



ANNUAL STATEMENT

For the Year Ended December 31, 2018

of the Condition and Affairs of the

Consumers Life Insurance Company

NAIC Group Code.....	730, 730	NAIC Company Code.....	62375	Employer's ID Number.....	21-0706531
	(Current Period) (Prior Period)				
Organized under the Laws of OH		State of Domicile or Port of Entry	OH	Country of Domicile	US
Incorporated/Organized.....	October 3, 1955	Commenced Business.....	October 3, 1955		
Statutory Home Office		2060 East Ninth Street .. Cleveland .. OH .. US .. 44115-1355			216-687-7000
		(Street and Number) (City or Town, State, Country and Zip Code)			(Area Code) (Telephone Number)
Main Administrative Office		2060 East Ninth Street .. Cleveland .. OH .. US .. 44115-1355			216-687-7000
		(Street and Number) (City or Town, State, Country and Zip Code)			(Area Code) (Telephone Number)
Mail Address		2060 East Ninth Street .. Cleveland .. OH .. US .. 44115-1355			216-687-7000
		(Street and Number or P. O. Box) (City or Town, State, Country and Zip Code)			(Area Code) (Telephone Number)
Primary Location of Books and Records		2060 East Ninth Street .. Cleveland .. OH .. US .. 44115-1355			216-687-7000
		(Street and Number) (City or Town, State, Country and Zip Code)			(Area Code) (Telephone Number)
Internet Web Site Address		www.ConsumersLife.com			216-687-6049
Statutory Statement Contact		Sharon Matonis			216-360-4073
		(Name)			(Fax Number)
		Sharon.Matonis@medmutual.com			
		(E-Mail Address)			

OFFICERS

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

OTHER

DIRECTORS OR TRUSTEES		
James Charles Cellura	Richard Alan Chircosta	Andrea Marie Hogben
Raymond Karl Mueller		Steffany Matticola Larkins

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

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

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

Subscribed and sworn to before me
This _____ day of _____ 2019

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

Yes [X] No []

Consumers Life Insurance Company

ASSETS

	Current Year			Prior Year
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	4 Net Admitted Assets
1. Bonds (Schedule D).....	27,844,448		27,844,448	22,993,635
2. Stocks (Schedule D):				
2.1 Preferred stocks.....			0	
2.2 Common stocks.....			0	
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens.....			0	
3.2 Other than first liens.....			0	
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$.....0 encumbrances).....			0	
4.2 Properties held for the production of income (less \$.....0 encumbrances).....			0	
4.3 Properties held for sale (less \$.....0 encumbrances).....			0	
5. Cash (\$....681,631, Schedule E-Part 1), cash equivalents (\$....12,866,978, Schedule E-Part 2) and short-term investments (\$.....0, Schedule DA).....	13,548,609		13,548,609	16,899,114
6. Contract loans (including \$.....0 premium notes).....			0	
7. Derivatives (Schedule DB).....			0	
8. Other invested assets (Schedule BA).....			0	
9. Receivables for securities.....			0	
10. Securities lending reinvested collateral assets (Schedule DL).....			0	
11. Aggregate write-ins for invested assets.....	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11).....	41,393,057	0	41,393,057	39,892,749
13. Title plants less \$.....0 charged off (for Title insurers only).....			0	
14. Investment income due and accrued.....	157,554		157,554	101,033
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection.....	774,324		774,324	2,215,646
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$.....0 earned but unbilled premiums).....			0	
15.3 Accrued retrospective premiums (\$.....0) and contracts subject to redetermination (\$.....0).....			0	
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers.....	259,129		259,129	209,565
16.2 Funds held by or deposited with reinsured companies.....			0	
16.3 Other amounts receivable under reinsurance contracts.....			0	
17. Amounts receivable relating to uninsured plans.....	35,417		35,417	50,526
18.1 Current federal and foreign income tax recoverable and interest thereon.....			0	
18.2 Net deferred tax asset.....	1,138,094		1,138,094	1,133,977
19. Guaranty funds receivable or on deposit.....	17,596		17,596	23,069
20. Electronic data processing equipment and software.....			0	
21. Furniture and equipment, including health care delivery assets (\$.....0).....			0	
22. Net adjustment in assets and liabilities due to foreign exchange rates.....			0	
23. Receivables from parent, subsidiaries and affiliates.....	1,075,074		1,075,074	779,003
24. Health care (\$.....0) and other amounts receivable.....			0	536,000
25. Aggregate write-ins for other-than-invested assets.....	61,453	46,811	14,642	1,295
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25).....	44,911,698	46,811	44,864,887	44,942,863
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			0	
28. TOTAL (Lines 26 and 27).....	44,911,698	46,811	44,864,887	44,942,863

DETAILS OF WRITE-INS

1101.....			0	
1102.....			0	
1103.....			0	
1198. Summary of remaining write-ins for Line 11 from overflow page.....	0	0	0	0
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above).....	0	0	0	0
2501. Prepaid Assets.....	32,857	32,857	0	
2502. Other Receivables.....	13,954	13,954	0	1,295
2503. Other Assets.....	14,642		14,642	
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).....	61,453	46,811	14,642	1,295

Consumers Life Insurance Company

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Year	2 Prior Year
1. Aggregate reserve for life contracts \$....981,000 (Exhibit 5, Line 9999999) less \$.....0 included in Line 6.3 (including \$.....0 Modco Reserve).....	981,000	1,009,000
2. Aggregate reserve for accident and health contracts (including \$.....0 Modco Reserve).....	470,000	3,117,000
3. Liability for deposit-type contracts (Exhibit 7, Line 14, Col. 1) (including \$.....0 Modco Reserve).....		
4. Contract claims:		
4.1 Life (Exhibit 8, Part 1, Line 4.4, Col. 1 less sum of Cols. 9, 10 and 11).....	4,772,961	3,687,961
4.2 Accident and health (Exhibit 8, Part 1, Line 4.4, sum of Cols. 9, 10 and 11).....	580,000	2,066,736
5. Policyholders' dividends \$.....0 and coupons \$.....0 due and unpaid (Exhibit 4, Line 10).....		
6. Provision for policyholders' dividends and coupons payable in following calendar year - estimated amounts:		
6.1 Dividends apportioned for payment (including \$.....0 Modco).....		
6.2 Dividends not yet apportioned (including \$.....0 Modco).....		
6.3 Coupons and similar benefits (including \$.....0 Modco).....		
7. Amount provisionally held for deferred dividend policies not included in Line 6.....		
8. Premiums and annuity considerations for life and accident and health contracts received in advance less \$.....0 discount; including \$....106,868 accident and health premiums (Exhibit 1, Part 1, Col. 1, sum of Lines 4 and 14).....	405,528	556,153
9. Contract liabilities not included elsewhere:		
9.1 Surrender values on canceled contracts.....		
9.2 Provision for experience rating refunds, including the liability of \$.....0 accident and health experience rating refunds of which \$.....0 is for medical loss ratio rebate per the Public Health Service Act.....	3,270,188	3,558,530
9.3 Other amounts payable on reinsurance, including \$.....0 assumed and \$....416,000 ceded.....	416,000	397,000
9.4 Interest Maintenance Reserve (IMR, Line 6).....	14,467	21,565
10. Commissions to agents due or accrued - life and annuity contracts \$....125,487, accident and health \$....29,440 and deposit-type contract funds \$.....0.....	154,927	268,100
11. Commissions and expense allowances payable on reinsurance assumed.....		
12. General expenses due or accrued (Exhibit 2, Line 12, Col. 6).....	333,388	372,318
13. Transfers to Separate Accounts due or accrued (net) (including \$.....0 accrued for expense allowances recognized in reserves, net of reinsured allowances).....		
14. Taxes, licenses and fees due or accrued, excluding federal income taxes (Exhibit 3, Line 9, Col. 5).....	481,013	799,530
15.1 Current federal and foreign income taxes, including \$.....0 on realized capital gains (losses).....	956,131	1,090,294
15.2 Net deferred tax liability.....		
16. Unearned investment income.....		
17. Amounts withheld or retained by company as agent or trustee.....		
18. Amounts held for agents' account, including \$.....0 agents' credit balances.....		
19. Remittances and items not allocated.....		
20. Net adjustment in assets and liabilities due to foreign exchange rates.....		
21. Liability for benefits for employees and agents if not included above.....		
22. Borrowed money \$.....0 and interest thereon \$.....0.....		
23. Dividends to stockholders declared and unpaid.....		
24. Miscellaneous liabilities:		
24.01 Asset valuation reserve (AVR Line 16, Col. 7).....	49,105	47,253
24.02 Reinsurance in unauthorized and certified (\$.....0) companies.....		
24.03 Funds held under reinsurance treaties with unauthorized and certified (\$.....0) reinsurers.....		
24.04 Payable to parent, subsidiaries and affiliates.....		
24.05 Drafts outstanding.....		
24.06 Liability for amounts held under uninsured plans.....	18,900	18,900
24.07 Funds held under coinsurance.....		
24.08 Derivatives.....		
24.09 Payable for securities.....		
24.10 Payable for securities lending.....		
24.11 Capital notes \$.....0 and interest thereon \$.....0.....		
25. Aggregate write-ins for liabilities.....	190,692	292,852
26. Total liabilities excluding Separate Accounts business (Lines 1 to 25).....	13,094,300	17,303,192
27. From Separate Accounts Statement.....		
28. Total liabilities (Line 26 and 27).....	13,094,300	17,303,192
29. Common capital stock.....	1,600,000	1,600,000
30. Preferred capital stock.....	0	0
31. Aggregate write-ins for other-than-special surplus funds.....	0	0
32. Surplus notes.....		
33. Gross paid in and contributed surplus (Page 3, Line 33, Col. 2 plus Page 4, Line 51.1, Col. 1).....	36,633,368	36,633,368
34. Aggregate write-ins for special surplus funds.....	0	6,000
35. Unassigned funds (surplus).....	(6,462,781)	(10,599,697)
36. Less treasury stock, at cost:		
36.1 ....0.000 shares common (value included in Line 29 \$.....0).....		
36.2 ....0.000 shares preferred (value included in Line 30 \$.....0).....		
37. Surplus (Total Lines 31 + 32 + 33 + 34 + 35 - 36) (including \$.....0 in Separate Accounts Statement).....	30,170,587	26,039,671
38. Totals of Lines 29, 30 and 37 (Page 4, Line 55).....	31,770,587	27,639,671
39. Totals of Lines 28 and 38 (Page 2, Line 28, Col. 3).....	44,864,887	44,942,863

DETAILS OF WRITE-INS

2501. Unclaimed Funds and Other Liabilities.....	190,692	292,852
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).....	190,692	292,852
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. Estimated 2018 Health Insurance Fee.....		6,000
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	6,000

Consumers Life Insurance Company

SUMMARY OF OPERATIONS

	1 Current Year	2 Prior Year
1. Premiums and annuity considerations for life and accident and health contracts (Exhibit 1, Part 1, Line 20.4, Col. 1, less Col. 11)	.27,204,839	47,269,729
2. Considerations for supplementary contracts with life contingencies.....	.619,541	.365,115
3. Net investment income (Exhibit of Net Investment Income, Line 17).....	7,098	6,954
4. Amortization of Interest Maintenance Reserve (IMR) (Line 5).....		
5. Separate Accounts net gain from operations excluding unrealized gains or losses.....		
6. Commissions and expense allowances on reinsurance ceded (Exhibit 1, Part 2, Line 26.1, Col. 1).....		
7. Reserve adjustments on reinsurance ceded.....		
8. Miscellaneous Income:		
8.1 Income from fees associated with investment management, administration and contract guarantees from Separate Accounts		
8.2 Charges and fees for deposit-type contracts.....		
8.3 Aggregate write-ins for miscellaneous income.....	.0	12,616
9. Totals (Lines 1 to 8.3).....	.27,831,478	47,654,414
10. Death benefits.....	.16,209,424	16,038,695
11. Matured endowments (excluding guaranteed annual pure endowments).....		
12. Annuity benefits (Exhibit 8, Part 2, Line 6.4, Cols. 4 + 8).....		
13. Disability benefits and benefits under accident and health contracts.....	.2,532,499	19,081,711
14. Coupons, guaranteed annual pure endowments and similar benefits.....		
15. Surrender benefits and withdrawals for life contracts.....		
16. Group conversions.....		
17. Interest and adjustments on contract or deposit-type contract funds.....		
18. Payments on supplementary contracts with life contingencies.....		
19. Increase in aggregate reserves for life and accident and health contracts.....	(360,000)	(1,696,000)
20. Totals (Lines 10 to 19).....	.18,381,923	33,424,406
21. Commissions on premiums, annuity considerations and deposit-type contract funds (direct business only) (Exhibit 1, Part 2, Line 31, Col. 1).....	.1,744,626	2,499,114
22. Commissions and expense allowances on reinsurance assumed (Exhibit 1, Part 2, Line 26.2, Col. 1).....		
23. General insurance expenses (Exhibit 2, Line 10, Columns 1, 2, 3 and 4).....	.2,261,797	4,423,267
24. Insurance taxes, licenses and fees, excluding federal income taxes (Exhibit 3, Line 7, Cols. 1 + 2 + 3).....	.628,044	1,228,821
25. Increase in loading on deferred and uncollected premiums.....		
26. Net transfers to or (from) Separate Accounts net of reinsurance.....		
27. Aggregate write-ins for deductions.....	.53,807	111,881
28. Totals (Lines 20 to 27).....	.23,070,197	41,687,489
29. Net gain from operations before dividends to policyholders and federal income taxes (Line 9 minus Line 28).....	.4,761,281	5,966,925
30. Dividends to policyholders.....		
31. Net gain from operations after dividends to policyholders and before federal income taxes (Line 29 minus Line 30).....	.4,761,281	5,966,925
32. Federal and foreign income taxes incurred (excluding tax on capital gains).....	.838,481	1,099,187
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).....	.3,922,800	4,867,738
34. Net realized capital gains (losses) (excluding gains (losses) transferred to the IMR) less capital gains tax of \$.....0 (excluding taxes of \$.....0 transferred to the IMR).....		
35. Net income (Line 33 plus Line 34).....	.3,922,800	4,867,738
CAPITAL AND SURPLUS ACCOUNT		
36. Capital and surplus, December 31, prior year (Page 3, Line 38, Col. 2).....	.27,639,671	23,296,096
37. Net income (Line 35).....	.3,922,800	4,867,738
38. Change in net unrealized capital gains (losses) less capital gains tax of \$.....0.....		
39. Change in net unrealized foreign exchange capital gain (loss)		
40. Change in net deferred income tax.....	.4,118	(332,771)
41. Change in nonadmitted assets.....	.205,850	(186,236)
42. Change in liability for reinsurance in unauthorized and certified companies.....		
43. Change in reserve on account of change in valuation basis, (increase) or decrease.....		
44. Change in asset valuation reserve	(1,852)	(5,156)
45. Change in treasury stock, (Page 3, Lines 36.1 and 36.2 Col. 2 minus Col. 1).....		
46. Surplus (contributed to) withdrawn from Separate Accounts during period.....		
47. Other changes in surplus in Separate Accounts Statement.....		
48. Change in surplus notes.....		
49. Cumulative effect of changes in accounting principles.....		
50. Capital changes:		
50.1 Paid in.....		
50.2 Transferred from surplus (Stock Dividend).....		
50.3 Transferred to surplus.....		
51. Surplus adjustment:		
51.1 Paid in.....		
51.2 Transferred to capital (Stock Dividend).....		
51.3 Transferred from capital.....		
51.4 Change in surplus as a result of reinsurance.....		
52. Dividends to stockholders.....		
53. Aggregate write-ins for gains and losses in surplus.....	.0	.0
54. Net change in capital and surplus for the year (Lines 37 through 53).....	.4,130,916	4,343,575
55. Capital and surplus, December 31, current year (Lines 36 + 54) (Page 3, Line 38).....	.31,770,587	27,639,671

DETAILS OF WRITE-INS

08.301. Other Income.....		12,616
08.302.		
08.303.		
08.398. Summary of remaining write-ins for Line 8.3 from overflow page.....	.0	.0
08.399. Totals (Lines 08.301 through 08.303 plus 08.398) (Line 8.3 above).....	.0	12,616
2701. Other Expense.....	.53,807	111,881
2702.		
2703.		
2798. Summary of remaining write-ins for Line 27 from overflow page.....	.0	.0
2799. Totals (Lines 2701 through 2703 plus 2798) (Line 27 above).....	.53,807	111,881
5301.		
5302.		
5303.		
5398. Summary of remaining write-ins for Line 53 from overflow page.....	.0	.0
5399. Totals (Lines 5301 through 5303 plus 5398) (Line 53 above).....	.0	.0

Consumers Life Insurance Company

CASH FLOW

	1 Current Year	2 Prior Year
CASH FROM OPERATIONS		
1. Premiums collected net of reinsurance.....	25,911,194	46,585,545
2. Net investment income.....	625,835	474,355
3. Miscellaneous income.....		12,616
4. Total (Lines 1 through 3).....	26,537,029	47,072,516
5. Benefit and loss related payments.....	18,455,476	33,304,268
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts.....		
7. Commissions, expenses paid and aggregate write-ins for deductions.....	5,238,752	7,763,453
8. Dividends paid to policyholders.....		
9. Federal and foreign income taxes paid (recovered) net of \$.....0 tax on capital gains (losses).....		
10. Total (Lines 5 through 9).....	23,694,228	41,067,721
11. Net cash from operations (Line 4 minus Line 10).....	2,842,801	6,004,795
CASH FROM INVESTMENTS		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds.....	2,500,000	2,000,000
12.2 Stocks.....		
12.3 Mortgage loans.....		
12.4 Real estate.....		
12.5 Other invested assets.....		
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments.....		
12.7 Miscellaneous proceeds.....		
12.8 Total investment proceeds (Lines 12.1 to 12.7).....	2,500,000	2,000,000
13. Cost of investments acquired (long-term only):		
13.1 Bonds.....	7,415,348	2,806,826
13.2 Stocks.....		
13.3 Mortgage loans.....		
13.4 Real estate.....		
13.5 Other invested assets.....		
13.6 Miscellaneous applications.....		
13.7 Total investments acquired (Lines 13.1 to 13.6).....	7,415,348	2,806,826
14. Net increase (decrease) in contract loans and premium notes.....		
15. Net cash from investments (Line 12.8 minus Lines 13.7 minus Line 14).....	(4,915,348)	(806,826)
CASH FROM FINANCING AND MISCELLANEOUS SOURCES		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes.....		
16.2 Capital and paid in surplus, less treasury stock.....		
16.3 Borrowed funds.....		
16.4 Net deposits on deposit-type contracts and other insurance liabilities.....		
16.5 Dividends to stockholders.....		
16.6 Other cash provided (applied).....	(1,277,958)	(749,588)
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6).....	(1,277,958)	(749,588)
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS		
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17).....	(3,350,505)	4,448,381
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year.....	16,899,114	12,450,733
19.2 End of year (Line 18 plus Line 19.1).....	13,548,609	16,899,114

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

20.0001		
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ANALYSIS OF OPERATIONS BY LINES OF BUSINESS

	1 Total	2 Industrial Life	Ordinary			6 Credit Life (Group and Individual)	Group			Accident and Health			12 Aggregate of All Other Lines of Business
			3 Life Insurance	4 Individual Annuities	5 Supplementary Contracts		7 Life Insurance(a)	8 Annuities	9 Group	10 Credit (Group and Individual)	11 Other		
1. Premiums and annuity considerations for life and accident and health contracts.....	27,204,839		189,866			22,752,090			2,783,041			1,479,842	
2. Considerations for supplementary contracts with life contingencies.....	0												
3. Net investment income.....	619,541		4,324			518,138			63,378			33,701	
4. Amortization of Interest Maintenance Reserve (IMR).....	7,098		50			5,936			726			386	
5. Separate Accounts net gain from operations excluding unrealized gains or losses.....	0												
6. Commissions and expense allowances on reinsurance ceded.....	0												
7. Reserve adjustments on reinsurance ceded.....	0												
8. Miscellaneous Income:													
8.1 Fees associated with income from investment management, administration and contract guarantees from S/A.....	0												
8.2 Charges and fees for deposit-type contracts.....	0												
8.3 Aggregate write-ins for miscellaneous income.....	0	0	0	0	0	0	0	0	0	0	0	0	
9. Totals (Lines 1 to 8.3).....	27,831,478	0	194,240	0	0	23,276,164	0	0	2,847,145	0	0	1,513,929	0
10. Death benefits.....	16,209,424		301,000			15,908,424							
11. Matured endowments (excluding guaranteed annual pure endowments).....	0												
12. Annuity benefits.....	0												
13. Disability benefits and benefits under accident and health contracts.....	2,532,499												
14. Coupons, guaranteed annual pure endowments and similar benefits.....	0												
15. Surrender benefits and withdrawals for life contracts.....	0												
16. Group conversions.....	0												
17. Interest and adjustments on contract or deposit-type contract funds.....	0												
18. Payments on supplementary contracts with life contingencies.....	0												
19. Increase in aggregate reserves for life and accident and health contracts.....	(360,000)		17,000			(45,000)			(332,000)				
20. Totals (Lines 10 to 19).....	18,381,923	0	318,000	0	0	15,863,424	0	0	1,868,698	0	0	331,801	0
21. Commissions on premiums, annuity considerations and deposit-type contract funds (direct business only).....	1,744,626		22,642			1,404,735			332,595			(15,346)	
22. Commissions and expense allowances on reinsurance assumed.....	0												
23. General insurance expenses.....	2,261,797		3,507			1,623,833			532,161			102,296	
24. Insurance taxes, licenses and fees, excluding federal income taxes.....	628,044		2,656			443,827			84,863			96,698	
25. Increase in loading on deferred and uncollected premiums.....	0												
26. Net transfers to or (from) Separate Accounts net of reinsurance.....	0												
27. Aggregate write-ins for deductions.....	53,807	0	225	0	0	26,990	0	0	35,944	0	(9,352)	0	
28. Totals (Lines 20 to 27).....	23,070,197	0	347,030	0	0	19,362,809	0	0	2,854,261	0	0	506,097	0
29. Net gain from operations before dividends to policyholders and federal income taxes (Line 9 minus Line 28).....	4,761,281	0	(152,790)	0	0	3,913,355	0	0	(7,116)	0	0	1,007,832	0
30. Dividends to policyholders.....	0												
31. Net gain from operations after dividends to policyholders and before federal income taxes (Line 29 minus Line 30).....	4,761,281	0	(152,790)	0	0	3,913,355	0	0	(7,116)	0	0	1,007,832	0
32. Federal income taxes incurred (excluding tax on capital gains).....	838,481		(23,877)			611,557			(1,112)			251,913	
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).....	3,922,800	0	(128,913)	0	0	3,301,798	0	0	(6,004)	0	0	755,919	0

DETAILS OF WRITE-INS

08.301.	0												
08.302.	0												
08.303.	0												
08.398. Summary of remaining write-ins for Line 8.3 from overflow page.....	0	0	0	0	0	0	0	0	0	0	0	0	0
08.399. Total (Lines 08.301 through 08.303 plus 08.398) (Line 8.3 above).....	0	0	0	0	0	0	0	0	0	0	0	0	0
2701. Other Expense.....	53,807	0	225				26,990		35,944		(9,352)		
2702.	0												
2703.	0												
2798. Summary of remaining write-ins for Line 27 from overflow page.....	0	0	0	0	0	0	0	0	0	0	0	0	0
2799. Total (Lines 2701 through 2703 plus 2798) (Line 27 above).....	53,807	0	225	0	0	0	26,990	0	35,944	0	(9,352)	0	0

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

ANALYSIS OF INCREASE IN RESERVES DURING THE YEAR

	1 Total	2 Industrial Life	Ordinary			6 Credit Life (Group and Individual)	Group				
			3 Life Insurance	4 Individual Annuities	5 Supplementary Contracts		7 Life Insurance	8 Annuities			
Involving Life or Disability Contingencies (Reserves)											
(Net of Reinsurance Ceded)											
1. Reserve December 31, prior year.....	1,009,000		108,000				901,000				
2. Tabular net premiums or considerations.....	1,242,070		132,906				1,109,164				
3. Present value of disability claims incurred.....	96,000				XXX.....		96,000				
4. Tabular interest.....	29,435		7,206				22,229				
5. Tabular less actual reserve released.....	0										
6. Increase in reserve on account of change in valuation basis.....	0										
6.1 Change in excess of VM-20 deterministic/stochastic reserve over net premium reserve.....	0	XXX.....		XXX.....	XXX.....	XXX.....	XXX.....	XXX.....			
7. Other increases (net).....	31,983		31,983								
8. Totals (Lines 1 to 7).....	2,408,488	0	280,095	0	0	0	2,128,393	0			
9. Tabular cost.....	1,271,505		140,112		XXX.....		1,131,393				
10. Reserves released by death.....	141,000			XXX.....	XXX.....		141,000	XXX.....			
11. Reserves released by other terminations (net).....	14,983		14,983								
12. Annuity, supplementary contract, and disability payments involving life contingencies.....	0										
13. Net transfers to or (from) Separate Accounts.....	0										
14. Total deductions (Lines 9 to 13).....	1,427,488	0	155,095	0	0	0	1,272,393	0			
15. Reserve December 31, current year.....	981,000	0	125,000	0	0	0	856,000	0			

Consumers Life Insurance Company

EXHIBIT OF NET INVESTMENT INCOME

	1 Collected During Year	2 Earned During Year
1. U.S. government bonds.....	(a).....175,430	.....216,119
1.1 Bonds exempt from U.S. tax.....	(a).....	.....
1.2 Other bonds (unaffiliated).....	(a).....293,644	.....291,505
1.3 Bonds of affiliates.....	(a).....	.....
2.1 Preferred stocks (unaffiliated).....	(b).....	.....
2.11 Preferred stocks of affiliates.....	(b).....	.....
2.2 Common stocks (unaffiliated).....	.....	.....
2.21 Common stocks of affiliates.....	.....	.....
3. Mortgage loans.....	(c).....	.....
4. Real estate.....	(d).....	.....
5. Contract loans.....	.....	.....
6. Cash, cash equivalents and short-term investments.....	(e).....118,193	.....136,165
7. Derivative instruments.....	(f).....	.....
8. Other invested assets.....	.....	.....
9. Aggregate write-ins for investment income.....	.....0	.....0
10. Total gross investment income.....	.....587,267	.....643,789
11. Investment expenses.....	(g).....24,248	.....
12. Investment taxes, licenses and fees, excluding federal income taxes.....	(g).....	.....
13. Interest expense.....	(h).....	.....
14. Depreciation on real estate and other invested assets.....	(i).....0	.....0
15. Aggregate write-ins for deductions from investment income.....	.....	.....
16. Total deductions (Lines 11 through 15).....	.....	.....24,248
17. Net investment income (Line 10 minus Line 16).....	.....619,541	.....

DETAILS OF WRITE-INS

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

- (a) Includes \$....19,782 accrual of discount less \$....84,317 amortization of premium and less \$....12,235 paid for accrued interest on purchases.
- (b) Includes \$.....0 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued dividends on purchases.
- (c) Includes \$.....0 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued interest on purchases.
- (d) Includes \$.....0 for company's occupancy of its own buildings; and excludes \$.....0 interest on encumbrances.
- (e) Includes \$.....0 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued interest on purchases.
- (f) Includes \$.....0 accrual of discount less \$.....0 amortization of premium.
- (g) Includes \$.....0 investment expenses and \$.....0 investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.
- (h) Includes \$.....0 interest on surplus notes and \$.....0 interest on capital notes.
- (i) Includes \$.....0 depreciation on real estate and \$.....0 depreciation on other invested assets.

EXHIBIT OF CAPITAL GAINS (LOSSES)

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

DETAILS OF WRITE-INS

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

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

	1 Total	2 Industrial Life	Ordinary		5 Credit Life (Group and Individual)	Group		Accident and Health			11 Aggregate of All Other Lines of Business
			3 Life Insurance	4 Individual Annuities		6 Life Insurance	7 Annuities	8 Group	9 Credit (Group & Individual)	10 Other	
FIRST YEAR (other than single)											
1. Uncollected.....	0										
2. Deferred and accrued.....	0										
3. Deferred, accrued and uncollected:											
3.1 Direct.....	0										
3.2 Reinsurance assumed.....	0										
3.3 Reinsurance ceded.....	0										
3.4 Net (Line 1 + Line 2).....	0	0	0	0	0	0	0	0	0	0	0
4. Advance.....	0										
5. Line 3.4 - Line 4.....	0	0	0	0	0	0	0	0	0	0	0
6. Collected during year:											
6.1 Direct.....	19,817		19,817								
6.2 Reinsurance assumed.....	0										
6.3 Reinsurance ceded.....	0										
6.4 Net.....	19,817	0	19,817	0	0	0	0	0	0	0	0
7. Line 5 + Line 6.4.....	19,817	0	19,817	0	0	0	0	0	0	0	0
8. Prior year (uncollected + deferred and accrued - advance).....	0										
9. First year premiums and considerations:											
9.1 Direct.....	19,817		19,817								
9.2 Reinsurance assumed.....	0										
9.3 Reinsurance ceded.....	0										
9.4 Net (Line 7 - Line 8).....	19,817	0	19,817	0	0	0	0	0	0	0	0
SINGLE											
10. Single premiums and considerations:											
10.1 Direct.....	0										
10.2 Reinsurance assumed.....	0										
10.3 Reinsurance ceded.....	0										
10.4 Net.....	0	0	0	0	0	0	0	0	0	0	0
RENEWAL											
11. Uncollected.....	774,324		207			655,244		118,101		772	
12. Deferred and accrued.....	(3,686,188)					(3,483,288)		(202,900)			
13. Deferred, accrued and uncollected:											
13.1 Direct.....	(2,495,864)		207			(2,614,944)		118,101		772	
13.2 Reinsurance assumed.....	0										
13.3 Reinsurance ceded.....	416,000					213,100		202,900			
13.4 Net (Line 11 + Line 12).....	(2,911,864)	0	207	0	0	(2,828,044)	0	(84,799)	0	772	0
14. Advance.....	405,528		6,193			292,467		69,503		37,365	
15. Line 13.4 - Line 14.....	(3,317,392)	0	(5,986)	0	0	(3,120,511)	0	(154,302)	0	(36,593)	0
16. Collected during year:											
16.1 Direct.....	30,766,275		169,922			25,920,335		5,604,604		(928,586)	
16.2 Reinsurance assumed.....	0										
16.3 Reinsurance ceded.....	4,874,898					2,407,833		2,467,065			
16.4 Net.....	25,891,377	0	169,922	0	0	23,512,502	0	3,137,539	0	(928,586)	0
17. Line 15 + Line 16.4.....	22,573,985	0	163,936	0	0	20,391,991	0	2,983,237	0	(965,179)	
18. Prior year (uncollected + deferred and accrued - advance).....	(4,611,037)		(6,113)		0	(2,360,099)		200,196		(2,445,021)	
19. Renewal premiums and considerations:											
19.1 Direct.....	32,078,920		170,049			25,174,723		5,254,306		1,479,842	
19.2 Reinsurance assumed.....	0										
19.3 Reinsurance ceded.....	4,893,898					2,422,633		2,471,265			
19.4 Net (Line 17 - Line 18).....	27,185,022	0	170,049	0	0	22,752,090	0	2,783,041	0	1,479,842	0
TOTAL											
20. Total premiums and annuity considerations:											
20.1 Direct.....	32,098,737	0	189,866	0	0	25,174,723	0	5,254,306	0	1,479,842	0
20.2 Reinsurance assumed.....	0	0	0	0	0	0	0	0	0	0	0
20.3 Reinsurance ceded.....	4,893,898	0	0	0	0	2,422,633	0	2,471,265	0	0	0
20.4 Net (Lines 9.4 + 10.4 + 19.4).....	27,204,839	0	189,866	0	0	22,752,090	0	2,783,041	0	1,479,842	0

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

	1 Total	2 Industrial Life	Ordinary		5 Credit Life (Group and Individual)	Group		Accident and Health		11 Aggregate of All Other Lines of Business
			3 Life Insurance	4 Individual Annuities		6 Life Insurance	7 Annuities	8 Group	9 Credit (Group & Individual)	
DIVIDENDS AND COUPONS APPLIED (included in Part 1)										
21. To pay renewal premiums.....	0									
22. All other.....	0									
REINSURANCE COMMISSIONS AND EXPENSE ALLOWANCES INCURRED										
23. First year (other than single):										
23.1 Reinsurance ceded.....	0									
23.2 Reinsurance assumed.....	0									
23.3 Net ceded less assumed.....	0	0	0	0	0	0	0	0	0	0
24. Single:										
24.1 Reinsurance ceded.....	0									
24.2 Reinsurance assumed.....	0									
24.3 Net ceded less assumed.....	0	0	0	0	0	0	0	0	0	0
25. Renewal:										
25.1 Reinsurance ceded.....	0									
25.2 Reinsurance assumed.....	0									
25.3 Net ceded less assumed.....	0	0	0	0	0	0	0	0	0	0
26. Totals:										
26.1 Reinsurance ceded (Page 6, Line 6).....	0	0	0	0	0	0	0	0	0	0
26.2 Reinsurance assumed (Page 6, Line 22).....	0	0	0	0	0	0	0	0	0	0
26.3 Net ceded less assumed.....	0	0	0	0	0	0	0	0	0	0
COMMISSIONS INCURRED (direct business only)										
27. First year (other than single).....	105,304		249			98,776		9,990		(3,711)
28. Single.....	0									
29. Renewal.....	1,639,322		22,393			1,305,959		322,605		(11,635)
30. Deposit-type contract funds.....	0									
31. Totals (to agree with Page 6, Line 21).....	1,744,626	0	22,642	0	0	1,404,735	0	332,595	0	(15,346)

Consumers Life Insurance Company

EXHIBIT 2 - GENERAL EXPENSES

	Insurance				5	6		
	1 Life	Accident and Health		4 All Other Lines of Business				
		2 Cost Containment	3 All Other					
1. Rent.....	85,977		11,673			97,650		
2. Salaries and wages.....	1,011,409	5,783	501,958			1,519,150		
3.11 Contributions for benefit plans for employees.....	235,479	1,147	130,365			366,991		
3.12 Contributions for benefit plans for agents.....						0		
3.21 Payments to employees under non-funded benefit plans.....						0		
3.22 Payments to agents under non-funded benefit plans.....						0		
3.31 Other employee welfare.....	1,570		354			1,924		
3.32 Other agent welfare.....						0		
4.1 Legal fees and expenses.....			9,540			9,540		
4.2 Medical examination fees.....						0		
4.3 Inspection report fees.....						0		
4.4 Fees of public accountants and consulting actuaries.....	77,828		9,605			87,433		
4.5 Expense of investigation and settlement of policy claims.....						0		
5.1 Traveling expenses.....	4,935	49	4,812			9,796		
5.2 Advertising.....			4,403			4,403		
5.3 Postage, express, telegraph and telephone.....	12,657	62	2,703			15,422		
5.4 Printing and stationery.....		10	850			860		
5.5 Cost or depreciation of furniture and equipment.....	2,970		486			3,456		
5.6 Rental of equipment.....						0		
5.7 Cost or depreciation of EDP equipment and software.....	25,096	907	11,583			37,586		
6.1 Books and periodicals.....	2,205	8	5,170			7,383		
6.2 Bureau and association fees.....	4,366	12	925			5,303		
6.3 Insurance, except on real estate.....			214			214		
6.4 Miscellaneous losses.....						0		
6.5 Collection and bank service charges.....					18,589	18,589		
6.6 Sundry general expenses.....						0		
6.7 Group service and administration fees.....						0		
6.8 Reimbursements by uninsured plans.....			(114,563)			(114,563)		
7.1 Agency expense allowance.....						0		
7.2 Agents' balances charged off (less \$..... 0 recovered).....						0		
7.3 Agency conferences other than local meetings.....						0		
9.1 Real estate expenses.....						0		
9.2 Investment expenses not included elsewhere.....					5,659	5,659		
9.3 Aggregate write-ins for expenses.....	162,848	15,491	30,910	0	0	209,249		
10. General expenses Incurred.....	1,627,340	23,469	610,988	0	24,248	(a) 2,286,045		
11. General expenses unpaid December 31, prior year.....	211,430	16,215	142,953		1,720	372,318		
12. General expenses unpaid December 31, current year.....	212,203	8,468	108,327		4,390	333,388		
13. Amounts receivable relating to uninsured plans, prior year.....			50,526			50,526		
14. Amounts receivable relating to uninsured plans, current year.....			35,417			35,417		
15. General expenses paid during year (Lines 10+11-12-13+14).....	1,626,567	31,216	630,505	0	21,578	2,309,866		

DETAILS OF WRITE-INS

09.301. Access Fees.....		3,244				3,244
09.302. Vendor Services.....	162,848	12,247	30,910			206,005
09.303.						0
09.398. Summary of remaining write-ins for Line 9.3 from overflow page.....	0	0	0	0	0	0
09.399. Totals (Lines 09.301 through 09.303 plus 09.398)(Line 9.3 above).....	162,848	15,491	30,910	0	0	209,249

(a) Includes management fees of \$....524,599 to affiliates and \$.....0 to non-affiliates.

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

	Insurance			4	5
	1 Life	2 Accident and Health	3 All Other Lines of Business		
1. Real estate taxes.....					0
2. State insurance department licenses and fees.....	89,999	68,505			158,504
3. State taxes on premiums.....	356,484	91,656			448,140
4. Other state taxes, including \$.....0 for employee benefits.....					0
5. U.S. Social Security taxes.....					0
6. All other taxes.....		21,400			21,400
7. Taxes, licenses and fees incurred.....	446,483	181,561	0	0	628,044
8. Taxes, licenses and fees unpaid December 31, prior year.....	437,888	361,642			799,530
9. Taxes, licenses and fees unpaid December 31, current year.....	395,189	85,824			481,013
10. Taxes, licenses and fees paid during year (Lines 7 + 8 - 9).....	489,182	457,379	0	0	946,561

EXHIBIT 4 - DIVIDENDS OR REFUNDS

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

DETAILS OF WRITE-INS

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

EXHIBIT 5 - AGGREGATE RESERVE FOR LIFE CONTRACTS

1 Valuation Standard	2 Total	3 Industrial	4 Ordinary	5 Credit (Group and Individual)	6 Group
Life Insurance:					
0100001. 01 CSO - 4% CRVM ALB.....	.77,756		.77,756		
0100002. 01 CSO - 3.5% CRVM ALB.....	.47,244		.47,244		
0199997. Totals (Gross).....	125,000	0	125,000	0	0
0199999. Totals (Net).....	125,000	0	125,000	0	0
Disability - Disabled Lives:					
0600001. 05 GTLW - 3.5% ALB.....	14,000				14,000
0600002. 05 GTLW - 2.5% ALB.....	7,000				7,000
0600003. 05 GTLW - 1.5% ALB.....	.897,000				.897,000
0699997. Totals (Gross).....	.918,000	0	.0	0	.918,000
0699998. Reinsurance ceded.....	.62,000				.62,000
0699999. Totals (Net).....	.856,000	0	.0	0	.856,000
9999999. Totals (Net) - Page 3, Line 1.....	.981,000	0	125,000	0	.856,000

Consumers Life Insurance Company

EXHIBIT 5 - INTERROGATORIES

1.1 Has the reporting entity ever issued both participating and non-participating contracts?

Yes [] No [X]

1.2 If not, state which kind is issued

non-participating

2.1 Does the reporting entity at present issue both participating and non-participating contracts?

Yes [] No [X]

2.2 If not, state which kind is issued

non-participating

3. Does the reporting entity at present issue or have in force contracts that contain non-guaranteed elements?

Yes [] No [X]

If so, attach a statement that contains the determination procedures, answers to the interrogatories and an actuarial opinion as described in the instructions.



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4. Has the reporting entity any assessment or stipulated premium contracts in force? If so, state:

Yes [] No [X]

4.1 Amount of insurance:

\$.....

4.2 Amount of reserve:

\$.....

4.3 Basis of reserve:

4.4 Basis of regular assessments:

4.5 Basis of special assessments:

4.6 Assessments collected during year:

\$.....

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

6. Does the reporting entity hold reserves for any annuity contracts that are less than the reserves that would be held on a standard basis?

Yes [] No [X]

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

\$.....

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

\$.....

Attach statement of methods employed in their valuation.

7. Does the reporting entity have any Synthetic GIC contracts or agreements in effect as of December 31 of the current year?

Yes [] No [X]

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

\$.....

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

7.3 State the amount of reserves established for this business:

\$.....

7.4 Identify where the reserves are reported in the blank.

8. Does the reporting entity have any Contingent Deferred Annuity contracts or agreements in effect as of December of the current year?

Yes [] No [X]

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

\$.....

8.2 State the amount of reserves established for this business:

\$.....

8.3 Identify where the reserves are reported in the blank:

9. Does the reporting entity have any Guaranteed Lifetime Income Benefit contracts, agreements or riders in effect as of December 31 of the current year?

Yes [] No [X]

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

\$.....

9.2 State the amount of reserves established for this business:

\$.....

9.3 Identify where the reserves are reported in the blank:

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

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

NONE

EXHIBIT 6 - AGGREGATE RESERVES FOR ACCIDENT AND HEALTH CONTRACTS

	1 Total	2 Group Accident and Health	3 Credit Accident and Health (Group and Individual)	4 Collectively Renewable	Other Individual Contracts				
					5 Non- Cancelable	6 Guaranteed Renewable	7 Non-Renewable for Stated Reasons Only	8 Other Accident Only	9 All Other
ACTIVE LIFE RESERVE									
1. Unearned premium reserves.....	0								
2. Additional contract reserves (a).....	0								
3. Additional actuarial reserves - Asset/Liability analysis.....	0								
4. Reserve for future contingent benefits.....	0								
5. Reserve for rate credits.....	0								
6. Aggregate write-ins for reserves.....	0	0	0	0	0	0	0	0	0
7. Totals (Gross).....	0	0	0	0	0	0	0	0	0
8. Reinsurance ceded.....	0								
9. Totals (Net).....	0	0	0	0	0	0	0	0	0
CLAIM RESERVE									
10. Present value of amounts not yet due on claims.....	8,092,408	8,092,408							
11. Additional actuarial reserves - Asset/Liability analysis.....	0								
12. Reserve for future contingent benefits.....	0								
13. Aggregate write-ins for reserves.....	0	0	0	0	0	0	0	0	0
14. Totals (Gross).....	8,092,408	8,092,408	0	0	0	0	0	0	0
15. Reinsurance ceded.....	7,622,408	7,622,408							
16. Totals (Net).....	470,000	470,000	0	0	0	0	0	0	0
17. TOTALS (Net).....	470,000	470,000	0	0	0	0	0	0	0
18. TABULAR FUND INTEREST.....	0								

DETAILS OF WRITE-INS

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

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

EXHIBIT 7 - DEPOSIT-TYPE CONTRACTS

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

NONE

EXHIBIT 8 - CLAIMS FOR LIFE AND ACCIDENT AND HEALTH CONTRACTS

PART 1 - Liability End of Current Year

	1 Total	2 Industrial Life	Ordinary			6 Credit Life (Group and Individual)	Group		Accident and Health		
			3 Life Insurance	4 Individual Annuities	5 Supplementary Contracts		7 Life Insurance	8 Annuities	9 Group	10 Credit (Group and Individual)	11 Other
1. Due and unpaid:											
1.1 Direct.....	0										
1.2 Reinsurance assumed.....	0										
1.3 Reinsurance ceded.....	0										
1.4 Net.....	0	0	0	0	0	0	0	0	0	0	0
2. In course of settlement:											
2.1 Resisted:											
2.11 Direct.....	0										
2.12 Reinsurance assumed.....	0										
2.13 Reinsurance ceded.....	0										
2.14 Net.....	0	0	0	0	0	0	0	0	0	0	0
2.2 Other:											
2.21 Direct.....	2,868,594						2,868,594				
2.22 Reinsurance assumed.....	0										
2.23 Reinsurance ceded.....	668,771						668,771				
2.24 Net.....	2,199,823	0	0	0	0	0	0	0	0	0	0
3. Incurred but unreported:											
3.1 Direct.....	3,230,332		2,000				2,648,332				580,000
3.2 Reinsurance assumed.....	0										
3.3 Reinsurance ceded.....	77,194						77,194				
3.4 Net.....	3,153,138	0	0	0	0	0	0	0	0	0	580,000
4. Totals:											
4.1 Direct.....	6,098,926	0	2,000	0	0	0	5,516,926	0	0	0	580,000
4.2 Reinsurance assumed.....	0	0	0	0	0	0	0	0	0	0	0
4.3 Reinsurance ceded.....	745,965	0	0	0	0	0	745,965	0	0	0	0
4.4 Net.....	5,352,961	(a) 0	(a) 2,000	0	0	0	(a) 4,770,961	0	0	0	580,000

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

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

Ordinary Life Insurance \$.....0, Individual Annuities \$.....0, Credit Life (Group and Individual) \$.....0, and Group Life \$....856,000,

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

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

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

	1 Total	2 Industrial Life (a)	Ordinary			6 Credit Life (Group and Individual)	Group		Accident and Health		
			3 Life Insurance (b)	4 Individual Annuities	5 Supplementary Contracts		7 Life Insurance (c)	8 Annuities	9 Group	10 Credit (Group and Individual)	11 Other
1. Settlements during the year:											
1.1 Direct.....	22,127,626		310,000				16,287,580		3,711,446		1,818,600
1.2 Reinsurance assumed.....	0										
1.3 Reinsurance ceded.....	2,934,403						1,421,997		1,510,748		1,658
1.4 Net.....	(d) 19,193,223	0	310,000	0	0	0	14,865,583	0	2,200,698	0	1,816,942
2. Liability December 31, current year from Part 1:											
2.1 Direct.....	6,098,926	0	2,000	0	0	0	5,516,926	0	0	0	580,000
2.2 Reinsurance assumed.....	0	0	0	0	0	0	0	0	0	0	0
2.3 Reinsurance ceded.....	745,965	0	0	0	0	0	745,965	0	0	0	0
2.4 Net.....	5,352,961	0	2,000	0	0	0	4,770,961	0	0	0	580,000
3. Amounts recoverable from reinsurers Dec. 31, current year.....	259,129						259,129				
4. Liability December 31, prior year:											
4.1 Direct.....	6,204,113		11,000				4,126,377				2,066,736
4.2 Reinsurance assumed.....	0										
4.3 Reinsurance ceded.....	449,416						449,416				
4.4 Net.....	5,754,697	0	11,000	0	0	0	3,676,961	0	0	0	2,066,736
5. Amounts recoverable from reinsurers Dec. 31, prior year.....	209,565						207,970				1,595
6. Incurred benefits:											
6.1 Direct.....	22,022,439	0	301,000	0	0	0	17,678,129	0	3,711,446	0	331,864
6.2 Reinsurance assumed.....	0	0	0	0	0	0	0	0	0	0	0
6.3 Reinsurance ceded.....	3,280,516	0	0	0	0	0	1,769,705	0	1,510,748	0	.63
6.4 Net.....	18,741,923	0	301,000	0	0	0	15,908,424	0	2,200,698	0	331,801

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

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

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

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

Consumers Life Insurance Company
EXHIBIT OF NONADMITTED ASSETS

	1 Current Year Total Nonadmitted Assets	2 Prior Year Total Nonadmitted Assets	3 Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1. Bonds (Schedule D).....			0
2. Stocks (Schedule D):			0
2.1 Preferred stocks.....			0
2.2 Common stocks.....			0
3. Mortgage loans on real estate (Schedule B):			0
3.1 First liens.....			0
3.2 Other than first liens.....			0
4. Real estate (Schedule A):			0
4.1 Properties occupied by the company.....			0
4.2 Properties held for the production of income.....			0
4.3 Properties held for sale.....			0
5. Cash (Schedule E-Part 1), cash equivalents (Schedule E-Part 2) and short-term investments (Schedule DA).....			0
6. Contract loans.....			0
7. Derivatives (Schedule DB).....			0
8. Other invested assets (Schedule BA).....			0
9. Receivables for securities.....			0
10. Securities lending reinvested collateral assets (Schedule DL).....			0
11. Aggregate write-ins for invested assets.....	.0	.0	.0
12. Subtotals, cash and invested assets (Lines 1 to 11).....	.0	.0	.0
13. Title plants (for Title insurers only).....			0
14. Investment income due and accrued.....			0
15. Premiums and considerations:			0
15.1 Uncollected premiums and agents' balances in the course of collection.....			0
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due.....			0
15.3 Accrued retrospective premiums and contracts subject to redetermination.....			0
16. Reinsurance:			0
16.1 Amounts recoverable from reinsurers.....			0
16.2 Funds held by or deposited with reinsured companies.....			0
16.3 Other amounts receivable under reinsurance contracts.....			0
17. Amounts receivable relating to uninsured plans.....			0
18.1 Current federal and foreign income tax recoverable and interest thereon.....			0
18.2 Net deferred tax asset.....			0
19. Guaranty funds receivable or on deposit.....			0
20. Electronic data processing equipment and software.....			0
21. Furniture and equipment, including health care delivery assets.....			0
22. Net adjustment in assets and liabilities due to foreign exchange rates.....			0
23. Receivables from parent, subsidiaries and affiliates.....			0
24. Health care and other amounts receivable.....		201,747	201,747
25. Aggregate write-ins for other-than-invested assets.....	.46,811	.50,914	.4,103
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 through 25).....	.46,811	.252,661	.205,850
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			0
28. TOTALS (Lines 26 and 27).....	.46,811	.252,661	.205,850

DETAILS OF WRITE-INS

1101.....			0
1102.....			0
1103.....			0
1198. Summary of remaining write-ins for Line 11 from overflow page.....	.0	.0	0
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above).....	.0	.0	0
2501. Prepaid Assets.....	.32,857	.36,412	3,555
2502. Other Receivables.....	.13,954	.14,502	.548
2503.....			0
2598. Summary of remaining write-ins for Line 25 from overflow page.....	.0	.0	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above).....	.46,811	.50,914	.4,103

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

The accompanying statutory financial statements of Consumers Life Insurance Company (the Company) have been prepared in conformity with the National Association of Insurance Commissioners' (NAIC) *Accounting Practices and Procedures Manual* (NAIC SAP), as prescribed by the Ohio Department of Insurance (ODI). No accounting practices were employed by the Company in 2018 or 2017 that departed from NAIC SAP.

	SSAP #	F/S Page	F/S Line #	2018	2017
NET INCOME					
(1) Company state basis (Page 4, Line 35, Columns 1 & 2)	XXX	XXX	XXX	\$ 3,922,800	\$ 4,867,738
(2) State Prescribed Practices that are an increase/(decrease) from NAIC SAP					
				\$ -	\$ -
(3) State Permitted Practices that are an increase/(decrease) from NAIC SAP					
				\$ -	\$ -
(4) NAIC SAP (1 – 2 – 3 = 4)	XXX	XXX	XXX	\$ 3,922,800	\$ 4,867,738
SURPLUS					
(5) Company state basis (Page 3, Line 38, Columns 1 & 2)	XXX	XXX	XXX	\$ 31,770,587	\$ 27,639,671
(6) State Prescribed Practices that are an increase/(decrease) from NAIC SAP					
				\$ -	\$ -
(7) State Permitted Practices that are an increase/(decrease) from NAIC SAP					
				\$ -	\$ -
(8) NAIC SAP (5 – 6 – 7 = 8)	XXX	XXX	XXX	\$ 31,770,587	\$ 27,639,671

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

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

C. Accounting Policy**Basis of Presentation**

Statutory accounting practices vary from generally accepted accounting principles (GAAP). The more significant differences from GAAP are as follows:

Nonadmitted Assets

Certain assets designated as "nonadmitted", principally healthcare and other receivable and prepaid expenses, not specifically identified as an admitted asset in the NAIC's *Accounting Practices and Procedures Manual*, are excluded from the statutory statements of admitted assets, liabilities and capital and surplus and are charged directly to capital and surplus. In accordance with GAAP, such assets are included in the balance sheet, net of valuation allowance, if necessary. Capital and surplus was reduced by nonadmitted assets of \$47,000 and \$252,000 at December 31, 2018 and 2017, respectively.

Guarantee Fund Premium Tax Assets

The Company recognizes premium tax assets that are recoverable in excess of one year if the credits are due to the insolvency of a writer of long-term care contracts. For GAAP, the Company is only permitted to recognize premium tax assets that are recoverable in the next calendar year as credits against taxes owed on premiums earned in the current calendar year.

Deferred Income Taxes

On December 22, 2017, H.R. 1 (formerly known as The Tax Cuts and Jobs Act and referred throughout as the Act) was signed into law. The Act contained significant changes to the corporate income tax system in the U.S. The most significant tax law implications were the reduction of the corporate income tax rate to 21 percent and the repeal of the corporate Alternative Minimum Tax (AMT).

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

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

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

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

NOTES TO FINANCIAL STATEMENTS***Reinsurance***

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

Valuation Reserve

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

Statutory Statements of Cash Flow

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

Other significant accounting practices are as follows:

Investments

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

Other-Than-Temporary Impairment

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

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

Fair Value Measurements

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

Level 1	Values are unadjusted quoted prices for identical assets in active markets accessible at the measurement date.
Level 2	Inputs include quoted prices for similar assets in active markets, quoted prices from those willing to trade in markets that are not active, or other inputs that are observable or can be corroborated by market data for the term of the instrument. Such inputs include market interest rates and volatilities, spreads, and yield curves.
Level 3	Certain inputs are unobservable (supported by little or no market activity) and significant to the fair value measurement. Unobservable inputs reflect the Company's best estimate of what hypothetical market participants would use to determine a transaction price for the asset at the reporting date.

Premiums

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

The Company is subject to premium and loss experience rating agreements with certain life insurance customers. As of December 31, 2018 and 2017, the Company recognized a liability of \$3,270,000 and \$3,559,000, respectively, for these agreements. These premium adjustments are recognized as adjustments to earned premium in the period in which it is determined that adjustments are required.

Total net premiums subject to retrospective loss experience ratings in 2018 and 2017 was approximately \$388,000 and \$403,000, respectively, which represents 1.7% and 1.7%, respectively, of the Company's net life insurance premiums. Net earned premiums for the years ended December 31, 2018 and 2017, have been reduced by \$77,000 and \$173,000, respectively, due to this retrospective loss experience agreement.

Uncertain Tax Policies

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

Changes to liabilities for uncertain tax positions are recorded as income tax expense in the accompanying statutory statements of revenue and expenses. The total liability for uncertain tax positions at December 31, 2018 and 2017 was \$44,000 and \$77,000, respectively. The Company does not expect any significant changes in its uncertain tax positions in 2019.

Premium Subsidy and Cost Sharing Subsidy

NOTES TO FINANCIAL STATEMENTS

Under regulations established by the ACA, the U.S. Department of Health and Human Services (HHS) pays the Company a portion of the premium (Premium Subsidy) and/or a portion of the health care costs (Cost Sharing Subsidy) for qualifying individual members. The Cost Sharing Subsidy was only applicable for 2017 as it was announced in October 2017 that the ACA's cost sharing subsidies would no longer be funded. Related to the ACA business in 2017, the Company recognized monthly premiums received from members and the Premium Subsidy as premium revenue ratably over the contract period. The Premium Subsidy totaled \$3,935,000 in 2017 and was included in net premiums earned. The Cost Sharing Subsidy offset health care costs as incurred. The Company recognized the Cost Sharing Subsidy payments as received. Qualified individuals incurred \$451,000 of claims covered by the Cost Sharing Subsidy in 2017. During 2018, the Company recognized an additional \$60,000 of Cost Sharing Subsidy related to the 2017 plan year as a result of the final reconciliation filing for the subsidy. These amounts are reported as reduction of disability and accident and health benefits on the statutory statements of revenue and expenses.

Health Insurer Fee

The Company is subject to a mandatory annual non tax-deductible assessment on health insurers imposed by the ACA. The Company estimates the expense for the Health Insurer Fee based upon the preceding year's ratio of the Company's applicable net written premium compared to the U.S. health insurance industry total applicable net written premium. The Company reclassifies from unassigned surplus to special surplus the estimated assessment amount for the subsequent year. H.R. 195, Division D – Suspension of Certain Health-Related Taxes, § 4003, suspended the Health Insurer Fee for 2019. Therefore, no amounts were reclassified to special surplus at December 31, 2018. See Note 4 for further details.

ACA Risk Adjustment Program

The ACA authorized a permanent risk adjustment program designed to transfer funds from qualified individual and small group plans with below average risks scores to those respective plans with above average risk scores. The estimates of amounts owed or due from the permanent risk adjustment program is required to be reflected as an adjustment to earned premium if sufficient data is available to make an estimate. The Company accounts for the Premium Stabilization Program in accordance with SSAP No.107, *Accounting for the Risk-Sharing Provisions of the Affordable Care Act* (SSAP No. 107).

In 2018, the Company recognized \$756,000 related to 2017 net risk adjustments. Settlement of 2017 risk adjustment was favorable to the estimate recorded in the 2017 statutory financial statements.

In 2017, the Company recognized a loss of \$2,265,000 in net risk adjustment, of which \$2,315,000 of expense related to the 2017 program year and income of \$50,000 related to the 2016 program year, as the final 2016 amounts owed were less than the accrual recorded in the 2016 statutory financial statements.

(1) Basis for Short-Term Investments

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

(2) Basis for Bonds and Amortization Schedule

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

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

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

(3) Basis for Common Stocks

Common Stock is stated at par value.

(4) Basis for Preferred Stocks

Not Applicable.

(5) Basis for Mortgage Loans

Not Applicable.

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

Not Applicable.

(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

Not Applicable.

(9) Accounting Policies for Derivatives

Not Applicable.

NOTES TO FINANCIAL STATEMENTS

(10) Anticipated Investment Income Used in Premium Deficiency Calculation

The Company considers anticipated net investment income as a factor in determining the premium deficiency reserve amount

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

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

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

Not Applicable.

(13) Method Used to Estimate Pharmaceutical Rebate Receivables

The Company accounts for pharmaceutical rebate receivables in accordance with SSAP No. 84.

D. Going Concern

Not Applicable.

Note 2 – Accounting Changes and Correction 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

Not Applicable

B. Debt Restructuring

Not Applicable

C. Reverse Mortgages

Not Applicable

D. Loan-Backed Securities

Not Applicable

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
Repurchase Transactions – Cash Provider – Overview of Secured Borrowing Transactions

Not Applicable

H. Repurchase Agreements Transactions Accounted for as a Sale

Repurchase Transaction – Cash Taker – Overview of Sale Transactions

Not Applicable

I. Reverse Repurchase Agreements Transactions Accounted for as a Sale
Repurchase Transaction – Cash Provider – Overview of Sale Transactions

Not Applicable

J. Real Estate

Not Applicable.

K. Low-Income Housing Tax Credits (LIHTC)

Not Applicable.

L. Restricted Assets

NOTES TO FINANCIAL STATEMENTS

Certain state insurance laws require the Company to maintain deposits with the respective state insurance departments in connection with the licensing requirements. The carrying amounts of these deposits at December 31, 2018 and 2017 were \$2,059,862 and \$2,078,081, respectively.

(1) Restricted Assets (Including Pledged)

Restricted Asset Category	Gross (Admitted & Nonadmitted) Restricted					Current Year					
	Current Year		Total Separate Account (S/A) Restricted Assets	S/A Assets Supporting G/A Activity (b)	Total (1 plus 3)	Total From Prior Year	Increase/(Decrease) (5 minus 6)	Total Nonadmitted Restricted	Total Admitted Restricted (5 minus 8)	Percentage	
	1	2								10	11
a. Subject to contractual obligation for which liability is not shown	\$	\$	\$	\$	\$	\$	\$	\$	\$	%	%
b. Collateral held under security lending arrangements										%	%
c. Subject to repurchase agreements										%	%
d. Subject to reverse repurchase agreements										%	%
e. Subject to dollar repurchase agreements										%	%
f. Subject to dollar reverse repurchase agreements										%	%
g. Placed under option contracts										%	%
h. Letter stock or securities restricted as to sale – excluding FHLB capital stock										%	%
i. FHLB capital stock										%	%
j. On deposit with states	2,059,862				2,059,862	2,078,081	(18,219)		2,059,862	4.6%	4.6%
k. On deposit with other regulatory bodies										%	%
l. Pledged as collateral to FHLB (including assets backing funding agreements)										%	%
m. Pledged as collateral not captured in other categories										%	%
n. Other restricted assets										%	%
o. Total Restricted Assets	\$ 2,059,862	\$	\$	\$	\$ 2,059,862	\$ 2,078,081	\$ (18,219)	\$	\$ 2,059,862	4.6%	4.6%

- (a) Subset of column 1
- (b) Subset of column 3
- (c) Column 5 divided by Asset Page, Column 1, Line 28
- (d) Column 9 divided by Asset Page, Column 3, Line 28

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

Not Applicable.

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

Not Applicable.

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

Not Applicable.

M. Working Capital Finance Investments

Not Applicable.

N. Offsetting and Netting of Assets and Liabilities

Not Applicable.

O. Structured Notes

Not Applicable.

P. 5GI Securities

Not Applicable.

Q. Short Sales

NOTES TO FINANCIAL STATEMENTS

Not Applicable.

R. Prepayment Penalty and Acceleration Fees

Not Applicable.

Note 6 – Joint Ventures, Partnerships and Limited Liability Companies

Not Applicable

Note 7 – Investment Income

Not Applicable

Note 8 – Derivative Instruments

Not Applicable

Note 9 – Income Taxes

A. Deferred Tax Assets/(Liabilities)

The Company is taxed as a stock property and casualty insurance company and met the requirements to file a consolidated federal income tax return with its Parent and other affiliates in 2018 and 2017. The Company is party to a written tax sharing agreement with its Parent and other affiliates. According to the agreement each member pays taxes or receives credits (to/from the Parent) as if the member had filed a separate tax return. The payment is finalized for the tax year after the return is filed and/or after an IRS audit is completed. A member generating a taxable loss, or whose net operating losses (NOLs) or other tax attributes are utilized in the current year, or whose tax attributes are utilized, is compensated for such loss or attributes utilized in the year absorbed.

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

Due to the 2017 enacted date of the Act, the Statement of Statutory Accounting Principles (SSAP No. 101-7c) requires the Company to re-measure DTAs and DTLs (as of December 31, 2017) based upon the new effective tax rate of 21 percent. The cumulative effect of the revaluation of deferred tax assets and liabilities was \$1,316,000 which was recognized in surplus during 2017. There is no change in tax rate during 2018.

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

The Company can recover \$1,010,000 of income taxes incurred relating to 2017, if the Company has losses in future years. No amount was paid in 2018 due to the AMT credit offsets.

The Company is subject to federal income tax examinations by tax authorities for the years 2015 through 2018. 2014 and prior years are closed.

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

	2018			2017			Change		
	1 Ordinary	2 Capital	3 (Col 1+2) Total	4 Ordinary	5 Capital	6 (Col 4+5) Total	7 (Col 1-4) Ordinary	8 (Col 2-5) Capital	9 (Col 7+8) Total
a. Gross deferred tax assets	\$ 1,813,466	\$	\$ 1,813,466	\$ 1,973,646	\$	\$ 1,973,646	\$ (160,180)	\$	\$ (160,180)
b. Statutory valuation allowance adjustment	675,275		675,275	839,555		839,555	(164,280)		(164,280)
c. Adjusted gross deferred tax assets (1a-1b)	\$ 1,138,191	\$	\$ 1,138,191	\$ 1,134,091	\$	\$ 1,134,091	\$ 4,100	\$	\$ 4,100
d. Deferred tax assets nonadmitted									
e. Subtotal net admitted deferred tax asset (1c-1d)	\$ 1,138,191	\$	\$ 1,138,191	\$ 1,134,091	\$	\$ 1,134,091	\$ 4,100	\$	\$ 4,100
f. Deferred tax liabilities	97		97	114		114	(17)		(17)
g. Net admitted deferred tax assets/(net deferred tax liability) (1e-1f)	\$ 1,138,094	\$	\$ 1,138,094	\$ 1,133,977	\$	\$ 1,133,977	\$ 4,117	\$	\$ 4,117

2. Admission Calculation Components SSAP No. 101

	2018			2017			Change		
	1 Ordinary	2 Capital	3 (Col 1+2) Total	4 Ordinary	5 Capital	6 (Col 4+5) Total	7 (Col 1-4) Ordinary	8 (Col 2-5) Capital	9 (Col 7+8) Total
a. Federal income taxes paid in prior years recoverable through loss carrybacks	\$ 1,138,094	\$	\$ 1,138,094	\$ 1,133,977	\$	\$ 1,133,977	\$ 4,117	\$	\$ 4,117

NOTES TO FINANCIAL STATEMENTS

	2018			2017			Change		
	1 Ordinary	2 Capital	3 (Col 1+2) Total	4 Ordinary	5 Capital	6 (Col 4+5) Total	7 (Col 1-4) Ordinary	8 (Col 2-5) Capital	9 (Col 7+8) Total
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:									
Adjusted gross deferred tax assets expected to be realized following the balance sheet date									
Adjusted gross deferred tax assets allowed per limitation threshold									
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	97		97	114		114	(17)		(17)
d. Deferred tax assets admitted as the result of application of SSAP 101.									
Total (2(a)+2(b)+2(c))	\$ 1,138,191	\$ 1,138,191	\$ 1,134,091	\$ 1,134,091	\$ 4,100	\$ 4,100			

3. Other Admissibility Criteria

		2018	2017
a. Ratio percentage used to determine recovery period and threshold limitation amount		603.7%	535.4%
b. Amount of adjusted capital and surplus used to determine recovery period and threshold limitation in 2(b)2 above		\$ 30,681,598	\$ 26,552,947

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.

	2018		2017		Change	
	1 Ordinary	2 Capital	3 Ordinary	4 Capital	5 (Col. 1-3) Ordinary	6 (Col. 2-4) Capital
1. Adjusted gross DTAs amount from Note 9A1(c)	\$ 1,138,191	\$	\$ 1,134,091	\$	\$ 4,100	\$
2. Percentage of adjusted gross DTAs by tax character attributable to the impact of tax planning strategies	%	%	%	%	%	%
3. Net Admitted Adjusted Gross DTAs amount from Note 9A1(e)	\$ 1,138,191	\$	\$ 1,134,091	\$	\$ 4,100	\$
4. Percentage of net admitted adjusted gross DTAs by tax character admitted because of the impact of tax planning strategies	%	%	%	%	%	%

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

B. Deferred Tax Liabilities Not Recognized

There were no temporary differences for deferred tax liabilities that are not recognized at December 31, 2018 and 2017.

C. Current and Deferred Income Taxes

1. Current Income Tax

	1	2	3

NOTES TO FINANCIAL STATEMENTS

	2018	2017	(Col 1-2) Change
a. Federal	\$ 875,965	\$ 1,075,328	\$ (199,363)
b. Foreign			
c. Subtotal	875,965	1,075,328	(199,363)
d. Federal income tax on net capital gains			
e. Utilization of capital loss carry-forwards			
f. Other	(37,484)	23,859	(61,343)
g. Federal and Foreign income taxes incurred	\$ 838,481	\$ 1,099,187	\$ (260,706)
2. Deferred Tax Assets			
	1 2018	2 2017	3 (Col 1-2) Change
a. Ordinary:			
1. Discounting of unpaid losses	\$	\$	\$
2. Unearned premium reserve	1,033	8,427	(7,394)
3. Policyholder reserves	10,694	7,926	2,768
4. Investments			
5. Deferred acquisition costs	558,350	607,037	(48,687)
6. Policyholder dividends accrual			
7. Fixed assets			
8. Compensation and benefits accrual			
9. Pension accrual			
10. Receivables - nonadmitted			
11. Net operating loss carry-forward	489,650	506,213	(16,563)
12. Tax credit carry-forward			
13. Other (items <=5% and >5% of total ordinary tax assets)	753,739	844,043	(90,304)
Other (items listed individually >5% of total ordinary tax assets)			
	753,743	844,043	(90,300)
99. Subtotal	1,813,466	1,973,646	(160,180)
b. Statutory valuation allowance adjustment	675,275	839,555	(164,280)
c. Nonadmitted			
d. Admitted ordinary deferred tax assets (2a99-2b-2c)	1,138,191	1,134,091	4,100
e. Capital:			
1. Investments			
2. Net capital loss carry-forward			
3. Real estate			
4. Other (items <=5% and >5% of total capital tax assets)			
Other (items listed individually >5% of total capital tax assets)			
99. Subtotal			
f. Statutory valuation allowance adjustment			
g. Nonadmitted			
h. Admitted capital deferred tax assets (2e99-2f-2g)			
i. Admitted deferred tax assets (2d+2h)	\$ 1,138,191	\$ 1,134,091	\$ 4,100
3. Deferred Tax Liabilities			
	1 2018	2 2017	3 (Col 1-2) Change
a. Ordinary:			
1. Investments	\$	\$	\$
2. Fixed assets			
3. Deferred and uncollected premium			
4. Policyholder reserves			
5. Other (items <=5% and >5% of total ordinary tax liabilities)	97	114	(17)
Other (items listed individually >5% of total ordinary tax liabilities)			
99. Subtotal	97	114	(17)
b. Capital:			
1. Investments			
2. Real estate			
3. Other (items <=5% and >5% of total capital tax liabilities)			
Other (items listed individually >5% of total capital tax liabilities)			
99. Subtotal			
c. Deferred tax liabilities (3a99+3b99)	\$ 97	\$ 114	\$ (17)
4. Net Deferred Tax Assets (2i – 3c)	\$ 1,138,094	\$ 1,133,977	\$ 4,117

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

	December 31, 2018		December 31, 2017	
	Amount	Tax Effect	Tax Rate	Amount

NOTES TO FINANCIAL STATEMENTS

Description						
Income before taxes	\$4,761,000	\$1,000,000	21.0 %	\$ 5,967,000	\$ 2,088,000	35.0 %
Permanent items	23,000	5,000	0.1	(9,000)	(3,000)	(0.1)
Change in valuation allowance	(782,000)	(165,000)	(3.5)	(5,618,000)	(1,966,000)	(32.9)
Change in other reserves	(157,000)	(33,000)	(0.7)	186,000	65,000	1.1
Change in nonadmitted assets	205,000	43,000	0.9	(186,000)	(65,000)	(1.1)
Change in effective tax rate	-	-	-	3,759,000	1,316,000	22.1
Other	(77,000)	(16,000)	(0.3)	(7,000)	(3,000)	(0.1)
	\$3,973,000	\$ 834,000	17.5 %	\$ 4,092,000	\$ 1,432,000	24.0 %
Federal income taxes incurred		\$ 838,000	17.6 %		\$ 1,099,000	18.4 %
Change in net deferred income taxes		(4,000)	(0.1)		333,000	5.6
Total statutory income taxes		\$ 834,000	17.5 %		\$ 1,432,000	24.0 %

E. Operating Loss Carryforwards and Income Taxes Available for Recoupment
At December 31, 2018, the Company had net operating loss carryforwards of approximately \$2,333,000 expiring through 2026, all of which are limited by Internal Revenue Code (IRC) Section 382. The Company has no capital loss carryforwards to utilize in future years at December 31, 2018.

1. The amounts, origination dates and expiration dates of operating loss and tax credit carry forwards available for tax purposes:

Description (Operating Loss or Tax Credit Carry Forward)	Amounts	Origination Dates	Expiration Dates
Net operating losses	\$489,650		July 14, 1905

2. 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	\$908,840
2017	\$972,640

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

F. Consolidated Federal Income Tax Return

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

Medical Mutual of Ohio
Medical Health Insuring Corporation of Ohio
Superior Dental Care Alliance, Inc.
Consumers Life Insurance Company
Medical Mutual Services, LLC

2. The manner in which the Board of Directors sets forth for allocating the consolidated federal income tax:
A valid tax sharing agreement

G. Federal or Foreign Federal Income Tax Loss Contingencies:

The Company does not have any tax loss contingencies for which it is reasonably possible that the total liability will significantly increase within twelve months of the reporting date.

H. Repatriation Transition Tax (RTT) - RTT owed under the TCJA

Not Applicable.

I. Alternative Minimum Tax (AMT Credit)

Not Applicable.

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

A - F. MMO provides administrative services, including billing, claims adjudication, accounting, marketing, provider relations, and management information systems to the Company in connection with an administrative services agreement. In 2018 and 2017, charges to the Company for these services totaled \$525,000 and \$2,330,000, respectively. These charges could vary if the administrative services were provided by an unaffiliated vendor. Amounts payable and receivable between the Company and MMO are settled within three months.

During 2018 and 2017, the Company provided life, accidental death and dismemberment, and long-term disability coverage to employees of MMO and its subsidiaries. Premiums paid by the Parent to CLIC for such coverage totaled \$1,772,000 and \$1,573,000 for 2018 and 2017, respectively.

G. Nature of the Control Relationship

Not Applicable.

H. Amount Deducted from the Value of Upstream Intermediate Entity or Ultimate Parent Owned

Not Applicable.

I. Investments in SCA that Exceed 10% of Admitted Assets

Not Applicable.

J. Investments in Impaired SCAs

Not Applicable.

K. Investment in Foreign Insurance Subsidiary

NOTES TO FINANCIAL STATEMENTS

Not Applicable.

L. Investment in Downstream Noninsurance Holding Company
Not Applicable.

M. All SCA Investments
Not Applicable.

N. Investment in Insurance SCAs
Not Applicable.

O. SCA Loss Tracking
Not Applicable.

Note 11 – Debt

Not Applicable

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

Not Applicable

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

(1) Number of Share and Par or State Value of Each Class
The Company has 50,000 shares of common stock authorized; 16,000 shares issued and outstanding. All shares have a par value of \$100.

(2) Dividend Rate, Liquidation Value and Redemption Schedule of Preferred Stock Issues
The Company has no preferred stock authorized or outstanding.

(3) Dividend Restrictions
The payment of dividends by the Company to MMO is limited and can only be made from earned profits unless prior approval is received from the Ohio Insurance Commissioner. The maximum amount of dividends that may be paid without prior approval of the Ohio Insurance Commissioner is also subject to restrictions relating to statutory capital and surplus and net income. There were no dividends paid by the Company in 2018 or 2017.

(4) Dates and Amounts of Dividends Paid
Not Applicable.

(5) Profits that may be Paid as Ordinary Dividends to Stockholders
Within the limitations of (3) above, there were no restrictions placed on the portion of the Company profits that may be paid as ordinary dividends to stockholders.

(6) Restrictions Plans on Unassigned Funds (Surplus)
There were no restrictions placed on the Company's surplus, including for whom the surplus is being held.

(7) Amount of Advances to Surplus not Repaid
There were no advances to surplus not repaid.

(8) Amount of Stock Held for Special Purposes
Not Applicable.

(9) Reasons for Changes in Balance of Special Surplus Funds from Prior Period
Changes in the balance of special surplus funds from the prior year are due to the decrease in the Health Insurer Fee.

(10) The Portion of Unassigned Funds (Surplus) Represented or Reduced by Unrealized Gains and Losses is: \$0.

(11) The Reporting Entity Issued the Following Surplus Debentures or Similar Obligations
Not Applicable.

(12) The impact of any restatement due to prior quasi-reorganizations is as follows
Not Applicable.

(13) Effective Date of Quasi-Reorganization for a Period of Ten Years Following Reorganization
Not Applicable.

Note 14 – Liabilities, Contingencies and Assessments

NOTES TO FINANCIAL STATEMENTS

A. Contingent Commitments

Not Applicable.

B. Assessments

(1) Assessments Where Amount is Known or Unknown

The Company is subject to regulations that may result in assessments under state insurance guaranty association laws. The Company is not anticipating any significant assessments as of December 31, 2018.

(2) Assessments

a. Assets recognized from paid and accrued premium tax offsets and policy surcharges prior year-end	\$	-
b. Decreases current period:		-
c. Increases current period:		-
d. Assets recognized from paid and accrued premium tax offsets and policy surcharges current period	\$	-

(3) Guaranty Fund Liabilities and Assets Related to Assessments from Insolvencies for Long-Term Care Contracts

a. Discount Rate Applied 3.5%

b. The undiscounted and discounted amount of the guaranty fund assessments and related assets by insolvency:

Name of the Insolvency	Guaranty Fund Assessment		Related Assets	
	Undiscounted	Discounted	Undiscounted	Discounted
Penn Treaty	\$	\$	\$	\$ 17,596

c. Number of jurisdictions, ranges of years used to discount and weighted average number of years of the discounting time period for payables and recoverables by insolvency:

Name of the Insolvency	Payables			Recoverables		
	Number of Jurisdictions	Range of Years	Weighted Average Number of Years	Number of Jurisdictions	Range of Years	Weighted Average Number of Years
Penn Treaty				2	2-5	4

C. Gain Contingencies

Not Applicable.

D. Claims Related Extra Contractual Obligation and Bad Faith Losses Stemming from Lawsuits - Total SSAP 97 and SSAP 48 Contingent Liabilities

Not Applicable.

E. Joint and Several Liabilities

Not Applicable.

F. All Other Contingencies

Various lawsuits against the Company have arisen in the ordinary course of business. While the outcome of these matters cannot be predicted with certainty at this time, management believes they will not have a material adverse effect on the Company's financial position or results of operations.

Note 15 – Leases

Not Applicable

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

Not Applicable

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

Not Applicable

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

A. ASO Plans

The gain from operations from Administrative Services Only (ASO) uninsured plans and the uninsured portion of partially insured plans was as follows during 2018:

	ASO Uninsured Plans	Uninsured Portion of Partially Insured Plans	Total ASO
a. Net reimbursement for administrative expenses (including	\$ 114,563	\$	\$ 114,563

NOTES TO FINANCIAL STATEMENTS

	ASO Uninsured Plans	Uninsured Portion of Partially Insured Plans	Total ASO
administrative fees) in excess of actual expenses			
b. Total net other income or expenses (including interest paid to or received from plans)			
c. Net gain or (loss) from operations	114,563		114,563
d. Total claim payment volume	\$ 493,042	\$	\$ 493,042

B. ASC Plans

Not Applicable.

C. Medicare or Similarly Structured Cost Based Reimbursement Contract

Not Applicable.

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

Not Applicable

Note 20 – Fair Value Measurements

A. Fair Value Measurements

The Company has no assets or liabilities that are reported at fair value as of December 31, 2018.

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

Not Applicable.

C. Fair Value Level

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	(Level 1)	(Level 2)	(Level 3)	Net Asset Value (NAV)	Not Practicable (Carrying Value)
BONDS	\$ 27,388,464	\$ 27,844,448	\$	\$ 27,388,464	\$	\$	\$

D. Not Practicable to Estimate Fair Value

Not Applicable.

E. NAV Practical Expedient Investments

Not Applicable.

Note 21 – Other Items

A. Unusual or Infrequent Items

Not Applicable.

B. Troubled Debt Restructuring Debtors

Not Applicable.

C. Other Disclosures

The Company is subject to certain Risk-Based Capital (RBC) requirements specified by the NAIC and required by the ODI. Under those requirements, the amount of capital and surplus maintained by the Company is determined based on various risk factors. At December 31, 2018 and 2017, the Company met the minimum RBC requirements.

D. Business Interruption Insurance Recoveries

Not Applicable.

E. State Transferable and Non-Transferable Tax Credits

Not Applicable.

F. Subprime Mortgage Related Risk Exposure

Not Applicable.

G. Retained Assets

Not Applicable.

H. Insurance-Linked Securities (ILS) Contracts

Not Applicable.

NOTES TO FINANCIAL STATEMENTS**Note 22 – Events Subsequent**

The Company has evaluated subsequent events from the end of the most recent fiscal year through February 27, 2019, the date the statutory-basis financial statements were available to be issued noting no reportable events.

A. Did the reporting entity write accident and health insurance premium that is subject to Section 9010 of the Federal Affordable Care Act (YES/NO)?

Yes [] No []

	2018	2017
B. ACA fee assessment payable for the upcoming year	\$ -	\$ 6,000
C. ACA fee assessment paid	22,926	
D. Premium written subject to ACA 9010 assessment		17,183,798
E. Total adjusted capital before surplus adjustment (Five-Year Historical Line 30)	\$ 31,819,692	
F. Total adjusted capital after surplus adjustment (Five-Year Historical Line 30 minus 22B above)	\$ 31,819,692	
G. Authorized control level (Five-Year Historical Line 31)	\$ 5,087,619	

H. Would reporting the ACA assessment as of December 31, 2018 have triggered an RBC action level (YES/NO)?

Yes [] No []**Note 23 – Reinsurance**

A. Ceded Reinsurance Report

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

The Company cedes life claims in accordance with an excess of loss reinsurance contract. In addition, the Company cedes all of the risk for accidental death and dismemberment and long-term disability coverage.

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

	Year Ended December 31	
	2018	2017
Direct life insurance premiums	\$ 25,365,000	\$ 26,792,000
Ceded life insurance premiums	<u>2,423,000</u>	<u>2,370,000</u>
Net life insurance premiums	\$ 22,942,000	\$ 24,422,000

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

	Year Ended December 31	
	2018	2017
Direct accident and health insurance premiums	\$ 6,734,000	\$ 25,250,000
Ceded accident and health insurance premiums	<u>2,471,000</u>	<u>2,402,000</u>
Net accident and health insurance premiums	\$ 4,263,000	\$ 22,848,000

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

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

	Year Ended December 31	
	2018	2017
Benefit expenses	\$ 2,191,000	\$ 2,561,000
Aggregate reserves and contract claim reserves	<u>\$ 8,430,000</u>	<u>\$ 9,403,000</u>

Section1 – General Interrogatories

(1) Are any of the reinsurers listed in Schedule S as non-affiliated, owned in excess of 10% or controlled, either directly or indirectly, by the company or by any representative, officer, trustee, or director of the company? Yes [] No []
If yes, give full details.

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

NOTES TO FINANCIAL STATEMENTS**Section 2 – Ceded Reinsurance Report – Part A**

(1) Does the company have any reinsurance agreements in effect under which the reinsurer may unilaterally cancel any reinsurance for reasons other than for nonpayment of premium or other similar credits? Yes [] No [X]
 a. If yes, what is the estimated amount of the aggregate reduction in surplus of a unilateral cancellation by the reinsurer as of the date of this statement, for those agreements in which cancellation results in a net obligation of the reporting entity to the reinsurer, and for which such obligation is not presently accrued? Where necessary, the reporting entity may consider the current or anticipated experience of the business reinsured in making this estimate. **\$0**
 b. What is the total amount of reinsurance credits taken, whether as an asset or as a reduction of liability, for these agreements in this statement? **\$0**

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

Section 3 – Ceded Reinsurance Report – Part B

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

(2) Have any new agreements been executed or existing agreements amended, since January 1 of the year of this statement, to include policies or contracts that were in force or which had existing reserves established by the company as of the effective date of the agreement? Yes [] No [X]
 If yes, what is the amount of reinsurance credits, whether an asset or a reduction of liability, taken for such new agreements or amendments? **\$0**

B. Uncollectible Reinsurance

Not Applicable.

C. Commutation of Ceded Reinsurance Reflected in Income and Expenses

Not Applicable.

D. Certified Reinsurer Rating Downgraded or Status Subject to Revocation

Not Applicable.

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

Not Applicable.

C. Disclose 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

At December 31, 2018 and 2017, no liability was recognized on the accompanying statutory statements of admitted assets, liabilities and capital and surplus as the calculated amounts exceeded the applicable thresholds.

	1 Individual	2 Small Group Employer	3 Large Group Employer	4 Other Categories with Rebates	5 Total
Prior Reporting Year					
(1) Medical loss ratio rebates incurred	\$ -	\$ -	\$ -	\$ -	\$ -
(2) Medical loss ratio rebates paid	-	-	-	-	-
(3) Medical loss ratio rebates unpaid	-	-	-	-	-
(4) Plus reinsurance assumed amounts	XXX	XXX	XXX	XXX	-
(5) Less reinsurance ceded amounts	XXX	XXX	XXX	XXX	-
(6) Rebates unpaid net of reinsurance	XXX	XXX	XXX	XXX	\$ -
Current Reporting Year-to-Date					
(7) Medical loss ratio rebates incurred	\$ -	\$ -	\$ -	\$ -	\$ -
(8) Medical loss ratio rebates paid	-	-	-	-	-

NOTES TO FINANCIAL STATEMENTS

(9) Medical loss ratio rebates unpaid	-	-	-	-	-
(10) Plus reinsurance assumed amounts	XXX	XXX	XXX	XXX	-
(11) Less reinsurance ceded amounts	XXX	XXX	XXX	XXX	-
(12) Rebates unpaid net of reinsurance	XXX	XXX	XXX	XXX	-

E. Risk Sharing Provisions of the Affordable Care Act

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

(2) Impact of Risk Sharing Provisions of the Affordable Care Act on admitted assets, liabilities and revenue for the current year:

a. Permanent ACA Risk Adjustment Program	AMOUNT
Assets	
1. Premium adjustments receivable due to ACA Risk Adjustment (including high risk payments)	-
Liabilities	
2. Risk adjustment user fees payable for ACA Risk Adjustment	-
3. Premium adjustments payable due to ACA Risk Adjustment (including high risk premium)	-
Operations (Revenue & Expenses)	
4. Reported as revenue in premium for accident and health contracts (written/collected) due to ACA Risk Adjustment	755,930
5. Reported in expenses as ACA Risk Adjustment user fees (incurred/paid)	(2)

b. Transitional ACA Reinsurance Program	AMOUNT
Assets	
1. Amounts recoverable for claims paid due to ACA Reinsurance	-
2. Amounts recoverable for claims unpaid due to ACA Reinsurance (contra liability)	-
3. Amounts receivable relating to uninsured plans for contributions for ACA Reinsurance	-
Liabilities	
4. Liabilities for contributions payable due to ACA Reinsurance – not reported as ceded premium	-
5. Ceded reinsurance premiums payable due to ACA Reinsurance	-
6. Liabilities for amounts held under uninsured plans contributions for ACA Reinsurance	-
Operations (Revenue & Expenses)	
7. Ceded reinsurance premiums due to ACA Reinsurance	-
8. Reinsurance recoveries (income statement) due to ACA Reinsurance payments or expected payments	63
9. ACA Reinsurance contributions – not reported as ceded premium	-

c. Temporary ACA Risk Corridors Program	AMOUNT
Assets	
1. Accrued retrospective premium due to ACA Risk Corridors	-
Liabilities	
2. Reserve for rate credits or policy experience rating refunds due to ACA Risk Corridors	-
Operations (Revenue & Expenses)	
3. Effect of ACA Risk Corridors on net premium income (paid/received)	-
4. Effect of ACA Risk Corridors on change in reserves for rate credits	-

(3) Roll forward of prior year ACA Risk Sharing Provisions for the following asset (gross of any nonadmission) and liability balances, along with the reasons for adjustments to prior year balance:

	Accrued During the Prior Year on Business Written Before Dec. 31 of the Prior Year		Received or Paid as of the Current Year on Business Written Before Dec 31 of the Prior Year		Differences		Adjustments		Ref	Unsettled Balances as of the Reporting Date	
					Prior Year Accrued Less Payments (Col. 1-3)	Prior Year Accrued Less Payments (Col. 2-4)	To Prior Year Balances	To Prior Year Balances		Cumulative Balance from Prior Years (Col. 1-3+7)	Cumulative Balance from Prior Years (Col. 2-4+8)
	1	2	3	4	5	6	7	8		9	10
	Receivable	(Payable)	Receivable	(Payable)	Receivable	(Payable)	Receivable	(Payable)		Receivable	(Payable)
a. Permanent ACA Risk Adjustment Program											
1. Premium adjustments receivable (including high risk payments)	\$	\$	\$	\$	\$	\$	\$	\$	A	\$	\$
2. Premium adjustments (payable) (including high risk premium)			(2,315,000)		(1,559,070)		(755,930)		755,930	B	
3. Subtotal ACA Permanent Risk Adjustment Program	\$	\$	(2,315,000)	\$	\$ (1,559,070)	\$	\$ (755,930)	\$	\$ 755,930	\$	\$
b. Transitional ACA Reinsurance Program											
1. Amounts recoverable for claims paid	\$ 1,595	\$	\$ 1,658	\$	\$ (63)	\$	\$ 63	\$	C	\$	\$
2. Amounts									D		

NOTES TO FINANCIAL STATEMENTS

	Accrued Prior Year Written Before the Prior	During the Business Dec. 31 of the Prior	Received or the Current Business Before the Prior	Paid as of Year on Written Dec 31 of Year	Differences				Ref	Unsettled as of the Reporting Date	Balances
					Prior Year Accrued Less Payments (Col. 1-3)	Prior Year Accrued Less Payments (Col. 2-4)	To Prior Year Balances	To Prior Year Balances		Cumulative Balance from Prior Years (Col. 1-3+7)	Cumulative Balance from Prior Years (Col. 2-4+8)
	1	2	3	4	5	6	7	8		9	10
	Receivable	(Payable)	Receivable	(Payable)	Receivable	(Payable)	Receivable	(Payable)	Receivable	(Payable)	
recoverable for claims unpaid (contra liability)											
3. Amounts receivable relating to uninsured plans									E		
4. Liabilities for contributions payable due to ACA Reinsurance – not reported as ceded premiums									F		
5. Ceded reinsurance premiums payable									G		
6. Liability for amounts held under uninsured plans									H		
7. Subtotal ACA Transitional Reinsurance Program	\$ 1,595	\$ 1,658	\$ 1,658	\$ (63)	\$ 63	\$ 63	\$ 63	\$ 755,930		\$ 755,930	
c. Temporary ACA Risk Corridors Program											
1. Accrued retrospective premium	\$	\$	\$	\$	\$	\$	\$	\$	I	\$	\$
2. Reserve for rate credits or policy experience rating refunds									J		
3. Subtotal ACA Risk Corridors Program	\$	\$	\$	\$	\$	\$	\$	\$		\$	\$
d. Total for ACA Risk Sharing Provisions	\$ 1,595	\$ (2,315,000)	\$ 1,658	\$ (1,559,070)	\$ (63)	\$ (755,930)	\$ 63	\$ 755,930		\$ 755,930	

Explanations of Adjustments

A. N/A

B. ACA Risk Adjustment based on the final risk adjustment report received from HHS on June 30, 2018 and payments made through December 31, 2018.

C. ACA Reinsurance based on the final reinsurance report received from HHS on June 30, 2017 and payments received through December 31, 2018.

D. N/A

E. N/A

F. N/A

G. N/A

H. N/A

I. N/A

J. N/A

(4) Roll-Forward of Risk Corridors Asset and Liability Balances by Program Benefit Year

Risk Corridors Program Year	Accrued During the Prior Year on Business Written Before Dec. 31 of The Prior Year		Received or Paid as of the Current Year on Business Written Before Dec 31 of the Prior Year		Differences		Adjustments		Unsettled Balances as of the Reporting Date		
					Prior Year Accrued Less Payments (Col. 1-3)	Prior Year Accrued Less Payments (Col. 2-4)	To Prior Year Balances	To Prior Year Balances		Cumulative Balance from Prior Years (Col. 1-3+7)	Cumulative Balance from Prior Years (Col. 2-4+8)
	1	2	3	4	5	6	7	8		9	10
	Receivable	(Payable)	Receivable	(Payable)	Receivable	(Payable)	Receivable	(Payable)	Receivable	(Payable)	
a. 2014									A	\$	\$
1. Accrued retrospective premium	\$	\$	\$	\$	\$	\$	\$	\$			
2. Reserve for rate credits for policy experience rating refunds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	B	\$ -	\$ -
b. 2015									C	\$ -	\$ -
1. Accrued retrospective premium	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			
2. Reserve for rate credits for policy experience rating refunds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	D	\$ -	\$ -
c. 2016									E	\$ -	\$ -
1. Accrued retrospective premium	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			
2. Reserve for rate credits for policy experience rating refunds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	F	\$ -	\$ -
d. Total for Risk	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -

NOTES TO FINANCIAL STATEMENTS

Risk Corridors Program Year Corridors	Accrued Prior Year Written Before The Prior	During the on Business Dec. 31 of Year	Received or the Current Business Before the Prior	Paid as of Year on Written Dec 31 of Year	Differences	Adjustments			Unsettled as of the Reporting Date	Balances Reporting Date
					Prior Year Accrued Less Payments (Col. 1-3)	Prior Year Accrued Less Payments (Col. 2-4)	To Prior Year Balances	To Prior Year Balances	Cumulative Balance from Prior Years (Col. 1-3+7)	Cumulative Balance from Prior Years (Col. 2-4+8)
	1	2	3	4	5	6	7	8	9	10
Receivable	(Payable)	Receivable	(Payable)	Receivable	(Payable)	Receivable	(Payable)	Receivable	(Payable)	

A. N/A
B. N/A
C. N/A
D. N/A
E. N/A
F. N/A

(5) ACA Risk Corridors Receivable as of Reporting Date

Risk Corridors Program Year	1 Estimated Amount to be Filed or Final Amount Filed with CMS	2 Non-Accrued Amounts for Impairment or Other Reasons	3 Amounts Received from CMS	4 Asset Balance (Gross of Non-Admissions) (1-2-3)	5 Non-Admitted Amount	6 Net Admitted Asset (4-5)
a. 2014	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
b. 2015	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
c. 2016	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
d. Total (a+b+c)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Due to the final calculations submitted to HHS, the Company did not have any Risk Corridor receivables.

Note 25 – Change in Incurred Losses and Loss Adjustment Expenses

A. Change in Incurred Losses and Loss Adjustment Expenses

A \$1,158,000 deficiency in the December 31, 2017, reserves emerged in 2018 and a \$211,000 redundancy in the December 31, 2016, reserves emerged in 2017. The deviations in the year end reserves that emerged in 2018 and 2017 were due in part to the ultimate reserves developing differently as a result of lower than estimated claims.

B. Information about Significant Changes in Methodologies and Assumptions

Not Applicable.

Note 26 – Intercompany Pooling Arrangements

Not Applicable

Note 27 – Structured Settlements

Not Applicable

Note 28 – Health Care Receivables

A. Pharmaceutical Rebate Receivables

The Company accounts for pharmaceutical rebate receivables in accordance with SSAP No. 84. The admitted receivable balance of \$0 and \$439,000 was included in other receivables on the statutory statement of admitted assets, liabilities and capital and surplus at December 31, 2018 and 2017, respectively. This amount was comprised of the estimated pharmacy rebates for the current quarter as reported in the statutory financial statements plus the pharmacy rebates invoiced/confirmed for the preceding quarter. Additional details are included in the table below:

Quarter	Estimated Pharmacy Rebates as Reported on Financial Statements	Pharmacy Rebates as Billed or Otherwise Confirmed	Actual Rebates Received Within 90 Days of Billing	Actual Rebates Received Within 91 to 180 Days of Billing	Actual Rebates Received More than 180 Days After Billing
12/31/2018	\$ -	\$ -	\$ -	\$ -	\$ -
09/30/2018	\$ -	\$ -	\$ -	\$ -	\$ -
06/30/2018	\$ -	\$ -	\$ -	\$ -	\$ -
03/31/2018	\$ -	\$ -	\$ -	\$ 2,581	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -
12/31/2017	\$ 249,000	\$ 249,000	\$ 2,184	\$ 536,460	\$ 1,746
09/30/2017	\$ 192,000	\$ 190,000	\$ 86,059	\$ 893	\$ 732
06/30/2017	\$ 90,000	\$ 191,000	\$ 96,834	\$ 3,594	\$ 391
03/31/2017	\$ 75,267	\$ 181,817	\$ 85,808	\$ 371	\$ (640)
	\$ -	\$ -	\$ -	\$ -	\$ -
12/31/2016	\$ 30,315	\$ 30,315	\$ 32,791	\$ 1,054	\$ 1,301
09/30/2016	\$ 28,000	\$ 27,002	\$ 27,232	\$ 4,700	\$ 123
06/30/2016	\$ 34,000	\$ 35,387	\$ 35,387	\$ -	\$ 2,188
03/31/2016	\$ 24,000	\$ 26,373	\$ 26,373	\$ -	\$ 1,098

B. Risk Sharing Receivables

Not Applicable.

NOTES TO FINANCIAL STATEMENTS**Note 29 – Participating Policies**

Not Applicable

Note 30 – Premium Deficiency Reserves

1. Liability carried for premium deficiency reserve: \$0

2. Date of most recent evaluation of this liability: December 31, 2018

3. Was anticipated investment income utilized in the calculation? Yes [X] No []

Note 31 – Reserves for Life Contracts and Annuity Contracts

(1) Reserve Practices

Aggregate reserves include future policy benefit reserves for disability policies which are required on claims involving continuing losses. The reserve is a measure of the present value of future benefits or amount not yet due as of the statement date. Aggregate reserves at December 31, 2017 also include a risk adjustment liability for the ACA permanent risk adjustment program of \$2,315,000. There was no risk adjustment liability at December 31, 2018. Finally, aggregate reserves include active life reserves for accident and health insurance policies. Active life reserves are based on the net level premium method, and estimates of future premium, claims, and lapses using the Company's experience and actuarial judgment.

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

(2) Valuation of Substandard Policies

Not Applicable.

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

Not Applicable.

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

Not Applicable.

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

Not Applicable.

(6) Details for Other Changes

Not Applicable.

Note 32 – Analysis of Annuity Actuarial Reserves and Deposit Type 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 end of December 31, 2018 were:

	Gross	Net of Loading
(1) Industrial	\$ -	\$ -
(2) Ordinary new business	-	-
(3) Ordinary renewal	207	171
(4) Credit life	-	-
(5) Group life	442,144	365,211
(6) Group annuity	-	-
(7) Totals	\$ 442,351	\$ 365,382

Note 34 – Separate Accounts

Not Applicable

Note 35 – Loss/Claim Adjustment Expenses

NOTES TO FINANCIAL STATEMENTS

The following table provides a reconciliation of the beginning and ending balances for reserves for contract claims and claims adjustment expenses (CAE), net of recoveries and reinsurance. This table is also net of healthcare receivables of \$737,000 for 2017. There were no healthcare receivables at December 31, 2018.

	Years Ended December 31	
	2018	2017
Contract claims and CAE	\$ 5,875,000	\$ 3,578,000
Reinsurance recoverable, net	(210,000)	(428,000)
Health care receivables	<u>(737,000)</u>	<u>(71,000)</u>
Reserves for contract claims and CAE at beginning of year, net of recoveries and reinsurance	4,928,000	3,079,000
Add provision for benefits and CAE, net of reinsurance, occurring in:		
Current year	18,488,000	37,186,000
Prior years	<u>1,158,000</u>	<u>(211,000)</u>
Net benefit expenses and CAE during the current year	19,646,000	36,975,000
Deduct payments for benefits and CAE, net of reinsurance, occurring in:		
Current year	14,814,000	32,958,000
Prior years	<u>4,552,000</u>	<u>2,168,000</u>
Net benefits and CAE payments during the current year	19,366,000	35,126,000
Reserves for contract claims and CAE at end of year, net of recoveries and reinsurance	\$ 5,208,000	\$ 4,928,000
Reinsurance recoverable, net	258,000	210,000
Health care receivables	-	737,000
Contract claims and CAE	<u>\$ 5,466,000</u>	<u>\$ 5,875,000</u>

At December 31, 2017, health care receivables include \$201,000 that are nonadmitted in accordance with SSAP No. 84, *Certain Health Care Receivables and Receivables Under Government Insured Plans* (SSP No. 84).

The reserves for contract claims and CAE at December 31, 2018 and 2017, has been reduced by \$30,000 and \$75,000, respectively, related to anticipated subrogation claims recoverable.

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

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

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

1.3 State regulating? OHIO

1.4 Is the reporting entity publicly traded or a member of publicly traded group? Yes [] No [X]

1.5 If the response to 1.4 is yes, provide the CIK (Central Index Key) code issued by the SEC for the entity/group.

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

2.2 If yes, date of change:

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

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

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

3.4 By what department or departments? OHIO DEPARTMENT OF INSURANCE

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

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

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

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

4.12 renewals? Yes [] No [X]

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

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

4.22 renewals? Yes [] No [X]

5.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes [] No [X]
If the answer is YES, complete and file the merger history data file with the NAIC.

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

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

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

6.2 If yes, give full information:

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

7.2 If yes,

7.21 State the percentage of foreign control %

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

1 Nationality	2 Type of Entity

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

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

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

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

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

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

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

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

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

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

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

GENERAL INTERROGATORIES**PART 1 - COMMON INTERROGATORIES**

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

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

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

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

12.2 If yes, provide explanation

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

BOARD OF DIRECTORS

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

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

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

FINANCIAL

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

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

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

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

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

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

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

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

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

22.2 If answer is yes:

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

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

23.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: \$ 1,079,135

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

25.21 Subject to repurchase agreements: \$ _____ 0

25.22 Subject to reverse repurchase agreements: \$ _____ 0

25.23 Subject to dollar repurchase agreements: \$ _____ 0

25.24 Subject to reverse dollar repurchase agreements: \$ _____ 0

25.25 Placed under option agreements: \$ _____ 0

25.26 Letter stock or securities restricted as sale – excluding FHLB Capital Stock: \$ _____ 0

25.27 FHLB Capital Stock: \$ _____ 0

25.28 On deposit with states: \$ _____ 0

25.29 On deposit with other regulatory bodies: \$ _____ 2,059,862

25.30 Pledged as collateral – excluding collateral pledged to an FHLB: \$ _____ 0

25.31 Pledged as collateral to FHLB – including assets backing funding agreements: \$ _____ 0

25.32 Other: \$ _____ 0

25.3 For category (25.26) provide the following:

1 Nature of Restriction	2 Description	3 Amount
		\$ _____

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

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

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

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

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

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

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

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

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

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

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

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

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

1 Name of Firm or Individual	2 Affiliation
JAMES CELLURA	I

GENERAL INTERROGATORIES**PART 1 - COMMON INTERROGATORIES**

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

Yes [] No [X]

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

Yes [] No [X]

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

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

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

Yes [] No [X]

29.2 If yes, complete the following schedule:

1 CUSIP	2 Name of Mutual Fund	3 Book/Adjusted Carrying Value
		\$
29.2999 TOTAL		\$

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

1 Name of Mutual Fund (from above table)	2 Name of Significant Holding of the Mutual Fund	3 Amount of Mutual Fund's Book/Adjusted Carrying Value Attributable to the Holding	4 Date of Valuation
		\$	

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

		1 Statement (Admitted) Value	2 Fair Value	3 Excess of Statement over Fair Value (-), or Fair Value over Statement (+)
30.1	Bonds	\$ 27,844,448	\$ 27,388,464	\$ (455,984)
30.2	Preferred Stocks	\$ 0	\$ 0	\$ 0
30.3	Totals	\$ 27,844,448	\$ 27,388,464	\$ (455,984)

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

The fair value of our securities was determined by utilizing prices obtained from our custodian, Fifth Third Bank. Fifth Third Bank utilizes ICE Data Services or their pricing.

Yes [X] No []

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

Yes [X] No []

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

Yes [X] No []

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

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

Yes [X] No []

32.2 If no, list exceptions:

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

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

Has the reporting entity self-designated 5GI securities?

Yes [] No [X]

34. By self-designating PLGI securities, the reporting entity is certifying the following elements of each self-designated PLGI security:

- The security was purchased prior to January 1, 2018.
- The reporting entity is holding capital commensurate with the NAIC Designation reported for the security.
- The NAIC Designation was derived from the credit rating assigned by an NAIC CRP in its legal capacity as an NRSRO which is shown on a current private letter rating held by the insurer and available for examination by state insurance regulators.
- The reporting entity is not permitted to share this credit rating of the PL security with the SVO.

Has the reporting entity self-designated PLGI securities?

Yes [] No [X]

OTHER

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

\$ 5,211

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

1 Name	2 Amount Paid
LL Global, Inc.	\$ 3,890

36.1 Amount of payments for legal expenses, if any?

\$ 0

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

1 Name	2 Amount Paid
	\$

GENERAL INTERROGATORIES**PART 1 - COMMON INTERROGATORIES**

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

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

1 Name	2 Amount Paid
	\$

GENERAL INTERROGATORIES**PART 2 – LIFE INTERROGATORIES**

1.1	Does the reporting entity have any direct Medicare Supplement Insurance in force?	Yes [X] No []	
1.2	If yes, indicate premium earned on U.S. business only.	\$ 680,022	
1.3	What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit?	\$ 0	
1.3	Reason for excluding:		
1.4	Indicate amount of earned premium attributable to Canadian and/or Other Alien not included in Item (1.2) above.	\$ 0	
1.5	Indicate total incurred claims on all Medicare Supplement insurance.	\$ 404,993	
1.6	Individual policies:		
	Most current three years:		
1.61	Total premium earned	\$ 0	
1.62	Total incurred claims	\$ 0	
1.63	Number of covered lives	\$ 0	
	All years prior to most current three years:		
1.64	Total premium earned	\$ 680,022	
1.65	Total incurred claims	\$ 404,993	
1.66	Number of covered lives	\$ 223	
1.7	Group policies:		
	Most current three years:		
1.71	Total premium earned	\$ 0	
1.72	Total incurred claims	\$ 0	
1.73	Number of covered lives	\$ 0	
	All years prior to most current three years:		
1.74	Total premium earned	\$ 0	
1.75	Total incurred claims	\$ 0	
1.76	Number of covered lives	\$ 0	
2.	Health Test:		
		1 Current Year	2 Prior Year
2.1	Premium Numerator	\$ 1,474,196	\$ 17,875,709
2.2	Premium Denominator	\$ 27,204,839	\$ 47,269,729
2.3	Premium Ratio (2.1/2.2)	5.4%	37.8%
2.4	Reserve Numerator	\$ 580,000	\$ 2,066,736
2.5	Reserve Denominator	\$ 6,803,961	\$ 9,880,697
2.6	Reserve Ratio (2.4/2.5)	8.5%	20.9%
3.1	Does the reporting entity have Separate Accounts?	Yes [] No [X]	
3.2	If yes, has a Separate Accounts statement been filed with this Department	Yes [] No [] N/A[X]	
3.3	What portion of capital and surplus funds of the reporting entity covered by assets in the Separate Accounts statement, is not currently distributable from the Separate Accounts to the general account for use by the general account?	\$ 0	
3.4	State the authority under which Separate Accounts are maintained:		
3.5	Was any of the reporting entity's Separate Accounts business reinsured as of December 31?	Yes [] No [X]	
3.6	Has the reporting entity assumed by reinsurance any Separate Accounts business as of December 31?	Yes [] No [X]	
3.7	If the reporting entity has assumed Separate Accounts business, how much, if any, reinsurance assumed receivable for reinsurance of Separate Accounts reserve expense allowances is included as a negative amount in the liability for "Transfers to Separate Accounts due or accrued (net)"?	\$ 0	
4.1	Are personnel or facilities of this reporting entity used by another entity or entities or are personnel or facilities of another entity or entities used by this reporting entity (except for activities such as administration of jointly underwritten group contracts and joint mortality or morbidity studies)"?	Yes [X] No []	
4.2	Net reimbursement of such expenses between reporting entities:		
4.21	Paid	\$ 709,403	
4.22	Received	\$ 184,404	
5.1	Does the reporting entity write any guaranteed interest contracts?	Yes [] No [X]	
5.2	If yes, what amount pertaining to these items is included in:		
5.21	Page 3, Line 1	\$ 0	
5.22	Page 4, Line 1	\$ 0	
6.	For stock reporting entities only:		
6.1	Total amount paid in by stockholders as surplus funds since organization of the reporting entity:	\$ 0	
7.	Total dividends paid stockholders since organization of the reporting entity:		
7.11	Cash	\$ 0	

GENERAL INTERROGATORIES**PART 2 – LIFE INTERROGATORIES**

7.12 Stock	\$	0					
8.1 Does the reporting entity reinsure any Workers' Compensation Carve-Out business defined as:	Yes [] No [X]						
Reinsurance (including retrocessional reinsurance) assumed by life and health insurers of medical, wage loss and death benefits of the occupational illness and accident exposures, but not the employers liability exposures, of business originally written as workers' compensation insurance.							
8.2 If yes, has the reporting entity completed the <i>Workers' Compensation Carve-Out Supplement</i> to the Annual Statement?	Yes [] No []						
8.3 If 8.1 is yes, the amounts of earned premiums and claims incurred in this statement are:							
	1 Reinsurance Assumed	2 Reinsurance Ceded	3 Net Retained				
8.31 Earned premium	\$ 0	\$ 0	\$ 0				
8.32 Paid claims	\$ 0	\$ 0	\$ 0				
8.33 Claim liability and reserve (beginning of year)	\$ 0	\$ 0	\$ 0				
8.34 Claim liability and reserve (end of year)	\$ 0	\$ 0	\$ 0				
8.35 Incurred claims	\$ 0	\$ 0	\$ 0				
8.4 If reinsurance assumed included amounts with attachment points below \$1,000,000, the distribution of the amounts reported in Lines 8.31 and 8.34 for Column (1) are:							
	1 Earned Premium	2 Claim Liability and Reserve					
8.41 <\$25,000	\$ 0	\$ 0					
8.42 \$25,000 — 99,999	\$ 0	\$ 0					
8.43 \$100,000 — 249,999	\$ 0	\$ 0					
8.44 \$250,000 — 999,999	\$ 0	\$ 0					
8.45 \$1,000,000 or more	\$ 0	\$ 0					
8.5 What portion of earned premium reported in 8.31, Column 1 was assumed from pools?	\$	0					
9. For reporting entities having sold annuities to another insurer where the insurer purchasing the annuities has obtained a release of liability from the claimant (payee) as the result of the purchase of an annuity from the reporting entity only:							
9.1 Amount of loss reserves established by these annuities during the current year:	\$	0					
9.2 List the name and location of the insurance company purchasing the annuities and the statement value on the purchase date of the annuities.							
	1 P&C Insurance Company and Location	2 Statement Value on Purchase Date of Annuities (i.e., Present Value)					
10.1 Do you act as a custodian for health savings accounts?	Yes [] No [X]						
10.2 If yes, please provide the amount of custodial funds held as of the reporting date.	\$	0					
10.3 Do you act as an administrator for health savings accounts?	Yes [] No [X]						
10.4 If yes, please provide the balance of the funds administered as of the reporting date.	\$	0					
11.1 Are any of the captive affiliates reported on Schedule S, Part 3, authorized reinsurers?	Yes [] No [] N/A [X]						
11.2 If the answer to 11.1 is yes, please provide the following:							
	1 Company Name	2 NAIC Company Code	3 Domiciliary Jurisdiction	4 Reserve Credit	Assets Supporting Reserve Credit		
					5 Letters of Credit	6 Trust Agreements	7 Other
12. Provide the following for individual ordinary life insurance* policies (U.S. business only) for the current year (prior to reinsurance assumed or ceded).							
12.1 Direct premiums written	\$	189,866					
12.2 Total incurred claims	\$	301,000					
12.3 Number of covered lives	442						
	*Ordinary Life Insurance Includes						
	Term (whether full underwriting, limited underwriting, jet issue, "short form app")						
	Whole Life (whether full underwriting, limited underwriting, jet issue, "short form app")						
	Variable Life (with or without secondary guarantee)						
	Universal Life (with or without secondary guarantee)						
	Variable Universal Life (with or without secondary guarantee)						
13. Is the reporting entity licensed or charted, registered, qualified, eligible or writing business in at least two states?	Yes [X] No []						
13.1 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 []						

Consumers Life Insurance Company

FIVE-YEAR HISTORICAL DATA

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

\$000 omitted for amounts of life insurance

	1 2018	2 2017	3 2016	4 2015	5 2014
Life Insurance in Force (Exhibit of Life Insurance)					
1. Ordinary - whole life and endowment (Line 34, Col. 4).....					
2. Ordinary - term (Line 21, Col. 4, less Line 34, Col. 4).....	10,965	12,689	14,989	19,862	33,945
3. Credit life (Line 21, Col. 6).....					
4. Group, excluding FEGLI/SGLI (Line 21, Col. 9 less Lines 43 & 44, Col. 4).....	12,431,397	12,037,754	10,755,932	10,811,705	9,838,102
5. Industrial (Line 21, Col. 2).....					
6. FEGLI/SGLI (Lines 43 & 44, Col. 4).....					
7. Total (Line 21, Col. 10).....	12,442,362	12,050,443	10,770,921	10,831,567	9,872,047
7.1 Total in force for which VM-20 deterministic/stochastic reserves are calculated.....			XXX.....	XXX.....	XXX.....
New Business Issued (Exhibit of Life Insurance)					
8. Ordinary - whole life and endowment (Line 34, Col. 2).....					
9. Ordinary - term (Line 2, Col. 4, less Line 34, Col. 2).....	815	700	604	615	2,233
10. Credit life (Line 2, Col. 6).....					
11. Group (Line 2, Col. 9).....	192,952	183,478	245,413	666,247	78,430
12. Industrial (Line 2, Col. 2).....					
13. Total (Line 2, Col. 10).....	193,767	184,178	246,017	666,862	80,663
Premium Income - Lines of Business (Exhibit 1-Part 1)					
14. Industrial life (Line 20.4, Col. 2).....					
15.1 Ordinary life insurance (Line 20.4, Col. 3).....	189,866	195,015	195,520	229,380	289,311
15.2 Ordinary individual annuities (Line 20.4, Col. 4).....					
16. Credit life (group and individual) (Line 20.4, Col. 5).....					
17.1 Group life insurance (Line 20.4, Col. 6).....	22,752,090	24,226,891	22,228,294	22,913,834	19,957,697
17.2 Group annuities (Line 20.4, Col. 7).....					
18.1 A&H - group (Line 20.4, Col. 8).....	2,783,041	4,972,114	4,537,108	5,130,133	4,965,063
18.2 A&H - credit (group and individual) (Line 20.4, Col. 9).....					
18.3 A&H - other (Line 20.4, Col. 10).....	1,479,842	17,875,709	4,428,683	703,431	702,162
19. Aggregate of all other lines of business (Line 20.4, Col. 11).....					
20. Total.....	27,204,839	47,269,729	31,389,605	28,976,778	25,914,233
Balance Sheet (Pages 2 and 3)					
21. Total admitted assets excluding Separate Accounts business (Page 2, Line 26, Col. 3).....	44,864,887	44,942,863	41,823,917	37,575,619	36,448,787
22. Total liabilities excluding Separate Accounts business (Page 3, Line 26).....	13,094,300	17,303,192	18,527,821	15,967,648	16,726,325
23. Aggregate life reserves (Page 3, Line 1).....	981,000	1,009,000	1,589,000	1,834,000	1,195,500
23.1 Excess VM-20 deterministic/stochastic reserve over NPR related to Line 7.1.....			XXX.....	XXX.....	XXX.....
24. Aggregate A&H reserves (Page 3, Line 2).....	470,000	3,117,000	3,932,000	1,082,000	877,000
25. Deposit-type contract funds (Page 3, Line 3).....					
26. Asset valuation reserve (Page 3, Line 24.01).....	49,105	47,253	42,097	36,395	32,087
27. Capital (Page 3, Lines 29 & 30).....	1,600,000	1,600,000	1,600,000	1,600,000	1,600,000
28. Surplus (Page 3, Line 37).....	30,170,587	26,039,671	21,696,096	20,007,971	18,122,462
Cash Flow (Page 5)					
29. Net cash from operations (Line 11).....	2,842,801	6,004,795	4,135,290	1,252,736	1,839,890
Risk-Based Capital Analysis					
30. Total adjusted capital.....	31,819,692	27,686,924	23,338,193	21,644,366	19,754,549
31. Authorized control level risk-based capital.....	5,087,617	4,959,812	3,611,034	3,340,351	2,727,792
Percentage Distribution of Cash, Cash Equivalents and Invested Assets (Page 2, Col. 3) (Line No. /Page 2, Line 12, Col. 3) x 100.0					
32. Bonds (Line 1).....	67.3	57.6	64.1	63.5	61.7
33. Stocks (Lines 2.1 and 2.2).....					
34. Mortgage loans on real estate (Lines 3.1 and 3.2).....					
35. Real estate (Line 4.1, 4.2 and 4.3).....					
36. Cash, cash equivalents and short-term investments (Line 5).....	32.7	42.4	35.9	36.5	38.3
37. Contract loans (Line 6).....					
38. Derivatives (Line 7).....					
39. Other invested assets (Line 8).....					
40. Receivables for securities (Line 9).....					
41. Securities lending reinvested collateral assets (Line 10).....					
42. Aggregate write-ins for invested assets (Line 11).....					
43. Cash, cash equivalents and invested assets (Line 12).....	100.0	100.0	100.0	100.0	100.0

Consumers Life Insurance Company

FIVE-YEAR HISTORICAL DATA

(continued)

	1 2018	2 2017	3 2016	4 2015	5 2014
Investments in Parent, Subsidiaries and Affiliates					
44. Affiliated bonds (Sch. D Summary, Line 12, Col. 1).....					
45. Affiliated preferred stocks (Sch. D Summary, Line 18, Col. 1).....					
46. Affiliated common stocks (Sch. D Summary, Line 24, Col. 1).....					
47. Affiliated short-term investments (subtotal included in Sch. DA, Verif., Col. 5, Line 10).....					
48. Affiliated mortgage loans on real estate					
49. All other affiliated.....					
50. Total of above Lines 44 to 49.....	0	0	0	0	0
51. Total investment in parent included in Lines 44 to 49 above.....					
Total Nonadmitted and Admitted Assets					
52. Total nonadmitted assets (Page 2, Line 28, Col. 2).....	46,811	252,661	66,425	105,235	187,654
53. Total admitted assets (Page 2, Line 28, Col. 3).....	44,864,887	44,942,863	41,823,917	37,575,619	36,448,787
Investment Data					
54. Net investment income (Exhibit of Net Investment Income).....	619,541	365,115	338,752	308,227	257,584
55. Realized capital gains (losses) (Page 4, Line 34, Column 1).....					
56. Unrealized capital gains (losses) (Page 4, Line 38, Column 1).....					
57. Total of above Lines 54, 55 and 56.....	619,541	365,115	338,752	308,227	257,584
Benefits and Reserve Increase (Page 6)					
58. Total contract benefits - life (Lines 10, 11, 12, 13, 14 and 15, Col. 1 minus Lines 10, 11, 12, 13, 14 and 15, Cols. 9, 10 & 11).....	16,209,424	16,038,695	16,301,114	16,949,467	16,365,165
59. Total contract benefits - A&H (Lines 13 & 14, Cols. 9, 10 & 11).....	2,532,499	19,081,711	6,490,984	4,457,666	5,460,665
60. Increase in life reserves - other than group and annuities (Line 19, Cols. 2 & 3).....	17,000	19,000	6,000	(4,500)	4,500
61. Increase in A&H reserves (Line 19, Cols. 9, 10 & 11).....	(332,000)	(1,116,000)	836,000	205,000	25,000
62. Dividends to policyholders (Line 30, Col 1).....					
Operating Percentages					
63. Insurance expense percent (Page 6, Col. 1, Lines 21, 22, & 23 less Line (6) / (Page 6, Col. 1, Line 1 plus Exhibit 7, Col. 2, Line 2) x 100.00).....	14.7	14.6	16.0	16.7	16.3
64. Lapse percent (ordinary only) [(Exhibit of Life Insurance, Col. 4, Lines 14 & 15) / 1/2 (Exhibit of Life Insurance, Col. 4, Lines 1 & 21)] x 100.00.....					
65. A&H loss percent (Schedule H, Part 1, Lines 5 & 6, Col. 2).....	.52.2	80.9	82.7	80.2	104.0
66. A&H cost containment percent (Schedule H, Part 1, Line 4, Col. 2).....	.6	2.3	1.0	.3	.7.2
67. A&H expense percent excluding cost containment expenses (Schedule H, Part 1, Line 10, Col. 2).....	.26.0	17.7	28.9	30.7	10.3
A&H Claim Reserve Adequacy					
68. Incurred losses on prior years' claims - group health (Sch. H, Part 3, Line 3.1, Col. 2).....	(1,048)	(24,876)	3,972	952,140	2,893,105
69. Prior years' claim liability and reserve - group health (Sch. H, Part 3, Line 3.2, Col. 2).....	802,000	844,000	1,082,000	840,333	2,021,599
70. Incurred losses on prior years' claims - health other than group (Sch. H, Part 3, Line 3.1, Col. 1 less Col. 2).....	1,911,076	268,014	9,160	(59,464)	189,183
71. Prior years' claim liability and reserve - health other than group (Sch. H, Part 3, Line 3.2, Col. 1 less Col. 2).....	2,066,736	351,928	(15,000)	(13,333)	219,401
Net Gains From Operations After Federal Income Taxes by Lines of Business (Page 6, Line 33)					
72. Industrial life (Col. 2).....					
73. Ordinary - life (Col. 3).....	(128,913)	43,086	38,183	(5,826)	(517,726)
74. Ordinary - individual annuities (Col. 4).....					
75. Ordinary - supplementary contracts (Col. 5).....					
76. Credit life (Col. 6).....					
77. Group life (Col. 7).....	3,301,798	3,622,479	910,224	1,854,347	1,351,025
78. Group annuities (Col. 8).....					
79. A&H - group (Col. 9).....	(6,004)	235,921	19,157	(527,569)	(2,173,649)
80. A&H - credit (Col. 10).....					
81. A&H - other (Col. 11).....	755,919	966,252	(320,596)	27,747	(28,126)
82. Aggregate of all other lines of business (Col. 12).....					
83. Total (Col. 1).....	3,922,800	4,867,738	646,968	1,348,699	(1,368,476)

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

Yes [] No []

If no, please explain:

EXHIBIT OF LIFE INSURANCE

(\$000 Omitted for Amounts of Life Insurance)

	Industrial		Ordinary		Credit Life (Group and Individual)		Group			10 Total Amount of Insurance	
	1 Number of Policies	2 Amount of Insurance	3 Number of Policies	4 Amount of Insurance	5 Number of Individual Policies and Group Certificates	6 Amount of Insurance	Number of				
							7 Policies	8 Certificates			
1. In force end of prior year.....			520	12,689			5,027	.221,149	12,037,754	12,050,443	
2. Issued during year.....			25	815			372	5,550	192,952	193,767	
3. Reinsurance assumed.....										0	
4. Revived during year.....										0	
5. Increased during year (net).....								539	560,709	560,709	
6. Subtotals, Lines 2 to 5.....	0	0	25	815	0	0	372	6,089	753,661	754,476	
7. Additions by dividends during year.....	XXX		XXX		XXX		XXX	XXX		0	
8. Aggregate write-ins for increases.....	0	0	0	0	0	0	0	0	0	0	
9. Totals (Lines 1 and 6 to 8).....	0	0	545	13,504	0	0	5,399	227,238	12,791,415	12,804,919	
Deductions during year:											
10. Death.....			5	310			XXX	465	14,521	14,831	
11. Maturity.....							XXX			0	
12. Disability.....							XXX			0	
13. Expiry.....			98	2,229			393	22,138	345,497	347,726	
14. Surrender.....										0	
15. Lapse.....										0	
16. Conversion.....							XXX	XXX	XXX	0	
17. Decreased (net).....										0	
18. Reinsurance.....										0	
19. Aggregate write-ins for decreases.....	0	0	0	0	0	0	0	0	0	0	
20. Totals (Lines 10 to 19).....	0	0	103	2,539	0	0	393	22,603	360,018	362,557	
21. In force end of year (Line 9 minus Line 20).....	0	0	442	10,965	0	0	5,006	204,635	12,431,397	12,442,362	
22. Reinsurance ceded end of year.....	XXX		XXX		XXX		XXX	XXX	723,932	723,932	
23. Line 21 minus Line 22.....	XXX	0	XXX	10,965	XXX	(a) 0	XXX	XXX	11,707,465	11,718,430	

DETAILS OF WRITE-INS

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

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

Consumers Life Insurance Company

EXHIBIT OF LIFE INSURANCE

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

ADDITIONAL INFORMATION ON INSURANCE IN FORCE END OF YEAR

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

ADDITIONAL INFORMATION ON ORDINARY INSURANCE

	Issued During Year (Included in Line 2)		In Force End of Year (Included in Line 21)	
	1 Number of Policies	2 Amount of Insurance	3 Number of Policies	4 Amount of Insurance
Term Insurance Excluding Extended Term Insurance				
27. Term policies-decreasing.....	.....	.....	.....	.....
28. Term policies-other.....	....25	....815.....	....442.....	....10,965.....
29. Other term insurance-decreasing.....	....XXX	.....	....XXX.....	.....
30. Other term insurance.....	....XXX	.....	....XXX.....	.....
31. Totals (Lines 27 to 30).....	....25	....815.....	....442.....	....10,965.....
Reconciliation to Lines 2 and 21:				
32. Term additions.....	....XXX	.....	....XXX.....	.....
33. Totals, extended term insurance.....	....XXX	....XXX.....	.....	.....
34. Totals, whole life and endowment.....	.....	.....	.....	.....
35. Totals (Lines 31 to 34).....	....25	....815.....	....442.....	....10,965.....

CLASSIFICATION OF AMOUNT OF INSURANCE BY PARTICIPATING STATUS

	Issued During Year (Included in Line 2)		In Force End of Year (Included in Line 21)	
	1 Non-Participating	2 Participating	3 Non-Participating	4 Participating
36. Industrial.....	.....	.....	.....	.....
37. Ordinary.....	....815	.....	....10,965.....	.....
38. Credit Life (Group and Individual).....	.....	.....	.....	.....
39. Group.....	....192,952	.....	....12,431,397.....	.....
40. Totals (Lines 36 to 39).....	....193,767	....0.....	....12,442,362.....	....0.....

ADDITIONAL INFORMATION ON CREDIT LIFE AND GROUP INSURANCE

	Credit Life		Group	
	1 Number of Individual Policies and Group Certificates	2 Amount of Insurance	3 Number of Certificates	4 Amount of Insurance
41. Amount of insurance included in Line 2 ceded to other companies.....	....XXX	.....	....XXX.....	....968.....
42. Number in force end of year if the number under shared groups is counted on a pro-rata basis.....XXX.....	.....	....XXX.....
43. Federal Employees' Group Life Insurance included in Line 21.....
44. Servicemen's Group Life Insurance included in Line 21.....
45. Group Permanent Insurance included in Line 21.....89.....	....1,785.....

ADDITIONAL ACCIDENTAL DEATH BENEFITS

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

BASIS OF CALCULATION OF ORDINARY TERM INSURANCE

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

POLICIES WITH DISABILITY PROVISIONS

Disability Provision	Industrial		Ordinary		Credit		Group	
	1 Number of Policies	2 Amount of Insurance	3 Number of Policies	4 Amount of Insurance	5 Number of Policies	6 Amount of Insurance	7 Number of Certificates	8 Amount of Insurance
48. Waiver of Premium.....124,931.....	....5,139,369.....
49. Disability Income.....
50. Extended Benefits.....XXX.....	....XXX.....	.....	.....	.....	.....
51. Other.....
52. Total.....	....0	....(a)....0	....0	....(a)....0	....0	....(a)....0	....124,931	....(a)....5,139,369

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

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

SUPPLEMENTARY CONTRACTS

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

ANNUITIES

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

ACCIDENT AND HEALTH INSURANCE

	Group		Credit		Other	
	1 Certificates	2 Premiums in force	3 Policies	4 Premiums in force	5 Policies	6 Premiums in force
1. In force end of prior year.....	27,395	4,658,278			3,136	18,706,211
2. Issued during year.....	(748)	(1,922,394)			105	(17,916,617)
3. Reinsurance assumed.....						
4. Increased during year (net).....		XXX.....		XXX.....		XXX.....
5. Total (Lines 1 to 4).....	26,647	XXX.....	0	XXX.....	3,241	XXX.....
Deductions during year:						
6. Conversions.....		XXX.....	XXX.....	XXX.....		XXX.....
7. Decreased (net).....	1,808	XXX.....		XXX.....	2,660	XXX.....
8. Reinsurance ceded.....		XXX.....		XXX.....		XXX.....
9. Totals (Lines 6 to 8).....	1,808	XXX.....	0	XXX.....	2,660	XXX.....
10. In force end of year.....	24,839	(a).....	2,735,884	0	(a).....	581 (a).....

DEPOSIT FUNDS AND DIVIDEND ACCUMULATIONS

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

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

Consumers Life Insurance Company

SCHEDULE T - PREMIUMS AND ANNUITY CONSIDERATIONS (b)

Allocated by States and Territories

States, Etc.	1 Active Status (a)	Direct Business Only					
		Life Contracts		4 Accident and Health Insurance Premiums, Including Policy, Mem- bership and Other Fees	5 Other Considerations	6 Total Columns 2 through 5	7 Deposit-Type Contracts
		2 Life Insurance Premiums	3 Annuity Considerations				
1. Alabama.....	AL.....	N.....				0.....	
2. Alaska.....	AK.....	N.....				0.....	
3. Arizona.....	AZ.....	L.....				0.....	
4. Arkansas.....	AR.....	L.....				0.....	
5. California.....	CA.....	N.....				0.....	
6. Colorado.....	CO.....	L.....				0.....	
7. Connecticut.....	CT.....	N.....				0.....	
8. Delaware.....	DE.....	L.....				0.....	
9. District of Columbia.....	DC.....	L.....				0.....	
10. Florida.....	FL.....	N.....				0.....	
11. Georgia.....	GA.....	L.....	20,861		2,056	22,917	
12. Hawaii.....	HI.....	N.....				0.....	
13. Idaho.....	ID.....	N.....				0.....	
14. Illinois.....	IL.....	L.....				0.....	
15. Indiana.....	IN.....	L.....	28,922		11,507	40,429	
16. Iowa.....	IA.....	L.....				0.....	
17. Kansas.....	KS.....	L.....				0.....	
18. Kentucky.....	KY.....	L.....				0.....	
19. Louisiana.....	LA.....	L.....				0.....	
20. Maine.....	ME.....	N.....				0.....	
21. Maryland.....	MD.....	L.....				0.....	
22. Massachusetts.....	MA.....	N.....				0.....	
23. Michigan.....	MI.....	L.....	455,551		19,913	475,464	
24. Minnesota.....	MN.....	L.....				0.....	
25. Mississippi.....	MS.....	L.....				0.....	
26. Missouri.....	MO.....	L.....				0.....	
27. Montana.....	MT.....	L.....				0.....	
28. Nebraska.....	NE.....	L.....				0.....	
29. Nevada.....	NV.....	L.....				0.....	
30. New Hampshire.....	NH.....	N.....				0.....	
31. New Jersey.....	NJ.....	L.....				0.....	
32. New Mexico.....	NM.....	L.....				0.....	
33. New York.....	NY.....	N.....				0.....	
34. North Carolina.....	NC.....	N.....				0.....	
35. North Dakota.....	ND.....	L.....				0.....	
36. Ohio.....	OH.....	L.....	24,798,257		6,700,114	31,498,371	
37. Oklahoma.....	OK.....	L.....				0.....	
38. Oregon.....	OR.....	L.....				0.....	
39. Pennsylvania.....	PA.....	L.....	794		558	1,352	
40. Rhode Island.....	RI.....	N.....				0.....	
41. South Carolina.....	SC.....	L.....	58,811			58,811	
42. South Dakota.....	SD.....	L.....				0.....	
43. Tennessee.....	TN.....	N.....				0.....	
44. Texas.....	TX.....	L.....				0.....	
45. Utah.....	UT.....	L.....				0.....	
46. Vermont.....	VT.....	N.....				0.....	
47. Virginia.....	VA.....	L.....				0.....	
48. Washington.....	WA.....	N.....				0.....	
49. West Virginia.....	WV.....	L.....	1,393			1,393	
50. Wisconsin.....	WI.....	L.....				0.....	
51. Wyoming.....	WY.....	L.....				0.....	
52. American Samoa.....	AS.....	N.....				0.....	
53. Guam.....	GU.....	N.....				0.....	
54. Puerto Rico.....	PR.....	N.....				0.....	
55. US Virgin Islands.....	VI.....	N.....				0.....	
56. Northern Mariana Islands.....	MP.....	N.....				0.....	
57. Canada.....	CAN.....	N.....				0.....	
58. Aggregate Other Alien.....	OT.....	XXX.....	0.....	0.....	0.....	0.....	0.....
59. Subtotal.....		XXX.....	25,364,589	0.....	6,734,148	32,098,737	0.....
90. Reporting entity contributions for employee benefit plans.....		XXX.....				0.....	
91. Dividends or refunds applied to purchase paid-up additions and annuities.....		XXX.....				0.....	
92. Dividends or refunds applied to shorten endowment or premium paying period.....		XXX.....				0.....	
93. Premium or annuity considerations waived under disability or other contract provisions.....		XXX.....				0.....	
94. Aggregate other amounts not allocable by State.....		XXX.....	0.....	0.....	0.....	0.....	0.....
95. Totals (Direct Business).....		XXX.....	25,364,589	0.....	6,734,148	32,098,737	0.....
96. Plus reinsurance assumed.....		XXX.....				0.....	
97. Totals (All Business).....		XXX.....	25,364,589	0.....	6,734,148	32,098,737	0.....
98. Less reinsurance ceded.....		XXX.....	2,422,633		2,471,265	4,893,898	
99. Totals (All Business) less reinsurance ceded.....		XXX.....	22,941,956	0.....	(c) 4,262,883	27,204,839	0.....

DETAILS OF WRITE-INS

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

(a) Active Status Counts:

L - Licensed or Chartered - Licensed insurance carrier or domiciled RRG..... 35
 E - Eligible - Reporting entities eligible or approved to write surplus lines in the state..... 0

R - Registered - Non-domiciled RRGs..... 0
 Q - Qualified - Qualified or accredited reinsurer..... 0
 N - None of the above - Not allowed to write business in the state..... 22

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

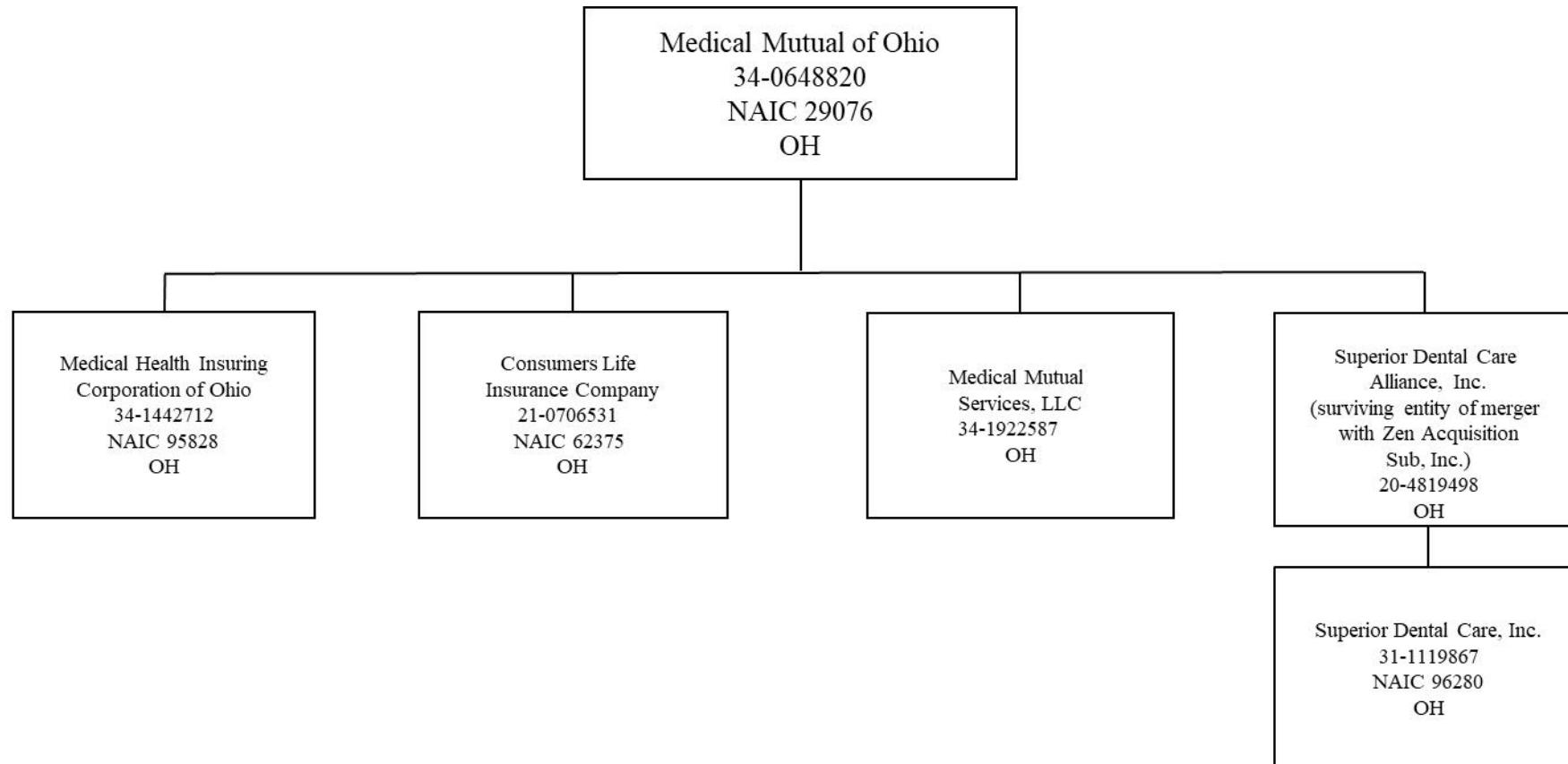
Premiums are allocated based upon the location of the group's home office or the individual's home address.

(c) Column 4 should balance with Exhibit 1, Lines 6.4, 10.4 and 16.4, Cols. 8, 9, and 10, or with Schedule H, Part 1, Column 1, Line 1. Indicate which:

Schedule H, Part 1, Column 1, Line 1

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

PART 1 – ORGANIZATIONAL CHART



As of 12/31/2018

2018 ALPHABETICAL INDEX
LIFE ANNUAL STATEMENT BLANK

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