



LIFE AND ACCIDENT AND HEALTH COMPANIES - ASSOCIATION EDITION

# QUARTERLY STATEMENT

AS OF SEPTEMBER 30, 2018  
OF THE CONDITION AND AFFAIRS OF THE

## Family Heritage Life Insurance Company of America

NAIC Group Code 0290 0290 NAIC Company Code 77968 Employer's ID Number 34-1626521  
(Current) (Prior)

Organized under the Laws of OHIO, State of Domicile or Port of Entry OH

Country of Domicile United States of America

Incorporated/Organized 08/22/1989 Commenced Business 11/17/1989

Statutory Home Office 6001 East Royalton Road, Suite 200, Cleveland, OH, US 44147-3529  
(Street and Number) (City or Town, State, Country and Zip Code)

Main Administrative Office 6001 East Royalton Road, Suite 200  
(Street and Number)  
Cleveland, OH, US 44147-3529, 440-922-5200  
(City or Town, State, Country and Zip Code) (Area Code) (Telephone Number)

Mail Address P.O. Box 470608, Cleveland, OH, US 44147-3529  
(Street and Number or P.O. Box) (City or Town, State, Country and Zip Code)

Primary Location of Books and Records 6001 East Royalton Road, Suite 200  
(Street and Number)  
Cleveland, OH, US 44147-3529, 440-922-5200  
(City or Town, State, Country and Zip Code) (Area Code) (Telephone Number)

Internet Website Address www.FamilyHeritageLife.com

Statutory Statement Contact Brett Turner, 469-617-4407  
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### OFFICERS

President James Eric "Bo" McPartland # Secretary Joel Patrick Scarborough  
Treasurer Michael Shane Henrie Appointed Actuary Barbara Sue Emig

### OTHER

David Kendall Carlson, Senior Vice President David Robert Cochrane, Senior Vice President Tony Michael Martella, Senior Vice President  
Seamus Fitzpatrick, Senior Vice President Jeffrey Scott Morris, Senior Vice President William Michael Pressley, Vice President

### DIRECTORS OR TRUSTEES

James Eric "Bo" McPartland # Joel Patrick Scarborough Jeffrey Scott Morris  
Ben Walter Lutek Michael Shane Henrie Maria Rose Burnett

State of Texas SS:  
County of Collin

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.

James Eric "Bo" McPartland  
President

Michael Shane Henrie  
Treasurer

Joel Patrick Scarborough  
Secretary

Subscribed and sworn to before me this 7th day of November, 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.....

Michelle Batiste  
Notary Public  
January 12, 2020

STATEMENT AS OF SEPTEMBER 30, 2018 OF THE Family Heritage Life Insurance Company of America

**ASSETS**

	Current Statement Date			4 December 31 Prior Year Net Admitted Assets
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	
1. Bonds .....	1,180,647,585		1,180,647,585	1,067,029,634
2. Stocks:				
2.1 Preferred stocks .....			0	0
2.2 Common stocks .....			0	0
3. Mortgage loans on real estate:				
3.1 First liens .....	10,561,872		10,561,872	3,466,679
3.2 Other than first liens.....			0	0
4. Real estate:				
4.1 Properties occupied by the company (less \$ encumbrances) .....			0	0
4.2 Properties held for the production of income (less \$ ..... encumbrances) .....			0	0
4.3 Properties held for sale (less \$ encumbrances) .....			0	0
5. Cash (\$ .....(4,074,225) ), cash equivalents (\$ .....8,500,139 ) and short-term investments (\$ .....0 ) .....	4,425,913		4,425,913	8,628,284
6. Contract loans (including \$ ..... premium notes) .....	92,617		92,617	64,811
7. Derivatives .....			0	0
8. Other invested assets .....	29,568,173		29,568,173	22,454,500
9. Receivables for securities .....			0	0
10. Securities lending reinvested collateral assets .....			0	0
11. Aggregate write-ins for invested assets .....	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11) .....	1,225,296,160	0	1,225,296,160	1,101,643,908
13. Title plants less \$ ..... charged off (for Title insurers only) .....			0	0
14. Investment income due and accrued .....	10,876,792		10,876,792	9,790,457
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection .....	10,883,258		10,883,258	8,794,906
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ ..... earned but unbilled premiums) .....	54,556,184		54,556,184	43,144,025
15.3 Accrued retrospective premiums (\$ ..... ) and contracts subject to redetermination (\$ ..... ) .....			0	0
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers .....	5,206,256		5,206,256	4,083,388
16.2 Funds held by or deposited with reinsured companies .....			0	0
16.3 Other amounts receivable under reinsurance contracts .....	120,989,813		120,989,813	106,539,105
17. Amounts receivable relating to uninsured plans .....			0	0
18.1 Current federal and foreign income tax recoverable and interest thereon .....	1,620,500		1,620,500	1,701,848
18.2 Net deferred tax asset .....	42,468,000	28,641,000	13,827,000	13,074,000
19. Guaranty funds receivable or on deposit .....	1,481,830		1,481,830	1,498,621
20. Electronic data processing equipment and software .....	158,855	119,505	39,350	87,947
21. Furniture and equipment, including health care delivery assets (\$ ..... ) .....	24,587	24,587	0	0
22. Net adjustment in assets and liabilities due to foreign exchange rates .....			0	0
23. Receivables from parent, subsidiaries and affiliates .....			0	0
24. Health care (\$ ..... ) and other amounts receivable .....			0	0
25. Aggregate write-ins for other than invested assets .....	11,982,136	11,982,136	0	0
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25) .....	1,485,544,371	40,767,228	1,444,777,143	1,290,358,205
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts .....			0	0
28. Total (Lines 26 and 27)	1,485,544,371	40,767,228	1,444,777,143	1,290,358,205
<b>DETAILS OF WRITE-INS</b>				
1101. ....				
1102. ....				
1103. ....				
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. Agent Balances .....	11,268,277	11,268,277	0	0
2502. Prepaid Expenses .....	673,362	673,362	0	0
2503. Other Assets Non-Admitted .....	40,497	40,497	0	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)	11,982,136	11,982,136	0	0

STATEMENT AS OF SEPTEMBER 30, 2018 OF THE Family Heritage Life Insurance Company of America

**LIABILITIES, SURPLUS AND OTHER FUNDS**

	1 Current Statement Date	2 December 31 Prior Year
1. Aggregate reserve for life contracts \$ .....188,878,768 less \$ ..... included in Line 6.3 (including \$ .....181,003,929 Modco Reserve) .....	188,878,768	133,670,851
2. Aggregate reserve for accident and health contracts (including \$ ..... Modco Reserve) .....	992,611,974	918,756,792
3. Liability for deposit-type contracts (including \$ ..... Modco Reserve) .....		0
4. Contract claims:		
4.1 Life .....	6,798,256	5,625,388
4.2 Accident and health .....	24,681,119	22,626,947
5. Policyholders' dividends \$ ..... and coupons \$ ..... due and unpaid .....		0
6. Provision for policyholders' dividends and coupons payable in following calendar year - estimated amounts:		
6.1 Dividends apportioned for payment (including \$ ..... Modco) .....		0
6.2 Dividends not yet apportioned (including \$ ..... Modco) .....		0
6.3 Coupons and similar benefits (including \$ ..... Modco) .....		0
7. Amount provisionally held for deferred dividend policies not included in Line 6 .....		0
8. Premiums and annuity considerations for life and accident and health contracts received in advance less \$ ..... discount; including \$ ..... accident and health premiums .....	64,838	52,175
9. Contract liabilities not included elsewhere:		
9.1 Surrender values on canceled contracts .....		0
9.2 Provision for experience rating refunds, including the liability of \$ ..... accident and health experience rating refunds of which \$ ..... is for medical loss ratio rebate per the Public Health Service Act .....		0
9.3 Other amounts payable on reinsurance, including \$ .....696,054 assumed and \$ .....62,041,452 ceded .....	62,737,506	53,204,023
9.4 Interest Maintenance Reserve .....	912,880	924,470
10. Commissions to agents due or accrued-life and annuity contracts \$ .....24,989 , accident and health \$ .....1,830,931 and deposit-type contract funds \$ .....	1,855,920	1,594,600
11. Commissions and expense allowances payable on reinsurance assumed .....	44,076,159	41,437,019
12. General expenses due or accrued .....	4,108,968	2,862,947
13. Transfers to Separate Accounts due or accrued (net) (including \$ ..... accrued for expense allowances recognized in reserves, net of reinsured allowances) .....		0
14. Taxes, licenses and fees due or accrued, excluding federal income taxes .....	814,000	1,298,885
15.1 Current federal and foreign income taxes, including \$ ..... on realized capital gains (losses) .....		0
15.2 Net deferred tax liability .....		0
16. Unearned investment income .....		7,589
17. Amounts withheld or retained by company as agent or trustee .....	92	26
18. Amounts held for agents' account, including \$ ..... agents' credit balances .....		0
19. Remittances and items not allocated .....	517,767	880,631
20. Net adjustment in assets and liabilities due to foreign exchange rates .....		0
21. Liability for benefits for employees and agents if not included above .....	445,762	426,718
22. Borrowed money \$ ..... and interest thereon \$ .....463,750 .....	463,750	70,000
23. Dividends to stockholders declared and unpaid .....		0
24. Miscellaneous liabilities:		
24.01 Asset valuation reserve .....	6,368,038	5,315,180
24.02 Reinsurance in unauthorized and certified (\$ ..... ) companies .....		0
24.03 Funds held under reinsurance treaties with unauthorized and certified (\$ ..... ) reinsurers .....		0
24.04 Payable to parent, subsidiaries and affiliates .....	1,600	0
24.05 Drafts outstanding .....		0
24.06 Liability for amounts held under uninsured plans .....		0
24.07 Funds held under coinsurance .....		0
24.08 Derivatives .....	0	0
24.09 Payable for securities .....	1,966,580	0
24.10 Payable for securities lending .....		0
24.11 Capital notes \$ ..... and interest thereon \$ .....		0
25. Aggregate write-ins for liabilities .....	1,428,294	1,281,043
26. Total liabilities excluding Separate Accounts business (Lines 1 to 25) .....	1,338,732,271	1,190,035,284
27. From Separate Accounts Statement .....		0
28. Total liabilities (Lines 26 and 27) .....	1,338,732,271	1,190,035,284
29. Common capital stock .....	2,556,000	2,556,950
30. Preferred capital stock .....		0
31. Aggregate write-ins for other than special surplus funds .....	0	0
32. Surplus notes .....	30,000,000	30,000,000
33. Gross paid in and contributed surplus .....	32,647,000	32,646,050
34. Aggregate write-ins for special surplus funds .....		0
35. Unassigned funds (surplus) .....	40,841,872	35,119,921
36. Less treasury stock, at cost:		
36.1 ..... shares common (value included in Line 29 \$ ..... ) .....		0
36.2 ..... shares preferred (value included in Line 30 \$ ..... ) .....		0
37. Surplus (Total Lines 31+32+33+34+35-36) (including \$ ..... in Separate Accounts Statement) .....	103,488,872	97,765,971
38. Totals of Lines 29, 30 and 37 .....	106,044,872	100,322,921
39. Totals of Lines 28 and 38 (Page 2, Line 28, Col. 3) .....	1,444,777,143	1,290,358,205
<b>DETAILS OF WRITE-INS</b>		
2501. Unclaimed Property .....	1,428,294	1,281,043
2502. ....		
2503. ....		
2598. Summary of remaining write-ins for Line 25 from overflow page .....	0	0
2599. Totals (Lines 2501 through 2503 plus 2598)(Line 25 above) .....	1,428,294	1,281,043
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

**SUMMARY OF OPERATIONS**

	1 Current Year To Date	2 Prior Year To Date	3 Prior Year Ended December 31
1. Premiums and annuity considerations for life and accident and health contracts	229,196,147	214,438,252	284,266,981
2. Considerations for supplementary contracts with life contingencies		0	0
3. Net investment income	37,765,573	32,464,436	45,306,592
4. Amortization of Interest Maintenance Reserve (IMR)	245,383	498,244	645,216
5. Separate Accounts net gain from operations excluding unrealized gains or losses		0	0
6. Commissions and expense allowances on reinsurance ceded	132,649,422	119,404,353	161,413,631
7. Reserve adjustments on reinsurance ceded	38,914,339	29,521,350	41,306,928
8. Miscellaneous Income:			
8.1 Income from fees associated with investment management, administration and contract guarantees from Separate Accounts		0	0
8.2 Charges and fees for deposit-type contracts		0	0
8.3 Aggregate write-ins for miscellaneous income	0	3,029	3,029
9. Totals (Lines 1 to 8.3)	438,770,864	396,329,664	532,942,377
10. Death benefits	410,129	408,860	578,248
11. Matured endowments (excluding guaranteed annual pure endowments)		0	0
12. Annuity benefits		0	0
13. Disability benefits and benefits under accident and health contracts	60,961,662	52,443,160	70,490,406
14. Coupons, guaranteed annual pure endowments and similar benefits		0	0
15. Surrender benefits and withdrawals for life contracts	104,597	67,682	119,149
16. Group conversions		0	0
17. Interest and adjustments on contract or deposit-type contract funds	256	64	73
18. Payments on supplementary contracts with life contingencies		0	0
19. Increase in aggregate reserves for life and accident and health contracts	129,063,099	121,716,451	162,273,567
20. Totals (Lines 10 to 19)	190,539,743	174,636,217	233,461,443
21. Commissions on premiums, annuity considerations, and deposit-type contract funds (direct business only)	46,967,735	43,585,536	59,280,992
22. Commissions and expense allowances on reinsurance assumed	130,844,057	117,710,089	159,147,108
23. General insurance expenses	21,860,149	19,517,317	26,526,139
24. Insurance taxes, licenses and fees, excluding federal income taxes	4,690,058	4,538,286	6,069,100
25. Increase in loading on deferred and uncollected premiums	9,553,651	11,626,629	12,653,827
26. Net transfers to or (from) Separate Accounts net of reinsurance		0	0
27. Aggregate write-ins for deductions	0	0	0
28. Totals (Lines 20 to 27)	404,455,393	371,614,074	497,138,609
29. Net gain from operations before dividends to policyholders and federal income taxes (Line 9 minus Line 28)	34,315,471	24,715,590	35,803,768
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)	34,315,471	24,715,590	35,803,768
32. Federal and foreign income taxes incurred (excluding tax on capital gains)	10,508,043	10,857,018	13,078,197
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)	23,807,428	13,858,572	22,725,571
34. Net realized capital gains (losses) (excluding gains (losses) transferred to the IMR) less capital gains tax of \$ (7,196) (excluding taxes of \$ .80,502 transferred to the IMR)	7,196	(220,406)	269,730
35. Net income (Line 33 plus Line 34)	23,814,624	13,638,166	22,995,301
<b>CAPITAL AND SURPLUS ACCOUNT</b>			
36. Capital and surplus, December 31, prior year	100,322,921	104,227,691	104,227,691
37. Net income (Line 35)	23,814,624	13,638,166	22,995,301
38. Change in net unrealized capital gains (losses) less capital gains tax of \$ 30,000	114,727	153,866	136,732
39. Change in net unrealized foreign exchange capital gain (loss)		0	0
40. Change in net deferred income tax	5,021,000	3,374,684	(26,302,316)
41. Change in nonadmitted assets	(9,485,121)	(3,187,819)	24,542,363
42. Change in liability for reinsurance in unauthorized and certified companies		0	0
43. Change in reserve on account of change in valuation basis, (increase) or decrease		0	0
44. Change in asset valuation reserve	(1,052,858)	(844,456)	(1,386,876)
45. Change in treasury stock		0	0
46. Surplus (contributed to) withdrawn from Separate Accounts during period		0	0
47. Other changes in surplus in Separate Accounts Statement		0	0
48. Change in surplus notes		0	0
49. Cumulative effect of changes in accounting principles		0	0
50. Capital changes:			
50.1 Paid in		0	0
50.2 Transferred from surplus (Stock Dividend)		0	0
50.3 Transferred to surplus	(950)	0	0
51. Surplus adjustment:			
51.1 Paid in	950	0	0
51.2 Transferred to capital (Stock Dividend)		0	0
51.3 Transferred from capital		0	0
51.4 Change in surplus as a result of reinsurance		0	0
52. Dividends to stockholders	(12,695,000)	(13,518,000)	(23,818,000)
53. Aggregate write-ins for gains and losses in surplus	4,579	4,184	(71,974)
54. Net change in capital and surplus for the year (Lines 37 through 53)	5,721,951	(379,375)	(3,904,770)
55. Capital and surplus, as of statement date (Lines 36 + 54)	106,044,872	103,848,316	100,322,921
<b>DETAILS OF WRITE-INS</b>			
08.301. Misc Income		3,029	3,029
08.302.			
08.303.			
08.398. Summary of remaining write-ins for Line 8.3 from overflow page	0	0	0
08.399. Totals (Lines 08.301 through 08.303 plus 08.398) (Line 8.3 above)	0	3,029	3,029
2701.			
2702.			
2703.			
2798. Summary of remaining write-ins for Line 27 from overflow page	0	0	0
2799. Totals (Lines 2701 through 2703 plus 2798)(Line 27 above)	0	0	0
5301. change in executive benefit plans	6,579	5,868	(27,290)
5302. change in executive benefit plans - Def FIT	(2,000)	(1,684)	(44,684)
5303.			
5398. Summary of remaining write-ins for Line 53 from overflow page	0	0	0
5399. Totals (Lines 5301 through 5303 plus 5398)(Line 53 above)	4,579	4,184	(71,974)

## STATEMENT AS OF SEPTEMBER 30, 2018 OF THE Family Heritage Life Insurance Company of America

**CASH FLOW**

	1 Current Year To Date	2 Prior Year To Date	3 Prior Year Ended December 31
<b>Cash from Operations</b>			
1. Premiums collected net of reinsurance .....	206,149,660	190,844,201	256,787,905
2. Net investment income .....	26,935,753	21,324,262	29,999,781
3. Miscellaneous income .....	129,964,240	114,859,654	156,149,012
4. Total (Lines 1 to 3) .....	363,049,653	327,028,117	442,936,698
5. Benefit and loss related payments .....	22,693,797	22,993,072	29,487,711
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts .....	0	0	0
7. Commissions, expenses paid and aggregate write-ins for deductions .....	200,537,924	182,383,131	247,197,312
8. Dividends paid to policyholders .....	0	0	0
9. Federal and foreign income taxes paid (recovered) net of \$ ..... tax on capital gains (losses) .....	10,500,000	10,700,000	13,620,000
10. Total (Lines 5 through 9) .....	233,731,721	216,076,203	290,305,023
11. Net cash from operations (Line 4 minus Line 10) .....	129,317,932	110,951,914	152,631,675
<b>Cash from Investments</b>			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds .....	4,514,639	18,686,684	24,877,426
12.2 Stocks .....	0	0	0
12.3 Mortgage loans .....	0	0	0
12.4 Real estate .....	0	655,000	655,000
12.5 Other invested assets .....	0	0	9,680
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments .....	0	0	0
12.7 Miscellaneous proceeds .....	1,966,580	0	0
12.8 Total investment proceeds (Lines 12.1 to 12.7) .....	6,481,219	19,341,684	25,542,106
13. Cost of investments acquired (long-term only):			
13.1 Bonds .....	107,689,756	115,214,091	149,259,048
13.2 Stocks .....	0	0	0
13.3 Mortgage loans .....	7,048,225	0	3,465,000
13.4 Real estate .....	0	0	0
13.5 Other invested assets .....	7,145,309	1,253,340	5,253,340
13.6 Miscellaneous applications .....	0	(1,000,000)	0
13.7 Total investments acquired (Lines 13.1 to 13.6) .....	121,883,290	115,467,431	157,977,388
14. Net increase (or decrease) in contract loans and premium notes .....	27,806	10,781	21,800
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14) .....	(115,429,877)	(96,136,528)	(132,457,082)
<b>Cash from Financing and Miscellaneous Sources</b>			
16. Cash provided (applied):			
16.1 Surplus notes, capital notes .....	0	0	0
16.2 Capital and paid in surplus, less treasury stock .....	0	0	0
16.3 Borrowed funds .....	0	0	0
16.4 Net deposits on deposit-type contracts and other insurance liabilities .....	0	0	0
16.5 Dividends to stockholders .....	12,695,000	13,518,000	23,818,000
16.6 Other cash provided (applied) .....	(5,395,426)	(2,542,810)	6,745,017
17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6) .....	(18,090,426)	(16,060,810)	(17,072,983)
<b>RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS</b>			
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17) .....	(4,202,371)	(1,245,424)	3,101,610
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year .....	8,628,284	5,526,674	5,526,674
19.2 End of period (Line 18 plus Line 19.1) .....	4,425,913	4,281,250	8,628,284
<b>Note: Supplemental disclosures of cash flow information for non-cash transactions:</b>			
20.0001. Non-cash bond exchanges - acquisitions (line 13.1) .....	6,627,202	2,858,250	2,858,250
20.0002. Non-cash bond exchanges - disposals (line 12.1) .....	6,627,202	2,858,250	2,858,250

**EXHIBIT 1**

**DIRECT PREMIUMS AND DEPOSIT-TYPE CONTRACTS**

	1 Current Year To Date	2 Prior Year To Date	3 Prior Year Ended December 31
1. Industrial life .....		0	0
2. Ordinary life insurance .....	2,935,132	2,650,550	3,387,650
3. Ordinary individual annuities .....		0	0
4. Credit life (group and individual) .....		0	0
5. Group life insurance .....		0	0
6. Group annuities .....		0	0
7. A & H - group .....	10,025,384	8,657,683	11,863,124
8. A & H - credit (group and individual) .....		0	0
9. A & H - other .....	197,460,934	182,056,658	246,931,352
10. Aggregate of all other lines of business .....	0	0	0
11. Subtotal .....	210,421,450	193,364,891	262,182,126
12. Deposit-type contracts .....	0	0	0
13. Total	210,421,450	193,364,891	262,182,126
DETAILS OF WRITE-INS			
1001. ....			
1002. ....			
1003. ....			
1098. Summary of remaining write-ins for Line 10 from overflow page .....	0	0	0
1099. Totals (Lines 1001 through 1003 plus 1098)(Line 10 above)	0	0	0

**Note 1 – Summary of Significant Accounting Policies and Going Concern****A. Accounting Practices**

	SSAP #	F/S Page	F/S Line #	2018	2017
<b>NET INCOME</b>					
(1) Family Heritage Life Insurance Company of America	XXX	XXX	XXX	\$ 23,814,624	\$ 22,995,301
Company state basis					
(Page 4, Line 35, Columns 1 & 3)					
(2) State Prescribed Practices that are an increase/(decrease)				\$ -	\$ -
from NAIC SAP					
NONE					
(3) State Permitted Practices that are an increase/(decrease)				\$ -	\$ -
from NAIC SAP					
NONE					
(4) NAIC SAP (1 - 2 - 3 = 4)	XXX	XXX	XXX	\$ 23,814,624	\$ 22,995,301
<b>SURPLUS</b>					
(5) Family Heritage Life Insurance Company of America	XXX	XXX	XXX	\$ 106,044,872	\$ 100,322,921
Company state basis					
(Page 3, Line 38, Columns 1 & 2)					
(6) State Prescribed Practices that are an increase/(decrease)				\$ -	\$ -
from NAIC SAP					
NONE					
(7) State Permitted Practices that are an increase/(decrease)				\$ -	\$ -
from NAIC SAP					
NONE					
(8) NAIC SAP (5 - 6 - 7 = 8)	XXX	XXX	XXX	\$ 106,044,872	\$ 100,322,921

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

No significant change

**C. Accounting Policy****(1) Basis for Short-Term Investments**

No significant change

**(2) Basis for Bonds and Amortization Schedule**

No significant change

**(3) Basis for Common Stocks**

Not applicable

**(4) Basis for Preferred Stocks**

Not applicable

**(5) Basis for Mortgage Loans**

No significant change

**(6) Basis for Loan-Backed Securities and Adjustment Methodology**

Loan-backed securities and other structured securities are stated at amortized cost or the lower of amortized cost or fair value. Anticipated prepayments are used at the time of purchase to determine the effective yield. Changes in the timing of expected cash flows after original acquisition are accounted for using the retrospective method. Securities that are determined to be other-than-temporarily impaired are accounted for using the prospective method.

**(7) Accounting Policies for Investments in Subsidiaries, Controlled and Affiliated Entities**

Not applicable

(8) Accounting Policies for Investments in Joint Ventures, Partnerships and Limited Liability Entities

No significant change

(9) Accounting Policies for Derivatives

Not applicable

(10) Anticipated Investment Income Used in Premium Deficiency Calculation

Not applicable

(11) Management's Policies and Methodologies for Estimating Liabilities for Losses and Loss/Claim Adjustment Expenses for A&H Contracts

No significant change

(12) Changes in the Capitalization Policy and Predefined Thresholds from Prior Period

No significant change

(13) Methods Used to Estimate Pharmaceutical Rebate Receivables

Not applicable

D. Going Concern

After evaluating the entity's ability to continue as a going concern, management was not aware of any conditions or events which raised substantial doubts concerning the entity's ability to continue as a going concern as of the date of the filing of this statement.

**Note 2 – Accounting Changes and Corrections of Errors**

Not applicable

**Note 3 – Business Combinations and Goodwill**

Not applicable

**Note 4 – Discontinued Operations**

Not applicable

**Note 5 – Investments**

A. Mortgage Loans, including Mezzanine Real Estate Loans

(1) During the quarter, the minimum and maximum rate of interest received for new commercial mortgage loans was 6.409 and 6.409 percent, respectively.

(2) During the quarter, the maximum percentage of any one loan to the value of collateral at the time of the loan was 58.5 percent.

(3) None

(4) Age Analysis of Mortgage Loans and Identification of Mortgage Loans in which the Insurer is a Participant or Co-Lender in a Mortgage Loan Agreement:

STATEMENT AS OF SEPTEMBER 30, 2018 OF THE Family Heritage Life Insurance Company of America

		Farm	Residential		Commercial		Mezzanine	Total
			Insured	All Other	Insured	All Other		
<b>a.</b>	<b>Current Year</b>							
	1. Recorded Investment (All)							
	(a) Current	\$ -	\$ -	\$ -	\$ -	\$ 10,561,872	\$ -	\$ 10,561,872
	(b) 30-59 Days Past Due	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	(c) 60-89 Days Past Due	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	(d) 90-179 Days Past Due	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	(e) 180+ Days Past Due	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	2. Accruing Interest 90-179 Days Past Due							
	(a) Recorded Investment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	(b) Interest Accrued	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	3. Accruing Interest 180+ Days Past Due							
	(a) Recorded Investment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	(b) Interest Accrued	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	4. Interest Reduced							
	(a) Recorded Investment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	(b) Number of Loans	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	(c) Percent Reduced	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	5. Participant or Co-Lender in a Mortgage Loan Agreement							
	(a) Recorded Investment	\$ -	\$ -	\$ -	\$ -	\$ 10,561,872	\$ -	\$ 10,561,872
<b>b.</b>	<b>Prior Year</b>							
	1. Recorded Investment (All)							
	(a) Current	\$ -	\$ -	\$ -	\$ -	\$ 3,466,679	\$ -	\$ 3,466,679
	(b) 30-59 Days Past Due	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	(c) 60-89 Days Past Due	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	(d) 90-179 Days Past Due	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	(e) 180+ Days Past Due	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	2. Accruing Interest 90-179 Days Past Due							
	(a) Recorded Investment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	(b) Interest Accrued	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	3. Accruing Interest 180+ Days Past Due							
	(a) Recorded Investment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	(b) Interest Accrued	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	4. Interest Reduced							
	(a) Recorded Investment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	(b) Number of Loans	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	(c) Percent Reduced	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	5. Participant or Co-Lender in a Mortgage Loan Agreement							
	(a) Recorded Investment	\$ -	\$ -	\$ -	\$ -	\$ 3,466,679	\$ -	\$ 3,466,679

(5) No significant change

(6) No significant change

(7) No significant change

(8) No significant change

(9) No significant change

**B. Debt Restructuring**

Not applicable

**C. Reverse Mortgages**

Not applicable

**D. Loan-Backed Securities**

The Company does not own any residential or commercial mortgage-backed securities. Investments in other structured securities include whole business securitizations and other asset-backed securities.

(1) Call, redemption and sinking fund information for other structured securities were obtained from Bloomberg and bond prospectuses.

(2) None

(3) None

(4) The following table shows loan-backed and other structured securities that have an unrealized loss as of the end of the current quarter:

a.	The aggregate amount of unrealized losses:	1.	Less than 12 Months	\$ (224,021)
		2.	12 Months or Longer	\$ -
b.	The aggregate related fair value of securities with unrealized losses:	1.	Less than 12 Months	\$ 13,252,714
		2.	12 Months or Longer	\$ -

(5) Several sources of information are considered when determining impairments are, or are not, other-than-temporary. These include, but are not limited to, the following. Credit rating agency information related to the security is reviewed, in addition to direct discussions with the rating analyst as needed. Reports from third party research providers and sell-side research analysts are reviewed. Market and trading information on the securities and other like-securities is monitored to assess trends impacting securities. Market liquidity is analyzed to gauge how much it is impacting prices versus actual credit quality changes. Some sources of information will not be available for all securities. Where applicable, additional information is gathered for collateralized investments. This includes analysis of the individual underlying collateral and estimates of potential future collateral performance. Multiple cash flow scenarios are calculated based on various loss rate assumptions and used to assess the likelihood of future possible impairment.

E. Dollar Repurchase Agreements and/or Securities Lending Transactions

Not applicable

F. Repurchase Agreements Transactions Accounted for as Secured Borrowing

Not applicable

G. Reverse Repurchase Agreements Transactions Accounted for as Secured Borrowing

Not applicable

H. Repurchase Agreements Transactions Accounted for as a Sale

Not applicable

I. Reverse Repurchase Agreements Transactions Accounted for as a Sale

Not applicable

J. Real Estate

(1) Recognized Impairment Loss

No significant change

(2) Sold or Classified Real Estate Investments as Held for Sale

No significant change

(3) Changes to a Plan of Sale for an Investment in Real Estate

None

(4) Retail Land Sales Operations

None

(5) Real Estate Investments with Participating Mortgage Loan Features

None

K. Low-Income Housing Tax Credits

(1) Number of Remaining Years of Unexpired Tax Credits and Holding Period for LIHTC Investments

There are 12 years of remaining unexpired tax credits for low-income housing investments, with a required holding period of 16 years.

(2) Amount of LIHTC and Other Tax Benefits Recognized

The amount of LIHTC and other tax benefits recognized were \$41,022 and \$34,678 during 2018 and 2017, respectively.

(3) Balance of Investment Recognized

The balance of the investment recognized in the statement of financial position at September 30, 2018 and December 31, 2017 was \$2,077,245 and \$0, respectively.

(4) Regulatory Reviews

Currently the LIHTC property is not subject to any regulatory reviews.

(5) LIHTC Investments which Exceed 10% of Total Admitted Assets

Not applicable

(6) Recognized Impairment

Not applicable

(7) Amount and Nature of Write-Downs or Reclassifications

Not applicable

L. Restricted Assets

(1) Restricted Assets (Including Pledged)

No significant change

(2) Detail of Assets Pledged as Collateral Not Captured in Other Categories (Contacts that Share Similar Characteristics, Such as Reinsurance and Derivatives, are Reported in the Aggregate)

None

(3) Detail of Other Restricted Assets (Contacts that Share Similar Characteristics, such as Reinsurance and Derivatives, are Reported in the Aggregate)

None

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

None

M. Working Capital Finance Investments

Not applicable

N. Offsetting and Netting of Assets and Liabilities

Not applicable

O. Structured Notes

Not applicable

P. 5\* Securities

Not applicable

Q. Short Sales

Not applicable

R. Repayment Penalty and Acceleration Fees

	General Account	Separate Account
(1) Number of CUSIPs	2	
(2) Aggregate Amount of Investment Income	\$ 35,200	

**Note 6 – Joint Ventures, Partnerships and Limited Liability Companies**

A. No change

B. No change

**Note 7 – Investment Income**

No change

**Note 8 – Derivative Instruments**

Not applicable

**Note 9 – Income Taxes**

A. Deferred Tax Assets/(Liabilities)

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

	2018			2017			Change		
	1	2	3	4	5	6	7	8	9
	Ordinary	Capital	(Col 1+2) Total	Ordinary	Capital	(Col 4+5) Total	(Col 1-4) Ordinary	(Col 2-5) Capital	(Col 7+8) Total
a. Gross deferred tax assets	\$ 53,898,000	\$ 9,283,000	\$ 63,181,000	\$ 46,581,000	\$ 9,897,000	\$ 56,478,000	\$ 7,317,000	\$ (614,000)	\$ 6,703,000
b. Statutory valuation allowance adjustment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
c. Adjusted gross deferred tax assets (1a-1b)	\$ 53,898,000	\$ 9,283,000	\$ 63,181,000	\$ 46,581,000	\$ 9,897,000	\$ 56,478,000	\$ 7,317,000	\$ (614,000)	\$ 6,703,000
d. Deferred tax assets nonadmitted	\$ 21,269,000	\$ 7,372,000	\$ 28,641,000	\$ 17,793,000	\$ 6,612,000	\$ 24,405,000	\$ 3,476,000	\$ 760,000	\$ 4,236,000
e. Subtotal net admitted deferred tax asset (1c-1d)	\$ 32,629,000	\$ 1,911,000	\$ 34,540,000	\$ 28,788,000	\$ 3,285,000	\$ 32,073,000	\$ 3,841,000	\$ (1,374,000)	\$ 2,467,000
f. Deferred tax liabilities	\$ 20,596,000	\$ 117,000	\$ 20,713,000	\$ 18,978,000	\$ 21,000	\$ 18,999,000	\$ 1,618,000	\$ 96,000	\$ 1,714,000
g. Net admitted deferred tax asset/(net deferred tax liability) (1e-1f)	\$ 12,033,000	\$ 1,794,000	\$ 13,827,000	\$ 9,810,000	\$ 3,264,000	\$ 13,074,000	\$ 2,223,000	\$ (1,470,000)	\$ 753,000

The Company has not established a statutory valuation allowance in determining its adjusted gross deferred tax assets as management believes that it is more likely that not all of its gross deferred tax assets will be released.

2. Admission Calculation Components SSAP No. 101

STATEMENT AS OF SEPTEMBER 30, 2018 OF THE Family Heritage Life Insurance Company of America

	2018			2017			Change		
	1	2	3 (Col 1+2)	4	5	6 (Col 4+5)	7 (Col 1-4)	8 (Col 2-5)	9 (Col 7+8)
	Ordinary	Capital	Total	Ordinary	Capital	Total	Ordinary	Capital	Total
a. Federal income taxes paid in prior years recoverable through loss carrybacks	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
b. Adjusted gross deferred tax assets expected to be realized (excluding the amount of deferred tax assets from 2(a) above) after application of the threshold limitation. (The lesser of 2(b)1 and 2(b) 2 below	\$ 12,033,000	\$ 1,793,000	\$ 13,826,000	\$ 9,810,000	\$ 3,264,000	\$ 13,074,000	\$ 2,223,000	\$ (1,471,000)	\$ 752,000
Adjusted gross deferred tax assets expected to be realized following the balance sheet date	\$ 12,033,000	\$ 3,274,000	\$ 15,307,000	\$ 9,810,000	\$ 3,398,000	\$ 13,208,000	\$ 2,223,000	\$ (124,000)	\$ 2,099,000
Adjusted gross deferred tax assets allowed per limitation threshold	XXX	XXX	\$ 13,827,000	XXX	XXX	\$ 13,074,000	XXX	XXX	\$ 752,000
c. Adjusted gross deferred tax assets (excluding the amount of deferred tax assets from 2(a) and 2(b) above) offset by gross									
Deferred tax liabilities	\$ 20,596,000	\$ 117,000	\$ 20,713,000	\$ 18,978,000	\$ 21,000	\$ 18,999,000	\$ 1,618,000	\$ 96,000	\$ 1,714,000
d. Deferred tax assets admitted as the result of application of SSAP 101.									
Total (2a)+2(b)+2(c)	\$ 32,629,000	\$ 1,911,000	\$ 34,540,000	\$ 28,788,000	\$ 3,285,000	\$ 32,073,000	\$ 3,841,000	\$ (1,374,000)	\$ 2,467,000

3. Other Admissibility Criteria

	2018	2017
a. Ratio percentage used to determine recovery period and threshold limitation amount	1291.0%	1210.0%
b. Amount of adjusted capital and surplus used to determine recovery period and threshold limitation in 2(b)2 above	\$ 98,806,770	\$ 92,564,101

4. Impact of Tax Planning Strategies

(a) Determination of adjusted gross deferred tax assets and net admitted deferred tax assets, by tax character as a percentage

	09/30/2018		12/31/2017		Change	
	1	2	3	4	5 (Col 1-3)	6 (Col 2-4)
	Ordinary	Capital	Ordinary	Capital	Ordinary	Capital
1. Adjusted gross DTAs amount from Note 9A1(c)	\$ 53,898,000	\$ 9,283,000	\$ 46,581,000	\$ 9,897,000	\$ 7,317,000	\$ (614,000)
2. Percentage of adjusted gross DTAs by tax character attributable to the impact of tax planning strategies	0.0%	2.0%	0.0%	2.0%	0.0%	0.0%
3. Net admitted adjusted gross DTAs amount from Note 9A1(e)	\$ 32,629,000	\$ 1,911,000	\$ 28,788,000	\$ 3,285,000	\$ 3,841,000	\$ (1,374,000)
4. Percentage of net admitted Adjusted gross DTAs by tax character admitted because of the impact of tax planning strategies	7.0%	63.0%	5.0%	36.0%	2.0%	27.0%

(b) Does the company's tax planning strategies include the use of reinsurance? NO

B. There are no temporary differences for which deferred tax liabilities are not recognized.

The change in deferred income taxes reported in surplus before consideration of nonadmitted asset is comprised of the following components

STATEMENT AS OF SEPTEMBER 30, 2018 OF THE Family Heritage Life Insurance Company of America

	09/30/2018			12/31/2017			Change		
	1	2	3	4	5	6	7	8	9
	Ordinary	Capital	(Col 1+2) Total	Ordinary	Capital	(Col 4+5) Total	(Col 1-4) Ordinary	(Col 2-5) Capital	(Col 7+8) Total
Net deferred tax asset (liability)	\$ 33,302,000	\$ 9,166,000	\$ 42,468,000	\$ 27,603,000	\$ 9,876,000	\$ 37,479,000	\$ 5,699,000	\$ (710,000)	\$ 4,989,000
- Tax-effect of unrealized gains and losses	\$ -	\$ (29,000)	\$ (29,000)	\$ -	\$ 1,000	\$ 1,000	\$ -	\$ (30,000)	\$ (30,000)
- Tax-effect of other surplus gains and losses	\$ 81,429	\$ -	\$ 81,429	\$ 83,429	\$ -	\$ 83,429	\$ (2,000)	\$ -	\$ (2,000)
- Prior period adjustment unrealized gains and losses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net tax effect without unrealized gains and losses and prior period adjustments	\$ 33,220,571	\$ 9,195,000	\$ 42,415,571	\$ 27,519,571	\$ 9,875,000	\$ 37,394,571	\$ 5,701,000	\$ (680,000)	\$ 5,021,000

C. Current and Deferred Income Taxes

1. Current Income Tax

	1	2	3
	2018	2017	(Col 1-2) Change
a. Federal	\$ 10,508,043	\$ 13,078,197	\$ (2,570,154)
b. Foreign	\$ -	\$ -	\$ -
c. Subtotal	\$ 10,508,043	\$ 13,078,197	\$ (2,570,154)
d. Federal income tax on net capital gains	\$ 73,306	\$ (135,590)	\$ 208,896
e. Utilization of capital loss carry-forwards	\$ -	\$ -	\$ -
f. Other	\$ -	\$ -	\$ -
g. Federal and foreign income taxes incurred	\$ 10,581,349	\$ 12,942,607	\$ (2,361,258)

2. Deferred Tax Assets

STATEMENT AS OF SEPTEMBER 30, 2018 OF THE Family Heritage Life Insurance Company of America

		1	2	3
				(Col 1-2)
		2018	2017	Change
a.	Ordinary			
1.	Discounting of unpaid losses	\$ -	\$ -	\$ -
2.	Unearned premium reserve	\$ -	\$ -	\$ -
3.	Policyholder reserves	\$ 28,882,000	\$ 24,642,000	\$ 4,240,000
4.	Investments	\$ -	\$ -	\$ -
5.	Deferred acquisition costs	\$ 18,746,000	\$ 16,479,000	\$ 2,267,000
6.	Policyholder dividends accrual	\$ -	\$ -	\$ -
7.	Fixed assets	\$ -	\$ -	\$ -
8.	Compensation and benefits accrual	\$ 94,000	\$ 90,000	\$ 4,000
9.	Pension accrual	\$ -	\$ -	\$ -
10.	Receivables - nonadmitted	\$ -	\$ -	\$ -
11.	Net operation loss carry-forward	\$ -	\$ -	\$ -
12.	Tax credit carry-forward	\$ -	\$ -	\$ -
13.	Other (items <5% of total ordinary tax assets)	\$ 63,000	\$ 51,000	\$ 12,000
	Other (items >=5% of total ordinary tax assets)			
14.	Agents balances	\$ 2,366,000	\$ 1,327,000	\$ 1,039,000
15.	Prepays	\$ 141,000	\$ 89,000	\$ 52,000
16.	Intangibles	\$ 3,606,000	\$ 3,903,000	\$ (297,000)
99.	Subtotal	\$ 53,898,000	\$ 46,581,000	\$ 7,317,000
b.	Statutory valuation allowance adjustment	\$ -	\$ -	\$ -
c.	Nonadmitted	\$ 21,269,000	\$ 17,793,000	\$ 3,476,000
d.	Admitted ordinary deferred tax assets (2a99-2b-2c)	\$ 32,629,000	\$ 28,788,000	\$ 3,841,000
e.	Capital:			
1.	Investments	\$ 8,915,000	\$ 9,533,000	\$ (618,000)
2.	Net capital loss carry-forward	\$ -	\$ -	\$ -
3.	Real estate	\$ -	\$ -	\$ -
4.	Other (items <5% of total ordinary tax assets)	\$ 368,000	\$ 364,000	\$ 4,000
	Other (items >=5% of total capital tax assets)			
		\$ -	\$ -	\$ -
99.	Subtotal	\$ 9,283,000	\$ 9,897,000	\$ (614,000)
f.	Statutory valuation allowance adjustment	\$ -	\$ -	\$ -
g.	Nonadmitted	\$ 7,732,000	\$ 6,612,000	\$ 1,120,000
h.	Admitted capital deferred tax assets (2e99-2f-2g)	\$ 1,911,000	\$ 3,285,000	\$ (1,374,000)
i.	Admitted deferred tax assets (2d+dh)	\$ 34,540,000	\$ 32,073,000	\$ 2,467,000

3. Deferred Tax Liabilities

		1	2	3
				(Col 1-2)
		2018	2017	Change
a.	Ordinary			
1.	Investments	\$ -	\$ -	\$ -
2.	Fixed assets	\$ 24,000	\$ 22,000	\$ 2,000
3.	Deferred and uncollected premium	\$ 12,032,000	\$ 9,546,000	\$ 2,486,000
4.	Policyholder reserves	\$ 8,417,000	\$ 9,287,000	\$ (870,000)
5.	Other (items <5% of total ordinary tax liabilities)	\$ 123,000	\$ 123,000	\$ -
	Other (items >=5% of total ordinary tax assets)			
		\$ -	\$ -	\$ -
99.	Subtotal	\$ 20,596,000	\$ 18,978,000	\$ 1,618,000
b.	Capital:			
1.	Investments	\$ -	\$ -	\$ -
2.	Real estate	\$ -	\$ -	\$ -
3.	Other (items <5% of total ordinary tax assets)	\$ 117,000	\$ 21,000	\$ 96,000
	Other (items >=5% of total capital tax assets)			
		\$ -	\$ -	\$ -
99.	Subtotal	\$ 117,000	\$ 21,000	\$ 96,000
c.	Deferred tax liabilities (3a99+3b99)	\$ 20,713,000	\$ 18,999,000	\$ 1,714,000
4.	Net Deferred Tax Assets (2i-3c)	\$ 13,827,000	\$ 13,074,000	\$ 753,000

STATEMENT AS OF SEPTEMBER 30, 2018 OF THE Family Heritage Life Insurance Company of America

On December 22, 2017, the Tax Cuts and Jobs Act (Tax Legislation) was signed into law which significantly revises corporate income tax rates from 35% to 21%, among other modifications. Based on our analysis of the Tax Legislation, the Company was able to determine a reasonable estimate for the tax reform adjustment. The approximate change in the Company's net DTA caused by the tax rate change as of December 31, 2017 was \$(24,986,000), as illustrated below. There was no adjustment to this amount for the period ended September 30, 2018. However, we will continue to analyze relevant information to complete our accounting for income taxes which may result in an adjustment to our estimate in 2018. The accounting is expected to be completed in the fourth quarter of 2018.

	Deferred Taxes at 35%	Deferred Taxes at 21%	Tax Rate Impact
At December 31, 2017			
Operating Deferred Tax Items	\$ 62,326,000	\$ 37,395,000	\$ 24,931,000
Unrealized Deferred Tax Items	\$ 139,000	\$ 84,000	\$ 55,000
Net Deferred Taxes	\$ 62,465,000	\$ 37,479,000	\$ 24,986,000

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

	09/30/2018	12/31/2017	Change
(1) Current income taxes incurred	\$ 10,581,348	\$ 12,942,607	\$ (2,361,259)
(2) Change in deferred income tax (without tax on unrealized gains and losses or foreign exchange gains and losses)	\$ (5,021,000)	\$ 26,302,316	\$ (31,323,316)
(3) Total income tax reported	\$ 5,560,348	\$ 39,244,923	\$ (33,684,575)
(4) Net gain from operations before federal income tax and realized gains	\$ 34,315,471	\$ 35,803,768	\$ (1,488,297)
(5) Realized capital gains (losses) before federal income tax, after transfer to IMR	\$ 80,502	\$ 134,141	\$ (53,639)
(6) Income before taxes	\$ 34,395,973	\$ 35,937,909	\$ (1,541,936)
	21%	35%	---
	\$ 7,223,154	\$ 12,578,268	\$ (5,355,114)
(7) Increase (decrease) in actual tax reported resulting from:			
a. Tax adjustment for IMR	\$ (2,000)	\$ (414,000)	\$ 412,000
b. Deferred tax benefit on nonadmitted assets	\$ (1,102,000)	\$ 2,175,000	\$ (3,277,000)
c. Change in deferred taxes due to tax reform	\$ -	\$ 24,931,000	\$ (24,931,000)
d. Prior year adjustments	\$ -	\$ 1,000	\$ (1,000)
e. Nondeductible expenses	\$ 62,000	\$ 46,000	\$ 16,000
f. Tax exempt interest	\$ (78,000)	\$ -	\$ (78,000)
g. Tax assets transferred/created as a result of the sale	\$ -	\$ -	\$ -
h. Tax credits	\$ (27,000)	\$ (9,000)	\$ (18,000)
i. Stock based compensation	\$ (515,000)	\$ (44,014)	\$ (470,986)
j. Other - miscellaneous	\$ (806)	\$ (19,331)	\$ 18,525
(8) Total income tax reported	\$ 5,560,348	\$ 39,244,923	\$ (33,684,575)

E. Operating Loss Carryforwards and Income Taxes Available for Recoupment

- As of 9/30/2018, the Company has no net operating loss or tax credit carryforwards
- The following is income tax expense for current year and proceeding years that is available for recoupment in the event of future net losses:

Year	Amounts
2018	\$ -
2017	\$ -
2016	\$ -

- The aggregate amount of deposits admitted under Section 6603 of the Internal Revenue Code = NONE

F. Consolidated Federal Income Tax Return

The Company's federal income tax return is consolidated with its ultimate parent, Torchmark Corporation, as well as its affiliated subsidiaries including Liberty National Life Insurance Company, American Income Life Insurance Company, United American Insurance Company, National Income Life Insurance Company, Globe Life And Accident Insurance Company, TMK Buildings Corporation, Brown Service Funeral Homes Company, Inc., Torchmark Insurance Agency, Inc., Specialized Advertising Group, Inc., Globe Marketing Services, Inc., AILIC Receivables Corporation, American Income Marketing Services, Inc., Liberty National Auto Club Inc., Globe Life Insurance Agency, Inc., Globe Life Insurance Company of New York (formerly First United American Insurance Company) and TMK Re, Ltd.

Each company pays a share of the total tax liability determined as if computed separately. Companies that would report a loss are reimbursed to the extent that their losses are utilized by affiliates with taxable income. The calculation is made pursuant to Federal Income Tax Regulation 1.1552-1(a)(2) and 1.1502-33(d)(3)(ii).

G. Federal or Foreign Federal Income Tax Loss Contingencies

Not Applicable

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

- A. On October 10, 2018, Globe Life And Accident Insurance Company made a capital contribution to the Company in the amount of \$20 million.
- B. During 2018, \$17,895,000 in dividends were declared and paid to the Company's parent, Globe Life and Accident Insurance Company, as detailed in Note 13 below.

The Company borrowed \$5,000,000 from an affiliate, United American Insurance Company, on February 21, 2018 at an interest rate of 4.50%. The borrowing was repaid in full on March 6, 2018. Total interest paid was \$9,375.

The Company borrowed \$3,000,000 from an affiliate, American Income Life Insurance Company, on March 9, 2018 at an interest rate of 4.50%. The borrowing was repaid in full on March 23, 2018. Total interest paid was \$5,250.

The Company borrowed \$5,000,000 from an affiliate, Torchmark Corporation, on April 16, 2018 at an interest rate of 4.75%. The borrowing was repaid in full on May 1, 2018. Total interest paid was \$9,896.

The Company borrowed \$2,000,000 from an affiliate, United American Insurance Company, on July 12, 2018 at an interest rate of 5.00%. The borrowing was repaid in full on July 30, 2018. Total interest paid was \$5,000.

The Company borrowed \$5,000,000 from an affiliate, Liberty National Life Insurance Company, on July 18, 2018 at an interest rate of 5.00%. The borrowing was repaid in full on July 30, 2018. Total interest paid was \$8,333.

The Company borrowed \$20,000,000 from an affiliate, Torchmark Corporation, on October 15, 2018 at an interest rate of 5.25%. \$10,000,000 of the borrowing was repaid on November 1, 2018 with interest of \$23,333 included with the loan repayment.

- C. No significant change
- D. Based on intercompany reinsurance agreements, the Company reported the following amounts due from affiliates as of September 30, 2018:

American Income Life Insurance Company	\$ 11,916,817
Liberty National Life Insurance Company	\$ 2,405,497

- E. No significant change

- F. No significant change
- G. No significant change
- H. Not applicable
- I. Not applicable
- J. Not applicable
- K. Not applicable
- L. Not applicable
- M. Not applicable
- N. Not applicable

**Note 11 – Debt**

Not applicable

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

- A. Defined Benefit Plan

Not applicable

- B. Investment Policies and Strategies

Not applicable

- C. Fair Value of Plan Assets

Not applicable

- D. Basis Used to Determine Expected Long-Term Rate-of-Return

Not applicable

- E. Defined Contribution Plans

No significant change

- F. Multiemployer Plans

Not applicable

- G. Consolidated/Holding Company Plans

The Company participates in a Supplemental Executive Retirement Plan (SERP) sponsored through its ultimate parent, Torchmark Corporation, which provides to a limited number of executives an additional supplemental defined pension benefit. The supplemental benefit is based on the participant's qualified plan benefit without consideration to regulatory limits on compensation and benefit payments applicable to qualified plan, except that eligible compensation is capped at \$1 million.

- H. Postemployment Benefits and Compensated Absences

No significant change

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

Not applicable

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

1. No material change

2. Not applicable

3.,4.,5. Dividends on company stock are paid as declared by its Board of Directors and are subject to regulations of the State of Ohio. For 2018, the following dividends were declared and paid:

	Declared	Paid
\$4,000,000 ordinary dividend	03/19/2018	04/02/2018
\$3,495,000 ordinary dividend	04/12/2018	04/23/2018
\$5,200,000 ordinary dividend	07/02/2018	07/13/2018
\$5,200,000 ordinary dividend	10/15/2018	10/26/2018

6. Not applicable

7. Not applicable

8. Not applicable

9. Not applicable

10. The portion of unassigned funds (surplus) represented or reduced by cumulative unrealized gains and (losses) is:

Unrealized loss on bonds	\$ (105,191)
Unrealized gain on joint venture	\$ 140,000
	\$ 34,810

11. No significant change

12. Not applicable

13. Not applicable

**Note 14 – Liabilities, Contingencies and Assessments**

A. Contingent Commissions

Not applicable

B. Assessments

No significant change

C. Gain Contingencies

None

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

Not applicable

E. Joint and Several Liabilities

None

F. All Other Contingencies

No significant change

**Note 15 – Leases**

A. Lessee Operating Lease

No significant change

B. Lessor Leases

Not applicable

**Note 16 – Information about Financial Instruments with Off-Balance Sheet Risk and Financial Instruments with Concentration of Credit Risk**

No significant change

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

Not applicable

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

No significant change

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

No significant change

**Note 20 – Fair Value Measurements**

A. Fair Value Measurements

Fair values for securities are based on quoted market prices when available and otherwise are based on quoted market prices of comparable instruments in active markets, quotes in inactive markets or other observable criteria.

- (1) The Company previously reported a municipal bond, with a book value of approximately \$15 thousand, at fair value. At the end of the quarter, the fair value of the Company's holding of this bond was higher than the amortized cost of the holding, leaving the Company with no securities measured and reported at fair value on the statement of financial position at the end of the quarter. The Company did not have any transfers between Level 1 and 2 for assets measured and reported at fair value. Transfers between levels are recognized at the end of the reporting period in which they occur.
- (2) As of quarter-end, the Company did not have any securities categorized as Level 3 that are measured and reported at fair value on the statement of financial position.
- (3) During the quarter, the Company did not have any transfers into or out of Level 3 for assets measured and reported at fair value on the statement of financial position.

- (4) The majority of the Company's securities are not actively traded and direct quotes are not generally available. Management therefore determines the fair values of securities after consideration of data provided by third-party pricing services, independent broker/dealers and other resources. Prices provided by third-party pricing services are not binding offers but are estimated exit values. They are based on observable market data inputs which can vary by security type. Such inputs include benchmark yields, available trades, broker/dealer quotes, issuer spreads, benchmark securities, bids, offers and other inputs that are corroborated in the market. All fair value measurements based on prices determined with observable market data are reported as Level 1 or Level 2 measurements. When third-party vendor prices are not available, the Company attempts to obtain valuations from other sources, including but not limited to broker/dealers, broker quotes and prices on comparable securities.

When valuations have been obtained for all securities in the portfolio, management reviews and analyzes the prices to insure their reasonableness, taking into account available observable information. When two or more valuations are available for a security and the variance between the valuations is 10% of less, the close correlation suggests similar observable inputs were used in deriving the prices and the average of the prices is used. Securities valued in this manner are classified as Level 2. When the variance exceeds 10%, further review is performed on the available valuations to determine if they can be corroborated within reasonable tolerance to any other observable evidence. If one of the valuations or the average of the available valuations can be corroborated with other observable evidence, then the corroborated value is used and reported as Level 2. The Company uses information and analytical techniques deemed appropriate for determining the point within the range of reasonable fair value estimates that is most representative of fair value under current market conditions. Valuations that cannot be corroborated within a reasonable tolerance are classified as Level 3.

- (5) Derivative assets and liabilities – NONE

B. Fair Value Reporting under SSAP 100 and Other Accounting Pronouncements

None

C. Fair Value Level

The table below show the fair values of all financial instruments by level within the fair value hierarchy.

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	Level 1	Level 2	Level 3	Not Practicable (Carrying Value)	Net Asset Value (NAV) Included in Level 2
Bonds	\$ 1,189,634,908	\$ 1,180,647,585	\$ -	\$ 1,135,878,200	\$ 53,756,708	\$ -	\$ -
Mortgage Loans***	\$ 10,561,872	\$ 10,561,872	\$ -	\$ -	\$ 10,561,872	\$ -	\$ -
Cash and Cash Equivalents	\$ 1,399,282	\$ 1,399,282	\$ 1,399,282	\$ -	\$ -	\$ -	\$ -
Exempt Money Market Mutual Funds Identified by SVO	\$ 3,026,631	\$ 3,026,631	\$ -	\$ 3,026,631	\$ -	\$ -	\$ 3,026,631
Contract Loans	\$ 92,617	\$ 92,617	\$ -	\$ -	\$ -	\$ 92,617	\$ -
Other Invested Assets - Surplus Notes	\$ 26,601,704	\$ 27,113,428	\$ -	\$ 26,601,704	\$ -	\$ -	\$ -
Other Invested Assets - Low Income Housing Federal Tax Credit Fund	\$ 2,077,245	\$ 2,077,245	\$ -	\$ -	\$ 2,077,245	\$ -	\$ -

D. Not practicable to Estimate Fair Value

Type of Class or Financial Instrument	Carrying Value	Effective Interest Rate	Maturity Date	Explanation
Contract Loans	\$ 92,617	Various	Various	Quoted market price not available

**Note 21 – Other Items**

A. Unusual or Infrequent Items

Not applicable

B. Troubled Debt Restructuring Debtors

Not applicable

C. Other Disclosures

Not applicable

D. Business Interruption Insurance Recoveries

Not applicable

E. State Transferable and Non-Transferable Tax Credits

Not applicable

F. Subprime Mortgage Related Risk Exposure

Not applicable

G. Retained Assets

Not applicable

H. Insurance-Linked Securities (ILS) Contracts

Not applicable

**Note 22 – Events Subsequent**

A. No change

B. Not applicable

C. Not applicable

D. Not applicable

E. No significant change

F. No significant change

G. No significant change

H. No change

**Note 23 – Reinsurance**

A. Ceded Reinsurance Report

Section 1 – General Interrogatories

(1) No change

(2) No change

Section 2 – Ceded Reinsurance Report – Part A

(1) No change

(2) No change

Section 3 – Ceded Reinsurance Report – Part B

(1) No change

(2) No change

B. Uncollectible Reinsurance

None

C. Commutation of Ceded Reinsurance

None

D. Certified Reinsurer Rating Downgraded or Status Subject to Revocation

None

E. Reinsurance of variable annuity contracts/certificates with an affiliated captive reinsurer

Not applicable

F. Reinsurance Agreement with Affiliated Captive Reinsurer

Not applicable

G. Ceding Entities That Utilize Captive Reinsurers to Assume Reserves Subject to the XXX/AXXX Captive Framework

Not applicable

**Note 24 – Retrospectively Rated Contracts and Contracts Subject to Redetermination**

A. Method Used by the Reporting Entity to Estimate Accrued Retrospective Premium Adjustments

Not applicable

B. Disclosure Whether Accrued Retrospective Premiums are Recorded Through Written Premium or as an Adjustment to Earned Premium

Not applicable

C. Disclosure the Amount of Net Premiums Written Subject to Retrospective Rating Features

Not applicable

D. Medical Loss Ratio Rebates Required Pursuant to the Public Health Service Act

Not applicable

E. Risk Sharing Provision of the Affordable Care Act

(1) No change

(2) No change

(3) No significant change

**Note 25 – Changes in Incurred Losses and Loss Adjustment Expenses**

Reserves on accident and health contracts for incurred losses and loss adjustment expenses attributable to insured events or prior years developed during 2017. See Schedule H – Part 3 and the Five Year Historical Data. Original estimates are increased or decreased as additional information becomes known regarding individual claims. However, no significant trends or unanticipated events were noted in 2017. None of the Company's accident and health contracts are subject to retrospective rating or experience refunds.

**Note 26 – Intercompany Pooling Arrangements**

Not applicable

**Note 27 – Structured Settlements**

Not applicable

**Note 28 – Health Care Receivables**

Not applicable

**Note 29 – Participating Policies**

Not applicable

**Note 30 – Premium Deficiency Reserves**

No change

**Note 31 – Reserves for Life Contracts and Deposit-Type Contracts**

(1) Reserve Practices

No change

(2) Valuation of Substandard Policies

No change

(3) Amount of Insurance Where Gross Premiums are Less than the Net Premiums

No change

(4) Method Used to Determine Tabular Interest, Reserves Released and Cost

No change

(5) Method of Determination of Tabular Interest on Funds not Involving Life Contingencies

None

(6) Details for Other Change

None

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

Not applicable

**Note 33 – Premium and Annuity Considerations Deferred and Uncollected**

A. Deferred and uncollected life insurance premiums and annuity considerations as of September 30, 2018 were:

		Gross	Net of Loading
(1)	Industrial	\$ -	\$ -
(2)	Ordinary new business	40,704,373	6,155,970
(3)	Ordinary renewal	91,599,823	51,142,921
(4)	Credit life	-	-
(5)	Group life	-	-
(6)	Group annuity	-	-
(7)	Totals	\$ 132,304,196	\$ 57,298,891

**Note 34 – Separate Accounts**

Not applicable

**Note 35 – Loss/Claim Adjustment Expenses**

No significant change

# GENERAL INTERROGATORIES

## PART 1 - COMMON INTERROGATORIES

### GENERAL

- 1.1 Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act? ..... Yes [ ] No [ X ]
- 1.2 If yes, has the report been filed with the domiciliary state? ..... Yes [ ] No [ ]
- 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 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 and 1A.
- 3.2 Have there been any substantial changes in the organizational chart since the prior quarter end? ..... Yes [ ] No [ X ]
- 3.3 If the response to 3.2 is yes, provide a brief description of those changes.
- 3.4 Is the reporting entity publicly traded or a member of a publicly traded group? ..... Yes [ X ] No [ ]
- 3.5 If the response to 3.4 is yes, provide the CIK (Central Index Key) code issued by the SEC for the entity/group. .... 320335
- 4.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? ..... Yes [ ] No [ X ]
- 4.2 If yes, provide the name of the entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

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

5. If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved? ..... Yes [ ] No [ X ] N/A [ ]  
If yes, attach an explanation.
- 6.1 State as of what date the latest financial examination of the reporting entity was made or is being made. .... 12/31/2015
- 6.2 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. .... 12/31/2015
- 6.3 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). .... 02/28/2017
- 6.4 By what department or departments?  
Ohio Department of Insurance
- 6.5 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 ]
- 6.6 Have all of the recommendations within the latest financial examination report been complied with? ..... Yes [ ] No [ ] N/A [ X ]
- 7.1 Has this 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 ]
- 7.2 If yes, give full information:
- 8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board? ..... Yes [ ] No [ X ]
- 8.2 If response to 8.1 is yes, please identify the name of the bank holding company.
- 8.3 Is the company affiliated with one or more banks, thrifts or securities firms? ..... Yes [ ] No [ X ]
- 8.4 If response to 8.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.

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

## GENERAL INTERROGATORIES

- 9.1 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  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.
- 9.11 If the response to 9.1 is No, please explain:
- 9.2 Has the code of ethics for senior managers been amended? ..... Yes  No
- 9.21 If the response to 9.2 is Yes, provide information related to amendment(s).
- 9.3 Have any provisions of the code of ethics been waived for any of the specified officers? ..... Yes  No
- 9.31 If the response to 9.3 is Yes, provide the nature of any waiver(s).

### FINANCIAL

- 10.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? ..... Yes  No
- 10.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: ..... \$

### INVESTMENT

- 11.1 Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.) ..... Yes  No
- 11.2 If yes, give full and complete information relating thereto:
12. Amount of real estate and mortgages held in other invested assets in Schedule BA: ..... \$
13. Amount of real estate and mortgages held in short-term investments: ..... \$
- 14.1 Does the reporting entity have any investments in parent, subsidiaries and affiliates? ..... Yes  No
- 14.2 If yes, please complete the following:
- |   | 1<br>Prior Year-End<br>Book/Adjusted<br>Carrying Value | 2<br>Current Quarter<br>Book/Adjusted<br>Carrying Value |
|---|--|---|
| 14.21 Bonds .....   | \$ 0   | \$ 0  |
| 14.22 Preferred Stock .....   | \$ 0   | \$ 0  |
| 14.23 Common Stock .....  | \$ 0   | \$ 0  |
| 14.24 Short-Term Investments .....  | \$ 0   | \$ 0  |
| 14.25 Mortgage Loans on Real Estate .....   | \$ 0   | \$ 0  |
| 14.26 All Other .....   | \$ 0   | \$ 0  |
| 14.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26) ..... | \$ 0   | \$ 0  |
| 14.28 Total Investment in Parent included in Lines 14.21 to 14.26 above .....                       | \$ 0   | \$ 0  |
- 15.1 Has the reporting entity entered into any hedging transactions reported on Schedule DB? ..... Yes  No
- 15.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? ..... Yes  No   
 If no, attach a description with this statement.

STATEMENT AS OF SEPTEMBER 30, 2018 OF THE Family Heritage Life Insurance Company of America  
**GENERAL INTERROGATORIES**

16. For the reporting entity's security lending program, state the amount of the following as of the current statement date:
- |  |           |
|--|-----------|
| 16.1 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2 .....                   | \$ .....0 |
| 16.2 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2 ..... | \$ .....0 |
| 16.3 Total payable for securities lending reported on the liability page .....                                       | \$ .....0 |

17. 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 [  ] No [  ]
- 17.1 For all agreements that comply with the requirements of the NAIC Financial Condition Examiners Handbook, complete the following:

1 Name of Custodian(s)	2 Custodian Address
The Northern Trust Company .....	50 South LaSalle Street, Chicago, IL 60603 .....

- 17.2 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)

- 17.3 Have there been any changes, including name changes, in the custodian(s) identified in 17.1 during the current quarter? Yes [  ] No [  ]

- 17.4 If yes, give full information relating thereto:

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

- 17.5 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
Torchmark Corporation .....	A.....
Prudential Private Placement Investors, LP .....	U.....
Blackrock Investment Management, LLC .....	U.....

- 17.5097 For those firms/individuals listed in the table for Question 17.5, 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 [  ]

- 17.5098 For firms/individuals unaffiliated with the reporting entity (i.e. designated with a "U") listed in the table for Question 17.5, does the total assets under management aggregate to more than 50% of the reporting entity's assets? Yes [  ] No [  ]

- 17.6 For those firms or individuals listed in the table for 17.5 with an affiliation code of "A" (affiliated) or "U" (unaffiliated), provide the information for the table below.

1 Central Registration Depository Number	2 Name of Firm or Individual	3 Legal Entity Identifier (LEI)	4 Registered With	5 Investment Management Agreement (IMA) Filed
	Torchmark Corporation .....		Not Registered .....	DS.....
106442 .....	Prudential Private Placement Investors, LP .....		U.S. Securities & Exchange Commission	NO.....
108928 .....	Blackrock Investment Management, LLC .....		U.S. Securities & Exchange Commission	NO.....

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

- 18.2 If no, list exceptions:

19. By self-designating 5\*GI securities, the reporting entity is certifying the following elements for each self-designated 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 [  ]

# GENERAL INTERROGATORIES

## PART 2 - LIFE & HEALTH

1.	Report the statement value of mortgage loans at the end of this reporting period for the following categories:	1 Amount
1.1	Long-Term Mortgages In Good Standing	
1.11	Farm Mortgages .....	\$ .....
1.12	Residential Mortgages .....	\$ .....
1.13	Commercial Mortgages .....	\$ ..... 10,561,872
1.14	Total Mortgages in Good Standing .....	\$ ..... 10,561,872
1.2	Long-Term Mortgages In Good Standing with Restructured Terms	
1.21	Total Mortgages in Good Standing with Restructured Terms .....	\$ .....
1.3	Long-Term Mortgage Loans Upon which Interest is Overdue more than Three Months	
1.31	Farm Mortgages .....	\$ .....
1.32	Residential Mortgages .....	\$ .....
1.33	Commercial Mortgages .....	\$ .....
1.34	Total Mortgages with Interest Overdue more than Three Months .....	\$ ..... 0
1.4	Long-Term Mortgage Loans in Process of Foreclosure	
1.41	Farm Mortgages .....	\$ .....
1.42	Residential Mortgages .....	\$ .....
1.43	Commercial Mortgages .....	\$ .....
1.44	Total Mortgages in Process of Foreclosure .....	\$ ..... 0
1.5	Total Mortgage Loans (Lines 1.14 + 1.21 + 1.34 + 1.44) (Page 2, Column 3, Lines 3.1 + 3.2) .....	\$ ..... 10,561,872
1.6	Long-Term Mortgages Foreclosed, Properties Transferred to Real Estate in Current Quarter	
1.61	Farm Mortgages .....	\$ .....
1.62	Residential Mortgages .....	\$ .....
1.63	Commercial Mortgages .....	\$ .....
1.64	Total Mortgages Foreclosed and Transferred to Real Estate .....	\$ ..... 0
2.	Operating Percentages:	
2.1	A&H loss percent .....	65.180 %
2.2	A&H cost containment percent .....	%
2.3	A&H expense percent excluding cost containment expenses .....	35.390 %
3.1	Do you act as a custodian for health savings accounts? .....	Yes [ ] No [ X ]
3.2	If yes, please provide the amount of custodial funds held as of the reporting date .....	\$ .....
3.3	Do you act as an administrator for health savings accounts? .....	Yes [ ] No [ X ]
3.4	If yes, please provide the balance of the funds administered as of the reporting date .....	\$ .....
4.	Is the reporting entity licensed or chartered, registered, qualified, eligible or writing business in at least two states? .....	Yes [ X ] No [ ]
4.1	If no, does the reporting entity assume reinsurance business that covers risks residing in at least one state other than the state of domicile of the reporting entity? .....	Yes [ ] No [ ]

**SCHEDULE S - CEDED REINSURANCE**

Showing All New Reinsurance Treaties - Current Year to Date

1 NAIC Company Code	2 ID Number	3 Effective Date	4 Name of Reinsurer	5 Domiciliary Jurisdiction	6 Type of Reinsurance Ceded	7 Type of Reinsurer	8 Certified Reinsurer Rating (1 through 6)	9 Effective Date of Certified Reinsurer Rating
<b>NONE</b>								

STATEMENT AS OF SEPTEMBER 30, 2018 OF THE Family Heritage Life Insurance Company of America  
**SCHEDULE T - PREMIUMS AND ANNUITY CONSIDERATIONS**

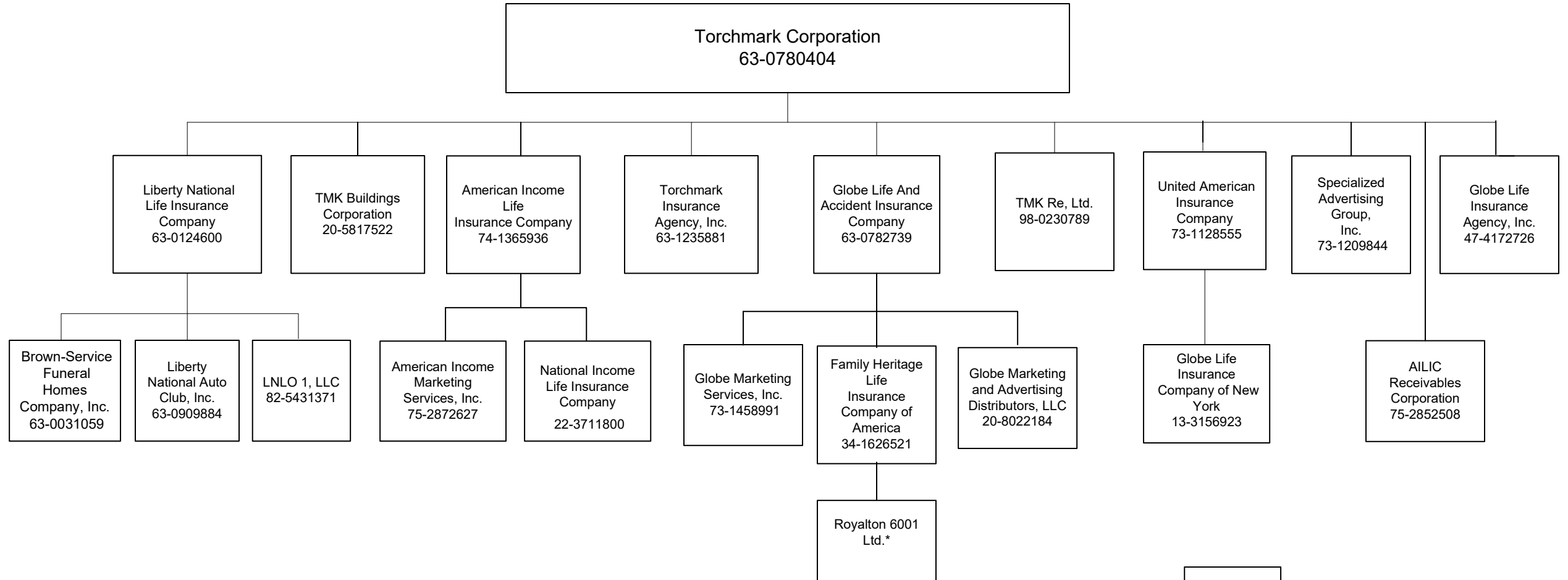
Current Year To Date - Allocated by States and Territories

States, Etc.	1 Active Status (a)	Life Contracts		Direct Business Only			
		2 Life Insurance Premiums	3 Annuity Considerations	4 Accident and Health Insurance Premiums, Including Policy, Membership and Other Fees	5 Other Considerations	6 Total Columns 2 Through 5	7 Deposit-Type Contracts
1. Alabama	AL	L	30,239		2,264,352	2,294,591	
2. Alaska	AK	L			30,299	30,299	
3. Arizona	AZ	L	73,618		3,928,035	4,001,653	
4. Arkansas	AR	L	139,151		6,364,455	6,503,606	
5. California	CA	L	48,038		4,728,763	4,776,801	
6. Colorado	CO	L	43,355		6,104,045	6,147,400	
7. Connecticut	CT	L	63		15,864	15,927	
8. Delaware	DE	L	1,467		414,569	416,036	
9. District of Columbia	DC	L			8,210	8,210	
10. Florida	FL	L	57,644		4,020,182	4,077,826	
11. Georgia	GA	L	92,430		7,947,486	8,039,916	
12. Hawaii	HI	L	221		60,970	61,191	
13. Idaho	ID	L	2,115		907,097	909,212	
14. Illinois	IL	L	67,420		9,399,345	9,466,765	
15. Indiana	IN	L	11,912		6,806,744	6,818,656	
16. Iowa	IA	L	24,428		4,793,650	4,818,078	
17. Kansas	KS	L	38,486		6,809,071	6,847,557	
18. Kentucky	KY	L	92,209		5,904,772	5,996,981	
19. Louisiana	LA	L	15,332		4,184,538	4,199,870	
20. Maine	ME	L	837		350,259	351,096	
21. Maryland	MD	L	1,629		915,123	916,752	
22. Massachusetts	MA	L	938		15,325	16,263	
23. Michigan	MI	L	1,889		1,426,334	1,428,223	
24. Minnesota	MN	L	24,728		10,002,007	10,026,735	
25. Mississippi	MS	L	13,286		859,950	873,236	
26. Missouri	MO	L	42,667		6,039,247	6,081,914	
27. Montana	MT	L	11,595		1,847,640	1,859,235	
28. Nebraska	NE	L	11,764		6,772,190	6,783,954	
29. Nevada	NV	L	7,757		797,853	805,610	
30. New Hampshire	NH	L	8,325		489,866	498,191	
31. New Jersey	NJ	L	2,382		34,892	37,274	
32. New Mexico	NM	L	12,695		1,298,529	1,311,224	
33. New York	NY	N				0	
34. North Carolina	NC	L	101,332		7,117,539	7,218,871	
35. North Dakota	ND	L	3,691		1,102,779	1,106,470	
36. Ohio	OH	L	61,259		15,911,067	15,972,326	
37. Oklahoma	OK	L	45,613		2,988,222	3,033,835	
38. Oregon	OR	L	8,057		1,102,879	1,110,936	
39. Pennsylvania	PA	L	16,170		2,199,628	2,215,798	
40. Rhode Island	RI	L			47,393	47,393	
41. South Carolina	SC	L	45,187		2,128,073	2,173,260	
42. South Dakota	SD	L	12,305		4,257,522	4,269,827	
43. Tennessee	TN	L	111,174		4,400,791	4,511,965	
44. Texas	TX	L	1,157,665		42,109,650	43,267,315	
45. Utah	UT	L	643		3,095,449	3,096,092	
46. Vermont	VT	L	2,951		27,757	30,708	
47. Virginia	VA	L	89,113		3,887,868	3,976,981	
48. Washington	WA	L	81,764		2,805,673	2,887,437	
49. West Virginia	WV	L	46,362		2,400,978	2,447,340	
50. Wisconsin	WI	L	4,329		2,711,126	2,715,455	
51. Wyoming	WY	L	8,400		1,974,491	1,982,891	
52. American Samoa	AS	N				0	
53. Guam	GU	N				0	
54. Puerto Rico	PR	L			4,279	4,279	
55. U.S. Virgin Islands	VI	N				0	
56. Northern Mariana Islands	MP	N				0	
57. Canada	CAN	N				0	
58. Aggregate Other Aliens	OT	XXX	0	0	0	0	0
59. Subtotal	XXX		2,674,635	0	205,814,826	208,489,461	0
90. Reporting entity contributions for employee benefits plans	XXX					0	
91. Dividends or refunds applied to purchase paid-up additions and annuities	XXX					0	
92. Dividends or refunds applied to shorten endowment or premium paying period	XXX					0	
93. Premium or annuity considerations waived under disability or other contract provisions	XXX					0	
94. Aggregate or other amounts not allocable by State	XXX		0	0	0	0	0
95. Totals (Direct Business)	XXX		2,674,635	0	205,814,826	208,489,461	0
96. Plus Reinsurance Assumed	XXX		176,856,925			176,856,925	
97. Totals (All Business)	XXX		179,531,560	0	205,814,826	385,346,386	0
98. Less Reinsurance Ceded	XXX		176,919,729		2,272,009	179,191,738	
99. Totals (All Business) less Reinsurance Ceded	XXX		2,611,831	0	203,542,817	206,154,648	0
DETAILS OF WRITE-INS							
58001.	XXX						
58002.	XXX						
58003.	XXX						
58998. Summary of remaining write-ins for Line 58 from overflow page	XXX		0	0	0	0	0
58999. Totals (Lines 58001 through 58003 plus 58998)(Line 58 above)	XXX		0	0	0	0	0
9401.	XXX						
9402.	XXX						
9403.	XXX						
9498. Summary of remaining write-ins for Line 94 from overflow page	XXX		0	0	0	0	0
9499. Totals (Lines 9401 through 9403 plus 9498)(Line 94 above)	XXX		0	0	0	0	0

(a) Active Status Counts:

L - Licensed or Chartered - Licensed Insurance carrier or domiciled RRG.....51      R - Registered - Non-domiciled RRGs.....0  
E - Eligible - Reporting entities eligible or approved to write surplus lines in the state.....0      Q - Qualified - Qualified or accredited reinsurer.....0  
N - None of the above - Not allowed to write business in the state.....6

STATEMENT AS OF SEPTEMBER 30, 2018 OF THE Family Heritage Life Insurance Company of America



Company	State of Domicile
AILIC Receivables Corporation (ARC)	Delaware
American Income Life Insurance Company (AIL)	Indiana
American Income Marketing Services, Inc. (AIMS)	Texas
Brown-Service Funeral Homes Company, Inc. (Brown Service)	Alabama
Family Heritage Life Insurance Company of America	Ohio
Globe Life Insurance Company of New York	New York
Globe Life And Accident Insurance Company (Globe)	Nebraska
Globe Life Insurance Agency Inc.	Texas
Globe Marketing Services, Inc. (Globe Marketing)	Oklahoma
Liberty National Auto Club, Inc. (Auto Club)	Alabama
Liberty National Life Insurance Company (LNL)	Nebraska
National Income Life Insurance Company (NILCO)	New York
Specialized Advertising Group, Inc.	Texas
TMK Buildings Corporation (TBC)	Texas
TMK Re, Ltd. (TMK Re)	Bermuda
Torchmark Corporation (TMK)	Delaware
Torchmark Insurance Agency, Inc. (TIA)	Alabama
United American Insurance Company (UA)	Nebraska

\*Limited liability company, in which Family Heritage has a 50% interest, which leases home office property to Family Heritage; remaining 50% interest held by an unaffiliated entity.

STATEMENT AS OF SEPTEMBER 30, 2018 OF THE Family Heritage Life Insurance Company of America

**SCHEDULE Y**

**PART 1A - DETAIL OF INSURANCE HOLDING COMPANY SYSTEM**

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
Group Code	Group Name	NAIC Company Code	ID Number	Federal RSSD	CIK	Name of Securities Exchange if Publicly Traded (U.S. or International)	Names of Parent, Subsidiaries Or Affiliates	Domi-ciliary Location	Relation-ship to Reporting Entity	Directly Controlled by (Name of Entity/Person)	Type of Control (Ownership, Board, Management, Attorney-in-Fact, Influence, Other)	If Control is Ownership Provide Percentage	Ultimate Controlling Entity(ies)/Person(s)	Is an SCA Filing Re-quired? (Y/N)	*
	Torchmark Corporation		63-0780404	0	320335	NYSE	Torchmark Corporation	DE	DDP			0.000		N	0
			20-5817522	0	0		TMK Buildings Corp	TX	NIA	Torchmark Corporation	Ownership	100.000	Torchmark Corporation	N	0
			20-5817632	0	0		TMK Properties LLP	TX	NIA	Torchmark Corporation	Ownership	99.000	Torchmark Corporation	N	0
			98-0230789	0	0		TMK RE Ltd	BMJ	IA	Torchmark Corporation	Ownership	100.000	Torchmark Corporation	N	0
			63-1235881	0	0		Torchmark Insurance Agency, Inc	AL	NIA	Torchmark Corporation	Ownership	100.000	Torchmark Corporation	N	0
			73-1209844	0	0		Specialized Marketing Group, Inc	TX	NIA	Torchmark Corporation	Ownership	100.000	Torchmark Corporation	N	0
			47-4172726	0	0		Globe Life Insurance Agency, Inc	TX	NIA	Torchmark Corporation	Ownership	100.000	Torchmark Corporation	N	0
				0	0		Family Heritage Life Insurance Company of America	OH	RE	Globe Life and Accident Insurance Company	Ownership	100.000	Torchmark Corporation	N	0
				0	0		Royalton 6001Ltd. (Joint Venture)	OH	DS	Family Heritage Life Insurance Company of America	Ownership	50.000	Torchmark Corporation	N	0
	Torchmark Corporation	65331	63-0124600	0	0		Liberty National Life Insurance Company	NE	IA	Torchmark Corporation	Ownership	100.000	Torchmark Corporation	N	0
			63-0031059	0	0		Brown-Service Funeral Homes Company Inc	AL	NIA	Liberty National Life Insurance Company	Ownership	100.000	Torchmark Corporation	N	0
			63-0909884	0	0		Liberty National Auto Club, Inc	AL	NIA	Liberty National Life Insurance Company	Ownership	100.000	Torchmark Corporation	N	0
	Torchmark Corporation	91472	63-0782739	1610611	0		Globe Life and Accident Insurance Company	NE	DIP	Torchmark Corporation	Ownership	100.000	Torchmark Corporation	N	0
			73-1458991	0	0		Globe Marketing Services, Inc	OK	NIA	Globe Life and Accident Insurance Company	Ownership	100.000	Torchmark Corporation	N	0
			20-8022184	0	0		Globe Marketing and Advertising Distributors, LLC	DE	NIA	Globe Life and Accident Insurance Company	Ownership	100.000	Torchmark Corporation	N	0
	Torchmark Corporation	60577	74-1365936	1102198	0		American Income Life Insurance Company	IN	IA	Torchmark Corporation	Ownership	100.000	Torchmark Corporation	N	0
	Torchmark Corporation	10093	22-3711800	0	0		National Income Life Insurance Company	NY	IA	American Income Life Insurance Company	Ownership	100.000	Torchmark Corporation	N	0
			75-2852508	0	0		AILIC Receivables Corporation	DE	NIA	Torchmark Corporation	Ownership	100.000	Torchmark Corporation	N	0
			75-2872627	0	0		American Income Marketing Services, Inc	TX	NIA	American Income Life Insurance Company	Ownership	100.000	Torchmark Corporation	N	0
	Torchmark Corporation	92916	73-1128555	0	0		United American Insurance Company	NE	IA	Torchmark Corporation	Ownership	100.000	Torchmark Corporation	N	0
	Torchmark Corporation	74101	13-3156923	0	0		Globe Life Insurance Company of New York	NY	IA	United American Insurance Company	Ownership	100.000	Torchmark Corporation	N	0

Asterisk	Explanation

# SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

The following supplemental reports are required to be filed as part of your statement filing. However, in the event that your company does not transact the type of business for which the special report must be filed, your response of NO to the specific interrogatory will be accepted in lieu of filing a "NONE" report and a bar code will be printed below. If the supplement is required of your company but is not being filed for whatever reason enter SEE EXPLANATION and provide an explanation following the interrogatory questions.

	Response
1. Will the Trusteed Surplus Statement be filed with the state of domicile and the NAIC with this statement? .....	NO
2. Will the Medicare Part D Coverage Supplement be filed with the state of domicile and the NAIC with this statement? .....	NO
3. Will the Reasonableness of Assumptions Certification required by Actuarial Guideline XXXV be filed with the state of domicile and electronically with the NAIC? .....	NO
4. Will the Reasonableness and Consistency of Assumptions Certification required by Actuarial Guideline XXXV be filed with the state of domicile and electronically with the NAIC? .....	NO
5. Will the Reasonableness of Assumptions Certification for Implied Guaranteed Rate Method required by Actuarial Guideline XXXVI be filed with the state of domicile and electronically with the NAIC? .....	NO
6. Will the Reasonableness and Consistency of Assumptions Certification required by Actuarial Guideline XXXVI (Updated Average Market Value) be filed with the state of domicile and electronically with the NAIC? .....	NO
7. Will the Reasonableness and Consistency of Assumptions Certification required by Actuarial Guideline XXXVI (Updated Market Value) be filed with the state of domicile and electronically with the NAIC? .....	NO

Explanation:

1. The data for this supplement is not required to be filed.
2. The data for this supplement is not required to be filed.
3. The data for this supplement is not required to be filed.
4. The data for this supplement is not required to be filed.
5. The data for this supplement is not required to be filed.
6. The data for this supplement is not required to be filed.
7. The data for this supplement is not required to be filed.

Bar Code:

1. Trusteed Surplus Statement [Document Identifier 490]
2. Medicare Part D Coverage Supplement [Document Identifier 365]
3. Reasonableness of Assumptions Certification required by Actuarial Guideline XXXV [Document Identifier 445]
4. Reasonableness and Consistency of Assumptions Certification required by Actuarial Guideline XXXV [Document Identifier 446]
5. Reasonableness of Assumptions Certification for Implied Guaranteed Rate Method required by Actuarial Guideline XXXVI [Document Identifier 447]
6. Reasonableness and Consistency of Assumptions Certification required by Actuarial Guideline XXXVI [Document Identifier 448]
7. Reasonableness and Consistency of Assumptions Certification required by Actuarial Guideline XXXVI (Updated Market Value) [Document Identifier 449]



**NONE**

**SCHEDULE A - VERIFICATION**

Real Estate

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year .....	0	670,000
2. Cost of acquired:		
2.1 Actual cost at time of acquisition .....	0	0
2.2 Additional investment made after acquisition .....	0	0
3. Current year change in encumbrances .....	0	0
4. Total gain (loss) on disposals .....	0	(15,000)
5. Deduct amounts received on disposals .....	0	655,000
6. Total foreign exchange change in book/adjusted carrying value .....	0	0
7. Deduct current year's other than temporary impairment recognized .....	0	0
8. Deduct current year's depreciation .....	0	0
9. Book/adjusted carrying value at the end of current period (Lines 1+2+3+4-5+6-7-8) .....	0	0
10. Deduct total nonadmitted amounts .....	0	0
11. Statement value at end of current period (Line 9 minus Line 10)	0	0

**SCHEDULE B - VERIFICATION**

Mortgage Loans

	1 Year to Date	2 Prior Year Ended December 31
1. Book value/recorded investment excluding accrued interest, December 31 of prior year .....	3,466,679	0
2. Cost of acquired:		
2.1 Actual cost at time of acquisition .....	6,972,364	3,465,000
2.2 Additional investment made after acquisition .....	75,861	0
3. Capitalized deferred interest and other .....	0	0
4. Accrual of discount .....	46,968	1,679
5. Unrealized valuation increase (decrease) .....	0	0
6. Total gain (loss) on disposals .....	0	0
7. Deduct amounts received on disposals .....	0	0
8. Deduct amortization of premium and mortgage interest points and commitment fees .....	0	0
9. Total foreign exchange change in book value/recorded investment excluding accrued interest .....	0	0
10. Deduct current year's other than temporary impairment recognized .....	0	0
11. Book value/recorded investment excluding accrued interest at end of current period (Lines 1+2+3+4+5+6-7-8+9-10) .....	10,561,872	3,466,679
12. Total valuation allowance .....	0	0
13. Subtotal (Line 11 plus Line 12) .....	10,561,872	3,466,679
14. Deduct total nonadmitted amounts .....	0	0
15. Statement value at end of current period (Line 13 minus Line 14)	10,561,872	3,466,679

**SCHEDULE BA - VERIFICATION**

Other Long-Term Invested Assets

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year .....	22,454,499	17,159,518
2. Cost of acquired:		
2.1 Actual cost at time of acquisition .....	7,145,309	5,253,340
2.2 Additional investment made after acquisition .....	0	0
3. Capitalized deferred interest and other .....	0	0
4. Accrual of discount .....	1,233	1,574
5. Unrealized valuation increase (decrease) .....	39,536	121,127
6. Total gain (loss) on disposals .....	0	0
7. Deduct amounts received on disposals .....	0	9,680
8. Deduct amortization of premium and depreciation .....	72,404	71,380
9. Total foreign exchange change in book/adjusted carrying value .....	0	0
10. Deduct current year's other than temporary impairment recognized .....	0	0
11. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5+6-7-8+9-10) .....	29,568,173	22,454,499
12. Deduct total nonadmitted amounts .....	0	0
13. Statement value at end of current period (Line 11 minus Line 12)	29,568,173	22,454,499

**SCHEDULE D - VERIFICATION**

Bonds and Stocks

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year .....	1,067,029,634	929,749,601
2. Cost of bonds and stocks acquired .....	114,316,958	152,117,298
3. Accrual of discount .....	11,112,798	14,267,367
4. Unrealized valuation increase (decrease) .....	105,191	89,605
5. Total gain (loss) on disposals .....	314,295	1,118,096
6. Deduct consideration for bonds and stocks disposed of .....	11,177,041	28,996,559
7. Deduct amortization of premium .....	1,089,450	1,070,482
8. Total foreign exchange change in book/adjusted carrying value .....	0	0
9. Deduct current year's other than temporary impairment recognized .....	0	245,292
10. Total investment income recognized as a result of prepayment penalties and/or acceleration fees .....	35,200	0
11. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9+10) .....	1,180,647,585	1,067,029,634
12. Deduct total nonadmitted amounts .....	0	0
13. Statement value at end of current period (Line 11 minus Line 12)	1,180,647,585	1,067,029,634

STATEMENT AS OF SEPTEMBER 30, 2018 OF THE Family Heritage Life Insurance Company of America

**SCHEDULE D - PART 1B**

Showing the Acquisitions, Dispositions and Non-Trading Activity  
During the Current Quarter for all Bonds and Preferred Stock by NAIC Designation

NAIC Designation	1 Book/Adjusted Carrying Value Beginning of Current Quarter	2 Acquisitions During Current Quarter	3 Dispositions During Current Quarter	4 Non-Trading Activity During Current Quarter	5 Book/Adjusted Carrying Value End of First Quarter	6 Book/Adjusted Carrying Value End of Second Quarter	7 Book/Adjusted Carrying Value End of Third Quarter	8 Book/Adjusted Carrying Value December 31 Prior Year
<b>BONDS</b>								
1. NAIC 1 (a) .....	613,504,054	4,968,327	130,000	5,117,905	599,807,843	613,504,054	623,460,286	568,828,004
2. NAIC 2 (a) .....	523,363,136	26,429,340	2,184,340	(1,740,564)	510,730,606	523,363,136	545,867,572	482,709,105
3. NAIC 3 (a) .....	5,764,215			158	6,364,057	5,764,215	5,764,373	8,599,839
4. NAIC 4 (a) .....	5,251,157			(1,483)	5,252,628	5,251,157	5,249,674	2,026,153
5. NAIC 5 (a) .....	0				0	0	0	4,666,043
6. NAIC 6 (a) .....	305,680				305,453	305,680	305,680	200,490
7. Total Bonds	1,148,188,242	31,397,667	2,314,340	3,376,016	1,122,460,587	1,148,188,242	1,180,647,585	1,067,029,634
<b>PREFERRED STOCK</b>								
8. NAIC 1 .....	0				0	0	0	0
9. NAIC 2 .....	0				0	0	0	0
10. NAIC 3 .....	0				0	0	0	0
11. NAIC 4 .....	0				0	0	0	0
12. NAIC 5 .....	0				0	0	0	0
13. NAIC 6 .....	0				0	0	0	0
14. Total Preferred Stock	0	0	0	0	0	0	0	0
15. Total Bonds and Preferred Stock	1,148,188,242	31,397,667	2,314,340	3,376,016	1,122,460,587	1,148,188,242	1,180,647,585	1,067,029,634

(a) Book/Adjusted Carrying Value column for the end of the current reporting period includes the following amount of short-term and cash equivalent bonds by NAIC designation:

NAIC 1 \$ ..... ; NAIC 2 \$ ..... ; NAIC 3 \$ ..... NAIC 4 \$ ..... ; NAIC 5 \$ ..... ; NAIC 6 \$ .....

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### SCHEDULE DA - PART 1

Short-Term Investments

	1	2	3	4	5
	Book/Adjusted Carrying Value	Par Value	Cost	Interest Collected Year-to-Date	Paid for Accrued Interest Year-to-Date
9199999 Totals					

**NONE**

### SCHEDULE DA - VERIFICATION

Short-Term Investments

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year .....	0	4,946,286
2. Cost of short-term investments acquired .....	0	0
3. Accrual of discount .....	0	0
4. Unrealized valuation increase (decrease) .....	0	0
5. Total gain (loss) on disposals .....	0	0
6. Deduct consideration received on disposals .....	0	4,946,286
7. Deduct amortization of premium .....	0	0
8. Total foreign exchange change in book/adjusted carrying value .....	0	0
9. Deduct current year's other than temporary impairment recognized .....	0	0
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9) .....	0	0
11. Deduct total nonadmitted amounts .....	0	0
12. Statement value at end of current period (Line 10 minus Line 11)	0	0

Schedule DB - Part A - Verification - Options, Caps, Floors, Collars, Swaps and Forwards

**N O N E**

Schedule DB - Part B - Verification - Futures Contracts

**N O N E**

Schedule DB - Part C - Section 1 - Replication (Synthetic Asset) Transactions (RSATs) Open

**N O N E**

Schedule DB-Part C-Section 2-Reconciliation of Replication (Synthetic Asset) Transactions Open

**N O N E**

Schedule DB - Verification - Book/Adjusted Carrying Value, Fair Value and Potential Exposure of  
Derivatives

**N O N E**

**SCHEDULE E - PART 2 - VERIFICATION**

(Cash Equivalents)

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year .....	12,590,649	2,501,933
2. Cost of cash equivalents acquired .....		10,088,716
3. Accrual of discount .....		0
4. Unrealized valuation increase (decrease) .....		0
5. Total gain (loss) on disposals .....		0
6. Deduct consideration received on disposals .....	4,090,510	0
7. Deduct amortization of premium .....		0
8. Total foreign exchange change in book/adjusted carrying value .....		0
9. Deduct current year's other than temporary impairment recognized .....		0
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9) .....	8,500,139	12,590,649
11. Deduct total nonadmitted amounts .....		0
12. Statement value at end of current period (Line 10 minus Line 11)	8,500,139	12,590,649

Schedule A - Part 2 - Real Estate Acquired and Additions Made

**NONE**

Schedule A - Part 3 - Real Estate Disposed

**NONE**

STATEMENT AS OF SEPTEMBER 30, 2018 OF THE Family Heritage Life Insurance Company of America

**SCHEDULE B - PART 2**

Showing All Mortgage Loans ACQUIRED AND ADDITIONS MADE During the Current Quarter

1 Loan Number	2 Location		3 State	4 Loan Type	5 Date Acquired	6 Rate of Interest	7 Actual Cost at Time of Acquisition	8 Additional Investment Made After Acquisition	9 Value of Land and Buildings
	City								
011161850	BROOKLYN		NY		02/14/2018	6.409	0	33,516	7,360,000
0599999. Mortgages in good standing - Commercial mortgages-all other							0	33,516	7,360,000
0899999. Total Mortgages in good standing							0	33,516	7,360,000
1699999. Total - Restructured Mortgages							0	0	0
2499999. Total - Mortgages with overdue interest over 90 days							0	0	0
3299999. Total - Mortgages in the process of foreclosure							0	0	0
3399999 - Totals							0	33,516	7,360,000

**SCHEDULE B - PART 3**

Showing All Mortgage Loans DISPOSED, Transferred or Repaid During the Current Quarter

1 Loan Number	2 Location		4 Loan Type	5 Date Acquired	6 Disposal Date	7 Book Value/Recorded Investment Excluding Accrued Interest Prior Year	8 Change in Book Value/Recorded Investment						14 Book Value/Recorded Investment Excluding Accrued Interest on Disposal	15 Consid-eration	16 Foreign Exchange Gain (Loss) on Disposal	17 Realized Gain (Loss) on Disposal	18 Total Gain (Loss) on Disposal
	City	State					8 Unrealized Valuation Increase (Decrease)	9 Current Year's (Amortization) /Accretion	10 Current Year's Other Than Temporary Impairment Recognized	11 Capitalized Deferred Interest and Other	12 Total Change in Book Value (8+9-10+11)	13 Total Foreign Exchange Change in Book Value					
<b>NONE</b>																	
0599999 - Totals																	

STATEMENT AS OF SEPTEMBER 30, 2018 OF THE Family Heritage Life Insurance Company of America

**SCHEDULE BA - PART 2**

Showing Other Long-Term Invested Assets ACQUIRED AND ADDITIONS MADE During the Current Quarter

1 CUSIP Identification	2 Name or Description	Location		5 Name of Vendor or General Partner	6 NAIC Designation	7 Date Originally Acquired	8 Type and Strategy	9 Actual Cost at Time of Acquisition	10 Additional Investment Made After Acquisition	11 Amount of Encumbrances	12 Commitment for Additional Investment	13 Percentage of Ownership
		3 City	4 State									
636792-AB-9	NATL LIFE INSURANCE-VRMT SBRD 144A	MONTPELIER	VT	CREDIT SUISSE SECURITIES LLC	.IFE	07/19/2018		5,000,000				
2399999. Surplus Debentures, etc - Unaffiliated								5,000,000	0	0	0	XXX
	WNC Institutional Tax Credit Fund 45, L.P.			WNC Managing Partners 45, LLC		08/15/2018		2,145,309				13.400
3399999. Non-Guaranteed Federal Low Income Housing Tax Credit - Unaffiliated								2,145,309	0	0	0	XXX
4499999. Total - Unaffiliated								7,145,309	0	0	0	XXX
4599999. Total - Affiliated								0	0	0	0	XXX
4699999 - Totals								7,145,309	0	0	0	XXX

**SCHEDULE BA - PART 3**

Showing Other Long-Term Invested Assets DISPOSED, Transferred or Repaid During the Current Quarter

1 CUSIP Identification	2 Name or Description	Location		5 Name of Purchaser or Nature of Disposal	6 Date Originally Acquired	7 Disposal Date	8 Book/ Adjusted Carrying Value Less Encum- brances, Prior Year	Change in Book/Adjusted Carrying Value						15 Book/ Adjusted Carrying Value Less Encum- brances on Disposal	16 Consid- eration	17 Foreign Exchange Gain (Loss) on Disposal	18 Realized Gain (Loss) on Disposal	19 Total Gain (Loss) on Disposal	20 Invest- ment Income
		3 City	4 State					9 Unrealized Valuation Increase (De- crease)	10 Current Year's (Depre- ciation) or (Amorti- zation)/ Accretion	11 Current Year's Other Than Temporary Impair- ment Recogn- ized	12 Capital- ized Deferred Interest and Other	13 Total Change in Book/ Adjusted Carrying Value (9+10- 11+12)	14 Total Foreign Exchange Change in Book/ Adjusted Carrying Value						
<b>NONE</b>																			
4699999 - Totals																			

STATEMENT AS OF SEPTEMBER 30, 2018 OF THE Family Heritage Life Insurance Company of America

**SCHEDULE D - PART 3**

Show All Long-Term Bonds and Stock Acquired During the Current Quarter

1 CUSIP Identification	2 Description	3 Foreign	4 Date Acquired	5 Name of Vendor	6 Number of Shares of Stock	7 Actual Cost	8 Par Value	9 Paid for Accrued Interest and Dividends	10 NAIC Desig- nation or Market Indicator (a)
145232-FM-1	CARROLL TX INDEPENDENT SCHOOL DIST GO		09/11/2018	HILLTOP SECURITIES INC		965,820	1,000,000	0	1FE
<b>2499999. Subtotal - Bonds - U.S. Political Subdivisions of States, Territories and Possessions</b>						965,820	1,000,000	0	XXX
199122-FG-2	COLUMBUS GA HOSP AUTH SER B		08/03/2018	SAMUEL A RAMIREZ & COMPANY INC		1,471,387	1,595,000	5,382	1FE
771902-HF-3	ROCHESTER MN HLTH CARE FACS REV		09/19/2018	BANK OF AMERICA MERRILL LYNCH		1,000,760	1,000,000	0	1FE
<b>3199999. Subtotal - Bonds - U.S. Special Revenues</b>						2,472,147	2,595,000	5,382	XXX
00507V-AN-9	ACTIVISION BLIZZARD INC SR UNSCD		07/26/2018	MORGAN STANLEY & CO LLC		1,962,480	2,000,000	11,250	2FE
134429-AZ-2	CAMPBELL SOUP CO SR UNSCD		08/30/2018	SEAPORT GROUP SECURITIES LLC		3,938,350	5,000,000	16,889	2FE
14314C-AA-3	CARLYLE FINANCE LLC SR UNSCD 144A		09/14/2018	JP MORGAN SECURITIES LLC		1,998,280	2,000,000	0	2FE
30306V-AA-7	FLNG LIQUEFACTION 3 LLC SR SCD -P		07/03/2018	BLACKROCK		3,000,000	3,000,000	0	2FE
548661-CP-0	LOWE'S COMPANIES INC SR UNSCD		07/09/2018	SUSQUEHANNA FINANCIAL GROUP LLP		1,530,360	1,210,000	25,928	1FE
03835V-AF-3	APTIV PLC SR UNSCD	D	08/01/2018	JP MORGAN SECURITIES LLC		4,483,700	5,000,000	74,556	2FE
80007R-AC-9	SANDS CHINA LTD SR UNSCD 144A	D	08/09/2018	GOLDMAN SACHS & CO		2,997,390	3,000,000	0	2FE
91311Q-AC-9	UNITED UTILITIES PLC SR UNSCD	D	08/31/2018	VARIOUS		5,849,140	4,945,000	17,457	2FE
<b>3899999. Subtotal - Bonds - Industrial and Miscellaneous (Unaffiliated)</b>						25,759,700	26,155,000	146,080	XXX
638612-AJ-0	NATIONWIDE FINL SVCS JR SUB		09/07/2018	JANNEY MONTGOMERY SCOTT INC		2,200,000	2,000,000	43,500	2FE
<b>4899999. Subtotal - Bonds - Hybrid Securities</b>						2,200,000	2,000,000	43,500	XXX
<b>8399997. Total - Bonds - Part 3</b>						31,397,667	31,750,000	194,962	XXX
<b>8399998. Total - Bonds - Part 5</b>						XXX	XXX	XXX	XXX
<b>8399999. Total - Bonds</b>						31,397,667	31,750,000	194,962	XXX
<b>8999997. Total - Preferred Stocks - Part 3</b>						0	XXX	0	XXX
<b>8999998. Total - Preferred Stocks - Part 5</b>						XXX	XXX	XXX	XXX
<b>8999999. Total - Preferred Stocks</b>						0	XXX	0	XXX
<b>9799997. Total - Common Stocks - Part 3</b>						0	XXX	0	XXX
<b>9799998. Total - Common Stocks - Part 5</b>						XXX	XXX	XXX	XXX
<b>9799999. Total - Common Stocks</b>						0	XXX	0	XXX
<b>9899999. Total - Preferred and Common Stocks</b>						0	XXX	0	XXX
<b>9999999 - Totals</b>						31,397,667	XXX	194,962	XXX

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues .....

STATEMENT AS OF SEPTEMBER 30, 2018 OF THE Family Heritage Life Insurance Company of America

**SCHEDULE D - PART 4**

Show All Long-Term Bonds and Stock Sold, Redeemed or Otherwise Disposed of During the Current Quarter

1	2	3	4	5	6	7	8	9	10	Change In Book/Adjusted Carrying Value					16	17	18	19	20	21	22	
										11	12	13	14	15								
CUSIP Identification	Description	Foreign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase/(Decrease)	Current Year's (Amortization)/Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in Book/Adjusted Carrying Value (11 + 12 - 13)	Total Foreign Exchange Change in Book /Adjusted Carrying Value	Book/Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/Stock Dividends Received During Year	Stated Contractual Maturity Date	NAIC Designation or Market Indicator (a)	
649883-TM-7	NEW YORK STATE MTG AGY (TAXABLE)		08/30/2018	CALL at 100.000		120,000	120,000	121,850	120,835	0	(835)	0	(835)	0	120,000	0	0	0	4,609	10/01/2027	1FE	
658207-PA-7	NORTH CAROLINA HOUSING FIN AGY (TAXABLE)		09/04/2018	CALL at 100.000		10,000	10,000	10,010	10,000	0	0	0	0	0	10,000	0	0	0	486	01/01/2029	1FE	
3199999	Subtotal - Bonds - U.S. Special Revenues					130,000	130,000	131,860	130,835	0	(835)	0	(835)	0	130,000	0	0	0	5,095	XXX	XXX	
07177M-AN-3	BAXALTA INC SR UNSCD		09/11/2018	TENDER SINKING FUND REDEMPTION		1,633,901	1,496,000	1,599,209	1,596,291	0	(1,296)	0	(1,296)	0	1,594,996	0	38,906	38,906	95,555	06/23/2045	2FE	
12803P-AB-4	CAJUN GLOBAL LLC SER 2017-1A CLS A2 144A		08/20/2018			22,500	22,500	22,326	22,405	0	96	0	96	0	22,500	0	0	0	1,097	08/20/2047	2AM	
19260M-AA-4	COINSTAR FUNDING LLC SER 2017-1A A2 144A		07/25/2018	VARIOUS SINKING FUND REDEMPTION		5,000	5,000	5,000	5,000	0	0	0	0	0	5,000	0	0	0	196	04/25/2047	2AM	
233046-AF-8	DB MASTER FIN LLC 2017-1A CLS A211 SR SC		08/20/2018			2,500	2,500	2,500	2,500	0	0	0	0	0	2,500	0	0	0	83	11/20/2047	2AM	
26208L-AB-4	DRIVEN BRANDS FDG SER 16-1A CL A2 144A		07/20/2018	SINKING FUND REDEMPTION		5,000	5,000	4,981	4,982	0	17	0	17	0	5,000	0	0	0	230	07/20/2046	2AM	
26860#-AA-8	EIF P10 P100 LLC SR SCD -P		06/30/2018			11,816	11,816	11,816	11,816	0	0	0	0	0	11,816	0	0	0	493	12/31/2041	2FE	
34417M-AB-3	FOCUS BRANDS FDG SER 2017-1A A211 144A		07/30/2018	VARIOUS		2,500	2,500	2,500	2,500	0	0	0	0	0	2,500	0	0	0	95	04/30/2047	2AM	
41810*-AB-0	HANNON ARMSTRONG SUS YLD 15-1B SUBRD- P		07/20/2018	VARIOUS		41,156	41,156	41,156	41,156	0	0	0	0	0	41,156	0	0	0	1,670	04/20/2034	2AM	
47760Q-AB-9	JIMMY JOHNS FDG LLC SER2017-1A CLS A211		07/30/2018	VARIOUS SINKING FUND REDEMPTION		5,000	5,000	5,000	5,000	0	0	0	0	0	5,000	0	0	0	182	07/30/2047	2AM	
724060-AA-6	PIPELINE FDG CO LLC SR SCD 144A		07/15/2018	SINKING FUND REDEMPTION		32,802	32,802	40,645	33,103	0	(301)	0	(301)	0	32,801	0	0	0	2,460	01/15/2030	2FE	
83546D-AD-0	SONIC 2016-1A CLASS A2 SR SECD 144A		09/20/2018			17,500	17,500	17,500	17,500	0	0	0	0	0	17,500	0	0	0	523	05/20/2046	2AM	
87244B-AA-6	TGIF FDG SER 17-1A CL A2 SR SECD 144A		07/30/2018	VARIOUS SINKING FUND REDEMPTION		15,000	15,000	15,000	15,000	0	0	0	0	0	15,000	0	0	0	698	04/30/2047	2AM	
C1465*-AK-9	CGI GROUP INC SR NOTE-P	A	09/12/2018			428,571	428,571	428,571	428,571	0	0	0	0	0	428,571	0	0	0	16,029	09/12/2024	2	
3899999	Subtotal - Bonds - Industrial and Miscellaneous (Unaffiliated)					2,223,246	2,085,345	2,196,204	2,185,824	0	(1,484)	0	(1,484)	0	2,184,340	0	38,906	38,906	119,311	XXX	XXX	
8399997	Total - Bonds - Part 4					2,353,246	2,215,345	2,328,064	2,316,659	0	(2,319)	0	(2,319)	0	2,314,340	0	38,906	38,906	124,406	XXX	XXX	
8399998	Total - Bonds - Part 5					XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
8399999	Total - Bonds					2,353,246	2,215,345	2,328,064	2,316,659	0	(2,319)	0	(2,319)	0	2,314,340	0	38,906	38,906	124,406	XXX	XXX	
8999997	Total - Preferred Stocks - Part 4					0	XXX	0	0	0	0	0	0	0	0	0	0	0	0	0	XXX	XXX
8999998	Total - Preferred Stocks - Part 5					XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
8999999	Total - Preferred Stocks					0	XXX	0	0	0	0	0	0	0	0	0	0	0	0	0	XXX	XXX
9799997	Total - Common Stocks - Part 4					0	XXX	0	0	0	0	0	0	0	0	0	0	0	0	0	XXX	XXX
9799998	Total - Common Stocks - Part 5					XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
9799999	Total - Common Stocks					0	XXX	0	0	0	0	0	0	0	0	0	0	0	0	0	XXX	XXX
9899999	Total - Preferred and Common Stocks					0	XXX	0	0	0	0	0	0	0	0	0	0	0	0	0	XXX	XXX
9999999	Totals					2,353,246	XXX	2,328,064	2,316,659	0	(2,319)	0	(2,319)	0	2,314,340	0	38,906	38,906	124,406	XXX	XXX	

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues.....

Schedule DB - Part A - Section 1 - Options, Caps, Floors, Collars, Swaps and Forwards Open

**NONE**

Schedule DB - Part B - Section 1 - Futures Contracts Open

**NONE**

Schedule DB - Part B - Section 1B - Brokers with whom cash deposits have been made

**NONE**

Schedule DB - Part D - Section 1 - Counterparty Exposure for Derivative Instruments Open

**NONE**

Schedule DB - Part D-Section 2 - Collateral for Derivative Instruments Open - Pledged By

**NONE**

Schedule DB - Part D-Section 2 - Collateral for Derivative Instruments Open - Pledged To

**NONE**

Schedule DL - Part 1 - Reinvested Collateral Assets Owned

**NONE**

Schedule DL - Part 2 - Reinvested Collateral Assets Owned

**NONE**



