



LIFE AND ACCIDENT AND HEALTH COMPANIES - ASSOCIATION EDITION

# ANNUAL STATEMENT

FOR THE YEAR ENDED DECEMBER 31, 2016  
OF THE CONDITION AND AFFAIRS OF THE

# Western-Southern Life Assurance Company

NAIC Group Code 0836 0836 NAIC Company Code 92622 Employer's ID Number 31-1000236  
(Current) (Prior)

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

Country of Domicile United States of America

Incorporated/Organized 12/01/1980 Commenced Business 03/05/1981

Statutory Home Office \_\_\_\_\_ 400 Broadway \_\_\_\_\_, Cincinnati, OH, US 45202  
(Street and Number) \_\_\_\_\_ (City or Town, State, County and Zip Code)

Main Administrative Office 400 Broadway

**Cincinnati , OH, US 45202**, **(Street and Number)** **513-629-1800**  
**(City or Town, State, Country and Zip Code)** **(Area Code) (Telephone Number)**

Mail Address 400 Broadway Cincinnati, OH, US 45202

(Street and Number or P.O. Box) (City or Town, State, Country and Zip Code)

**Cincinnati , OH, US 45202**, **(Street and Number)** **513-629-1800**  
**(City or Town, State, Country and Zip Code)** **(Area Code) (Telephone Number)**

Internet Website Address WWW.WesternSouthernLife.com

Statutory Statement Contact Wade Matthew Fugate, 513-629-1402  
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## OFFICERS

Chairman of Board,  
President & CEO John Finn Barrett  
Secretary and Counsel Donald Joseph Ruebbling

OTHER	
James Howard Acton Jr. #, VP	Edward Joseph Babbitt, VP, Sr Counsel
Daniel Joseph Carter #, VP	Karen Ann Chamberlain, Sr VP, Chief Information Officer
Keith Terrill Clark, MD, VP, Medical Director	James Joseph DeLuca, VP
Lisa Beth Fangman, VP	Wade Matthew Fugate #, VP, Controller
Daniel Wayne Harris, Sr VP, Chief Actuary	David Todd Henderson, Sr VP, Chief Risk Officer
Kevin Louis Howard, Sr VP, Deputy Gen Counsel	Bradley Joseph Hunkler, Sr VP, Chief Financial Officer
Narendra Varma Kanteti, VP	Philip Earl King, VP, Auditor
Linda Marie Lake, VP	Roger Michael Lanham #, Sr VP, Co-Chief Inv Officer
Todd Anthony Lee #, VP	Matthew William Loveless, VP
Bruce William Maisel, VP, CCO	Jill Tripp McGruder, Sr VP, Chief Marketing Officer
Jonathan David Niemeyer, Sr VP, CAO, & Gen Counsel	Steven Owen Reeves, VP
Travis Daniel Schraffenberger #, VP	Luc Paul Sicotte, VP
Jeffrey Laurence Stainton, VP, Assoc Gen Counsel	Thomas Martin Stapleton, VP
James Joseph Vance, Sr VP, Treasurer	Eric John Walzer #, VP
Troy Dale Brodie, Sr VP, Chief Marketing Officer	
Kim Rehling Chiodi, Sr VP	
Bryan Chalmer Dunn, Sr VP	
Stephen Paul Hamilton, VP	
Christopher Xavier Hill, VP	
Stephen Gale Hussey Jr., VP	
Michael Joseph Laatsch, VP	
Daniel Roger Larsen, VP, Tax	
Joseph Harlon Lynch Jr. #, VP	
Jimmy Joe Miller, Sr VP	
Mario Joseph San Marco, VP	
Denise Lynn Sparks, VP	
Gerald Joseph Ulland, VP	
Brendan Matthew White #, Sr VP, Co-Chief Inv Officer	

**DIRECTORS OR TRUSTEES**

State of Ohio SS: \_\_\_\_\_  
County of Hamilton \_\_\_\_\_

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.

John Finn Barrett  
Chairman of Board, President & CEO

Donald Joseph Wuebbling  
Secretary and Counsel

Wade Matthew Fugate  
VP and Controller

Subscribed and sworn to before me this  
22nd day of February, 2017

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

## 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) .....	10,087,795,015	0	10,087,795,015	10,217,365,911
2. Stocks (Schedule D):				
2.1 Preferred stocks .....	12,121,638	0	12,121,638	12,121,638
2.2 Common stocks .....	322,792,566	67,569,983	255,222,583	266,058,635
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens .....	821,277,610	0	821,277,610	788,310,062
3.2 Other than first liens .....			0	
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$ encumbrances) .....			0	
4.2 Properties held for the production of income (less \$ encumbrances) .....			0	
4.3 Properties held for sale (less \$ encumbrances) .....			0	
5. Cash (\$ 18,603,123, Schedule E - Part 1), cash equivalents (\$ 37,440,662, Schedule E - Part 2) and short-term investments (\$ 38,131,887, Schedule DA) .....	94,175,672	0	94,175,672	109,739,042
6. Contract loans (including \$ premium notes) .....	35,469,587	0	35,469,587	37,729,049
7. Derivatives (Schedule DB) .....	471,760	0	471,760	1,606,511
8. Other invested assets (Schedule BA) .....	236,263,420	0	236,263,420	223,079,309
9. Receivables for securities .....	3,581,164	0	3,581,164	15,694,417
10. Securities lending reinvested collateral assets (Schedule DL) .....	115,122	0	115,122	55,328,052
11. Aggregate write-ins for invested assets .....	0	0	0	7,660,127
12. Subtotals, cash and invested assets (Lines 1 to 11) .....	11,614,063,554	67,569,983	11,546,493,571	11,734,692,753
13. Title plants less \$ charged off (for Title insurers only) .....			0	
14. Investment income due and accrued .....	90,726,700	0	90,726,700	95,602,039
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection .....	1,277,589	0	1,277,589	892,612
15.2 Deferred premiums and agents' balances and installments booked but deferred and not yet due (including \$ earned but unbilled premiums) .....	20,801,168		20,801,168	20,338,225
15.3 Accrued retrospective premiums (\$ ) and contracts subject to redetermination (\$ ) .....			0	
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers .....	2,964,969	0	2,964,969	1,407,529
16.2 Funds held by or deposited with reinsured companies .....	624,511,965	0	624,511,965	625,434,856
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	15,250,724
18.2 Net deferred tax asset .....	29,837,232	0	29,837,232	24,081,417
19. Guaranty funds receivable or on deposit .....	1,018,704	0	1,018,704	1,147,749
20. Electronic data processing equipment and software .....			0	
21. Furniture and equipment, including health care delivery assets (\$ ) .....			0	
22. Net adjustment in assets and liabilities due to foreign exchange rates .....			0	
23. Receivables from parent, subsidiaries and affiliates .....			0	
24. Health care (\$ ) and other amounts receivable .....	49,457	34,152	15,305	0
25. Aggregate write-ins for other than invested assets .....	12,823,817	3,325,121	9,498,696	8,889,841
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25) .....	12,398,075,155	70,929,256	12,327,145,899	12,527,737,745
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts .....	22,910,876	0	22,910,876	25,637,723
28. Total (Lines 26 and 27) .....	12,420,986,031	70,929,256	12,350,056,775	12,553,375,468
<b>DETAILS OF WRITE-INS</b>				
1101. Receivables for Collateral on Derivatives .....	0		0	7,660,127
1102. .....				
1103. .....				
1198. Summary of remaining write-ins for Line 11 from overflow page .....	0	0	0	0
1199. Totals (Lines 1101 thru 1103 plus 1198)(Line 11 above) .....	0	0	0	7,660,127
2501. CSV of Company Owned Life Insurance .....	9,498,696	0	9,498,696	8,889,841
2502. Disallowed IMR .....	3,325,121	3,325,121	0	0
2503. .....				
2598. Summary of remaining write-ins for Line 25 from overflow page .....	0	0	0	0
2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above) .....	12,823,817	3,325,121	9,498,696	8,889,841

ANNUAL STATEMENT FOR THE YEAR 2016 OF THE Western-Southern Life Assurance Company  
**LIABILITIES, SURPLUS AND OTHER FUNDS**

	1 Current Year	2 Prior Year
1. Aggregate reserve for life contracts \$ ..... 9,308,513,705 (Exh. 5, Line 9999999) less \$ ..... included in Line 6.3 (including \$ ..... Modco Reserve) .....	9,308,513,705	9,565,248,140
2. Aggregate reserve for accident and health contracts (including \$ ..... Modco Reserve) .....	0	
3. Liability for deposit-type contracts (Exhibit 7, Line 14, Col. 1) (including \$ ..... Modco Reserve) .....	1,461,456,361	1,413,140,189
4. Contract claims:		
4.1 Life (Exhibit 8, Part 1, Line 4.4, Col. 1 less sum of Cols. 9, 10 and 11) .....	26,090,848	24,765,810
4.2 Accident and health (Exhibit 8, Part 1, Line 4.4, sum of Cols. 9, 10 and 11) .....	0	
5. Policyholders' dividends \$ ..... and coupons \$ ..... due and unpaid (Exhibit 4, Line 10) .....	0	
6. Provision for policyholders' dividends and coupons payable in following calendar year - estimated amounts:		
6.1 Dividends apportioned for payment (including \$ ..... Modco) .....	0	
6.2 Dividends not yet apportioned (including \$ ..... Modco) .....	0	
6.3 Coupons and similar benefits (including \$ ..... Modco) .....	0	
7. Amount provisionally held for deferred dividend policies not included in Line 6 .....		
8. Premiums and annuity considerations for life and accident and health contracts received in advance less \$ ..... discount; including \$ ..... 0 accident and health premiums (Exhibit 1, Part 1, Col. 1, sum of lines 4 and 14) .....	373,717	603,763
9. Contract liabilities not included elsewhere:		
9.1 Surrender values on canceled contracts .....		
9.2 Provision for experience rating refunds, including the liability of \$ ..... accident and health experience rating refunds of which \$ ..... 0 is for medical loss ratio rebate per the Public Health Service Act .....		
9.3 Other amounts payable on reinsurance, including \$ ..... 56,250 assumed and \$ ..... 1,482,451 ceded .....	1,538,701	1,416,719
9.4 Interest maintenance reserve (IMR, Line 6) .....		
10. Commissions to agents due or accrued-life and annuity contracts \$ ..... 1,318,151 accident and health \$ ..... and deposit-type contract funds \$ ..... .....	1,318,151	1,185,670
11. Commissions and expense allowances payable on reinsurance assumed .....	754,767	1,249,596
12. General expenses due or accrued (Exhibit 2, Line 12, Col. 6) .....	0	
13. Transfers to Separate Accounts due or accrued (net) (including \$ ..... (98,883) accrued for expense allowances recognized in reserves, net of reinsured allowances) .....	(176,812)	(491,777)
14. Taxes, licenses and fees due or accrued, excluding federal income taxes (Exhibit 3, Line 9, Col. 5) .....	2,843,886	2,727,131
15.1 Current federal and foreign income taxes, including \$ ..... 231,699 on realized capital gains (losses) .....	647,101	
15.2 Net deferred tax liability .....		
16. Unearned investment income .....	916,290	979,774
17. Amounts withheld or retained by company as agent or trustee .....	517,776	14,551
18. Amounts held for agents' account, including \$ ..... agents' credit balances .....		
19. Remittances and items not allocated .....	7,000,822	5,369,882
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 \$ ..... .....		
23. Dividends to stockholders declared and unpaid .....		
24. Miscellaneous liabilities:		
24.01 Asset valuation reserve (AVR, Line 16, Col. 7) .....	148,102,004	149,420,626
24.02 Reinsurance in unauthorized and certified (\$ ..... 0 ) companies .....	0	
24.03 Funds held under reinsurance treaties with unauthorized and certified (\$ ..... ) reinsurers .....		
24.04 Payable to parent, subsidiaries and affiliates .....	11,816,479	12,817,200
24.05 Drafts outstanding .....		
24.06 Liability for amounts held under uninsured plans .....		
24.07 Funds held under coinsurance .....		
24.08 Derivatives .....	0	7,158,837
24.09 Payable for securities .....	22,224,627	849,721
24.10 Payable for securities lending .....	238,325,450	340,262,163
24.11 Capital notes \$ ..... and interest thereon \$ ..... .....		
25. Aggregate write-ins for liabilities .....	2,043,949	5,783,673
26. Total liabilities excluding Separate Accounts business (Lines 1 to 25) .....	11,234,307,822	11,532,501,668
27. From Separate Accounts Statement .....	22,910,876	25,637,723
28. Total liabilities (Lines 26 and 27) .....	11,257,218,698	11,558,139,391
29. Common capital stock .....	2,500,000	2,500,000
30. Preferred capital stock .....		
31. Aggregate write-ins for other than special surplus funds .....	0	0
32. Surplus notes .....	0	0
33. Gross paid in and contributed surplus (Page 3, Line 33, Col. 2 plus Page 4, Line 51.1, Col. 1) .....	791,308,064	791,308,064
34. Aggregate write-ins for special surplus funds .....	0	0
35. Unassigned funds (surplus) .....	299,030,013	201,428,013
36. Less treasury stock, at cost:		
36.1 ..... shares common (value included in Line 29 \$ ..... ) .....		
36.2 ..... shares preferred (value included in Line 30 \$ ..... ) .....		
37. Surplus (Total Lines 31+32+33+34+35-36) (including \$ ..... 0 in Separate Accounts Statement) .....	1,090,338,077	992,736,077
38. Totals of Lines 29, 30 and 37 (Page 4, Line 55) .....	1,092,838,077	995,236,077
39. Totals of Lines 28 and 38 (Page 2, Line 28, Col. 3) .....	12,350,056,775	12,553,375,468
<b>DETAILS OF WRITE-INS</b>		
2501. Uncashed drafts and checks pending escheatment to the state .....	1,117,611	1,214,591
2502. Unfunded Commitment to Low Income Tax Credit Property .....	726,338	1,891,504
2503. Payable for Collateral on Derivatives .....	200,000	2,677,578
2598. Summary of remaining write-ins for Line 25 from overflow page .....	0	0
2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above) .....	2,043,949	5,783,673
3101. .....		
3102. .....		
3103. .....		
3198. Summary of remaining write-ins for Line 31 from overflow page .....	0	0
3199. Totals (Lines 3101 thru 3103 plus 3198)(Line 31 above) .....	0	0
3401. .....		
3402. .....		
3403. .....		
3498. Summary of remaining write-ins for Line 34 from overflow page .....	0	0
3499. Totals (Lines 3401 thru 3403 plus 3498)(Line 34 above) .....	0	0

**ANNUAL STATEMENT FOR THE YEAR 2016 OF THE Western-Southern Life Assurance 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) .....	612,120,520	578,631,912
2. Considerations for supplementary contracts with life contingencies .....	2,718,614	4,747,217
3. Net investment income (Exhibit of Net Investment Income, Line 17) .....	480,104,239	514,845,355
4. Amortization of Interest Maintenance Reserve (IMR, Line 5) .....	(586,477)	3,964,569
5. Separate Accounts net gain from operations excluding unrealized gains or losses .....	0	0
6. Commissions and expense allowances on reinsurance ceded (Exhibit 1, Part 2, Line 26.1, Col. 1) .....	0	0
7. Reserve adjustments on reinsurance ceded .....	0	0
8. Miscellaneous Income:		
8.1 Income from fees associated with investment management, administration and contract guarantees from Separate Accounts .....	276,604	340,086
8.2 Charges and fees for deposit-type contracts .....	2,383	2,764
8.3 Aggregate write-ins for miscellaneous income .....	28,964,846	32,715,609
9. Total (Lines 1 to 8.3) .....	1,123,600,729	1,135,247,512
10. Death benefits .....	206,855,111	193,063,814
11. Matured endowments (excluding guaranteed annual pure endowments) .....	1,992,186	1,816,385
12. Annuity benefits (Exhibit 8, Part 2, Line 6.4, Cols. 4 + 8) .....	264,310,902	271,448,285
13. Disability benefits and benefits under accident and health contracts .....	2,564,328	2,626,805
14. Coupons, guaranteed annual pure endowments and similar benefits .....	0	0
15. Surrender benefits and withdrawals for life contracts .....	601,650,866	657,760,648
16. Group conversions .....	0	0
17. Interest and adjustments on contract or deposit-type contract funds .....	32,039,772	47,514,965
18. Payments on supplementary contracts with life contingencies .....	3,327,937	3,297,776
19. Increase in aggregate reserves for life and accident and health contracts .....	(256,734,434)	(322,865,468)
20. Totals (Lines 10 to 19) .....	856,006,668	854,663,210
21. Commissions on premiums, annuity considerations, and deposit-type contract funds (direct business only) (Exhibit 1, Part 2, Line 31, Col. 1) .....	33,187,492	29,448,728
22. Commissions and expense allowances on reinsurance assumed (Exhibit 1, Part 2, Line 26.2, Col. 1) .....	2,250,787	2,425,111
23. General insurance expenses (Exhibit 2, Line 10, Cols. 1, 2, 3 and 4) .....	90,696,385	94,540,347
24. Insurance taxes, licenses and fees, excluding federal income taxes (Exhibit 3, Line 7, Cols. 1 + 2 + 3) .....	7,642,261	7,930,893
25. Increase in loading on deferred and uncollected premiums .....	(750,190)	(615,947)
26. Net transfers to or (from) Separate Accounts net of reinsurance .....	(3,605,497)	(5,939,637)
27. Aggregate write-ins for deductions .....	4,541,899	5,013,658
28. Totals (Lines 20 to 27) .....	989,969,805	987,466,363
29. Net gain from operations before dividends to policyholders and federal income taxes (Line 9 minus Line 28) .....	133,630,924	147,781,149
30. Dividends to policyholders .....	0	0
31. Net gain from operations after dividends to policyholders and before federal income taxes (Line 29 minus Line 30) .....	133,630,924	147,781,149
32. Federal and foreign income taxes incurred (excluding tax on capital gains) .....	46,082,145	56,607,836
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) .....	87,548,779	91,173,313
34. Net realized capital gains (losses) (excluding gains (losses) transferred to the IMR) less capital gains tax of \$ (2,595,827) (excluding taxes of \$ 1,981,086 transferred to the IMR) .....	(32,326,551)	(23,204,041)
35. Net income (Line 33 plus Line 34) .....	55,222,228	67,969,272
<b>CAPITAL AND SURPLUS ACCOUNT</b>		
36. Capital and surplus, December 31, prior year (Page 3, Line 38, Col. 2) .....	995,236,077	1,051,343,926
37. Net income (Line 35) .....	55,222,228	67,969,272
38. Change in net unrealized capital gains (losses) less capital gains tax of \$ 8,519,691 .....	27,204,767	56,518,309
39. Change in net unrealized foreign exchange capital gain (loss) .....		
40. Change in net deferred income tax .....	14,275,507	12,759,844
41. Change in nonadmitted assets .....	(419,124)	(17,438,699)
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 .....	0	0
44. Change in asset valuation reserve .....	1,318,622	3,083,425
45. Change in treasury stock (Page 3, Lines 36.1 and 36.2, Col. 2 minus Col. 1) .....	0	0
46. Surplus (contributed to) withdrawn from Separate Accounts during period .....		
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 .....	0	0
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 .....		(179,000,000)
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) .....	97,602,000	(56,107,849)
55. Capital and surplus, December 31, current year (Lines 36 + 54) (Page 3, Line 38) .....	1,092,838,077	995,236,077
<b>DETAILS OF WRITE-INS</b>		
08.301. Reinsurance Assumed - Interest on Coinsurance Funds Withheld .....	28,343,155	32,694,954
08.302. Company Owned Life Insurance .....	608,854	0
08.303. Miscellaneous Income .....	12,837	20,655
08.398. Summary of remaining write-ins for Line 8.3 from overflow page .....	0	0
08.399. Totals (Lines 08.301 thru 08.303 plus 08.398)(Line 8.3 above) .....	28,964,846	32,715,609
2701. Pension Expense .....	2,455,817	3,278,077
2702. Securities Lending Interest Expense .....	2,086,082	1,391,218
2703. Company Owned Life Insurance .....		344,363
2798. Summary of remaining write-ins for Line 27 from overflow page .....	0	0
2799. Totals (Lines 2701 thru 2703 plus 2798)(Line 27 above) .....	4,541,899	5,013,658
5301. .....		
5302. .....		
5303. .....		
5398. Summary of remaining write-ins for Line 53 from overflow page .....	0	0
5399. Totals (Lines 5301 thru 5303 plus 5398)(Line 53 above) .....	0	0

**ANNUAL STATEMENT FOR THE YEAR 2016 OF THE Western-Southern Life Assurance Company**  
**CASH FLOW**

	1 Current Year	2 Prior Year
<b>Cash from Operations</b>		
1. Premiums collected net of reinsurance .....	614,511,358	583,325,693
2. Net investment income .....	522,311,414	566,261,104
3. Miscellaneous income .....	29,557,869	47,045,489
4. Total (Lines 1 through 3) .....	1,166,380,641	1,196,632,286
5. Benefit and loss related payments .....	1,112,761,475	1,176,281,200
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts .....	(3,920,462)	(8,244,781)
7. Commissions, expenses paid and aggregate write-ins for deductions .....	137,848,230	138,511,905
8. Dividends paid to policyholders .....	0	0
9. Federal and foreign income taxes paid (recovered) net of \$ ..... (591,553) tax on capital gains (losses) .....	29,545,812	61,766,889
10. Total (Lines 5 through 9) .....	1,276,235,055	1,368,315,213
11. Net cash from operations (Line 4 minus Line 10) .....	(109,854,414)	(171,682,927)
<b>Cash from Investments</b>		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds .....	2,275,919,272	2,545,157,245
12.2 Stocks .....	33,374,056	11,593,483
12.3 Mortgage loans .....	95,171,609	90,158,978
12.4 Real estate .....	0	0
12.5 Other invested assets .....	1,850,650	5,651,762
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments .....	(78,448)	(31,657)
12.7 Miscellaneous proceeds .....	97,502,133	261,545,099
12.8 Total investment proceeds (Lines 12.1 to 12.7) .....	2,503,739,272	2,914,074,910
13. Cost of investments acquired (long-term only):		
13.1 Bonds .....	2,191,562,903	2,093,119,718
13.2 Stocks .....	12,164,380	12,338,325
13.3 Mortgage loans .....	128,152,262	179,527,378
13.4 Real estate .....	0	0
13.5 Other invested assets .....	2,830,424	11,406,247
13.6 Miscellaneous applications .....	0	97,116,785
13.7 Total investments acquired (Lines 13.1 to 13.6) .....	2,334,709,969	2,393,508,453
14. Net increase (decrease) in contract loans and premium notes .....	(2,259,462)	(1,949,932)
15. Net cash from investments (Line 12.8 minus Line 13.7 minus Line 14) .....	171,288,765	522,516,389
<b>Cash from Financing and Miscellaneous Sources</b>		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes .....	0	0
16.2 Capital and paid in surplus, less treasury stock .....	0	0
16.3 Borrowed funds .....	0	0
16.4 Net deposits on deposit-type contracts and other insurance liabilities .....	48,316,172	(210,462,489)
16.5 Dividends to stockholders .....	0	79,897,825
16.6 Other cash provided (applied) .....	(125,313,893)	(59,276,778)
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6) .....	(76,997,721)	(349,637,092)
<b>RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS</b>		
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17) .....	(15,563,370)	1,196,370
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year .....	109,739,042	108,542,672
19.2 End of year (Line 18 plus Line 19.1) .....	94,175,672	109,739,042

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

20.0001. Dividend to parent in the form of debt securities .....	(99,102,175)
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**ANNUAL STATEMENT FOR THE YEAR 2016 OF THE Western-Southern Life Assurance Company**

**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	612,120,520	0	336,657,878	274,976,339	2,718,614	0	0	486,303	0	0	0	0
2. Considerations for supplementary contracts with life contingencies	2,718,614											
3. Net investment income	480,104,239		81,410,859	380,530,672	3,408,376			634,504				14,119,828
4. Amortization of Interest Maintenance Reserve (IMR)	(586,477)		(98,213)	(459,754)	(4,164)			(775)				(23,571)
5. Separate Accounts net gain from operations excluding unrealized gains or losses	0											
6. Commissions and expense allowances on reinsurance ceded	0	0	0	0	0	0	0	0	0	0	0	0
7. Reserve adjustments on reinsurance ceded	0											
8. Miscellaneous Income:												
8.1 Fees associated with income from investment management, administration and contract guarantees from Separate Accounts	276,604			276,604								
8.2 Charges and fees for deposit-type contracts	2,383			2,383								
8.3 Aggregate write-ins for miscellaneous income	28,964,846	0	16,157,153	12,198,839	0	0	0	0	0	0	0	608,854
9. Totals (Lines 1 to 8.3)	1,123,600,729	0	434,127,677	667,525,083	6,122,826	0	0	1,120,032	0	0	0	14,705,111
10. Death benefits	206,855,111		206,855,111									
11. Matured endowments (excluding guaranteed annual pure endowments)	1,992,186		1,992,186									
12. Annuity benefits	264,310,902			263,160,820				1,150,082				
13. Disability benefits and benefits under accident and health contracts	2,564,328		2,564,328									
14. Coupons, guaranteed annual pure endowments and similar benefits	0											
15. Surrender benefits and withdrawals for life contracts	601,650,866		32,944,484	568,706,382								
16. Group conversions	0											
17. Interest and adjustments on contract or deposit-type contract funds	32,039,772		205,532	29,980,106	1,860,558			(6,424)				
18. Payments on supplementary contracts with life contingencies	3,327,937				3,327,937							
19. Increase in aggregate reserves for life and accident and health contracts	(256,734,434)			94,648,990	(350,763,851)	(504,687)			(114,886)			
20. Totals (Lines 10 to 19)	856,006,668	0	339,210,631	511,083,457	4,683,808	0	0	1,028,772	0	0	0	0
21. Commissions on premiums, annuity considerations and deposit-type contract funds (direct business only)	33,187,492	0	23,962,025	9,193,679		0	0	31,788	0	0	0	0
22. Commissions and expense allowances on reinsurance assumed	2,250,787	0	1,397,055	853,732		0	0	0	0	0	0	0
23. General insurance expenses	90,696,385		40,814,914	15,225,197	119,525			393,680				34,143,069
24. Insurance taxes, licenses and fees, excluding federal income taxes	7,642,261		5,931,987	1,633,065	5,114			19,389				52,706
25. Increase in loading on deferred and uncollected premiums	(750,190)											
26. Net transfers to or (from) Separate Accounts net of reinsurance	(3,605,497)											
27. Aggregate write-ins for deductions	4,541,899	0	1,127,416	488,594	4,369	0	0	17,544	0	0	0	2,903,976
28. Totals (Lines 20 to 27)	989,969,805	0	411,693,838	534,872,227	4,812,816	0	0	1,491,173	0	0	0	37,099,751
29. Net gain from operations before dividends to policyholders and federal income taxes (Line 9 minus Line 28)	133,630,924	0	22,433,839	132,652,856	1,310,010	0	0	(371,141)	0	0	0	(22,394,640)
30. Dividends to policyholders	0											0
31. Net gain from operations after dividends to policyholders and before federal income taxes (Line 29 minus Line 30)	133,630,924	0	22,433,839	132,652,856	1,310,010	0	0	(371,141)	0	0	0	(22,394,640)
32. Federal income taxes incurred (excluding tax on capital gains)	46,082,145		7,851,844	46,428,500	458,504			(129,899)				(8,526,802)
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)	87,548,779	0	14,581,995	86,224,356	851,507	0	0	(241,242)	0	0	0	(13,867,838)
<b>DETAILS OF WRITE-INS</b>												
08.301. Reinsurance Assumed-Interest on Coinsurance Funds Withheld	28,343,155		16,157,153	12,186,002								
08.302. Company Owned Life Insurance	608,854											608,854
08.303. Miscellaneous Income	12,837			12,837								
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. Totals (Lines 08.301 thru 08.303 plus 08.398) (Line 8.3 above)	28,964,846	0	16,157,153	12,198,839	0	0	0	0	0	0	0	608,854
2701. Pension Expense	2,455,817		1,127,416	488,594	4,369			17,544				817,894
2702. Securities Lending Interest Expense	2,086,082											2,086,082
2703.	0											
2798. Summary of remaining write-ins for Line 27 from overflow page	0	0	1,127,416	488,594	4,369	0	0	17,544	0	0	0	0
2799. Totals (Lines 2701 thru 2703 plus 2798) (Line 27 above)	4,541,899	0	1,127,416	488,594	4,369	0	0	17,544	0	0	0	2,903,976

(a) Includes the following amounts for FEGLI/SGLI: Line 1 \_\_\_\_\_, Line 10 \_\_\_\_\_, Line 16 \_\_\_\_\_, Line 23 \_\_\_\_\_, Line 24 \_\_\_\_\_

## ANNUAL STATEMENT FOR THE YEAR 2016 OF THE Western-Southern Life Assurance Company

**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 .....	9,565,248,140	0	1,749,404,672	7,774,145,468	27,027,856	0	0	14,670,144			
2. Tabular net premiums or considerations .....	526,580,014		244,089,327	278,999,622	2,977,779			513,286			
3. Present value of disability claims incurred .....	210,789		210,789	0	XXX			0			
4. Tabular interest .....	264,257,933		83,388,752	179,398,047	947,043			524,091			
5. Tabular less actual reserve released .....	22,355,164		1,137,756	20,585,261	532,940			99,207			
6. Increase in reserve on account of change in valuation basis .....	0		0	0	0			0			
7. Other increases (net) .....	304,568		266,548	38,020	0			0			
8. Totals (Lines 1 to 7) .....	10,378,956,608	0	2,078,497,844	8,253,166,418	31,485,618	0	0	15,806,728			
9. Tabular cost .....	143,906,198		143,906,198	0	XXX			0			
10. Reserves released by death .....	23,784,171		23,784,171	XXX	XXX			XXX			
11. Reserves released by other terminations (net) .....	892,299,543		66,515,756	823,588,948	2,087,310			107,529			
12. Annuity, supplementary contract and disability payments involving life contingencies .....	12,866,413		2,610,233	6,237,100	2,875,139			1,143,941			
13. Net transfers to or (from) Separate Accounts .....	(2,413,424)		0	(2,413,424)	0			0			
14. Total Deductions (Lines 9 to 13) .....	1,070,442,901	0	236,816,358	827,412,624	4,962,449	0	0	1,251,470			
15. Reserve December 31, current year .....	9,308,513,707	0	1,841,681,486	7,425,753,794	26,523,169	0	0	14,555,258			

ANNUAL STATEMENT FOR THE YEAR 2016 OF THE Western-Southern Life Assurance Company  
**EXHIBIT OF NET INVESTMENT INCOME**

	1 Collected During Year	2 Earned During Year
1. U.S. Government bonds .....	(a) 6,327,791	6,378,203
1.1 Bonds exempt from U.S. tax .....	(a)	
1.2 Other bonds (unaffiliated) .....	(a) 432,834,046	427,813,029
1.3 Bonds of affiliates .....	(a)	
2.1 Preferred stocks (unaffiliated) .....	(b) 464,987	.464,987
2.11 Preferred stocks of affiliates .....	(b)	
2.2 Common stocks (unaffiliated) .....	.5,600,646	5,591,705
2.21 Common stocks of affiliates .....	.0	0
3. Mortgage loans .....	(c) 40,651,097	40,720,894
4. Real estate .....	(d)	
5. Contract loans .....	.2,576,055	2,629,906
6. Cash, cash equivalents and short-term investments .....	(e) 1,169,123	1,171,797
7. Derivative instruments .....	(f) 1,456,272	.792,928
8. Other invested assets .....	(1,496,205)	(1,501,434)
9. Aggregate write-ins for investment income .....	.2,713,787	2,713,787
10. Total gross investment income .....	492,297,599	486,775,802
11. Investment expenses .....	(g) 6,647,533	
12. Investment taxes, licenses and fees, excluding federal income taxes .....	(g) 24,030	
13. Interest expense .....	(h)	
14. Depreciation on real estate and other invested assets .....	(i)	0
15. Aggregate write-ins for deductions from investment income .....		
16. Total deductions (Lines 11 through 15) .....		6,671,563
17. Net investment income (Line 10 minus Line 16) .....		480,104,239
<b>DETAILS OF WRITE-INS</b>		
0901. Securities Lending Fee Income .....	1,828,429	1,828,429
0902. Miscellaneous .....	.885,358	.885,358
0903. .....	.0	0
0998. Summary of remaining write-ins for Line 9 from overflow page .....		
0999. Totals (Lines 0901 thru 0903 plus 0998) (Line 9, above) .....	2,713,787	2,713,787
1501. .....		
1502. .....		
1503. .....		
1598. Summary of remaining write-ins for Line 15 from overflow page .....		0
1599. Totals (Lines 1501 thru 1503 plus 1598) (Line 15, above) .....		0

(a) Includes \$ 7,742,952 accrual of discount less \$ 41,628,192 amortization of premium and less \$ 6,213,436 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 \$ accrual of discount less \$ 13,106 amortization of premium and less \$ paid for accrued interest on purchases.  
 (d) Includes \$ for company's occupancy of its own buildings; and excludes \$ interest on encumbrances.  
 (e) Includes \$ 588 accrual of discount less \$ 8,189 amortization of premium and less \$ 163 paid for accrued interest on purchases.  
 (f) Includes \$ accrual of discount less \$ amortization of premium.  
 (g) Includes \$ investment expenses and \$ investment taxes, licenses and fees, excluding federal income taxes, attributable to Segregated and Separate Accounts.  
 (h) Includes \$ interest on surplus notes and \$ interest on capital notes.  
 (i) Includes \$ depreciation on real estate and \$ depreciation on other invested assets.

**EXHIBIT OF CAPITAL GAINS (LOSSES)**

	1 Realized Gain (Loss) On Sales or Maturity	2 Other Realized Adjustments	3 Total Realized Capital Gain (Loss) (Columns 1 + 2)	4 Change in Unrealized Capital Gain (Loss)	5 Change in Unrealized Foreign Exchange Capital Gain (Loss)
1. U.S. Government bonds .....	10,106	.0	10,106	.0	0
1.1 Bonds exempt from U.S. tax .....			0		
1.2 Other bonds (unaffiliated) .....	(3,480,049)	(7,295,759)	(10,775,808)	(563,594)	0
1.3 Bonds of affiliates .....	0	0	0	0	0
2.1 Preferred stocks (unaffiliated) .....	0	0	0	0	0
2.11 Preferred stocks of affiliates .....	0	0	0	0	0
2.2 Common stocks (unaffiliated) .....	3,450,795	(380,449)	3,070,346	.780,819	0
2.21 Common stocks of affiliates .....	0	0	0	11,382,489	0
3. Mortgage loans .....	0	0	0	0	0
4. Real estate .....		0	0		0
5. Contract loans .....	(89,965)	0	(89,965)		
6. Cash, cash equivalents and short-term investments .....	11,517		11,517		
7. Derivative instruments .....	(21,488,326)		(21,488,326)	6,647,344	
8. Other invested assets .....	0	0	0	17,477,399	0
9. Aggregate write-ins for capital gains (losses) .....	0	0	0	0	0
10. Total capital gains (losses) .....	(21,585,922)	(7,676,208)	(29,262,130)	35,724,457	0
<b>DETAILS OF WRITE-INS</b>					
0901. .....					
0902. .....					
0903. .....					
0998. Summary of remaining write-ins for Line 9 from overflow page .....	0	0	0	0	0
0999. Totals (Lines 0901 thru 0903 plus 0998) (Line 9, above) .....	0	0	0	0	0

## ANNUAL STATEMENT FOR THE YEAR 2016 OF THE Western-Southern Life Assurance Company

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

	1 Total	2 Industrial Life	Ordinary		5 Credit Life (Group and Individual)	Group		Accident and Health			11 Aggregate of All Other Lines of Business
			3 Life Insurance	4 Individual Annuities		6 Life Insurance	7 Annuities	8 Group	9 Credit (Group and Individual)	10 Other	
<b>FIRST YEAR (other than single)</b>											
1. Uncollected	14,388		14,388								
2. Deferred and accrued	1,281,281		1,281,281								
3. Deferred, accrued and uncollected:											
3.1 Direct	1,329,465		1,329,465								
3.2 Reinsurance assumed	0										
3.3 Reinsurance ceded	33,796		33,796								
3.4 Net (Line 1 + Line 2)	1,295,669	0	1,295,669		0	0	0	0	0	0	0
4. Advance	13,244		13,244								
5. Line 3.4 - Line 4	1,282,425	0	1,282,425		0	0	0	0	0	0	0
6. Collected during year:											
6.1 Direct	24,610,779		12,735,523	11,875,256							
6.2 Reinsurance assumed	0										
6.3 Reinsurance ceded	395,010		395,010								
6.4 Net	24,215,769	0	12,340,513	11,875,256	0	0	0	0	0	0	0
7. Line 5 + Line 6.4	25,498,194	0	13,622,938	11,875,256	0	0	0	0	0	0	0
8. Prior year (uncollected + deferred and accrued - advance)	1,314,797	0	1,314,797	0	0	0	0	0	0	0	0
9. First year premiums and considerations:											
9.1 Direct	24,576,898		12,701,639	11,875,259							
9.2 Reinsurance assumed	0										
9.3 Reinsurance ceded	393,498		393,498								
9.4 Net (Line 7 - Line 8)	24,183,400	0	12,308,141	11,875,259	0	0	0	0	0	0	0
<b>SINGLE</b>											
10. Single premiums and considerations:											
10.1 Direct	329,341,547		75,104,720	253,750,524				486,303			
10.2 Reinsurance assumed	0										
10.3 Reinsurance ceded	529,603		527,890	1,713							
10.4 Net	328,811,944	0	74,576,830	253,748,811	0	0	0	486,303	0	0	0
<b>RENEWAL</b>											
11. Uncollected	(839,591)		(839,591)								
12. Deferred and accrued	14,155,976		14,155,976								
13. Deferred, accrued and uncollected:											
13.1 Direct	14,765,040		14,765,040								
13.2 Reinsurance assumed	0										
13.3 Reinsurance ceded	1,448,655		1,448,655								
13.4 Net (Line 11 + Line 12)	13,316,385	0	13,316,385	0	0	0	0	0	0	0	0
14. Advance	360,473		360,473								
15. Line 13.4 - Line 14	12,955,912	0	12,955,912	0	0	0	0	0	0	0	0
16. Collected during year:											
16.1 Direct	159,229,639		149,153,655	10,075,984							
16.2 Reinsurance assumed	116,186,211		116,909,926	(723,715)							
16.3 Reinsurance ceded	16,472,591		16,472,591								0
16.4 Net	258,943,259	0	249,590,990	9,352,269	0	0	0	0	0	0	0
17. Line 15 + Line 16.4	271,899,171	0	262,546,902	9,352,269	0	0	0	0	0	0	0
18. Prior year (uncollected + deferred and accrued - advance)	12,773,995	0	12,773,995	0	0	0	0	0	0	0	0
19. Renewal premiums and considerations:											
19.1 Direct	159,591,300		149,515,316	10,075,984							
19.2 Reinsurance assumed	116,186,211		116,909,926	(723,715)							
19.3 Reinsurance ceded	16,652,335		16,652,335								0
19.4 Net (Line 17 - Line 18)	259,125,176	0	249,772,907	9,352,269	0	0	0	0	0	0	0
<b>TOTAL</b>											
20. Total premiums and annuity considerations:											
20.1 Direct	513,509,745	0	237,321,675	275,701,767	0	0	0	486,303	0	0	0
20.2 Reinsurance assumed	116,186,211	0	116,909,926	(723,715)	0	0	0	0	0	0	0
20.3 Reinsurance ceded	17,575,436	0	17,573,723	1,713	0	0	0	0	0	0	0
20.4 Net (Lines 9.4 + 10.4 + 19.4)	612,120,520	0	336,657,878	274,976,339	0	0	0	486,303	0	0	0

**EXHIBIT - 1 PART 2 - DIVIDENDS AND COUPONS APPLIED, REINSURANCE COMMISSIONS  
AND EXPENSE ALLOWANCES AND COMMISSIONS INCURRED (Direct Business Only)**

	1 Total	2 Industrial Life	Ordinary		5 Credit Life (Group and Individual)	Group		Accident and Health			11 Aggregate of All Other Lines of Business
			3 Life Insurance	4 Individual Annuities		6 Life Insurance	7 Annuities	8 Group	9 Credit (Group and Individual)	10 Other	
<b>DIVIDENDS AND COUPONS APPLIED (included in Part 1)</b>											
21. To pay renewal premiums .....	0										
22. All other .....	0										
<b>REINSURANCE COMMISSIONS AND EXPENSE ALLOWANCES INCURRED</b>											
23. First year (other than single):											
23.1 Reinsurance ceded .....	0										
23.2 Reinsurance assumed .....	0										
23.3 Net ceded less assumed .....	0	0	0	0	0	0	0	0	0	0	0
24. Single:											
24.1 Reinsurance ceded .....	0										
24.2 Reinsurance assumed .....	0										
24.3 Net ceded less assumed .....	0	0	0	0	0	0	0	0	0	0	0
25. Renewal:											
25.1 Reinsurance ceded .....	0										
25.2 Reinsurance assumed .....	2,250,787		1,397,055	853,732							
25.3 Net ceded less assumed .....	(2,250,787)	0	(1,397,055)	(853,732)	0	0	0	0	0	0	0
26. Totals:											
26.1 Reinsurance ceded (Page 6, Line 6) .....	0	0	0	0	0	0	0	0	0	0	0
26.2 Reinsurance assumed (Page 6, Line 22) .....	2,250,787	0	1,397,055	853,732	0	0	0	0	0	0	0
26.3 Net ceded less assumed .....	(2,250,787)	0	(1,397,055)	(853,732)	0	0	0	0	0	0	0
<b>COMMISSIONS INCURRED (direct business only)</b>											
27. First year (other than single) .....	11,722,025		10,861,037	860,988							
28. Single .....	12,753,104		5,236,687	7,484,629				31,788			
29. Renewal .....	8,712,363		7,864,301	848,062							
30. Deposit-type contract funds .....	0										
31. Totals (to agree with Page 6, Line 21) .....	33,187,492	0	23,962,025	9,193,679	0	0	31,788	0	0	0	0

ANNUAL STATEMENT FOR THE YEAR 2016 OF THE Western-Southern Life Assurance 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 .....	5,086,756			2,303,793	202,298	7,592,847		
2. Salaries and wages .....	28,774,857			11,862,750	3,849,862	44,487,469		
3.11 Contributions for benefit plans for employees .....	2,488,931			(732,741)	631,639	2,387,829		
3.12 Contributions for benefit plans for agents .....	5,890,056					5,890,056		
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 .....	242,901			387,811	5,194	635,906		
3.32 Other agent welfare .....	118,197				61	118,258		
4.1 Legal fees and expenses .....	64,928			10,034,823		10,099,751		
4.2 Medical examination fees .....	897,891					897,891		
4.3 Inspection report fees .....	301,558			7,840	172	309,570		
4.4 Fees of public accountants and consulting actuaries .....	214,595			76,843		291,438		
4.5 Expense of investigation and settlement of policy claims .....	329,077			182,217		511,294		
5.1 Traveling expenses .....	1,558,674			644,696	58,685	2,262,055		
5.2 Advertising .....	1,072,581			2,012,030		3,084,611		
5.3 Postage, express, telegraph and telephone .....	1,226,407			575,184	1,996	1,803,587		
5.4 Printing and stationery .....	496,998			81,529	280	578,807		
5.5 Cost or depreciation of furniture and equipment .....	344,581			148,680	2,585	495,846		
5.6 Rental of equipment .....	263,753			234,964	414	499,131		
5.7 Cost or depreciation of EDP equipment and software .....	1,106,148			700,003	1,100	1,807,251		
6.1 Books and periodicals .....	29,814			39,596	204	69,614		
6.2 Bureau and association fees .....	46,765			451,821	354	498,940		
6.3 Insurance, except on real estate .....	267,592			72,403		339,995		
6.4 Miscellaneous losses .....	24,062			(86,974)		(62,912)		
6.5 Collection and bank service charges .....	966,728			85,995		1,052,723		
6.6 Sundry general expenses .....	1,009,184			1,825,414	1,216,669	4,051,267		
6.7 Group service and administration fees .....	(344)			53,267		52,923		
6.8 Reimbursements by uninsured plans .....						0		
7.1 Agency expense allowance .....						0		
7.2 Agents' balances charged off (less \$ recovered) .....						0		
7.3 Agency conferences other than local meetings .....	666,316					666,316		
9.1 Real estate expenses .....					1,074	1,074		
9.2 Investment expenses not included elsewhere .....	6,957			4,416	64,419	75,792		
9.3 Aggregate write-ins for expenses .....	3,057,354	0	0	3,176,708	610,524	6,844,586		
10. General expenses incurred .....	56,553,317	0	0	34,143,068	6,647,530	(a) 97,343,915		
11. General expenses unpaid December 31, prior year .....	709,824			455,841	83,931	1,249,596		
12. General expenses unpaid December 31, current year .....	438,492			264,733	51,542	754,767		
13. Amounts receivable relating to uninsured plans, prior year .....						0		
14. Amounts receivable relating to uninsured plans, current year .....						0		
15. General expenses paid during year (Lines 10+11-12-13+14)	56,824,649	0	0	34,334,176	6,679,919	97,838,744		
<b>DETAILS OF WRITE-INS</b>								
09.301. Equipment and software maintenance .....	2,489,332			2,030,439	119,197	4,638,968		
09.302. Consulting .....	568,022			1,146,269	491,327	2,205,618		
09.303. .....						0		
09.398. Summary of remaining write-ins for Line 9.3 from overflow page	0	0	0	0	0	0		
<b>09.399. Totals (Lines 09.301 thru 09.303 plus 09.398) (Line 9.3 above)</b>	3,057,354	0	0	3,176,708	610,524	6,844,586		

(a) Includes management fees of \$ 84,640,496 to affiliates and \$ 213,616 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 .....	723,773				723,773
3. State taxes on premiums .....	3,361,258				3,361,258
4. Other state taxes, including \$ for employee benefits .....	660,538		2,266	1,033	663,837
5. U.S. Social Security taxes .....	2,611,303		50,440	22,997	2,684,740
6. All other taxes .....	232,683				232,683
7. Taxes, licenses and fees incurred .....	7,589,555	0	52,706	24,030	7,666,291
8. Taxes, licenses and fees unpaid December 31, prior year .....	1,579,382				1,579,382
9. Taxes, licenses and fees unpaid December 31, current year .....	1,825,182				1,825,182
10. Taxes, licenses and fees paid during year (Lines 7 + 8 - 9)	7,343,755	0	52,706	24,030	7,420,491

**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 .....		
6. Paid in cash .....		
7. Left on deposit .....		
8. Aggregate write-ins for dividend or refund options .....		
9. Total Lines 5 through 8 .....		
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 (including Line 13) .....		
15. Total Lines 10 through 14 .....		
16. Total from prior year .....		
17. Total dividends or refunds (Lines 9 + 15 - 16)		
<b>DETAILS OF WRITE-INS</b>		
0801. .....		
0802. .....		
0803. .....		
0898. Summary of remaining write-ins for Line 8 from overflow page .....		
<b>0899. Totals (Lines 0801 thru 0803 plus 0898) (Line 8 above)</b>		

**NONE**

**EXHIBIT 5 - AGGREGATE RESERVE FOR LIFE CONTRACTS**

1 Valuation Standard	2 Total	3 Industrial	4 Ordinary	5 Credit (Group and Individual)	6 Group
0100001. 1958 CSO 6% CRVM, 83-86	269,372,261		269,372,261		
0100002. 1958 CSO 5.5% CRVM, 87-88	43,105,150		43,105,150		
0100003. 1958 CSO 4.5% CRVM, 82	24,816,890		24,816,890		
0100004. 1958 CSO/CET 4%, 82-88	20,602,935		20,602,935		
0100005. 1958 CSO/CET 3%, 85-88	6,112		6,112		
0100006. 1980 CSO 5.5% CRVM, 89-92	84,189,048		84,189,048		
0100007. 1980 CSO 5.5%, 90-92	2,100,787		2,100,787		
0100008. 1980 CSO 5% CRVM, 93-94	27,753,454		27,753,454		
0100009. 1980 CSO 5%, 93-94	1,989,407		1,989,407		
0100010. 1980 CSO/CET 4.5% CRVM, 95-05	282,077,448		282,077,448		
0100011. 1980 CSO/CET 4.5%, 95-03	60,447,858		60,447,858		
0100012. 1980 CSO/CET 4%, 06-08	38,066,274		38,066,274		
0100013. 1980 CSO/CET 4% CRVM, 88-04	16,315,538		16,315,538		
0100014. 2001 CSO 4.5% CRVM, 04-05	233,592,977		233,592,977		
0100015. 2001 CSO 4.5%, 04-05	20,500,636		20,500,636		
0100016. 2001 CSO 4% CRVM, 06-12	358,421,762		358,421,762		
0100017. 2001 CSO 4%, 06-09	34,568,156		34,568,156		
0100018. 2001 CSO 3.5% CRVM, 13-16 NB	320,853,480		320,853,480		
0199997. Totals (Gross)	1,838,780,173	0	1,838,780,173	0	0
0199998. Reinsurance ceded	20,372,305		20,372,305		
0199999. Life Insurance: Totals (Net)	1,818,407,868	0	1,818,407,868	0	0
0200001. 83a 8.25%, PROJ. SCALE G IMMEDIATE	46,760	XXX	46,760	XXX	
0200002. 83a 7.75%, PROJ. SCALE G IMMEDIATE	12,906	XXX	12,906	XXX	
0200003. 83a 7.55%, PROJ. SCALE G IMMEDIATE	854,785	XXX	854,785	XXX	
0200004. 83a 7.40%, PROJ. SCALE G IMMEDIATE	9,452	XXX	9,452	XXX	
0200005. 83a 7.25%, PROJ. SCALE G IMMEDIATE	350,991	XXX	350,991	XXX	
0200006. 83a 7.15%, PROJ. SCALE G IMMEDIATE	184,902	XXX	184,902	XXX	
0200007. 83a 7.05%, PROJ. SCALE G IMMEDIATE	92,385	XXX	92,385	XXX	
0200008. 83a 6.75%, PROJ. SCALE G IMMEDIATE	490,036	XXX	490,036	XXX	
0200009. 83a 6.70%, PROJ. SCALE G IMMEDIATE	88,527	XXX	88,527	XXX	
0200010. 83a 6.65%, PROJ. SCALE G IMMEDIATE	500,923	XXX	500,923	XXX	
0200011. 83a 6.55%, PROJ. SCALE G IMMEDIATE	76,276	XXX	76,276	XXX	
0200012. 83a 6.50%, PROJ. SCALE G IMMEDIATE	14,893	XXX	14,893	XXX	
0200013. 83a 6.45%, PROJ. SCALE G IMMEDIATE	51,423	XXX	51,423	XXX	
0200014. 83a 6.35%, PROJ. SCALE G IMMEDIATE	278,787	XXX	278,787	XXX	
0200015. 83a 6.20%, PROJ. SCALE G IMMEDIATE	392,732	XXX	392,732	XXX	
0200016. 83a 6.15%, PROJ. SCALE G IMMEDIATE	492,294	XXX	492,294	XXX	
0200017. 83a 6.00%, PROJ. SCALE G IMMEDIATE	14,438	XXX	14,438	XXX	
0200018. 83a 5.85%, PROJ. SCALE G IMMEDIATE	72,475	XXX	72,475	XXX	
0200019. 83a 5.70%, PROJ. SCALE G IMMEDIATE	11,945	XXX	11,945	XXX	
0200020. 94 GAM [3.50,3.75], PROJ. SCALE AA IMMEDIATE NB	14,555,258	XXX		XXX	14,555,258
0200021. 2000 IAM Annuity 5.50%	220,500	XXX	220,500	XXX	
0200022. 2000 IAM Annuity 5.25%	1,926,853	XXX	1,926,853	XXX	
0200023. 2000 IAM Annuity 3.55%	40,994,090	XXX	40,994,090	XXX	
0200024. 2000 IAM Annuity 3.10%	30,618	XXX	30,618	XXX	
0200025. 2000 IAM Annuity 2.50%	6,186	XXX	6,186	XXX	
0200026. 2000 IAM Annuity 6.80%, Projection Scale G	240,960	XXX	240,960	XXX	
0200027. 2000 IAM Annuity 6.25%, Projection Scale G	660,010	XXX	660,010	XXX	
0200028. 2000 IAM Annuity 6.00%, Projection Scale G	594,635	XXX	594,635	XXX	
0200029. 2000 IAM Annuity 5.95%, Projection Scale G	504,510	XXX	504,510	XXX	
0200030. 2000 IAM Annuity 5.75%, Projection Scale G	641,034	XXX	641,034	XXX	
0200031. 2000 IAM Annuity 5.65%, Projection Scale G	23,236	XXX	23,236	XXX	
0200032. 2000 IAM Annuity 5.60%, Projection Scale G	45,890	XXX	45,890	XXX	
0200033. 2000 IAM Annuity 5.55%, Projection Scale G	398,008	XXX	398,008	XXX	
0200034. 2000 IAM Annuity 5.50%, Projection Scale G	1,422,322	XXX	1,422,322	XXX	
0200035. 2000 IAM Annuity 5.40%, Projection Scale G	325,405	XXX	325,405	XXX	
0200036. 2000 IAM Annuity 5.25%, Projection Scale G	36,590	XXX	36,590	XXX	
0200037. 2000 IAM Annuity 5.20%, Projection Scale G	22,968	XXX	22,968	XXX	
0200038. 2000 IAM Annuity 5.05%, Projection Scale G	26,112	XXX	26,112	XXX	
0200039. 2000 IAM Annuity 5.00%, Projection Scale G	25,620	XXX	25,620	XXX	
0200040. 2000 IAM Annuity 4.90%, Projection Scale G	888,097	XXX	888,097	XXX	
0200041. 2000 IAM Annuity 4.80%, Projection Scale G	39,181	XXX	39,181	XXX	
0200042. 2000 IAM Annuity 4.40%, Projection Scale G	214,882	XXX	214,882	XXX	
0200043. 2000 IAM Annuity 4.30%, Projection Scale G	368,232	XXX	368,232	XXX	
0200044. 2000 IAM Annuity 4.25%, Projection Scale G	384,113	XXX	384,113	XXX	
0200045. 2000 IAM Annuity 4.05%, Projection Scale G	29,920	XXX	29,920	XXX	
0200046. 2000 IAM Annuity 3.95%, Projection Scale G	42,109	XXX	42,109	XXX	
0200047. 2000 IAM Annuity 3.75%, Projection Scale G	318,298	XXX	318,298	XXX	
0200048. 2000 IAM Annuity 3.50%, Projection Scale G	2,312,604	XXX	2,312,604	XXX	
0200049. 2000 IAM Annuity, Generational Improvement [5.50%, 5.75%]	2,345,331	XXX	2,345,331	XXX	
0200050. 2000 IAM Annuity, Generational Improvement [5.25%, 5.50%]	19,869	XXX	19,869	XXX	
0200051. 2000 IAM Annuity, Generational Improvement [5.00%, 5.25%]	126,879	XXX	126,879	XXX	
0200052. 2000 IAM Annuity, Generational Improvement [4.75%, 5.00%]	431,035	XXX	431,035	XXX	
0200053. 2000 IAM Annuity, Generational Improvement [4.50%, 4.75%]	501,102	XXX	501,102	XXX	
0200054. 2000 IAM Annuity, Generational Improvement [4.25%, 4.50%]	339,957	XXX	339,957	XXX	
0200055. 2000 IAM Annuity, Generational Improvement [4.00%, 4.25%]	484,573	XXX	484,573	XXX	
0200056. 2000 IAM Annuity, Generational Improvement [3.75%, 4.00%]	250,725	XXX	250,725	XXX	
0200057. 2000 IAM Annuity, Generational Improvement [3.50%, 3.75%]	385,988	XXX	385,988	XXX	
0200058. 2000 IAM Annuity, Generational Improvement [3.25%, 3.50%]	10,281	XXX	10,281	XXX	
0200059. 2000 IAM Annuity, Generational Improvement [3.00%, 3.25%]	307,802	XXX	307,802	XXX	

**EXHIBIT 5 - AGGREGATE RESERVE FOR LIFE CONTRACTS**

1 Valuation Standard	2 Total	3 Industrial	4 Ordinary	5 Credit (Group and Individual)	6 Group
0200060. 2000 IAM Annuity, Generational Improvement [2.50%, 2.75%] .....	356,458	XXX	356,458	XXX	
0200061. Deferred 6.25% CARVM: 83a 3% .....	5,075,498	XXX	5,075,498	XXX	
0200062. Deferred 6.00% CARVM: 83a 3% .....	76,133,608	XXX	76,133,608	XXX	
0200063. Deferred 5.75% CARVM: 83a 3% .....	103,926,955	XXX	103,926,955	XXX	
0200064. Deferred 5.50% CARVM: 83a 3% .....	306,994,331	XXX	306,994,331	XXX	
0200065. Deferred 5.25% CARVM: 83a 3% .....	135,370,421	XXX	135,370,421	XXX	
0200066. Deferred 5.00% CARVM: 83a 3% .....	43,576,552	XXX	43,576,552	XXX	
0200067. Deferred 4.00% CARVM: 83a 3% .....	77,577,075	XXX	77,577,075	XXX	
0200068. Deferred 5.50% CARVM: 2000 IAM 3% .....	66,620,375	XXX	66,620,375	XXX	
0200069. Deferred 5.25% CARVM: 2000 IAM 3% .....	43,526,795	XXX	43,526,795	XXX	
0200070. Deferred 5.00% CARVM: 2000 IAM 3% .....	1,039,676,032	XXX	1,039,676,032	XXX	
0200071. Deferred 4.75% CARVM: 2000 IAM 3% .....	1,525,308,500	XXX	1,525,308,500	XXX	
0200072. Deferred 4.50% CARVM: 2000 IAM 3% .....	1,266,102,444	XXX	1,266,102,444	XXX	
0200073. Deferred 4.25% CARVM: 2000 IAM 3% .....	652,653,962	XXX	652,653,962	XXX	
0200074. Deferred 4.00% CARVM: 2000 IAM 3% .....	386,695,231	XXX	386,695,231	XXX	
0200075. Deferred 3.75% CARVM: 2000 IAM 3% .....	832,501,391	XXX	832,501,391	XXX	
0200076. Deferred 3.50% CARVM: 2000 IAM 3% .....	8,692,066	XXX	8,692,066	XXX	
0200077. Deferred 3.75% CARVM: 2012 IAR 3% NB .....	479,988,414	XXX	479,988,414	XXX	
0200078. Deferred 3.50% CARVM: 2012 IAR 3% NB .....	21,912	XXX	21,912	XXX	
0200079. AG 43 .....	59,365	XXX	59,365	XXX	
0200080. A2000 4.5% CARVM 1998-2009 .....	154,067,247	XXX	154,067,247	XXX	
0200081. A2000 5.0% CARVM 1998-2009 .....	82,354,190	XXX	82,354,190	XXX	
0200082. Account Value Basis 4.69% 1973 NB .....	76,491,517	XXX	76,491,517	XXX	
0299997. Totals (Gross) .....	7,440,309,052	XXX	7,425,753,794	XXX	14,555,258
0299998. Reinsurance ceded .....	0	XXX		XXX	
0299999. Annuities: Totals (Net) .....	7,440,309,052	XXX	7,425,753,794	XXX	14,555,258
0300001. 83a 8.25%, PROJ. SCALE G .....	15,403		15,403		
0300002. 83a 7.75%, PROJ. SCALE G .....	27,890		27,890		
0300003. 83a 7.25%, PROJ. SCALE G .....	407,842		407,842		
0300004. 83a 6.75%, PROJ. SCALE G .....	437,593		437,593		
0300005. 83a 6.70%, PROJ. SCALE G .....	130,828		130,828		
0300006. 83a 6.20%, PROJ. SCALE G .....	71,381		71,381		
0300007. 2000 IAM Annuity 3.15%, NO PROJ. .....	1,186,194		1,186,194		
0300008. 2000 IAM Annuity 3.10%, NO PROJ. .....	.975,376		.975,376		
0300009. 2000 IAM Annuity 3.05%, NO PROJ. .....	1,788,705		1,788,705		
0300010. 2000 IAM Annuity [2.75%-3.00%), NO PROJ. .....	1,295,835		1,295,835		
0300011. 2000 IAM Annuity [2.50%-2.75%), NO PROJ. .....	.3,303,930		3,303,930		
0300012. 2000 IAM Annuity [2.25%-2.50%), NO PROJ. .....	1,499,339		1,499,339		
0300013. 2000 IAM Annuity 6.25%, PROJ. SCALE G .....	.341,581		.341,581		
0300014. 2000 IAM Annuity 6.00%, PROJ. SCALE G .....	.60,738		.60,738		
0300015. 2000 IAM Annuity 5.75%, PROJ. SCALE G .....	.302,050		.302,050		
0300016. 2000 IAM Annuity 5.50%, PROJ. SCALE G .....	.916,013		.916,013		
0300017. 2000 IAM Annuity 5.40%, PROJ. SCALE G .....	.206,743		.206,743		
0300018. 2000 IAM Annuity 4.90%, PROJ. SCALE G .....	.456,146		.456,146		
0300019. 2000 IAM Annuity 4.25%, PROJ. SCALE G .....	.103,694		.103,694		
0300020. 2000 IAM Annuity 3.75%, PROJ. SCALE G .....	.408,034		.408,034		
0300021. 2000 IAM Annuity 3.50%, PROJ. SCALE G .....	.6,055,388		.6,055,388		
0300022. 2012 IAM Annuity [4.00%-4.25%), NO PROJ. .....	.6,532,466		.6,532,466		
0399997. Totals (Gross) .....	26,523,169	0	26,523,169	0	0
0399998. Reinsurance ceded .....	0				
0399999. SCWLC: Totals (Net) .....	26,523,169	0	26,523,169	0	0
0400001. 1959 ADB and 1958 CSO/CET 2.5% .....	21,586		21,586		
0400002. 1959 ADB and 1980 CSO/CET 2.5% .....	.201,116		.201,116		
0400003. 1959 ADB and 1958 CSO [4.5%, 6%] .....	.7,662		.7,662		
0400004. 1959 ADB and 1980 CSO [4%, 5.5%] .....	.5,478		.5,478		
0400005. 1959 ADB and 2001 CSO [3.5%, 4%] NB .....	.5,008		.5,008		
0499997. Totals (Gross) .....	240,850	0	240,850	0	0
0499998. Reinsurance ceded .....	74		74		
0499999. Accidental Death Benefits: Totals (Net) .....	240,776	0	240,776	0	0
0500001. 75% 1930-31 Met. and 1958 CSO 2.5% .....	.79,247		.79,247		
0500002. 75% 1930-31 Met. and 1980 CSO 2.5% .....	.44,299		.44,299		
0500003. 1952 Ben. 5, Period 2 and 1958 CSO [4%, 6%] .....	.3,309		.3,309		
0500004. 1952 Ben. 5, Period 2 and 1980 CSO [4%, 5.5%] .....	.2,138,119		.2,138,119		
0500005. 1952 Ben. 5, Period 2 and 2001 CSO [3.5%, 4%] NB .....	.4,534		.4,534		
0500006. Special Related to Premium or Face Amount .....	.599		.599		
0599997. Totals (Gross) .....	2,270,107	0	2,270,107	0	0
0599998. Reinsurance ceded .....	5,202		5,202		
0599999. Disability-Active Lives: Totals (Net) .....	2,264,905	0	2,264,905	0	0
0600001. 52 Intercompany Disability 2.5% .....	.20,690,827		.20,690,827		
0699997. Totals (Gross) .....	20,690,827	0	20,690,827	0	0
0699998. Reinsurance ceded .....	0				
0699999. Disability-Disabled Lives: Totals (Net) .....	20,690,827	0	20,690,827	0	0
0700001. Accelerated Death Benefit .....	.77,110		.77,110		
0799997. Totals (Gross) .....	.77,110	0	.77,110	0	0
0799998. Reinsurance ceded .....	0				
0799999. Miscellaneous Reserves: Totals (Net) .....	.77,110	0	.77,110	0	0
9999999. Totals (Net) - Page 3, Line 1 .....	9,308,513,707	0	9,293,958,449	0	14,555,258

ANNUAL STATEMENT FOR THE YEAR 2016 OF THE Western-Southern Life Assurance 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? ..... Yes [ X ] No [ ]  
 If so, attach a statement that contains the determination procedures, answers to the interrogatories and an actuarial opinion as described in the instructions.  
 4. Has the reporting entity any assessment or stipulated premium contracts in force? ..... Yes [ ] No [ X ]  
 If so, state:  
 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 the 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 31 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:  
 9999999 - Total (Column 4, only)

**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	
9999999 - Total (Column 4, only)			

**NONE**

Exhibit 6 - Aggregate Reserves for Accident and Health Contracts

**N O N E**

## ANNUAL STATEMENT FOR THE YEAR 2016 OF THE Western-Southern Life Assurance Company

## EXHIBIT 7 - DEPOSIT TYPE CONTRACTS

	1 Total	2 Guaranteed Interest Contracts	3 Annuities Certain	4 Supplemental Contracts	5 Dividend Accumulations or Refunds	6 Premium and Other Deposit Funds
1. Balance at the beginning of the year before reinsurance .....	1,413,140,185	1,363,220,073	14,086,497	35,768,989	0	64,626
2. Deposits received during the year .....	2,279,159,466	2,270,704,414	1,917,279	6,533,880		3,893
3. Investment earnings credited to the account .....	22,678,867	21,240,934	422,621	1,013,545		1,767
4. Other net change in reserves .....	0					
5. Fees and other charges assessed .....	0					
6. Surrender charges .....	0					
7. Net surrender or withdrawal payments .....	2,253,522,160	2,241,851,166	3,266,437	8,389,150		15,407
8. Other net transfers to or (from) Separate Accounts .....	0					
9. Balance at the end of current year before reinsurance (Lines 1+2+3+4-5-6-7-8) .....	1,461,456,358	1,413,314,255	13,159,960	34,927,264	0	54,879
10. Reinsurance balance at the beginning of the year .....	0	0	0	0	0	0
11. Net change in reinsurance assumed .....	0					
12. Net change in reinsurance ceded .....	0					
13. Reinsurance balance at the end of the year (Lines 10+11-12) .....	0	0	0	0	0	0
14. Net balance at the end of current year after reinsurance (Lines 9 + 13)	1,461,456,358	1,413,314,255	13,159,960	34,927,264	0	54,879

## ANNUAL STATEMENT FOR THE YEAR 2016 OF THE Western-Southern Life Assurance Company

**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	0										
2.11 Direct	0										
2.12 Reinsurance assumed	0										
2.13 Reinsurance ceded	0										
2.14 Net	0	0	(b) 0	(b) 0	0	(b) 0	(b) 0	(b) 0	0	0	0
2.2 Other	22.1 Direct	19,603,748		19,189,219	414,529						
	2.22 Reinsurance assumed	0									
	2.23 Reinsurance ceded	5,668,935		5,668,935							
	2.24 Net	13,934,813	0	(b) 13,520,284	(b) 414,529	0	(b) 0	(b) 0	0	(b) 0	(b) 0
3. Incurred but unreported:											
3.1 Direct	2,441,568			2,441,568							
3.2 Reinsurance assumed	10,082,371			10,082,371							
3.3 Reinsurance ceded	367,904			367,904							
3.4 Net	12,156,035	0	(b) 12,156,035	(b) 0	0	(b) 0	(b) 0	0	(b) 0	(b) 0	(b) 0
4. TOTALS	4.1 Direct	22,045,316	0	21,630,787	414,529	0	0	0	0	0	0
	4.2 Reinsurance assumed	10,082,371	0	10,082,371	0	0	0	0	0	0	0
	4.3 Reinsurance ceded	6,036,839	0	6,036,839	0	0	0	0	0	0	0
	4.4 Net	26,090,848	(a) 0	(a) 25,676,319	414,529	0	0	(a) 0	0	0	0

(a) Including matured endowments (but not guaranteed annual pure endowments) unpaid amounting to \$ ..... in Column 2, \$ ..... in Column 3 and \$ ..... 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 \$ ..... 264,216

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

Credit (Group and Individual) Accident and Health \$ ..... , and Other Accident and Health \$ ..... are included in Page 3, Line 2 (See Exhibit 6, Claim Reserve).

ANNUAL STATEMENT FOR THE YEAR 2016 OF THE Western-Southern Life Assurance Company  
**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	382,015,929		125,816,885	251,721,025	3,327,937			1,150,082			
1.2 Reinsurance assumed	109,474,923		98,292,761	11,182,162							
1.3 Reinsurance ceded	12,298,034		12,298,034								
1.4 Net	(d) 479,192,818	0	211,811,612	262,903,187	3,327,937	0	0	1,150,082	0	0	0
2. Liability December 31, current year from Part 1:											
2.1 Direct	22,045,316	0	21,630,787	414,529	0	0	0	0	0	0	0
2.2 Reinsurance assumed	10,082,371	0	10,082,371	0	0	0	0	0	0	0	0
2.3 Reinsurance ceded	6,036,839	0	6,036,839	0	0	0	0	0	0	0	0
2.4 Net	26,090,848	0	25,676,319	414,529	0	0	0	0	0	0	0
3. Amounts recoverable from reinsurers December 31, current year	2,964,969		2,964,969								
4. Liability December 31, prior year:											
4.1 Direct	16,934,205	0	16,777,309	156,896	0	0	0	0	0	0	0
4.2 Reinsurance assumed	9,834,213	0	9,834,213	0	0	0	0	0	0	0	0
4.3 Reinsurance ceded	2,002,608	0	2,002,608	0	0	0	0	0	0	0	0
4.4 Net	24,765,810	0	24,608,914	156,896	0	0	0	0	0	0	0
5. Amounts recoverable from reinsurers December 31, prior year	1,497,577		1,497,577								
6. Incurred Benefits											
6.1 Direct	387,127,040	0	130,670,363	251,978,658	3,327,937	0	0	1,150,082	0	0	0
6.2 Reinsurance assumed	109,723,081	0	98,540,919	11,182,162	0	0	0	0	0	0	0
6.3 Reinsurance ceded	17,799,657	0	17,799,657	0	0	0	0	0	0	0	0
6.4 Net	479,050,464	0	211,411,625	263,160,820	3,327,937	0	0	1,150,082	0	0	0

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

\$..... in Line 6.1, and \$ ..... in Line 6.4.

(b) Including matured endowments (but not guaranteed annual pure endowments) amounting to \$ ..... 1,992,186 in Line 1.1, \$ ..... 1,992,186 in Line 1.4.

\$..... 1,992,186 in Line 6.1, and \$ ..... 1,992,186 in Line 6.4.

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

\$..... in Line 6.1, and \$ ..... in Line 6.4.

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

ANNUAL STATEMENT FOR THE YEAR 2016 OF THE Western-Southern Life Assurance Company  
**EXHIBIT OF NON-ADMITTED 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	0	0
2. Stocks (Schedule D):			
2.1 Preferred stocks .....	0	0	0
2.2 Common stocks .....	67,569,983	62,709,952	(4,860,031)
3. Mortgage loans on real estate (Schedule B):			
3.1 First liens .....	0	0	0
3.2 Other than first liens .....			0
4. Real estate (Schedule A):			
4.1 Properties occupied by the company .....			0
4.2 Properties held for the production of income .....			0
4.3 Properties held for sale .....			0
5. Cash (Schedule E - Part 1), cash equivalents (Schedule E - Part 2) and short-term investments (Schedule DA) .....	0	0	0
6. Contract loans .....	0	0	0
7. Derivatives (Schedule DB) .....	0	0	0
8. Other invested assets (Schedule BA) .....	0	0	0
9. Receivables for securities .....	0	0	0
10. Securities lending reinvested collateral assets (Schedule DL) .....	0	0	0
11. Aggregate write-ins for invested assets .....	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11) .....	67,569,983	62,709,952	(4,860,031)
13. Title plants (for Title insurers only) .....			0
14. Investment income due and accrued .....	0	0	0
15. Premiums and considerations:			
15.1 Uncollected premiums and agents' balances in the course of collection .....	0	0	0
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	90,048	90,048
16.2 Funds held by or deposited with reinsured companies .....	0	0	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	0	0
19. Guaranty funds receivable or on deposit .....	0	0	0
20. Electronic data processing equipment and software .....			0
21. Furniture and equipment, including health care delivery assets .....			0
22. Net adjustment in assets and liabilities due to foreign exchange rates .....			0
23. Receivables from parent, subsidiaries and affiliates .....			0
24. Health care and other amounts receivable .....	34,152	119,374	85,222
25. Aggregate write-ins for other than invested assets .....	3,325,121	7,590,758	4,265,637
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25) .....	70,929,256	70,510,132	(419,124)
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts .....	0	0	0
28. Total (Lines 26 and 27) .....	70,929,256	70,510,132	(419,124)
<b>DETAILS OF WRITE-INS</b>			
1101. .....		0	0
1102. .....		0	0
1103. .....		0	0
1198. Summary of remaining write-ins for Line 11 from overflow page .....	0	0	0
1199. Totals (Lines 1101 thru 1103 plus 1198)(Line 11 above) .....	0	0	0
2501. Disallowed IMR .....	3,325,121	7,590,758	4,265,637
2502. .....		0	0
2503. .....		0	0
2598. Summary of remaining write-ins for Line 25 from overflow page .....	0	0	0
2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above) .....	3,325,121	7,590,758	4,265,637

ANNUAL STATEMENT FOR THE YEAR 2016 OF THE Western-Southern Life Assurance Company  
NOTES TO FINANCIAL STATEMENTS

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1. Summary of Significant Accounting Policies and Going Concern

A. Accounting Practices

The financial statements of Western-Southern Life Assurance Company (the Company) are presented on the basis of accounting practices prescribed or permitted by the Ohio Department of Insurance (the Department).

The Department recognizes only statutory accounting practices prescribed or permitted by the state of Ohio for determining and reporting the financial condition and results of operations of an insurance company. The National Association of Insurance Commissioners' (NAIC) *Accounting Practices and Procedures* manual, (NAIC SAP) has been adopted as a component of prescribed or permitted practices by the state of Ohio. The Department has the right to permit other specific practices that deviate from prescribed practices. There are no differences between the Company's net income and capital and surplus following NAIC SAP or practices prescribed and permitted by the state of Ohio.

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

		<u>SSAP #</u>	<u>F/S Page</u>	<u>F/S Line #</u>	2016	2015
<b>NET INCOME</b>						
(1)	State basis (Page 4, Line 35, Columns 1 & 2)		xxx	xxx	xxx	55,222,228
(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)		xxx	xxx	xxx	55,222,228
<b>SURPLUS</b>						
(5)	State basis (Page 3, Line 38, Columns 1 & 2)		xxx	xxx	xxx	1,092,838,077
(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)		xxx	xxx	xxx	1,092,838,077
						995,236,077

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

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

C. Accounting Policy

Life premiums are recognized as income over the premium-paying period of the related policies. Annuity considerations are recognized as revenue when received. Amounts received on deposit-type contracts are entered directly as a liability when received. Expenses incurred in connection with acquiring new insurance business, including acquisition costs such as sales commissions, are charged to operations as incurred.

In addition, the Company uses the following accounting policies:

- (1) Short-term investments are stated at amortized cost.
- (2) Bonds not backed by other loans are stated at either amortized cost using the interest method or the lower of amortized cost or fair market value.
- (3) Unaffiliated common stocks are stated at fair market value, except for Federal Home Loan Bank (FHLB) stock, which is carried at cost, adjusted for stock dividends, and is restricted. Common stocks of non-life subsidiaries and non-life affiliates in which the Company has an interest of 10% or more are carried on the GAAP equity basis.
- (4) Preferred stocks are stated at either cost or the lower of cost or fair market value.

ANNUAL STATEMENT FOR THE YEAR 2016 OF THE Western-Southern Life Assurance Company

- (5) Mortgage loans on real estate are stated at the aggregate unpaid principal balance plus unamortized premium less unaccrued discount.
- (6) Loan-backed and structured securities are stated at amortized cost, except those with an initial NAIC designation of 6, which are stated at the lower of amortized cost or fair value. Loan-backed and structured securities with an initial NAIC designation of 6 could have a final designation of 1 through 5 as determined by the SVO financial modeling process or the SVO modified filing exempt process. The retrospective adjustment method is used to determine amortized cost for all loan-backed and structured securities, except for those which an other-than-temporary impairment has been recognized, which use the prospective adjustment method to determine amortized cost.
- (7) The Company owns 100% of the capital stock of its non-life insurance subsidiaries, which are stated at GAAP equity.
- (8) The Company has investments in joint ventures organized as limited partnerships or limited liability companies. The Company carries these interests based on the underlying GAAP equity of the investee. Undistributed earnings allocated to the Company are reported in the change in net unrealized capital gains or losses. Distributions from earnings of the entity are reported as net investment income when received. Because of the indirect nature of these investments, there is an inherent reduction in transparency and liquidity and increased complexity in valuing the underlying investments. As a result, these investments are actively managed by Company management via detailed evaluation of the investment performance relative to risk.
- (9) The Company has entered into replication transactions. A replication transaction is a derivative transaction entered into in conjunction with a cash instrument to reproduce the credit risk of an otherwise permissible investment. The Company replicates debt securities by combining a AAA rated security as a cash component with a credit default swap, which, in effect, converts the high quality asset into a higher yielding debt security. Generally, a premium is received by the Company on a periodic basis and is recognized in investment income. The credit default swap is carried at fair value on the balance sheet with changes in fair value recorded in surplus. In the event the representative issuer defaults on its debt obligation referenced in the credit default swap contract, a payment equal to the notional amount of the contract less recovery on the defaulted security will be made by the Company and recognized as a capital loss. The Company complies with the specific rules established related to AVR for replication transactions.

The Company has entered into an interest rate swap (the swap) in an effort to mitigate the variability in interest cash flows for certain FHLB funding agreements. The swap allows the Company to seek to modify the interest rate characteristics of the underlying transactions by paying the counterparty a fixed interest rate in exchange for receipt of a floating interest rate based upon the underlying notional amount. No cash was exchanged at the outset of the swap contract and a single net payment is to be exchanged at each due date. The swap qualifies for hedge accounting per SSAP 86, *Accounting for Derivative Instruments and Hedging Activities*, and therefore, is carried in a manner consistent with the hedged item, which is amortized cost. If the swap is terminated prior to maturity, proceeds are exchanged equal to the fair value of the contract and a realized gain or loss would be recognized. To the extent the swap no longer qualifies for hedge accounting, it would be carried at fair value with changes in fair value recorded in capital and surplus.

The company closed the interest rate swap program that was an effort to mitigate the risk of rising interest rates on long maturity bonds in August of 2016.

- (10) Anticipated investment income is not a factor in calculating deficiency reserves.
- (11) The Company had no accident and health contracts on its books during the statement periods.
- (12) The Company does not capitalize assets. Therefore, the Company does not have a capitalization policy.
- (13) The Company has no pharmaceutical rebate receivables on its books during the statement periods.
- (14) The Company monitors investments to determine if there has been an other-than-temporary decline in fair value. Factors management considers for each identified security include the following:
  - the length of time and the extent to which the fair value is below the book/adjusted carry value;
  - the financial condition and near term prospects of the issuer, including specific events that may affect its operations;
  - for equity securities and debt securities with credit related declines in fair value, the Company's intent and ability to hold the security long enough for it to recover its value to book/adjusted carry value;
  - for debt securities with interest related declines in fair value, the Company's intent to sell the security before recovery of its book/adjusted carry value;

ANNUAL STATEMENT FOR THE YEAR 2016 OF THE Western-Southern Life Assurance Company

- for loan-backed securities, the Company's intent and ability to hold the security long enough for it to recover its value to book/adjusted carry value;
- for loan-backed securities, the Company's intent to sell the security before recovery of its book/adjusted carry value.

If the decline is judged to be other-than-temporary, an impairment charge is recorded as a net realized capital loss in the period the determination is made.

2. Accounting Changes and Correction of Errors

The Company did not make any accounting changes in 2016 or 2015.

3. Business Combinations and Goodwill. None.

4. Discontinued Operations. None.

5. Investments

A. Mortgage Loans, including Mezzanine Real Estate Loans

(1) The minimum and maximum lending rates for mortgage loans issued during 2016 were:

	None
City Loans	3.6% and 4.0%
Purchase money mortgages	None
Mezzanine Loans	None

(2) The maximum percentage of any one loan to the value of security at the time of the loan, exclusive of insured or guaranteed or purchase money mortgages was: 80%

(3) Taxes, assessments and any amounts advanced and not included in the mortgage loan total

	Current Year	Prior Year
(3) Taxes, assessments and any amounts advanced and not included in the mortgage loan total	—	—

ANNUAL STATEMENT FOR THE YEAR 2016 OF THE Western-Southern Life Assurance Company

(4) Age Analysis of Mortgage Loans

	Farm	Residential		Commercial		Mezzanine	Total
		Insured	All Other	Insured	All Other		
a. Current Year							
1. Recorded Investment (All)							
(a) Current	—	—	—	—	821,277,610	—	821,277,610
(b) 30 - 59 Days Past Due	—	—	—	—	—	—	—
(c) 60 - 89 Days Past Due	—	—	—	—	—	—	—
(d) 90 - 179 Days Past Due	—	—	—	—	—	—	—
(e) 180+ Days Past Due	—	—	—	—	—	—	—
2. Accruing Interest 90 - 179 Days Past Due							
(a) Recorded Investment	—	—	—	—	—	—	—
(b) Interest Accrued	—	—	—	—	—	—	—
3. Accruing Interest 180+ Days Past Due							
(a) Recorded Investment	—	—	—	—	—	—	—
(b) Interest Accrued	—	—	—	—	—	—	—
4. Interest Reduced							
(a) Recorded Investment	—	—	—	—	—	—	—
(b) Number of Loans	—	—	—	—	—	—	—
(c) Percent Reduced	—%	—%	—%	—%	—%	—%	—%
b. Prior Year							
1. Recorded Investment							
(a) Current	—	—	—	—	787,410,062	900,000	788,310,062
(b) 30 - 59 Days Past Due	—	—	—	—	—	—	—
(c) 60 - 89 Days Past Due	—	—	—	—	—	—	—
(d) 90 - 179 Days Past Due	—	—	—	—	—	—	—
(e) 180+ Days Past Due	—	—	—	—	—	—	—
2. Accruing Interest 90 - 179 Days Past Due							
(a) Recorded Investment	—	—	—	—	—	—	—
(b) Interest Accrued	—	—	—	—	—	—	—
3. Accruing Interest 180+ Days Past Due							
(a) Recorded Investment	—	—	—	—	—	—	—
(b) Interest Accrued	—	—	—	—	—	—	—
4. Interest Reduced							
(a) Recorded Investment	—	—	—	—	—	—	—
(b) Number of Loans	—	—	—	—	—	—	—
(c) Percent Reduced	—%	—%	—%	—%	—%	—%	—%

(5) Investment in Impaired Loans With or Without Allowance for Credit Losses:

	Farm	Residential		Commercial		Mezzanine	Total
		Insured	All Other	Insured	All Other		
a. Current Year							
1. With Allowance for Credit Losses	—	—	—	—	—	—	—
2. No Allowance for Credit Losses	—	—	—	—	—	—	—
b. Prior Year							
1. With Allowance for Credit Losses	—	—	—	—	—	—	—
2. No Allowance for Credit Losses	—	—	—	—	—	—	—

ANNUAL STATEMENT FOR THE YEAR 2016 OF THE Western-Southern Life Assurance Company

(6) Investment in Impaired Loans – Average Recorded Investment, Interest Income Recognized, Recorded Investment on Nonaccrual Status and Amount of Interest Income Recognized Using a Cash-Basis Method of Accounting:

	Farm	Residential		Commercial		Mezzanine	Total
		Insured	All Other	Insured	All Other		
a. Current Year							
1. Average Recorded Investment	—	—	—	—	—	—	—
2. Interest Income Recognized	—	—	—	—	—	—	—
3. Recorded Investments on Nonaccrual Status	—	—	—	—	—	—	—
4. Amount of Interest Income Recognized Using a Cash-Basis Method of Accounting	—	—	—	—	—	—	—
b. Prior Year							
1. Average Recorded Investment	—	—	—	—	—	—	—
2. Interest Income Recognized	—	—	—	—	—	—	—
3. Recorded Investments on Nonaccrual Status	—	—	—	—	—	—	—
4. Amount of Interest Income Recognized Using a Cash-Basis Method of Accounting	—	—	—	—	—	—	—

(7) Allowance for Credit Losses:

	Current Year	Prior Year
a) Balance at beginning of period	—	400,000
b) Additions charged to operations	—	—
c) Direct write-downs charged against the allowances	—	—
d) Recoveries of amounts previously charged off	—	(400,000 )
e) Balance at end of period	—	—

(8) The Company recognizes interest income on its impaired loans upon receipt.

B. Debt Restructuring. None.

C. Reverse Mortgages. None.

D. Loan-Backed Securities

(1) Prepayment assumptions are derived from Bloomberg and broker dealer prepayment models or from empirical data.

(2) The Company had no other-than-temporary impairments on loan-backed and structured securities for the year ended December 31, 2016, due to the intent to sell the security or the inability or lack of intent to retain the investment in the security for a period of time sufficient to recover the amortized cost basis of the security.

(3) The following is a list of each loan-backed and structured security with a recognized other-than-temporary impairment, for the year ended December 31, 2016, as the present value of future cash flows expected to be collected is less than the amortized cost basis of the securities:

1 CUSIP	2 Book/Adjusted Carrying Value Amortized Cost Before Current Period OTTI	3 Present Value of Projected Cash Flows	4 Recognized Other-Than- Temporary Impairment	5 Amortized Cost After Other- Than- Temporary Impairment	6 Fair Value at time of OTTI	7 Date of Financial Statement Where Reported
46628S-AH-6	2,880,396	2,841,070	39,326	2,841,070	2,767,368	06/30/2016
46628S-AJ-2	3,329,238	3,289,670	39,568	3,289,670	3,109,966	06/30/2016
52524M-AV-1	6,380,996	5,813,047	567,949	5,813,047	5,055,731	06/30/2016
86359D-SR-9	1,521,346	1,520,373	973	1,520,373	1,397,865	06/30/2016
45660L-2V-0	546,815	544,567	2,248	544,567	518,131	09/30/2016
3622MP-AP-3	95,869	76,095	19,774	76,095	67,698	09/30/2016
52524M-AV-1	5,781,735	5,034,471	747,264	5,034,471	5,034,471	12/31/2016
Total	XXX	XXX	1,417,102	XXX	XXX	XXX

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(4) The following is an aggregate total of all impaired loan-backed securities (fair value is less than cost or amortized cost) for which an other-than-temporary impairment has not been recognized in earnings as a realized loss, including securities with a recognized other-than-temporary impairment for non-interest related declines when a non-recognized interest related impairment remains as of December 31, 2016:

a. The aggregate amount of unrealized losses:	
1. Less than 12 Months	12,970,423
2. 12 Months or Longer	13,099,570
b. The aggregate related fair value of securities with unrealized losses:	
1. Less than 12 Months	771,205,586
2. 12 Months or Longer	198,771,567

(5) See Note 1C (14) for the factors management considers when evaluating for an other-than-temporary decline in fair value.

E. Repurchase Agreements and/or Securities Lending Transactions

At December 31, 2016, the Company has loaned \$232.3 million (fair value) of various debt securities, preferred stocks and common stocks as part of a securities lending program administered by Deutsche Bank. At December 31, 2015, the Company had loaned \$332.5 million (fair value) of various debt securities, preferred stocks and common stocks as part of a securities lending program administered by Deutsche Bank. The Company maintains effective control over all loaned securities and, therefore, continues to report such securities as invested assets in the balance sheets.

(1) The Company requires at the initial transaction that the fair value of the cash collateral received must be equal to 102% of the fair value of the loaned securities. The Company monitors the ratio of the fair value of the collateral to loaned securities to ensure it does not fall below 100%. If the fair value of the collateral falls below 100% of the fair value of the securities loaned, the Company non-admits that portion of the loaned security. At December 31, 2016 and 2015, the Company did not non-admit any portion of the loaned securities.

(2) Not Applicable.

(3) Collateral Received

a. Aggregate Amount Collateral Received

	(1) Fair Value
1. Repurchase Agreement	
(a) Open	—
(b) 30 Days or Less	—
(c) 31 to 60 Days	—
(d) 61 to 90 Days	—
(e) Greater Than 90 Days	—
(f) Subtotal	—
(g) Securities Received	—
(h) Total Collateral Received	—
2. Securities Lending	239,359,975
(a) Open	—
(b) 30 Days or Less	—
(c) 31 to 60 Days	—
(d) 61 to 90 Days	—
(e) Greater Than 90 Days	—
(f) Subtotal	239,359,975
(g) Securities Received	—
(h) Total Collateral Received	239,359,975
3. Dollar Repurchase Agreement	
(a) Open	—
(b) 30 Days or Less	—
(c) 31 to 60 Days	—
(d) 61 to 90 Days	—
(e) Greater Than 90 Days	—
(f) Subtotal	—
(g) Securities Received	—
(h) Total Collateral Received	—

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b. The fair value of that collateral and of the portion of that collateral that it has sold or repledged is \$239.4 million.

c. The Company receives cash collateral in an amount in excess of the fair value of the securities lent. The Company reinvests the cash collateral primarily in investment-grade debt securities and cash equivalents.

(4) The Company reports all collateral on the balance sheet with an offsetting liability recognized for the obligation to return the collateral. Collateral for the securities lending program is either managed by an affiliated agent of the Company or is managed by Deutsche Bank, an unaffiliated agent. Collateral managed by an affiliated agent is invested primarily in investment-grade debt securities and cash equivalents and is included in the applicable amount on the balance sheet because the funds are available for the general use of the Company. Collateral managed by an unaffiliated agent is invested in cash equivalents and is included in securities lending reinvested collateral assets on the balance sheet at December 31, 2016 and 2015.

(5) Collateral Reinvestment

A. Aggregate Amount Collateral Reinvested

	(1) Amortized Cost	(2) Fair Value
1. Repurchase Agreement		
(a) Open	—	—
(b) 30 Days or Less	—	—
(c) 31 to 60 Days	—	—
(d) 61 to 90 Days	—	—
(e) 91 to 120 Days	—	—
(f) 121 to 180 Days	—	—
(g) 181 to 365 Days	—	—
(h) 1 to 2 years	—	—
(i) 2 to 3 years	—	—
(j) Greater than 3 years	—	—
(k) Subtotal	—	—
(l) Securities Received	—	—
(m) Total Collateral Reinvested	—	—
2. Securities Lending		
(a) Open		
(b) 30 Days or Less	24,845,735	24,845,208
(c) 31 to 60 Days	23,218,223	23,216,686
(d) 61 to 90 Days	24,706,131	24,712,805
(e) 91 to 120 Days	5,010,505	5,006,982
(f) 121 to 180 Days	36,301,329	36,273,103
(g) 181 to 365 Days	38,216,578	38,220,786
(h) 1 to 2 years	1,399,681	1,400,755
(i) 2 to 3 years	13,000,000	13,000,000
(j) Greater than 3 years	72,683,651	72,683,650
(k) Subtotal	239,381,833	239,359,975
(l) Securities Received	—	—
(m) Total Collateral Reinvested	239,381,833	239,359,975
3. Dollar Repurchase Agreement		
(a) Open	—	—
(b) 30 Days or Less	—	—
(c) 31 to 60 Days	—	—
(d) 61 to 90 Days	—	—
(e) 91 to 120 Days	—	—
(f) 121 to 180 Days	—	—
(g) 181 to 365 Days	—	—
(h) 1 to 2 years	—	—
(i) 2 to 3 years	—	—
(j) Greater than 3 years	—	—
(k) Subtotal	—	—
(l) Securities Received	—	—
(m) Total Collateral Reinvested	—	—

B. At December 31, 2016, all of the collateral held for the securities lending program was invested in tradable securities that could be sold and used to pay for the \$238.3 million in collateral calls that could come due under a worst-case scenario.

(6) The Company does not accept collateral that is not permitted by contract or custom to sell or repledge.

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(7) The Company does not have any transactions that extend beyond one year from the reporting date.

F. Real Estate. None.

G. Low Income Housing Tax Credit (LIHTC) Property Investments.

- (1) There is a range of 1 to 12 years of unexpired tax credits remaining. The required holding period is 16 to 18 years.
- (2) The Company recognized \$5.8 million and \$6.0 million in LIHTC and other tax benefits, in 2016 and 2015, respectively.
- (3) The Company has investment balances of \$26.2 million and \$31.2 million in LIHTC partnerships, in 2016 and 2015, respectively.
- (4) The reviews are annual regulatory reviews which are in place to ensure each property qualifies for the tax credits.
- (5) The Company's investments in low income housing tax credit properties do not exceed 10% of admitted assets.
- (6) The Company did not recognize any impairment during the statement periods.
- (7) There were no write-downs or reclassifications made during the year due to the forfeiture or ineligibility of tax credits, etc.

H. Restricted Assets

(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					10	11
	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 Non-admitted Restricted	Total Admitted Restricted (5 minus 8)	Gross(Admitted & Non-admitted) Restricted to Total Assets (c)	Admitted Restricted to Total Admitted Assets (d)
a. Subject to contractual obligation for which liability is not shown	—	—	—	—	—	—	—	—	—	0.000	0.000
b. Collateral held under security lending agreements	239,381,832	—	—	—	239,381,832	—	239,381,832	—	239,381,832	1.927	1.938
c. Subject to repurchase agreements	—	—	—	—	—	—	—	—	—	0.000	0.000
d. Subject to reverse repurchase agreements	—	—	—	—	—	—	—	—	—	0.000	0.000
e. Subject to dollar repurchase agreements	—	—	—	—	—	—	—	—	—	0.000	0.000
f. Subject to dollar reverse repurchase agreements	—	—	—	—	—	—	—	—	—	0.000	0.000
g. Placed under option contracts	—	—	—	—	—	—	—	—	—	0.000	0.000
h. Letter stock or securities restricted as to sale - excluding FHLB capital stock	—	—	—	—	—	—	—	—	—	0.000	0.000
i. FHLB capital stock	53,140,100	—	—	—	53,140,100	53,140,100	—	—	53,140,100	0.428	0.430
j. On deposit with states	2,443,856	—	—	—	2,443,856	2,441,348	2,508	—	2,443,856	0.020	0.020
k. On deposit with other regulatory bodies	—	—	—	—	—	—	—	—	—	0.000	0.000
l. Pledged collateral to FHLB (including assets backing funding agreements)	1,712,777,645	—	—	—	1,712,777,645	1,662,722,361	50,055,284	—	1,712,777,645	13.789	13.869
m. Pledged as collateral not captured in other categories	—	—	—	—	—	16,746,336	(16,746,336)	—	—	0.000	0.000
n. Other restricted assets	—	—	—	—	—	—	—	—	—	0.000	0.000
o. Total Restricted Assets	2,007,743,433	—	—	—	2,007,743,433	1,735,050,145	272,693,288	—	2,007,743,433	16.164	16.257

(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

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(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)

Description of Assets	Gross Restricted							8	Percentage		
	Current Year					6	7		9	10	
	1	2	3	4	5						
	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 Current Year Admitted Restricted	Gross(Admitted & Nonadmitted) Restricted to Total Assets	Admitted Restricted to Total Admitted Assets	
Cash collateral for variation margin on swaps	—	—	—	—	—	16,746,336	(16,746,336)	—	0.000	0.000	
Total	—	—	—	—	—	16,746,336	(16,746,336)	—	0.000	0.000	

- (a) Subset of column 1
- (b) Subset of column 3
- (c) Total Line for Columns 1 through 7 should equal 5H(1)m Columns 1 through 7 respectively and Total Line for Columns 8 through 10 should equal 5H(1)m Columns 9 through 11 respectively.

(3) Detail of Other Restricted Assets (Contracts That Share Similar Characteristics, Such as Reinsurance and Derivatives, Are Reported in the Aggregate)

Description of Assets	Gross Restricted							8	Percentage		
	Current Year					6	7		9	10	
	1	2	3	4	5						
	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 Current Year Admitted Restricted	Gross(Admitted & Nonadmitted) Restricted to Total Assets	Admitted Restricted to Total Admitted Assets	
Total	—	—	—	—	—	—	—	—	0.000	0.000	

- (a) Subset of column 1
- (b) Subset of column 3
- (c) Total Line for Columns 1 through 7 should equal 5H(1)n Columns 1 through 7 respectively and Total Line for Columns 8 through 10 should equal 5H(1)n Columns 9 through 11 respectively.

(4) Collateral Received and Reflected as Assets Within the Reporting Entity's Financial Statements

Collateral Assets	Book/Adjusted Carrying Value	1	2	3	4
		Fair Value	% of BACV to Total Assets (Admitted and Nonadmitted)*	% of BACV to Total Admitted Assets **	
a. Cash	21,929,344	21,929,344	0.177%	0.178%	
b. Schedule D, Part 1	217,337,366	217,315,509	1.753%	1.763%	
c. Schedule D, Part 2, Section 1	—	—	0.000%	0.000%	
d. Schedule D, Part 2, Section 2	—	—	0.000%	0.000%	
e. Schedule B	—	—	0.000%	0.000%	
f. Schedule A	—	—	0.000%	0.000%	
g. Schedule BA, Part 1	—	—	0.000%	0.000%	
h. Schedule DL, Part 1	115,122	115,122	0.001%	0.001%	
i. Other	—	—	0.000%	0.000%	
j. Total Collateral Assets (a+b+c+d+e+f+g+h+i)	239,381,832	239,359,975	1.931%	1.942%	

\* Column 1 divided by Asset Page, Line 26 (Column 1)

\*\* Column 1 divided by Asset Page, Line 26 (Column 3)

This table represents only collateral received and therefore amounts for FHLB funding agreements and on deposit with states were not included since they are collateral pledged.

	1	2
	Amount	% of Liability to Total Liabilities *
k. Recognized Obligation to Return Collateral Asset	238,325,450	2.121%

\* Column 1 divided by Liability Page, Line 26 (Column 1)

I. Working Capital Finance Investments. None.

J. Offsetting and Netting of Assets and Liabilities

Information related to the Company's derivative instruments and the effects of offsetting on the balance sheet are as follows:

	Gross Amount Recognized	Amount Offset*	Net Amount Presented on Financial Statements
(1) Assets Derivative Instrument	471,760	—	471,760

\* For derivative assets and derivative liabilities, the amount offset shall agree to Schedule DB, Part D, Section 1

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	Gross Amount Recognized	Amount Offset*	Net Amount Presented on Financial Statements
(2) Liabilities Derivative Instrument	—	—	—

\* For derivative assets and derivative liabilities, the amount offset shall agree to Schedule DB, Part D, Section 1

K. Structured Notes

CUSIP Identification	Actual Cost	Fair Value	Book/Adjusted Carrying Value	Mortgage-Referenced Security (Y/N)
03938L-AQ-7	1,411,713	1,469,213	1,390,044	No
35177P-AL-1	1,989,000	3,001,998	2,023,823	No
749770-AQ-6	17,485,000	20,550,121	17,485,000	No
Total	20,885,713	25,021,332	20,898,867	XXX

L. 5\* Securities. Information related to the Company's 5\* securities are as follows:

	Number of 5* Securities: Current Year	Number of 5* Securities: Prior Year	Aggregate BACV: Current Year	Aggregate BACV: Prior Year	Aggregate Fair Value: Current Year	Aggregate Fair Value: Prior Year
5* Securities: Bonds - AC	—	—	—	—	—	—
5* Securities: LB&SS - AC	—	—	—	—	—	—
5* Securities: Preferred Stock - AC	—	—	—	—	—	—
5* Securities: Preferred Stock - FV	—	—	—	—	—	—
5* Securities: Total	—	—	—	—	—	—

AC - Amortized Cost, FV - Fair Value

6. Joint Ventures, Partnerships and Limited Liability Companies

- A. The Company has no investments in joint ventures, partnerships or limited liability companies that exceed 10% of its admitted assets.
- B. The Company did not recognize any impairment write down for its investments in joint ventures, partnerships or limited liability companies during the statement period.

7. Investment Income

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

All investment income due and accrued with amounts that are over 90 days past due with the exception of mortgage loans in default.

Due and accrued income is excluded from investment income on mortgage loans which are in foreclosure, delinquent more than one year or where collection of interest is uncertain.

- B. The total amount excluded was \$0 for bond and \$0 for mortgage loans.

8. Derivative Instruments

The Company entered into replication transactions. The discussion of accounting policies, risk, and objectives are shown in Note 1C. The net gain recognized in unrealized gains and losses during the reporting period related to replication transactions was \$1,872,255. The net gain recognized in net income within realized gains and losses during the reporting period relating to replication transactions was \$0. The Company has entered into a collateral agreement with the counterparty whereby under certain conditions the counterparty is required to post assets on the Company's behalf. The posted amount is equal to the difference between the net positive fair value of the credit default swap and agreed upon thresholds that are based on the credit rating of the Company. Inversely, if the net fair value of the swap is negative, then the Company may be required to post assets instead using similar thresholds. At December 31, 2016, \$200,000 cash collateral has been posted to the Company.

The Company entered into an interest rate swap (the swap). The discussion of accounting policies, risks and objectives are in Note 1C. The notional amount of the swap is \$56,753,000. No net gain or loss has been recognized in unrealized gains or losses as of December 31, 2016 because the swap qualifies for hedge accounting. In addition, no net gain or loss has been recognized in net income within realized gains and losses as of December 31, 2016. The Company has entered into a collateral agreement with the counterparty whereby under certain conditions the counterparty is required to post assets on the Company's behalf. The posted amount is equal to the difference between the net positive fair value of the swap and agreed upon thresholds that are based on the credit rating of the counterparty. Inversely, if the net fair value of

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the swap is negative, then the Company may be required to post assets instead using similar thresholds. At December 31, 2016, no collateral has been posted by the Company or the counterparty.

The company closed the interest rate swap program that was an effort to mitigate the risk of rising interest rates on long maturity bonds in August of 2016. The net gain recognized in unrealized gains and losses during the reporting period related to the derivative instruments was \$4,775,091. The net loss recognized in net income within realized gains and losses during the reporting period relating to the derivative instruments was \$(21,488,326).

9. Income Taxes

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

1.

	As of End of Current Period			12/31/2015			Change		
	(1) Ordinary	(2) Capital	(3) (Col. 1 + 2) Total	(4) Ordinary	(5) Capital	(6) (Col. 4 + 5) Total	(7) (Col. 1 - 4) Ordinary	(8) (Col. 2 - 5) Capital	(9) (Col. 7 + 8) Total
(a) Gross Deferred Tax Assets	87,450,581	15,036,269	102,486,850	88,615,610	14,623,797	103,239,407	(1,165,029)	412,472	(752,557)
(b) Statutory Valuation Allowance Adjustment	—	—	—	—	—	—	—	—	—
(c) Adjusted Gross Deferred Tax Assets (1a - 1b)	87,450,581	15,036,269	102,486,850	88,615,610	14,623,797	103,239,407	(1,165,029)	412,472	(752,557)
(d) Deferred Tax Assets Nonadmitted	—	—	—	—	—	—	—	—	—
(e) Subtotal Net Admitted Deferred Tax Asset (1c - 1d)	87,450,581	15,036,269	102,486,850	88,615,610	14,623,797	103,239,407	(1,165,029)	412,472	(752,557)
(f) Deferred Tax Liabilities	29,482,568	43,167,049	72,649,617	28,807,919	50,350,075	79,157,994	674,649	(7,183,026)	(6,508,377)
(g) Net Admitted Deferred Tax Asset/(Net Deferred Tax Liability) (1e - 1f)	57,968,013	(28,130,780)	29,837,233	59,807,691	(35,726,278)	24,081,413	(1,839,678)	7,595,498	5,755,820

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2.

	As of End of Current Period			12/31/2015			Change		
	(1) Ordinary	(2) Capital	(3) (Col. 1 + 2) Total	(4) Ordinary	(5) Capital	(6) (Col. 4 + 5) Total	(7) (Col. 1 - 4) Ordinary	(8) (Col. 2 - 5) Capital	(9) (Col. 7 + 8) Total
Admission Calculation Components									
SSAP No. 101									
(a) Federal Income Taxes Paid In Prior Years Recoverable Through Loss Carrybacks.	29,837,233	—	29,837,233	24,318,201	—	24,318,201	5,519,032	—	5,519,032
(b) Adjusted Gross Deferred Tax Assets Expected To Be Realized (Excluding The Amount Of Deferred Tax Assets From 2(a) above) After Application of the Threshold Limitation. (The Lesser of 2(b)1 and 2(b)2 Below)	—	—	—	—	—	—	—	—	—
1. Adjusted Gross Deferred Tax Assets Expected to be Realized Following the Balance Sheet Date.	—	—	—	—	—	—	—	—	—
2. Adjusted Gross Deferred Tax Assets Allowed per Limitation Threshold.	XXX	XXX	159,450,127	XXX	XXX	145,673,199	XXX	XXX	13,776,928
(c) Adjusted Gross Deferred Tax Assets (Excluding The Amount Of Deferred Tax Assets From 2(a) and 2(b) above) Offset by Gross Deferred Tax Liabilities.	57,613,348	15,036,269	72,649,617	64,297,409	14,623,797	78,921,206	(6,684,061)	412,472	(6,271,589)
(d) Deferred Tax Assets Admitted as the result of application of SSAP No. 101. Total (2(a) + 2(b) + 2(c))	87,450,581	15,036,269	102,486,850	88,615,610	14,623,797	103,239,407	(1,165,029)	412,472	(752,557)

3.

	2016	2015
a. Ratio Percentage Used To Determine Recovery Period And Threshold Limitation Amount.	962.694	887.147
b. Amount Of Adjusted Capital And Surplus Used To Determine Recovery Period And Threshold Limitation In 2(b)2 Above.	125,803,460	126,312,303

4.

	As of End of Current Period		12/31/2015		Change	
	(1) Ordinary	(2) Capital	(3) Ordinary	(4) Capital	(5) (Col. 1 - 3) Ordinary	(6) (Col. 2 - 4) Capital
Impact of Tax Planning Strategies:						
(a) Determination of adjusted gross deferred tax assets and net admitted deferred tax assets, by tax character as a percentage.						
1. Adjusted Gross DTAs amount from Note 9A1(c)	87,450,581	15,036,269	88,615,610	14,623,797	(1,165,029)	412,472
2. Percentage of adjusted gross DTAs by tax character attributable to the impact of tax planning strategies	0.00	0.00	0.00	0.00	0.00	0.00
3. Net Admitted Adjusted Gross DTAs amount from Note 9A1(e)	87,450,581	15,036,269	88,615,610	14,623,797	(1,165,029)	412,472
4. Percentage of net admitted adjusted gross DTAs by tax character admitted because of the impact of tax planning strategies	0.00	0.00	0.00	0.00	0.00	0.00

b. Do the Company's tax-planning strategies include the use of reinsurance?

Yes [ ] No [ X ]

B. Deferred tax liabilities are not recognized for the following amounts: None.

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

	(1) As of End of Current Period	(2) 12/31/2015	(3) (Col. 1 - 2) Change
1. Current Income Tax			
(a) Federal	46,058,380	56,607,836	(10,549,456)
(b) Foreign	23,765	—	23,765
(c) Subtotal	46,082,145	56,607,836	(10,525,691)
(d) Federal income tax on net capital gains	(614,741)	(25,256,646)	24,641,905
(e) Utilization of capital loss carry-forwards	—	—	—
(f) Other	—	—	—
(g) Federal and foreign income taxes incurred	45,467,404	31,351,190	14,116,214
2. Deferred Tax Assets:			
(a) Ordinary:			
(1) Discounting of unpaid losses	—	—	—
(2) Unearned premium reserve	—	—	—
(3) Policyholder reserves	24,391,953	23,724,999	666,954
(4) Investments	23,664,430	24,655,237	(990,807)
(5) Deferred acquisition costs	39,382,245	40,134,516	(752,271)
(6) Policyholder dividends accrual	—	—	—
(7) Fixed Assets	—	—	—
(8) Compensation and benefits accrual	—	—	—
(9) Pension accrual	—	—	—
(10) Receivables - nonadmitted	11,953	100,858	(88,905)
(11) Net operating loss carry-forward	—	—	—
(12) Tax credit carry-forward	—	—	—
(13) Other (including items <5% of total ordinary tax assets)	—	—	—
(99) Subtotal	87,450,581	88,615,610	(1,165,029)
(b) Statutory valuation allowance adjustment	—	—	—
(c) Nonadmitted	—	—	—
(d) Admitted ordinary deferred tax assets (2a99 - 2b - 2c)	87,450,581	88,615,610	(1,165,029)
(e) Capital:			
(1) Investments	15,036,269	14,623,797	412,472
(2) Net capital loss carry-forward	—	—	—
(3) Real estate	—	—	—
(4) Other (including items <5% of total ordinary tax assets)	—	—	—
(99) Subtotal	15,036,269	14,623,797	412,472
(f) Statutory valuation allowance adjustment	—	—	—
(g) Nonadmitted	—	—	—
(h) Admitted capital deferred tax assets (2e99 - 2f - 2g)	15,036,269	14,623,797	412,472
(i) Admitted deferred tax assets (2d + 2h)	102,486,850	103,239,407	(752,557)
3. Deferred Tax Liabilities:			
(a) Ordinary:			
(1) Investments	9,763,027	8,649,965	1,113,062
(2) Fixed assets	—	—	—
(3) Deferred and uncollected premium	7,727,565	7,430,793	296,772
(4) Policyholder reserves	11,979,893	12,717,354	(737,461)
(5) Other (including items <5% of total ordinary tax liabilities)	12,083	9,807	2,276
(99) Subtotal	29,482,568	28,807,919	674,649
(b) Capital:			
(1) Investments	43,167,049	50,350,075	(7,183,026)
(2) Real estate	—	—	—
(3) Other (including items <5% of total capital tax liabilities)	—	—	—
(99) Subtotal	43,167,049	50,350,075	(7,183,026)
(c) Deferred tax liabilities (3a99 + 3b99)	72,649,617	79,157,994	(6,508,377)
4. Net deferred tax assets/liabilities (2i - 3c)	29,837,233	24,081,413	5,755,820

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D. Among the more significant book to tax adjustments were the following:

	12/31/2016	Effective Tax Rate
Provision computed at statutory rate	\$ 36,529,076	35.00 %
Dividends received deduction	(71,178)	(0.07)%
Tax credits	(4,154,866)	(3.98)%
Other invested assets and nonadmitted change	(1,186,305)	(1.14)%
Other	75,170	0.07 %
Total statutory income taxes	<u>\$ 31,191,897</u>	<u>29.88 %</u>
 Federal taxes incurred	 \$ 45,467,404	 43.56 %
Change in net deferred income taxes	(14,275,507)	(13.68)%
Total statutory income taxes	<u>\$ 31,191,897</u>	<u>29.88 %</u>

	12/31/2015	Effective Tax Rate
Provision computed at statutory rate	\$ 30,542,509	35.00 %
Dividends received deduction	(63,296)	(0.07)%
Tax credits	(6,078,685)	(6.97)%
Other invested assets and nonadmitted change	(4,517,092)	(5.18)%
Other	(1,292,090)	(1.48)%
Total statutory income taxes	<u>\$ 18,591,346</u>	<u>21.30 %</u>
 Federal taxes incurred	 \$ 31,351,190	 35.92 %
Change in net deferred income taxes	(12,759,844)	(14.62)%
Total statutory income taxes	<u>\$ 18,591,346</u>	<u>21.30 %</u>

E. At December 31, 2016, the Company had \$0 of net operating loss carryforwards, net capital loss carryforwards and tax credit carryforwards.

The following are income taxes incurred in the current and prior years that will be available for recoupment in the event of future net losses:

2016	\$ 44,358,274
2015	\$ 31,597,503
2014	\$ 84,654,346

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

The Western and Southern Life Insurance Company  
 Western & Southern Mutual Holding Company  
 Western & Southern Financial Group, Inc.  
 Western-Southern Life Assurance Company and Subsidiaries  
 Columbus Life Insurance Company and Subsidiary  
 Integrity Life Insurance Company and Subsidiary  
 The Lafayette Life Insurance Company and Subsidiary  
 Western-Southern Agency, Inc.  
 Eagle Realty Investments, Inc.  
 Fort Washington Investment Advisors, Inc.

The Western and Southern Life Insurance Company (Western and Southern), parent of the Company, files a consolidated income tax return with its eligible subsidiaries, including the Company. The provision for federal income taxes is allocated to the Company using a separate return method based upon a written tax sharing agreement. Under the agreement, the benefits from losses of subsidiaries are retained by the subsidiary companies. The Western and Southern Life Insurance Company pays all federal income taxes due for all members in the consolidated return. The Western and Southern Life Insurance Company then immediately charges or reimburses, as the case may be, these members an amount consistent with the method described in the tax sharing agreement. At December 31, 2016, the Company has a net liability of \$647,103 on line 15.1 of page 3.

G. SSAP No. 5R, Liabilities, Contingencies and Impairments of Assets. None.

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10. Information Concerning Parent, Subsidiaries and Affiliates

A, B & C.

The Company received a \$2.0 million cash dividend from its subsidiary, IFS Financial Services, Inc., in December 2016.

The Company received a \$5.0 million cash dividend from its subsidiary, IFS Financial Services, Inc., in August 2016.

The Company paid a \$179.0 million dividend to The Western and Southern Life Insurance Company in December 2015. The dividend consisted of \$99.1 million of bonds at fair value and \$79.9 million of cash.

The Company received a \$5.0 million cash dividend from its subsidiary, IFS Financial Services, Inc., in October 2015.

D. The Company did not have any amounts receivable from parent, subsidiaries and affiliates as of December 31, 2016 or 2015. The Company had \$11.8 million and \$12.8 million payable to parent, subsidiaries and affiliates as of December 31, 2016 and 2015, respectively. The terms of the settlement generally require that these amounts be settled in cash within 30 days.

E. The Company had no guarantees or undertakings for the benefit of an affiliate which resulted in a material contingent exposure of the Company's assets or liabilities.

F. The Western and Southern Life Insurance Company performs certain administrative and special services, as well as provides facilities and equipment to the Company to assist with their business operations. These services, facilities and equipment include but are not limited to the following: accounting, actuarial, audit, tax and legal services, administrative support services such as payroll and personnel functions, policyholder services, underwriting and electronic data processing equipment. There are also a number of other service arrangements with affiliates where the provider renders specified services for a stated fee, including agreements for certain investment advisory services as well as marketing and product development. The charges for services, facilities and equipment are considered reasonable and in accordance with the requirements of applicable insurance law and regulations.

G. All outstanding shares of the Company are owned by The Western and Southern Life Insurance Company, a life insurance company domiciled in the state of Ohio.

H. The Company does not own any shares of an upstream affiliate either directly or through its subsidiaries.

I. The Company does not have an investment in an SCA entity that exceeds 10% of the admitted assets of the insurer.

J. The Company did not recognize any impairment write down for its investments in subsidiary, controlled or affiliated companies during the statement period.

K. Not applicable.

L. Not applicable.

M. All SCA Investments

1. Balance Sheet Value (Admitted and Nonadmitted) All SCAs (Except 8bi Entities)

SCA Entity	Percentage of SCA Ownership	Gross Amount	Admitted Amount	Nonadmitted amount
a. SSAP No. 97 8a Entities:				
Total SSAP No. 97 8a Entities	xxx	—	—	—
b. SSAP No. 97 8b(ii) Entities:				
Total SSAP No. 97 8b(ii) Entities	xxx	—	—	—
c. SSAP No. 97 8b(iii) Entities:				
34918#106: W&S Brokerage Services, Inc.	100	1,217,313	1,217,313	—
44951#103: IFS Financial Services, Inc.	100	67,528,777	—	67,528,777
98259#108: W&S Financial Group Distributors, Inc.	100	41,206	—	41,206
Total SSAP No. 97 8b(iii) Entities	xxx	68,787,296	1,217,313	67,569,983
d. SSAP No. 97 8b(iv) Entities:				
Total SSAP No. 97 8b(iv) Entities	xxx	—	—	—
e. Total SSAP No. 97 8b Entities (except 8bi entities) (b+c+d)				
	xxx	68,787,296	1,217,313	67,569,983
f. Aggregate Total (a+e)				
	xxx	68,787,296	1,217,313	67,569,983

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2. NAIC Filing Response Information

SCA Entity (should be same entities as shown in M(1) above.)	Type of NAIC Filing *	Date of Filing to the NAIC	NAIC Valuation Amount	NAIC Response Received Y/N	NAIC Disallowed Entities Valuation Method, Resubmission Required Y/N	Code **
a. SSAP No. 97 8a Entities:						
Total SSAP No. 97 8a Entities	xxx	xxx	—	xxx	xxx	xxx
b. SSAP No. 97 8b(ii) Entities:						
Total SSAP No. 97 8b(ii) Entities	xxx	xxx	—	xxx	xxx	xxx
c. SSAP No. 97 8b(iii) Entities:						
34918#106: W&S Brokerage Services, Inc.	S2	12/31/2015	1,140,439	Y	N	I
44951#103: IFS Financial Services, Inc.	S1		—	N	N	I
98259#108: W&S Financial Group Distributors, Inc.	S1		—	N	N	I
Total SSAP No. 97 8b(iii) Entities	xxx	xxx	1,140,439	xxx	xxx	xxx
d. SSAP No. 97 8b(iv) Entities:						
Total SSAP No. 97 8b(iv) Entities	xxx	xxx	—	xxx	xxx	xxx
e. Total SSAP No. 97 8b Entities (except 8bi entities) (b+c+d)	xxx	xxx	1,140,439	xxx	xxx	xxx
f. Aggregate Total (a+e)	xxx	xxx	1,140,439	xxx	xxx	xxx

\*S1 - Sub-1, S2 - Sub-2, or RDF - Resubmission of Disallowed Filing

\*\* I - Immaterial or M - Material

N. Not applicable.

11. Debt

A. The Company has no capital notes outstanding. The Company does not hold any dollar reverse repurchase agreements.

B. FHLB (Federal Home Loan Bank) Agreements.

1. The Company is a member of the Federal Home Loan Bank (FHLB) of Cincinnati. Through its membership, the Company has conducted business activity (borrowings) with the FHLB. It is part of the Company's strategy to utilize these funds to increase profitability. The Company has determined the actual/estimated maximum borrowing capacity as \$1,850.0 million. The Company calculated this amount after a review of its pledgeable assets (both pledged and unpledged) and after applying the respective FHLB borrowing haircuts.

2. FHLB Capital Stock

a. Aggregate Totals

	1 Total 2+3	2 General Account	3 Separate Accounts
1. Current Year			
(a) Membership Stock - Class A	15,064,050	15,064,050	—
(b) Membership Stock - Class B	—	—	—
(c) Activity Stock	38,076,050	38,076,050	—
(d) Excess Stock	—	—	—
(e) Aggregate Total (a+b+c+d)	53,140,100	53,140,100	—
(f) Actual or estimated Borrowing Capacity as Determined by the Insurer	1,850,000,000	XXX	XXX
2. Prior Year-end			
(a) Membership Stock - Class A	15,776,342	15,776,342	—
(b) Membership Stock - Class B	—	—	—
(c) Activity Stock	37,363,758	37,363,758	—
(d) Excess Stock	—	—	—
(e) Aggregate Total (a+b+c+d)	53,140,100	53,140,100	—
(f) Actual or estimated Borrowing Capacity as Determined by the Insurer	1,900,000,000	XXX	XXX

11B(2)a1(f) should be equal to or greater than 11B(4)a1(d)  
11B(2)a2(f) should be equal to or greater than 11B(4)a2(d)

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	1 Current Year Total (2+3+4+5+6)	2 Not Eligible for Redemption	Eligible for Redemption			
			3 Less Than 6 Months	4 6 Months to Less Than 1 Year	5 1 to Less Than 3 Years	6 3 to 5 Years
Membership Stock						
1. Class A	15,064,050	15,064,050	—	—	—	—
2. Class B	—	—	—	—	—	—
11B(2)b1 Current Year Total (Column 1) should equal 11B(2)a1(a) Total (Column 1)						
11B(2)b2 Current Year Total (Column 1) should equal 11B(2)a1(b) Total (Column 1)						

3. Collateral Pledged to FHLB

a. Amount Pledged as of Reporting Date

	1 Fair Value	2 Carrying Value	3 Aggregate Total Borrowing			
1. Current Year Total General and Separate Accounts Total Collateral Pledged (Lines 2+3)	1,712,777,645	1,667,565,959	1,445,185,198			
2. Current Year General Account Total Collateral Pledged	1,712,777,645	1,667,565,959	1,445,185,198			
3. Current Year Separate Accounts Total Collateral Pledged	—	—	—			
4. Prior Year-end Total General and Separate Accounts Total Collateral Pledged	1,662,722,361	1,611,107,068	1,395,958,000			
11B(3)a1 (Columns 1, 2 and 3) should be equal to or less than 11B(3)b1 (Columns 1, 2 and 3 respectively)						
11B(3)a2 (Columns 1, 2 and 3) should be equal to or less than 11B(3)b2 (Columns 1, 2 and 3 respectively)						
11B(3)a3 (Columns 1, 2 and 3) should be equal to or less than 11B(3)b3 (Columns 1, 2 and 3 respectively)						
11B(3)a4 (Columns 1, 2 and 3) should be equal to or less than 11B(3)b4 (Columns 1, 2 and 3 respectively)						

b. Maximum Amount Pledged During Reporting Period

	1 Fair Value	2 Carrying Value	3 Amount Borrowed at Time of Maximum Collateral			
1. Current Year Total General and Separate Accounts Maximum Collateral Pledged (Lines 2+3)	1,817,532,540	1,740,276,574	1,552,793,920			
2. Current Year General Account Maximum Collateral Pledged	1,817,532,540	1,740,276,574	1,552,793,920			
3. Current Year Separate Accounts Maximum Collateral Pledged	—	—	—			
4. Prior Year-end Total General and Separate Accounts Maximum Collateral Pledged	1,931,913,557	1,816,557,569	1,661,790,000			

4. Borrowing from FHLB

a. Amount as of Reporting Date

	1 Total 2+3	2 General Account	3 Separate Accounts	4 Funding Agreements Reserves Established			
1. Current Year							
(a) Debt	—	—	—	—			XXX
(b) Funding Agreements	1,445,185,198	1,445,185,198	—	—			1,413,314,255
(c) Other	—	—	—	—			XXX
(d) Aggregate Total (a+b+c)	1,445,185,198	1,445,185,198	—	—			1,413,314,255
2. Prior Year-end							
(a) Debt	—	—	—	—			XXX
(b) Funding Agreements	1,395,958,000	1,395,958,000	—	—			1,363,220,073
(c) Other	—	—	—	—			XXX
(d) Aggregate Total (a+b+c)	1,395,958,000	1,395,958,000	—	—			1,363,220,073

b. Maximum Amount During Reporting Period (Current Year)

	1 Total 2+3	2 General Account	3 Separate Accounts			
1. Debt	—	—	—	—	—	—
2. Funding Agreements	1,575,790,392	1,575,790,392	—	—	—	—
3. Other	—	—	—	—	—	—
4. Aggregate Total (1+2+3)	1,575,790,392	1,575,790,392	—	—	—	—
11B(4)b4 (Columns 1, 2 and 3) should be equal to or greater than 11B(4)a1(d) (Columns 1, 2 and 3 respectively)						

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c. FHLB - Prepayment Obligations

Does the company have  
prepayment obligations  
under the following  
arrangements (YES/NO?)

1. Debt	No
2. Funding Agreements	No
3. Other	No

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

A. Defined Benefit Plan

The Company has no employee retirement plan. However, it contributes its share toward the retirement plans of Western and Southern.

B. Not applicable.

C. Not applicable.

D. Not applicable.

E. Defined Contribution Plan. None.

F. Multi-employer Plans. None.

G. Consolidated/Holding Company Plans.

The Company participates in a qualified, noncontributory defined benefit pension plan sponsored by Western and Southern, the parent company. The Company has no legal obligation for benefits under this plan. The parent company allocates amounts to the Company based on a rational allocation methodology. The Company's share of net expense for the qualified pension plan was \$2.5 million and \$3.3 million for 2016 and 2015, respectively.

H. Postemployment Benefits and Compensated Absences. Not applicable.

I. Impact of Medicare Modernization Act on Postretirement Benefits (INT 04-17). Not applicable.

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

(1) The Company has one class of common stock with a par value of \$1 per share. At December 31, 2016, the Company had 10,000,000 shares authorized, 2,500,000 shares issued and 2,500,000 shares outstanding.

(2) The Company has no preferred stock outstanding.

(3) The ability of the Company to pay dividends is limited by state insurance laws. Under Ohio insurance laws, the Company may pay dividends, without the approval of the Ohio Director of Insurance, only from earned surplus and those dividends may not exceed (when added to other dividends paid in the preceding 12 months) the greater of (i) 10% of the Company's surplus as of the prior December 31, or (ii) the Company's net income for the twelve month period ending the prior December 31. Dividends are noncumulative.

(4) The Company paid a \$179.0 million dividend to The Western and Southern Life Insurance Company in December 2015. The dividend consisted of \$99.1 million of bonds at fair value and \$79.9 million of cash.

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

(6) There were no restrictions placed on the Company's surplus.

(7) There are no advances of surplus.

(8) There was no stock held by the Company, including stock of affiliated companies, for special purposes.

(9) The Company does not hold any special surplus funds.

(10) The portion of unassigned funds (surplus) represented or reduced by cumulative unrealized gains and losses: \$148,230,354.

(11) There were no surplus debentures or similar item outstanding during the statement periods.

(12) There have been no restatements of surplus due to quasi-reorganizations.

ANNUAL STATEMENT FOR THE YEAR 2016 OF THE Western-Southern Life Assurance Company  
(13)Not applicable.

14. Liabilities, Contingencies, and Assessments

A. Contingent Commitments

The Company has future commitments to joint ventures, limited partnerships and limited liability companies, excluding those related to Low Income Housing Tax Credits, in the amount of \$8,319,453.

The Company has future commitments to joint ventures, limited partnerships and limited liability companies investing in Low Income Housing Tax Credit properties in the amount of \$726,338.

B. Assessments

The Company is not aware of any material assessments.

C. Gain Contingencies

The Company is not aware of any gain contingencies.

D. Claims related extra contractual obligation and bad faith losses stemming from lawsuits

The Company does not have any material extra contractual obligations or bad faith losses.

E. Joint and Several Liabilities. None.

F. All Other Contingencies. None.

15. Leases

A. The Company did not have any material lease obligations at December 31, 2016.

B. The Company is not involved in any material lessor leasing arrangements.

16. Information About Financial Instruments With Off-Balance Sheet Risk and Financial Instruments With Concentrations of Credit Risk

The table below summarizes the face amount of the Company's financial instruments with off balance sheet risk. The accounting policies associated with the derivative transactions are described in Note 1C.

	ASSETS		LIABILITIES	
	2016	2015	2016	2015
a. Swaps	48,000,000	279,000,000	56,753,000	274,489,000
b. Futures	—	—	—	—
c. Options	—	—	—	—
d. Total	48,000,000	279,000,000	56,753,000	274,489,000

See the Schedule DB of the Company's annual statement for additional detail.

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

A. Transfers of Receivables as Sales. None.

B. (1) See Note 5E for information regarding securities lending.

(2) Not applicable.

(3) Not applicable.

(4) Not applicable.

(5) Not applicable.

(6) Not applicable.

(7) Not applicable.

C. The Company did not have any wash sales for securities with a NAIC designation of 3 or below, or unrated.

18. Gain or Loss to the Reporting Entity from Uninsured A&H Plans and the Uninsured Portion of Partially Insured Plans. None.

19. Direct Premium Written/Produced by Managing General Agents/Third Party Administrators. None.

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20. Fair Value Measurements

A.

(1) Fair Value Measurements at December 31, 2016

Description for each class of asset or liability	(Level 1)	(Level 2)	(Level 3)	Total
a. Assets at fair value				
Bonds: RMBS	—	3,593,636	—	3,593,636
Common stock: Industrial & miscellaneous	200,865,170	—	—	200,865,170
Derivative assets: Credit default swaps	—	471,760	—	471,760
Separate account assets	20,091,922	—	—	20,091,922
Total assets at fair value	220,957,092	4,065,396	—	225,022,488

\*Separate account assets measured at fair value in this table do not include assets backing market value adjusted annuities, which are held at amortized cost, with the exception of securities rated NAIC 6 where the security's fair value is below amortized cost.

There were no significant transfers between Level 1 and Level 2 of the fair value hierarchy. See Note 20A(3) for the policy for determining when transfers between levels are recognized.

(2) Not applicable.

(3) The Company's policy is to recognize transfers in and transfers out of levels at the beginning of each quarterly reporting period.

(4) Investments in Level 2 include below investment grade residential mortgage-backed securities initially rated NAIC 6. These securities represent both senior and subordinated tranches in securitization trusts containing residential mortgage loans originated during the period of 2006 to 2007. The Company determined fair value as of the balance sheet date through the use of third-party pricing services utilizing market observable inputs.

Derivative investments included in Level 2 consist of credit default swaps. The fair values of these securities are determined through the use of third-party pricing services or models utilizing market observable inputs.

The fair value of common stock has been determined utilizing publicly quoted prices from third-party pricing services.

Assets held in separate accounts carried at fair value consisted of mutual funds. The fair values of these assets have been determined using the same methodologies as for common stock.

B. Not applicable.

C. The carrying amounts and fair values of the Company's significant financial instruments were as follows:

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	(Level 1)	(Level 2)	(Level 3)	Not Practicable (Carrying Value)
Bonds	10,336,783,685	10,087,795,015	2,425,710	9,929,601,208	404,756,767	—
Common stock: Unaffiliated **	254,005,270	254,005,270	254,005,270	—	—	—
Preferred stock	13,009,333	12,121,638	—	—	—	13,009,333
Mortgage loans	837,524,626	821,277,610	—	—	—	837,524,626
Cash, cash equivalents, & short-term investments	94,175,430	94,175,672	94,175,430	—	—	—
Other invested assets: Surplus notes	38,286,044	33,376,271	—	38,286,044	—	—
Securities lending reinvested collateral assets	115,122	115,122	115,122	—	—	—
Derivative assets	471,760	471,760	—	471,760	—	—
Separate account assets	22,980,721	22,910,875	21,842,783	1,137,938	—	—
Life and annuity reserves for investment-type contracts and deposit fund liabilities	(8,817,908,933)	(8,514,932,537)	—	—	(8,817,908,933)	—
Derivative liabilities	(1,594,178)	—	—	—	(1,594,178)	—
Cash collateral payable	(200,000)	(200,000)	—	(200,000)	—	—
Separate account liabilities *	(2,835,015)	(2,741,023)	—	—	(2,835,015)	—
Securities lending liability	(238,325,450)	(238,325,450)	—	(238,325,450)	—	—

\*Variable annuity contracts are considered insurance contracts and therefore, are not included in separate account liabilities for purposes of this disclosure.

\*\* Includes FHLB common stock which is held at cost.

The following discussion describes the valuation methodologies utilized by the Company for assets and liabilities measured or disclosed at fair value. Fair value estimates are made at a specific point in time, based on available market information and judgments about the financial instrument, including discount rates, estimates of timing, amount of expected future cash flows and the credit standing of the issuer. Such estimates do not consider the tax impact of the realization of unrealized gains or losses. For Level 3 investments, the fair value estimates cannot be substantiated by comparison to independent markets. In addition, the disclosed fair value may not be realized in the immediate settlement of the financial instrument. As described below, certain fair values are determined through the

## ANNUAL STATEMENT FOR THE YEAR 2016 OF THE Western-Southern Life Assurance Company

use of third-party pricing services. Management does not adjust prices received from third-parties; however, we do analyze the third-party pricing services' valuation methodologies and related inputs and perform additional evaluation to determine the appropriate level within the fair value hierarchy. Care should be exercised in deriving conclusions about the Company's business, its value or financial position based on the fair value information of financial instruments presented below.

### *Debt Securities and Surplus Notes*

The fair values of actively traded debt securities, asset/mortgage-backed securities, and surplus notes have been determined through the use of third-party pricing services utilizing market observable inputs. Less liquid private placement securities trading in less liquid or illiquid markets with limited or no pricing information are valued using either broker quotes or by discounting the expected cash flows using current market-consistent rates applicable to the yield, credit quality and maturity of each security.

### *Equity Securities*

The fair values of actively traded equity securities have been determined utilizing publicly quoted prices obtained from third-party pricing services. The fair values of certain equity securities for which no publicly quoted prices are available have been determined through the use of third-party pricing services utilizing market observable inputs. Actively traded mutual funds are valued using the net asset values of the funds.

### *Mortgage Loans*

The fair values for mortgage loans, consisting principally of commercial real estate loans, are estimated using discounted cash flow analyses, using interest rates currently being offered for similar loans collateralized by properties with similar investment risk. The fair values for mortgage loans in default are established at the lower of the fair value of the underlying collateral less costs to sell or the carrying amount of the loan.

### *Derivative Instruments*

The fair values of credit default swaps are determined through the use of third-party pricing services or models utilizing market observable inputs. The fair values of interest rate swaps qualifying for hedge accounting treatment are determined using valuation models incorporating significant unobservable inputs, including projected discounted cash flows, applicable swap curves and implied volatilities.

### *Cash, Cash Equivalents and Short-Term Investments*

The fair values of cash, cash equivalents and short-term investments are based on quoted market prices.

### *Securities Lending Reinvested Collateral Assets*

The fair value of securities lending reinvested collateral assets are from third-party sources utilizing publicly quoted prices.

### *Assets Held in Separate Accounts*

Assets held in separate accounts include debt securities and mutual funds. The fair values of these assets have been determined using the same methodologies as similar assets held in the general account.

### *Life and Annuity Reserves for Investment-type Contracts and Deposit Fund Liabilities*

The fair value of liabilities for investment-type contracts is based on the present value of estimated liability cash flows. Present values reflect the Company's margin for uncertainty of the timing of liability cash flows. Key assumptions to the cash flow model include the timing of policyholder withdrawals and the level of interest credited to contract balances.

Fair values for insurance reserves are not required to be disclosed. However, the estimated fair values of all insurance reserves and investment contracts are taken into consideration in the Company's overall management of interest rate risk.

### *Cash Collateral Payable*

The payable represents the obligation to return cash collateral the Company has received relating to derivative instruments. The fair value is based upon the stated amount.

### *Securities Lending Liability*

The liability represents the Company's obligation to return collateral related to securities lending transactions. The liability is short-term in nature and therefore, the fair value of the obligation approximates the carrying amount.

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*Separate Account Liabilities*

Certain separate account liabilities are classified as investment contracts and are carried at an amount equal to the related separate account assets. Carrying value is a reasonable estimate of the fair value as it represents the exit value as evidenced by withdrawal transactions between contract holders and the Company.

D. Not applicable.

21. Other Items

A. Extraordinary Items. None.

B. Troubled Debt Restructuring. None.

C. Other Disclosures and Unusual Items. None.

D. Business Interruption Insurance Recoveries. None.

E. State Transferable Tax Credits. None.

F. Subprime Mortgage Related Risk Exposure

The Company does not have any direct investments in subprime mortgage loans. The Company does not have any equity investments in subsidiary, controlled or affiliated entities with significant subprime mortgage related risk exposure. This disclosure does not include an evaluation of mortgage-backed debt securities commonly referred to as Alt A because these debt securities do not generally share all characteristics of subprime mortgage related risk.

The Company invests directly in certain debt securities which are considered to have subprime mortgage related risk. The Company considers the following general characteristics typical of its debt securities with subprime mortgage exposure:

- Underlying borrowers with low credit ratings (FICO score generally lower than 670);
- Underlying loans with interest rates above rates available to prime borrowers;
- Underlying loans with generally higher initial loan-to-value ratios;
- Underlying loans with generally higher concentration of second liens;
- Underlying loans with generally higher concentration of manufactured housing;
- Securities with generally higher spread between collateral interest received and interest payments to investors;
- Securities with generally higher level of overcollateralization.

Investments in debt securities with subprime mortgage exposure, similar to other types of investments, can subject an investor to unrealized losses due to changing interest rates or general credit spread widening. Similarly, an investor is exposed to realized losses if actual cash flow of the underlying mortgages is worse than expected due to higher defaults which can result in principal loss for the investor.

In order to manage subprime mortgage related risk the Company uses proprietary risk models to project probability of default and recoveries of underlying collateral, proprietary surveillance systems to monitor credit performance, exposure analysis by risk category and maintenance of a watchlist for higher risk investments.

The following table shows our investments in debt securities with subprime mortgage exposure based on the definition above:

(3) Direct exposure through other investments.

	(1) Actual Cost	(2) Book/Adjusted Carrying Value (excluding interest)	(3) Fair Value	(4) Other-Than- Temporary Impairment Losses Recognized
a. Residential mortgage backed securities	57,103,853	56,873,585	56,005,950	—
Commercial mortgage backed securities	—	—	—	—
b. securities	—	—	—	—
c. Collateralized debt obligations	—	—	—	—
d. Structured securities	—	—	—	—
e. Equity investment in SCAs	—	—	—	—
f. Other assets	—	—	—	—
g. Total	57,103,853	56,873,585	56,005,950	—

The percentage of book value of these debt securities that have underlying loans with primarily variable interest rates is 32.91%

## ANNUAL STATEMENT FOR THE YEAR 2016 OF THE Western-Southern Life Assurance Company

### G. Retained Assets

(1) The Company offered retained asset accounts as an optional form of settlement for life insurance policy proceeds in 2016. The retained asset account option provided to beneficiaries was not the default method for satisfying life insurance claims in 2016, as a signature of the beneficiary authorizing the creation of such an account was required for this method of settlement.

The Company's retained asset accounts are transferred to the parent company, Western and Southern. Accounts established after 2004 are serviced by Western and Southern and accounts established prior to 2004 are serviced by an unaffiliated bank, with the assets and liabilities related to these retained assets accounts remaining on the parent company's financial statements.

The interest rate paid to retained asset account holders during 2016 was 0.5%. This rate did not change during 2016. Accountholders are not charged for routine administrative fees associated with these retained asset accounts; provided, however, that accountholders are responsible for certain fees associated with insufficient funds checks/drafts and stop-payment orders.

(2) Not applicable.

(3) Not applicable.

### 22. Events Subsequent

The Company recognizes in the financial statements the effects of all subsequent events that provide additional evidence about conditions that existed at the Balance Sheet date. For non-recognized subsequent events that must be disclosed to keep the financial statements from being misleading, the Company is required to disclose the nature of the event as well as an estimate of its financial effect, or a statement that such an estimate cannot be made. Management has evaluated subsequent events through the issuance of these financial statements on February 27, 2017.

### 23. Reinsurance

#### A. Ceded Reinsurance Report

##### Section 1 - General Interrogatories

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

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

##### Section 2 - Ceded Reinsurance Report - Part A

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

- 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.
- 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?

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

##### Section 3 - Ceded Reinsurance Report - Part B

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

ANNUAL STATEMENT FOR THE YEAR 2016 OF THE Western-Southern Life Assurance Company

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

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

B. The Company had no uncollectible reinsurance balances written off through income or expense during the year.

C. The Company had no commutation of reinsurance reflected in income or expense during the year.

D. Certified reinsurer rating downgraded or status subject to revocation. None.

E. Reinsurance of variable annuity contracts with an affiliated captive reinsurer. None.

F. Reinsurance agreement with an affiliated captive reinsurer. None.

G. Ceding entities that utilize captive reinsurers to assume reserves subject to the XXX/AXXX captive framework. None.

24. Retrospectively Rated Contracts and Contracts Subject to Redetermination.

A. Method used to estimate accrued retrospective premium adjustments. None.

B. None.

C. Amount of net premiums written that are subject to retrospective rating features. None.

D. Medical loss ratio rebates required pursuant to the Public Health Service Act. None.

E. Risk Sharing Provisions of the Affordable Care Act.

(1) Did the reporting entity write accident and health insurance premium which is subject to the Affordable Care Act risk sharing provisions (YES/NO)? Yes [ ] No [ X ]

ANNUAL STATEMENT FOR THE YEAR 2016 OF THE Western-Southern Life Assurance Company

(2) Impact of Risk Sharing Provisions of the Affordable Care Act on Admitted Assets, Liabilities and Revenue for the Current Year

	AMOUNT
a. Permanent ACA Risk Adjustment Program	
Assets	
1. Premium adjustments receivable due to ACA Risk Adjustment	—
Liabilities	
2. Risk adjustment user fees payable for ACA Risk Adjustment	—
3. Premium adjustments payable due to ACA Risk Adjustment	—
Operations (Revenue & Expense)	
4. Reported as revenue in premium for accident and health contracts (written/collected) due to ACA Risk Adjustment	—
5. Reported in expenses as ACA risk adjustment user fees (incurred/paid)	—
b. Transitional ACA Reinsurance Program	
Assets	
1. Amounts recoverable for claims paid due to ACA Reinsurance	—
2. Amounts recoverable for claims unpaid due to ACA Reinsurance (Contra Liability)	—
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	—
5. Ceded reinsurance premiums payable due to ACA Reinsurance	—
6. Liabilities for amounts held under uninsured plans contributions for ACA Reinsurance	—
Operations (Revenue & Expense)	
7. Ceded reinsurance premiums due to ACA Reinsurance	—
8. Reinsurance recoveries (income statement) due to ACA Reinsurance payments or expected payments	—
9. ACA Reinsurance contributions - not reported as ceded premium	—
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 & Expense)	
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	—

ANNUAL STATEMENT FOR THE YEAR 2016 OF THE Western-Southern Life Assurance Company

(3) Roll forward of prior year ACA risk sharing provisions for the following asset (gross of any nonadmission) and liability balances along with the reasons for adjustments to prior year balance.

	Accrued During the Prior Year on Business Written Before December 31 of the Prior Year		Received or Paid as of the Current Year on Business Written Before December 31 of the Prior Year		Differences		Adjustments		Unsettled Balances as of the Reporting Date		
					Prior Year Accrued Less Payments (Col 1 - 3)	Prior Year Accrued Less Payments (Col 2 - 5)	To Prior Year Balances	To Prior Year Balances	Cumulative Balance from Prior Years (Col 1 - 3 + 7)	Cumulative Balance from Prior Years (Col 2 - 4 + 8)	
	1	2	3	4	5	6	7	8	9	10	
	Receivable	(Payable)	Receivable	(Payable)	Receivable	(Payable)	Receivable	(Payable)	Ref	Receivable	(Payable)
a. Permanent ACA Risk Adjustment Program					—	—			A	—	—
1. Premium adjustments receivable					—	—			B	—	—
2. Premium adjustments (payable)					—	—				—	—
3. Subtotal ACA Permanent Risk Adjustment Program	—	—	—	—	—	—	—	—		—	—
b. Transitional ACA Reinsurance Program					—	—			C	—	—
1. Amounts recoverable for claims paid					—	—			D	—	—
2. Amounts recoverable for claims unpaid (contra liability)					—	—			E	—	—
3. Amounts receivable relating to uninsured plans					—	—			F	—	—
4. Liabilities for contributions payable due to ACA Reinsurance - not reported as ceded premium					—	—			G	—	—
5. Ceded reinsurance premiums payable					—	—			H	—	—
6. Liability for amounts held under uninsured plans					—	—				—	—
7. Subtotal ACA Transitional Reinsurance Program	—	—	—	—	—	—	—	—		—	—
c. Temporary ACA Risk Corridors Program					—	—			I	—	—
1. Accrued retrospective premium					—	—			J	—	—
2. Reserve for rate credits or policy experience rating refunds					—	—				—	—
3. Subtotal ACA Risk Corridors Program	—	—	—	—	—	—	—	—		—	—
d. Total for ACA Risk Sharing Provisions	—	—	—	—	—	—	—	—		—	—

25. Change in Incurred Losses and Loss Adjustment Expenses. None.

26. Intercompany Pooling Arrangements. None.

27. Structured Settlements. None.

28. Health Care Receivables. None.

29. Participating Policies. None.

30. Premium Deficiency Reserves. None.

31. Reserves for Life Contracts and Annuity Contracts

1. The Company waives deduction of deferred fractional premiums upon death of insured and returns any portion of the final premium beyond the date of death. Surrender values are not promised in excess of the legally computed reserves.
2. Policies issued to substandard lives are charged an extra premium plus the regular gross premium for the true age. Mean reserves are based on appropriate multiples of standard rates of mortality.
3. As of December 31, 2016, the Company had \$572,738,578 of insurance in force for which the gross premiums are less than the net premiums according to the standard valuation set by the state of Ohio. Reserves to cover this insurance totaled \$7,149,746 at year-end and are reported in Exhibit 5, Life Insurance and Annuities sections.
4. The tabular interest, the tabular less actual reserve released, and the tabular cost have been determined by formula as described in the instructions.
5. The determination of tabular interest on funds not involving life has been determined by formula as described in the instructions..
6. The details for other changes: None.

# ANNUAL STATEMENT FOR THE YEAR 2016 OF THE Western-Southern Life Assurance Company

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

	(1) General Account	(2) Separate Account with Guarantees	(3) Separate Account Nonguaranteed	(4) Total	(5) % of Total
A. Subject to discretionary withdrawal:					
(1) With market value adjustment	—	2,741,023	—	2,741,023	0.0%
(2) At book value less current surrender charge of 5% or more	1,645,980,330	—	—	1,645,980,330	18.4%
(3) At fair value	—	—	19,988,886	19,988,886	0.2%
(4) Total with market value adjustment or at fair value (total of 1 through 3)	1,645,980,330	2,741,023	19,988,886	1,668,710,239	18.6%
(5) At book value without adjustment (minimal or no charge or adjustment)	5,750,767,393	—	—	5,750,767,393	64.2%
B. Not subject to discretionary withdrawal	1,531,540,856	—	—	1,531,540,856	17.1%
C. Total (gross: direct + assumed)	8,928,288,579	2,741,023	19,988,886	8,951,018,488	100.0%
D. Reinsurance ceded	—	—	—	—	—
E. Total (net)* (C) - (D)	8,928,288,579	2,741,023	19,988,886	8,951,018,488	—

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

### F. Life & Accident & Health Annual Statement:

	Amount
1. Exhibit 5, Annuities Section, Total (net)	7,440,309,052
2. Exhibit 5, Supplementary Contracts with Life Contingencies Section, Total (net)	26,523,169
3. Exhibit 7, Deposit-Type Contracts, Line 14, Column 1	1,461,456,358
4. Subtotal	8,928,288,579
Separate Accounts Annual Statement:	
5. Exhibit 3, Line 0299999, Column 2	22,729,909
6. Exhibit 3, Line 0399999, Column 2	—
7. Policyholder dividend and coupon accumulations	—
8. Policyholder premiums	—
9. Guaranteed interest contracts	—
10. Other contract deposit funds	—
11. Subtotal	22,729,909
12. Combined Total	8,951,018,488

## 33. Premiums and Annuity Consideration Deferred and Uncollected

A. Deferred and uncollected life insurance premiums and annuity considerations as of the end of current period, were as follows:

Type	(1) Gross	(2) Net of Loading
(1) Industrial	—	—
(2) Ordinary new business	1,329,465	996,364
(3) Ordinary renewal	14,765,040	21,082,393
(4) Credit Life	—	—
(5) Group Life	—	—
(6) Group Annuity	—	—
(7) Totals	16,094,505	22,078,757

## 34. Separate Accounts

### A. Separate Account Activity

(1) The Company utilizes separate accounts to record and account for assets and liabilities for particular lines of business and/or transactions. For the current reporting year, the Company reported assets and liabilities from the following product lines/transactions into a separate account:

- Variable Annuities
- Market Value Adjusted Annuities

In accordance with the Ohio Department of Insurance procedures for approving items within the separate accounts, the separate account classification of Variable Annuity contracts and Market Value Adjusted Annuity contracts are supported by Ohio Revised Code §3907.15.

(2) In accordance with the products recorded within the separate accounts, all separate account assets are considered legally insulated from the general account. The legal insulation of the separate account assets prevents such assets from being generally available to satisfy claims resulting from the general account.

## ANNUAL STATEMENT FOR THE YEAR 2016 OF THE Western-Southern Life Assurance Company

As of December 31, 2016 and 2015, the Company's separate account statement included legally insulated assets of \$22,910,876 and \$25,637,723, respectively. The assets legally insulated from the general accounts as of December 31, 2016 are attributed to the following products:

(1) Product/Transaction	(1) Legally Insulated Assets	(2) Separate Account Assets (Not Legally Insulated)
Variable Annuities	20,091,922	—
Market Value Adjusted Annuities	2,818,954	—
Total	22,910,876	—

(3) In accordance with the products recorded within the separate accounts, some separate account liabilities are guaranteed by the general account. In accordance with the guarantees provided, if the investment proceeds are insufficient to cover the rate of return guaranteed for the product, the policyholder proceeds will be remitted by the general account.

As of December 31, 2016, the Company's general account had a maximum guarantee for separate account liabilities of \$361,915. To compensate the general account for the risk taken, the separate accounts have paid risk charges as follows for the past five years:

a. 2016	1,799
b. 2015	2,416
c. 2014	2,926
d. 2013	3,108
e. 2012	3,180

The Company's general account has paid the following amounts towards separate account guarantees for the past five years:

a. 2016	—
b. 2015	—
c. 2014	—
d. 2013	547
e. 2012	—

(4) The Company does not engage in securities lending transactions within the separate accounts.

### B. General Nature and Characteristics of Separate Account Business

The Company's guaranteed separate account consists of non-indexed, guaranteed rate options that include market value adjustments. The guaranteed rate options were sold in a fixed annuity product. These options carry a minimum interest guarantee based on the guarantee period selected by the policyholder. The fixed annuity product provides a death benefit equal to the account value.

The Company's nonguaranteed separate accounts consist of subaccounts available through variable annuities. The net investment experience of each subaccount is credited directly to the variable annuity policyholders and can be positive or negative. Variable annuities include guaranteed minimum death benefits that vary by product and include optional death benefits available on some products. The death benefits include the following: account value, return of premium paid, a death benefit that accumulates at a specified interest rate, a death benefit that is adjusted septennially to the current account value, and a death benefit that is adjusted annually to the current account value.

Assets held in the separate account supporting variable annuities are carried at fair value. Assets held in the separate account supporting market value adjusted annuities are carried at the general account basis.

ANNUAL STATEMENT FOR THE YEAR 2016 OF THE Western-Southern Life Assurance Company

Information regarding the separate accounts of the Company as of and for the year ended December 31, 2016 is as follows:

	(1) Indexed	(2) Nonindexed Guarantee Less than/equal to 4%	(3) Nonindexed Guarantee More than 4%	(4) Nonguaranteed Separate Accounts	(5) Total
(1) Premiums, considerations or deposits as of the end of current period	—	—	—	249,504	249,504
Reserves as of the end of the current period					
(2) For accounts with assets at:					
a. Fair value	—	—	—	19,988,886	19,988,886
b. Amortized cost	—	2,741,023	—	—	2,741,023
c. Total reserves*	—	2,741,023	—	19,988,886	22,729,909
(3) By withdrawal characteristics:					
a. Subject to discretionary withdrawal:					
1. With market value adjustment	—	2,741,023	—	—	2,741,023
2. At book value without market value adjustment and with current surrender charge of 5% or more	—	—	—	—	—
3. At fair value	—	—	—	19,988,886	19,988,886
4. At book value without market value adjustment and with current surrender charge less than 5%	—	—	—	—	—
5. Subtotal	—	2,741,023	—	19,988,886	22,729,909
b. Not subject to discretionary withdrawal	—	—	—	—	—
c. Total	—	2,741,023	—	19,988,886	22,729,909
*Line 2(c) should equal Line 3(c)					
(4) Reserves for Asset Default Risk in Lieu of AVR	—	—	—	—	—

C. Reconciliation of Net Transfers To (From) Separate Accounts

(1) Transfers as reported in the Summary of Operations of the Separate Accounts Statement:

a. Transfers to Separate Accounts (Page 4, Line 1.4)	\$ 249,504
b. Transfers from Separate Accounts (Page 4, Line 10)	\$ 3,871,455
c. Net transfers to or (From) Separate Accounts (a) - (b)	\$ (3,621,951)

(2) Reconciling Adjustments:

Policy deductions and other expenses (Page 4, Line 9.302)	\$ 18,432
Other account adjustments	\$ (1,978)

(3) Transfers as Reported in the Summary of Operations of the Life, Accident & Health Annual Statement (1c) + (2) = (Page 4, Line 26)

\$ (3,605,497)

35. Loss/Claim Adjustment Expenses. None.

ANNUAL STATEMENT FOR THE YEAR 2016 OF THE Western-Southern Life Assurance Company  
**GENERAL INTERROGATORIES**

**PART 1 - COMMON INTERROGATORIES  
 GENERAL**

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

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

1.3 State Regulating? .....  Ohio

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

2.2 If yes, date of change: \_\_\_\_\_

3.1 State as of what date the latest financial examination of the reporting entity was made or is being made. .....  12/31/2012

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. .....  12/31/2012

3.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). .....  10/02/2013

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 [ X ]  No [ ]  
 4.22 renewals? .....  Yes [ X ]  No [ ]

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

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

6.1 Has the reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? .....  Yes [ ]  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 or government, manager or attorney in fact).

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

ANNUAL STATEMENT FOR THE YEAR 2016 OF THE Western-Southern Life Assurance Company  
**GENERAL INTERROGATORIES**

8.1 Is the company a subsidiary of a bank holding company regulated by 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 response to 8.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal 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?  
 Ernst & Young  
 1900 Scripps Center  
 312 Walnut Street  
 Cincinnati, OH 45202

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 the 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  
 .....  
 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?  
 Daniel Harris  
 400 Broadway  
 Cincinnati, OH 45202  
 Officer of the Company .....  
 12.1 Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly? ..... Yes [ X ] No [ ]  
 12.11 Name of real estate holding company .... Various  
 12.12 Number of parcels involved ..... 7  
 12.13 Total book/adjusted carrying value ..... \$ 26,216,949  
 12.2 If, yes provide explanation:  
 The Company has investments on Schedule BA that are classified as Real Estate and LIHTCs.  
 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 [ X ] No [ ]  
 14.21 If the response to 14.2 is yes, provide information related to amendment(s).  
 Presentation, wording, and contact persons .....  
 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).  
 .....

**ANNUAL STATEMENT FOR THE YEAR 2016 OF THE Western-Southern Life Assurance Company**  
**GENERAL INTERROGATORIES**

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 subordinate committee thereof? ..... Yes [ X ] No [ ]

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

18. Has the reporting entity an established procedure for disclosure to its board of directors or trustees of any material interest or affiliation on the part of any of its officers, directors, trustees or responsible employees that is in conflict 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.....	\$ .....
20.12	To stockholders not officers.....	\$ .....
20.13	Trustees, supreme or grand (Fraternal Only) .....	\$ .....

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.....	\$ .....
20.22	To stockholders not officers.....	\$ .....
20.23	Trustees, supreme or grand (Fraternal Only) .....	\$ .....

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

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

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

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 [ ] No [ X ]

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

**INVESTMENT**

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

24.02 If no, give full and complete information relating thereto

24.03 For security lending programs, provide a description of the program including value for collateral and amount of loaned securities, and whether collateral is carried on or off-balance sheet. (an alternative is to reference Note 17 where this information is also provided)  
DESCRIPTION OF PROGRAM IS PROVIDED IN NOTE 5E .....

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 [ X ] N/A [ ]

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

24.06 If answer to 24.04 is no, report amount of collateral for other programs. .... \$ ..... 239,359,975

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 [ X ] No [ ] N/A [ ]

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

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

ANNUAL STATEMENT FOR THE YEAR 2016 OF THE Western-Southern Life Assurance Company  
**GENERAL INTERROGATORIES**

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

24.101 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2 .....	\$ 239,359,975
24.102 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2 .....	\$ 239,381,832
24.103 Total payable for securities lending reported on the liability page. ....	\$ 238,325,450

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

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

25.21 Subject to repurchase agreements .....	\$ .....
25.22 Subject to reverse repurchase agreements .....	\$ .....
25.23 Subject to dollar repurchase agreements .....	\$ .....
25.24 Subject to reverse dollar repurchase agreements .....	\$ .....
25.25 Placed under option agreements .....	\$ .....
25.26 Letter stock or securities restricted as to sale - excluding FHLB Capital Stock .....	\$ .....
25.27 FHLB Capital Stock .....	\$ 53,140,100
25.28 On deposit with states .....	\$ 2,443,856
25.29 On deposit with other regulatory bodies .....	\$ .....
25.30 Pledged as collateral - excluding collateral pledged to an FHLB .....	\$ .....
25.31 Pledged as collateral to FHLB - including assets backing funding agreements .....	\$ 1,712,777,645
25.32 Other .....	\$ .....

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 [ X ]  No [ ]

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

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

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

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

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

1 Name of Custodian(s)	2 Custodian's Address
BANK OF NEW YORK MELLON .....	ONE WALL STREET NY NY 10286 .....
FEDERAL HOME LOAN BANK .....	CINCINNATI OH 45202 .....
DEUTSCHE BANK TRUST COMPANY AMERICAS .....	60 WALL STREET NY NY 10005 .....
MORGAN STANLEY .....	1300 THAMES ST BALTIMORE MD 21231 .....

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
.....	.....	.....	.....

ANNUAL STATEMENT FOR THE YEAR 2016 OF THE Western-Southern Life Assurance Company  
**GENERAL INTERROGATORIES**

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
FT WASHINGTON INVESTMENT ADVISORS .....	A.....

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 [ ]

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 [ ]

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
107126 .....	FT WASHINGTON INVESTMENT ADVISORS .....	KSRXYW3EHSEF8KM62609 .....	Securities Exchange Commission .....	DS.....

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		0

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

	1 Statement (Admitted) Value	2 Fair Value	3 Excess of Statement over Fair Value (-), or Fair Value over Statement (+)
30.1 Bonds .....	10,163,367,574	10,312,356,045	148,988,471
30.2 Preferred stocks .....	12,121,638	13,009,333	887,695
30.3 Totals .....	10,175,489,212	10,325,365,378	149,876,166

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

Fair values were generally obtained from IDC, Princeton Financial Spread Pricing Module and/or an Internal Pricing Committee/Internal Pricing Models. ....

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 [ ] No [ X ]

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:

Rates used to calculate fair value determined by a broker or custodian are reviewed by an internal pricing committee based upon asset class expertise to determine if rates are reasonable given current market conditions. ....

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:

ANNUAL STATEMENT FOR THE YEAR 2016 OF THE Western-Southern Life Assurance Company  
**GENERAL INTERROGATORIES**

**OTHER**

33.1 Amount of payments to trade associations, service organizations and statistical or rating bureaus, if any? .....\$ .....382,079

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
American Council of Life Insurance .....	135,870

34.1 Amount of payments for legal expenses, if any? .....\$ .....10,090,191

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
WolImuth Maher & Deutsch LLP .....	9,825,311

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

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
.....	.....

ANNUAL STATEMENT FOR THE YEAR 2016 OF THE Western-Southern Life Assurance Company  
**GENERAL INTERROGATORIES**

**PART 2 - LIFE INTERROGATORIES**

1.1	Does the reporting entity have any direct Medicare Supplement Insurance in force? .....	Yes [ ] No [ X ]
1.2	If yes, indicate premium earned on U.S. business only .....	\$ .....
1.3	What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit? .....	\$ .....
1.31	Reason for excluding: .....	
1.4	Indicate amount of earned premium attributable to Canadian and/or Other Alien not included in Item (1.2) above. ....	\$ .....
1.5	Indicate total incurred claims on all Medicare Supplement insurance. ....	\$ .....
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
1.7	Group policies: .....	All years prior to most current three years 1.64 Total premium earned ..... \$ ..... 0 1.65 Total incurred claims ..... \$ ..... 0 1.66 Number of covered lives ..... 0
2.	Health Test: .....	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
3.1	Does this reporting entity have Separate Accounts? .....	Yes [ X ] No [ ]
3.2	If yes, has a Separate Accounts Statement been filed with this Department? .....	Yes [ X ] No [ ] N/A [ ]
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? .....	\$ ..... 98,883
3.4	State the authority under which Separate Accounts are maintained: 3905.15 Ohio Revised Code .....	
3.5	Was any of the reporting entity's Separate Accounts business reinsured as of December 31? .....	Yes [ ] No [ X ]
3.6	Has the reporting entity assumed by reinsurance any Separate Accounts business as of December 31? .....	Yes [ ] No [ X ]
3.7	If the reporting entity has assumed Separate Accounts business, how much, if any, reinsurance assumed receivable for reinsurance of Separate Accounts reserve expense allowances is included as a negative amount in the liability for "Transfers to Separate Accounts due or accrued (net)"? .....	
4.1	Are personnel or facilities of this reporting entity used by another entity or entities or are personnel or facilities of another entity or entities used by this reporting entity (except for activities such as administration of jointly underwritten group contracts and joint mortality or morbidity studies)? .....	Yes [ X ] No [ ]
4.2	Net reimbursement of such expenses between reporting entities: .....	4.21 Paid ..... \$ ..... 84,640,496 4.22 Received ..... \$ .....
5.1	Does the reporting entity write any guaranteed interest contracts? .....	Yes [ ] No [ X ]
5.2	If yes, what amount pertaining to these lines is included in: .....	5.21 Page 3, Line 1 ..... \$ .....
5.22	Page 4, Line 1 ..... \$ .....	
6.	FOR STOCK REPORTING ENTITIES ONLY: .....	
6.1	Total amount paid in by stockholders as surplus funds since organization of the reporting entity: .....	\$ ..... 791,308,064
7.	Total dividends paid stockholders since organization of the reporting entity: .....	7.11 Cash ..... \$ ..... 606,000,000 7.12 Stock ..... \$ .....

ANNUAL STATEMENT FOR THE YEAR 2016 OF THE Western-Southern Life Assurance Company  
**GENERAL INTERROGATORIES**

8.1 Does the company reinsurance 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
8.32 Paid claims .....			0
8.33 Claim liability and reserve (beginning of year) .....			0
8.34 Claim liability and reserve (end of year) .....			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			
8.42 \$25,000 - 99,999			
8.43 \$100,000 - 249,999			
8.44 \$250,000 - 999,999			
8.45 \$1,000,000 or more			

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

9.1 Does the company have variable annuities with guaranteed benefits? ..... Yes [ X ] No [ ]

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

Type		3 Waiting Period Remaining	4 Account Value Related to Col. 3	5 Total Related Account Values	6 Gross Amount of Reserve	7 Location of Reserve	8 Portion Reinsured	9 Reinsurance Reserve Credit
1 Guaranteed Death Benefit	2 Guaranteed Living Benefit							
Max Anniversary Value .....	None .....	N/A .....	N/A .....	798,802	0	Exhibit 5 .....	0%	
6% Roll-Up .....	None .....	N/A .....	N/A .....	415,323	0	Exhibit 5 .....	0%	
Return of Premium .....	None .....	N/A .....	N/A .....	25,331,851	.59,365	Exhibit 5 .....	0%	

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

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

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

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

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

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

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

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

ANNUAL STATEMENT FOR THE YEAR 2016 OF THE Western-Southern Life Assurance Company  
**GENERAL INTERROGATORIES**

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

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

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

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

13.1 Direct Premium Written .....	\$ ..... 234,324,497
13.2 Total Incurred Claims .....	\$ ..... 128,323,037
13.3 Number of Covered Lives .....	256,288

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

**FIVE-YEAR HISTORICAL DATA**

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

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

	1 2016	2 2015	3 2014	4 2013	5 2012
<b>Life Insurance in Force</b>					
(Exhibit of Life Insurance)					
1. Ordinary - whole life and endowment (Line 34, Col. 4) .....	9,935,631	10,087,146	10,344,371	10,708,297	11,046,903
2. Ordinary - term (Line 21, Col. 4, less Line 34, Col. 4) .....	45,704,739	47,553,546	49,740,764	51,645,811	54,116,004
3. Credit life (Line 21, Col. 6) .....	0	0	0	0	0
4. Group, excluding FEGLI/SGLI (Line 21, Col. 9 less Lines 43 & 44, Col. 4) .....	0	0	0	0	0
5. Industrial (Line 21, Col. 2) .....	0	0	0	0	0
6. FEGLI/SGLI (Lines 43 & 44, Col. 4) .....	0	0	0	0	0
7. Total (Line 21, Col. 10) .....	55,640,370	57,640,692	60,085,135	62,354,108	65,162,907
<b>New Business Issued</b>					
(Exhibit of Life Insurance)					
8. Ordinary - whole life and endowment (Line 34, Col. 2) .....	543,961	492,590	480,779	575,730	625,510
9. Ordinary - term (Line 2, Col. 4, less Line 34, Col. 2) .....	1,115,682	1,120,899	1,205,915	1,136,563	1,107,426
10. Credit life (Line 2, Col. 6) .....	0	0	0	0	0
11. Group (Line 2, Col. 9) .....	0	0	0	0	0
12. Industrial (Line 2, Col. 2) .....	0	0	0	0	0
13. Total (Line 2, Col. 10) .....	1,659,643	1,613,489	1,686,694	1,712,293	1,732,936
<b>Premium Income - Lines of Business</b>					
(Exhibit 1 - Part 1)					
14. Industrial life (Line 20.4, Col. 2) .....	0	0	0	0	0
15.1 Ordinary-life insurance (Line 20.4, Col. 3) .....	336,657,878	320,703,720	324,102,926	343,127,357	528,424,263
15.2 Ordinary-individual annuities (Line 20.4, Col. 4) .....	274,976,339	242,683,904	477,429,601	592,545,086	1,024,920,102
16. Credit life (group and individual) (Line 20.4, Col. 5) .....	0	0	0	0	0
17.1 Group life insurance (Line 20.4, Col. 6) .....	0	0	0	0	0
17.2 Group annuities (Line 20.4, Col. 7) .....	486,303	15,244,288	0	0	0
18.1 A & H-group (Line 20.4, Col. 8) .....	0	0	0	0	0
18.2 A & H-credit (group and individual) (Line 20.4, Col. 9) .....	0	0	0	0	0
18.3 A & H-other (Line 20.4, Col. 10) .....	0	0	0	0	0
19. Aggregate of all other lines of business (Line 20.4, Col. 11) .....	0	0	0	0	0
20. Total .....	612,120,520	578,631,912	801,532,527	935,672,443	1,553,344,365
<b>Balance Sheet (Pages 2 &amp; 3)</b>					
21. Total admitted assets excluding Separate Accounts business (Page 2, Line 26, Col. 3) .....	12,327,145,899	12,527,737,745	13,112,780,459	13,108,624,552	12,348,651,453
22. Total liabilities excluding Separate Accounts business (Page 3, Line 26) .....	11,234,307,822	11,532,501,668	12,061,436,533	11,931,944,064	11,322,926,833
23. Aggregate life reserves (Page 3, Line 1) .....	9,308,513,705	9,565,248,140	9,888,684,235	9,973,439,365	9,845,765,533
24. Aggregate A & H reserves (Page 3, Line 2) .....	0	0	0	0	0
25. Deposit-type contract funds (Page 3, Line 3) .....	1,461,456,361	1,413,140,189	1,623,602,678	1,350,802,665	1,038,343,322
26. Asset valuation reserve (Page 3, Line 24.01) .....	148,102,004	149,420,626	152,504,051	153,939,820	127,457,894
27. Capital (Page 3, Lines 29 and 30) .....	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000
28. Surplus (Page 3, Line 37) .....	1,090,338,077	992,736,077	1,048,843,926	1,174,180,488	1,023,224,620
<b>Cash Flow (Page 5)</b>					
29. Net Cash from Operations (Line 11) .....	(109,854,414)	(171,682,927)	40,499,682	328,363,172	257,231,039
<b>Risk-Based Capital Analysis</b>					
30. Total adjusted capital .....	1,240,940,081	1,144,656,703	1,203,847,977	1,330,620,308	1,153,182,514
31. Authorized control level risk - based capital .....	125,803,460	126,374,014	136,240,157	138,198,641	139,180,487
<b>Percentage Distribution of Cash, Cash Equivalents and Invested Assets</b>					
(Page 2, Col. 3) (Line No. /Page 2, Line 12, Col. 3) x 100.0					
32. Bonds (Line 1) .....	.87.4	.87.1	.88.0	.88.0	.88.6
33. Stocks (Lines 2.1 and 2.2) .....	2.3	2.4	2.0	2.0	1.4
34. Mortgage loans on real estate(Lines 3.1 and 3.2) .....	7.1	6.7	5.7	5.8	6.8
35. Real estate (Lines 4.1, 4.2 and 4.3) .....	0.0	0.0	0.0	0.0	0.2
36. Cash, cash equivalents and short-term investments (Line 5) .....	0.8	0.9	0.9	1.8	1.2
37. Contract loans (Line 6) .....	0.3	0.3	0.3	0.3	0.4
38. Derivatives (Page 2, Line 7) .....	0.0	0.0	0.3	0.3	0.0
39. Other invested assets (Line 8) .....	2.0	1.9	1.8	1.5	1.2
40. Receivables for securities (Line 9) .....	0.0	0.1	0.0	0.0	0.0
41. Securities lending reinvested collateral assets (Line 10) .....	0.0	0.5	0.0	0.1	0.1
42. Aggregate write-ins for invested assets (Line 11) .....	0.0	0.1	1.0	0.0	0.0
43. Cash, cash equivalents and invested assets (Line 12) .....	100.0	100.0	100.0	100.0	100.0

**ANNUAL STATEMENT FOR THE YEAR 2016 OF THE Western-Southern Life Assurance Company**  
**FIVE-YEAR HISTORICAL DATA**

(Continued)

	1 2016	2 2015	3 2014	4 2013	5 2012
<b>Investments in Parent, Subsidiaries and Affiliates</b>					
44. Affiliated bonds (Schedule D Summary, Line 12, Col. 1) .....				0	
45. Affiliated preferred stocks (Schedule D Summary, Line 18, Col. 1) .....				0	
46. Affiliated common stocks (Schedule D Summary Line 24, Col. 1), .....	68,787,296	63,854,807	54,239,067	41,973,192	34,223,089
47. Affiliated short-term investments (subtotal included in Schedule DA Verification, Col. 5, Line 10) .....	0	0	0	0	0
48. Affiliated mortgage loans on real estate .....				0	
49. All other affiliated .....	165,529,125	147,107,092	149,981,576	153,807,468	97,169,991
50. Total of above Lines 44 to 49 .....	234,316,421	210,961,899	204,220,643	195,780,660	131,393,080
51. Total Investment in Parent included in Lines 44 to 49 above .....				0	
<b>Total Nonadmitted and Admitted Assets</b>					
52. Total nonadmitted assets (Page 2, Line 28, Col. 2) .....	70,929,256	70,510,132	53,071,433	41,139,570	33,336,138
53. Total admitted assets (Page 2, Line 28, Col. 3) .....	12,350,056,775	12,553,375,468	13,146,952,405	13,146,807,242	12,387,883,093
<b>Investment Data</b>					
54. Net investment income (Exhibit of Net Investment Income) .....	480,104,239	514,845,355	540,883,717	546,468,698	578,145,667
55. Realized capital gains (losses) (Page 4, Line 34, Column 1) .....	(32,326,551)	(23,204,041)	34,147,139	(1,905,396)	(7,022,346)
56. Unrealized capital gains (losses) (Page 4, Line 38, Column 1) .....	27,204,767	56,518,309	(48,918,768)	57,796,211	26,281,855
57. Total of above Lines 54, 55 and 56 .....	474,982,455	548,159,623	526,112,088	602,359,513	597,405,176
<b>Benefits and Reserve Increases (Page 6)</b>					
58. Total contract benefits - life (Lines 10, 11, 12, 13, 14 and 15 Col. 1, minus Lines 10, 11, 12, 13, 14 and 15 Cols. 9, 10 and 11) .....	1,077,373,393	1,126,715,937	1,092,030,721	1,074,005,433	945,873,627
59. Total contract benefits - A & H (Lines 13 & 14, Cols. 9, 10 & 11) .....	0	0	0	0	0
60. Increase in life reserves - other than group and annuities (Line 19, Cols. 2 and 3) .....	94,648,990	87,032,222	63,335,983	86,025,102	369,928,141
61. Increase in A & H reserves (Line 19, Cols. 9, 10 & 11) .....	0	0	0	0	0
62. Dividends to policyholders (Line 30, Col. 1) .....	0	0	0	0	0
<b>Operating Percentages</b>					
63. Insurance expense percent (Page 6, Col. 1, Lines 21, 22 & 23, less Line 6)/(Page 6, Col. 1, Line 1 plus Exhibit 7, Col. 2, Line 2) x 100.0 .....	4.4	5.3	5.8	4.1	8.7
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 100.0 .....	2.4	2.4	2.6	3.0	5.3
65. A & H loss percent (Schedule H, Part 1, Lines 5 and 6, Col. 2) .....	0.0	0.0	0.0	0.0	0.0
66. A & H cost containment percent (Schedule H, Pt. 1, Line 4, Col. 2) .....		0.0	0.0	0.0	0.0
67. A & H expense percent excluding cost containment expenses (Schedule H, Pt. 1, Line 10, Col. 2) .....		0.0	0.0	0.0	0.0
<b>A &amp; H Claim Reserve Adequacy</b>					
68. Incurred losses on prior years' claims - group health (Schedule H, Part 3, Line 3.1 Col. 2) .....					
69. Prior years' claim liability and reserve - group health (Schedule H, Part 3, Line 3.2 Col. 2) .....					
70. Incurred losses on prior years' claims-health other than group (Schedule H, Part 3, Line 3.1 Col. 1 less Col. 2) .....	0	0	0	0	0
71. Prior years' claim liability and reserve-health other than group (Schedule H, Part 3, Line 3.2 Col. 1 less Col. 2) .....	0	0	0	0	0
<b>Net Gains From Operations After Federal Income Taxes by Lines of Business (Page 6, Line 33)</b>					
72. Industrial life (Col. 2) .....	0	0	0	0	0
73. Ordinary - life (Col. 3) .....	14,581,995	19,604,048	40,581,534	6,226,377	(88,201,070)
74. Ordinary - individual annuities (Col. 4) .....	86,224,356	95,832,518	118,662,097	107,843,085	116,289,148
75. Ordinary-supplementary contracts (Col. 5) .....	851,507	376,377	960,455	291,840	15,620
76. Credit life (Col. 6) .....	0	0	0	0	0
77. Group life (Col. 7) .....	0	0	0	0	0
78. Group annuities (Col. 8) .....	(241,242)	358,829	0	0	0
79. A & H-group (Col. 9) .....	0	0	0	0	0
80. A & H-credit (Col. 10) .....	0	0	0	0	0
81. A & H-other (Col. 11) .....	0	0	0	0	0
82. Aggregate of all other lines of business (Col. 12) ....	(13,867,838)	(24,998,459)	(14,770,681)	(3,611,342)	13,203,925
83. Total (Col. 1)	87,548,779	91,173,313	145,433,405	110,749,960	41,307,623

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: .....

## ANNUAL STATEMENT FOR THE YEAR 2016 OF THE Western-Southern Life Assurance Company

**EXHIBIT OF LIFE INSURANCE**

	Industrial		Ordinary		Credit Life (Group and Individual)		Group		10 Total Amount of Insurance (a)	
	1 Number of Policies	2 Amount of Insurance (a)	3 Number of Policies	4 Amount of Insurance (a)	5 Number of Individual Policies and Group Certificates	6 Amount of Insurance (a)	Number of			
							7 Policies	8 Certificates		
1. In force end of prior year .....	.0	0	8,282,280	57,640,692	0	0	0	0	57,640,692	
2. Issued during year .....		0	13,568	1,659,643		0			1,659,643	
3. Reinsurance assumed .....			189	28,561					0	
4. Revived during year .....									28,561	
5. Increased during year (net) .....									0	
6. Subtotals, Lines 2 to 5 .....	.0	0	13,757	1,688,204	0	0	0	0	1,688,204	
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	8,296,037	59,328,896	0	0	0	0	59,328,896	
Deductions during year:										
10. Death .....			2,772	125,685			XXX		125,685	
11. Maturity .....			.296	19,199			XXX		19,199	
12. Disability .....							XXX		0	
13. Expiry .....			.85	17,319					17,319	
14. Surrender .....			3,713	216,245					216,245	
15. Lapse .....			10,317	1,157,246					1,157,246	
16. Conversion .....			.1,328	140,739			XXX	XXX	140,739	
17. Decreased (net) .....			547,191	2,012,093					2,012,093	
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	565,702	3,688,526	0	0	0	0	3,688,526	
21. In force end of year (Line 9 minus Line 20) .....	0	0	7,730,335	55,640,370	0	0	0	0	55,640,370	
22. Reinsurance ceded end of year .....	XXX		XXX	8,904,524	XXX		XXX	XXX	8,904,524	
23. Line 21 minus Line 22 .....	XXX		0	46,735,846	XXX	(b)	0	XXX	46,735,846	
<b>DETAILS OF WRITE-INS</b>										
0801. ....										
0802. ....										
0803. ....										
0898. Summary of remaining write-ins for Line 8 from overflow page .....	0	0	0	0	0	0	0	0	0	
0899. TOTALS (Lines 0801 thru 0803 plus 0898) (Line 8 above) .....	0	0	0	0	0	0	0	0	0	
1901. ....										
1902. ....										
1903. ....										
1998. Summary of remaining write-ins for Line 19 from overflow page .....	0	0	0	0	0	0	0	0	0	
1999. TOTALS (Lines 1901 thru 1903 plus 1998) (Line 19 above) .....	0	0	0	0	0	0	0	0	0	

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

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

**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 .....			4,259 .....	31,501 .....
26. Debit ordinary insurance .....	XXX .....	XXX .....	373 .....	1,811 .....

## 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 .....	5,164 .....	1,030,361 .....	7,537,069 .....	45,068,577 .....
29. Other term insurance - decreasing .....	XXX .....		XXX .....	181 .....
30. Other term insurance .....	XXX .....	85,321 .....	XXX .....	618,591 .....
31. Totals (Lines 27 to 30) .....	5,164 .....	1,115,682 .....	7,537,069 .....	45,687,349 .....
Reconciliation to Lines 2 and 21:				
32. Term additions .....	XXX .....		XXX .....	
33. Totals, extended term insurance .....	XXX .....	XXX .....		1,361 .....
34. Totals, whole life and endowment .....		8,404 .....	543,961 .....	191,905 .....
35. Totals (Lines 31 to 34) .....	13,568 .....	1,659,643 .....	7,730,335 .....	55,640,370 .....

## 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 .....	1,659,643 .....		55,640,370 .....	
38. Credit Life (Group and Individual) .....				
39. Group .....				
40. Totals (Lines 36 to 39) .....	1,659,643 .....	0 .....	55,640,370 .....	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 .....	
42. Number in force end of year if the number under shared groups is counted on a pro-rata basis .....		XXX .....		XXX .....
43. Federal Employees' Group Life Insurance included in Line 21 .....				
44. Servicemen's Group Life Insurance included in Line 21 .....				
45. Group Permanent Insurance included in Line 21 .....				

## ADDITIONAL ACCIDENTAL DEATH BENEFITS

46. Amount of additional accidental death benefits in force end of year under ordinary policies (a) .....	665,562 .....
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## BASIS OF CALCULATION OF ORDINARY TERM INSURANCE

47. State basis of calculation of (47.1) decreasing term insurance contained in Family Income, Mortgage Protection, etc., policies and riders and of (47.2) term insurance on wife and children under Family, Parent and Children, etc., policies and riders included above.
47.1 CURRENT COMMUTED AMOUNT .....
47.2 SPOUSE-ACTUAL AMOUNT; CHILD-TOTAL AMOUNT UNDER EACH POLICY OR RIDER EQUALS 2 TIMES ACTUAL AMOUNT

## POLICIES WITH DISABILITY PROVISIONS

Disability Provisions	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 .....		57,840 .....		4,097,173 .....				
49. Disability Income .....		263 .....		6,270 .....				
50. Extended Benefits .....		XXX .....		XXX .....				
51. Other .....		41 .....		332 .....				
52. Total .....	0 .....	(b) 58,144 .....	(b) 4,103,775 .....	0 .....	(b) 0 .....	0 .....	(b) 0 .....	0 .....

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

(b) See Paragraph 9 of the Annual Audited Financial Reports in the General section of the annual statement instructions

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

**SUPPLEMENTARY CONTRACTS**

	Ordinary		Group	
	1 Involving Life Contingencies	2 Not Involving Life Contingencies	3 Involving Life Contingencies	4 Not Involving Life Contingencies
1. In force end of prior year .....	854	1,540	0	0
2. Issued during year .....	65	160		
3. Reinsurance assumed .....				
4. Increased during year (net) .....				
5. Total (Lines 1 to 4) .....	919	1,700	0	0
Deductions during year:				
6. Decreased (net) .....	76	179		
7. Reinsurance ceded .....				
8. Totals (Lines 6 and 7) .....	76	179	0	0
9. In force end of year .....	843	1,521	0	0
10. Amount on deposit .....		(a) 2,181,125		(a) .....
11. Income now payable .....		1,436		(a) .....
12. Amount of income payable .....	(a) 2,697,350	(a) 8,272,780	(a)	(a)

**ANNUITIES**

	Ordinary		Group	
	1 Immediate	2 Deferred	3 Contracts	4 Certificates
1. In force end of prior year .....	2,164	260,568	2	275
2. Issued during year .....	139	4,771	3	13
3. Reinsurance assumed .....				
4. Increased during year (net) .....				
5. Totals (Lines 1 to 4) .....	2,303	265,339	5	288
Deductions during year:				
6. Decreased (net) .....	186	21,473		4
7. Reinsurance ceded .....				
8. Totals (Lines 6 and 7) .....	186	21,473	0	4
9. In force end of year .....	2,117	243,866	5	284
Income now payable:				
10. Amount of income payable .....	(a) 8,590,525	XXX	XXX	(a) 1,179,819
Deferred fully paid:				
11. Account balance .....	XXX	(a) 6,554,959,789	XXX	(a)
Deferred not fully paid:				
12. Account balance .....	XXX	(a) 809,922,025	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 .....	0		0		0	
2. Issued during year .....						
3. Reinsurance assumed .....						
4. Increased during year (net) .....		XXX		XXX		XXX
5. Totals (Lines 1 to 4) .....	0	XXX	0	XXX	0	XXX
Deductions during year:						
6. Conversions .....		XXX	XXX	XXX	XXX	XXX
7. Decreased (net) .....		XXX		XXX		XXX
8. Reinsurance ceded .....		XXX		XXX		XXX
9. Totals (Lines 6 to 8) .....	0	XXX	0	XXX	0	XXX
10. In force end of year .....	0	(a)	0	(a)	0	(a)

**DEPOSIT FUNDS AND DIVIDEND ACCUMULATIONS**

	Group		1 Deposit Funds Contracts	2 Dividend Accumulations Contracts
	1 Certificates	2 Premiums in Force	3 Policies	4 Premiums in Force
1. In force end of prior year .....	48			0
2. Issued during year .....				
3. Reinsurance assumed .....				
4. Increased during year (net) .....				
5. Totals (Lines 1 to 4) .....	48			0
Deductions During Year:				
6. Decreased (net) .....			15	
7. Reinsurance ceded .....				
8. Totals (Lines 6 and 7) .....			15	0
9. In force end of year .....			33	0
10. Amount of account balance .....	(a)	54,879	(a)	

(a) See Paragraph 9 of the Annual Audited Financial Reports in the General section of the annual statement instructions.

**ANNUAL STATEMENT FOR THE YEAR 2016 OF THE Western-Southern Life Assurance Company**  
**SCHEDULE T - PREMIUMS AND ANNUITY CONSIDERATIONS**

Allocated by States and Territories

States, Etc.	1	Direct Business Only					
		Life Contracts		3	4	5	6
		Active Status	Life Insurance Premiums	Annuity Considerations	Accident and Health Insurance Premiums, Including Policy, Membership and Other Fees	Other Considerations	Total Columns 2 through 5
1. Alabama	AL	L	1,559,121	2,494,526			4,053,647
2. Alaska	AK	N	55,384				55,384
3. Arizona	AZ	L	1,069,117	1,633,417			2,702,534
4. Arkansas	AR	L	521,018	13,681,959			14,202,977
5. California	CA	L	6,670,658	6,862,213			13,532,871
6. Colorado	CO	L	853,602	805,479			1,659,081
7. Connecticut	CT	L	1,248,210	3,217,573			4,465,783
8. Delaware	DE	L	416,417	70,899			.487,316
9. District of Columbia	DC	L	225,530	1,895			.227,425
10. Florida	FL	L	13,205,139	13,423,392			26,628,531
11. Georgia	GA	L	2,139,709	2,196,880			4,336,589
12. Hawaii	HI	L	2,067,837	5,378,311			7,446,148
13. Idaho	ID	L	40,882	6,454			.47,336
14. Illinois	IL	L	12,164,651	19,877,214			.32,041,865
15. Indiana	IN	L	17,584,127	19,901,676			.37,485,803
16. Iowa	IA	L	200,576	4,634,938			.4,835,514
17. Kansas	KS	L	775,722	2,403,446			.3,179,168
18. Kentucky	KY	L	11,282,780	4,134,979			.15,417,759
19. Louisiana	LA	L	5,604,008	12,621,327			.18,225,335
20. Maine	ME	N	.16,107				.16,107
21. Maryland	MD	L	2,833,012	3,408,481			.6,241,493
22. Massachusetts	MA	L	423,345	388,873			.812,218
23. Michigan	MI	L	11,134,798	19,536,146			.30,670,944
24. Minnesota	MN	L	2,388,635	774,053			.3,162,688
25. Mississippi	MS	L	2,658,360	8,118,882			.10,777,242
26. Missouri	MO	L	3,738,252	15,631,781			.19,370,033
27. Montana	MT	L	30,321	370,627			.400,948
28. Nebraska	NE	L	79,081	1,463,821			.1,542,902
29. Nevada	NV	L	317,758	353,225			.670,983
30. New Hampshire	NH	N	.10,309	300			.10,609
31. New Jersey	NJ	L	4,959,446	1,043,571			.6,003,017
32. New Mexico	NM	L	174,835	6,179,449			.6,354,284
33. New York	NY	N	186,471	(11,967)			.174,504
34. North Carolina	NC	L	18,900,564	6,563,413			.25,463,977
35. North Dakota	ND	L	.17,997				.17,997
36. Ohio	OH	L	66,924,187	36,530,293			.103,454,480
37. Oklahoma	OK	L	953,183	6,341,903			.7,295,086
38. Oregon	OR	L	173,040	346,443			.519,483
39. Pennsylvania	PA	L	22,091,190	9,387,997			.31,479,187
40. Rhode Island	RI	N	.15,348				.15,348
41. South Carolina	SC	L	2,024,392	2,120,044			.4,144,436
42. South Dakota	SD	L	38,011	211,000			.249,011
43. Tennessee	TN	L	2,608,250	5,591,480			.8,199,730
44. Texas	TX	L	4,463,034	10,844,330			.15,307,364
45. Utah	UT	L	298,096				.298,096
46. Vermont	VT	L	5,558	.44,147			.49,705
47. Virginia	VA	L	1,233,528	390,946			.1,624,474
48. Washington	WA	L	385,995	.25,537			.411,532
49. West Virginia	WV	L	.4,025,751	9,823,273			.13,849,024
50. Wisconsin	WI	L	3,479,440	12,494,204			.15,973,644
51. Wyoming	WY	L	36,582				.36,582
52. American Samoa	AS	N					.0
53. Guam	GU	L	6,288	4,869,241			.4,875,529
54. Puerto Rico	PR	N	8,529				.8,529
55. U.S. Virgin Islands	VI	N	.316				.316
56. Northern Mariana Islands	MP	N					.0
57. Canada	CAN	N					.0
58. Aggregate Other Alien	OT	XXX	57,275	0	0	.0	.57,275
59. Subtotal		(a)	47	234,381,772	276,188,071	0	.510,569,843
90. Reporting entity contributions for employee benefits 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	2,612,124			.2,612,124
94. Aggregate or other amounts not allocable by State			XXX	.0	0	.0	.0
95. Totals (Direct Business)			XXX	236,993,896	276,188,071	0	.513,181,967
96. Plus reinsurance assumed			XXX	116,909,923	(723,715)	0	.116,186,208
97. Totals (All Business)			XXX	353,903,819	275,464,356	0	.629,368,175
98. Less reinsurance ceded			XXX	17,347,694	.1,713	0	.17,349,407
99. Totals (All Business) less Reinsurance Ceded			XXX	336,556,125	275,462,643	(b) 0	.612,018,768
<b>DETAILS OF WRITE-INS</b>							
58001. MEX Mexico		XXX		8,097			.8,097
58002. ZZZ Other Alien		XXX		.49,178			.49,178
58003.		XXX					
58998. Summary of remaining write-ins for Line 58 from overflow page		XXX		.0	0	0	.0
58999. Totals (Lines 58001 through 58003 plus 58998)(Line 58 above)		XXX		57,275	0	0	.57,275
9401.		XXX					
9402.		XXX					
9403.		XXX					
9498. Summary of remaining write-ins for Line 94 from overflow page		XXX		.0	0	0	.0
9499. Totals (Lines 9401 through 9403 plus 9498)(Line 94 above)		XXX		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

By state of residence of the policyholder

(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, 10, or with Schedule H, Part 1, Line 1, indicate which: Exhibit 1, Lines 6.4, 10.4, and 16.4, Cols. 8, 9, 10..

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

		<u>NAIC#</u>	<u>TIN#</u>
PARENT -	WESTERN & SOUTHERN MUTUAL HOLDING COMPANY, OH (NON-INSURER)		31-1732405
SUBSIDIARY -	WESTERN & SOUTHERN FINANCIAL GROUP, INC., OH (NON-INSURER)		31-1732404
SUBSIDIARY -	THE LAFAYETTE LIFE INSURANCE COMPANY, OH (INSURER)	65242	35-0457540
SUBSIDIARY -	LLIA, INC., OH (NON-INSURER)		35-2123483
SUBSIDIARY -	THE WESTERN & SOUTHERN LIFE INSURANCE COMPANY, OH (INSURER)	70483	31-0487145
SUBSIDIARY -	WESTERN-SOUTHERN LIFE ASSURANCE COMPANY, OH (INSURER)	92622	31-1000236
SUBSIDIARY -	IFS FINANCIAL SERVICES, INC., OH (NON-INSURER)		31-1328371
SUBSIDIARY -	W&S BROKERAGE SERVICES, INC., OH (NON-INSURER)		31-0846576
SUBSIDIARY -	W&S FINANCIAL GROUP DISTRIBUTORS, INC. (NON-INSURER)		31-1334221
SUBSIDIARY -	COLUMBUS LIFE INSURANCE COMPANY, OH (INSURER)	99937	31-1191427
SUBSIDIARY -	INTEGRITY LIFE INSURANCE COMPANY, OH (INSURER)	74780	86-0214103
SUBSIDIARY -	NATIONAL INTEGRITY LIFE INSURANCE COMPANY, NY (INSURER)	75264	16-0958252
SUBSIDIARY -	INSURANCE PROFILLMENT SOLUTIONS, LLC, OH (NON-INSURER)		43-2081325
SUBSIDIARY -	WESTERN & SOUTHERN INVESTMENT HOLDINGS, LLC, OH (NON-INSURER)		06-1804434
SUBSIDIARY -	EAGLE REALTY GROUP, LLC, OH (NON-INSURER)		31-1018957
SUBSIDIARY -	FORT WASHINGTON INVESTMENT ADVISORS, INC., OH (NON-INSURER)		31-1301863

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Additional Write-ins for Summary of Operations Line 8.3

	1 Current Year	2 Prior Year
08.304.		
08.397. Summary of remaining write-ins for Line 8.3 from overflow page	0	0

**NONE**

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