



ANNUAL STATEMENT

For the Year Ended December 31, 2017

of the Condition and Affairs of the

Loyal American Life Insurance Company

NAIC Group Code.....0901, 0901
(Current Period) (Prior Period)

NAIC Company Code..... 65722

Employer's ID Number..... 63-0343428

Organized under the Laws of OH

State of Domicile or Port of Entry OH

Country of Domicile US

Incorporated/Organized..... May 18, 1955

Commenced Business..... July 4, 1955

Statutory Home Office

1300 East Ninth Street..... Cleveland OH US 44114
(Street and Number) (City or Town, State, Country and Zip Code)

Main Administrative Office

11200 Lakeline Blvd., Suite 100..... Austin TX US..... 78717
(Street and Number) (City or Town, State, Country and Zip Code)

(512) 451-2224
(Area Code) (Telephone Number)

Mail Address

11200 Lakeline Blvd., Suite 100..... Austin TX US 78717
(Street and Number or P. O. Box) (City or Town, State, Country and Zip Code)

Primary Location of Books and Records

11200 Lakeline Blvd., Suite 100..... Austin TX US 78717
(Street and Number) (City or Town, State, Country and Zip Code)

(512) 451-2224
(Area Code) (Telephone Number)

Internet Web Site Address

www.CignaSupplementalBenefits.com

Statutory Statement Contact

Renee Wilkins Feldman
(Name)
CSBFinRpt@cigna.com
(E-Mail Address)

(512) 531-1465
(Area Code) (Telephone Number) (Extension)
(512) 467-1399
(Fax Number)

OFFICERS

Name
1. Stephen Burnett Jones #
3. Anna Krishtul

Title
President
Secretary

Name
2. Byron Keith Buescher
4. Susan Eadaoine Buck

Title
Treasurer and Chief Accounting Officer
Appointed Actuary

Gregory John Czar #

Executive Vice President and Chief
Financial Officer

David Lawrence Chambers

Vice President-Sales and Marketing

Mark Fleming

Vice President and Assistant Treasurer

Joanne Ruth Hart

Vice President and Assistant Treasurer

Scott Ronald Lambert

Vice President and Assistant Treasurer

Ryan Bruce McGroarty #

Vice President

Maureen Hardiman Ryan

Vice President and Assistant Treasurer

Man-Kit Simon Tang

Vice President and Chief Actuary

OTHER

Gregory John Czar #
Frank Sataline, Jr.

Brian Case Evanko
James Yablecki

Stephen Burnett Jones #

Ryan Bruce McGroarty #

DIRECTORS OR TRUSTEES

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

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

(Signature)
Stephen Burnett Jones
1. (Printed Name)
President
(Title)

(Signature)
Byron Keith Buescher
2. (Printed Name)
Treasurer and Chief Accounting Officer
(Title)

(Signature)
Anna Krishtul
3. (Printed Name)
Secretary
(Title)

Subscribed and sworn to before me

This _____ day of February 2018

a. Is this an original filing?

Yes [X] No []

b. If no

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

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).....	214,463,139		214,463,139	191,287,859
2. Stocks (Schedule D):				
2.1 Preferred stocks.....			0	
2.2 Common stocks.....	59,672,120		59,672,120	40,653,682
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens.....			0	
3.2 Other than first liens.....			0	
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$.....0 encumbrances).....			0	
4.2 Properties held for the production of income (less \$.....0 encumbrances).....			0	
4.3 Properties held for sale (less \$.....0 encumbrances).....			0	
5. Cash (\$....(7,792,671), Schedule E-Part 1), cash equivalents (\$.....0, Schedule E-Part 2) and short-term investments (\$....18,708,789, Schedule DA).....	10,916,119		10,916,119	9,929,382
6. Contract loans (including \$.....0 premium notes).....	117		117	
7. Derivatives (Schedule DB).....			0	
8. Other invested assets (Schedule BA).....			0	
9. Receivables for securities.....			0	
10. Securities lending reinvested collateral assets (Schedule DL).....			0	
11. Aggregate write-ins for invested assets.....	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11).....	285,051,495	0	285,051,495	241,870,923
13. Title plants less \$.....0 charged off (for Title insurers only).....			0	
14. Investment income due and accrued.....	2,244,638		2,244,638	2,134,487
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection.....	(2,289,488)	80,842	(2,370,330)	(2,958,164)
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$.....0 earned but unbilled premiums).....			0	
15.3 Accrued retrospective premiums (\$.....0) and contracts subject to redetermination (\$.....0).....			0	
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers.....	2,936,851	300	2,936,551	3,011,559
16.2 Funds held by or deposited with reinsured companies.....			0	
16.3 Other amounts receivable under reinsurance contracts.....	1,190,318	1,236	1,189,082	1,433,433
17. Amounts receivable relating to uninsured plans.....			0	
18.1 Current federal and foreign income tax recoverable and interest thereon.....			0	370,777
18.2 Net deferred tax asset.....	42,327,434	29,728,476	12,598,958	24,720,367
19. Guaranty funds receivable or on deposit.....	1,248,737		1,248,737	696,038
20. Electronic data processing equipment and software.....	14,846		14,846	23,623
21. Furniture and equipment, including health care delivery assets (\$.....0).....	332,544	332,544	0	
22. Net adjustment in assets and liabilities due to foreign exchange rates.....			0	
23. Receivables from parent, subsidiaries and affiliates.....	760,455		760,455	1,553,379
24. Health care (\$.....0) and other amounts receivable.....	9,442,742	9,442,742	0	
25. Aggregate write-ins for other-than-invested assets.....	3,529,021	3,529,021	0	0
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25).....	346,789,593	43,115,161	303,674,432	272,856,422
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			0	
28. TOTAL (Lines 26 and 27).....	346,789,593	43,115,161	303,674,432	272,856,422

DETAILS OF WRITE-INS

1101.....			0	
1102.....			0	
1103.....			0	
1198. Summary of remaining write-ins for Line 11 from overflow page.....	0	0	0	0
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above).....	0	0	0	0
2501. Premium Tax Refunds Due.....	20,782	20,782	0	
2502. Other Receivables and Prepaid Expenses.....	484,053	484,053	0	
2503. Fixed Assets Work in Process.....	3,024,186	3,024,186	0	
2598. Summary of remaining write-ins for Line 25 from overflow page.....	0	0	0	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above).....	3,529,021	3,529,021	0	0

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Year	2 Prior Year
1. Aggregate reserve for life contracts \$....332,317 (Exhibit 5, Line 9999999) less \$.....0 included in Line 6.3 (including \$.....0 Modco Reserve).....	332,317	58,882
2. Aggregate reserve for accident and health contracts (including \$.....0 Modco Reserve).....	134,993,285	128,090,033
3. Liability for deposit-type contracts (Exhibit 7, Line 14, Col. 1) (including \$.....0 Modco Reserve).....	1,618	1,726
4. Contract claims:		
4.1 Life (Exhibit 8, Part 1, Line 4.4, Col. 1 less sum of Cols. 9, 10 and 11).....	502,015	126,843
4.2 Accident and health (Exhibit 8, Part 1, Line 4.4, sum of Cols. 9, 10 and 11).....	36,576,193	30,859,554
5. Policyholders' dividends \$.....0 and coupons \$.....0 due and unpaid (Exhibit 4, Line 10).....		
6. Provision for policyholders' dividends and coupons payable in following calendar year - estimated amounts:		
6.1 Dividends apportioned for payment (including \$.....0 Modco).....		
6.2 Dividends not yet apportioned (including \$.....0 Modco).....		
6.3 Coupons and similar benefits (including \$.....0 Modco).....		
7. Amount provisionally held for deferred dividend policies not included in Line 6.....		
8. Premiums and annuity considerations for life and accident and health contracts received in advance less \$.....0 discount; including \$....3,383,340 accident and health premiums (Exhibit 1, Part 1, Col. 1, sum of Lines 4 and 14).....	3,385,325	3,132,701
9. Contract liabilities not included elsewhere:		
9.1 Surrender values on canceled contracts.....		
9.2 Provision for experience rating refunds, including the liability of \$....410,292 accident and health experience rating refunds of which \$.....0 is for medical loss ratio rebate per the Public Health Service Act.....	410,292	1,059,515
9.3 Other amounts payable on reinsurance, including \$....1,259,854 assumed and \$.....0 ceded.....	1,259,854	1,262,814
9.4 Interest Maintenance Reserve (IMR, Line 6).....	1,845,542	2,895,736
10. Commissions to agents due or accrued - life and annuity contracts \$.....0, accident and health \$.....0 and deposit-type contract funds \$.....0.....	757,024	523,145
11. Commissions and expense allowances payable on reinsurance assumed.....	422	531
12. General expenses due or accrued (Exhibit 2, Line 12, Col. 6).....	7,348,424	5,425,431
13. Transfers to Separate Accounts due or accrued (net) (including \$.....0 accrued for expense allowances recognized in reserves, net of reinsured allowances).....		
14. Taxes, licenses and fees due or accrued, excluding federal income taxes (Exhibit 3, Line 9, Col. 5).....	2,649,610	1,453,188
15.1 Current federal and foreign income taxes, including \$.....0 on realized capital gains (losses).....	1,926,966	
15.2 Net deferred tax liability.....		
16. Unearned investment income.....		
17. Amounts withheld or retained by company as agent or trustee.....	1,108	1,587
18. Amounts held for agents' account, including \$.....0 agents' credit balances.....		
19. Remittances and items not allocated.....	853,646	536,999
20. Net adjustment in assets and liabilities due to foreign exchange rates.....		
21. Liability for benefits for employees and agents if not included above.....		
22. Borrowed money \$.....0 and interest thereon \$.....0.....		
23. Dividends to stockholders declared and unpaid.....		
24. Miscellaneous liabilities:		
24.01 Asset valuation reserve (AVR Line 16, Col. 7).....	1,542,662	1,384,403
24.02 Reinsurance in unauthorized and certified (\$.....0) companies.....		
24.03 Funds held under reinsurance treaties with unauthorized and certified (\$.....0) reinsurers.....		
24.04 Payable to parent, subsidiaries and affiliates.....	11,157,294	8,052,460
24.05 Drafts outstanding.....		
24.06 Liability for amounts held under uninsured plans.....		
24.07 Funds held under coinsurance.....		
24.08 Derivatives.....		
24.09 Payable for securities.....		
24.10 Payable for securities lending.....		
24.11 Capital notes \$.....0 and interest thereon \$.....0.....		
25. Aggregate write-ins for liabilities.....	1,523,981	1,717,080
26. Total liabilities excluding Separate Accounts business (Lines 1 to 25).....	207,067,578	186,582,628
27. From Separate Accounts Statement.....		
28. Total liabilities (Line 26 and 27).....	207,067,578	186,582,628
29. Common capital stock.....	5,640,000	5,640,000
30. Preferred capital stock.....	0	0
31. Aggregate write-ins for other-than-special surplus funds.....	0	0
32. Surplus notes.....		
33. Gross paid in and contributed surplus (Page 3, Line 33, Col. 2 plus Page 4, Line 51.1, Col. 1).....	160,994,712	100,994,712
34. Aggregate write-ins for special surplus funds.....	0	0
35. Unassigned funds (surplus).....	(70,027,858)	(20,360,918)
36. Less treasury stock, at cost:		
36.1 ....0.000 shares common (value included in Line 29 \$.....0).....		
36.2 ....0.000 shares preferred (value included in Line 30 \$.....0).....		
37. Surplus (Total Lines 31 + 32 + 33 + 34 + 35 - 36) (including \$.....0 in Separate Accounts Statement).....	90,966,854	80,633,794
38. Totals of Lines 29, 30 and 37 (Page 4, Line 55).....	96,606,854	86,273,794
39. Totals of Lines 28 and 38 (Page 2, Line 28, Col. 3).....	303,674,432	272,856,422

DETAILS OF WRITE-INS

2501. Escheat.....	1,197,313	1,380,348
2502. Deferred Lease Liability.....	325,000	325,000
2503. Other Liabilities.....	1,668	11,732
2598. Summary of remaining write-ins for Line 25 from overflow page.....	0	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above).....	1,523,981	1,717,080
3101.		
3102.		
3103.		
3198. Summary of remaining write-ins for Line 31 from overflow page.....	0	0
3199. Totals (Lines 3101 through 3103 plus 3198) (Line 31 above).....	0	0
3401.		
3402.		
3403.		
3498. Summary of remaining write-ins for Line 34 from overflow page.....	0	0
3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34 above).....	0	0

Loyal American Life Insurance Company

SUMMARY OF OPERATIONS

	1 Current Year	2 Prior Year
1. Premiums and annuity considerations for life and accident and health contracts (Exhibit 1, Part 1, Line 20.4, Col. 1, less Col. 11)	311,511,422	281,738,475
2. Considerations for supplementary contracts with life contingencies.....	7,490,388	6,823,629
3. Net investment income (Exhibit of Net Investment Income, Line 17).....	1,268,598	1,535,166
4. Amortization of Interest Maintenance Reserve (IMR) (Line 5).....	.4,002,201	5,100,912
5. Separate Accounts net gain from operations excluding unrealized gains or losses.....	.928,263	456,682
6. Commissions and expense allowances on reinsurance ceded (Exhibit 1, Part 2, Line 26.1, Col. 1).....	325,200,872	295,654,864
7. Reserve adjustments on reinsurance ceded.....	.347,905	204,989
8. Miscellaneous Income:		
8.1 Income from fees associated with investment management, administration and contract guarantees from Separate Accounts	.....	.....
8.2 Charges and fees for deposit-type contracts.....	.....	.....
8.3 Aggregate write-ins for miscellaneous income.....	.....	.....
9. Totals (Lines 1 to 8.3).....	210,877,484	187,692,251
10. Death benefits.....	1,703	33
11. Matured endowments (excluding guaranteed annual pure endowments).....	.17	(24)
12. Annuity benefits (Exhibit 8, Part 2, Line 6.4, Cols. 4 + 8).....	7,176,689	3,697,750
13. Disability benefits and benefits under accident and health contracts.....	.218,403,798	191,594,999
14. Coupons, guaranteed annual pure endowments and similar benefits.....	40,070,822	32,237,185
15. Surrender benefits and withdrawals for life contracts.....	37,378,270	35,060,571
16. Group conversions.....	.8,265,319	6,659,290
17. Interest and adjustments on contract or deposit-type contract funds.....	.28,058	185,379
18. Payments on supplementary contracts with life contingencies.....	.429,624	(15,694)
19. Increase in aggregate reserves for life and accident and health contracts.....	311,578,162	273,522,212
20. Totals (Lines 10 to 19).....	13,622,710	22,132,652
21. Commissions on premiums, annuity considerations and deposit-type contract funds (direct business only) (Exhibit 1, Part 2, Line 31, Col. 1).....	13,622,710	22,132,652
22. Commissions and expense allowances on reinsurance assumed (Exhibit 1, Part 2, Line 26.2, Col. 1).....	.4,571,251	6,553,946
23. General insurance expenses (Exhibit 2, Line 10, Columns 1, 2, 3 and 4).....	.9,051,459	15,578,706
24. Insurance taxes, licenses and fees, excluding federal income taxes (Exhibit 3, Line 7, Cols. 1 + 2 + 3).....	.9,051,459	15,578,706
25. Increase in loading on deferred and uncollected premiums.....	(26,398,634)	1,366,315
26. Net transfers to or (from) Separate Accounts net of reinsurance.....	9,365,404	(2,914,562)
27. Aggregate write-ins for deductions.....	(158,259)	(155,505)
28. Totals (Lines 20 to 27).....	.0	.0
29. Net gain from operations before dividends to policyholders and federal income taxes (Line 9 minus Line 28).....	.0	.0
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).....	.0	.0
32. Federal and foreign income taxes incurred (excluding tax on capital gains).....	.0	.0
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).....	.0	.0
34. Net realized capital gains (losses) (excluding gains (losses) transferred to the IMR) less capital gains tax of \$.....0 (excluding taxes of \$....117,599 transferred to the IMR).....	.0	.0
35. Net income (Line 33 plus Line 34).....	.0	.0
CAPITAL AND SURPLUS ACCOUNT		
36. Capital and surplus, December 31, prior year (Page 3, Line 38, Col. 2).....	86,273,794	85,627,544
37. Net income (Line 35).....	.9,051,459	15,578,706
38. Change in net unrealized capital gains (losses) less capital gains tax of \$.....0	(41,481,562)	(28,150,101)
39. Change in net unrealized foreign exchange capital gain (loss) .....	.....	.....
40. Change in net deferred income tax.....	(26,398,634)	1,366,315
41. Change in nonadmitted assets.....	9,365,404	(2,914,562)
42. Change in liability for reinsurance in unauthorized and certified companies.....	.....	.....
43. Change in reserve on account of change in valuation basis, (increase) or decrease.....	.....	.....
44. Change in asset valuation reserve	(158,259)	(155,505)
45. Change in treasury stock, (Page 3, Lines 36.1 and 36.2 Col. 2 minus Col. 1).....	.....	.....
46. Surplus (contributed to) withdrawn from Separate Accounts during period.....	.....	.....
47. Other changes in surplus in Separate Accounts Statement.....	.....	.....
48. Change in surplus notes.....	.....	.....
49. Cumulative effect of changes in accounting principles.....	.....	.....
50. Capital changes:		
50.1 Paid in.....	.....	.....
50.2 Transferred from surplus (Stock Dividend).....	.....	.....
50.3 Transferred to surplus.....	.....	.....
51. Surplus adjustment:		
51.1 Paid in.....	60,000,000	15,000,000
51.2 Transferred to capital (Stock Dividend).....	.....	.....
51.3 Transferred from capital.....	(45,348)	(78,603)
51.4 Change in surplus as a result of reinsurance.....	.....	.....
52. Dividends to stockholders.....	.0	.0
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).....	10,333,060	646,250
55. Capital and surplus, December 31, current year (Lines 36 + 54) (Page 3, Line 38).....	96,606,854	86,273,794

DETAILS OF WRITE-INS

08.301. Interest on Agent's Balances.....	.859,669	374,745
08.302. Express Script Rebates.....	20,806	22,368
08.303. Other Miscellaneous Income.....	47,788	59,569
08.398. Summary of remaining write-ins for Line 8.3 from overflow page.....	.0	.0
08.399. Totals (Lines 08.301 through 08.303 plus 08.398) (Line 8.3 above).....	.928,263	456,682
2701. Penalties.....	.429,624	(15,694)
2702. .....	.....	.....
2703. .....	.....	.....
2798. Summary of remaining write-ins for Line 27 from overflow page.....	.0	.0
2799. Totals (Lines 2701 through 2703 plus 2798) (Line 27 above).....	.429,624	(15,694)
5301. .....	.....	.....
5302. .....	.....	.....
5303. .....	.....	.....
5398. Summary of remaining write-ins for Line 53 from overflow page.....	.0	.0
5399. Totals (Lines 5301 through 5303 plus 5398) (Line 53 above).....	.0	.0

Loyal American Life Insurance Company

CASH FLOW

	1 Current Year	2 Prior Year
CASH FROM OPERATIONS		
1. Premiums collected net of reinsurance.....	309,442,291	278,977,191
2. Net investment income.....	8,387,210	7,999,261
3. Miscellaneous income.....	4,885,116	5,478,991
4. Total (Lines 1 through 3).....	322,714,617	292,455,443
5. Benefit and loss related payments.....	204,841,918	184,396,859
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts.....	.....	.....
7. Commissions, expenses paid and aggregate write-ins for deductions.....	85,190,007	78,372,582
8. Dividends paid to policyholders.....	.....	.....
9. Federal and foreign income taxes paid (recovered) net of \$.....0 tax on capital gains (losses).....	2,391,107	8,102,014
10. Total (Lines 5 through 9).....	292,423,032	270,871,455
11. Net cash from operations (Line 4 minus Line 10).....	30,291,585	21,583,988
CASH FROM INVESTMENTS		
12. Proceeds from investments sold, matured or repaid:	.....	.....
12.1 Bonds.....	29,746,361	26,510,581
12.2 Stocks.....	.....	.....
12.3 Mortgage loans.....	.....	.....
12.4 Real estate.....	.....	.....
12.5 Other invested assets.....	.....	.....
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments.....	.....	.....
12.7 Miscellaneous proceeds.....	.....	.....
12.8 Total investment proceeds (Lines 12.1 to 12.7).....	29,746,361	26,510,581
13. Cost of investments acquired (long-term only):	.....	.....
13.1 Bonds.....	53,592,609	38,568,025
13.2 Stocks.....	60,500,000	21,500,000
13.3 Mortgage loans.....	.....	.....
13.4 Real estate.....	.....	.....
13.5 Other invested assets.....	.....	.....
13.6 Miscellaneous applications.....	.....	.....
13.7 Total investments acquired (Lines 13.1 to 13.6).....	114,092,609	60,068,025
14. Net increase (decrease) in contract loans and premium notes.....	117	.....
15. Net cash from investments (Line 12.8 minus Lines 13.7 minus Line 14).....	(84,346,365)	(33,557,444)
CASH FROM FINANCING AND MISCELLANEOUS SOURCES		
16. Cash provided (applied):	.....	.....
16.1 Surplus notes, capital notes.....	.....	.....
16.2 Capital and paid in surplus, less treasury stock.....	60,000,000	15,000,000
16.3 Borrowed funds.....	.....	.....
16.4 Net deposits on deposit-type contracts and other insurance liabilities.....	(108)	(97)
16.5 Dividends to stockholders.....	.....	.....
16.6 Other cash provided (applied).....	(4,958,375)	(5,991,889)
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6).....	55,041,517	9,008,014
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS		
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17).....	986,737	(2,965,442)
19. Cash, cash equivalents and short-term investments:	.....	.....
19.1 Beginning of year.....	9,929,382	12,894,824
19.2 End of year (Line 18 plus Line 19.1).....	10,916,119	9,929,382

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

20.0001 Bond exchanges allowed under rule 144A of the 1933 Securities Act and other security restructures.....	3,542,678	3,062,595
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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.....	311,511,424		2,072,061						2,605,716		306,833,647	
2. Considerations for supplementary contracts with life contingencies.....	0											
3. Net investment income.....	7,490,388		9,941						245,035		7,235,412	
4. Amortization of Interest Maintenance Reserve (IMR).....	1,268,598		1,684						41,500		1,225,414	
5. Separate Accounts net gain from operations excluding unrealized gains or losses.....	0											
6. Commissions and expense allowances on reinsurance ceded.....	4,002,201		125,404	1,662					2,097,507		1,777,628	
7. Reserve adjustments on reinsurance ceded.....	0											
8. Miscellaneous Income:												
8.1 Fees associated with income from investment management, administration and contract guarantees from S/A.....	0											
8.2 Charges and fees for deposit-type contracts.....	0											
8.3 Aggregate write-ins for miscellaneous income.....	928,263	0	0	0	0	0	0	0	76	0	928,187	0
9. Totals (Lines 1 to 8.3).....	325,200,874	0	2,209,090	1,662	0	0	0	0	4,989,834	0	318,000,288	0
10. Death benefits.....	347,905		347,905									
11. Matured endowments (excluding guaranteed annual pure endowments).....	0											
12. Annuity benefits.....	0											
13. Disability benefits and benefits under accident and health contracts.....	210,877,484								1,659,673		209,217,811	
14. Coupons, guaranteed annual pure endowments and similar benefits.....	0											
15. Surrender benefits and withdrawals for life contracts.....	1,703		1,703									
16. Group conversions.....	0											
17. Interest and adjustments on contract or deposit-type contract funds.....	17										17	
18. Payments on supplementary contracts with life contingencies.....	0											
19. Increase in aggregate reserves for life and accident and health contracts.....	7,176,689		273,435						533,686		6,369,568	
20. Totals (Lines 10 to 19).....	218,403,798	0	623,043	0	0	0	0	0	2,193,359	0	215,587,396	0
21. Commissions on premiums, annuity considerations and deposit-type contract funds (direct business only).....	40,070,822		1,871,114	1,662					2,099,215		36,098,831	
22. Commissions and expense allowances on reinsurance assumed.....	7,002,271		1,589						212,471		6,788,211	
23. General insurance expenses.....	37,378,270		423,097						254,561		36,700,612	
24. Insurance taxes, licenses and fees, excluding federal income taxes.....	8,265,319		42,800						203,036		8,019,483	
25. Increase in loading on deferred and uncollected premiums.....	28,058		18,112						(1,038)		10,984	
26. Net transfers to or (from) Separate Accounts net of reinsurance.....	0											
27. Aggregate write-ins for deductions.....	429,624	0	2,225	0	0	0	0	0	10,554	0	416,845	0
28. Totals (Lines 20 to 27).....	311,578,162	0	2,981,980	1,662	0	0	0	0	4,972,158	0	303,622,362	0
29. Net gain from operations before dividends to policyholders and federal income taxes (Line 9 minus Line 28).....	13,622,712	0	(772,890)	0	0	0	0	0	17,676	0	14,377,926	0
30. Dividends to policyholders.....	0											
31. Net gain from operations after dividends to policyholders and before federal income taxes (Line 29 minus Line 30).....	13,622,712	0	(772,890)	0	0	0	0	0	17,676	0	14,377,926	0
32. Federal income taxes incurred (excluding tax on capital gains).....	4,571,251		(259,352)						5,965		4,824,638	
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).....	9,051,461	0	(513,538)	0	0	0	0	0	11,711	0	9,553,288	0

DETAILS OF WRITE-INS

08.301. Interest on Agent's Balances.....	859,669										859,669	
08.302. Express Script Rebates.....	20,806										20,730	
08.303. Other Miscellaneous Income.....	47,788										47,788	
08.398. Summary of remaining write-ins for Line 8.3 from overflow page.....	0	0	0	0	0	0	0	0	0	0	0	0
08.399. Total (Lines 08.301 through 08.303 plus 08.398) (Line 8.3 above).....	928,263	0	0	0	0	0	0	0	0	0	928,187	0
2701. Penalties.....	429,624		2,225						10,554		416,845	
2702.	0											
2703.	0											
2798. Summary of remaining write-ins for Line 27 from overflow page.....	0	0	0	0	0	0	0	0	0	0	0	0
2799. Total (Lines 2701 through 2703 plus 2798) (Line 27 above).....	429,624	0	2,225	0	0	0	0	0	10,554	0	416,845	0

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

ANALYSIS OF INCREASE IN RESERVES DURING THE YEAR

	1 Total	2 Industrial Life	Ordinary			6 Credit Life (Group and Individual)	Group				
			3 Life Insurance	4 Individual Annuities	5 Supplementary Contracts		7 Life Insurance	8 Annuities			
Involving Life or Disability Contingencies (Reserves)											
(Net of Reinsurance Ceded)											
1. Reserve December 31, prior year.....	58,882			58,882							
2. Tabular net premiums or considerations.....	787,323			787,323							
3. Present value of disability claims incurred.....	0				XXX.....						
4. Tabular interest.....	15,471			15,471							
5. Tabular less actual reserve released.....	0										
6. Increase in reserve on account of change in valuation basis.....	0										
6.1 Change in excess of VM-20 deterministic/stochastic reserve over net premium reserve.....	0	XXX.....		XXX.....	XXX.....	XXX.....	XXX.....	XXX.....			
7. Other increases (net).....	0										
8. Totals (Lines 1 to 7).....	861,676	0	861,676	0	0	0	0	0			
9. Tabular cost.....	505,518		505,518		XXX.....						
10. Reserves released by death.....	2,806		2,806	XXX.....	XXX.....			XXX.....			
11. Reserves released by other terminations (net).....	21,035		21,035								
12. Annuity, supplementary contract, and disability payments involving life contingencies.....	0										
13. Net transfers to or (from) Separate Accounts.....	0										
14. Total deductions (Lines 9 to 13).....	529,359	0	529,359	0	0	0	0	0			
15. Reserve December 31, current year.....	332,317	0	332,317	0	0	0	0	0			

EXHIBIT OF NET INVESTMENT INCOME

	1 Collected During Year	2 Earned During Year
1. U.S. government bonds.....	(a).....81,850	.....82,230
1.1 Bonds exempt from U.S. tax.....	(a).....	.....
1.2 Other bonds (unaffiliated).....	(a).....7,442,062	.....7,551,833
1.3 Bonds of affiliates.....	(a).....	.....
2.1 Preferred stocks (unaffiliated).....	(b).....	.....
2.11 Preferred stocks of affiliates.....	(b).....	.....
2.2 Common stocks (unaffiliated).....	.....	.....
2.21 Common stocks of affiliates.....	.....	.....
3. Mortgage loans.....	(c).....	.....
4. Real estate.....	(d).....	.....
5. Contract loans.....	.....	.....
6. Cash, cash equivalents and short-term investments.....	(e).....100,438	.....100,438
7. Derivative instruments.....	(f).....	.....
8. Other invested assets.....	.....	.....
9. Aggregate write-ins for investment income.....	.....(387)	.....(387)
10. Total gross investment income.....	.....7,623,963	.....7,734,114
11. Investment expenses.....	.....	(g).....243,726
12. Investment taxes, licenses and fees, excluding federal income taxes.....	.....	(g).....
13. Interest expense.....	.....	(h).....
14. Depreciation on real estate and other invested assets.....	.....	(i).....0
15. Aggregate write-ins for deductions from investment income.....	.....	.....0
16. Total deductions (Lines 11 through 15).....	.....	.....243,726
17. Net investment income (Line 10 minus Line 16).....	.....	.....7,490,388

DETAILS OF WRITE-INS

0901. Intercompany Loan Interest Expense.....	.....(387)	.....(387)
0902. ....	.....	.....
0903. ....	.....	.....
0998. Summary of remaining write-ins for Line 9 from overflow page.....	.....0	.....0
0999. Totals (Lines 0901 through 0903 plus 0998) (Line 9 above).....	.....(387)	.....(387)
1501. ....	.....	.....
1502. ....	.....	.....
1503. ....	.....	.....
1598. Summary of remaining write-ins for Line 15 from overflow page.....	.....	.....0
1599. Totals (Lines 1501 through 1503 plus 1598) (Line 15 above).....	.....	.....0

(a) Includes \$....169,910 accrual of discount less \$....1,176,883 amortization of premium and less \$....210,290 paid for accrued interest on purchases.
 (b) Includes \$.....0 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued dividends on purchases.
 (c) Includes \$.....0 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued interest on purchases.
 (d) Includes \$.....0 for company's occupancy of its own buildings; and excludes \$.....0 interest on encumbrances.
 (e) Includes \$.....0 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued interest on purchases.
 (f) Includes \$.....0 accrual of discount less \$.....0 amortization of premium.
 (g) Includes \$.....0 investment expenses and \$.....0 investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.
 (h) Includes \$.....0 interest on surplus notes and \$.....0 interest on capital notes.
 (i) Includes \$.....0 depreciation on real estate and \$.....0 depreciation on other invested assets.

EXHIBIT OF CAPITAL GAINS (LOSSES)

	1 Realized Gain (Loss) on Sales or Maturity	2 Other Realized Adjustments	3 Total Realized Capital Gain (Loss) (Columns 1 + 2)	4 Change in Unrealized Capital Gain (Loss)	5 Change in Unrealized Foreign Exchange Capital Gain (Loss)
1. U.S. government bonds.....0	.....	.....
1.1 Bonds exempt from U.S. tax.....0	.....	.....
1.2 Other bonds (unaffiliated).....	.....336,006	.....	.....336,006	.....	.....
1.3 Bonds of affiliates.....0	.....	.....
2.1 Preferred stocks (unaffiliated).....0	.....	.....
2.11 Preferred stocks of affiliates.....0	.....	.....
2.2 Common stocks (unaffiliated).....0	.....	.....
2.21 Common stocks of affiliates.....0	.....(41,481,562)	.....
3. Mortgage loans.....0	.....	.....
4. Real estate.....0	.....	.....
5. Contract loans.....0	.....	.....
6. Cash, cash equivalents and short-term investments.....0	.....	.....
7. Derivative instruments.....0	.....	.....
8. Other invested assets.....0	.....	.....
9. Aggregate write-ins for capital gains (losses).....	.....0	.....0	.....0	.....0	.....0
10. Total capital gains (losses).....	.....336,006	.....0	.....336,006	.....(41,481,562)	.....0

DETAILS OF WRITE-INS

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

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

	1 Total	2 Industrial Life	Ordinary		5 Credit Life (Group and Individual)	Group		Accident and Health			11 Aggregate of All Other Lines of Business
			3 Life Insurance	4 Individual Annuities		6 Life Insurance	7 Annuities	8 Group	9 Credit (Group & Individual)	10 Other	
FIRST YEAR (other than single)											
1. Uncollected.....	.536,061			39,291							.496,770
2. Deferred and accrued.....	0										
3. Deferred, accrued and uncollected:											
3.1 Direct.....	.685,139			39,291							.507,581
3.2 Reinsurance assumed.....	0										
3.3 Reinsurance ceded.....	.149,078										.10,811
3.4 Net (Line 1 + Line 2).....	.536,061			39,291	0				0		.496,770
4. Advance.....	.285,409			549							.284,860
5. Line 3.4 - Line 4.....	.250,652			38,742	0				0		.211,910
6. Collected during year:											
6.1 Direct.....	.58,679,948			1,423,703							.55,694,328
6.2 Reinsurance assumed.....	7,988										(6,335)
6.3 Reinsurance ceded.....	.1,917,444										.355,527
6.4 Net.....	.56,770,492			1,423,703	0				0		.55,332,466
7. Line 5 + Line 6.4.....	.57,021,144			1,462,445	0				0		.55,544,376
8. Prior year (uncollected + deferred and accrued - advance).....	.315,397			34,669							.280,728
9. First year premiums and considerations:											
9.1 Direct.....	.58,605,082			1,427,776							.55,611,609
9.2 Reinsurance assumed.....	7,988										(6,335)
9.3 Reinsurance ceded.....	.1,907,324										.341,627
9.4 Net (Line 7 - Line 8).....	.56,705,747			1,427,776	0				0		.55,263,648
SINGLE											
10. Single premiums and considerations:											
10.1 Direct.....	0										
10.2 Reinsurance assumed.....	0										
10.3 Reinsurance ceded.....	0										
10.4 Net.....	0			0	0				0		0
RENEWAL											
11. Uncollected.....	(2,092,830)			27,916							(2,131,746)
12. Deferred and accrued.....	0										
13. Deferred, accrued and uncollected:											
13.1 Direct.....	.2,138,674			729,495							.1,058,447
13.2 Reinsurance assumed.....	(2,890,752)			6,511							(2,907,774)
13.3 Reinsurance ceded.....	.1,340,752			708,090							.282,419
13.4 Net (Line 11 + Line 12).....	(2,092,830)			27,916	0				0		(2,131,746)
14. Advance.....	.3,099,917			1,437							.3,078,088
15. Line 13.4 - Line 14.....	(5,192,747)			26,479	0				0		(5,209,834)
16. Collected during year:											
16.1 Direct.....	.174,279,243			5,481,696	576,351						.163,224,323
16.2 Reinsurance assumed.....	.100,232,248			22,443							.97,694,875
16.3 Reinsurance ceded.....	.20,184,387			4,886,333	576,351						.9,790,024
16.4 Net.....	.254,327,104			617,806	0				0		.251,129,174
17. Line 15 + Line 16.4.....	.249,134,357			644,285	0				0		.245,919,340
18. Prior year (uncollected + deferred and accrued - advance).....	(5,671,320)										(5,650,659)
19. Renewal premiums and considerations:											
19.1 Direct.....	.174,359,311			5,480,388	576,351						.163,248,972
19.2 Reinsurance assumed.....	.100,627,688			20,668							.98,080,880
19.3 Reinsurance ceded.....	.20,181,323			4,856,771	576,351						.9,759,853
19.4 Net (Line 17 - Line 18).....	.254,805,677			644,285	0				0		.251,569,999
TOTAL											
20. Total premiums and annuity considerations:											
20.1 Direct.....	.232,964,393			6,908,164	576,351						.218,860,581
20.2 Reinsurance assumed.....	.100,635,676			20,668	0						.98,074,545
20.3 Reinsurance ceded.....	.22,088,647			4,856,771	576,351						.10,101,480
20.4 Net (Lines 9.4 + 10.4 + 19.4).....	.311,511,424			2,072,061	0				0		.306,833,647

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

	1 Total	2 Industrial Life	Ordinary		5 Credit Life (Group and Individual)	Group		Accident and Health		11 Aggregate of All Other Lines of Business
			3 Life Insurance	4 Individual Annuities		6 Life Insurance	7 Annuities	8 Group	9 Credit (Group & Individual)	
DIVIDENDS AND COUPONS APPLIED (included in Part 1)										
21. To pay renewal premiums.....	0									
22. All other.....	0									
REINSURANCE COMMISSIONS AND EXPENSE ALLOWANCES INCURRED										
23. First year (other than single):										
23.1 Reinsurance ceded.....	1,515,486							1,235,557		279,929
23.2 Reinsurance assumed.....	(4,449)							(53)		(4,396)
23.3 Net ceded less assumed.....	1,519,935	0	0	0	0	0	0	1,235,610	0	284,325
24. Single:										
24.1 Reinsurance ceded.....	0									
24.2 Reinsurance assumed.....	0									
24.3 Net ceded less assumed.....	0	0	0	0	0	0	0	0	0	0
25. Renewal:										
25.1 Reinsurance ceded.....	2,486,714		125,404	1,662				.861,950		1,497,698
25.2 Reinsurance assumed.....	7,006,719		1,589					.212,524		6,792,606
25.3 Net ceded less assumed.....	(4,520,005)	0	123,815	1,662	0	0	0	.649,426	0	(5,294,908)
26. Totals:										
26.1 Reinsurance ceded (Page 6, Line 6).....	4,002,200	0	125,404	1,662	0	0	0	2,097,507	0	1,777,627
26.2 Reinsurance assumed (Page 6, Line 22).....	7,002,270	0	1,589	0	0	0	0	.212,471	0	6,788,210
26.3 Net ceded less assumed.....	(3,000,070)	0	123,815	1,662	0	0	0	.1,885,036	0	(5,010,583)
COMMISSIONS INCURRED (direct business only)										
27. First year (other than single).....	22,725,779		1,691,844					1,236,634		19,797,301
28. Single.....	0									
29. Renewal.....	17,345,044		179,271	1,662				.862,582		16,301,529
30. Deposit-type contract funds.....	0									
31. Totals (to agree with Page 6, Line 21).....	40,070,823	0	1,871,115	1,662	0	0	0	2,099,216	0	36,098,830

Loyal American Life Insurance Company

EXHIBIT 2 - GENERAL EXPENSES

	1 Life	Insurance			5 Investment	6 Total		
		Accident and Health		4 All Other Lines of Business				
		2 Cost Containment	3 All Other					
1. Rent.....	7,826		669,067			676,893		
2. Salaries and wages.....	255,935		18,077,440			18,333,375		
3.11 Contributions for benefit plans for employees.....	32,372		2,355,404			2,387,776		
3.12 Contributions for benefit plans for agents.....						0		
3.21 Payments to employees under non-funded benefit plans.....						0		
3.22 Payments to agents under non-funded benefit plans.....						0		
3.31 Other employee welfare.....	.2,126		140,211			142,337		
3.32 Other agent welfare.....						0		
4.1 Legal fees and expenses.....	71		6,739			6,810		
4.2 Medical examination fees.....			159,572			159,572		
4.3 Inspection report fees.....						0		
4.4 Fees of public accountants and consulting actuaries.....	1,751		221,624			223,375		
4.5 Expense of investigation and settlement of policy claims.....		535,420	1,245,789			1,781,209		
5.1 Traveling expenses.....	.8,515		406,496			415,011		
5.2 Advertising.....	9,391		747,782			757,173		
5.3 Postage, express, telegraph and telephone.....	16,830		1,839,090			1,855,920		
5.4 Printing and stationery.....			154,305			154,305		
5.5 Cost or depreciation of furniture and equipment.....	2,958		230,612			233,570		
5.6 Rental of equipment.....	(1,542)		(150,875)			(152,417)		
5.7 Cost or depreciation of EDP equipment and software.....	2,248		290,991			293,239		
6.1 Books and periodicals.....	.239		14,705			14,944		
6.2 Bureau and association fees.....	.294		28,470			28,764		
6.3 Insurance, except on real estate.....						0		
6.4 Miscellaneous losses.....	.67		6,134			6,201		
6.5 Collection and bank service charges.....	11,160		1,059,263			1,070,423		
6.6 Sundry general expenses.....	10,996	.69,928	1,059,912			1,140,836		
6.7 Group service and administration fees.....	18		1,614			1,632		
6.8 Reimbursements by uninsured plans.....						0		
7.1 Agency expense allowance.....						0		
7.2 Agents' balances charged off (less \$..... 0 recovered).....						0		
7.3 Agency conferences other than local meetings.....	20,689		339,016			359,705		
9.1 Real estate expenses.....						0		
9.2 Investment expenses not included elsewhere.....					.243,726	.243,726		
9.3 Aggregate write-ins for expenses.....	41,153	.0	7,446,458	.0		.7,487,611		
10. General expenses Incurred.....	423,097	605,348	36,349,819	.0	.243,726	(a) .37,621,990		
11. General expenses unpaid December 31, prior year.....	52,864	.46,469	5,326,101			.5,425,434		
12. General expenses unpaid December 31, current year.....	83,179	119,009	7,146,236			.7,348,424		
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).....	392,782	532,808	34,529,684	.0	.243,726	.35,699,000		

DETAILS OF WRITE-INS

09.301. Allocated HO.....	18,362		2,859,727			.2,878,089
09.302. Outside Sales Expense.....			2,170,328			.2,170,328
09.303. Value Added Silver & Fit.....	15,355		1,454,177			.1,469,532
09.398. Summary of remaining write-ins for Line 9.3 from overflow page.....	7,436	.0	962,226	.0	.0	.969,662
09.399. Totals (Lines 09.301 through 09.303 plus 09.398)(Line 9.3 above).....	41,153	.0	7,446,458	.0	.0	.7,487,611

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

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

	1 Life	Insurance			4 Investment	5 Total
		2 Accident and Health	3 All Other Lines of Business			
1. Real estate taxes.....						.0
2. State insurance department licenses and fees.....	10,664	1,687,268				.1,697,932
3. State taxes on premiums.....	19,357	5,543,037				.5,562,394
4. Other state taxes, including \$..... 0 for employee benefits.....		96,204				.96,204
5. U.S. Social Security taxes.....	12,687	887,261				.899,948
6. All other taxes.....	.92	8,749				.8,841
7. Taxes, licenses and fees incurred.....	42,800	8,222,519				.8,265,319
8. Taxes, licenses and fees unpaid December 31, prior year.....	6,837	1,446,351				.1,453,188
9. Taxes, licenses and fees unpaid December 31, current year.....	13,720	2,635,890				.2,649,610
10. Taxes, licenses and fees paid during year (Lines 7 + 8 - 9).....	35,917	7,032,980	.0	.0		.7,068,897

EXHIBIT 4 - DIVIDENDS OR REFUNDS

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

DETAILS OF WRITE-INS		
0801.		
0802.		
0803.		
0898. Summary of remaining write-ins for Line 8 from overflow page.....		.0
0899. Totals (Line 0801 through 0803 plus 0898) (Line 8 above).....		.0

EXHIBIT 5 - AGGREGATE RESERVE FOR LIFE CONTRACTS

1	2	3	4	5	6
Valuation Standard	Total	Industrial	Ordinary	Credit (Group and Individual)	Group
Life Insurance:					
0100001. AM(5) 3.00% ANB.....	8,129		8,129		
0100002. 41 CET 3.00%	22,702		22,702		
0100003. 41 CSO 2.50%	16,496		16,496		
0100004. 41 CSO 2.50% CRVM.....	883		883		
0100005. 41 CSO 2.75% CRVM.....	50,933		50,933		
0100006. 41 CSO 3.00%	3,200,846		3,200,846		
0100007. 41 CSO 3.00% CRVM.....	504,685		504,685		
0100008. 58 CET 2.50%	109,806		109,806		
0100009. 58 CET 3.00%	826,281		826,281		
0100010. 58 CET 3.50%	1,578,837		1,578,837		
0100011. 58 CET 3.50% ALB.....	40,111		40,111		
0100012. 58 CET 3.50% ANB.....	19,756		19,756		
0100013. 58 CET 4.00%	5,370		5,370		
0100014. 58 CET 4.00% ALB	3,092		3,092		
0100015. 58 CET 4.50%	75,048		75,048		
0100016. 58 CSO 2.00%	25,702		25,702		
0100017. 58 CSO 2.50%	143,247		143,247		
0100018. 58 CSO 2.50% CRVM	7,625		7,625		
0100019. 58 CSO 2.75% CRVM.....	0				
0100020. 58 CSO 3.00%	3,887,971		3,887,971		
0100021. 58 CSO 3.00% CRVM.....	29,017,876		29,017,876		
0100022. 58 CSO 3.00% CRVM ANB.....	328		328		
0100023. 58 CSO 3.50%	573,116		573,116		
0100024. 58 CSO 3.50% ALB	4,607		4,607		
0100025. 58 CSO 3.50% ANB	31,436		31,436		
0100026. 58 CSO 3.50% CRVM.....	9,237,454		9,237,454		
0100027. 58 CSO 3.50% CRVM ALB.....	408,950		408,950		
0100028. 58 CSO 3.50% CRVM ANB.....	73,137		73,137		
0100029. 58 CSO 4.00%	85,596		85,596		
0100030. 58 CSO 4.00% ALB	3,733		3,733		
0100031. 58 CSO 4.00% CRVM.....	5,809,438		5,809,438		
0100032. 58 CSO 4.00% CRVM ALB.....	58,420		58,420		
0100033. 58 CSO 4.50%	442,330		442,330		
0100034. 58 CSO 4.50% CRVM.....	20,502,690		20,502,690		
0100035. 58 CSO 4.50% CRVM ALB.....	13,132		13,132		
0100036. 58 CSO 4.50%/20/3.50% CRVM.....	2,989,374		2,989,374		
0100037. 58 CSO 5.50% CRVM ALB.....	21,035		21,035		
0100038. 80 CET 3.50%	3,810		3,810		
0100039. 80 CET 4.50%	108,075		108,075		
0100040. 80 CET 5.00%	20,485		20,485		
0100041. 80 CET 5.50%	83,631		83,631		
0100042. 80 CET 6.00%	10,502		10,502		
0100043. 80 CSO 3.50%	1,131		1,131		
0100044. 80 CSO 3.50% CRVM.....	193,648		193,648		
0100045. 80 CSO 4.00%	254		254		
0100046. 80 CSO 4.00% CRVM.....	183,180		183,180		
0100047. 80 CSO 4.00% CRVM ALB.....	262,716		262,716		
0100048. 80 CSO 4.50%	203,628		203,628		
0100049. 80 CSO 4.50% CRVM.....	11,650,200		11,650,200		
0100050. 80 CSO 4.50% CRVM ALB.....	97,203		97,203		
0100051. 80 CSO 5.00%	44,848		44,848		
0100052. 80 CSO 5.00% CRVM.....	3,973,150		3,973,150		
0100053. 80 CSO 5.25% CRVM.....	11,766,123		11,766,123		
0100054. 80 CSO 5.50%	97,031		97,031		
0100055. 80 CSO 5.50% CRVM.....	7,195,265		7,195,265		
0100056. 80 CSO 6.00% ALB	47,775		47,775		
0100057. 80 CSO 6.00% CRVM	2,018,045		2,018,045		
0100058. 01 CSO 3.50% CRVM ALB.....	332,317		332,317		
0100059. 01 CSO 4.00% CRVM ANB.....	1,546,296		1,546,296		
0100060. Unearned Premium.....	4,004				4,004
0100061. a-2000 6.00% NLP.....	221,325		221,325		
0199997. Totals (Gross).....	119,864,814	0	119,860,810	0	4,004
0199998. Reinsurance ceded.....	119,532,497		119,528,493		4,004
0199999. Totals (Net).....	332,317	0	332,317	0	0

Annuities (excluding supplementary contracts with life contingencies):

0200001. 71 IAM 6.00% 1971-1973 (Imm).....	0	XXX		XXX	
0200002. 71 IAM 11.25% 1983-1984 (Imm).....	1,709	XXX	1,709	XXX	
0200003. 71 IAM 11.00% 1985 (Imm).....	47,622	XXX	47,622	XXX	
0200004. 83 IAM 9.25% 1986 (Imm).....	1,559	XXX	1,559	XXX	
0200005. 83 IAM 8.00% 1987 (Imm).....	11,396	XXX	11,396	XXX	
0200006. 83 IAM 8.75% 1988-1989 (Imm).....	36,720	XXX	36,720	XXX	
0200007. 83 IAM 8.25% 1990-1991 (Imm).....	287,402	XXX	287,402	XXX	

EXHIBIT 5 - AGGREGATE RESERVE FOR LIFE CONTRACTS

1 Valuation Standard	2 Total	3 Industrial	4 Ordinary	5 Credit (Group and Individual)	6 Group
0200008. 83 IAM 7.00% 1993 (Imm)	176,183	XXX	176,183	XXX	
0200009. 83 IAM 6.50% 1994 (Imm)	8,214	XXX	8,214	XXX	
0200010. 83 IAM 7.25% 1995 (Imm)	3,685	XXX	3,685	XXX	
0200011. 83 IAM 6.75% 1996-1997 (Imm)	19,039	XXX	19,039	XXX	
0200012. 83 IAM 6.25% 1998 (Imm)	17,054	XXX	17,054	XXX	
0200013. Annuity 2000 6.25% 1999 (Imm)	63,599	XXX	63,599	XXX	
0200014. Annuity 2000 6.75% 2001 (Imm)	41,511	XXX	41,511	XXX	
0200015. Annuity 2000 6.50% 2002 (Imm)	15,090	XXX	15,090	XXX	
0200016. Annuity 2000 6.00% 2003 (Imm)	27,163	XXX	27,163	XXX	
0200017. Annuity 2000 5.50% 2004 (Imm)	20,079	XXX	20,079	XXX	
0200018. Annuity 2000 5.25% 2006 (Imm)	38,796	XXX	38,796	XXX	
0200019. Annuity 2000 5.50% 2007-2008 (Imm)	167,723	XXX	167,723	XXX	
0200020. Annuity 2000 6.00% 2009 (Imm)	79,520	XXX	79,520	XXX	
0200021. Annuity 2000 5.25% 2010 (Imm)	44,028	XXX	44,028	XXX	
0200022. Annuity 2000 5.00% 2011 (Imm)	97,665	XXX	97,665	XXX	
0200023. Annuity 2000 4.25% 2012 (Imm)	818,971	XXX	818,971	XXX	
0200024. Annuity 2000 4.00% 2013 (Imm)	31,316	XXX	31,316	XXX	
0200025. Annuity 2000 4.50% 2014 (Imm)	71,195	XXX	71,195	XXX	
0200026. Annuity 2000 4.00% 2015 (Imm)	301,640	XXX	301,640	XXX	
0200027. Annuity 2000 4.00% 2016 (Imm)	248,443	XXX	248,443	XXX	
0200028. Annuity 2000 3.75% 2017 (Imm)	262,862	XXX	262,862	XXX	
0200029. 71 IAM 6.00% 1970-1985 (Def)	813,303	XXX	813,303	XXX	
0200030. Annuity 2000 5.25% 1999 (Def)	199,019	XXX	199,019	XXX	
0200031. Annuity 2000 5.75% 2000 (Def)	69,122	XXX	69,122	XXX	
0200032. Annuity 2000 5.50% 2001-2002 (Def)	15,523,720	XXX	15,523,720	XXX	
0200033. Annuity 2000 5.00% 2003 (Def)	14,453,517	XXX	14,453,517	XXX	
0200034. Annuity 2000 4.75% 2004 (Def)	2,818,572	XXX	2,818,572	XXX	
0200035. Annuity 2000 4.50% 2005-2006 (Def)	1,878,005	XXX	1,878,005	XXX	
0200036. Annuity 2000 4.75% 2007-2008 (Def)	88,753,481	XXX	88,753,481	XXX	
0200037. Annuity 2000 5.00% 2009 (Def)	7,684,385	XXX	7,684,385	XXX	
0200038. Annuity 2000 4.50% 2010 (Def)	2,551,859	XXX	2,551,859	XXX	
0200039. Annuity 2000 4.25% 2011 (Def)	34,544	XXX	34,544	XXX	
0200040. Annuity 2000 3.75% 2013 (Def)	93,362	XXX	93,362	XXX	
0299997. Totals (Gross)	137,813,073	XXX	137,813,073	XXX	0
0299998. Reinsurance ceded	137,813,073	XXX	137,813,073	XXX	
0299999. Totals (Net)	0	XXX	0	XXX	0

Supplementary Contracts with Life Contingencies:

0300001. 71 IAM 6.00% 1971-1973	288	XXX	288		
0300002. 71 IAM 11.25% 1983-1984	4,945	XXX	4,945		
0300003. 83 IAM 9.25% 1986	9,113	XXX	9,113		
0300004. 83 IAM 8.00% 1987	0	XXX			
0300005. 83 IAM 8.75% 1988-1989	12,422	XXX	12,422		
0300006. 83 IAM 8.25% 1990-1991	1,602	XXX	1,602		
0300007. 83 IAM 7.75% 1992	1,421	XXX	1,421		
0300008. 83 IAM 7.00% 1993	13,760	XXX	13,760		
0300009. 83 IAM 6.50% 1994	22,258	XXX	22,258		
0300010. 83 IAM 7.25% 1995	6,163	XXX	6,163		
0300011. 83 IAM 6.75% 1996-1997	2,915	XXX	2,915		
0300012. 83 IAM 6.25% 1998	2,456	XXX	2,456		
0300013. Annuity 2000 7.00% 2000	10,747	XXX	10,747		
0300014. Annuity 2000 5.25% 2006	162,963	XXX	162,963		
0399997. Totals (Gross)	251,053	0	251,053	0	0
0399998. Reinsurance ceded	251,053		251,053		
0399999. Totals (Net)	0	0	0	0	0

Accidental Death Benefits:

0400001. 59 ADB 3%	100,978		100,978		
0400002. 59 ADB 58 CSO 3.0% NET LEVEL	153		153		
0400003. 1959 ADB with 1980 CSO 4%	3		3		
0499997. Totals (Gross)	101,134	0	101,134	0	0
0499998. Reinsurance ceded	101,134		101,134		
0499999. Totals (Net)	0	0	0	0	0

Disability - Active Lives:

0500001. 52 DIS / 58 CSO 3% NL	22,919		22,919		
0500002. Unearned Premium - Payor	2,100		2,100		
0500003. 52 DIS 58 CSO 3.0%	370		370		
0599997. Totals (Gross)	25,389	0	25,389	0	0
0599998. Reinsurance ceded	25,389		25,389		
0599999. Totals (Net)	0	0	0	0	0

Disability - Disabled Lives:

0600001. 52 DIS / 58 CSO 3% BEN 4	51,042		51,042		
0600002. 52 DIS / 58 CSO 3% BEN 5	510,841		510,841		
0600003. 70 GROUP DIS 3.5%	0				
0600004. 52 DIS 58 CSO 3.5%	1,066		1,066		

EXHIBIT 5 - AGGREGATE RESERVE FOR LIFE CONTRACTS

1 Valuation Standard	2 Total	3 Industrial	4 Ordinary	5 Credit (Group and Individual)	6 Group
0699997. Totals (Gross).....	..562,949	.....0	.....562,949	.....0	.....0
0699998. Reinsurance ceded.....	..562,949		.....562,949		
0699999. Totals (Net).....	.....0	.....0	.....0	.....0	.....0
Miscellaneous Reserves:					
0700001. Deficiency Reserves	11,896		.....11,896		
0700002. Non-Deduction Reserves	413,714		.....410,746		.....2,968
0700003. IPC Reserves	2,047,524		.....2,047,183		.....341
0700004. Guaranteed Insurability Riders	47,871		.....47,871		
0700005. Substandard Extra	6,730		.....6,730		
0799997. Totals (Gross).....	2,527,735	.....0	.....2,524,426	.....0	.....3,309
0799998. Reinsurance ceded.....	2,527,735		.....2,524,426		.....3,309
0799999. Totals (Net).....	.....0	.....0	.....0	.....0	.....0
9999999. Totals (Net) - Page 3, Line 1.....	332,317	.....0	.....332,317	.....0	.....0

Loyal American Life Insurance Company
EXHIBIT 5 - INTERROGATORIES

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

Yes [] No []2.1 Does the reporting entity at present issue both participating and non-participating contracts?Yes [] No []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 [] 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? If so, state:Yes [] No []

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

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

4.3 Basis of reserve:

4.4 Basis of regular assessments:

4.5 Basis of special assessments:

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

5. If the contract loan interest rate guaranteed in any one or more of its currently issued contracts is less than 5%, not in advance, state the contract loan rate guarantees on any such contracts.6. Does the reporting entity hold reserves for any annuity contracts that are less than the reserves that would be held on a standard basis?Yes [] No []

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

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

Attach statement of methods employed in their valuation.

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

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

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

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

7.4 Identify where the reserves are reported in the blank.

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

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

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

8.3 Identify where the reserves are reported in the blank:

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

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

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

9.3 Identify where the reserves are reported in the blank:

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

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

NONE

EXHIBIT 6 - AGGREGATE RESERVES FOR ACCIDENT AND HEALTH CONTRACTS

	1 Total	2 Group Accident and Health	3 Credit Accident and Health (Group and Individual)	4 Collectively Renewable	Other Individual Contracts				
					5 Non- Cancelable	6 Guaranteed Renewable	7 Non-Renewable for Stated Reasons Only	8 Other Accident Only	9 All Other
ACTIVE LIFE RESERVE									
1. Unearned premium reserves.....	12,675,970	106,518		25,239	.88,482	12,380,211	69,356		.6,164
2. Additional contract reserves (a).....	123,646,412	7,608,887		192,342	1,616,020	114,191,742	8,059		.29,362
3. Additional actuarial reserves - Asset/Liability analysis.....	0								
4. Reserve for future contingent benefits.....	0								
5. Reserve for rate credits.....	0								
6. Aggregate write-ins for reserves.....	0	.0	0	0	.0	0	0	0	0
7. Totals (Gross).....	136,322,382	7,715,405	0	217,581	1,704,502	126,571,953	77,415	0	35,526
8. Reinsurance ceded.....	14,216,814	1,175,227				13,041,587			
9. Totals (Net).....	122,105,568	6,540,178	0	217,581	1,704,502	113,530,366	77,415	0	35,526
CLAIM RESERVE									
10. Present value of amounts not yet due on claims.....	13,477,803	43,557		18,944	6,611,298	6,574,574	8,426		.221,004
11. Additional actuarial reserves - Asset/Liability analysis.....	0								
12. Reserve for future contingent benefits.....	0								
13. Aggregate write-ins for reserves.....	0	.0	0	0	.0	0	0	0	0
14. Totals (Gross).....	13,477,803	43,557	0	18,944	6,611,298	6,574,574	8,426	0	.221,004
15. Reinsurance ceded.....	590,086					590,086			
16. Totals (Net).....	12,887,717	43,557	0	18,944	6,611,298	5,984,488	8,426	0	.221,004
17. TOTALS (Net).....	134,993,285	6,583,735	0	236,525	8,315,800	119,514,854	85,841	0	.256,530
18. TABULAR FUND INTEREST.....	5,659,910	.277,474		11,774	.423,004	4,930,662	3,958		.13,038

DETAILS OF WRITE-INS

0601.....	0								
0602.....	0								
0603.....	0								
0698. Summary of remaining write-ins for Line 6 from overflow page.....	0	.0	0	0	.0	0	0	0	0
0699. Totals (Lines 0601 through 0603 plus 0698) (Line 6 above).....	0	.0	0	0	.0	0	0	0	0
1301.....	0								
1302.....	0								
1303.....	0								
1398. Summary of remaining write-ins for Line 13 from overflow page.....	0	.0	0	0	.0	0	0	0	0
1399. Totals (Lines 1301 through 1303 + 1398) (Line 13 above).....	0	.0	0	0	.0	0	0	0	0

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

EXHIBIT 7 - DEPOSIT-TYPE CONTRACTS

	1 Total	2 Guaranteed Interest Contracts	3 Annuities Certain	4 Supplemental Contracts	5 Dividend Accumulations or Refunds	6 Premium and Other Deposit Funds
1. Balance at the beginning of the year before reinsurance.....	10,321,660		2,348,850	49,943	5,800,237	2,122,630
2. Deposits received during the year.....	207,959				146,284	61,675
3. Investment earnings credited to the account.....	289,374		100,674	2,229	89,257	97,214
4. Other net change in reserves.....	522,634		650,568	13,548	(99,138)	(42,344)
5. Fees and other charges assessed.....	71,876		71,145	731		
6. Surrender charges.....	0					
7. Net surrender or withdrawal payments.....	1,129,549		761,972	20,890	218,898	127,789
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).....	10,140,202	0	2,266,975	44,099	5,717,742	2,111,386
10. Reinsurance balance at the beginning of the year.....	(10,319,934)		(2,348,850)	(49,943)	(5,800,237)	(2,120,904)
11. Net change in reinsurance assumed.....	0					
12. Net change in reinsurance ceded.....	(181,350)		(81,875)	(5,844)	(82,495)	(11,136)
13. Reinsurance balance at the end of the year (Lines 10 + 11 - 12).....	(10,138,584)	0	(2,266,975)	(44,099)	(5,717,742)	(2,109,768)
14. Net balance at the end of the current year after reinsurance (Lines 9 + 13).....	1,618	0	0	0	0	1,618

EXHIBIT 8 - CLAIMS FOR LIFE AND ACCIDENT AND HEALTH CONTRACTS

PART 1 - Liability End of Current Year

	1 Total	2 Industrial Life	Ordinary			6 Credit Life (Group and Individual)	Group		Accident and Health		
			3 Life Insurance	4 Individual Annuities	5 Supplementary Contracts		7 Life Insurance	8 Annuities	9 Group	10 Credit (Group and Individual)	11 Other
1. Due and unpaid:											
1.1 Direct.....	0										
1.2 Reinsurance assumed.....	0										
1.3 Reinsurance ceded.....	0										
1.4 Net.....	0	0	0	0	0	0	0	0	0	0	0
2. In course of settlement:											
2.1 Resisted:											
2.11 Direct.....	0										
2.12 Reinsurance assumed.....	0										
2.13 Reinsurance ceded.....	0										
2.14 Net.....	0	0	(b) 0	(b) 0	(b) 0	(b) 0	(b) 0	(b) 0	(b) 0	(b) 0	0
2.2 Other:											
2.21 Direct.....	4,719,728		2,059,875	1,482,177			35,500		26,166		1,116,010
2.22 Reinsurance assumed.....	854,063								36,228		817,835
2.23 Reinsurance ceded.....	3,244,471		1,613,912	1,482,177			35,500		25,582		87,300
2.24 Net.....	2,329,320	0	(b) 445,963	(b) 0	0	(b) 0	(b) 0	0	(b) 36,812	(b) 0	(b) 1,846,545
3. Incurred but unreported:											
3.1 Direct.....	25,914,187		1,865,470				27,663		965,611		23,055,443
3.2 Reinsurance assumed.....	14,085,445								549,870		13,535,575
3.3 Reinsurance ceded.....	5,250,744		1,809,418				27,663		958,946		2,454,717
3.4 Net.....	34,748,888	0	(b) 56,052	(b) 0	0	(b) 0	(b) 0	0	(b) 556,535	(b) 0	(b) 34,136,301
4. Totals:											
4.1 Direct.....	30,633,915	0	3,925,345	1,482,177	0	0	63,163	0	991,777	0	24,171,453
4.2 Reinsurance assumed.....	14,939,508	0	0	0	0	0	0	0	586,098	0	14,353,410
4.3 Reinsurance ceded.....	8,495,215	0	3,423,330	1,482,177	0	0	63,163	0	984,528	0	2,542,017
4.4 Net.....	37,078,208	(a) 0	(a) 502,015	0	0	0	(a) 0	0	593,347	0	35,982,846

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

(b) Include only portion of disability and accident and health claim liabilities applicable to assumed "accrued" benefits. Reserves (including reinsurance assumed and net of reinsurance ceded) for unaccrued benefits for Ordinary Life Insurance \$.....0, Individual Annuities \$.....0, Credit Life (Group and Individual) \$.....0, and Group Life \$.....0,

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

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

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

	1 Total	2 Industrial Life (a)	Ordinary			6 Supplementary Contracts	Group		Accident and Health		
			3 Life Insurance (b)	4 Individual Annuities	5		7 Life Insurance (c)	8 Annuities	9 Group	10 Credit (Group and Individual)	11 Other
1. Settlements during the year:											
1.1 Direct.....	159,798,568		7,453,913	7,053,656					2,353,532		142,937,467
1.2 Reinsurance assumed.....	67,589,245		10,248						1,646,746		65,932,251
1.3 Reinsurance ceded.....	22,348,785		7,244,964	7,053,656					2,343,336		5,706,829
1.4 Net.....	(d) 205,039,028	0	219,197	0	0	0	0	0	1,656,942	0	203,162,889
2. Liability December 31, current year from Part 1:											
2.1 Direct.....	30,633,915	0	3,925,345	1,482,177	0	0	.63,163	0	991,777	0	24,171,453
2.2 Reinsurance assumed.....	14,939,508	0	0	0	0	0	0	0	586,098	0	14,353,410
2.3 Reinsurance ceded.....	8,495,215	0	3,423,330	1,482,177	0	0	.63,163	0	984,528	0	2,542,017
2.4 Net.....	37,078,208	0	502,015	0	0	0	0	0	593,347	0	35,982,846
3. Amounts recoverable from reinsurers Dec. 31, current year.....	2,937,115		276,463						38,420		2,622,232
4. Liability December 31, prior year:											
4.1 Direct.....	24,441,466		4,179,492	1,954,574			.42,674		780,372		17,484,354
4.2 Reinsurance assumed.....	15,781,131								571,309		15,209,822
4.3 Reinsurance ceded.....	9,236,196		4,052,649	1,954,574			.42,674		769,698		2,416,601
4.4 Net.....	30,986,401	0	126,843	0	0	0	0	0	581,983	0	30,277,575
5. Amounts recoverable from reinsurers Dec. 31, prior year.....	3,031,669		30,000						29,786		2,971,883
6. Incurred benefits:											
6.1 Direct.....	165,991,017	0	7,199,766	6,581,259	0	0	.20,489	0	2,564,937	0	149,624,566
6.2 Reinsurance assumed.....	66,747,622	0	10,248	0	0	0	0	0	1,661,535	0	65,075,839
6.3 Reinsurance ceded.....	21,513,250	0	6,862,108	6,581,259	0	0	.20,489	0	2,566,800	0	5,482,594
6.4 Net.....	211,225,389	0	347,906	0	0	0	0	0	1,659,672	0	209,217,811

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

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

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

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

Loyal American Life Insurance Company
EXHIBIT OF NONADMITTED ASSETS

	1 Current Year Total Nonadmitted Assets	2 Prior Year Total Nonadmitted Assets	3 Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1. Bonds (Schedule D).....			0
2. Stocks (Schedule D):			0
2.1 Preferred stocks.....			0
2.2 Common stocks.....			0
3. Mortgage loans on real estate (Schedule B):			0
3.1 First liens.....			0
3.2 Other than first liens.....			0
4. Real estate (Schedule A):			0
4.1 Properties occupied by the company.....			0
4.2 Properties held for the production of income.....			0
4.3 Properties held for sale.....			0
5. Cash (Schedule E-Part 1), cash equivalents (Schedule E-Part 2) and short-term investments (Schedule DA).....			0
6. Contract loans.....			0
7. Derivatives (Schedule DB).....			0
8. Other invested assets (Schedule BA).....			0
9. Receivables for securities.....			0
10. Securities lending reinvested collateral assets (Schedule DL).....			0
11. Aggregate write-ins for invested assets.....	.0	.0	.0
12. Subtotals, cash and invested assets (Lines 1 to 11).....	.0	.0	.0
13. Title plants (for Title insurers only).....			0
14. Investment income due and accrued.....			0
15. Premiums and considerations:			
15.1 Uncollected premiums and agents' balances in the course of collection.....	.80,842	.41,394	(39,448)
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.....	300	19,808	19,508
16.2 Funds held by or deposited with reinsured companies.....			0
16.3 Other amounts receivable under reinsurance contracts.....	1,236	.39,603	38,367
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.....	29,728,476	.44,005,701	14,277,225
19. Guaranty funds receivable or on deposit.....			0
20. Electronic data processing equipment and software.....			0
21. Furniture and equipment, including health care delivery assets.....	.332,544	.541,093	.208,549
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.....	.9,442,742	7,369,843	(2,072,899)
25. Aggregate write-ins for other-than-invested assets.....	.3,529,021	.463,123	(3,065,898)
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 through 25).....	43,115,161	52,480,565	9,365,404
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			0
28. TOTALS (Lines 26 and 27).....	43,115,161	52,480,565	9,365,404

DETAILS OF WRITE-INS

1101.....			0
1102.....			0
1103.....			0
1198. Summary of remaining write-ins for Line 11 from overflow page.....	.0	.0	0
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above).....	.0	.0	0
2501. Premium Tax Refunds Due.....	.20,782	.29,545	8,763
2502. Other Receivables and Prepaid Expenses.....	.484,053	.433,578	(50,475)
2503. Fixed Assets Work in Process.....	.3,024,186		(3,024,186)
2598. Summary of remaining write-ins for Line 25 from overflow page.....	.0	.0	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above).....	.3,529,021	.463,123	(3,065,898)

NOTES TO FINANCIAL STATEMENTS**1. Summary of Significant Accounting Policies**

On May 12, 2017, Cigna announced that the merger agreement between Cigna and Anthem had been terminated. See Note 14 for discussion of ongoing litigation related to the termination of the merger agreement.

a. Accounting Practices and Procedures

The financial statements of Loyal American Life Insurance Company ("LALIC" or "the Company") are presented on the basis of accounting practices prescribed or permitted by the Ohio Department of Insurance.

The Ohio Department of Insurance recognizes only statutory accounting practices prescribed or permitted by the State of Ohio for determining and reporting the financial condition and results of operations of an insurance company for determining its solvency under the Ohio Insurance Law. The National Association of Insurance Commissioners' ("NAIC") *Accounting Practices and Procedures* manual, ("NAIC SAP") has been adopted as a component of prescribed or permitted practices 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:

	SSAP #	F/S Page	F/S Line #	2016	2015
NET INCOME					
(1) Loyal American Life Insurance Company state basis (Page 4, Line 35, Columns 1 &2)	XXX	XXX	XXX	\$ 9,051,459	\$ 15,578,706
(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	\$ 9,051,459	\$ 15,578,706
SURPLUS					
(5) Loyal American Life Insurance Company state basis (Page 3, line 38, Columns 1 & 2)	XXX	XXX	XXX	\$ 96,606,854	\$ 86,273,794
(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	\$ 96,606,854	\$ 86,273,794

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

The preparation of financial statements in conformity with NAIC SAP 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. Health premiums are earned ratably over the terms of the related insurance. Expenses incurred in connection with acquiring new insurance business, including acquisition costs such as sales commissions, are charged to operations as incurred. The Company pays dividends to participating policyholders.

The Company uses the following accounting policies:

(1) - (2) Bonds and Short-term Investments. Investments in bonds and short-term investments are carried at amortized cost, except those in or near default, that are carried at the lesser of cost or fair value. Amortization of bond premium or discount is calculated using the scientific (constant yield) interest method. Bonds containing call provisions are amortized to call date which produces the lowest asset value (yield to worst). Investments with original maturities of one year or less from the time of purchase are classified as short-term. Bonds are considered impaired and their cost basis is written down to fair value through an asset valuation reserve for credit-related losses or an interest maintenance reserve for interest-related losses, when management expects a decline in value to persist (i.e., the decline is other-than-temporary).

(3) Common stocks are carried at fair value except for common stock of affiliates which are valued using methods described below.

(4) – (5) Not applicable

(6) Loan-backed and Other Structured Securities. Loan-backed bonds and structured securities are valued at amortized cost using the constant level yield method. Significant changes in estimated cash flows from the original purchase assumptions are accounted for generally using the retrospective adjustment method. For loan-backed and structured securities that have potential for loss of a significant portion of the original investment, significant changes in estimated cash flows from the original purchase assumptions are accounted for using the prospective method. These securities are presented on the balance sheet as bonds.

Prepayment assumptions for loan-backed securities and other structured securities were obtained from external financial data sources. These assumptions are consistent with the current interest rate and economic environment.

When the Company determines it does not expect to recover the amortized cost basis of loan-backed or structured securities with declines in fair value (even if it does not intend to sell and has the intent and ability to hold), the non-interest portion of the impairment loss is recognized in realized investment losses. The non-interest portion is the difference between the amortized cost basis of the loan-backed or structured security and the net present value of its expected future cash flows. Expected future cash flows are based on assumptions about the collateral attributes, including prepayment speeds, default rates and changes in value.

(7) Investments in subsidiaries, controlled and affiliated entities are reported using the statutory equity method based on the entity's audited equity prepared using NAIC SAP in accordance with SSAP No. 97, *Investments in Subsidiary, Controlled, and Affiliated Entities*. These entities are presented on the balance sheet as common stock.

NOTES TO FINANCIAL STATEMENTS

(8) - (9) Not applicable

(10) The Company utilizes anticipated investment income as a factor in the premium deficiency calculation.

(11) Unpaid losses and loss adjustment expenses include an amount determined from individual case estimates and loss reports and an amount, based on past experience, for losses incurred but not reported. Such liabilities are necessarily based on assumptions and estimates and while management believes the amount is adequate, the ultimate liability may be in excess of or less than the amount provided. The methods for making such estimates and for establishing the resulting liability are continually reviewed and any adjustments are reflected in the period determined.

(12) - (13) Not applicable

d. Going Concern

In accordance with SSAP No. 1, "Accounting Policies, Risks and Uncertainties, and Other Disclosures," management has made an evaluation of the Company's ability to continue as a going concern, including such factors as its current financial position, recent earnings and cash flow trends and projections, liquidity and capital requirements, readily available sources of liquidity and such other factors deemed by management to be appropriate under the circumstances. As a result of management's evaluation, no conditions, events or trends have been identified that causes substantial doubt as to the ability of the Company to continue as a going concern and, accordingly, the accompanying financial statements have been prepared on the going concern basis.

2. Accounting Changes and Corrections of Errors

On January 1, 2017, the Company adopted *SSAP No. 35R – Revised Guaranty Fund and Other Assessments* (Ref #2016-38) as later amended in April 2017 (Ref #2017-01). The revisions require discounting of guaranty fund assessment liabilities and the related accrued assets from insolvencies of insurers that wrote long-term care contracts. The Company adopted these revisions to SSAP No. 35R effective January 1, 2017. See note 14B for additional information and the new required disclosures.

3. Business Combinations and Goodwill – Not applicable.

4. Discontinued Operations – Not applicable.

5. Investments

a. – c. Not applicable

d. Loan-Backed Securities

(1) Prepayment assumptions for loan-backed securities and other structured securities were obtained from external financial data sources. These assumptions are consistent with the current interest rate and economic environment.

(2) The Company had no loan-backed and structured securities with recognized other-than-temporary impairments where the Company had the intent to sell or does not have the intent and ability to retain the investment for a period of time sufficient to recover the amortized cost basis as of December 31, 2017.

(3) The Company had no loan-backed and structured securities with recognized other-than-temporary impairments where the present value of cash flow expected to be collected is less than the amortized cost basis as of December 31, 2017.

(4) As of December 31, 2017 loan-backed and structured securities with a decline in fair value from amortized cost were as follows, including the length of time of such decline:

(a) The aggregate amount of unrealized losses:

1.	Less than 12 Months	\$	-
2.	12 Months or Longer	\$	63,464

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

1.	Less than 12 Months	\$	-
2.	12 Months or Longer	\$	1,270,888

(5) Management reviews loan-backed and structured securities with a decline in fair value from cost for impairment based on criteria that include:

- Length of time and severity of decline.
- Financial and specific near term prospects of the issuer.
- Changes in the regulatory, economic or general market environment of the issuer's industry or geographic region.
- The Company's intent to sell 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.

e. - k. Not applicable

l. Restricted Assets

(1) Restricted Assets (Including Pledged)

NOTES TO FINANCIAL STATEMENTS

Restricted Asset Category	Gross (Admitted & Nonadmitted) Restricted					Current Year		Current Year		Percentage	
	Current Year										
	1	2	3	4	5	6	7	8	9	10	11
	Total General Account (G/A)	G/A Supporting Separate Account (S/A) Activity (a)	Total Separate Account (S/A) Restricted Assets	S/A 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	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%	0%
b. Collateral held under security lending agreements	-	-	-	-	-	-	-	-	-	0%	0%
c. Subject to repurchase agreements	-	-	-	-	-	-	-	-	-	0%	0%
d. Subject to reverse repurchase agreements	-	-	-	-	-	-	-	-	-	0%	0%
e. Subject to dollar repurchase agreements	-	-	-	-	-	-	-	-	-	0%	0%
f. Subject to dollar reverse repurchase agreements	-	-	-	-	-	-	-	-	-	0%	0%
g. Placed under option contracts	-	-	-	-	-	-	-	-	-	0%	0%
h. Letter stock or securities restricted as to sale excluding FLY capital stock	-	-	-	-	-	-	-	-	-	0%	0%
i. FHLB Capital Stock	-	-	-	-	-	-	-	-	-	0%	0%
j. On deposit with states	4,445,453	-	-	-	4,445,453	4,386,129	59,324	-	4,445,453	1%	1%
k. On deposit with other regulatory bodies	-	-	-	-	-	-	-	-	-	0%	0%
l. Pledged as collateral to FHLB (including assets backing funding agreements)	-	-	-	-	-	-	-	-	-	0%	0%
m. Pledged as collateral not captured in other categories	-	-	-	-	-	-	-	-	-	0%	0%
n. Other restricted assets	132,296,043	-	-	-	132,296,043	127,150,883	5,145,160	-	132,296,043	38%	43%
o. Total Restricted Assets	\$136,741,496	\$ -	\$ -	\$ -	\$136,741,496	\$ 131,537,012	\$ 5,204,484	\$ -	\$136,741,496	39%	45%

(a) Subset of Column 1

(b) Subset of Column 3

(c) Column 5 divided by Asset Page, Column 1, Line 28

(d) Column 9 divided by Asset Page, Column 3, Line 28

(2) Not applicable

(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 (Admitted & Nonadmitted) Restricted									Percentage	
	Current Year										
	1	2	3	4	5	6	7	8	9	10	
	Total General Account (G/A)	G/A Supporting Separate Account (S/A) Activity (a)	Total Separate Account (S/A) Restricted Assets	S/A 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 (c)	Admitted Restricted to Total Admitted Assets (d)	
Reinsurance with Great American Life Insurance Company	\$132,296,053	\$ -	\$ -	\$ -	\$132,296,053	\$127,150,883	\$ 5,145,170	\$132,296,053	38%	43%	

(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 Comumns 8 through 10 should equal 5H(1)n Columns 9 through 11 respectively.

(4) Not applicable

m – q Not applicable

NOTES TO FINANCIAL STATEMENTS

r. Prepayment Penalty and Acceleration Fees

		General Account	Separate Account
(1)	Number of CUSIPs	5	-
(2)	Aggregate amount of investment income \$	321,500	\$ -

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

7. Investment Income

a. Due and accrued is excluded from investment income on the following basis:

- (1) Bonds – When investment income due and accrued exceeds 90 days past due.
- (2) No income was excluded for the years ended December 31, 2017 and 2016.

8. Derivative Instruments – Not applicable

9. Income Taxes

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

(1)

	December 31, 2017			December 31, 2016			Change		
	Ordinary	Capital	Total	Ordinary	Capital	Total	Ordinary	Capital	Total
(a) Gross DTA	43,392,254	-	43,392,254	69,117,874	4	69,117,877	(25,725,620)	(4)	(25,725,624)
(b) Valuation allowance	-	-	-	-	-	-	-	-	0
(c) Adjusted gross DTA (1a - 1b)	43,392,254	-	43,392,254	69,117,874	4	69,117,877	(25,725,620)	(4)	(25,725,624)
(d) Nonadmitted DTA	(29,728,476)	-	(29,728,476)	(44,005,697)	(4)	(44,005,701)	14,277,222	4	14,277,226
(e) Subtotal Net Admitted DTA (1c - 1d)	13,663,778	-	13,663,778	25,112,176	-	25,112,176	(11,448,398)	-	(11,448,398)
(f) DTL	(1,064,820)	(1,064,820)	(391,809)	(391,809)	-	(391,809)	(673,011)	-	(673,011)
(g) Net admitted DTA (1e - 1f)	12,598,958	-	12,598,958	24,720,367	-	24,720,367	(12,121,409)	-	(12,121,409)

(2)

	December 31, 2017			December 31, 2016			Change		
	Ordinary	Capital	Total	Ordinary	Capital	Total	Ordinary	Capital	Total
SSAP 101, paragraphs 11a, 11b, and 11c									
(a) Admitted pursuant to ¶11.a. (loss carrybacks)	-	-	-	19,345,462	-	19,345,462	(19,345,462)	-	(19,345,462)
(b) Admitted pursuant to ¶11.b. (realization)	12,598,958	-	12,598,958	5,374,905	-	5,374,905	7,224,053	-	7,224,053
1. Realization per ¶11.b.i.	12,598,958	-	12,598,958	5,374,905	-	5,374,905	7,224,053	-	7,224,053
2. Limitation per ¶11.b.ii.	-	-	12,598,957	-	-	9,229,471	-	-	3,369,486
(c) Admitted pursuant to ¶11.c.	1,064,820	-	1,064,820	391,809	-	391,809	673,011	-	673,011
(d) Total admitted adjusted gross deferred tax asset (2a+)	13,663,778	-	13,663,778	25,112,176	-	25,112,176	(11,448,398)	-	(11,448,398)

(3)

	2017 Percentage	2016 Percentage
(a) Ratio Percentage Used to Determine Recovery Period and Threshold Limitation Amount	407%	368%
(b) Amount of adjusted capital and surplus used to determine recovery period and threshold limitation in 2(b)2 above	83,933,048	61,529,804

(4) Impact of tax planning strategies (TPS) on adjusted gross DTAs and net admitted DTAs:

	December 31, 2017			December 31, 2016			Change		
	Ordinary	Capital	Total	Ordinary	Capital	Total	Ordinary	Capital	Total
Impact of Tax Planning Strategies									
(a) Adjusted Gross DTAs (% of Total Adjusted Gross DTAs)	0%	0%	0%	0%	0%	0%	0%	0%	0%
(b) Net admitted Adjusted Gross DTAs (% of Total Net Admitted Adjusted Gross DTAs)	0%	0%	0%	0%	0%	0%	0%	0%	0%
(c) Do TPS include a reinsurance strategy?				No			No		

b. Unrecognized DTLs

All deferred tax liabilities have been properly recognized.

c. Current tax and change in deferred tax

(1) Current income tax:

	2017	2016	Change
(a) Current federal income tax expense/(benefit)	4,501,263	6,665,564	(2,164,301)
(b) Foreign income tax expense/(benefit)	-	-	-
(c) Subtotal	4,501,263	6,665,564	(2,164,301)
(d) Tax expense/(benefit) on realized capital gains/(losses)	187,587	81,521	106,066
(e) Utilization of capital loss carry-forwards	-	-	-
(f) Other, including prior year underaccrual/(overaccrual)	0	(36,453)	36,453
Federal and foreign income taxes incurred	4,688,850	6,710,632	(2,021,782)

The tax effects of temporary differences that give rise to significant portions of the deferred tax assets and liabilities are as follows:

(2) Deferred tax assets:

NOTES TO FINANCIAL STATEMENTS

	<u>December 31, 2017</u>	<u>December 31, 2016</u>	<u>Change</u>
Other insurance & contract holder liability	2,624,948	2,480,252	144,696
Goodwill & intangibles	23,957,563	44,059,886	(20,102,323)
Deferred acquisition costs	13,381,830	18,218,141	(4,836,311)
Nondeductible liabilities	291,531	920,563	(629,032)
Nonadmitted assets	2,811,204	2,966,202	(154,998)
Investment, net	37,922	292,263	(254,341)
Other	287,256	180,570	106,686
Gross DTA	43,392,254	69,117,877	(25,725,623)
Valuation allowance			
Adjusted gross DTA	43,392,254	69,117,877	(25,725,623)
Nonadmitted DTA	(29,728,476)	(44,005,701)	14,277,225
Admitted DTA	13,663,778	25,112,176	(11,448,398)

(3) Deferred tax liabilities:

	<u>December 31, 2016</u>	<u>December 31, 2016</u>	<u>Change</u>
Other insurance & contract holder liability	1,064,820	380,886	683,934
Other	-	10,923	(10,923)
Gross DTL	1,064,820	391,809	673,011

(4)

Net Deferred Tax Assets/Liabilities	12,598,958	24,720,367	(12,121,409)
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The change in net deferred income taxes is comprised of the following (this analysis is exclusive of nonadmitted assets as the change in nonadmitted assets is reported separately from the change in net deferred income taxes in the surplus section of the annual statement):

	<u>December 31, 2016</u>	<u>December 31, 2015</u>	<u>Change</u>
Total deferred tax assets	43,392,254	69,117,877	(25,725,623)
Total deferred tax liabilities	(1,064,820)	(391,809)	(673,011)
Net Deferred tax asset/liabilities	42,327,434	68,726,068	(26,398,634)
Statutory valuation allowance adjustment	-	-	-
Net deferred tax assets/liabilities after SVA	42,327,434	68,726,068	(26,398,634)
Change in net deferred income tax			(26,398,634)

d. Reconciliation of federal income tax rate to actual effective rate

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

	<u>December 31, 2017</u>	<u>Effective Tax Rate</u>
Provision computed at statutory rate (BFIT@35%)	4,809,108	35.00%
Change in nonadmitted assets	(1,719,138)	-12.51%
Nondeductible Penalties & Fines	150,368	1.10%
IMR	(367,568)	-2.67%
M&E	12,297	0.08%
Ceding Commission	(15,872)	-0.11%
Tax Reform Impact	28,218,289	205.37%
Total	31,087,484	226.26%
Federal and foreign income taxes incurred	4,688,850	34.13%
Change in deferred income taxes	26,398,634	192.13%
Total statutory income taxes	31,087,484	226.26%

Major tax reform legislation was signed into law on December 22, 2017. The legislation is highlighted by a reduction in the corporate income tax rate from the current rate of 35% to 21% effective January 1, 2018. The remaining provisions of the law, most of which take effect on January 1, 2018, are not expected to have a material impact on the Company's results of operations beginning in 2018. Deferred income tax balances as of December 31, 2017 have been adjusted to reflect the reduced statutory tax rate that took effect as of January 1, 2018 pursuant to the recently enacted U.S. tax reform legislation.

e. Operating loss and tax credit carryforwards

- (1) At December 31, 2016, the Company has no net operating loss carry forward and no capital loss carry forward.
- (2) With the signing of tax reform legislation on December 22, 2017, life insurance companies are no longer able to carryback future net operation losses effective with tax years beginning January 1, 2018. Capital losses were not impacted as a result of tax reform and may still be carried back. Capital taxes available for recoupment in the event of future losses include:

<u>Year</u>	<u>Amount</u>
2015	-
2016	81,521
2017	187,587

- (3) Deposits under IRS Code Section 6603 - not applicable

f. Federal or foreign income tax loss contingencies

- (1) The Internal Revenue Service completed its examination of the Cigna's consolidated federal income tax return through 2012. The statute of limitations for 2013 has expired, but Cigna has filed an amended return for which the pending refund is subject to review. No material impacts are anticipated for the Company.

g. Consolidated federal income tax return

NOTES TO FINANCIAL STATEMENTS

(1) In the 2016 year, the Company filed a consolidated federal income tax return with its subsidiary American Retirement Life Insurance Company ("ARLIC"). Starting with the 2017 tax year, the Company will be included in the Cigna consolidated federal income tax return with the following subsidiaries of Cigna:

Allegiance Benefit Plan Management Inc	Cigna Dental Health of Missouri Inc	Cigna Healthcare of New Hampshire Inc	Hazard Center Investment Co LLC
Allegiance Cobra Services Inc	Cigna Dental Health of New Jersey Inc	Cigna Healthcare of New Jersey Inc	Healthsource Benefits Inc
Allegiance Life & Health Insurance Co	Cigna Dental Health of North Carolina Inc	Cigna Healthcare of North Carolina Inc	Healthsource Inc
Allegiance Re Inc	Cigna Dental Health of Ohio Inc	Cigna Healthcare of Pennsylvania Inc	Healthsource Properties Inc
American Retirement Life Insurance Company	Cigna Dental Health of Pennsylvania Inc	Cigna Healthcare of South Carolina	Healthspring Life & Health Insurance Company
Arizona Healthplan Inc	Cigna Dental Health of Texas Inc	Cigna Healthcare of St Louis Inc	Healthspring Management, Inc.
Benefit Management Corp	Cigna Dental Health of Virginia Inc	Cigna Healthcare of Tennessee Inc	Healthspring of Alabama, Inc
Bravo Health Mid-Atlantic, Inc.	Cigna Dental Healthplan of Arizona Inc	Cigna Healthcare of Texas Inc	Healthspring of Florida, Inc.
Bravo Health Pennsylvania, Inc.	Cigna Direct Marketing Company Inc.	Cigna Healthcare of Utah Inc	Healthspring of Tennessee, Inc.
Brighter, Inc.	Cigna Federal Benefits Inc	Cigna Holdings Inc	Healthspring, Inc.
CareAllies, Inc.	Cigna Global Holdings Inc	Cigna Holdings Overseas Inc	IHN Inc.
Central Reserve Life Insurance Company	Cigna Global Insurance Company Limited	Cigna Integrated Care Inc	Intermountain Underwriters Inc
CG Individual Tax Benefit Payments Inc	Cigna Global Reinsurance Company LTD	Cigna Intellectual Property Inc	Kronos Optimal Health Company
CG Life Pension Benefit Payments Inc	Cigna Health and Life Insurance Company	Cigna International Corporation	Life Ins Co of North America
CG LINA Pension Benefit Payments Inc	Cigna Health Corporation	Cigna International Finance Inc	LINA Benefit Payments Inc
Chocelinx Corporation	Cigna Health Management Inc	Cigna International Services Inc	Loyal American Life Insurance Company
Cigna Arbor Life Insurance Company	Cigna Healthcare Benefits Inc	Cigna Investment Group Inc	Managed Care Consultants Inc
Cigna Behavioral Health Inc	Cigna Healthcare Holdings Inc	Cigna Investments Inc	MCC Independent Practice Assoc of New York Inc
Cigna Behavioral Health of California Inc	Cigna Healthcare Inc	Cigna Life Insurance Company of New York	Mediversal Inc
Cigna Behavioral Health of Texas Inc.	Cigna Healthcare Mid-Atlantic Inc	Cigna Linden Holdings Inc	Provident American Life Insurance Company
Cigna Benefits Financing, Inc.	Cigna Healthcare of Arizona Inc	Cigna Managed Care Benefits Company	QualCare Alliance Networks, Inc.
Cigna Dental Health Inc	Cigna Healthcare of California Inc	Cigna Poplar Holdings Inc	QualCare Captive Insurance Company, Inc.
Cigna Dental Health of California Inc	Cigna Healthcare of Colorado Inc	Cigna RE Corporation	QualCare Inc.
Cigna Dental Health of Colorado Inc	Cigna Healthcare of Connecticut Inc	Cigna Resource Manager Inc	Sagamore Health Network Inc
Cigna Dental Health of Delaware Inc	Cigna Healthcare of Florida Inc	Cigna Worldwide Insurance Company	Scibal Associates, Inc.
Cigna Dental Health of Florida Inc	Cigna Healthcare of Georgia Inc	Connecticut General Benefit Payments Inc.	Tel-Drug Inc
Cigna Dental Health of Illinois Inc	Cigna Healthcare of Illinois Inc	Connecticut General Corporation	United Benefit Life Insurance Company
Cigna Dental Health of Kansas Inc	Cigna Healthcare of Indiana Inc	Connecticut General Life Insurance Company	Universal Claims Administration
Cigna Dental Health of Kentucky Inc	Cigna Healthcare of Maine Inc	Former Cigna Investments Inc	
Cigna Dental Health of Maryland Inc	Cigna Healthcare of Massachusetts Inc	Great West Healthcare of Illinois Inc	

10. Information Concerning Parent, Subsidiaries and Affiliates and Other Related Parties**a - c. Related party transactions:**

The Company made cash capital contributions of \$17,500,000, \$13,000,000, \$15,000,000 and \$15,000,000 on March 31, 2017, June 28, 2017, September 29, 2017 and December 15, 2017 to American Retirement Life Insurance Company ("ARLIC"), its wholly owned subsidiary.

The Company received cash capital contributions of \$21,500,000, \$8,500,000, \$15,000,000 and \$15,000,000 on March 31, 2017, June 28, 2017, September 29, 2017 and December 15, 2017 from its parent Cigna Health and Life Insurance Company ("CHLIC").

The Company made \$500,000, \$10,000,000, 5,000,000 and \$6,000,000 cash capital contributions to American Retirement Life Insurance Company ("ARLIC"), its wholly owned subsidiary on May 11, 2016, June 27, 2016, September 30, 2016 and December 16, 2016, respectively.

The Company received \$3,000,000, \$7,000,000 and \$5,000,000 cash capital contributions from its parent Cigna Health and Life Insurance Company ("CHLIC") on May 11, 2016, June 30, 2016 and November 15, 2016, respectively,

On February 19, 2013, the Company entered into a line of credit agreement with Cigna Holdings, Inc. ("CHI") under which LALIC can borrow up to \$30,000,000 from CHI. The agreement provides for two rate/maturity options; a) a variable rate payable on demand or b) a fixed rate with a stated maturity not to exceed 270 days. LALIC did not borrow under this agreement in 2017.

On February 19, 2013, the Company also entered into a line of credit agreement with Cigna under which Cigna can borrow up to \$30,000,000 from LALIC. Borrowing terms under this agreement are identical to the terms under the LALIC/CHI agreement discussed above. Cigna did not borrow under this agreement in 2017.

Several of Cigna Corporation's ("Cigna") subsidiaries are subject to the Health Insurance Providers Fee, "the Fee", which is imposed on each covered entity engaged in the business of providing health insurance for any United States health risk. Such entities, along with Cigna, are collectively treated as a single "covered entity" as that term is defined in Section 9010(c) and Treas. Reg. § 57.2(b). By entering into this Agreement, each Party has consented to select Cigna as its "designated entity" for the payment of this Fee. The Agreement allows Cigna to pay each year to the Treasury the Fee owed collectively by all covered entities in the group, and to perform all necessary and appropriate actions that may be required to fulfill Cigna's responsibilities as the designated entity. This Agreement further allows Cigna to delegate to a wholly owned subsidiary the authority to perform these actions on Cigna's behalf. For financial management and reporting purposes, Cigna and the Parties will allocate the Fee for each Fee Year among the Parties in proportion to estimates of each Party's Premiums for that Fee Year.

d. At December 31, 2017, the Company reported \$760,455 as amounts due from affiliated companies and \$11,157,294 due to affiliated companies. The terms of the agreements require that these amounts be settled within 90 days.

e. Not applicable

f. Management or service contracts and all cost sharing arrangements involving the Company:

- (1) The Company and certain related parties have entered into service contracts and cost-sharing arrangements, including an expense sharing agreement in which the parties share expenses for certain shared services. These arrangements include providing or being provided with management services, computers, data processing and other services, as well as equipment, supplies and office space. The Company also allocates a portion of its operating expenses to affiliated companies for which it performs certain administrative services. The Company paid \$112,272,073 in 2017 under these arrangements and received \$55,491,476 in 2017.
- (2) The Company's investment portfolio is managed by Cigna Investments, Inc. ("CII"). The company paid CII \$244,922 and \$184,006 in 2017 and 2016, related to those services.
- (3) The Company is party to Cigna's Consolidated Federal Income Tax Agreement (the Tax Agreement). The Tax Agreement sets forth the method of allocation of Cigna's federal income taxes to its wholly-owned domestic subsidiaries. The Tax Agreement

NOTES TO FINANCIAL STATEMENTS

provides for immediate reimbursement to companies with net operating losses to the extent that their losses are utilized to reduce consolidated taxable income; while those companies with current taxable income as calculated under federal separate return provisions, are liable for payments determined as if they had each filed a separate return. However, current credit is given for any foreign tax credit, operating loss, or investment tax credit carryovers actually utilized in the current consolidated return.

- (4) LALIC entered into an agreement with Cigna Health Management ("CHM"), effective June 5, 2015 whereby CHM will provide consultative services with respect to demand management in conjunction with the administration of health benefit plans and health insurance policies; specifically CHM provides a 24-hour health information telephone line in which nurses answer questions, explain medical options and suggest resources. The Company paid CHM \$69,928 and \$72,748 in 2017 and 2016, related to these services.
- (5) LALIC entered into an agreement with Cigna Health and Life Insurance Company ("CHLIC"), effective November 1, 2015, whereby CHLIC will provide LALIC access to and support for the CignaPlus Savings dental discount program to be offered to LALIC customers. The Company paid CHLIC \$4,328 in 2017 and \$3,776 in 2016 for these services.
- g. All of the Company's outstanding common stock is directly owned by Cigna Health and Life Insurance Company, a Connecticut domiciled insurance company, whose ultimate parent is Cigna Corporation, a Delaware domiciled insurance holding company.
- h. – n. Not applicable

11. Debt – Not applicable

12. Retirement Plans, Deferred Compensation, Post-employment Benefits and Compensated Absences and Other Post-retirement Benefit Plans.

a. – f. Not applicable

g. Consolidated/Holding Company Plans:

(1) Employees' Retirement Plan:

- (a) Effective January 1, 2013, the Company participates in the Cigna 401(k) Plan (the Savings Plan) that is sponsored by Cigna. Employees are eligible to participate in the Savings Plan immediately upon hire; however, a one-year service requirement must be met to receive company contributions. Expense allocated to the Company was \$495,663 in 2017.
- (b) Salaried officers and other key employees of the Company are eligible to be awarded shares of Cigna Common Stock in the form of stock options, restricted stock grants, dividend equivalent rights and grants of Cigna Common Stock in lieu of cash payable under various plans. The People Resources Committee of the Board of Directors of Cigna (the Committee) determines awards under these plans, including grants of restricted stock and stock options and strategic performance shares to certain employees of Cigna and its indirect subsidiaries. In 2016, the Committee awarded restricted stock and strategic performance shares to eligible officers and employees under various plans. Cost allocated to the Company for the awards was \$151,033.

(2) Deferred Compensation Plans:

The Company offers the Cigna Deferred Compensation Plan to officers and key employees pursuant to which they may defer receipt of all or part of their compensation. The amount of compensation deferred is not funded but represents a general liability of Cigna and participating affiliates including the Company. Currently, deferred cash compensation is credited with interest at the rate paid on contributions to the Fixed Income Fund of the Savings Plan. Certain officers and key employees also have the option of selecting to have deferred cash compensation credited with interest at the rate paid under the Savings Plan's other investment funds. Deferred compensation which would have otherwise been payable in Cigna Common Stock is hypothetically invested in the same number of Common Stock equivalent units as the number of shares which would have been paid if such compensation had not been deferred. An amount equal to cash dividends that would have been paid on such hypothetically invested Common Stock is deemed to have been paid and hypothetically invested in the same way as deferred cash compensation. At a future date or dates selected by each participant, the aggregate of amounts deferred and hypothetical investment results is distributed either in a lump sum or in installments, in which case unpaid installments continue to be credited with interest. Compensation deferred by officers and key employees that was otherwise payable in Common Stock is distributed in Common Stock.

Effective January 25, 1995, the Committee approved a special program to postpone payments to senior executive officers as needed to avoid payments to these officers which would not qualify for a tax deduction because of the provisions of Internal Revenue Code section 162(m), which limits the deductibility of compensation paid to each officer to \$1 million, unless certain exceptions apply.

The Company has not incurred any obligation under the plan as of December 31, 2017.

(3) Post Retirement Benefits – Not applicable

h. Post-Employment Benefits and Compensated Absences:

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

i. The Medicare Modernization Act

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

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

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

a. The Company has 2,500 shares authorized and 1,800 shares issued and outstanding. All shares are class A shares.

NOTES TO FINANCIAL STATEMENTS

- b. Not applicable
- c. The maximum amount of dividends that can be paid to stockholders by life insurance companies domiciled in the State of Ohio without prior approval of the Insurance Commissioner is the greater of 10% of surplus as regards to policyholders or net income as of the preceding December 31, but only to the extent of earned surplus as of the preceding December 31.
- d. Not applicable
- e. The amount available to dividend in 2018 without prior approval of the Ohio Department of Insurance is \$0 based on earned surplus.
- f. – i. Not applicable
- j. The portion of unassigned funds (surplus) represented or (reduced) by unrealized gains was (\$118,203,759) at December 31, 2017.
- k. – m. Not applicable

14. Contingencies

- a. Contingent Commitments – Not applicable
- b. Assessments

The Company operates in a regulatory environment that may result in it being assessed by various state insurance guaranty funds to help pay for the cost of other insurance company insolvencies. These assessments are generally recoverable in most states over a 3 to 10 year period through reduction in future premium tax liabilities. The Company periodically adjusts its accrual for future assessments utilizing information provided by the National Organization of Life and Health Insurance Guaranty Associations. At December 31, 2017, the Company held a liability for future assessments of \$1,160,156. The Company also holds an asset for premium tax offsets related to guaranty fund assessments paid or accrued.

Assets recognized from paid and accrued tax offsets for the year ended December 31, 2017, are as follows:

Balance, beginning of year	\$ 696,038
Premium tax offsets accrued	1,890,955
Premium tax offsets applied	(1,341,735)
Allowance for unrealizability	3,478
	<u><u>\$ 1,248,736</u></u>

Penn Treaty. On March 1, 2017, the Commonwealth Court of Pennsylvania entered an order of liquidation of Penn Treaty Network America Insurance Company, together with its subsidiary American Network Insurance Company (collectively "Penn Treaty", a long-term care insurance carrier), triggering guaranty fund coverage and accrual of a liability. For the year ended December 31, 2017, the Company recorded \$760,481 in taxes, licenses and fees, including assessments paid and its estimate of future assessments net of future premium tax offsets on a discounted basis. This assessment is expected to be updated in future periods for changes in the estimate of the insolvency.

Undiscounted and discounted guaranty fund liabilities and assets as of December 31, 2017 are as follows:

Undiscounted Liability	\$ 1,103,833
Discounted Liability	<u><u>\$ 944,648</u></u>
Undiscounted Asset	\$ 954,088
Discounted Asset	<u><u>\$ 859,016</u></u>

Assessments billed or expected to be billed within one year of the insolvency are recorded at amounts billed or expected to be billed. A liability for future assessments (expected to be due after one year) and, assets related to billed and unbilled assessments have been recorded on a discounted basis. The rate used to discount guaranty fund assessments and the related assets was 3.5%.

The following table presents information related to the discounted guaranty fund liabilities and assets:

Name of Insolvency	Payables			Recoverables		
	Number of Jurisdictions	Range of Years	Weighted Average Number of Years	Number of Jurisdictions	Range of Years	Weighted Average Number of Years
Penn Treaty Network America Insurance Company and American Network Insurance	11	2 - 56	14	42	2 - 61	8

- c. – e. Not applicable

- f. Other Legal Matters.

In the normal course of its business operations, the Company is involved in litigation and other regulatory matters from time to time with claimants, beneficiaries, and other parties. When the Company, in the normal course of its regular review of such matters has determined that a material loss is reasonably possible, the matter is disclosed. In accordance with Statutory Accounting Principles, when litigation or other regulatory matters result in loss contingencies that are both probable and estimable, the Company accrues the estimated loss by a charge to operations. The amount accrued represents management's best estimate of the probable loss at the time. If only a range of estimated losses can be determined, the Company accrues an amount within the range that, in management's judgment, reflects the most likely outcome. If none of the estimates within the range is a better estimate than any other amount, the Company accrues the mid-point of the range.

NOTES TO FINANCIAL STATEMENTS

Management does not believe that litigation or other matters currently pending against the Company, including the litigation between Cigna and Anthem discussed below, would have a material adverse effect on the Company's results of operations, financial condition or liquidity based on its current knowledge of those matters.

Litigation with Anthem. In February 2017, Cigna delivered a notice to Anthem terminating the merger agreement, and notifying Anthem that it must pay Cigna the \$1.85 billion reverse termination fee pursuant to the terms of the merger agreement. Also in February 2017, Cigna filed suit against Anthem in the Delaware Court of Chancery (the "Chancery Court"). Seeking declaratory judgments that Cigna's termination of the merger agreement was valid and that Anthem was not permitted to extend the termination date. The complaint sought payment of the reverse termination fee and additional damages in an amount exceeding \$13 billion, including the lost premium value to Cigna's shareholders caused by Anthem's willful breaches of the merger agreement.

Also in February 2017, Anthem filed a lawsuit in the Chancery Court against Cigna seeking (i) a temporary restraining order to enjoin Cigna from terminating and taking any action contrary to the terms of the merger agreement, (ii) specific performance compelling Cigna to comply with the merger agreement and (iii) damages.

On February 15, 2017, the Chancery Court granted Anthem's motion for a temporary restraining order and temporarily enjoined Cigna from terminating the merger agreement. In May 2017, the Chancery Court denied Anthem's motion for a preliminary injunction to enjoin Cigna from terminating the merger agreement but stayed its ruling pending Anthem's determination as to whether to seek an appeal. Anthem subsequently notified Cigna and the Chancery Court that it did not intend to appeal the Chancery Court's decision. As a result, the merger agreement was terminated.

The litigation between the parties remains pending. Trial is scheduled for 2019. Cigna believes in the merits of their claims and disputes Anthem's claims, and intends to vigorously defend themselves and pursue their claims. The outcomes of lawsuits are inherently unpredictable, and Cigna may be unsuccessful in the ongoing litigation or any future claims or litigation.

15. Leases

LALIC leases its home office facilities under a fifteen year non-cancellable operating lease, which ends on January 31, 2023. The lease may be renewed for two additional five year terms at market rates then in effect. The Company also leases other equipment under leases with remaining terms less than one year. These leases are also renewable at market rates. Future minimum annual rentals under the leases are as follows:

2018	\$ 1,143,956
2019-2022	1,138,409
2023	94,792
	<u>\$ 2,377,157</u>

16. Information About Financial Instruments with Off-Balance Sheet Risk and Financial Instruments with Concentrations of Credit Risk -- Not applicable**17. Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities -- Not applicable****18. Gain or Loss to the Reporting Entity from Uninsured Plans and the Uninsured Portion of Partially Insured Plans -- Not applicable****19. Direct Premium Written/Produced by Managing General Agents/Third Party Administrators --Not applicable****20. Fair Value Measurements****a. Fair Value Measurements**

The Company's financial assets measured at fair value include bonds valued at the lower of cost or fair value when reported at fair value at the balance sheet date.

Fair value is defined as the price at which an asset could be exchanged in an orderly transaction between market participants at the balance sheet date. The Company's financial assets have been classified based upon a hierarchy defined by SAP. The hierarchy gives the highest ranking to fair values determined using unadjusted quoted prices in active markets for identical assets and liabilities (Level 1) and the lowest ranking to fair values determined using methodologies and models with unobservable inputs (Level 3). An asset's or a liability's classification is based on the lowest level input that is significant to its measurement. For example, a financial asset or liability carried at fair value would be classified in Level 3 if unobservable inputs were significant to the instrument's fair value, even though the measurement may be derived using inputs that are both observable (Levels 1 and 2) and unobservable (Level 3).

Level 1	Inputs for instruments classified in Level 1 include unadjusted quoted prices for identical assets in active markets accessible at the measurement date. Active markets provide pricing data for trades occurring at least weekly and include exchanges and dealer markets.
Level 2	Inputs for instruments classified in Level 2 include quoted prices for similar assets in active markets, quoted prices from those willing to trade in markets that are not active, or other inputs that are market observable or can be corroborated by market data for the term of the instrument. Such other inputs include market interest rates and volatilities, spreads and yield curves. An instrument is classified in Level 2 if the Company determines that unobservable inputs are insignificant. Level 2 assets primarily include corporate bonds valued using recent trades of similar securities or pricing models that discount future cash flows at estimated market interest rates.
Level 3	Certain inputs for instruments classified in Level 3 are unobservable (supported by little or no market activity) and significant to their resulting fair value measurement. Unobservable inputs reflect the Company's best estimate of what hypothetical market participants would use to determine a transaction price for the asset or liability at the reporting date.

1. Fair Value Measurements at Reporting Date – None

NOTES TO FINANCIAL STATEMENTS

2. Fair Value Measurements in Level 3 of the Fair Value Hierarchy – None
3. Level 3 Transfers – None
4. Valuation Techniques and Inputs – No financial instruments at fair value

b. Other Fair Value Disclosures
The Company provides additional fair value information in Notes 1 and 5.

c. Aggregate Fair Value of All Financial Instruments
The following tables provide the fair value, carrying value and classification in the fair value hierarchy of the Company's financial instruments as of December 31, 2017 and December 31, 2016.

Financial Assets	Aggregate Fair Value	Admitted Assets	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Not Practicable (Carrying Value)
December 31, 2017						
Bonds	\$ 217,844,811	\$ 214,463,139	\$ 4,127,671	\$ 213,717,140	\$ -	\$ -
Cash, Cash Equivalents, and Short-Term Investments	\$ 10,916,119	\$ 10,916,119	\$ (7,792,671)	\$ 18,708,789	\$ -	\$ -
Total	\$ 228,760,930	\$ 225,379,258	\$ (3,665,000)	\$ 232,425,929	\$ -	\$ -
December 31, 2016						
Bonds	\$ 193,290,084	\$ 191,287,859	\$ 4,096,913	\$ 189,193,171	\$ -	\$ -
Cash, Cash Equivalents, and Short-Term Investments	\$ 9,929,382	\$ 9,929,382	\$ (5,470,969)	\$ 15,400,351	\$ -	\$ -
Total	\$ 203,219,466	\$ 201,217,241	\$ (1,374,056)	\$ 204,593,522	\$ -	\$ -

The following valuation methodologies and significant assumptions are used by the Company to determine fair value for each instrument.

Bonds

The Company estimates fair values using prices from third parties or internal pricing methods. Fair value estimates received from third-party pricing services are based on reported trade activity and quoted market prices when available, and other market information that a market participant may use to estimate fair value. Such other inputs include market interest rates and volatilities, spreads, and yield curves. The internal pricing methods are performed by the Company's investment professionals and generally involve using discounted cash flow analyses, incorporating current market inputs for similar financial instruments with comparable terms and credit quality, as well as other qualitative factors. In instances where there is little or no market activity for the same or similar instruments, the fair value is estimated using methods, models, and assumptions that the Company believes a hypothetical market participant would use to determine a current transaction price. These valuation techniques involve some level of estimation and judgment that becomes significant with increasingly complex instruments or pricing models.

Short-Term Investments, Cash Equivalents, and Cash

Short-term investments, cash equivalents, and cash are carried at cost which approximates fair value. Short-term investments and cash equivalents are classified in Level 2 and cash is classified in Level 1.

- d. Disclosures about Financial Instruments Not Practicable to Estimate Fair Value – None.

21. Other Items

- a. – b. Not applicable
- c. Other disclosures

Assets in the amount of \$136,741,496 and \$131,537,012 at December 31, 2017 and 2016, respectively, were on deposit with government authorities or trustees as required by law or in accordance with the terms of various reinsurance agreements.

- d. – h. Not applicable

22. Events Subsequent

Management has evaluated the financial statements for subsequent events through February 26, 2018, the date financial statements were available to be issued.

23. Reinsurance

- a. Ceded Reinsurance Report

(1) Section 1 - General Interrogatories

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

If yes, give full details.

NOTES TO FINANCIAL STATEMENTS

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

If yes, give full details.

(2) Section 2 - Ceded Reinsurance Report - Part A

(a) 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)

(i) 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. \$ _____

(ii) 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? \$ _____

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

If yes, give full details.

(3) Section 3 - Ceded Reinsurance Report - Part B

(a) 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. \$ _____

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

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

b. Uncollectible Reinsurance – No reinsurance recoverables were written off.

c. – g – Not Applicable

24. Retrospectively Rated Contracts & Contracts Subject to Redetermination -- Not applicable

25. Change in Incurred Losses and Loss Adjustment Expenses:

Reserves as of December 31, 2016 were \$44,943,851. As of December 31, 2017, \$31,484,335 has been paid for incurred claims attributable to insured events of prior years. Reserves remaining for prior years are now \$14,019,963 as a result of re-estimation of unpaid claims and claim adjustment expenses principally on Medicare supplement, cancer treatment and disability income lines of insurance. Therefore, there has been a \$560,446 unfavorable prior year development since December 31, 2016 to December 31, 2017. The change is generally the result of ongoing analysis of recent loss development trends. Original estimates are increased or decreased as additional information becomes known regarding individual claims.

26. Intercompany Pooling Arrangements -- Not applicable

27. Structured Settlements -- Not applicable

28. Health Care Receivables -- Not applicable

29. Participating Policies

- a. Participating policies represent approximately 5.6% of the total life insurance inforce at December 31, 2017. Most of the Company's life business in force is ceded under a 100% coinsurance agreement.
- b. Policyholder dividends are recognized on the policy's anniversary.
- c. Dividends to policyholders in 2017 were \$239,459, all of which was ceded to another company.
- d. No additional income was allocated to participating policyholders.

30. Premium Deficiency Reserves -- Not applicable

NOTES TO FINANCIAL STATEMENTS**31. Reserves for Life Contracts and Annuity Contracts**

- a. 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.
- b. During the calendar year 2017, the Company had no policies in force valued on a substandard basis.
- c. As of December 31, 2017, 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.
- d. The Tabular Interest has been determined by formula as described in the instructions. The Tabular Less Actual Reserve Released has been determined by formula as described in the instructions. The Tabular Cost has been determined by formula as described in the instructions.
- e. For the determination of tabular interest on funds not involving life 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.
- f. Not applicable

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

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

	General Account	Separate Account with Guarantees	Separate Account Nonguaranteed	Total	% of Total
a. Subject to discretionary withdrawal:					
(1) With fair value adjustment	\$ 59,001,634	\$ -	\$ -	\$ -	42.0%
(2) At book value less current surrender charge of 5% or more	947,388	-	-	-	.7%
(3) At fair value	-	-	-	-	-
(4) Total with adjustment or at fair value (total of 1 through 3)	59,949,021	-	-	-	42.7%
(5) At book value without adjustment (minimal or no charge or adjustment)	74,925,482	-	-	-	53.4%
b. Not subject to discretionary withdrawal	5,502,315	-	-	-	3.9%
c. Total (gross: direct + assumed)	140,376,818	-	-	-	100.00%
d. Reinsurance Ceded	(140,375,200)	-	-	-	
e. Total Net (net)* c. - d.	<u>\$ 1,618</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	

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

f.	Amount
Life & Accident & Health Annual Statement:	
1. Exhibit 5, Annuities Section, Total (net)	\$ -
2. Exhibit 5, Supplementary Contracts with Life Contingencies Section, Total (net)	-
3. Exhibit 7, Deposit-Type Contracts, Line 14, Column 1	1,618
4. Subtotal	<u>1,618</u>
Separate Accounts Annual Statement:	
5. Exhibit 3, Line 0299999, Column2	-
6. Exhibit 3, Line 0399999, Column2	-
7. Policyholder divided and coupon accumulations	-
8. Policyholder premiums	-
9. Guaranteed interest contracts	-
10. Other contract deposit funds	-
11. Subtotal	-
12. Combined Total	<u>\$ 1,618</u>

NOTES TO FINANCIAL STATEMENTS

33. Premium and Annuity Considerations Deferred and Uncollected

	Type	Gross	Net of Loading
a.		\$	\$
1.	Industrial	-	-
2.	Ordinary new business	39,291	16,549
3.	Ordinary renewal	27,916	11,758
4.	Credit Life	-	-
5.	Group Life	-	-
6.	Group Annuity	-	-
7.	Totals	<u>\$ 67,207</u>	<u>\$ 28,307</u>

34. Separate Accounts -- Not applicable

35. Loss/Claim Adjustment Expenses

At December 31, 2017 and December 31, 2016, reserves for LAE totaled \$1,746,127 and \$1,697,222.

The Company incurred \$4,920,911 and paid \$4,872,006 of loss adjustment expenses in the current year of which \$1,171,889 of the paid amount was attributable to insured events of prior years.

The Company did not materially increase or decrease the provision for LAE related to insured events of the prior year.

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. 12/31/2013

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. 12/31/2013

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). 04/20/2015

3.4 By what department or departments? Ohio Department of Insurance

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

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

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

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

4.12 renewals? Yes [] No [X]

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

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

4.22 renewals? Yes [] No [X]

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

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

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

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

6.2 If yes, give full information:

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

7.2 If yes,

7.21 State the percentage of foreign control %

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

1 Nationality	2 Type of Entity

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

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

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

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

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

9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit? PriceWatershouseCoopers LLP; Two Commerce Square; 2001 Market Square; Philadelphia, PA 19103-7041

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

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

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

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

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

10.6 If the response to 10.5 is no or n/a, please explain: The Audit Committee of Connecticut General Corporation will serve as the Company's Audit Committee for the purposes of compliance with Ohio insurance law.

GENERAL INTERROGATORIES**PART 1 - COMMON INTERROGATORIES**

11. What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with an actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?
Susan Buck, ASA, MAAA, CERA, Appointed Actuary, 11200 Lakeline Blvd., Suite 100, Austin, TX 78717

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

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

12.2 If yes, provide explanation

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1 American Bankers Association (ABA) Routing Number	2 Issuing or Confirming Bank Name	3 Circumstances That Can Trigger the Letter of Credit	4 Amount
			\$ 0

BOARD OF DIRECTORS

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

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

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

FINANCIAL

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

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

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

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

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

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

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

21.21 Rented from others	\$ 0
21.22 Borrowed from others	\$ 0
21.23 Leased from others	\$ 0
21.24 Other	\$ 0

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

22.2 If answer is yes:

22.21 Amount paid as losses or risk adjustment	\$ 0
22.22 Amount paid as expenses	\$ 71,732
22.23 Other amounts paid	\$ 0

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

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

INVESTMENT

GENERAL INTERROGATORIES**PART 1 - COMMON INTERROGATORIES**

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).

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

24.05 If answer to 24.04 is yes, report amount of collateral for conforming programs. \$ _____ 0

24.06 If answer to 24.04 is no, report amount of collateral for other programs \$ _____ 0

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

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

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

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

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

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

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

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

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

25.21 Subject to repurchase agreements	<input type="checkbox"/> \$ _____ 0
25.22 Subject to reverse repurchase agreements	<input type="checkbox"/> \$ _____ 0
25.23 Subject to dollar repurchase agreements	<input type="checkbox"/> \$ _____ 0
25.24 Subject to reverse dollar repurchase agreements	<input type="checkbox"/> \$ _____ 0
25.25 Placed under option agreements	<input type="checkbox"/> \$ _____ 0
25.26 Letter stock or securities restricted as sale – excluding FHLB Capital Stock	<input type="checkbox"/> \$ _____ 0
25.27 FHLB Capital Stock	<input type="checkbox"/> \$ _____ 0
25.28 On deposit with states	<input type="checkbox"/> \$ _____ 4,445,453
25.29 On deposit with other regulatory bodies	<input type="checkbox"/> \$ _____ 132,296,043
25.30 Pledged as collateral – excluding collateral pledged to an FHLB	<input type="checkbox"/> \$ _____ 0
25.31 Pledged as collateral to FHLB – including assets backing funding agreements	<input type="checkbox"/> \$ _____ 0
25.32 Other	<input type="checkbox"/> \$ _____ 0

25.3 For category (25.26) provide the following:

1 Nature of Restriction	2 Description	3 Amount
		<input type="checkbox"/> \$ _____

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

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

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

27.2 If yes, state the amount thereof at December 31 of the current year: \$ _____ 0

28. Excluding items in Schedule E-Part 3-Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 1, III - General Examination Considerations, F. Outsourcing of Critical Functions, Custodial or Safekeeping Agreements of the NAIC *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
JP Morgan Chase Bank, NA	4 Chase MetroTech Center, Brooklyn, NY 11245
The Bank of New York Mellon	101 Barclay Street, Mail Stop 101-0850, New York, NY 10286

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

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

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

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

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

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

1 Name of Firm or Individual	2 Affiliation
Cigna Investments, Inc.	<input type="checkbox"/> A

GENERAL INTERROGATORIES**PART 1 - COMMON INTERROGATORIES**

28.0597 For those firms/individuals listed in the table for Question 28.05, do any firms/individuals unaffiliated with the reporting entity (i.e. designated with a "U") manage more than 10% of the reporting entity's assets? Yes [] No []

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	2	3	4	5
Central Registration Depository Number	Name of Firm or Individual	Legal Entity Identifier (LEI)	Registered With	Investment Management Agreement (IMA) Filed
105811	Cigna Investments, Inc.		SEC	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	2	3
CUSIP	Name of Mutual Fund	Book/Adjusted Carrying Value
		\$
29.2999 TOTAL		\$

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

1	2	3	4
Name of Mutual Fund (from above table)	Name of Significant Holding of the Mutual Fund	Amount of Mutual Fund's Book/Adjusted Carrying Value Attributable to the Holding	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	2	3
		Statement (Admitted) Value	Fair Value	Excess of Statement over Fair Value (-), or Fair Value over Statement (+)
30.1	Bonds	\$ 233,171,928	\$ 236,553,855	\$ 3,381,927
30.2	Preferred Stocks	\$ 0	\$ 0	\$ 0
30.3	Totals	\$ 233,171,928	\$ 236,553,855	\$ 3,381,927

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

Fair values are based on quoted market prices when available. When market prices are not available, fair value is generally estimated using discounted cash flow analyses, incorporating current market inputs for similar financial instruments with comparable terms and credit quality. In instances where there is little or no market activity for the same or similar instruments, the Company estimates fair value using methods, models and assumptions that the Company believes a hypothetical market participant would use to determine a current transaction price. These valuation techniques involve some level of estimation and judgement by the Company which become significant with increasingly complex instruments or pricing models. Where appropriate, adjustments are included to reflect the risk inherent in a particular methodology, model or input used.

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

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

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

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

32.2 If no, list exceptions:

33. By self-designating 5*GI securities, the reporting entity is certifying the following elements for each self-designation 5*GI security:

- a. Documentation necessary to permit a full credit analysis of the security does not exist.
- b. Issuer or obligor is current on all contracted interest and principal payments.
- c. The insurer has an actual expectation of ultimate payment of all contracted interest and principal.

Has the reporting entity self-designated 5*GI securities? Yes [] No [X]

OTHER

34.1 Amount of payments to trade associations, service organizations and statistical or rating bureaus, if any? \$ 25,400

34.2 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	2
Name	Amount Paid
AMBEST	\$ 25,400

35.1 Amount of payments for legal expenses, if any? \$ 0

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

1	2
Name	Amount Paid
	\$

36.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers or departments of government, if any? \$ 0

36.2 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	2
Name	Amount Paid
	\$

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

	\$
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GENERAL INTERROGATORIES**PART 2 – LIFE INTERROGATORIES**

1.1	Does the reporting entity have any direct Medicare Supplement Insurance in force?	Yes [X] No []	
1.2	If yes, indicate premium earned on U.S. business only.	\$ 169,694,576	
1.3	What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit?	\$ 0	
1.3	Reason for excluding:		
1.4	Indicate amount of earned premium attributable to Canadian and/or Other Alien not included in Item (1.2) above.	\$ 0	
1.5	Indicate total incurred claims on all Medicare Supplement insurance.	\$ 131,635,010	
1.6	Individual policies:		
	Most current three years:		
1.61	Total premium earned	\$ 104,726,211	
1.62	Total incurred claims	\$ 80,713,185	
1.63	Number of covered lives	\$ 56,063	
	All years prior to most current three years:		
1.64	Total premium earned	\$ 64,968,365	
1.65	Total incurred claims	\$ 50,921,825	
1.66	Number of covered lives	\$ 21,569	
1.7	Group policies:		
	Most current three years:		
1.71	Total premium earned	\$ 0	
1.72	Total incurred claims	\$ 0	
1.73	Number of covered lives	\$ 0	
	All years prior to most current three years:		
1.74	Total premium earned	\$ 0	
1.75	Total incurred claims	\$ 0	
1.76	Number of covered lives	\$ 0	
2.	Health Test:		
		1 Current Year	2 Prior Year
2.1	Premium Numerator	\$ 231,475,240	\$ 213,198,774
2.2	Premium Denominator	\$ 311,511,422	\$ 281,738,475
2.3	Premium Ratio (2.1/2.2)	74.3%	75.7%
2.4	Reserve Numerator	\$ 49,252,163	\$ 44,090,723
2.5	Reserve Denominator	\$ 172,403,810	\$ 159,135,312
2.6	Reserve Ratio (2.4/2.5)	28.6%	27.7%
3.1	Does the reporting entity have Separate Accounts?	Yes [] No [X]	
3.2	If yes, has a Separate Accounts statement been filed with this Department	Yes [] No [] N/A[X]	
3.3	What portion of capital and surplus funds of the reporting entity covered by assets in the Separate Accounts statement, is not currently distributable from the Separate Accounts to the general account for use by the general account?	\$ \$ 0	
3.4	State the authority under which Separate Accounts are maintained:		
3.5	Was any of the reporting entity's Separate Accounts business reinsured as of December 31?	Yes [] No []	
3.6	Has the reporting entity assumed by reinsurance any Separate Accounts business as of December 31?	Yes [] No []	
3.7	If the reporting entity has assumed Separate Accounts business, how much, if any, reinsurance assumed receivable for reinsurance of Separate Accounts reserve expense allowances is included as a negative amount in the liability for "Transfers to Separate Accounts due or accrued (net)"?	\$ 0	
4.1	Are personnel or facilities of this reporting entity used by another entity or entities or are personnel or facilities of another entity or entities used by this reporting entity (except for activities such as administration of jointly underwritten group contracts and joint mortality or morbidity studies)"?	Yes [X] No []	
4.2	Net reimbursement of such expenses between reporting entities:		
4.21	Paid	\$ 112,272,073	
4.22	Received	\$ 55,491,476	
5.1	Does the reporting entity write any guaranteed interest contracts?	Yes [] No [X]	
5.2	If yes, what amount pertaining to these items is included in:		
5.21	Page 3, Line 1	\$ 0	
5.22	Page 4, Line 1	\$ 0	
6.	For stock reporting entities only:		
6.1	Total amount paid in by stockholders as surplus funds since organization of the reporting entity:	\$ 160,994,712	
7.	Total dividends paid stockholders since organization of the reporting entity:		
7.11	Cash	\$ 171,293,877	

GENERAL INTERROGATORIES**PART 2 – LIFE INTERROGATORIES**

7.12 Stock	\$	0					
8.1 Does the reporting entity reinsure any Workers' Compensation Carve-Out business defined as:	Yes [] No [X]						
Reinsurance (including retrocessional reinsurance) assumed by life and health insurers of medical, wage loss and death benefits of the occupational illness and accident exposures, but not the employers liability exposures, of business originally written as workers' compensation insurance.							
8.2 If yes, has the reporting entity completed the <i>Workers' Compensation Carve-Out Supplement</i> to the Annual Statement?	Yes [] No []						
8.3 If 8.1 is yes, the amounts of earned premiums and claims incurred in this statement are:							
	1 Reinsurance Assumed	2 Reinsurance Ceded	3 Net Retained				
8.31 Earned premium	\$ 0	\$ 0	\$ 0				
8.32 Paid claims	\$ 0	\$ 0	\$ 0				
8.33 Claim liability and reserve (beginning of year)	\$ 0	\$ 0	\$ 0				
8.34 Claim liability and reserve (end of year)	\$ 0	\$ 0	\$ 0				
8.35 Incurred claims	\$ 0	\$ 0	\$ 0				
8.4 If reinsurance assumed included amounts with attachment points below \$1,000,000, the distribution of the amounts reported in Lines 8.31 and 8.34 for Column (1) are:							
	1 Earned Premium	2 Claim Liability and Reserve					
8.41 <\$25,000	\$ 0	\$ 0					
8.42 \$25,000 — 99,999	\$ 0	\$ 0					
8.43 \$100,000 — 249,999	\$ 0	\$ 0					
8.44 \$250,000 — 999,999	\$ 0	\$ 0					
8.45 \$1,000,000 or more	\$ 0	\$ 0					
8.5 What portion of earned premium reported in 8.31, Column 1 was assumed from pools?	\$	0					
9. 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:							
9.1 Amount of loss reserves established by these annuities during the current year:	\$	0					
9.2 List the name and location of the insurance company purchasing the annuities and the statement value on the purchase date of the annuities.							
	1 P&C Insurance Company and Location	2 Statement Value on Purchase Date of Annuities (i.e., Present Value)					
10.1 Do you act as a custodian for health savings accounts?	Yes [] No [X]						
10.2 If yes, please provide the amount of custodial funds held as of the reporting date.	\$	0					
10.3 Do you act as an administrator for health savings accounts?	Yes [] No [X]						
10.4 If yes, please provide the balance of the funds administered as of the reporting date.	\$	0					
11.1 Are any of the captive affiliates reported on Schedule S, Part 3, authorized reinsurers?	Yes [] No [] N/A [X]						
11.2 If the answer to 11.1 is yes, please provide the following:							
	1 Company Name	2 NAIC Company Code	3 Domiciliary Jurisdiction	4 Reserve Credit	Assets Supporting Reserve Credit		
				\$	\$	\$	\$
12. Provide the following for individual ordinary life insurance* policies (U.S. business only) for the current year (prior to reinsurance assumed or ceded).							
12.1 Direct premiums written	\$	6,908,164					
12.2 Total incurred claims	\$	7,199,766					
12.3 Number of covered lives	29,426						
	*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)						

Loyal American Life Insurance Company

FIVE-YEAR HISTORICAL DATA

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

\$000 omitted for amounts of life insurance

	1 2017	2 2016	3 2015	4 2014	5 2013
Life Insurance in Force (Exhibit of Life Insurance)					
1. Ordinary - whole life and endowment (Line 34, Col. 4).....	352,383	359,241	376,238	393,424	425,060
2. Ordinary - term (Line 21, Col. 4, less Line 34, Col. 4).....	96,120	105,535	111,213	116,717	129,209
3. Credit life (Line 21, Col. 6).....					
4. Group, excluding FEGLI/SGLI (Line 21, Col. 9 less Lines 43 & 44, Col. 4).....	3,423	3,974	5,088	6,909	9,583
5. Industrial (Line 21, Col. 2).....					
6. FEGLI/SGLI (Lines 43 & 44, Col. 4).....					
7. Total (Line 21, Col. 10).....	451,926	468,750	492,539	517,050	563,852
7.1 Total in force for which VM-20 deterministic/stochastic reserves are calculated.....		XXX	XXX	XXX	XXX
New Business Issued (Exhibit of Life Insurance)					
8. Ordinary - whole life and endowment (Line 34, Col. 2).....	23,616	17,131	12,219	95	
9. Ordinary - term (Line 2, Col. 4, less Line 34, Col. 2).....					
10. Credit life (Line 2, Col. 6).....					
11. Group (Line 2, Col. 9).....					
12. Industrial (Line 2, Col. 2).....					
13. Total (Line 2, Col. 10).....	23,616	17,131	12,219	95	0
Premium Income - Lines of Business (Exhibit 1-Part 1)					
14. Industrial life (Line 20.4, Col. 2).....					
15.1 Ordinary life insurance (Line 20.4, Col. 3).....	2,072,061	848,964	192,054	3,414	
15.2 Ordinary individual annuities (Line 20.4, Col. 4).....					
16. Credit life (group and individual) (Line 20.4, Col. 5).....					
17.1 Group life insurance (Line 20.4, Col. 6).....					
17.2 Group annuities (Line 20.4, Col. 7).....					
18.1 A&H - group (Line 20.4, Col. 8).....	2,605,716	3,085,020	3,725,249	4,592,070	6,014,177
18.2 A&H - credit (group and individual) (Line 20.4, Col. 9).....					
18.3 A&H - other (Line 20.4, Col. 10).....	306,833,647	277,804,490	274,628,498	239,083,793	253,970,759
19. Aggregate of all other lines of business (Line 20.4, Col. 11).....					
20. Total.....	311,511,424	281,738,474	278,545,801	243,679,277	259,984,936
Balance Sheet (Pages 2 and 3)					
21. Total admitted assets excluding Separate Accounts business (Page 2, Line 26, Col. 3).....	303,674,432	272,856,422	266,704,142	249,349,234	244,038,600
22. Total liabilities excluding Separate Accounts business (Page 3, Line 26).....	207,067,578	186,582,628	181,076,598	175,805,143	172,516,970
23. Aggregate life reserves (Page 3, Line 1).....	332,317	58,882	11,258	16	
23.1 Excess VM-20 deterministic/stochastic reserve over NPR related to Line 7.1.....		XXX	XXX	XXX	XXX
24. Aggregate A&H reserves (Page 3, Line 2).....	134,993,285	128,090,033	123,429,371	120,565,404	118,764,588
25. Deposit-type contract funds (Page 3, Line 3).....	1,618	1,726	1,823	8,861	9,157
26. Asset valuation reserve (Page 3, Line 24.01).....	1,542,662	1,384,403	1,228,898	1,203,381	1,150,909
27. Capital (Page 3, Lines 29 & 30).....	5,640,000	5,640,000	5,640,000	5,640,000	5,640,000
28. Surplus (Page 3, Line 37).....	90,966,854	80,633,794	79,987,544	67,904,091	65,881,630
Cash Flow (Page 5)					
29. Net cash from operations (Line 11).....	30,291,585	21,583,988	24,051,784	21,413,958	48,010,074
Risk-Based Capital Analysis					
30. Total adjusted capital.....	98,604,994	87,658,197	87,072,414	74,846,833	72,683,830
31. Authorized control level risk-based capital.....	21,114,826	17,080,635	15,217,630	11,882,686	9,704,827
Percentage Distribution of Cash, Cash Equivalents and Invested Assets (Page 2, Col. 3) (Line No. /Page 2, Line 12, Col. 3) x 100.0					
32. Bonds (Line 1).....	75.2	79.1	74.9	83.4	97.4
33. Stocks (Lines 2.1 and 2.2).....	20.9	16.8	19.7	13.7	3.8
34. Mortgage loans on real estate (Lines 3.1 and 3.2).....					
35. Real estate (Line 4.1, 4.2 and 4.3).....					
36. Cash, cash equivalents and short-term investments (Line 5).....	3.8	4.1	5.4	3.0	(1.2)
37. Contract loans (Line 6).....					
38. Derivatives (Line 7).....					
39. Other invested assets (Line 8).....					
40. Receivables for securities (Line 9).....					
41. Securities lending reinvested collateral assets (Line 10).....					
42. Aggregate write-ins for invested assets (Line 11).....					
43. Cash, cash equivalents and invested assets (Line 12).....	100.0	100.0	100.0	100.0	100.0

Loyal American Life Insurance Company
FIVE-YEAR HISTORICAL DATA

(continued)

	1 2017	2 2016	3 2015	4 2014	5 2013
Investments in Parent, Subsidiaries and Affiliates					
44. Affiliated bonds (Sch. D Summary, Line 12, Col. 1).....					
45. Affiliated preferred stocks (Sch. D Summary, Line 18, Col. 1).....					
46. Affiliated common stocks (Sch. D Summary, Line 24, Col. 1).....	59,672,120	40,653,682	47,303,783	31,011,488	8,426,687
47. Affiliated short-term investments (subtotal included in Sch. DA, Verif., Col. 5, Line 10).....					
48. Affiliated mortgage loans on real estate					
49. All other affiliated.....					
50. Total of above Lines 44 to 49.....	59,672,120	40,653,682	47,303,783	31,011,488	8,426,687
51. Total investment in parent included in Lines 44 to 49 above.....					
Total Nonadmitted and Admitted Assets					
52. Total nonadmitted assets (Page 2, Line 28, Col. 2).....	43,115,161	52,480,565	49,566,003	53,880,597	60,279,399
53. Total admitted assets (Page 2, Line 28, Col. 3).....	303,674,432	272,856,422	266,704,142	249,349,234	244,038,600
Investment Data					
54. Net investment income (Exhibit of Net Investment Income).....	7,490,388	6,823,628	6,618,886	6,807,565	6,854,803
55. Realized capital gains (losses) (Page 4, Line 34, Column 1).....					104,783
56. Unrealized capital gains (losses) (Page 4, Line 38, Column 1).....	(41,481,562)	(28,150,101)	(18,707,705)	(18,415,199)	(11,010,118)
57. Total of above Lines 54, 55 and 56.....	(33,991,174)	(21,326,473)	(12,088,819)	(11,607,634)	(4,050,532)
Benefits and Reserve Increase (Page 6)					
58. Total contract benefits - life (Lines 10, 11, 12, 13, 14 and 15, Col. 1 minus Lines 10, 11, 12, 13, 14 and 15, Cols. 9, 10 & 11).....	349,608	205,022	13,917	142	
59. Total contract benefits - A&H (Lines 13 & 14, Cols. 9, 10 & 11).....	210,877,484	187,692,251	186,188,506	156,643,423	170,274,964
60. Increase in life reserves - other than group and annuities (Line 19, Cols. 2 & 3).....	273,435	47,624	11,242	16	
61. Increase in A&H reserves (Line 19, Cols. 9, 10 & 11).....	6,903,254	3,650,126	2,863,966	1,800,816	2,403,146
62. Dividends to policyholders (Line 30, Col 1).....					
Operating Percentages					
63. Insurance expense percent (Page 6, Col. 1, Lines 21, 22, & 23 less Line (6) / (Page 6, Col. 1, Line 1 plus Exhibit 7, Col. 2, Line 2) x 100.00).....	25.8	24.8	24.5	24.8	26.2
64. Lapse percent (ordinary only) [(Exhibit of Life Insurance, Col. 4, Lines 14 & 15) / 1/2 (Exhibit of Life Insurance, Col. 4, Lines 1 & 21)] x 100.00.....	6.1	4.9	12.0	5.6	6.7
65. A&H loss percent (Schedule H, Part 1, Lines 5 & 6, Col. 2).....	70.6	69.1	68.3	65.2	66.6
66. A&H cost containment percent (Schedule H, Part 1, Line 4, Col. 2).....	0.2	0.2	0.2		
67. A&H expense percent excluding cost containment expenses (Schedule H, Part 1, Line 10, Col. 2).....	27.7	26.6	26.5	26.6	27.1
A&H Claim Reserve Adequacy					
68. Incurred losses on prior years' claims - group health (Sch. H, Part 3, Line 3.1, Col. 2).....	526,243	406,438	532,833	900,269	1,346,505
69. Prior years' claim liability and reserve - group health (Sch. H, Part 3, Line 3.2, Col. 2).....	674,250	637,455	860,470	922,242	2,225,307
70. Incurred losses on prior years' claims - health other than group (Sch. H, Part 3, Line 3.1, Col. 1 less Col. 2).....	44,978,054	44,835,893	41,897,965	46,523,610	78,243,157
71. Prior years' claim liability and reserve - health other than group (Sch. H, Part 3, Line 3.2, Col. 1 less Col. 2).....	44,269,601	43,334,061	43,148,248	47,625,511	77,837,312
Net Gains From Operations After Federal Income Taxes by Lines of Business (Page 6, Line 33)					
72. Industrial life (Col. 2).....					
73. Ordinary - life (Col. 3).....	(513,538)	(447,277)	(123,392)	(88,702)	
74. Ordinary - individual annuities (Col. 4).....					
75. Ordinary - supplementary contracts (Col. 5).....					
76. Credit life (Col. 6).....					
77. Group life (Col. 7).....					
78. Group annuities (Col. 8).....					
79. A&H - group (Col. 9).....	11,711	480,841	599,653	140,199	853,809
80. A&H - credit (Col. 10).....					
81. A&H - other (Col. 11).....	9,553,288	15,545,143	16,045,095	21,155,554	16,413,512
82. Aggregate of all other lines of business (Col. 12).....			(52,275)	(1,005,871)	(3,040,377)
83. Total (Col. 1).....	9,051,461	15,578,707	16,469,081	20,201,180	14,226,944

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

Yes [] No []

If no, please explain:

EXHIBIT OF LIFE INSURANCE

(\$000 Omitted for Amounts of Life Insurance)

	Industrial		Ordinary		Credit Life (Group and Individual)		Group			10 Total Amount of Insurance	
	1 Number of Policies	2 Amount of Insurance	3 Number of Policies	4 Amount of Insurance	5 Number of Individual Policies and Group Certificates	6 Amount of Insurance	Number of				
							7 Policies	8 Certificates			
1. In force end of prior year.....			29,382	464,776			11	1,953	3,974	468,750	
2. Issued during year.....			2,550	23,616						23,616	
3. Reinsurance assumed.....			1	133						0	
4. Revived during year.....										133	
5. Increased during year (net).....										0	
6. Subtotals, Lines 2 to 5.....	0	0	2,551	23,749	0	0	0	0	0	23,749	
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	0	
9. Totals (Lines 1 and 6 to 8).....	0	0	31,933	488,525	0	0	11	1,953	3,974	492,499	
Deductions during year:											
10. Death.....			1,229	7,433			XXX			7,433	
11. Maturity.....			18	58			XXX			58	
12. Disability.....							XXX			0	
13. Expiry.....			316	3,885						3,885	
14. Surrender.....			188	10,567						10,567	
15. Lapse.....			756	17,355			7	37	551	17,906	
16. Conversion.....				3			XXX	XXX	XXX	3	
17. Decreased (net).....				721						721	
18. Reinsurance.....										0	
19. Aggregate write-ins for decreases.....	0	0	0	0	0	0	0	0	0	0	
20. Totals (Lines 10 to 19).....	0	0	2,507	40,022	0	0	7	37	551	40,573	
21. In force end of year (Line 9 minus Line 20).....	0	0	29,426	448,503	0	0	4	1,916	3,423	451,926	
22. Reinsurance ceded end of year.....	XXX		XXX	414,600	XXX		XXX	XXX	3,423	418,023	
23. Line 21 minus Line 22.....	XXX	0	XXX	33,903	XXX	(a) 0	XXX	XXX	0	33,903	

DETAILS OF WRITE-INS

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

(a) Group \$.....0; Individual \$.....0.

Loyal American Life Insurance Company

EXHIBIT OF LIFE INSURANCE

(\$000 Omitted for Amounts of Life Insurance) (Continued)

ADDITIONAL INFORMATION ON INSURANCE IN FORCE END OF YEAR

	Industrial		Ordinary	
	1 Number of Policies	2 Amount of Insurance	3 Number of Policies	4 Amount of Insurance
24. Additions by dividends.....	....XXX		....XXX.....	
25. Other paid-up insurance.....			....7,908.....	....34,852.....
26. Debit ordinary insurance.....	....XXX	....XXX.....		

ADDITIONAL INFORMATION ON ORDINARY 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	3 Number of Policies	4 Amount of Insurance
Term Insurance Excluding Extended Term Insurance				
27. Term policies-decreasing.....			....111.....	....519.....
28. Term policies-other.....			....271.....	....63,556.....
29. Other term insurance-decreasing.....	....XXX.....		....XXX.....	....112.....
30. Other term insurance.....	....XXX.....		....XXX.....	....16,801.....
31. Totals (Lines 27 to 30).....	....0.....	....0.....	....382.....	....80,988.....
Reconciliation to Lines 2 and 21:				
32. Term additions.....	....XXX.....		....XXX.....	
33. Totals, extended term insurance.....	....XXX.....	....XXX.....	....1,986.....	....15,133.....
34. Totals, whole life and endowment.....	....2,550.....	....23,616.....	....27,058.....	....352,383.....
35. Totals (Lines 31 to 34).....	....2,550.....	....23,616.....	....29,426.....	....448,504.....

CLASSIFICATION OF AMOUNT OF INSURANCE 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.....	....23,616.....		....423,081.....	....25,418.....
38. Credit Life (Group and Individual).....				
39. Group.....			....3,423.....	
40. Totals (Lines 36 to 39).....	....23,616.....	....0.....	....426,504.....	....25,418.....

ADDITIONAL INFORMATION ON CREDIT LIFE AND GROUP INSURANCE

	Credit Life		Group	
	1 Number of Individual Policies and Group Certificates	2 Amount of Insurance	3 Number of Certificates	4 Amount of Insurance
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.....	....1,916.....	....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.....	72,696.....
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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	
47.2	

POLICIES WITH DISABILITY PROVISIONS

Disability Provision	Industrial		Ordinary		Credit		Group	
	1 Number of Policies	2 Amount of Insurance	3 Number of Policies	4 Amount of Insurance	5 Number of Policies	6 Amount of Insurance	7 Number of Certificates	8 Amount of Insurance
48. Waiver of Premium.....			....1,257.....	....14,794.....				
49. Disability Income.....								
50. Extended Benefits.....			....XXX.....	....XXX.....				
51. Other.....								
52. Total.....	....0.....	(a)....0.....	....1,257.....	(a)....14,794.....	....0.....	(a)....0.....	....0.....	(a)....0.....

(a) See the Annual Audited Financial Reports section of the Annual Statement Instructions.

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

SUPPLEMENTARY CONTRACTS

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

ANNUITIES

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

ACCIDENT AND HEALTH INSURANCE

	Group		Credit		Other	
	1 Certificates	2 Premiums in force	3 Policies	4 Premiums in force	5 Policies	6 Premiums in force
1. In force end of prior year.....	4,893	3,055,161			250,970	304,325,589
2. Issued during year.....	6,550	1,156,881			63,657	67,995,335
3. Reinsurance assumed.....	41	17,087				
4. Increased during year (net).....		XXX.....		XXX.....		XXX.....
5. Total (Lines 1 to 4).....	11,484	XXX.....	0	XXX.....	314,627	XXX.....
Deductions during year:						
6. Conversions.....		XXX.....	XXX.....	XXX.....	XXX.....	XXX.....
7. Decreased (net).....	438	XXX.....		XXX.....	41,669	XXX.....
8. Reinsurance ceded.....	6,550	XXX.....		XXX.....	385	XXX.....
9. Totals (Lines 6 to 8).....	6,988	XXX.....	0	XXX.....	42,054	XXX.....
10. In force end of year.....	4,496	(a).....2,570,041	0	(a).....	272,573	(a).....334,297,467

DEPOSIT FUNDS AND DIVIDEND ACCUMULATIONS

	1 Deposit Funds		2 Dividend Accumulations	
	Contracts	Contracts	Contracts	Contracts
1. In force end of prior year.....		11		
2. Issued during year.....				
3. Reinsurance assumed.....				
4. Increased during year (net).....		3		
5. Total (Lines 1 to 4).....		14		0
Deductions during year:				
6. Decreased (net).....		1		
7. Reinsurance ceded.....				
8. Totals (Lines 6 and 7).....		1		0
9. In force end of year.....		13		0
10. Amount of account balance.....	(a).....	1,618	(a).....	

(a) See the Annual Audited Financial Reports section of the Annual Statement Instructions.

SCHEDULE T - PREMIUMS AND ANNUITY CONSIDERATIONS

Allocated by States and Territories

States, Etc.	Active Status	1	Direct Business Only					
		Life Contracts		4 Accident and Health Insurance Premiums, Including Policy, Mem- bership and Other Fees	5 Other Considerations	6 Total Columns 2 through 5	7 Deposit-Type Contracts	
		2 Life Insurance Premiums	3 Annuity Considerations					
1. Alabama.....	AL.....	532,643	133,599	3,871,377		4,537,619	850	
2. Alaska.....	AK.....	992	25	568,382		569,399		
3. Arizona.....	AZ.....	29,285	68	1,070,999		1,100,352	1,975	
4. Arkansas.....	AR.....	201,000	432	4,156,223		4,357,655	154	
5. California.....	CA.....	89,152	910	28,052,407		28,142,469	2,391	
6. Colorado.....	CO.....	29,444	81	1,922,913		1,952,438	571	
7. Connecticut.....	CT.....	14,670	38	3,605,908		3,620,616		
8. Delaware.....	DE.....	17,767	45	89,518		107,330		
9. District of Columbia.....	DC.....	9,564	8	243,411		252,983		
10. Florida.....	FL.....	562,453	80,033	3,415,878		4,058,364	2,301	
11. Georgia.....	GA.....	339,367	181	2,924,176		3,263,724	11,421	
12. Hawaii.....	HI.....	8,852	8	484,709		493,569	1,018	
13. Idaho.....	ID.....	3,911	53	2,222,220		2,226,184		
14. Illinois.....	IL.....	206,161	437	11,441,207		11,647,805		
15. Indiana.....	IN.....	260,267	80,123	10,772,809		11,113,199	538	
16. Iowa.....	IA.....	25,059	-	3,028,935		3,053,994	278	
17. Kansas.....	KS.....	67,298	8	8,470,110		8,537,416	518	
18. Kentucky.....	KY.....	159,989	119	5,182,775		5,342,883	230	
19. Louisiana.....	LA.....	217,448	253	5,120,489		5,338,190	317	
20. Maine.....	ME.....	66,440	483	1,212,613		1,279,536		
21. Maryland.....	MD.....	81,841	586	344,726		427,153	2,173	
22. Massachusetts.....	MA.....	65,156	342	69,724		135,222	480	
23. Michigan.....	MI.....	92,917	1,121	7,127,492		7,221,530	102	
24. Minnesota.....	MN.....	24,192	162,258	1,856,359		2,042,809	57	
25. Mississippi.....	MS.....	248,317	3,521	6,991,167		7,243,005	217	
26. Missouri.....	MO.....	214,884	376	4,035,361		4,250,621	118	
27. Montana.....	MT.....	794	15	1,242,801		1,243,610		
28. Nebraska.....	NE.....	27,442	-	3,066,316		3,093,758	4,638	
29. Nevada.....	NV.....	32,191	-	356,036		388,227	4,949	
30. New Hampshire.....	NH.....	12,060	24	84,667		96,751		
31. New Jersey.....	NJ.....	111,291	4,185	13,813,796		13,929,272	353	
32. New Mexico.....	NM.....	32,809	119	1,681,803		1,714,731	664	
33. New York.....	NY.....	14,277	285	88,788		103,350	355	
34. North Carolina.....	NC.....	442,841	18,762	6,068,211		6,529,814	13,789	
35. North Dakota.....	ND.....	795	-	159,777		160,572		
36. Ohio.....	OH.....	198,998	793	5,482,921		5,682,712	71	
37. Oklahoma.....	OK.....	100,301	152	2,856,915		2,957,368		
38. Oregon.....	OR.....	19,766	60	6,106,154		6,125,980	28	
39. Pennsylvania.....	PA.....	143,279	81,014	3,632,856		3,857,149	128	
40. Rhode Island.....	RI.....	22,161	38	37,157		59,356		
41. South Carolina.....	SC.....	313,939	1,805	6,536,300		6,852,044	1,931	
42. South Dakota.....	SD.....	16,680	-	981,097		997,777		
43. Tennessee.....	TN.....	438,389	1,152	10,144,057		10,583,598	468	
44. Texas.....	TX.....	569,313	344	30,646,228		31,215,885	4,219	
45. Utah.....	UT.....	21,439	15	853,605		875,059	1,174	
46. Vermont.....	VT.....	108,159	449	1,044,570		1,153,178		
47. Virginia.....	VA.....	173,561	485	1,112,401		1,286,447	929	
48. Washington.....	WA.....	61,809	8	8,794,601		8,856,418	55	
49. West Virginia.....	WV.....	127,769	762	1,137,877		1,266,408	98	
50. Wisconsin.....	WI.....	16,162	30	839,581		855,773	13	
51. Wyoming.....	WY.....	3,365	15	399,652		403,032	1,121	
52. American Samoa.....	AS.....	-	-	-		0		
53. Guam.....	GU.....	930	-	-		930	226	
54. Puerto Rico.....	PR.....	8,231	-	2,485		10,716	387	
55. US Virgin Islands.....	VI.....	7,394	725	731		8,850		
56. Northern Mariana Islands.....	MP.....	-	-	602		602		
57. Canada.....	CAN.....	168	-	-		168		
58. Aggregate Other Alien.....	OT.....	192,309	8	131	0	192,448	265	
59. Subtotal.....	(a).....	51	6,787,691	576,353	225,454,004	0	232,818,048	61,570
60. Reporting entity contributions for employee benefit plans.....	XXX.....	-	-	-	-	0		
61. Dividends or refunds applied to purchase paid-up additions and annuities.....	XXX.....	-	-	-	-	0		
62. Dividends or refunds applied to shorten endowment or premium paying period.....	XXX.....	-	-	-	-	0		
63. Premium or annuity considerations waived under disability or other contract provisions.....	XXX.....	117,708	0	23,437	0	141,145		
64. Aggregate other amounts not allocable by State.....	XXX.....	0	0	0	0	0	0	
65. Totals (Direct Business).....	XXX.....	6,905,399	576,353	225,477,441	0	232,959,193	61,570	
66. Plus reinsurance assumed.....	XXX.....	22,443	-	100,217,793		100,240,236		
67. Totals (All Business).....	XXX.....	6,927,842	576,353	325,695,234	0	333,199,429	61,570	
68. Less reinsurance ceded.....	XXX.....	4,886,333	576,353	16,639,147		22,101,833	61,570	
69. Totals (All Business) less reinsurance ceded.....	XXX.....	2,041,509	0	(b).....309,056,087	0	311,097,596	0	

DETAILS OF WRITE-INS

58001. OT.....	XXX.....	192,309	8	131		192,448	265
58002.	XXX.....	-	-	-	-	0	
58003.	XXX.....	-	-	-	-	0	
58998. Summ. of remaining write-ins for line 58 from overflow page.....	XXX.....	0	0	0	0	0	0
58999. Total (Lines 58001 thru 58003 plus 58998) (Line 58 above).....	XXX.....	192,309	8	131	0	192,448	265
9401.	XXX.....	-	-	-	-	0	
9402.	XXX.....	-	-	-	-	0	
9403.	XXX.....	-	-	-	-	0	
9498. Summ. of remaining write-ins for line 94 from overflow page.....	XXX.....	0	0	0	0	0	0
9499. Total (Lines 9401 thru 9403 plus 9498) (Line 94 above).....	XXX.....	0	0	0	0	0	0

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

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

Premiums are allocated to the state in which the related policy or certificate holder resides.

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

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

PART 1 – ORGANIZATIONAL CHART

The following is a listing identifying and indicating the interrelationships among all affiliated insurers (identified by an asterisk, and if such insurer is incorporated in the United States of America, by a Federal Employer Identification Number, NAIC Company Code and Jurisdiction of Incorporation) and all other affiliates, as of December 31, 2017:

Cigna CORPORATION

(A Delaware corporation and ultimate parent company)

Cigna Holdings, Inc.

Cigna Intellectual Property, Inc.

Cigna Investment Group, Inc.

Cigna International Finance Inc.

Former Cigna Investments, Inc.

Cigna Investments, Inc.

Cigna Benefits Financing, Inc.
(EI # 010947889, DE)

Connecticut General Corporation

Benefit Management Corp.
(EI # 81-0585518)

*Allegiance Life & Health Insurance Company
(EI # 20-4433475, NAIC # 12814, MT)

*Allegiance Re, Inc.
(EI # 20-3851464, MT)

Allegiance Benefit Plan Management, Inc.

Allegiance COBRA Services, Inc.

Allegiance Provider Direct, LLC

Community Health Network, LLC

Intermountain Underwriters, Inc.

Star Point, LLC

HealthSpring, Inc.

NewQuest, LLC

NewQuest Management Northeast, LLC

*Bravo Health Mid-Atlantic, Inc.
(EI # 52-2259087, NAIC # 10095, MD)

*Bravo Health Pennsylvania, Inc.
(EI # 52-2363406, NAIC # 11254, PA)

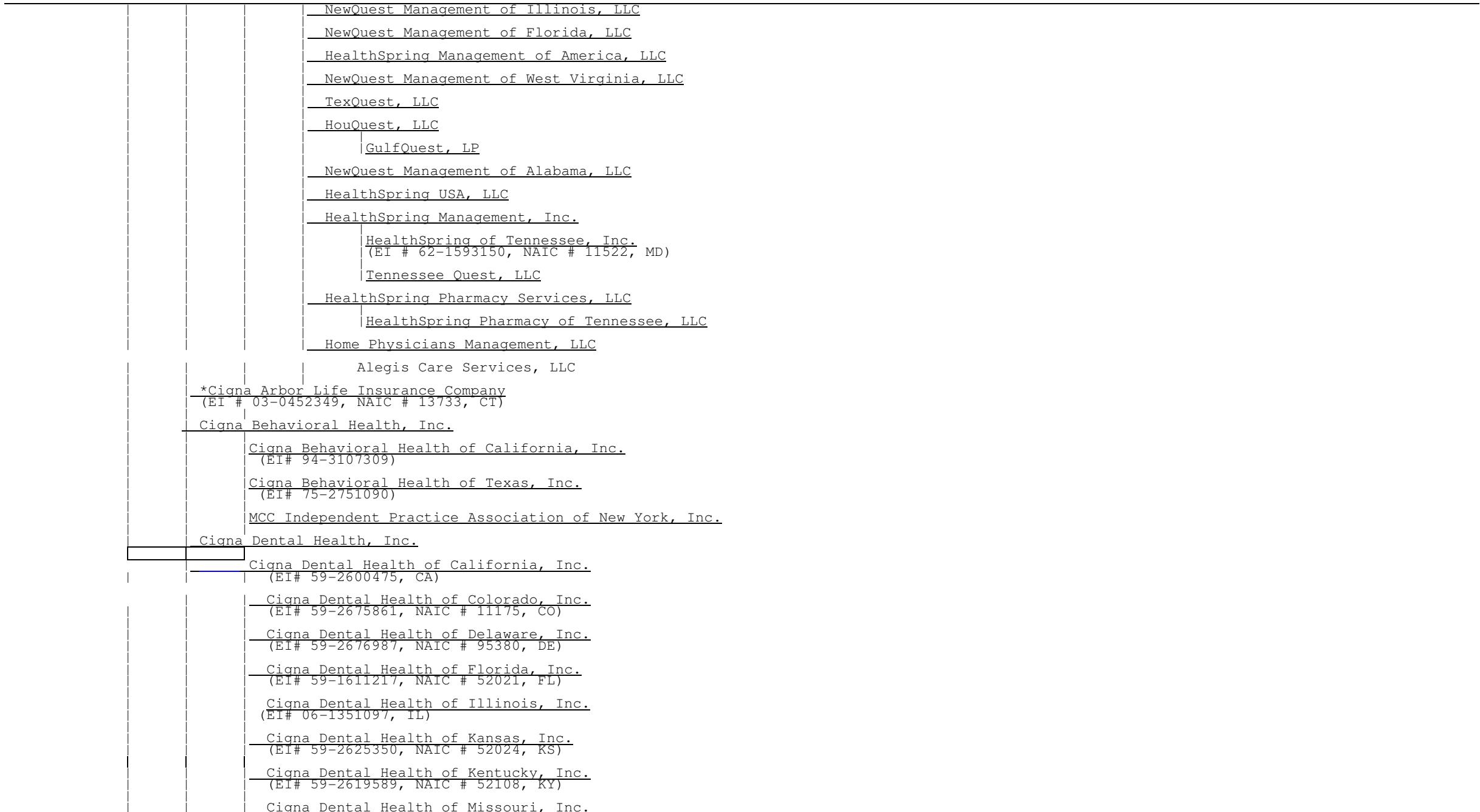
*HealthSpring Life & Health Insurance Company
(EI # 20-8534298, NAIC # 12902, TX)

*HealthSpring of Alabama, Inc.
(EI # 63-0925225, NAIC # 95781, AL)

*HealthSpring of Florida, Inc.
(EI # 65-1129599, NAIC #11532, FL)

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

PART 1 – ORGANIZATIONAL CHART



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

PART 1 – ORGANIZATIONAL CHART

	(EI#06-1582068, NAIC # 11160, MO) <u>Cigna Dental Health of New Jersey, Inc.</u> (EI# 59-2308062, NAIC # 11167, NJ) <u>Cigna Dental Health of North Carolina, Inc.</u> (EI# 56-1803464, NAIC # 95179, NC) <u>Cigna Dental Health of Ohio, Inc.</u> (EI# 59-2579774, NAIC # 47805, OH) <u>Cigna Dental Health of Pennsylvania, Inc.</u> (EI# 52-1220578, NAIC # 47041, PA) <u>Cigna Dental Health of Texas, Inc.</u> (EI# 59-2676977, NAIC # 95037, TX) <u>Cigna Dental Health of Virginia, Inc.</u> (EI# 52-2188914, NAIC # 52617, VA) <u>Cigna Dental Health Plan of Arizona, Inc.</u> (EI# 86-0807222, NAIC # 47013, AZ) <u>Cigna Dental Health of Maryland, Inc.</u> (EI#20-2844020, NAIC #48119, MD)
51.2	<u>Cigna Health Corporation</u>
	<u>Healthsource, Inc.</u>
	<u>Cigna HealthCare of Arizona, Inc.</u> (EI# 86-0334392, NAIC#95125, AZ) <u>Cigna HealthCare of California, Inc.</u> (EI# 95-3310115, CA) <u>Cigna HealthCare of Colorado, Inc.</u> (EI# 84-1004500, NAIC # 95604, CO) <u>Cigna HealthCare of Connecticut, Inc.</u> (EI# 06-1141174, NAIC # 95660, CT) <u>Cigna HealthCare of Florida, Inc.</u> (EI# 59-2089259, NAIC # 95136, FL) <u>Cigna HealthCare of Illinois, Inc.</u> (EI# 36-3385638, NAIC # 95602, IL) <u>Cigna HealthCare of Maine, Inc.</u> (EI# 01-0418220, NAIC # 95447, ME) <u>Cigna HealthCare of Massachusetts, Inc.</u> (EI# 02-0402111, NAIC # 95220, MA) <u>Cigna HealthCare Mid-Atlantic, Inc.</u> (EI# 52-1404350, NAIC # 95599, MD) <u>Cigna HealthCare of New Hampshire, Inc.</u> (EI# 02-0387749, NAIC # 95493, NH) <u>Cigna HealthCare of New Jersey, Inc.</u> (EI# 22-2720890, NAIC # 95500, NJ) <u>Cigna HealthCare of Pennsylvania, Inc.</u> (EI# 23-2301807, NAIC # 95121, PA) <u>Cigna HealthCare of St. Louis, Inc.</u> (EI# 36-3359925, NAIC # 95635, MO) <u>Cigna HealthCare of Utah, Inc.</u>

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

PART 1 – ORGANIZATIONAL CHART

(EI# 62-1230908, NAIC # 95518, UT)
Cigna HealthCare of Georgia, Inc.
(EI# 58-1641057, NAIC # 96229, GA)
Cigna HealthCare of Texas, Inc.
(EI# 74-2767437, NAIC # 95383, TX)
Cigna HealthCare of Indiana, Inc.
(EI# 35-1679172, NAIC # 95525, IN)
Cigna HealthCare of Tennessee, Inc.
(EI# 62-1218053, NAIC # 95606, TN)
Cigna HealthCare of North Carolina, Inc.
(EI# 56-1479515, NAIC# 95132, NC)
Cigna HealthCare of South Carolina, Inc.
(EI# 06-1185590, NAIC # 95708, SC)
*Temple Insurance Company Limited
Arizona Health Plan, Inc.
Healthsource Properties, Inc.
Managed Care Consultants, Inc.
Cigna Benefit Technology Solutions, Inc.
Sagamore Health Network, Inc.
Cigna Healthcare Holdings, Inc.
(EI# 84-0985843)
Great-West Healthcare of Illinois, Inc.
(EI# 93-1174749, NAIC 95388, IL)
Cigna Healthcare, Inc.
*Cigna Life Insurance Company of New York
(EI# 13-2556568, NAIC # 64548, NY)
*Connecticut General Life Insurance Company
(EI# 06-0303370, NAIC # 62308, CT)
CG Mystic Center LLC
Station Landing LLC
CG Mystic Land LLC
CG Skyline, LLC
Skyline ND/CG LLC
Skyline Mezzanine Borrower, LLC
Skyline at Station Landing, LLC
Careallies, LLC
CG Bayport LLC
Bayport Colony Apartments LLC
Cigna Onsite Health, LLC
Gillette Ridge Community Council, Inc.

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

PART 1 – ORGANIZATIONAL CHART

Gillette Ridge Golf LLC
Hazard Center Investment Company LLC

Tel-Drug of Pennsylvania, LLC

GRG Acquisitions LLC
Cigna Affiliates Realty Investment Group, LLC
(EI# 27-5402196, DE)
|
CR Longwood Investors, LP
|
ND/CR Longwood LLC
|
ARE/ND/CR Longwood LLC

Secon Properties, LP
Transwestern Federal Holdings, L.L.C.
|
Transwestern Federal, L.L.C.
Market Street Residential Holdings LLC
|
Arborpoint at Market Street LLC
Diamondview Tower CM-CG LLC
CR Washington Street Investors LP
Dulles Town Center Mall, LLC

ND/CR Unicorn LLC
Union Wharf Apartments LLC
AMD Apartments Limited Partnership

PUR Arbors Apartments Venture LLC
CG Seventh Street, LLC
Ideal Properties II LLC
Alessandro Partners, LLC
Mallory Square Partners I, LLC
Houston Briar Forest Apartments Limited Partnership
Newtown Partners II, LP
Newtown Square GP LLC
AFA Apartments Limited Partnership
SB-SNH LLC
|
680 Investors LLC
|
685 New Hampshire LLC
CGGL 18301 LLC

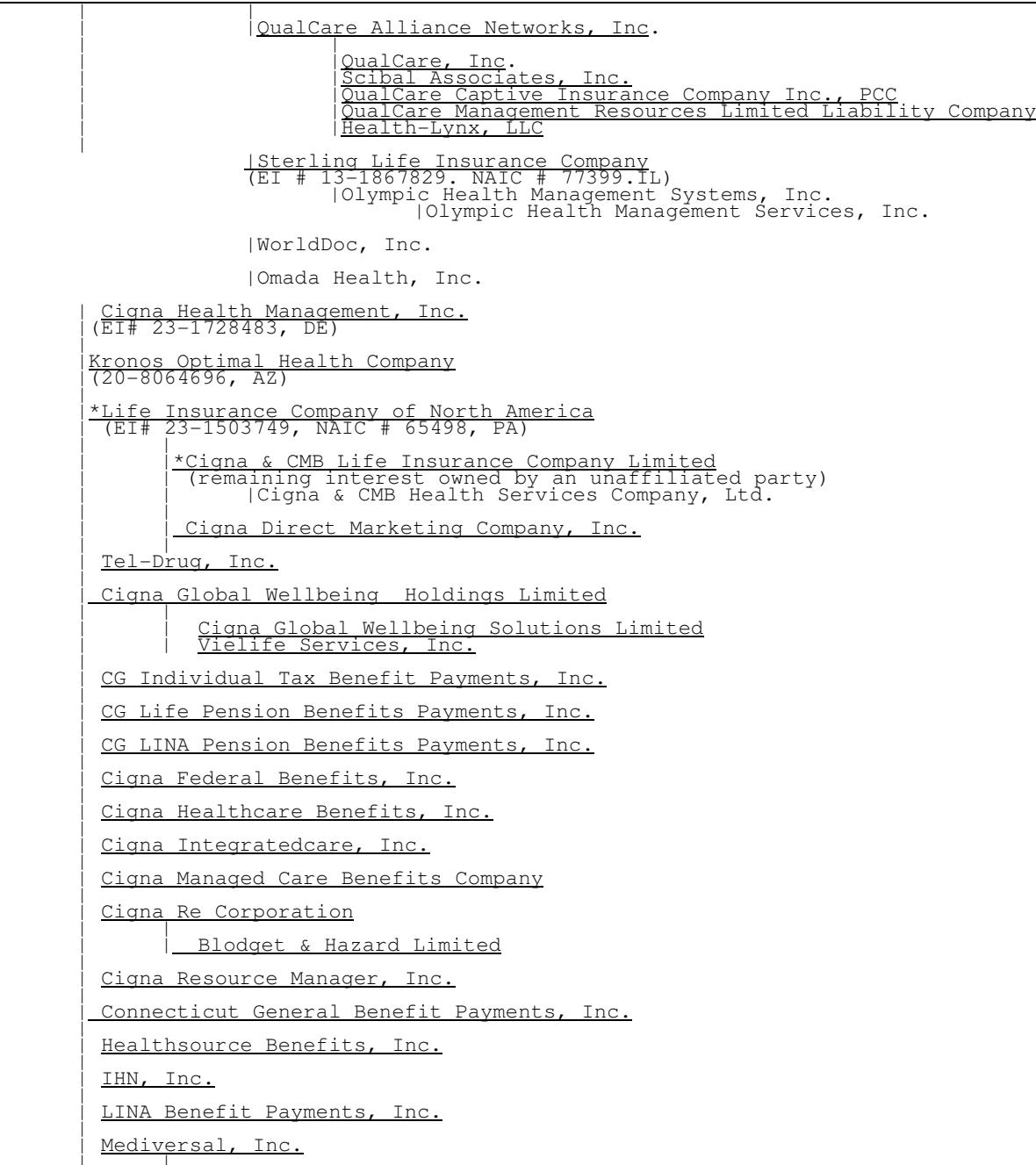
SCHEDULE Y – INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP

PART 1 – ORGANIZATIONAL CHART

		<u>222 Main Street Caring GP LLC</u> <u>222 Main Street Investors LP</u> <u>Notch 8 Residential, L.L.C.</u> <u>UVL, LLC</u> <u>3601 North Fairfax Drive Associates, LLC</u>
		CI Perris 151, LLC Lakehills CM – CG LLC Affiliated Hotel Subsidiary LLC CGGL 6280 LLC Berewick Apartments LLC CIG-LEI Ygnacio Associates LLC CGGL Orange Collection LLC |CGGL Chapman LLC |CGGL City Parkway LLC Heights at Bear Creek Venture LLC SOMA Apartments Venture LLC Arbor Heights Venture LLC
		<u>CORAC LLC</u>
		<u>Henry on the Park Associates, LLC</u> (EI 27-3582688, DE)
		<u>*Cigna Health and Life Insurance Company</u> (EI # 59-1031071, NAIC # 67369, CT)
		<u>CarePlexus, LLC</u> (EI# 45-2681649; DE)
		<u>Cigna Corporate Services, LLC</u> (EI 27-3396038, DE)
		<u>Cigna Insurance Agency, LLC</u> (EI # 27-1903785, CT)
		<u>Ceres Sales of Ohio, LLC</u> (EI # 34-1970892, OH)
		<u>Central Reserve Life Insurance Company</u> (EI # 34-0970995, NAIC # 61727, OH)
		<u>Provident American Life & Health Insurance Company</u> (EI # 23-1335885, NAIC # 67903, OH)
		<u>United Benefit Life Insurance Company</u> (EI # 75-2305400, NAIC # 65269, OH)
		<u>Loyal American Life Insurance Company</u> (EI # 63-0343428, NAIC # 65722, OH)
		<u>American Retirement Life Insurance Company</u> (EI # 59-2760189, NAIC # 88366, OH)

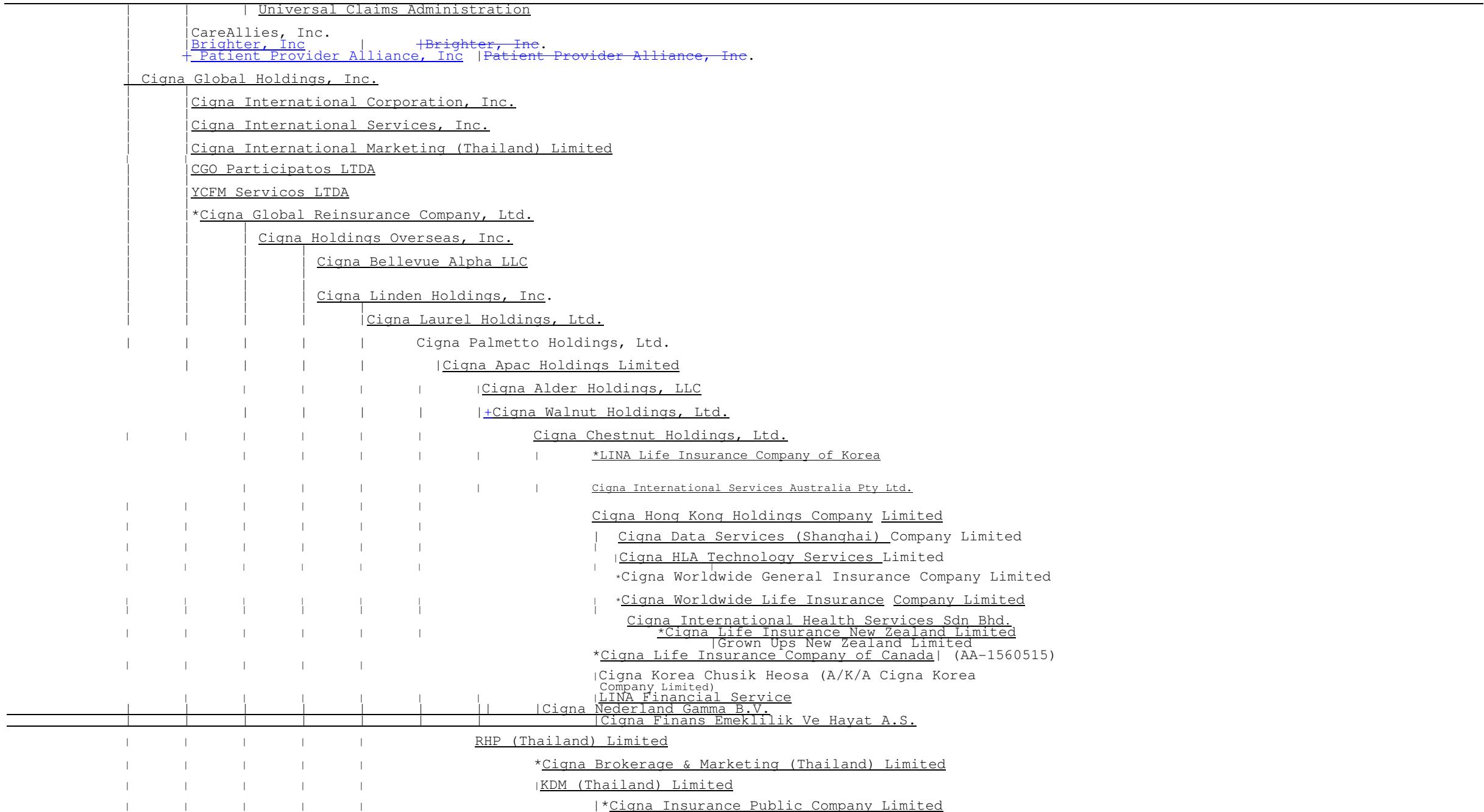
SCHEDULE Y – INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP

PART 1 – ORGANIZATIONAL CHART



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

PART 1 – ORGANIZATIONAL CHART



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

PART 1 – ORGANIZATIONAL CHART

				<u>Cigna Taiwan Life Assurance Company Limited</u>
				<u>Cigna Myrtle Holdings, Ltd.</u>
				<u>Cigna Elmwood Holdings, SPRL</u>
				<u>Cigna Beechwood Holdings</u> Cigna Life Insurance Company of Europe S.A.-N.V. Cigna Europe Insurance Company S.A.-N.V. |
				<u>Cigna European Services (UK) Limited</u>
				<u>Cigna 2000 UK Pension LTD</u>
				<u>Cigna Oak Holdings, LTD.</u>
				Cigna Willow Holdings, LTD.
				<u>FirstAssist Administration Limited</u>
				<u>Cigna Legal Protection U.K. Ltd.</u>
				<u>Cigna Insurance Services (Europe) Ltd.</u>
				<u>Cigna International Health Services, BVBA</u>
				<u>Cigna International Health Services, LLC</u>
				<u>Cigna International Health Services Kenya Limited</u>
				<u>Cigna Sequoia Holdings, SPRL</u>
				<u>Cigna Cedar Holdings, Ltd.</u>
				<u>Cigna Insurance Middle East S.A.L.</u>
				<u>Cigna Magnolia Holdings, Ltd.</u>
				<u>Cigna Turkey Danismanlik Hizmetleri, A.S</u> (A/K/A <u>Cigna Turkey Consultancy Services, A.S.</u>)
				<u>Cigna Nederland Alpha Cooperatief U.A.</u>
				<u>Cigna Nederland Beta B.V.</u>
				<u>Cigna Health Solution India Pvt. Ltd.</u>
				<u>Cigna Poplar Holdings, Inc.</u>
				<u>PT GAR Indonesia</u>
				<u>PT PGU Indonesia</u>
				<u>*Cigna Global Insurance Company Limited</u>
				<u>Cigna TTK Health Insurance Company Limited</u>
				<u>*Cigna Worldwide Insurance Company</u> (EI# 23-2088429, NAIC # 90859, DE)
				<u>*PT. Asuransi Cigna</u>
				<u>Cigna Teak Holdings, LLC</u>

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