

Our RBC was amended to correct the Interest Rate Risk RBC calculation. This resulted in a lower Authorized Control Level, which affected the ratio percentage used to determine recovery period for deferred taxes.



LIFE AND ACCIDENT AND HEALTH COMPANIES - ASSOCIATION EDITION

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

Cincinnati Equitable Life Insurance Company

NAIC Group Code	0838	NAIC Company Code	88064	Employer's ID Number	35-1452221
	(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	10/19/1977		Commenced Business	07/11/1978	
Statutory Home Office	525 Vine Street, Suite 1925		Cincinnati , OH, US 45202		
	(Street and Number)		(City or Town, State, Country and Zip Code)		
Main Administrative Office	525 Vine Street, Suite 1925				
	(Street and Number)				
	Cincinnati , OH, US 45202		513-621-1826		
	(City or Town, State, Country and Zip Code)		(Area Code) (Telephone Number)		
Mail Address	P.O. BOX 3428		Cincinnati , OH, US 45202-3428		
	(Street and Number or P.O. Box)		(City or Town, State, Country and Zip Code)		
Primary Location of Books and Records	525 Vine Street, Suite 1925				
	(Street and Number)				
	Cincinnati , OH, US 45202		513-621-1826		
	(City or Town, State, Country and Zip Code)		(Area Code) (Telephone Number)		
Internet Website Address	www.cineqlife.com				
Statutory Statement Contact	Gregory Allen Baker			513-621-1826	
	(Name)			(Area Code) (Telephone Number)	
	gbaker@1826.com		513-621-4531		
	(E-mail Address)		(FAX Number)		

OFFICERS

Chairman of the Board	Peter A Alpaugh	President/CEO/CFO/Treasurer	Gregory A Baker
Secretary	Linda S Bales	V.P. Sales & Marketing	Tonya G Crawford

OTHER

DIRECTORS OR TRUSTEES		
Peter A Alpaugh	Andrea A Kessel	Gregory A Baker
James W Ketring	Drew F Knowles	

State of Ohio
County of Hamilton
SS:

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

Peter Alpaugh Chairman of the Board	Linda Bales Secretary	Gregory Baker Treasurer
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Subscribed and sworn to before me this
20th day of February

Ricahrd Hansman, Jr.

November 8, 2019

a. Is this an original filing? Yes [] No [X]
b. If no,
1. State the amendment number.....2
2. Date filed03/29/2016
3. Number of pages attached..... 3

1. Summary of Significant Accounting Policies

A. Accounting Practices

The financial statements of Cincinnati Equitable Life Insurance Company are presented on the basis of accounting practices prescribed or permitted by the Ohio Insurance Department.

The Ohio Insurance 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, for determining its solvency under the Ohio Insurance Law. The National Association of Insurance Commissioners' (NAIC) Accounting Practices and Procedures manual, version effective January 1, 2001, (NAIC SAP) has been adopted as a component of prescribed or permitted practices by the State of Ohio. The State of Ohio has not adopted any prescribed or permitted practices that differ from NAIC SAP.

	SSAP #	F/S Page	F/S Line #	2016	2015
<u>NET INCOME</u>					
(1) Cincinnati Equitable Life state basis (page 4, line 35 Col. 1 & 2)				(342,726)	(31,201)
(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)				(342,726)	(31,201)
<u>SURPLUS</u>					
(5) Cincinnati Equitable Life state basis (Page 3, Line 38, Columns (1&2))				8,070,537	8,064,258
(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)				8,070,537	8,064,258

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

The preparation of financial statements in conformity with Statutory Accounting Principles requires management to make certain 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

Premiums are earned over the terms of the related insurance policies and reinsurance contracts. Unearned premium reserves are established to cover the unexpired portion of premiums written. Such reserves are computed by pro rata methods for direct business and are based on reports received from ceding companies for reinsurance.

Expenses incurred in connection with acquiring new insurance business, including such acquisition costs as sales commissions, are changed to operations as incurred. Expenses incurred are reduced for ceding allowances received or receivable.

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 amortized cost using the interest method.
- (3) Common Stocks at market except that investments in stocks of uncombined subsidiaries and affiliates in which the Company has an interest of 20% or more are carried on the equity basis.
- (4) Preferred stocks are stated in accordance with guidance provided in SSAP No. 32.
- (5) Mortgage loans on real estate are stated at the aggregate carrying value less accrued interest.
- (6) Loan-backed securities are stated at either amortized cost or the lower of amortized cost or fair market value. The retrospective adjustment method is used to value all securities except for interest only securities or securities where the yield had become negative; these are valued using the prospective method.
- (7) The Company owns 100% of the outstanding stock of Cincinnati Equitable Insurance Company, an Ohio domiciled property casualty insurance company. The stock of Cincinnati Equitable Insurance Company was contributed to the Company by their common parent Cincinnati Equitable Companies, Inc. in 2007.
- (8) The Company has no interest in Joint Ventures.
- (9) All derivatives, if any, are stated at fair value.
- (10) The Company does not anticipate investment income as a factor in the premium deficiency calculation.
- (11) Unpaid losses and loss adjustment expenses include an amount determined from individual case estimates and loss reports and an amount, based on past experience, for losses incurred but not reported. Such liabilities are necessarily based on assumptions and estimates and while management believes the amount is adequate, the ultimate liability may be in excess of or less than the amount provided. The methods for making such estimates and for establishing the resulting liability are continually reviewed and any adjustments are reflected in the period determined.

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

2. Accounting Changes and Corrections of Errors

A. Changes in accounting practices

The Company made no changes to accounting practices.

B. Correction of errors

The Company made no corrections of prior period financial statements.

3. Business Combinations and Goodwill

The Company has not participated in a business combination in the current year.

4. Discontinued Operations

The Company had no discontinued operations in the current year.

5. Investments

A. Mortgage Loans

The Company has no new Mortgage Loans or Loans in default.

B. Debt Restructuring

The Company has not restructured any debt in the current year.

C. Reverse Mortgages

The Company has no Reverse Mortgages.

D. Loan-Backed Securities

1. Prepayment assumptions for single class and multi-class mortgage-backed/asset-backed securities were obtained from broker dealer survey values or NAIC RMBS/ CMBS modeling.
2. The Company had no securities with a recognized other-than-temporary impairment.
3. The Company had no securities with a recognized other-than-temporary impairment.
4. All impaired 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):

a. The aggregate amount of unrealized losses:

1. Less than 12 Months \$ 266,925
2. 12 Months or Longer \$ 25,228

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

1. Less than 12 Months \$ 10,053,194
2. 12 Months or Longer \$ 382,819

5. We used market values obtained from broker dealers and money managers to determine that these securities are not Other-than-temporary impairments.

E. Repurchase Agreements and/or Securities Lending

The Company has no Repurchase Agreements or Securities Lending transactions.

F. Real Estate

The Company has no Real Estate investments.

G. Low Income Housing

The Company has no investments in low income housing

H. Restricted Assets

- (1) Restricted Assets

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Restricted Asset Category	Gross (Admitted & Nonadmitted) Restricted							8	9	Percentage	
	Current Year					6	7			10	11
	1	2	3	4	5						
	Total General Account (G/A)	G/A Supporting Protected Cell Account Activity (a)	Total Protected Cell Account Restricted Assets	Protected Cell Account Assets Supporting G/A Activity (b)	Total (1 plus 3)							Total From Prior Year	Increase/ (Decrease) (5 minus 6)	Total Nonadmitted Restricted	Total Admitted Restricted (5 minus 8)	Gross (Admitted & Nonadmitted) Restricted to Total Assets (c)	Admitted Restricted to Total Admitted Assets (d)
a. Subject to contractual obligation for which liability is not shown	\$	\$	\$	\$	\$	\$	\$		\$	%	%
b. Collateral held under security lending agreements											
c. Subject to repurchase agreements											
d. Subject to reverse repurchase agreements											
e. Subject to dollar repurchase agreements											
f. Subject to dollar reverse repurchase agreements											
g. Placed under option contracts											
h. Letter stock or securities restricted as to sale											
i. FHLB capital stock											
j. On deposit with states	1,145,897				1,145,897	1,131,717	14,180		1,145,897	.9%	.9%
k. On deposit with other regulatory bodies											
l. Pledged collateral to FHLB (including assets backing funding agreements)											
m. Pledged as collateral not captured in other categories											
n. Other restricted assets											
o. Total Restricted Assets	1,145,897				1,145,897	1,131,717	14,180		1,145,897	.9%	.9%

- (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

I. Working Capital Finance Investments

The Company has no Working Capital Finance Investments.

J. Offsetting and Netting of Assets and Liabilities

The Company has no offsetting and netting of Assets and Liabilities.

K. Structured Notes

The Company has no Structured Notes.

L. 5* Securities

Investment	Number of 5* Securities		Aggregate BACV		Aggregate Fair Value	
	Current Year	Prior Year	Current Year	Prior Year	Current Year	Prior Year
(1) Bonds - AC		2	288,501	0	291,451	0
(2) LB&SS - AC						
(3) Preferred Stock - AC						
(4) Preferred Stock - FV						
(5) Total (1+2+3+4)	0	2	288,501	0	291,451	0

AC - Amortized Cost FV - Fair Value

6. Joint Ventures, Partnerships and Limited Liability Companies

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

7. Investment Income

The Company has no excluded investment income due and accrued.

8. Derivative Instruments

The Company has no investments in derivative financial instruments.

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9. Income Taxes

A. The components of the net deferred tax asset/(liability) at the end of current period are as follows:

1.

	As of End of Current Period			12/31/2015			Change		
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	Ordinary	Capital	(Col. 1 + 2) Total	Ordinary	Capital	(Col. 4 + 5) Total	(Col. 1 - 4) Ordinary	(Col. 2 - 5) Capital	(Col. 7 + 8) Total
(a) Gross Deferred Tax Assets	2,388,000		2,388,000	2,246,000	63,000	2,309,000	142,000	(63,000)	79,000
(b) Statutory Valuation Allowance Adjustment			0			0	0	0	0
(c) Adjusted Gross Deferred Tax Assets (1a - 1b)	2,388,000	0	2,388,000	2,246,000	63,000	2,309,000	142,000	(63,000)	79,000
(d) Deferred Tax Assets Nonadmitted	880,000		880,000	593,000	63,000	656,000	287,000	(63,000)	224,000
(e) Subtotal Net Admitted Deferred Tax Asset (1c - 1d)	1,508,000	0	1,508,000	1,653,000	0	1,653,000	(145,000)	0	(145,000)
(f) Deferred Tax Liabilities	525,000	43,000	568,000	390,000		390,000	135,000	43,000	178,000
(g) Net Admitted Deferred Tax Asset/(Net Deferred Tax Liability) (1e - 1f)	983,000	(43,000)	940,000	1,263,000	0	1,263,000	(280,000)	(43,000)	(323,000)

2.

	As of End of Current Period			12/31/2015			Change		
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	Ordinary	Capital	(Col. 1 + 2) Total	Ordinary	Capital	(Col. 4 + 5) Total	(Col. 1 - 4) Ordinary	(Col. 2 - 5) Capital	(Col. 7 + 8) Total
Admission Calculation Components SSAP No. 101									
(a) Federal Income Taxes Paid In Prior Years Recoverable Through Loss Carrybacks.	126,000		126,000	58,000		58,000	68,000	0	68,000
(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)	814,000		814,000	1,205,000		1,205,000	(391,000)	0	(391,000)
1. Adjusted Gross Deferred Tax Assets Expected to be Realized Following the Balance Sheet Date.			0	1,411,000		1,411,000	(1,411,000)	0	(1,411,000)
2. Adjusted Gross Deferred Tax Assets Allowed per Limitation Threshold. ...	XXX	XXX	1,210,581	XXX	XXX	1,205,000	XXX	XXX	5,581
(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.	525,000	43,000	568,000	390,000		390,000	135,000	43,000	178,000
(d) Deferred Tax Assets Admitted as the result of application of SSAP No. 101. Total 2(a) + 2(b) + 2(c)	1,465,000	43,000	1,508,000	1,653,000	0	1,653,000	(188,000)	43,000	(145,000)

3.

	2016	2015
a. Ratio Percentage Used To Determine Recovery Period And Threshold Limitation Amount.	493.031	459.820
b. Amount Of Adjusted Capital And Surplus Used To Determine Recovery Period And Threshold Limitation In 2(b)2 Above.	8,014,165	7,316,479

4.

	As of End of Current Period		12/31/2015		Change	
	(1)	(2)	(3)	(4)	(5)	(6)
	Ordinary	Capital	Ordinary	Capital	(Col. 1 - 3) Ordinary	(Col. 2 - 4) Capital
Impact of Tax Planning Strategies:						
Determination of adjusted gross deferred tax assets and net admitted deferred tax assets, by tax character as a percentage.						
Adjusted Gross DTAs amount from Note 9A1(c)	2,388,000	0	2,246,000	63,000	142,000	(63,000)
Percentage of adjusted gross DTAs by tax character attributable to the impact of tax planning strategies	100.000	0.000	100.000	0.000	0.000	0.000
Net Admitted Adjusted Gross DTAs amount from Note 9A1(e)	1,508,000	0	1,653,000	0	(145,000)	0
Percentage of net admitted adjusted gross DTAs by tax character admitted because of the impact of tax planning strategies	100.000	0.000	100.000	0.000	0.000	0.000

B. Do the Company’s tax-planning strategies include the use of reinsurance? Yes [] No [X]

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

	(1) As of End of Current Period	(2) 12/31/2015	(3) (Col. 1 - 2) Change
1. Current Income Tax			
(a) Federal	(327,542)	(96,277)	(231,265)
(b) Foreign			0
(c) Subtotal	(327,542)	(96,277)	(231,265)
(d) Federal income tax on net capital gains	369,000	118,000	251,000
(e) Utilization of capital loss carry-forwards			0
(f) Other	(3,111)	40,135	(43,246)
(g) Federal and foreign income taxes incurred	38,347	61,858	(23,511)
2. Deferred Tax Assets:			
(a) Ordinary:			
(1) Discounting of unpaid losses			0
(2) Unearned premium reserve			0
(3) Policyholder reserves	41,000	44,000	(3,000)
(4) Investments			0
(5) Deferred acquisition costs	2,262,000	2,061,000	201,000
(6) Policyholder dividends accrual			0
(7) Fixed Assets			0
(8) Compensation and benefits accrual			0

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(9) Pension accrual0
10) Receivables - nonadmitted	42,000	21,000	21,000
11) Net operating loss carry-forward0
12) Tax credit carry-forward	43,000	120,000	(77,000)
13) Other (including items <5% of total ordinary tax assets) .....			.....0
(99) Subtotal	2,388,000	2,246,000	142,000
(b) Statutory valuation allowance adjustment .....			.....0
(c) Nonadmitted	880,000	593,000	287,000
(d) Admitted ordinary deferred tax assets (2a99 - 2b - 2c)	1,508,000	1,653,000	(145,000)
(e) Capital:			
1) Investments		63,000	(63,000)
2) Net capital loss carry-forward .....			.....0
3) Real estate .....			.....0
4) Other (including items <5% of total ordinary tax assets) .....			.....0
(99) Subtotal	0	63,000	(63,000)
(f) Statutory valuation allowance adjustment .....			.....0
(g) Nonadmitted		63,000	(63,000)
(h) Admitted capital deferred tax assets (2e99 - 2f - 2g)	0	0	.....0
(i) Admitted deferred tax assets (2d + 2h)	1,508,000	1,653,000	(145,000)
3. Deferred Tax Liabilities:			
(a) Ordinary:			
1) Investments	155,000	60,000	95,000
2) Fixed assets	1,000	1,000	.....0
3) Deferred and uncollected premium	369,000	329,000	40,000
4) Policyholder reserves .....			.....0
5) Other (including items <5% of total ordinary tax liabilities) .....			.....0
(99) Subtotal	525,000	390,000	135,000
(b) Capital:			
1) Investments	43,000		43,000
2) Real estate .....			.....0
3) Other (including items <5% of total capital tax liabilities) .....			.....0
(99) Subtotal	43,000	0	43,000
(c) Deferred tax liabilities (3a99 + 3b99)	568,000	390,000	178,000
4. Net deferred tax assets/liabilities (2i - 3c)	940,000	1,263,000	(323,000)

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

	<u>Amount</u>	<u>Tax Effect</u>
(1) Income before taxes	\$ (381,073)	\$ (129,653)
(2) Dividend Received Deduction	(176,866)	(60,000)
(3) Deferred Acquisition Cost	(60,657)	(21,000)
(4) Non-Deductible expenses	395,054	134,000
(5) Other	401,251	136,000
(6) Deferred Taxes on Non-Admitted assets	(60,657)	(21,000)
(7) Taxable Income	<u>\$ 117,052</u>	<u>\$ 38,347</u>

E. (1) At December 31, 2016, the Company had no remaining Net Operating Loss carryforwards and \$43,109 of AMT Net Operating Loss carryforwards.

(2) 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 (current year)	\$ 41,458
2015 (current year -1)	\$ 13,431
2014 (current year -2)	\$ 0

(3) The Company has no amounts on deposit admitted under Section 6603 of the Internal Revenue Service Code.

F. (1) The Company's federal Income Tax return is consolidated with the following entities:

Cincinnati Equitable Companies, Inc.
Cincinnati Equitable Insurance Company

(2) The method of allocation between the companies is subject to a written agreement, approved by the Board of Directors. Allocation is based upon separate return calculations with current credit for net losses. Intercompany tax balances are settled within 90 days from the date the tax return is filed or estimated payments are made.

10. Information Concerning Parent, Subsidiaries and Affiliates

- A. Cincinnati Equitable Life Insurance Company is a wholly owned subsidiary of Cincinnati Equitable Companies, Inc., an Insurance Holding Company.
- B. Cincinnati Equitable Life Insurance Company shares common management with Cincinnati Equitable Insurance. Certain processing functions are also shared between the two companies, such as accounting, underwriting and mail processing. An additional capital contribution was made to the company from Cincinnati Equitable Companies, our Parent Company. The specifics of this transaction are as follows:

- 1) December 29, 2016
- 2) Capital Contribution
- 3) Cincinnati Equitable Life Insurance Company
- 4) Cincinnati Equitable Companies, Inc

- 5) Cash
- 6) \$1,000,000

- C. Cincinnati Equitable Life Insurance Company pays expenses under a management agreement for the general management of the company. These expenses are generally allocated to the companies based on time spent working for each company.
- D. At December 31, 2016, the Company reported \$15,941 payable to Cincinnati Equitable Companies, Inc. The terms of the settlement require that these amounts are settled within 90 days.
- E. The Company has made no guarantees on behalf of the Parent Company.
- F. Cincinnati Equitable Companies, Inc has agreed to provide Management and certain processing functions to Cincinnati Equitable Life Insurance Company (see 10.B. above). In 2016 the expense for these services was \$461,132.
- G. All outstanding stock of Cincinnati Equitable Life Insurance Company is owned by Cincinnati Equitable Companies, Inc., an insurance holding company domiciled in the State of Ohio (see Schedule Y of this statement).
- H. The Company owns no shares of the Parent Companies' outstanding stock.
- I. The Company owns 100% of the outstanding stock of Cincinnati Equitable Insurance Company, an Ohio domiciled Property Casualty Company, whose value is less than 10% of the admitted assets of the Company. Cincinnati Equitable Insurance Company is valued at Statutory Surplus. No goodwill is associated with this asset.
- J. The Company has no investment in SCA, whose value has been impaired.
- K. The Company owns no foreign subsidiaries.
- L. The Company holds no investment in a downstream noninsurance company.
- M. The Company has no SCA investments other than insurance entities that use audited statutory equity as its carrying value.
- N. The Company has no insurance SCAs whose audited statutory equity deviates from NAIC statutory accounting practices.

11. Debt

The Company has no outstanding debt.

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

- A. Defined Benefit Plan
The Company has no Defined Benefit Plan.
- B. Define Contribution Plans
The Company has no Defined Contribution Plan of its own.
- C. Multi-Employer Plans
The Company has no Multi-Employer plans
- D. Consolidated/Holding Company Plans
The Company participates in a qualified, noncontributory defined benefit pension plan sponsored by Cincinnati Equitable Companies, Inc., our parent company. In addition, the Company does not provide certain other postretirement benefits to retired employees through a plan sponsored by Cincinnati Equitable Companies, Inc. The Company has no legal obligation for benefits under these plans. Cincinnati Equitable Companies, Inc. allocates amounts to the Company based on salary ratios. The Company's share of net expense for the qualified pension plan was \$11,701 and \$11,514 for 2016 and 2015, respectively and for other postretirement benefit plans was \$ 0 and \$ 0 for 2016 and 2015, respectively.
- E. Postemployment Benefits and Compensated Absences
The Company does not provide for post-retirement benefits. However, the Company does compensate for unused absences.
- F. Impact of Medicare Modernization Act on Postretirement Benefits (INT 04-17)
The Company doesn't provide for post-retirement medical benefits. Therefore, this Act will have no impact on the Company.

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

- 1. The Company has 1,000 shares authorized, 1,000 shares issued and 1,000 shares outstanding.
- 2. The Company has no preferred stock outstanding.
- 3. Without the prior approval of the domiciliary commissioner, dividends to the shareholders are limited by the laws of the Company's state of incorporation, Ohio, to \$0, an amount that is based on restrictions related to statutory surplus.
- 4. The Company paid no dividends to shareholders in 2016.
- 5. Within the limits 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 are no restrictions placed on the Company's surplus, including for whom the surplus is being held, other than the minimum surplus requirements of the state of Ohio.
- 7. There are no advances to surplus.
- 8. The Company holds no stock for special purposes.
- 9. The Company made no changes to special surplus balances from prior years.
- 10. The portion of unassigned funds (surplus) represented or reduced by cumulative unrealized gains or losses is (\$510,136).

14. Liabilities, Contingencies and Assessments

- A. Contingent Commitments
The Company has no Contingent Commitments.
- B. Assessments
The Company is not aware of any new insolvencies in 2016. It is expected that the Company will have to pay some amount, for insolvencies, at some point in the future. However, do to the size of the Company’s premium volume; these assessments will not be material.
- C. Gain Contingencies
The Company has established no contingencies for gains.
- D. Claims Related to Extra Contractual Obligations and Bad Faith Losses Stemming from Lawsuits
The Company has no Extra Contractual Obligations and Bad Faith Losses Stemming from Lawsuits.
- E. All Other Contingencies
The Company has established no other contingencies.

15. Leases

- A. Lessee Operating Lease

(1) The Company leases automobiles and office equipment under various non-cancelable operating lease agreements that expire through June of 2019. Rental expense for 2016, and 2015 were approximately \$99,000 and \$95,000. Expenses are allocated among the three companies on a prorata basis according to their usage.

(2) At January 1, 2017, the minimum aggregate rental commitments for all companies are as follows:

	Year Ending December 31	Operating Leases
1.	2017	161,320
2.	2018	148,720
3.	2019	28,610
4.	2020	2,480
5.	Total	341,130

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

The Company has no Financial Instruments with Off-Balance Sheet Risk.

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

- A. The Company has not transferred receivable balances.
- B. The Company has no transaction in accordance with SSAP No.18.
- C. The Company has made no wash sale transactions.

18. Gain or Loss to the Reporting Entity from Uninsured A&H Plans and the Uninsured Portion of Partially Insured Plans

The Company has no such gain or loss.

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

Name & Address of Managing General Agent or Third Party Administrator <u>Premium</u>	FEI <u>Number</u>	Type of Exclusive <u>Contract</u>	Type of Business <u>Written</u>	Authority <u>Granted</u>	Direct Written
Enterprise Group Planning 5910 Harper Road Cleveland, OH 44122	34-1262548	Yes	Individual A&H	CA, P	\$ 49,739

20. Fair Value Measure

- A.
- (1) Fair Value Measurements at Reporting Date

Description for each class of asset or liability	(Level 1)	(Level 2)	(Level 3)	Total
a. Assets at fair value				
Preferred Stocks	2,776,917			2,776,917
Bonds -Government	880,465			880,465
Bonds - Other		102,123,582		102,123,582
Common Stock - Unaffiliated	5,805,045			5,805,045
Common Stock - Affiliated		3,069,924		3,069,924
Total assets at fair value	9,462,427	105,193,506	0	114,655,933

Description for each class of asset or liability	(Level 1)	(Level 2)	(Level 3)	Total
b. Liabilities at fair value				

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.....
Total liabilities at fair value 0 0 0 0

- B. The Company had no assets that rely on Level 3 fair value measurement.
- C. Aggregate fair value for all financial instruments and the level within the fair value hierarchy in which the fair value measurements in their entirety fall.

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	(Level 1)	(Level 2)	(Level 3)	Not Practicable (Carrying Value)
Bonds	103,004,047	103,797,642	880,465	102,123,582	.....	.....
Preferred Stock	2,776,917	2,747,207	2,776,917	.....	.....	.....
Common Stock	8,874,969	8,874,969	5,805,045	3,069,924	.....	.....

21. Other Items

- A. The Company has no Extraordinary Items.
- B. The Company has no Restructured Debt.
- C. The Company has no Other Disclosures or Unusual Items
- D. The Company has no Business Interruptions Recoveries.
- E. The Company has no State Transferable Tax Credits.
- F. The Company does not own investments in Hybrid Securities.
- G. The Company has no Subprime Mortgage Related Risk Exposure.
- H. The Company has no Offsetting or Netting of Assets and Liabilities.

22. Events Subsequent

On February 7, 2017, Cincinnati Equitable Companies entered into a definitive sales agreement to be acquired by Global Bankers Insurance Group and BD Capital Holdings, LLC, subject to the approval of the Ohio Department of Insurance. Global Bankers Insurance Group is a subsidiary of Eli Global, LLC, a privately held investment company. BD Capital partners is a Cincinnati, Ohio based insurance enterprise. Cincinnati Equitable Companies, Inc is the parent company of Cincinnati Equitable Life Insurance Company and Cincinnati Equitable Insurance Company.

23. Reinsurance

- A. Ceded Reinsurance Report

Section 1 - General Interrogatories

1. None of the reinsurers, listed on Schedule S as nonaffiliated, are controlled by us.
2. No policies issued by the company have been reinsured with a foreign reinsurer in which we own a controlling interest directly or indirectly.

Section 2 - Ceded Reinsurance Report - Part A

1. The company does not have any reinsurance agreements in effect that can be unilaterally cancelled except for non payment of premiums.
2. The company does not have any reinsurance agreements in effect that may result in payments to the reinsurer exceeding the direct premium collected on these policies.

Section 3 - Ceded Reinsurance Report - Part B

1. The estimated reduction in surplus of terminating all reinsurance agreements would be \$0.
2. No new reinsurance agreements have been executed or amended, since January 1, 1996, that would include policies in force on the effective date of the agreement.

- B. Uncollectible Reinsurance
The Company had no Uncollectable Reinsurance
- C. Commutation of Ceded Reinsurance
The Company had no Commutation of Ceded Reinsurance
- D. Certified Reinsurer Rating Downgraded or Status Subject to Revocation
The Company had no Reinsurer receive a ratings downgrade.

24. Retrospectively rated Contracts & Contracts Subject to Redetermination

The Company has no retrospectively rated contracts or contracts subject to redetermination.

25. Change in Incurred Losses and Loss Adjustment Expenses

There have been no significant changes in the Loss and Loss Adjustment Expense reserves for losses incurred in prior accident years.

26. Intercompany Pooling Agreements

The Company has no Intercompany Pooling Agreements.

27. Structured Settlements

The Company has no Structured Settlement contracts.

28. Health Care Receivables

The Company has no Health Care Receivables.

29. Participating Policies

For the reporting year ended December 31, 2016, premiums under individual life participating policies were \$7,641, or less than 1% of total individual life premium earned. The Company accounts for its policyholder dividends based upon the accrual method. The Company paid dividends in the amount of \$697 to policyholders and did not allocate any additional income to such policyholders.

30. Premium Deficiency Reserves

As of December 31, 2016 the Company had liabilities of \$0 related to premium deficiency reserves. The Company does not consider anticipated investment income when calculating its premium deficiency reserves.

31. Reserves for Life Contracts and Deposit-Type Contracts

- (1) The Company waves deduction of fractional deferred premiums upon death of insured. Surrender values are not promised in excess of the legally computed reserves.
- (2) Extra premiums are charged for substandard lives for policies issued. Mean reserves are equal to multiples of the substandard extra annual premium where such multiple is not less than one half.
- (3) As of December 31, 2016, the Company had no 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.
- (4) The Tabular Interest has be determined by formula as described in the instructions

The Tabular Less Actual Reserves Released has been determined by formula as described in the instructions.

The Tabular Cost has been determined by formula as described in the instructions.

- (5) For the determination of Tabular Interest on funds not involving life contingencies for each valuation rate of interest the tabular interest is calculated as one hundredth of the product of such valuation rate of interest times the mean of the amount of funds subject to such valuation rate of interest held at the beginning and end of the year of valuation.
- (6) There were no significant other increases.

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

	(1)	(2)	(3)	(4)	(5)
	General	Separate	Separate	Total	% of Total
	Account	Account with	Account		
		Guarantees	Nonguaranteed		
A. Subject to discretionary withdrawal:					
(1) With market value adjustment				0	0.0
(2) At book value less current surrender charge of 5% or more	1,333,341			1,333,341	97.8
(3) At fair value				0	0.0
(4) Total with market value adjustment or at fair value (total of 1 through 3)	1,333,341	0	0	1,333,341	97.8
(5) At book value without adjustment (minimal or no charge or adjustment)				0	0.0
B. Not subject to discretionary withdrawal	30,081			30,081	2.2
C. Total (gross: direct + assumed)	1,363,422	0	0	1,363,422	100.0
D. Reinsurance ceded				0	
E. Total (net)* (C) - (D)	1,363,422	0	0	1,363,422	
Reconciliation of total annuity actuarial reserves and deposit fund liabilities.					
F. Life & Accident & Health Annual Statement:				Amount	
1. Exhibit 5, Annuities Section, Total (net)				1,363,422	
2. Exhibit 5, Supplementary Contracts with Life Contingencies Section, Total (net)					
3. Exhibit 7, Deposit-Type Contracts, Line 14, Column 1					
4. Subtotal				1,363,422	

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Separate Accounts Annual Statement:		
5. Exhibit 3, Line 0299999, Column 2
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 .....	.....	.....
12. Combined Total .....	.....	1,363,422

33. Premium and Annuity Considerations Deferred and Uncollected

Type	Gross	Net
Ordinary New Business	\$ 754,254	\$ 255,156
Ordinary Renewal	<u>1,558,081</u>	<u>827,850</u>
Total	\$ 2,312,335	\$1,083,006

34. Separate Accounts

The Company has no Separate Accounts.

35. Loss/Claim Adjustment Expenses

The balance in the liability for unpaid accident and health claim adjustment expenses as of December 31, 2016 and December 31, 2015 was \$ 0 and \$ 0 respectively.

The Company pays a Managing General Agent to adjust accident and health claims. The amounts attributable to prior years are unknown.