2015, respectively.

F. Impact of Medicare Modernization Act on Postretirement Benefits (INT 04-17)

NONE

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

1) The Company has 101,000 shares of its capital stock authorized, with 101,000 shares issued and outstanding at December 31, 2016. The par value per share is $18.75.

2) The Company has no preferred stock outstanding.

3) Ohio law limits the Company's payment of dividends to the parent company, Grange Mutual. The maximum dividend that may be paid by an Ohio domiciled insurance company to its shareholders in any year without the prior approval of the Director of the Department is limited to the greater of the net income of the preceding calendar year or 10% of capital and surplus as of the preceding December 31. Capital and surplus at December 31, 2016 was $71,346,081. Therefore, the maximum dividend payments that can be made in 2016, without obtaining prior approval, are $7,134,608.

4) No ordinary dividends were paid by the Company.

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) There were no restrictions placed on the Company's surplus, including for whom the surplus is being held. Unassigned surplus held for the benefit of policyholders was $2,421,081 and $33,530,075 at December 31, 2016 and 2015, respectively.

7) No advances to surplus were made.

8) No amounts of stock were held by the Company, including stock of affiliated companies, for special purposes.

9) No special surplus funds were maintained.

10) The portion of unassigned funds (surplus) represented or reduced by cumulative unrealized gains and losses are ($2,297,189).

11) The Company did not hold any surplus debentures or similar obligations.

12) The Company did not have any restatement due to prior quasi-reorganizations.

13) There are no effective dates for quasi-reorganizations in the prior 10 years.

14) Liabilities, Contingencies and Assessments

A. Contingent Commitments

NONE

B. Assessments

The Company may be subjected to mandatory assessments from state guarantee funds to cover losses of policyholders of insolvent or rehabilitated insurance companies. Based on data published in the fourth quarter of 2016 by the National Organization of Life & Health Insurance Guaranty Associations, the Company has recorded a liability of $706,812 and $634,628 as of December 31, 2016 and 2015, respectively, in anticipation of future mandatory assessments from state guarantee funds in states in which the Company writes business.

2)

a. Assets recognized from paid and accrued premium tax offsets and policy surcharges prior year-end………………………………………………………………………….. $ 10,842

b. Decreases current year:
Premium credit applied or non-admitted .... $ 10,842

c. Increases current year:
Premium tax offset applied... $ 10,967

d. Assets recognized from paid and accrued premium tax offsets and policy surcharges current year-end $ 10,967

C. Gain Contingencies

NONE

D. Claims Related Extra Contractual Obligation and Bad Faith Losses Stemming from Lawsuits

The company paid the following amounts in the reporting period to settle claims related extra contractual obligations or bad faith claims stemming from lawsuits.

	Direct
Claims related ECO and bad faith losses paid during the reporting period	$ 0.00

NOTES TO FINANCIAL STATEMENTS

Number of claims where amounts were paid to settle claims related extra contractual obligations or bad faith claims resulting from lawsuits during the reporting period.

(a) 0-25 Claims	(b) 26-50 Claims	(c) 51-100 Claims	(d) 101-500 Claims	(e) More than 500 Claims
X				

Indicate whether claim count information is disclosed per claim or per claimant.

(f) Per Claim [X] (g) Per Claimant [ ]

E. All Other Contingencies

The Company is a defendant in lawsuits arising in the ordinary course of business from claims under insurance policies and from other matters. Accruals for these lawsuits have been provided to the extent that losses are deemed probable. In the opinion of management, the effects, if any, of such lawsuits are not expected to have a material impact on the Company's financial position or results from operations.

15) Leases

The Company has no lease obligations.

16) Information About Financial Instruments With Off-Balance Sheet Risk And Financial Instruments With Concentrations of Credit Risk

NONE

17) Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities

A. Transfers of Receivables Reported as Sales

NONE

B. Transfer and Servicing of Financial Assets

The Company participates in a securities lending program with JPMorgan Corporate and Investment Bank as lending agent. Securities on loan as of December 31, 2016 were fixed income bonds, totaling $1,161,380. Collateral received from lending activities is maintained in accordance to the securities lending agreement, whereby the collateral requirement shall be an amount equal to 102% of the then current market value of the relevant loaned securities where securities and collateral are denominated in the same currency, and 105% for all other securities. The Company's lending agent, JPMorgan Corporate and Investment Bank, reinvests the cash collateral according to investment guidelines outlined in the securities lending agreement and is reported on-balance sheet. Collateral received in the form of securities are restricted and off-balance sheet. The Company is not able to sell or reinvest the securities received as collateral and according to the MLSA, the borrower bears all the risk associated with said securities.

C. Wash Sales

NONE

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

NONE

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

NONE

20) Fair Value Measurements

A.

1. Fair Value Measurements as of December 31, 2016:

Description	Level 1	Level 2	Level 3	Total
a. ASSETS AT FAIR VALUE				
Perpetual Preferred Stock				
Industrial & Misc	0	0	0	0
Parent, Subs, & Affiliates	0	0	0	0
Total Perpetual Preferred Stock	0	0	0	0
Bonds				
US Governments	0	0	0	0
US States, Territories, & Possessions	0	0	0	0
US Political Subdivisions	0	0	0	0
US Special Rev & Assessment	0	0	0	0
Industrial & Misc	0	0	0	0
Parent, Subs, & Affiliates	0	0	0	0
Total Bonds	0	0	0	0
Common Stock				
Industrial & Misc	0	0	0	0
Parent, Subs, & Affiliates	0	0	$12,087,891	$12,087,891
Total Common Stock	0	0	$12,087,891	$12,087,891
Other Invested Assets	0	0	0	0
Total Other Invested	0	0	0	0
TOTAL ASSETS AT FAIR VALUE	0	0	$ 12,087,891	$12,087,891
b. LIABILITIES AT FAIR VALUE				
Derivative liabilities	0	0	0	0
Total Derivative Liabilities	0	0	0	0
TOTAL LIABILITIES AT FAIR VALUE	0	0	0	0

2. Fair Value Measurements in (Level 3) of the Fair Value:

	Balance at 01/01/2016	Transfers in to Level 3	Transfers out Level 3	Total G/(L) included in Net Income	Total G/(L) included in Surplus	Purchases	Issuances	Sales	Settlements	Balance at 12/31/2016
Bonds	0	0	0	0	0	0	0	0	0	0
Common Stock	$ 9,965,251	0	0	0	$2,122,640	0	0	0	0	$ 12,087,891
Other Invested Assets	0	0	0	0	0	0	0	0	0	0
	$ 9,965,251	0	0	0	2,122,640	0	0	0	0	$12,087,891

3. The reporting entity's policy is to recognize transfers in and out as of the end of the reporting period.

4. As of December 31, 2016, the reported fair value of the entity's investments categorized within Level 2 and Level 3 of the fair value hierarchy are as follows:

   Bonds - According to statutory accounting rules, fixed income securities with a rating of NAIC 1 thru 5 are reported at amortized cost. Securities with a rating of NAIC of 6 are measured and reported at the lower of amortized cost or fair value on the statement of financial position. As of December 31, 2016, the Company did not have any bonds rated NAIC-6 and therefore did not report any securities at fair value.

   Parents, Subsidiaries, and Affiliates - The Company's investment in one subsidiary is measured and reported at fair value at December 31, 2016 totaling $12,087,891. Fair value measurement is determined by the individual entity's surplus at the end of a period, or the amount by which assets exceed liabilities. The subsidiary is in the insurance industry, whereby its assets are largely comprised of fixed income securities carried at amortized cost and its liabilities represent reserves for underwriting losses. Some inputs to the valuation methodology are unobservable and significant to the fair value measurement, and result in disclosure at Level 3.

5. The Company does not have derivative assets or liabilities.

B. The Company is not required to combine the fair value information disclosed under SSAP No. 100, since it is not practicable.

C. Fair values for these types of financial instruments:

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	(Level 1)	(Level 2)	(Level 3)	Not Practicable (Carrying Value)
Bonds	$ .359,897,381	$ .357,199,558	$ 9,837,063	$ ..350,060,318	$	$ ....
Common Stock	$ 12,088,672	$ 12,087,891	$	$	$ 12,087,891	$ 781
Money Market	$	$	$	$	$	$ ....

D. Not Practicable to Estimate Fair Value

Type or Class of Financial Instrument	Carrying Value	Effective Interest Rate	Maturity Date	Explanation
Common Stock	$ 781	....	....	Stock represents ownership of an insurance agency valued at original cost and reported as a subsidiary of the entity ...
Total	$ 781			

21) Other Items

A. Unusual or Infrequent items

NONE

B. Troubled Debt Restructuring: Debtors

NONE

C. Other Disclosures and Unusual Items

NONE

D. Business Interruption and Insurance Recoveries

NONE

E. State Transferable and Non-Transferable Tax Credits

NONE

F. Subprime Mortgage Related Risk Exposure

1. Management Definition of Exposure to Subprime Mortgage Related Risk:

   Management defines "subprime" mortgage loans as mortgage loans that are originated with an inherently higher risk profile or have a loan structure that is distinctly different from that of traditional mortgage loans. Management considers the following factors in determining whether or not a mortgage represents a subprime risk: borrowers with low credit ratings (FICO score); unconventionally high initial loan-to-value ratios (LTVs); unconventionally structured loans (option pay adjustable rate mortgages or negative amortizing loans); unconventionally high interest rates; and less than conventional documentation of the borrower's income and/or assets.

   The Company does not invest in mortgage loans on a direct basis, nor is it in the practice of originating mortgage loans.

NOTES TO FINANCIAL STATEMENTS

2. The Company has no direct exposure through investments in subprime mortgage loans.

3. Estimated Direct Exposure to Subprime Mortgage Risk Through Other Investments:

Management considers the Company's holdings in securities with underlying subprime exposure to be minimal. The majority of residential mortgage backed securities (RMBS) in the portfolio are issued by government-sponsored enterprises (GSEs). Securities with collateral that contain subprime characteristics based on low credit (FICO scores less than 620) and/or high LTVs represent less than 1% of the Company's invested assets. In addition, these securities were issued prior to 2003. The Company's bond portfolio does not include any positions in collateralized debt obligations (CDOs) on a direct basis. On a quarterly basis, management reviews all loan-backed and structured securities with an unrealized loss position according to SSAP 43-R. The best estimate of future cash flows using the appropriate discount rate is calculated for each affected security. To assist in this effort, a brokerage firm provides forward-looking assumptions for default rates, voluntary prepayment speeds, and loss severities on a majority of the securities governed by SSAP 43R. The outcomes of this process assure that anticipated cash flows will not be less than the carrying value subsequent to other-than-temporary impairments. As of December 31, 2016, management estimates there were no unrealized losses present due to subprime mortgage exposure.

Estimated direct exposure to subprime mortgage risk through other investments:

	Actual Cost	Book/Adjusted Carrying Value (excluding interest)	Fair Value	Other Than Temporary Impairment Losses Recognized
a. Residential mortgage-backed securities	0	0	0	0
b. Commercial mortgage-backed securities	0	0	0	0
c. Collateralized debt obligations	0	0	0	0
d. Structured securities	0	0	0	0
e. Equity investment in SCAs *	0	0	0	0
f. Other assets	0	0	0	0
g. Total	0	0	0	0

4. Underwriting Exposure to Subprime Mortgage Risk:

The Company does not write Mortgage Guaranty or Financial Guaranty insurance coverage, nor does it write any other lines of insurance with underwriting exposure to subprime mortgage risk.

G. Retained Assets

NONE

H. Insurance-Linked Securities (ILS) Contracts

NONE

22) Events Subsequent

Type I-Recognized Subsequent Events:

See Note 10 for information regarding recapture of the business from Grange Life Re and the subsequent dissolution of Grange Life Re. See Notes 10 and 9 regarding the impact of dissolution on Federal Income Taxes. The remaining investment in Grange Life Re of $12,087,891 was extinguished as a result of the dissolution on March 3, 2017, with GLIC receiving $8,584,441 in cash from Grange Life Re and reducing its federal income tax liability by $3,900,648 in 2017 as a result of the dissolution. Grange Life Re extinguished its intercompany payable balance of $178,017 to GLIC as part of the cash transactions and transferred the remaining unamortized interest maintenance reserve balance of $140,921 to GLIC as a result of the dissolution. There were no subsequent events that require adjustment to or additional disclosure in the financial statements.

Type II-Nonrecognized Subsequent Events: NONE

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 an insured 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 reporting entity to the reinsurer, and for which such obligation is not presently accrued? Where necessary, the reporting entity may consider the current or anticipated experience of the business reinsured in making this estimate. $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 reporting entity have any reinsurance agreements in effect such that the amount of losses paid or accrued through the statement date may result in a payment to the reinsurer of amounts that, in aggregate and allowing for offset of mutual credits from other reinsurance agreements with the same reinsurer, exceed the total direct premium collected under the reinsured policies?

Yes ( ) No (X) If yes, give full details.

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

NONE

C. Commutation of Ceded Reinsurance

NONE

D. Certified Reinsurer Rating Downgraded and Status Subject to Revocation

NONE

E. NONE

F. NONE

G. NONE

24) Retrospectively Rated Contracts & Contracts Subject to Redetermination

NONE

25) Change in Incurred Losses and Loss Adjustment Expenses

NONE

26) Intercompany Pooling Arrangements

NONE

27) Structured Settlements

NONE

28) Health Care Receivables

NONE

29) Participating Policies

For the year ending December 31, 2016 and 2015, premiums under individual and group participating policies were $2,293,424 and $2,360,080, respectively or 17.18% of total individual and group premiums in both years. The method of accounting for policyholder dividends for participating individual life insurance policies is based upon the accounting regulations in Statement of Statutory Accounting Principles No. 51, *Life Contracts*. The method of accounting for policyholder dividends on the participating group life insurance policy is based on premium and claim experience from the prior year. During 2016 and 2015, the Company paid dividends in the amount of $59,401 and $57,446, respectively, to policyholders and did not allocate any additional income to such policyholders.

30) Premium Deficiency Reserves

NONE

31) Reserves for Life Contracts and Annuity Contracts

1. The Company waives deduction of deferred fractional premiums upon the death of the insured. The Company returns any portion of the final premium paid beyond the date of death for all policies. Surrender values are not promised in excess of the legally computed reserves.

2. Extra premiums are charged for substandard lives, plus the gross premium for a rated age. Mean reserves for substandard lives are determined by computing the regular mean reserve for the plan at the rated age and holding an additional reserve of one-half (1/2) of the extra premium charge for the year.

3. As of December 31, 2016, the Company had $3,917,872,773 of insurance in force for which the gross premiums are less than the net premiums according to the standard valuation set by the State of Ohio. Reserves to cover the above insurance totaled the gross amount of $20,570,643 at year-end and are reported in Exhibit 5, Miscellaneous Reserves, Line 0700001.

NOTES TO FINANCIAL STATEMENTS

4. The tabular interest (Page 7, Line 4), the tabular less actual reserve released (Page 7, Line 5), and the tabular cost (Page 7, Line 9) have been determined by formulas as described in the instructions for Page 7.

5. For the determination of tabular interest on funds not involving life contingencies for each valuation rate of interest, the tabular interest is calculated as the product of such valuation rate of interest multiplied by 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. There were no other material reserve changes.

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

	General Account	Separate Account with Guarantees	Separate Account Nonguaranteed	Total	% of Total
A. Subject to discretionary withdrawal:					
(1) With fair value adjustment	$	$	$	$0	0.000
(2) At book value less current surrender charge of 5% or more	23,468			23,468	0.040
(3) At fair value				0	0.000
(4) Total with adjustment or at fair value (total of 1 through 3)	23,468	0	0	23,468	0.040
(5) At book value without adjustment (minimal or no charge or adjustment)	56,525,294			56,525,294	99.960
B. Not subject to discretionary withdrawal				0	0.000
C. Total (gross: direct + assumed)	56,548,762	0	0	56,548,762	100.000
D. Reinsurance ceded				0	

Reconciliation of total annuity actuarial reserves and deposit fund liabilities.

F. Life & Accident & Health Annual Statement:

1.	Exhibit 5, Annuities Section, Total (net)	$ 56,229,539
2.	Exhibit 5, Supplementary Contracts with Life Contingencies Section, Total (net)	-
3.	Exhibit 7, Deposit-Type Contracts, Line 14, Column 1	$ 319,223
4.	Subtotal	$ 56,548,762

Separate Accounts Annual Statement:

5.	Exhibit 3, Line 0299999, Column 2	$ -
6.	Exhibit 3, Line 0399999, Column 2	-
7.	Policyholder dividends	-
8.	Policyholder premiums	-
9.	Guaranteed interest contracts	-
10.	Other contract deposit funds	-
11.	Subtotal	-
12.	Combined Total	$ 56,548,762

G. FHLB (Federal Home Loan Bank) Agreements

1. NONE

	General Account	Separate Account with Guarantees	Separate Account Nonguaranteed	Total
E. Total (net)* (C) - (D)	$ 58,548,762	$0	$0	$58,548,762

33) Premium and Annuity Considerations Deferred and Uncollected

A. Deferred and uncollected life insurance premiums and annuity considerations as of December 31, 2016, were as follows:

	Type	Gross	Net of Loading
(1)	Industrial	$	$
(2)	Ordinary new business	$ 3,394,724	$ 1,360,909
(3)	Ordinary renewal	$ 23,874,748	$ 39,588,388
(4)	Credit Life	$	$
(5)	Group Life	$	$
(6)	Group Annuity	$	$
(7)	Totals	$ 27,269,472	$ 40,949,297

34) Separate Accounts

NONE

NOTES TO FINANCIAL STATEMENTS

35) Loss/Claim Adjustment Expense

NONE

NOTES TO FINANCIAL STATEMENTS

GENERAL INTERROGATORIES

PART 2 - LIFE INTERROGATORIES

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

1.2 If yes, indicate premium earned on U. S. business only. $ 0

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

1.31 Reason for excluding:

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

1.5 Indicate total incurred claims on all Medicare Supplement insurance. $ 0

1.6 Individual policies:

Most current three years:

1.61 Total premium earned $ 0

1.62 Total incurred claims $ 0

1.63 Number of covered lives 0

All years prior to most current three years:

1.64 Total premium earned $ 0

1.65 Total incurred claims $ 0

1.66 Number of covered lives 0

1.7 Group policies:

Most current three years:

1.71 Total premium earned $ 0

1.72 Total incurred claims $ 0

1.73 Number of covered lives 0

All years prior to most current three years:

1.74 Total premium earned $ 0

1.75 Total incurred claims $ 0

1.76 Number of covered lives 0

2. Health Test:

		1 Current Year	2 Prior Year
2.1	Premium Numerator	$ 0	$ 0
2.2	Premium Denominator	$ 68,279,973	$ 56,645,239
2.3	Premium Ratio (2.1/2.2)	0.000	0.000
2.4	Reserve Numerator	$ 15,891	$ 19,598
2.5	Reserve Denominator	$ 339,526,909	$ 298,955,043
2.6	Reserve Ratio (2.4/2.5)	0.000	0.000

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

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

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

3.4 State the authority under which Separate Accounts are maintained:

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

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

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

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

4.2 Net reimbursement of such expenses between reporting entities:

4.21 Paid $

4.22 Received $ 38,520

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

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

5.21 Page 3, Line 1 $

5.22 Page 4, Line 1 $

6. For stock reporting entities only:

6.1 Total amount paid in by stockholders as surplus funds since organization of the reporting entity: $ 67,031,250

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

7.11 Cash $

7.12 Stock $

GENERAL INTERROGATORIES

8.1 Does the reporting entity reinsure any Workers' Compensation Carve-Out business defined as: Yes [ ] No [X]

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

8.2 If yes, has the reporting entity completed the *Workers Compensation Carve-Out Supplement* to the Annual Statement? Yes [ ] No [ ]

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

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

8.4 If reinsurance assumed included amounts with attachment points below $1,000,000, the distribution of the amounts reported in Lines 8.31 and 8.34 for Column (1) are:

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

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

9.1 Does the reporting entity 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 Benefits	2 Guaranteed Living Benefits	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: $

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. $

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. $

GENERAL INTERROGATORIES

12.1 Are any of the captive affiliates reported on Schedule S, Part 3, as authorized reinsurers? Yes [ ] No [X] N/A [ ]

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

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

13. Provide the following for individual ordinary life insurance* policies (U.S. business only) for the current year (prior to reinsurance assumed or ceded).

13.1 Direct Premium Written $ 98,826,602

13.2 Total Incurred Claims $ 45,197,931

13.3 Number of Covered Lives 139,271

*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)

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 2016	2 2015	3 2014	4 2013	5 2012
Life Insurance in Force (Exhibit of Life Insurance)					
1. Ordinary-whole life and endowment (Line 34, Col. 4)	2,862,893	2,817,493	2,769,724	2,649,866	2,491,260
2. Ordinary-term (Line 21, Col. 4, less Line 34, Col. 4)	21,328,441	20,331,536	18,868,082	17,560,700	16,392,862
3. Credit life (Line 21, Col. 6)	0	0	0	0	0
4. Group, excluding FEGLI/SGLI (Line 21, Col. 9 less Lines 43 & 44, Col. 4)	289,906	294,242	290,922	276,859	268,438
5. Industrial (Line 21, Col. 2)	0	0	0	0	0
6. FEGLI/SGLI (Lines 43 & 44, Col. 4)	0	0	0	0	0
7. Total (Line 21, Col. 10)	24,481,240	23,443,271	21,928,728	20,487,425	19,152,560
New Business Issued (Exhibit of Life Insurance)					
8. Ordinary-whole life and endowment (Line 34, Col. 2)	225,281	248,590	266,672	281,228	278,563
9. Ordinary-term (Line 2, Col. 4, less Line 34, Col. 2)	2,051,963	2,377,263	2,179,453	2,121,413	1,800,593
10. Credit life (Line 2, Col. 6)	0	0	0	0	0
11. Group (Line 2, Col. 9)	35,781	36,110	33,937	10,422	13,946
12. Industrial (Line 2, Col. 2)	0	0	0	0	0
13. Total (Line 2, Col. 10)	2,313,025	2,661,963	2,480,062	2,413,063	2,093,102
Premium Income - Lines of Business (Exhibit 1 – Part 1)					
14. Industrial life (Line 20.4, Col. 2)	0	0	0	0	0
15.1 Ordinary life insurance (Line 20.4, Col. 3)	65,672,812	54,097,794	47,053,009	43,868,387	39,851,055
15.2 Ordinary individual annuities (Line 20.4, Col. 4)	1,039,944	1,032,785	1,377,821	1,030,193	3,581,819
16. Credit life, (group and individual) (Line 20.4, Col. 5)	0	0	0	0	0
17.1 Group life insurance (Line 20.4, Col. 6)	1,465,679	1,409,584	1,375,171	1,334,395	1,236,680
17.2 Group annuities (Line 20.4, Col. 7)	0	0	0	0	0
18.1 A & H-group (Line 20.4, Col. 8)	0	0	0	0	0
18.2 A & H-credit (group and individual) (Line 20.4, Col. 9)	0	0	0	0	0
18.3 A & H-other (Line 20.4, Col. 10)	101,538	105,076	118,006	128,759	136,391
19. Aggregate of all other lines of business (Line 20.4, Col. 11)	0	0	0	0	0
20. Total	68,279,973	56,645,239	49,924,007	46,361,734	44,805,945
Balance Sheet (Pages 2 and 3)					
21. Total admitted assets excluding Separate Accounts business (Page 2, Line 26, Col. 3)	452,269,949	393,225,897	370,655,077	353,433,690	347,620,297
22. Total liabilities excluding Separate Accounts business (Page 3, Line 26)	380,923,868	350,770,822	314,524,822	302,418,257	298,493,176
23. Aggregate life reserves (Page 3, Line 1)	345,695,922	299,925,958	278,488,825	264,779,515	251,355,110
24. Aggregate A & H reserves (Page 3, Line 2)	358,790	388,183	341,393	407,251	334,317
25. Deposit-type contract funds (Page 3, Line 3)	319,224	362,073	601,231	558,078	601,817
26. Asset valuation reserve (Page 3, Line 24.01)	2,809,978	2,693,373	2,630,117	2,553,580	2,564,161
27. Capital (Page 3, Lines 29 & 30)	1,893,750	1,893,750	1,893,750	1,893,750	1,893,750
28. Surplus (Page 3, Line 37)	69,452,331	40,561,325	54,236,505	49,121,683	47,233,371
Cash Flow (Page 5)					
29. Net cash from operations (Line 11)	15,373,869	15,824,250	14,801,102	15,526,735	12,685,605
Risk-Based Capital Analysis					
30. Total adjusted capital	74,170,442	45,148,448	58,760,372	53,569,013	51,700,282
31. Authorized control level risk-based capital	5,162,408	6,595,678	5,944,830	5,285,847	4,910,598
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)	90.1	85.3	87.9	87.5	83.6
33. Stocks (Lines 2.1 and 2.2)	3.0	2.9	2.1	2.1	2.1
34. Mortgage loans on real estate (Lines 3.1 and 3.2)	0.0	0.0	0.0	0.0	0.0
35. Real estate (Lines 4.1, 4.2 and 4.3)	0.0	0.0	0.0	0.0	0.0
36. Cash, cash equivalents and short-term investments (Line 5)	3.6	6.6	4.3	4.6	4.8
37. Contract loans (Line 6)	3.0	3.2	3.3	3.4	3.3
38. Derivatives (Page 2, Line 7)	0.0	0.0	0.0	0.0	0.0
39. Other invested assets (Line 8)	0.0	0.0	0.0	0.0	0.0
40. Receivables for securities (Line 9)	0.0	0.0	0.0	0.0	0.0
41. Securities lending reinvested collateral assets (Line 10)	0.3	2.0	2.4	2.4	6.1
42. Aggregate write-ins for invested assets (Line 11)	0.0	0.0	0.0	0.0	0.0
43. Cash, cash equivalents and invested assets (Line 12)	100.0	100.0	100.0	100.0	100.0

FIVE-YEAR HISTORICAL DATA

(Continued)

	1 2016	2 2015	3 2014	4 2013	5 2012
Investments in Parent, Subsidiaries and Affiliates					
44. Affiliated bonds (Sch. D Summary, Line 12, Col. 1)	0	0	0	0	0
45. Affiliated preferred stocks (Sch. D Summary, Line 18, Col. 1)	0	0	0	0	0
46. Affiliated common stocks (Sch. D Summary, Line 24, Col. 1)	12,088,672	9,966,032	6,726,462	6,455,535	6,233,798
47. Affiliated short-term investments (subtotal included in Schedule DA Verification, Col. 5, Line 10)	0	0	0	0	0
48. Affiliated mortgage loans on real estate		0	0	0	0
49. All other affiliated	0	0	0	0	0
50. Total of above Lines 44 to 49	12,088,672	9,966,032	6,726,462	6,455,535	6,233,798
51. Total investment in parent included in Lines 44 to 49 above		0	0	0	0
Total Nonadmitted and Admitted Assets					
52. Total nonadmitted assets (Page 2, Line 28, Col. 2)	10,589,146	5,429,777	5,081,030	5,049,857	3,783,140
53. Total admitted assets (Page 2, Line 28, Col. 3)	452,269,949	393,225,897	370,655,077	353,433,690	347,620,297
Investment Data					
54. Net investment income (Exhibit of Net Investment Income)	12,616,422	12,781,359	11,979,593	12,862,367	12,390,454
55. Realized capital gains (losses) (Page 4, Line 34, Column 1)	(6,906,650)	(200,558)	(142,551)	0	22,920
56. Unrealized capital gains (losses) (Page 4, Line 38, Column 1)	8,284,749	(11,760,432)	1,670,927	221,737	2,983,017
57. Total of above Lines 54, 55 and 56	13,994,521	820,369	13,507,969	13,084,104	15,396,391
Benefits and Reserve Increase (Page 6)					
58. Total contract benefits-life (Lines 10, 11, 12, 13, 14 and 15, Col.1 minus Lines 10, 11, 12, 13, 14, and 15, Cols. 9, 10 and 11)	42,516,180	36,633,364	33,831,449	28,810,851	32,751,919
59. Total contract benefits-A & H (Lines 13 & 14, Cols. 9, 10 & 11)	113,930	29,230	53,636	132,750	168,199
60. Increase in life reserves-other than group and annuities (Line 19, Cols. 2 & 3)	47,739,766	22,004,845	15,111,448	13,648,638	3,475,330
61. Increase in A & H reserves (Line 19, Cols. 9, 10 & 11)	(29,338)	46,203	(66,733)	(33,521)	(20,630)
62. Dividends to policyholders (Line 30, Col. 1)	356,064	332,959	351,551	56,042	404,451
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	26.1	20.4	21.6	23.9	25.4
64. Lapse percent (ordinary only) [(Exhibit of Life Insurance, Column 4, Lines 14 & 15) / ½ (Exhibit of Life Insurance, Column 4, Lines 1 & 21)] x 100.00	5.0	4.7	4.6	5.3	7.4
65. A & H loss percent (Schedule H, Part 1, Lines 5 & 6, Col. 2)	103.2	(22.1)	55.3	392.9	108.1
66. A & H cost containment percent (Schedule H, Part 1, Line 4, Col. 2)	0.0	0.0	0.0	0.0	0.0
67. A & H expense percent excluding cost containment expenses (Schedule H, Part 1, Line 10, Col. 2)	16.8	17.7	22.0	19.5	24.0
A & H Claim Reserve Adequacy					
68. Incurred losses on prior years' claims-group health (Sch. H, Part 3, Line 3.1, Col. 2)	0	0	0	0	0
69. Prior years' claim liability and reserve-group health (Sch. H, Part 3, Line 3.2, Col. 2)	0	0	0	0	0
70. Incurred losses on prior years' claims-health other than group (Sch. H, Part 3, Line 3.1, Col. 1 less Col. 2)	196,330	144,600	97,960	202,790	276,599
71. Prior years' claim liability and reserve-health other than group (Sch. H, Part 3, Line 3.2, Col. 1 less Col. 2)	130,870	118,570	155,686	191,043	207,769
Net Gains From Operations After Federal Income Taxes by Lines of Business (Page 6, Line 33)					
72. Industrial life (Col. 2)	0	0	0	0	0
73. Ordinary-life (Col. 3)	(31,928,570)	(2,417,490)	1,461,515	2,633,415	1,233,329
74. Ordinary-individual annuities (Col. 4)	(137,724)	(353,390)	(521,610)	(401,303)	(437,127)
75. Ordinary-supplementary contracts (Col. 5)	0	0	0	0	0
76. Credit life (Col. 6)	0	0	0	0	0
77. Group life (Col. 7)	1,591,380	1,396,260	1,112,201	752,671	509,083
78. Group annuities (Col. 8)	0	0	0	0	0
79. A & H-group (Col. 9)	0	0	0	0	0
80. A & H-credit (Col. 10)	0	0	0	0	0
81. A & H-other (Col. 11)	119	12,182	87,043	2,660	(18,125)
82. Aggregate of all other lines of business (Col. 12)	0	0	0	0	0
83. Total (Col. 1)	(30,474,795)	(1,362,438)	2,139,149	2,987,443	1,287,160

NOTE: If a party to a merger, have the two most recent years of this exhibit been restated due to a merger in compliance with the disclosure requirements of *SSAP No. 3—Accounting Changes and Correction of Errors?* Yes [ ] No [ ]

If no, please explain