

ANNUAL STATEMENT

OF THE

MCS Life Insurance Company

of

San Juan

in the state of

Puerto Rico

TO THE

Insurance Department

OF THE STATE OF

Puerto Rico

For the Year Ended
DECEMBER 31, 2019

2019

LIFE AND ACCIDENT AND HEALTH FRATERNAL BENEFIT SOCIETIES

2019

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)	26,474,875		26,474,875	43,459,192
2. Stocks (Schedule D):				
2.1 Preferred stocks	398,496		398,496	377,936
2.2 Common Stocks				
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens				
3.2 Other than first liens				
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$.....0 encumbrances)				
4.2 Properties held for the production of income (less \$.....0 encumbrances)				
4.3 Properties held for sale (less \$.....0 encumbrances)				
5. Cash (\$.....39,668,006, Schedule E Part 1), cash equivalents (\$.....11,088,601, Schedule E Part 2) and short-term investments (\$.....4,105,474, Schedule DA)	54,862,082		54,862,082	25,350,054
6. Contract loans (including \$.....0 premium notes)				
7. Derivatives (Schedule DB)				
8. Other invested assets (Schedule BA)				
9. Receivables for securities				
10. Securities Lending Reinvested Collateral Assets (Schedule DL)				
11. Aggregate write-ins for invested assets				
12. Subtotals, cash and invested assets (Lines 1 to 11)	81,735,452		81,735,452	69,187,182
13. Title plants less \$.....0 charged off (for Title insurers only)				
14. Investment income due and accrued	151,657		151,657	179,711
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	11,579,442		11,579,442	11,217,142
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (Including \$.....0 earned but unbilled premiums)				
15.3 Accrued retrospective premiums (\$.....0) and contracts subject to redetermination (\$.....0)				
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers				
16.2 Funds held by or deposited with reinsured companies				
16.3 Other amounts receivable under reinsurance contracts				
17. Amounts receivable relating to uninsured plans	13,407,355		13,407,355	10,683,626
18.1 Current federal and foreign income tax recoverable and interest thereon	268,705		268,705	2,280,335
18.2 Net deferred tax asset				
19. Guaranty funds receivable or on deposit				
20. Electronic data processing equipment and software				
21. Furniture and equipment, including health care delivery assets (\$.....0)				
22. Net adjustment in assets and liabilities due to foreign exchange rates				
23. Receivables from parent, subsidiaries and affiliates				
24. Health care (\$.....0) and other amounts receivable	1,402,056	150,000	1,252,056	1,074,217
25. Aggregate write-ins for other than invested assets	100,000	100,000		
26. TOTAL assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	108,644,668	250,000	108,394,668	94,622,213
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts				
28. TOTAL (Lines 26 and 27)	108,644,668	250,000	108,394,668	94,622,213
DETAILS OF WRITE-INS				
1101.				
1102.				
1103.				
1198. Summary of remaining write-ins for Line 11 from overflow page				
1199. TOTALS (Lines 1101 through 1103 plus 1198) (Line 11 above)				
2501.				
2502. Deposits	100,000	100,000		
2503.				
2598. Summary of remaining write-ins for Line 25 from overflow page				
2599. TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above)	100,000	100,000		

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Year	2 Prior Year
1. Aggregate reserve for life contracts \$.....0 (Exhibit 5, Line 9999999) less \$.....0 included in Line 6.3 (including \$.....0 Modco Reserve)		
2. Aggregate reserve for accident and health contracts (including \$.....0 Modco Reserve)		
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, Column 1 less sum of Columns 9, 10, and 11)	250,000	250,000
4.2 Accident and health (Exhibit 8, Part 1, Line 4.4, sum of Columns 9, 10, and 11)	25,331,808	30,037,470
5. Policyholders' dividends/refunds to members \$.....0 and coupons \$.....0 due and unpaid (Exhibit 4, Line 10)		
6. Provision for policyholders' dividends, refunds to members and coupons payable in following calendar year - estimated amounts:		
6.1 Policyholders' dividends and refunds to members apportioned for payment (including \$.....0 Modco)		
6.2 Policyholders' dividends and refunds to members 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 \$.....1,637,115 accident and health premiums (Exhibit 1, Part 1, Column 1, sum of Lines 4 and 14)	1,637,115	1,524,296
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	300,639	
9.3 Other amounts payable on reinsurance, including \$.....0 assumed and \$.....0 ceded		
9.4 Interest Maintenance Reserve (IMR, Line 6)		
10. Commissions to agents due or accrued-life and annuity contracts \$.....0 accident and health \$.....0 and deposit-type contract funds \$.....0	1,117,477	1,235,785
11. Commissions and expense allowances payable on reinsurance assumed		
12. General expenses due or accrued (Exhibit 2, Line 12, Column 7)	3,809,232	3,331,113
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. 6)	2,748,455	2,888,298
15.1 Current federal and foreign income taxes, including \$.....0 on realized capital gains (losses)		
15.2 Net deferred tax liability	29,407	25,294
16. Unearned investment income		
17. Amounts withheld or retained by reporting entity as agent or trustee	624,661	546,659
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, Column 7)	280,035	224,344
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	12,913,873	3,815,941
24.05 Drafts outstanding	1,116,519	965,344
24.06 Liability for amounts held under uninsured plans	7,178,577	4,542,961
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		
26. TOTAL Liabilities excluding Separate Accounts Business (Lines 1 to 25)	57,337,798	49,387,506
27. From Separate Accounts Statement		
28. TOTAL LIABILITIES (Lines 26 and 27)	57,337,798	49,387,506
29. Common capital stock	2,500,000	2,500,000
30. Preferred capital stock		
31. Aggregate write-ins for other than special surplus funds	5,700,000	
32. Surplus Notes		
33. Gross paid in and contributed surplus (Page 3, Line 33, Column 2 plus Page 4, Line 51.1, Column 1)	7,760,000	7,760,000
34. Aggregate write-ins for special surplus funds		
35. Unassigned funds (surplus)	35,096,870	34,974,707
36. Less treasury stock, at cost:		
36.1 .....0 shares common (value included in Line 29 \$.....0)		
36.2 .....0 shares preferred (value included in Line 30 \$.....0)		
37. Surplus (Total Lines 31 + 32 + 33 + 34 + 35 - 36) (Including \$.....0 in Separate Accounts Statement)	48,556,870	42,734,707
38. TOTALS of Lines 29, 30 and 37 (Page 4, Line 55)	51,056,870	45,234,707
39. TOTALS of Lines 28 and 38 (Page 2, Line 28, Column 3)	108,394,668	94,622,213
DETAILS OF WRITE-INS		
2501.		
2502.		
2503.		
2598. Summary of remaining write-ins for Line 25 from overflow page		
2599. TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above)		
3101. Federal Health Provider (IPF)	5,700,000	
3102.		
3103.		
3198. Summary of remaining write-ins for Line 31 from overflow page		
3199. TOTALS (Lines 3101 through 3103 plus 3198) (Line 31 above)	5,700,000	
3401.		
3402.		
3403.		
3498. Summary of remaining write-ins for Line 34 from overflow page		
3499. TOTALS (Lines 3401 through 3403 plus 3498) (Line 34 above)		

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)	276,993,559	290,394,408
2. Considerations for supplementary contracts with life contingencies		
3. Net investment income (Exhibit of Net Investment Income, Line 17)	1,299,406	1,205,795
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, Column 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		
9. TOTALS (Lines 1 to 8.3)	278,292,964	291,600,202
10. Death benefits	424,591	740,667
11. Matured endowments (excluding guaranteed annual pure endowments)		
12. Annuity benefits (Exhibit 8, Part 2, Line 6.4, Columns 4 + 8)		
13. Disability benefits and benefits under accident and health contracts	222,791,971	243,277,273
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		
20. TOTALS (Lines 10 to 19)	223,216,562	244,017,940
21. Commissions on premiums, annuity considerations, and deposit type contract funds (direct business only) (Exhibit 1, Part 2, Line 31, Column 1)	13,599,632	13,195,755
22. Commissions and expense allowances on reinsurance assumed (Exhibit 1, Part 2, Line 26.2, Column 1)		
23. General insurance expenses and fraternal expenses (Exhibit 2, Line 10, Columns 1, 2, 3, 4 and 6)	22,545,378	20,446,888
24. Insurance taxes, licenses and fees, excluding federal income taxes (Exhibit 3, Line 7, Columns 1 + 2 + 3 + 5)	3,520,474	3,692,345
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		6,206,343
28. TOTALS (Lines 20 to 27)	262,882,046	287,559,270
29. Net gain from operations before dividends to policyholders, refunds to members and federal income taxes (Line 9 minus Line 28)	15,410,919	4,040,932
30. Dividends to policyholders and refunds to members		
31. Net gain from operations after dividends to policyholders, refunds to members and before federal income taxes (Line 29 minus Line 30)	15,410,919	4,040,932
32. Federal and foreign income taxes incurred (excluding tax on capital gains)	2,014,902	529,539
33. Net gain from operations after dividends to policyholders, refunds to members and federal income taxes and before realized capital gains or (losses) (Line 31 minus Line 32)	13,396,016	3,511,393
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)	61,389	638,714
35. Net Income (Line 33 plus Line 34)	13,457,405	4,150,107
CAPITAL AND SURPLUS ACCOUNT		
36. Capital and surplus, December 31, prior year (Page 3, Line 38, Column 2)	45,234,707	43,259,695
37. Net Income (Line 35)	13,457,405	4,150,107
38. Change in net unrealized capital gains (losses) less capital gains tax of \$.....0	20,561	18,786
39. Change in net unrealized foreign exchange capital gain (loss)		
40. Change in net deferred income tax	(4,112)	(3,757)
41. Change in nonadmitted assets	2,404,000	(2,169,000)
42. Change in liability for reinsurance in unauthorized companies and certified companies		
43. Change in reserve on account of change in valuation basis, (increase) or decrease		
44. Change in asset valuation reserve	(55,691)	(21,124)
45. Change in treasury stock (Page 3, Lines 36.1 and 36.2 Column 2 minus Column 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	(10,000,000)	
52. Dividends to stockholders		
53. Aggregate write-ins for gains and losses in surplus		
54. Net change in capital and surplus for the year (Lines 37 through 53)	5,822,163	1,975,012
55. Capital and surplus, December 31, current year (Lines 36 + 54) (Page 3, Line 38)	51,056,870	45,234,707
DETAILS OF WRITE-INS		
08.301.		
08.302.		
08.303.		
08.398. Summary of remaining write-ins for Line 8.3 from overflow page		
08.399. TOTALS (Lines 08.301 through 08.303 plus 08.398) (Line 8.3 above)		
2701. Federal Health Insurance Providers Fees		6,206,343
2702.		
2703.		
2798. Summary of remaining write-ins for Line 27 from overflow page		
2799. TOTALS (Lines 2701 through 2703 plus 2798) (Line 27 above)		6,206,343
5301.		
5302.		
5303.		
5398. Summary of remaining write-ins for Line 53 from overflow page		
5399. TOTALS (Lines 5301 through 5303 plus 5398) (Line 53 above)		

CASH FLOW

		1	2
		Current Year	Prior Year
Cash from Operations			
1.	Premiums collected net of reinsurance	277,044,716	293,698,273
2.	Net investment income	1,354,395	1,786,963
3.	Miscellaneous income		
4.	TOTAL (Lines 1 through 3)	278,399,112	295,485,236
5.	Benefit and loss related payments	227,922,224	245,805,245
6.	Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts		
7.	Commissions, expenses paid and aggregate write-ins for deductions	39,536,901	47,711,890
8.	Dividends paid to policyholders		
9.	Federal and foreign income taxes paid (recovered) net of \$.....0 tax on capital gains (losses)	0	5,654,545
10.	TOTAL (Lines 5 through 9)	267,459,125	299,171,680
11.	Net cash from operations (Line 4 minus Line 10)	10,939,987	(3,686,444)
Cash from Investments			
12.	Proceeds from investments sold, matured or repaid:		
12.1	Bonds	25,053,785	2,155,360
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	0	
12.8	TOTAL Investment proceeds (Lines 12.1 to 12.7)	25,053,785	2,155,360
13.	Cost of investments acquired (long-term only):		
13.1	Bonds	8,035,014	12,956,278
13.2	Stocks		
13.3	Mortgage loans		
13.4	Real estate		
13.5	Other invested assets		
13.6	Miscellaneous applications	0	0
13.7	TOTAL Investments acquired (Lines 13.1 to 13.6)	8,035,014	12,956,278
14.	Net increase (decrease) in contract loans and premium notes		
15.	Net cash from investments (Line 12.8 minus Line 13.7 minus Line 14)	17,018,771	(10,800,918)
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	10,000,000	
16.6	Other cash provided (applied)	11,553,270	(3,115,967)
17.	Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6)	1,553,270	(3,115,967)
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)	29,512,028	(17,603,329)
19.	Cash, cash equivalents and short-term investments:		
19.1	Beginning of year	25,350,054	42,953,383
19.2	End of year (Line 18 plus Line 19.1)	54,862,082	25,350,054

Note: Supplemental Disclosures of Cash Flow Information for Non-Cash Transactions:

20.0001		
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ANALYSIS OF OPERATIONS BY LINES OF BUSINESS - SUMMARY

	1	2	3	4	5	6	7	8	9
	Total	Individual Life	Group Life	Individual Annuities	Group Annuities	Accident and Health	Fraternal	Other Lines of Business	YRT Mortality Risk Only
1. Premiums and annuity considerations for life and accident and health contracts	276,993,559		1,125,727			275,867,832			
2. Considerations for supplementary contracts with life contingencies		X X X	X X X			X X X	X X X		X X X
3. Net investment income	1,299,406		12,699			1,286,707			
4. Amortization of Interest Maintenance Reserve (IMR)									
5. Separate Accounts net gain from operations excluding unrealized gains or losses							X X X		
6. Commissions and expense allowances on reinsurance ceded							X X X		
7. Reserve adjustments on reinsurance ceded							X X X		
8. Miscellaneous Income									
8.1 Income from fees associated with investment management, administration and contract guarantees from Separate Accounts							X X X		
8.2 Charges and fees for deposit-type contracts						X X X	X X X		
8.3 Aggregate write-ins for miscellaneous income									
9. TOTALS (Lines 1 to 8.3)	278,292,964		1,138,426			277,154,539			
10. Death benefits	424,591		424,591			X X X	X X X		
11. Matured endowments (excluding guaranteed annual pure endowments)						X X X	X X X		
12. Annuity benefits		X X X	X X X			X X X	X X X		X X X
13. Disability benefits and benefits under accident and health contracts	222,791,971					222,791,971	X X X		
14. Coupons, guaranteed annual pure endowments and similar benefits							X X X		
15. Surrender benefits and withdrawals for life contracts						X X X	X X X		
16. Group conversions							X X X		
17. Interest and adjustments on contract or deposit-type contract funds							X X X		
18. Payments on supplementary contracts with life contingencies						X X X	X X X		
19. Increase in aggregate reserves for life and accident and health contracts							X X X		
20. TOTALS (Lines 10 to 19)	223,216,562		424,591			222,791,971	X X X		
21. Commissions on premiums, annuity considerations, and deposit-type contract funds (direct business only)	13,599,632		10,575			13,589,057			X X X
22. Commissions and expense allowances on reinsurance assumed							X X X		
23. General insurance expenses and fraternal expenses	22,545,378		306,934			22,238,444			
24. Insurance taxes, licenses and fees, excluding federal income taxes	3,520,474		23,705			3,496,769			
25. Increase in loading on deferred and uncollected premiums							X X X		
26. Net transfers to or (from) Separate Accounts net of reinsurance							X X X		
27. Aggregate write-ins for deductions									
28. TOTALS (Lines 20 to 27)	262,882,046		765,805			262,116,241			
29. Net gain from operations before dividends to policyholders, refunds to members and federal income taxes (Line 9 - Line 28)	15,410,919		372,621			15,038,298			
30. Dividends to policyholders and refunds to members							X X X		
31. Net gain from operations after dividends to policyholders, refunds to members and before federal income taxes (Line 29 - Line 30)	15,410,919		372,621			15,038,298			
32. Federal income taxes incurred (excluding tax on capital gains)	2,014,902		48,718			1,966,184			
33. Net gain from operations after dividends to policyholders, refunds to members and federal income taxes and before realized capital gains or (losses) (Line 31 minus Line 32)	13,396,016		323,902			13,072,114			
34. Policies/certificates in force end of year							X X X		
DETAILS OF WRITE-INS									
08.301.									
08.302.									
08.303.									
08.398. Summary of remaining write-ins for Line 8.3 from overflow page									
08.399. TOTALS (Lines 08.301 through 08.303 plus 08.398) (Line 8.3 above)									
2701.									
2702.									
2703.									
2798. Summary of remaining write-ins for Line 27 from overflow page									
2799. TOTALS (Lines 2701 through 2703 plus 2798) (Line 27 above)									

ANALYSIS OF OPERATIONS BY LINES OF BUSINESS - INDIVIDUAL LIFE INSURANCE (b)

6.1

	1	2	3	4	5	6	7	8	9	10	11	12
	Total	Industrial Life	Whole Life	Term Life	Indexed Life	Universal Life	Universal Life With Secondary Guarantees	Variable Life	Variable Universal Life	Credit Life (c)	Other Individual Life	YRT Mortality Risk Only
1. Premiums for life contracts (a)												
2. Considerations for supplementary contracts with life contingencies	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
3. Net investment income												
4. Amortization of Interest Maintenance Reserve (IMR)												
5. Separate Accounts net gain from operations excluding unrealized gains or losses												
6. Commissions and expense allowances on reinsurance ceded												
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												
9. TOTALS (Lines 1 to 8.3)												
10. Death benefits												
11. Matured endowments (excluding guaranteed annual pure endowments)												
12. Annuity benefits	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
13. Disability benefits and benefits under accident and health contracts												
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												
20. TOTALS (Lines 10 to 19)												
21. Commissions on premiums, annuity considerations, and deposit-type contract funds (direct business only)												XXX
22. Commissions and expense allowances on reinsurance assumed												
23. General insurance expenses												
24. Insurance taxes, licenses and fees, excluding federal income taxes												
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												
28. TOTALS (Lines 20 to 27)												
29. Net gain from operations before dividends to policyholders, refunds to members and federal income taxes (Line 9 - Line 28)												
30. Dividends to policyholders and refunds to members												
31. Net gain from operations after dividends to policyholders, refunds to members and before federal income taxes (Line 29 - Line 30)												
32. Federal income taxes incurred (excluding tax on capital gains)												
33. Net gain from operations after dividends to policyholders, refunds to members and federal income taxes and before realized capital gains or (losses) (Line 31 minus Line 32)												
34. Policies/certificates in force end of year												

NONE

DETAILS OF WRITE-INS

08.301.												
08.302.												
08.303.												
08.398. Summary of remaining write-ins for Line 8.3 from overflow page												
08.399. TOTALS (Lines 08.301 through 08.303 plus 08.398) (Line 8.3 above)												
2701.												
2702.												
2703.												
2798. Summary of remaining write-ins for Line 27 from overflow page												
2799. TOTALS (Lines 2701 through 2703 plus 2798) (Line 27 above)												

(a) Include premium amounts for preneed plans included in Line 1 \$.....0
 (b) Indicate if blocks of business in run-off that comprise less than 5% of premiums and less than 5% of reserve and loans liability are aggregated with material blocks of business and which columns are affected:
 (c) Individual and Group Credit Life are combined and included on _____ page. (Indicate whether included with Individual or Group.)

ANALYSIS OF OPERATIONS BY LINES OF BUSINESS - GROUP LIFE INSURANCE (c)

	1	2	3	4	5	6	7	8	9
	Total	Whole Life	Term Life	Universal Life	Variable Life	Variable Universal Life	Credit Life (d)	Other Group Life (a)	YRT Mortality Risk Only
1. Premiums for life contracts (b)	1,125,727							1,125,727	
2. Considerations for supplementary contracts with life contingencies	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X
3. Net investment income	12,699							12,699	
4. Amortization of Interest Maintenance Reserve (IMR)									
5. Separate Accounts net gain from operations excluding unrealized gains or losses									
6. Commissions and expense allowances on reinsurance ceded									
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									
9. TOTALS (Lines 1 to 8.3)	1,138,426							1,138,426	
10. Death benefits	424,591							424,591	
11. Matured endowments (excluding guaranteed annual pure endowments)									
12. Annuity benefits	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X
13. Disability benefits and benefits under accident and health contracts									
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									
20. TOTALS (Lines 10 to 19)	424,591							424,591	
21. Commissions on premiums, annuity considerations, and deposit-type contract funds (direct business only)	10,575							10,575	X X X
22. Commissions and expense allowances on reinsurance assumed									
23. General insurance expenses	306,934							306,934	
24. Insurance taxes, licenses and fees, excluding federal income taxes	23,705							23,705	
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									
28. TOTALS (Lines 20 to 27)	765,805							765,805	
29. Net gain from operations before dividends to policyholders, refunds to members and federal income taxes (Line 9 - Line 28)	372,621							372,621	
30. Dividends to policyholders and refunds to members									
31. Net gain from operations after dividends to policyholders, refunds to members and before federal income taxes (Line 29 - Line 30)	372,621							372,621	
32. Federal income taxes incurred (excluding tax on capital gains)	48,718							48,718	
33. Net gain from operations after dividends to policyholders, refunds to members and federal income taxes and before realized capital gains or (losses) (Line 31 minus Line 32)	323,902							323,902	
34. Policies/certificates in force end of year									
DETAILS OF WRITE-INS									
08.301.									
08.302.									
08.303.									
08.398. Summary of remaining write-ins for Line 8.3 from overflow page									
08.399. TOTALS (Lines 08.301 through 08.303 plus 08.398) (Line 8.3 above)									
2701.									
2702.									
2703.									
2798. Summary of remaining write-ins for Line 27 from overflow page									
2799. TOTALS (Lines 2701 through 2703 plus 2798) (Line 27 above)									

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

(b) Include premium amounts for preneed plans included in Line 1 \$.....0

(c) Indicate if blocks of business in run-off that comprise less than 5% of premiums and less than 5% of reserve and loans liability are aggregated with material blocks of business and which columns are affected.:

(d) Individual and Group Credit Life are combined and included on _____ page. (Indicate whether included with Individual or Group.)

6.3 Analysis Of Operations By Lines Of Business - Individual Annuities NONE

6.4 Analysis Of Operations By Lines Of Business - Group Annuities NONE

ANALYSIS OF OPERATIONS BY LINES OF BUSINESS - ACCIDENT AND HEALTH (a)

	1 Total	Comprehensive		4 Medicare Supplement	5 Vision Only	6 Dental Only	7 Federal Employees Health Benefits Plan	8 Title XVIII Medicare	9 Title XIX Medicaid	10 Credit A&H	11 Disability Income	12 Long-Term Care	13 Other Health
		2 Individual	3 Group										
1. Premiums for accident and health contracts	275,867,832		259,406,944										16,460,888
2. Considerations for supplementary contracts with life contingencies	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X
3. Net investment income	1,286,707		1,256,387										30,320
4. Amortization of Interest Maintenance Reserve (IMR)													
5. Separate Accounts net gain from operations excluding unrealized gains or losses													
6. Commissions and expense allowances on reinsurance ceded													
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	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X
8.3 Aggregate write-ins for miscellaneous income													
9. TOTALS (Lines 1 to 8.3)	277,154,539		260,663,331										16,491,208
10. Death benefits	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X
11. Matured endowments (excluding guaranteed annual pure endowments)	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X
12. Annuity benefits	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X
13. Disability benefits and benefits under accident and health contracts	222,791,971		212,754,895										10,037,077
14. Coupons, guaranteed annual pure endowments and similar benefits													
15. Surrender benefits and withdrawals for life contracts	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X
16. Group conversions													
17. Interest and adjustments on contract or deposit-type contract funds													
18. Payments on supplementary contracts with life contingencies	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X
19. Increase in aggregate reserves for life and accident and health contracts													
20. TOTALS (Lines 10 to 19)	222,791,971		212,754,895										10,037,077
21. Commissions on premiums, annuity considerations, and deposit-type contract funds (direct business only)	13,589,057		12,968,848										620,209
22. Commissions and expense allowances on reinsurance assumed													
23. General insurance expenses	22,238,444		20,910,948										1,327,495
24. Insurance taxes, licenses and fees, excluding federal income taxes	3,496,769		3,288,034										208,735
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													
28. TOTALS (Lines 20 to 27)	262,116,241		249,922,725										12,193,516
29. Net gain from operations before dividends to policyholders, refunds to members and federal income taxes (Line 9 - Line 28)	15,038,298		10,740,606										4,297,692
30. Dividends to policyholders and refunds to members													
31. Net gain from operations after dividends to policyholders, refunds to members and before federal income taxes (Line 29 - Line 30)	15,038,298		10,740,606										4,297,692
32. Federal income taxes incurred (excluding tax on capital gains)	1,966,184		1,404,282										561,902
33. Net gain from operations after dividends to policyholders, refunds to members and federal income taxes and before realized capital gains or (losses) (Line 31 minus Line 32)	13,072,114		9,336,324										3,735,790
34. Policies/certificates in force end of year													
DETAILS OF WRITE-INS													
08.301.													
08.302.													
08.303.													
08.398. Summary of remaining write-ins for Line 8.3 from overflow page													
08.399. TOTALS (Lines 08.301 through 08.303 plus 08.398) (Line 8.3 above)													
2701.													
2702.													
2703.													
2798. Summary of remaining write-ins for Line 27 from overflow page													
2799. TOTALS (Lines 2701 through 2703 plus 2798) (Line 27 above)													

65

(a) Indicate if blocks of business in run-off that comprise less than 5% of premiums and less than 5% of reserve and loans liability are aggregated with material blocks of business and which columns are affected.:

7.1 Analysis of Increase Reserves - Individual Life Insurance NONE

7.2 Analysis of Increase Reserves - Group Life Insurance NONE

7.3 Analysis of Increase Reserves - Individual Annuities NONE

7.4 Analysis of Increase Reserves - Group Annuities NONE

EXHIBIT OF NET INVESTMENT INCOME

	1 Collected During Year	2 Earned During Year
1. U.S. Government bonds	(a) 793,791	770,486
1.1 Bonds exempt from U.S. tax	(a)	
1.2 Other bonds (unaffiliated)	(a) 62,513	57,732
1.3 Bonds of affiliates	(a)	
2.1 Preferred stocks (unaffiliated)	(b) 24,778	24,778
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) 446,455	446,455
7. Derivative instruments	(f)	
8. Other invested assets		
9. Aggregate write-ins for investment income		
10. TOTAL gross investment income	1,327,538	1,299,451
11. Investment expenses		(g) 45
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)
15. Aggregate write-ins for deductions from investment income		
16. TOTAL Deductions (Lines 11 through 15)		45
17. Net Investment income (Line 10 minus Line 16)		1,299,406

DETAILS OF WRITE-INS

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

- (a) Includes \$.....0 accrual of discount less \$.....0 amortization of premium and less \$.....0 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	2	3	4	5
	Realized Gain (Loss) on Sales or Maturity	Other Realized Adjustments	Total Realized Capital Gain (Loss) (Columns 1 + 2)	Change in Unrealized Capital Gain (Loss)	Change in Unrealized Foreign Exchange Capital Gain (Loss)
1. U.S. Government bonds	513		513		
1.1 Bonds exempt from U.S. tax					
1.2 Other bonds (unaffiliated)	35,930	24,946	60,876		
1.3 Bonds of affiliates					
2.1 Preferred stocks (unaffiliated)				20,561	
2.11 Preferred stocks of affiliates					
2.2 Common stocks (unaffiliated)					
2.21 Common stocks of affiliates					
3. Mortgage loans					
4. Real estate					
5. Contract loans					
6. Cash, cash equivalents and short-term investments					
7. Derivative instruments					
8. Other invested assets					
9. Aggregate write-ins for capital gains (losses)					
10. TOTAL Capital gains (losses)	36,442	24,946	61,389	20,561	

DETAILS OF WRITE-INS

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

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

	1 Total	2 Industrial Life	Insurance									12 Fraternal (Fraternal Benefit Societies Only)
			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 and Individual)	10 Other		
FIRST YEAR (other than single)												
1.	Uncollected											
2.	Deferred and accrued											
3.	Deferred, accrued and uncollected:											
3.1	Direct											
3.2	Reinsurance assumed											
3.3	Reinsurance ceded											
3.4	Net (Line 1 + Line 2)											
4.	Advance											
5.	Line 3.4 - Line 4											
6.	Collected during year:											
6.1	Direct											
6.2	Reinsurance assumed											
6.3	Reinsurance ceded											
6.4	Net											
7.	Line 5 + Line 6.4											
8.	Prior year (uncollected + deferred and accrued - advance)											
9.	First year premiums and considerations:											
9.1	Direct											
9.2	Reinsurance assumed											
9.3	Reinsurance ceded											
9.4	Net (Line 7 - Line 8)											
SINGLE												
10.	Single premiums and considerations:											
10.1	Direct											
10.2	Reinsurance assumed											
10.3	Reinsurance ceded											
10.4	Net											
RENEWAL												
11.	Uncollected	11,579,442						11,488,017			91,426	
12.	Deferred and accrued											
13.	Deferred, accrued and uncollected:											
13.1	Direct	11,579,442						11,488,017			91,426	
13.2	Reinsurance assumed											
13.3	Reinsurance ceded											
13.4	Net (Line 11 + Line 12)	11,579,442						11,488,017			91,426	
14.	Advance	1,637,115						1,266,973			370,142	
15.	Line 13.4 - Line 14	9,942,327						10,221,043			(278,716)	
16.	Collected during year:											
16.1	Direct	278,780,738				1,878,806		260,304,264			16,597,667	
16.2	Reinsurance assumed											
16.3	Reinsurance ceded	2,036,661				753,079		1,200,274			83,307	
16.4	Net	276,744,077				1,125,727		259,103,990			16,514,360	
17.	Line 15 + Line 16.4	286,686,404				1,125,727		269,325,033			16,235,644	
18.	Prior year (uncollected + deferred and accrued - advance)	9,692,846						9,918,089			(225,244)	
19.	Renewal premiums and considerations:											
19.1	Direct	279,030,219				1,878,806		260,607,218			16,544,194	
19.2	Reinsurance assumed											
19.3	Reinsurance ceded	2,036,661				753,079		1,200,274			83,307	
19.4	Net (Line 17 - Line 18)	276,993,559				1,125,727		259,406,944			16,460,888	
TOTAL												
20.	TOTAL Premiums and annuity considerations:											
20.1	Direct	279,030,219				1,878,806		260,607,218			16,544,194	
20.2	Reinsurance assumed											
20.3	Reinsurance ceded	2,036,661				753,079		1,200,274			83,307	
20.4	Net (Lines 9.4 + 10.4 + 19.4)	276,993,559				1,125,727		259,406,944			16,460,888	

EXHIBIT 1 - PART 2 - POLICYHOLDERS' DIVIDENDS, REFUNDS TO MEMBERS AND COUPONS APPLIED, REINSURANCE COMMISSIONS AND EXPENSE ALLOWANCES AND COMMISSIONS INCURRED (Direct Business Only)

10

	1 Total	2 Industrial Life	Insurance								11 Aggregate of All Other Lines of Business	12 Fraternal (Fraternal Benefit Societies Only)
			Ordinary		5 Credit Life (Group and Individual)	Group		Accident and Health				
			3 Life Insurance	4 Individual Annuities		6 Life Insurance	7 Annuities	8 Group	9 Credit (Group and Individual)	10 Other		
POLICYHOLDERS'S DIVIDENDS, REFUNDS TO MEMBERS AND COUPONS APPLIED (included in Part 1)												
21.												
22.												
REINSURANCE COMMISSIONS AND EXPENSE ALLOWANCES INCURRED												
23.												
23.1												
23.2												
23.3												
24.												
24.1												
24.2												
24.3												
25.												
25.1												
25.2												
25.3												
26.												
26.1												
26.2												
26.3												
COMMISSIONS INCURRED (direct business only)												
27.												
28.												
29.	13,599,632					10,575		12,968,848		620,209		
30.												
31.	13,599,632					10,575		12,968,848		620,209		

ANNUAL STATEMENT FOR THE YEAR 2019 OF THE MCS Life Insurance Company
EXHIBIT 2 - GENERAL EXPENSES

	Insurance				5 Investment	6 Fraternal	7 Total
	1 Life	Accident and Health		4 All Other Lines of Business			
		2 Cost Containment	3 All Other				
1. Rent	1,139		168,062				169,201
2. Salaries and wages	13,536		1,996,711				2,010,246
3.11 Contributions for benefit plans for employees	935		137,967				138,902
3.12 Contributions for benefit plans for agents							
3.21 Payments to employees under non-funded benefit plans							
3.22 Payments to agents under non-funded benefit plans							
3.31 Other employee welfare	2,099		309,569				311,668
3.32 Other agent welfare							
4.1 Legal fees and expenses	40		5,968				6,009
4.2 Medical examination fees							
4.3 Inspection report fees							
4.4 Fees of public accountants and consulting actuaries	1,613		237,968				239,581
4.5 Expense of investigation and settlement of policy claims	15,536		2,291,818				2,307,354
5.1 Traveling expenses	168		24,846				25,014
5.2 Advertising	2,559		377,431				379,989
5.3 Postage, express, telegraph and telephone	307		72,004				72,311
5.4 Printing and stationery	546		80,505				81,051
5.5 Cost or depreciation of furniture and equipment							
5.6 Rental of equipment							
5.7 Cost or depreciation of EDP equipment and software							
6.1 Books and periodicals	456		67,224				67,680
6.2 Bureau and association fees							
6.3 Insurance, except on real estate	642		94,708				95,350
6.4 Miscellaneous losses	5,458		805,163				810,621
6.5 Collection and bank service charges							
6.6 Sundry general expenses	703		103,658				104,360
6.7 Group service and administration fees	141,401		20,858,656				21,000,057
6.8 Reimbursements by uninsured plans			(6,387,079)				(6,387,079)
7.1 Agency expense allowance	6,733		993,266				999,999
7.2 Agents' balances charged off (less \$.....0 recovered)							
7.3 Agency conferences other than local meetings							
8.1 Official publication (Fraternal Benefit Societies Only)	X X X	X X X	X X X	X X X	X X X		
8.2 Expense of supreme lodge meetings (Fraternal Benefit Societies Only)	X X X	X X X	X X X	X X X	X X X		
9.1 Real estate expenses							
9.2 Investment expenses not included elsewhere					45		45
9.3 Aggregate write-ins for expenses	113,063						113,063
10. General expenses Incurred	306,934		22,238,444		45	(b)	(a) 22,545,423
11. General expenses unpaid December 31, prior year			3,331,113				3,331,113
12. General expenses unpaid December 31, current year			3,809,232				3,809,232
13. Amounts receivable relating to uninsured plans, prior year							
14. Amounts receivable relating to uninsured plans, current year							
15. General expenses paid during year (Lines 10 + 11 - 12 - 13 + 14)	306,934		21,760,325		45		22,067,304

DETAILS OF WRITE-INS

09.301. Guaranty Assessment	113,063						113,063
09.302.							
09.303.							
09.398. Summary of remaining write-ins for Line 9.3 from overflow page							
09.399. TOTALS (Lines 09.301 through 09.303 plus 09.398) (Line 9.3 above)	113,063						113,063

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

(b) Show the distribution of this amount in the following categories (Fraternal Benefit Societies Only)

1. Charitable ; 2. Institutional ; 3. Recreational and Health ; 4. Educational
 5. Religious ; 6. Membership ; 7. Other ; 8. Total

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

	Insurance			4 Investment	5 Fraternal	6 Total
	1 Life	2 Accident and Health	3 All Other Lines of Business			
1. Real estate taxes						
2. State insurance department licenses and fees	2,176	321,043				323,219
3. State taxes on premiums	18,481	2,726,262				2,744,743
4. Other state taxes, incl. \$.....0 for employee benefits	383	56,551				56,934
5. U.S. Social Security taxes	1,177	173,634				174,811
6. All other taxes	1,487	219,280				220,766
7. Taxes, licenses and fees incurred	23,705	3,496,769				3,520,474
8. Taxes, licenses and fees unpaid December 31, prior year		2,888,298				2,888,298
9. Taxes, licenses and fees unpaid December 31, current year		2,748,455				2,748,455
10. Taxes, licenses and fees paid during year (Lines 7 + 8 - 9)	23,705	3,636,612				3,660,317

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)		
6. Paid-in cash		
7. Left on deposit		
8. Aggregate write-ins for dividend or refund options		
9. TOTAL (Lines 5 through 8)		
10. Amount due and unpaid		
11. Provision for dividends or refunds payable in the following calendar year	NONE	
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)		
16. TOTAL from prior year		
17. TOTAL Dividends or refunds (Lines 9 + 15 - 16)		

DETAILS OF WRITE-INS

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

EXHIBIT 5 - AGGREGATE RESERVE FOR LIFE CONTRACTS

1 Valuation Standard	2 Total	3 Industrial	4 Ordinary	5 Credit (Group and Individual)	6 Group
NONE					
9999999 Totals - (Net) -Page 3, Line 1					

EXHIBIT 5 - INTERROGATORIES

- | | |
|--|--|
| 1.1 Has the reporting entity ever issued both participating and non-participating contracts?
1.2 If not, state which kind is issued:
Non- participating contracts | Yes[] No[X] |
| 2.1 Does the reporting entity at present issue both participating and non-participating contracts?
2.2 If not, state which kind is issued:
Non- participating contracts | Yes[] No[X] |
| 3. Does the reporting entity at present issue or have in force contracts that contain non-guaranteed elements?
If so, attach a statement that contains the determination procedures, answers to the interrogatories and an actuarial opinion as described in the instructions. | Yes[] No[X] |
| 4. Has the reporting entity any assessment or stipulated premium contracts in force?
If so, state: | Yes[] No[X] |
| 4.1 Amount of insurance: | \$ 0 |
| 4.2 Amount of reserve: | \$ 0 |
| 4.3 Basis of reserve | |
| 4.4 Basis of regular assessments | |
| 4.5 Basis of special assessments | |
| 4.6 Assessments collected during the year | \$ 0 |
| 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?
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. | Yes[] No[X]
\$ 0
\$ 0 |
| 7. Does the reporting entity have any Synthetic GIC contracts or agreements in effect as of December 31 of the current year?
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 | Yes[] No[X]
\$ 0
\$ 0 |
| 8. Does the reporting entity have any Contingent Deferred Annuity contracts or agreements in effect as of December 31 of the current year?
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: | Yes[] No[X]
\$ 0
\$ 0 |
| 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?
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: | Yes[] No[X]
\$ 0
\$ 0 |

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	
9999999 TOTAL (Column 4 Only)			

14 Exhibit 6 - Aggregate Reserve for Acc. and Health NONE

15 Exhibit 7 - Deposit Type Contracts NONE

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											
1.2 Reinsurance assumed											
1.3 Reinsurance ceded											
1.4 Net											
2. In course of settlement:											
2.1 Resisted:											
2.11 Direct											
2.12 Reinsurance assumed											
2.13 Reinsurance ceded											
2.14 Net			(b)	(b)		(b)	(b)				
2.2 Other:											
2.21 Direct	21,911,980								21,460,270		451,709
2.22 Reinsurance assumed											
2.23 Reinsurance ceded											
2.24 Net	21,911,980		(b)	(b)		(b)	(b)		21,460,270	(b)	451,709
3. Incurred but unreported:											
3.1 Direct	3,669,829						250,000		3,274,617		145,211
3.2 Reinsurance assumed											
3.3 Reinsurance ceded											
3.4 Net	3,669,829		(b)	(b)		(b)	250,000		3,274,617	(b)	145,211
4. TOTALS:											
4.1 Direct	25,581,808						250,000		24,734,888		596,921
4.2 Reinsurance assumed											
4.3 Reinsurance ceded											
4.4 Net	25,581,808	(a)	(a)				250,000		24,734,888		596,921

(a) Including matured endowments (but not guaranteed annual pure endowments) unpaid amounting to \$.....0 in Column 2, \$.....0 in Column 3 and \$.....0 in Column 7.
 (b) Include only portion of disability and accident and health claim liabilities applicable to assumed "accrued" benefits. Reserves (including reinsurance assumed and net of reinsurance ceded) for unaccrued benefits for Ordinary Life Insurance \$.....0, Individual Annuities \$.....0, Credit Life (Group and Individual) \$.....0, and Group Life \$.....0, are included in Page 3, Line 1, (See Exhibit 5, Section on Disability Disabled Lives); and for Group Accident and Health \$.....0, Credit (Group and Individual) Accident and Health \$.....0 and Other Accident and Health \$.....0 are included in Page 3, Line 2, (See Exhibit 6, Claim Reserve).

EXHIBIT 8 - CLAIMS FOR LIFE AND ACCIDENT AND HEALTH CONTRACTS

PART 2 - Incurred During the Year

	1	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	227,922,224						424,591		216,321,367		11,176,266
1.2 Reinsurance assumed											
1.3 Reinsurance ceded											
1.4 Net (d)	227,922,224						424,591		216,321,367		11,176,266
2. Liability December 31, current year from Part 1:											
2.1 Direct	25,581,808						250,000		24,734,888		596,921
2.2 Reinsurance assumed											
2.3 Reinsurance ceded											
2.4 Net	25,581,808						250,000		24,734,888		596,921
3. Amounts recoverable from reinsurers December 31, current year											
4. Liability December 31, prior year:											
4.1 Direct	30,287,470						250,000		28,301,360		1,736,110
4.2 Reinsurance assumed											
4.3 Reinsurance ceded											
4.4 Net	30,287,470						250,000		28,301,360		1,736,110
5. Amounts recoverable from reinsurers December 31, prior year											
6. Incurred benefits:											
6.1 Direct	223,216,562						424,591		212,754,895		10,037,077
6.2 Reinsurance assumed											
6.3 Reinsurance ceded											
6.4 Net	223,216,562						424,591		212,754,895		10,037,077

(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.

EXHIBIT OF NONADMITTED ASSETS

	1	2	3
	Current Year Total Nonadmitted Assets	Prior Year Total Nonadmitted Assets	Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1. Bonds (Schedule D)			
2. Stocks (Schedule D):			
2.1 Preferred stocks			
2.2 Common stocks			
3. Mortgage loans on real estate (Schedule B):			
3.1 First liens			
3.2 Other than first liens			
4. Real estate (Schedule A):			
4.1 Properties occupied by the company			
4.2 Properties held for the production of income			
4.3 Properties held for sale			
5. Cash (Schedule E-Part 1), cash equivalents (Schedule E-Part 2) and short-term investments (Schedule DA)			
6. Contract loans			
7. Derivatives (Schedule DB)			
8. Other invested assets (Schedule BA)			
9. Receivables for securities			
10. Securities lending reinvested collateral assets (Schedule DL)			
11. Aggregate write-ins for invested assets			
12. Subtotals, cash and invested assets (Lines 1 to 11)			
13. Title plants (for Title insurers only)			
14. Investment income due and accrued			
15. Premium and considerations:			
15.1 Uncollected premiums and agents' balances in the course of collection			
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due			
15.3 Accrued retrospective premiums and contracts subject to redetermination			
16. Reinsurance:			
16.1 Amounts recoverable from reinsurers			
16.2 Funds held by or deposited with reinsured companies			
16.3 Other amounts receivable under reinsurance contracts			
17. Amounts receivable relating to uninsured plans			
18.1 Current federal and foreign income tax recoverable and interest thereon			
18.2 Net deferred tax asset			
19. Guaranty funds receivable or on deposit			
20. Electronic data processing equipment and software			
21. Furniture and equipment, including health care delivery assets			
22. Net adjustment in assets and liabilities due to foreign exchange rates			
23. Receivables from parent, subsidiaries and affiliates			
24. Health care and other amounts receivable	150,000		(150,000)
25. Aggregate write-ins for other than invested assets	100,000	2,654,000	2,554,000
26. TOTAL Assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	250,000	2,654,000	2,404,000
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts			
28. TOTAL (Lines 26 and 27)	250,000	2,654,000	2,404,000
DETAILS OF WRITE-INS			
1101.			
1102.			
1103.			
1198. Summary of remaining write-ins for Line 11 from overflow page			
1199. TOTALS (Lines 1101 through 1103 plus 1198) (Line 11 above)			
2501. Prepaid expenses		54,000	54,000
2502. Deposits	100,000	2,600,000	2,500,000
2503.			
2598. Summary of remaining write-ins for Line 25 from overflow page			
2599. TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above)	100,000	2,654,000	2,554,000

Notes to Financial Statements

MCS Life Insurance Company (the "Company") is a wholly owned subsidiary of MCS Healthcare Holdings, LLC (MCSHH) which is wholly owned by Medical Card System, Inc. (MCS). The Company, it is primarily engaged in offering group health and life insurance.

All of the Company's business is from insurance written in Puerto Rico, which exposes the Company to geographical risk. Substantially all of the premiums are due and collected on a monthly basis.

1. Summary of Significant Accounting Policies and Going Concern

A. Accounting Practices

The accompanying financial statements have been prepared in conformity with the NAIC Accounting Practices and Procedures Manual. The Insurance of Commissioner of Puerto Rico adopted the NAIC Accounting Practices and Procedures Manual as long as it does not contradict the provisions of the Insurance Code. The accounting practices used in preparing these financial statements did not result in differences for net income or capital and surplus under the NAIC Accounting Practices and Procedures Manual and practices permitted or prescribed by the Insurance Commissioner of Puerto Rico.

	<u>SSAP #</u>	<u>F/S Page</u>	<u>F/S Line #</u>	<u>12/31/2019</u>	<u>12/31/2018</u>
NET INCOME					
(1) MCS Life state basis (Page 4, Line 32, Columns 2 & 3)	XXX	XXX	XXX	\$ 13,457,405	\$ 4,150,107
(2) State Prescribed Practices that increase/(decrease) NAIC SAP:					
(3) State Permitted Practices that increase/(decrease) NAIC SAP:					
(4) NAIC SAP (1-2-3=4)	XXX	XXX	XXX	\$ 13,457,405	\$ 4,150,107
SURPLUS					
(5) MCS Life state basis (Page 3, Line 33, Columns 3 & 4)	XXX	XXX	XXX	\$ 51,056,870	\$ 45,234,707
(6) State Prescribed Practices that increase/(decrease) NAIC SAP:					
(7) State Permitted Practices that increase/(decrease) NAIC SAP:					
(8) NAIC SAP (5-6-7=8)	XXX	XXX	XXX	\$ 51,056,870	\$ 45,234,707

B. Use of Estimates

Management used estimates and assumptions relating to the reporting of assets and liabilities and the disclosure of contingent assets and liabilities to prepare these financial statements in conformity with the NAIC Accounting Practices and Procedures Manual. The most significant items subject to such estimates and assumptions include deferred tax assets, valuation of investments, rebates to policyholders and claims liabilities. Actual results could differ from those estimates.

C. Accounting Policies

Revenue Recognition

Premiums are recorded as revenue when earned. Expenses incurred in connection to the acquisition of business, such as sales and broker commissions, are charged to operations as incurred. The Company also provides administrative services to self-insured contracts for certain groups. The Company charges self-insured groups administrative fees that are recorded as management service revenue when due.

The Company carries its premium receivables net of allowances for doubtful amounts based on the evaluation of the aging and other factors that deserve recognition.

Cash, Cash Equivalent, and Short-Term Investments

Notes to Financial Statements

The Company defines cash, cash equivalents, and short-term investments as cash on hand and in bank, and certificates of deposit with maturity dates of one year or less from acquisition date. Cash equivalents are highly liquid investments with original maturities of three months or less. Short-term investments are defined as short-term highly liquid investment that are readily convertible into a known amount of cash and are soon near their maturity that they present insignificant risk of change in value because of change in interest rates. Short-term investments having a maturity of less than one year are stated at cost, which approximates fair value. At December 31, 2019 and 2018, cash and cash equivalents consisted of cash deposited in financial institutions, short-term investments, certificates of deposits, treasury bills and money market funds amounting to \$54,862,082 and \$25,350,054, respectively.

Claims Liabilities

Claims liabilities consist of the liability for reported claims and an estimate for claims incurred but not reported based on experience and accumulated statistical data. Loss adjustment expenses related to such claims are accrued currently based on estimated future expense necessary to process such claims. The methods for making such estimates and for establishing the resulting liability are continually reviewed, including periodic review by consulting actuaries, and any adjustments are reflected in the statutory statements of operations of the current year.

Non-Admitted Assets

Certain Assets designated as non-admitted assets have been excluded from the statutory statements of admitted assets, liabilities and capital and surplus by a charge to surplus. Non-Admitted assets as of December 31, 2019 consist of \$100,000 of Deposits and \$150,000 of advance to providers.

In addition, the company uses the following accounting policies:

1. Basis of valuation of short-term investments - Short-term investments include debt securities with maturities of one year or less at the time of purchase and are stated at amortized cost, which approximates fair market value.
2. Basis of valuation of bonds - Debt securities are valued in accordance with rules promulgated by the NAIC. Debt securities eligible for amortization under such rules (classified 1 through 5 by the Securities and Valuation Office (SVO) of the NAIC) are stated at amortized cost net of unamortized premiums and/or discounts. Debt securities classified 6 by the SVO are stated at the lower of amortized cost or fair market value for entities that maintain an asset valuation reserve (AVR).
3. Basis of valuation of common stocks – Investments in common stocks are presented at estimated fair market value. Unrealized gains or losses on investments in common stock are accounted as direct increases or decreases in surplus.
4. Basis of valuation of preferred stock - Investments in nonredeemable preferred stock are presented at estimated fair market value. Unrealized gains or losses on investments in nonredeemable preferred stock are accounted as direct increases or decreases in surplus. A decline in the estimated fair value of any investment in debt securities, nonredeemable preferred and common stock below cost that is deemed to be other than temporary results in a reduction in the carrying amount to fair value. The impairment is charged to operations and a new cost basis for the security is established.
5. The company has no mortgage loans or real state.
6. The Company applies the provisions of SAP No. 43, Loan-Backed and Structured Securities (SSAP No. 43), which requires insurers to separate other-than-temporary impairments between interest and noninterest-related declines in the value of all loan-backed and structured securities. Premiums and discounts are amortized or accreted over the life of the investment as an adjustment to yield using the effective-interest method. Interest and dividend income are recognized when earned. Realized gains or losses on the sale of investments are included in the statutory statements of operations and are determined on a specific-identification basis.
7. The company does not have investments in subsidiaries or affiliated entities.
8. The company does not have investments in joint venture, partnership and limited liability entities.
9. The company does not invest in derivatives.
10. The company does not utilize anticipated investment income as a factor in the premium deficiency calculation.

Notes to Financial Statements

11. Independent care providers such as hospitals, physicians, clinics, and others provide health services under contractual arrangements. Services rendered to insured members are billed and paid on a fee-for-service basis up to established limits based on eligible members. Claim payables represent accrued medical claims and related expenses (hospitalization and other outside medical services) for amounts billed and not paid and an estimate of cost incurred for unbilled services provided to the balance sheet date based on experience and accumulated statistical data on claims processed, incomplete and unreported. The liabilities are necessarily based on estimates and, while management believes that the amounts are adequate, the ultimate liability may be in excess of or less than the amounts provided. The methods for making such estimates and for establishing the resulting liability are continually reviewed, and any adjustments are reflected in current operations.
12. The company has not modified its capitalization policy from the prior period.
13. The company estimate anticipated pharmacy rebates receivable using the analysis of historical recovery.
14. An asset valuation reserve is maintained for the purpose of stabilizing the surplus of the Company against fluctuations in the market value of bonds and stocks held as investments.

D. Going Concern – None

2. Accounting Changes and corrections of Errors

None

3. Business Combinations and Goodwill

- A. Statutory Purchase Method – None
- B. Statutory Merge – None
- C. Assumption Reinsurance – None
- D. Impairment Loss – None

4. Discontinued Operations

The company had no discontinued operations during the period ended December 31, 2019.

5. Investments

- A. Mortgage Loans, including Mezzanine Real Estate Loans – Not applicable
- B. Debt Restructuring – None
- C. Reverse Mortgage – None
- D. Loan-Backed Securities
 1. Prepayment assumptions for mortgage-backed/loan-backed and structured securities were obtained from broker dealer survey values or internal estimates.
 2. Other-than temporary impairment – None.
 3. Each security, by CUSIP, with an Other-than-temporary impairment – None.
 4. All impaired securities for which an other than temporary impairment has not been recognized in earnings as a realized loss:

Notes to Financial Statements

a. The aggregate amount of unrealized losses:

1. Less than 12 months	\$	36,212
2. 12 Months or longer	\$	8,539

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

1. Less than 12 months	\$	9,464,125
2. 12 Months or longer	\$	3,017,835

The unrealized losses on investments in fixed income securities were caused mainly by changes in interest rates during 2019. The contractual terms of these investments do not permit the issuer to settle the securities at a price less than the amortized cost of the investment. Because the Company has the ability and intent to hold these investments until a market price recovery or maturity, these investments are not considered other-than-temporarily impaired. In the case of the U.S. Treasury securities, management of the Company examined the guidance in SSAP No. 26, Bonds, Excluding Loan-Backed and Structured Securities, and concluded that the Company has the ability and intent to hold its investment in bonds until a market price recovery or maturity. For the mortgage-backed securities, management evaluated SSAP No. 43R, Loan-Backed and Structured Securities, and concluded that the Company does not intend to sell such security, and it is more likely that it will not be required to sell such security prior to the recovery of its amortized cost basis.

The amortized cost, gross unrealized gains, gross unrealized losses, and estimated fair value of investment securities at December 31, 2019 and 2018 were as follows:

	2019			
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Estimated Fair Value
U.S. Treasury securities and obligations of U.S. Government instrumentalities and states	\$ 25,994,555	\$ 6,376	\$ (44,135)	\$ 25,956,796
Corporate debt securities	323,645	95,890	-	419,535
Mortgage-backed securities	156,675	3,050	(617)	159,108
instrumentalities				-
Investment in bonds and notes	\$ 26,474,875	\$ 105,315	\$ (44,751)	\$ 26,535,439
Common and preferred stocks	251,464	147,032	-	398,496
Total	\$ 26,726,339	\$ 252,348	\$ (44,751)	\$ 26,933,935

	2018			
	Amortized Cost	Unrealized Gains	Unrealized Losses	Estimated Fair Value
U.S. Treasury securities and obligations of U.S. Government instrumentalities and states	\$ 42,492,306	\$ -	\$ (505,206)	\$ 41,987,100
Corporate debt securities	323,522	70,206	-	393,727
Mortgage-backed securities	183,567	2,255	(1,935)	183,887
instrumentalities	459,797	-	-	459,797
Investment in bonds and notes	\$ 43,459,192	\$ 72,461	\$ (507,141)	\$ 43,024,512
Common and preferred stocks	251,464	126,472	-	377,936
Total	\$ 43,710,656	\$ 198,933	\$ (507,141)	\$ 43,402,447

The amortized cost and estimated fair value of investment securities at December 31, 2019, by contractual maturity, are shown below. Expected maturities will differ from contractual maturities because borrowers may have the right to call or prepay obligations with or without call or prepayment penalties.

Notes to Financial Statements

	Amortized cost	Estimated Fair value
Due less than one year	\$ 15,594,394	\$ 15,592,437
Due after one year through five years	10,400,161	10,364,359
Due after five years through ten years	121,347	155,519
Due after ten years through Twenty years	202,298	264,016
Mortgage-backed securities	156,675	159,108
	<u>\$ 26,474,875</u>	<u>\$ 26,535,439</u>

The following tables show the Company's investments' gross unrealized losses and estimated fair value, aggregated by investment category and length of time that individual securities have been in a continuous unrealized loss position, at December 31, 2019 and 2018 were as follows:

	2019								
	Less than 12 months			12 months or more			Total		
	Estimated fair value	Gross Unrealized losses	Number of Securities	Estimated fair value	Gross Unrealized losses	Number of Securities	Estimated fair value	Gross Unrealized losses	Number of Securities
U.S. Treasury securities and obligations of U.S. government instrumentalities	9,464,125	(36,212)	3	2,992,060	(7,922)	3	12,456,185	(44,135)	6
Mortgage-backed securities				25,775	(617)	1	25,775	(617)	1
Total	<u>9,464,125</u>	<u>(36,212)</u>		<u>3,017,835</u>	<u>(8,539)</u>		<u>12,481,960</u>	<u>(44,751)</u>	

	2018								
	Less than 12 months			12 months or more			Total		
	Estimated fair value	Gross Unrealized losses	Number of Securities	Estimated fair value	Gross Unrealized losses	Number of Securities	Estimated fair value	Gross Unrealized losses	Number of Securities
U.S. Treasury securities and obligations of U.S. government instrumentalities				41,987,139	(505,206)	19	41,987,139	(505,206)	19
Mortgage-backed securities				76,942	(1,935)	3	76,942	(1,935)	3
Total	<u>—</u>	<u>-</u>		<u>42,064,081</u>	<u>(507,141)</u>		<u>42,064,081</u>	<u>(507,141)</u>	

E. Repurchase Agreements and /or Securities Lending Transactions - None

F. Real Estate – None

G. Investment in low-income housing tax credits (LIHTC) – None

H. Restricted Assets

1. Restricted Assets

Restricted Asset Category	Gross Restricted								Percentage		
	Current Year					6 Total From Prior Year	7 Increase / (Decrease)	8 Total Nonadmitted Restricted	9 Total Admitted Restricted	10 Gross Restricted to Total Assets	11 Admitted Restricted to Total Admitted Assets
	1 Total General Account (G/A)	2 G/A Supporting S/A Activity	3 Total Separate Account (S/A) Restricted Assets	4 S/A Assets Supporting G/A Activity	5 Total						
a. Subject to contractual obligation for which liability is not shown	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%	0%	
b. Collateral held under security lending agreements					-		-		0%	0%	
c. Subject to repurchase agreements					-		-		0%	0%	
d. Subject to reverse repurchase agreements					-		-		0%	0%	
e. Subject to dollar repurchase agreements					-		-		0%	0%	
f. Subject to dollar reverse repurchase agreements					-		-		0%	0%	
g. Placed under option contracts					-		-		0%	0%	
h. Letter stock or securities restricted as to sale					-		-		0%	0%	
i. On deposit with states	1,274,943		-		1,274,943	1,263,233	11,710	1,274,943	1.173%	1.176%	
j. On deposit with other regulatory bodies					-		-		0%	0%	
k. Pledged as collateral not captured in other categories					-		-		0%	0%	
l. Other restricted assets					-		-		0%	0%	
m. Total Restricted Assets	\$1,274,943	\$ -	\$ -	\$ -	\$ 1,274,943	\$ 1,263,233	\$ 11,710	\$ 1,274,943	1.173%	1.176%	

Notes to Financial Statements

At December 31, 2019 the company has a deposit of \$1,274,943 at the office of the Commissioner of Puerto Rico.

2. Detail of Assets Pledged as Collateral Not Captured in Other Categories - None

3. Detail of Other Restricted Assets – None

- I. Working Capital Finance Investments – None
- J. Offsetting and Netting of Assets and Liabilities – None
- K. Structured Notes – None
- L. 5* Securities – None

6. Join Ventures, Partnerships and Limited Liability Companies

- A. The company has no investment in joint ventures, partnerships or limited liability companies.
- B. The company did not recognize any impairment write downs for its impairments in Joint Ventures, Partnerships and Limited Liability Companies during the statement periods.

7. Investment Income

- A. Interest income is recognized when earned. Realized gains and losses from the sale of securities are determined using the specific identification method for determining the cost of the security sold.
- B. The company did not have any non-admitted due and accrued investment income as of December 31, 2019.

Component of Investment income for the years ended December 31, 2019 and 2018 were as follows:

	2019	2018
Bonds and other debt securities	\$ 828,218	\$ 857,873
Cash and short-term investment	446,455	341,294
Preferred stocks	24,778	24,778
	<u>\$ 1,299,451</u>	<u>\$ 1,223,945</u>
Less: Investment and interest expenses incurred	<u>45</u>	<u>18,150</u>
Total Net Investment Income	<u><u>\$ 1,299,406</u></u>	<u><u>\$ 1,205,795</u></u>

8. Derivative Instruments

The company has no Derivative Instrument during the statement periods.

9. Income Taxes

The Company is currently only subject to Puerto Rico income taxes as operations are only conducted in Puerto Rico. The Company operates as a qualified domestic life insurance company and is subject to the alternative minimum tax and is also taxed on its capital gains. Deferred income taxes have been provided for the tax consequences of temporary differences between statutory and tax basis of assets and liabilities.

- A. The company has not recognized DTA as of December 31, 2019.

Notes to Financial Statements

	12/31/2019			12/31/2018			Change		
	1 Ordinary	2 Capital	3 (1+2) Total	4 Ordinary	5 Capital	6 (4+5) Total	7 (1-4) Ordinary	8 (2-5) Capital	9 (7+8) Total
(a) Gross Deferred Tax Assets Statutory Valuation Allowance	\$ 12,170,222	\$ 230,489	\$ 12,400,712	\$ 11,562,081	\$ 271,155	\$ 11,833,236	\$ 608,141	\$ (40,665)	\$ 567,476
(b) Adjustment Adjusted Gross Deferred Tax	\$ 12,170,222	\$ 230,489	12,400,712	\$ 11,562,081	\$ 271,155	11,833,236	608,141	(40,665)	567,476
(c) Assets	-	-	-	-	-	-	-	-	-
(d) Deferred Tax Assets Nonadmitted Subtotal net Admitted Deferred Tax	-	-	-	-	-	-	-	-	-
(e) Asset	-	-	-	-	-	-	-	-	-
(f) Deferred Tax Liabilities Net Admitted Deferred Tax Asset /	-	29,407	29,407	-	25,294	25,294	-	4,112	4,112
(g) (Net Deferred Tax Liability)	\$ -	\$ (29,407)	\$ (29,407)	\$ -	\$ (25,294)	\$ (25,294)	\$ -	\$ (4,112)	\$ (4,112)

B. The company has \$29,407 in deferred tax liabilities as of December 31, 2019.

C. The company is a qualified domestic insurance company, which was incorporated under the law of the Commonwealth of Puerto Rico. The company is exempt from federal income tax. Current income taxes incurred consist of the following major components:

	12/31/2019	12/31/2018	Change
1. Current Income Tax			
(a) Federal	\$ -	\$ -	\$ -
(b) Foreign	-	-	-
(c) Subtotal	-	-	-
(d) Federal income tax on net capital gains	-	-	-
(e) Utilization of capital loss carry-forwards	-	-	-
(f) Other	2,014,902	529,539	1,485,364
(g) Federal and foreign income taxes incurred	\$ 2,014,902	\$ 529,539	\$ 1,485,364
2. Deferred Tax Assets			
(a) Ordinary			
(1) Discounting of unpaid losses	\$ -	\$ -	\$ -
(2) Unearned premium reserve	-	-	-
(3) Policyholder reserves	-	-	-
(4) Investments - Loss of sale and impairment	230,489	271,155	(40,665)
(5) Deferred acquisition costs	-	-	-
(6) Policyholder dividends accrual	-	-	-
(7) Fixed assets	-	-	-
(8) Compensation and benefits accrual	-	-	-
(9) Pension accrual	-	-	-
(10) DTA on nonadmitted	93,750	995,250	(901,500)
(11) Net operating loss carry-forward	-	-	-
(12) Tax credit carry-forward - AMT	11,787,218	9,791,411	1,995,807
(13) Other (including items <5% of total ordinary tax assets)	289,254	775,420	(486,166)
(99) Subtotal	\$ 12,400,712	\$ 11,833,236	\$ 567,476
(b) Statutory valuation allowance adjustment	\$ 12,400,712	\$ 11,833,236	567,476
(c) Nonadmitted	-	-	-
(d) Admitted ordinary deferred tax assets	\$ -	\$ -	-
3. Deferred Tax Liabilities			
(a) Ordinary			
(1) Investments	\$ 29,407	\$ 25,294	\$ 4,112
(2) Fixed assets	-	-	-
(3) Deferred and uncollected premium	-	-	-
(4) Policyholder reserves	-	-	-
(5) Other (including items <5% of total ordinary tax liabilities)	-	-	-
(99) Subtotal	\$ 29,407	\$ 25,294	\$ 4,112
(b) Capital:			
(1) Investments	\$ -	\$ -	\$ -
(2) Real estate	-	-	-
(3) Other (including items <5% of total capital tax liabilities)	-	-	-
(99) Subtotal	\$ -	\$ -	\$ -
(c) Deferred tax liabilities	\$ 29,407	\$ 25,294	\$ 4,112
4. Net deferred tax assets/liabilities	\$ (29,407)	\$ (25,294)	\$ (4,112)

Notes to Financial Statements

- D. Significant book tax adjustment - None
- E. Operating loss and tax credit carry forwards – None
- F. Consolidated federal income tax return – None
- G. Federal or foreign income tax loss contingencies – None

10. Information Concerning Parent, Subsidiaries, Affiliates and Other Related Parties

A, B, C & F. MCSHH, provide administrative services to the Company. These services include claims processing, network administration, medical management, enrollment and other administrative services. Fees for these services are based on membership served. Total fees for the period ended December 31, 2019 amounts to \$21.0 million. The Company provides group life and health benefits to the employees of MCSHH Inc. Amount paid by MCSHH LLC., to the Company amounted to \$7.1 million. During the 3rd quarter of 2019, dividends were declared and paid to the parent company for \$10 million.

- D. At December 31, 2019, the company reported \$10.6 million due to MCS Advantage, \$94,318 due to MCS General Insurance Agency and \$2.2 million due to MCS Healthcare Holding, LLC.
- E. There are no guarantees or undertaking for the benefit of a subsidiary or affiliated party.
- G. All outstanding shares of the company are owned by the company.
- H. The company owns no shares of the stock of its parent or any of its affiliates.
- I. Investment in subsidiaries – None
- J. Write down for impairment of investments in affiliates – Not applicable
- K. Investment in foreign insurance subsidiaries – Not applicable
- L. Investment in downstream noninsurance holding companies – None.
- M. SCA Investment – None.
- N. Investment in an insurance SCA –None.

11. Debt

The company had no debentures outstanding, no outstanding liability for borrowed money and does not have any reverse repurchase agreements.

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

- A. (A, B, C & D) - The company has no defined benefit plan.
- E. The company provides pension benefits to employees under a defined contribution plan. Under this plan, the Company matches 25% of employee contributions up to 6% of total employee compensation. The Company's contribution for the plan as of December 31, 2019 was \$115,059.
- F. The company does not participate in a multiemployer plan.
- G. The company does not participate in a consolidated/holding company plan.
- H. Compensated vacation pay is recorded as an accrued liability.
- I. Impact or Medicare Modernization Act on Postretirement Benefits – Not applicable

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

- 1. The company has 3,000 shares authorized, and 1,600 shares issued and outstanding. All shares are common stock shares with a par value of \$1,562.50.
- 2. The company has no preferred stock authorized.
- 3. (3, 4 & 5) - The Company's surplus is restricted as to payment of dividends by statutory limitations applicable to insurance companies.

Notes to Financial Statements

The Company is required to maintain a minimum capital and surplus of \$2.5 million. Generally, the payment of dividends is limited to unassigned surplus. Unassigned surplus is detailed as follows:

Accumulated earnings	\$ 41,356,312
Non-admitted assets	(250,000)
Asset valuation reserve	(280,035)
Deferred income taxes	(29,407)
Special Surplus - Health Insurance Tax	<u>(5,700,000)</u>
Unassigned surplus	<u>\$ 35,096,870</u>

The Commonwealth of Puerto Rico enacted Law No. 32 (the Law) to Chapter 45, Risk-Based Capital (Chapter 45), to the Insurance Code of Puerto Rico. The RBC Model serves as a benchmark for the regulation of insurance companies by state insurance regulators. RBC provides for targeted surplus levels based on formulas that specify various weighting factors that are applied to the financial balances or various levels of activity based on the perceived degree of risk and are set forth in the RBC requirements. Such formulas focus on four general types of risk, which includes the risk with respect to the Company's assets (asset or default risk), the risk of adverse insurance experience with respect to the Company's liabilities and obligations (insurance or underwriting risk), the interest rate risk with respect to the Company's business (asset/liability matching), and all other business risks (management, regulatory action, and contingencies). The amount determined under such formulas is called the authorized control level RBC (ACLC).

The RBC guidelines define specific capital levels based on a company's ACLC that are determined by the ratio of the company's total adjusted capital (TAC) to its ACLC. TAC is equal to statutory capital, plus or minus certain other specified adjustments. The specific capital levels, in declining order, and applicable ratios are generally as follows: "Company Action Level" where TAC is less than or equal to 300% ACLC; "Regulatory Action Level" where TAC is less than or equal to 150% ACLC; "Authorized Control Level" where TAC is less than or equal to 100% ACLC; and "Mandatory Control Level" where TAC is less than or equal to 70% ACLC. Companies at the Company Action Level must submit a comprehensive financial plan to the Commissioner of Insurance. Companies at the Regulatory Action Level are subject to a mandatory examination or analysis by the Commissioner of Insurance and possible required corrective actions. At the Authorized Control Level, a company may be subject to, among other things, the Commissioner of Insurance placing it under regulatory control. At the Mandatory Control Level, the Commissioner of Insurance is required, to place a company under regulatory control.

The Law requires, among other things, that all Insurance Company, authorized to conduct business in Puerto Rico to comply with the RBC requirements as adopted by the NAIC, to annually file an RBC report with the NAIC and the Commissioner of Insurance on or before March 31, and to maintain a minimum RBC level of 300% of the ACLC. At December 31, 2019 and 2018, the Company was in compliance with the requirement with an actual RBC level of 540% and 439% respectively.

The Company's surplus is restricted as to payment of dividends by statutory limitations applicable to insurance companies.

6. Unassigned funds – None
7. There have been no advances to surplus.
8. Amount of stock held by the company for special purposes - \$0
9. Change in the balance of special surplus funds from prior year – None
10. The portion of unassigned funds surplus represented or (reduced) by cumulative unrealized gain and (losses) is \$117,626.
11. The company has not issued any surplus note or debentures or similar obligations.
12. Impact of quasi-reorganizations – Not applicable.
13. Date of quasi-reorganizations – Not applicable.

14. Contingencies

- A. Contingent commitments – None
- B. Assessment

Pursuant to the Puerto Rico Insurance Code, the Company is a member of the Puerto Rico Insurance Guaranty Association for Life and Disability. As a member, the Company is required to provide funds for the payment of

Notes to Financial Statements

claims and unearned premiums reimbursements for policies issued by insurance companies declared insolvent by the Commissioner of Insurance of the Commonwealth of Puerto Rico.

- C. Gain contingencies – None
- D. Extra contractual obligations – None
- E. Joint and Several Liabilities
- F. All Other Contingencies - The Company is defendant in legal actions arising in the ordinary course of business. Management, after consultation with its legal counselors, is of the opinion that the ultimate liability, if any, resulting from such pending legal actions, would not be material in relation to the financial position and results of operations of the Company.

15. Leases

- A. Lessee Leasing Arrangements – None
- B. Lesser Leasing Arrangements – None

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

Financial instruments that potentially subject the Company to concentrations of credit risk consist principally of premiums receivable, accrued interest receivable, and other receivables. The Company's business activity is for insured located throughout Puerto Rico, and as such, the Company is subject to the risks associated with the Puerto Rico economy.

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

- A. Transfers of Receivables Reported as Sales – None
- B. Transfer and Servicing of Financial Assets – None
- C. Wash Sales – None

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

- A. ASO Plans – None
- B. ASC Plans

The Company provides administrative services such as claims processing to various groups under cost-based reimbursement contracts for uninsured health plans. In accordance with SSAP No. 47, Uninsured Plans, earned premiums and benefits to policyholders related to health plans insured by the Company shall exclude the operations resulting from uninsured administrative service contracts. Additionally, administrative fees and related reimbursements from the plan sponsor are deducted from general and administrative expenses.

The gain from operations from Administrative Services Contract (ASC) uninsured plans and the uninsured portion of partially insured plans were as follows for the period ended December 31, 2019:

Notes to Financial Statements

	ASC Uninsured Plans	Uninsured Portion of Partially Insured Plans	Total ASC
a			
Gross reimbursement for medical cost incurred	\$ 129,624,544	\$ -	\$ 129,624,544
b			
Gross administrative fees accrued	11,309,486	-	11,309,486
c			
Other income or expenses (including interest paid to or received from plans)	-	-	-
d			
Gross expenses incurred (claims and administrative)	<u>134,546,951</u>	<u>-</u>	<u>134,546,951</u>
e			
Total net gain or loss from operations	<u>\$ 6,387,079</u>	<u>\$ -</u>	<u>\$ 6,387,079</u>

C. Medicare or Other Similarly Structured Cost Based Reimbursement Contract - Not applicable.

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

None

20. Fair Value Measurements

A. Inputs used for assets measured and reported at fair value.

1. Included in various investment-related line items in the statutory financial statements are certain financial instruments carried at fair value. Other financial instruments are periodically measured at fair value, such as when impaired, or, for certain bonds and preferred stock when carried at the lower of cost or market. The fair value of an asset is the amount at which that asset could be bought or sold in a current transaction between willing parties, that is, other than in a forced or liquidation sale. The fair value of a liability is the amount at which that liability could be incurred or settled in a current transaction between willing parties, that is, other than in a forced or liquidation sale.

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

The Company's financial assets and liabilities carried at fair value have been classified, for disclosure purposes, based on a hierarchy defined by SSAP 100. The hierarchy gives the highest ranking to fair values determined using unadjusted quoted prices in active markets for identical assets and liabilities (Level 1) and the lowest ranking to fair values determined using methodologies and models with unobservable inputs (Level 3). An asset's or a liability's classification is based on the lowest level input that is significant to its measurement. For example, a Level 3 fair value measurement may include inputs that are both observable (Levels 1 and 2) and unobservable (Level 3). The levels of the fair value hierarchy are as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company has the ability to access at the measurement date.
- Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3 inputs are unobservable inputs for the asset or liability.

Notes to Financial Statements

The level in the fair value hierarchy within which a fair measurement in its entirety falls is based on the lowest level input that is significant to the fair value measurement in its entirety.

The following table presents the fair value hierarchy level for the company's assets and liabilities that are measured at fair market value at December 31, 2019 and 2018 were as follows:

(1) Fair Value Measurements at reporting Date		<u>2019</u>			
Description for each class of asset or liability	(Level 1)	(Level 2)	(Level 3)	Total	
a. Assets at fair value					
Bonds					
Us Treasury Securities and Us Obligation of the US Gov Instr and States	\$ -	\$ 30,064,511	\$ -	\$ 30,064,511	
Obligation of the Commonwealth of PR and its Instrumentalities	-			-	
Corp Debt Securities	-	419,535	-	419,535	
Mortgage-backed Securities	-	159,108	-	159,108	
Common and Preferred Stocks	-	398,496	-	398,496	
Certificates of deposits	1,484,239	-	-	1,484,239	
Money Market Funds	6,099,883	-	-	6,099,883	
Total Bonds	<u>\$ 7,584,122</u>	<u>\$ 31,041,650</u>	<u>\$ -</u>	<u>\$ 38,625,772</u>	
Separate account assets	\$ -	\$ -	\$ -	\$ -	
Total assets at fair value	<u>\$ 7,584,122</u>	<u>\$ 31,041,650</u>	<u>\$ -</u>	<u>\$ 38,625,772</u>	

Fair Value Measurements at reporting Date		<u>2018</u>			
Description for each class of asset or liability	(Level 1)	(Level 2)	(Level 3)	Total	
Assets at fair value					
Bonds					
Us Treasury Securities and Us Obligation of the US Gov Instr and States	\$ -	\$ 52,876,111	\$ -	\$ 52,876,111	
Obligation of the Commonwealth of PR and its Instrumentalities	-	459,797		459,797	
Corp Debt Securities	-	393,728	-	393,728	
Mortgage-backed Securities	-	183,887	-	183,887	
Common and Preferred Stocks	-	377,936	-	377,936	
Certificates of deposits	1,471,384	-	-	1,471,384	
Money Market Funds	964,646	-	-	964,646	
Total Bonds	<u>\$ 2,436,030</u>	<u>\$ 54,291,459</u>	<u>\$ -</u>	<u>\$ 56,727,489</u>	
Separate account assets	\$ -	\$ -	\$ -	\$ -	
Total assets at fair value	<u>\$ 2,436,030</u>	<u>\$ 54,291,459</u>	<u>\$ -</u>	<u>\$ 56,727,489</u>	

2. The company has no assets or liabilities measured at fair value in the Level 3 category.

3. No transfers into or out of Level 3.

4. The company has no derivative assets and liabilities reporting.

B. Other Fair Value disclosures – Non applicable.

C. The table below reflects the fair values and admitted values of all admitted assets that are financial instruments excluding those accounted for under the equity method. The fair values are also categorized into the three-level fair value hierarchy as described in the table above.

Notes to Financial Statements

Type of financial Instruments	Aggregate Fair Value	Admitted Assets	(Level 1)	(Level 2)	(Level 3)	NAV	Not Practicable (Carrying Value)
Bonds	\$ 30,643,154	\$ 30,582,590		\$ 30,643,154			
Preferred Stock	\$ 398,496	\$ 398,496		\$ 398,496			
Cash, cash equivalent	\$ 50,754,367	\$ 50,754,367	\$ 7,584,122				

D. Financial instruments for which it is not practicable to estimate fair values – Not applicable.

21. Other Items

A. Unusual or Infrequent Items – Not applicable.

B. Troubled Debt Restructuring – Not applicable.

C. A Certificate of deposit of \$1,274,943 is deposited at the office of the Commissioner of Insurance to comply with deposit requirements of the Insurance Code.

D. Business Interruption Insurance Recovery – Not applicable.

E. The company has not investment in State Transferable Tax Credits.

F. The company has no exposure to subprime mortgage risk.

G. Retained Assets – Not applicable.

H. Offsetting and Netting of Assets and Liabilities – Not applicable.

22. Events Subsequent

Type I – Recognized Subsequent Events – None

Type II – No recognized Subsequent Events:

Information regarding the ACA assessment was as follow:

	Current Year	Prior Year
<u>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)?</u>	YES	
<u>B. ACA fee assessment payable for the upcoming year</u>	\$ 5,700,000	\$ -
<u>C. ACA fee assessment paid</u>	\$ -	\$ 6,206,343
<u>D. Premium written subject to ACA 9010 assessment</u>	\$ 277,151,413	\$ -
<u>E. Total Adjusted Capital before surplus adjustment (Five-Year Historical Line 30)</u>	\$ 51,336,905	
<u>F. Total Adjusted Capital after surplus adjustment (Five-Year Historical Line 30 minus 22B above)</u>	\$ 45,636,905	
<u>G. Authorized Control Level after surplus adjustment (Five-Year Historical Line 31)</u>	\$ 9,508,649	
<u>H. Would reporting the ACA assessment as of December 31, 2019, have triggered an RBC action level (YES/NO)?</u>	NO	

23. Reinsurance

A. Ceded Reinsurance Report

Section 1 - General Interrogatories

Notes to Financial Statements

1. Are any of the reinsurers, listed in Schedule S and 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) 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 (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 credit?

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?

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? \$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?

- B. As of December 31, 2019, the Company had no uncollectible reinsurance balances written off through income and expenses.
- C. The company has not commuted any ceded reinsurance during the period.
- D. Certified Reinsurer Downgraded or Status Subject to Revocation – None.
- E. Reinsurance of variable annuity contract - None.
- F. Reinsurance agreement with an affiliated captive reinsurer – None.
- G. Ceding entities that utilize captive – None.

24. Retrospectively Rated Contracts & Contracts Subject to Redetermination

Notes to Financial Statements

- A. The company estimates accrued retrospective premium adjustments related to MLR rebates for its group and individual insurance using actual experience by segment (individual, small group, large group). A three-year MLR calculation as established by the regulation is used.
- B. The company records accrued retrospective premium as an adjustment to written premium.
- C. None
- D. Medical loss ratio rebates required pursuant to the Public Health Service Act. - None
- E. Risk Sharing Provisions of the Affordable Care Act (ACA). - None

25. Change in Incurred Losses and Loss Adjustment Expenses

	<u>12/31/2019</u>	<u>12/31/2018</u>
Unpaid medical claims, at beginning of year	\$ 30,287,470	\$ 32,074,775
<u>Incurring claims:</u>		
Current period insured events	228,656,471	247,945,044
Prior period insured events	(5,439,909)	(3,927,103)
Total incurred	<u>223,216,562</u>	<u>244,017,941</u>
<u>Payment for claims:</u>		
Current period insured events	212,000,496	222,341,577
Prior period insured events	15,921,728	23,463,668
Total paid	<u>227,922,224</u>	<u>245,805,245</u>
Unpaid medical claims, at end of period	<u>\$ 25,581,808</u>	<u>\$ 30,287,470</u>

Reserves as of December 31, 2018 were \$30,287,470 million. As of December 31, 2019, \$15,921,728 million has been paid for incurred losses and loss adjustment expense attributable to insured events of prior period years. Reserves remaining for prior years are now \$9,482,805 million as a result of re-estimation of unpaid claims and claim adjustments expenses.

26. Intercompany Pooling Arrangements

None

27. Structured Settlements

None

28. Health Care Receivables

- A. Pharmaceutical Rebates Receivable

Notes to Financial Statements

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
12/31/2019	949,451	1,016,709	1,003,063		
9/30/2019	923,914	954,798	954,798		
6/30/2019	925,297	1,008,255	1,008,255		
3/31/2019	862,498	1,094,168	1,094,168		
12/31/2018	774,877	740,663	740,663		
9/30/2018	739,029	705,713	705,713		
6/30/2018	766,409	722,386	722,386		
3/31/2018	800,486	700,169	700,169		
12/31/2017	814,639	771,341	771,341		
9/30/2017	754,966	701,356	701,356		
6/30/2017	795,186	795,186	795,186		
3/31/2017	839,851	839,851	839,851		

The Company estimates the rebate receivable based on historical trends data and rebate's confirmation received from the Pharmacy Benefit Manager. The estimated balance of pharmacy rebate receivable as of December 31, 2019 is \$949,451.

B. Risk Sharing Receivable – None

29. Participating Policies

None

30. Premium Deficiency Reserves

None

31. Reserves for Life Contracts and Annuity Contracts

None

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

None

33. Premiums and Annuity Considerations Deferred and Uncollected

None

34. Separate Accounts

None

35. Loss/Claim Adjustment Expenses

The balance in the liability for unpaid accident and health claim adjustment expenses as of December 31, 2018 was \$30,037,470.

The company incurred \$223,216,562 and paid \$227,922,224 of claim in the current year, of which \$15,921,728 of the paid amount was attributable to insured or covered events of prior years.

Because unpaid claims include various actuarially developed estimates, the Company's actual medical costs and claims expense may be more or less than the Company's previously developed estimates. As a result of change in estimate of insured events in prior years, the incurred claims for prior period insured events during the period ended December 31, 2019 were lower due to a favorable development of claims that is attributed to less-than-expected cost per service and utilization trends.

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?
If yes, complete Schedule Y, Parts 1, 1A and 2. Yes[X] No[]
- 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[] No[] N/A[X]
Puerto Rico
Yes[] No[X]
- 1.3 State Regulating?12/31/2009.....
- 1.4 Is the reporting entity publicly traded or a member of a publicly traded group?12/31/2009.....
- 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.10/31/2014.....
- 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.12/31/2009.....
- 3.2 State 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.12/31/2009.....
- 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).10/31/2014.....
- 3.4 By what department or departments?
- 3.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with departments? Yes[] No[] N/A[X]
- 3.6 Have all of the recommendations within the latest financial examination report been complied with? Yes[] No[] N/A[X]
- 4.1 During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity) receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
- 4.11 sales of new business? Yes[] No[X]
- 4.12 renewals? Yes[] No[X]
- 4.2 During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
- 4.21 sales of new business? Yes[] No[X]
- 4.22 renewals? Yes[] No[X]
- 5.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement?
If yes, complete and file the merger history data file with the NAIC. Yes[] No[X]
- 5.2 If yes, provide the name of the entity, NAIC company code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation. Yes[] No[X]

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

- 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, 0.000%.....
- 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 by the Federal Reserve Board? Yes[] No[X]
- 8.2 If response to 8.1 is yes, please identify the name of the bank holding company. Yes[] No[X]
- 8.3 Is the company affiliated with one or more banks, thrifts or securities firms? Yes[] No[X]
- 8.4 If response to 8.3 is yes, please provide 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
.....	No	No	No	No

9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?
KPMG- San Juan Office
- 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 response to 10.1 is yes, provide information related to this exemption:
- 10.3 Has the insurer been granted any exemptions related to the 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 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[]
- 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?
Matthew P. Chamblee, Milliman, Tampa Fla
- 12.1 Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly? Yes[] No[X]

GENERAL INTERROGATORIES (Continued)

- 12.11 Name of real estate holding company
 12.12 Number of parcels involved
 12.13 Total book/adjusted carrying value
 12.2 If yes, provide explanation
- 0
0
0
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?
 13.3 Have there been any changes made to any of the trust indentures during the year?
 13.4 If answer to (13.3) is yes, has the domiciliary or entry state approved the changes?
- Yes[] No[] N/A[X]
 Yes[] No[] N/A[X]
 Yes[] No[] N/A[X]
- 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?
 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?
 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?
 14.31 If the response to 14.3 is yes, provide the nature of any waiver(s).
- Yes[X] No[]
 Yes[] No[X]
 Yes[] No[X]
- 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?
 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.
- Yes[] No[X]

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 subordinate committee thereof?
 17. Does the reporting entity keep a complete permanent record of the proceedings of its Board of Directors and all subordinate committees thereof?
 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[]
 Yes[X] No[]
 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
 20.12 To stockholders not officers
 20.13 Trustees, supreme or grand (Fraternal only)
 20.2 Total amount of loans outstanding at end of year (inclusive of Separate Accounts, exclusive of policy loans):
 20.21 To directors or other officers
 20.22 To stockholders not officers
 20.23 Trustees, supreme or grand (Fraternal only)
- \$ 0
 \$ 0
 \$ 0
 \$ 0
 \$ 0
 \$ 0
 \$ 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?
 21.2 If yes, state the amount thereof at December 31 of the current year:
 21.21 Rented from others
 21.22 Borrowed from others
 21.23 Leased from others
 21.24 Other
- Yes[] No[X]
 \$ 0
 \$ 0
 \$ 0
 \$ 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?
 22.2 If answer is yes:
 22.21 Amount paid as losses or risk adjustment
 22.22 Amount paid as expenses
 22.23 Other amounts paid
- Yes[] No[X]
 \$ 0
 \$ 0
 \$ 0
- 23.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement?
 23.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount:
- Yes[] No[X]
 \$ 0

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)
 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?
 24.05 If answer to 24.04 is yes, report amount of collateral for conforming programs.
 24.06 If answer to 24.04 is no, report amount of collateral for other programs.
 24.07 Does your securities lending program require 102% (domestic securities) and 105% (foreign securities) from the counterparty at the outset of the contract?
 24.08 Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%?
 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?
 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.
- Yes[X] No[]
 Yes[] No[] N/A[X]
 \$ 0
 \$ 0
 Yes[] No[] N/A[X]
 Yes[] No[] N/A[X]
 Yes[] No[] N/A[X]
 \$ 0

GENERAL INTERROGATORIES (Continued)

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 currently 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 to sale - excluding FHLB Capital Stock	\$	0
25.27 FHLB Capital Stock	\$	0
25.28 On deposit with states	\$	1,274,943
25.29 On deposit with other regulatory bodies	\$	0
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.

LINES 26.3 through 26.5: FOR LIFE/FRATERNAL REPORTING ENTITIES ONLY:

26.3 Does the reporting entity utilize derivatives to hedge variable annuity guarantees subject to fluctuations as a result of interest rate sensitivity? Yes[] No[X]
 26.4 If the response to 26.3 is yes, does the reporting entity utilize:

26.41 Special Accounting Provision of SSAP No. 108	Yes[] No[X]
26.42 Permitted Accounting Practice	Yes[] No[X]
26.43 Other Accounting Guidance	Yes[] No[X]

26.5 By responding yes to 26.41 regarding utilizing the special accounting provisions of SSAP No. 108, does the reporting entity at tests to the following: Yes[] No[X]

- The reporting entity has obtained explicit approval from the domiciliary state.
- Hedging strategy subject to the special accounting provisions is consistent with the requirements of VM-21.
- Actuarial certification has been obtained which indicates that the hedging strategy is incorporated with in the establishment of VM-21 reserves and provides the impact of the hedging strategy within the Actuarial Guideline Conditional Tail Expectation Amount.
- Financial Officer Certification has been obtained which indicates that the hedging strategy meets the definition of a Clearly Defined Hedging Strategy within VM-21 and that the Clearly Defined Hedging Strategy is the hedging strategy being used by the company in its actual day-to-day risk mitigation efforts

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 I, 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
First Clearance	1 N. JEFFERSON AVE, ST LOUIS, MO 63103
Pershing LLC	ONE PERSHING PLAZA, JERSEY CITY, NEW JERSEY 07399

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

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 invested 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 invested 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.

GENERAL INTERROGATORIES (Continued)

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

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	26,474,875	26,537,313	62,438
30.2 Preferred stocks	398,496	398,496	
30.3 Totals	26,873,371	26,935,809	62,438

30.4 Describe the sources or methods utilized in determining the fair values:
Standard publications of market valuation

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

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

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 No

32.2 If no, list exceptions:

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

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

35. By assigning FE to a Schedule BA non-registered private fund, the reporting entity is certifying the following elements of each self-designated FE fund:

- The shares were purchased prior to January 1, 2019.
- The reporting entity is holding capital commensurate with the NAIC Designation reported for the security
- The security had a public credit rating(s) with annual surveillance assigned by an NAIC CRP in its legal capacity as an NRSRO prior to January 1, 2019.
- The fund only or predominantly holds bonds in its portfolio.
- The current reported NAIC Designation was derived from the public credit rating(s) with annual surveillance assigned by an NAIC CRP in its legal capacity as an NRSRO.
- The public credit rating(s) with annual surveillance assigned by an NAIC CRP has not lapsed.

Has the reporting entity assigned FE to Schedule BA non-registered private funds that complied with the above criteria? Yes No

OTHER

36.1 Amount of payments to Trade Associations, Service Organizations and Statistical or Rating Bureaus, if any? \$..... 40,000

36.2 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.

GENERAL INTERROGATORIES (Continued)

1 Name	2 Amount Paid
ACODESE	40,000

- 37.1 Amount of payments for legal expenses, if any? \$ 0
- 37.2 List the name of the firm and the amount paid if any such payments represented 25% or more of the total payments for legal expenses during the period covered by this statement.

1 Name	2 Amount Paid
.....

- 38.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers or department of government, if any? \$ 0
- 38.2 List the name of 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 ACCIDENT AND HEALTH COMPANIES/FRATERNAL BENEFIT SOCIETIES INTERROGATORIES

Life Accident and Health Companies/Fraternal Benefit Societies:

- 1.1 Does the reporting entity have any direct Medicare Supplement Insurance in force? Yes[] No[X]
- 1.2 If yes, indicate premium earned on U.S. business only. \$ 0
- 1.3 What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit? \$ 0
- 1.31 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. \$ 0
- 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 \$ 0
- 1.65 Total incurred claims \$ 0
- 1.66 Number of covered lives 0
- 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	275,867,832	287,695,358
2.2 Premium Denominator	276,993,559	290,394,408
2.3 Premium Ratio (2.1 / 2.2)	0.996	0.991
2.4 Reserve Numerator	25,331,808	30,037,470
2.5 Reserve Denominator	25,581,808	30,287,470
2.6 Reserve Ratio (2.4 / 2.5)	0.990	0.992

- 3.1 Does this 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. 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: \$ 0
- 4.1 Amount of loss reserves established by these annuities during the current year: \$ 0
- 4.2 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)
.....

- 5.1 Do you act as a custodian for health savings accounts? Yes[] No[X]
- 5.2 If yes, please provide the amount of custodial funds held as of the reporting date: \$ 0
- 5.3 Do you act as an administrator for health savings accounts? Yes[] No[X]
- 5.4 If yes, please provide the balance of the funds administered as of the reporting date: \$ 0
- 6.1 Are any of the captive affiliates reported on Schedule S, Part 3 as authorized reinsurers? Yes[] No[] N/A[X]
- 6.2 If the answer to 6.1 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
.....

- 7. Provide the following for individual ordinary life insurance* policies (U.S. business only) for the current year (prior to reinsurance assumed or ceded)
- 7.1 Direct Premium Written \$ 0
- 7.2 Total incurred claims \$ 0
- 7.3 Number of covered lives 0

GENERAL INTERROGATORIES (Continued)

*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)

8. Is the reporting entity licensed or chartered, registered, qualified, eligible or writing business in at least two states? Yes[] No[X]
 8.1 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[X]

Life, Accident and Health Companies Only:

- 9.1 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[] No[X]
 9.2 Net reimbursement of such expenses between reporting entities:
 9.21 Paid \$ 0
 9.22 Received \$ 0
- 10.1 Does the reporting entity write any guaranteed interest contracts? Yes[] No[X]
 10.2 If yes, what amount pertaining to these items is included in:
 10.21 Page 3, Line 1 \$ 0
 10.22 Page 4, Line 1 \$ 0
11. For stock reporting entities only:
 11.1 Total amount paid in by stockholders as surplus funds since organization of the reporting entity: \$ 0
12. Total dividends paid stockholders since the organization of the reporting entity:
 12.11 Cash \$ 0
 12.12 Stock \$ 0
- 13.1 Does the reporting entity reinsure any Workers' Compensation Carve-Out business defined as:
 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. Yes[] No[X]
- 13.2 If yes, has the reporting entity completed the WORKERS' COMPENSATION CARVE-OUT SUPPLEMENT to the Annual Statement? Yes[] No[X] N/A[]
 13.3 If 13.1 is yes, the amounts of earned premiums and claims incurred in this statement are:

	1 Reinsurance Assumed	2 Reinsurance Ceded	3 Net Retained
13.31 Earned premium
13.32 Paid claims
13.33 Claim liability and reserve (beginning of year)
13.34 Claim liability and reserve (end of year)
13.35 Incurred claims

- 13.4 If reinsurance assumed included amounts with attachment points below \$1,000,000, the distribution of the amounts reported in Lines 13.31 and 13.34 for Column (1) are:

	1 Earned Premium	2 Claim Liability and Reserve
13.41 < \$25,000
13.42 \$25,000 - 99,999
13.43 \$100,000 - 249,999
13.44 \$250,000 - 999,999
13.45 \$1,000,000 or more

- 13.5 What portion of earned premium reported in 13.31, Column 1 was assumed from pools? \$ 0

Fraternal Benefit Societies Only:

14. Is the reporting entity organized and conducted on the lodge system, with ritualistic form of work and representative form of government? Yes[] No[X]
15. How often are meetings of the subordinate branches required to be held?
16. How are the subordinate branches represented in the supreme or governing body?
17. What is the basis of representation in the governing body?
- 18.1 How often are regular meetings of the governing body held?
 18.2 When was the last regular meeting of the governing body held?
 18.3 When and where will the next regular or special meeting of the governing body be held?
 18.4 How many members of the governing body attended the last regular meeting? 0
 18.5 How many of the same were delegates of the subordinate branches? 0
19. How are the expenses of the governing body defrayed?
20. When and by whom are the officers and directors elected?
21. What are the qualifications for membership?
22. What are the limiting ages for admission?
23. What is the minimum and maximum insurance that may be issued on any one life?

GENERAL INTERROGATORIES (Continued)

24. Is a medical examination required before issuing a benefit certificate to applicants? Yes[] No[X]
25. Are applicants admitted to membership without filing an application with and becoming a member of a local branch by ballot and initiation? Yes[] No[X]
- 26.1 Are notices of the payments required sent to the members? Yes[] No[] N/A[X]
- 26.2 If yes, do the notices state the purpose for which the money is to be used? Yes[] No[] N/A[X]
27. What proportion of first and subsequent years payments may be used for management expenses?
- 27.11 First year 0%
- 27.12 Subsequent years 0%
- 28.1 Is any part of the mortuary, disability, emergency or reserve fund, or the accretions from or payments for the same, used for expenses? Yes[] No[X]
- 28.2 If so, what amount? \$ 0
- For what purpose?
- 29.1 Does the reporting entity pay an old age disability benefit? Yes[] No[X]
- 29.2 If yes, at what age does the benefit commence? 0
- 30.1 Has the constitution or have the laws of the reporting entity been amended during the year? Yes[] No[X]
- 30.2 If yes, when?
31. Have you filed with this Department all forms of benefit certificates issued, a copy of the constitution and of all the laws, rules and regulations in force at the present time? Yes[] No[X]
- 32.1 State whether all or a portion of the regular insurance contributions were waived during the current year under premium-paying certificates on account of meeting attained age or membership requirements? Yes[] No[X]
- 32.2 If so, was an additional reserve included in Exhibit 5? Yes[] No[] N/A[X]
- 32.3 If yes, explain
- 33.1 Has the reporting entity reinsured, amalgamated with, or absorbed any company, order, society, or association during the year? Yes[] No[X]
- 33.2 If yes, was there any contract agreement, or understanding, written or oral, expressed or implied, by means of which any officer, director, trustee or any other person, or firm, corporation, society or association, received or is to receive any fee, commission, emolument, or compensation of any nature whatsoever in connection with, on account of such reinsurance, amalgamation, absorption, or transfer of membership or funds? Yes[] No[] N/A[X]
34. Has any present or former officer, director, trustee, incorporator, or any other persons, or any firm, corporation, society or association, any claims of any nature whatsoever against this reporting entity, which is not included in the liabilities on Page 3 of this statement? Yes[] No[X]
- 35.1 Does the reporting entity have outstanding assessments in the form of liens against policy benefits that have increased surplus? Yes[] No[X]
- 35.2 If yes, what is the date of the original lien and the total outstanding balance of liens that remain in surplus?

1	2
Date	Outstanding Lien Amount
.....

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 2019	2 2018	3 2017	4 2016	5 2015
Life Insurance in Force (Exhibit of Life Insurance)					
1. Ordinary - whole life and endowment (Line 34, Column 4)					
2. Ordinary - term (Line 21, Column 4, less Line 34, Column 4)					
3. Credit life (Line 21, Column 6)					
4. Group, excluding FEGLI/SGLI (Line 21, Column 9 less Lines 43 & 44, Column 4)	890,998	868,367	857,844	964,498	986,956
5. Industrial (Line 21, Column 2)					
6. FEGLI/SGLI (Lines 43 & 44, Column 4)					
7. Total (Line 21, Column 10)	890,998	868,367	857,844	964,498	986,956
7.1 Total in force for which VM-20 Deterministic / Stochastic Reserves are calculated				X X X	X X X
New Business Issued (Exhibit of Life Insurance)					
8. Ordinary - whole life and endowment (Line 34, Column 2)					
9. Ordinary - term (Line 2, Column 4, less Line 34, Column 2)					
10. Credit life (Line 2, Column 6)					
11. Group (Line 2, Column 9)	147,565	54,694	77,707	160,319	253,503
12. Industrial (Line 2, Column 2)					
13. Total (Line 2, Column 10)	147,565	54,694	77,707	160,319	253,503
Premium Income-Lines of Business (Exhibit 1 - Part 1)					
14. Industrial life (Exhibit 1 - Part 1, Line 20.4, Column 2)					
15.1 Ordinary life insurance (Exhibit 1 - Part 1, Line 20.4, Column 3)					
15.2 Ordinary individual annuities (Exhibit 1 - Part 1, Line 20.4, Column 4)					
16. Credit life, (group and individual) (Exhibit 1 - Part 1, Line 20.4, Column 5)					
17.1 Group life insurance (Exhibit 1 - Part 1, Line 20.4, Column 6)	1,125,727	1,868,422	2,154,270	2,235,161	2,423,387
17.2 Group annuities (Exhibit 1 - Part 1, Line 20.4, Column 7)					
18.1 A & H group (Exhibit 1 - Part 1, Line 20.4, Column 8)	259,406,944	270,465,949	285,117,822	279,400,603	265,129,754
18.2 A & H credit (group and individual) (Exhibit 1 - Part 1, Line 20.4, Column 9)					
18.3 A & H other (Exhibit 1 - Part 1, Line 20.4 Column 10)	16,460,888	18,060,036	22,694,725	26,782,460	38,838,556
19. Aggregate of all other lines of business (Exhibit 1 - Part 1, Line 20.4, Column 11)					
20. Total	276,993,559	290,394,408	309,966,818	308,418,224	306,391,696
Balance Sheet Items (Pages 2 and 3)					
21. Total Admitted Assets excluding Separate Accounts business (Page 2, Line 26, Column 3)	108,394,668	94,622,213	97,542,775	68,708,634	71,656,818
22. Total Liabilities excluding Separate Accounts business (Page 3, Line 26)	57,337,798	49,387,506	54,283,080	48,157,447	61,264,579
23. Aggregate life reserves (Page 3, Line 1)					
23.1 Excess VM-20 Deterministic / Stochastic Reserves over NPR related to Line 7.1				X X X	X X X
24. Aggregate A & H reserves (Page 3, Line 2)					
25. Deposit-type contract funds (Page 3, Line 3)					
26. Asset valuation reserve (Page 3, Line 24.1)	280,035	224,344	203,220	197,971	119,087
27. Capital (Page 3, Lines 29 & 30)	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000
28. Surplus (Page 3, Line 37)	48,556,870	42,734,707	40,759,695	18,051,187	7,892,238
Cash Flow (Page 5)					
29. Net Cash from Operations (Line 11)	10,939,987	(3,686,444)	27,306,501	2,021,551	4,522,564
Risk-Based Capital Analysis					
30. Total Adjusted Capital	51,336,905	45,459,051	43,462,915	20,749,158	10,511,325
31. Authorized control level risk-based capital	9,508,649	10,345,997	10,008,993	10,650,295	11,239,092
Percentage Distribution of Cash, Cash Equivalents and Invested Assets (Page 2, Column 3) (Line No./Page 2, Line 12, Column 3) x 100.0					
32. Bonds (Line 1)	32.4	62.8	43.0	18.6	12.5
33. Stocks (Lines 2.1 and 2.2)	0.5	0.5	0.5	1.2	1.0
34. Mortgage loans on real estate (Line 3.1 and 3.2)					
35. Real estate (Lines 4.1, 4.2 and 4.3)					
36. Cash, cash equivalents and short-term investments (Line 5) ..	67.1	36.6	56.5	80.2	86.5
37. Contract loans (Line 6)					
38. Derivatives (Page 2, 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

FIVE - YEAR HISTORICAL DATA (Continued)

	1 2019	2 2018	3 2017	4 2016	5 2015
Investments in Parent, Subsidiaries and Affiliates					
44. Affiliated bonds (Schedule D Summary, Line 12 Column 1)					
45. Affiliated preferred stocks (Schedule D Summary, Line 18, Column 1)					
46. Affiliated common stocks (Schedule D Summary, Line 24, Column 1)					
47. Affiliated short-term investments (subtotal included in Schedule DA Verification, Column 5, Line 10)					
48. Affiliated mortgage loans on real estate					
49. All other affiliated					
50. Total of above Lines 44 to 49					
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, Column 2)	250,000	2,654,000	485,000	1,081,346	46,302
53. Total Admitted Assets (Page 2, Line 28, Column 3)	108,394,668	94,622,213	97,542,775	68,708,634	71,656,818
Investment Data					
54. Net investment income (Exhibit of Net Investment Income)	1,299,406	1,205,795	391,011	179,135	681,966
55. Realized capital gains (losses) (Page 4, Line 34, Column 1)	61,389	638,714	(596,246)	(35,000)	(853,271)
56. Unrealized capital gains (losses) (Page 4, Line 38, Col. 1)	20,561	18,786	(18,189)	69,855	(78,015)
57. Total of Above Lines 54, 55, and 56	1,381,355	1,863,294	(223,424)	213,990	(249,320)
Benefits and Reserve Increase (Page 6)					
58. Total contract/certificate benefits-life (Lines 10, 11, 12, 13, 14 and 15, Col. 1 minus Lines 10, 11, 12, 13, 14 and 15, Cols. 6, 7 and 8)	424,591	740,667	430,750	432,125	1,191,000
59. Total contract/certificate benefits-A & H (Lines 13 & 14, Col. 6)	222,791,971	243,277,273	244,981,688	257,302,037	271,959,180
60. Increase in life reserves-other than group and annuities (Line 19, Columns 2)					
61. Increase in A & H reserves (Line 19, Column 6)					
62. Dividends to policyholders and refunds to members (Line 30, Col. 1)					
Operating Percentages					
63. Insurance expense percent (Page 6, Column 1, Lines 21, 22 & 23 less Line 6) / (Page 6 Column 1, Line 1 plus Exhibit 7, Column 2, Line 2) x 100.00	13.0	11.6	10.8	9.9	11.5
64. Lapse percent (ordinary only) [(Exhibit of Life Insurance, Column 4, Lines 14 & 15) / 1/2 (Exhibit of Life Insurance, Column 4, Lines 1 & 21)] x 100.00					
65. A & H loss percent (Schedule H, Part 1, Line 5 + Line 6, Column 2)	80.8	84.3	79.6	84.0	89.5
66. A & H cost containment percent (Schedule H, Part 1, Line 4, Column 2)					
67. A & H expense percent excluding cost containment expenses (Schedule H, Part 1, Line 10, Column 2)	14.3	12.9	12.1	11.1	12.6
A & H Claim Reserve Adequacy					
68. Incurred losses on prior years' claims - group health (Schedule H, Part 3, Line 3.1, Column 2)	23,274,980	26,834,372	26,096,508	28,903,263	19,060,182
69. Prior years' claim liability and reserve - group health (Schedule H, Part 3, Line 3.2, Column 2)	28,301,360	29,963,186	24,697,092	29,562,304	20,607,091
70. Incurred losses on prior years' claims - health other than group (Schedule H, Part 3, Line 3.1, Column 1 less Col. 2)	1,322,581	1,063,300	1,867,553	6,498,841	2,663,106
71. Prior years' claim liability and reserve - health other than group (Schedule H, Part 3, Line 3.2, Column 1 less Col. 2)	1,736,110	1,861,589	2,359,730	6,909,901	2,096,094
Net Gains From Operations After Dividends to Policyholders/Members' Refunds and Federal Income Taxes by Lines of Business (Page 6.x, Line 33)					
72. Industrial life (Page 6.1, Col. 2)					
73. Ordinary-life (Page 6.1, Col. 1 less Cols. 2, 10 and 12)					
74. Ordinary-individual annuities (Page 6, Col. 4)					
75. Ordinary-supplementary contracts	X X X				
76. Credit life (Page 6.1, Col. 10 plus Page 6.2, Col. 7)					
77. Group life (Page 6.2, Col.1 Less Cols. 7 and 9)	323,902	849,733	1,286,056	1,322,527	919,865
78. Group annuities (Page 6, Col. 5)					
79. A & H-group (Page 6.5, Col. 3)	9,336,324	(1,216,138)	19,957,977	5,821,271	1,965,009
80. A & H-credit (Page 6.5, Col. 10)					
81. A & H-other (Page 6.5, Col. 1 less Cols. 3 and 10)	3,735,790	3,877,799	1,484,176	2,108,194	(12,775,406)
82. Aggregate of all other lines of business (Page 6, Col. 8)					
83. Fraternal (Page 6, Col. 7)					
84. Total (Page 6, Col. 1)	13,396,016	3,511,394	22,728,209	9,251,992	(9,890,532)

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[] N/A[X]

If no, please explain:



DIRECT BUSINESS IN THE STATE OF PUERTO RICO

DURING THE YEAR 2019

NAIC Group Code: 1301

LIFE INSURANCE

NAIC Company Code: 60030

DIRECT PREMIUMS AND ANNUITY CONSIDERATIONS	1		2		3		4		5	
	Ordinary		Credit Life (Group and Individual)		Group		Industrial		Total	
1. Life Insurance						1,878,806				1,878,806
2. Annuity considerations										
3. Deposit-type contract funds				X X X				X X X		
4. Other considerations										
5. TOTALS (sum of Lines 1 to 4)						1,878,806				1,878,806
DIRECT DIVIDENDS TO POLICYHOLDERS/REFUNDS TO MEMBERS										
Life Insurance:										
6.1 Paid in cash or left on deposit										
6.2 Applied to pay renewal premiums										
6.3 Applied to provide paid-up additions or shorten the endowment or premium - paying period										
6.4 Other										
6.5 TOTALS (sum of Lines 6.1 to 6.4)										
Annuities:										
7.1 Paid in cash or left on deposit										
7.2 Applied to provide paid-up annuities										
7.3 Other										
7.4 TOTALS (sum of Lines 7.1 to 7.3)										
8. GRAND TOTALS (Lines 6.5 plus 7.4)										
DIRECT CLAIMS AND BENEFITS PAID										
9. Death benefits						424,591				424,591
10. Matured endowments										
11. Annuity benefits										
12. Surrender values and withdrawals for life contracts										
13. Aggregate write-ins for miscellaneous direct claims and benefits paid										
14. All other benefits, except accident and health										
15. TOTALS						424,591				424,591

DETAILS OF WRITE-INS										
1301.										
1302.										
1303.										
1398. Summary of remaining write-ins for Line 13 from overflow page										
1399. TOTALS (Lines 1301 through 1303 plus 1398) (Line 13 above)										

DIRECT DEATH BENEFITS AND MATURED ENDOWMENTS INCURRED	Ordinary		Credit Life (Group and Individual)		Group		Industrial		Total	
	1	2	3	4	5	6	7	8	9	10
	No. of Pols. & Certifs.	Amount	No. of Ind. Pols. & Gr. Certifs.	Amount	No. of Certi- ficates	Amount	No. of Pols. & Certifs.	Amount	No. of Pols. & Certifs.	Amount
16. Unpaid December 31, prior year						250,000				250,000
17. Incurred during current year						424,591				424,591
Settled during current year:										
18.1 By payment in full						424,591				424,591
18.2 By payment on compromised claims										
18.3 TOTALS Paid						424,591				424,591
18.4 Reduction by compromise										
18.5 Amount rejected										
18.6 TOTAL Settlements						424,591				424,591
19. Unpaid Dec. 31, current year (Lines 16 + 17 - 18.6)						250,000				250,000
POLICY EXHIBIT										
20. In force December 31, prior year				(a)	50,091	868,367			50,091	868,367
21. Issued during year					8,515	147,565			8,515	147,565
22. Other changes to in force (Net)					(7,220)	(124,934)			(7,220)	(124,934)
23. In force December 31 of current year				(a)	51,386	890,998			51,386	890,998

(a) Includes Individual Credit Life Insurance prior year \$.....0, current year \$.....0.
Includes Group Credit Life Insurance Loans less than or equal to 60 months at issue, prior year \$.....0, current year \$.....0.
Loans greater than 60 months at issue BUT NOT GREATER THAN 120 MONTHS prior year \$.....0, current year \$.....0.

ACCIDENT AND HEALTH INSURANCE

	1		2		3		4		5	
	Direct Premiums		Direct Premiums Earned		Policyholder Dividends Paid, Refunds to Members or Credited on Direct Business		Direct Losses Paid		Direct Losses Incurred	
24. Group Policies (b)	260,607,218		259,406,944				216,321,367		212,754,895	
24.1 Federal Employees Health Benefits Plan Premium (b)										
24.2 Credit (Group and Individual)										
24.3 Collectively renewable policies/certificates (b)										
24.4 Medicare Title XVIII exempt from state taxes or fees Other Individual Policies										
25.1 Non-cancelable (b)										
25.2 Guaranteed renewable (b)	16,544,194		16,460,888				11,176,266		10,037,077	
25.3 Non-renewable for stated reasons only (b)										
25.4 Other accident only										
25.5 All other (b)										
25.6 TOTALS (sum of Lines 25.1 to 25.5)	16,544,194		16,460,888				11,176,266		10,037,077	
26. TOTALS (Lines 24 + 24.1 + 24.2 + 24.3 + 24.4 + 25.6)	277,151,413		275,867,832				227,497,633		222,791,971	

(b) For health business on indicated lines report: Number of persons insured under PPO managed care products0 and number of persons insured under indemnity only products0.



DIRECT BUSINESS IN THE STATE OF GRAND TOTAL

DURING THE YEAR 2019

NAIC Group Code: 1301

LIFE INSURANCE

NAIC Company Code: 60030

DIRECT PREMIUMS AND ANNUITY CONSIDERATIONS	1		2		3		4		5	
	Ordinary		Credit Life (Group and Individual)		Group		Industrial		Total	
1. Life Insurance						1,878,806				1,878,806
2. Annuity considerations										
3. Deposit-type contract funds				X X X				X X X		
4. Other considerations										
5. TOTALS (sum of Lines 1 to 4)						1,878,806				1,878,806
DIRECT DIVIDENDS TO POLICYHOLDERS/REFUNDS TO MEMBERS										
Life Insurance:										
6.1 Paid in cash or left on deposit										
6.2 Applied to pay renewal premiums										
6.3 Applied to provide paid-up additions or shorten the endowment or premium - paying period										
6.4 Other										
6.5 TOTALS (sum of Lines 6.1 to 6.4)										
Annuities:										
7.1 Paid in cash or left on deposit										
7.2 Applied to provide paid-up annuities										
7.3 Other										
7.4 TOTALS (sum of Lines 7.1 to 7.3)										
8. GRAND TOTALS (Lines 6.5 plus 7.4)										
DIRECT CLAIMS AND BENEFITS PAID										
9. Death benefits						424,591				424,591
10. Matured endowments										
11. Annuity benefits										
12. Surrender values and withdrawals for life contracts										
13. Aggregate write-ins for miscellaneous direct claims and benefits paid										
14. All other benefits, except accident and health										
15. TOTALS						424,591				424,591

DETAILS OF WRITE-INS										
1301.										
1302.										
1303.										
1398. Summary of remaining write-ins for Line 13 from overflow page										
1399. TOTALS (Lines 1301 through 1303 plus 1398) (Line 13 above)										

DIRECT DEATH BENEFITS AND MATURED ENDOWMENTS INCURRED	Ordinary		Credit Life (Group and Individual)		Group		Industrial		Total	
	1	2	3	4	5	6	7	8	9	10
	No. of Pols. & Certifs.	Amount	No. of Ind. Pols. & Gr. Certifs.	Amount	No. of Certi- ficates	Amount	No. of Pols. & Certifs.	Amount	No. of Pols. & Certifs.	Amount
16. Unpaid December 31, prior year						250,000				250,000
17. Incurred during current year						424,591				424,591
Settled during current year:										
18.1 By payment in full						424,591				424,591
18.2 By payment on compromised claims										
18.3 TOTALS Paid						424,591				424,591
18.4 Reduction by compromise										
18.5 Amount rejected										
18.6 TOTAL Settlements						424,591				424,591
19. Unpaid Dec. 31, current year (Lines 16 + 17 - 18.6)						250,000				250,000
POLICY EXHIBIT										
20. In force December 31, prior year				(a)	50,091	868,367			50,091	868,367
21. Issued during year					8,515	147,565			8,515	147,565
22. Other changes to in force (Net)					(7,220)	(124,934)			(7,220)	(124,934)
23. In force December 31 of current year				(a)	51,386	890,998			51,386	890,998

(a) Includes Individual Credit Life Insurance prior year \$.....0, current year \$.....0.
Includes Group Credit Life Insurance Loans less than or equal to 60 months at issue, prior year \$.....0, current year \$.....0.
Loans greater than 60 months at issue BUT NOT GREATER THAN 120 MONTHS prior year \$.....0, current year \$.....0.

ACCIDENT AND HEALTH INSURANCE

	1	2	3	4	5
	Direct Premiums	Direct Premiums Earned	Policyholder Dividends Paid, Refunds to Members or Credited on Direct Business	Direct Losses Paid	Direct Losses Incurred
24. Group Policies (b)	260,607,218	259,406,944		216,321,367	212,754,895
24.1 Federal Employees Health Benefits Plan Premium (b)					
24.2 Credit (Group and Individual)					
24.3 Collectively renewable policies/certificates (b)					
24.4 Medicare Title XVIII exempt from state taxes or fees Other Individual Policies					
25.1 Non-cancelable (b)					
25.2 Guaranteed renewable (b)	16,544,194	16,460,888		11,176,266	10,037,077
25.3 Non-renewable for stated reasons only (b)					
25.4 Other accident only					
25.5 All other (b)					
25.6 TOTALS (sum of Lines 25.1 to 25.5)	16,544,194	16,460,888		11,176,266	10,037,077
26. TOTALS (Lines 24 + 24.1 + 24.2 + 24.3 + 24.4 + 25.6)	277,151,413	275,867,832		227,497,633	222,791,971

(b) For health business on indicated lines report: Number of persons insured under PPO managed care products0 and number of persons insured under indemnity only products0.

24 Grand Total

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	2	3	4	5	6	Number of		9	
	Number of Policies	Amount of Insurance	Number of Policies	Amount of Insurance	Number of Individual Policies and Group Certificates	Amount of Insurance	7 Policies	8 Certificates	Amount of Insurance	
1. In force end of prior year								50,091	868,367	868,367
2. Issued during year								8,515	147,565	147,565
3. Reinsurance assumed										
4. Revived during year										
5. Increased during year (net)										
6. Subtotals, Lines 2 to 5								8,515	147,565	147,565
7. Additions by dividends during year	X X X		X X X		X X X		X X X	X X X		
8. Aggregate write-ins for increases										
9. TOTALS (Lines 1 and 6 to 8)								58,606	1,015,932	1,015,932
Deductions during year:										
10. Death							X X X	42	539	539
11. Maturity							X X X			
12. Disability							X X X			
13. Expiry										
14. Surrender										
15. Lapse										
16. Conversion							X X X	X X X	X X X	
17. Decreased (net)								7,178	124,395	124,395
18. Reinsurance										
19. Aggregate write-ins for decreases										
20. TOTALS (Lines 10 to 19)								7,220	124,934	124,934
21. In force end of year (b) (Line 9 minus Line 20)								51,386	890,998	890,998
22. Reinsurance ceded end of year	X X X		X X X		X X X		X X X	X X X		
23. Line 21 minus Line 22	X X X		X X X		X X X	(a)	X X X	X X X	890,998	890,998
DETAILS OF WRITE-INS										
0801.										
0802.										
0803.										
0898. Summary of remaining write-ins for Line 8 from overflow page										
0899. TOTALS (Lines 0801 through 0803 plus 0898) (Line 8 above)										
1901.										
1902.										
1903.										
1998. Summary of remaining write-ins for Line 19 from overflow page										
1999. TOTALS (Lines 1901 through 1903 plus 1998) (Line 19 above)										

Life Accident and Health Companies Only:

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

Fraternal Benefit Societies Only:

(b) Paid-up insurance included in the final totals of Line 21 (including additions to certificates) number of certificates0, Amount \$.....0

Additional accidental death benefits included in life certificates were in amount \$.....0

Does the society collect any contributions from members for general expenses of the society under fully paid-up certificates Yes[] No[X]

If not, how are such expenses met?:

EXHIBIT OF LIFE INSURANCE (Continued)

(\$000 Omitted for Amounts of Life Insurance)

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	X X X		X X X	
25. Other paid-up insurance				
26. Debit ordinary insurance	X X X	X X X		

ADDITIONAL INFORMATION ON ORDINARY INSURANCE

Term Insurance Excluding Extended Term 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
27. Term policies -- decreasing				
28. Term policies -- other				
29. Other term insurance -- decreasing	X X X		X X X	
30. Other term insurance	X X X		X X X	
31. TOTALS (Lines 27 to 30)				
Reconciliation to Lines 2 and 21:				
32. Term additions	X X X		X X X	
33. TOTALS, extended term insurance	X X X	X X X		
34. TOTALS, whole life and endowment				
35. TOTALS (Lines 31 to 34)				

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				
38. Credit Life (Group and Individual)				
39. Group	147,565		890,998	
40. TOTALS (Lines 36 to 39)	147,565		890,998	

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	X X X		X X X	
42. Number in force end of year if the number under shared groups is counted on a pro-rata basis		X X X		X X X
43. Federal Employees' Group Life Insurance included in Line 21				
44. Servicemen's Group Life Insurance included in Line 21				
45. Group Permanent Insurance included in Line 21				

ADDITIONAL ACCIDENTAL DEATH BENEFITS

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

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								
49. Disability Income								
50. Extended Benefits			X X X	X X X				
51. Other								
52. TOTAL		(a)		(a)		(a)		(a)

(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. TOTALS (Lines 1 to 4)				
Deductions during year:				
6. Decreased (net)	NONE			
7. Reinsurance ceded				
8. TOTALS (Lines 6 and 7)				
9. In force end of year				
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. TOTALS (Lines 1 to 4)				
Deductions during year:				
6. Decreased (net)	NONE			
7. Reinsurance ceded				
8. TOTALS (Lines 6 and 7)				
9. In force end of year				
Income now payable:				
10. Amount of income payable:	(a)	X X X	X X X	(a)
Deferred fully paid:				
11. Account balance	X X X	(a)	X X X	(a)
Deferred not fully paid:				
12. Account balance	X X X	(a)	X X X	(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	1,789	144,468,494				
2. Issued during year	326	(6,534,578)				
3. Reinsurance assumed						
4. Increased during year (net)		X X X		X X X		X X X
5. TOTALS (Lines 1 to 4)	2,115	X X X		X X X		X X X
Deductions during year:						
6. Conversions		X X X	X X X	X X X	X X X	X X X
7. Decreased (net)	342	X X X		X X X		X X X
8. Reinsurance ceded		X X X		X X X		X X X
9. TOTALS (Lines 6 to 8)	342	X X X		X X X		X X X
10. In force end of year	1,773	(a) 137,933,916		(a)		(a)

DEPOSIT FUNDS AND DIVIDEND ACCUMULATIONS

	1	2
	Deposit Funds Contracts	Dividend Accumulations Contracts
1. In force end of prior year		
2. Issued during year		
3. Reinsurance assumed		
4. Increased during year (net)		
5. TOTALS (Lines 1 to 4)		
Deductions during year:		
6. Decreased (net)	NONE	
7. Reinsurance ceded		
8. TOTALS (Lines 6 and 7)		
9. In force end of year		
10. Amount of account balance	(a)	(a)

(a) See Paragraph 9 of the Annual Audited Financial Reports in the General section of the annual statement instructions.

FORM FOR CALCULATING THE INTEREST MAINTENANCE RESERVE

INTEREST MAINTENANCE RESERVE

	1 Amount
1. Reserve as of December 31, Prior Year	
2. Current Year's Realized Pre-Tax capital gains/(losses) of \$ 0 Transferred into the Reserve Net of Taxes of \$.....0.....	
3. Adjustment for current year's liability gains/(losses) released to Summary of Operations (Amortization, Line 1, Column 4)	
4. Balance before reduction for amount transferred to Summary of Operations (2 + Line 3)	
5. Current year's amortization released to Summary of Operations (Amortization, Line 1, Column 4)	
6. Reserve as of December 31, current year (Line 4 minus Line 5)	

NONE

AMORTIZATION

	1	2	3	4
Year of Amortization	Reserve as of December 31, Prior Year	Current Year's Realized Capital Gains/(Losses) Transferred into the Reserve Net of Taxes	Adjustment for Current Year's Liability Gains/(Losses) Released From the Reserve	Balance Before Reduction for Current Year's Amortization (Columns 1 + 2 + 3)
1. 2019				
2. 2020				
3. 2021				
4. 2022				
5. 2023				
6. 2024				
7. 2025				
8. 2026				
9. 2027				
10. 2028				
11. 2029				
12. 2030				
13. 2031				
14. 2032				
15. 2033				
16. 2034				
17. 2035				
18. 2036				
19. 2037				
20. 2038				
21. 2039				
22. 2040				
23. 2041				
24. 2042				
25. 2043				
26. 2044				
27. 2045				
28. 2046				
29. 2047				
30. 2048				
31. 2049 and Later				
32. TOTAL (Lines 1 to 31)				

NONE

ASSET VALUATION RESERVE

	Default Component			Equity Component			7 Total Amount (Columns 3 + 6)
	1 Other than Mortgage Loans	2 Mortgage Loans	3 Total (Columns 1 + 2)	4 Common Stock	5 Real Estate and Other Invested Assets	6 Total (Columns 4 + 5)	
1. Reserve as of December 31, prior year	224,344		224,344	0	0	0	224,344
2. Realized Capital Gains/(Losses) Net of Taxes - General Account	61,389		61,389				61,389
3. Realized Capital Gains/(Losses) Net of Taxes - Separate Accounts							
4. Unrealized Capital Gains/(Losses) Net of Deferred Taxes - General Account	20,561		20,561				20,561
5. Unrealized Capital Gains/(Losses) Net of Deferred Taxes - Separate Accounts							
6. Capital gains credited/(losses charged) to contract benefits, payments or reserves							
7. Basic Contribution	25,493		25,493				25,493
8. Accumulated Balances (Lines 1 through 5 - 6 + 7)	331,787		331,787	0	0	0	331,787
9. Maximum Reserve	135,318		135,318				135,318
10. Reserve Objective	73,025		73,025				73,025
11. 20% of (Line 10 - Line 8)	(51,752)		(51,752)	0	0	0	(51,752)
12. Balance Before Transfers (Lines 8 + 11)	280,035		280,035	0	0	0	280,035
13. Transfers							
14. Voluntary Contribution							
15. Adjustment down to Maximum/up to Zero							
16. Reserve as of December 31, Current Year (Lines 12 + 13 + 14 + 15)	280,035		280,035	0	0	0	280,035

ASSET VALUATION RESERVE

BASIC CONTRIBUTION, RESERVE OBJECTIVE AND MAXIMUM RESERVE CALCULATIONS

DEFAULT COMPONENT

Line Number	NAIC Designation	Description	1 Book/Adjusted Carrying Value	2 Reclassify Related Party Encumbrances	3 Add Third Party Encumbrances	4 Balance for AVR Reserve Calculations (Columns 1 + 2 + 3)	Basic Contribution		Reserve Objective		Maximum Reserve	
							5 Factor	6 Amount (Columns 4 x 5)	7 Factor	8 Amount (Columns 4 x 7)	9 Factor	10 Amount (Columns 4 x 9)
LONG-TERM BONDS												
1.		Exempt Obligations	156,675	X X X	X X X	156,675						
2.	1	Highest Quality	25,994,555	X X X	X X X	25,994,555	0.0005	12,997	0.0016	41,591	0.0033	85,782
3.	2	High Quality	323,645	X X X	X X X	323,645	0.0021	680	0.0064	2,071	0.0106	3,431
4.	3	Medium Quality		X X X	X X X		0.0099		0.0263		0.0376	
5.	4	Low Quality		X X X	X X X		0.0245		0.0572		0.0817	
6.	5	Lower Quality		X X X	X X X		0.0630		0.1128		0.1880	
7.	6	In or Near Default		X X X	X X X				0.2370		0.2370	
8.		TOTAL Unrated Multi-class Securities Acquired by Conversion		X X X	X X X		X X X		X X X		X X X	
9.		TOTAL Long-Term Bonds (Sum of Lines 1 through 8)	26,474,875	X X X	X X X	26,474,875	X X X	13,677	X X X	43,663	X X X	89,213
PREFERRED STOCKS												
10.	1	Highest Quality		X X X	X X X		0.0005		0.0016		0.0033	
11.	2	High Quality		X X X	X X X		0.0021		0.0064		0.0106	
12.	3	Medium Quality		X X X	X X X		0.0099		0.0263		0.0376	
13.	4	Low Quality	398,496	X X X	X X X	398,496	0.0245	9,763	0.0572	22,794	0.0817	32,557
14.	5	Lower Quality		X X X	X X X		0.0630		0.1128		0.1880	
15.	6	In or Near Default		X X X	X X X				0.2370		0.2370	
16.		Affiliated Life with AVR		X X X	X X X							
17.		TOTAL Preferred Stocks (Sum of Lines 10 through 16)	398,496	X X X	X X X	398,496	X X X	9,763	X X X	22,794	X X X	32,557
SHORT-TERM BONDS												
18.		Exempt Obligations		X X X	X X X							
19.	1	Highest Quality	4,105,474	X X X	X X X	4,105,474	0.0005	2,053	0.0016	6,569	0.0033	13,548
20.	2	High Quality		X X X	X X X		0.0021		0.0064		0.0106	
21.	3	Medium Quality		X X X	X X X		0.0099		0.0263		0.0376	
22.	4	Low Quality		X X X	X X X		0.0245		0.0572		0.0817	
23.	5	Lower Quality		X X X	X X X		0.0630		0.1128		0.1880	
24.	6	In or Near Default		X X X	X X X				0.2370		0.2370	
25.		TOTAL Short-term Bonds (Sum of Lines 18 through 24)	4,105,474	X X X	X X X	4,105,474	X X X	2,053	X X X	6,569	X X X	13,548
DERIVATIVE INSTRUMENTS												
26.		Exchange Traded		X X X	X X X		0.0005		0.0016		0.0033	
27.	1	Highest Quality		X X X	X X X		0.0005		0.0016		0.0033	
28.	2	High Quality		X X X	X X X		0.0021		0.0064		0.0106	
29.	3	Medium Quality		X X X	X X X		0.0099		0.0263		0.0376	
30.	4	Low Quality		X X X	X X X		0.0245		0.0572		0.0817	
31.	5	Lower Quality		X X X	X X X		0.0630		0.1128		0.1880	
32.	6	In or Near Default		X X X	X X X				0.2370		0.2370	
33.		TOTAL Derivative Instruments		X X X	X X X		X X X		X X X		X X X	
34.		TOTAL (Lines 9 + 17 + 25 + 33)	30,978,846	X X X	X X X	30,978,846	X X X	25,493	X X X	73,025	X X X	135,318

ASSET VALUATION RESERVE (Continued)
BASIC CONTRIBUTION, RESERVE OBJECTIVE AND MAXIMUM RESERVE CALCULATIONS
DEFAULT COMPONENT

Line Number	NAIC Designation	Description	1 Book/Adjusted Carrying Value	2 Reclassify Related Party Encumbrances	3 Add Third Party Encumbrances	4 Balance for AVR Reserve Calculations (Columns 1 + 2 + 3)	Basic Contribution		Reserve Objective		Maximum Reserve	
							5 Factor	6 Amount (Columns 4 x 5)	7 Factor	8 Amount (Columns 4 x 7)	9 Factor	10 Amount (Columns 4 x 9)
MORTGAGE LOANS												
In Good Standing:												
35.		Farm Mortgages - CMI - highest quality			X X X		0.0011		0.0057		0.0074	
36.		Farm Mortgages - CM2 - high quality			X X X		0.0040		0.0114		0.0149	
37.		Farm Mortgages - CM3 - medium quality			X X X		0.0069		0.0200		0.0257	
38.		Farm Mortgages - CM4 - low medium quality			X X X		0.0120		0.0343		0.0428	
39.		Farm Mortgages - CM5 - low quality			X X X		0.0183		0.0486		0.0628	
40.		Residential Mortgages - Insured or Guaranteed			X X X		0.0003		0.0007		0.0011	
41.		Residential Mortgages - All Other			X X X		0.0015		0.0034		0.0046	
42.		Commercial Mortgages - Insured or Guaranteed			X X X		0.0003		0.0007		0.0011	
43.		Commercial Mortgages - All Other - CM1 - highest quality			X X X		0.0011		0.0057		0.0074	
44.		Commercial Mortgages - All Other - CM2 - high quality			X X X		0.0040		0.0114		0.0149	
45.		Commercial Mortgages - All Other - CM3 - medium quality			X X X		0.0069		0.0200		0.0257	
46.		Commercial Mortgages - All Other - CM4 - low medium quality			X X X		0.0120		0.0343		0.0428	
47.		Commercial Mortgages - All Other - CM5 - low quality			X X X		0.0183		0.0486		0.0628	
Overdue, Not in Process:												
48.		Farm Mortgages			X X X		0.0480		0.0868		0.1371	
49.		Residential Mortgages - Insured or Guaranteed			X X X		0.0006		0.0014		0.0023	
50.		Residential Mortgages - All Other			X X X		0.0029		0.0066		0.0103	
51.		Commercial Mortgages - Insured or Guaranteed			X X X		0.0006		0.0014		0.0023	
52.		Commercial Mortgages - All Other			X X X		0.0480		0.0868		0.1371	
In Process of Foreclosure:												
53.		Farm Mortgages			X X X				0.1942		0.1942	
54.		Residential Mortgages - Insured or Guaranteed			X X X				0.0046		0.0046	
55.		Residential Mortgages - All Other			X X X				0.0149		0.0149	
56.		Commercial Mortgages - Insured or Guaranteed			X X X				0.0046		0.0046	
57.		Commercial Mortgages - All Other			X X X				0.1942		0.1942	
58.		TOTAL Schedule B Mortgages (Sum of Lines 35 through 57)			X X X		X X X		X X X		X X X	
59.		Schedule DA Mortgages			X X X		0.0034		0.0114		0.0149	
60.		TOTAL Mortgage Loans on Real Estate (Lines 58 + 59)			X X X		X X X		X X X		X X X	

ASSET VALUATION RESERVE
BASIC CONTRIBUTION, RESERVE OBJECTIVE AND MAXIMUM RESERVE CALCULATIONS
EQUITY AND OTHER INVESTED ASSET COMPONENT

Line Number	NAIC Designation	Description	1 Book/Adjusted Carrying Value	2 Reclassify Related Party Encumbrances	3 Add Third Party Encumbrances	4 Balance for AVR Reserve Calculations (Columns 1 + 2 + 3)	Basic Contribution		Reserve Objective		Maximum Reserve	
							5 Factor	6 Amount (Columns 4 x 5)	7 Factor	8 Amount (Columns 4 x 7)	9 Factor	10 Amount (Columns 4 x 9)
COMMON STOCK												
1.		Unaffiliated Public		X X X	X X X				(a)		(a)	
2.		Unaffiliated Private		X X X	X X X				0.1945		0.1945	
3.		Federal Home Loan Bank		X X X	X X X				0.0061		0.0097	
4.		Affiliated Life with AVR		X X X	X X X							
Affiliated Investment Subsidiary:												
5.		Fixed Income Exempt Obligations					X X X		X X X		X X X	
6.		Fixed Income Highest Quality					X X X		X X X		X X X	
7.		Fixed Income High Quality					X X X		X X X		X X X	
8.		Fixed Income Medium Quality					X X X		X X X		X X X	
9.		Fixed Income Low Quality					X X X		X X X		X X X	
10.		Fixed Income Lower Quality					X X X		X X X		X X X	
11.		Fixed Income In or Near Default					X X X		X X X		X X X	
12.		Unaffiliated Common Stock Public							(a)		(a)	
13.		Unaffiliated Common Stock Private							0.1945		0.1945	
14.		Real Estate					(b)		(b)		(b)	
15.		Affiliated-Certain Other (See SVO Purposes and Procedures Manual)		X X X	X X X				0.1580		0.1580	
16.		Affiliated-All Other		X X X	X X X				0.1945		0.1945	
17.		TOTAL Common Stock (Sum of Lines 1 through 16)					X X X		X X X		X X X	
REAL ESTATE												
18.		Home Office Property (General Account Only)							0.0912		0.0912	
19.		Investment Properties							0.0912		0.0912	
20.		Properties Acquired in Satisfaction of Debt							0.1337		0.1337	
21.		TOTAL Real Estate (Sum of Lines 18 through 20)					X X X		X X X		X X X	
OTHER INVESTED ASSETS												
INVESTMENTS WITH THE UNDERLYING CHARACTERISTICS OF BONDS												
22.		Exempt Obligations		X X X	X X X							
23.	1	Highest Quality		X X X	X X X		0.0005		0.0016		0.0033	
24.	2	High Quality		X X X	X X X		0.0021		0.0064		0.0106	
25.	3	Medium Quality		X X X	X X X		0.0099		0.0263		0.0376	
26.	4	Low Quality		X X X	X X X		0.0245		0.0572		0.0817	
27.	5	Lower Quality		X X X	X X X		0.0630		0.1128		0.1880	
28.	6	In or Near Default		X X X	X X X				0.2370		0.2370	
29.		TOTAL with Bond characteristics (Sum of Lines 22 through 28)		X X X	X X X		X X X		X X X		X X X	

ASSET VALUATION RESERVE (Continued)
BASIC CONTRIBUTION, RESERVE OBJECTIVE AND MAXIMUM RESERVE CALCULATIONS
EQUITY AND OTHER INVESTED ASSET COMPONENT

Line Number	NAIC Designation	Description	1 Book/Adjusted Carrying Value	2 Reclassify Related Party Encumbrances	3 Add Third Party Encumbrances	4 Balance for AVR Reserve Calculations (Columns 1 + 2 + 3)	Basic Contribution		Reserve Objective		Maximum Reserve	
							5 Factor	6 Amount (Columns 4 x 5)	7 Factor	8 Amount (Columns 4 x 7)	9 Factor	10 Amount (Columns 4 x 9)
INVESTMENTS WITH THE UNDERLYING CHARACTERISTICS OF PREFERRED STOCKS												
30.	1	Highest Quality		X X X	X X X		0.0005		0.0016		0.0033	
31.	2	High Quality		X X X	X X X		0.0021		0.0064		0.0106	
32.	3	Medium Quality		X X X	X X X		0.0099		0.0263		0.0376	
33.	4	Low Quality		X X X	X X X		0.0245		0.0572		0.0817	
34.	5	Lower Quality		X X X	X X X		0.0630		0.1128		0.1880	
35.	6	In or Near Default		X X X	X X X				0.2370		0.2370	
36.		Affiliated Life with AVR		X X X	X X X							
37.		TOTAL with Preferred Stock Characteristics (Sum of Lines 30 through 36)		X X X	X X X		X X X		X X X		X X X	
INVESTMENTS WITH THE UNDERLYING CHARACTERISTICS OF MORTGAGE LOANS												
In Good Standing Affiliated:												
38.		Mortgages - CM1 - highest quality			X X X		0.0011		0.0057		0.0074	
39.		Mortgages - CM2 - high quality			X X X		0.0040		0.0114		0.0149	
40.		Mortgages - CM3 - medium quality			X X X		0.0069		0.0200		0.0257	
41.		Mortgages - CM4 - low medium quality			X X X		0.0120		0.0343		0.0428	
42.		Mortgages - CM5 - low quality			X X X		0.0183		0.0486		0.0628	
43.		Residential Mortgages - Insured or Guaranteed			X X X		0.0003		0.0007		0.0011	
44.		Residential Mortgages - All Other		X X X	X X X		0.0015		0.0034		0.0046	
45.		Commercial Mortgages - Insured or Guaranteed			X X X		0.0003		0.0007		0.0011	
Overdue, Not in Process Affiliated:												
46.		Farm Mortgages			X X X		0.0480		0.0868		0.1371	
47.		Residential Mortgages - Insured or Guaranteed			X X X		0.0006		0.0014		0.0023	
48.		Residential Mortgages - All Other			X X X		0.0029		0.0066		0.0103	
49.		Commercial Mortgages - Insured or Guaranteed			X X X		0.0006		0.0014		0.0023	
50.		Commercial Mortgages - All Other			X X X		0.0480		0.0868		0.1371	
In Process of Foreclosure Affiliated:												
51.		Farm Mortgages			X X X				0.1942		0.1942	
52.		Residential Mortgages - Insured or Guaranteed			X X X				0.0046		0.0046	
53.		Residential Mortgages - All Other			X X X				0.0149		0.0149	
54.		Commercial Mortgages - Insured or Guaranteed			X X X				0.0046		0.0046	
55.		Commercial Mortgages - All Other			X X X				0.1942		0.1942	
56.		Total Affiliated (Sum of Lines 38 through 55)			X X X		X X X		X X X		X X X	
57.		Unaffiliated - In Good Standing With Covenants			X X X		(c)		(c)		(c)	
58.		Unaffiliated - In Good Standing Defeased With Government Securities			X X X		0.0011		0.0057		0.0074	
59.		Unaffiliated - In Good Standing Primarily Senior			X X X		0.0040		0.0114		0.0149	
60.		Unaffiliated - In Good Standing All Other			X X X		0.0069		0.0200		0.0257	
61.		Unaffiliated - Overdue, Not in Process			X X X		0.0480		0.0868		0.1371	
62.		Unaffiliated - In Process of Foreclosure			X X X				0.1942		0.1942	
63.		Total Unaffiliated (Sum of Lines 57 through 62)			X X X		X X X		X X X		X X X	
64.		TOTAL with Mortgage Loan Characteristics (Sum of Lines 56 + 63)			X X X		X X X		X X X		X X X	

ASSET VALUATION RESERVE (Continued)
BASIC CONTRIBUTION, RESERVE OBJECTIVE AND MAXIMUM RESERVE CALCULATIONS
EQUITY AND OTHER INVESTED ASSET COMPONENT

Line Number	NAIC Designation	Description	1 Book/Adjusted Carrying Value	2 Reclassify Related Party Encumbrances	3 Add Third Party Encumbrances	4 Balance for AVR Reserve Calculations (Columns 1 + 2 + 3)	Basic Contribution		Reserve Objective		Maximum Reserve	
							5 Factor	6 Amount (Columns 4 x 5)	7 Factor	8 Amount (Columns 4 x 7)	9 Factor	10 Amount (Columns 4 x 9)
INVESTMENTS WITH THE UNDERLYING CHARACTERISTICS OF COMMON STOCK												
65.		Unaffiliated Public		X X X	X X X				(a)		(a)	
66.		Unaffiliated Private		X X X	X X X				0.1945		0.1945	
67.		Affiliated Life with AVR		X X X	X X X							
68.		Affiliated Certain Other (See SVO Purposes and Procedures Manual)		X X X	X X X				0.1580		0.1580	
69.		Affiliated Other - All Other		X X X	X X X				0.1945		0.1945	
70.		TOTAL with Common Stock Characteristics (Sum of Lines 65 through 69)		X X X	X X X		X X X		X X X		X X X	
INVESTMENTS WITH THE UNDERLYING CHARACTERISTICS OF REAL ESTATE												
71.		Home Office Property (General Account Only)							0.0912		0.0912	
72.		Investment Properties							0.0912		0.0912	
73.		Properties Acquired in Satisfaction of Debt							0.1337		0.1337	
74.		TOTAL with Real Estate Characteristics (Sum of Lines 71 through 73)					X X X		X X X		X X X	
LOW INCOME HOUSING TAX CREDIT INVESTMENTS												
75.		Guaranteed Federal Low Income Housing Tax Credit					0.0003		0.0006		0.0010	
76.		Non-guaranteed Federal Low Income Housing Tax Credit					0.0063		0.0120		0.0190	
77.		Guaranteed State Low Income Housing Tax Credit					0.0003		0.0006		0.0010	
78.		Non-guaranteed State Low Income Housing Tax Credit					0.0063		0.0120		0.0190	
79.		All Other Low Income Housing Tax Credit					0.0273		0.0600		0.0975	
80.		TOTAL LIHTC (Sum of Lines 75 through 79)					X X X		X X X		X X X	
ALL OTHER INVESTMENTS												
81.		NAIC 1 Working Capital Finance Investments		X X X					0.0042		0.0042	
82.		NAIC 2 Working Capital Finance Investments		X X X					0.0137		0.0137	
83.		Other Invested Assets - Schedule BA		X X X					0.1580		0.1580	
84.		Other Short-Term Invested Assets - Schedule DA		X X X					0.1580		0.1580	
85.		TOTAL All Other (Sum of Lines 81, 82, 83 and 84)		X X X			X X X		X X X		X X X	
86.		TOTAL Other Invested Assets - Schedules BA & DA (Sum of Lines 29, 37, 64, 70, 74, 80 and 85)					X X X		X X X		X X X	

(a) Times the company's weighted average portfolio beta (Minimum .1215, Maximum .2431).
 (b) Determined using same factors and breakdowns used for directly owned real estate.
 (c) This will be the factor associated with the risk category determined in the company generated worksheet.

ASSET VALUATION RESERVE (Continued)
BASIC CONTRIBUTIONS, RESERVE OBJECTIVE AND MAXIMUM RESERVE CALCULATIONS
REPLICATIONS (SYNTHETIC) ASSETS

1	2	3	4	5	6	7	8	9
RSAT Number	Type	CUSIP	Description of Asset(s)	NAIC Designation or Other Description of Asset	Value of Asset	AVR Basic Contribution	AVR Reserve Objective	AVR Maximum Reserve
0599999 Total								

SCHEDULE F

Showing all claims for death losses and all other contract claims resisted or compromised during the year, and all claims for death losses and all other contract claims resisted December 31 of current year

1 Contract Numbers	2 Claim Numbers	3 State of Residence of Claimant	4 Year of Claim for Death or Disability	5 Amount Claimed	6 Amount Paid During the Year	7 Amount Resisted Dec. 31 of Current Year	8 Why Compromised or Resisted
<div style="border: 1px solid black; padding: 10px; display: inline-block;"> <h1 style="margin: 0;">N O N E</h1> </div>							
5399999 Totals							XXX

SCHEDULE H - ACCIDENT AND HEALTH EXHIBIT

	Total		Group Accident and Health		Credit Accident & Health (Group and Individual)		Collectively Renewable		Other Individual Contracts										
									Non-Cancelable		Guaranteed Renewable		Non-Renewable for Stated Reasons Only		Other Accident Only		All Other		
	1 Amount	2 %	3 Amount	4 %	5 Amount	6 %	7 Amount	8 %	9 Amount	10 %	11 Amount	12 %	13 Amount	14 %	15 Amount	16 %	17 Amount	18 %	
PART 1 - ANALYSIS OF UNDERWRITING OPERATIONS																			
1.	Premiums written	277,151,413	X X X	260,607,218	X X X		X X X		X X X		X X X	16,544,194	X X X		X X X		X X X		X X X
2.	Premiums earned	275,867,832	X X X	259,406,944	X X X		X X X		X X X		X X X	16,460,888	X X X		X X X		X X X		X X X
3.	Incurred claims	222,791,971	80.8	212,754,894	82.0							10,037,077	61.0						
4.	Cost containment expenses																		
5.	Incurred claims and cost containment expenses (Lines 3 and 4)	222,791,971	80.8	212,754,894	82.0							10,037,077	61.0						
6.	Increase in contract reserves																		
7.	Commissions (a)	13,589,057	4.9	12,968,848	5.0							620,209	3.8						
8.	Other general insurance expenses	22,238,444	8.1	20,910,948	8.1							1,327,495	8.1						
9.	Taxes, licenses and fees	3,496,769	1.3	3,288,034	1.3							208,735	1.3						
10.	Total other expenses incurred	39,324,270	14.3	37,167,831	14.3							2,156,439	13.1						
11.	Aggregate write-ins for deductions																		
12.	Gain from underwriting before dividends or refunds	13,751,591	5.0	9,484,219	3.7							4,267,372	25.9						
13.	Dividends or refunds																		
14.	Gain from underwriting after dividends or refunds	13,751,591	5.0	9,484,219	3.7							4,267,372	25.9						
DETAILS OF WRITE-INS																			
1101.																			
1102.																			
1103.																			
1198.	Summary of remaining write-ins for Line 11 from overflow page																		
1199.	TOTALS (Lines 1101 through 1103 plus 1198) (Line 11 above)																		

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(a) Includes \$.....0 reported as "Contract, membership and other fees retained by agents."

SCHEDULE H - ACCIDENT AND HEALTH EXHIBIT (Continued)

	1	2	3	4	Other Individual Contracts				
					5	6	7	8	9
	Total	Group Accident and Health	Credit Accident and Health (Group and Individual)	Collectively Renewable	Non-Cancelable	Guaranteed Renewable	Non-Renewable for Stated Reasons Only	Other Accident Only	All Other
PART 2 - RESERVES AND LIABILITIES									
A. Premium Reserves:									
1. Unearned premiums									
2. Advance premiums	1,637,115	1,266,973				370,142			
3. Reserve for rate credits									
4. TOTAL premium reserves, current year	1,637,115	1,266,973				370,142			
5. TOTAL premium reserves, prior year	1,524,296	1,129,401				394,895			
6. Increase in total premium reserves	112,818	137,572				(24,754)			
B. Contract Reserves:									
1. Additional reserves (a)									
2. Reserve for future contingent benefits									
3. TOTAL contract reserves, current year									
4. TOTAL contract reserves, prior year									
5. Increase in contract reserves									
C. Claim Reserves and Liabilities:									
1. TOTAL current year	25,331,808	24,734,888				596,921			
2. TOTAL prior year	30,037,470	28,301,360				1,736,110			
3. Increase	(4,705,662)	(3,566,473)				(1,139,189)			
PART 3 - TEST OF PRIOR YEAR'S CLAIM RESERVES AND LIABILITIES									
1. Claim Paid During the Year:									
1.1 On claims incurred prior to current year	15,671,728	14,351,457				1,320,271			
1.2 On claims incurred during current year	211,825,905	201,969,910				9,855,995			
2. Claim Reserves and Liabilities, December 31, Current Year:									
2.1 On claims incurred prior to current year	8,925,832	8,923,523				2,310			
2.2 On claims incurred during current year	16,405,976	15,811,365				594,611			
3. Test:									
3.1 Lines 1.1 and 2.1	24,597,561	23,274,980				1,322,581			
3.2 Claim reserves and liabilities, December 31, prior year	30,037,470	28,301,360				1,736,110			
3.3 Line 3.1 minus Line 3.2	(5,439,909)	(5,026,380)				(413,529)			
PART 4 - REINSURANCE									
A. Reinsurance Assumed:									
1. Premiums written									
2. Premiums earned									
3. Incurred claims									
4. Commissions									
B. Reinsurance Ceded:									
1. Premiums written									
2. Premiums earned									
3. Incurred claims									
4. Commissions									

(a) Includes \$.....0 premium deficiency reserve.

SCHEDULE H - PART 5 - HEALTH CLAIMS

	1 Medical	2 Dental	3 Other	4 Total
A. Direct:				
1. Incurred Claims	222,791,971			222,791,971
2. Beginning Claim Reserves and Liabilities	30,037,470			30,037,470
3. Ending Claim Reserves and Liabilities	25,331,808			25,331,808
4. Claims Paid	227,497,633			227,497,633
B. Assumed Reinsurance:				
5. Incurred Claims				
6. Beginning Claim Reserves and Liabilities				
7. Ending Claim Reserves and Liabilities				
8. Claims Paid				
C. Ceded Reinsurance:				
9. Incurred Claims				
10. Beginning Claim Reserves and Liabilities				
11. Ending Claim Reserves and Liabilities				
12. Claims Paid				
D. Net:				
13. Incurred Claims	222,791,971			222,791,971
14. Beginning Claim Reserves and Liabilities	30,037,470			30,037,470
15. Ending Claim Reserves and Liabilities	25,331,808			25,331,808
16. Claims Paid	227,497,633			227,497,633
E. Net Incurred Claims and Cost Containment Expenses:				
17. Incurred Claims and Cost Containment Expenses	222,791,971			222,791,971
18. Beginning Reserves and Liabilities	30,037,470			30,037,470
19. Ending Reserves and Liabilities	25,331,808			25,331,808
20. Paid Claims and Cost Containment Expenses	227,497,633			227,497,633

40 Schedule S - Part 1 - Section 1 NONE

41 Schedule S - Part 1 - Section 2 NONE

42 Schedule S - Part 2 NONE

SCHEDULE S - PART 3 - SECTION 1

Reinsurance Ceded Life Insurance, Annuities, Deposit Funds and Other Liabilities Without Life or Disability Contingencies, and Related Benefits Listed by Reinsuring Company as of December 31, Current Year

1 NAIC Company Code	2 ID Number	3 Effective Date	4 Name of Company	5 Domiciliary Jurisdiction	6 Type of Reinsurance Ceded	7 Type of Business Ceded	8 Amount in Force at End of Year	Reserve Credit Taken		11 Premiums	Outstanding Surplus Relief		14 Modified Coinsurance Reserve	15 Funds Withheld Under Coinsurance
								9 Current Year	10 Prior Year		12 Current Year	13 Prior Year		
General Account - Authorized - Non-Affiliates - U.S. Non-Affiliates														
60041	66-0502334	01/01/2018	UNIVERSAL LIFE INS CO	PR	OTH/G	OL				753,079				
0899999 Subtotal - General Account - Authorized - Non-Affiliates - U.S. Non-Affiliates										753,079				
1099999 Total - General Account - Authorized - Non-Affiliates										753,079				
1199999 Total - General Account - Authorized										753,079				
1499999 Subtotal - General Account - Unauthorized - Affiliates - U.S. - Total														
1899999 Total - General Account - Unauthorized - Affiliates														
2299999 Total - General Account - Unauthorized														
2599999 Subtotal - General Account - Certified - Affiliates - U.S. - Total														
2999999 Total - General Account - Certified - Affiliates														
3399999 Total - General Account - Certified														
3499999 Total - General Account - Authorized, Unauthorized and Certified														
3799999 Subtotal - Separate Accounts - Authorized - Affiliates - U.S. - Total														
4199999 Total - Separate Accounts - Authorized Affiliates														
4599999 Total - Separate Accounts - Authorized														
4899999 Subtotal - Separate Accounts - Unauthorized - Affiliates - U.S. - Total														
5299999 Total - Separate Accounts - Unauthorized - Affiliates														
5699999 Total - Separate Accounts - Unauthorized														
5999999 Subtotal - Separate Accounts - Certified - Affiliates - U.S. - Total														
6399999 Total - Separate Accounts - Certified - Affiliates														
6799999 Total - Separate Accounts - Certified														
6899999 Total - Separate Accounts - Authorized, Unauthorized and Certified														
6999999 Total U.S. (Sum of 0399999, 0899999, 1499999, 1999999, 2599999, 3099999, 3799999, 4299999, 4899999, 5399999, 5999999 and 6499999)										753,079				
9999999 Total (Sum of 3499999 and 6899999)										753,079				

SCHEDULE S - PART 3 - SECTION 2

Reinsurance Ceded Accident and Health Insurance Listed by Reinsuring Company as of December 31, Current Year

1 NAIC Company Code	2 ID Number	3 Effective Date	4 Name of Company	5 Domiciliary Jurisdiction	6 Type of Reinsurance Ceded	7 Type of Business Ceded	8 Premiums	9 Unearned Premiums (Estimated)	10 Reserve Credit Taken Other than for Unearned Premiums	Outstanding Surplus Relief		13 Modified Coinsurance Reserve	14 Funds Withheld Under Coinsurance
										11 Current Year	12 Prior Year		
General Account - Authorized - Non-Affiliates - U.S. Non-Affiliates													
00000	AA-1560600	01/01/2018	MUNICH REINS CO OF CANADA	CAN	OTH/G	OH	1,283,581						
0899999 Subtotal - General Account - Authorized - Non-Affiliates - U.S. Non-Affiliates							1,283,581						
1099999 Total - General Account - Authorized - Non-Affiliates							1,283,581						
1199999 Total - General Account Authorized							1,283,581						
1499999 Subtotal - General Account - Unauthorized - Affiliates - U.S. - Total													
1899999 Total - General Account - Unauthorized - Affiliates													
2299999 Total - General Account - Unauthorized													
2599999 Subtotal - General Account - Certified - Affiliates - U.S. - Total													
2999999 Total - General Account - Certified - Affiliates													
3399999 Total - General Account - Certified													
3499999 Total - General Account - Authorized, Unauthorized and Certified							1,283,581						
3799999 Subtotal - Separate Accounts - Authorized - Affiliates - U.S. - Total													
4199999 Total - Separate Accounts - Authorized - Affiliates													
4599999 Total - Separate Accounts - Authorized													
4899999 Subtotal - Separate Accounts - Unauthorized - Affiliates - U.S. - Total													
5299999 Total - Separate Accounts - Unauthorized - Affiliates													
5699999 Total - Separate Accounts - Unauthorized													
5999999 Subtotal - Separate Accounts - Certified - Affiliates - U.S. - Total													
6399999 Total - Separate Accounts - Certified - Affiliates													
6799999 Total - Separate Accounts - Certified													
6899999 Total - Separate Accounts - Authorized, Unauthorized and Certified													
6999999 Total U.S. (Sum of 0399999, 0899999, 1499999, 1999999, 2599999, 3099999, 3799999, 4299999, 4899999, 5399999, 5999999 and 6499999)							1,283,581						
9999999 Total (Sum of 3499999 and 6899999)							1,283,581						

45 Schedule S - Part 4 NONE

46 Schedule S - Part 5 NONE

SCHEDULE S - PART 6
Five-Year Exhibit of Reinsurance Ceded Business
(\$000 Omitted)

	1 2019	2 2018	3 2017	4 2016	5 2015
A. OPERATIONS ITEMS:					
1. Premiums and annuity considerations for life and accident and health contracts	2,037	1,986	1,401	1,426	1,327
2. Commissions and reinsurance expense allowances					
3. Contract claims					
4. Surrender benefits and withdrawals for life contracts					
5. Dividends to policyholders and refunds to members					
6. Reserve adjustments on reinsurance ceded					
7. Increase in aggregate reserves for life and accident and health contracts					
B. BALANCE SHEET ITEMS					
8. Premiums and annuity considerations for life and accident and health contracts deferred and uncollected					
9. Aggregate reserves for life and accident and health contracts					
10. Liability for deposit-type contracts					
11. Contract claims unpaid					
12. Amounts recoverable on reinsurance					
13. Experience rating refunds due or unpaid					
14. Policyholders' dividends and refunds to members (not included in Line 10)					
15. Commissions and reinsurance expense allowances due					
16. Unauthorized reinsurance offset					
17. Offset for reinsurance with Certified Reinsurers					
C. UNAUTHORIZED REINSURANCE					
(Deposits By and Funds Withheld From)					
18. Funds deposited by and withheld from (F)					
19. Letters of credit (L)					
20. Trust agreements (T)					
21. Other (O)					
D. REINSURANCE WITH CERTIFIED REINSURERS					
(Deposits By and Funds Withheld From)					
22. Multiple Beneficiary Trust					
23. Funds deposited by and withheld from (F)					
24. Letters of credit (L)					
25. Trust agreements (T)					
26. Other (O)					

SCHEDULE S - PART 7**Restatement of Balance Sheet to Identify Net Credit for Ceded Reinsurance**

	1 As Reported (net of ceded)	2 Restatement Adjustments	3 Restated (gross of ceded)
ASSETS (Page 2, Column 3)			
1. Cash and invested assets (Line 12)	81,735,452		81,735,452
2. Reinsurance (Line 16)			
3. Premiums and considerations (Line 15)	11,579,442		11,579,442
4. Net credit for ceded reinsurance	X X X		
5. All other admitted assets (balance)	15,079,774		15,079,774
6. TOTAL Assets excluding Separate Accounts (Line 26)	108,394,668		108,394,668
7. Separate Account assets (Line 27)			
8. TOTAL Assets (Line 28)	108,394,668		108,394,668
LIABILITIES, CAPITAL AND SURPLUS (Page 3)			
9. Contract reserves (Lines 1 and 2)			
10. Liability for deposit-type contracts (Line 3)			
11. Claim reserves (Line 4)	25,581,808		25,581,808
12. Policyholder dividends/member refunds/reserves (Lines 5 through 7)			
13. Premium & annuity considerations received in advance (Line 8)	1,637,115		1,637,115
14. Other contract liabilities (Line 9)	300,639		300,639
15. Reinsurance in unauthorized companies (Line 24.02 minus inset amount)			
16. Funds held under reinsurance treaties with unauthorized reinsurers (Line 24.03 minus inset amount)			
17. Reinsurance with Certified Reinsurers (Line 24.02 inset amount)			
18. Funds held under reinsurance treaties with Certified Reinsurers (Line 24.03 inset amount)			
19. All other liabilities (balance)	29,818,235		29,818,235
20. TOTAL Liabilities excluding Separate Accounts (Line 26)	57,337,798		57,337,798
21. Separate Account liabilities (Line 27)			
22. TOTAL Liabilities (Line 28)	57,337,798		57,337,798
23. Capital & surplus (Line 38)	51,056,870	X X X	51,056,870
24. TOTAL Liabilities, capital and surplus (Line 39)	108,394,668		108,394,668
NET CREDIT FOR CEDED REINSURANCE			
25. Contract reserves			
26. Claim reserves			
27. Policyholder dividends/reserves			
28. Premium & annuity considerations received in advance			
29. Liability for deposit-type contracts			
30. Other contract liabilities			
31. Reinsurance ceded assets			
32. Other ceded reinsurance recoverables			
33. TOTAL Ceded reinsurance recoverables			
34. Premiums and considerations			
35. Reinsurance in unauthorized companies			
36. Funds held under reinsurance treaties with unauthorized reinsurers			
37. Reinsurance with Certified Reinsurers			
38. Funds held under reinsurance treaties with certified reinsurers			
39. Other ceded reinsurance payables/offsets			
40. TOTAL Ceded reinsurance payable/offsets			
41. TOTAL Net credit for ceded reinsurance			

SCHEDULE T - PREMIUMS AND ANNUITY CONSIDERATIONS ALLOCATED BY STATES AND TERRITORIES

	States, Etc.	1 Active Status (a)	Direct Business Only					
			Life Contracts		4 Accident and Health Insurance Premiums, Including Policy, Membership and Other Fees	5 Other Considerations	6 Total Columns 2 through 5	7 Deposit-Type Contracts
			2 Life Insurance Premiums	3 Annuity Considerations				
1.	Alabama (AL)	N						
2.	Alaska (AK)	N						
3.	Arizona (AZ)	N						
4.	Arkansas (AR)	N						
5.	California (CA)	N						
6.	Colorado (CO)	N						
7.	Connecticut (CT)	N						
8.	Delaware (DE)	N						
9.	District of Columbia (DC)	N						
10.	Florida (FL)	N						
11.	Georgia (GA)	N						
12.	Hawaii (HI)	N						
13.	Idaho (ID)	N						
14.	Illinois (IL)	N						
15.	Indiana (IN)	N						
16.	Iowa (IA)	N						
17.	Kansas (KS)	N						
18.	Kentucky (KY)	N						
19.	Louisiana (LA)	N						
20.	Maine (ME)	N						
21.	Maryland (MD)	N						
22.	Massachusetts (MA)	N						
23.	Michigan (MI)	N						
24.	Minnesota (MN)	N						
25.	Mississippi (MS)	N						
26.	Missouri (MO)	N						
27.	Montana (MT)	N						
28.	Nebraska (NE)	N						
29.	Nevada (NV)	N						
30.	New Hampshire (NH)	N						
31.	New Jersey (NJ)	N						
32.	New Mexico (NM)	N						
33.	New York (NY)	N						
34.	North Carolina (NC)	N						
35.	North Dakota (ND)	N						
36.	Ohio (OH)	N						
37.	Oklahoma (OK)	N						
38.	Oregon (OR)	N						
39.	Pennsylvania (PA)	N						
40.	Rhode Island (RI)	N						
41.	South Carolina (SC)	N						
42.	South Dakota (SD)	N						
43.	Tennessee (TN)	N						
44.	Texas (TX)	N						
45.	Utah (UT)	N						
46.	Vermont (VT)	N						
47.	Virginia (VA)	N						
48.	Washington (WA)	N						
49.	West Virginia (WV)	N						
50.	Wisconsin (WI)	N						
51.	Wyoming (WY)	N						
52.	American Samoa (AS)	N						
53.	Guam (GU)	N						
54.	Puerto Rico (PR)	L	1,878,806		277,151,413	279,030,219		
55.	U.S. Virgin Islands (VI)	N						
56.	Northern Mariana Islands (MP)	N						
57.	Canada (CAN)	N						
58.	Aggregate Other Alien (OT)	X X X						
59.	Subtotal	X X X	1,878,806		277,151,413	279,030,219		
90.	Reporting entity contributions for employee benefits plans	X X X						
91.	Dividends or refunds applied to purchase paid-up additions and annuities	X X X						
92.	Dividends or refunds applied to shorten endowment or premium paying period	X X X						
93.	Premium or annuity considerations waived under disability or other contract provisions	X X X						
94.	Aggregate other amounts not allocable by State	X X X						
95.	TOTALS (Direct Business)	X X X	1,878,806		277,151,413	279,030,219		
96.	Plus Reinsurance Assumed	X X X						
97.	TOTALS (All Business)	X X X	1,878,806		277,151,413	279,030,219		
98.	Less Reinsurance Ceded	X X X	753,079		1,283,581	2,036,661		
99.	TOTALS (All Business) less Reinsurance Ceded	X X X	1,125,727		(c) 275,867,832	276,993,559		

DETAILS OF WRITE-INS

58001		X X X					
58002		X X X					
58003		X X X					
58998	Summary of remaining write-ins for Line 58 from overflow page	X X X					
58999	TOTALS (Lines 58001 through 58003 plus 58998) (Line 58 above)	X X X					
9401		X X X					
9402		X X X					
9403		X X X					
9498	Summary of remaining write-ins for Line 94 from overflow page	X X X					
9499	TOTALS (Lines 9401 through 9403 plus 9498) (Line 94 above)	X X X					

(a) Active Status Counts:

- L - Licensed or Chartered - Licensed insurance carrier or domiciled RRG
- E - Eligible - Reporting entities eligible or approved to write surplus lines in the state
- N - None of the above - Not allowed to write business in the state

1

R - Registered - Non-domiciled RRGs

Q - Qualified - Qualified or accredited reinsurer

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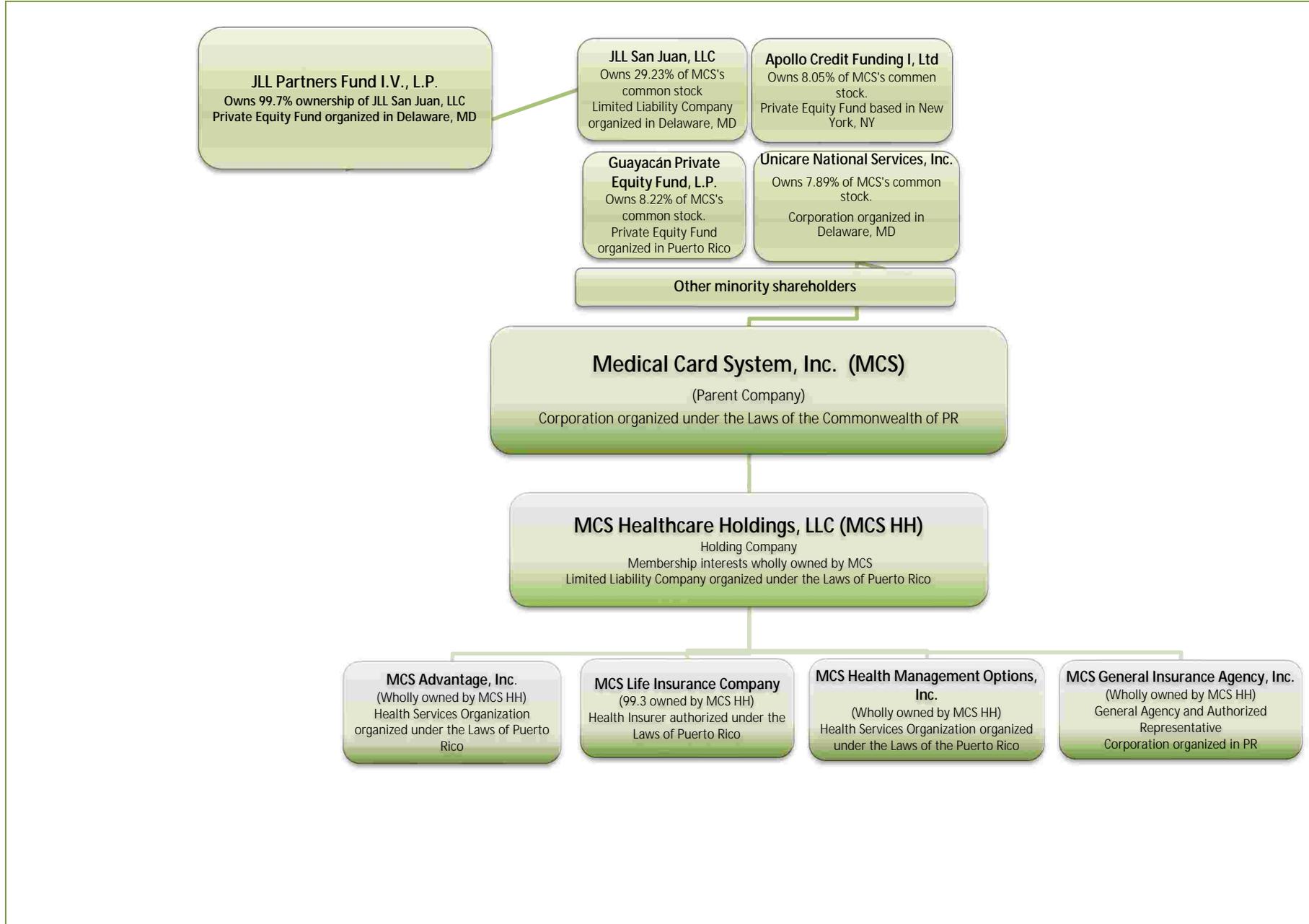
(b) Explanation of basis of allocation by states, etc., of premiums and annuity considerations:

(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. Exhibit 1, Lines 6.4, 10.4 and 16.4, Cols. 8, 9 and 10

SCHEDULE T - PART 2
INTERSTATE COMPACT - EXHIBIT OF PREMIUMS WRITTEN
ALLOCATED BY STATES AND TERRITORIES

Direct Business only						
States, Etc.	1 Life (Group and Individual)	2 Annuities (Group and Individual)	3 Disability Income (Group and Individual)	4 Long-Term Care (Group and Individual)	5 Deposit-Type Contracts	6 Totals
1. Alabama (AL)						
2. Alaska (AK)						
3. Arizona (AZ)						
4. Arkansas (AR)						
5. California (CA)						
6. Colorado (CO)						
7. Connecticut (CT)						
8. Delaware (DE)						
9. District of Columbia (DC)						
10. Florida (FL)						
11. Georgia (GA)						
12. Hawaii (HI)						
13. Idaho (ID)						
14. Illinois (IL)						
15. Indiana (IN)						
16. Iowa (IA)						
17. Kansas (KS)						
18. Kentucky (KY)						
19. Louisiana (LA)						
20. Maine (ME)						
21. Maryland (MD)						
22. Massachusetts (MA)						
23. Michigan (MI)						
24. Minnesota (MN)						
25. Mississippi (MS)						
26. Missouri (MO)						
27. Montana (MT)						
28. Nebraska (NE)						
29. Nevada (NV)						
30. New Hampshire (NH)						
31. New Jersey (NJ)						
32. New Mexico (NM)						
33. New York (NY)						
34. North Carolina (NC)						
35. North Dakota (ND)						
36. Ohio (OH)						
37. Oklahoma (OK)						
38. Oregon (OR)						
39. Pennsylvania (PA)						
40. Rhode Island (RI)						
41. South Carolina (SC)						
42. South Dakota (SD)						
43. Tennessee (TN)						
44. Texas (TX)						
45. Utah (UT)						
46. Vermont (VT)						
47. Virginia (VA)						
48. Washington (WA)						
49. West Virginia (WV)						
50. Wisconsin (WI)						
51. Wyoming (WY)						
52. American Samoa (AS)						
53. Guam (GU)						
54. Puerto Rico (PR)	1,878,806					1,878,806
55. U.S. Virgin Islands (VI)						
56. Northern Mariana Islands (MP)						
57. Canada (CAN)						
58. Aggregate other alien (OT)						
59. TOTALS	1,878,806					1,878,806

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER
MEMBERS OF A HOLDING COMPANY GROUP
PART 1 - ORGANIZATIONAL CHART



SCHEDULE Y

PART 1A - DETAIL OF INSURANCE HOLDING COMPANY SYSTEM

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
Group Code	Group Name	NAIC Company Code	ID Number	FEDERAL RSSD	CIK	Name of Securities Exchange if Publicly Traded (U.S. or International)	Names of Parent, Subsidiaries or Affiliates	Domiciliary Location	Relationship to Reporting Entity	Directly Controlled by (Name of Entity / Person)	Type of Control (Ownership, Board, Management, Attorney-in-Fact, Influence, Other)	If Control is Ownership Provide Percentage	Ultimate Controlling Entity(ies) / Person(s)	Is an SCA Filing Required? (Y/N)	*
1301	Medical Card System Inc	60030	66-0520918	.....	.....	.....	MCS Life Insurance .....	.. PR ..	.. IA ...	MCS Healthcare Holding, LLC	Ownership, Board of Directors .....	..... 99.3	JLL Partners Fund IV, LLC ..	.... N ....	.....
1301	Medical Card System Inc	13022	660642758	.....	.....	.....	MCS Advantage Inc .....	.. PR ..	.. IA ...	MCS Healthcare Holding, LLC	Ownership, Board of Directors .....	..... 100.0	JLL Partners Fund IV, LLC ..	.... N ....	.....
1301	Medical Card System Inc	95779	660411947	.....	.....	.....	MCS Health Management Options, Inc ..	.. PR ..	.. IA ...	MCS Healthcare Holding, LLC	Ownership, Board of Directors .....	..... 100.0	JLL Partners Fund IV, LLC ..	.... N ....	.....
0000	Medical Card System Inc	00000	66-0845895	.....	.....	.....	MCS General Insurance Agency, Inc .....	.. PR ..	.. IA ...	MCS Healthcare Holding, LLC	Ownership, Board of Directors .....	..... 100.0	JLL Partners Fund IV, LLC ..	.... N ....	.....
0000	Medical Card System Inc	00000	66-0850198	.....	.....	.....	MCS Healthcare Holding, LLC .....	.. PR ..	.. UDP .	Medical Card System Inc	Ownership, Board of Directors .....	..... 100.0	JLL Partners Fund IV, LLC ..	.... N ....	.....

Asterisk	Explanation
0000001

SCHEDULE Y

PART 2 - SUMMARY OF INSURER'S TRANSACTIONS WITH ANY AFFILIATES

1	2	3	4	5	6	7	8	9	10	11	12	13
NAIC Company Code	ID Number	Names of Insurers and Parent, Subsidiaries or Affiliates	Shareholder Dividends	Capital Contributions	Purchases, Sales or Exchanges of Loans, Securities, Real Estate, Mortgage Loans or Other Investments	Income/(Disburse- ments) Incurred in Connection with Guarantees or Undertakings for the Benefit of any Affiliate(s)	Management Agreements and Service Contracts	Income/ (Disbursements) Incurred Under Reinsurance Agreements	*	Any Other Material Activity not in the Ordinary Course of the Insurer's Business	Totals	Reinsurance Recoverable/ (Payable) on Losses and/or Reserve Credit Taken/ (Liability)
.. 60030 ..	.. 66-0520918 ..	MCS LIFE INS CO .....	.. (10,000,000)	.....	.....	.....	.. 21,000,000	.....	.....	.....	.. 11,000,000	.....
.. 00000 ..	.. 66-0850198 ..	MCS Healthcare Holding LLC .....	.. 10,000,000	.....	.....	.....	.. (21,000,000)	.....	.....	.....	.. (11,000,000)	.....
9999999 Control Totals .....			.....	.....	.....	.....	.....	.....	X X X	.....	.....	.....

Schedule Y Part 2 Explanation:

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

Response

The following supplemental reports are required to be filed as part of your statement filing unless specifically waived by the domiciliary state. However, in the event that your domiciliary state waives the filing requirement, your response of WAIVED to the specific interrogatory will be accepted in lieu of filing a "NONE" report and a bar code will be printed below. If the supplement is required of your company but is not being filed for whatever reason, enter SEE EXPLANATION and provide an explanation following the interrogatory questions.

MARCH FILING

- | | |
|--|-----|
| 1. Will the Supplemental Compensation Exhibit be filed with the state of domicile by March 1? | Yes |
| 2. Will the confidential Risk-based Capital Report be filed with the NAIC by March 1? | Yes |
| 3. Will the confidential Risk-based Capital Report be filed with the state of domicile, if required, by March 1? | Yes |
| 4. Will an Actuarial opinion be filed by March 1? | Yes |

APRIL FILING

- | | |
|--|-----|
| 5. Will Management's Discussion and Analysis be filed by April 1? | Yes |
| 6. Will the Life, Health & Annuity Guaranty Association Model Act Assessment Base Reconciliation Exhibit be filed with the state of domicile and the NAIC by April 1? (Not applicable to fraternal benefit societies) | Yes |
| 7. Will the Adjustments to the Life, Health & Annuity Guaranty Association Model Act Assessment Base Reconciliation Exhibit (if required) be filed with the state of domicile and the NAIC by April 1? (Not applicable to fraternal benefit societies) | Yes |
| 8. Will the Supplemental Investment Risks Interrogatories be filed by April 1? | Yes |

JUNE FILING

- | | |
|---|-----|
| 9. Will an audited financial report be filed by June 1? | Yes |
| 10. Will Accountants Letter of Qualifications be filed with the state of domicile and electronically with the NAIC by June 1? | Yes |

AUGUST FILING

- | | |
|---|-----|
| 11. Will the regulator-only (non-public) Communication of Internal Control Related Matters Noted in Audit be filed with the state of domicile and electronically with the NAIC (as a regulator-only non-public document) by August 1? | Yes |
|---|-----|

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

MARCH FILING

- | | |
|---|-----|
| 12. Will Schedule SIS (Stockholder Information Supplement) be filed with the state of domicile by March 1? (Not applicable to fraternal benefit societies) | Yes |
| 13. Will the Medicare Supplement Insurance Experience Exhibit be filed with the state of domicile and the NAIC by March 1? | No |
| 14. Will the Trusteed Surplus Statement be filed with the state of domicile and the NAIC by March 1? | No |
| 15. Will the actuarial opinion on participating and non-participating policies as required in Interrogatories 1 and 2 to Exhibit 5 be filed with the state of domicile and electronically with the NAIC by March 1? | No |
| 16. Will the actuarial opinion on non-guaranteed elements as required in Interrogatory #3 to Exhibit 5 be filed with the state of domicile and electronically with the NAIC by March 1? | No |
| 17. Will the actuarial opinion on X-Factors be filed with the state of domicile and electronically with the NAIC by March 1? | No |
| 18. Will the actuarial opinion on Separate Accounts Funding Guaranteed Minimum Benefit be filed with the state of domicile and electronically with the NAIC by March 1? | No |
| 19. Will the actuarial opinion on Synthetic Guaranteed Investment Contracts be filed with the state of domicile and electronically with the NAIC by March 1? | No |
| 20. Will the Reasonableness of Assumptions Certification required by Actuarial Guideline XXXV be filed with the state of domicile and electronically with the NAIC by March 1? | No |
| 21. Will the Reasonableness and Consistency of Assumptions Certification required by Actuarial Guideline XXXV be filed with the state of domicile and electronically with the NAIC by March 1? | No |
| 22. Will the Reasonableness and Consistency of Assumptions Certification for Implied Guaranteed Rate Method required by Actuarial Guideline XXXVI be filed with the state of domicile and electronically with the NAIC by March 1? | No |
| 23. Will the Reasonableness and Consistency of Assumptions Certification required by Actuarial Guideline XXXVI (Updated Average Market Value) be filed with the state of domicile and electronically with the NAIC by March 1? | No |
| 24. Will the Reasonableness and Consistency of Assumptions Certification required by Actuarial Guideline XXXVI (Updated Market Value) be filed with the state of domicile and electronically with the NAIC by March 1? | No |
| 25. Will the C-3 RBC Certifications required under C-3 Phase I be filed with the state of domicile and electronically with the NAIC by March 1? | No |
| 26. Will the C-3 RBC Certifications required under C-3 Phase II be filed with the state of domicile and electronically with the NAIC by March 1? | No |
| 27. Will the Actuarial Certifications Related to Annuity Nonforfeiture Ongoing Compliance for Equity Indexed Annuities be filed with the state of domicile and electronically with the NAIC by March 1? | No |
| 28. Will the actuarial opinion required by the Modified Guaranteed Annuity Model Regulation be filed with the state of domicile and electronically with the NAIC by March 1? | No |
| 29. Will the Actuarial Certification Related to Hedging required by Actuarial Guideline XLIII be filed with the state of domicile and electronically with the NAIC by March 1? | No |
| 30. Will the Financial Officer Certification Related to Clearly Defined Hedging Strategy required by Actuarial Guideline XLIII be filed with the state of domicile and electronically with the NAIC by March 1? | No |
| 31. Will the Management Certification That the Valuation Reflects Management's Intent required by Actuarial Guideline XLIII be filed with the state of domicile and electronically with the NAIC by March 1? | No |
| 32. Will the Actuarial Certification Related to the Reserves required by Actuarial Guideline XLIII be filed with the state of domicile and electronically with the NAIC by March 1? | No |
| 33. Will the Actuarial Certification regarding the use of 2001 Preferred Class Tables required by the Model Regulation Permitting the Recognition of Preferred Mortality Tables for Use in Determining Minimum Reserve Liabilities be filed with the state of domicile and electronically with the NAIC by March 1? | No |
| 34. Will the Workers' Compensation Carve-Out Supplement be filed by March 1? (Not applicable to fraternal benefit societies) | No |
| 35. Will Supplemental Schedule O be filed with the state of domicile and the NAIC by March 1? | Yes |
| 36. Will the Medicare Part D Coverage Supplement be filed with the state of domicile and the NAIC by March 1? | No |
| 37. Will an approval from the reporting entity's state of domicile for relief related to the five-year rotation requirement for lead audit partner be filed electronically with the NAIC by March 1? | No |
| 38. Will an approval from the reporting entity's state of domicile for relief related to the one-year cooling off period for independent CPA be filed electronically with the NAIC by March 1? | No |
| 39. Will an approval from the reporting entity's state of domicile for relief related to the Requirements for Audit Committees be filed electronically with the NAIC by March 1? | No |
| 40. Will the VM-20 Reserves Supplement be filed with the state of domicile and the NAIC by March 1? | No |

APRIL FILING

- | | |
|---|-----|
| 41. Will the confidential Regulatory Asset Adequacy Issues Summary (RAAIS) required by the Valuation Manual, be filed with the state of domicile by April 1? | No |
| 42. Will the Long-Term Care Experience Reporting Forms be filed with the state of domicile and the NAIC by April 1? | No |
| 43. Will the Credit Insurance Experience Exhibit be filed with the state of domicile and the NAIC by April 1? (Not applicable to fraternal benefit societies) | No |
| 44. Will the Accident and Health Policy Experience Exhibit be filed by April 1? | Yes |
| 45. Will the Supplemental Health Care Exhibit (Parts 1, 2 and 3) be filed with the state of domicile and the NAIC by April 1? | Yes |

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES (continued)

- | | |
|--|-----|
| 46. Will the regulator only (non-public) Supplemental Health Care Exhibit's Expense Allocation Report be filed with the state of domicile and the NAIC by April 1? | Yes |
| 47. Will the confidential Actuarial Memorandum required by Actuarial Guideline XXXVIII 8D be filed with the state of domicile by April 30? | No |
| 48. Will the Supplemental Term and Universal Life Insurance Reinsurance Exhibit be filed with the state of domicile and the NAIC by April 1? | No |
| 49. Will the Variable Annuities Supplement be filed with the state of domicile and the NAIC by April 1? | No |

AUGUST FILING

- | | |
|--|----|
| 50. Will Management's Report of Internal Control Over Financial Reporting be filed with the state of domicile by August 1? | No |
|--|----|

Explanations:

Bar Codes:

Medicare Supplement Insurance Experience Exhibit



Trusteed Surplus Statement



Actuarial Opinion on Participating and Non-Participating Policies



Statement of Non-Guaranteed Elements for Exhibit 5



Actuarial Opinion on X-Factors



Separate Accounts Funding Guaranteed Minimum Benefits Actuarial Opinion



Synthetic Guaranteed Investment Contracts Actuarial Opinion



Reasonableness 1 - Assumptions



Reasonableness 2 - Consistency



Reasonableness 3 - Implied Guarantee



Reasonableness 4 - Ave. Market Value



Reasonableness 5 - Market Value



C-3 RBC Certifications required under C-3 Phase I



C-3 RBC Certifications required under C-3 Phase II



Actuarial Cert. related to Annuity Nonforfeiture Ongoing Compliance



Actuarial Opinion required by the Modified Guaranteed Annuity Model Reg



Act Cert Rel to Hedging req by Actuarial Guideline XLIII



Fin Off Cert Rel to Clearly Def Hedging Strat req by Act Guid XLIII



Mgt Cert That the Val Reflects Mgt's Intent req by Act Guid XLIII



Act Cert Related to the Reserves required by Actuarial Guideline XLIII



Actuarial Certification regarding the use of 2001 Preferred Class Tables



Worker's Compensation Carve-out Supplement



Medicare Part D Coverage Supplement



Approval for Relief related to five-year rotation for lead Audit Partner



Approval for Relief related to one-year cooling off period for inde. CPA



Approval for Relief related to Require. for Audit Committees



SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES (continued)

VM20 Reserves Supplement



60030201945600005 2019 Document Code: 456

Regulatory Asset Adequacy Issues Summary (RAAIS)



60030201943400005 2019 Document Code: 434

LTC Supplemental Interrogatories



60030201930600005 2019 Document Code: 306

Credit Insurance Exhibit



60030201923000005 2019 Document Code: 230

Actuarial Memo. req. by Actuarial Guideline XXXVIII 8D



60030201943500005 2019 Document Code: 435

Suppl. Term and Universal Reinsurance Exhibit



60030201934500005 2019 Document Code: 345

Variable Annuities Supplement



60030201928600005 2019 Document Code: 286

Management's Report of Internal Control over Financial Reporting



60030201922300005 2019 Document Code: 223

OVERFLOW PAGE FOR WRITE-INS

SUMMARY OF OPERATIONS

	1 Current Year	2 Prior Year
08.397. Summary of remaining write-ins for Line 8.3 (Lines 08.304 through 08.396)
2704.
2797. Summary of remaining write-ins for Line 27 (Lines 2704 through 2796)
5397. Summary of remaining write-ins for Line 53 (Lines 5304 through 5396)

SUMMARY INVESTMENT SCHEDULE

Investment Categories	Gross Investment Holdings		Admitted Assets as Reported in the Annual Statement			
	1 Amount	2 Percentage of Column 1 Line 13	3 Amount	4 Securities Lending Reinvested Collateral Amount	5 Total (Col. 3 + 4) Amount	6 Percentage of Column 5 Line 13
1. Long-Term Bonds (Schedule D Part 1):						
1.01 U.S. governments	26,151,230	31.995	26,151,229		26,151,229	31.995
1.02 All other governments						
1.03 U.S. states, territories and possessions, etc. guaranteed						
1.04 U.S. political subdivisions of states, territories and possessions, guaranteed						
1.05 U.S. special revenue and special assessment obligations, etc. non-guaranteed						
1.06 Industrial and miscellaneous	323,645	0.396	323,645		323,645	0.396
1.07 Hybrid securities						
1.08 Parent, subsidiaries and affiliates						
1.09 SVO identified funds						
1.10 Bank loans						
1.11 Total long-term bonds	26,474,875	32.391	26,474,875		26,474,875	32.391
2. Preferred stocks (Schedule D, Part 2, Section 1):						
2.01 Industrial and miscellaneous (Unaffiliated)	398,496	0.488	398,496		398,496	0.488
2.02 Parent, subsidiaries and affiliates						
2.03 Total preferred stocks	398,496	0.488	398,496		398,496	0.488
3. Common stocks (Schedule D, Part 2, Section 2):						
3.01 Industrial and miscellaneous Publicly traded (Unaffiliated)						
3.02 Industrial and miscellaneous Other (Unaffiliated)						
3.03 Parent, subsidiaries and affiliates Publicly traded						
3.04 Parent, subsidiaries and affiliates Other						
3.05 Mutual Funds						
3.06 Unit investment trusts						
3.07 Closed-end funds						
3.08 Total common stocks						
4. Mortgage loans (Schedule B):						
4.01 Farm mortgages						
4.02 Residential mortgages						
4.03 Commercial mortgages						
4.04 Mezzanine real estate loans						
4.05 Total mortgages loans						
5. Real estate (Schedule A):						
5.01 Properties occupied by company						
5.02 Properties held for production of income						
5.03 Properties held for sale						
5.04 Total real estate						
6. Cash, cash equivalents and short-term investments:						
6.01 Cash (Schedule E, Part 1)	39,668,006	48.532	39,668,006		39,668,006	48.532
6.02 Cash equivalents (Schedule E, Part 2)	11,088,601	13.566	11,088,601		11,088,601	13.566
6.03 Short-term investments (Schedule DA)	4,105,474	5.023	4,105,474		4,105,474	5.023
6.04 Total Cash, cash equivalents and short-term investments	54,862,082	67.122	54,862,081		54,862,081	67.122
7. Contract loans						
8. Derivatives (Schedule DB)						
9. Other invested assets (Schedule BA)						
10. Receivables for securities						
11. Securities Lending (Schedule DL, Part 1)				X X X	X X X	X X X
12. Other invested assets (Page 2, Line 11)						
13. Total invested assets	81,735,452	100.000	81,735,452		81,735,452	100.000

SCHEDULE A - VERIFICATION BETWEEN YEARS

Real Estate

1. Book/adjusted carrying value, December 31 of prior year		
2. Cost of acquired:		
2.1 Actual cost at time of acquisition (Part 2, Column 6)		
2.2 Additional investment made after acquisition (Part 2, Column 9)		
3. Current year change in encumbrances:		
3.1 TOTALS, Part 1, Column 13		
3.2 TOTALS, Part 3, Column 11		
4. TOTAL gain (loss) on disposals, Part 3, Column 18		
5. Deduct amounts received on disposals, Part 3, Column 15		
6. TOTAL foreign exchange change in book/adjusted	NONE	
6.1 TOTALS, Part 1, Column 15		
6.2 TOTALS, Part 3, Column 13		
7. Deduct current year's other-than-temporary impairment recognized:		
7.1 TOTALS, Part 1, Column 12		
7.2 TOTALS, Part 3, Column 10		
8. Deduct current year's depreciation:		
8.1 TOTALS, Part 1, Column 11		
8.2 TOTALS, Part 3, Column 9		
9. Book/adjusted carrying value at the end of current period (Lines 1 + 2 + 3 + 4 - 5 + 6 - 7 - 8)		
10. Deduct total nonadmitted amounts		
11. Statement value at end of current period (Lines 9 minus 10)		

SCHEDULE B - VERIFICATION BETWEEN YEARS

Mortgage Loans

1. Book value/recorded investment excluding accrued interest, December 31 of prior year		
2. Cost of acquired:		
2.1 Actual cost at time of acquisition (Part 2, Column 7)		
2.2 Additional investment made after acquisition (Part 2, Column 8)		
3. Capitalized deferred interest and other:		
3.1 TOTALS, Part 1, Column 12		
3.2 TOTALS, Part 3, Column 11		
4. Accrual of discount		
5. Unrealized valuation increase (decrease):		
5.1 TOTALS, Part 1, Column 9		
5.2 TOTALS, Part 3, Column 8		
6. TOTAL gain (loss) on disposals, Part 3, Column 18		
7. Deduct amounts received on disposals, Part 3, Column 15	NONE	
8. Deduct amortization of premium and mortgage interest		
9. TOTAL foreign exchange change in book value/recorded interest		
9.1 TOTALS, Part 1, Column 13		
9.2 TOTALS, Part 3, Column 13		
10. Deduct current year's other-than-temporary impairment recognized:		
10.1 TOTALS, Part 1, Column 11		
10.2 TOTALS, Part 3, Column 10		
11. Book value/recorded investment excluding accrued interest at end of current period (Lines 1 + 2 + 3 + 4 + 5 + 6 - 7 - 8 + 9 - 10)		
12. TOTAL valuation allowance		
13. Subtotal (Lines 11 plus 12)		
14. Deduct total nonadmitted amounts		
15. Statement value of mortgages owned at end of current period (Line 13 minus Line 14)		

SCHEDULE BA - VERIFICATION BETWEEN YEARS

Other Long-Term Invested Assets

1. Book/adjusted carrying value, December 31 of prior year		
2. Cost of acquired:		
2.1 Actual cost at time of acquisition (Part 2, Column 8)		
2.2 Additional investment made after acquisition (Part 2, Column 9)		
3. Capitalized deferred interest and other:		
3.1 TOTALS, Part 1, Column 16		
3.2 TOTALS, Part 3, Column 12		
4. Accrual of discount		
5. Unrealized valuation increase (decrease):		
5.1 TOTALS, Part 1, Column 13		
5.2 TOTALS, Part 3, Column 9		
6. TOTAL gain (loss) on disposals, Part 3, Column 19	NONE	
7. Deduct amounts received on disposals, Part 3, Column 18		
8. Deduct amortization of premium and depreciation		
9. TOTAL foreign exchange change in book/adjusted carrying value:		
9.1 TOTALS, Part 1, Column 17		
9.2 TOTALS, Part 3, Column 14		
10. Deduct current year's other-than-temporary impairment recognized:		
10.1 TOTALS, Part 1, Column 15		
10.2 TOTALS, Part 3, Column 11		
11. Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 + 6 - 7 - 8 + 9 - 10)		
12. Deduct total nonadmitted amounts		
13. Statement value at end of current period (Line 11 minus Line 12)		

SCHEDULE D - VERIFICATION BETWEEN YEARS

Bonds and Stocks

1. Book/adjusted carrying value, December 31 of prior year		43,837,128
2. Cost of bonds and stocks acquired, Part 3, Column 7		8,035,014
3. Accrual of Discount		5,113
4. Unrealized valuation increase (decrease):		
4.1 Part 1, Column 12		
4.2 Part 2, Section 1, Column 15	20,561	
4.3 Part 2, Section 2, Column 13		
4.4 Part 4, Column 11		20,561
5. TOTAL gain (loss) on disposals, Part 4, Column 19		36,443
6. Deduction consideration for bonds and stocks disposed of, Part 4, Column 7		25,053,785
7. Deduct amortization of premium		7,102
8. TOTAL foreign exchange change in book/adjusted carrying value:		
8.1 Part 1, Column 15		
8.2 Part 2, Section 1, Column 19		
8.3 Part 2, Section 2, Column 16		
8.4 Part 4, Column 15		
9. Deduct current year's other-than-temporary impairment recognized:		
9.1 Part 1, Column 14		
9.2 Part 2, Section 1, Column 17		
9.3 Part 2, Section 2, Column 14		
9.4 Part 4, Column 13		
10. Total investment income recognized as a result of prepayment penalties and/or acceleration fees, Notes 5Q, Line 5Q(2)		
11. Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 - 6 - 7 + 8 - 9 + 10)		26,873,371
12. Deduct total nonadmitted amounts		
13. Statement value at end of current period (Line 11 minus Line 12)		26,873,371

SCHEDULE D - SUMMARY BY COUNTRY

Long-Term Bonds and Stocks OWNED December 31 of Current Year

Description		1 Book/Adjusted Carrying Value	2 Fair Value	3 Actual Cost	4 Par Value of Bonds
BONDS					
Governments (Including all obligations guaranteed by governments)	1. United States	26,151,229	26,115,904	26,149,512	26,145,000
	2. Canada				
	3. Other Countries				
	4. TOTALS	26,151,229	26,115,904	26,149,512	26,145,000
U.S. States, Territories and Possessions (Direct and guaranteed)	5. TOTALS				
U.S. Political Subdivisions of States, Territories and Possessions (Direct and guaranteed)	6. TOTALS				
U.S. Special revenue and special assessment obligations and all non-guaranteed obligations of agencies and authorities of governments and their political subdivisions	7. TOTALS				
Industrial and Miscellaneous, SVO Identified Funds, Unaffiliated Bank Loans and Hybrid Securities (unaffiliated)	8. United States	323,645	419,535	322,284	323,000
	9. Canada				
	10. Other Countries				
	11. TOTALS	323,645	419,535	322,284	323,000
Parent, Subsidiaries and Affiliates	12. TOTALS				
	13. TOTAL Bonds	26,474,875	26,535,439	26,471,796	26,468,000
PREFERRED STOCKS					
Industrial and Miscellaneous (unaffiliated)	14. United States	398,496	398,496	251,464	
	15. Canada				
	16. Other Countries				
	17. TOTALS	398,496	398,496	251,464	
Parent, Subsidiaries and Affiliates	18. TOTALS				
	19. TOTAL Preferred Stocks	398,496	398,496	251,464	
COMMON STOCKS					
Industrial and Miscellaneous (unaffiliated)	20. United States				
	21. Canada				
	22. Other Countries				
	23. TOTALS				
Parent, Subsidiaries and Affiliates	24. TOTALS				
	25. TOTAL Common Stocks				
	26. TOTAL Stocks	398,496	398,496	251,464	
	27. TOTAL Bonds and Stocks	26,873,371	26,933,935	26,723,260	

SCHEDULE D - PART 1A - SECTION 1

Quality and Maturity Distribution of All Bonds Owned December 31, at Book/Adjusted Carrying Values by Major Types of Issues and NAIC Designations

NAIC Designation	1 1 Year or Less	2 Over 1 Year Through 5 Years	3 Over 5 Years Through 10 Years	4 Over 10 Years Through 20 Years	5 Over 20 Years	6 No Maturity Date	7 Total Current Year	8 Column 7 as a % of Line 11.7	9 Total From Column 7 Prior Year	10 % From Column 8 Prior Year	11 Total Publicly Traded	12 Total Privately Placed (a)
1. U.S. Governments												
1.1 NAIC 1	30,788,469	10,400,161	130,651	26,024		XXX	41,345,305	99.22	53,415,235	98.28	41,345,305	
1.2 NAIC 2						XXX						
1.3 NAIC 3						XXX						
1.4 NAIC 4						XXX						
1.5 NAIC 5						XXX						
1.6 NAIC 6						XXX						
1.7 TOTALS	30,788,469	10,400,161	130,651	26,024		XXX	41,345,305	99.22	53,415,235	98.28	41,345,305	
2. All Other Governments												
2.1 NAIC 1						XXX						
2.2 NAIC 2						XXX						
2.3 NAIC 3						XXX						
2.4 NAIC 4						XXX						
2.5 NAIC 5						XXX						
2.6 NAIC 6						XXX						
2.7 TOTALS						XXX						
3. U.S. States, Territories and Possessions, etc., Guaranteed												
3.1 NAIC 1						XXX						
3.2 NAIC 2						XXX						
3.3 NAIC 3						XXX						
3.4 NAIC 4						XXX						
3.5 NAIC 5						XXX						
3.6 NAIC 6						XXX						
3.7 TOTALS						XXX						
4. U.S. Political Subdivisions of States, Territories & Possessions, Guaranteed												
4.1 NAIC 1						XXX			152,271	0.28		
4.2 NAIC 2						XXX						
4.3 NAIC 3						XXX						
4.4 NAIC 4						XXX						
4.5 NAIC 5						XXX						
4.6 NAIC 6						XXX			459,797	0.85		
4.7 TOTALS						XXX			612,068	1.13		
5. U.S. Special Revenue & Special Assessment Obligations etc., Non-Guaranteed												
5.1 NAIC 1						XXX						
5.2 NAIC 2						XXX						
5.3 NAIC 3						XXX						
5.4 NAIC 4						XXX						
5.5 NAIC 5						XXX						
5.6 NAIC 6						XXX						
5.7 TOTALS						XXX						

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SCHEDULE D - PART 1A - SECTION 1 (Continued)

Quality and Maturity Distribution of All Bonds Owned December 31, at Book/Adjusted Carrying Values by Major Types of Issues and NAIC Designations

	1	2	3	4	5	6	7	8	9	10	11	12
NAIC Designation	1 Year or Less	Over 1 Year Through 5 Years	Over 5 Years Through 10 Years	Over 10 Years Through 20 Years	Over 20 Years	No Maturity Date	Total Current Year	Column 7 as a % of Line 11.7	Total From Column 7 Prior Year	% From Column 8 Prior Year	Total Publicly Traded	Total Privately Placed (a)
6. Industrial and Miscellaneous (unaffiliated)												
6.1 NAIC 1						X X X						
6.2 NAIC 2			121,347	202,298		X X X	323,645	0.78	323,522	0.60	323,645	
6.3 NAIC 3						X X X						
6.4 NAIC 4						X X X						
6.5 NAIC 5						X X X						
6.6 NAIC 6						X X X						
6.7 TOTALS			121,347	202,298		X X X	323,645	0.78	323,522	0.60	323,645	
7. Hybrid Securities												
7.1 NAIC 1						X X X						
7.2 NAIC 2						X X X						
7.3 NAIC 3						X X X						
7.4 NAIC 4						X X X						
7.5 NAIC 5						X X X						
7.6 NAIC 6						X X X						
7.7 TOTALS						X X X						
8. Parent, Subsidiaries and Affiliates												
8.1 NAIC 1						X X X						
8.2 NAIC 2						X X X						
8.3 NAIC 3						X X X						
8.4 NAIC 4						X X X						
8.5 NAIC 5						X X X						
8.6 NAIC 6						X X X						
8.7 TOTALS						X X X						
9. SVO Identified Funds												
9.1 NAIC 1	X X X	X X X	X X X	X X X	X X X							
9.2 NAIC 2	X X X	X X X	X X X	X X X	X X X							
9.3 NAIC 3	X X X	X X X	X X X	X X X	X X X							
9.4 NAIC 4	X X X	X X X	X X X	X X X	X X X							
9.5 NAIC 5	X X X	X X X	X X X	X X X	X X X							
9.6 NAIC 6	X X X	X X X	X X X	X X X	X X X							
9.7 TOTALS	X X X	X X X	X X X	X X X	X X X							
10. Unaffiliated Bank Loans												
10.1 NAIC 1						X X X						
10.2 NAIC 2						X X X						
10.3 NAIC 3						X X X						
10.4 NAIC 4						X X X						
10.5 NAIC 5						X X X						
10.6 NAIC 6						X X X						
10.7 TOTALS						X X X						

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SCHEDULE D - PART 1A - SECTION 1 (Continued)

Quality and Maturity Distribution of All Bonds Owned December 31, at Book/Adjusted Carrying Values By Major Types of Issues and NAIC Designations

NAIC Designation	1 1 Year or Less	2 Over 1 Year Through 5 Years	3 Over 5 Years Through 10 Years	4 Over 10 Years Through 20 Years	5 Over 20 Years	6 No Maturity Date	7 Total Current Year	8 Column 7 as a % of Line 11.7	9 Total From Column 7 Prior Year	10 % From Column 8 Prior Year	11 Total Publicly Traded	12 Total Privately Placed (a)
11. Total Bonds Current Year												
11.1 NAIC 1	(d) 30,788,469	10,400,161	130,651	26,024			41,345,305	99.22	X X X	X X X	41,345,305	
11.2 NAIC 2	(d)		121,347	202,298			323,645	0.78	X X X	X X X	323,645	
11.3 NAIC 3	(d)								X X X	X X X		
11.4 NAIC 4	(d)								X X X	X X X		
11.5 NAIC 5	(d)						(c)		X X X	X X X		
11.6 NAIC 6	(d)						(c)		X X X	X X X		
11.7 TOTALS	30,788,469	10,400,161	251,998	228,322			(b) 41,668,950	100.00	X X X	X X X	41,668,950	
11.8 Line 11.7 as a % of Column 7	73.89	24.96	0.60	0.55			100.00	X X X	X X X	X X X	100.00	
12. Total Bonds Prior Year												
12.1 NAIC 1	11,043,903	42,340,036	130,992	52,574			X X X	X X X	53,567,506	98.56	53,567,506	
12.2 NAIC 2			121,157	202,364			X X X	X X X	323,522	0.60	323,522	
12.3 NAIC 3							X X X	X X X				
12.4 NAIC 4							X X X	X X X				
12.5 NAIC 5							X X X	X X X	(c)			
12.6 NAIC 6					459,797		X X X	X X X	(c) 459,797	0.85	459,797	
12.7 TOTALS	11,043,903	42,340,036	252,150	254,938	459,797		X X X	X X X	(b) 54,350,824	100.00	54,350,824	
12.8 Line 12.7 as a % of Col. 9	20.32	77.90	0.46	0.47	0.85		X X X	X X X	100.00	X X X	100.00	
13. Total Publicly Traded Bonds												
13.1 NAIC 1	30,788,469	10,400,161	130,651	26,024			41,345,305	99.22	53,567,506	98.56	41,345,305	X X X
13.2 NAIC 2			121,347	202,298			323,645	0.78	323,522	0.60	323,645	X X X
13.3 NAIC 3												X X X
13.4 NAIC 4												X X X
13.5 NAIC 5												X X X
13.6 NAIC 6									459,797	0.85		X X X
13.7 TOTALS	30,788,469	10,400,161	251,998	228,322			41,668,950	100.00	54,350,824	100.00	41,668,950	X X X
13.8 Line 13.7 as a % of Col. 7	73.89	24.96	0.60	0.55			100.00	X X X	X X X	X X X	100.00	X X X
13.9 Line 13.7 as a % of Line 11.7, Col. 7, Section 11	73.89	24.96	0.60	0.55			100.00	X X X	X X X	X X X	100.00	X X X
14. Total Privately Placed Bonds												
14.1 NAIC 1											X X X	
14.2 NAIC 2											X X X	
14.3 NAIC 3											X X X	
14.4 NAIC 4											X X X	
14.5 NAIC 5											X X X	
14.6 NAIC 6											X X X	
14.7 TOTALS											X X X	
14.8 Line 14.7 as a % of Col. 7								X X X	X X X	X X X	X X X	
14.9 Line 14.7 as a % of Line 11.7, Col. 7, Section 11								X X X	X X X	X X X	X X X	

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(a) Includes \$.....0 freely tradable under SEC Rule 144 or qualified for resale under SEC Rule 144A.
 (b) Includes \$.....0 current year of bonds with Z designations, \$.....0 prior year of bonds with Z designations. The letter "Z" means the NAIC designation was not assigned by the Securities Valuation Office (SVO) at the date of the statement. "Z*" means the SVO could not evaluate the obligation because valuation procedures for the security class is under regulatory review.
 (c) Includes \$.....0 current year of bonds with 5GI designations, \$.....0 prior year of bonds with 5* or 5GI designations and \$.....0 current year, \$.....0 prior year of bonds with 6* designations. "5GI" means the NAIC designation was assigned by the SVO in reliance on the insurer's certification that the issuer is current in all principal and interest payments. "6*" means the NAIC designation was assigned by the SVO due to inadequate certification of principal and interest payments.
 (d) Includes the following amount of short-term and cash equivalent bonds by NAIC designation: NAIC 1 \$.....15,194,075; NAIC 2 \$.....0; NAIC 3 \$.....0; NAIC 4 \$.....0; NAIC 5 \$.....0; NAIC 6 \$.....0.

SCHEDULE D - PART 1A - SECTION 2

Maturity Distribution of All Bonds Owned December 31, At Book/Adjusted Carrying Values by Major Type and Subtype of Issues

Distribution by Type		1 1 Year or Less	2 Over 1 Year Through 5 Years	3 Over 5 Years Through 10 Years	4 Over 10 Years Through 20 Years	5 Over 20 Years	6 No Maturity Date	7 Total Current Year	8 Column 7 as a % of Line 11.08	9 Total From Column 7 Prior Year	10 % From Column 8 Prior Year	11 Total Publicly Traded	12 Total Privately Placed
1.	U.S. Governments												
1.01	Issuer Obligations	30,788,469	10,400,161				X X X	41,188,630	98.85	53,231,668	97.94	41,188,630	
1.02	Residential Mortgage-Backed Securities			130,651	26,024		X X X	156,675	0.38	183,567	0.34	156,675	
1.03	Commercial Mortgage-Backed Securities						X X X						
1.04	Other Loan-Backed and Structured Securities						X X X						
1.05	TOTALS	30,788,469	10,400,161	130,651	26,024		X X X	41,345,305	99.22	53,415,235	98.28	41,345,305	
2.	All Other Governments												
2.01	Issuer Obligations						X X X						
2.02	Residential Mortgage-Backed Securities						X X X						
2.03	Commercial Mortgage-Backed Securities						X X X						
2.04	Other Loan-Backed and Structured Securities						X X X						
2.05	TOTALS						X X X						
3.	U.S. States, Territories and Possessions, Guaranteed												
3.01	Issuer Obligations						X X X						
3.02	Residential Mortgage-Backed Securities						X X X						
3.03	Commercial Mortgage-Backed Securities						X X X						
3.04	Other Loan-Backed and Structured Securities						X X X						
3.05	TOTALS						X X X						
4.	U.S. Political Subdivisions of States, Territories and Possessions, Guaranteed												
4.01	Issuer Obligations						X X X			612,068	1.13		
4.02	Residential Mortgage-Backed Securities						X X X						
4.03	Commercial Mortgage-Backed Securities						X X X						
4.04	Other Loan-Backed and Structured Securities						X X X						
4.05	TOTALS						X X X			612,068	1.13		
5.	U.S. Special Revenue & Special Assessment Obligations, etc., Non-Guaranteed												
5.01	Issuer Obligations						X X X						
5.02	Residential Mortgage-Backed Securities						X X X						
5.03	Commercial Mortgage-Backed Securities						X X X						
5.04	Other Loan-Backed and Structured Securities						X X X						
5.05	TOTALS						X X X						
6.	Industrial and Miscellaneous												
6.01	Issuer Obligations			121,347	202,298		X X X	323,645	0.78	323,522	0.60	323,645	
6.02	Residential Mortgage-Backed Securities						X X X						
6.03	Commercial Mortgage-Backed Securities						X X X						
6.04	Other Loan-Backed and Structured Securities						X X X						
6.05	TOTALS			121,347	202,298		X X X	323,645	0.78	323,522	0.60	323,645	
7.	Hybrid Securities												
7.01	Issuer Obligations						X X X						
7.02	Residential Mortgage-Backed Securities						X X X						
7.03	Commercial Mortgage-Backed Securities						X X X						
7.04	Other Loan-Backed and Structured Securities						X X X						
7.05	TOTALS						X X X						
8.	Parent, Subsidiaries and Affiliates												
8.01	Issuer Obligations						X X X						
8.02	Residential Mortgage-Backed Securities						X X X						
8.03	Commercial Mortgage-Backed Securities						X X X						
8.04	Other Loan-Backed and Structured Securities						X X X						
8.05	Affiliated Bank Loans - Issued						X X X						
8.06	Affiliated Bank Loans - Acquired						X X X						
8.07	TOTALS						X X X						

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SCHEDULE D - PART 1A - SECTION 2 (Continued)

Maturity Distribution of All Bonds Owned December 31, at Book/Adjusted Carrying Values by Major Type and Subtype of Issues

	1 1 Year or Less	2 Over 1 Year Through 5 Years	3 Over 5 Years Through 10 Years	4 Over 10 Years Through 20 Years	5 Over 20 Years	6 No Maturity Date	7 Total Current Year	8 Column 7 as a % of Line 11.08	9 Total From Column 7 Prior Year	10 % From Column 8 Prior Year	11 Total Publicly Traded	12 Total Privately Placed
Distribution by Type												
9. SVO Identified Funds												
9.01 Exchange Traded Funds - as Identified by the SVO	X X X	X X X	X X X	X X X	X X X							
9.02 Bond Mutual Funds - as Identified by the SVO	X X X	X X X	X X X	X X X	X X X							
9.03 TOTALS	X X X	X X X	X X X	X X X	X X X							
10. Unaffiliated Bank Loans												
10.01 Unaffiliated Bank Loans - Issued						X X X						
10.02 Unaffiliated Bank Loans - Acquired						X X X						
10.03 TOTALS						X X X						
11. Total Bonds Current Year												
11.01 Issuer Obligations	30,788,469	10,400,161	121,347	202,298		X X X	41,512,275	99.62	X X X	X X X	41,512,275	
11.02 Residential Mortgage-Backed Securities			130,651	26,024		X X X	156,675	0.38	X X X	X X X	156,675	
11.03 Commercial Mortgage-Backed Securities						X X X			X X X	X X X		
11.04 Other Loan-Backed and Structured Securities						X X X			X X X	X X X		
11.05 SVO Identified Funds	X X X	X X X	X X X	X X X	X X X				X X X	X X X		
11.06 Affiliated Bank Loans						X X X			X X X	X X X		
11.07 Unaffiliated Bank Loans						X X X			X X X	X X X		
11.08 TOTALS	30,788,469	10,400,161	251,998	228,322			41,668,950	100.00	X X X	X X X	41,668,950	
11.09 Line 11.08 as a % of Col. 7	73.89	24.96	0.60	0.55			100.00	X X X	X X X	X X X	100.00	
12. Total Bonds Prior Year												
12.01 Issuer Obligations	11,043,903	42,340,036	121,157	202,364	459,797	X X X	X X X	X X X	54,167,258	99.66	54,167,257	
12.02 Residential Mortgage-Backed Securities		130,992		52,574		X X X	X X X	X X X	183,567	0.34	183,567	
12.03 Commercial Mortgage-Backed Securities						X X X	X X X	X X X				
12.04 Other Loan-Backed and Structured Securities						X X X	X X X	X X X				
12.05 SVO Identified Funds	X X X	X X X	X X X	X X X	X X X		X X X	X X X				
12.06 Affiliated Bank Loans						X X X	X X X	X X X				
12.07 Unaffiliated Bank Loans						X X X	X X X	X X X				
12.08 TOTALS	11,043,903	42,471,028	121,157	254,938	459,797		X X X	X X X	54,350,824	100.00	54,350,824	
12.09 Line 12.08 as a % of Col. 9	20.32	78.14	0.22	0.47	0.85		X X X	X X X	100.00	X X X	100.00	
13. Total Publicly Traded Bonds												
13.01 Issuer Obligations	30,788,469	10,400,161	121,347	202,298		X X X	41,512,275	99.62	54,167,257	99.66	41,512,275	X X X
13.02 Residential Mortgage-Backed Securities			130,651	26,024		X X X	156,675	0.38	183,567	0.34	156,675	X X X
13.03 Commercial Mortgage-Backed Securities						X X X						X X X
13.04 Other Loan-Backed and Structured Securities						X X X						X X X
13.05 SVO Identified Funds	X X X	X X X	X X X	X X X	X X X							X X X
13.06 Affiliated Bank Loans						X X X						X X X
13.07 Unaffiliated Bank Loans						X X X						X X X
13.08 TOTALS	30,788,469	10,400,161	251,998	228,322			41,668,950	100.00	54,350,824	100.00	41,668,950	X X X
13.09 Line 13.08 as a % of Col. 7	73.89	24.96	0.60	0.55			100.00	X X X	X X X	X X X	100.00	X X X
13.10 Line 13.08 as a % of Line 11.08, Col. 7, Section 11	73.89	24.96	0.60	0.55			100.00	X X X	X X X	X X X	100.00	X X X
14. Total Privately Placed Bonds												
14.01 Issuer Obligations						X X X					X X X	
14.02 Residential Mortgage-Backed Securities						X X X					X X X	
14.03 Commercial Mortgage-Backed Securities						X X X					X X X	
14.04 Other Loan-Backed and Structured Securities						X X X					X X X	
14.05 SVO Identified Funds	X X X	X X X	X X X	X X X	X X X						X X X	
14.06 Affiliated Bank Loans						X X X					X X X	
14.07 Unaffiliated Bank Loans						X X X					X X X	
14.08 TOTALS											X X X	
14.09 Line 14.08 as a % of Col. 7									X X X	X X X	X X X	X X X
14.10 Line 14.08 as a % of Line 11.08, Col. 7, Section 11									X X X	X X X	X X X	X X X

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SCHEDULE DA - VERIFICATION BETWEEN YEARS

Short-Term Investments

	1	2	3	4	5
	Total	Bonds	Mortgage Loans	Other Short-term Investment Assets (a)	Investments in Parent, Subsidiaries and Affiliates
1. Book/adjusted carrying value, December 31 of prior year	10,891,632	10,891,632			
2. Cost of short-term investments acquired	11,037,016	11,037,016			
3. Accrual of discount	119,826	119,826			
4. Unrealized valuation increase (decrease)					
5. TOTAL gain (loss) on disposals					
6. Deduct consideration received on disposals	17,943,000	17,943,000			
7. Deduct amortization of premium					
8. TOTAL foreign exchange change in book/adjusted carrying value					
9. Deduct current year's other-than-temporary impairment recognized					
10. Book adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 - 6 - 7 + 8 - 9)	4,105,474	4,105,474			
11. Deduct total nonadmitted amounts					
12. Statement value at end of current period (Line 10 minus Line 11)	4,105,474	4,105,474			

(a) Indicate the category of such assets, for example, joint ventures, transportation equipment:

SI11 Schedule DB Part A Verification NONE

SI11 Schedule DB Part B Verification NONE

SI12 Schedule DB Part C Sn 1 - Rep. (Syn Asset) Transactions NONE

SI13 Schedule DB Part C Sn 2 - Rep. (Syn Asset) Transactions NONE

SI14 Schedule DB Verification NONE

SCHEDULE E - PART 2 - VERIFICATION BETWEEN YEARS (Cash Equivalents)

	1	2	3	4
	Total	Bonds	Money Market Mutual Funds	Other (a)
1. Book/adjusted carrying value, December 31 of prior year				
2. Cost of cash equivalents acquired	18,950,195	18,950,195		
3. Accrual of discount	9,406	9,406		
4. Unrealized valuation increase (decrease)				
5. TOTAL gain (loss) on disposals				
6. Deduct consideration received on disposals	7,871,000	7,871,000		
7. Deduct amortization of premium				
8. TOTAL foreign exchange change in book/adjusted carrying value				
9. Deduct current year's other-than-temporary impairment recognized				
10. Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 - 6 - 7 + 8 - 9)	11,088,601	11,088,601		
11. Deduct total nonadmitted amounts				
12. Statement value at end of current period (Lines 10 minus 11)	11,088,601	11,088,601		

(a) Indicate the category of such investments, for example, joint ventures, transportation equipment:

E01 Schedule A - Part 1 Real Estate Owned NONE

E02 Schedule A - Part 2 Real Estate Acquired NONE

E03 Schedule A - Part 3 Real Estate Disposed NONE

E04 Schedule B Part 1 - Mortgage Loans Owned NONE

E05 Schedule B Part 2 - Mortgage Loans Acquired NONE

E06 Schedule B Part 3 - Mortgage Loans Disposed NONE

E07 Schedule BA Part 1 - Long-Term Invested Assets Owned NONE

E08 Schedule BA Part 2 - Long-Term Invested Assets Acquired NONE

E09 Schedule BA Part 3 - Long-Term Invested Assets Disposed NONE

SCHEDULE D - PART 1

Showing all Long-Term BONDS Owned December 31 of Current Year

1 CUSIP Identification	2 Description	Codes			6 NAIC Designation and Administrative Symbol	7 Actual Cost	Fair Value		10 Par Value	11 Book/ Adjusted Carrying Value	Change in Book Adjusted Carrying Value				Interest					Dates	
		3 Code	4 F O R E I G N	5 Bond CHAR			8 Rate Used to Obtain Fair Value	9 Fair Value			12 Unrealized Valuation Increase/ (Decrease)	13 Current Year's (Amortization)/ Accretion	14 Current Year's Other- Than- Temporary Impairment Recognized	15 Total Foreign Exchange Change in B./A.C.V.	16 Rate of	17 Effective Rate of Interest	18 When Paid	19 Admitted Amount Due and Accrued	20 Amount Received During Year	21 Acquired	22 Stated Contractual Maturity Date
U.S. Governments - Issuer Obligations																					
3130A93V1	FEDERAL HOME LN 1.50% DUE 08/23/21				1	1,000,002	99,5980	995,980	1,000,000	999,995					1,500	1,500	FA	5,333	15,000	08/15/2016	08/23/2021
3133EHC50	FFCB BOND 1.680% DUE 04/03/2020				1	2,587,222	100,0020	2,595,052	2,595,000	2,594,095		3,408			1,680	1,814	AO	10,657	43,596	12/13/2017	04/03/2020
3133EKX68	FFCB BOND 1.99% DUE 10/17/2022				1	5,000,007	99,3720	4,968,600	5,000,000	4,999,935		(72)			1,990	1,990	AO	20,453		10/07/2019	10/17/2022
3133EJBC2	FFCB BOND 2.05% DUE 01/30/2020				1	2,499,007	100,0560	2,501,400	2,500,000	2,499,936		571			2,050	2,073	JJ	21,497	51,250	01/25/2018	01/30/2020
3133EHKS1	FFCB- Bonds 1.74% DUE 11/25/20				1	2,500,004	99,8170	2,495,425	2,500,000	2,499,985					1,740	1,740	MN	4,350	43,500	05/18/2017	11/25/2020
3130A94J7	FHLB BOND 1.375% DUE 09/02/20				1	1,000,002	99,9060	999,060	1,000,000	999,995		(1)			1,375	1,375	MS	4,545	13,750	09/02/2016	09/02/2020
3134GBD82	FHLB BOND 1.625% DUE 08/28/2020				1	2,002,007	100,0050	2,000,100	2,000,000	2,000,417		(641)			1,625	1,592	FA	10,924	32,500	08/28/2017	08/31/2020
3130AC7L2	FHLB BOND 1.75% DUE 03/12/2021				1	1,500,757	100,1700	1,502,550	1,500,000	1,500,250		(216)			1,750	1,735	MS	7,948	26,250	09/12/2017	03/12/2021
3130ABVQ6	FHLB BOND 1.75% DUE 08/16/2022				1	1,900,007	100,0110	1,900,209	1,900,000	1,899,988		(1)			1,750	1,750	FA	12,469	33,250	08/23/2017	08/16/2022
3130ADFP2	FHLB BOND 2.020% DUE 01/29/2020				1	5,000,007	100,0280	5,001,400	5,000,000	4,999,966		4			2,020	2,020	JJ	42,644	101,000	01/18/2018	01/29/2020
3134GAR2	FHLM 1.60% DUE 10/27/2021				1	1,000,004	99,7020	997,020	1,000,000	999,993					1,600	1,600	AO	2,844	16,000	10/03/2016	10/27/2021
0199999	Subtotal - U.S. Governments - Issuer Obligations					25,989,023	X X X	25,956,796	25,995,000	25,994,555		3,052			X X X	X X X	X X X	143,664	376,096	X X X	X X X
U.S. Governments - Residential Mortgage-Backed Securities																					
36235QRL9	GNMA POOL 487543 UNIT 85				1	26,473	106,9190	26,730	25,000	25,853		(98)			6,500	5,266	MON	50	1,625	05/08/2012	04/15/2027
36235QRJ4	GNMA POOL 487543 UNIT 87				1	26,535	106,9190	26,730	25,000	25,906		(100)			6,500	5,231	MON	51	1,625	05/08/2012	07/15/2027
36235QRD7	GNMA POOL 487543 UNIT 92				1	26,785	106,9190	26,730	25,000	26,102		(108)			6,500	5,082	MON	53	1,625	05/08/2012	03/15/2028
36235QQ97	GNMA POOL 487543 UNIT 96				1	27,192	106,9190	26,730	25,000	26,398		(125)			6,500	4,829	MON	55	1,625	05/08/2012	10/15/2028
36235XXF0	GNMA POOL 515329 UNIT 98				1	27,067	103,0990	25,775	25,000	26,391		(107)			6,500	4,970	MON	58	1,625	05/08/2012	11/15/2029
36245UYV8	GNMA POOL 702847 UNIT 072				1	26,438	105,6570	26,414	25,000	26,024		(52)			4,500	3,709	MON	42	1,250	04/27/2010	04/15/2034
0299999	Subtotal - U.S. Governments - Residential Mortgage-Backed Securities					160,489	X X X	159,108	150,000	156,675		(590)			X X X	X X X	X X X	309	9,375	X X X	X X X
0599999	Subtotal - U.S. Governments					26,149,512	X X X	26,115,904	26,145,000	26,151,230		2,462			X X X	X X X	X X X	143,973	385,471	X X X	X X X
Industrial & Miscellaneous (Unaffiliated) - Issuer Obligations																					
337358BH7	FIRST UNION CORP. SUB. NOTES				2	119,260	126,4380	155,519	123,000	121,347		190			6,824	7,081	FA	3,497	9,316	09/11/2000	08/01/2026
54866NB7	LOWES CO. INC.				2	203,024	132,0080	264,016	200,000	202,298		(66)			7,110	6,994	MS	4,187	14,220	02/08/2001	05/15/2037
3299999	Subtotal - Industrial & Miscellaneous (Unaffiliated) - Issuer Obligations					322,284	X X X	419,535	323,000	323,645		124			X X X	X X X	X X X	7,684	23,536	X X X	X X X
3899999	Subtotal - Industrial & Miscellaneous (Unaffiliated)					322,284	X X X	419,535	323,000	323,645		124			X X X	X X X	X X X	7,684	23,536	X X X	X X X
7699999	Subtotals - Issuer Obligations					26,311,307	X X X	26,376,331	26,318,000	26,318,200		3,176			X X X	X X X	X X X	151,348	399,632	X X X	X X X
7799999	Subtotals - Residential Mortgage-Backed Securities					160,489	X X X	159,108	150,000	156,675		(590)			X X X	X X X	X X X	309	9,375	X X X	X X X
8399999	Grand Total - Bonds					26,471,796	X X X	26,535,439	26,468,000	26,474,875		2,586			X X X	X X X	X X X	151,657	409,007	X X X	X X X

SCHEDULE D - PART 2 - SECTION 1

Showing all PREFERRED STOCKS Owned December 31 of Current Year

1 CUSIP Identification	2 Description	Codes		5 Number of Shares	6 Par Value Per Share	7 Rate Per Share	8 Book/Adjusted Carrying Value	Fair Value		11 Actual Cost	Dividends			Change in Book/Adjusted Carrying Value					20 NAIC Designation and Administrative Symbol	21 Date Acquired	
		3 Code	4 For- eign					9 Rate Per Share Used to Obtain Fair Value	10 Fair Value		12 Declared but Unpaid	13 Amount Received During Year	14 Nonadmitted Declared But Unpaid	15 Unrealized Valuation Increase/ (Decrease)	16 Current Year's (Amortization) Accretion	17 Current Year's Other-Than- Temporary Impairment Recognized	18 Total Change in B./A.C.V. (15+16-17)	19 Total Foreign Exchange Change in B./A.C.V.			
Industrial and Miscellaneous (Unaffiliated) Perpetual Preferred																					
73317W203	POPULAR CAPITAL TR 6.70%			14,792,000		26.940	398,496	26,940	398,496	251,464		24,778		20,561			20,561		4	01/30/2007	
8499999	Subtotal - Industrial and Miscellaneous (Unaffiliated) Perpetual Preferred						398,496	X X X	398,496	251,464		24,778		20,561			20,561		X X X	X X X	
8999999	Total Preferred Stocks						398,496	X X X	398,496	251,464		24,778		20,561			20,561		X X X	X X X	

SCHEDULE D - PART 2 - SECTION 2

Showing All COMMON STOCKS Owned December 31 of Current Year

1 CUSIP Identification	2 Description	Codes		5 Number of Shares	6 Book/Adjusted Carrying Value	Fair Value		9 Actual Cost	Dividends			Change in Book/Adjusted Carrying Value				17 Date Acquired	18 NAIC Design- ation
		3 Code	4 For- eign			7 Rate per Share Used to Obtain Fair Value	8 Fair Value		10 Declared but Unpaid	11 Amount Received During Year	12 Nonadmitted Declared But Unpaid	13 Unrealized Valuation Increase/ (Decrease)	14 Current Year's Other-Than- Temporary Impairment Recognized	15 Total Change in B./A.C.V. (Col. 13-14)	16 Total Foreign Exchange Change in B./A.C.V.		
9799999	Total Common Stocks					X X X										X X X	X X X
9899999	Total Preferred and Common Stocks				398,496	X X X	398,496	251,464		24,778		20,561		20,561		X X X	X X X

SCHEDULE D - PART 3

Showing All Long-Term Bonds and Stocks ACQUIRED During Current Year

1 CUSIP Identification	2 Description	3 Foreign	4 Date Acquired	5 Name of Vendor	6 Number of Shares of Stock	7 Actual Cost	8 Par Value	9 Paid for Accrued Interest and Dividends
Bonds - U.S. Governments								
3133EKX68	FFCB BOND 1.99% DUE 10/17/2022		10/07/2019	UBS Financial Services	X X X	5,000,007	5,000,000	
0599999 Subtotal - Bonds - U.S. Governments						5,000,007	5,000,000	
8399997 Subtotal - Bonds - Part 3						5,000,007	5,000,000	
8399998 Summary item from Part 5 for Bonds						3,035,007	3,035,000	518
8399999 Subtotal - Bonds						8,035,014	8,035,000	518
9999999 Totals						8,035,014	X X X	518

SCHEDULE D - PART 4

Showing All Long-Term Bonds and Stocks SOLD, REDEEMED, or Otherwise DISPOSED OF During Current Year

1 CUSIP Identification	2 Description	3 F o r e i g n Date	4 Disposal Date	5 Name of Purchaser	6 Number of Shares of Stock	7 Consideration	8 Par Value	9 Actual Cost	10 Prior Year Book/Adjusted Carrying Value	Change in Book/Adjusted Carrying Value					16 Book/Adjusted Carrying Value at Disposal Date	17 Foreign Exchange Gain (Loss) on Disposal	18 Realized Gain (Loss) on Disposal	19 Total Gain (Loss) on Disposal	20 Bond Interest/ Stock Dividends Received During Year	21 Stated Contractual Maturity Date
										11 Unrealized Valuation Increase/ (Decrease)	12 Current Year (Amortization/ Accretion)	13 Current Year's Other-Than- Temporary Impairment Recognized	14 Total Change in B./A.C.V. (Cols. 11+12-13)	15 Total Foreign Exchange Change in B./A.C.V.						
Bonds - U.S. Governments																				
3133EHKT9	FFCB- Bonds- 2.22%		11/08/2019	CALLED @ 100.0000000	X X X	2,500,000	2,500,000	2,500,004	2,499,974		12		12		2,499,986		14	14	52,879	11/25/2022
3130AC6V1	FHLB BOND 1.85% DUE 03/15/2021		12/16/2019	CALLED @ 100.0000000	X X X	1,500,000	1,500,000	1,501,507	1,500,993		(434)		(434)		1,500,560		(560)	(560)	34,688	03/15/2021
3130ACTS3	FHLB BOND 2.00% DUE 05/24/2022		11/25/2019	CALLED @ 100.0000000	X X X	1,500,000	1,500,000	1,500,007	1,499,987		12		12		1,499,999		1	1	30,000	05/24/2022
3130ACZD9	FHLB BOND 2.125% DUE 12/29/2020		12/30/2019	VARIOUS	X X X	5,900,000	5,900,000	5,902,957	5,901,937		(1,448)		(1,448)		5,900,489		(489)	(489)	109,703	12/29/2020
3130ADCV2	FHLB BOND 2.25% DUE 04/30/2021		10/30/2019	CALLED @ 100.0000000	X X X	5,000,000	5,000,000	4,997,507	4,998,085		717		717		4,998,802		1,198	1,198	112,500	04/30/2021
3134GADD3	FHLM 1.00% DUE 08/24/2020		08/26/2019	CALLED @ 100.0000000	X X X	1,948,000	1,948,000	1,947,030	1,947,578		169		169		1,947,747		253	253	26,785	08/24/2020
3134GB5R9	FHLM BOND 2.25% DUE 12/29/2021		09/30/2019	CALLED @ 100.0000000	X X X	1,500,000	1,500,000	1,500,006	1,499,994		(21)		(21)		1,499,972		28	28	25,313	12/29/2021
36234CX34	GNMA POOL 425583 UNIT 99		09/20/2019	PRINCIPAL RECEIPT	X X X	25,000	25,000	27,192	26,302		(1,302)		(1,302)		25,000				1,219	12/15/2025
3134GB5J7	FHLM BOND 2.45% DUE 12/29/2022		09/30/2019	CALLED @ 100.0000000	X X X	1,500,000	1,500,000	1,500,006	1,499,991		(25)		(25)		1,499,966		34	34	27,563	12/29/2022
0599999	Subtotal - Bonds - U.S. Governments						21,373,000	21,373,000	21,376,216	21,374,841		(2,320)		(2,320)	21,372,521		479	479	420,650	X X X
Bonds - U.S. Political Subdivisions of States (Direct and Guaranteed)																				
36829QAA3	GDB RECOV COMWLTH PR 7.5% 8/20/40		01/17/2019	CALLED	X X X	495,785	686,207	459,759	459,797		58		58		459,855		35,930	35,930	7,005	08/20/2040
720356YY4	PIERCE CNTY WA 4.350% 08/01/2019		08/01/2019	MATURITY	X X X	150,000	150,000	175,309	152,271		(2,271)		(2,271)		150,000				6,525	08/01/2019
2499999	Subtotal - Bonds - U.S. Political Subdivisions of States (Direct and Guaranteed)						645,785	836,207	635,068	612,068		(2,213)		(2,213)	609,855		35,930	35,930	13,530	X X X
8399997	Subtotal - Bonds - Part 4						22,018,785	22,209,207	22,011,284	21,986,909		(4,533)		(4,533)	21,982,376		36,409	36,409	434,180	X X X
8399998	Summary Item from Part 5 for Bonds						3,035,000	3,035,000	3,035,007		(40)		(40)		3,034,966		34	34	15,554	X X X
8399999	Subtotal - Bonds						25,053,785	25,244,207	25,046,291	21,986,909		(4,573)		(4,573)	25,017,342		36,443	36,443	449,734	X X X
9999999	Totals						25,053,785	X X X	25,046,291	21,986,909		(4,573)		(4,573)	25,017,342		36,443	36,443	449,734	X X X

SCHEDULE D - PART 5

Showing All Long-Term Bonds and Stocks ACQUIRED During Year and Fully DISPOSED OF During Current Year

1 CUSIP Identifi- cation	2 Description	3 F O R E I G N Date Acquired	4 Name of Vendor	5 Disposal Date	6 Name of Purchaser	7 Par Value (Bonds) or Number of Shares (Stock)	8 Actual Cost	9 Consider- ation	10 Book/ Adjusted Carrying Value at Disposal	Change in Book/Adjusted Carrying Value					17 Foreign Exchange Gain (Loss) on Disposal	18 Realized Gain (Loss) on Disposal	19 Total Gain (Loss) on Disposal	20 Interest and Dividends Received During Year	21 Paid for Accrued Interest and Dividends	
										12 Unrealized Valuation Increase/ (Decrease)	13 Current Year's (Amortization)/ Accretion	14 Current Year's Other-Than- Temporary Impairment Recognized	15 Total Change in B./A.C.V. (Col. 12+ 13-14)	16 Total Foreign Exchange Change in B./A.C.V.						
Bonds - U.S. Governments																				
3134GUBE9 ..	FHLM BOND 2.050% DUE 09/13/2021	09/13/2019	Consultiva	12/13/2019	CALLED @ 100.0000000	3,035,000	3,035,007	3,035,000	3,034,966			(40)		(40)			34	34	15,554	518
0599999	Subtotal - Bonds - U.S. Governments					3,035,000	3,035,007	3,035,000	3,034,966			(40)		(40)			34	34	15,554	518
8399998	Subtotal - Bonds					3,035,000	3,035,007	3,035,000	3,034,966			(40)		(40)			34	34	15,554	518
9999999	Totals						3,035,007	3,035,000	3,034,966			(40)		(40)			34	34	15,554	518

SCHEDULE D - PART 6 - SECTION 1

Valuation of Shares of Subsidiary, Controlled or Affiliated Companies

1 CUSIP Identification	2 Description Name of Subsidiary, Controlled or Affiliated Company	3 Foreign	4 NAIC Company Code	5 ID Number	6 NAIC Valuation Method	7 Do Insurer's Assets Include Intangible Assets connected with Holding of Such Company's Stock?	8 Total Amount of Such Intangible Assets	9 Book/Adjusted Carrying Value	10 Nonadmitted Amount	Stock of Such Company Owned by Insurer on Statement Date		
										11 Number of Shares	12 % of Outstanding	
1999999 Total - Preferred and Common Stocks											X X X	X X X

1. Amount of insurer's capital and surplus from the prior period's statutory statement reduced by any admitted EDP, goodwill and net deferred tax assets included therein: \$.....0.
 2. Total amount of intangible assets nonadmitted \$.....0.

SCHEDULE D - PART 6 - SECTION 2

1 CUSIP Identification	2 Name of Lower-Tier Company	3 Name of Company Listed in Section 1 Which Controls Lower-Tier Company	4 Total Amount of Intangible Assets Included in Amount Shown in Column 8, Section 1	Stock in Lower-Tier Company Owned Indirectly by Insurer on Statement Date	
				5 Number of Shares	6 % of Outstanding
0399999 Total - Preferred and Common Stocks				X X X	X X X

SCHEDULE DA - PART 1

Showing all SHORT-TERM INVESTMENTS Owned December 31 of Current Year

1 Description	Codes		4 Date Acquired	5 Name of Vendor	6 Maturity Date	7 Book/ Adjusted Carrying Value	Change in Book/Adjusted Carrying Value				12 Par Value	13 Actual Cost	Interest						20 Paid For Accrued Interest
	2 Code	3 For- eign					8 Unrealized Valuation Increase/ (Decrease)	9 Current Year's (Amortization)/ Accretion	10 Current Year's Other-Than- Temporary Impairment Recognized	11 Total Foreign Exchange Change in B./A.C.V.			14 Amount Due and Accrued Dec. 31 of Current Year on Bond Not in Default	15 Non-Admitted Due and Accrued	16 Rate of	17 Effective Rate of	18 When Paid	19 Amount Received During Year	
Bonds - U.S. Governments - Issuer Obligations																			
US TREASURY BILL 02/27/2020	@		03/08/2019	Huntleigh Securities	02/27/2020	1,345,772		26,708			1,351,000	1,319,064				2.497	N/A		
US TREASURY BILL DUE 03/12/2020	@		12/06/2019	Huntleigh Securities	03/12/2020	2,759,703		2,910			2,768,000	2,756,793				1.524	N/A		
0199999 Subtotal - Bonds - U.S. Governments - Issuer Obligations						4,105,474		29,618			4,119,000	4,075,857			X X X	X X X	X X X		
0599999 Subtotal - Bonds - U.S. Governments						4,105,474		29,618			4,119,000	4,075,857			X X X	X X X	X X X		
6599999 Subtotal - Bonds - Unaffiliated Bank Loans															X X X	X X X	X X X		
7699999 Subtotal - Bonds - Issuer Obligations						4,105,474		29,618			4,119,000	4,075,857			X X X	X X X	X X X		
8399999 Total Bonds						4,105,474		29,618			4,119,000	4,075,857			X X X	X X X	X X X		
8699999 Total - Parent, Subsidiaries and Affiliates											X X X				X X X	X X X	X X X		
9199999 Total Short-Term Investments						4,105,474		29,618			X X X	4,075,857			X X X	X X X	X X X		

E18 Schedule DB - Part A Sn 1 Opt/Cap/Floors/Collars/Swaps/Forwards Open NONE

E19 Schedule DB - Part A Sn 2 Opt/Cap/Floors/Collars/Swaps/Forwards Term. . . . NONE

E20 Schedule DB - Part B Sn 1 Futures Contracts Open NONE

E21 Schedule DB - Part B Sn 2 Futures Contracts Terminated NONE

E22 Schedule DB - Part D Sn 1 Counterparty Exposure for Derivative Instruments . NONE

E23 Schedule DB - Part D Sn 2 - Collateral Pledged By Reporting Entity NONE

E23 Schedule DB - Part D Sn 2 - Collateral Pledged To Reporting Entity NONE

E24 Schedule DB - Part E - Derivatives Hedging Variable Annuity Guarantees NONE

E25 Schedule DL - Part 1 - Securities Lending Collateral Assets NONE

E26 Schedule DL - Part 2 - Securities Lending Collateral Assets NONE

SCHEDULE E - PART 1 - CASH

1 Depository	2 Code	3 Rate of Interest	4 Amount of Interest Received During Year	5 Amount of Interest Accrued December 31 of Current Year	6 Balance	7 *
open depositories						
Banco Popular			196,475		32,991,364	X X X
Oriental Bank			39		69,259	X X X
Huntleigh Securities Corp			6,285		3,054,084	X X X
Samuel A. Ramirez						
Banco Santander			32,723		3,031,422	X X X
First Bank			77		14,377	X X X
0199998 Deposits in .....0 depositories that do not exceed the allowable limit in any one depository (See Instructions) - open depositories		X X X				X X X
0199999 Totals - Open Depositories		X X X	235,599		39,668,006	X X X
0299998 Deposits in .....0 depositories that do not exceed the allowable limit in any one depository (See Instructions) - suspended depositories		X X X				X X X
0299999 Totals - Suspended Depositories		X X X				X X X
0399999 Total Cash On Deposit		X X X	235,599		39,668,006	X X X
0499999 Cash in Company's Office		X X X	X X X	X X X		X X X
0599999 Total Cash		X X X	235,599		39,668,006	X X X

TOTALS OF DEPOSITORY BALANCES ON THE LAST DAY OF EACH MONTH DURING THE CURRENT YEAR

1. January	20,746,790	4. April	18,029,598	7. July	21,652,849	10. October	30,049,219
2. February	25,100,849	5. May	17,675,323	8. August	13,488,613	11. November	32,267,388
3. March	11,378,178	6. June	19,663,079	9. September	24,408,805	12. December	39,668,006

SCHEDULE E - PART 2 - CASH EQUIVALENTS

Show Investments Owned December 31 of Current Year

1	2	3	4	5	6	7	8	9
CUSIP	Description	Code	Date Acquired	Rate of Interest	Maturity Date	Book/Adjusted Carrying Value	Amount of Interest Due & Accrued	Amount Received During Year
Bonds - U.S. Governments - Issuer Obligations								
	US TREASURY BILL DUE 01/28/2020		12/31/2019	0.000	01/28/2020	11,088,601		422
0199999	Subtotal - Bonds - U.S. Governments - Issuer Obligations					11,088,601		422
0599999	Subtotal - Bonds - U.S. Governments					11,088,601		422
7699999	Subtotal - Bonds - Issuer Obligations					11,088,601		422
8399999	Subtotal - Bonds					11,088,601		422
8899999	Total Cash Equivalents					11,088,601		422

SCHEDULE E - PART 3 - SPECIAL DEPOSITS

	States, Etc.	1	2	Deposits For the Benefit of All Policyholders		All Other Special Deposits	
		Type of Deposit	Purpose of Deposit	3	4	5	6
				Book/Adjusted Carrying Value	Fair Value	Book/Adjusted Carrying Value	Fair Value
1.	Alabama (AL)						
2.	Alaska (AK)						
3.	Arizona (AZ)						
4.	Arkansas (AR)						
5.	California (CA)						
6.	Colorado (CO)						
7.	Connecticut (CT)						
8.	Delaware (DE)						
9.	District of Columbia (DC)						
10.	Florida (FL)						
11.	Georgia (GA)						
12.	Hawaii (HI)						
13.	Idaho (ID)						
14.	Illinois (IL)						
15.	Indiana (IN)						
16.	Iowa (IA)						
17.	Kansas (KS)						
18.	Kentucky (KY)						
19.	Louisiana (LA)						
20.	Maine (ME)						
21.	Maryland (MD)						
22.	Massachusetts (MA)						
23.	Michigan (MI)						
24.	Minnesota (MN)						
25.	Mississippi (MS)						
26.	Missouri (MO)						
27.	Montana (MT)						
28.	Nebraska (NE)						
29.	Nevada (NV)						
30.	New Hampshire (NH)						
31.	New Jersey (NJ)						
32.	New Mexico (NM)						
33.	New York (NY)						
34.	North Carolina (NC)						
35.	North Dakota (ND)						
36.	Ohio (OH)						
37.	Oklahoma (OK)						
38.	Oregon (OR)						
39.	Pennsylvania (PA)						
40.	Rhode Island (RI)						
41.	South Carolina (SC)						
42.	South Dakota (SD)						
43.	Tennessee (TN)						
44.	Texas (TX)						
45.	Utah (UT)						
46.	Vermont (VT)						
47.	Virginia (VA)						
48.	Washington (WA)						
49.	West Virginia (WV)						
50.	Wisconsin (WI)						
51.	Wyoming (WY)						
52.	American Samoa (AS)						
53.	Guam (GU)						
54.	Puerto Rico (PR)	C	Statutory Requirement	1,274,943	1,274,943		
55.	U.S. Virgin Islands (VI)						
56.	Northern Mariana Islands (MP)						
57.	Canada (CAN)						
58.	Aggregate Alien and Other (OT)	X X X	X X X				
59.	TOTAL	X X X	X X X	1,274,943	1,274,943		
DETAILS OF WRITE-INS							
5801.							
5802.							
5803.							
5898.	Summary of remaining write-ins for Line 58 from overflow page	X X X	X X X				
5899.	TOTALS (Lines 5801 through 5803 plus 5898) (Line 58 above)	X X X	X X X				



SUPPLEMENTAL COMPENSATION EXHIBIT

For the Year Ended DECEMBER 31, 2019
(To be filed by March 1)

PART 1 - INTERROGATORIES

1. Is the reporting insurer is a member of a group of insurers or other holding company system? Yes[] No[X]
 If yes, do the below amounts represent 1) total gross compensation paid to each individual by or on behalf of all companies that are part of the group: Yes[] No[X]
 or 2) allocation to each insurer: Yes[] No[X]

2. Did any person while an officer, director, or trustee of the reporting entity receive directly or indirectly, during the period covered by this statement any commission on the business transactions of the reporting entity? Yes[] No[X]

3. Except for retirement plans generally applicable to its staff employees, has the reporting entity any agreement with any person, other than contracts with its agents for the payment of commissions whereby it agrees that for any service rendered or to be rendered, that he/she shall receive directly or indirectly, any salary, compensation or emolument that will extend beyond a period of 12 months from the date of the agreement? Yes[] No[X]

PART 2 - OFFICERS AND EMPLOYEES COMPENSATION

1	2	3	4	5	6	7	8	9	10
Name and Principal Position	Year	Salary	Bonus	Stock Awards	Option Awards	Sign-on Payments	Severance Payments	All Other Compensation	Totals
1. Current Principal Executive Officer	2019 .....	.....	.....	.....	.....	.....	.....	.....	.....
.....	2018 .....	.....	.....	.....	.....	.....	.....	.....	.....
.....	2017 .....	.....	.....	.....	.....	.....	.....	.....	.....
2. Current Principal Financial Officer	2019 .....	.....	.....	.....	.....	.....	.....	.....	.....
.....	2018 .....	.....	.....	.....	.....	.....	.....	.....	.....
.....	2017 .....	.....	.....	.....	.....	.....	.....	.....	.....
3.	2019 .....	.....	.....	.....	.....	.....	.....	.....	.....
.....	2018 .....	.....	.....	.....	.....	.....	.....	.....	.....
.....	2017 .....	.....	.....	.....	.....	.....	.....	.....	.....
4.	2019 .....	.....	.....	.....	.....	.....	.....	.....	.....
.....	2018 .....	.....	.....	.....	.....	.....	.....	.....	.....
.....	2017 .....	.....	.....	.....	.....	.....	.....	.....	.....
5.	2019 .....	.....	.....	.....	.....	.....	.....	.....	.....
.....	2018 .....	.....	.....	.....	.....	.....	.....	.....	.....
.....	2017 .....	.....	.....	.....	.....	.....	.....	.....	.....
6.	2019 .....	.....	.....	.....	.....	.....	.....	.....	.....
.....	2018 .....	.....	.....	.....	.....	.....	.....	.....	.....
.....	2017 .....	.....	.....	.....	.....	.....	.....	.....	.....
7.	2019 .....	.....	.....	.....	.....	.....	.....	.....	.....
.....	2018 .....	.....	.....	.....	.....	.....	.....	.....	.....
.....	2017 .....	.....	.....	.....	.....	.....	.....	.....	.....
8.	2019 .....	.....	.....	.....	.....	.....	.....	.....	.....
.....	2018 .....	.....	.....	.....	.....	.....	.....	.....	.....
.....	2017 .....	.....	.....	.....	.....	.....	.....	.....	.....
9.	2019 .....	.....	.....	.....	.....	.....	.....	.....	.....
.....	2018 .....	.....	.....	.....	.....	.....	.....	.....	.....
.....	2017 .....	.....	.....	.....	.....	.....	.....	.....	.....
10.	2019 .....	.....	.....	.....	.....	.....	.....	.....	.....
.....	2018 .....	.....	.....	.....	.....	.....	.....	.....	.....
.....	2017 .....	.....	.....	.....	.....	.....	.....	.....	.....

NONE

PART 3 - DIRECTOR COMPENSATION

1 Name and Principal Position or Occupation and Company (if Outside Director)	Paid or Deferred for Services as Director				6 All Other Compensation Paid or Deferred	7 Totals
	2 Direct Compensation	3 Stock Awards	4 Option Awards	5 Other		
.....
.....
.....

NONE

PART 4 NARRATIVE DESCRIPTION OF MATERIAL FACTORS

Provide a narrative description of any material factors necessary to gain an understanding of the information disclosed in the tables.



**LIFE, HEALTH & ANNUITY GUARANTY ASSOCIATION
MODEL ACT ASSESSMENT BASE RECONCILIATION EXHIBIT
FOR THE YEAR ENDED DECEMBER 31, 2019
(To Be Filed By April 1)**

OF THE: MCS Life Insurance Company
Direct Business in the State of PUERTO RICO

NAIC COMPANY CODE: 60030

		1	2	3	4
PREMIUMS, CONSIDERATIONS AND DEPOSITS		Life Insurance Premiums	Annuity Considerations	A & H Premiums	Deposit-Type Contract Funds and Other Considerations
1.	Premiums, considerations and deposits from Schedule T or Exhibit of Premiums and Losses	1,878,806		277,151,413	
2.	Premiums, considerations and deposits NOT reported in Schedule T or Exhibit of Premiums and Losses, including investment contract receipts credited to liability account				
2.1	Contract fees for variable contracts with guarantees				
2.2	Any other premiums, considerations and deposits not reported in Schedule T or Exhibit of Premiums and Losses				
3.	Amounts, if applicable, that were deducted prior to determining amounts included in Lines 1 or 2 which are in the following categories:				
3.1	Transfers to guaranteed separate accounts				
3.2	Roll over of GIC's or annuities into other companies				
3.3	Surrenders or other benefits paid out				
3.4	Excess interest credited to accounts				
3.5	Aggregate write-ins for other amounts deducted prior to determining amounts included in Lines 1 or 2				
3.99	TOTAL (Lines 3.1 through 3.5)				
4.	Transfers:				
4.1	Enter in Column 2, as a negative number, and Column 4, as a positive number, the total of all amounts received to fund contracts established under Section 403(b) of the U.S. Internal Revenue Code, that are included in Column 2, Lines 1, 2 and 3.99				
4.2	Enter in Column 2, as a positive number, and Column 4 as a negative number, any amounts reported in Column 4, Lines 1, 2 and 3.99 that are allocated. (Note: Amounts received to fund contracts established under Section 403(b) of the U.S. Internal Revenue Code should not be included in Line 4.2)				
4.3	Enter in Column 4, as a positive number, and Column 2 as a negative number, any amounts reported in Column 2, Lines 1, 2 and 3.99 that are unallocated				
4.99	TOTAL (Lines 4.1 + 4.2 + 4.3)				
5.	TOTAL (Lines 1 + 2 + 3.99 + 4.99)	1,878,806		277,151,413	

DEVELOPMENT OF AMOUNTS INCLUDED IN LINES 1 THROUGH 5 THAT SHOULD BE DEDUCTED IN DETERMINING THE BASE

Do not include any amounts more than once in Lines 6 through 9

6.	Aggregate write-ins for amounts where the insurer is not subject to risk. Premiums for portions of policies or contracts NOT guaranteed or under which the entire investment risk is borne by the policyholder. (Please specify such deductions and indicate where such amounts were reported in the Annual Statement)				
7.	Amounts NOT allocated to individuals or individual certificate holders or amounts received for such contracts in excess of limits:				
7.1	Unallocated funding obligations that do NOT fund government lotteries or employee, union, or association of natural persons benefit plans	XXX	XXX	XXX	
7.2	Unallocated funding obligations that fund any employee, union or association of natural persons benefit plans protected by the Federal Pension Benefit Guaranty Corporation	XXX	XXX	XXX	
7.3	Unallocated funding obligations that fund governmental lotteries or employee, union, or association of natural persons benefit plans in excess of \$5 million per contract which are NOT: (a) government retirement plans established under Section 401, 403(b) or 457 of the U.S. Internal Revenue Code, or (b) protected by the Federal Pension Benefit Guaranty Corporation	XXX	XXX	XXX	
7.4	TOTAL (Lines 7.1 + 7.2 + 7.3)	XXX	XXX	XXX	
8.	Dividends/Experience rating credits paid or credited, but only if NOT guaranteed in advance (include only amounts NOT already deducted in determining Lines 1 and 2)				
9.	Aggregate write-ins for Other Deductions				
10.	TOTAL (Lines 6 + 7.4 + 8 + 9)				

MODEL ACT BASE (Line 5 minus Line 10)

11.	Current Year	1,878,806		277,151,413	
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DETAILS OF WRITE-INS

03.501.					
03.502.					
03.503.					
03.598.	Summary of remaining write-ins for Line 3.5 from overflow page				
03.599.	TOTALS (Lines 3.501 through 3.503 plus 3.598) (Line 3.5 above)				
0601.					
0602.					
0603.					
0698.	Summary of remaining write-ins for Line 6 from overflow page				
0699.	TOTALS (Lines 0601 through 0603 plus 0698) (Line 6 above)				
0901.					
0902.					
0903.					
0998.	Summary of remaining write-ins for Line 9 from overflow page				
0999.	TOTALS (Lines 0901 through 0903 plus 0998) (Line 9 above)				



**ADJUSTMENTS TO THE LIFE, HEALTH & ANNUITY GUARANTY ASSOCIATION
MODEL ACT ASSESSMENT BASE RECONCILIATION EXHIBIT
FOR THE YEAR ENDED DECEMBER 31, 2019**

OF THE: MCS Life Insurance Company
Direct Business in the State of PUERTO RICO

NAIC COMPANY CODE: 60030
(To Be Filed By April 1)

	1 Life Insurance Premium	2 Allocated Annuity and Other Allocated Fund Deposits	3 Accident & Health Premium	4 Unallocated Annuity & Other Unallocated Fund Deposits
1. MODEL ACT BASE (Line 11 of the Reconciliation Exhibit)	1,878,806		277,151,413	
AMOUNTS REQUIRED TO DETERMINE THIS STATE'S ASSESSMENT BASE				
2. Enter in Column 2, as a positive number, and Column 4, as a negative number, the total of all amounts received to fund allocated contracts established under Section 403(b) of the U.S. Internal Revenue Code that are included in Column 4, Line 1 above	X X X		X X X	
3. Unallocated funding obligations that do NOT fund government lotteries or employee, union, or association of natural persons benefit plans:				
3.1 Amounts NOT in excess of \$1 million per contract	X X X	X X X	X X X	
3.2 All Amounts	X X X	X X X	X X X	
4. Unallocated funding obligations issued to fund government lotteries or employee, union, or association of natural persons benefit plans which are NOT: (a) governmental retirement plans established under Sections 401, 403(b) or 457 of the U.S. Internal Revenue Code, or (b) protected by the Federal Pension Benefit Guaranty Corporation				
4.1 Amounts NOT in excess of \$1 million per contract	X X X	X X X	X X X	
4.2 Amounts in excess of \$1 million but NOT in excess of \$5 million per contract	X X X	X X X	X X X	
4.3 Amounts in excess of \$5 million per contract	X X X	X X X	X X X	
4.4 TOTAL (Lines 4.1 + 4.2 + 4.3)	X X X	X X X	X X X	
4.5 Amounts up to \$7.5 million per contract (Minnesota only)	X X X	X X X	X X X	
5. Unallocated funding obligations issued to fund governmental retirement plans established under Sections 401 and 457 of the U.S. Internal Revenue Code:				
5.1 Amounts in excess of \$1 million per contract	X X X	X X X	X X X	
5.2 All amounts	X X X	X X X	X X X	
5.3 Amounts in excess of \$2 million per contract (New Jersey Only)	X X X	X X X	X X X	
5.4 Amounts not in excess of \$7.5 million per contract (Minnesota only)	X X X	X X X	X X X	
6. Unallocated funding obligations issued to fund governmental retirement plans established under Section 403(b) of the U.S Internal Revenue Code:				
6.1 Amounts NOT in excess of \$1 million per contract	X X X	X X X	X X X	
6.2 Amounts in excess of \$1 million per contract	X X X	X X X	X X X	
6.3 TOTAL (Lines 6.1 + 6.2)	X X X	X X X	X X X	
6.4 Amounts in excess of \$2 million per contract (New Jersey Only)	X X X	X X X	X X X	
6.5 Amounts not in excess of \$7.5 million per contract (Minnesota only)	X X X	X X X	X X X	
7. Unallocated funding obligations that fund employee, union, or association of natural persons benefit plans protected by the Federal Pension Benefit Guaranty Corporation:				
7.1 Amounts NOT in excess of \$1 million per contract	X X X	X X X	X X X	
7.2 All amounts	X X X	X X X	X X X	
7.3 Amounts NOT in excess of \$2 million per contract (New Jersey Only)	X X X	X X X	X X X	
8. Unallocated funding obligations issued to fund government lotteries NOT in excess of \$5 million per contractholder (New Jersey Only)	X X X	X X X	X X X	
9. Unallocated funding obligations that fund employee or association of natural persons benefit plans in excess of \$2 million but NOT in excess of \$5 million per contract. (New Jersey Only)	X X X	X X X	X X X	
10. Aggregate write-ins for other deductions				
BASE				
11. Current Year (2019)	1,878,806		277,151,413	
DETAILS OF WRITE-INS				
1001.				
1002.				
1003.				
1098. Summary of remaining write-ins for Line 10 from overflow page				
1099. TOTALS (Lines 1001 through 1003 plus 1098) (Line 10 above)				



LIFE, HEALTH & ANNUITY GUARANTY ASSOCIATION
MODEL ACT ASSESSMENT BASE RECONCILIATION EXHIBIT
 FOR THE YEAR ENDED DECEMBER 31, 2019
 (To Be Filed By April 1)

OF THE: MCS Life Insurance Company
 Direct Business in the State of **GRAND TOTAL**

NAIC COMPANY CODE: 60030

	1	2	3	4
PREMIUMS, CONSIDERATIONS AND DEPOSITS	Life Insurance Premiums	Annuity Considerations	A & H Premiums	Deposit-Type Contract Funds and Other Considerations
1. Premiums, considerations and deposits from Schedule T or Exhibit of Premiums and Losses	1,878,806		277,151,413	
2. Premiums, considerations and deposits NOT reported in Schedule T or Exhibit of Premiums and Losses, including investment contract receipts credited to liability account				
2.1 Contract fees for variable contracts with guarantees				
2.2 Any other premiums, considerations and deposits not reported in Schedule T or Exhibit of Premiums and Losses				
3. Amounts, if applicable, that were deducted prior to determining amounts included in Lines 1 or 2 which are in the following categories:				
3.1 Transfers to guaranteed separate accounts				
3.2 Roll over of GIC's or annuities into other companies				
3.3 Surrenders or other benefits paid out				
3.4 Excess interest credited to accounts				
3.5 Aggregate write-ins for other amounts deducted prior to determining amounts included in Lines 1 or 2				
3.99 TOTAL (Lines 3.1 through 3.5)				
4. Transfers:				
4.1 Enter in Column 2, as a negative number, and Column 4, as a positive number, the total of all amounts received to fund contracts established under Section 403(b) of the U.S. Internal Revenue Code, that are included in Column 2, Lines 1, 2 and 3.99				
4.2 Enter in Column 2, as a positive number, and Column 4 as a negative number, any amounts reported in Column 4, Lines 1, 2 and 3.99 that are allocated. (Note: Amounts received to fund contracts established under Section 403(b) of the U.S. Internal Revenue Code should not be included in Line 4.2)				
4.3 Enter in Column 4, as a positive number, and Column 2 as a negative number, any amounts reported in Column 2, Lines 1, 2 and 3.99 that are unallocated				
4.99 TOTAL (Lines 4.1 + 4.2 + 4.3)				
5. TOTAL (Lines 1 + 2 + 3.99 + 4.99)	1,878,806		277,151,413	

DEVELOPMENT OF AMOUNTS INCLUDED IN LINES 1 THROUGH 5 THAT SHOULD BE DEDUCTED IN DETERMINING THE BASE

Do not include any amounts more than once in Lines 6 through 9

6. Aggregate write-ins for amounts where the insurer is not subject to risk. Premiums for portions of policies or contracts NOT guaranteed or under which the entire investment risk is borne by the policyholder. (Please specify such deductions and indicate where such amounts were reported in the Annual Statement)				
7. Amounts NOT allocated to individuals or individual certificate holders or amounts received for such contracts in excess of limits:				
7.1 Unallocated funding obligations that do NOT fund government lotteries or employee, union, or association of natural persons benefit plans	X X X	X X X	X X X	
7.2 Unallocated funding obligations that fund any employee, union or association of natural persons benefit plans protected by the Federal Pension Benefit Guaranty Corporation	X X X	X X X	X X X	
7.3 Unallocated funding obligations that fund governmental lotteries or employee, union, or association of natural persons benefit plans in excess of \$5 million per contract which are NOT: (a) government retirement plans established under Section 401, 403(b) or 457 of the U.S. Internal Revenue Code, or (b) protected by the Federal Pension Benefit Guaranty Corporation	X X X	X X X	X X X	
7.4 TOTAL (Lines 7.1 + 7.2 + 7.3)	X X X	X X X	X X X	
8. Dividends/Experience rating credits paid or credited, but only if NOT guaranteed in advance (include only amounts NOT already deducted in determining Lines 1 and 2)				
9. Aggregate write-ins for Other Deductions				
10. TOTAL (Lines 6 + 7.4 + 8 + 9)				

MODEL ACT BASE (Line 5 minus Line 10)

11. Current Year	1,878,806		277,151,413	
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DETAILS OF WRITE-INS

03.501.				
03.502.				
03.503.				
03.598. Summary of remaining write-ins for Line 3.5 from overflow page				
03.599. TOTALS (Lines 3.501 through 3.503 plus 3.598) (Line 3.5 above)				
0601.				
0602.				
0603.				
0698. Summary of remaining write-ins for Line 6 from overflow page				
0699. TOTALS (Lines 0601 through 0603 plus 0698) (Line 6 above)				
0901.				
0902.				
0903.				
0998. Summary of remaining write-ins for Line 9 from overflow page				
0999. TOTALS (Lines 0901 through 0903 plus 0998) (Line 9 above)				



SUPPLEMENTAL INVESTMENT RISKS INTERROGATORIES

For the year ended DECEMBER 31, 2019
(To Be Filed by April 1)

Of The MCS Life Insurance Company
 Address (City, State, Zip Code) San Juan, PR, 00917
 NAIC Group Code 1301 NAIC Company Code 60030 Employer's ID Number 66-0520918

The Investment Risk Interrogatories are to be filed by April 1. They are also to be included with the Audited Statutory Financial Statements.
 Answer the following interrogatories by reporting the applicable U. S. dollar amounts and percentages of the reporting entity's total admitted assets held in that category of investments.

1. Reporting entity's total admitted assets as reported on Page 2 of this annual statement. \$ 108,394,668

1 Issuer	2 Description of Exposure	3 Amount	4 Percentage of Total Admitted Assets
2. Ten largest exposures to a single issuer/borrower/investment.			
2.01 Banco Popular	Preferred Stock, Cash and CD	32,991,364	30.436
2.02 Samuel A. Ramirez	Cash	3,031,422	2.797
2.03 Huntleigh Securities Corp	Cash	3,054,084	2.818
2.04 First Bank	Cash	507,500	0.468
2.05 Lowes Co	Corporate Bonds	202,298	0.187
2.06 Samuel A. Ramirez	Corporate Bonds	121,347	0.112
2.07 Oriental Bank	Cash	69,259	0.064
2.08 .....	.....	.....	.....
2.09 .....	.....	.....	.....
2.10 .....	.....	.....	.....

NAIC Designation	1 Amount	2 Percent
3. Amounts and percentages of the reporting entity's total admitted assets held in bonds and preferred stocks by NAIC designation.		
Bonds		
3.01 NAIC 1	41,345,305	38.143
3.02 NAIC 2	323,645	0.299
3.03 NAIC 3
3.04 NAIC 4
3.05 NAIC 5
3.06 NAIC 6
Preferred Stocks		
3.07 P/RP-1
3.08 P/RP-2
3.09 P/RP-3
3.10 P/RP-4
3.11 P/RP-5
3.12 P/RP-6

4. Assets held in foreign investments:
 4.01 Are assets held in foreign investments less than 2.5% of the reporting entity's total admitted assets? Yes[X] No[]
 If response to 4.01 above is yes, responses are not required for interrogatories 5 - 10.

	1 Amount	2 Percent
4.02 TOTAL admitted assets held in foreign investments
4.03 Foreign-currency-denominated investments
4.04 Insurance liabilities denominated in that same foreign currency

Supp7 Supp. Inv. Risk Interr. Pt B NONE

Supp8 Supp. Inv. Risk Interr. Pt C NONE

Supp9 Supp. Inv. Risk Interr. Pt D NONE

Supp10 Supp. Inv. Risk Interr. Pt E NONE

Supp11 Supp. Inv. Risk Interr. Pt F NONE

Supp12 Supp. Inv. Risk Interr. Pt G NONE

Supp13 Variable Annuities Supplement - Part 1 NONE

Supp14 Variable Annuities Supplement - Part 2 NONE



NATIONAL ASSOCIATION OF INSURANCE COMMISSIONERS
SCHEDULE SIS

STOCKHOLDER INFORMATION SUPPLEMENT

**FOR THE YEAR ENDED
DECEMBER 31, 2019**

(To Be Filed by March 1)

**REQUIRED BY THE APPLICABLE QUESTION ON THE SUPPLEMENTAL EXHIBITS AND SCHEDULES
INTERROGATORIES FOR THE PROPERTY / CASUALTY, LIFE ACCIDENT AND HEALTH, TITLE
AND HEALTH INSURANCE BLANKS**

TO ANNUAL STATEMENT OF THE

MCS Life Insurance Company

COMPANY

Supp16 SIS Financial Reporting NONE

Supp17 SIS Inform. - Management and Directors NONE

Supp18 SIS Statement Beneficial Ownership NONE

Supp24	Workers Comp. Carve-Out Supp. Pt 1 Prem Earned	NONE
Supp24	Workers Comp. Carve-Out Supp. Pt 2 Prem Written	NONE
Supp24	Workers Comp. Carve-Out Supp. Pt 3 Losses Paid	NONE
Supp24	Workers Comp. Carve-Out Supp. Pt 4 Unpaid Losses	NONE
Supp25	Workers Comp. Carve-Out Supp. Sch F - Pt 1	NONE
Supp25	Workers Comp. Carve-Out Supp. Sch F - Pt 2	NONE
Supp26	Workers Comp. Carve-Out Supp. Sch P - Pt 1	NONE
Supp27	Workers Comp. Carve-Out Supp. Sch P - Pt 2	NONE
Supp27	Workers Comp. Carve-Out Supp. Sch P - Pt 3	NONE
Supp28	Workers Comp. Carve-Out Supp. Sch P - Pt 4	NONE
Supp28	Workers Comp. Carve-Out Supp. Sch P - Pt 5 Sn1	NONE
Supp28	Workers Comp. Carve-Out Supp. Sch P - Pt 5 Sn2	NONE
Supp28	Workers Comp. Carve-Out Supp. Sch P - Pt 5 Sn3	NONE
Supp29	Workers Comp. Carve-Out Supp. Sch P - Pt 6 Sn1	NONE
Supp29	Workers Comp. Carve-Out Supp. Sch P - Pt 6 Sn2	NONE



SCHEDULE O SUPPLEMENT

For the Year Ended DECEMBER 31, 2019

(To Be Filed By March 1)

Of the MCS Life Insurance Company

Address (City, State, Zip Code): San Juan, PR 00917

NAIC Group Code: 1301 NAIC Company Code: 60030 Employer's ID Number: 66-0520918

SUPPLEMENTAL SCHEDULE O - PART 1

Development of Incurred Losses

(\$000 OMITTED)

Section A - Group Accident and Health

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid Policyholders				
	1 2015	2 2016	3 2017	4 2018	5 2019(a)
1. Prior	18,823	159	1		
2. 2015	198,106	27,647	130	(257)	
3. 2016	X X X	213,099	20,677	184	408
4. 2017	X X X	X X X	200,102	22,223	852
5. 2018	X X X	X X X	X X X	211,268	13,091
6. 2019	X X X	X X X	X X X	X X X	201,970

Section B - Other Accident and Health

1. Prior	2,622	(35)	(12)		
2. 2015	38,639	6,513	36	(39)	
3. 2016	X X X	19,334	1,843	(10)	31
4. 2017	X X X	X X X	17,437	1,112	290
5. 2018	X X X	X X X	X X X	10,582	1,000
6. 2019	X X X	X X X	X X X	X X X	9,856

Section C - Credit Accident and Health

1. Prior					
2. 2015					
3. 2016	X X X				
4. 2017	X X X	X X X			
5. 2018	X X X	X X X	X X X		
6. 2019	X X X	X X X	X X X	X X X	

(a) See the Annual Audited Financial Reports in the General section of the annual statement instructions.

SCHEDULE O SUPPLEMENT (Continued)

SUPPLEMENTAL SCHEDULE O - PART 2

Development of Incurred Losses
 (\$000 OMITTED)
Section A - Group Accident and Health

Year in Which Losses Were Incurred	Net Amounts Paid for Cost Containment Expenses				
	1 2015	2 2016	3 2017	4 2018	5 2019
1. Prior					
2. 2015					
3. 2016	X X X				
4. 2017	X X X	X X X			
5. 2018	X X X	X X X	X X X		
6. 2019	X X X	X X X	X X X	X X X	

Section B - Other Accident and Health

1. Prior					
2. 2015					
3. 2016	X X X				
4. 2017	X X X	X X X			
5. 2018	X X X	X X X	X X X		
6. 2019	X X X	X X X	X X X	X X X	

Section C - Credit Accident and Health

1. Prior					
2. 2015					
3. 2016	X X X				
4. 2017	X X X	X X X			
5. 2018	X X X	X X X	X X X		
6. 2019	X X X	X X X	X X X	X X X	

SCHEDULE O SUPPLEMENT (Continued)

SUPPLEMENTAL SCHEDULE O - PART 3

**Development of Incurred Losses
(\$000 OMITTED)**

Section A - Group Accident and Health

Year in Which Losses Were Incurred	Sum of Net Cumulative Amount Paid Policyholders and Claim Liability and Reserve Outstanding at End of Year				
	1 2015	2 2016	3 2017	4 2018	5 2019
1. 2015	225,935	1,021	(51)	X X X	X X X
2. 2016	X X X	23,600	5,339	1	X X X
3. 2017	X X X	X X X	24,675	4,683	3,148
4. 2018	X X X	X X X	X X X	23,617	5,776
5. 2019	X X X	X X X	X X X	X X X	15,811

Section B - Other Accident and Health

1. 2015	46,012	23	(7)	X X X	X X X
2. 2016	X X X	2,339	8		X X X
3. 2017	X X X	X X X	1,861		0
4. 2018	X X X	X X X	X X X	1,736	2
5. 2019	X X X	X X X	X X X	X X X	595

Section C - Credit Accident and Health

1. 2015				X X X	X X X
2. 2016	X X X				X X X
3. 2017	X X X	X X X			
4. 2018	X X X	X X X	X X X		
5. 2019	X X X	X X X	X X X	X X X	

SCHEDULE O SUPPLEMENT (Continued)

SUPPLEMENTAL SCHEDULE O - PART 4

**Development of Incurred Losses
(\$000 OMITTED)**

Section A - Group Accident and Health

Year in Which Losses Were Incurred	Sum of Net Cumulative Amount Paid Policyholders, Cost Containment Expenses, and Claim and Cost Containment Liability and Reserve Outstanding at End of Year				
	1 2015	2 2016	3 2017	4 2018	5 2019
1. 2015					
2. 2016	X X X				
3. 2017	X X X	X X X			
4. 2018	X X X	X X X	X X X		
5. 2019	X X X	X X X	X X X	X X X	

Section B - Other Accident and Health

1. 2015					
2. 2016	X X X				
3. 2017	X X X	X X X			
4. 2018	X X X	X X X	X X X		
5. 2019	X X X	X X X	X X X	X X X	

Section C - Credit Accident and Health

1. 2015					
2. 2016	X X X				
3. 2017	X X X	X X X			
4. 2018	X X X	X X X	X X X		
5. 2019	X X X	X X X	X X X	X X X	

SUPPLEMENTAL SCHEDULE O - PART 5

(\$000 OMITTED)

Reserve and Liability Methodology - Exhibits 6 and 8

Line of Business	1 Methodology	2 Amount
1. Industrial life		
2. Ordinary life		
3. Individual annuity		
4. Supplementary contracts		
5. Credit life		
6. Group life	Other	250
7. Group annuities		
8. Group accident and health	Development	24,735
9. Credit accident and health		
10. Other accident and health	Development	597
11. TOTAL		25,582



Medicare Part D Coverage Supplement (Net of Reinsurance)

NAIC Group Code: 1301

(To be Filed By March 1)

NAIC Company Code: 60030

	Individual Coverage		Group Coverage		5 Total Cash
	1 Insured	2 Uninsured	3 Insured	4 Uninsured	
1. Premiums Collected					
1.1 Standard Coverage					
1.11 With Reinsurance Coverage		X X X		X X X	
1.12 Without Reinsurance Coverage		X X X		X X X	
1.13 Risk-Corridor Payment Adjustments		X X X		X X X	
1.2 Supplemental Benefits		X X X		X X X	
2. Premiums Due and Uncollected - change					
2.1 Standard Coverage					
2.11 With Reinsurance Coverage		X X X		X X X	X X X
2.12 Without Reinsurance Coverage		X X X		X X X	X X X
2.2 Supplemental Benefits		X X X		X X X	X X X
3. Unearned Premium and Advance Premium - change					
3.1 Standard Coverage					
3.11 With Reinsurance Coverage		X X X		X X X	X X X
3.12 Without Reinsurance Coverage		X X X		X X X	X X X
3.2 Supplemental Benefits		X X X		X X X	X X X
4. Risk-Corridor Payment Adjustments - change					
4.1 Receivable		X X X		X X X	X X X
4.2 Payable		X X X		X X X	X X X
5. Earned Premiums					
5.1 Standard Coverage					
5.11 With Reinsurance Coverage		X X X		X X X	X X X
5.12 Without Reinsurance Coverage		X X X		X X X	X X X
5.13 Risk-Corridor Payment Adjustments		X X X		X X X	X X X
5.2 Supplemental Benefits		X X X		X X X	X X X
6. TOTAL Premiums		X X X		X X X	
7. Claims Paid					
7.1 Standard Coverage					
7.11 With Reinsurance Coverage		NONE		X X X	
7.12 Without Reinsurance Coverage		NONE		X X X	
7.2 Supplemental Benefits		NONE		X X X	
8. Claim Reserves and Liabilities - change					
8.1 Standard Coverage					
8.11 With Reinsurance Coverage		X X X		X X X	X X X
8.12 Without Reinsurance Coverage		X X X		X X X	X X X
8.2 Supplemental Benefits		X X X		X X X	X X X
9. Healthcare Receivables - change					
9.1 Standard Coverage					
9.11 With Reinsurance Coverage		X X X		X X X	X X X
9.12 Without Reinsurance Coverage		X X X		X X X	X X X
9.2 Supplemental Benefits		X X X		X X X	X X X
10. Claims Incurred					
10.1 Standard Coverage					
10.11 With Reinsurance Coverage		X X X		X X X	X X X
10.12 Without Reinsurance Coverage		X X X		X X X	X X X
10.2 Supplemental Benefits		X X X		X X X	X X X
11. TOTAL Claims		X X X		X X X	
12. Reinsurance Coverage and Low Income Cost Sharing					
12.1 Claims Paid - Net of reimbursements applied	X X X		X X X		
12.2 Reimbursements Received but Not Applied - change	X X X		X X X		
12.3 Reimbursements Receivable - change	X X X		X X X		X X X
12.4 Healthcare Receivables - change	X X X		X X X		X X X
13. Aggregate Policy Reserves - change					X X X
14. Expenses Paid		X X X		X X X	
15. Expenses Incurred		X X X		X X X	X X X
16. Underwriting Gain/Loss		X X X		X X X	X X X
17. Cash Flow Result	X X X	X X X	X X X	X X X	

Supp35 VM20 Reserves Supplement - Part 1 NONE

Supp36 VM20 Reserves Supplement - Part 2 NONE

Supp36 VM20 Reserves Supplement - Part 3 NONE

Supp37 VM20 Reserves Supplement - Part 4 NONE

Supp38 Long Term Care Form 1 NONE

Supp39 Long Term Care Form 2 NONE

Supp40 Long Term Care Form 3 - Part A NONE

Supp41 Long Term Care Form 3 - Part B NONE

Supp42 Long Term Care Form 3 - Part C NONE

Supp43 Long Term Care Form 4 NONE

Supp44 Long Term Care Form 5 NONE

PART 6 - NATIONWIDE CREDIT PROPERTY PREMIUMS AND UNDERWRITING EXPENSES

	1 Creditor Placed Home	2 Creditor Placed Auto	3 Personal Property	4 Other (a)
1. Premiums:				
1.1 Direct written premiums				
1.2 Direct earned premiums				
2. Underwriting expenses incurred:				
2.1 Commission and brokerage expenses incurred	NONE			
2.2 Taxes, licenses and fees incurred	NONE			
2.3 Other acquisitions, field supervision and collection expenses incurred	NONE			
2.4 General expenses incurred	NONE			

(a) Provide a description of "other" coverages (including their percent of Line 1.2 Column 4):



ACCIDENT AND HEALTH POLICY EXPERIENCE EXHIBIT FOR YEAR

United States Policy Forms Direct Business Only

For The Year Ended DECEMBER 31, 2019

NAIC Group Code: 1301

(To Be Filed By April 1)

NAIC Company Code: 60030

	1	2	3	4	5	6	7
	Premiums Earned	Incurred Claims Amount	Change in Contract Reserves	Loss Ratio (2 + 3) / 1	Number of Policies or Certificates as of Dec. 31	Number of Covered Lives as of Dec. 31	Member Months
A. INDIVIDUAL BUSINESS							
1. Comprehensive Major Medical							
1.1. With Contract Reserves	16,544,194	10,037,077		60.7	5,007	7,381	92,413
1.2. Without Contract Reserves							
1.3. Subtotal	16,544,194	10,037,077		60.7	5,007	7,381	92,413
2. Short-Term Medical							
2.1. With Contract Reserves							
2.2. Without Contract Reserves							
2.3. Subtotal							
3. Other Medical (Non-Comprehensive)							
3.1. With Contract Reserves							
3.2. Without Contract Reserves							
3.3. Subtotal							
4. Specified/Named Disease							
4.1. With Contract Reserves							
4.2. Without Contract Reserves							
4.3. Subtotal							
5. Limited Benefit							
5.1. With Contract Reserves							
5.2. Without Contract Reserves							
5.3. Subtotal							
6. Student							
6.1. With Contract Reserves							
6.2. Without Contract Reserves							
6.3. Subtotal							
7. Accident Only or AD&D							
7.1. With Contract Reserves							
7.2. Without Contract Reserves							
7.3. Subtotal							
8. Disability Income - Short-Term							
8.1. With Contract Reserves							
8.2. Without Contract Reserves							
8.3. Subtotal							

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ACCIDENT AND HEALTH POLICY EXPERIENCE EXHIBIT FOR YEAR

Supp55

	1	2	3	4	5	6	7
	Premiums Earned	Incurred Claims Amount	Change in Contract Reserves	Loss Ratio (2 + 3) / 1	Number of Policies or Certificates as of Dec. 31	Number of Covered Lives as of Dec. 31	Member Months
A. INDIVIDUAL BUSINESS (Continued)							
9. Disability Income - Long-Term							
9.1. With Contract Reserves							
9.2. Without Contract Reserves							
9.3. Subtotal							
10. Long-Term Care							
10.1. With Contract Reserves							
10.2. Without Contract Reserves							
10.3. Subtotal							
11. Medicare Supplement (Medigap)							
11.1. With Contract Reserves							
11.2. Without Contract Reserves							
11.3. Subtotal							
12. Dental							
12.1. With Contract Reserves							
12.2. Without Contract Reserves							
12.3. Subtotal							
13. State Children's Health Insurance Program							
13.1. With Contract Reserves							
13.2. Without Contract Reserves							
13.3. Subtotal							
14. Medicare							
14.1. With Contract Reserves							
14.2. Without Contract Reserves							
14.3. Subtotal							
15. Medicaid							
15.1. With Contract Reserves							
15.2. Without Contract Reserves							
15.3. Subtotal							
16. Medicare Part D - Stand-Alone							
16.1. With Contract Reserves							
16.2. Without Contract Reserves							
16.3. Subtotal							
17. Other Individual Business							
17.1. With Contract Reserves							
17.2. Without Contract Reserves							
17.3. Subtotal							
18. Total Individual Business							
18.1. With Contract Reserves	16,544,194	10,037,077		60.7	5,007	7,381	92,413
18.2. Without Contract Reserves							
19. Grand Total Individual	16,544,194	10,037,077		60.7	5,007	7,381	92,413

ACCIDENT AND HEALTH POLICY EXPERIENCE EXHIBIT FOR YEAR

	1	2	3	4	5	6	7
	Premiums Earned	Incurred Claims Amount	Change in Contract Reserves	Loss Ratio (2 + 3) / 1	Number of Policies or Certificates as of Dec. 31	Number of Covered Lives as of Dec. 31	Member Months
B. GROUP BUSINESS							
Comprehensive Major Medical							
1. Single Employer							
1.1. Small Employer	260,607,218	212,754,895		81.6	54,456	115,306	1,344,797
1.2. Other Employer							
1.3. Single Employer Subtotal	260,607,218	212,754,895		81.6	54,456	115,306	1,344,797
2. Multiple Employer Assns and Trusts							
3. Other Associations and Discretionary Trusts							
4. Other Comprehensive Major Medical							
5. Comprehensive/Major Medical Subtotal	260,607,218	212,754,895		81.6	54,456	115,306	1,344,797
Other Medical (Non-Comprehensive)							
6. Specified/Named Disease							
7. Limited Benefit							
8. Student							
9. Accident Only or AD&D							
10. Disability Income - Short-Term							
11. Disability Income - Long-Term							
12. Long-Term Care							
13. Medicare Supplement (Medigap)							
14. Federal Employees Health Benefits Plans							
15. Tricare							
16. Dental							
17. Medicare							
18. Medicare Part D - Stand-Alone							
19. Other Group Care							
20. GRAND TOTAL Group Business	260,607,218	212,754,895		81.6	54,456	115,306	1,344,797
C. OTHER BUSINESS							
1. Credit (Individual and Group)							
2. Stop Loss/Excess Loss							
3. Administrative Services Only	X X X	X X X	X X X	X X X			
4. Administrative Services Contracts	X X X	X X X	X X X	X X X			
5. GRAND TOTAL Other Business							
D. TOTAL BUSINESS							
1. TOTAL Non U.S. Policy Forms							
2. GRAND TOTAL Individual, Group and Other Business	277,151,413	222,791,971		80.4	59,463	122,687	1,437,210

ACCIDENT AND HEALTH POLICY EXPERIENCE EXHIBIT FOR YEAR

PART 1 - INDIVIDUAL POLICIES SUMMARY

Description	1 Premiums Earned	2 Incurred Claims Amount	3 Change in Contract Reserves	4 Loss Ratio (2 + 3) / 1
1. U.S. Forms Direct Business	16,544,194	10,037,077		60.668
2. Other Forms Direct Business				
3. TOTAL Direct Business	16,544,194	10,037,077		60.668
4. Reinsurance Assumed				
5. Less Reinsurance Ceded	83,307			
6. TOTAL	16,460,888	10,037,077		60.975

PART 2 - GROUP POLICIES SUMMARY

Description	1 Premiums Earned	2 Incurred Claims Amount	3 Change in Contract Reserves	4 Loss Ratio (2 + 3) / 1
1. U.S. Forms Direct Business	260,607,218	212,754,895		81.638
2. Other Forms Direct Business				
3. TOTAL Direct Business	260,607,218	212,754,895		81.638
4. Reinsurance Assumed				
5. Less Reinsurance Ceded	1,200,274			
6. TOTAL	259,406,944	212,754,895		82.016

PART 3 - CREDIT POLICIES (Individual and Group) SUMMARY

Description	1 Premiums Earned	2 Incurred Claims Amount	3 Change in Contract Reserves	4 Loss Ratio (2 + 3) / 1
1. U.S. Forms Direct Business				
2. Other Forms Direct Business				
3. TOTAL Direct Business				
4. Reinsurance Assumed				
5. Less Reinsurance Ceded				
6. TOTAL				

PART 4 - ALL INDIVIDUAL, GROUP AND CREDIT POLICIES SUMMARY

Description	1 Premiums Earned	2 Incurred Claims Amount	3 Change in Contract Reserves	4 Loss Ratio (2 + 3) / 1
1. U.S. Forms Direct Business	277,151,413	222,791,971		80.386
2. Other Forms Direct Business				
3. TOTAL Direct Business	277,151,413	222,791,971		80.386
4. Reinsurance Assumed				
5. Less Reinsurance Ceded	1,283,581			
6. TOTAL	275,867,832	222,791,971		80.760

SUPPLEMENTAL HEALTH CARE EXHIBIT - PART 1

(To Be Filed by April 1 - Not for Rebate Purposes - See Cautionary Statement at http://www.naic.org/documents/committees_e_app_blanks_related_shce_cautionary_statement.pdf)

REPORT FOR: 1. CORPORATION: MCS Life Insurance Company 2. LOCATION: San Juan, PR 00917



NAIC Group Code 1301

BUSINESS IN THE STATE OF Puerto Rico DURING THE YEAR 2019

NAIC Company Code 60030

Supp58 Puerto Rico

	Business Subject to MLR									10 Government Business (Excluded by Statute)	11 Other Health Business	12 Medicare Advantage Part C and Medicare Part D Stand-Alone Subject to ACA	13 Subtotal (Cols. 1 thru 12)	14 Uninsured Plans	15 Total (Cols. 13 + 14)
	Comprehensive Health Coverage			Mini-Med Plans			Expatriate Plans		9 Student Health Plans						
	1 Individual	2 Small Group Employer	3 Large Group Employer	4 Individual	5 Small Group Employer	6 Large Group Employer	7 Small Group	8 Large Group							
1. Premium:															
1.1 Health premiums earned (From Part 2, Line 1.11)	16,544,194	84,034,073	176,573,145										277,151,412	XXX	277,151,412
1.2 Federal high risk pools														XXX	
1.3 State high risk pools														XXX	
1.4 Premiums earned including state and federal high risk programs (Lines 1.1 + 1.2 + 1.3)	16,544,194	84,034,073	176,573,145										277,151,412	XXX	277,151,412
1.5 Federal taxes and federal assessments	23,454	111,259	258,200										392,913		392,913
1.6 State insurance, premium and other taxes (Similar local taxes of \$.....0)	724,643	1,343,839	2,623,964										4,692,446		4,692,446
1.6A Community Benefit Expenditures (informational only)															
1.7 Regulatory authority licenses and fees	19,164	90,908	210,971										321,043		321,043
1.8 Adjusted Premiums Earned (Lines 1.4 - 1.5 - 1.6 - 1.7)	15,776,933	82,488,068	173,480,010										271,745,010	XXX	271,745,010
1.9 Net assumed less ceded reinsurance premiums earned	(83,307)	(387,168)	(813,106)										(1,283,581)	XXX	(1,283,581)
1.10 Other adjustments due to MLR calculations - Premiums														XXX	
1.11 Risk Revenue														XXX	
1.12 Net adjusted premiums earned after reinsurance (Lines 1.8 + 1.9 + 1.10 + 1.11)	15,693,626	82,100,900	172,666,904										270,461,430	XXX	270,461,430
2. Claims:															
2.1 Incurred claims excluding prescription drugs	10,206,852	54,645,501	131,241,022										196,093,374	XXX	196,093,374
2.2 Prescription drugs	1,055,679	10,948,992	18,648,500										30,653,171	XXX	30,653,171
2.3 Pharmaceutical rebates	136,193	1,412,532	2,405,848										3,954,574	XXX	3,954,574
2.4 State stop-loss, market stabilization and claim/census based assessments (informational only)														XXX	
3. Incurred medical incentive pools and bonuses														XXX	
4. Deductible Fraud and Abuse Detection/Recovery Expenses (for MLR use only)															
5.0 TOTAL Incurred Claims (Lines 2.1 + 2.2 - 2.3 + 3) (From Part 2, Line 2.15)	11,126,337	64,181,960	147,483,673										222,791,971	XXX	222,791,971
5.1 Net assumed less ceded reinsurance claims incurred														XXX	
5.2 Other adjustments due to MLR calculations - Claims														XXX	
5.3 Rebates Paid										XXX	XXX			XXX	
5.4 Estimated rebates unpaid prior year										XXX	XXX			XXX	
5.5 Estimated rebates unpaid current year										XXX	XXX			XXX	
5.6 Fee for service and co-pay revenue														XXX	
5.7 Net incurred claims after reinsurance (Lines 5.0 + 5.1 + 5.2 + 5.3 - 5.4 + 5.5 - 5.6)	11,126,337	64,181,960	147,483,673										222,791,971	XXX	222,791,971
6. Improving Health Care Quality Expenses Incurred:															
6.1 Improve health outcomes	73,253	320,468	743,717										1,137,438		1,137,438
6.2 Activities to prevent hospital readmissions	9,900	43,310	100,510										153,720		153,720
6.3 Improve patient safety and reduce medical errors	11,208	49,033	113,792										174,034		174,034
6.4 Wellness and health promotion activities	15,579	68,156	158,171										241,906		241,906
6.5 Health Information Technology expenses related to health improvement	2,112	9,241	21,446										32,800		32,800
6.6 TOTAL of Defined Expenses Incurred for Improving Health Care Quality (Lines 6.1 + 6.2 + 6.3 + 6.4 + 6.5)	112,053	490,208	1,137,636										1,739,897		1,739,897
7. Preliminary Medical Loss Ratio: MLR (Lines 4 + 5.0 + 6.6 - Footnote 2.0) / Line 1.8	0.712	0.784	0.857							XXX	XXX		XXX	XXX	XXX
8. Claim Adjustment Expenses:															
8.1 Cost containment expenses not included in quality of care expenses in Line 6.6															
8.2 All other claims adjustment expenses															
8.3 TOTAL Claims adjustment expenses (Lines 8.1 + 8.2)															
9. Claims Adjustment Expense Ratio (Line 8.3 / Line 1.8)													XXX	XXX	XXX

SUPPLEMENTAL HEALTH CARE EXHIBIT - PART 1 (Continued)

(To Be Filed by April 1 - Not for Rebate Purposes)

	Business Subject to MLR									10 Government Business (Excluded by Statute)	11 Other Health Business	12 Medicare Advantage Part C and Medicare Part D Stand-Alone Subject to ACA	13 Subtotal (Cols. 1 thru 12)	14 Uninsured Plans	15 Total (Cols. 13 + 14)
	Comprehensive Health Coverage			Mini-Med Plans			Expatriate Plans		9 Student Health Plans						
	1 Individual	2 Small Group Employer	3 Large Group Employer	4 Individual	5 Small Group Employer	6 Large Group Employer	7 Small Group	8 Large Group							
10. General and Administrative (G&A) Expenses:															
10.1 Direct sales salaries and benefits	157,414	688,655	1,598,177										2,444,246		2,444,246
10.2 Agents and brokers fees and commissions	620,209	3,905,431	9,063,417										13,589,057		13,589,057
10.3 Other taxes (excluding taxes on Lines 1.5 through 1.7 and Line 14 below)	3,376	16,013	37,162										56,551		56,551
10.4 Other general and administrative expenses	1,274,782	5,576,926	12,942,490										19,794,198		19,794,198
10.4A Community Benefit Expenditures (informational only)															
10.5 TOTAL General and administrative (Lines 10.1 + 10.2 + 10.3 + 10.4)	2,055,781	10,187,026	23,641,245										35,884,052		35,884,052
11. Underwriting Gain/(Loss) (Lines 1.12 - 5.7 - 6.6 - 8.3 - 10.5)	2,399,455	7,241,706	404,349										10,045,510	X X X	10,045,510
12. Income from fees of uninsured plans	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X		
13. Net investment and other gain/(loss)	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	
14. Federal income taxes (excluding taxes on Line 1.5 above)	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	
15. Net gain or (loss) (Lines 11 + 12 + 13 - 14)	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	10,045,510	X X X	10,045,510
16. ICD-10 Implementation Expenses (informational only; already included in general expenses and Line 10.4)															
16A. ICD-10 Implementation Expenses (informational only; already included in Line 10.4)															
O. OTHER INDICATORS:															
O1. Number of Certificates / Policies	5,007	17,263	37,193										59,463		59,463
O2. Number of Covered Lives	7,381	23,448	91,858										122,687		122,687
O3. Number of Groups	X X X	1,654	91	X X X									1,745		1,745
O4. Member Months	92,413	404,971	939,826										1,437,210		1,437,210

(a) Is run off business reported in Columns 1 through 9 or 12? Yes [] No [X]
 (b) If yes, show the amount of premiums and claims included: Premiums \$.....0 Claims \$.....0

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AFFORDABLE CARE ACT (ACA) RECEIPTS, PAYMENTS, RECEIVABLES and PAYABLES				
	Current Year		Prior Year	
	Comprehensive Health Coverage		Comprehensive Health Coverage	
	1 Individual Plans	2 Small Group Employer Plans	3 Individual Plans	4 Small Group Employer Plans
ACA Receivables and Payables				
1. Permanent ACA Risk Adjustment Program				
1.0 Premium adjustments receivable/(payable)				
2. Transitional ACA Reinsurance Program				
2.0 Total amounts recoverable for claims (paid & unpaid)		X X X		X X X
3. Temporary ACA Risk Corridors Program				
3.1 Accrued retrospective premium				
3.2 Reserve for rate credits or policy experience refunds				
ACA Receipts and Payments				
4. Permanent ACA Risk Adjustment Program				
4.0 Premium adjustments receipts/(payments)				
5. Transitional ACA Reinsurance Program				
5.0 Amounts received for claims		X X X		X X X
6. Temporary ACA Risk Corridors Program				
6.1 Retrospective premium received				
6.2 Rate credits or policy experience refunds paid				

SUPPLEMENTAL HEALTH CARE EXHIBIT - PART 2

(To Be Filed By April 1 - Not for Rebate Purposes)

REPORT FOR: 1. CORPORATION: MCS Life Insurance Company 2. LOCATION: San Juan, PR 00917

BUSINESS IN THE STATE OF Puerto Rico DURING THE YEAR 2019

NAIC Group Code 1301

NAIC Company Code 60030

		Business Subject to MLR									10 Government Business (Excluded by Statute)	11 Other Health Business	12 Medicare Advantage Part C and Medicare Part D Stand-Alone Subject to ACA	13 Total (a)
		Comprehensive Health Coverage			Mini-Med Plans			Expatriate Plans		9 Student Health Plans				
		1 Individual	2 Small Group Employer	3 Large Group Employer	4 Individual	5 Small Group Employer	6 Large Group Employer	7 Small Group	8 Large Group					
1.	Health Premiums Earned													
1.1	Direct premiums written	16,519,441	84,107,401	176,637,389									277,264,231	
1.2	Unearned premium prior year	394,895	335,354	794,047									1,524,296	
1.3	Unearned premium current year	370,142	408,682	858,291									1,637,115	
1.4	Change in unearned premium (Lines 1.2 - 1.3)	24,754	(73,328)	(64,244)									(112,818)	
1.5	Paid rate credits													
1.6	Reserve for rate credits current year													
1.7	Reserve for rate credits prior year													
1.8	Change in reserve for rate credits (Lines 1.6 - 1.7)													
1.9	Premium balances written off													
1.10	Group conversion charges													
1.11	TOTAL Direct premiums earned (Lines 1.1 + 1.4 - 1.9 + 1.10)	16,544,194	84,034,073	176,573,145									277,151,412	
1.12	Assumed premiums earned from non-affiliates													
1.13	Net assumed less ceded premiums earned from affiliates													
1.14	Ceded premiums earned to non-affiliates	83,307	387,168	813,106									1,283,581	
1.15	Other adjustments due to MLR calculation - Premiums													
1.16	Net premiums earned (Lines 1.11 - 1.5 - 1.8 + 1.12 + 1.13 - 1.14 + 1.15)	16,460,888	83,646,905	175,760,039									275,867,832	
2.	Direct Claims Incurred:													
2.1	Paid claims during the year	11,176,266	67,720,058	148,601,309									227,497,633	
2.2	Direct claim liability current year	596,921	7,743,331	16,991,556									25,331,808	
2.3	Direct claim liability prior year	1,736,110	8,327,741	19,973,619									30,037,470	
2.4	Direct claim reserves current year													
2.5	Direct claim reserves prior year													
2.6	Direct contract reserves current year													
2.7	Direct contract reserves prior year													
2.8	Paid rate credits													
2.9	Reserve for rate credits current year													
2.10	Reserve for rate credits prior year													
2.11	Incurred medical incentive pools and bonuses (Lines 2.11a + 2.11b - 2.11c)													
2.11A	Paid medical incentive pools and bonuses current year													
2.11B	Accrued medical incentive pools and bonuses current year													
2.11C	Accrued medical incentive pools and bonuses prior year													
2.12	Net healthcare receivables (Lines 2.12a - 2.12b)	(4,498)	11,830	(35,749)									(28,418)	
2.12A	Healthcare receivables current year	36,017	373,548	636,234									1,045,799	
2.12B	Healthcare receivables prior year	40,515	361,719	671,983									1,074,217	
2.13	Group conversion charge													
2.14	Multi-option coverage blended rate adjustment													
2.15	TOTAL Incurred Claims (Lines 2.1 + 2.2 - 2.3 + 2.4 - 2.5 + 2.6 - 2.7 + 2.8 + 2.9 - 2.10 + 2.11 - 2.12 + 2.13 + 2.14)	10,041,575	67,123,819	145,654,995									222,820,389	
2.16	Assumed Incurred Claims from non-affiliates													
2.17	Net Assumed less Ceded Incurred Claims from affiliates													
2.18	Ceded Incurred Claims to non-affiliates													
2.19	Other Adjustments due to MLR calculation - Claims													
2.20	Net Incurred Claims (Lines 2.15 - 2.8 - 2.9 + 2.10 + 2.16 + 2.17 - 2.18 + 2.19)	10,041,575	67,123,819	145,654,995									222,820,389	
3.	Fraud and Abuse Recoveries that Reduced PAID Claims in Line 2.1 above (informational only)	5,391	23,586	54,737									83,715	

(a) Column 13, Line 1.1 includes direct written premium of \$.....0 for stand-alone dental and \$.....0 for stand-alone vision policies.

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SUPPLEMENTAL HEALTH CARE EXHIBIT - PART 3 (Continued)
 (To Be Filed By April 1 - Not for Rebate Purposes)

	All Expenses	Improving Health Care Quality Expenses					Claims Adjustment Expenses		9 General Administrative Expenses	10 Total Expenses (6 to 9)
		1 Improve Health Outcomes	2 Activities to Prevent Hospital Readmissions	3 Improve Patient Safety and Reduce Medical Errors	4 Wellness & Health Promotion Activities	5 HIT Expenses	6 Total (1 to 5)	7 Cost Containment Expenses		
4.	Individual Mini-Med Plans Expenses									
4.1	Salaries (including \$.....0 for affiliated services)									
4.2	Outsourced services									
4.3	EDP equipment and software (including \$.....0 for affiliated services)									
4.4	Other equipment (excluding EDP) (including \$.....0 for affiliated services)									
4.5	Accreditation and certification (including \$.....0 for affiliated services)		XXX	XXX	XXX	XXX				
4.6	Other expenses (including \$.....0 for affiliated services)									
4.7	Subtotal before reimbursements and taxes (Lines 4.1 to 4.6)									
4.8	Reimbursements by uninsured plans and fiscal intermediaries									
4.9	Taxes, licenses and fees (in total, for tying purposes)	XXX	XXX	XXX	XXX	XXX	XXX	XXX		
4.10	TOTAL (Lines 4.7 to 4.9)									
4.11	TOTAL fraud and abuse detection/recovery expenses included in Column 7 (informational only)									
5.	Small Group Mini-Med Plans Expenses									
5.1	Salaries (including \$.....0 for affiliated services)									
5.2	Outsourced services									
5.3	EDP Equipment and Software (including \$.....0 for affiliated services)									
5.4	Other equipment (excluding EDP) (including \$.....0 for affiliated services)									
5.5	Accreditation and certification (including \$.....0 for affiliated services)		XXX	XXX	XXX	XXX				
5.6	Other expenses (including \$.....0 for affiliated services)									
5.7	Subtotal before reimbursements and taxes (Lines 5.1 to 5.6)									
5.8	Reimbursements by uninsured plans and fiscal intermediaries									
5.9	Taxes, licenses and fees (in total, for tying purposes)	XXX	XXX	XXX	XXX	XXX	XXX	XXX		
5.10	TOTAL (Lines 5.7 to 5.9)									
5.11	TOTAL fraud and abuse detection/recovery expenses included in Column 7 (informational only)									
6.	Large Group Mini-Med Plans Expenses									
6.1	Salaries (including \$.....0 for affiliated services)									
6.2	Outsourced services									
6.3	EDP equipment and software (including \$.....0 for affiliated services)									
6.4	Other equipment (excluding EDP) (including \$.....0 for affiliated services)									
6.5	Accreditation and certification (including \$.....0 for affiliated services)		XXX	XXX	XXX	XXX				
6.6	Other expenses (including \$.....0 for affiliated services)									
6.7	Subtotal before reimbursements and taxes (Lines 6.1 to 6.6)									
6.8	Reimbursements by uninsured plans and fiscal intermediaries									
6.9	Taxes, licenses and fees (in total, for tying purposes)	XXX	XXX	XXX	XXX	XXX	XXX	XXX		
6.10	TOTAL (Lines 6.7 to 6.9)									
6.11	TOTAL fraud and abuse detection/recovery expenses included in Column 7 (informational only)									

Supp62 Puerto Rico

SUPPLEMENTAL HEALTH CARE EXHIBIT - PART 3 (Continued)
 (To Be Filed By April 1 - Not for Rebate Purposes)

	All Expenses	Improving Health Care Quality Expenses					Claims Adjustment Expenses		9 General Administrative Expenses	10 Total Expenses (Cols. 6 to 9)
		1 Improve Health Outcomes	2 Activities to Prevent Hospital Readmissions	3 Improve Patient Safety and Reduce Medical Errors	4 Wellness & Health Promotion Activities	5 HIT Expenses	6 Total (1 to 5)	7 Cost Containment Expenses			8 Other Claims Adjustment Expenses
7.	Small Group Expatriate Plans Expenses									
7.1	Salaries (including \$.....0 for affiliated services)									
7.2	Outsourced services									
7.3	EDP equipment and software (including \$.....0 for affiliated services)									
7.4	Other equipment (excluding EDP) (including \$.....0 for affiliated services)									
7.5	Accreditation and certification (including \$.....0 for affiliated services)		XXX	XXX	XXX	XXX				
7.6	Other expenses (including \$.....0 for affiliated services)									
7.7	Subtotal before reimbursements and taxes (Lines 7.1 to 7.6)									
7.8	Reimbursements by uninsured plans and fiscal intermediaries									
7.9	Taxes, licenses and fees (in total, for tying purposes)	XXX	XXX	XXX	XXX	XXX	XXX	XXX		
7.10	TOTAL (Lines 7.7 to 7.9)									
7.11	TOTAL fraud and abuse detection/recovery expenses included in Column 7 (informational only)									
8.	Large Group Expatriate Plans Expenses									
8.1	Salaries (including \$.....0 for affiliated services)									
8.2	Outsourced services									
8.3	EDP equipment and software (including \$.....0 for affiliated services)									
8.4	Other equipment (excluding EDP) (including \$.....0 for affiliated services)									
8.5	Accreditation and certification (including \$.....0 for affiliated services)		XXX	XXX	XXX	XXX				
8.6	Other expenses (including \$.....0 for affiliated services)									
8.7	Subtotal before reimbursements and taxes (Lines 8.1 to 8.6)									
8.8	Reimbursements by uninsured plans and fiscal intermediaries									
8.9	Taxes, licenses and fees (in total, for tying purposes)	XXX	XXX	XXX	XXX	XXX	XXX	XXX		
8.10	TOTAL (Lines 8.7 to 8.9)									
8.11	TOTAL fraud and abuse detection/recovery expenses included in Column 7 (informational only)									
9.	Student Health Plans Expenses									
9.1	Salaries (including \$.....0 for affiliated services)									
9.2	Outsourced services									
9.3	EDP equipment and software (including \$.....0 for affiliated services)									
9.4	Other equipment (excluding EDP) (including \$.....0 for affiliated services)									
9.5	Accreditation and certification (including \$.....0 for affiliated services)		XXX	XXX	XXX	XXX				
9.6	Other expenses (including \$.....0 for affiliated services)									
9.7	Subtotal before reimbursements and taxes (Lines 9.1 to 9.6)									
9.8	Reimbursements by uninsured plans and fiscal intermediaries									
9.9	Taxes, licenses and fees (in total, for tying purposes)	XXX	XXX	XXX	XXX	XXX	XXX	XXX		
9.10	TOTAL (Lines 9.7 to 9.9)									
9.11	TOTAL fraud and abuse detection/recovery expenses included in Column 7 (informational only)									

Supp63 Puerto Rico

SUPPLEMENTAL HEALTH CARE EXHIBIT - PART 1

(To Be Filed by April 1 - Not for Rebate Purposes - See Cautionary Statement at http://www.naic.org/documents/committees_e_app_blanks_related_shce_cautionary_statement.pdf)

REPORT FOR: 1. CORPORATION: MCS Life Insurance Company 2. LOCATION: San Juan, PR 00917



NAIC Group Code 1301

BUSINESS IN THE STATE OF Grand Total DURING THE YEAR 2019

NAIC Company Code 60030

Supp58 Grand Total

	Business Subject to MLR									10 Government Business (Excluded by Statute)	11 Other Health Business	12 Medicare Advantage Part C and Medicare Part D Stand-Alone Subject to ACA	13 Subtotal (Cols. 1 thru 12)	14 Uninsured Plans	15 Total (Cols. 13 + 14)
	Comprehensive Health Coverage			Mini-Med Plans			Expatriate Plans		9 Student Health Plans						
	1 Individual	2 Small Group Employer	3 Large Group Employer	4 Individual	5 Small Group Employer	6 Large Group Employer	7 Small Group	8 Large Group							
1. Premium:															
1.1 Health premiums earned (From Part 2, Line 1.11)	16,544,194	84,034,073	176,573,145										277,151,412	XXX	277,151,412
1.2 Federal high risk pools														XXX	
1.3 State high risk pools														XXX	
1.4 Premiums earned including state and federal high risk programs (Lines 1.1 + 1.2 + 1.3)	16,544,194	84,034,073	176,573,145										277,151,412	XXX	277,151,412
1.5 Federal taxes and federal assessments	23,454	111,259	258,200										392,913		392,913
1.6 State insurance, premium and other taxes (Similar local taxes of \$.....0)	724,643	1,343,839	2,623,964										4,692,446		4,692,446
1.6A Community Benefit Expenditures (informational only)															
1.7 Regulatory authority licenses and fees	19,164	90,908	210,971										321,043		321,043
1.8 Adjusted Premiums Earned (Lines 1.4 - 1.5 - 1.6 - 1.7)	15,776,933	82,488,068	173,480,010										271,745,010	XXX	271,745,010
1.9 Net assumed less ceded reinsurance premiums earned	(83,307)	(387,168)	(813,106)										(1,283,581)	XXX	(1,283,581)
1.10 Other adjustments due to MLR calculations - Premiums														XXX	
1.11 Risk Revenue														XXX	
1.12 Net adjusted premiums earned after reinsurance (Lines 1.8 + 1.9 + 1.10 + 1.11)	15,693,626	82,100,900	172,666,904										270,461,430	XXX	270,461,430
2. Claims:															
2.1 Incurred claims excluding prescription drugs	10,206,852	54,645,501	131,241,022										196,093,374	XXX	196,093,374
2.2 Prescription drugs	1,055,679	10,948,992	18,648,500										30,653,171	XXX	30,653,171
2.3 Pharmaceutical rebates	136,193	1,412,532	2,405,848										3,954,574	XXX	3,954,574
2.4 State stop-loss, market stabilization and claim/census based assessments (informational only)														XXX	
3. Incurred medical incentive pools and bonuses														XXX	
4. Deductible Fraud and Abuse Detection/Recovery Expenses (for MLR use only)															
5.0 TOTAL Incurred Claims (Lines 2.1 + 2.2 - 2.3 + 3) (From Part 2, Line 2.15)	11,126,337	64,181,960	147,483,673										222,791,971	XXX	222,791,971
5.1 Net assumed less ceded reinsurance claims incurred														XXX	
5.2 Other adjustments due to MLR calculations - Claims														XXX	
5.3 Rebates Paid										XXX	XXX			XXX	
5.4 Estimated rebates unpaid prior year										XXX	XXX			XXX	
5.5 Estimated rebates unpaid current year										XXX	XXX			XXX	
5.6 Fee for service and co-pay revenue														XXX	
5.7 Net incurred claims after reinsurance (Lines 5.0 + 5.1 + 5.2 + 5.3 - 5.4 + 5.5 - 5.6)	11,126,337	64,181,960	147,483,673										222,791,971	XXX	222,791,971
6. Improving Health Care Quality Expenses Incurred:															
6.1 Improve health outcomes	73,253	320,468	743,717										1,137,438		1,137,438
6.2 Activities to prevent hospital readmissions	9,900	43,310	100,510										153,720		153,720
6.3 Improve patient safety and reduce medical errors	11,208	49,033	113,792										174,034		174,034
6.4 Wellness and health promotion activities	15,579	68,156	158,171										241,906		241,906
6.5 Health Information Technology expenses related to health improvement	2,112	9,241	21,446										32,800		32,800
6.6 TOTAL of Defined Expenses Incurred for Improving Health Care Quality (Lines 6.1 + 6.2 + 6.3 + 6.4 + 6.5)	112,053	490,208	1,137,636										1,739,897		1,739,897
7. Preliminary Medical Loss Ratio: MLR (Lines 4 + 5.0 + 6.6 - Footnote 2.0) / Line 1.8	0.712	0.784	0.857							XXX	XXX		XXX	XXX	XXX
8. Claim Adjustment Expenses:															
8.1 Cost containment expenses not included in quality of care expenses in Line 6.6															
8.2 All other claims adjustment expenses															
8.3 TOTAL Claims adjustment expenses (Lines 8.1 + 8.2)															
9. Claims Adjustment Expense Ratio (Line 8.3 / Line 1.8)													XXX	XXX	XXX

SUPPLEMENTAL HEALTH CARE EXHIBIT - PART 1 (Continued)

(To Be Filed by April 1 - Not for Rebate Purposes)

	Business Subject to MLR									10 Government Business (Excluded by Statute)	11 Other Health Business	12 Medicare Advantage Part C and Medicare Part D Stand-Alone Subject to ACA	13 Subtotal (Cols. 1 thru 12)	14 Uninsured Plans	15 Total (Cols. 13 + 14)
	Comprehensive Health Coverage			Mini-Med Plans			Expatriate Plans		9 Student Health Plans						
	1 Individual	2 Small Group Employer	3 Large Group Employer	4 Individual	5 Small Group Employer	6 Large Group Employer	7 Small Group	8 Large Group							
10. General and Administrative (G&A) Expenses:															
10.1 Direct sales salaries and benefits	157,414	688,655	1,598,177										2,444,246		2,444,246
10.2 Agents and brokers fees and commissions	620,209	3,905,431	9,063,417										13,589,057		13,589,057
10.3 Other taxes (excluding taxes on Lines 1.5 through 1.7 and Line 14 below)	3,376	16,013	37,162										56,551		56,551
10.4 Other general and administrative expenses	1,274,782	5,576,926	12,942,490										19,794,198		19,794,198
10.4A Community Benefit Expenditures (informational only)															
10.5 TOTAL General and administrative (Lines 10.1 + 10.2 + 10.3 + 10.4)	2,055,781	10,187,026	23,641,245										35,884,052		35,884,052
11. Underwriting Gain/(Loss) (Lines 1.12 - 5.7 - 6.6 - 8.3 - 10.5)	2,399,455	7,241,706	404,349										10,045,510	X X X	10,045,510
12. Income from fees of uninsured plans	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X		
13. Net investment and other gain/(loss)	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	
14. Federal income taxes (excluding taxes on Line 1.5 above)	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	
15. Net gain or (loss) (Lines 11 + 12 + 13 - 14)	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	10,045,510	X X X	10,045,510
16. ICD-10 Implementation Expenses (informational only; already included in general expenses and Line 10.4)															
16A. ICD-10 Implementation Expenses (informational only; already included in Line 10.4)															
O. OTHER INDICATORS:															
O1. Number of Certificates / Policies	5,007	17,263	37,193										59,463		59,463
O2. Number of Covered Lives	7,381	23,448	91,858										122,687		122,687
O3. Number of Groups	X X X	1,654	91	X X X									1,745		1,745
O4. Member Months	92,413	404,971	939,826										1,437,210		1,437,210

(a) Is run off business reported in Columns 1 through 9 or 12? Yes [] No [X]
 (b) If yes, show the amount of premiums and claims included: Premiums \$.....0 Claims \$.....0

Supp59 Grand Total

AFFORDABLE CARE ACT (ACA) RECEIPTS, PAYMENTS, RECEIVABLES and PAYABLES				
	Current Year		Prior Year	
	Comprehensive Health Coverage		Comprehensive Health Coverage	
	1 Individual Plans	2 Small Group Employer Plans	3 Individual Plans	4 Small Group Employer Plans
ACA Receivables and Payables				
1. Permanent ACA Risk Adjustment Program				
1.0 Premium adjustments receivable/(payable)				
2. Transitional ACA Reinsurance Program				
2.0 Total amounts recoverable for claims (paid & unpaid)		X X X		X X X
3. Temporary ACA Risk Corridors Program				
3.1 Accrued retrospective premium				
3.2 Reserve for rate credits or policy experience refunds				
ACA Receipts and Payments				
4. Permanent ACA Risk Adjustment Program				
4.0 Premium adjustments receipts/(payments)				
5. Transitional ACA Reinsurance Program				
5.0 Amounts received for claims		X X X		X X X
6. Temporary ACA Risk Corridors Program				
6.1 Retrospective premium received				
6.2 Rate credits or policy experience refunds paid				

SUPPLEMENTAL HEALTH CARE EXHIBIT - PART 2

(To Be Filed By April 1 - Not for Rebate Purposes)

REPORT FOR: 1. CORPORATION: MCS Life Insurance Company 2. LOCATION: San Juan, PR 00917

BUSINESS IN THE STATE OF Grand Total DURING THE YEAR 2019

NAIC Group Code 1301

NAIC Company Code 60030

Supp60 Grand Total

		Business Subject to MLR									10 Government Business (Excluded by Statute)	11 Other Health Business	12 Medicare Advantage Part C and Medicare Part D Stand-Alone Subject to ACA	13 Total (a)
		Comprehensive Health Coverage			Mini-Med Plans			Expatriate Plans		9 Student Health Plans				
		1 Individual	2 Small Group Employer	3 Large Group Employer	4 Individual	5 Small Group Employer	6 Large Group Employer	7 Small Group	8 Large Group					
1.	Health Premiums Earned													
1.1	Direct premiums written	16,519,441	84,107,401	176,637,389									277,264,231	
1.2	Unearned premium prior year	394,895	335,354	794,047									1,524,296	
1.3	Unearned premium current year	370,142	408,682	858,291									1,637,115	
1.4	Change in unearned premium (Lines 1.2 - 1.3)	24,754	(73,328)	(64,244)									(112,818)	
1.5	Paid rate credits													
1.6	Reserve for rate credits current year													
1.7	Reserve for rate credits prior year													
1.8	Change in reserve for rate credits (Lines 1.6 - 1.7)													
1.9	Premium balances written off													
1.10	Group conversion charges													
1.11	TOTAL Direct premiums earned (Lines 1.1 + 1.4 - 1.9 + 1.10)	16,544,194	84,034,073	176,573,145									277,151,412	
1.12	Assumed premiums earned from non-affiliates													
1.13	Net assumed less ceded premiums earned from affiliates													
1.14	Ceded premiums earned to non-affiliates	83,307	387,168	813,106									1,283,581	
1.15	Other adjustments due to MLR calculation - Premiums													
1.16	Net premiums earned (Lines 1.11 - 1.5 - 1.8 + 1.12 + 1.13 - 1.14 + 1.15)	16,460,888	83,646,905	175,760,039									275,867,832	
2.	Direct Claims Incurred:													
2.1	Paid claims during the year	11,176,266	67,720,058	148,601,309									227,497,633	
2.2	Direct claim liability current year	596,921	7,743,331	16,991,556									25,331,808	
2.3	Direct claim liability prior year	1,736,110	8,327,741	19,973,619									30,037,470	
2.4	Direct claim reserves current year													
2.5	Direct claim reserves prior year													
2.6	Direct contract reserves current year													
2.7	Direct contract reserves prior year													
2.8	Paid rate credits													
2.9	Reserve for rate credits current year													
2.10	Reserve for rate credits prior year													
2.11	Incurred medical incentive pools and bonuses (Lines 2.11a + 2.11b - 2.11c)													
2.11A	Paid medical incentive pools and bonuses current year													
2.11B	Accrued medical incentive pools and bonuses current year													
2.11C	Accrued medical incentive pools and bonuses prior year													
2.12	Net healthcare receivables (Lines 2.12a - 2.12b)	(4,498)	11,830	(35,749)									(28,418)	
2.12A	Healthcare receivables current year	36,017	373,548	636,234									1,045,799	
2.12B	Healthcare receivables prior year	40,515	361,719	671,983									1,074,217	
2.13	Group conversion charge													
2.14	Multi-option coverage blended rate adjustment													
2.15	TOTAL Incurred Claims (Lines 2.1 + 2.2 - 2.3 + 2.4 - 2.5 + 2.6 - 2.7 + 2.8 + 2.9 - 2.10 + 2.11 - 2.12 + 2.13 + 2.14)	10,041,575	67,123,819	145,654,995									222,820,389	
2.16	Assumed Incurred Claims from non-affiliates													
2.17	Net Assumed less Ceded Incurred Claims from affiliates													
2.18	Ceded Incurred Claims to non-affiliates													
2.19	Other Adjustments due to MLR calculation - Claims													
2.20	Net Incurred Claims (Lines 2.15 - 2.8 - 2.9 + 2.10 + 2.16 + 2.17 - 2.18 + 2.19)	10,041,575	67,123,819	145,654,995									222,820,389	
3.	Fraud and Abuse Recoveries that Reduced PAID Claims in Line 2.1 above (informational only)	5,391	23,586	54,737									83,715	

(a) Column 13, Line 1.1 includes direct written premium of \$.....0 for stand-alone dental and \$.....0 for stand-alone vision policies.

SUPPLEMENTAL HEALTH CARE EXHIBIT - PART 3 (Continued)
 (To Be Filed By April 1 - Not for Rebate Purposes)

	All Expenses	Improving Health Care Quality Expenses					Claims Adjustment Expenses		9 General Administrative Expenses	10 Total Expenses (6 to 9)
		1 Improve Health Outcomes	2 Activities to Prevent Hospital Readmissions	3 Improve Patient Safety and Reduce Medical Errors	4 Wellness & Health Promotion Activities	5 HIT Expenses	6 Total (1 to 5)	7 Cost Containment Expenses			8 Other Claims Adjustment Expenses
4.	Individual Mini-Med Plans Expenses									
4.1	Salaries (including \$.....0 for affiliated services)									
4.2	Outsourced services									
4.3	EDP equipment and software (including \$.....0 for affiliated services)									
4.4	Other equipment (excluding EDP) (including \$.....0 for affiliated services)									
4.5	Accreditation and certification (including \$.....0 for affiliated services)		XXX	XXX	XXX	XXX				
4.6	Other expenses (including \$.....0 for affiliated services)									
4.7	Subtotal before reimbursements and taxes (Lines 4.1 to 4.6)									
4.8	Reimbursements by uninsured plans and fiscal intermediaries									
4.9	Taxes, licenses and fees (in total, for tying purposes)	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
4.10	TOTAL (Lines 4.7 to 4.9)									
4.11	TOTAL fraud and abuse detection/recovery expenses included in Column 7 (informational only)									
5.	Small Group Mini-Med Plans Expenses									
5.1	Salaries (including \$.....0 for affiliated services)									
5.2	Outsourced services									
5.3	EDP Equipment and Software (including \$.....0 for affiliated services)									
5.4	Other equipment (excluding EDP) (including \$.....0 for affiliated services)									
5.5	Accreditation and certification (including \$.....0 for affiliated services)		XXX	XXX	XXX	XXX				
5.6	Other expenses (including \$.....0 for affiliated services)									
5.7	Subtotal before reimbursements and taxes (Lines 5.1 to 5.6)									
5.8	Reimbursements by uninsured plans and fiscal intermediaries									
5.9	Taxes, licenses and fees (in total, for tying purposes)	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
5.10	TOTAL (Lines 5.7 to 5.9)									
5.11	TOTAL fraud and abuse detection/recovery expenses included in Column 7 (informational only)									
6.	Large Group Mini-Med Plans Expenses									
6.1	Salaries (including \$.....0 for affiliated services)									
6.2	Outsourced services									
6.3	EDP equipment and software (including \$.....0 for affiliated services)									
6.4	Other equipment (excluding EDP) (including \$.....0 for affiliated services)									
6.5	Accreditation and certification (including \$.....0 for affiliated services)		XXX	XXX	XXX	XXX				
6.6	Other expenses (including \$.....0 for affiliated services)									
6.7	Subtotal before reimbursements and taxes (Lines 6.1 to 6.6)									
6.8	Reimbursements by uninsured plans and fiscal intermediaries									
6.9	Taxes, licenses and fees (in total, for tying purposes)	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
6.10	TOTAL (Lines 6.7 to 6.9)									
6.11	TOTAL fraud and abuse detection/recovery expenses included in Column 7 (informational only)									

Supp62 Grand Total

SUPPLEMENTAL HEALTH CARE EXHIBIT - PART 3 (Continued)
 (To Be Filed By April 1 - Not for Rebate Purposes)

	All Expenses	Improving Health Care Quality Expenses					Claims Adjustment Expenses		9 General Administrative Expenses	10 Total Expenses (Cols. 6 to 9)
		1 Improve Health Outcomes	2 Activities to Prevent Hospital Readmissions	3 Improve Patient Safety and Reduce Medical Errors	4 Wellness & Health Promotion Activities	5 HIT Expenses	6 Total (1 to 5)	7 Cost Containment Expenses			8 Other Claims Adjustment Expenses
7.	Small Group Expatriate Plans Expenses									
7.1	Salaries (including \$.....0 for affiliated services)									
7.2	Outsourced services									
7.3	EDP equipment and software (including \$.....0 for affiliated services)									
7.4	Other equipment (excluding EDP) (including \$.....0 for affiliated services)									
7.5	Accreditation and certification (including \$.....0 for affiliated services)		XXX	XXX	XXX	XXX				
7.6	Other expenses (including \$.....0 for affiliated services)									
7.7	Subtotal before reimbursements and taxes (Lines 7.1 to 7.6)									
7.8	Reimbursements by uninsured plans and fiscal intermediaries									
7.9	Taxes, licenses and fees (in total, for tying purposes)	XXX	XXX	XXX	XXX	XXX	XXX	XXX		
7.10	TOTAL (Lines 7.7 to 7.9)									
7.11	TOTAL fraud and abuse detection/recovery expenses included in Column 7 (informational only)									
8.	Large Group Expatriate Plans Expenses									
8.1	Salaries (including \$.....0 for affiliated services)									
8.2	Outsourced services									
8.3	EDP equipment and software (including \$.....0 for affiliated services)									
8.4	Other equipment (excluding EDP) (including \$.....0 for affiliated services)									
8.5	Accreditation and certification (including \$.....0 for affiliated services)		XXX	XXX	XXX	XXX				
8.6	Other expenses (including \$.....0 for affiliated services)									
8.7	Subtotal before reimbursements and taxes (Lines 8.1 to 8.6)									
8.8	Reimbursements by uninsured plans and fiscal intermediaries									
8.9	Taxes, licenses and fees (in total, for tying purposes)	XXX	XXX	XXX	XXX	XXX	XXX	XXX		
8.10	TOTAL (Lines 8.7 to 8.9)									
8.11	TOTAL fraud and abuse detection/recovery expenses included in Column 7 (informational only)									
9.	Student Health Plans Expenses									
9.1	Salaries (including \$.....0 for affiliated services)									
9.2	Outsourced services									
9.3	EDP equipment and software (including \$.....0 for affiliated services)									
9.4	Other equipment (excluding EDP) (including \$.....0 for affiliated services)									
9.5	Accreditation and certification (including \$.....0 for affiliated services)		XXX	XXX	XXX	XXX				
9.6	Other expenses (including \$.....0 for affiliated services)									
9.7	Subtotal before reimbursements and taxes (Lines 9.1 to 9.6)									
9.8	Reimbursements by uninsured plans and fiscal intermediaries									
9.9	Taxes, licenses and fees (in total, for tying purposes)	XXX	XXX	XXX	XXX	XXX	XXX	XXX		
9.10	TOTAL (Lines 9.7 to 9.9)									
9.11	TOTAL fraud and abuse detection/recovery expenses included in Column 7 (informational only)									

Supp63 Grand Total



SUPPLEMENTAL HEALTH CARE EXHIBIT'S EXPENSE ALLOCATION REPORT

(To Be Filed by April 1)

NAIC Group Code: 1301

NAIC Company Code: 60030

Description of allocation methodology:

Detailed Description of Quality Improvement Expenses:

1 Expense Type from Part 3	2 New	3 Detailed Description of Expense

Supp65 Supp Term and Universal Life Ins Reinsurance Exhibit - Part 1 NONE

Supp66-67 Supp Term and Universal Life Ins Reinsurance Exhibit - Parts 2A & 2B NONE

**PART 3 - COLLATERAL FOR ALL TERM AND UNIVERSAL LIFE INSURANCE REINSURANCE
TRANSACTIONS REPORTED ON PART 2A OR PART 2B**

Part 2 Cession ID: 9999999

Name of Company: N/A

NAIC Company Code: N/A

ID Number: N/A

Effective Date or Prior Year Annual Statement Date: N/A

Security Category Description	As of Effective Date or Prior Year s Annual Statement		As of Current Year s Annual Statement	
	1 Assets	2 Affiliate or Parental Guarantee (YES/NO)	3 Assets	4 Affiliate or Parental Guarantee (YES/NO)
Primary Security				
1. Cash		X X X		X X X
2. NAIC 1 SVO-Listed Securities		X X X		X X X
3. NAIC 2 SVO-Listed Securities		X X X		X X X
4. NAIC 3 SVO-Listed Securities		X X X		X X X
5. NAIC 4 SVO-Listed Securities		X X X		X X X
6. NAIC 5 SVO-Listed Securities		X X X		X X X
7. NAIC 6 SVO-Listed Securities		X X X		X X X
8. Commercial Loans		X X X		X X X
9. Policy Loans		X X X		X X X
10. Derivatives acquired in the normal course		X X X		X X X
11. Subtotal Primary Securities		X X X		X X X
Other Security				
12. Other Investments Admissible per the NAIC AP&P Manual		X X X		X X X
13. Evergreen, Unconditional LOC's		X X X		X X X
14. Other LOC's		X X X		X X X
15. Affiliate or Parental Guarantees		X X X		X X X
16. LOC like Assets		X X X		X X X
17. Excess of Loss Reinsurance		X X X		X X X
18. All Other Assets		X X X		X X X
19. Subtotal Other Security		X X X		X X X
20. Total		X X X		X X X

NONE

Indicate here the basis for the valuation used if the ceding company is unable to determine the statutory accounting value of any asset after making a diligent effort to do so:

Supp69 Supp Term and Universal Life Ins Reinsurance Exhibit - Part 4 NONE

Supp70 Supp Term and Universal Life Ins Reinsurance Exhibit - Part 5 NONE



Statement of Actuarial Opinion

Act1 Actuarial Opinion on X-Factors NONE

Act2 Act. Opin. on Sep. Acct. Fund. Guar. Min. Ben. NONE

Act3 Act. Opin. on Synth. Guar. Invest. Contracts NONE

Act4 Act. Opin. Req. by Mod. Guar. Annuity Model Regulation NONE



Reasonableness of Assumptions Certification required by Actuarial Guideline XXXV



**Reasonableness and Consistency of Assumptions Certification
required by Actuarial Guideline XXXV**



**Reasonableness of Assumptions Certification for Implied Guaranteed Rate Method
required by Actuarial Guideline XXXVI**



**Reasonableness and Consistency of Assumptions Certification
required by Actuarial Guideline XXXVI (Updated Average Market Value)**



**Reasonableness and Consistency of Assumptions Certification
required by Actuarial Guideline XXXVI (Updated Market Value)**



Actuarial Certifications Related to Annuity Nonforfeiture Ongoing Compliance for Equity Indexed Annuities



Actuarial Certification Related to Hedging required by Actuarial Guideline XLIII



**Financial Officer Certification Related to Clearly Defined Hedging Strategy
required by Actuarial Guideline XLIII**



**Management Certification That the Valuation Reflects Management's Intent
required by Actuarial Guideline XLIII**



Actuarial Certification Related to the Reserves required by Actuarial Guideline XLIII



**Actuarial Certification regarding the use of Preferred Mortality Tables
for use in Determining Minimum Reserve Liabilities**



Approval from State of Domicile for Relief related to 5-Year Rotation Requirement for Lead Audit Partner



Approval from State of Domicile for Relief related to 1-Year Cooling Off Period for Independent CPA



Approval from State of Domicile for Relief related to the Requirement for Audit Committees



Management's Discussion and Analysis

This discussion provides an assessment by management of the current financial position, results of operations, cash flow and liquidity, and changes in financial position of the Company. Information presented in this discussion supplements the financial statements, exhibits and schedules in the Annual Statement.

The Company is a wholly owned subsidiary of MCS Healthcare Holding, LLC (MCSHH). The Company is also affiliated by ownership and common management with MCS Advantage Inc, a health maintenance organization exclusively engaged in Medicare advantage health insurance in Puerto Rico.

Financial Position

The Company's financial position at December 31 was as follows:
(In thousands)

	<u>2019</u>	<u>2018</u>
Bonds	\$ 26,475	\$ 43,459
Common and preferred stocks	398	378
Cash and short-term investments	54,862	25,350
Cash and invested assets	<u>81,735</u>	<u>69,186</u>
Premiums due and unpaid	11,579	11,217
Amount receivable related to unisrued A&H plans	13,407	10,684
Prepaid income tax	269	2,280
Healthcare receivables	1,252	1,074
Other assets	152	180
Total admitted assets	<u>108,395</u>	<u>94,622</u>
Policy and contracts claims	25,582	30,287
Liability for amounts held under uninsured A&H plans	7,179	4,543
Premiums received in advance	1,637	1,524
Commissions payable	1,117	1,236
General expenses due or accrued	6,558	6,219
Income Taxes payable	-	-
Other liabilities	15,265	5,578
Total liabilities	<u>57,338</u>	<u>49,388</u>
Capital and Surplus	<u>51,057</u>	<u>45,235</u>
Total liabilities and capital and surplus	\$ 108,395	\$ 94,622
Cash & Invested assets to total admitted assets	75.41%	73.12%
Claims liab to capital & surplus	50.10%	66.96%
Claims to total admitted assets	23.60%	32.01%
Capital & surplus to total admitted assets	47.10%	47.81%

Cash and invested assets amount to \$81.7 million, an increase of \$12.5 million from the balance of 2018. Such amount represents a 75% of total admitted assets. The Company has adopted investment policies and practice to manage the investment portfolio and asset allocation. Short-term investment and bonds are primarily government securities from agencies and instrumentalities of the federal government, and certificate of deposits. The Company maintains a high level of liquidity to respond for policy and contracts claims.

Premiums due and unpaid amounts to \$11.6 million remained in line with the prior year.

The Company maintains cost plus contracts for certain health plans. These contracts were accounted for as cost based reimbursement contracts under accounting practices for uninsured plans. At December 31, 2019, there was \$13.4 million in receivables to cover claim costs and administrative fees.

Healthcare receivables are composed of Rx rebates receivables of \$1.3 million and remained in line with 2018.

Policy and contracts claim payable amounts to \$25.6 million a 24% of total admitted assets.

The liability for uninsured plans amounted to \$7.2 million and represents amounts deposited by the plans under cost plus financing arrangement as a working fund.

Management's Discussion and Analysis

Total liabilities amounted to \$57.3 million an increase of \$8.0 million with respect to the balance in 2018.

Capital and surplus amounts to \$51.0 million, which represents 47% of total admitted assets.

Results of Operations

(In thousands)	<u>2019</u>	<u>2018</u>
Premiums	\$ 276,994	\$ 290,394
Net Investment Income	1,299	1,206
Total revenues	<u>278,293</u>	<u>291,600</u>
Policy benefits	223,217	244,018
Commissions	13,600	13,196
Expenses	26,066	24,139
Health Insurance Providers Fees	-	6,206
Total	<u>262,882</u>	<u>287,559</u>
Income before income taxes and capital gains	15,411	4,041
Capital gains/(loss)	61	639
Income taxes	(2,015)	(530)
Net income / (loss)	<u>\$ 13,457</u>	<u>4,150</u>
MLR	80.59%	84.03%
Commission rate	4.91%	4.54%
Expense rate	9.41%	8.31%

In 2019 the Company reported in a net income of approximately \$13.5 million, an increase of \$9.3 million with respect to 2018. The main reasons were a margin improvement of \$8.8 million in 2019 since 2018 margins were affected by the an increase in medical utilization in the first semester after Hurricane Maria and Irma and the waived in 2019 of the health insurance tax for which in 2018 the Company incurred \$6.2 million and none in 2019. Policy benefits amounted to \$223.2 million in 2019 and \$244.1 in 2018.

Commissions in 2019 amounted to \$13.6 million, for a 4.9% of net premiums. Administration and other expenses in 2019 amounted to \$26.1 million, representing 9.4% of premiums. Administration and other expenses increased \$1.9 million with respect to 2018.

As mentioned above, the Company maintains cost reimbursement contracts. Administration expenses were reduced by \$6.4 million in 2019 and \$5.2 million in 2018 for administration fees charged to these plans in accordance with the accounting practices for statutory reporting.

Cash Flow and Liquidity

The Company cash flows are summarized as follows:

	<u>2019</u>	<u>2018</u>
Cash provided from operating activities	\$ 10,943	\$ (3,686)
Cash from investing activities	17,019	(10,801)
Cash from financing activities	1,550	(3,116)
Net change in cash	<u>\$ 29,512</u>	<u>(17,604)</u>

Management's Discussion and Analysis



Audited Financial Report



Accountant's Letter of Qualification



Communication of Internal Control Related Matters Noted in an Audit



Management's Report of Internal Control over Financial Reporting



Regulatory Asset Adequacy Issues Summary (RAAIS)



Actuarial Memorandum required by Actuarial Guideline XXXVIII 8D

LIFE IRIS RATIOS - 2019

Financial Ratio Results		Unusual Values Equal to or		Amount
		Over	Under	
Ratio				
1.	Net Change in Capital and Surplus	50	-10	13
2.	Gross Change in Capital and Surplus	50	-10	13
3.	Net Income to Total Income (Including Realized Capital Gains and Losses)	X X X	0	5
4.	Adequacy of Investment Income	900	125	999
5.	Non-Admitted to Admitted Assets	10	X X X	0
6.	TOTAL Real Estate and Total Mortgage Loans to Cash and Invested Assets	30	X X X	0
7.	TOTAL Affiliated Investments to Capital and Surplus	100	X X X	0
8.	Surplus Relief			0
	(Over \$5 Million Capital and Surplus)	30	-99	
	(\$5 Million or Less Capital and Surplus)	10	-10	
9.	Change in Premium	50	-10	(5)
10.	Change in Product Mix	5.0	X X X	0.114
11.	Change in Asset Mix	5.0	X X X	3.810
12.	Change in Reserving	20	-20	0

LIFE IRIS RATIOS - 2019

	Amount
Ratio 1	Net Change in Capital and Surplus
A.	Capital & Surplus Current Year - Page 3, Column 1, Line 38 51,056,870
B.	Change in Surplus Notes - Page 4, Column 1, Line 48 0
C.	Capital Changes Paid-In - Page 4, Column 1, Line 50.1 0
D.	Surplus Adjustments Paid-In - Page 4, Column 1, Line 51.1 0
E.	Capital & Surplus Prior Year - Prior Year: Page 3, Column 1, Line 38 45,234,707
	Result = $100 \times (A - B - C - D - E) / E$ 13%
	If A is zero or negative, result is -99
	If E is zero or negative and A is positive, result is 999
	If commenced business date is current year, no result is calculated (NR)
Ratio 2	Gross Change in Capital and Surplus
A.	Capital & Surplus Current Year - Page 3, Column 1, Line 38 51,056,870
B.	Capital & Surplus Prior Year - Prior Year: Page 3, Column 1, Line 38 45,234,707
	Result = $100 \times (A - B) / B$ 13%
	If A is zero or negative, result is -99
	If B is zero or negative and A is positive, result is 999
	If commenced business date is current year, no result is calculated (NR)
Ratio 3	Net Income to Total Income (Including Realized Capital Gains and Losses)
A.	Net Income - Page 4, Column 1, Line 35 13,457,405
B.	TOTAL Income - Page 4, Column 1, Line 9 278,292,964
C.	Realized Capital Gains/Losses - Page 4, Column 1, Line 34 61,389
	Result = $100 \times A / (B + C)$ 5%
	If B + C is zero or negative and A is positive, no result is calculated (NR)
	If B + C is zero or negative and A is zero or negative, result is automatically considered unusual
Ratio 4	Adequacy of Investment Income
A.	Net Investment Income - Page 4, Column 1, Line 3 1,299,406
B.	Tabular Interest Involving Life or Disability Contingencies - Page 7.1, Column 1, Line 4 + Page 7.2, Column 1, Line 4 + Page 7.3, Column 1, Line 4 + Page 7.4, Column 1, Line 4 0
C.	Tabular Fund Interest on A&H Contracts - Page 14, Exhibit of Aggregate Reserves for A&H Contracts, Column 1, Line 18 0
D.	Investment Earnings Credited to Deposit-Type Contract Accounts - Page 15, Exhibit of Deposit-Type Contracts, Column 1, Line 3 0
	Result = $100 \times A / (B + C + D)$ 999%
	If B + C + D is zero, result is 999
	If Company has no beginning or ending reserves per Page 7 and Item B is zero, no result is calculated.
Ratio 5	Non-Admitted to Admitted Assets
A.	Non-Admitted Assets - Page 2, Column 2, Line 28 250,000
B.	Admitted Assets - Page 2, Column 3, Line 28 108,394,668
	Result = $100 \times A / B$ 0%
	If B is zero or negative and A is positive, result is 999
	If A and B are both zero or negative, result is zero
Ratio 6	TOTAL Real Estate and TOTAL Mortgage Loans to Cash and Invested Assets
A.	Mortgage Loans - First Liens - Page 2, Column 3, Line 3.1 0
B.	Mortgage Loans - Other - Page 2, Column 3, Line 3.2 0
C.	Real Estate - Properties Occupied by the Company - Page 2, Column 3, Line 4.1 0
D.	Real Estate - Properties Held for the Production of Income - Page 2, Column 3, Line 4.2 0
E.	Real Estate - Properties Held for Sale - Page 2, Column 3, Line 4.3 0
F.	Schedule BA - Mortgage Loans - Page E07, Column 12, Line 1199999 + 1299999 + 2399999 + 2499999 0
G.	Schedule BA - Real Estate - Page E07, Column 12, Line 2199999 + 2299999 0
H.	Cash and Invested Assets minus Payable for Securities - Page 2, Column 3, Line 12 - Page 3, Column 1, Line 24.09 81,735,452
	Result = $100 \times [(A + B + C + D + E + F + G) / H]$ 0%
	If H is zero or negative and (A + B + C + D + E + F + G) is positive, result is 999
	If (A + B + C + D + E + F + G) and H are both zero or negative, result is zero
Ratio 7	TOTAL Affiliated Investments to Capital and Surplus
A.	Receivable from Parent, Subsidiary & Affiliates - Page 2, Column 3, Line 23 0
B.	Investments in Parent, Subsidiary & Affiliates - Page 23, Column 1, Line 50 0
C.	Capital & Surplus - Page 3, Column 1, Line 38 51,056,870
	Result = $100 \times (A + B) / C$ 0%
	If C is zero or negative and A + B is positive, result is 999
	If A + B, and C are zero or negative, result is zero
Ratio 8	Surplus Relief
A.	Commissions and Expense Allowances on Reinsurance Ceded - Page 6, Column 1, Line 6 0
B.	Commissions and Expense Allowances on Reinsurance Assumed - Page 6, Column 1, Line 22 0
C.	Change in Surplus as a Result of Reinsurance - Page 4, Column 1, Line 51.4 0
D.	Capital and Surplus - Page 3, Column 1, Line 38 51,056,870
	Result = $100 \times (A - B + C) / D$ 0%
	If D is zero or negative, result is 999

LIFE IRIS RATIOS - 2019

	Amount
Ratio 9 Change in Premium	
A. Premiums & Annuity Considerations - Page 49, Column 2, 3, 4, 5, 7, Line 99	276,993,559
B. Premiums & Annuity Considerations - Prior Year: Page 49, Column 2, 3, 4, 5, 7, Line 99	290,394,408
Result = 100 x (A - B) / B	(5)%
If A and B are both zero or negative, result is zero	
If B is zero or negative and A is positive, result is 999	
If commenced business date is current year, no result is calculated (NR)	

Ratio 10: Change in Product Mix

	Current Year		Prior Year		Column 2 % Less Column 4 % (5)
	Amount (1)	% of Total (2)	Amount (3)	% of Total (4)	
Premiums & Annuity Considerations					
Page 6, Line 1					
A. Industrial Life, Column 2	0	0	0	0	0
B. Ordinary Life Insurance, Column 3	0	0	0	0	0
C. Individual Annuities, Column 4	0	0	0	0	0
D. Credit Life, Column 6	0	0	0	0	0
E. Group Life, Column 7	1,125,727	0	1,868,422	1	0
F. Group Annuities, Column 8	0	0	0	0	0
G. Group A&H, Column 9	259,406,944	94	270,465,949	93	1
H. Credit A&H, Column 10	0	0	0	0	0
I. Other A&H, Column 11	16,460,888	6	18,060,036	6	0
J. TOTAL	276,993,559		290,394,408		
K. TOTAL of Ratio Column 5 Disregarding Sign					1
Result = K / 9					0.114%
If J for either current or prior year is zero or negative, no result is calculated (NR)					
A. Industrial Life; CY: Page 6.1, Line 1, Column 2; PY: Page 6, Line 1, Column 2					
B. Ordinary Life Insurance; CY: Page 6.1, Line 1, Column 3,4,5,6,7,8,9,11,12; PY: Page 6, Line 1, Column 3					
C. Individual Annuities; CY: Page 6.3, Line 1, Column 1; PY: Page 6, Line 1, Column 4					
D. Credit Life; CY: Page 6.1, Line 1, Column 10+Page 6.2, Line 1, Column 7; PY: Page 6, Line 1, Column 6					
E. Group Life; CY: Page 6.2, Line 1, Column 2,3,4,5,6,8,9; PY: Page 6, Line 1, Column 7					
F. Group Annuities; CY: Page 6.4, Line 1, Column 1; PY: Page 6, Line 1, Column 8					
G. Group A&H; CY: Page 6.5, Line 1, Column 3; PY: Page 6, Line 1, Column 9					
H. Credit A&H; CY: Page 6.5, Line 1, Column 10; PY: Page 6, Line 1, Column 10					
I. Other A&H; CY: Page 6.5, Line 1, Column 2,4,5,6,7,8,9,11,12,13; PY: Page 6, Line 1, Column 11					

Ratio 11: Change in Asset Mix

Assets	Current Year		Prior Year		Column 2 % Less Column 4 % (5)
	Amount (1)	% of Total (2)	Amount (3)	% of Total (4)	
Current Year: Page 2, Column 3					
A. Bonds, Line 1	26,474,875	32	43,459,192	63	(30)
B. Preferred Stocks, Line 2.1	398,496	0	377,936	1	0
C. Common Stocks, Line 2.2	0	0	0	0	0
D. Mortgage Loans, First Liens, Line 3.1	0	0	0	0	0
E. Mortgage Loans, Other, Line 3.2	0	0	0	0	0
F. RE, Prop. Occupied by Co., Line 4.1	0	0	0	0	0
G. RE, Prop. Held for the Prod. of Inc., Line 4.2	0	0	0	0	0
H. RE, Prop. Held for Sale, Line 4.3	0	0	0	0	0
I. Contract Loans, Line 6 minus Inside Amount 1	0	0	0	0	0
J. Premium Notes, Line 6 Inside Amount 1	0	0	0	0	0
K. Derivatives, Line 7	0	0	0	0	0
L. Cash, Cash Equivalents & Short Term Invest., Line 5	54,862,082	67	25,350,054	37	30
M. Other Invested Assets, Line 8	0	0	0	0	0
N. Rec. for Secur., Line 9 minus Pay. For Secur., Page 3, Col 1, Line 24.09	0	0	0	0	0
O. Securities Lending Reinvested Collateral Assets, Line 10	0	0	0	0	0
P. Agg. Write-Ins for Invested Assets, Line 11	0	0	0	0	0
Q. TOTAL	81,735,452		69,187,182		
R. TOTAL of Ratio Column 5 Disregarding Sign					61
Result = R / 16					3.810%
If Q for either current or prior year is zero or negative, result is automatically considered unusual (U)					

Ratio 12: Change in Reserving

	Current Year	Prior Year
A. Increase in Agg. Reserves, Industrial Life, Page 6.1, Column 2, Line 19	0	0
B. Increase in Agg. Reserves, Ordinary Life Insurance, Page 6.1, Column 3,4,5,6,7,8,9,11,12, Line 19	0	0
C. Net Single Premiums, Industrial Life, Page 9, Column 2, Line 10.4	0	0
D. Net Renewal Premiums, Industrial Life, Page 9, Column 2, Line 19.4	0	0
E. Net Single Premiums, Ordinary Life Insurance, Page 9, Column 3, Line 10.4	0	0
F. Net Renewal Premiums, Ordinary Life Insurance, Page 9, Column 3, Line 19.4	0	0
Result = $100 * [(A + B) / (C + D + E + F) - PY (A + B) / (C + D + E + F)]$		0%
If (A+B) and (C+D+E+F) for current or prior year are both zero or negative, (A+B)/(C+D+E+F) = 0 for that year		
If (A+B) is positive and (C+D+E+F) is zero or negative for current or prior year, (A+B)/(C+D+E+F) =100% for that year		
This ratio represents the number of percentage points of difference between the reserving ratio for current and prior years. For each of these years, the reserving ratio is equal to the aggregate increase in reserves for individual life insurance taken as a percentage of renewal and single premiums for individual life insurance.		

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Amended Explanation Page

NONE

MERGER HISTORY

	1 Amount
Description	
1. Bonds (2018: Page 2, Column 3, Line 1)	
2. Preferred stocks (2018: Page 2, Column 3, Line 2.1)	
3. Common stocks (2018: Page 2, Column 3, Line 2.2)	
4. Mortgage loans on real estate - first liens (2018: Page 2, Column 3, Line 3.1)	
5. Mortgage loans on real estate - other than first liens (2018: Page 2, Column 3, Line 3.2)	
6. Real estate - properties occupied by the company (2018: Page 2, Column 3, Line 4.1)	
7. Real estate - properties held for the production of income (2018: Page 2, Column 3, Line 4.2)	
8. Real estate - properties held for sale (2018: Page 2, Column 3, Line 4.3)	
9. Cash, cash equivalents and short-term investments (2018: Page 2, Column 3, Line 5)	
10. Contract loans (2018: Page 2, Column 3, Line 6)	
11. Premium notes (2018: Page 2, Column 3, Line 6, Inside Amount 1)	
12. Derivatives (2018: Page 2, Column 3, Line 7)	
13. Other invested assets (2018: Page 2, Column 3, Line 8)	
14. Receivable for securities (2018: Page 2, Column 3, Line 9)	
15. Securities lending reinvested collateral assets (2018: Page 2, Column 3, Line 10)	
16. Aggregate write-ins for invested assets (2018: Page 2, Column 3, Line 11)	
17. Payable for securities (2018: Page 3, Column 1, Line 24.9)	
18. Gross paid in and contributed surplus (2018: Page 3, Column 1, Line 33)	
19. Capital & surplus (2018: Page 3, Column 1, Line 38)	
20. Premiums and annuity considerations - industrial life (2018: Page 6, Column 2, Line 1)	
21. Increase in aggregate reserves - industrial life (2018: Page 6, Column 2, Line 19)	
22. Premiums and annuity considerations - ordinary life (2018: Page 6, Column 3, Line 1)	
23. Increase in aggregate reserves - ordinary life (2018: Page 6, Column 3, Line 19)	
24. Premiums and annuity considerations - individual annuities (2018: Page 6, Column 4, Line 1)	
25. Premiums and annuity considerations - credit life (2018: Page 6, Column 6, Line 1)	
26. Premiums and annuity considerations - group life (2018: Page 6, Column 7, Line 1)	
27. Premiums and annuity considerations - group annuities (2018: Page 6, Column 8, Line 1)	
28. Premiums and annuity considerations - group accident & health (2018: Page 6, Column 9, Line 1)	
29. Premiums and annuity considerations - credit accident & health (2018: Page 6, Column 10, Line 1)	
30. Premiums and annuity considerations - other accident & health (2018: Page 6, Column 11, Line 1)	
31. Net single premiums - industrial life (2018: Page 9, Column 2, Line 10.4)	
32. Net renewal premiums - industrial life (2018: Page 9, Column 2, Line 19.4)	
33. Net single premiums - ordinary life (2018: Page 9, Column 3, Line 10.4)	
34. Net renewal premiums - ordinary life (2018: Page 9, Column 3, Line 19.4)	
35. Total life insurance premiums (2018: Page 49, Column 2, Line 99)	
36. Total annuity considerations (2018: Page 49, Column 3, Line 99)	
37. Total life accident and health insurance premiums (2018: Page 49, Column 4, Line 99)	
38. Total other considerations (2018: Page 49, Column 5, Line 99)	
39. Total deposit-type contracts (2018: Page 49, Column 7, Line 99)	

Prior Period Data for Non-required Crosschecks

Prior Period Statement Location	1 Amount
1. 2018 Annual, Page 2, Assets, Line 05, Column 1	25,350,054
2. 2018 Annual, Page 2, Assets, Line 28, Column 3	94,622,213
3. 2018 Annual, Page 3, Liabilities, Line 01, Column 1	
4. 2018 Annual, Page 3, Liabilities, Line 02, Column 1	
5. 2018 Annual, Page 3, Liabilities, Line 04.1, Column 1	250,000
6. 2018 Annual, Page 3, Liabilities, Line 04.2, Column 1	30,037,470
7. 2018 Annual, Page 3, Liabilities, Line 24.02, Column 1	
8. 2018 Annual, Page 3, Liabilities, Line 29, Column 1	2,500,000
9. 2018 Annual, Page 3, Liabilities, Line 30, Column 1	
10. 2018 Annual, Page 3, Liabilities, Line 33, Column 1	7,760,000
11. 2018 Annual, Page 4, Summary of Operations, Line 01, Column 1	290,394,408
12. 2018 Annual, Page 12, Exhibit 5, Line 0799999, Column 2	
13. 2018 Annual, Page 14, Exhibit 6, Line 03, Column 1	
14. 2018 Annual, Page 14, Exhibit 6, Line 11, Column 1	
15. 2018 Annual, Page 14, Exhibit 6, Line 15, Column 1	
16. 2018 Annual, Page 27, Accident & Health Insurance, Line 10, Column 1	1,789
17. 2018 Annual, Page 27, Accident & Health Insurance, Line 10, Column 2	144,468,494
18. 2018 Annual, Page 27, Accident & Health Insurance, Line 10, Column 3	
19. 2018 Annual, Page 27, Accident & Health Insurance, Line 10, Column 4	
20. 2018 Annual, Page 27, Accident & Health Insurance, Line 10, Column 5	
21. 2018 Annual, Page 27, Accident & Health Insurance, Line 10, Column 6	
22. 2018 Annual, Page 29, Asset Valuation Reserve, Line 16, Column 1	224,344
23. 2018 Annual, Page 29, Asset Valuation Reserve, Line 16, Column 2	
24. 2018 Annual, Page 29, Asset Valuation Reserve, Line 16, Column 3	224,344
25. 2018 Annual, Page 29, Asset Valuation Reserve, Line 16, Column 4	0
26. 2018 Annual, Page 29, Asset Valuation Reserve, Line 16, Column 5	0
27. 2018 Annual, Page 29, Asset Valuation Reserve, Line 16, Column 6	0
28. 2018 Annual, Page 29, Asset Valuation Reserve, Line 16, Column 7	224,344
29. 2018 Annual, Page 38, Schedule H Part 2, Line A04, Column 1	1,524,296
30. 2018 Annual, Page 38, Schedule H Part 2, Line B03, Column 1	
31. 2018 Annual, Page 38, Schedule H Part 2, Line C01, Column 1	30,037,470
32. 2018 Annual, Page SI02, Schedule A Verification, Line 09, Column 2	
33. 2018 Annual, Page SI02, Schedule B Verification, Line 11, Column 2	
34. 2018 Annual, Page SI03, Schedule BA Verification, Line 11, Column 2	
35. 2018 Annual, Page SI03, Schedule D Verification, Line 11, Column 2	43,837,128
36. 2018 Annual, Page SI11, Schedule DB Part A Verification, Line 09, Column 2	
37. 2018 Annual, Page SI11, Schedule DB Part B Verification, Line 06, Column 4	
38. 2018 Annual, Page SI13, Schedule DB Part C, Section 2, Line 07, Column 9	
39. 2018 Annual, Page SI13, Schedule DB Part C, Section 2, Line 07, Column 10	
40. 2018 Annual, Page E17, Schedule DA Part 1, Line 9199999, Column 7	10,891,632
41. 2018 Annual, Page E20, Schedule DB Part B, Section 1, Line 1449999999, Column 15	
42. 2018 Annual, Page E20, Schedule DB Part B, Section 1, Line 1449999999, Column 17	
43. 2018 Annual, Page E20, Schedule DB Part B, Section 1, Line 1449999999, Column 18	
44. 2018 Annual, Page E20, Schedule DB Part B, Section 1, Line 1449999999, Column 19	
45. 2018 Annual, Page E27, Schedule E Part 2, Line 8899999, Column 7	
46. 2018 Annual, Page Supp63, Supplemental Health Care Exhibit - Part 1 (Grand Total), Line 05.5, Col. 15	