



ANNUAL STATEMENT

For the Year Ended December 31, 2016

of the Condition and Affairs of the

Consumers Life Insurance Company

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

NAIC Company Code..... 62375

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

Organized under the Laws of OH

State of Domicile or Port of Entry OH

Country of Domicile US

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

Commenced Business..... October 3, 1955

Statutory Home Office

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

Main Administrative Office

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

216-687-7000

(Area Code) (Telephone Number)

Mail Address

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

Primary Location of Books and Records

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

216-687-7000

(Area Code) (Telephone Number)

Internet Web Site Address

www.ConsumersLife.com

Statutory Statement Contact

Sharon Matonis

216-687-6049

(Name)

(Area Code) (Telephone Number) (Extension)

Sharon.Matonis@medmutual.com

216-360-4073

(E-Mail Address)

(Fax Number)

OFFICERS

| Name | Title | Name | Title |
|---------------------------|-----------------|--------------------------|-----------|
| 1. Richard Alan Chircosta | President & CEO | 2. Patricia Bunn Decensi | # |
| 3. Raymond Karl Mueller | Treasurer | 4. | Secretary |

OTHER

DIRECTORS OR TRUSTEES

| | | | |
|-----------------------|-------------------|------------------------|----------------------------|
| James Charles Cellura | Jared Paul Chaney | Richard Alan Chircosta | Steffany Matticola Larkins |
| Raymond Karl Mueller | | | |

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

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

| | | |
|------------------------|-----------------------|----------------------|
| (Signature) | (Signature) | (Signature) |
| Richard Alan Chircosta | Patricia Bunn Decensi | Raymond Karl Mueller |
| 1. (Printed Name) | 2. (Printed Name) | 3. (Printed Name) |
| President & CEO | Secretary | Treasurer |
| (Title) | (Title) | (Title) |

Subscribed and sworn to before me

This _____ day of _____ 2017

a. Is this an original filing?

Yes [X] No []

b. If no 1. State the amendment number

2. Date filed

3. Number of pages attached

Consumers Life Insurance Company

ASSETS

| | Current Year | | | Prior Year |
|---|--------------|----------------------------|--|-----------------------------|
| | 1 Assets | 2 Nonadmitted Assets | 3 Net Admitted Assets (Cols. 1 - 2) | 4 Net Admitted Assets |
| 1. Bonds (Schedule D)..... | 22,277,908 | | 22,277,908 | 19,427,767 |
| 2. Stocks (Schedule D): | | | | |
| 2.1 Preferred stocks..... | | | 0 | |
| 2.2 Common stocks..... | | | 0 | |
| 3. Mortgage loans on real estate (Schedule B): | | | | |
| 3.1 First liens..... | | | 0 | |
| 3.2 Other than first liens..... | | | 0 | |
| 4. Real estate (Schedule A): | | | | |
| 4.1 Properties occupied by the company (less \$.....0 encumbrances)..... | | | 0 | |
| 4.2 Properties held for the production of income (less \$.....0 encumbrances)..... | | | 0 | |
| 4.3 Properties held for sale (less \$.....0 encumbrances)..... | | | 0 | |
| 5. Cash (\$....11,890,949, Schedule E-Part 1), cash equivalents (\$.....0, Schedule E-Part 2) and short-term investments (\$....559,784, Schedule DA)..... | 12,450,733 | | 12,450,733 | 11,149,477 |
| 6. Contract loans (including \$.....0 premium notes)..... | | | 0 | |
| 7. Derivatives (Schedule DB)..... | | | 0 | |
| 8. Other invested assets (Schedule BA)..... | | | 0 | |
| 9. Receivables for securities..... | | | 0 | |
| 10. Securities lending reinvested collateral assets (Schedule DL)..... | | | 0 | |
| 11. Aggregate write-ins for invested assets..... | 0 | 0 | 0 | 0 |
| 12. Subtotals, cash and invested assets (Lines 1 to 11)..... | 34,728,641 | 0 | 34,728,641 | 30,577,244 |
| 13. Title plants less \$.....0 charged off (for Title insurers only)..... | | | 0 | |
| 14. Investment income due and accrued..... | 119,280 | | 119,280 | 155,054 |
| 15. Premiums and considerations: | | | | |
| 15.1 Uncollected premiums and agents' balances in the course of collection..... | 3,323,368 | | 3,323,368 | 3,086,436 |
| 15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$.....0 earned but unbilled premiums)..... | | | 0 | |
| 15.3 Accrued retrospective premiums (\$.....0) and contracts subject to redetermination (\$.....0)..... | | | 0 | |
| 16. Reinsurance: | | | | |
| 16.1 Amounts recoverable from reinsurers..... | 428,397 | | 428,397 | 690,614 |
| 16.2 Funds held by or deposited with reinsured companies..... | | | 0 | |
| 16.3 Other amounts receivable under reinsurance contracts..... | | | 0 | |
| 17. Amounts receivable relating to uninsured plans..... | 168,751 | | 168,751 | 105,230 |
| 18.1 Current federal and foreign income tax recoverable and interest thereon..... | | | 0 | |
| 18.2 Net deferred tax asset..... | 1,466,748 | | 1,466,748 | 458,698 |
| 19. Guaranty funds receivable or on deposit..... | 1,506 | | 1,506 | 904,928 |
| 20. Electronic data processing equipment and software..... | | | 0 | |
| 21. Furniture and equipment, including health care delivery assets (\$.....0)..... | | | 0 | |
| 22. Net adjustment in assets and liabilities due to foreign exchange rates..... | | | 0 | |
| 23. Receivables from parent, subsidiaries and affiliates..... | 1,529,909 | | 1,529,909 | 1,544,685 |
| 24. Health care (\$....57,317) and other amounts receivable..... | 71,317 | 14,000 | 57,317 | |
| 25. Aggregate write-ins for other-than-invested assets..... | 52,425 | 52,425 | 0 | 52,730 |
| 26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)..... | 41,890,342 | 66,425 | 41,823,917 | 37,575,619 |
| 27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts..... | | | 0 | |
| 28. TOTAL (Lines 26 and 27)..... | 41,890,342 | 66,425 | 41,823,917 | 37,575,619 |

DETAILS OF WRITE-INS

| | | | | |
|--|--------|--------|---|--------|
| 1101..... | | | 0 | |
| 1102..... | | | 0 | |
| 1103..... | | | 0 | |
| 1198. Summary of remaining write-ins for Line 11 from overflow page..... | 0 | 0 | 0 | 0 |
| 1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above)..... | 0 | 0 | 0 | 0 |
| 2501. Prepaid Assets..... | 37,340 | 37,340 | 0 | |
| 2502. Premium Tax Recoverable..... | | | 0 | 52,730 |
| 2503. Other Receivables..... | 15,085 | 15,085 | 0 | |
| 2598. Summary of remaining write-ins for Line 25 from overflow page..... | 0 | 0 | 0 | 0 |
| 2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)..... | 52,425 | 52,425 | 0 | 52,730 |

Consumers Life Insurance Company

LIABILITIES, SURPLUS AND OTHER FUNDS

| | 1 Current Year | 2 Prior Year |
|--|-------------------|-----------------|
| 1. Aggregate reserve for life contracts \$....1,589,000 (Exhibit 5, Line 9999999) less \$.....0 included in Line 6.3 (including \$.....0 Modco Reserve)..... | 1,589,000 | 1,834,000 |
| 2. Aggregate reserve for accident and health contracts (including \$.....0 Modco Reserve)..... | 3,932,000 | 1,082,000 |
| 3. Liability for deposit-type contracts (Exhibit 7, Line 14, Col. 1) (including \$.....0 Modco Reserve)..... | | |
| 4. Contract claims: | | |
| 4.1 Life (Exhibit 8, Part 1, Line 4.4, Col. 1 less sum of Cols. 9, 10 and 11)..... | 3,139,034 | 3,992,216 |
| 4.2 Accident and health (Exhibit 8, Part 1, Line 4.4, sum of Cols. 9, 10 and 11)..... | 351,928 | (15,000) |
| 5. Policyholders' dividends \$.....0 and coupons \$.....0 due and unpaid (Exhibit 4, Line 10)..... | | |
| 6. Provision for policyholders' dividends and coupons payable in following calendar year - estimated amounts: | | |
| 6.1 Dividends apportioned for payment (including \$.....0 Modco)..... | | |
| 6.2 Dividends not yet apportioned (including \$.....0 Modco)..... | | |
| 6.3 Coupons and similar benefits (including \$.....0 Modco)..... | | |
| 7. Amount provisionally held for deferred dividend policies not included in Line 6..... | | |
| 8. Premiums and annuity considerations for life and accident and health contracts received in advance less \$.....0 discount; including \$....940,615 accident and health premiums (Exhibit 1, Part 1, Col. 1, sum of Lines 4 and 14)..... | 1,146,253 | 578,862 |
| 9. Contract liabilities not included elsewhere: | | |
| 9.1 Surrender values on canceled contracts..... | | |
| 9.2 Provision for experience rating refunds, including the liability of \$.....0 accident and health experience rating refunds of which \$.....0 is for medical loss ratio rebate per the Public Health Service Act..... | 4,735,736 | 5,950,200 |
| 9.3 Other amounts payable on reinsurance, including \$.....0 assumed and \$....722,600 ceded..... | 722,600 | 370,300 |
| 9.4 Interest Maintenance Reserve (IMR, Line 6)..... | 28,519 | 3,373 |
| 10. Commissions to agents due or accrued - life and annuity contracts \$....99,973, accident and health \$....53,294 and deposit-type contract funds \$.....0..... | 153,267 | 127,657 |
| 11. Commissions and expense allowances payable on reinsurance assumed..... | | |
| 12. General expenses due or accrued (Exhibit 2, Line 12, Col. 6)..... | 315,932 | 333,355 |
| 13. Transfers to Separate Accounts due or accrued (net) (including \$.....0 accrued for expense allowances recognized in reserves, net of reinsured allowances)..... | | |
| 14. Taxes, licenses and fees due or accrued, excluding federal income taxes (Exhibit 3, Line 9, Col. 5)..... | 625,484 | 1,288,166 |
| 15.1 Current federal and foreign income taxes, including \$.....0 on realized capital gains (losses)..... | 1,491,817 | 71,260 |
| 15.2 Net deferred tax liability..... | | |
| 16. Unearned investment income..... | | |
| 17. Amounts withheld or retained by company as agent or trustee..... | | |
| 18. Amounts held for agents' account, including \$.....0 agents' credit balances..... | | |
| 19. Remittances and items not allocated..... | | |
| 20. Net adjustment in assets and liabilities due to foreign exchange rates..... | | |
| 21. Liability for benefits for employees and agents if not included above..... | | |
| 22. Borrowed money \$.....0 and interest thereon \$.....0..... | | |
| 23. Dividends to stockholders declared and unpaid..... | | |
| 24. Miscellaneous liabilities: | | |
| 24.01 Asset valuation reserve (AVR Line 16, Col. 7)..... | 42,097 | 36,395 |
| 24.02 Reinsurance in unauthorized and certified (\$.....0) companies..... | | |
| 24.03 Funds held under reinsurance treaties with unauthorized and certified (\$.....0) reinsurers..... | | |
| 24.04 Payable to parent, subsidiaries and affiliates..... | | |
| 24.05 Drafts outstanding..... | | |
| 24.06 Liability for amounts held under uninsured plans..... | 22,175 | 31,564 |
| 24.07 Funds held under coinsurance..... | | |
| 24.08 Derivatives..... | | |
| 24.09 Payable for securities..... | | |
| 24.10 Payable for securities lending..... | | |
| 24.11 Capital notes \$.....0 and interest thereon \$.....0..... | | |
| 25. Aggregate write-ins for liabilities..... | 231,979 | 283,300 |
| 26. Total liabilities excluding Separate Accounts business (Lines 1 to 25)..... | 18,527,821 | 15,967,648 |
| 27. From Separate Accounts Statement..... | | |
| 28. Total liabilities (Line 26 and 27)..... | 18,527,821 | 15,967,648 |
| 29. Common capital stock..... | 1,600,000 | 1,600,000 |
| 30. Preferred capital stock..... | 0 | 0 |
| 31. Aggregate write-ins for other-than-special surplus funds..... | 0 | 0 |
| 32. Surplus notes..... | | |
| 33. Gross paid in and contributed surplus (Page 3, Line 33, Col. 2 plus Page 4, Line 51.1, Col. 1)..... | 36,633,368 | 36,633,368 |
| 34. Aggregate write-ins for special surplus funds..... | 0 | 0 |
| 35. Unassigned funds (surplus)..... | (14,937,272) | (16,625,397) |
| 36. Less treasury stock, at cost: | | |
| 36.1 ....0.000 shares common (value included in Line 29 \$.....0)..... | | |
| 36.2 ....0.000 shares preferred (value included in Line 30 \$.....0)..... | | |
| 37. Surplus (Total Lines 31 + 32 + 33 + 34 + 35 - 36) (including \$.....0 in Separate Accounts Statement)..... | 21,696,096 | 20,007,971 |
| 38. Totals of Lines 29, 30 and 37 (Page 4, Line 55)..... | 23,296,096 | 21,607,971 |
| 39. Totals of Lines 28 and 38 (Page 2, Line 28, Col. 3)..... | 41,823,917 | 37,575,619 |

DETAILS OF WRITE-INS

| | | |
|--|---------|---------|
| 2501. Unclaimed Funds and Other Liabilities..... | 231,979 | 283,300 |
| 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)..... | 231,979 | 283,300 |
| 3101. | | |
| 3102. | | |
| 3103. | | |
| 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. | | |
| 3402. | | |
| 3403. | | |
| 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 |

Consumers Life Insurance Company

SUMMARY OF OPERATIONS

| | 1 Current Year | 2 Prior Year |
|--|-------------------|-----------------|
| 1. Premiums and annuity considerations for life and accident and health contracts (Exhibit 1, Part 1, Line 20.4, Col. 1, less Col. 11) | .31,389,605 | 28,976,778 |
| 2. Considerations for supplementary contracts with life contingencies..... | .338,752 | .308,227 |
| 3. Net investment income (Exhibit of Net Investment Income, Line 17)..... | .3,722 | .147 |
| 4. Amortization of Interest Maintenance Reserve (IMR) (Line 5)..... | | |
| 5. Separate Accounts net gain from operations excluding unrealized gains or losses..... | | |
| 6. Commissions and expense allowances on reinsurance ceded (Exhibit 1, Part 2, Line 26.1, Col. 1)..... | | |
| 7. Reserve adjustments on reinsurance ceded..... | | |
| 8. Miscellaneous Income: | | |
| 8.1 Income from fees associated with investment management, administration and contract guarantees from Separate Accounts | | |
| 8.2 Charges and fees for deposit-type contracts..... | .12,231 | .7,166 |
| 8.3 Aggregate write-ins for miscellaneous income..... | | |
| 9. Totals (Lines 1 to 8.3)..... | .31,744,310 | 29,292,318 |
| 10. Death benefits..... | .16,301,114 | 16,949,467 |
| 11. Matured endowments (excluding guaranteed annual pure endowments)..... | | |
| 12. Annuity benefits (Exhibit 8, Part 2, Line 6.4, Cols. 4 + 8)..... | | |
| 13. Disability benefits and benefits under accident and health contracts..... | .6,490,984 | 4,457,666 |
| 14. Coupons, guaranteed annual pure endowments and similar benefits..... | | |
| 15. Surrender benefits and withdrawals for life contracts..... | | |
| 16. Group conversions..... | | |
| 17. Interest and adjustments on contract or deposit-type contract funds..... | | |
| 18. Payments on supplementary contracts with life contingencies..... | | |
| 19. Increase in aggregate reserves for life and accident and health contracts..... | .591,000 | .843,500 |
| 20. Totals (Lines 10 to 19)..... | .23,383,098 | 22,250,633 |
| 21. Commissions on premiums, annuity considerations and deposit-type contract funds (direct business only) (Exhibit 1, Part 2, Line 31, Col. 1)..... | .1,961,650 | 1,774,367 |
| 22. Commissions and expense allowances on reinsurance assumed (Exhibit 1, Part 2, Line 26.2, Col. 1)..... | | |
| 23. General insurance expenses (Exhibit 2, Line 10, Columns 1, 2, 3 and 4)..... | .3,064,159 | 3,064,242 |
| 24. Insurance taxes, licenses and fees, excluding federal income taxes (Exhibit 3, Line 7, Cols. 1 + 2 + 3)..... | .1,141,058 | .658,695 |
| 25. Increase in loading on deferred and uncollected premiums..... | | |
| 26. Net transfers to or (from) Separate Accounts net of reinsurance..... | | |
| 27. Aggregate write-ins for deductions..... | .126,821 | .4,802 |
| 28. Totals (Lines 20 to 27)..... | .29,676,786 | 27,752,739 |
| 29. Net gain from operations before dividends to policyholders and federal income taxes (Line 9 minus Line 28)..... | .2,067,524 | 1,539,579 |
| 30. Dividends to policyholders..... | | |
| 31. Net gain from operations after dividends to policyholders and before federal income taxes (Line 29 minus Line 30)..... | .2,067,524 | 1,539,579 |
| 32. Federal and foreign income taxes incurred (excluding tax on capital gains)..... | .1,420,556 | 190,880 |
| 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)..... | .646,968 | 1,348,699 |
| 34. Net realized capital gains (losses) (excluding gains (losses) transferred to the IMR) less capital gains tax of \$.....0 (excluding taxes of \$.....0 transferred to the IMR)..... | .646,968 | 1,348,699 |
| 35. Net income (Line 33 plus Line 34)..... | .646,968 | 1,348,699 |
| CAPITAL AND SURPLUS ACCOUNT | | |
| 36. Capital and surplus, December 31, prior year (Page 3, Line 38, Col. 2)..... | .21,607,971 | 19,722,462 |
| 37. Net income (Line 35)..... | .646,968 | 1,348,699 |
| 38. Change in net unrealized capital gains (losses) less capital gains tax of \$.....0..... | | |
| 39. Change in net unrealized foreign exchange capital gain (loss) | | |
| 40. Change in net deferred income tax..... | .1,008,049 | .458,698 |
| 41. Change in nonadmitted assets..... | .38,810 | .82,419 |
| 42. Change in liability for reinsurance in unauthorized and certified companies..... | | |
| 43. Change in reserve on account of change in valuation basis, (increase) or decrease..... | | |
| 44. Change in asset valuation reserve | (5,702) | (4,307) |
| 45. Change in treasury stock, (Page 3, Lines 36.1 and 36.2 Col. 2 minus Col. 1)..... | | |
| 46. Surplus (contributed to) withdrawn from Separate Accounts during period..... | | |
| 47. Other changes in surplus in Separate Accounts Statement..... | | |
| 48. Change in surplus notes..... | | |
| 49. Cumulative effect of changes in accounting principles..... | | |
| 50. Capital changes: | | |
| 50.1 Paid in..... | | |
| 50.2 Transferred from surplus (Stock Dividend)..... | | |
| 50.3 Transferred to surplus..... | | |
| 51. Surplus adjustment: | | |
| 51.1 Paid in..... | | |
| 51.2 Transferred to capital (Stock Dividend)..... | | |
| 51.3 Transferred from capital..... | | |
| 51.4 Change in surplus as a result of reinsurance..... | | |
| 52. Dividends to stockholders..... | | |
| 53. Aggregate write-ins for gains and losses in surplus..... | .0 | .0 |
| 54. Net change in capital and surplus for the year (Lines 37 through 53)..... | .1,688,125 | 1,885,509 |
| 55. Capital and surplus, December 31, current year (Lines 36 + 54) (Page 3, Line 38)..... | .23,296,096 | 21,607,971 |

DETAILS OF WRITE-INS

| | | |
|--|----------|--------|
| 08.301. Other Income..... | .12,231 | .7,166 |
| 08.302. | | |
| 08.303. | | |
| 08.398. Summary of remaining write-ins for Line 8.3 from overflow page..... | .0 | .0 |
| 08.399. Totals (Lines 08.301 through 08.303 plus 08.398) (Line 8.3 above)..... | .12,231 | .7,166 |
| 2701. Other Expense..... | .84,552 | 4,802 |
| 2702. Loss on Sale of Fixed Assets..... | .42,269 | |
| 2703. | | |
| 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)..... | .126,821 | .4,802 |
| 5301. | | |
| 5302. | | |
| 5303. | | |
| 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 | .0 |

Consumers Life Insurance Company

CASH FLOW

| | 1 Current Year | 2 Prior Year |
|--|-------------------|-----------------|
| CASH FROM OPERATIONS | | |
| 1. Premiums collected net of reinsurance..... | 32,872,120 | 26,946,411 |
| 2. Net investment income..... | 504,387 | 557,907 |
| 3. Miscellaneous income..... | 12,231 | 7,166 |
| 4. Total (Lines 1 through 3)..... | 33,388,738 | 27,511,484 |
| 5. Benefit and loss related payments..... | 23,087,452 | 21,900,791 |
| 6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts..... | | |
| 7. Commissions, expenses paid and aggregate write-ins for deductions..... | 6,165,996 | 4,357,957 |
| 8. Dividends paid to policyholders..... | | |
| 9. Federal and foreign income taxes paid (recovered) net of \$.....0 tax on capital gains (losses)..... | | |
| 10. Total (Lines 5 through 9)..... | 29,253,448 | 26,258,748 |
| 11. Net cash from operations (Line 4 minus Line 10)..... | 4,135,290 | 1,252,736 |
| CASH FROM INVESTMENTS | | |
| 12. Proceeds from investments sold, matured or repaid: | | |
| 12.1 Bonds..... | 6,061,000 | 8,035,000 |
| 12.2 Stocks..... | | |
| 12.3 Mortgage loans..... | | |
| 12.4 Real estate..... | | |
| 12.5 Other invested assets..... | | |
| 12.6 Net gains or (losses) on cash, cash equivalents and short-term investments..... | | |
| 12.7 Miscellaneous proceeds..... | | |
| 12.8 Total investment proceeds (Lines 12.1 to 12.7)..... | 6,061,000 | 8,035,000 |
| 13. Cost of investments acquired (long-term only): | | |
| 13.1 Bonds..... | 9,015,130 | 10,545,500 |
| 13.2 Stocks..... | | |
| 13.3 Mortgage loans..... | | |
| 13.4 Real estate..... | | |
| 13.5 Other invested assets..... | | |
| 13.6 Miscellaneous applications..... | | |
| 13.7 Total investments acquired (Lines 13.1 to 13.6)..... | 9,015,130 | 10,545,500 |
| 14. Net increase (decrease) in contract loans and premium notes..... | | |
| 15. Net cash from investments (Line 12.8 minus Lines 13.7 minus Line 14)..... | (2,954,130) | (2,510,500) |
| CASH FROM FINANCING AND MISCELLANEOUS SOURCES | | |
| 16. Cash provided (applied): | | |
| 16.1 Surplus notes, capital notes..... | | |
| 16.2 Capital and paid in surplus, less treasury stock..... | | |
| 16.3 Borrowed funds..... | | |
| 16.4 Net deposits on deposit-type contracts and other insurance liabilities..... | | |
| 16.5 Dividends to stockholders..... | | |
| 16.6 Other cash provided (applied)..... | 120,096 | 1,784,773 |
| 17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6)..... | 120,096 | 1,784,773 |
| RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS | | |
| 18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17)..... | 1,301,256 | 527,009 |
| 19. Cash, cash equivalents and short-term investments: | | |
| 19.1 Beginning of year..... | 11,149,477 | 10,622,468 |
| 19.2 End of year (Line 18 plus Line 19.1)..... | 12,450,733 | 11,149,477 |

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

| | | |
|---------------|--|--|
| 20.0001 | | |
|---------------|--|--|

ANALYSIS OF OPERATIONS BY LINES OF BUSINESS

| | 1 Total | 2 Industrial Life | Ordinary | | | 6 Credit Life (Group and Individual) | Group | | Accident and Health | | | 12 Aggregate of All Other Lines of Business |
|---|------------|-------------------------|------------------------|------------------------------|---------------------------------|---|---------------------------|----------------|---------------------|--|-------------|--|
| | | | 3 Life Insurance | 4 Individual Annuities | 5 Supplementary Contracts | | 7 Life Insurance(a) | 8 Annuities | 9 Group | 10 Credit (Group and Individual) | 11 Other | |
| 1. Premiums and annuity considerations for life and accident and health contracts..... | 31,389,605 | | 195,520 | | | 22,228,294 | | 4,537,108 | | | 4,428,683 | |
| 2. Considerations for supplementary contracts with life contingencies..... | 0 | | | | | | | | | | | |
| 3. Net investment income..... | 338,752 | | 2,110 | | | 239,885 | | 48,963 | | | 47,794 | |
| 4. Amortization of Interest Maintenance Reserve (IMR)..... | 3,722 | | 23 | | | 2,636 | | 538 | | | 525 | |
| 5. Separate Accounts net gain from operations excluding unrealized gains or losses..... | 0 | | | | | | | | | | | |
| 6. Commissions and expense allowances on reinsurance ceded..... | 0 | | | | | | | | | | | |
| 7. Reserve adjustments on reinsurance ceded..... | 0 | | | | | | | | | | | |
| 8. Miscellaneous Income: | | | | | | | | | | | | |
| 8.1 Fees associated with income from investment management, administration and contract guarantees from S/A..... | 0 | | | | | | | | | | | |
| 8.2 Charges and fees for deposit-type contracts..... | 0 | | | | | | | | | | | |
| 8.3 Aggregate write-ins for miscellaneous income..... | 12,231 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 12,231 | 0 |
| 9. Totals (Lines 1 to 8.3)..... | 31,744,310 | 0 | 197,653 | 0 | 0 | 22,470,815 | 0 | 4,586,609 | 0 | 0 | 4,489,233 | 0 |
| 10. Death benefits..... | 16,301,114 | | 25,000 | | | 16,276,114 | | | | | | |
| 11. Matured endowments (excluding guaranteed annual pure endowments)..... | 0 | | | | | | | | | | | |
| 12. Annuity benefits..... | 0 | | | | | | | | | | | |
| 13. Disability benefits and benefits under accident and health contracts..... | 6,490,984 | | | | | | | | | | | |
| 14. Coupons, guaranteed annual pure endowments and similar benefits..... | 0 | | | | | | | | | | | |
| 15. Surrender benefits and withdrawals for life contracts..... | 0 | | | | | | | | | | | |
| 16. Group conversions..... | 0 | | | | | | | | | | | |
| 17. Interest and adjustments on contract or deposit-type contract funds..... | 0 | | | | | | | | | | | |
| 18. Payments on supplementary contracts with life contingencies..... | 0 | | | | | | | | | | | |
| 19. Increase in aggregate reserves for life and accident and health contracts..... | 591,000 | | 6,000 | | | (251,000) | | (238,000) | | | 1,074,000 | |
| 20. Totals (Lines 10 to 19)..... | 23,383,098 | 0 | 31,000 | 0 | 0 | 16,025,114 | 0 | 3,453,610 | 0 | 0 | 3,873,374 | 0 |
| 21. Commissions on premiums, annuity considerations and deposit-type contract funds (direct business only)..... | 1,961,650 | | 34,099 | | | 1,311,340 | | 243,774 | | | 372,437 | |
| 22. Commissions and expense allowances on reinsurance assumed..... | 0 | | | | | | | | | | | |
| 23. General insurance expenses..... | 3,064,159 | | 4,783 | | | 1,639,930 | | 679,504 | | | 739,942 | |
| 24. Insurance taxes, licenses and fees, excluding federal income taxes..... | 1,141,058 | | 4,914 | | | 490,895 | | 129,166 | | | 516,083 | |
| 25. Increase in loading on deferred and uncollected premiums..... | 0 | | | | | | | | | | | |
| 26. Net transfers to or (from) Separate Accounts net of reinsurance..... | 0 | | | | | | | | | | | |
| 27. Aggregate write-ins for deductions..... | 126,821 | 0 | 834 | 0 | 0 | 94,724 | 0 | 19,334 | 0 | 0 | 11,929 | 0 |
| 28. Totals (Lines 20 to 27)..... | 29,676,786 | 0 | 75,630 | 0 | 0 | 19,562,003 | 0 | 4,525,388 | 0 | 0 | 5,513,765 | 0 |
| 29. Net gain from operations before dividends to policyholders and federal income taxes (Line 9 minus Line 28)..... | 2,067,524 | 0 | 122,023 | 0 | 0 | 2,908,812 | 0 | 61,221 | 0 | 0 | (1,024,532) | 0 |
| 30. Dividends to policyholders..... | 0 | | | | | | | | | | | |
| 31. Net gain from operations after dividends to policyholders and before federal income taxes (Line 29 minus Line 30)..... | 2,067,524 | 0 | 122,023 | 0 | 0 | 2,908,812 | 0 | 61,221 | 0 | 0 | (1,024,532) | 0 |
| 32. Federal income taxes incurred (excluding tax on capital gains)..... | 1,420,556 | | 83,840 | | | 1,998,588 | | 42,064 | | | (703,936) | |
| 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)..... | 646,968 | 0 | 38,183 | 0 | 0 | 910,224 | 0 | 19,157 | 0 | 0 | (320,596) | 0 |

DETAILS OF WRITE-INS

| | | | | | | | | | | | | |
|---|---------|---|-----|---|---|---|--------|---|--------|---|--------|---|
| 08.301. Other Income..... | 12,231 | | | | | | | | | | 12,231 | |
| 08.302. | 0 | | | | | | | | | | | |
| 08.303. | 0 | | | | | | | | | | | |
| 08.398. Summary of remaining write-ins for Line 8.3 from overflow page..... | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 08.399. Total (Lines 08.301 through 08.303 plus 08.398) (Line 8.3 above)..... | 12,231 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 12,231 | 0 |
| 2701. Other Expense..... | 84,552 | | 527 | | | | 59,875 | | 12,221 | | 11,929 | |
| 2702. Loss on Sale of Fixed Assets..... | 42,269 | | 307 | | | | 34,849 | | 7,113 | | | |
| 2703. | 0 | | | | | | | | | | | |
| 2798. Summary of remaining write-ins for Line 27 from overflow page..... | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2799. Total (Lines 2701 through 2703 plus 2798) (Line 27 above)..... | 126,821 | 0 | 834 | 0 | 0 | 0 | 94,724 | 0 | 19,334 | 0 | 11,929 | 0 |

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

ANALYSIS OF INCREASE IN RESERVES DURING THE YEAR

| | 1 Total | 2 Industrial Life | Ordinary | | | 6 Credit Life (Group and Individual) | Group | | | | |
|--|------------|-------------------------|---------------------|---------------------------|---------------------------------|---|---------------------|----------------|--|--|--|
| | | | 3 Life Insurance | 4 Individual Annuities | 5 Supplementary Contracts | | 7 Life Insurance | 8 Annuities | | | |
| Involving Life or Disability Contingencies (Reserves) | | | | | | | | | | | |
| (Net of Reinsurance Ceded) | | | | | | | | | | | |
| 1. Reserve December 31, prior year..... | 1,834,000 | | .83,000 | | | | | 1,751,000 | | | |
| 2. Tabular net premiums or considerations..... | 1,237,737 | | 138,662 | | | | | 1,099,075 | | | |
| 3. Present value of disability claims incurred..... | 150,000 | | | XXX..... | | | | 150,000 | | | |
| 4. Tabular interest..... | 32,796 | | 6,178 | | | | | 26,618 | | | |
| 5. Tabular less actual reserve released..... | 0 | | | | | | | | | | |
| 6. Increase in reserve on account of change in valuation basis..... | 0 | | | | | | | | | | |
| 7. Other increases (net)..... | 24,642 | | 24,642 | | | | | | | | |
| 8. Totals (Lines 1 to 7)..... | 3,279,175 | .0 | 252,482 | .0 | .0 | 0 | 3,026,693 | 0 | | | |
| 9. Tabular cost..... | 1,270,533 | | 144,840 | | XXX..... | | | 1,125,693 | | | |
| 10. Reserves released by death..... | 401,000 | | | XXX..... | XXX..... | | 401,000 | XXX..... | | | |
| 11. Reserves released by other terminations (net)..... | 18,642 | | 18,642 | | | | | | | | |
| 12. Annuity, supplementary contract, and disability payments involving life contingencies..... | 0 | | | | | | | | | | |
| 13. Net transfers to or (from) Separate Accounts..... | 0 | | | | | | | | | | |
| 14. Total deductions (Lines 9 to 13)..... | 1,690,175 | .0 | 163,482 | .0 | .0 | 0 | 1,526,693 | 0 | | | |
| 15. Reserve December 31, current year..... | 1,589,000 | .0 | .89,000 | .0 | .0 | 0 | 1,500,000 | 0 | | | |

Consumers Life Insurance Company

EXHIBIT OF NET INVESTMENT INCOME

| | 1 Collected During Year | 2 Earned During Year |
|--|-------------------------------|----------------------------|
| 1. U.S. government bonds..... | (a).....67,936 |75,523 |
| 1.1 Bonds exempt from U.S. tax..... | (a)..... | ..... |
| 1.2 Other bonds (unaffiliated)..... | (a).....309,606 |266,197 |
| 1.3 Bonds of affiliates..... | (a)..... | ..... |
| 2.1 Preferred stocks (unaffiliated)..... | (b)..... | ..... |
| 2.11 Preferred stocks of affiliates..... | (b)..... | ..... |
| 2.2 Common stocks (unaffiliated)..... | ..... | ..... |
| 2.21 Common stocks of affiliates..... | ..... | ..... |
| 3. Mortgage loans..... | (c)..... | ..... |
| 4. Real estate..... | (d)..... | ..... |
| 5. Contract loans..... | ..... | ..... |
| 6. Cash, cash equivalents and short-term investments..... | (e).....6,932 |6,978 |
| 7. Derivative instruments..... | (f)..... | ..... |
| 8. Other invested assets..... | ..... | ..... |
| 9. Aggregate write-ins for investment income..... |0 |0 |
| 10. Total gross investment income..... |384,474 |348,698 |
| 11. Investment expenses..... | (g)..... |9,946 |
| 12. Investment taxes, licenses and fees, excluding federal income taxes..... | (g)..... | ..... |
| 13. Interest expense..... | (h)..... | ..... |
| 14. Depreciation on real estate and other invested assets..... | (i).....0 |0 |
| 15. Aggregate write-ins for deductions from investment income..... | ..... | ..... |
| 16. Total deductions (Lines 11 through 15)..... | ..... | .....9,946 |
| 17. Net investment income (Line 10 minus Line 16)..... |338,752 | |

DETAILS OF WRITE-INS

| | | |
|--|---|---|
| 0901..... | | |
| 0902..... | | |
| 0903..... | | |
| 0998. Summary of remaining write-ins for Line 9 from overflow page..... | 0 | 0 |
| 0999. Totals (Lines 0901 through 0903 plus 0998) (Line 9 above)..... | 0 | 0 |
| 1501..... | | |
| 1502..... | | |
| 1503..... | | |
| 1598. Summary of remaining write-ins for Line 15 from overflow page..... | 0 | 0 |
| 1599. Totals (Lines 1501 through 1503 plus 1598) (Line 15 above)..... | 0 | 0 |

- (a) Includes \$....4,715 accrual of discount less \$....137,572 amortization of premium and less \$....12,468 paid for accrued interest on purchases.
- (b) Includes \$.....0 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued dividends on purchases.
- (c) Includes \$.....0 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued interest on purchases.
- (d) Includes \$.....0 for company's occupancy of its own buildings; and excludes \$.....0 interest on encumbrances.
- (e) Includes \$.....0 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued interest on purchases.
- (f) Includes \$.....0 accrual of discount less \$.....0 amortization of premium.
- (g) Includes \$.....0 investment expenses and \$.....0 investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.
- (h) Includes \$.....0 interest on surplus notes and \$.....0 interest on capital notes.
- (i) Includes \$.....0 depreciation on real estate and \$.....0 depreciation on other invested assets.

EXHIBIT OF CAPITAL GAINS (LOSSES)

| | 1 Realized Gain (Loss) on Sales or Maturity | 2 Other Realized Adjustments | 3 Total Realized Capital Gain (Loss) (Columns 1 + 2) | 4 Change in Unrealized Capital Gain (Loss) | 5 Change in Unrealized Foreign Exchange Capital Gain (Loss) |
|---|---|---------------------------------------|---|---|---|
| 1. U.S. government bonds..... | | | 0 | ..... | ..... |
| 1.1 Bonds exempt from U.S. tax..... | | | 0 | ..... | ..... |
| 1.2 Other bonds (unaffiliated)..... | 28,868 | ..... | 28,868 | ..... | ..... |
| 1.3 Bonds of affiliates..... | | | 0 | ..... | ..... |
| 2.1 Preferred stocks (unaffiliated)..... | | | 0 | ..... | ..... |
| 2.11 Preferred stocks of affiliates..... | | | 0 | ..... | ..... |
| 2.2 Common stocks (unaffiliated)..... | | | 0 | ..... | ..... |
| 2.21 Common stocks of affiliates..... | | | 0 | ..... | ..... |
| 3. Mortgage loans..... | | | 0 | ..... | ..... |
| 4. Real estate..... | | | 0 | ..... | ..... |
| 5. Contract loans..... | | | 0 | ..... | ..... |
| 6. Cash, cash equivalents and short-term investments..... | | | 0 | ..... | ..... |
| 7. Derivative instruments..... | | | 0 | ..... | ..... |
| 8. Other invested assets..... | | | 0 | ..... | ..... |
| 9. Aggregate write-ins for capital gains (losses)..... | 0 | 0 | 0 | 0 | 0 |
| 10. Total capital gains (losses)..... | 28,868 | 0 | 28,868 | 0 | 0 |

DETAILS OF WRITE-INS

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

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

| | 1 Total | 2 Industrial Life | Ordinary | | 5 Credit Life (Group and Individual) | Group | | Accident and Health | | | 11 Aggregate of All Other Lines of Business |
|--|-------------|-------------------------|---------------------|------------------------------|---|---------------------|----------------|---------------------|-------------------------------------|-------------|--|
| | | | 3 Life Insurance | 4 Individual Annuities | | 6 Life Insurance | 7 Annuities | 8 Group | 9 Credit (Group & Individual) | 10 Other | |
| FIRST YEAR (other than single) | | | | | | | | | | | |
| 1. Uncollected..... | 0 | | | | | | | | | | |
| 2. Deferred and accrued..... | 0 | | | | | | | | | | |
| 3. Deferred, accrued and uncollected: | | | | | | | | | | | |
| 3.1 Direct..... | 0 | | | | | | | | | | |
| 3.2 Reinsurance assumed..... | 0 | | | | | | | | | | |
| 3.3 Reinsurance ceded..... | 0 | | | | | | | | | | |
| 3.4 Net (Line 1 + Line 2)..... | 0 | | 0 | 0 | | 0 | 0 | 0 | 0 | 0 | 0 |
| 4. Advance..... | 0 | | | | | | | | | | |
| 5. Line 3.4 - Line 4..... | 0 | | 0 | 0 | | 0 | 0 | 0 | 0 | 0 | 0 |
| 6. Collected during year: | | | | | | | | | | | |
| 6.1 Direct..... | 12,501 | | | 12,501 | | | | | | | |
| 6.2 Reinsurance assumed..... | 0 | | | | | | | | | | |
| 6.3 Reinsurance ceded..... | 0 | | | | | | | | | | |
| 6.4 Net..... | 12,501 | 0 | 12,501 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 7. Line 5 + Line 6.4..... | 12,501 | 0 | 12,501 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 8. Prior year (uncollected + deferred and accrued - advance)..... | 0 | | | | | | | | | | |
| 9. First year premiums and considerations: | | | | | | | | | | | |
| 9.1 Direct..... | 12,501 | | 12,501 | | | | | | | | |
| 9.2 Reinsurance assumed..... | 0 | | | | | | | | | | |
| 9.3 Reinsurance ceded..... | 0 | | | | | | | | | | |
| 9.4 Net (Line 7 - Line 8)..... | 12,501 | 0 | 12,501 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| SINGLE | | | | | | | | | | | |
| 10. Single premiums and considerations: | | | | | | | | | | | |
| 10.1 Direct..... | 0 | | | | | | | | | | |
| 10.2 Reinsurance assumed..... | 0 | | | | | | | | | | |
| 10.3 Reinsurance ceded..... | 0 | | | | | | | | | | |
| 10.4 Net..... | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| RENEWAL | | | | | | | | | | | |
| 11. Uncollected..... | 3,323,368 | | | 20,607 | | | 2,553,945 | | 721,180 | | .27,636 |
| 12. Deferred and accrued..... | (7,472,336) | | | | | | (5,073,936) | | (384,400) | | (2,014,000) |
| 13. Deferred, accrued and uncollected: | | | | | | | | | | | |
| 13.1 Direct..... | (3,426,368) | | | 20,607 | | | (2,181,791) | | 721,180 | | (1,986,364) |
| 13.2 Reinsurance assumed..... | 0 | | | | | | | | | | |
| 13.3 Reinsurance ceded..... | .722,600 | | | | | | .338,200 | | .384,400 | | |
| 13.4 Net (Line 11 + Line 12)..... | (4,148,968) | 0 | 20,607 | 0 | 0 | | (2,519,991) | 0 | .336,780 | 0 | (1,986,364) |
| 14. Advance..... | 1,146,253 | | | 5,235 | | | .200,403 | | .145,526 | | .795,089 |
| 15. Line 13.4 - Line 14..... | (5,295,221) | 0 | 15,372 | 0 | 0 | | (2,720,394) | 0 | .191,254 | 0 | (2,781,453) |
| 16. Collected during year: | | | | | | | | | | | |
| 16.1 Direct..... | 36,863,099 | | | 178,176 | | | .22,718,659 | | .6,885,005 | | .7,081,259 |
| 16.2 Reinsurance assumed..... | 0 | | | | | | | | | | |
| 16.3 Reinsurance ceded..... | .4,003,480 | | | | | | .1,852,049 | | .2,122,393 | | .29,038 |
| 16.4 Net..... | 32,859,619 | 0 | 178,176 | 0 | 0 | | .20,866,610 | 0 | .4,762,612 | 0 | .7,052,221 |
| 17. Line 15 + Line 16.4..... | 27,564,398 | 0 | 193,548 | 0 | 0 | | .18,146,216 | 0 | .4,953,866 | 0 | .4,270,768 |
| 18. Prior year (uncollected + deferred and accrued - advance)..... | (3,812,706) | | .10,529 | | | | (4,082,078) | | .416,758 | | (157,915) |
| 19. Renewal premiums and considerations: | | | | | | | | | | | |
| 19.1 Direct..... | 35,732,884 | | | 183,019 | | | .24,249,643 | | .6,842,501 | | .4,457,721 |
| 19.2 Reinsurance assumed..... | 0 | | | | | | | | | | |
| 19.3 Reinsurance ceded..... | .4,355,780 | | | | | | .2,021,349 | | .2,305,393 | | .29,038 |
| 19.4 Net (Line 17 - Line 18)..... | 31,377,104 | 0 | 183,019 | 0 | 0 | | .22,228,294 | 0 | .4,537,108 | 0 | .4,428,683 |
| TOTAL | | | | | | | | | | | |
| 20. Total premiums and annuity considerations: | | | | | | | | | | | |
| 20.1 Direct..... | 35,745,385 | 0 | .195,520 | 0 | 0 | | .24,249,643 | 0 | .6,842,501 | 0 | .4,457,721 |
| 20.2 Reinsurance assumed..... | 0 | 0 | 0 | 0 | 0 | | 0 | 0 | 0 | 0 | 0 |
| 20.3 Reinsurance ceded..... | .4,355,780 | 0 | 0 | 0 | 0 | | .2,021,349 | 0 | .2,305,393 | 0 | .29,038 |
| 20.4 Net (Lines 9.4 + 10.4 + 19.4)..... | 31,389,605 | 0 | .195,520 | 0 | 0 | | .22,228,294 | 0 | .4,537,108 | 0 | .4,428,683 |

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

| | 1 Total | 2 Industrial Life | Ordinary | | 5 Credit Life (Group and Individual) | Group | | Accident and Health | | 11 Aggregate of All Other Lines of Business |
|--|------------|-------------------------|---------------------|------------------------------|---|---------------------|----------------|---------------------|-------------------------------------|--|
| | | | 3 Life Insurance | 4 Individual Annuities | | 6 Life Insurance | 7 Annuities | 8 Group | 9 Credit (Group & Individual) | |
| DIVIDENDS AND COUPONS APPLIED (included in Part 1) | | | | | | | | | | |
| 21. To pay renewal premiums..... | 0 | | | | | | | | | |
| 22. All other..... | 0 | | | | | | | | | |
| REINSURANCE COMMISSIONS AND EXPENSE ALLOWANCES INCURRED | | | | | | | | | | |
| 23. First year (other than single): | | | | | | | | | | |
| 23.1 Reinsurance ceded..... | 0 | | | | | | | | | |
| 23.2 Reinsurance assumed..... | 0 | | | | | | | | | |
| 23.3 Net ceded less assumed..... | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 24. Single: | | | | | | | | | | |
| 24.1 Reinsurance ceded..... | 0 | | | | | | | | | |
| 24.2 Reinsurance assumed..... | 0 | | | | | | | | | |
| 24.3 Net ceded less assumed..... | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 25. Renewal: | | | | | | | | | | |
| 25.1 Reinsurance ceded..... | 0 | | | | | | | | | |
| 25.2 Reinsurance assumed..... | 0 | | | | | | | | | |
| 25.3 Net ceded less assumed..... | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 26. Totals: | | | | | | | | | | |
| 26.1 Reinsurance ceded (Page 6, Line 6)..... | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 26.2 Reinsurance assumed (Page 6, Line 22)..... | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 26.3 Net ceded less assumed..... | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| COMMISSIONS INCURRED (direct business only) | | | | | | | | | | |
| 27. First year (other than single)..... | 334,101 | | 1,677 | | | 50,261 | | 15,439 | | 266,724 |
| 28. Single..... | 0 | | | | | | | | | |
| 29. Renewal..... | 1,627,549 | | 32,422 | | | 1,261,079 | | 228,335 | | 105,713 |
| 30. Deposit-type contract funds..... | 0 | | | | | | | | | |
| 31. Totals (to agree with Page 6, Line 21)..... | 1,961,650 | 0 | 34,099 | 0 | 0 | 1,311,340 | 0 | 243,774 | 0 | 372,437 |

Consumers Life Insurance Company

EXHIBIT 2 - GENERAL EXPENSES

| | Insurance | | | | 5 | 6 | | |
|---|-----------|-----------------------|----------------|-------------------------------------|--------|---------------|--|--|
| | 1 Life | Accident and Health | | 4 All Other Lines of Business | | | | |
| | | 2 Cost Containment | 3 All Other | | | | | |
| 1. Rent..... | 104,212 | 65 | 44,641 | | | 148,918 | | |
| 2. Salaries and wages..... | 1,008,487 | 35,117 | 832,457 | | | 1,876,061 | | |
| 3.11 Contributions for benefit plans for employees..... | 261,557 | 7,365 | 213,307 | | | 482,229 | | |
| 3.12 Contributions for benefit plans for agents..... | | | | | | 0 | | |
| 3.21 Payments to employees under non-funded benefit plans..... | | | | | | 0 | | |
| 3.22 Payments to agents under non-funded benefit plans..... | | | | | | 0 | | |
| 3.31 Other employee welfare..... | 10 | 3 | 3,797 | | | 3,810 | | |
| 3.32 Other agent welfare..... | | | | | | 0 | | |
| 4.1 Legal fees and expenses..... | | | | 2,721 | | 2,721 | | |
| 4.2 Medical examination fees..... | | | | | | 0 | | |
| 4.3 Inspection report fees..... | | | | | | 0 | | |
| 4.4 Fees of public accountants and consulting actuaries..... | 73,477 | | 17,761 | | | 91,238 | | |
| 4.5 Expense of investigation and settlement of policy claims..... | | | | | | 0 | | |
| 5.1 Traveling expenses..... | .8,697 | .458 | 11,687 | | | 20,842 | | |
| 5.2 Advertising..... | 2,147 | | 19,912 | | | 22,059 | | |
| 5.3 Postage, express, telegraph and telephone..... | 11,863 | .984 | 12,974 | | | 25,821 | | |
| 5.4 Printing and stationery..... | .4 | .587 | 37,391 | | | 37,982 | | |
| 5.5 Cost or depreciation of furniture and equipment..... | 7,178 | .60 | 7,174 | | | 14,412 | | |
| 5.6 Rental of equipment..... | | | | | | 0 | | |
| 5.7 Cost or depreciation of EDP equipment and software..... | 34,530 | .5,397 | 58,376 | | | 98,303 | | |
| 6.1 Books and periodicals..... | 1,823 | .133 | 4,793 | | | 6,749 | | |
| 6.2 Bureau and association fees..... | 3,439 | .163 | 1,481 | | | 5,083 | | |
| 6.3 Insurance, except on real estate..... | | | 2,690 | | | 2,690 | | |
| 6.4 Miscellaneous losses..... | | | | | | 0 | | |
| 6.5 Collection and bank service charges..... | | | | | 5,608 | 5,608 | | |
| 6.6 Sundry general expenses..... | | | | | | 0 | | |
| 6.7 Group service and administration fees..... | | | | | | 0 | | |
| 6.8 Reimbursements by uninsured plans..... | | | (85,863) | | | (85,863) | | |
| 7.1 Agency expense allowance..... | | | | | | 0 | | |
| 7.2 Agents' balances charged off (less \$..... 0 recovered)..... | | | | | | 0 | | |
| 7.3 Agency conferences other than local meetings..... | | | | | | 0 | | |
| 9.1 Real estate expenses..... | | | | | | 0 | | |
| 9.2 Investment expenses not included elsewhere..... | | | | | 4,338 | 4,338 | | |
| 9.3 Aggregate write-ins for expenses..... | 127,289 | 41,340 | 142,475 | .0 | .0 | 311,104 | | |
| 10. General expenses Incurred..... | 1,644,713 | .91,672 | 1,327,774 | .0 | 9,946 | (a) 3,074,105 | | |
| 11. General expenses unpaid December 31, prior year..... | 220,347 | .4,514 | 105,498 | | 2,996 | 333,355 | | |
| 12. General expenses unpaid December 31, current year..... | 207,515 | .2,448 | 104,143 | | 1,826 | 315,932 | | |
| 13. Amounts receivable relating to uninsured plans, prior year..... | | | 105,230 | | | 105,230 | | |
| 14. Amounts receivable relating to uninsured plans, current year..... | | | 168,751 | | | 168,751 | | |
| 15. General expenses paid during year (Lines 10+11-12-13+14)..... | 1,657,545 | .93,738 | 1,392,650 | .0 | 11,116 | 3,155,049 | | |

DETAILS OF WRITE-INS

| | | | | | | |
|---|---------|---------|---------|----|----|---------|
| 09.301. Access Fees..... | | .767 | | | | 767 |
| 09.302. Vendor Services..... | 127,289 | .40,573 | 142,475 | | | 310,337 |
| 09.303. | | | | | | 0 |
| 09.398. Summary of remaining write-ins for Line 9.3 from overflow page..... | .0 | .0 | .0 | .0 | .0 | 0 |
| 09.399. Totals (Lines 09.301 through 09.303 plus 09.398)(Line 9.3 above)..... | 127,289 | .41,340 | 142,475 | .0 | .0 | 311,104 |

(a) Includes management fees of \$....953,067 to affiliates and \$.....0 to non-affiliates.

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

| | Insurance | | | 4 | 5 |
|--|-----------|-----------------------------|-------------------------------------|---|-----------|
| | 1 Life | 2 Accident and Health | 3 All Other Lines of Business | | |
| 1. Real estate taxes..... | | | | | 0 |
| 2. State insurance department licenses and fees..... | | | | | 203,304 |
| 3. State taxes on premiums..... | .86,742 | .116,562 | | | .557,782 |
| 4. Other state taxes, including \$.....0 for employee benefits..... | 345,445 | .212,337 | | | 0 |
| 5. U.S. Social Security taxes..... | | | | | 0 |
| 6. All other taxes..... | .63,622 | .316,350 | | | 379,972 |
| 7. Taxes, licenses and fees incurred..... | | | | | 1,141,058 |
| 8. Taxes, licenses and fees unpaid December 31, prior year..... | .495,809 | .645,249 | 0 | 0 | 1,288,166 |
| 9. Taxes, licenses and fees unpaid December 31, current year..... | .356,125 | .932,041 | | | .625,484 |
| 10. Taxes, licenses and fees paid during year (Lines 7 + 8 - 9)..... | .400,380 | .225,104 | | | |
| | .451,554 | .1,352,186 | 0 | 0 | 1,803,740 |

EXHIBIT 4 - DIVIDENDS OR REFUNDS

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

DETAILS OF WRITE-INS

| | | |
|---|--|---|
| 0801. | | |
| 0802. | | |
| 0803. | | |
| 0898. Summary of remaining write-ins for Line 8 from overflow page..... | | 0 |
| 0899. Totals (Line 0801 through 0803 plus 0898) (Line 8 above)..... | | 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. 01 CSO - 4% CRVM ALB..... |68,983 | |68,983 | | |
| 0100002. 01 CSO - 3.5% CRVM ALB..... |20,017 | |20,017 | | |
| 0199997. Totals (Gross)..... |89,000 |0 |89,000 |0 |0 |
| 0199999. Totals (Net)..... |89,000 |0 |89,000 |0 |0 |
| Disability - Disabled Lives: | | | | | |
| 0600001. 05 GTLW - 3.5% ALB..... |18,000 | | | |18,000 |
| 0600002. 05 GTLW - 2.5% ALB..... |11,000 | | | |11,000 |
| 0600003. 05 GTLW - 1.5% ALB..... |1,597,000 | | | |1,597,000 |
| 0699997. Totals (Gross)..... |1,626,000 |0 |0 |0 |1,626,000 |
| 0699998. Reinsurance ceded..... |126,000 | | | |126,000 |
| 0699999. Totals (Net)..... |1,500,000 |0 |0 |0 |1,500,000 |
| 9999999. Totals (Net) - Page 3, Line 1..... |1,589,000 |0 |89,000 |0 |1,500,000 |

Consumers Life Insurance Company

EXHIBIT 5 - INTERROGATORIES

1.1 Has the reporting entity ever issued both participating and non-participating contracts? Yes [] No [X]

1.2 If not, state which kind is issued
non-participating

2.1 Does the reporting entity at present issue both participating and non-participating contracts? Yes [] No [X]

2.2 If not, state which kind is issued
non-participating

3. Does the reporting entity at present issue or have in force contracts that contain non-guaranteed elements? If so, attach a statement that contains the determination procedures, answers to the interrogatories and an actuarial opinion as described in the instructions. Yes [] No [X]


* 6 2 3 7 5 2 0 1 6 3 7 0 0 0 0 0 *

4. Has the reporting entity any assessment or stipulated premium contracts in force? If so, state: Yes [] No [X]

4.1 Amount of insurance: \$.....

4.2 Amount of reserve: \$.....

4.3 Basis of reserve:

4.4 Basis of regular assessments:

4.5 Basis of special assessments:

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

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

6. Does the reporting entity hold reserves for any annuity contracts that are less than the reserves that would be held on a standard basis? Yes [] No [X]

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

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

7. Does the reporting entity have any Synthetic GIC contracts or agreements in effect as of December 31 of the current year? Yes [] No [X]

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

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

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

7.4 Identify where the reserves are reported in the blank.

8. Does the reporting entity have any Contingent Deferred Annuity contracts or agreements in effect as of December of the current year? Yes [] No [X]

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

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

8.3 Identify where the reserves are reported in the blank:

9. Does the reporting entity have any Guaranteed Lifetime Income Benefit contracts, agreements or riders in effect as of December 31 of the current year? Yes [] No [X]

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

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

9.3 Identify where the reserves are reported in the blank:

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

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

NONE

EXHIBIT 6 - AGGREGATE RESERVES FOR ACCIDENT AND HEALTH CONTRACTS

| | 1 Total | 2 Group Accident and Health | 3 Credit Accident and Health (Group and Individual) | 4 Collectively Renewable | Other Individual Contracts | | | | |
|---|------------|--------------------------------------|---|--------------------------------|----------------------------|------------------------------|--|-----------------------------|----------------|
| | | | | | 5 Non- Cancelable | 6 Guaranteed Renewable | 7 Non-Renewable for Stated Reasons Only | 8 Other Accident Only | 9 All Other |
| ACTIVE LIFE RESERVE | | | | | | | | | |
| 1. Unearned premium reserves..... | 0 | | | | | | | | |
| 2. Additional contract reserves (a)..... | 0 | | | | | | | | |
| 3. Additional actuarial reserves - Asset/Liability analysis..... | 1,074,000 | | | | | | 1,074,000 | | |
| 4. Reserve for future contingent benefits..... | 0 | | | | | | | | |
| 5. Reserve for rate credits..... | 0 | | | | | | | | |
| 6. Aggregate write-ins for reserves..... | 2,014,000 | .0 | .0 | .0 | .0 | 2,014,000 | .0 | .0 | .0 |
| 7. Totals (Gross)..... | 3,088,000 | .0 | .0 | .0 | .0 | 3,088,000 | .0 | .0 | .0 |
| 8. Reinsurance ceded..... | 0 | | | | | | | | |
| 9. Totals (Net)..... | 3,088,000 | .0 | .0 | .0 | .0 | 3,088,000 | .0 | .0 | .0 |
| CLAIM RESERVE | | | | | | | | | |
| 10. Present value of amounts not yet due on claims..... | 10,147,000 | 10,147,000 | | | | | | | |
| 11. Additional actuarial reserves - Asset/Liability analysis..... | 0 | | | | | | | | |
| 12. Reserve for future contingent benefits..... | 0 | | | | | | | | |
| 13. Aggregate write-ins for reserves..... | 0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 |
| 14. Totals (Gross)..... | 10,147,000 | 10,147,000 | .0 | .0 | .0 | .0 | .0 | .0 | .0 |
| 15. Reinsurance ceded..... | 9,303,000 | .9,303,000 | | | | | | | |
| 16. Totals (Net)..... | 844,000 | .844,000 | .0 | .0 | .0 | .0 | .0 | .0 | .0 |
| 17. TOTALS (Net)..... | 3,932,000 | .844,000 | .0 | .0 | .0 | 3,088,000 | .0 | .0 | .0 |
| 18. TABULAR FUND INTEREST..... | 0 | | | | | | | | |

DETAILS OF WRITE-INS

| | | | | | | | | | |
|--|-----------|----|----|----|----|-----------|-----------|----|----|
| 0601. Premium Adjustments Payable Due to ACA Risk Adjustment..... | 2,014,000 | | | | | | 2,014,000 | | |
| 0602..... | 0 | | | | | | | | |
| 0603..... | 0 | | | | | | | | |
| 0698. Summary of remaining write-ins for Line 6 from overflow page..... | 0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 |
| 0699. Totals (Lines 0601 through 0603 plus 0698) (Line 6 above)..... | 2,014,000 | .0 | .0 | .0 | .0 | 2,014,000 | .0 | .0 | .0 |
| 1301..... | 0 | | | | | | | | |
| 1302..... | 0 | | | | | | | | |
| 1303..... | 0 | | | | | | | | |
| 1398. Summary of remaining write-ins for Line 13 from overflow page..... | 0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 |
| 1399. Totals (Lines 1301 through 1303 + 1398) (Line 13 above)..... | 0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 |

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

EXHIBIT 7 - DEPOSIT-TYPE CONTRACTS

| | 1 Total | 2 Guaranteed Interest Contracts | 3 Annuities Certain | 4 Supplemental Contracts | 5 Dividend Accumulations or Refunds | 6 Premium and Other Deposit Funds |
|---|------------|--|---------------------------|--------------------------------|--|--|
| 1. Balance at the beginning of the year before reinsurance..... |0 |0 |0 |0 |0 |0 |
| 2. Deposits received during the year..... |0 |0 |0 |0 |0 |0 |
| 3. Investment earnings credited to the account..... |0 |0 |0 |0 |0 |0 |
| 4. Other net change in reserves..... |0 |0 |0 |0 |0 |0 |
| 5. Fees and other charges assessed..... |0 |0 |0 |0 |0 |0 |
| 6. Surrender charges..... |0 |0 |0 |0 |0 |0 |
| 7. Net surrender or withdrawal payments..... |0 |0 |0 |0 |0 |0 |
| 8. Other net transfers to or (from) Separate Accounts..... |0 |0 |0 |0 |0 |0 |
| 9. Balance at the end of current year before reinsurance (Lines 1 + 2 + 3 + 4 - 5 - 6 - 7 - 8)..... |0 |0 |0 |0 |0 |0 |
| 10. Reinsurance balance at the beginning of the year..... |0 |0 |0 |0 |0 |0 |
| 11. Net change in reinsurance assumed..... |0 |0 |0 |0 |0 |0 |
| 12. Net change in reinsurance ceded..... |0 |0 |0 |0 |0 |0 |
| 13. Reinsurance balance at the end of the year (Lines 10 + 11 - 12)..... |0 |0 |0 |0 |0 |0 |
| 14. Net balance at the end of the current year after reinsurance (Lines 9 + 13)..... |0 |0 |0 |0 |0 |0 |

NONE

EXHIBIT 8 - CLAIMS FOR LIFE AND ACCIDENT AND HEALTH CONTRACTS

PART 1 - Liability End of Current Year

| | 1 Total | 2 Industrial Life | Ordinary | | | 6 Credit Life (Group and Individual) | Group | | Accident and Health | | |
|-------------------------------|------------|-------------------------|------------------------|------------------------------|---------------------------------|---|------------------------|----------------|---------------------|---|-------------|
| | | | 3 Life Insurance | 4 Individual Annuities | 5 Supplementary Contracts | | 7 Life Insurance | 8 Annuities | 9 Group | 10 Credit (Group and Individual) | 11 Other |
| 1. Due and unpaid: | | | | | | | | | | | |
| 1.1 Direct..... | 0 | | | | | | | | | | |
| 1.2 Reinsurance assumed..... | 0 | | | | | | | | | | |
| 1.3 Reinsurance ceded..... | 0 | | | | | | | | | | |
| 1.4 Net..... | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2. In course of settlement: | | | | | | | | | | | |
| 2.1 Resisted: | | | | | | | | | | | |
| 2.11 Direct..... | 0 | | | | | | | | | | |
| 2.12 Reinsurance assumed..... | 0 | | | | | | | | | | |
| 2.13 Reinsurance ceded..... | 0 | | | | | | | | | | |
| 2.14 Net..... | 0 | 0 | (b) 0 | (b) 0 | (b) 0 | (b) 0 | (b) 0 | (b) 0 | (b) 0 | (b) 0 | 0 |
| 2.2 Other: | | | | | | | | | | | |
| 2.21 Direct..... | 2,244,705 | | | | | | 2,244,705 | | | | |
| 2.22 Reinsurance assumed..... | 0 | | | | | | | | | | |
| 2.23 Reinsurance ceded..... | 777,671 | | | | | | 777,671 | | | | |
| 2.24 Net..... | 1,467,034 | 0 | (b) 0 | (b) 0 | (b) 0 | (b) 0 | (b) 1,467,034 | 0 | (b) 0 | (b) 0 | (b) 0 |
| 3. Incurred but unreported: | | | | | | | | | | | |
| 3.1 Direct..... | 2,112,898 | | 8,000 | | | | 1,752,000 | | | | 352,898 |
| 3.2 Reinsurance assumed..... | 0 | | | | | | | | | | |
| 3.3 Reinsurance ceded..... | 88,970 | | | | | | 88,000 | | | | .970 |
| 3.4 Net..... | 2,023,928 | 0 | (b) 8,000 | (b) 0 | (b) 0 | (b) 0 | (b) 1,664,000 | 0 | (b) 0 | (b) 0 | (b) 351,928 |
| 4. Totals: | | | | | | | | | | | |
| 4.1 Direct..... | 4,357,603 | 0 | 8,000 | 0 | 0 | 0 | 3,996,705 | 0 | 0 | 0 | 352,898 |
| 4.2 Reinsurance assumed..... | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 4.3 Reinsurance ceded..... | 866,641 | 0 | 0 | 0 | 0 | 0 | .865,671 | 0 | 0 | 0 | .970 |
| 4.4 Net..... | 3,490,962 | (a) 0 | (a) 8,000 | 0 | 0 | 0 | (a) 3,131,034 | 0 | 0 | 0 | 351,928 |

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

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

Ordinary Life Insurance \$.....0, Individual Annuities \$.....0, Credit Life (Group and Individual) \$.....0, and Group Life \$....1,500,000,

are included in Page 3, Line 1, (See Exhibit 5, Section on Disability Disabled Lives); and for Group Accident and Health \$....844,000, Credit (Group and Individual) Accident and Health \$.....0 and Other Accident and Health \$.....0

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

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

| | 1 Total | 2 Industrial Life (a) | Ordinary | | | 6 Credit Life (Group and Individual) | Group | | Accident and Health | | |
|---|----------------|--------------------------------|-------------------------------|------------------------------|---------------------------------|---|-------------------------------|----------------|---------------------|---|-------------|
| | | | 3 Life Insurance (b) | 4 Individual Annuities | 5 Supplementary Contracts | | 7 Life Insurance (c) | 8 Annuities | 9 Group | 10 Credit (Group and Individual) | 11 Other |
| 1. Settlements during the year: | | | | | | | | | | | |
| 1.1 Direct..... | 27,017,000 | | 30,000 | | | | 19,101,669 | | 5,445,010 | | 2,440,321 |
| 1.2 Reinsurance assumed..... | 0 | | | | | | | | | | |
| 1.3 Reinsurance ceded..... | 4,000,865 | | | | | | 2,247,465 | | 1,753,400 | | |
| 1.4 Net..... | (d) 23,016,135 | 0 | 30,000 | 0 | 0 | 0 | 16,854,204 | 0 | 3,691,610 | 0 | 2,440,321 |
| 2. Liability December 31, current year from Part 1: | | | | | | | | | | | |
| 2.1 Direct..... | 4,357,603 | 0 | 8,000 | 0 | 0 | 0 | 3,996,705 | 0 | 0 | 0 | 352,898 |
| 2.2 Reinsurance assumed..... | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2.3 Reinsurance ceded..... | 866,641 | 0 | 0 | 0 | 0 | 0 | 865,671 | 0 | 0 | 0 | .970 |
| 2.4 Net..... | 3,490,962 | 0 | 8,000 | 0 | 0 | 0 | 3,131,034 | 0 | 0 | 0 | 351,928 |
| 3. Amounts recoverable from reinsurers Dec. 31, current year..... | 428,397 | | | | | | 420,522 | | | | 7,875 |
| 4. Liability December 31, prior year: | | | | | | | | | | | |
| 4.1 Direct..... | 4,589,987 | | 13,000 | | | | 4,591,987 | | | | (15,000) |
| 4.2 Reinsurance assumed..... | 0 | | | | | | | | | | |
| 4.3 Reinsurance ceded..... | 612,771 | | | | | | 612,771 | | | | |
| 4.4 Net..... | 3,977,216 | 0 | 13,000 | 0 | 0 | 0 | 3,979,216 | 0 | 0 | 0 | (15,000) |
| 5. Amounts recoverable from reinsurers Dec. 31, prior year..... | 690,614 | | | | | | 690,614 | | | | |
| 6. Incurred benefits: | | | | | | | | | | | |
| 6.1 Direct..... | 26,784,616 | 0 | 25,000 | 0 | 0 | 0 | 18,506,387 | 0 | 5,445,010 | 0 | 2,808,219 |
| 6.2 Reinsurance assumed..... | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 6.3 Reinsurance ceded..... | 3,992,518 | 0 | 0 | 0 | 0 | 0 | 2,230,273 | 0 | 1,753,400 | 0 | 8,845 |
| 6.4 Net..... | 22,792,098 | 0 | 25,000 | 0 | 0 | 0 | 16,276,114 | 0 | 3,691,610 | 0 | 2,799,374 |

(a) Including matured endowments (but not guaranteed annual pure endowments) amounting to \$.....0 in Line 1.1, \$.....0 in Line 1.4, \$.....0 in Line 6.1 and \$.....0 in Line 6.4.

(b) Including matured endowments (but not guaranteed annual pure endowments) amounting to \$.....0 in Line 1.1, \$.....0 in Line 1.4, \$.....0 in Line 6.1 and \$.....0 in Line 6.4.

(c) Including matured endowments (but not guaranteed annual pure endowments) amounting to \$.....0 in Line 1.1, \$.....0 in Line 1.4, \$.....0 in Line 6.1 and \$.....0 in Line 6.4.

(d) Includes \$.....0 premiums waived under total and permanent disability benefits.

Consumers Life Insurance Company
EXHIBIT OF NONADMITTED ASSETS

| | 1 Current Year Total Nonadmitted Assets | 2 Prior Year Total Nonadmitted Assets | 3 Change in Total Nonadmitted Assets (Col. 2 - Col. 1) |
|--|--|--|---|
| 1. Bonds (Schedule D)..... | | | 0 |
| 2. Stocks (Schedule D): | | | 0 |
| 2.1 Preferred stocks..... | | | 0 |
| 2.2 Common stocks..... | | | 0 |
| 3. Mortgage loans on real estate (Schedule B): | | | 0 |
| 3.1 First liens..... | | | 0 |
| 3.2 Other than first liens..... | | | 0 |
| 4. Real estate (Schedule A): | | | 0 |
| 4.1 Properties occupied by the company..... | | | 0 |
| 4.2 Properties held for the production of income..... | | | 0 |
| 4.3 Properties held for sale..... | | | 0 |
| 5. Cash (Schedule E-Part 1), cash equivalents (Schedule E-Part 2) and short-term investments (Schedule DA)..... | | | 0 |
| 6. Contract loans..... | | | 0 |
| 7. Derivatives (Schedule DB)..... | | | 0 |
| 8. Other invested assets (Schedule BA)..... | | | 0 |
| 9. Receivables for securities..... | | | 0 |
| 10. Securities lending reinvested collateral assets (Schedule DL)..... | | | 0 |
| 11. Aggregate write-ins for invested assets..... | .0 | .0 | 0 |
| 12. Subtotals, cash and invested assets (Lines 1 to 11)..... | .0 | .0 | 0 |
| 13. Title plants (for Title insurers only)..... | | | 0 |
| 14. Investment income due and accrued..... | | | 0 |
| 15. Premiums and considerations: | | | |
| 15.1 Uncollected premiums and agents' balances in the course of collection..... | | .220 | .220 |
| 15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due..... | | | 0 |
| 15.3 Accrued retrospective premiums and contracts subject to redetermination..... | | | 0 |
| 16. Reinsurance: | | | |
| 16.1 Amounts recoverable from reinsurers..... | | | 0 |
| 16.2 Funds held by or deposited with reinsured companies..... | | | 0 |
| 16.3 Other amounts receivable under reinsurance contracts..... | | | 0 |
| 17. Amounts receivable relating to uninsured plans..... | | | 0 |
| 18.1 Current federal and foreign income tax recoverable and interest thereon..... | | | 0 |
| 18.2 Net deferred tax asset..... | | | 0 |
| 19. Guaranty funds receivable or on deposit..... | | | 0 |
| 20. Electronic data processing equipment and software..... | | | 0 |
| 21. Furniture and equipment, including health care delivery assets..... | | .51,176 | .51,176 |
| 22. Net adjustment in assets and liabilities due to foreign exchange rates..... | | | 0 |
| 23. Receivables from parent, subsidiaries and affiliates..... | | | 0 |
| 24. Health care and other amounts receivable..... | .14,000 | | (14,000) |
| 25. Aggregate write-ins for other-than-invested assets..... | .52,425 | .53,839 | 1,414 |
| 26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 through 25)..... | .66,425 | .105,235 | 38,810 |
| 27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts..... | | | 0 |
| 28. TOTALS (Lines 26 and 27)..... | .66,425 | .105,235 | 38,810 |

DETAILS OF WRITE-INS

| | | | |
|--|---------|---------|-------|
| 1101..... | | | 0 |
| 1102..... | | | 0 |
| 1103..... | | | 0 |
| 1198. Summary of remaining write-ins for Line 11 from overflow page..... | .0 | .0 | 0 |
| 1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above)..... | .0 | .0 | 0 |
| 2501. Prepaid Assets..... | .37,340 | .38,670 | 1,330 |
| 2502. Other Receivables..... | .15,085 | .15,169 | .84 |
| 2503..... | | | 0 |
| 2598. Summary of remaining write-ins for Line 25 from overflow page..... | .0 | .0 | 0 |
| 2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)..... | .52,425 | .53,839 | 1,414 |

NOTES TO FINANCIAL STATEMENTS**Note 1 – Summary of Significant Accounting Policies and Going Concern**

(Dollars in thousands)

A. Accounting Practices

| | 2016 | 2015 |
|--|-----------|-----------|
| NET INCOME | | |
| (1) Consumers Life Insurance Company state basis (Page 4, Line 35, Columns 1 & 2) | \$ 647 | \$ 1,349 |
| (2) State Prescribed Practices that increase/decrease NAIC SAP | - | - |
| (3) State Permitted Practices that increase/decrease NAIC SAP | - | - |
| (4) NAIC SAP (1 – 2 – 3 = 4) | \$ 647 | \$ 1,349 |
| SURPLUS | | |
| (5) Consumers Life Insurance Company state basis (Page 3, line 37, Columns 1 & 2) | \$ 23,296 | \$ 21,608 |
| (6) State Prescribed Practices that increase/decrease NAIC SAP | - | - |
| (7) State Permitted Practices that increase/decrease NAIC SAP | - | - |
| (8) NAIC SAP (5 – 6 – 7 = 8) | \$ 23,296 | \$ 21,608 |

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

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

C. Accounting Policy**Basis of Presentation**

The accompanying financial statements of Consumers Life Insurance Company (the Company) have been prepared in conformity with the National Association of Insurance Commissioners' (NAIC) *Accounting Practices and Procedures Manual* (NAIC SAP), as prescribed by the Ohio Department of Insurance (ODI). No accounting practices were employed by the Company in 2016 and 2015 that departed from NAIC SAP. Statutory accounting practices vary from generally accepted accounting principles (GAAP). The more significant differences from GAAP are as follows:

Investments

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

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

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

Nonadmitted Assets

Certain assets designated as "nonadmitted," principally healthcare and other receivable and prepaid expenses not specifically identified as an admitted asset in the NAIC's *Accounting Practices and Procedures Manual*, are excluded from the statutory-basis statutory statements of admitted assets, liabilities and capital and surplus and are charged directly to capital and surplus. Under GAAP, such assets are included in the balance sheet, net of valuation allowance, if necessary. Capital and surplus was reduced by nonadmitted assets of \$66 and \$105 at December 31, 2016 and 2015, respectively.

Deferred Income Taxes

The Company computes deferred income taxes in accordance with Statement of Statutory Accounting Principle (SSAP) No. 101, *Income Taxes, A Replacement of SSAP No. 10R and SSAP No. 10*. Under SSAP No. 101, gross deferred tax assets are reduced by a statutory valuation allowance adjustment if, based on the weight of available evidence, it is more-likely-than-not that some portion or all of the gross deferred tax assets will not be realized to calculate the adjusted gross deferred tax assets.

Considerable judgment is required in determining whether a valuation allowance is necessary, and if so, the amount of such valuation allowance. In evaluating the need for a valuation allowance the Company includes many factors, including: (1) the nature of the deferred tax assets and liabilities; (2) whether they are ordinary or capital; (3) the timing of reversal; (4) taxable income in prior carry back years as well as projected taxable earnings exclusive of reversing temporary differences and carry forwards; (5) the length of time that carryovers can be used; (6) unique tax rules that would impact the utilization of the deferred tax assets; (7) any tax planning strategies that the Company would employ to avoid a tax benefit expiring unused.

Admitted adjusted deferred income tax assets are limited to (1) the amount of federal income taxes paid in prior years that can be recovered through loss carrybacks for existing temporary differences that reverse during a timeframe corresponding with the Internal Revenue Service tax loss carryback provisions, not to exceed three years, plus (2) the amount of adjusted gross deferred income tax assets expected to be realized within three years limited to an amount that is no greater than 15% of current period's adjusted statutory capital and surplus, plus 3) the amount of remaining adjusted gross deferred income tax assets that can be offset against existing gross deferred income tax liabilities after considering the character (i.e., ordinary versus capital) and reversal patterns of the deferred tax assets and liabilities. The remaining adjusted deferred income tax assets are nonadmitted.

Under GAAP, a deferred income tax asset is recorded for the amount of gross deferred income tax assets expected to be realized in all future years, and a valuation allowance is established for deferred income tax assets not realizable.

NOTES TO FINANCIAL STATEMENTS***Reinsurance***

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

Contract Liabilities

Under statutory accounting, life contract liabilities are based on statutory mortality tables and interest rates rather than on the basis of mortality, interest, and withdrawal assumptions anticipated by the Company as would be required under GAAP.

Valuations Reserves

Capital gains on bonds, net of taxes, that arise from interest rate fluctuations are credited to an interest maintenance reserve (IMR), and the IMR is amortized over the remaining life of the bond sold. For GAAP, capital gain and losses are recognized as current income or loss. An asset valuation reserve (AVR) is maintained for the risk asset defaults based on NAIC proscribed formula with changes reflected in unassigned surplus. AVR is not recognized for GAAP.

Health Insurer Fee

The estimated liability and corresponding expense for the mandatory annual nondeductible assessment imposed by the ACA (the Health Insurer Fee) are both recognized in full on January 1 of the applicable calendar year in which the assessment is paid. In accordance with GAAP, the liability is recognized in full on January 1 with a corresponding deferred cost that is amortized to expense using a straight-line method of allocation.

Statutory Statements of Cash Flow

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

Other significant accounting practices are as follows:

Cash and Invested Assets

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

Investments

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

Other-Than-Temporary Impairment

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

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

Fair Value Measurements

Assets recorded in the statutory statements of admitted assets, liabilities and capital and surplus are categorized based on the level of judgment associated with the inputs used to measure their fair value. Level inputs are as follows:

Level 1 Values are unadjusted quoted prices for identical assets in active markets accessible at the measurement date.

Level 2 Inputs include quoted prices for similar assets in active markets, quoted prices from those willing to trade in markets that are not active, or other inputs that are observable or can be corroborated by market data for the term of the instrument. Such inputs include market interest rates and volatilities, spreads, and yield curves.

Level 3 Certain inputs are unobservable (supported by little or no market activity) and significant to the fair value measurement. Unobservable inputs reflect the Company's best estimate of what hypothetical market participants would use to determine a transaction price for the asset at the reporting date.

Premiums

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

The Company is subject to experience refund agreements with certain life insurance customers whereby life insurance premiums may be refunded based upon the loss experience of the customer. These retrospective premium adjustments are recognized as adjustments to earned premium in the period in which it is determined that adjustments are required. Total net premiums subject to retrospective rating features in 2016 and 2015 was approximately \$421 and \$408, respectively, which represents 1.9% and 1.8%, respectively, of the Company's net life insurance premiums. As of December 31, 2016 and 2015, the Company recognized a liability of \$4,736 and \$5,950, respectively, to refund premiums to customers. Net earned premiums for the years ended December 31, 2016 and 2015, have been reduced by \$75 and \$24, respectively, due to the experience refund agreements.

NOTES TO FINANCIAL STATEMENTS***Federal Medical Loss Ratio Rebate***

The Company is subject to the ACA, which requires the payment of rebates to eligible policyholders or enrollees when the amounts paid for healthcare benefits and quality improvement initiatives fall below specified thresholds. Separate calculations are performed by employer group size (individual, small group, and large group). At December 31, 2016, no liability was recognized on the accompanying statutory statements of admitted assets, liabilities and capital and surplus as the calculated amounts exceeded the applicable thresholds. At December 31, 2015 there were no policies subject to the Federal Medical Loss Ratio requirement.

Uncertain Tax Policies

The Company records uncertain tax positions on the basis of a two-step process whereby (1) the Company determines whether it is more likely than not that the tax positions will be sustained on the basis of the technical merits of the position and (2) for those tax positions that meet the more-likely-than-not recognition threshold, the Company recognizes the largest amount of tax benefit that is more than 50 percent likely to be realized upon ultimate settlement with the related tax authority.

Changes to liabilities for uncertain tax positions are recorded as income tax expense in the accompanying statutory statements of revenue and expenses. The total liability for uncertain tax positions at December 31, 2016 and 2015 was \$12 and \$5, respectively. The Company does not expect any significant changes in its uncertain tax positions in 2017.

Premium Subsidy and Cost Sharing Subsidy

Under regulations established by the ACA, the U.S. Department of Health and Human Services (HHS) pays the Company a portion of the premium (Premium Subsidy) and/or a portion of the health care costs (Cost Sharing Subsidy) for qualifying individual members. The Company recognizes monthly premiums received from members and the Premium Subsidy as premium revenue ratably over the contract period. The Premium Subsidy totaled \$1,607 in 2016 and is included in net premiums earned. The Cost Sharing Subsidy offsets health care costs when incurred. The Company records the Cost Sharing Subsidy payments when received. Qualified individuals incurred \$207 of claims covered by the Cost Sharing Subsidy in 2016. This amount is reported as reduction of disability and accident and health benefits on the statutory statements of revenue and expenses.

Health Insurer Fee

The Company is subject to a mandatory annual non tax-deductible assessment on health insurers imposed by the ACA. The Company estimates the expense for the Health Insurer Fee based upon the ratio of the Company's applicable net written premium compared to the U.S. health insurance industry total applicable net written premium. The Consolidated Appropriation Act of 2016, Title 11, section 201, Moratorium on Annual Fee on Health Insurance Providers, suspended the Health Insurer Fee for 2017. Therefore, no amounts were reclassified to special surplus at December 31, 2016.

Premium Stabilization Programs

The ACA authorized three programs designed to stabilize health insurance markets (Premium Stabilization Programs): a transitional reinsurance program; a temporary risk corridors program; and a permanent risk adjustment program. The Company accounts for the Premium Stabilization Programs in accordance with SSAP No.107, *Accounting for the Risk-Sharing Provisions of the Affordable Care Act* (SSAP No. 107). Details about each program are as follows:

Transitional Reinsurance Program

The transitional reinsurance program, effective for policy years 2014, 2015, and 2016, requires all issuers of major medical commercial insurance products and self-insured plan sponsors to contribute funding in amounts set by HHS. Funds collected will be distributed by HHS to reimburse issuers' high claims costs incurred for qualified individual members.

Expenses related to the funding of the transitional reinsurance program are reflected in general insurance expenses for all insurance products with the exception of products associated with qualified individual members, which are reflected as reduction of premiums earned. When annual claim costs incurred by qualified individual members exceed a specified attachment point, the Company is entitled to certain reimbursements from this program. Estimated recoveries are included in reinsurance recoverable and as a reduction to claims incurred on the accompanying statutory financial statements.

Temporary Risk Corridors Program

The temporary risk corridors program, effective for policy years 2014, 2015, and 2016, is intended to limit the gains and losses of qualified individual and small group health plans offered for sale on federal or state healthcare exchanges. Plans are required to calculate the ratio of allowable costs (defined as medical claims plus quality improvement costs adjusted for the impact of reinsurance recoveries and the risk adjustment program) to the defined target amount (defined as actual premiums less defined allowable administrative costs inclusive of taxes and profits). Qualified health plans with ratios below 97% are required to make payments to HHS, while plans with ratios greater than 103% are expected to receive funds from HHS.

The Company considered in its measurement of the receivable from the risk corridor programs that HHS will only be obligated to reimburse risk corridor payments up to the funds collected from qualified health plan that are required to make payments to HHS for the program, regardless of the potential gross receivable estimated. Although the Company calculated an estimated amount to be filed with CMS of \$32 for the year ended 2016, no receivable for risk corridor was ultimately recorded based on the uncertainty of HHS's ability to fund the program. There were no qualifying plans for 2015.

Permanent Risk Adjustment Program

The permanent risk adjustment program is designed to transfer funds from qualified individual and small group plans with below average risks scores to those respective plans with above average risk scores. The estimates of amounts owed or due from the permanent risk adjustment program is required to be reflected as an adjustment to earned premium if sufficient data is available to make an estimate. In 2016, the Company recognized a \$2,014 liability related to the 2016 Permanent Risk Adjustment Program based on the available, sufficient data. The liability is included in aggregate reserves on the statutory statements of admitted assets, liabilities, and capital and surplus. The Company did not offer any qualified plans in 2015.

New Accounting Standards

In December 2016, the NAIC revised SSAP No. 35R – *Guaranty Fund and Other Assessments* to address the accounting for guaranty fund assessments and related assets recognized for future premium tax credits by issuers of short-duration health insurance contracts. Effective January 1, 2017, the revised statutory accounting principal allows issuers of short-duration contracts to recognize a premium tax asset based on expected renewals in instances when retrospective premium-based assessments are imposed on short-duration contracts for losses on long-duration contracts. Previously, issuers of short-duration contracts were not permitted to consider expected renewals in determining the asset recognized for future premium tax credits.

NOTES TO FINANCIAL STATEMENTS

Note 2 – Accounting Changes and Corrections of Errors

Not applicable

Note 3 – Business Combinations and Goodwill

- A. Statutory Purchase Method
Not applicable
- B. Statutory Merger
Not applicable
- C. Assumption Reinsurance
Not applicable
- D. Impairment Loss
Not applicable

Note 4 – Discontinued Operations

- A. Discontinued Operation Disposed of or Classified as Held for Sale
Not applicable
- B. Change in Plan of Sale of Discontinued Operation
Not applicable
- C. Nature of any Significant Continuing Involvement with Discontinued Operations After Disposal
Not applicable
- D. Equity Interest Retained in the Discontinued Operation After Disposal
Not applicable

Note 5 – Investments

- A. Mortgage Loans, including Mezzanine Real Estate Loans
Not applicable
- B. Debt Restructuring
Not applicable
- C. Reverse Mortgages
Not applicable
- D. Loan-Backed Securities
Not applicable
- E. Repurchase Agreements and/or Securities Lending Transactions
Not applicable
- F. Real Estate
Not applicable
- G. Investments in Low-Income Housing Trade Credits (LIHTC)
Not applicable
- H. Restricted Assets
Certain state insurance laws require the Company to maintain deposits with the respective state insurance departments in connection with the licensing requirements. The carrying amounts of these deposits at December 31, 2016 and 2015 were \$2,112 and \$2,146, respectively.

NOTES TO FINANCIAL STATEMENTS

(1) Restricted Assets (Including Pledged)

| Restricted Asset Category | Gross (Admitted & Nonadmitted) Restricted | | | | | | | Current Year | | | |
|--|---|--|---|---|---------------------|--------------------------|--|------------------------------------|--|--|--|
| | Current Year | | | | | 6 | 7 | 8 | 9 | Percentage | |
| | 1 | 2 | 3 | 4 | 5 | | | | | Total Admitted Restricted (5 minus 8) | Gross (Admitted & Nonadmitted) Restricted to Total Assets (c) |
| Restricted Asset Category | Total General Account (G/A) | G/A Supporting S/A Activity (a) | Total Separate Account (S/A) Restricted Assets | S/A Assets Supporting G/A Activity (b) | Total (1 plus 3) | Total From Prior Year | Increase/ (Decrease) (5 minus 6) | Total Nonadmitted Restricted | Total Admitted Restricted (5 minus 8) | Gross (Admitted & Nonadmitted) 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 arrangements | - | - | - | - | - | - | - | - | - | - | - |
| 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 | 2,112 | - | - | - | 2,112 | 2,146 | (34) | - | 2,112 | 5.042 | 5.050 |
| k. On deposit with other regulatory bodies | - | - | - | - | - | - | - | - | - | - | - |
| l. Pledged as 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 | \$ 2,112 | \$ - | \$ - | \$ - | \$ 2,112 | \$ 2,146 | \$ (34) | - | \$ 2,112 | 5.042 | 5.050 |

- (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) Detail of Assets Pledged as Collateral Not Captured in Other Categories (Contracts that Share Similar Characteristics, Such as Reinsurance and Derivatives, are Reported in the Aggregate)
Not applicable
- (3) Detail of Other Restricted Assets (Contracts that Share Similar Characteristics, such as Reinsurance and Derivatives, are Reported in the Aggregate)
Not applicable
- (4) Collateral Received and Reflected as Assets Within the Reporting Entity's Financial Statements
Not applicable

I. Working Capital Finance Investments
Not applicable

J. Offsetting and Netting of Assets and Liabilities
Not applicable

K. Structured Notes
Not applicable

L. 5* Securities
Not applicable

Note 6 – Joint Ventures, Partnerships and Limited Liability Companies
Not applicable

Note 7 – Investment Income
Not applicable

Note 8 – Derivative Instruments
Not applicable

NOTES TO FINANCIAL STATEMENTS**Note 9 – Income Taxes**

The Company is taxed as a stock property and casualty insurance company and met the requirements to file a consolidated federal income tax return with Medical Mutual of Ohio, a mutual casualty insurance organization, (MMO or Parent) and other affiliates in 2016 and 2015. The Company is party to a written tax sharing agreement with its Parent and other affiliates. According to the agreement each member pays taxes or receives credits (from the Parent) as if the member had filed a separate tax return. The payment is finalized for the tax year after the return is filed and/or after an IRS audit is completed. A member generating a taxable loss, or whose net operating losses (NOLs) are utilized in the current year, is compensated for such loss in the year absorbed by the consolidated group.

Deferred income tax assets (DTAs) and liabilities (DTLs) represent the expected future tax consequences of temporary items with differences generated by statutory accounting as defined in SSAP No. 101. DTAs and DTLs are computed by means of identifying temporary differences which are measured using a balance sheet approach whereby statutory and tax basis statutory statements of admitted assets, liabilities and capital and surplus are compared.

Current federal income tax payables to the Parent include all current income taxes, including interest, expected to be paid in a subsequent accounting period. Any tax related to the tax sharing agreement is included in the current federal income tax payable balance until the tax return is filed and amounts are then settled with the Parent.

The Company had payable balances of \$1,480 and \$66 for federal income taxes (excluding uncertain tax positions) at December 31, 2016 and 2015, respectively.

The Company can recover \$1,480 and \$66 of income taxes incurred relating to 2016 and 2015, respectively, if the Company has losses in future years.

The Company is subject to federal income tax examinations by tax authorities for the years 2013 through 2016.

A. **Deferred Tax Assets/(Liabilities)**

1. Components of Net Deferred Tax Asset/(Liability)

| | December 31 | | Change |
|-------------------------------|--------------------|-------------|---------------|
| | 2016 | 2015 | |
| Gross DTAs | \$ 4,273 | \$ 3,674 | \$ 599 |
| Statutory valuation allowance | (2,806) | (3,198) | 392 |
| Adjusted gross DTAs | 1,467 | 476 | 991 |
| DTAs nonadmitted | - | - | - |
| Subtotal net admitted DTAs | 1,467 | 476 | 991 |
| DTLs | - | 17 | (17) |
| Net admitted DTAs | \$ 1,467 | \$ 459 | \$ 1,008 |

2. Admission Calculation Components

| | December 31 | | Change |
|---|--------------------|-------------|---------------|
| Description | 2016 | 2015 | |
| a. Federal income taxes paid in prior years recoverable through loss carrybacks | \$ 1,467 | \$ 459 | \$ 1,008 |
| b. Adjusted gross DTAs expected to be realized (excluding the amount of DTAs from above) after application of the threshold limitation (the lesser of i. and ii. below) | | | |
| i. Adjusted gross DTAs expected to be realized following the balance sheet date | - | - | - |
| ii. Adjusted gross DTAs allowed per limitation threshold | - | - | - |
| Adjusted gross DTAs (excluding the amount of deferred tax assets from (a) and (b) above) offset by gross DTLs | - | 17 | (17) |
| DTAs admitted as the result of application of SSAP No. 101 | 1,467 | 476 | 991 |
| Total admitted adjusted gross DTAs | 1,467 | 476 | 991 |
| DTLs | - | 17 | (17) |
| Net admitted DTA | \$ 1,467 | \$ 459 | \$ 1,008 |
| Nonadmitted DTA | \$ - | \$ - | \$ - |

3. Other Admissibility Criteria

| | 2016 | 2015 |
|---|-------------|-------------|
| Ratio percentage used to determine recovery period and threshold limitation amounts | 606 % | 634 % |
| Amount of adjusted capital and surplus used to determine recovery period and threshold limitation | \$ 21,872 | \$ 21,186 |

NOTES TO FINANCIAL STATEMENTS4. Impact of Tax Planning Strategies
Not applicable

B. Deferred Tax Liabilities Not Recognized

There were no temporary differences for deferred tax liabilities that are not recognized at December 31, 2016 and 2015.

C. Current and Deferred Income Taxes

1. Current Income Tax

| Description | December 31 | | Change |
|---------------------------------|-----------------|---------------|-----------------|
| | 2016 | 2015 | |
| Current income tax expense | \$ 1,484 | \$ 69 | \$ 1,415 |
| Provision to return adjustments | (63) | 122 | (185) |
| Federal income taxes incurred | <u>\$ 1,421</u> | <u>\$ 191</u> | <u>\$ 1,230</u> |

2 – 4 Deferred Taxes

| | December 31 | | Change |
|--|-----------------|---------------|-----------------|
| | 2016 | 2015 | |
| Ordinary DTAs | | | |
| Experience rating refund | \$ 2,365 | \$ 2,083 | \$ 282 |
| Net operating loss carryforwards | 871 | 899 | (28) |
| Deferred acquisition costs | 525 | 439 | 86 |
| Claim and other reserves | 381 | 3 | 378 |
| Other | 72 | 18 | 54 |
| Intangible assets | 36 | 45 | (9) |
| Nonadmitted assets | 23 | 37 | (14) |
| Accrued premium taxes | - | 150 | (150) |
| Gross ordinary DTAs | <u>4,273</u> | <u>3,674</u> | <u>599</u> |
| Statutory valuation allowance – ordinary | (2,806) | (3,198) | 392 |
| Nonadmitted ordinary DTAs | - | - | - |
| Admitted ordinary DTAs | <u>1,467</u> | <u>476</u> | <u>991</u> |
| Ordinary DTLs | | | |
| Depreciation | - | 17 | (17) |
| Ordinary DTLs | - | 17 | (17) |
| Net admitted DTA | <u>\$ 1,467</u> | <u>\$ 459</u> | <u>\$ 1,008</u> |

D. Reconciliation of Federal Income Tax Rate to Actual Effective Rate Among the more significant book to tax adjustments were the following:

| | December 31, 2016 | | December 31, 2015 | |
|-------------------------------------|-------------------|---------------|-------------------|-----------------|
| | Amount | Tax Effect | Amount | Tax Effect |
| Description | | | | |
| Income before taxes | \$ 2,068 | \$ 724 | 35.0 % | \$ 1,540 |
| Permanent items | 56 | 20 | 1.0 | (36) |
| Change in valuation allowance | (1,120) | (392) | (19.0) | (2,483) |
| DTA adjustments | 4 | 1 | 0.1 | 127 |
| Change in other reserves | 21 | 7 | 0.3 | 5 |
| Change in nonadmitted assets | 39 | 14 | 0.7 | 83 |
| Other | <u>112</u> | <u>39</u> | <u>1.9</u> | <u>(2)</u> |
| | <u>\$ 1,180</u> | <u>\$ 413</u> | <u>20.0%</u> | <u>\$ (766)</u> |
| | | | | <u>\$ (268)</u> |
| | | | | <u>(17.4) %</u> |
| Federal income taxes incurred | | \$ 1,421 | 68.7 % | \$ 191 |
| Change in net deferred income taxes | | (1,008) | (48.7) | (459) |
| Total statutory income taxes | | <u>\$ 413</u> | <u>20.0 %</u> | <u>\$ (268)</u> |
| | | | | <u>(17.4) %</u> |

E. Operating Loss and Tax Credit Carryforwards and Protective Tax Deposits

At December 31, 2016, the Company had net operating loss carryforwards of approximately \$2,489 expiring through 2022, all of which are limited by Internal Revenue Code (IRC) Section 382. The Company holds no alternative minimum tax (AMT) credit carryforwards at December 31, 2016. The Company has no capital loss carryforwards to utilize in future years at December 31, 2016.

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

| Year | Amount |
|------|----------|
| 2016 | \$ 1,480 |
| 2015 | \$ 66 |

The Company did not have any protective tax deposits under Section 6603 of the Internal Revenue Code.

NOTES TO FINANCIAL STATEMENTS

- F. Consolidated Federal Income Tax Return
Not applicable
- G. Federal or Foreign Federal Income Tax Loss Contingencies
Not applicable

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

- A – N The Company is a stock life insurance company which is wholly-owned by MMO.

MMO provides administrative services, including billing, claims adjudication, accounting, marketing, provider relations, and management information systems to the Company in connection with an administrative services agreement. In 2016 and 2015, charges to the Company for these services totaled \$953 and \$829, respectively. These charges could vary if the administrative services were provided by an unaffiliated vendor. Amounts receivable and payable between the Company and MMO are settled within three months.

During 2016 and 2015, the Company provided life, accidental death and dismemberment, and long term disability coverage to employees of MMO and its subsidiaries, and recognized net earned premium of \$1,471 and \$1,406 for 2016 and 2015, respectively, related to such coverage.

Note 11 – Debt

Not applicable

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

Not applicable

Note 13 – Capital and Surplus, Dividend Restrictions and Quasi-Reorganizations

- (1) The Company has 50,000 shares of common stock authorized; 16,000 shares issued and outstanding. All shares have a par value of \$100.
- (2) The Company has no preferred stock authorized or outstanding.
- (3) The payment of dividends by the Company to MMO is limited and can only be made from earned profits unless prior approval is received from the Ohio Insurance Commissioner. The maximum amount of dividends that may be paid without prior approval of the Ohio Insurance Commissioner is also subject to restrictions relating to statutory capital and surplus and net income. There were no dividends paid by the Company in 2016 or 2015.
- (4) Dates dividends were paid out. Not applicable.
- (5) Within the limitations of (3) above, there are no restrictions placed on the portion of the Company profits that may be paid as ordinary dividends to stockholders.
- (6) There were no restrictions placed on the Company's surplus, including for whom the surplus is being held.
- (7) There were no advances to surplus not repaid.
- (8) - (13) Not applicable

Note 14 – Liabilities, Contingencies and Assessments

- A. Contingent Commitments
Not applicable
- B. Assessments
Not applicable
- C. Gain Contingencies
Not applicable
- D. Claims Related Extra Contractual Obligation and Bad Faith Losses Stemming from Lawsuits
Not applicable
- E. Joint and Several Liabilities
Not applicable
- F. All Other Contingencies
Various lawsuits against the Company have arisen in the ordinary course of business. While the outcome of these matters cannot be predicted with certainty at this time, management believes they will not have a material adverse effect on the Company's financial position or results of operations.

The Company is subject to regulations that may result in assessments under state insurance guaranty association laws. The Company is aware that Penn Treaty Network American Insurance Company and its subsidiary American Network Insurance Company (Penn Treaty) has been placed in rehabilitation, an intermediate action before insolvency. Penn Treaty remains in rehabilitation at this time. If rehabilitation is not successful and Penn Treaty is placed in liquidation, the Company expects to be required to pay a portion of the policyholder claims through state guaranty association assessments in future periods and estimates that the amount ranges between \$250 and \$750. No amounts have been accrued at December 31, 2016.

Note 15 – Leases

Not applicable

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

Not applicable

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

Not applicable

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

A. ASO Plans

The gain from operations from Administrative Services Only (ASO) uninsured plans and the uninsured portion of partially insured plans was as follows during 2016:

| | | ASO Uninsured Plans | Uninsured Portion of Partially Insured Plans | Total ASO |
|----|--|------------------------|---|--------------|
| a. | Net reimbursement for administrative expenses (including administrative fees) in excess of actual expenses | \$ 86 | \$ - | \$ 86 |
| b. | Total net other income or expenses (including interest paid to or receive from plans) | - | - | - |
| c. | Net gain or (loss) from operations | 86 | - | 86 |
| d. | Total claim payment volume | \$ 27 | \$ - | \$ 27 |

B. Not applicable

C. Not applicable

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

Not applicable

Note 20 – Fair Value Measurements

A. The Company has no assets or liabilities that are reported at fair value as of December 31, 2016.

B. Not applicable

C. Aggregate Fair Value of Financial Instruments

| Type of Financial Instrument | Aggregate Fair Value | Admitted Assets | (Level 1) | (Level 2) | (Level 3) | Not Practicable (Carrying Value) |
|------------------------------|----------------------|-----------------|-----------|-----------|-----------|----------------------------------|
| BONDS | \$ 22,017 | \$ 22,278 | \$ - | \$ 22,017 | \$ - | \$ - |

D. Not Practicable to Estimate Fair Value

Not applicable

Note 21 – Other Items

A. Unusual or Infrequent Items

Not applicable

B. Troubled Debt Restructuring Debtors

Not applicable

C. Other Disclosures

The Company is subject to certain Risk-Based Capital (RBC) requirements specified by the NAIC and required by the ODI. Under those requirements, the amount of capital and surplus maintained by the Company is determined based on various risk factors. At December 31, 2016 and 2015, the Company met the minimum RBC requirements.

D. Business Interruption Insurance Recoveries

Not applicable

E. State Transferable and Non-Transferable Tax Credits

Not applicable

F. Subprime Mortgage Related Risk Exposure

Not applicable

G. Retained Assets

Not applicable

H. Insurance-Linked Securities (ILS) Contracts

Not applicable

Note 22 – Events Subsequent

The Company has evaluated subsequent events from the end of the most recent fiscal year through February 27, 2017, the date the statutory-basis financial statements were available to be issued noting no reportable events.

Note 23 – Reinsurance

A. Ceded Reinsurance Report

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

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

NOTES TO FINANCIAL STATEMENTS

The effects of reinsurance on earned life premiums are as follows:

| | Year Ended December 31 | |
|------------------------------------|-------------------------------|------------------|
| | 2016 | 2015 |
| Direct life insurance premiums | \$ 24,445 | \$ 25,180 |
| Ceded life insurance premiums | 2,021 | 2,037 |
| Net life insurance premiums | \$ 22,424 | \$ 23,143 |

The effects of reinsurance on earned accident and health premiums are as follows:

| | Year Ended December 31 | |
|---|-------------------------------|-----------------|
| | 2016 | 2015 |
| Direct accident and health insurance premiums | \$ 11,300 | \$ 8,240 |
| Ceded accident and health insurance premiums | 2,306 | 2,406 |
| Ceded ACA Transitional Reinsurance (see Note 24) | 29 | - |
| Net accident and health insurance premiums | \$ 8,965 | \$ 5,834 |

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

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

| | Year Ended December 31 | |
|--|-------------------------------|-------------|
| | 2016 | 2015 |
| Benefit expenses | \$ 3,955 | \$ 4,427 |
| Aggregate reserves and contract claim reserves | 10,337 | 10,167 |

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

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? No
 - 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?

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? 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
Not applicable

C. Commutation of Ceded Reinsurance
Not applicable

D. Certified Reinsurer Rating Downgraded or Status Subject to Revocation
Not applicable

E. Not applicable

F. Not applicable

G. Ceding Entities That Utilize Captive Reinsurers to Assume Reserves Subject to the XXX/AXXX Captive Framework
Not applicable

NOTES TO FINANCIAL STATEMENTS**Note 24 – Retrospectively Rated Contracts and Contracts Subject to Redetermination**

- A. Not applicable
- B. Not applicable
- C. Not applicable
- D. Medical Loss Ratio Rebates Required Pursuant to the Public Health Service Act.

At December 31, 2016, no liability was recognized on the accompanying statutory statements of admitted assets, liabilities and capital and surplus as the calculated amounts exceeded the applicable thresholds. At December 31, 2015 there were no policies subject to the Federal Medical Loss Ratio requirement.

- E. Risk Sharing Provisions of the Affordable Care Act

- (1) For the year ended December 31, 2016, the Company wrote accident and health insurance premiums subject to Affordable Care Act risk sharing provisions. The Company did not write accident and health insurance premiums subject to Affordable Care Act risk sharing provisions in 2015.
- (2) Impact of Risk Sharing Provisions of the Affordable Care Act on admitted assets, liabilities and revenue for the current year:

| a. | Permanent ACA Risk Adjustment Program | AMOUNT |
|--|---|---------|
| Assets | | |
| 1. | Premium adjustments receivable due to ACA Risk Adjustment | \$ - |
| Liabilities | | |
| 2. | Risk adjustment user fees payable for ACA Risk Adjustment | 2 |
| 3. | Premium adjustments payable due to ACA Risk Adjustment | 2,014 |
| Operations (Revenue & Expenses) | | |
| 4. | Reported as revenue in premium for accident and health contracts (written/collected) due to ACA Risk Adjustment | (2,014) |
| 5. | Reported in expenses as ACA Risk Adjustment user fees (incurred/paid) | \$ 2 |
| b. Transitional ACA Reinsurance Program | | |
| Assets | | |
| 1. | Amounts recoverable for claims paid due to ACA Reinsurance | \$ 8 |
| 2. | Amounts recoverable for claims unpaid due to ACA Reinsurance (contra liability) | 1 |
| 3. | Amounts receivable relating to uninsured plans for contributions for ACA Reinsurance | - |
| Liabilities | | |
| 4. | Liabilities for contributions payable due to ACA Reinsurance – not reported as ceded premium | 7 |
| 5. | Ceded reinsurance premiums payable due to ACA Reinsurance | - |
| 6. | Liabilities for amounts held under uninsured plans contributions for ACA Reinsurance | - |
| Operations (Revenue & Expenses) | | |
| 7. | Ceded reinsurance premiums due to ACA Reinsurance | \$ 29 |
| 8. | Reinsurance recoveries (income statement) due to ACA Reinsurance payments or expected payments | 9 |
| 9. | ACA Reinsurance contributions – not reported as ceded premium | \$ 7 |
| c. Temporary ACA Risk Corridors Program | | |
| Assets | | |
| 1. | Accrued retrospective premium due to ACA Risk Corridors | \$ - |
| Liabilities | | |
| 2. | Reserve for rate credits or policy experience rating refunds due to ACA Risk Corridors | - |
| Operations (Revenue & Expenses) | | |
| 3. | Effect of ACA Risk Corridors on net premium income (paid/received) | - |
| 4. | Effect of ACA Risk Corridors on change in reserves for rate credits | - |

Note 25 – Change in Incurred Losses and Loss Adjustment Expenses

The \$1,377 redundancy in the December 31, 2015, reserves emerged in 2016 and a \$1,103 redundancy in the December 31, 2014, reserves emerged in 2015. The deviations in the year end reserves that emerged in 2016 and 2015 were due in part to the ultimate reserves developing differently as a result of lower than estimated.

Note 26 – Intercompany Pooling Arrangements

Not applicable

Note 27 – Structured Settlements

Not applicable

NOTES TO FINANCIAL STATEMENTS**Note 28 – Health Care Receivables****A. Pharmaceutical Rebate Receivables**

The Company accounts for pharmaceutical rebate receivables in accordance with SSAP No. 84. The admitted receivable balance of \$57 was included in other receivables on the statutory statement of admitted assets, liabilities and capital and surplus at December 31, 2016. This amount was comprised of the estimated pharmacy rebates for the current quarter as reported in the statutory financial statements plus the pharmacy rebates invoiced/confirmed for the preceding quarter. There were no health contracts eligible for pharmaceutical rebates in 2015; therefore there were no receivable balances as of December 31, 2015. Additional details of 2016 and 2014 are included in the table below:

| Quarter | Actual Rebates | | | | | |
|--------------------|--|--|--|---|---|------|
| | Estimated Pharmacy Rebates as Reported on Financial Statements | Pharmacy Rebates as Invoiced/Confirmed | Collected Within 90 Days of Invoicing/Confirmation | Collected Within 91 to 180 Days of Invoicing/Confirmation | Collected More than 180 Days After Invoicing/Confirmation | |
| December 31, 2016 | \$ 30 | \$ - | \$ - | \$ - | \$ - | \$ - |
| September 30, 2016 | 28 | 27 | - | - | - | - |
| June 30, 2016 | 34 | 35 | 35 | - | - | - |
| March 31, 2016 | 24 | 26 | 26 | - | - | - |
| December 31, 2015 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| September 30, 2015 | - | - | - | - | - | - |
| June 30, 2015 | - | - | - | - | - | - |
| March 31, 2015 | - | - | - | - | - | - |
| December 31, 2014 | \$ 225 | \$ 225 | \$ - | \$ (266) | \$ - | \$ - |
| September 30, 2014 | 160 | 210 | 9 | 189 | 12 | - |
| June 30, 2014 | 150 | 150 | 2 | 148 | - | - |
| March 31, 2014 | 180 | 180 | - | 180 | - | - |

B. Risk Sharing Receivables
Not applicable**Note 29 – Participating Policies**

Not applicable

Note 30 – Premium Deficiency Reserves

1 – 3 The Company considers anticipated net investment income as a factor in determining the premium deficiency reserve amount. Premium deficiency reserves at December 31, 2016 totaled \$1,074. There was no premium deficiency reserve required at December 31, 2015.

Note 31 – Reserves for Life Contracts and Annuity Contracts**Aggregate Reserves**

Aggregate reserves include premium deficiency reserves. The Company considers anticipated net investment income as a factor in determining the premium deficiency reserve amount. Aggregate reserves also include future policy benefit reserves for disability policies which are required on claims involving continuing losses. The reserve is a measure of the present value of future benefits or amount not yet due as of the statement date. Finally, aggregate reserves includes active life reserves for accident and health insurance policies active life reserves are based on the net level premium method, and estimates of future premium, claims, and lapses using the Company's experience and actuarial judgment.

Contract Claims Reserves

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

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

Not applicable

Note 33 – Premium and Annuity Considerations Deferred and Uncollected**A. Deferred and uncollected life insurance premiums and annuity considerations as of December 31, 2016 were:**

| | | Gross | Net of Loading |
|---------------------------|--|------------|----------------|
| (1) Industrial | | \$ - | \$ - |
| (2) Ordinary new business | | - | - |
| (3) Ordinary renewal | | 21 | 17 |
| (4) Credit life | | - | - |
| (5) Group life | | (2,520) | (2,122) |
| (6) Group annuity | | - | - |
| (7) Totals | | \$ (2,499) | \$ (2,104) |

NOTES TO FINANCIAL STATEMENTS**Note 34 – Separate Accounts**

- A. Separate Account Activity
Not applicable
- B. General Nature and Characteristics of Separate Accounts Business
Not applicable
- C. Reconciliation of Net Transfers to or (from) Separate Accounts
Not applicable

Note 35 – Loss/Claim Adjustment Expenses

The following table provides a reconciliation of the beginning and ending balances for reserves for contract claims and claims adjustment expenses (CAE), net of recoveries and reinsurance. This table is also net of healthcare receivables of \$71 and \$0 for 2016 and 2015, respectively.

| | Years Ended December 31 | |
|--|--------------------------------|-----------------|
| | 2016 | 2015 |
| Reserves for contract claims and CAE at beginning of year, net of reinsurance recoverables | \$ 3,376 | \$ 3,859 |
| Add provision for benefits and CAE, net of reinsurance, occurring in: | | |
| Current year | 25,196 | 23,343 |
| Prior years | (1,377) | (1,103) |
| Net benefit expenses and CAE during the current year | <u>23,819</u> | <u>22,240</u> |
| Deduct payments for benefits and CAE, net of reinsurance, occurring in: | | |
| Current year | 22,600 | 20,198 |
| Prior years | 1,516 | 2,525 |
| Net benefits and CAE payments during the current year | <u>24,116</u> | <u>22,723</u> |
| Reserves for contract claims and CAE at end of year, net of reinsurance recoverables | <u>\$ 3,079</u> | <u>\$ 3,376</u> |

At December 31, 2016 and 2015, health care receivables include \$14 and \$0, respectively, that are nonadmitted in accordance with SSAP No. 84, *Certain Health Care Receivables and Receivables Under Government Insured Plans* (SSP No. 84).

The reserves for contract claims and CAE at December 31, 2016 and 2015, has been reduced by \$38 and \$75, respectively, related to anticipated subrogation claims recoverable.

GENERAL INTERROGATORIES**PART 1 - COMMON INTERROGATORIES****GENERAL**

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

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

1.3 State regulating? OHIO

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

2.2 If yes, date of change: _____

3.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/2014

3.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. 12/31/2014

3.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). 05/12/2016

3.4 By what department or departments? OHIO DEPARTMENT OF INSURANCE

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

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

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

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

4.12 renewals? Yes [] No [X]

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

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

4.22 renewals? Yes [] No [X]

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

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

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

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

6.2 If yes, give full information:

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

7.2 If yes,

7.21 State the percentage of foreign control %

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

| 1 Nationality | 2 Type of Entity |
|------------------|---------------------|
| | |

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

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

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

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

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

9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit? PricewaterhouseCoopers, LLC, 200 Public Square, 18th Floor, Cleveland, OH 44114

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

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

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

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

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

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

GENERAL INTERROGATORIES**PART 1 - COMMON INTERROGATORIES**

11. What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with an actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?
Ms. Jinn-Feng Lin, FSA, MAAA, PricewaterhouseCoopers, LLC, One North Wacker Drive, Chicago, IL 60606

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

12.11 Name of real estate holding company _____
12.12 Number of parcels involved _____
12.13 Total book/adjusted carrying value \$ _____ 0

12.2 If yes, provide explanation

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

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

13.2 Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located? Yes [] No []
13.3 Have there been any changes made to any of the trust indentures during the year? Yes [] No []
13.4 If answer to (13.3) is yes, has the domiciliary or entry state approved the changes? Yes [] No [] N/A []

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

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

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

14.2 Has the code of ethics for senior managers been amended? Yes [] No [X]
14.21 If the response to 14.2 is yes, provide information related to amendment(s).

14.3 Have any provisions of the code of ethics been waived for any of the specified officers? Yes [] No [X]
14.31 If the response to 14.3 is yes, provide the nature of any waiver(s).

15.1 Is the reporting entity the beneficiary of a Letter of Credit that is unrelated to reinsurance where the issuing or confirming bank is not on the SVO Bank List? Yes [] No [X]
15.2 If the response to 15.1 is yes, indicate the American Bankers Association (ABA) Routing Number and the name of the issuing or confirming bank of the Letter of Credit and describe the circumstances in which the Letter of Credit is triggered.

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

BOARD OF DIRECTORS

16. Is the purchase or sale of all investments of the reporting entity passed upon either by the Board of Directors or a subordinator committee thereof? Yes [X] No []
17. Does the reporting entity keep a complete permanent record of the proceedings of its Board of Directors and all subordinate committees thereof? Yes [X] No []
18. Has the reporting entity an established procedure for disclosure to its Board of Directors or trustees of any material interest or affiliation on the part of any of its officers, directors, trustees or responsible employees that is in conflict or is likely to conflict with the official duties of such person? Yes [X] No []

FINANCIAL

19. Has this statement been prepared using a basis of accounting other than Statutory Accounting Principles (e.g., Generally Accepted Accounting Principles)? Yes [] No [X]
20.1 Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):

20.11 To directors or other officers \$ _____ 0
20.12 To stockholders not officers \$ _____ 0
20.13 Trustees, supreme or grand (Fraternal only) \$ _____ 0

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

20.21 To directors or other officers \$ _____ 0
20.22 To stockholders not officers \$ _____ 0
20.23 Trustees, supreme or grand (Fraternal only) \$ _____ 0

21.1 Were any assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reporting in the statement? Yes [] No [X]
21.2 If yes, state the amount thereof at December 31 of the current year:

21.21 Rented from others \$ _____
21.22 Borrowed from others \$ _____
21.23 Leased from others \$ _____
21.24 Other \$ _____

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

22.21 Amount paid as losses or risk adjustment \$ _____
22.22 Amount paid as expenses \$ _____
22.23 Other amounts paid \$ _____

23.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? Yes [X] No []
23.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: \$ 1,533,970

GENERAL INTERROGATORIES**PART 1 - COMMON INTERROGATORIES****INVESTMENT**

24.01 Were all of stocks, bonds and other securities owned December 31 of current year, over which the reporting entity has exclusive control, in the actual possession of the reporting entity on said date (other than securities lending programs addressed in 24.03)? Yes [X] No []

24.02 If no, give full and complete information, relating thereto:

24.03 For security lending programs, provide a description of the program including value for collateral and amount of loaned securities, and whether collateral is carried on or off-balance sheet (an alternative is to reference Note 17 where this information is also provided).

24.04 Does the company's security lending program meet the requirements for a conforming program as outlined in the *Risk-Based Capital Instructions*? Yes [] No [] N/A [X]

24.05 If answer to 24.04 is yes, report amount of collateral for conforming programs: \$ _____

24.06 If answer to 24.04 is no, report amount of collateral for other programs: \$ _____

24.07 Does your securities lending program require 102% (domestic securities) and 105% (foreign securities) from the counterparty at the outset of the contract? Yes [] No [] N/A [X]

24.08 Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%? Yes [] No [] N/A [X]

24.09 Does the reporting entity or the reporting entity's securities lending agent utilize the Master Securities Lending Agreement (MSLA) to conduct securities lending? Yes [] No [] N/A [X]

24.10 For the reporting entity's security lending program, state the amount of the following as of December 31 of the current year:

24.101 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2: \$ _____ 0

24.102 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2: \$ _____ 0

24.103 Total payable for securities lending reported on the liability page: \$ _____ 0

25.1 Were any of the stocks, bonds or other assets of the reporting entity owned at December 31 of the current year not exclusively under the control of the reporting entity or has the reporting entity sold or transferred any assets subject to a put option contract that is current in force? (Exclude securities subject to Interrogatory 21.1 and 24.03.) Yes [X] No []

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

| | |
|--|--------------------|
| 25.21 Subject to repurchase agreements | \$ _____ 0 |
| 25.22 Subject to reverse repurchase agreements | \$ _____ 0 |
| 25.23 Subject to dollar repurchase agreements | \$ _____ 0 |
| 25.24 Subject to reverse dollar repurchase agreements | \$ _____ 0 |
| 25.25 Placed under option agreements | \$ _____ 0 |
| 25.26 Letter stock or securities restricted as sale – excluding FHLB Capital Stock | \$ _____ 0 |
| 25.27 FHLB Capital Stock | \$ _____ 0 |
| 25.28 On deposit with states | \$ _____ 2,112,246 |
| 25.29 On deposit with other regulatory bodies | \$ _____ 0 |
| 25.30 Pledged as collateral – excluding collateral pledged to an FHLB | \$ _____ 0 |
| 25.31 Pledged as collateral to FHLB – including assets backing funding agreements | \$ _____ 0 |
| 25.32 Other | \$ _____ 0 |

25.3 For category (25.26) provide the following:

| 1 Nature of Restriction | 2 Description | 3 Amount |
|----------------------------|------------------|-------------|
| | | \$ _____ |

26.1 Does the reporting entity have any hedging transactions reported on Schedule DB? Yes [] No [X]

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

27.1 Were any preferred stocks or bonds owned as of December 31 of the current year mandatorily convertible into equity, or, at the option of the issuer, convertible into equity? Yes [] No [X]

27.2 If yes, state the amount thereof at December 31 of the current year: \$ _____

28. Excluding items in Schedule E-Part 3-Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 1, III - General Examination Considerations, F. Outsourcing of Critical Functions, Custodial or Safekeeping Agreements of the NAIC *Financial Condition Examiners Handbook*? Yes [X] No []

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

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

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

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

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

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

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

28.05 Investment management – Identify all investment advisors, investment managers, broker/dealers, including individuals that have the authority to make investment decisions on behalf of the reporting entity. For assets that are managed internally by employees of the reporting entity, note as such. ["...that have access to the investment accounts", "... handle securities"].

| | |
|---------------------------------|------------------|
| 1 Name of Firm or Individual | 2 Affiliation |
| JAMES CELLURA | I |

GENERAL INTERROGATORIES**PART 1 - COMMON INTERROGATORIES**

28.0597 For those firms/individuals listed in the table for Question 28.05, do any firms/individuals unaffiliated with the reporting entity (i.e. designated with a "U") manage more than 10% of the reporting entity's assets?

Yes [] No [X]

28.0598 For firms/individuals unaffiliated with the reporting entity (i.e. designated with a "U") listed in the table for Question 28.05, does the total assets under management aggregate to more than 50% of the reporting entity's assets?

Yes [] No [X]

28.06 For those firms or individuals listed in the table for 28.05 with an affiliation code of "A" (affiliated) or "U" (unaffiliated), provide the information for the table below.

| 1 Central Registration Depository Number | 2 Name of Firm or Individual | 3 Legal Entity Identifier (LEI) | 4 Registered With | 5 Investment Management Agreement (IMA) Filed |
|---|---------------------------------|------------------------------------|----------------------|--|
| | | | | |

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

Yes [] No [X]

29.2 If yes, complete the following schedule:

| 1 CUSIP | 2 Name of Mutual Fund | 3 Book/Adjusted Carrying Value |
|----------------------|--------------------------|-----------------------------------|
| | | |
| 29.2999 TOTAL | | |

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

| 1 Name of Mutual Fund (from above table) | 2 Name of Significant Holding of the Mutual Fund | 3 Amount of Mutual Fund's Book/Adjusted Carrying Value Attributable to the Holding | 4 Date of Valuation |
|--|--|--|------------------------|
| | | | |
| 30.1 Bonds | 22,837,692 | 22,577,219 | (260,473) |
| 30.2 Preferred Stocks | 0 | 0 | 0 |
| 30.3 Totals | 22,837,692 | 22,577,219 | (260,473) |

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

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

Yes [X] No []

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

Yes [X] No []

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

Yes [X] No []

31.3 If the answer to 31.2 is no, describe the reporting entity's process for determining a reliable pricing source for purposes of disclosure of fair value for Schedule D:

32.1 Have all the filing requirements of the *Purposes and Procedures Manual of the NAIC Investment Analysis Office* been followed?

Yes [X] No []

32.2 If no, list exceptions:

OTHER

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

\$ 0

33.2 List the name of the organization and the amount paid if any such payment represented 25% or more of the total payments to trade associations, service organizations and statistical or rating bureaus during the period covered by this statement.

| 1 Name | 2 Amount Paid |
|-----------|------------------|
| | \$ |

34.1 Amount of payments for legal expenses, if any?

\$ 0

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

| 1 Name | 2 Amount Paid |
|-----------|------------------|
| | \$ |

35.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers or departments of government, if any?

\$ 0

35.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payment expenditures in connection with matters before legislative bodies, officers or departments of government during the period covered by this statement.

| 1 Name | 2 Amount Paid |
|-----------|------------------|
| | \$ |

GENERAL INTERROGATORIES**PART 2 – LIFE INTERROGATORIES**

| | | | |
|------|--|-----------------------|-----------------|
| 1.1 | Does the reporting entity have any direct Medicare Supplement Insurance in force? | Yes [X] No [] | |
| 1.2 | If yes, indicate premium earned on U.S. business only. | \$ 701,115 | |
| 1.3 | What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit? | \$ 0 | |
| 1.3 | Reason for excluding: | | |
| 1.4 | Indicate amount of earned premium attributable to Canadian and/or Other Alien not included in Item (1.2) above. | \$ 0 | |
| 1.5 | Indicate total incurred claims on all Medicare Supplement insurance. | \$ 420,870 | |
| 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 | \$ 701,115 | |
| 1.65 | Total incurred claims | \$ 420,870 | |
| 1.66 | Number of covered lives | \$ 244 | |
| 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 | \$ 4,428,683 | \$ 703,431 |
| 2.2 | Premium Denominator | \$ 31,389,605 | \$ 28,976,778 |
| 2.3 | Premium Ratio (2.1/2.2) | 14.109 | 2.428 |
| 2.4 | Reserve Numerator | \$ 351,928 | \$ (15,000) |
| 2.5 | Reserve Denominator | \$ 7,937,962 | \$ 6,893,216 |
| 2.6 | Reserve Ratio (2.4/2.5) | 4.433 | (0.218) |
| 3.1 | Does the reporting entity have Separate Accounts? | Yes [] No [X] | |
| 3.2 | If yes, has a Separate Accounts statement been filed with this Department | Yes [] No [] 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? | \$ 0 | |
| 3.4 | State the authority under which Separate Accounts are maintained: | | |
| 3.5 | Was any of the reporting entity's Separate Accounts business reinsured as of December 31? | Yes [] No [X] | |
| 3.6 | Has the reporting entity assumed by reinsurance any Separate Accounts business as of December 31? | Yes [] No [X] | |
| 3.7 | If the reporting entity has assumed Separate Accounts business, how much, if any, reinsurance assumed receivable for reinsurance of Separate Accounts reserve expense allowances is included as a negative amount in the liability for "Transfers to Separate Accounts due or accrued (net)"? | \$ 0 | |
| 4.1 | Are personnel or facilities of this reporting entity used by another entity or entities or are personnel or facilities of another entity or entities used by this reporting entity (except for activities such as administration of jointly underwritten group contracts and joint mortality or morbidity studies)"? | Yes [X] No [] | |
| 4.2 | Net reimbursement of such expenses between reporting entities: | | |
| 4.21 | Paid | \$ 707,975 | |
| 4.22 | Received | \$ 342,900 | |
| 5.1 | Does the reporting entity write any guaranteed interest contracts? | Yes [] No [X] | |
| 5.2 | If yes, what amount pertaining to these items is included in: | | |
| 5.21 | Page 3, Line 1 | \$ 0 | |
| 5.22 | Page 4, Line 1 | \$ 0 | |
| 6. | For stock reporting entities only: | | |
| 6.1 | Total amount paid in by stockholders as surplus funds since organization of the reporting entity: | \$ 0 | |
| 7. | Total dividends paid stockholders since organization of the reporting entity: | | |
| 7.11 | Cash | \$ 0 | |

GENERAL INTERROGATORIES**PART 2 – LIFE INTERROGATORIES**

7.12 Stock \$ 0

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 | \$ 0 | \$ 0 | \$ 0 |
| 8.32 Paid claims | \$ 0 | \$ 0 | \$ 0 |
| 8.33 Claim liability and reserve (beginning of year) | \$ 0 | \$ 0 | \$ 0 |
| 8.34 Claim liability and reserve (end of year) | \$ 0 | \$ 0 | \$ 0 |
| 8.35 Incurred claims | \$ 0 | \$ 0 | \$ 0 |

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

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

8.5 What portion of earned premium reported in 8.31, Column 1 was assumed from pools? \$ 0

9.1 Does the 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 Benefit | 2 Guaranteed Living Benefit | Waiting Period Remaining | Account Value Related to Col. 3 | Total Related Account Values | Gross Amount of Reserve | Location of Reserve | Portion Reinsured | Reinsurance Reserve Credit |
| | | | | | | | | |

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

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

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

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

11.1 Do you act as a custodian for health savings accounts? Yes [] No [X]

11.2 If yes, please provide the amount of custodial funds held as of the reporting date. \$ 0

11.3 Do you act as an administrator for health savings accounts? Yes [] No [X]

11.4 If yes, please provide the balance of the funds administered as of the reporting date. \$ 0

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

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

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

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

13.1 Direct premiums written \$ 195,520

13.2 Total incurred claims \$ 25,000

13.3 Number of covered lives 627

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

Consumers Life Insurance Company

FIVE-YEAR HISTORICAL DATA

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

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

| | 1 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. Ordinary - term (Line 21, Col. 4, less Line 34, Col. 4)..... | 14,989 | 19,862 | 33,945 | 49,228 | 40,690 |
| 3. Credit life (Line 21, Col. 6)..... | | | | | |
| 4. Group, excluding FEGLI/SGLI (Line 21, Col. 9 less Lines 43 & 44, Col. 4)..... | 10,755,932 | 10,811,705 | 9,838,102 | 10,234,769 | 9,964,160 |
| 5. Industrial (Line 21, Col. 2)..... | | | | | |
| 6. FEGLI/SGLI (Lines 43 & 44, Col. 4)..... | | | | | |
| 7. Total (Line 21, Col. 10)..... | 10,770,921 | 10,831,567 | 9,872,047 | 10,283,997 | 10,004,850 |
| New Business Issued (Exhibit of Life Insurance) | | | | | |
| 8. Ordinary - whole life and endowment (Line 34, Col. 2)..... | | | | | |
| 9. Ordinary - term (Line 2, Col. 4, less Line 34, Col. 2)..... | 604 | 615 | 2,233 | 27,440 | 20,930 |
| 10. Credit life (Line 2, Col. 6)..... | | | | | |
| 11. Group (Line 2, Col. 9)..... | 245,413 | 666,247 | 78,430 | 1,393,737 | 5,312,330 |
| 12. Industrial (Line 2, Col. 2)..... | | | | | |
| 13. Total (Line 2, Col. 10)..... | 246,017 | 666,862 | 80,663 | 1,421,177 | 5,333,260 |
| Premium Income - Lines of Business (Exhibit 1-Part 1) | | | | | |
| 14. Industrial life (Line 20.4, Col. 2)..... | | | | | |
| 15.1 Ordinary life insurance (Line 20.4, Col. 3)..... | 195,520 | 229,380 | 289,311 | 287,137 | 224,047 |
| 15.2 Ordinary individual annuities (Line 20.4, Col. 4)..... | | | | | |
| 16. Credit life (group and individual) (Line 20.4, Col. 5)..... | | | | | |
| 17.1 Group life insurance (Line 20.4, Col. 6)..... | 22,228,294 | 22,913,834 | 19,957,697 | 19,683,616 | 20,059,740 |
| 17.2 Group annuities (Line 20.4, Col. 7)..... | | | | | |
| 18.1 A&H - group (Line 20.4, Col. 8)..... | 4,537,108 | 5,130,133 | 4,965,063 | 37,464,394 | 39,260,893 |
| 18.2 A&H - credit (group and individual) (Line 20.4, Col. 9)..... | | | | | |
| 18.3 A&H - other (Line 20.4, Col. 10)..... | 4,428,683 | 703,431 | 702,162 | 3,503,202 | 3,475,362 |
| 19. Aggregate of all other lines of business (Line 20.4, Col. 11)..... | | | | | |
| 20. Total..... | 31,389,605 | 28,976,778 | 25,914,233 | 60,938,349 | 63,020,042 |
| Balance Sheet (Pages 2 and 3) | | | | | |
| 21. Total admitted assets excluding Separate Accounts business (Page 2, Line 26, Col. 3).... | 41,823,917 | 37,575,619 | 36,448,787 | 39,708,104 | 38,752,670 |
| 22. Total liabilities excluding Separate Accounts business (Page 3, Line 26)..... | 18,527,821 | 15,967,648 | 16,726,325 | 20,037,344 | 25,804,355 |
| 23. Aggregate life reserves (Page 3, Line 1)..... | 1,589,000 | 1,834,000 | 1,195,500 | 1,260,000 | 1,443,000 |
| 24. Aggregate A&H reserves (Page 3, Line 2)..... | 3,932,000 | 1,082,000 | 877,000 | 852,000 | 3,430,000 |
| 25. Deposit-type contract funds (Page 3, Line 3)..... | | | | | |
| 26. Asset valuation reserve (Page 3, Line 24.01)..... | 42,097 | 36,395 | 32,087 | 27,521 | 20,771 |
| 27. Capital (Page 3, Lines 29 & 30)..... | 1,600,000 | 1,600,000 | 1,600,000 | 1,600,000 | 1,600,000 |
| 28. Surplus (Page 3, Line 37)..... | 21,696,096 | 20,007,971 | 18,122,462 | 18,070,760 | 11,348,315 |
| Cash Flow (Page 5) | | | | | |
| 29. Net Cash from operations (Line 11)..... | 4,135,290 | 1,252,736 | 1,839,890 | (2,045,576) | 628,895 |
| Risk-Based Capital Analysis | | | | | |
| 30. Total adjusted capital..... | 23,338,193 | 21,644,366 | 19,754,549 | 19,698,281 | 12,969,086 |
| 31. Authorized control level risk-based capital..... | 3,611,034 | 3,340,351 | 2,727,792 | 4,311,669 | 4,978,182 |
| 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)..... | 64.1 | 63.5 | 61.7 | 90.2 | 63.5 |
| 33. Stocks (Lines 2.1 and 2.2)..... | | | | | |
| 34. Mortgage loans on real estate (Lines 3.1 and 3.2)..... | | | | | |
| 35. Real estate (Line 4.1, 4.2 and 4.3)..... | | | | | |
| 36. Cash, cash equivalents and short-term investments (Line 5)..... | 35.9 | 36.5 | 38.3 | 9.8 | 36.5 |
| 37. Contract loans (Line 6)..... | | | | | |
| 38. Derivatives (Line 7)..... | | | | | |
| 39. Other invested assets (Line 8)..... | | | | | |
| 40. Receivables for securities (Line 9)..... | | | | | |
| 41. Securities lending reinvested collateral assets (Line 10)..... | | | | | |
| 42. Aggregate write-ins for invested assets (Line 11)..... | | | | | |
| 43. Cash, cash equivalents and invested assets (Line 12)..... | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |

Consumers Life Insurance Company

FIVE-YEAR HISTORICAL DATA

(continued)

| | 1 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)..... | | | | | |
| 45. Affiliated preferred stocks (Sch. D Summary, Line 18 Col. 1)..... | | | | | |
| 46. Affiliated common stocks (Sch. D Summary, Line 24 Col. 1)..... | | | | | |
| 47. Affiliated short-term investments (subtotal included in Sch. DA, Verif. Col. 5, Line 10)..... | | | | | |
| 48. Affiliated mortgage loans on real estate | | | | | |
| 49. All other affiliated..... | | | | | |
| 50. Total of above Lines 44 to 49..... | 0 | 0 | 0 | 0 | 0 |
| 51. Total investment in parent included in Lines 44 to 49 above..... | | | | | |
| Total Nonadmitted and Admitted Assets | | | | | |
| 52. Total nonadmitted assets (Page 2, Line 28, Col. 2)..... | 66,425 | 105,235 | 187,654 | 731,428 | 1,413,487 |
| 53. Total admitted assets (Page 2, Line 28, Col. 3)..... | 41,823,917 | 37,575,619 | 36,448,787 | 39,708,104 | 38,752,670 |
| Investment Data | | | | | |
| 54. Net investment income (Exhibit of Net Investment Income)..... | 338,752 | 308,227 | 257,584 | 255,407 | 364,417 |
| 55. Realized capital gains (losses) (Page 4, Line 34, Column 1)..... | | | | | |
| 56. Unrealized capital gains (losses) (Page 4, Line 38, Column 1)..... | | | | | |
| 57. Total of above Lines 54, 55 and 56..... | 338,752 | 308,227 | 257,584 | 255,407 | 364,417 |
| 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 & 11)..... | 16,301,114 | 16,949,467 | 16,365,165 | 14,431,396 | 15,718,020 |
| 59. Total contract benefits - A&H (Lines 13 & 14, Cols. 9, 10 & 11)..... | 6,490,984 | 4,457,666 | 5,460,665 | 23,346,027 | 21,633,700 |
| 60. Increase in life reserves - other than group and annuities (Line 19, Cols. 2 & 3)..... | 6,000 | (4,500) | 4,500 | 19,000 | 19,500 |
| 61. Increase in A&H reserves (Line 19, Cols. 9, 10 & 11)..... | 836,000 | 205,000 | 25,000 | (2,578,000) | 1,664,000 |
| 62. Dividends to policyholders (Line 30, Col 1)..... | | | | | |
| 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..... | 16.0 | 16.7 | 16.3 | 39.0 | 42.8 |
| 64. Lapse percent (ordinary only) [(Exhibit of Life Insurance, Col. 4, Lines 14 & 15) / 1/2 (Exhibit of Life Insurance, Col. 4, Lines 1 & 21)] x 100.00..... | | | | | |
| 65. A&H loss percent (Schedule H, Part 1, Lines 5 & 6, Col. 2)..... | .82.7 | 80.2 | 104.0 | 57.6 | 63.2 |
| 66. A&H cost containment percent (Schedule H, Part 1, Line 4, Col. 2)..... | 1.0 | .3 | .7.2 | .6.9 | .8.7 |
| 67. A&H expense percent excluding cost containment expenses (Schedule H, Part 1, Line 10, Col. 2)..... | .28.9 | 30.7 | 10.3 | 47.2 | 48.4 |
| A&H Claim Reserve Adequacy | | | | | |
| 68. Incurred losses on prior years' claims - group health (Sch. H, Part 3, Line 3.1, Col. 2)..... | .3,972 | 952,140 | 2,893,105 | 2,968,392 | 2,021,535 |
| 69. Prior years' claim liability and reserve - group health (Sch. H, Part 3, Line 3.2, Col. 2)..... | 1,082,000 | 840,333 | 2,021,599 | 2,934,893 | 2,254,251 |
| 70. Incurred losses on prior years' claims - health other than group (Sch. H, Part 3, Line 3.1, Col. 1 less Col. 2)..... | .9,160 | (59,464) | 189,183 | 133,913 | 258,065 |
| 71. Prior years' claim liability and reserve - health other than group (Sch. H, Part 3, Line 3.2, Col. 1 less Col. 2)..... | (15,000) | (13,333) | 219,401 | 238,707 | 175,349 |
| Net Gains From Operations After Federal Income Taxes by Lines of Business (Page 6, Line 33) | | | | | |
| 72. Industrial life (Col. 2)..... | | | | | |
| 73. Ordinary - life (Col. 3)..... | 38,183 | (5,826) | (517,726) | (277,376) | (1,484,522) |
| 74. Ordinary - individual annuities (Col. 4)..... | | | | | |
| 75. Ordinary - supplementary contracts (Col. 5)..... | | | | | |
| 76. Credit life (Col. 6)..... | | | | | |
| 77. Group life (Col. 7)..... | .910,224 | 1,854,347 | 1,351,025 | 1,447,973 | 769,896 |
| 78. Group annuities (Col. 8)..... | | | | | |
| 79. A&H - group (Col. 9)..... | 19,157 | (527,569) | (2,173,649) | 135,135 | (3,492,538) |
| 80. A&H - credit (Col. 10)..... | | | | | |
| 81. A&H - other (Col. 11)..... | (320,596) | 27,747 | (28,126) | (101,907) | (707,940) |
| 82. Aggregate of all other lines of business (Col. 12)..... | | | | | |
| 83. Total (Col. 1)..... | .646,968 | 1,348,699 | (1,368,476) | 1,203,825 | (4,915,104) |

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

Yes [] No []

If no, please explain:

EXHIBIT OF LIFE INSURANCE

| | Industrial | | Ordinary | | Credit Life (Group and Individual) | | Group | | 10 Total Amount of Insurance (a) | |
|--|-------------------------------|------------------------------------|-------------------------------|------------------------------------|--|------------------------------------|----------------------------|-------------------|--|-------------|
| | 1 Number of Policies | 2 Amount of Insurance (a) | 3 Number of Policies | 4 Amount of Insurance (a) | 5 Number of Individual Policies and Group Certificates | 6 Amount of Insurance (a) | 7 Number of Policies | 8 Certificates | | |
| | | | | | | | | | | |
| 1. In force end of prior year..... | | | .824 | .19,862 | | | 5,633 | .216,831 | .10,811,705 | .10,831,567 |
| 2. Issued during year..... | | | .26 | .604 | | | 135 | .5,357 | .245,413 | .246,017 |
| 3. Reinsurance assumed..... | | | | | | | | | | .0 |
| 4. Revived during year..... | | | | | | | | | | .0 |
| 5. Increased during year (net)..... | | | | | | | 2,504 | .223,606 | .223,606 | .223,606 |
| 6. Subtotals, Lines 2 to 5..... | .0 | .0 | .26 | .604 | .0 | .0 | 135 | .7,861 | .469,019 | .469,623 |
| 7. Additions by dividends during year..... | .XXX | | XXX | | XXX | | XXX | XXX | | .0 |
| 8. Aggregate write-ins for increases..... | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 | | .0 |
| 9. Totals (Lines 1 and 6 to 8)..... | .0 | .0 | .850 | .20,466 | .0 | .0 | 5,768 | .224,692 | .11,280,724 | .11,301,190 |
| Deductions during year: | | | | | | | | | | |
| 10. Death..... | | | .3 | .30 | | | XXX | .528 | .17,412 | .17,442 |
| 11. Maturity..... | | | | | | | XXX | | | .0 |
| 12. Disability..... | | | | | | | XXX | | | .0 |
| 13. Expiry..... | | | .220 | .5,447 | | | 477 | .10,939 | .507,380 | .512,827 |
| 14. Surrender..... | | | | | | | | | | .0 |
| 15. Lapse..... | | | | | | | | | | .0 |
| 16. Conversion..... | | | | | | | XXX | XXX | XXX | .0 |
| 17. Decreased (net)..... | | | | | | | | | | .0 |
| 18. Reinsurance..... | | | | | | | | | | .0 |
| 19. Aggregate write-ins for decreases..... | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 | | .0 |
| 20. Totals (Lines 10 to 19)..... | .0 | .0 | .223 | .5,477 | .0 | .0 | 477 | .11,467 | .524,792 | .530,269 |
| 21. In force end of year (Line 9 minus Line 20)..... | .0 | .0 | .627 | .14,989 | .0 | .0 | 5,291 | .213,225 | .10,755,932 | .10,770,921 |
| 22. Reinsurance ceded end of year..... | XXX | | XXX | | XXX | | XXX | XXX | .510,773 | .510,773 |
| 23. Line 21 minus Line 22..... | XXX | | XXX | 14,989 | XXX | (b) | XXX | XXX | .10,245,159 | .10,260,148 |

DETAILS OF WRITE-INS

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

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

(b) Group \$.00; Individual \$.00.

Consumers Life Insurance Company
EXHIBIT OF LIFE INSURANCE (continued)
 ADDITIONAL INFORMATION ON INSURANCE IN FORCE END OF YEAR

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

ADDITIONAL INFORMATION ON ORDINARY INSURANCE

| Term Insurance Excluding Extended Term Insurance | Issued During Year (Included in Line 2) | | In Force End of Year (Included in Line 21) | |
|--|---|------------------------------|--|------------------------------|
| | 1 Number of Policies | 2 Amount of Insurance (a) | 3 Number of Policies | 4 Amount of Insurance (a) |
| 27. Term policies-decreasing..... | | | | |
| 28. Term policies-other..... | .26 | 604 | .627 | 14,989 |
| 29. Other term insurance-decreasing..... | XXX..... | | XXX..... | |
| 30. Other term insurance..... | XXX..... | | XXX..... | |
| 31. Totals (Lines 27 to 30)..... | .26 | 604 | .627 | 14,989 |
| Reconciliation to Lines 2 and 21: | | | | |
| 32. Term additions..... | XXX..... | | XXX..... | |
| 33. Totals, extended term insurance..... | XXX..... | XXX..... | | |
| 34. Totals, whole life and endowment..... | | | | |
| 35. Totals (Lines 31 to 34)..... | .26 | 604 | .627 | 14,989 |

CLASSIFICATION OF AMOUNT OF INSURANCE (a) BY PARTICIPATING STATUS

| | Issued During Year (Included in Line 2) | | In Force End of Year (Included in Line 21) | |
|---|---|--------------------|--|--------------------|
| | 1 Non-Participating | 2 Participating | 3 Non-Participating | 4 Participating |
| 36. Industrial..... | | | | |
| 37. Ordinary..... | .604 | | | 14,989 |
| 38. Credit Life (Group and Individual)..... | | | | |
| 39. Group..... | 245,413 | | | .10,755,932 |
| 40. Totals (Lines 36 to 39)..... | 246,017 | .0 | .10,770,921 | .0 |

ADDITIONAL INFORMATION ON CREDIT LIFE AND GROUP INSURANCE

| | Credit Life | | Group | |
|---|---|------------------------------|-----------------------------|------------------------------|
| | 1 Number of Individual Policies and Group Certificates | 2 Amount of Insurance (a) | 3 Number of Certificates | 4 Amount of Insurance (a) |
| 41. Amount of insurance included in Line 2 ceded to other companies..... | XXX..... | | XXX..... | .440 |
| 42. Number in force end of year if the number under shared groups is counted on a pro-rata basis..... | | XXX..... | | XXX..... |
| 43. Federal Employees' Group Life Insurance included in Line 21..... | | | | |
| 44. Servicemen's Group Life Insurance included in Line 21..... | | | | |
| 45. Group Permanent Insurance included in Line 21..... | | | 71 | .1,114 |

ADDITIONAL ACCIDENTAL DEATH BENEFITS

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

BASIS OF CALCULATION OF ORDINARY TERM INSURANCE

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

POLICIES WITH DISABILITY PROVISIONS

| Disability Provision | Industrial | | Ordinary | | Credit | | Group | |
|----------------------------|-------------------------|------------------------------|-------------------------|------------------------------|-------------------------|------------------------------|-----------------------------|------------------------------|
| | 1 Number of Policies | 2 Amount of Insurance (a) | 3 Number of Policies | 4 Amount of Insurance (a) | 5 Number of Policies | 6 Amount of Insurance (a) | 7 Number of Certificates | 8 Amount of Insurance (a) |
| 48. Waiver of Premium..... | | | | | | | .120,726 | .3,887,585 |
| 49. Disability Income..... | | | | | | | | |
| 50. Extended Benefits..... | | | XXX..... | XXX..... | | | | |
| 51. Other..... | | | | | | | | |
| 52. Total..... | .0 | (b).....0 | 0 | (b).....0 | 0 | (b).....0 | .120,726 | (b).....3,887,585 |

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

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

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

SUPPLEMENTARY CONTRACTS

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

ANNUITIES

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

ACCIDENT AND HEALTH INSURANCE

| | Group | | Credit | | Other | |
|-------------------------------------|-------------------|------------------------|---------------|------------------------|---------------|------------------------|
| | 1 Certificates | 2 Premiums in force | 3 Policies | 4 Premiums in force | 5 Policies | 6 Premiums in force |
| 1. In force end of prior year..... | 30,549 | 8,117,779 | | | 254 | 709,775 |
| 2. Issued during year..... | 1,761 | (3,337,436) | | | 1,049 | 5,654,153 |
| 3. Reinsurance assumed..... | | | | | | |
| 4. Increased during year (net)..... | | XXX..... | | XXX..... | | XXX..... |
| 5. Total (Lines 1 to 4)..... | 32,310 | XXX..... | 0 | XXX..... | 1,303 | XXX..... |
| Deductions during year: | | | | | | |
| 6. Conversions..... | | XXX..... | XXX..... | XXX..... | XXX..... | XXX..... |
| 7. Decreased (net)..... | 4,383 | XXX..... | | XXX..... | .11 | XXX..... |
| 8. Reinsurance ceded..... | | XXX..... | | XXX..... | | XXX..... |
| 9. Totals (Lines 6 to 8)..... | 4,383 | XXX..... | 0 | XXX..... | .11 | XXX..... |
| 10. In force end of year..... | 27,927 | (a).....4,780,343 | 0 | (a)..... | 1,292 | (a).....6,363,928 |

DEPOSIT FUNDS AND DIVIDEND ACCUMULATIONS

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

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

Consumers Life Insurance Company

SCHEDULE T - PREMIUMS AND ANNUITY CONSIDERATIONS

Allocated by States and Territories

| States, Etc. | 1 Active Status | Direct Business Only | | | | | |
|---|--------------------|------------------------------|-----------------------------|--|---------------------------|--------------------------------|-----------------------------|
| | | Life Contracts | | 4 Accident and Health Insurance Premiums, Including Policy, Membership and Other Fees | 5 Other Considerations | 6 Total Columns 2 through 5 | 7 Deposit-Type Contracts |
| | | 2 Life Insurance Premiums | 3 Annuity Considerations | | | | |
| 1. Alabama..... | .AL..... | N..... | ..... | ..... | ..... | ..... | 0..... |
| 2. Alaska..... | .AK..... | N..... | ..... | ..... | ..... | ..... | 0..... |
| 3. Arizona..... | .AZ..... | L..... | ..... | ..... | ..... | ..... | 0..... |
| 4. Arkansas..... | .AR..... | L..... | ..... | ..... | ..... | ..... | 0..... |
| 5. California..... | .CA..... | N..... | ..... | ..... | ..... | ..... | 0..... |
| 6. Colorado..... | .CO..... | L..... | ..... | ..... | ..... | ..... | 0..... |
| 7. Connecticut..... | .CT..... | N..... | ..... | ..... | ..... | ..... | 0..... |
| 8. Delaware..... | .DE..... | L..... | ..... | ..... | ..... | ..... | 0..... |
| 9. District of Columbia..... | .DC..... | L..... | ..... | ..... | ..... | ..... | 0..... |
| 10. Florida..... | .FL..... | N..... | ..... | ..... | ..... | ..... | 0..... |
| 11. Georgia..... | .GA..... | L..... | 21,534..... | ..... | 1,463..... | ..... | 22,997..... |
| 12. Hawaii..... | .HI..... | N..... | ..... | ..... | ..... | ..... | 0..... |
| 13. Idaho..... | .ID..... | N..... | ..... | ..... | ..... | ..... | 0..... |
| 14. Illinois..... | .IL..... | L..... | ..... | ..... | ..... | ..... | 0..... |
| 15. Indiana..... | .IN..... | L..... | 33,790..... | ..... | 18,377..... | ..... | 52,167..... |
| 16. Iowa..... | .IA..... | L..... | ..... | ..... | ..... | ..... | 0..... |
| 17. Kansas..... | .KS..... | L..... | ..... | ..... | ..... | ..... | 0..... |
| 18. Kentucky..... | .KY..... | L..... | ..... | ..... | ..... | ..... | 0..... |
| 19. Louisiana..... | .LA..... | L..... | ..... | ..... | ..... | ..... | 0..... |
| 20. Maine..... | .ME..... | N..... | ..... | ..... | ..... | ..... | 0..... |
| 21. Maryland..... | .MD..... | L..... | ..... | ..... | ..... | ..... | 0..... |
| 22. Massachusetts..... | .MA..... | N..... | ..... | ..... | ..... | ..... | 0..... |
| 23. Michigan..... | .MI..... | L..... | 1,049,627..... | ..... | 11,973..... | ..... | 1,061,600..... |
| 24. Minnesota..... | .MN..... | L..... | ..... | ..... | ..... | ..... | 0..... |
| 25. Mississippi..... | .MS..... | L..... | ..... | ..... | ..... | ..... | 0..... |
| 26. Missouri..... | .MO..... | L..... | ..... | ..... | ..... | ..... | 0..... |
| 27. Montana..... | .MT..... | L..... | ..... | ..... | ..... | ..... | 0..... |
| 28. Nebraska..... | .NE..... | L..... | ..... | ..... | ..... | ..... | 0..... |
| 29. Nevada..... | .NV..... | L..... | ..... | ..... | ..... | ..... | 0..... |
| 30. New Hampshire..... | .NH..... | N..... | ..... | ..... | ..... | ..... | 0..... |
| 31. New Jersey..... | .NJ..... | L..... | ..... | ..... | ..... | ..... | 0..... |
| 32. New Mexico..... | .NM..... | L..... | ..... | ..... | ..... | ..... | 0..... |
| 33. New York..... | .NY..... | N..... | ..... | ..... | ..... | ..... | 0..... |
| 34. North Carolina..... | .NC..... | N..... | ..... | ..... | ..... | ..... | 0..... |
| 35. North Dakota..... | .ND..... | L..... | ..... | ..... | ..... | ..... | 0..... |
| 36. Ohio..... | .OH..... | L..... | 23,245,895..... | ..... | 11,196,915..... | ..... | 34,442,810..... |
| 37. Oklahoma..... | .OK..... | L..... | ..... | ..... | ..... | ..... | 0..... |
| 38. Oregon..... | .OR..... | L..... | ..... | ..... | ..... | ..... | 0..... |
| 39. Pennsylvania..... | .PA..... | L..... | 1,311..... | ..... | 986..... | ..... | 2,297..... |
| 40. Rhode Island..... | .RI..... | N..... | ..... | ..... | ..... | ..... | 0..... |
| 41. South Carolina..... | .SC..... | L..... | 89,652..... | ..... | 70,508..... | ..... | 160,160..... |
| 42. South Dakota..... | .SD..... | L..... | ..... | ..... | ..... | ..... | 0..... |
| 43. Tennessee..... | .TN..... | N..... | ..... | ..... | ..... | ..... | 0..... |
| 44. Texas..... | .TX..... | L..... | ..... | ..... | ..... | ..... | 0..... |
| 45. Utah..... | .UT..... | L..... | ..... | ..... | ..... | ..... | 0..... |
| 46. Vermont..... | .VT..... | N..... | ..... | ..... | ..... | ..... | 0..... |
| 47. Virginia..... | .VA..... | L..... | ..... | ..... | ..... | ..... | 0..... |
| 48. Washington..... | .WA..... | N..... | ..... | ..... | ..... | ..... | 0..... |
| 49. West Virginia..... | .WV..... | L..... | 3,354..... | ..... | ..... | ..... | 3,354..... |
| 50. Wisconsin..... | .WI..... | L..... | ..... | ..... | ..... | ..... | 0..... |
| 51. Wyoming..... | .WY..... | L..... | ..... | ..... | ..... | ..... | 0..... |
| 52. American Samoa..... | .AS..... | N..... | ..... | ..... | ..... | ..... | 0..... |
| 53. Guam..... | .GU..... | N..... | ..... | ..... | ..... | ..... | 0..... |
| 54. Puerto Rico..... | .PR..... | N..... | ..... | ..... | ..... | ..... | 0..... |
| 55. US Virgin Islands..... | .VI..... | N..... | ..... | ..... | ..... | ..... | 0..... |
| 56. Northern Mariana Islands..... | .MP..... | N..... | ..... | ..... | ..... | ..... | 0..... |
| 57. Canada..... | .CAN..... | N..... | ..... | ..... | ..... | ..... | 0..... |
| 58. Aggregate Other Alien..... | .OT..... | XXX..... | 0..... | 0..... | 0..... | 0..... | 0..... |
| 59. Subtotal..... | | (a)....35 | 24,445,163..... | 0..... | 11,300,222..... | 0..... | 35,745,385..... |
| 90. Reporting entity contributions for employee benefit plans..... | | XXX..... | ..... | ..... | ..... | ..... | 0..... |
| 91. Dividends or refunds applied to purchase paid-up additions and annuities..... | | XXX..... | ..... | ..... | ..... | ..... | 0..... |
| 92. Dividends or refunds applied to shorten endowment or premium paying period..... | | XXX..... | ..... | ..... | ..... | ..... | 0..... |
| 93. Premium or annuity considerations waived under disability or other contract provisions..... | | XXX..... | ..... | ..... | ..... | ..... | 0..... |
| 94. Aggregate other amounts not allocable by State..... | | XXX..... | 0..... | 0..... | 0..... | 0..... | 0..... |
| 95. Totals (Direct Business)..... | | XXX..... | 24,445,163..... | 0..... | 11,300,222..... | 0..... | 35,745,385..... |
| 96. Plus reinsurance assumed..... | | XXX..... | ..... | ..... | ..... | ..... | 0..... |
| 97. Totals (All Business)..... | | XXX..... | 24,445,163..... | 0..... | 11,300,222..... | 0..... | 35,745,385..... |
| 98. Less reinsurance ceded..... | | XXX..... | 2,021,349..... | ..... | 2,334,431..... | ..... | 4,355,780..... |
| 99. Totals (All Business) less reinsurance ceded..... | | XXX..... | 22,423,814..... | 0..... | 8,965,791..... | 0..... | 31,389,605..... |

DETAILS OF WRITE-INS

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

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

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

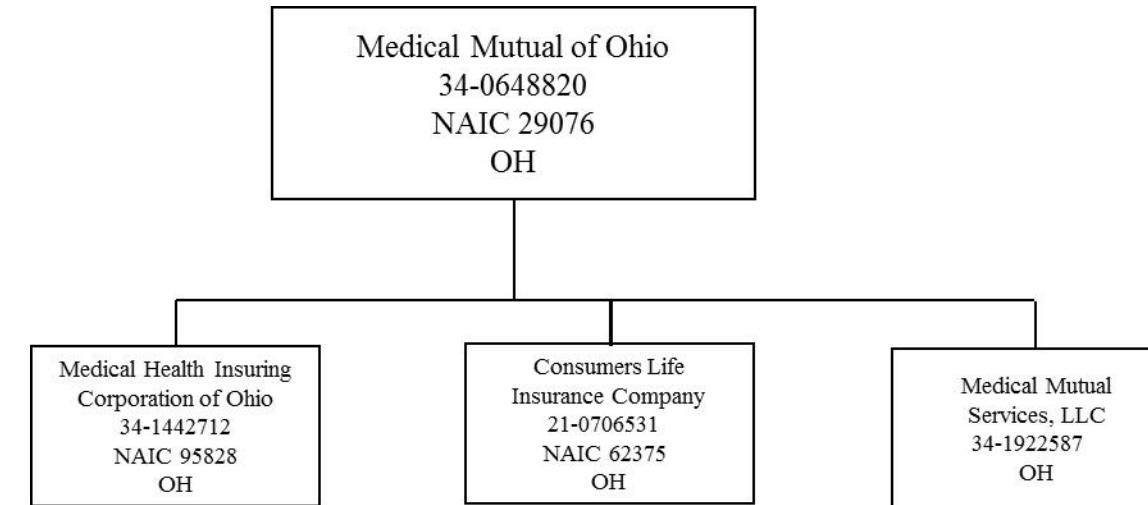
Premiums are allocated based upon the location of the group's home office or the individual's home address.

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

Schedule H, Part 1, Column 1, Line 1

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

PART 1 – ORGANIZATIONAL CHART



2016 ALPHABETICAL INDEX
LIFE ANNUAL STATEMENT BLANK

| | | | |
|---|------|--|------|
| Analysis of Increase in Reserves During The Year | 7 | Schedule D – Part 2 – Section 1 | E11 |
| Analysis of Operations By Lines of Business | 6 | Schedule D – Part 2 – Section 2 | E12 |
| Asset Valuation Reserve Default Component | 30 | Schedule D – Part 3 | E13 |
| Asset Valuation Reserve Equity | 32 | Schedule D – Part 4 | E14 |
| Asset Valuation Reserve Replications (Synthetic) Assets | 35 | Schedule D – Part 5 | E15 |
| Asset Valuation Reserve | 29 | Schedule D – Part 6 – Section 1 | E16 |
| Assets | 2 | Schedule D – Part 6 – Section 2 | E16 |
| Cash Flow | 5 | Schedule D – Summary By Country | SI04 |
| Exhibit 1 – Part 1 – Premiums and Annuity Considerations for Life and Accident and Health Contracts | 9 | Schedule D – Verification Between Years | SI03 |
| Exhibit 1 – Part 2 – Dividends and Coupons Applied, Reinsurance Commissions and Expense | 10 | Schedule DA – Part 1 | E17 |
| Exhibit 2 – General Expenses | 11 | Schedule DA – Verification Between Years | SI10 |
| Exhibit 3 – Taxes, Licenses and Fees (Excluding Federal Income Taxes) | 11 | Schedule DB – Part A – Section 1 | E18 |
| Exhibit 4 – Dividends or Refunds | 11 | Schedule DB – Part A – Section 2 | E19 |
| Exhibit 5 – Aggregate Reserve for Life Contracts | 12 | Schedule DB – Part A – Verification Between Years | SI11 |
| Exhibit 5 – Interrogatories | 13 | Schedule DB – Part B – Section 1 | E20 |
| Exhibit 5A – Changes in Bases of Valuation During The Year | 13 | Schedule DB – Part B – Section 2 | E21 |
| Exhibit 6 – Aggregate Reserves for Accident and Health Contracts | 14 | Schedule DB – Part B – Verification Between Years | SI11 |
| Exhibit 7 – Deposit-Type Contracts | 15 | Schedule DB – Part C – Section 1 | SI12 |
| Exhibit 8 – Claims for Life and Accident and Health Contracts – Part 1 | 16 | Schedule DB – Part C – Section 2 | SI13 |
| Exhibit 8 – Claims for Life and Accident and Health Contracts – Part 2 | 17 | Schedule DB – Part D – Section 1 | E22 |
| Exhibit of Capital Gains (Losses) | 8 | Schedule DB – Part D – Section 2 | E23 |
| Exhibit of Life Insurance | 25 | Schedule DB – Verification | SI14 |
| Exhibit of Net Investment Income | 8 | Schedule DL – Part 1 | E24 |
| Exhibit of Nonadmitted Assets | 18 | Schedule DL – Part 2 | E25 |
| Exhibit of Number of Policies, Contracts, Certificates, Income Payable and Account Values | 27 | Schedule E – Part 1 – Cash | E26 |
| Five-Year Historical Data | 22 | Schedule E – Part 2 – Cash Equivalents | E27 |
| Form for Calculating the Interest Maintenance Reserve (IMR) | 28 | Schedule E – Part 3 – Special Deposits | E28 |
| General Interrogatories | 20 | Schedule E – Verification Between Years | SI15 |
| Jurat Page | 1 | Schedule F | 36 |
| Liabilities, Surplus and Other Funds | 3 | Schedule H – Accident and Health Exhibit – Part 1 | 37 |
| Life Insurance (State Page) | 24 | Schedule H – Part 2, Part 3 and Part 4 | 38 |
| Notes To Financial Statements | 19 | Schedule H – Part 5 – Health Claims | 39 |
| Overflow Page For Write-ins | 55 | Schedule S – Part 1 – Section 1 | 40 |
| Schedule A – Part 1 | E01 | Schedule S – Part 1 – Section 2 | 41 |
| Schedule A – Part 2 | E02 | Schedule S – Part 2 | 42 |
| Schedule A – Part 3 | E03 | Schedule S – Part 3 – Section 1 | 43 |
| Schedule A – Verification Between Years | SI02 | Schedule S – Part 3 – Section 2 | 44 |
| Schedule B – Part 1 | E04 | Schedule S – Part 4 | 45 |
| Schedule B – Part 2 | E05 | Schedule S – Part 5 | 46 |
| Schedule B – Part 3 | E06 | Schedule S – Part 6 | 47 |
| Schedule B – Verification Between Years | SI02 | Schedule S – Part 7 | 48 |
| Schedule BA – Part 1 | E07 | Schedule T – Part 2 Interstate Compact | 50 |
| Schedule BA – Part 2 | E08 | Schedule T – Premiums and Annuity Considerations | 49 |
| Schedule BA – Part 3 | E09 | Schedule Y – Information Concerning Activities of Insurer Members of a Holding Company Group | 51 |
| Schedule BA – Verification Between Years | SI03 | Schedule Y – Part 1A – Detail of Insurance Holding Company System | 52 |
| Schedule D – Part 1 | E10 | Schedule Y – Part 2 – Summary of Insurer's Transactions With Any Affiliates | 53 |
| Schedule D – Part 1A – Section 1 | SI05 | Summary Investment Schedule | SI01 |
| Schedule D – Part 1A – Section 2 | SI08 | Summary of Operations | 4 |
| | | Supplemental Exhibits and Schedules Interrogatories | 54 |