
AMENDED FILING EXPLANATION

During the second quarter of 2019, the Company identified an error on the previously issued 2018 annual statement regarding policy claims due and accrued (page 3 line 4.1). As a result, the Company amended its filing and the claims liability was adjusted from \$33.3 million to \$10.2 million and current and admitted deferred taxes were adjusted accordingly. The net impact of the correction was an increase to surplus of \$21.7 million, which included a \$2.0 million prior year post tax correction for claims overstated at December 31, 2017. As a result we have amended the following pages in the annual statement page 2,3,4,6,16,17,18,19,22,23.



ANNUAL STATEMENT

For the Year Ended December 31, 2018

of the Condition and Affairs of the

U.S. FINANCIAL LIFE INSURANCE COMPANY

NAIC Group Code.....	968, 968	NAIC Company Code.....	84530	Employer's ID Number.....	38-2046096
	(Current Period) (Prior Period)				
Organized under the Laws of OH	State of Domicile or Port of Entry OH			Country of Domicile US	
Incorporated/Organized.....	September 30, 1974	Commenced Business.....		September 30, 1974	
Statutory Home Office	4000 Smith Road, Suite 300 .. Cincinnati .. OH .. US .. 45209 <small>(Street and Number) (City or Town, State, Country and Zip Code)</small>				
Main Administrative Office	525 Washington Boulevard - 35th Floor .. Jersey City .. NJ .. US .. 07310 <small>(Street and Number) (City or Town, State, Country and Zip Code)</small>			201-743-5073 <small>(Area Code) (Telephone Number)</small>	
Mail Address	525 Washington Boulevard - Controllers 35th Floor .. Jersey City .. NJ .. US .. 07310 <small>(Street and Number or P. O. Box) (City or Town, State, Country and Zip Code)</small>				
Primary Location of Books and Records	525 Washington Boulevard - Controllers 35th Floor .. Jersey City .. NJ .. US .. 07310 <small>(Street and Number) (City or Town, State, Country and Zip Code)</small>			201-743-5073 <small>(Area Code) (Telephone Number)</small>	
Internet Web Site Address					
Statutory Statement Contact	Nicholas Gismondi , Vice President <small>(Name)</small>			201-743-5073 <small>(Area Code) (Telephone Number)</small>	
	controllers@axa.us.com <small>(E-Mail Address)</small>			201-743-5006 <small>(Fax Number)</small>	

OFFICERS

Name	Title	Name	Title
1. Anders Björn Malmström	Chairman of the Board	2. Ronald Paul Herrmann	President and Chief Executive Officer
3. Andrea Marie Nitzan	Executive Vice President, Chief Accounting Officer and Controller	4. Dominique Baede	Senior Vice President and Actuary

OTHER

Keith Elliott Floman	Senior Vice President and Appointed Actuary	Robin Matthew Raju #	Senior Vice President and Chief Financial Officer
Anthony Frank Recine	Senior Vice President and Chief Auditor	Denise Tedeschi	Assistant Vice President and Secretary

DIRECTORS OR TRUSTEES

Ronald Paul Herrmann	Anders Bjorn Malmstrom	Kevin Molloy	Robin Matthew Raju #
Brian Ross Winikoff			

State of.....
County of.....

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)	(Signature)	(Signature)
Roland Paul Herrmann	Andrea Marie Nitzan	Keith Elliott Floman
1. (Printed Name)	2. (Printed Name)	3. (Printed Name)
President and Chief Executive Officer	Executive Vice President, Chief Accounting Officer and Controller	Senior Vice President and Appointed Actuary
(Title)	(Title)	(Title)

Subscribed and sworn to before me	a. Is this an original filing?	Yes [] No [X]
This _____ day of February 2019	b. If no	1. State the amendment number
		2. Date filed
		3. Number of pages attached

ASSETS

	Current Year			Prior Year
	1	2	3	4
	Assets	Nonadmitted Assets	Net Admitted Assets (Cols. 1 - 2)	Net Admitted Assets
1. Bonds (Schedule D).....	431,212,506	0	431,212,506	441,624,042
2. Stocks (Schedule D):				
2.1 Preferred stocks.....	3,990,630	0	3,990,630	3,990,630
2.2 Common stocks.....	0	0	0	0
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens.....	0	0	0	0
3.2 Other than first liens.....	0	0	0	0
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$.....0 encumbrances).....	0	0	0	0
4.2 Properties held for the production of income (less \$.....0 encumbrances).....	0	0	0	0
4.3 Properties held for sale (less \$.....0 encumbrances).....	0	0	0	0
5. Cash (\$.....(4,682,789), Schedule E-Part 1), cash equivalents (\$.....30,124,125, Schedule E-Part 2) and short-term investments (\$.....0, Schedule DA).....	25,441,336	0	25,441,336	(134,478)
6. Contract loans (including \$.....0 premium notes).....	20,586,420	205,160	20,381,260	21,834,034
7. Derivatives (Schedule DB).....	0	0	0	0
8. Other invested assets (Schedule BA).....	0	0	0	0
9. Receivables for securities.....	500,000	0	500,000	248
10. Securities lending reinvested collateral assets (Schedule DL).....	0	0	0	0
11. Aggregate write-ins for invested assets.....	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11).....	481,730,892	205,160	481,525,732	467,314,476
13. Title plants less \$.....0 charged off (for Title insurers only).....	0	0	0	0
14. Investment income due and accrued.....	4,595,278	0	4,595,278	5,177,639
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection.....	42,509	0	42,509	42,932
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$.....0 earned but unbilled premiums).....	915,358	0	915,358	1,016,486
15.3 Accrued retrospective premiums (\$.....0) and contracts subject to redetermination (\$.....0).....	0	0	0	0
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers.....	36,610,315	0	36,610,315	36,269,059
16.2 Funds held by or deposited with reinsured companies.....	0	0	0	0
16.3 Other amounts receivable under reinsurance contracts.....	4,616,021	0	4,616,021	4,251,544
17. Amounts receivable relating to uninsured plans.....	0	0	0	0
18.1 Current federal and foreign income tax recoverable and interest thereon.....	0	0	0	3,500,179
18.2 Net deferred tax asset.....	25,128,441	16,810,711	8,317,730	9,553,739
19. Guaranty funds receivable or on deposit.....	1,205,895	0	1,205,895	1,139,377
20. Electronic data processing equipment and software.....	0	0	0	0
21. Furniture and equipment, including health care delivery assets (\$.....0).....	0	0	0	0
22. Net adjustment in assets and liabilities due to foreign exchange rates.....	0	0	0	0
23. Receivables from parent, subsidiaries and affiliates.....	110,461	0	110,461	13,169,283
24. Health care (\$.....0) and other amounts receivable.....	0	0	0	0
25. Aggregate write-ins for other-than-invested assets.....	750,052	750,052	0	0
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25).....	555,705,222	17,765,923	537,939,299	541,434,714
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....	0	0	0	0
28. TOTAL (Lines 26 and 27).....	555,705,222	17,765,923	537,939,299	541,434,714

DETAILS OF WRITE-INS

1101.	0	0	0	0
1102.	0	0	0	0
1103.	0	0	0	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. Other assets non-admitted.....	750,052	750,052	0	0
2502.	0	0	0	0
2503.	0	0	0	0
2598. Summary of remaining write-ins for Line 25 from overflow page.....	0	0	0	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above).....	750,052	750,052	0	0

LIABILITIES, SURPLUS AND OTHER FUNDS

	1	2
	Current Year	Prior Year
1. Aggregate reserve for life contracts \$.....412,377,480 (Exhibit 5, Line 9999999) less \$.....0 included in Line 6.3 (including \$.....0 Modco Reserve).....	412,377,480	428,651,297
2. Aggregate reserve for accident and health contracts (including \$.....0 Modco Reserve).....	0	0
3. Liability for deposit-type contracts (Exhibit 7, Line 14, Col. 1) (including \$.....0 Modco Reserve).....	368,120	445,167
4. Contract claims:		
4.1 Life (Exhibit 8, Part 1, Line 4.4, Col. 1 less sum of Cols. 9, 10 and 11).....	10,194,222	10,471,383
4.2 Accident and health (Exhibit 8, Part 1, Line 4.4, sum of Cols. 9, 10 and 11).....	0	0
5. Policyholders' dividends \$.....0 and coupons \$.....0 due and unpaid (Exhibit 4, Line 10).....	0	0
6. Provision for policyholders' dividends and coupons payable in following calendar year - estimated amounts:		
6.1 Dividends apportioned for payment (including \$.....0 Modco).....	0	0
6.2 Dividends not yet apportioned (including \$.....0 Modco).....	0	0
6.3 Coupons and similar benefits (including \$.....0 Modco).....	0	0
7. Amount provisionally held for deferred dividend policies not included in Line 6.....	0	0
8. Premiums and annuity considerations for life and accident and health contracts received in advance less \$.....0 discount; including \$.....0 accident and health premiums (Exhibit 1, Part 1, Col. 1, sum of Lines 4 and 14).....	381,969	394,061
9. Contract liabilities not included elsewhere:		
9.1 Surrender values on canceled contracts.....	0	0
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.....	0	0
9.3 Other amounts payable on reinsurance, including \$.....0 assumed and \$.....17,758,257 ceded.....	17,758,257	19,545,637
9.4 Interest Maintenance Reserve (IMR, Line 6).....	879,581	740,871
10. Commissions to agents due or accrued - life and annuity contracts \$.....0, accident and health \$.....0 and deposit-type contract funds \$.....0.....	0	0
11. Commissions and expense allowances payable on reinsurance assumed.....	0	0
12. General expenses due or accrued (Exhibit 2, Line 12, Col. 6).....	63,942	0
13. Transfers to Separate Accounts due or accrued (net) (including \$.....0 accrued for expense allowances recognized in reserves, net of reinsured allowances).....	0	0
14. Taxes, licenses and fees due or accrued, excluding federal income taxes (Exhibit 3, Line 9, Col. 5).....	1,855,336	1,732,249
15.1 Current federal and foreign income taxes, including \$.....83,246 on realized capital gains (losses).....	1,649,315	0
15.2 Net deferred tax liability.....	0	0
16. Unearned investment income.....	569,723	617,449
17. Amounts withheld or retained by company as agent or trustee.....	0	600
18. Amounts held for agents' account, including \$.....369,176 agents' credit balances.....	369,176	327,685
19. Remittances and items not allocated.....	319,192	399,802
20. Net adjustment in assets and liabilities due to foreign exchange rates.....	0	0
21. Liability for benefits for employees and agents if not included above.....	0	0
22. Borrowed money \$.....0 and interest thereon \$.....0.....	0	0
23. Dividends to stockholders declared and unpaid.....	0	0
24. Miscellaneous liabilities:		
24.01 Asset valuation reserve (AVR Line 16, Col. 7).....	2,378,506	2,441,719
24.02 Reinsurance in unauthorized and certified (\$.....0) companies.....	0	0
24.03 Funds held under reinsurance treaties with unauthorized and certified (\$.....0) reinsurers.....	0	0
24.04 Payable to parent, subsidiaries and affiliates.....	318,364	572,343
24.05 Drafts outstanding.....	0	0
24.06 Liability for amounts held under uninsured plans.....	0	0
24.07 Funds held under coinsurance.....	0	0
24.08 Derivatives.....	0	0
24.09 Payable for securities.....	0	0
24.10 Payable for securities lending.....	0	0
24.11 Capital notes \$.....0 and interest thereon \$.....0.....	0	0
25. Aggregate write-ins for liabilities.....	1,417,010	1,713,574
26. Total liabilities excluding Separate Accounts business (Lines 1 to 25).....	450,900,193	468,053,837
27. From Separate Accounts Statement.....	0	0
28. Total liabilities (Line 26 and 27).....	450,900,193	468,053,837
29. Common capital stock.....	4,050,000	4,050,000
30. Preferred capital stock.....	0	0
31. Aggregate write-ins for other-than-special surplus funds.....	0	0
32. Surplus notes.....	0	0
33. Gross paid in and contributed surplus (Page 3, Line 33, Col. 2 plus Page 4, Line 51.1, Col. 1).....	186,285,723	186,285,723
34. Aggregate write-ins for special surplus funds.....	0	0
35. Unassigned funds (surplus).....	(103,296,617)	(116,954,846)
36. Less treasury stock, at cost:		
36.1 .....0.000 shares common (value included in Line 29 \$.....0).....	0	0
36.2 .....0.000 shares preferred (value included in Line 30 \$.....0).....	0	0
37. Surplus (Total Lines 31 + 32 + 33 + 34 + 35 - 36) (including \$.....0 in Separate Accounts Statement).....	82,989,106	69,330,877
38. Totals of Lines 29, 30 and 37 (Page 4, Line 55).....	87,039,106	73,380,877
39. Totals of Lines 28 and 38 (Page 2, Line 28, Col. 3).....	537,939,299	541,434,714

DETAILS OF WRITE-INS

2501. Funds escheatable.....	1,378,568	1,697,721
2502. Miscellaneous liabilities.....	38,442	15,853
2503.	0	0
2598. Summary of remaining write-ins for Line 25 from overflow page.....	0	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above).....	1,417,010	1,713,574
3101.	0	0
3102.	0	0
3103.	0	0
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.	0	0
3402.	0	0
3403.	0	0
3498. Summary of remaining write-ins for Line 34 from overflow page.....	0	0
3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34 above).....	0	0

U.S. FINANCIAL 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)	32,660,573	35,961,247
2. Considerations for supplementary contracts with life contingencies	0	0
3. Net investment income (Exhibit of Net Investment Income, Line 17)	18,904,202	20,058,530
4. Amortization of Interest Maintenance Reserve (IMR) (Line 5)	178,185	153,167
5. Separate Accounts net gain from operations excluding unrealized gains or losses	0	0
6. Commissions and expense allowances on reinsurance ceded (Exhibit 1, Part 2, Line 26.1, Col. 1)	15,868,480	17,058,855
7. Reserve adjustments on reinsurance ceded	0	0
8. Miscellaneous Income:		
8.1 Income from fees associated with investment management, administration and contract guarantees from Separate Accounts	0	0
8.2 Charges and fees for deposit-type contracts	0	0
8.3 Aggregate write-ins for miscellaneous income	0	0
9. Totals (Lines 1 to 8.3)	67,611,440	73,231,799
10. Death benefits	49,824,716	65,418,880
11. Matured endowments (excluding guaranteed annual pure endowments)	0	0
12. Annuity benefits (Exhibit 8, Part 2, Line 6.4, Cols. 4 + 8)	617,590	577,768
13. Disability benefits and benefits under accident and health contracts	80,801	58,237
14. Coupons, guaranteed annual pure endowments and similar benefits	0	0
15. Surrender benefits and withdrawals for life contracts	12,004,221	11,598,400
16. Group conversions	0	0
17. Interest and adjustments on contract or deposit-type contract funds	368,481	390,297
18. Payments on supplementary contracts with life contingencies	0	0
19. Increase in aggregate reserves for life and accident and health contracts	(16,273,817)	(17,754,830)
20. Totals (Lines 10 to 19)	46,621,992	60,288,752
21. Commissions on premiums, annuity considerations and deposit-type contract funds (direct business only) (Exhibit 1, Part 2, Line 31, Col. 1)	2,527,445	2,618,473
22. Commissions and expense allowances on reinsurance assumed (Exhibit 1, Part 2, Line 26.2, Col. 1)	0	0
23. General insurance expenses (Exhibit 2, Line 10, Columns 1, 2, 3 and 4)	1,691,869	3,128,573
24. Insurance taxes, licenses and fees, excluding federal income taxes (Exhibit 3, Line 7, Cols. 1 + 2 + 3)	2,682,727	2,009,201
25. Increase in loading on deferred and uncollected premiums	16,448	16,876
26. Net transfers to or (from) Separate Accounts net of reinsurance	0	0
27. Aggregate write-ins for deductions	95,153	(193,531)
28. Totals (Lines 20 to 27)	53,635,634	67,868,344
29. Net gain from operations before dividends to policyholders and federal income taxes (Line 9 minus Line 28)	13,975,806	5,363,455
30. Dividends to policyholders	0	0
31. Net gain from operations after dividends to policyholders and before federal income taxes (Line 29 minus Line 30)	13,975,806	5,363,455
32. Federal and foreign income taxes incurred (excluding tax on capital gains)	173,179	(3,600,000)
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)	13,802,627	8,963,455
34. Net realized capital gains (losses) (excluding gains (losses) transferred to the IMR) less capital gains tax of \$....(992) (excluding taxes of \$....84,238 transferred to the IMR)	(267,898)	75,377
35. Net income (Line 33 plus Line 34)	13,534,729	9,038,832
CAPITAL AND SURPLUS ACCOUNT		
36. Capital and surplus, December 31, prior year (Page 3, Line 38, Col. 2)	73,380,877	108,797,032
37. Net income (Line 35)	13,534,729	9,038,832
38. Change in net unrealized capital gains (losses) less capital gains tax of \$....(20,844)	(78,415)	(2,680)
39. Change in net unrealized foreign exchange capital gain (loss)	0	0
40. Change in net deferred income tax	(2,434,375)	(23,875,028)
41. Change in nonadmitted assets	621,544	14,591,480
42. Change in liability for reinsurance in unauthorized and certified companies	0	0
43. Change in reserve on account of change in valuation basis, (increase) or decrease	0	0
44. Change in asset valuation reserve	63,213	(168,759)
45. Change in treasury stock, (Page 3, Lines 36.1 and 36.2 Col. 2 minus Col. 1)	0	0
46. Surplus (contributed to) withdrawn from Separate Accounts during period	0	0
47. Other changes in surplus in Separate Accounts Statement	0	0
48. Change in surplus notes	0	0
49. Cumulative effect of changes in accounting principles	0	0
50. Capital changes:		
50.1 Paid in	0	0
50.2 Transferred from surplus (Stock Dividend)	0	0
50.3 Transferred to surplus	0	0
51. Surplus adjustment:		
51.1 Paid in	0	(35,000,000)
51.2 Transferred to capital (Stock Dividend)	0	0
51.3 Transferred from capital	0	0
51.4 Change in surplus as a result of reinsurance	0	0
52. Dividends to stockholders	0	0
53. Aggregate write-ins for gains and losses in surplus	1,951,533	0
54. Net change in capital and surplus for the year (Lines 37 through 53)	13,658,229	(35,416,155)
55. Capital and surplus, December 31, current year (Lines 36 + 54) (Page 3, Line 38)	87,039,106	73,380,877
DETAILS OF WRITE-INS		
08.301.	0	0
08.302.	0	0
08.303.	0	0
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	0
2701. Sundry disbursements and adjustments	95,153	(193,531)
2702.	0	0
2703.	0	0
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)	95,153	(193,531)
5301. Prior Year Correction (net of taxes)	1,951,533	0
5302.	0	0
5303.	0	0
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)	1,951,533	0

ANALYSIS OF OPERATIONS BY LINES OF BUSINESS

	1	2	Ordinary			6	Group		Accident and Health			12
			3	4	5		7	8	9	10	11	
	Total	Industrial Life	Life Insurance	Individual Annuities	Supplementary Contracts	Credit Life (Group and Individual)	Life Insurance(a)	Annuities	Group	Credit (Group and Individual)	Other	Aggregate of All Other Lines of Business
1. Premiums and annuity considerations for life and accident and health contracts.....	32,660,573	.....0	32,631,020	29,553	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
2. Considerations for supplementary contracts with life contingencies.....	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
3. Net investment income.....	18,904,202	.....0	18,555,194	344,633	.....0	.....0	4,375	.....0	.....0	.....0	.....0	.....0
4. Amortization of Interest Maintenance Reserve (IMR).....	178,185	.....0	174,709	3,439	.....0	.....0	37	.....0	.....0	.....0	.....0	.....0
5. Separate Accounts net gain from operations excluding unrealized gains or losses.....	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
6. Commissions and expense allowances on reinsurance ceded.....	15,868,480	.....0	15,868,480	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
7. Reserve adjustments on reinsurance ceded.....	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
8. Miscellaneous Income:												
8.1 Fees associated with income from investment management, administration and contract guarantees from S/A.....	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
8.2 Charges and fees for deposit-type contracts.....	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....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).....	67,611,440	.....0	67,229,403	377,625	.....0	.....0	4,412	.....0	.....0	.....0	.....0	.....0
10. Death benefits.....	49,824,716	.....0	49,824,716	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
11. Matured endowments (excluding guaranteed annual pure endowments).....	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
12. Annuity benefits.....	617,590	.....0	.....0	617,590	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
13. Disability benefits and benefits under accident and health contracts.....	80,801	.....0	80,801	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
14. Coupons, guaranteed annual pure endowments and similar benefits.....	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
15. Surrender benefits and withdrawals for life contracts.....	12,004,221	.....0	11,823,701	180,520	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
16. Group conversions.....	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
17. Interest and adjustments on contract or deposit-type contract funds.....	368,481	.....0	345,516	22,965	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
18. Payments on supplementary contracts with life contingencies.....	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
19. Increase in aggregate reserves for life and accident and health contracts.....	(16,273,817)	.....0	(16,202,641)	(72,176)	.....0	.....0	1,000	.....0	.....0	.....0	.....0	.....0
20. Totals (Lines 10 to 19).....	46,621,992	.....0	45,872,093	748,899	.....0	.....0	1,000	.....0	.....0	.....0	.....0	.....0
21. Commissions on premiums, annuity considerations and deposit-type contract funds (direct business only).....	2,527,445	.....0	2,527,445	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
22. Commissions and expense allowances on reinsurance assumed.....	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
23. General insurance expenses.....	1,691,869	.....0	1,644,834	47,035	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
24. Insurance taxes, licenses and fees, excluding federal income taxes.....	2,682,727	.....0	2,682,727	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
25. Increase in loading on deferred and uncollected premiums.....	16,448	.....0	16,448	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
26. Net transfers to or (from) Separate Accounts net of reinsurance.....	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
27. Aggregate write-ins for deductions.....	95,153	.....0	95,153	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
28. Totals (Lines 20 to 27).....	53,635,634	.....0	52,838,700	795,934	.....0	.....0	1,000	.....0	.....0	.....0	.....0	.....0
29. Net gain from operations before dividends to policyholders and federal income taxes (Line 9 minus Line 28).....	13,975,806	.....0	14,390,703	(418,309)	.....0	.....0	3,412	.....0	.....0	.....0	.....0	.....0
30. Dividends to policyholders.....	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
31. Net gain from operations after dividends to policyholders and before federal income taxes (Line 29 minus Line 30).....	13,975,806	.....0	14,390,703	(418,309)	.....0	.....0	3,412	.....0	.....0	.....0	.....0	.....0
32. Federal income taxes incurred (excluding tax on capital gains).....	173,179	.....0	241,662	(69,199)	.....0	.....0	716	.....0	.....0	.....0	.....0	.....0
33. Net gain from operations after dividends to policyholders and federal income taxes and before realized capital gains or (losses) (Line 31 minus Line 32).....	13,802,627	.....0	14,149,041	(349,110)	.....0	.....0	2,696	.....0	.....0	.....0	.....0	.....0

DETAILS OF WRITE-INS

08.301. ....	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
08.302. ....	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
08.303. ....	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....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
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
2701. Sundry disbursements and adjustments.....	95,153	.....0	95,153	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
2702. ....	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
2703. ....	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
2798. Summary of remaining write-ins for Line 27 from overflow page.....	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
2799. Total (Lines 2701 through 2703 plus 2798) (Line 27 above).....	95,153	.....0	95,153	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....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.

EXHIBIT 8 - CLAIMS FOR LIFE AND ACCIDENT AND HEALTH CONTRACTS

PART 1 - Liability End of Current Year

	1	2	Ordinary			6	Group		Accident and Health		
			3	4	5		7	8	9	10	11
	Total	Industrial Life	Life Insurance	Individual Annuities	Supplementary Contracts	Credit Life (Group and Individual)	Life Insurance	Annuities	Group	Credit (Group and Individual)	Other
1. Due and unpaid:											
1.1 Direct.....	0	0	0	0	0	0	0	0	0	0	0
1.2 Reinsurance assumed.....	0	0	0	0	0	0	0	0	0	0	0
1.3 Reinsurance ceded.....	0	0	0	0	0	0	0	0	0	0	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	0	0	0	0	0	0	0	0	0	0
2.12 Reinsurance assumed.....	0	0	0	0	0	0	0	0	0	0	0
2.13 Reinsurance ceded.....	0	0	0	0	0	0	0	0	0	0	0
2.14 Net.....	0	0	(b)	(b)	0	(b)	(b)	0	0	0	0
2.2 Other:											
2.21 Direct.....	23,633,203	0	23,633,184	19	0	0	0	0	0	0	0
2.22 Reinsurance assumed.....	0	0	0	0	0	0	0	0	0	0	0
2.23 Reinsurance ceded.....	14,095,981	0	14,095,981	0	0	0	0	0	0	0	0
2.24 Net.....	9,537,222	0	(b) 9,537,203	(b) 19	0	(b)	(b)	0	(b)	(b)	(b)
3. Incurred but unreported:											
3.1 Direct.....	7,500,000	0	7,500,000	0	0	0	0	0	0	0	0
3.2 Reinsurance assumed.....	0	0	0	0	0	0	0	0	0	0	0
3.3 Reinsurance ceded.....	6,843,000	0	6,843,000	0	0	0	0	0	0	0	0
3.4 Net.....	657,000	0	(b) 657,000	(b) 0	0	(b)	(b)	0	(b)	(b)	(b)
4. Totals:											
4.1 Direct.....	31,133,203	0	31,133,184	19	0	0	0	0	0	0	0
4.2 Reinsurance assumed.....	0	0	0	0	0	0	0	0	0	0	0
4.3 Reinsurance ceded.....	20,938,981	0	20,938,981	0	0	0	0	0	0	0	0
4.4 Net.....	10,194,222	(a)	(a) 10,194,203	19	0	0	(a)	0	0	0	0

(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 \$.....1,994,321, Individual Annuities \$.....0, Credit Life (Group and Individual) \$.....0, and Group Life \$.....124,050, 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	2	Ordinary			6	Group		Accident and Health		
			3	4	5		7	8	9	10	11
	Total	Industrial Life (a)	Life Insurance (b)	Individual Annuities	Supplementary Contracts	Credit Life (Group and Individual)	Life Insurance (c)	Annuities	Group	Credit (Group and Individual)	Other
1. Settlements during the year:											
1.1 Direct.....	210,215,821	0	209,598,231	617,590	0	0	0	0	0	0	0
1.2 Reinsurance assumed.....	0	0	0	0	0	0	0	0	0	0	0
1.3 Reinsurance ceded.....	162,076,657	0	162,076,657	0	0	0	0	0	0	0	0
1.4 Net..... (d)	48,139,164	0	47,521,574	617,590	0	0	0	0	0	0	0
2. Liability December 31, current year from Part 1:											
2.1 Direct.....	31,133,203	0	31,133,184	19	0	0	0	0	0	0	0
2.2 Reinsurance assumed.....	0	0	0	0	0	0	0	0	0	0	0
2.3 Reinsurance ceded.....	20,938,981	0	20,938,981	0	0	0	0	0	0	0	0
2.4 Net.....	10,194,222	0	10,194,203	19	0	0	0	0	0	0	0
3. Amounts recoverable from reinsurers Dec. 31, current year.....	36,610,315	0	36,610,315	0	0	0	0	0	0	0	0
4. Liability December 31, prior year:											
4.1 Direct.....	44,860,839	0	44,860,820	19	0	0	0	0	0	0	0
4.2 Reinsurance assumed.....	0	0	0	0	0	0	0	0	0	0	0
4.3 Reinsurance ceded.....	34,389,456	0	34,389,456	0	0	0	0	0	0	0	0
4.4 Net.....	10,471,383	0	10,471,364	19	0	0	0	0	0	0	0
5. Amounts recoverable from reinsurers Dec. 31, prior year.....	36,269,059	0	36,269,059	0	0	0	0	0	0	0	0
6. Incurred benefits:											
6.1 Direct.....	196,488,185	0	195,870,595	617,590	0	0	0	0	0	0	0
6.2 Reinsurance assumed.....	0	0	0	0	0	0	0	0	0	0	0
6.3 Reinsurance ceded.....	148,967,438	0	148,967,438	0	0	0	0	0	0	0	0
6.4 Net.....	47,520,747	0	46,903,157	617,590	0	0	0	0	0	0	0

(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 \$.....80,801 premiums waived under total and permanent disability benefits.

U.S. FINANCIAL 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	0	0
2. Stocks (Schedule D):			
2.1 Preferred stocks.....	0	0	0
2.2 Common stocks.....	0	0	0
3. Mortgage loans on real estate (Schedule B):			
3.1 First liens.....	0	0	0
3.2 Other than first liens.....	0	0	0
4. Real estate (Schedule A):			
4.1 Properties occupied by the company.....	0	0	0
4.2 Properties held for the production of income.....	0	0	0
4.3 Properties held for sale.....	0	0	0
5. Cash (Schedule E-Part 1), cash equivalents (Schedule E-Part 2) and short-term investments (Schedule DA).....	0	0	0
6. Contract loans.....	205,160	217,280	12,120
7. Derivatives (Schedule DB).....	0	0	0
8. Other invested assets (Schedule BA).....	0	0	0
9. Receivables for securities.....	0	0	0
10. Securities lending reinvested collateral assets (Schedule DL).....	0	0	0
11. Aggregate write-ins for invested assets.....	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11).....	205,160	217,280	12,120
13. Title plants (for Title insurers only).....	0	0	0
14. Investment income due and accrued.....	0	0	0
15. Premiums and considerations:			
15.1 Uncollected premiums and agents' balances in the course of collection.....	0	0	0
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due.....	0	0	0
15.3 Accrued retrospective premiums and contracts subject to redetermination.....	0	0	0
16. Reinsurance:			
16.1 Amounts recoverable from reinsurers.....	0	0	0
16.2 Funds held by or deposited with reinsured companies.....	0	0	0
16.3 Other amounts receivable under reinsurance contracts.....	0	0	0
17. Amounts receivable relating to uninsured plans.....	0	0	0
18.1 Current federal and foreign income tax recoverable and interest thereon.....	0	0	0
18.2 Net deferred tax asset.....	16,810,711	17,988,233	1,177,522
19. Guaranty funds receivable or on deposit.....	0	0	0
20. Electronic data processing equipment and software.....	0	0	0
21. Furniture and equipment, including health care delivery assets.....	0	0	0
22. Net adjustment in assets and liabilities due to foreign exchange rates.....	0	0	0
23. Receivables from parent, subsidiaries and affiliates.....	0	0	0
24. Health care and other amounts receivable.....	0	0	0
25. Aggregate write-ins for other-than-invested assets.....	750,052	181,954	(568,098)
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 through 25).....	17,765,923	18,387,467	621,544
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....	0	0	0
28. TOTALS (Lines 26 and 27).....	17,765,923	18,387,467	621,544

DETAILS OF WRITE-INS

1101.	0	0	0
1102.	0	0	0
1103.	0	0	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. Other assets nonadmitted.....	750,052	181,954	(568,098)
2502.	0	0	0
2503.	0	0	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).....	750,052	181,954	(568,098)

1. Summary of Significant Accounting Policies

A. Accounting Practices

The accompanying financial statements of U.S. Financial Life Insurance Company ("the Company") are presented on the basis of accounting practices prescribed or permitted by the Ohio Insurance Department ("SAP").

The Ohio Insurance Department recognizes only SAP for determining and reporting the financial condition and results of operations of an insurance company, in order to determine its solvency under the Ohio Insurance law. The National Association of Insurance Commissioners' ("NAIC SAP") *Accounting and Procedures* manual has been adopted as a component of prescribed or permitted practices by the State of Ohio. There are no differences in Net income and Capital and Surplus between NAIC SAP and SAP for the Company. See table below:

	SSAP #	F/S Page	F/S Line #	2018	2017
NET INCOME					
(1) U.S.FINANCIAL LIFE INSURANCE COMPANY state basis (Page 4, Line 35, Columns 1 & 2)	XXX	XXX	XXX	\$13,534,729	\$9,038,832
(2) State Prescribed Practices that increase/decrease NAIC SAP					
	N/A	N/A	N/A		
(3) State Permitted Practices that increase/decrease NAIC SAP					
	N/A	N/A	N/A		
(4) NAIC SAP (1 - 2 - 3 = 4)	XXX	XXX	XXX	\$13,534,729	\$9,038,832
SURPLUS					
(5) U.S.FINANCIAL LIFE INSURANCE COMPANY Company state basis (Page 3, line 38, Columns 1 & 2)	XXX	XXX	XXX	\$87,039,106	\$73,380,877
(6) State Prescribed Practices that increase/decrease NAIC SAP					
	N/A	N/A	N/A		
(7) State Permitted Practices that increase/decrease NAIC SAP					
	N/A	N/A	N/A		
(8) NAIC SAP (5 - 6 - 7 = 8)	XXX	XXX	XXX	\$87,039,106	\$73,380,877

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

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

C. Accounting Policy

Life premiums are recognized as income over the premium paying period of the related policies. On universal life-type insurance policies and annuities with life contingencies, premiums and considerations are generally recognized as income when received. Payments on deposit type contracts are recorded to the policy reserve. Policy acquisition costs incurred in connection with acquiring new insurance business, such as commissions, underwriting, agency and policy issuance expenses, are charged to operations as incurred.

In addition, the company uses the following accounting policies:

Bonds are stated principally at amortized cost, the value of which is based on the effective interest rate method, and are adjusted to regulatory mandated values through the establishment of a valuation allowance, and for impairments in value deemed to be other than temporary through write-downs recorded as realized capital losses.

Mortgage backed and asset backed bonds are amortized using the effective interest method, including anticipated prepayments from the date of purchase; significant changes in the estimated cash flows from original purchase assumptions are accounted for using the retrospective method. Mortgage backed and asset backed bond carrying values are adjusted for impairments deemed to be other than temporary through write-downs recorded as realized capital losses.

Prepayment assumptions for loan-backed bonds and structured securities were obtained from broker-dealer survey values or internal estimates. These assumptions are consistent with the current interest rate and economic environment. The retrospective adjustment method is predominately used for all securities except issues in default; the prospective adjustment method was for value issues in default and issues that have a variable interest rate.

Publicly traded unaffiliated common stocks are stated at market value; common stocks not publicly traded are stated at fair value. Common stock values are adjusted for impairments in value deemed to be other than temporary through write-downs recorded as realized capital losses.

Preferred stocks are stated principally at amortized cost and are adjusted to regulatory mandated values through the establishment of a valuation allowance, and for impairments in value deemed to be other than temporary through write-downs recorded as realized capital losses. The preferred stock investments include real estate investment trusts ("REIT") non redeemable and redeemable preferred stock. Preferred stock investments may not have a stated maturity, may not be cumulative and do not provide for mandatory redemption by the issuer.

Short-term investments are stated at cost or amortized cost, which approximates market value.

Cash and cash equivalents include cash on hand, money market funds, amounts due from banks, highly liquid debt instruments purchased with a maturity of three months or less, and certificates of deposit with a maturity of one year or less.

Policy loans are stated at unpaid principal balances.

Mortgage loans on real estate are stated at unpaid principal balances net of unamortized discounts or premium and valuation allowances. Valuation allowances are established for mortgage loans that are considered impaired by management and recorded based on the difference between collateral value less estimated sales costs and the amortized cost of the mortgage loan. A mortgage loan that is considered permanently impaired by management is written down to collateral value less estimated sales costs with the write-down recorded as a realized capital loss. Mortgage loans for which foreclosure is probable are considered permanently impaired by management.

Real estate acquired in satisfaction of debt is valued at the lower of unpaid principal balance or estimated fair value at the date of acquisition. Real estate held for investment is reviewed for impairment whenever events or changes in circumstances indicate the carrying value of such assets may not be recoverable. Impaired real estate is written down to fair value with the impairment loss being included in net realized capital losses. Real estate which management has committed to disposing of by sale or abandonment is carried at the lower of estimated fair value less disposition costs or depreciated cost, the shortfall recorded as an impairment with a corresponding charge to net realized capital losses. Real estate joint ventures are reported principally on the equity method of accounting. The results of real estate joint ventures are adjusted for depreciation, write-downs and valuation allowances.

Depreciation on directly owned real estate and real estate owned by joint ventures is computed on a straight-line method, generally ranging from 40 to 50 years.

The Company does not have any investments in subsidiaries, controlled and affiliated companies.

The Company does not have any investments in real estate joint ventures and other limited partnership interests.

The Company does not have any derivatives.

The Company does not hold premium deficiency reserves on Accident & Health contracts.

The Company estimates the liabilities for losses and loss adjustment expenses in accordance with SSAP No. 51.

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

The Company does not have any pharmaceutical rebate receivables.

D. Going Concern

There is no issue regarding the Company's ability to continue as a going concern.

2. Accounting Changes and Correction of Errors

A. Corrections of Errors

During the second quarter of 2019, the Company identified an error on the previously issued 2018 annual statement regarding policy claims due and accrued (page 3 line 4.1). As a result, the Company amended its filing and the claims liability was adjusted from \$33.3 million to \$10.2 million and current and admitted deferred taxes were adjusted accordingly. The net impact of the correction was an increase to surplus of \$21.3 million which included a \$2.0 million prior year post tax correction for claims overstated at December 31, 2017.

B. Accounting Changes

Accounting changes adopted to conform to the provisions of NAIC SAP are reported as changes in accounting principles. The cumulative effect of changes in accounting principles is reported as an adjustment to unassigned surplus in the period of the change in accounting principle. The cumulative effect is the difference between the amount of capital and surplus at the beginning of the year and the amount of capital and surplus that would have been reported at that date if the new accounting principles had been applied retroactively for all prior periods. There were no new accounting pronouncements during 2018 and 2017 that had a material effect on the Company's financial statements.

3. Business Combinations and Goodwill

A. Statutory Purchase Method

The Company did not participate in a statutory merger during the year.

B. Statutory Merger

The Company did not participate in a statutory merger during the year.

C. Assumption Reinsurance

The Company did not enter into assumption reinsurance during the year.

D. Impairment Loss

The Company did not recognize an impairment loss on the transactions described above.

4. Discontinued Operations

The Company does not have any discontinued operations.

5. Investments

A. Mortgage Loans

None

B. Debt Restructuring

None

C. Reverse Mortgages

The Company does not have any reverse mortgages.

D. Loan-Backed Securities

- (1)

Prepayment assumptions for loan-backed bonds and structured securities were obtained from broker-dealer survey values or internal estimates. These assumptions are consistent with the current interest rate and economic environment. The retrospective adjustment method is predominately used to value all securities except issues in default; the prospective adjustment method was used to value issues in default and issues that have a variable interest rate.
- (2)

There were no loan-backed securities with a recognized other than temporary impairment as of December 31, 2018.
- (3)

There were no loan-backed securities with a recognized other than temporary impairment recorded during the year.
- (4)

There are no impaired (fair value is less than amortized cost) loan-backed securities for which other than temporary impairment has not been recognized as a realized loss as of December 31, 2018.
- (5)

The Company’s management, with the assistance of its investment advisors, monitors the investment performance of its portfolio. This review process culminates with a quarterly review of certain assets by AXA Equitable Holding's Investments Under Surveillance Committee that evaluates whether any investments are other than temporarily impaired. The review considers an analysis of individual credit metrics of each issuer as well as industry fundamentals and the outlook for the future. Based on the analysis, a determination is made to the ability of the issuer to service its debt obligation on an ongoing basis. If this ability is deemed to be impaired, then the appropriate provisions are taken.

E. Dollar Repurchase Agreements and/or Security Lending Transactions

None

F. Repurchase Agreements Transactions Accounting for as Secured Borrowing

None

G. Reverse Repurchase Agreements Transactions Accounted for as Secured Borrowing

None

H. Repurchase Agreements Transactions Accounted for as a Sale

None

I. Reverse Repurchase Agreements Transactions Accounted for as a Sale

None

J. Real Estate

The company has no investments in real estate.

K. Low income housing tax credit (“LIHTC”)

Not applicable.

L. (in dollars)

1.) Restricted Assets (Including Pledged)

	Gross (Admitted & Nonadmitted) Restricted							Current Year			
								Current Year		Percentage	
	1	2	3	4	5	6	7	8	9	10	11
	Total General Account (G/A)	G/A Supporting S/A Activity (a)	Total Separate Account (S/A) Restricted Assets	S/A Assets Supporting G/A Activity (b)	Total (1 plus 3)	Total From Prior Year	Increase/ (Decrease) (5 minus 6)	Total Nonadmitted Restricted	Total Admitted Restricted (5 minus 8)	Gross (Admitted & Nonadmitted) Restricted to Total Assets (c)	Admitted Restricted to Total Admitted Assets (d)
a. Subject to contractual obligation for which liability is not shown										—	—
b. Collateral held under security lending agreements										—	—
c. Subject to repurchase agreements										—	—
d. Subject to reverse repurchase agreements										—	—
e. Subject to dollar repurchase agreements										—	—
f. Subject to dollar reverse repurchase agreements										—	—
g. Placed under option contracts										—	—
h. Letter stock or securities restricted as to sale - excluding FHLB capital stock										—	—
i. FHLB capital stock										—	—
j. On deposit with states	\$ 7,545,122				\$ 7,545,122	\$ 7,914,551	\$ (369,429)		\$ 7,545,122	1.4%	1.4%
k. On deposit with other regulatory bodies										—	—
l. Pledged collateral to FHLB (including assets backing funding agreements)										—	—
m. Pledged as collateral not captured in other categories										—	—
n. Other restricted assets										—	—
o. Total Restricted Assets	\$ 7,545,122	\$ —	\$ —	\$ —	\$ 7,545,122	\$ 7,914,551	\$ (369,429)	\$ —	\$ 7,545,122	1.4%	1.4%

- (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)

None

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

None

4.) Collateral Received and Reflected as Assets within the Reporting Entity's Financial Statements - None

M. Working Capital Finance Investments

None

N. Offsetting and Netting of Assets and Liabilities

None

O. Structured Notes - Listed below are the Structured Notes held by the company:

CUSIP Identification	Actual Cost	Fair Value	Book/Adjusted Carrying Value	Mortgage-Referenced Security (YES/NO)
564759PS1	\$1,999,960	\$1,998,428	\$2,000,000	NO
564759QB7	\$1,000,000	\$989,420	\$1,000,000	NO
Total	\$2,999,960	\$2,987,848	\$3,000,000	XXX

P. 5*Securities

None

Q. Short Sales

None

R. Prepayment Penalty and Acceleration Fees

	General Account	Separate Account
(1)Number of CUSIPs	1	—
(2)Aggregate Amount of Investment Income	\$ 13,165	\$ —

6. Joint Ventures, Partnerships and Limited Liability Companies

- A. The Company has no investments in Joint Ventures, Partnerships or Limited Liability Companies that exceed 10% of its admitted assets.
- B. The Company did not recognize any impairment write down for its investments in Joint Ventures, Partnerships and Limited Liability Companies during the statement period.

7. Investment Income

Due and accrued income was excluded from investment income on the following bases:

Securities – as recommended by AXA Equitable Holdings Investments Under Surveillance Committee.

The total amount of due and accrued income excluded was \$2,218,383.

8. Derivative Instruments

Not applicable.

9. Income Taxes

- A.
1. The components of net deferred income tax assets and liabilities as of December 31 consisted of the following:

		2018			2017			Change		
		(1) Ordinary	(2) Capital	(3) (Col 1+2) Total Percent	(4) Ordinary	(5) Capital	(6) (Col 4+5) Total Percent	(7) Ordinary	(8) Capital	(9) (Col 7+8) Total Percent
(a)	Gross deferred tax assets	\$25,938,441	0	\$25,938,441	\$27,970,000		\$27,970,000	(\$2,031,559)	0	(\$2,031,559)
(b)	Statutory valuation allowance adjustment	0	0	\$0	0		\$0	\$0	0	\$0
(c)	Adjusted gross deferred tax assets (1a - 1b)	\$25,938,441	\$0	\$25,938,441	\$27,970,000	\$0	\$27,970,000	(\$2,031,559)	\$0	(\$2,031,559)
(d)	Deferred tax assets nonadmitted	\$16,810,711	0	\$16,810,711	\$17,988,233		\$17,988,233	(\$1,177,522)	0	(\$1,177,522)
(e)	Subtotal net admitted deferred tax asset (1c - 1d)	\$9,127,730	0	\$9,127,730	\$9,981,767	0	\$9,981,767	(\$854,037)	0	(\$854,037)
(f)	Deferred tax liabilities	\$676,000	\$134,000	\$810,000	\$234,000	\$194,000	\$428,000	\$442,000	(\$60,000)	\$382,000
(g)	Net admitted deferred tax assets/(net deferred tax liability) (1e - 1f)	\$8,451,730	(\$134,000)	\$8,317,730	\$9,747,767	(\$194,000)	\$9,553,767	(\$1,296,037)	\$60,000	(\$1,236,037)

2. Admission calculation components, SSAP No. 101 -:

		2018			2017			Change		
		(1) Ordinary	(2) Capital	(3) Col 1+2) Total Percent	(4) Ordinary	(5) Capital	(6) (Col 4+5) Total Percent	(7) Ordinary	(8) Capital	(9) (Col 7+8) Total Percent
(a)	Federal income taxes paid in prior years recoverable through loss carrybacks	\$0		\$0	\$0		\$0	\$0	0	\$0
(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)	\$8,317,730		\$8,317,730	\$9,553,767		\$9,553,767	(\$1,236,037)	\$0	(\$1,236,037)
	(1). Adjusted gross deferred tax assets expected to be realized following the balance sheet date	\$8,317,730		\$8,317,730	\$10,215,000		\$10,215,000	(\$1,897,270)	\$0	(\$1,897,270)
	(2). Adjusted gross deferred tax assets allowed per limitation threshold	XXX	XXX	\$11,888,543	XXX	XXX	\$9,553,767	XXX	XXX	\$2,334,776
(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	\$810,000		\$810,000	\$428,000		\$428,000	\$382,000	\$0	\$382,000
(d)	Deferred tax assets admitted as the result of application of SSAP No. 101, Total (2(a) + 2(b) + 2(c))	\$9,127,730	0	\$9,127,730	\$9,981,767	0	\$9,981,767	(\$854,037)	\$0	(\$854,037)

3. Other Admissibility Criteria :

		2018	2017
(a)	Ratio percentage used to determine recovery period and threshold limitation amount	1185.8%	1004.6%
(b)	Amount of adjusted capital and surplus used to determine recovery period and threshold limitation in 2(b)2 above	\$81,099,882	\$66,269,000

4. Impact of Tax Planning Strategies -:

(a) Determination of adjusted gross deferred tax assets and net admitted deferred tax assets, by tax character as 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	\$25,938,441	0	\$27,970,000	0	(\$2,031,559)	0
2. Percentage of adjusted gross DTAs by tax character attributable to the impact of tax planning strategies	0.000	0.000	0.000	0.000	0.000	0.000
3. Net Admitted Adjusted Gross DTAs amount from Note 9A1(e)	\$9,127,730	0	\$9,981,767	0	(\$854,037)	0
4. Percentage of net admitted adjusted gross DTAs by tax character admitted because of the impact of tax planning strategies	0.000	0.000	0.000	0.000	0.000	0.000

(b) Does the company’s tax planning strategies include the use of reinsurance? No

B. There are no deferred tax liabilities which are not recognized.

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

		2018	2017	Change (col 1-2)
1	Current income tax -:			
	(a) Federal	\$173,179	(\$3,600,000)	\$3,773,179
	(b) Foreign	\$0	\$0	\$0
	(c) Subtotal	\$173,179	(\$3,600,000)	\$3,773,179
	(d) Federal income tax on net capital gains	\$83,246	\$0	\$83,246
	(e) Utilization of capital loss carry-forwards	\$0	\$0	\$0
	(f) Other	\$1,050,826	\$0	\$1,050,826
	(g) Federal and foreign income taxes incurred	\$1,307,251	(\$3,600,000)	\$4,907,251
2	Deferred Tax Assets -:			
(a)	Ordinary :			
	(1) Discounting of unpaid losses			
	(2) Unearned premium reserve			
	(3) Policyholder reserve	\$13,751,441	\$14,303,000	(\$551,559)
	(4) Investments	\$0	\$0	\$0
	(5) Deferred acquisition costs	\$11,837,000	\$13,558,000	(\$1,721,000)
	(6) Policyholder dividends accrual	\$0	\$0	\$0
	(7) Fixed assets	\$0	\$0	\$0
	(8) Compensation and benefits accrual	\$0	\$0	\$0
	(9) Pension accrual	\$0	\$0	\$0
	(10) Receivables - nonadmitted	\$200,000	\$0	\$200,000
	(11) Net operating loss carry-forward	\$0	\$0	\$0
	(12)Tax credit carry-forward	\$0	\$0	\$0
	(13) Other	\$150,000	\$109,000	\$41,000
	(14) Subtotal	\$25,938,441	\$27,970,000	(\$2,031,559)
(b)	Statutory valuation allowance adjustment	\$0	\$0	\$0
(c)	Nonadmitted	\$16,810,711	\$17,988,233	(\$1,177,522)
(d)	Admitted ordinary deferred tax assets (2a14 - 2b - 2c)	\$9,127,730	\$9,981,767	(\$854,037)
(e)	Capital:			
	(1) Investments	\$0	\$0	\$0
	(2) Net capital loss carry-forward	\$0	\$0	\$0
	(3) Real estate	\$0	\$0	\$0
	(4) Other	\$0	\$0	\$0
	(5) Subtotal	\$0	\$0	\$0
(f)	Statutory valuation allowance adjustment	\$0	\$0	\$0
(g)	Nonadmitted	\$0	\$0	\$0
(h)	Admitted capital deferred tax assets (2e5 - 2f - 2g)	\$0	\$0	\$0
(i)	Admitted deferred tax assets (2d + 2h)	\$9,127,730	\$9,981,767	(\$854,037)
3	Deferred Tax Liabilities:			
(a)	Ordinary -:	\$0	\$0	\$0
	(1) Investments	\$0	\$0	\$0
	(2) Fixed assets	\$0	\$0	\$0
	(3) Deferred and uncollected premium	\$177,000	\$203,000	(\$26,000)
	(4) Policyholder reserves	\$0	\$0	\$0
	(5) Other	\$499,000	\$31,000	\$468,000
	(6) Subtotal	\$676,000	\$234,000	\$442,000
(b)	Capital -:			
	(1) Investments	\$134,000	\$194,000	(\$60,000)
	(2) Real estate	\$0	\$0	\$0
	(3) Other	\$0	\$0	\$0
	(4) Subtotal	\$134,000	\$194,000	(\$60,000)
(C)	Deferred tax liabilities (3a6 + 3b4)	\$810,000	\$428,000	\$382,000
4	Net deferred tax assets/liabilities (2i - 3c)	\$8,317,730	\$9,553,767	(\$1,236,037)

The change in net deferred income taxes is comprised of the following:

	December 31, 2018	December 31, 2017	Bal. Sheet Change
Total deferred tax assets	\$25,938,441	\$27,969,972	(\$2,031,531)
Total deferred tax liabilities	(\$810,000)	(\$428,000)	(\$382,000)
Net deferred tax assets/liabilities	\$25,128,441	\$27,541,972	(\$2,413,531)
Statutory valuation allowance adjustment			0
Net deferred tax assets/liabilities after SVA	\$25,128,441	\$27,541,972	(\$2,413,531)
Tax effect of unrealized gains/(losses)			(\$20,844)
Statutory valuation allowance adjustment allocated			\$0
Change in net deferred income tax [(charge)/benefit]			(\$2,434,375)

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

Description	Amount	Statutory Rate 21% Tax Effect	Effective Tax Rate
Income Before Taxes (including all realized capital gains / (losses))	\$14,223,296	\$2,986,892	21.00%
Items through surplus	2,047,148	429,901	3.02%
IMR	(178,185)	(37,419)	-0.26%
Other, Including Prior Year True-Up	1,725,003	362,252	2.55%
Total	\$17,817,262	\$3,741,626	26.31%
Federal income taxed incurred [expense/(benefit)]		1,307,251	9.19%
Change in net deferred income tax [expense/(benefit)]		2,434,375	17.12%
Total statutory income taxes		\$3,741,626	26.31%

- E. Carryforwards, recoverable taxes, and IRC §6603 deposits:

Company has net operating loss carry forwards of \$: None
Company has capital loss carry forwards of \$: None
Company has an AMT credit carry forwards of \$: None

The amounts of federal income taxes incurred that are available for recoupment in the event of future net losses are:

Available from tax year	Ordinary	Capital	Total
2016			\$0
2017			\$0
2018			\$0
Total	\$0	\$0	\$0

There are no deposits admitted under section 6603 of the Internal Revenue Code.

- F. The Company is included in a consolidated federal income tax return together with its ultimate domestic parent, AXA Equitable Holdings, Inc. ("Holdings") and the following subsidiaries and affiliates:

1. AXA Equitable Holdings, Inc.	12. Trusted Insurance Advisors General Agency Corp.
2. AXA Equitable Life Insurance Company	13. Financial Marketing Agency, Inc.
3. AXA Equitable Life and Annuity Company	14. AXA Technology Services America, Inc.
4. AXA Distribution Holding Corp.	15. AXA Corporate Solutions Life Reinsurance Company
5. Alliance Bernstein Corp.	16. EQ AZ Life Re Company
6. Equitable Structured Settlement Corp.	17. CS Life RE Company
7. Equitable Casualty Insurance Co.	18. AXA IM Holdings US, Inc.
8. JMR Realty Services, Inc.	19. MONY Life Insurance Company of America
9. 1740 Advisers, Inc.	20. Alpha Unit Holdings, Inc.
10. MONY Financial Services, Inc.	
11. Trusted Investment Advisors Corp.	

Federal income taxes are charged or credited to operations based upon amounts estimated to be payable or receivable as a result of taxable operations for the current year.

In accordance with the tax sharing agreement between AXA Equitable Holdings and the Company, tax expense is allocated based on separate company computations. Any loss not currently usable is carried forward and credited when usable by the company on a separate basis.

- G. Income tax loss contingencies

It is reasonably possible that the total amounts of unrecognized tax benefit will change within the next twelve months. The possible change in the amount of unrecognized tax benefits cannot be estimated at this time.

The IRS is currently auditing the tax years 2010-2013.

10. Information Concerning Parent, Subsidiaries and Affiliates

A. B. & C.

On April 11, 2018 the reinsurance agreement with the AXA RE Arizona Company (“AXA RE”) was novated to EQ AZ Life Re Company (“EQ AZ”), a captive insurance company, organized under the laws of Arizona, a subsidiary of AXA Equitable Financial Services ("AEFS"). EQ AZ obtained new letters of credit, guaranteed by Holdings, to support the treaties and the letters of credit of AXA RE were canceled.

All transactions between the Company and its affiliates are disclosed on Schedule Y Part 2.

D. The Company reported \$0.1 million due from affiliates and \$0.3 million payable to affiliates at December 31, 2018 primarily related to reinsurance administration and expense allocations.

E. The Company does not have any guarantees for the benefit of an affiliate or related party.

F. The Company reimburses AXA Equitable Life Insurance Company (“AXA Equitable”) for their use of personnel, property and facilities in carrying out certain of their operations. The Company reimburses Holdings and certain affiliates for certain services provided. Reimbursement for intercompany services is made on the basis of the cost of services provided. Acquisition costs, such as commissions and other costs incurred in connection with acquiring new business, are charge to operations as incurred.

AllianceBernstein L.P. (“AllianceBernstein”) provides investment advisory and management services to the Company on a fee basis. The Company pays distribution fees to AXA Network LLC., an affiliate, for distributing the Company’s products.

G. The organizational structure of the Company, its parent and all affiliates at December 31, 2018 is disclosed in Schedule Y Part 1.

The Company is a wholly owned subsidiary of AEFS a downstream holding company of Holdings. Prior to May 14, 2018, Holdings was a direct wholly-owned subsidiary of AXA S.A. (“AXA”), a French holding company for the AXA Group, a worldwide leader in life, property and casualty and health insurance and asset management. As of December 31, 2018, AXA owns approximately 59% of the outstanding common stock of Holdings.

H. The Company owns no shares either directly or indirectly of an upstream intermediate.

I. The Company does not have any investments in subsidiaries, controlled, and affiliated entities that exceed 10% of admitted assets.

J. The Company did not have any impairment in investments in subsidiaries, controlled, and affiliated entities (“SCA”) during the year.

K. The Company has no investment in a foreign insurance subsidiary.

L. The Company has no investments in a downstream holding company.

M. Investment in (SCA).

None

N. Investment in (SCA).

None

O. SCA Loss Tracking.

None

11. Debt**A. Debt and Capital Notes**

The Company has no debt or capital note obligations outstanding at December 31, 2018

B. Federal Home Loan Bank ("FHLB")

The Company has no FHLB agreement.

12. Retirement plans, Deferred Compensation, Post-employment Benefits and Compensated Absences and Other Postretirement Plans

None

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

- (1) The Company has 405,000 shares of common stock authorized, 405,000 shares issued, and 405,000 outstanding at a par value per share of \$10.00 at December 31, 2018. All outstanding shares are held by AXA Equitable Financial Services, LLC ("AEFS").
- (2) The Company has no preferred stock outstanding.
- (3) Under Ohio Insurance Law, a domestic life insurer may without prior approval of the Superintendent, pay a dividend to its shareholders not exceeding an amount calculated based on a statutory formula. This formula would not permit the Company to pay any ordinary shareholder dividends during 2019. Any payment of dividends would require the insurer to file notice of its intent to declare such dividends with the Superintendent who then has 30 days to disapprove the distribution.
- (4) The Company did not pay any dividend in 2018.
- (5) Within the limitations of (3) above, there are no restrictions placed on the portion of Company profits that may be paid as ordinary dividends to stockholders.
- (6) The Company had no special surplus funds.
- (7) The Company has no advances to surplus unpaid.
- (8) No stock of the Company is being held for special purposes.
- (9) Not applicable
- (10) The portion of unassigned funds (surplus) represented or reduced by cumulative unrealized gains and losses is (\$101,939).
- (11) The Company has not issued any surplus debentures or similar obligations.
- (12) The Company did not restate gross paid in and contributed surplus and unassigned funds (surplus) under a quasi-reorganization.
- (13) The Company did not restate gross paid in and contributed surplus and unassigned funds (surplus) under a quasi-reorganization in the last 10 years.

14. Contingencies

A. Contingent Commitments

The Company does not have any contingent liabilities as of December 31, 2018.

B. Assessments

The Company holds a \$1.1 million liability for the estimated portion of future assessments related to insolvent insurers, primarily Lincoln Memorial Life Insurance Company. These assessments are expected to be paid over an extended period. The Company also holds a \$1.0 million asset for premium tax offsets that are expected to be realized with respect to these assessments and an additional \$0.2 million asset for premium tax offsets for assessments already paid. The Company has received no notification in 2018 of any new insolvency material to the Company. The Company has no guaranty fund liabilities or assets related to assessments from insolvencies of entities that wrote long term contracts.

	(in dollars)
a. Assets recognized from paid and accrued premium tax offsets and policy surcharges prior year end	\$1,139,377
b. Decreases current year:	
Premium tax offset applied	75,549
c. Increases current year:	
Assessments for which future credits will be applied	142,067
d. Assets recognized from paid and accrued premium tax offsets and policy surcharges current year end	\$1,205,895

C. Gain Contingencies

The Company has not realized a gain contingency subsequent to the balance sheet date.

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

None

E. Joint and Several Liabilities

None

F. All other contingencies

Insurance Litigation

The Company is involved in various legal actions and proceedings in connection with its business. Some of the actions and proceedings have been brought on behalf of various alleged classes of claimants and certain of these claimants seek damages of unspecified amounts. While the ultimate outcome of such matters cannot be predicted with certainty, in the opinion of management no such matter is likely to have a material adverse effect on the Company’s financial position or results of operations. However, it should be noted that the frequency of large damage awards, including large punitive damage awards that bear little or no relation to actual economic damages incurred by plaintiffs in some jurisdictions, continues to create the potential for an unpredictable judgment in any given matter.

15. Leases

A. Leasing arrangements

The Company does not have any material lease obligation as of December 31, 2018.

B. Lessor Business Activities

The Company is not involved in any lessor business activities.

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

The Company has no Financial Instruments with off balance sheet risk or significant concentrations of credit risks at December 31, 2018.

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

A. Transfers of Receivables reported as sales

The Company did not sell any receivables during 2018.

B. Transfer and Servicing of Financial Assets

The Company did not have any transactions related to the transfer and servicing of financial assets and extinguishments of liabilities.

C. Wash Sales

The Company did not sell any securities during the year ended December 31, 2018, which were reacquired within 30 days of the sale date.

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

The Company does not have any uninsured or partially insured A&H Plans.

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

None of the Company’s premium was written through managing general agents or third party administrators.

20. Fair Value Measurements

A. 1) Fair Value Measurement as of December 31, 2018:

Description	Net Asset Value (NAV)					Total
	Level 1	Level 2	Level 3			
a. Assets at Fair Value -:						
Bonds:						
Other Corporate	—	—	\$ 77,000		\$	77,000
Parent, Subsidiaries and Affiliates	—	—	—			—
Total Bonds	\$ —	\$ —	\$ 77,000		\$	77,000
Preferred Stocks:						
Total Preferred Stocks	\$ —	—	—			—
Common Stocks:						
Total Common Stocks	\$ —	\$ —	\$ —		\$	—
Derivative Assets:						
Total Derivatives	\$ —	\$ —	\$ —			—
Total Assets at Fair Value	\$ —	\$ —	\$ 77,000		\$	77,000
b. Liabilities at Fair Value:						
Derivative Liabilities	\$ —	—	—			—
Total Liabilities at Fair Value	\$ —	—	—			—

2) Fair Value Measurements in Level 3 of the Fair Value Hierarchy:

a. Assets	Beginning Balance, Jan. 1, 2018	Transfers Into Level 3*	Transfers Out of Level 3	Total Gains and (Losses) Included in Net Income	Total Gains and (Losses) Included in Surplus	Purchases	Issuances	Sales	Settlements	Ending Balance, Dec. 31, 2018
Other Corporate	\$92,000	\$90,969	—	\$55,277	\$(99,259)	—	—	\$(61,987)	—	\$77,000
Total	\$92,000	\$90,969	—	\$55,277	\$(99,259)	—	—	\$(61,987)	—	\$77,000
b. Liabilities	Beginning Balance, Jan. 1, 2018	Transfers Into Level 3	Transfers Out of Level 3	Total Gains and (Losses) Included in Net Income	Total Gains and (Losses) Included in Surplus	Purchases	Issuances	Sales	Settlements	Ending Balance, Dec. 31, 2018
Total	—	—	—	—	—	—	—	—	—	—

*Amount includes \$90,969 of Level 3 securities now carried at fair value, where the market value is less than the adjusted cost (carried at adjusted cost in prior period)

B. N/A

C. Aggregate Fair Value of all Financial Instruments (in dollars) :

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	(Level 1)	(Level 2)	(Level 3)	Net Asset Value (NAV)	Not Practicable (Carrying Value)
Bonds	\$432,122,037	\$431,212,506	—	\$431,880,815	\$241,222		—
Preferred Stock	\$3,165,756	\$3,990,630	—	\$3,165,756	—		—

D. Not Practicable to estimate Fair Value

None

21. Other Items

A. Unusual or Infrequent Items

None

B. Troubled Debt Restructuring

None

C. Other Disclosures

None

D. Business Interruption Insurance Recoveries

The Company did not receive any business interruption recoveries in 2018 or 2017.

E. State Transferable and Non Transferable Tax Credits

None

F. Subprime Exposure

(1) Subprime residential mortgages are mortgage loans made by banks or mortgage lenders to residential borrowers with lower credit ratings. The criteria used to categorize such subprime borrowers include Fair Isaac Credit Organization (“FICO”) scores, interest rates charged, debt-to-income ratios and loan-to-value ratios. Alt-A residential mortgages are mortgage loans where the risk profile falls between prime and subprime; borrowers typically have clean credit histories but the mortgage loan has an increased risk profile due to higher loan-to-value and debt-to-income ratios and/or inadequate documentation of the borrowers’ income. Residential Mortgage Backed Securities (RMBS) are securities whose cash flows are backed by the principal and interest payments from a set of residential mortgage loans. The Company does not originate, purchase or warehouse residential mortgages and is not in the mortgage servicing business.

(2) The Company has no direct exposure through investments in subprime mortgage loans.

(3) The Company has no indirect exposure to subprime mortgage risk.

(4) The Company has no underwriting exposure to subprime mortgage risk through Mortgage Guaranty coverage, Financial Guaranty coverage, Directors and Officers liability, Errors and Omissions liability, and any other lines of insurance.

G. Retained Assets

None

H. Insurance Linked Securities

None

22. Events Subsequent

Subsequent events have been considered through February 20, 2019. The Company is not aware of any Type I or Type II subsequent events.
Affordable Care Act (ACA) impact: None

23. Reinsurance

A. Ceded Reinsurance Report

Section 1 - General Interrogatories

1. Are any of the reinsurers, listed in schedule S as non-affiliated, owned in excess of 10% or controlled, either directly or indirectly, by the company or by any representative, officer, trustee, or director of the company? Yes () No (X)
2. Have any policies issued by the company been reinsured with a company chartered in a country other than the United States (excluding U.S. Branches of such companies) which is owned in excess of 10% or controlled directly or indirectly by an insured, a beneficiary, a creditor or an insured or any other person not primarily engaged in the insurance business? Yes () No (X)

Section 2 - Ceded Reinsurance Report - Part A

1. Does the company have any reinsurance agreements in effect under which the reinsurer may unilaterally cancel any reinsurance for reasons other than for nonpayment of premium or other similar credits? Yes () No (X)
2. Does the company 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 which in aggregate and allowing for offset of mutual credits from other reinsurance agreements with the same reinsurer, exceed the total direct premium collected under the reinsured policies? Yes () No (X)

Section 3 - Ceded Reinsurance Report - Part B

1. What is the estimated amount of the aggregate reduction in surplus, for agreements not reflected in Section 2 above, of termination of all reinsurance agreements, by either party, as of the date of this statement? \$0.10 million
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 which were in-force or which had existing reserves established by the company as of the effective date of the agreement? Yes () No (X)

B. Uncollectible Reinsurance

The Company has not written off any reinsurance balances due in the current year.

C. Commutation of Ceded Reinsurance

The Company has no reported commutation of ceded reinsurance in the current year.

D. Certified Reinsurer Downgraded or Status subject to Revocation

The Company has no Certified Reinsurers.

E. Reinsurance of Variable Annuity Contracts with an affiliated captive reinsurer

None

F. Reinsurance of Variable Annuity Contracts with an affiliated captive reinsurer

None

G. Disclose Ceding Entities that Utilize Captives to Assume Reserves Subject to XXX/AXXX Captive Framework:

The Company has a XXX reinsurance agreement with the EQ AZ, an affiliated captive company. There are no shortfalls in funds for the covered policies.

24. Retrospectively Rated Contracts and Contracts Subject to Redetermination

The Company does not write retrospective rated contracts.

25. Change in Incurred Losses and Loss Adjustment Expenses

There are no material changes in the provision for incurred loss and loss adjustment expenses attributable to insured events of prior years.

26. Intercompany Pooling Arrangements

The Company does not participate in any intercompany pooling arrangements with affiliated insurers.

27. Structured Settlements

The Company does not purchase structured settlement annuities.

28. Health Care Receivables

The Company does not have any health care receivables.

29. Participating Policies

The Company does not have any participating business.

30. Premium Deficiency Reserves

The Company does not have any accident & health or property & casualty business.

31. Reserves for Life Contracts and Annuity Contracts

- (1) The Company waives deduction of deferred fractional premiums upon death of insured and returns any portion of the final premium beyond the date of death. Surrender values are not promised in excess of the legally computed reserves.
- (2) Extra premiums are charged for substandard lives for all policies plus the gross premium for a true age. Mean reserves are determined by computing the regular mean reserve for the plan at the true age and holding an additional one-half (1/2) of the extra charge for the year.
- (3) As of December 31, 2018, the Company had \$9.0 billion of insurance in force for which the gross premiums are less than the net premiums according to the standard valuation of the State of Ohio. Reserves to cover the above insurance totaled \$54,909,590 at year-end and are reported in the Miscellaneous Reserves section of Exhibit 5.
- (4) The Tabular interest (Page 7, Line 4), the Tabular less actual reserve released (Page 7, Line 5), and the Tabular cost (Page 7, Line 9) have been determined by formulas as described in the instructions for Page 7.
- (5) The tabular interest of funds not involving life contingencies under Exhibit 7, Line 3 is calculated as the actual amount of interest credited to the amount of funds at the valuation interest rate.
- (6) The details for "Other Increases" (net) under Page 7-Analysis of Increases in Reserve during the year, Line 7 are:

			ORDINARY			GROUP	
		Total	Ordinary Life Insurance	Individual Annuities	Suppl Contracts	Group Life Insurance	Group Annuities
1.	Change in NLG Reserve	\$499,513	\$499,513				
	Total	\$499,513	\$499,513				

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

Withdrawal Characteristics of Annuity Actuarial Reserves and Deposit-Type Contract Funds and other Liabilities without Life or Disability Contingencies

			General Account	Separate Account With Guarantees	Separate Account Nonguaranteed	Total	% of Total
A		Subject to discretionary withdrawal:					
	(1)	With fair value adjustment					
	(2)	At book value less current surrender charge of 5% or more					
	(3)	At fair value					
	(4)	Total with adjustment or at fair value (Total of 1 through 3)					
	(5)	At book value without adjustment (minimal or no charge or adjustment)	\$2,854,329			\$2,854,329	34.45%
B		Not subject to discretionary withdrawal	\$5,430,499			\$5,430,499	65.55%
C		Total (gross: direct + assumed	\$8,284,828			\$8,284,828	100.00%
D		Reinsurance ceded	0			0	0
E		Total (net)* (C) - (D)	\$8,284,828			\$8,284,828	100.00%

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

F. Life & Accident & Health Annual Statement:		Amount
1)	Exhibit 5, Annuities Section, Total (net)	\$ 7,916,708
2)	Exhibit 5, Supplementary Contracts with Life Contingencies Sections, Total (net)	0
3)	Exhibit 7, Deposit-Type Contracts, Line 14, Column 1	368,120
4)	Subtotal	\$ 8,284,828
Separate Accounts Annual Statement:		
5)	Exhibit 3, Line 02999999, Column 2	0
6)	Exhibit 3, Line 03999999, Column 2	0
7)	Policyholder dividend and coupon accumulations	0
8)	Policyholder premiums	0
9)	Guaranteed interest contracts	0
10)	Other contract deposit funds	0
11)	Subtotal	0
12)	Combined Total	\$ 8,284,828

33. Premium and Annuity Considerations Deferred and Uncollected

Deferred and uncollected life insurance premiums and annuity considerations as of December 31, 2018 were as follows:

Type	(1) Gross	(2) Net of Loading
1) Industrial	\$ 0	\$ 0
2) Ordinary new business	0	0
3) Ordinary renewal	\$902,536	\$957,867
4) Credit life	0	0
5) Group life	0	0
6) Group annuity	0	0
7) Totals	\$902,536	\$957,867

34. Separate Accounts

Not applicable

35. Loss/Claim Adjustment Expenses

The Company does not have any accident & health or property & casualty business.

U.S. FINANCIAL 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).....	1,919,980	2,082,746	2,275,984	2,453,953	2,661,707
2. Ordinary - term (Line 21, Col. 4, less Line 34, Col. 4).....	21,950,376	23,631,401	25,953,779	28,482,645	31,571,050
3. Credit life (Line 21, Col. 6).....	0	0	0	0	0
4. Group, excluding FEGLI/SGLI (Line 21, Col. 9 less Lines 43 & 44, Col. 4).....	0	0	0	0	0
5. Industrial (Line 21, Col. 2).....	0	0	0	0	0
6. FEGLI/SGLI (Lines 43 & 44, Col. 4).....	0	0	0	0	0
7. Total (Line 21, Col. 10).....	23,870,356	25,714,147	28,229,763	30,936,598	34,232,757
7.1 Total in force for which VM-20 deterministic/stochastic reserves are calculated.....	0	0	XXX	XXX	XXX
New Business Issued (Exhibit of Life Insurance)					
8. Ordinary - whole life and endowment (Line 34, Col. 2).....	0	0	0	4,000	400
9. Ordinary - term (Line 2, Col. 4, less Line 34, Col. 2).....	0	0	0	0	0
10. Credit life (Line 2, Col. 6).....	0	0	0	0	0
11. Group (Line 2, Col. 9).....	0	0	0	0	0
12. Industrial (Line 2, Col. 2).....	0	0	0	0	0
13. Total (Line 2, Col. 10).....	0	0	0	4,000	400
Premium Income - Lines of Business (Exhibit 1-Part 1)					
14. Industrial life (Line 20.4, Col. 2).....	0	0	0	0	0
15.1 Ordinary life insurance (Line 20.4, Col.. 3).....	32,631,020	35,946,522	38,764,298	35,091,219	38,113,315
15.2 Ordinary individual annuities (Line 20.4, Col. 4).....	29,553	14,725	24,648	29,015	33,345
16. Credit life (group and individual) (Line 20.4, Col. 5).....	0	0	0	0	0
17.1 Group life insurance (Line 20.4, Col. 6).....	0	0	0	0	0
17.2 Group annuities (Line 20.4, Col. 7).....	0	0	0	0	0
18.1 A&H - group (Line 20.4, Col. 8).....	0	0	0	0	0
18.2 A&H - credit (group and individual) (Line 20.4, Col. 9).....	0	0	0	0	0
18.3 A&H - other (Line 20.4, Col. 10).....	0	0	0	0	0
19. Aggregate of all other lines of business (Line 20.4, Col. 11).....	0	0	0	0	0
20. Total.....	32,660,573	35,961,247	38,788,946	35,120,234	38,146,660
Balance Sheet (Pages 2 and 3)					
21. Total admitted assets excluding Separate Accounts business (Page 2, Line 26, Col. 3)....	537,939,299	541,434,714	599,156,037	597,309,975	642,942,359
22. Total liabilities excluding Separate Accounts business (Page 3, Line 26).....	450,900,193	468,053,837	490,359,005	503,640,160	540,763,382
23. Aggregate life reserves (Page 3, Line 1).....	412,377,480	428,651,297	446,406,127	459,478,653	484,308,152
23.1 Excess VM-20 deterministic/stochastic reserve over NPR related to Line 7.1.....	0	0	XXX	XXX	XXX
24. Aggregate A&H reserves (Page 3, Line 2).....	0	0	0	0	0
25. Deposit-type contract funds (Page 3, Line 3).....	368,120	445,167	825,803	829,555	808,376
26. Asset valuation reserve (Page 3, Line 24.01).....	2,378,506	2,441,719	2,272,960	2,746,048	3,148,090
27. Capital (Page 3, Lines 29 & 30).....	4,050,000	4,050,000	4,050,000	4,050,000	4,050,000
28. Surplus (Page 3, Line 37).....	82,989,106	69,330,877	104,747,032	89,619,815	98,128,977
Cash Flow (Page 5)					
29. Net cash from operations (Line 11).....	2,511,210	(5,899,070)	(1,453,550)	(25,760,420)	16,307,104
Risk-Based Capital Analysis					
30. Total adjusted capital.....	89,417,612	75,822,596	111,069,992	96,415,863	105,327,067
31. Authorized control level risk-based capital.....	6,839,103	6,596,846	6,912,607	7,423,391	8,117,802
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).....	89.6	94.5	83.4	91.7	86.2
33. Stocks (Lines 2.1 and 2.2).....	0.8	0.9	0.8	0.8	0.7
34. Mortgage loans on real estate (Lines 3.1 and 3.2).....	0.0	0.0	0.0	0.0	0.0
35. Real estate (Line 4.1, 4.2 and 4.3).....	0.0	0.0	0.0	0.0	0.0
36. Cash, cash equivalents and short-term investments (Line 5).....	5.3	(0.0)	10.7	2.8	8.7
37. Contract loans (Line 6).....	4.2	4.7	4.5	4.7	4.4
38. Derivatives (Line 7).....	0.0	0.0	0.0	0.0	0.0
39. Other invested assets (Line 8).....	0.0	0.0	0.0	0.0	0.0
40. Receivables for securities (Line 9).....	0.1	0.0	0.6	0.0	0.0
41. Securities lending reinvested collateral assets (Line 10).....	0.0	0.0	0.0	0.0	0.0
42. Aggregate write-ins for invested assets (Line 11).....	0.0	0.0	0.0	0.0	0.0
43. Cash, cash equivalents and invested assets (Line 12).....	100.0	100.0	100.0	100.0	100.0

U.S. FINANCIAL 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).....	0	0	0	0	0
45. Affiliated preferred stocks (Sch. D Summary, Line 18, Col. 1).....	0	0	0	0	0
46. Affiliated common stocks (Sch. D Summary, Line 24, Col. 1).....	0	0	0	0	0
47. Affiliated short-term investments (subtotal included in Sch. DA, Verif., Col. 5, Line 10).....	0	0	0	0	0
48. Affiliated mortgage loans on real estate	0	0	0	0	0
49. All other affiliated.....	0	0	0	0	0
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.....	0	0	0	0	0
Total Nonadmitted and Admitted Assets					
52. Total nonadmitted assets (Page 2, Line 28, Col. 2).....	17,765,923	18,387,467	32,978,946	38,326,124	43,116,815
53. Total admitted assets (Page 2, Line 28, Col. 3).....	537,939,299	541,434,714	599,156,037	597,309,975	642,942,359
Investment Data					
54. Net investment income (Exhibit of Net Investment Income).....	18,904,202	20,058,530	22,287,238	24,879,583	26,038,581
55. Realized capital gains (losses) (Page 4, Line 34, Column 1).....	(267,898)	75,377	86,457	337,873	783,413
56. Unrealized capital gains (losses) (Page 4, Line 38, Column 1).....	(78,415)	(2,680)	0	0	0
57. Total of above Lines 54, 55 and 56.....	18,557,889	20,131,227	22,373,695	25,217,456	26,821,994
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).....	62,527,328	77,653,285	67,949,477	75,563,625	61,009,487
59. Total contract benefits - A&H (Lines 13 & 14, Cols. 9, 10 & 11).....	0	0	0	0	0
60. Increase in life reserves - other than group and annuities (Line 19, Cols. 2 & 3).....	(16,202,641)	(17,667,451)	(12,799,100)	(24,599,653)	(26,341,560)
61. Increase in A&H reserves (Line 19, Cols. 9, 10 & 11).....	0	0	0	0	0
62. Dividends to policyholders (Line 30, Col 1).....	0	0	0	0	0
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.....	(35.7)	(31.5)	(30.4)	(37.3)	(33.1)
64. Lapse percent (ordinary only) [(Exhibit of Life Insurance, Col. 4, Lines 14 & 15) / 1/2 (Exhibit of Life Insurance, Col. 4, Lines 1 & 21)] x 100.00.....	6.6	8.5	8.4	9.4	8.5
65. A&H loss percent (Schedule H, Part 1, Lines 5 & 6, Col. 2).....	0.0	0.0	0.0	0.0	0.0
66. A&H cost containment percent (Schedule H, Part 1, Line 4, Col. 2).....	0.0	0.0	0.0	0.0	0.0
67. A&H expense percent excluding cost containment expenses (Schedule H, Part 1, Line 10, Col. 2).....	0.0	0.0	0.0	0.0	0.0
A&H Claim Reserve Adequacy					
68. Incurred losses on prior years' claims - group health (Sch. H, Part 3, Line 3.1, Col. 2).....	0	0	0	0	0
69. Prior years' claim liability and reserve - group health (Sch. H, Part 3, Line 3.2, Col. 2).....	0	0	0	0	0
70. Incurred losses on prior years' claims - health other than group (Sch. H, Part 3, Line 3.1, Col. 1 less Col. 2).....	0	0	0	0	0
71. Prior years' claim liability and reserve - health other than group (Sch. H, Part 3, Line 3.2, Col. 1 less Col. 2).....	0	0	0	0	0
Net Gains From Operations After Federal Income Taxes by Lines of Business (Page 6, Line 33)					
72. Industrial life (Col. 2).....	0	0	0	0	0
73. Ordinary - life (Col. 3).....	14,149,041	9,227,023	14,610,330	14,704,738	34,454,246
74. Ordinary - individual annuities (Col. 4).....	(349,110)	(265,703)	(70,429)	(135,531)	(112,784)
75. Ordinary - supplementary contracts (Col. 5).....	0	0	0	0	0
76. Credit life (Col. 6).....	0	0	0	0	0
77. Group life (Col. 7).....	2,696	2,135	2,593	3,026	3,156
78. Group annuities (Col. 8).....	0	0	0	0	0
79. A&H - group (Col. 9).....	0	0	0	0	0
80. A&H - credit (Col. 10).....	0	0	0	0	0
81. A&H - other (Col. 11).....	0	0	0	0	0
82. Aggregate of all other lines of business (Col. 12).....	0	0	0	0	0
83. Total (Col. 1).....	13,802,627	8,963,455	14,542,494	14,572,233	34,344,618

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: