

ANNUAL STATEMENT

OF THE

Liberty Life Assurance Company of Boston

of

in the state of

New Hampshire

TO THE

Insurance Department

OF THE

FOR THE YEAR ENDED

December 31, 2016

LIFE AND ACCIDENT AND HEALTH

2016



65315201620100100

ANNUAL STATEMENT

For the Year Ended December 31, 2016
OF THE CONDITION AND AFFAIRS OF THE

Liberty Life Assurance Company of Boston

NAIC Group Code 0111 0111 NAIC Company Code 65315 Employer's ID Number 04-6076039

Organized under the Laws of New Hampshire, State of Domicile or Port of Entry New Hampshire

Country of Domicile United States

Incorporated/Organized September 17, 1963 Commenced Business January 15, 1964

Statutory Home Office 175 Berkeley Street Boston, MA, US 02116

Main Administrative Office 175 Berkeley Street Boston, MA, US 02116

617-357-9500 (Telephone Number)

Mail Address 100 Liberty Way Dover, NH, US 03820

Primary Location of Books and Records 100 Liberty Way Dover, NH, US 03820 603-749-2600

Internet Web Site Address www.libertymutual.com

Statutory Statement Contact Carolyn Lee 857-224-2354

Carolyn.Lee@LibertyMutual.com 603-749-4452

OFFICERS

Table with 2 columns: Name, Title. Includes James Paul Condrin, III, Mark Charles Touhey, and Laurance Henry Soyer Yahia.

VICE-PRESIDENTS

Table with 4 columns: Name, Title, Name, Title. Includes Neeti Bhalla, Elizabeth Julia Morahan, Thomas Peter Kalmbach, and Rebecca Lynn Schechter.

DIRECTORS OR TRUSTEES

Table with 4 columns: Name, Title, Name, Title. Includes Kristen Maria Bessette, Alison Brooke Erbig, Robert David Blauvelt, Elizabeth Julia Morahan, James Paul Condrin, III, Rebecca Lynn Schechter, John Derek Doyle, and Mark Charles Touhey.

State of Massachusetts
County of Suffolk

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

Signatures and titles of James Paul Condrin, III, Mark Charles Touhey, and Laurance Henry Soyer Yahia.

Subscribed and sworn to (or affirmed) before me this on this 6th day of February, 2017, by



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

ASSETS

	Current Year			Prior Year
	1	2	3	4
	Assets	Nonadmitted Assets	Net Admitted Assets (Cols. 1 - 2)	Net Admitted Assets
1. Bonds (Schedule D)	14,857,691,342		14,857,691,342	13,682,828,411
2. Stocks (Schedule D):				
2.1 Preferred stocks	573,866		573,866	416,375
2.2 Common stocks	21,294,396		21,294,396	21,785,573
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens	1,015,560,994		1,015,560,994	898,037,927
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 (\$ (30,979,292), Schedule E - Part 1), cash equivalents (\$ 0, Schedule E - Part 2), and short-term investments (\$ 343,934,981, Schedule DA)	312,955,689		312,955,689	166,065,351
6. Contract loans (including \$ 0 premium notes)	128,285,036		128,285,036	129,153,128
7. Derivatives (Schedule DB)				
8. Other invested assets (Schedule BA)	283,802,355		283,802,355	279,505,596
9. Receivables for securities	8,467,164		8,467,164	7,475,459
10. Securities lending reinvested collateral assets (Schedule DL)	373,194,628		373,194,628	407,156,113
11. Aggregate write-ins for invested assets				
12. Subtotals, cash and invested assets (Lines 1 to 11)	17,001,825,470		17,001,825,470	15,592,423,933
13. Title plants less \$ 0 charged off (for Title insurers only)				
14. Investment income due and accrued	174,551,903		174,551,903	165,175,657
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	42,277,766	3,168,215	39,109,551	33,647,060
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ 0 earned but unbilled premiums)	61,975,858		61,975,858	58,902,223
15.3 Accrued retrospective premiums (\$ 2,648,195) and contracts subject to redetermination (\$ 0)	2,648,195		2,648,195	10,209,039
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers	11,524,658		11,524,658	6,210,150
16.2 Funds held by or deposited with reinsured companies				
16.3 Other amounts receivable under reinsurance contracts	3,147,409		3,147,409	2,410,993
17. Amounts receivable relating to uninsured plans	5,727,978		5,727,978	4,799,310
18.1 Current federal and foreign income tax recoverable and interest thereon				3,569,051
18.2 Net deferred tax asset	158,033,800	102,852,088	55,181,712	60,610,350
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				
25. Aggregate write-ins for other-than-invested assets	15,171,796		15,171,796	14,340,677
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	17,476,884,833	106,020,303	17,370,864,530	15,952,298,443
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts	108,425,664		108,425,664	101,774,512
28. Total (Lines 26 and 27)	17,585,310,497	106,020,303	17,479,290,194	16,054,072,955

DETAILS OF WRITE-IN LINES				
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. Accounts receivable	9,629,391		9,629,391	14,305,298
2502. Prepaid insolvency asset	5,352,241		5,352,241	
2503. Amounts due from Separate Accounts	188,479		188,479	33,694
2598. Summary of remaining write-ins for Line 25 from overflow page	1,685		1,685	1,685
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	15,171,796		15,171,796	14,340,677

NONE

OVERFLOW PAGE FOR WRITE-INS

Page 2 - Continuation

ASSETS

	Current Year			Prior Year
	1	2	3	4
	Assets	Nonadmitted Assets	Net Admitted Assets (Cols. 1 - 2)	Net Admitted Assets
REMAINING WRITE-INS AGGREGATED AT LINE 25 FOR OTHER THAN INVESTED ASSETS				
2504. Shortage account - VUL	1,685		1,685	1,685
2597. Totals (Lines 2504 through 2596) (Page 2, Line 2598)	1,685		1,685	1,685

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Year	2 Prior Year
1. Aggregate reserve for life contracts \$ 11,693,519,458 (Exhibit 5, Line 9999999) less \$ 0 included in Line 6.3 (including \$ 0 Modco Reserve)	11,693,519,458	10,797,622,237
2. Aggregate reserve for accident and health contracts (including \$ 0 Modco Reserve)	2,113,019,167	1,932,958,284
3. Liability for deposit-type contracts (Exhibit 7, Line 14, Col. 1) (including \$ 0 Modco Reserve)	1,364,827,367	1,234,135,060
4. Contract claims:		
4.1 Life (Exhibit 8, Part 1, Line 4.4, Col. 1 less sum of Cols. 9, 10 and 11)	133,646,947	103,992,465
4.2 Accident and health (Exhibit 8, Part 1, Line 4.4, sum of Cols. 9, 10 and 11)	33,862,037	30,164,483
5. Policyholders' dividends \$ 33,746 and coupons \$ 0 due and unpaid (Exhibit 4, Line 10)	33,746	18,102
6. Provision for policyholders' dividends and coupons payable in following calendar year -- estimated amounts:		
6.1 Dividends apportioned for payment (including \$ 0 Modco)	5,434,361	6,352,983
6.2 Dividends not yet apportioned (including \$ 0 Modco)		
6.3 Coupons and similar benefits (including \$ 0 Modco)		
7. Amount provisionally held for deferred dividend policies not included in Line 6		
8. Premiums and annuity considerations for life and accident and health contracts received in advance less \$ 0 discount; including \$ 246,830 accident and health premiums (Exhibit 1, Part 1, Col. 1, sum of Lines 4 and 14)	1,323,157	1,162,146
9. Contract liabilities not included elsewhere:		
9.1 Surrender values on canceled contracts		
9.2 Provision for experience rating refunds, including the liability of \$ 28,451,891 accident and health experience rating refunds of which \$ 0 is for medical loss ratio rebate per the Public Health Service Act	34,492,695	29,765,811
9.3 Other amounts payable on reinsurance, including \$ 0 assumed and \$ 0 ceded		
9.4 Interest Maintenance Reserve (IMR, Line 6)	22,926,791	23,707,598
10. Commissions to agents due or accrued-life and annuity contracts \$ 15,783,729 accident and health \$ 6,265,344 and deposit-type contract funds \$ 0	22,049,074	15,035,015
11. Commissions and expense allowances payable on reinsurance assumed		
12. General expenses due or accrued (Exhibit 2, Line 12, Col. 6)	141,780,276	110,398,060
13. Transfers to Separate Accounts due or accrued (net) (including \$ (121,907) accrued for expense allowances recognized in reserves, net of reinsured allowances)	(121,907)	(261,325)
14. Taxes, licenses and fees due or accrued, excluding federal income taxes (Exhibit 3, Line 9, Col. 5)	9,189,670	12,410,510
15.1 Current federal and foreign income taxes, including \$ (317,464) on realized capital gains (losses)	9,697,223	
15.2 Net deferred tax liability		
16. Unearned investment income	517,245	518,811
17. Amounts withheld or retained by company as agent or trustee		
18. Amounts held for agents' account, including \$ 0 agents' credit balances		
19. Remittances and items not allocated	11,871,519	2,489,133
20. Net adjustment in assets and liabilities due to foreign exchange rates		
21. Liability for benefits for employees and agents if not included above		
22. Borrowed money \$ 0 and interest thereon \$ 0		
23. Dividends to stockholders declared and unpaid		
24. Miscellaneous liabilities:		
24.01 Asset valuation reserve (AVR, Line 16, Col. 7)	112,674,011	100,273,653
24.02 Reinsurance in unauthorized and certified \$ (0) companies		35,084
24.03 Funds held under reinsurance treaties with unauthorized and certified \$ (0) reinsurers		
24.04 Payable to parent, subsidiaries and affiliates	49,820,258	64,893,749
24.05 Drafts outstanding		45,718,769
24.06 Liability for amounts held under uninsured plans		
24.07 Funds held under coinsurance		
24.08 Derivatives		
24.09 Payable for securities	15,395,953	7,324,465
24.10 Payable for securities lending	373,194,628	407,156,113
24.11 Capital notes \$ 0 and interest thereon \$ 0		
25. Aggregate write-ins for liabilities	60,750,520	59,980,488
26. Total liabilities excluding Separate Accounts business (Lines 1 to 25)	16,209,904,196	14,985,851,694
27. From Separate Accounts statement	108,425,664	101,774,512
28. Total liabilities (Lines 26 and 27)	16,318,329,860	15,087,626,206
29. Common capital stock	2,500,000	2,500,000
30. Preferred capital stock		
31. Aggregate write-ins for other-than-special surplus funds		
32. Surplus notes		
33. Gross paid in and contributed surplus (Page 3, Line 33, Col. 2 plus Page 4, Line 51.1, Col. 1)	861,893,842	696,893,842
34. Aggregate write-ins for special surplus funds	750,000	750,000
35. Unassigned funds (surplus)	295,816,492	266,302,907
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)	1,158,460,334	963,946,749
38. Totals of Lines 29, 30 and 37 (Page 4, Line 55)	1,160,960,334	966,446,749
39. Totals of Lines 28 and 38 (Page 2, Line 28, Col. 3)	17,479,290,194	16,054,072,955
DETAILS OF WRITE-IN LINES		
2501. Qualified claims account - Internal Revenue Service Code 419	42,060,000	43,446,000
2502. Contingent liability	7,477,682	
2503. Accounts payable	6,470,881	11,010,767
2598. Summary of remaining write-ins for Line 25 from overflow page	4,741,957	5,523,721
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	60,750,520	59,980,488
3101.		
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)		
3401. Contingency reserve for Separate Accounts	750,000	750,000
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)	750,000	750,000

NONE

OVERFLOW PAGE FOR WRITE-INS

**Page 3 - Continuation
LIABILITIES, SURPLUS AND OTHER FUNDS**

	1	2
	Current Year	Prior Year
REMAINING WRITE-INS AGGREGATED AT LINE 25 FOR LIABILITIES		
2504. Deposit suspense - Group Life	4,741,957	5,523,721
2597. Totals (Lines 2504 through 2596) (Page 3, Line 2598)	4,741,957	5,523,721

SUMMARY OF OPERATIONS

	1	2
	Current Year	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)	2,714,543,005	2,501,100,088
2. Considerations for supplementary contracts with life contingencies	236,049	324,401
3. Net investment income (Exhibit of Net Investment Income, Line 17)	733,064,499	691,116,148
4. Amortization of Interest Maintenance Reserve (IMR, Line 5)	3,490,794	3,962,384
5. Separate Accounts net gain from operations excluding unrealized gains or losses		
6. Commissions and expense allowances on reinsurance ceded (Exhibit 1, Part 2, Line 26.1, Col. 1)	30,683,203	28,386,174
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	492,536	635,086
8.2 Charges and fees for deposit-type contracts		
8.3 Aggregate write-ins for miscellaneous income	3,264,999	3,261,863
9. Totals (Lines 1 to 8.3)	3,485,775,085	3,228,786,144
10. Death benefits	545,865,563	448,269,575
11. Matured endowments (excluding guaranteed annual pure endowments)		
12. Annuity benefits (Exhibit 8, Part 2, Line 6.4, Cols. 4 + 8)	376,770,642	368,171,422
13. Disability benefits and benefits under accident and health contracts	621,089,195	590,880,516
14. Coupons, guaranteed annual pure endowments and similar benefits		
15. Surrender benefits and withdrawals for life contracts	205,683,652	192,248,560
16. Group conversions		
17. Interest and adjustments on contract or deposit-type contract funds	43,170,743	41,089,170
18. Payments on supplementary contracts with life contingencies	471,296	483,876
19. Increase in aggregate reserves for life and accident and health contracts	1,124,069,312	1,067,349,388
20. Totals (Lines 10 to 19)	2,917,120,403	2,708,492,507
21. Commissions on premiums, annuity considerations, and deposit-type contract funds (direct business only) (Exhibit 1, Part 2, Line 31, Col. 1)	114,103,944	106,558,785
22. Commissions and expense allowances on reinsurance assumed (Exhibit 1, Part 2, Line 26.2, Col. 1)		
23. General insurance expenses (Exhibit 2, Line 10, Columns 1, 2, 3 and 4)	367,836,583	281,375,303
24. Insurance taxes, licenses and fees, excluding federal income taxes (Exhibit 3, Line 7, Cols. 1 + 2 + 3)	56,749,364	45,976,375
25. Increase in loading on deferred and uncollected premiums	915,898	(272,917)
26. Net transfers to or (from) Separate Accounts net of reinsurance	(1,762,535)	(2,698,984)
27. Aggregate write-ins for deductions	1,561,728	1,460,192
28. Totals (Lines 20 to 27)	3,456,525,385	3,140,891,261
29. Net gain from operations before dividends to policyholders and federal income taxes (Line 9 minus Line 28)	29,249,700	87,894,883
30. Dividends to policyholders	5,630,674	6,372,210
31. Net gain from operations after dividends to policyholders and before federal income taxes (Line 29 minus Line 30)	23,619,026	81,522,673
32. Federal and foreign income taxes incurred (excluding tax on capital gains)	26,345,462	18,176,022
33. Net gain from operations after dividends to policyholders and federal income taxes and before realized capital gains or (losses) (Line 31 minus Line 32)	(2,726,436)	63,346,651
34. Net realized capital gains (losses) (excluding gains (losses) transferred to the IMR) less capital gains tax of \$ (11,183,989) (excluding taxes of \$ 1,459,224 transferred to the IMR)	8,074,780	6,561,963
35. Net income (Line 33 plus Line 34)	5,348,344	69,908,614
CAPITAL AND SURPLUS ACCOUNT		
36. Capital and surplus, December 31, prior year (Page 3, Line 38, Col. 2)	966,446,749	902,440,886
37. Net income (Line 35)	5,348,344	69,908,614
38. Change in net unrealized capital gains (losses) less capital gains tax of \$ 0	(5,342,831)	604,348
39. Change in net unrealized foreign exchange capital gain (loss)	(978,543)	(9,917,878)
40. Change in net deferred income tax	(5,431,100)	(18,512,000)
41. Change in nonadmitted assets	3,299,959	28,140,704
42. Change in liability for reinsurance in unauthorized and certified companies	35,084	(35,084)
43. Change in reserve on account of change in valuation basis, (increase) or decrease	48,300,000	
44. Change in asset valuation reserve	(12,400,358)	(6,182,841)
45. Change in treasury stock (Page 3, Lines 36.1 and 36.2 Col. 2 minus Col. 1)		
46. Surplus (contributed to) withdrawn from Separate Accounts during period		
47. Other changes in surplus in Separate Accounts statement		
48. Change in surplus notes		
49. Cumulative effect of changes in accounting principles		
50. Capital changes:		
50.1 Paid in		
50.2 Transferred from surplus (Stock Dividend)		
50.3 Transferred to surplus		
51. Surplus adjustment:		
51.1 Paid in	165,000,000	
51.2 Transferred to capital (Stock Dividend)		
51.3 Transferred from capital		
51.4 Change in surplus as a result of reinsurance		
52. Dividends to stockholders		
53. Aggregate write-ins for gains and losses in surplus	(3,316,970)	
54. Net change in capital and surplus for the year (Lines 37 through 53)	194,513,585	64,005,863
55. Capital and surplus, December 31, current year (Lines 36 + 54) (Page 3, Line 38)	1,160,960,334	966,446,749

DETAILS OF WRITE-IN LINES		
08.301 Surrender charges	1,968,599	1,825,507
08.302 Other administration fees	689,806	772,291
08.303 Miscellaneous income	606,594	664,065
08.398 Summary of write-ins for Line 08.3 from overflow page		
08.399 Totals (Lines 08.301 through 08.303 plus 08.398) (Line 08.3 above)	3,264,999	3,261,863
2701. Miscellaneous expense	1,001,403	997,982
2702. Performance guarantee expense	348,478	301,302
2703. Contract Credits	211,847	160,908
2798. Summary of write-ins for Line 27 from overflow page		
2799. Totals (Lines 2701 through 2703 plus 2798) (Line 27 above)	1,561,728	1,460,192
5301. Correction of prior year errors	(3,316,970)	
5302.		
5303.		
5398. Summary of write-ins for Line 53 from overflow page		
5399. Totals (Lines 5301 through 5303 plus 5398) (Line 53 above)	(3,316,970)	

OVERFLOW PAGE FOR WRITE-INS

**Page 4 - Continuation
SUMMARY OF OPERATIONS**

	1	2
	Current Year	Prior Year
REMAINING WRITE-INS AGGREGATED AT LINE 27 FOR DEDUCTIONS		
2704. Surrender charges		
2797. Totals (Lines 2704 through 2796) (Page 4, Line 2798)		

CASH FLOW

	1	2
	Current Year	Prior Year
Cash from Operations		
1. Premiums collected net of reinsurance	2,716,642,675	2,479,777,475
2. Net investment income	718,791,883	671,402,365
3. Miscellaneous income	33,683,001	35,673,110
4. Total (Lines 1 through 3)	3,469,117,559	3,186,852,950
5. Benefit and loss related payments	1,727,368,235	1,577,485,183
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts	(1,762,535)	(2,698,984)
7. Commissions, expenses paid and aggregate write-ins for deductions	504,635,504	419,524,056
8. Dividends paid to policyholders	6,533,652	6,348,509
9. Federal and foreign income taxes paid (recovered) net of \$ 0 tax on capital gains (losses)	3,354,423	27,397,643
10. Total (Lines 5 through 9)	2,240,129,279	2,028,056,407
11. Net cash from operations (Line 4 minus Line 10)	1,228,988,280	1,158,796,543
Cash from Investments		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds	1,068,334,328	884,154,062
12.2 Stocks	784,200	2,635,000
12.3 Mortgage loans	59,083,017	45,066,238
12.4 Real estate		
12.5 Other invested assets	16,993,787	20,546,756
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments		
12.7 Miscellaneous proceeds		
12.8 Total investment proceeds (Lines 12.1 to 12.7)	1,145,195,332	952,402,056
13. Cost of investments acquired (long-term only):		
13.1 Bonds	2,238,742,898	1,757,641,864
13.2 Stocks		761,338
13.3 Mortgage loans	177,269,758	432,514,451
13.4 Real estate		
13.5 Other invested assets	27,333,203	50,976,318
13.6 Miscellaneous applications	40,538,166	157,375,945
13.7 Total investments acquired (Lines 13.1 to 13.6)	2,483,884,025	2,399,269,916
14. Net increase (decrease) in contract loans and premium notes	(868,092)	4,417,925
15. Net cash from investments (Line 12.8 minus Line 13.7 minus Line 14)	(1,337,820,601)	(1,451,285,785)
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	165,000,000	
16.3 Borrowed funds		
16.4 Net deposits on deposit-type contracts and other insurance liabilities	92,937,966	95,037,532
16.5 Dividends to stockholders		
16.6 Other cash provided (applied)	(2,215,307)	160,788,329
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6)	255,722,659	255,825,861
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)	146,890,338	(36,663,381)
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year	166,065,351	202,728,732
19.2 End of year (Line 18 plus Line 19.1)	312,955,689	166,065,351

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

20.0001	1. Non cash premium activity	(236,885)
20.0002	2. Non cash investment income	205,384
20.0003	3. Non cash miscellaneous income	21,321
20.0004	5. Non cash benefits and loss related payments	790,114
20.0005	6. Non cash transfers to Separate Accounts	139,418
20.0006	7. Non cash expenses	(74,392)
20.0007	16.6 Other non cash adjustments	492,309

ANALYSIS OF OPERATIONS BY LINES OF BUSINESS

	1 Total	2 Industrial Life	Ordinary			6 Credit Life (Group and Individual)	Group		Accident and Health			12 Aggregate of All Other Lines of Business
			3 Life Insurance	4 Individual Annuities	5 Supplementary Contracts		7 Life Insurance (a)	8 Annuities	9 Group	10 Credit (Group and Individual)	11 Other	
1. Premiums and annuity considerations for life and accident and health contracts	2,714,543,005		575,155,032	705,255,370			489,227,837		944,901,854		2,912	
2. Considerations for supplementary contracts with life contingencies	236,049				236,049							
3. Net investment income	733,064,499		251,817,314	340,942,879	321,739		23,242,456	12,580,936	104,154,161		5,014	
4. Amortization of Interest Maintenance Reserve (IMR)	3,490,794		831,667	1,444,882	1,477		116,550	132,066	964,066		86	
5. Separate Accounts net gain from operations excluding unrealized gains or losses												
6. Commissions and expense allowances on reinsurance ceded	30,683,203		30,683,203									
7. Reserve adjustments on reinsurance ceded												
8. Miscellaneous Income:												
8.1 Fees associated with income from investment management, administration and contract guarantees from Separate Accounts	492,536		241,913	28,040				222,583				
8.2 Charges and fees for deposit-type contracts												
8.3 Aggregate write-ins for miscellaneous income	3,264,999		653,184	2,583,690			7,298	5,572	15,255			
9. Totals (Lines 1 to 8.3)	3,485,775,085		859,382,313	1,050,254,861	559,265		512,594,141	12,941,157	1,050,035,336		8,012	
10. Death benefits	545,865,563		152,095,432				393,770,131					
11. Matured endowments (excluding guaranteed annual pure endowments)				354,299,719				22,470,923				
12. Annuity benefits	376,770,642											
13. Disability benefits and benefits under accident and health contracts	621,089,195								621,054,266		34,929	
14. Coupons, guaranteed annual pure endowments and similar benefits												
15. Surrender benefits and withdrawals for life contracts	205,683,652		128,725,967	71,892,993			4,836,235	228,457				
16. Group conversions												
17. Interest and adjustments on contract or deposit-type contract funds	43,170,743		1,168,965	39,581,969	618,754		1,880,618	(79,563)				
18. Payments on supplementary contracts with life contingencies	471,296				471,296							
19. Increase in aggregate reserves for life and accident and health contracts	1,124,069,312		381,465,946	519,675,225	(436,430)		4,854,243	(9,850,555)	228,370,059		(9,176)	
20. Totals (Lines 10 to 19)	2,917,120,403		663,456,310	985,449,906	653,620		405,341,227	12,769,262	849,424,325		25,753	
21. Commissions on premiums, annuity considerations and deposit-type contract funds (direct business only)	114,103,944		28,581,321	30,677,782			25,541,565	7,900	29,295,376			
22. Commissions and expense allowances on reinsurance assumed												
23. General insurance expenses	367,836,583		115,269,160	23,323,757	41,873		54,382,189	246,298	174,573,074		232	
24. Insurance taxes, licenses and fees, excluding federal income taxes	56,749,364		14,801,710	934,182	618		10,989,642	14,304	30,008,840		68	
25. Increase in loading on deferred and uncollected premiums	915,898		656,958	(8)			258,948					
26. Net transfers to or (from) Separate Accounts net of reinsurance	(1,762,535)		(1,140,341)	(262,411)				(359,783)				
27. Aggregate write-ins for deductions	1,561,728		974,512	10,592	188		87,047	6,884	482,505			
28. Totals (Lines 20 to 27)	3,456,525,385		822,599,630	1,040,133,800	696,299		496,600,618	12,684,865	1,083,784,120		26,053	
29. Net gain from operations before dividends to policyholders and federal income taxes (Line 9 minus Line 28)	29,249,700		36,782,683	10,121,061	(137,034)		15,993,523	256,292	(33,748,784)		(18,041)	
30. Dividends to policyholders	5,630,674		5,630,805	(131)								
31. Net gain from operations after dividends to policyholders and before federal income taxes (Line 29 minus Line 30)	23,619,026		31,151,878	10,121,192	(137,034)		15,993,523	256,292	(33,748,784)		(18,041)	
32. Federal income taxes incurred (excluding tax on capital gains)	26,345,462		12,906,625	6,305,985	(35,974)		5,983,303	3,321	1,188,148		(5,946)	
33. Net gain from operations after dividends to policyholders and federal income taxes and before realized capital gains or (losses) (Line 31 minus Line 32)	(2,726,436)		18,245,253	3,815,207	(101,060)		10,010,220	252,971	(34,936,932)		(12,095)	

DETAILS OF WRITE-IN LINES											
08.301 Surrender charges	1,968,599		577,156	1,392,746			(1,303)				
08.302 Other administration fees	689,806		60,349	617,857			8,400		3,200		
08.303 Miscellaneous income	606,594		15,679	573,087			201	5,572	12,055		
08.398 Summary of remaining write-ins for Line 08.3 from overflow page											
08.399 Totals (Lines 08.301 through 08.303 plus 08.398) (Line 08.3 above)	3,264,999		653,184	2,583,690			7,298	5,572	15,255		
2701. Miscellaneous expense	1,001,403		762,665	10,592	188		87,047	6,884	134,027		
2702. Performance guarantee expense	348,478								348,478		
2703. Contract credits	211,847		211,847								
2798. Summary of remaining write-ins for Line 27 from overflow page											
2799. Totals (Lines 2701 through 2703 plus 2798) (Line 27 above)	1,561,728		974,512	10,592	188		87,047	6,884	482,505		

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

ANALYSIS OF INCREASE IN RESERVES DURING THE YEAR

	1 Total	2 Industrial Life	Ordinary			6 Credit Life (Group and Individual)	Group	
			3 Life Insurance	4 Individual Annuities	5 Supplementary Contracts		7 Life Insurance	8 Annuities
Involving Life or Disability Contingencies (Reserves) (Net of Reinsurance Ceded)								
1. Reserve December 31, prior year	10,797,622,237		4,990,708,634	5,174,134,001	3,495,458		446,088,923	183,195,221
2. Tabular net premiums or considerations	2,433,899,923		553,411,200	1,416,489,587	236,048		463,763,088	
3. Present value of disability claims incurred	32,615,622				X X X		32,615,622	
4. Tabular interest	501,656,916		205,481,591	261,585,681	191,332		20,520,450	13,877,862
5. Tabular less actual reserve released	(823,614,488)		23,297	(804,098,461)	(82,384)		(18,076,244)	(1,380,696)
6. Increase in reserve on account of change in valuation basis								
7. Other increases (net)								
8. Totals (Lines 1 to 7)	12,942,180,210		5,749,624,722	6,048,110,808	3,840,454		944,911,839	195,692,387
9. Tabular cost	598,857,575		123,104,657		X X X		475,752,918	
10. Reserves released by death	122,515,560		107,244,931	X X X	X X X		15,270,629	X X X
11. Reserves released by other terminations (net)	150,045,679		147,100,554				2,945,125	
12. Annuity, supplementary contract, and disability payments involving life contingencies	377,241,938			354,299,719	471,296			22,470,923
13. Net transfers to or (from) Separate Accounts								
14. Total deductions (Lines 9 to 13)	1,248,660,752		377,450,142	354,299,719	471,296		493,968,672	22,470,923
15. Reserve December 31, current year	11,693,519,458		5,372,174,580	5,693,811,089	3,369,158		450,943,167	173,221,464

EXHIBIT OF NET INVESTMENT INCOME

	1 Collected During Year	2 Earned During Year
1. U.S. Government bonds	(a) 34,590,654	34,306,199
1.1 Bonds exempt from U.S. tax	(a)	
1.2 Other bonds (unaffiliated)	(a) 638,264,246	647,530,008
1.3 Bonds of affiliates	(a)	
2.1 Preferred stocks (unaffiliated)	(b) 33,594	33,594
2.11 Preferred stocks of affiliates	(b)	
2.2 Common stocks (unaffiliated)		222,047
2.21 Common stocks of affiliates		
3. Mortgage loans	(c) 41,855,857	42,095,233
4. Real estate	(d)	
5. Contract loans		
6. Cash, cash equivalents and short-term investments	(e) 1,107,270	1,107,270
7. Derivative instruments	(f)	
8. Other invested assets	17,087,243	17,087,213
9. Aggregate write-ins for investment income	7,883,028	8,018,357
10. Total gross investment income	741,043,939	750,399,921
11. Investment expenses		(g) 17,335,422
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)		17,335,422
17. Net investment income (Line 10 minus Line 16)		733,064,499

DETAILS OF WRITE-IN LINES			
0901. Miscellaneous Income/(Expense)		7,883,028	8,018,357
0902.			
0903.			
0998. Summary of remaining write-ins for Line 09 from overflow page			
0999. Totals (Lines 0901 through 0903 plus 0998) (Line 09 above)		7,883,028	8,018,357
1501.	NONE		
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 \$ 31,753,410 accrual of discount less \$ 26,868,788 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 \$ 57,790 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 \$ 105,375 accrual of discount less \$ 0 amortization of premium and less \$ 0 paid for accrued interest on purchases.
- (f) Includes \$ 0 accrual of discount less \$ 0 amortization of premium.
- (g) Includes \$ 0 investment expenses and \$ 0 investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.
- (h) Includes \$ 0 interest on surplus notes and \$ 0 interest on capital notes.
- (i) Includes \$ 0 depreciation on real estate and \$ 0 depreciation on other invested assets.

EXHIBIT OF CAPITAL GAINS (LOSSES)

	1 Realized Gain (Loss) on Sales or Maturity	2 Other Realized Adjustments	3 Total Realized Capital Gain (Loss) (Columns 1 + 2)	4 Change in Unrealized Capital Gain (Loss)	5 Change in Unrealized Foreign Exchange Capital Gain (Loss)
1. U.S. Government bonds	(8,311,885)		(8,311,885)		
1.1 Bonds exempt from U.S. tax					
1.2 Other bonds (unaffiliated)	11,372,887	(1,682,061)	9,690,826	(445,110)	(1,364,092)
1.3 Bonds of affiliates					
2.1 Preferred stocks (unaffiliated)				157,491	
2.11 Preferred stocks of affiliates					
2.2 Common stocks (unaffiliated)					
2.21 Common stocks of affiliates				908,578	
3. Mortgage loans	(952,330)		(952,330)	288,654	
4. Real estate					
5. Contract loans					
6. Cash, cash equivalents and short-term investments					
7. Derivative instruments					
8. Other invested assets	333,471	(50,321)	283,150	(6,252,444)	
9. Aggregate write-ins for capital gains (losses)	774,737	(424,495)	350,242		385,549
10. Total capital gains (losses)	3,216,880	(2,156,877)	1,060,003	(5,342,831)	(978,543)

DETAILS OF WRITE-IN LINES					
0901. Accounts Receivable gains		774,737		774,737	
0902. Currency translation					385,549
0903. SOFTWARE IMPAIRMENT			(424,495)	(424,495)	
0998. Summary of remaining write-ins for Line 09 from overflow page					
0999. Totals (Lines 0901 through 0903 plus 0998) (Line 09 above)		774,737	(424,495)	350,242	385,549

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

	1 Total	2 Industrial Life	Ordinary		5 Credit Life (Group and Individual)	Group		Accident and Health			11 Aggregate of All Other Lines of Business
			3 Life Insurance	4 Individual Annuities		6 Life Insurance	7 Annuities	8 Group	9 Credit (Group and Individual)	10 Other	
FIRST YEAR (other than single)											
1. Uncollected	(919,379)		(919,379)								
2. Deferred and accrued	6,621,527		6,621,527								
3. Deferred, accrued and uncollected:											
3.1 Direct	6,985,126		6,985,126								
3.2 Reinsurance assumed											
3.3 Reinsurance ceded	1,282,978		1,282,978								
3.4 Net (Line 1 + Line 2)	5,702,148		5,702,148								
4. Advance	26,715		26,715								
5. Line 3.4 - Line 4	5,675,433		5,675,433								
6. Collected during year:											
6.1 Direct	24,167,938		24,167,938								
6.2 Reinsurance assumed											
6.3 Reinsurance ceded	8,495,840		8,495,900			(60)					
6.4 Net	15,672,098		15,672,038			60					
7. Line 5 + Line 6.4	21,347,531		21,347,471			60					
8. Prior year (uncollected + deferred and accrued - advance)	5,895,810		5,895,810								
9. First year premiums and considerations:											
9.1 Direct	24,524,504		24,524,504								
9.2 Reinsurance assumed											
9.3 Reinsurance ceded	9,072,782		9,072,842			(60)					
9.4 Net (Line 7 - Line 8)	15,451,722		15,451,662			60					
SINGLE											
10. Single premiums and considerations:											
10.1 Direct	1,134,885,215		431,141,893	703,743,322							
10.2 Reinsurance assumed											
10.3 Reinsurance ceded											
10.4 Net	1,134,885,215		431,141,893	703,743,322							
RENEWAL											
11. Uncollected	41,424,637		(2,727,108)			21,523,865		22,627,880			
12. Deferred and accrued	55,354,331		55,354,331								
13. Deferred, accrued and uncollected:											
13.1 Direct	108,656,336		59,131,207			21,591,951		27,933,178			
13.2 Reinsurance assumed											
13.3 Reinsurance ceded	11,877,368		6,503,984			68,086		5,305,298			
13.4 Net (Line 11 + Line 12)	96,778,968		52,627,223			21,523,865		22,627,880			
14. Advance	1,296,441		819,992			229,619		246,830			
15. Line 13.4 - Line 14	95,482,527		51,807,231			21,294,246		22,381,050			
16. Collected during year:											
16.1 Direct	1,667,161,033		209,540,574	1,512,094		481,918,896		974,186,234		3,235	
16.2 Reinsurance assumed	9,433		9,433								
16.3 Reinsurance ceded	101,085,106		82,862,798			891,249		17,330,736		323	
16.4 Net	1,566,085,360		126,687,209	1,512,094		481,027,647		956,855,498		2,912	
17. Line 15 + Line 16.4	1,661,567,887		178,494,440	1,512,094		502,321,893		979,236,548		2,912	
18. Prior year (uncollected + deferred and accrued - advance)	97,361,819		49,932,964	46		13,094,115		34,334,694			
19. Renewal premiums and considerations:											
19.1 Direct	1,665,779,160		212,068,437	1,512,048		490,109,245		962,086,195		3,235	
19.2 Reinsurance assumed	9,433		9,433								
19.3 Reinsurance ceded	101,582,525		83,516,393			881,468		17,184,341		323	
19.4 Net (Line 17 - Line 18)	1,564,206,068		128,561,477	1,512,048		489,227,777		944,901,854		2,912	
TOTAL											
20. Total premiums and annuity considerations:											
20.1 Direct	2,825,188,879		667,734,834	705,255,370		490,109,245		962,086,195		3,235	
20.2 Reinsurance assumed	9,433		9,433								
20.3 Reinsurance ceded	110,655,307		92,589,235			881,408		17,184,341		323	
20.4 Net (Lines 9.4 + 10.4 + 19.4)	2,714,543,005		575,155,032	705,255,370		489,227,837		944,901,854		2,912	

**EXHIBIT 1 – PART 2 – DIVIDENDS AND COUPONS APPLIED, REINSURANCE COMMISSIONS AND EXPENSE
ALLOWANCES AND COMMISSIONS INCURRED (Direct Business Only)**

	1 Total	2 Industrial Life	Ordinary		5 Credit Life (Group and Individual)	Group		Accident and Health			11 Aggregate of All Other Lines of Business
			3 Life Insurance	4 Individual Annuities		6 Life Insurance	7 Annuities	8 Group	9 Credit (Group and Individual)	10 Other	
DIVIDENDS AND COUPONS APPLIED (included in Part 1)											
21. To pay renewal premiums	375,801		375,801								
22. All other	5,817,678		5,817,678								
REINSURANCE COMMISSIONS AND EXPENSE ALLOWANCES INCURRED											
23. First year (other than single):											
23.1 Reinsurance ceded											
23.2 Reinsurance assumed											
23.3 Net ceded less assumed											
24. Single:											
24.1 Reinsurance ceded											
24.2 Reinsurance assumed											
24.3 Net ceded less assumed											
25. Renewal:											
25.1 Reinsurance ceded	30,683,203		30,683,203								
25.2 Reinsurance assumed											
25.3 Net ceded less assumed	30,683,203		30,683,203								
26. Totals:											
26.1 Reinsurance ceded (Page 6, Line 6)	30,683,203		30,683,203								
26.2 Reinsurance assumed (Page 6, Line 22)											
26.3 Net ceded less assumed	30,683,203		30,683,203								
COMMISSIONS INCURRED (direct business only)											
27. First year (other than single)	409,092		409,092								
28. Single	58,168,298		27,482,616	30,677,782			7,900				
29. Renewal	55,526,554		689,613			25,541,565		29,295,376			
30. Deposit-type contract funds											
31. Totals (to agree with Page 6, Line 21)	114,103,944		28,581,321	30,677,782		25,541,565	7,900	29,295,376			

EXHIBIT 2 – GENERAL EXPENSES

	Insurance				5 Investment	6 Total
	1 Life	Accident and Health		4 All Other Lines of Business		
		2 Cost Containment	3 All Other			
1. Rent	5,102,581		3,903,467		866,771	9,872,819
2. Salaries and wages	91,358,343		69,888,999		12,134,795	173,382,137
3.11 Contributions for benefit plans for employees	11,172,978		8,547,312		520,063	20,240,353
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	12,055,155		9,222,176			21,277,331
3.32 Other agent welfare						
4.1 Legal fees and expenses	1,822,052		1,393,867			3,215,919
4.2 Medical examination fees	229,977	175,932				405,909
4.3 Inspection report fees	2,141,952	1,638,590				3,780,542
4.4 Fees of public accountants and consulting actuaries					1,733,542	1,733,542
4.5 Expense of investigation and settlement of policy claims						
5.1 Traveling expenses	5,603,799		4,286,898		86,678	9,977,375
5.2 Advertising	1,537,656		1,176,304			2,713,960
5.3 Postage, express, telegraph and telephone	1,327,697		1,015,686		1,213,479	3,556,862
5.4 Printing and stationery	839,251		642,026		433,386	1,914,663
5.5 Cost or depreciation of furniture and equipment	648,896		496,404		346,708	1,492,008
5.6 Rental of equipment						
5.7 Cost or depreciation of EDP equipment and software	4,555,700		3,485,104			8,040,804
6.1 Books and periodicals	95,648		73,170			168,818
6.2 Bureau and association fees	170,008		130,056			300,064
6.3 Insurance, except on real estate	598,448		457,812			1,056,260
6.4 Miscellaneous losses						
6.5 Collection and bank service charges	70,423		53,874			124,297
6.6 Sundry general expenses	33,108,920		88,609,672			121,718,592
6.7 Group service and administration fees						
6.8 Reimbursements by uninsured plans			(101,890,293)			(101,890,293)
7.1 Agency expense allowance						
7.2 Agents' balances charged off (less \$ 0 recovered)						
7.3 Agency conferences other than local meetings						
9.1 Real estate expenses						
9.2 Investment expenses not included elsewhere						
9.3 Aggregate write-ins for expenses	20,823,795		81,266,248			102,090,043
10. General expenses incurred	193,263,279	1,814,522	172,758,782		17,335,422	(a) 385,172,005
11. General expenses unpaid December 31, prior year	15,989,244		94,408,816			110,398,060
12. General expenses unpaid December 31, current year	14,902,648		127,024,003			141,926,651
13. Amounts receivable relating to uninsured plans, prior year			4,799,310			4,799,310
14. Amounts receivable relating to uninsured plans, current year			2,316,450			2,316,450
15. General expenses paid during year (Lines 10 + 11 - 12 - 13 + 14)	194,349,875	1,814,522	137,660,735		17,335,422	351,160,554

DETAILS OF WRITE-IN LINES						
09.301. Reimbursement of sales expense	26,717,544					26,717,544
09.302. Expense allowance on future claims			85,774,823			85,774,823
09.303. Administrative service expenses	(412,242)		(315,365)			(727,607)
09.398. Summary of remaining write-ins for Line 09.3 from overflow page	(5,481,507)		(4,193,210)			(9,674,717)
09.399. Totals (Lines 09.301 through 09.303 plus 09.398) (Line 09.3 above)	20,823,795		81,266,248			102,090,043

(a) Includes management fees of \$ 44,813,264 to affiliates and \$ 0 to non-affiliates.

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

	Insurance			4 Investment	5 Total
	1 Life	2 Accident and Health	3 All Other Lines of Business		
1. Real estate taxes					
2. State insurance department licenses and fees	864,366	586,702			1,451,068
3. State taxes on premiums	20,516,335	17,422,755			37,939,090
4. Other state taxes, incl. \$ 0 for employee benefits	717,920	1,333,945			2,051,865
5. U.S. Social Security taxes	3,455,322	6,391,763			9,847,085
6. All other taxes	1,186,883	4,273,373			5,460,256
7. Taxes, licenses and fees incurred	26,740,826	30,008,538			56,749,364
8. Taxes, licenses and fees unpaid December 31, prior year	6,511,191	5,899,319			12,410,510
9. Taxes, licenses and fees unpaid December 31, current year	4,297,969	4,891,701			9,189,670
10. Taxes, licenses and fees paid during year (Lines 7 + 8 - 9)	28,954,048	31,016,156			59,970,204

EXHIBIT 4 – DIVIDENDS OR REFUNDS

	1	2
	Life	Accident and Health
1. Applied to pay renewal premiums	375,801	
2. Applied to shorten the endowment or premium-paying period		
3. Applied to provide paid-up additions	5,817,678	
4. Applied to provide paid-up annuities		
5. Total Lines 1 through 4	6,193,479	
6. Paid-in cash	165,273	
7. Left on deposit	120,779	
8. Aggregate write-ins for dividend or refund options	54,120	
9. Total Lines 5 through 8	6,533,651	
10. Amount due and unpaid	33,746	
11. Provision for dividends or refunds payable in the following calendar year	5,434,362	
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	5,468,108	
16. Total from prior year	6,371,085	
17. Total dividends or refunds (Lines 9 + 15 - 16)	5,630,674	

DETAILS OF WRITE-IN LINES		
0801. Dividends applied to loan	54,120	
0802.		
0803.		
0898. Summary of remaining write-ins for Line 08 from overflow page		
0899. Totals (Lines 0801 through 0803 plus 0898) (Line 08 above)	54,120	

OVERFLOW PAGE FOR WRITE-INS

Page 11 - Continuation

	Insurance				5 Investment	6 Total
	1 Life	Accident and Health		4 All Other Lines of Business		
		2 Cost Containment	3 All Other			
REMAINING WRITE-INS AGGREGATED AT LINE 09.3 FOR EXPENSES						
09.304 Other professional fees	(5,481,507)		(4,193,210)			(9,674,717)
09.397 Totals (Lines 09.304 through 09.396) (Page 11, Line 09.398)	(5,481,507)		(4,193,210)			(9,674,717)

EXHIBIT 5 – AGGREGATE RESERVE FOR LIFE CONTRACTS

1		2	3	4	5	6
Valuation Standard		Total	Industrial	Ordinary	Credit (Group and Individual)	Group
LIFE INSURANCE:						
0100001	1958 CSO 2 1/2% CRVM, 1973-1984	27,165,381		27,165,381		
0100002	1958 CSO 2 1/2% NLP 1964-1988	93,379,146		93,379,146		
0100003	1958 CET 2 1/2% NLP 1964-1981	1,976,130		1,976,130		
0100004	1958 CSO 4 1/2% NLP 1980-1988	316,610		316,610		
0100005	1/2 Annual Extra Premium 1964-2016	2,141,538		2,141,538		
0100006	1958 CSO 4% NLP 1981-1988	42,830,913		42,830,913		
0100007	1958 CSO 4% CRVM 1981-1988	52,234,158		52,234,158		
0100008	1958 CET 4% NLP 1981-1988	654,606		654,606		
0100009	1958 CSO 3 1/2% NLP 1981-1988	282,564		81,484		201,080
0100010	1958 CSO 3% NLP 1982-1988	3,156		3,156		
0100011	1960 CSG 4 1/2%	16,385				16,385
0100012	1960 CSG 2 1/2% With 1959 ADB	2,531,815				2,531,815
0100013	1958 CSO 4% Joint CRVM 1984-1988	7,435,528		7,435,528		
0100014	1958 CSO 4% Joint NLP 1984-1988	4,560,338		4,560,338		
0100015	1958 CSO 4 1/2% CRVM 1985-1988	22,245,076		22,245,076		
0100016	1958 CET 4% Joint NLP 1984-1988	21,081		21,081		
0100017	1958 CSO 3 1/2% Joint NLP 1984-1988	14,151		14,151		
0100018	150% 1980 CSO 6 1/2% NLP 1987-1988	5,118,417		5,118,417		
0100019	1980 CSO 5 1/2% NLP 1987-2003	3,401		3,401		
0100020	1980 CSO 4% CRVM 2006-2008	835,644,824		760,189,693		75,455,131
0100021	1980 CSO 4% NLP 2006-2008	1,187,675		1,187,675		
0100022	1980 CSO 4% Joint CRVM 2006-2007	639,030		639,030		
0100023	1980 CET 4% NLP 2006-2007	147,673		147,673		
0100024	1980 CSO 4 1/2% NLP 1988-2005	50,160,180		50,160,180		
0100025	1980 CSO 4 1/2% CRVM 1989-2005	1,559,769,031		1,311,083,867		248,685,164
0100026	1980 CET 4 1/2% NLP 1989-2005	1,344,669		1,344,669		
0100027	1980 CSO 4 1/2% Joint NLP 1988-2005	4,610,341		4,610,341		
0100028	1980 CSO 4 1/2% Joint CRVM 1989-2005	28,306,336		28,306,336		
0100029	1980 CET 4 1/2% Joint NLP 1996-2005	75,823		75,823		
0100030	1980 CSO 4 3/4% CRVM 1994	395,555		395,555		
0100031	1980 CSO 4 3/4% Joint CRVM 1994	8,479		8,479		
0100032	2001 CSO 4% CRVM ALB 2007-2012	1,637,126,034		1,637,126,034		
0100033	2001 CSO 3.5% CRVM ALB 2013-2016 NB	1,737,932,430		1,737,932,430		
0199997	Totals (Gross)	6,120,278,474		5,793,388,899		326,889,575
0199998	Reinsurance ceded	448,368,713		447,037,586		1,331,127
0199999	Totals (Net)	5,671,909,761		5,346,351,313		325,558,448
ANNUITIES (excluding supplementary contracts with life contingencies):						
0200001	1937 SA 3 % NL - SB 3 YRS DEFER 1975-1978		X X X		X X X	
0200002	1937 SA 2 1/2 % NL -SB 3 YRS DEFER 1975-78		X X X		X X X	
0200003	1971 GAM 7 1/2 % DEFER 1984	22,149,598	X X X		X X X	22,149,598
0200004	1971 GAM 7 3/4 % DEFER 1983	13,826,069	X X X		X X X	13,826,069
0200005	1971 GAM 9 3/4 % DEFER 1983-1984	13,296,922	X X X		X X X	13,296,922
0200006	1971 GAM 10 3/4 % DEFER 1983, 1984	3,254,906	X X X		X X X	3,254,906
0200007	1971 GAM 11 1/4 % DEFER 1983, 1984	3,213,426	X X X		X X X	3,213,426
0200008	1971 IAM 7.50%/20/7.50% IMMED 1980-1982	10,482,489	X X X	10,482,489	X X X	
0200009	1971 IAM 11.56%/20/7.75% IMMED & DEFER 1983	16,997,508	X X X	16,997,508	X X X	
0200010	CARVM 3.5% DEFERRED 1979-1980	997,960	X X X	997,960	X X X	
0200011	CARVM 3.75% DEFERRED 2012-2013, 2015-2016	942,697,275	X X X	942,697,275	X X X	
0200012	CARVM 4.00% DEFERRED 2014	285,365,161	X X X	285,365,161	X X X	
0200013	CARVM 4.25% DEFERRED 2011	9,688,057	X X X	9,688,057	X X X	
0200014	CARVM 4.50% DEFERRED 2005, 2006, 2010	14,060,185	X X X	14,060,185	X X X	
0200015	CARVM 4.75% DEFERRED 2004, 2007, 2008	44,944,900	X X X	44,944,900	X X X	
0200016	CARVM 5.00% DEFERRED 2003, 2009	6,974,645	X X X	6,974,645	X X X	
0200017	CARVM 5.25% DEFERRED 1998-1999	794,371	X X X	794,371	X X X	
0200018	CARVM 5.5% DEFERRED 1994, 1996-1997, 2001-2002	4,187,731	X X X	4,187,731	X X X	
0200019	CARVM 5.75% DEFERRED 1993, 2000	3,168,251	X X X	3,168,251	X X X	
0200020	CARVM 6.00% DEFERRED 1995	620,771	X X X	620,771	X X X	
0200021	CARVM 6.25% DEFERRED 1992	3,599,243	X X X	3,599,243	X X X	
0200022	CARVM 6.50% DEFERRED 1987, 1990	1,396,133	X X X	1,396,133	X X X	
0200023	CARVM 6.75% DEFERRED 1991	1,948,301	X X X	1,948,301	X X X	
0200024	CARVM 7.00% DEFERRED 1988-1989	999,839	X X X	999,839	X X X	
0200025	CARVM 7.25% DEFERRED 1986	938,404	X X X	938,404	X X X	
0200026	CARVM 8.50% DEFERRED 1984-1985	4,216,311	X X X	4,216,311	X X X	
0200027	CARVM 8.75% DEFERRED 1983	2,352,351	X X X	2,352,351	X X X	
0200028	CARVM 9.00% DEFERRED 1981	460,437	X X X	460,437	X X X	
0200029	CARVM 10.00% DEFERRED 1982	2,914,697	X X X	2,914,697	X X X	
0200030	1983 A 4.0532%/20/3.50% IMMED & DEFERRED 2016	271,031,121	X X X	271,031,121	X X X	
0200031	1983 A 4.0873%/20/3.50% IMMED & DEFERRED 2013	358,974,349	X X X	358,974,349	X X X	
0200032	1983 A 4.0882%/20/3.50% IMMED & DEFERRED 2015	309,012,795	X X X	309,012,795	X X X	
0200033	1983 A 4.3448%/20/3.75% IMMED & DEFERRED 2012	261,446,775	X X X	261,446,775	X X X	
0200034	1983 A 4.6174%/20/3.75% IMMED & DEFERRED 2014	389,439,951	X X X	389,439,951	X X X	
0200035	1983 A 5.199%/20/4.00% IMMED & DEFERRED 2011	222,976,262	X X X	222,976,262	X X X	
0200036	1983 A 5.3785%/20/4.25% IMMED & DEFERRED 2005	86,472,443	X X X	86,472,443	X X X	
0200037	1983 A 5.38615%/20/4.25% IMMED & DEFERRED 2006	129,724,749	X X X	129,724,749	X X X	
0200038	1983 A 5.41%/20/4.50% IMMED & DEFERRED 2004	81,391,719	X X X	81,391,719	X X X	
0200039	1983 A 5.4143%/20/4.25% IMMED & DEFERRED 2010	148,785,134	X X X	148,785,134	X X X	
0200040	1983 A 5.46%/20/4.75% IMMED & DEFERRED 2003	132,190,366	X X X	132,190,366	X X X	
0200041	1983 A 5.6497%/20/4.25% IMMED & DEFERRED 2007	134,004,004	X X X	134,004,004	X X X	
0200042	1983 A 5.6539%/20/4.50% IMMED & DEFERRED 2008	155,616,995	X X X	155,616,995	X X X	
0200043	1983 A 6.1889%/20/4.75% IMMED & DEFERRED 2009	192,798,120	X X X	192,798,120	X X X	
0200044	1983 A 6.45%/20/4.75% IMMED & DEFERRED 1998	68,473,370	X X X	68,473,370	X X X	
0200045	1983 A 6.54%/20/5.00% IMMED & DEFERRED 2002	247,401,459	X X X	247,401,459	X X X	
0200046	1983 A 6.48%/20/4.75% IMMED & DEFERRED 1999	144,191,527	X X X	144,191,527	X X X	
0200047	1983 A 6.72%/20/5.00% IMMED & DEFERRED 1994	26,304,168	X X X	26,304,168	X X X	
0200048	1983 A 6.96%/20/5.25% IMMED & DEFERRED 1997	69,331,968	X X X	69,331,968	X X X	
0200049	1983 A 6.97%/20/5.00% IMMED & DEFERRED 1996	40,841,594	X X X	40,841,594	X X X	
0200050	1983 A 7.0173%/20/5.00% IMMED & DEFER 2001	188,265,758	X X X	188,265,758	X X X	
0200051	1983 A 7.26%/20/5.25% IMMED & DEFERRED 1993	16,845,733	X X X	16,845,733	X X X	
0200052	1983 A 7.2586%/20/5.25% IMMED & DEFER 2000	168,871,933	X X X	168,871,933	X X X	

EXHIBIT 5 – AGGREGATE RESERVE FOR LIFE CONTRACTS

1		2	3	4	5	6
Valuation Standard		Total	Industrial	Ordinary	Credit (Group and Individual)	Group
0200053	1983 A 7.51%/20/5.50% IMMEDIATE & DEFERRED 1995	46,832,844	X X X	46,832,844	X X X	
0200054	1983 A 8.04%/20/5.75% IMMEDIATE & DEFERRED 1992	13,754,739	X X X	13,754,739	X X X	
0200055	1983 A 8.32%/20/6.00% IMMEDIATE & DEFERRED 1987	5,869,828	X X X	5,869,828	X X X	
0200056	1983 A 8.50%/20/6.00% IMMEDIATE & DEFERRED 1991	9,181,198	X X X	9,181,198	X X X	
0200057	1983 A 8.55%/20/6.00% IMMEDIATE & DEFERRED 1990	11,990,948	X X X	11,990,948	X X X	
0200058	1983 A 9.08%/20/6.25% IMMEDIATE & DEFERRED 1989	6,401,195	X X X	6,401,195	X X X	
0200059	1983 A 9.12%/20/6.25% IMMEDIATE & DEFERRED 1988	8,137,538	X X X	8,137,538	X X X	
0200060	1983 A 9.64%/20/6.50% IMMEDIATE & DEFERRED 1986	8,396,352	X X X	8,396,352	X X X	
0200061	1983 A 11.39%/20/7.50% IMMEDIATE & DEFERRED 1985	14,474,250	X X X	14,474,250	X X X	
0200062	1983 A 11.72%/20/7.50% IMMEDIATE & DEFERRED 1984	26,371,327	X X X	26,371,327	X X X	
0200063	1983 GAM 5 % DEFERRED 1994	1,264,312	X X X		X X X	1,264,312
0200064	1983 GAM 6 % DEFERRED 1987, 1994	7,790,146	X X X		X X X	7,790,146
0200065	1983 GAM 6 1/2 % DEFERRED 1986, 1994, 1995	28,928,256	X X X		X X X	28,928,256
0200066	1983 GAM 7 % IMMEDIATE & DEFERRED 1995	20,166	X X X		X X X	20,166
0200067	1983 GAM 7 1/4 % IMMEDIATE & DEFERRED 1987, 1995	3,795,238	X X X		X X X	3,795,238
0200068	1983 GAM 7 1/2 % DEFERRED 1985	31,838,103	X X X		X X X	31,838,103
0200069	1983 GAM 7 3/4 % DEFERRED 1987, 1992	1,128,432	X X X		X X X	1,128,432
0200070	1983 GAM 8 % IMMEDIATE & DEFERRED 1986-1987	9,499,102	X X X		X X X	9,499,102
0200071	1983 GAM 8 1/4 % IMMEDIATE 1991	420	X X X		X X X	420
0200072	1983 GAM 8 3/4 % DEFERRED 1986, 1988	3,641,959	X X X		X X X	3,641,959
0200073	1983 GAM 9 1/4 % IMMEDIATE & DEFERRED 1986	2,401,034	X X X		X X X	2,401,034
0200074	1983 GAM 9 1/2 % DEFERRED 1985	16,471,191	X X X		X X X	16,471,191
0200075	1983 GAM 10 1/2 % DEFERRED 1985	4,517,537	X X X		X X X	4,517,537
0200076	1983 GAM 11 % IMMEDIATE 1985	6,066,701	X X X		X X X	6,066,701
0200077	ANNUITY 2000 4.00% IMMEDIATE 2013	39,979	X X X		X X X	39,979
0200078	ANNUITY 2012F SEL 4.00 % IMMEDIATE 2013, 2015, 2016	52,249,462	X X X	52,249,462	X X X	
0200079	ANNUITY 2012F SEL 4.25% IMMEDIATE 2012	3,420,396	X X X	3,420,396	X X X	
0200080	ANNUITY 2012F SEL 4.50% IMMEDIATE 2014	10,909,462	X X X	10,909,462	X X X	
0200081	ANNUITY 2000 5.25 % IMMEDIATE 2006	234,574,314	X X X	234,574,314	X X X	
0200082	ANNUITY 2000 5.50 % IMMEDIATE 2008	16,977,976	X X X	16,977,976	X X X	
0200083	ANNUITY 2000 5.3785%/20/4.25% IMMEDIATE 2005	29,029,537	X X X	29,029,537	X X X	
0200084	ANNUITY 2000 5.41%/20/4.50% IMMEDIATE 2004	5,133,268	X X X	5,133,268	X X X	
0200085	ANNUITY 2000 5.46%/20/4.75% IMMEDIATE 2003	3,534,851	X X X	3,534,851	X X X	
0200086	ANNUITY 2000 6.45%/20/4.75% IMMEDIATE 1998	1,045,690	X X X	1,045,690	X X X	
0200087	ANNUITY 2000 6.48%/20/4.75% IMMEDIATE 1999	1,679,643	X X X	1,679,643	X X X	
0200088	ANNUITY 2000 6.54%/20/5.00% IMMEDIATE 2002	647,639	X X X	647,639	X X X	
0200089	ANNUITY 2000 7.0173%/20/5.00% IMMEDIATE 2001	4,906,095	X X X	4,906,095	X X X	
0200090	ANNUITY 2000 7.2586%/20/5.25% IMMEDIATE 2000	10,389,423	X X X	10,389,423	X X X	
0200091	VACARVM	85,416	X X X	7,449	X X X	77,967
0299997	Totals (Gross)	5,903,334,201	X X X	5,730,112,737	X X X	173,221,464
0299998	Reinsurance ceded	36,301,648	X X X	36,301,648	X X X	
0299999	Totals (Net)	5,867,032,553	X X X	5,693,811,089	X X X	173,221,464
SUPPLEMENTARY CONTRACTS WITH LIFE CONTINGENCIES:						
0300001	1983a 6 1/2%	14,920		14,920		
0300002	1983a 6 3/4%	95,507		95,507		
0300003	1983a 7%	16,343		16,343		
0300004	1983a 7 1/4%	28,152		28,152		
0300005	1983a 7 3/4%	5,486		5,486		
0300006	1983a 8%	14,512		14,512		
0300007	1983a 8 1/4%	17,390		17,390		
0300008	1983a 8 3/4%	39,247		39,247		
0300009	1983a 11%	16,843		16,843		
0300010	1983a 11 1/4%	11,752		11,752		
0300011	ANNUITY 2000 4%	423,574		423,574		
0300012	ANNUITY 2000 4.25%	162,266		162,266		
0300013	ANNUITY 2000 4.50%	365,830		365,830		
0300014	ANNUITY 2000 5%	42,045		42,045		
0300015	ANNUITY 2000 5.25%	571,142		571,142		
0300016	ANNUITY 2000 5.5%	220,421		220,421		
0300017	ANNUITY 2000 6%	263,269		263,269		
0300018	ANNUITY 2000 6 1/4%	520,121		520,121		
0300019	ANNUITY 2000 6.5%	141,584		141,584		
0300020	ANNUITY 2000 6.75%	187,621		187,621		
0300021	ANNUITY 2000 7%	211,133		211,133		
0399997	Totals (Gross)	3,369,158		3,369,158		
0399998	Reinsurance ceded					
0399999	Totals (Net)	3,369,158		3,369,158		
ACCIDENTAL DEATH BENEFITS:						
0400001	1959 ADB With 1958 CSO 2 1/2% NL	53,690		53,690		
0400002	1959 ADB With 1980 CSO 4% NL	187,111		187,111		
0400003	1959 ADB With 1980 CSO 4 1/2% NL	113,108		113,108		
0499997	Totals (Gross)	353,909		353,909		
0499998	Reinsurance ceded	146,897		146,897		
0499999	Totals (Net)	207,012		207,012		
DISABILITY — ACTIVE LIVES:						
0500001	1952 Disability Study Period 2 Benefit 5 with 1958 CSO 2 1/2% NL	4,394,428		4,394,428		
0599997	Totals (Gross)	4,394,428		4,394,428		
0599998	Reinsurance ceded					
0599999	Totals (Net)	4,394,428		4,394,428		

EXHIBIT 6 – AGGREGATE RESERVES FOR ACCIDENT AND HEALTH CONTRACTS

	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
ACTIVE LIFE RESERVE									
1. Unearned premium reserves	636,842	636,287			555				
2. Additional contract reserves (a)	8,570				8,570				
3. Additional actuarial reserves - Asset/Liability analysis									
4. Reserve for future contingent benefits									
5. Reserve for rate credits									
6. Aggregate write-ins for reserves									
7. Totals (Gross)	645,412	636,287			9,125				
8. Reinsurance ceded									
9. Totals (Net)	645,412	636,287			9,125				
CLAIM RESERVE									
10. Present value of amounts not yet due on claims	2,147,898,413	2,147,781,783			116,630				
11. Additional actuarial reserves-Asset/Liability analysis									
12. Reserve for future contingent benefits	30,102,686	30,102,686							
13. Aggregate write-ins for reserves									
14. Totals (Gross)	2,178,001,099	2,177,884,469			116,630				
15. Reinsurance ceded	65,627,344	65,611,680			15,664				
16. Totals (Net)	2,112,373,755	2,112,272,789			100,966				
17. TOTAL (Net)	2,113,019,167	2,112,909,076			110,091				
18. TABULAR FUND INTEREST	76,340,614	76,337,763			2,851				

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DETAILS OF WRITE-IN LINES									
0601.									
0602.									
0603.									
0698. Summary of remaining write-ins for Line 06 from overflow page									
0699. Totals (Lines 0601 through 0603 plus 0698) (Line 06 above)									
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)									

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

EXHIBIT 7 – DEPOSIT TYPE CONTRACTS

	1	2	3	4	5	6
	Total	Guaranteed Interest Contracts	Annuities Certain	Supplemental Contracts	Dividend Accumulations or Refunds	Premium and Other Deposit Funds
1. Balance at the beginning of the year before reinsurance	1,233,588,494		1,159,619,213	3,432,908	8,346,121	62,190,252
2. Deposits received during the year	252,206,755		210,980,790	612,484	120,779	40,492,702
3. Investment earnings credited to the account	37,834,885		36,095,442	96,606	416,436	1,226,401
4. Other net change in reserves	117,787					117,787
5. Fees and other charges assessed						
6. Surrender charges						
7. Net surrender or withdrawal payments	159,351,492		124,988,114	1,004,179	692,164	32,667,035
8. Other net transfers to or (from) Separate Accounts						
9. Balance at the end of current year before reinsurance (Lines 1 + 2 + 3 + 4 - 5 - 6 - 7 - 8)	1,364,396,429		1,281,707,331	3,137,819	8,191,172	71,360,107
10. Reinsurance balance at the beginning of the year	546,566		546,566			
11. Net change in reinsurance assumed	(115,628)		(115,628)			
12. Net change in reinsurance ceded						
13. Reinsurance balance at the end of the year (Lines 10 + 11 - 12)	430,938		430,938			
14. Net balance at the end of current year after reinsurance (Lines 9 + 13)	1,364,827,367		1,282,138,269	3,137,819	8,191,172	71,360,107

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 Life (Group and Individual)	Other
1. Due and unpaid:											
1.1 Direct	3,303,628			3,303,628							
1.2 Reinsurance assumed											
1.3 Reinsurance ceded											
1.4 Net	3,303,628			3,303,628							
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	107,298,899		26,010,055	3,742,698	19,686		71,074,587		6,450,576		1,297
2.22 Reinsurance assumed	62,600						62,600				
2.23 Reinsurance ceded	5,541,250		4,763,663	667,481			110,106				
2.24 Net	101,820,249		(b) 21,246,392	(b) 3,075,217	19,686	(b)	(b) 71,027,081		(b) 6,450,576	(b)	(b) 1,297
3. Incurred but unreported:											
3.1 Direct	63,314,219		2,782,498				32,192,445		28,339,276		
3.2 Reinsurance assumed											
3.3 Reinsurance ceded	929,112								929,112		
3.4 Net	62,385,107		(b) 2,782,498	(b)		(b)	(b) 32,192,445		(b) 27,410,164	(b)	(b)
4. TOTALS											
4.1 Direct	173,916,746		28,792,553	7,046,326	19,686		103,267,032		34,789,852		1,297
4.2 Reinsurance assumed	62,600						62,600				
4.3 Reinsurance ceded	6,470,362		4,763,663	667,481			110,106		929,112		
4.4 Net	167,508,984	(a)	(a) 24,028,890	6,378,845	19,686		(a) 103,219,526		33,860,740		1,297

(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 \$ 3,070,626, Individual Annuities \$ 1,157, Credit Life (Group and Individual) \$ 0, and Group Life \$ 125,384,719, are included in Page 3, Line 1, (See Exhibit 5, Section on Disability Disabled Lives); and for Group Accident and Health \$ 2,112,272,789, Credit (Group and Individual) Accident and Health \$ 0, and Other Accident and Health \$ 100,966 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 Life (Group and Individual)	Other
1. Settlements during the year:											
1.1 Direct	1,562,011,668		185,075,660	353,702,116	475,516		370,694,315	22,470,923	629,549,809		43,329
1.2 Reinsurance assumed	2,147,461		(244,051)	2,207,496					184,016		
1.3 Reinsurance ceded	47,999,961		31,822,607	2,698,322			1,458,627		12,012,005		8,400
1.4 Net	(d) 1,516,159,168		153,009,002	353,211,290	475,516		369,235,688	22,470,923	617,721,820		34,929
2. Liability December 31, current year from Part 1:											
2.1 Direct	173,916,746		28,792,553	7,046,326	19,686		103,267,032		34,789,852		1,297
2.2 Reinsurance assumed	62,600						62,600				
2.3 Reinsurance ceded	6,470,362		4,763,663	667,481			110,106		929,112		
2.4 Net	167,508,984		24,028,890	6,378,845	19,686		103,219,526		33,860,740		1,297
3. Amounts recoverable from reinsurers December 31, current year	11,524,658		7,899,621				394,488		3,228,449		2,100
4. Liability December 31, prior year:											
4.1 Direct	139,365,520		23,418,911	5,956,816	23,906		78,553,508		31,411,082		1,297
4.2 Reinsurance assumed	25,950						25,950				
4.3 Reinsurance ceded	5,234,522		3,088,796	666,400			231,430		1,247,896		
4.4 Net	134,156,948		20,330,115	5,290,416	23,906		78,348,028		30,163,186		1,297
5. Amounts recoverable from reinsurers December 31, prior year	6,210,150		3,287,275				57,434		2,863,341		2,100
6. Incurred benefits:											
6.1 Direct	1,596,562,894		190,449,302	354,791,626	471,296		395,407,839	22,470,923	632,928,579		43,329
6.2 Reinsurance assumed	2,184,111		(244,051)	2,207,496			36,650		184,016		
6.3 Reinsurance ceded	54,550,309		38,109,820	2,699,403			1,674,357		12,058,329		8,400
6.4 Net	1,544,196,696		152,095,431	354,299,719	471,296		393,770,132	22,470,923	621,054,266		34,929

- (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 \$ 448,138 premiums waived under total and permanent disability benefits.

EXHIBIT OF NONADMITTED ASSETS

	1 Current Year Total Nonadmitted Assets	2 Prior Year Total Nonadmitted Assets	3 Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1. Bonds (Schedule D)			
2. Stocks (Schedule D):			
2.1 Preferred stocks			
2.2 Common stocks			
3. Mortgage loans on real estate (Schedule B):			
3.1 First lines			
3.2 Other than first lines			
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. Premiums and considerations:			
15.1 Uncollected premiums and agents' balances in the course of collection	3,168,215	4,310,950	1,142,735
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	102,852,088	102,854,550	2,462
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			
25. Aggregate write-ins for other-than-invested assets		2,154,658	2,154,658
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	106,020,303	109,320,158	3,299,855
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts			
28. Total (Lines 26 and 27)	106,020,303	109,320,158	3,299,855

DETAILS OF WRITE-IN LINES			
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 insolvency asset		2,154,658	2,154,658
2502. Accounts receivable			
2503.			
2598. Summary of remaining write-ins for Line 25 from overflow page			
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)		2,154,658	2,154,658

NOTES TO FINANCIAL STATEMENTS

Note 1 – Summary of Significant Accounting Policies

A. Accounting Practices

The financial statements of Liberty Life Assurance Company of Boston (the Company) are presented on the basis of accounting policies prescribed or permitted by the New Hampshire Insurance Department. The New Hampshire Insurance Department recognizes only statutory accounting practices prescribed by the state for determining and reporting the financial conditions and results of operation of an insurance company. New Hampshire has adopted the prescribed practices set forth in the January 1, 2016 National Association of Insurance Commissioners' Accounting Practices and Procedures manual.

Reconciliation of the Company's net income and capital & surplus between NAIC SAP and the state of NH as of December 31, 2016 is shown below.

NET INCOME

	2016	2015	State of Domicile
1. Liberty Life Assurance Company of Boston state basis (Page 4, Line 35, Columns 1 & 3)	\$5,348,344	\$69,908,614	NH

2. State Prescribed Practices that increase/(decrease) NAIC SAP:

e.g. Depreciation of Fixed Assets	<u>Net Income</u> 2016	<u>Net Income</u> 2015	State of Domicile
<i>None</i>			
Totals (Lines 01A0200 thru 01A0200)			

3. State Permitted Practices that increase/(decrease) NAIC SAP:

e.g. Depreciation of Home Office Property	<u>Net Income</u> 2016	<u>Net Income</u> 2015	State of Domicile
<i>None</i>			
Totals (Lines 01A0300 thru 01A0300)			

4. NAIC SAP.....(1 - 2 - 3 = 4)	\$5,348,344	\$69,908,614	NH
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SURPLUS

	2016	2015	State of Domicile
5. Company state basis (Page 3, Line 38, Columns 1 & 2)	\$1,160,960,334	\$966,446,749	NH

6. State Prescribed Practices that increase/(decrease) NAIC SAP:

e.g. Goodwill, net, Fixed Assets, net	<u>Surplus</u> 2016	<u>Surplus</u> 2015	State of Domicile
<i>None</i>			
Totals (Lines 01A0600 thru 01A0600)			

7. State Permitted Practices that increase/(decrease) NAIC SAP:

e.g. Home Office Property	<u>Surplus</u> 2016	<u>Surplus</u> 2015	State of Domicile
<i>None</i>			
Totals (Lines 01A0700 thru 01A0700)			

8. NAIC SAP.....(5 - 6 - 7 = 8)	\$1,160,960,334	\$966,446,749	NH
---------------------------------	-----------------	---------------	----

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

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

C. Accounting Policies

The accounting policies of the Company do not deviate materially from those prescribed in the National Association of Insurance Commissioners' Accounting Practices and Procedures manual.

The Company uses the following accounting policies with regards to investments:

- Short-term investments are carried at cost, adjusted where appropriate for amortization of premium or discount, or fair value as specified by the Purposes and Procedures Manual of the NAIC Investment Analysis Office (SVO Manual).

NOTES TO FINANCIAL STATEMENTS

2. Bonds are carried at cost adjusted where appropriate for amortization of premium or discount, or fair value as specified by the SVO Manual.
3. Common stocks are carried at fair value, except that investments in stocks of subsidiaries, controlled, and affiliated companies are carried according to Note 1C(7).
4. Preferred stocks are carried at cost or fair value as specified by the SVO Manual.
5. Mortgage loans are carried at unpaid balances less impairments as specified by SVO Manual.
6. Mortgage-backed/asset backed securities are carried at amortized cost or fair value based on guidance in the SVO manual. Prepayment assumptions for mortgage-backed/asset backed securities are based on market expectations. The retrospective adjustment method is used to value all mortgage-backed/asset-backed securities.
7. Investments in SCA companies are carried in accordance with SSAP No. 97, Investments in Subsidiary, Controlled, and Affiliated Entities, A Replacement of SSAP No. 88, and the SVO Manual.
8. Investments in joint ventures, partnerships, and limited liability companies are carried in accordance with SSAP No. 48, Joint Ventures, Partnerships and Limited Liability Companies, and the SVO Manual.
9. Derivative securities, refer to Note 8.
10. The Company does not use anticipated investment income as a factor in the premium deficiency calculation.
11. Long Term Disability disabled lives reserves and loss adjustment expense reserves are tabular reserves from the 2012 GLTD modified with Company experience with interest rates varying by year of disability. The incurred but not reported claims reserves are a function of earned premium. Short Term Disability claim reserves use the completion factor method. Retrospective rating reserves are calculated from emerging experience of the policies with the retrospective agreement.
12. The Company's capitalization policy did not change from the prior period.
13. The Company had no pharmaceutical rebate receivables on December 31, 2016.

Note 2 – Accounting Changes and Corrections of Errors

- A. A correction of our policy loan assets balance in the amount of \$3,335,266 was made in the third quarter of 2016. This correction is recorded as an adjustment to surplus on page 4.

Note 3 – Business Combinations and Goodwill

A-D. Business Combinations and Goodwill

The Company neither purchased nor combined with any companies in 2016.

Note 4 – Discontinued Operations

- A. The Company had no discontinued operations in 2016.

Note 5 – Investments

A. Mortgage Loans, including Mezzanine Real Estate Loans

1. The maximum and minimum lending rates for mortgage loans during 2016 were:

Farm mortgages	N/A
Residential mortgages	N/A
Commercial mortgages	3.140% to 6.000%

2. The maximum percentage of any one loan to the value of security at the time of the loan, exclusive of insured or guaranteed or purchase money mortgages was: 75 %
3. Taxes, assessments and any amounts advanced and not included in the mortgage loan total:

	<u>2016</u>	<u>2015</u>
Taxes, assessments and any amounts advanced and not included in the mortgage loan total	\$59,118	\$57,275

NOTES TO FINANCIAL STATEMENTS

4. Age Analysis of Mortgage Loans:

Farm	Residential		Commercial		Mezzanine	Total
	Insured	All Other	Insured	All Other		

a. Current Year

1. Recorded Investments (All)

(a) Current	\$ -	\$ -	\$ -	\$ -	\$1,015,801,241	\$ -	\$1,015,801,241
(b) 30-59 Days Past Due	-	-	-	-	81,930	-	81,930
(c) 60-89 Days Past Due	-	-	-	-	54,686	-	54,686
(d) 90-179 Days Past Due	-	-	-	-	6,658	-	6,658
(e) 180+ Days Past Due	-	-	-	-	82,673	-	82,673

2. Acquiring Interest 90-179 Days Past Due

(a) Recorded Investment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(b) Interest Accrued	-	-	-	-	-	-	-

3. Accruing Interest 180+ Days Past Due

(a) Recorded Investment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(b) Interest Accrued	-	-	-	-	-	-	-

4. Interest Reduced

(a) Recorded Investment	\$ -	\$ -	\$ -	\$ -	\$11,010,504	\$ -	\$11,010,504
(b) Number of Loans	-	-	-	-	608	-	608
(c) Percent Reduced	- %	- %	- %	- %	1.440%	- %	1.440%

b. Prior Year

1. Recorded Investments (All)

(a) Current	\$ -	\$ -	\$ -	\$ -	\$897,569,806	\$ -	\$897,569,806
(b) 30-59 Days Past Due	-	-	-	-	52,131	-	52,131
(c) 60-89 Days Past Due	-	-	-	-	959,507	-	959,507
(d) 90-179 Days Past Due	-	-	-	-	109,505	-	109,505
(e) 180+ Days Past Due	-	-	-	-	101,827	-	101,827

2. Acquiring Interest 90-179 Days Past Due

(a) Recorded Investment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(b) Interest Accrued	-	-	-	-	-	-	-

3. Accruing Interest 180+ Days Past Due

(a) Recorded Investment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(b) Interest Accrued	-	-	-	-	-	-	-

4. Interest Reduced

(a) Recorded Investment	\$ -	\$ -	\$ -	\$ -	\$4,214,152	\$ -	\$4,214,152
(b) Number of Loans	-	-	-	-	537	-	537
(c) Percent Reduced	- %	- %	- %	- %	1.752%	- %	1.752%

5. Investment in Impaired Loans With or Without Allowance for Credit Losses:

Farm	Residential		Commercial		Mezzanine	Total
	Insured	All Other	Insured	All Other		

a. Current Year

1. With Allowance for Credit Losses	\$ -	\$ -	\$ -	\$ -	\$1,082,042	\$ -	\$1,082,042
2. No Allowance for Credit Losses	-	-	-	-	1,346,045	-	1,346,045

b. Prior Year

1. With Allowance for Credit Losses	\$ -	\$ -	\$ -	\$ -	\$1,304,553	\$ -	\$1,304,553
2. No Allowance for Credit Losses	-	-	-	-	800,937	-	800,937

NOTES TO FINANCIAL STATEMENTS

6. Investment in Impaired Loans - Average Recorded Investment, Interest Income Recognized, Recorded Investment on Nonaccrual Status and Amount of Interest Income Recognized Using a Cash-Basis Method of Accounting:

	Residential		Commercial		Mezzanine	Total	
	Farm	Insured	All Other	Insured			All Other
a. Current Year							
1. Average Recorded Investment	\$ -	\$ -	\$ -	\$ -	\$2,272,646	\$ -	\$2,272,646
2. Interest Income Recognized	-	-	-	-	418,064	-	418,064
3. Recorded Investments on Nonaccrual Status	-	-	-	-	82,673	-	82,673
4. Amount of Interest Income Recognized Using a Cash-Basis Method of Accounting	-	-	-	-	132,988	-	132,988
b. Prior Year							
1. Average Recorded Investment	\$ -	\$ -	\$ -	\$ -	\$2,177,083	\$ -	\$2,177,083
2. Interest Income Recognized	-	-	-	-	358,095	-	358,095
3. Recorded Investments on Nonaccrual Status	-	-	-	-	212,150	-	212,150
4. Amount of Interest Income Recognized Using a Cash-Basis Method of Accounting	-	-	-	-	134,976	-	134,976

7. Allowance for Credit Losses:

	<u>2016</u>	<u>2015</u>
a. Balance at beginning of period	\$754,848	\$888,085
b. Additions charged to operations	692,288	192,754
c. Direct write-downs charged against the allowances	(980,942)	(325,991)
d. Recoveries of amounts previously charged off	-	-
e. Balance at end of period	<u>\$466,194</u>	<u>\$754,848</u>

8. Mortgage Loans Derecognized as a Result of Foreclosure:

	<u>2016</u>	<u>2015</u>
a. Aggregate amount of mortgage loans derecognized	\$245,166	\$16,032
b. Real estate collateral recognized	154,534	17,784
c. Other collateral recognized	-	-
d. Receivables recognized from a government guarantee of the foreclosed mortgage loan	-	-

9. Interest income on impaired commercial mortgage loans is recognized until the loans are more than 90 days delinquent. Interest income and accrued interest receivable are reversed when a loan is put on non-accrual status. Interest income on loans more than 90 days delinquent is recognized in the period the cash is collected. Interest income recognition is continued when the loan becomes less than 90 days delinquent and management determines it is probably that the loan will continue to perform.

B. Debt Restructuring

	<u>2016</u>	<u>2015</u>
1. The total recorded investment in restructured loans, as of year end	\$2,700,391	\$2,641,659
2. The realized capital losses related to these loans	-	-
3. Total contractual commitments to extend credit to debtors owning receivables whose terms have been modified in troubled debt restructurings	-	-

4. The Company accrues interest income on impaired loans to the extent it is deemed collectible (delinquent less than 90 days) and the loan continues to perform under its original or restructured contractual terms. Interest income on non-performing loans is generally recognized on a cash basis.

C. Reverse Mortgages

The company does not have any Reverse Mortgages

D. Loan Backed Securities

- Prepayment assumptions based on market expectations.
- All Loaned Backed Securities with a recognized other-than-temporary impairment disclosed the aggregate during 2016 as of December 31, 2016: NONE

NOTES TO FINANCIAL STATEMENTS

3. Each Loaned Backed Security with a recognized other-than-temporary impairment held by the company at December 31, 2016:

1	2	3	4	5	6	7
CUSIP	Book/Adj Carrying Value Amortized cost before current period OTTI	Projected Cash Flows	Recognized other-than- temporary impairment	Amortized cost after other-than- temporary impairment	Fair Value at time of OTTI	Date of Financial Statement Where Reported
12544LAD3	1,034,994	1,024,432	10,562	1,024,432	1,022,061	12/31/2016
12544LAD3	2,759,985	2,731,818	28,166	2,731,818	2,725,495	12/31/2016
12544LAD3	689,996	682,955	7,042	682,955	681,374	12/31/2016
12545CAU4	1,317,102	1,302,583	14,519	1,302,583	1,298,230	12/31/2016
12545CAU4	790,261	781,550	8,711	781,550	778,938	12/31/2016
12545CAU4	131,710	130,259	1,452	130,259	129,823	12/31/2016
12545CAU4	395,131	390,776	4,356	390,776	389,470	12/31/2016

4. All impaired Loaned Backed Securities for which an other-than-temporary impairment has not been recognized in earnings as a realized loss as of December 31, 2016:

- a. The aggregate amount of unrealized losses:
- | | |
|------------------------|---------------|
| 1. Less than 12 Months | (\$5,139,456) |
| 2. 12 Months or Longer | (\$1,285,668) |
- b. The aggregate related fair value of securities with unrealized losses:
- | | |
|------------------------|---------------|
| 1. Less than 12 Months | \$315,785,329 |
| 2. 12 Months or Longer | \$43,965,390 |

5. The Company reviews fixed income securities for impairment on a quarterly basis. Securities are reviewed for both quantitative and qualitative considerations including, but not limited to: (a) the extent of the decline in fair value below book value, (b) the duration of the decline, (c) significant adverse changes in the financial condition or near term prospects of the investment or issuer, (d) significant change in the business climate or credit ratings of the issuer, (e) general market conditions and volatility, (f) industry factors, and (g) the past impairment of the security holding or the issuer. If the decline is believed to be "other-than-temporary," and the Company believes it will not be able to collect all cash flows due on its fixed income securities, then the carrying value of the investment is written down to the expected cash flow amount and a realized loss is recorded as a credit impairment.

E. Repurchase Agreements and Securities Lending

1. The company has not entered into any repurchase agreements during the year. Refer to Note 17B for the policy on requiring collateral for securities lending.
2. The Company has not pledged any of its assets as collateral as of December 31, 2016.
3. Aggregate Amount of Contractually open cash collateral positions:

a. Aggregate Amount Collateral Received

	<u>Fair Value</u>
1. Repurchase Agreement	
(a) Open	_____
(b) 30 Days or Less	_____
(c) 31 to 60 Days	_____
(d) 61 to 90 Days	_____
(e) Greater Than 90 Days	_____
(f) Sub-Total	_____
(g) Securities Received	_____
(h) Total Collateral Received	_____
2. Securities Lending	
(a) Open	\$ 373,194,628
(b) 30 Days or Less	-
(c) 31 to 60 Days	-
(d) 61 to 90 Days	-
(e) Greater Than 90 Days	-
(f) Sub-Total	\$ 373,194,628
(g) Securities Received	155,297,250
(h) Total Collateral Received	\$ 528,491,878

NOTES TO FINANCIAL STATEMENTS

3. Dollar Repurchase Agreement

(a) Open		_____
(b) 30 Days or Less		_____
(c) 31 to 60 Days		_____
(d) 61 to 90 Days		_____
(e) Greater Than 90 Days		_____
(f) Sub-Total		_____
(g) Securities Received		_____
(h) Total Collateral Received		_____
b. The fair value of that collateral and of the portion of that collateral that it has sold or re-pledged	\$	528,491,878

c. All collateral is received in the form of cash and/or securities equal to or in excess of 102% of the loaned value and are maintained in a separate custody account. Cash collateral is reinvested into short-term investments as outlined in the terms of the investment agreement. Per the terms of the investment agreement the Company has the right and ability to redeem any eligible securities on short notice.

4. Securities Lending Transactions Administered by an Affiliated Agent

The Company's security lending transactions are not administered by an affiliate agent.

5. Collateral Reinvestment

a. Aggregate Amount Collateral Received

	<u>Amortized Cost</u>	<u>Fair Value</u>
1. Repurchase Agreement		
(a) Open	_____	_____
(b) 30 Days or Less	_____	_____
(c) 31 to 60 Days	_____	_____
(d) 61 to 90 Days	_____	_____
(e) 91 to 120 Days	_____	_____
(f) 121 to 180 Days	_____	_____
(g) 181 to 365 Days	_____	_____
(h) 1 to 2 Years	_____	_____
(i) 2 to 3 Years	_____	_____
(j) Greater Than 3 Years	_____	_____
(k) Sub-Total	_____	_____
(l) Securities Received	_____	_____
(m) Total Collateral Reinvested	_____	_____
2. Securities Lending		
(a) Open	\$ -	\$ -
(b) 30 Days or Less	177,787,882	177,787,882
(c) 31 to 60 Days	153,824,738	153,824,738
(d) 61 to 90 Days	41,582,008	41,582,008
(e) 91 to 120 Days	-	-
(f) 121 to 180 Days	-	-
(g) 181 to 365 Days	-	-
(h) 1 to 2 Years	-	-
(i) 2 to 3 Years	-	-
(j) Greater Than 3 Years	-	-
(k) Sub-Total	\$ 373,194,628	\$ 373,194,628
(l) Securities Received	-	-
(m) Total Collateral Reinvested	\$ 373,194,628	\$ 373,194,628
3. Dollar Repurchase Agreement		
(a) Open	_____	_____
(b) 30 Days or Less	_____	_____
(c) 31 to 60 Days	_____	_____
(d) 61 to 90 Days	_____	_____
(e) 91 to 120 Days	_____	_____
(f) 121 to 180 Days	_____	_____
(g) 181 to 365 Days	_____	_____
(h) 1 to 2 Years	_____	_____
(i) 2 to 3 Years	_____	_____
(j) Greater Than 3 Years	_____	_____
(k) Sub-Total	_____	_____
(l) Securities Received	_____	_____
(m) Total Collateral Reinvested	_____	_____

NOTES TO FINANCIAL STATEMENTS

- b. The reporting entity's sources of cash that it uses to return the cash collateral is dependent on the liquidity of the current market conditions. Under current conditions, the reporting entity could liquidate all or a portion of its cash collateral reinvestment securities in order to meet the collateral calls that could come due under a worst-case scenario.

6. Collateral that is not permitted by contract or custom to sell or re-pledge

The Company has not accepted collateral that it is not permitted by contract or custom to sell or re-pledge.

7. Security lending transactions that extend beyond one year

The Company has not accepted collateral that extends beyond one year from the reporting date for securities lending transactions.

F. Liberty Life Assurance Company of Boston had no real estate investments as of December 31, 2016.

G. The Company does not have any investments in low-income tax housing credits.

H. Restricted Assets

1. Restricted Assets (Including Pledged)

Restricted Asset Category	Gross (Admitted & Nonadmitted) Restricted							8	9	Percentage	
	Current Year					6	7			10	11
	1	2	3	4	5						
Total General Account (G/A)	G/A Supporting S/A Activity (a)	Total Separate Account (S/A) Restricted Assets	S/A Assets Supporting G/A Activity (b)	Total (1 plus 3)	Total From Prior Year	Increase/ (Decrease) (5 minus 6)	Total Nonadmitted Restricted	Total Admitted Restricted (5 minus 8)	Gross (Admitted & Nonadmitted) Restricted to Total Assets (c)	Admitted Restricted to Total Admitted Assets (d)	
a. Subject to contractual obligation for which liability is not shown	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	- %	- %
b. Collateral held under security lending agreements	373,194,628	-	-	-	373,194,628	-	373,194,628	-	373,194,628	2%	2%
c. Subject to repurchase agreements	-	-	-	-	-	-	-	-	-	- %	- %
d. Subject to reverse repurchase agreements	-	-	-	-	-	-	-	-	-	- %	- %
e. Subjects to dollar repurchase agreements	-	-	-	-	-	-	-	-	-	- %	- %
f. Subject to dollar reverse repurchase agreements	-	-	-	-	-	-	-	-	-	- %	- %
g. Placed under option contracts	-	-	-	-	-	-	-	-	-	- %	- %
h. Letter stock or securities restricted as to sale - excluding FHLB capital stock	-	-	-	-	-	-	-	-	-	- %	- %
i. FHLB capital stock	5,147,800	-	-	-	5,147,800	-	5,147,800	-	5,147,800	0%	0%
j. On deposit with states	5,354,906	-	-	-	5,354,906	-	5,354,906	-	5,354,906	0%	0%
k. On deposit with other regulatory bodies	5,782,298	-	-	-	5,782,298	-	5,782,298	-	5,782,298	0%	0%
l. Pledged collateral to FHLB (including assets backing funding agreements)	-	-	-	-	-	-	-	-	-	- %	- %
m. Pledged as collateral not captured in other categories	-	-	-	-	-	-	-	-	-	- %	- %
n. Other restricted assets	-	-	-	-	-	-	-	-	-	- %	- %
o. Total Restricted Assets	\$389,479,632	\$ -	\$ -	\$ -	\$389,479,632	\$ -	\$389,479,632	\$ -	\$389,479,632	2%	2%

(a) Subset of column 1

(b) Subset of column 3

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

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

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

Not Applicable

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

Not Applicable

NOTES TO FINANCIAL STATEMENTS

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

Collateral Assets	1 Book/Adjusted Carrying Value (BACV)	2 Fair Value	3 % of BACV to Total Assets (Admitted and Nonadmitted)*	4 % of BACV to Total Admitted Assets**
a. Cash	\$ -	\$ -	- %	- %
b. Schedule D, Part 1	-	-	- %	- %
c. Schedule D, Part 2, Section 1	-	-	- %	- %
d. Schedule D, Part 2, Section 2	-	-	- %	- %
e. Schedule B	-	-	- %	- %
f. Schedule A	-	-	- %	- %
g. Schedule BA, Part 1	-	-	- %	- %
h. Schedule DL, Part 1	373,194,628	373,194,628	2%	2%
i. Other	-	-	- %	- %
j. Total Collateral Assets (a+b+c+d+e+f+g+h+i)	\$373,194,628	\$373,194,628	2%	2%

* Column 1 divided by Asset Page, Line 26 (Column 1)

** Column 1 divided by Asset Page, Line 26 (Column 3)

	1 Amount	2 % of Liability to Total Liabilities*
k. Recognized Obligation to Return Collateral Asset	\$373,194,628	2%

* Column 1 divided by Liability Page, Line 26 (Column 1)

- I. The Company does not have any working capital finance investments.
- J. The Company does not have any offsetting and netting of assets and liabilities per SSAP No. 64.
- K. Liberty Life Assurance Company of Boston has no structured notes as of December 31, 2016.
- L. 5* Securities

Not Applicable

Note 6 - Joint Ventures, Partnerships and Limited Liability Companies

- A. Investments in joint ventures, partnerships and limited liability companies that exceed 10% of its admitted assets

The Company has no investments in Joint Ventures, Partnerships or Limited Liability Companies that exceed 10% of its admitted assets.

- B. Impairments on joint ventures, partnerships or limited

The Company invests in limited partnerships that are reported in accordance with SSAP No. 48. These limited partnerships are valued by the equity method using traditional private equity valuation measures. Interim poor performance which indicates a probable inability to recover the carrying amount of the assets leads to impairment losses being recognized by management. The Company realized impairment losses of \$50,321 during the year.

Note 7 - Investment Income

- A. Accrued Investment Income

The Company does not admit investment income due and accrued if amounts are over 90 days past due.

- B. Amounts Nonadmitted

No amounts were excluded as of December 31, 2016.

Note 8 - Derivative Instruments

The Company's investment activities do not include derivatives. However, the Company may acquire derivatives as additions to bond, common stock, or preferred stock investments. These derivatives are ancillary to the overall investment and immaterial to the underlying investment portfolio.

NOTES TO FINANCIAL STATEMENTS

Note 9 - Income Taxes

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

1.

	12/31/2016		
	(1) Ordinary	(2) Capital	(3) (Col 1 + 2) Total
a. Gross Deferred Tax Assets	\$272,037,550	\$11,948,650	\$283,986,200
b. Statutory Valuation Allowance Adjustments	-	-	-
c. Adjusted Gross Deferred Tax Assets (1a - 1b)	272,037,550	11,948,650	283,986,200
d. Deferred Tax Assets Nonadmitted	91,838,638	11,013,450	102,852,088
e. Subtotal Net Admitted Deferred Tax Asset (1c - d)	180,198,912	935,200	181,134,112
f. Deferred Tax Liabilities	125,017,200	935,200	125,952,400
g. Net Admitted Deferred Tax Asset / (Net Admitted Deferred Tax Liability) (1e - 1f)	\$55,181,712	\$0	\$55,181,712

	12/31/2015		
	(4) Ordinary	(5) Capital	(6) (Col 4 + 5) Total
a. Gross Deferred Tax Assets	\$251,977,796	\$15,971,900	\$267,949,696
b. Statutory Valuation Allowance Adjustments	-	-	-
c. Adjusted Gross Deferred Tax Assets (1a - 1b)	251,977,796	15,971,900	267,949,696
d. Deferred Tax Assets Nonadmitted	95,943,796	6,910,750	102,854,546
e. Subtotal Net Admitted Deferred Tax Asset (1c - d)	156,034,000	9,061,150	165,095,150
f. Deferred Tax Liabilities	103,821,900	662,900	104,484,800
g. Net Admitted Deferred Tax Asset / (Net Admitted Deferred Tax Liability) (1e - 1f)	\$52,212,100	\$8,398,250	\$60,610,350

	Change		
	(7) (Col 1 - 4) Ordinary	(8) (Col 2 - 5) Capital	(9) (Col 7 + 8) Total
a. Gross Deferred Tax Assets	\$20,059,754	(\$4,023,250)	\$16,036,504
b. Statutory Valuation Allowance Adjustments	-	-	-
c. Adjusted Gross Deferred Tax Assets (1a - 1b)	20,059,754	(4,023,250)	16,036,504
d. Deferred Tax Assets Nonadmitted	(4,105,158)	4,102,700	(2,458)
e. Subtotal Net Admitted Deferred Tax Asset (1c - d)	24,164,912	(8,125,950)	16,038,962
f. Deferred Tax Liabilities	21,195,300	272,300	21,467,600
g. Net Admitted Deferred Tax Asset / (Net Admitted Deferred Tax Liability) (1e - 1f)	\$2,969,612	(\$8,398,250)	(\$5,428,638)

2.

	12/31/2016		
	(1) Ordinary	(2) Capital	(3) (Col 1 + 2) Total
Admission Calculation Components SSAP No. 101			
a. Federal Income Taxes Paid In Prior Years Recoverable Through Loss Carrybacks.	\$53,589,892	-	\$53,589,892
b. Adjusted Gross Deferred Tax Assets Expected To Be Realized (Excluding The Amount Of Deferred Tax Assets From 2(a) above) After Application of the Threshold Limitation. (The Lesser of 2(b)1 and 2(b)2 Below)	1,591,820	-	1,591,820
1. Adjusted Gross Deferred Tax Assets to be Realized Following the Balance Sheet Date.	1,591,820	-	1,591,820
2. Adjusted Gross Deferred Tax Assets Allowed per Limitation Threshold	X X X	X X X	165,866,793
c. Adjusted Gross Deferred Tax Assets (Excluding the Amount Of Deferred Tax Assets From 2(a) and 2(b) above) Offset by Gross Deferred Tax Liabilities.	125,017,200	935,200	125,952,400
d. Deferred Tax Assets Admitted as the result of application of SSAP No. 101. Total (2(a) + 2(b) + 2(c))	\$180,198,912	\$935,200	\$181,134,112

NOTES TO FINANCIAL STATEMENTS

	12/31/2015		
	(4) Ordinary	(5) Capital	(6) (Col 4 + 5) Total
Admission Calculation Components SSAP No. 101			
a. Federal Income Taxes Paid In Prior Years Recoverable Through Loss Carrybacks.	52,208,100	8,398,250	60,606,350
b. Adjusted Gross Deferred Tax Assets Expected To Be Realized (Excluding The Amount Of Deferred Tax Assets From 2(a) above) After Application of the Threshold Limitation. (The Lesser of 2(b)1 and 2(b)2 Below)	4,000	-	4,000
1. Adjusted Gross Deferred Tax Assets to be Realized Following the Balance Sheet Date.	4,000	-	4,000
2. Adjusted Gross Deferred Tax Assets Allowed per Limitation Threshold	X X X	X X X	135,880,800
c. Adjusted Gross Deferred Tax Assets (Excluding the Amount Of Deferred Tax Assets From 2(a) and 2(b) above) Offset by Gross Deferred Tax Liabilities.	103,821,900	662,900	104,484,800
d. Deferred Tax Assets Admitted as the result of application of SSAP No. 101. Total (2(a) + 2(b) + 2(c))	\$156,034,000	\$9,061,150	\$165,095,150

	Change		
	(7) (Col 1 - 4) Ordinary	(8) (Col 2 - 5) Capital	(9) (Col 7 + 8) Total
Admission Calculation Components SSAP No. 101			
a. Federal Income Taxes Paid In Prior Years Recoverable Through Loss Carrybacks.	1,381,792	(8,398,250)	(7,016,458)
b. Adjusted Gross Deferred Tax Assets Expected To Be Realized (Excluding The Amount Of Deferred Tax Assets From 2(a) above) After Application of the Threshold Limitation. (The Lesser of 2(b)1 and 2(b)2 Below)	1,587,820	-	1,587,820
1. Adjusted Gross Deferred Tax Assets to be Realized Following the Balance Sheet Date.	1,587,820	-	1,587,820
2. Adjusted Gross Deferred Tax Assets Allowed per Limitation Threshold	X X X	X X X	27,063,150
c. Adjusted Gross Deferred Tax Assets (Excluding the Amount Of Deferred Tax Assets From 2(a) and 2(b) above) Offset by Gross Deferred Tax Liabilities.	21,195,300	272,300	21,467,600
d. Deferred Tax Assets Admitted as the result of application of SSAP No. 101. Total (2(a) + 2(b) + 2(c))	\$24,164,912	(\$8,125,950)	\$16,038,962

3.

	2016	2015
a. Ratio Percentage Used To Determine Recovery Period And Threshold Limitation Amount.	647%	612%
b. Amount of Adjusted Capital And Surplus Used To Determine Recovery Period And Threshold Limitation In 2(b)2 Above.	\$1,221,169,814	\$1,009,286,544

NOTES TO FINANCIAL STATEMENTS

	12/31/2016		12/31/2015		Change	
	(1)	(2)	(3)	(4)	(5)	(6)
Impact of Tax Planning Strategies						
(a) Determination of Adjusted Gross Deferred Tax Assets and Net Admitted Deferred Tax Assets, By Tax Character As A Percentage.	Ordinary	Capital	Ordinary	Capital	(Col 1 - 3) Ordinary	(Col 2 - 4) Capital
1. Adjusted Gross DTAs Amount From Note 9A1(c)	\$272,037,550	\$11,948,650	\$251,977,796	\$15,971,900	\$20,059,754	(\$4,023,250)
2. Percentage of Adjusted Gross DTAs By Tax Character Attributable To The Impact of Tax Planning Strategies	0.00%	0.00%	0.00%	3.00%	0.00%	-3.00%
3. Net Admitted Adjusted Gross DTAs Amount from Note 9A1(e)	\$180,198,912	\$935,200	\$156,034,000	\$9,061,150	\$24,164,912	(\$8,125,950)
4. Percentage of Net Admitted Adjusted Gross DTAs by Tax Character Attributable To The Impact of Tax Planning Strategies	0.00%	0.00%	0.00%	5.00%	0.00%	-5.00%

(b) Does the Company's tax-planning strategies include the use of reinsurance: Yes ___ No X

B. The Company does not have any DTLs described in SSAP No. 101 Income Taxes, a Replacement of SSAP No. 10R and SSAP No. 10, paragraph 23.

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

	(1)	(2)	(3)
	12/31/2016	12/31/2015	(Col 1 - 2) Change
1. Current Income Tax:			
a. Federal	\$26,345,462	\$18,174,496	(\$8,170,966)
b. Foreign	-	1,526	\$1,526
c. Subtotal	26,345,462	18,176,022	(\$8,169,440)
d. Federal Income Tax on net capital gains	(9,724,765)	(9,559,803)	\$164,962
e. Utilization of capital loss carry-forwards	-	-	-
f. Other	-	-	-
g. Federal and foreign income taxes incurred	\$16,620,697	\$8,616,219	(\$8,004,478)
2. Deferred Tax Assets:			
a. Ordinary			
(1) Discounting of unpaid losses	\$ -	\$ -	\$ -
(2) Unearned premium reserve	61,950	66,150	(4,200)
(3) Policyholder reserves	115,820,950	93,169,300	22,651,650
(4) Investments	29,906,450	38,259,200	(8,352,750)
(5) Deferred acquisition costs	110,833,800	103,628,700	7,205,100
(6) Policyholder dividends accrual	1,138,200	1,428,000	(289,800)
(7) Fixed assets	-	-	-
(8) Compensation and benefits accrual	-	-	-
(9) Pension accrual	-	-	-
(10) Receivables - nonadmitted	1,109,150	2,263,100	(1,153,950)
(11) Net operating loss carry-forward	-	-	-
(12) Tax credit carry-forward	932,000	899,000	33,000
(13) Other (including items <5% of total ordinary tax assets)	12,235,050	12,264,346	(29,296)
(99) Subtotal	\$272,037,550	\$251,977,796	\$20,059,754
b. Statutory valuation allowance adjustment	\$ -	\$ -	\$ -
c. Nonadmitted	\$91,838,638	\$95,943,796	\$7,987,146
d. Admitted ordinary deferred tax assets (2a99 - 2b - 2c)	\$180,198,912	\$156,034,000	\$19,322,127
e. Capital			
(1) Investments	\$11,948,650	\$15,971,900	(\$4,023,250)
(2) Net capital loss carry-forward	-	-	-
(3) Real estate	-	-	-
(4) Other (including items <5% of total capital tax assets)	-	-	-
(99) Subtotal	\$11,948,650	\$15,971,900	(\$4,023,250)

NOTES TO FINANCIAL STATEMENTS

f. Statutory valuation allowance adjustment	\$ -	\$ -	\$ -
g. Nonadmitted	\$11,013,450	\$95,943,796	\$7,987,146
h. Admitted capital deferred tax assets (2e99 - 2f - 2g)	\$935,200	(\$79,971,896)	\$19,322,127
i. Admitted ordinary deferred tax assets (2d +2h)	\$181,134,112	\$79,971,896	\$19,322,127

3. Deferred Tax Liabilities:			
a. Ordinary			
(1) Investments	\$59,832,150	\$58,485,350	\$1,346,800
(2) Fixed assets	-	-	-
(3) Deferred and uncollected premium	17,815,700	17,417,750	397,950
(4) Policyholder reserves	47,366,550	27,783,350	19,583,200
(5) Other (including items <5% of total ordinary tax assets)	2,800	135,450	(132,650)
(99) Subtotal	\$125,017,200	\$103,821,900	\$21,195,300

b. Capital			
(1) Investments	\$935,200	\$662,900	(\$401,450)
(2) Real Estate	-	-	-
(3) Other (including items <5% of total capital tax assets)	-	-	-
(99) Subtotal	\$935,200	\$662,900	(\$401,450)

c. Deferred tax liabilities (3a99 + 3b99)	\$125,952,400	\$104,484,800	\$16,673,319
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4. Net deferred tax assets/liabilities (2i - 3c)	\$55,181,712	\$60,610,350	(\$6,150,892)
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D. Effective tax rates differ from the current statutory rate of 35% principally due to the effects of statutory and tax reserve differences, change in deferred and uncollected premium, change in policy reserves, capitalization of policy acquisition costs, impairments, audit settlements, revisions to prior year estimates, 481(a) adjustments, accrued expenses, guaranty assessments, accretion of market discount, and limitation of capital losses.

E. The Company has no net operating loss carry-forwards or alternative minimum tax credit carry-forwards.

The Company has General Business tax credit carry-forwards which expire as follows:

Year Generated	Amount	Expiration
2013	\$26	2033
2014	\$3,749	2034
2015	\$917	2035
2016	\$ -	-

The Company has Foreign tax credit carry-forwards which expire as follows:

Year Generated	Amount	Expiration
2011	\$264,524	2021
2012	\$181,660	2022
2013	\$69,800	2023
2014	\$152,388	2024
2015	\$230,394	2025
2016	\$27,687	2026

The amount of Federal income taxes incurred and available for recoupment in the event of future losses are \$18,130,000 from the current year, \$15,014,000 from 2015, and \$28,701,000 from 2014.

The Company does not have deposits admitted under Section 6603 of the Internal Revenue Code.

NOTES TO FINANCIAL STATEMENTS

F. The Company's Federal income tax return is consolidated with the following entities:

All Set Works, Inc.	Liberty Mutual Personal Insurance Company
AMBCO Capital Corporation	Liberty Mutual Technology Group, Inc.
America First Insurance Company	Liberty Northwest Insurance Corporation
America First Lloyd's Insurance Company	Liberty Personal Insurance Company
American Economy Insurance Company	Liberty RE (Bermuda) Limited
American Fire and Casualty Company	Liberty Sponsored Insurance (Vermont), Inc.
American States Insurance Company	Liberty Surplus Insurance Corporation
American States Insurance Company of Texas	LIH-RE of America Corporation
American States Lloyds Insurance Company	LIU Specialty Insurance Agency Inc.
American States Preferred Insurance Company	LM General Insurance Company
Berkeley Holding Company Associates, Inc.	LM Insurance Corporation
Berkeley Management Corporation	LM Property and Casualty Insurance Company
Capitol Court Corporation	LMHC Massachusetts Holdings Inc.
Colorado Casualty Insurance Company	Mid-American Fire & Casualty Company
Consolidated Insurance Company	North Pacific Insurance Company
Copley Venture Capital, Inc.	Ocasco Budget, Inc.
Diversified Settlements, Inc.	OCI Printing, Inc.
Emerald City Insurance Agency, Inc.	Ohio Casualty Corporation
Employers Insurance Company of Wausau	Ohio Security Insurance Company
Excelsior Insurance Company	Open Seas Solutions, Inc.
F.B. Beattie & Co., Inc.	Oregon Automobile Insurance Company
First National Insurance Company of America	Peerless Indemnity Insurance Company
First State Agency Inc.	Peerless Insurance Company
General America Corporation	Pilot Insurance Services, Inc.
General America Corporation of Texas	Rianoc Research Corporation
General Insurance Company of America	S.C. Bellevue, Inc.
Golden Eagle Insurance Corporation	SAFECARE Company, Inc.
Gulf States AIF, Inc.	Safeco Corporation
Hawkeye-Security Insurance Company	Safeco General Agency, Inc.
Indiana Insurance Company	Safeco Insurance Company of America
Insurance Company of Illinois	Safeco Insurance Company of Illinois
LEXCO Limited	Safeco Insurance Company of Indiana
Liberty-USA Corporation	Safeco Insurance Company of Oregon
Liberty Assignment Corporation	Safeco Lloyds Insurance Company
Liberty Energy Canada, Inc.	Safeco National Insurance Company
Liberty Financial Services, Inc.	Safeco Properties, Inc.
Liberty Hospitality Group, Inc.	Safeco Surplus Lines Insurance Company
Liberty Insurance Corporation	San Diego Insurance Company
Liberty Insurance Holdings, Inc.	SCIT, Inc.
Liberty Insurance Underwriters Inc.	St. James Insurance Company Ltd.
Liberty International Europe Inc.	The First Liberty Insurance Corporation
Liberty International Holdings Inc.	The Midwestern Indemnity Company
Liberty Life Assurance Company of Boston	The National Corporation
Liberty Life Holdings Inc.	The Netherlands Insurance Company
Liberty Lloyds of Texas Insurance Company	The Ohio Casualty Insurance Company
Liberty Management Services, Inc.	Wausau Business Insurance Company
Liberty Mexico Holdings Inc.	Wausau General Insurance Company
Liberty Mutual Agency Corporation	Wausau Underwriters Insurance Company
Liberty Mutual Fire Insurance Company	West American Insurance Company
Liberty Mutual Group Asset Management Inc.	Winmar Company, Inc.
Liberty Mutual Group Inc.	Winmar of the Desert, Inc.
Liberty Mutual Holding Company Inc.	Winmar Oregon, Inc.
Liberty Mutual Insurance Company	Winmar-Metro, Inc.

The method of federal income tax allocation is subject to a written agreement. Allocation is based upon separate return calculations with credit applied for losses as appropriate. The Company has the enforceable right to recoup prior year payments in the event of future losses.

G. The Company does not expect the Federal and Foreign income tax loss contingencies, as determined in accordance with SSAP No. 5R, Liabilities, Contingencies and Impairments of Assets, with the modifications provided in SSAP No. 101, Income Taxes – A Replacement of SSAP No. 10R and SSAP No. 10, to significantly increase within twelve months.

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

- A. The Company is directly owned 90% by Liberty Mutual Insurance Company, domiciled in Massachusetts, and 10% by Liberty Mutual Fire Insurance Company, Domiciled in Wisconsin.
- B. All of the non-insurance transactions which the Company had with its parent company involved less than 1/2 of 1% of the admitted assets of the reporting entity.

NOTES TO FINANCIAL STATEMENTS

- C. On November 10, 2016 the Board of Directors of the Liberty Mutual Holding Company approved a \$165,000,000 capital contribution to the Liberty Life Assurance Company of Boston. On December 8, 2016 the Company received the capital contribution totaling \$165,000,000 from its Parents, Liberty Mutual Insurance Company and Liberty Mutual Fire Insurance Company.
- D. As of December 31, 2016 the Company reported a \$49,820,258 payable to the parent company. The terms of the settlement require that these amounts are settled within 30 days.
- E. The Company has a guarantee of payment in effect with Liberty Assignment Corporation. This guarantee does not result in a material contingent exposure to the reporting entity's or any related party's assets or liabilities. The Company is also party to a net worth maintenance agreement under which the Company agrees to cause BARCO Assignments Ltd. to have a net worth and liquidity at levels specified in the agreement. Pursuant to a guarantee agreement effective February 3, 1998 and as amended on March 3, 2006 Liberty Mutual Insurance Company unconditionally guarantees to the Company, on behalf of and for the benefit of the Company and owners of life insurance contracts and annuity contracts issued by the Company, that Liberty Mutual Insurance Company will, on demand, make funds available to for the timely payment of contractual obligations under any insurance policy or annuity contract issued by us.
- F. There is a service agreement between the Company and Liberty Mutual Insurance Company under which the latter provides the former with services of personnel, equipment, telephone, wire service, computers and similar machines to the extent necessary and appropriate. The Company reimburses the parent for the cost of all services provided under this agreement and for any other services that shall be supplied at the request of the Company. There is an investment management agreement between the Company and Liberty Mutual Group Asset Management Inc., under which the latter provides the former with investment management services. The Company reimburses the parent for the cost of these investment management services. There is also an Investment Services Agreement between the Company and Liberty Mutual Group Inc., which administers investments in connection with assets held under a group annuity contract. The Company is also party to a Cash Management Agreement with Liberty Mutual Investment Advisor LLC. Finally, the Company is party to a revolving credit agreement under which the Company may borrow up to \$ 150,000,000 from Liberty Mutual Insurance Company. The purpose of the extension of credit is for operating liquidity to accommodate fluctuations in daily cash flow and to promote efficient management of investments.
- G. All outstanding shares of the Company are owned by the Liberty Mutual Insurance Company (90%), domiciled in Massachusetts and the Liberty Mutual Fire Insurance Company (10%), domiciled in Wisconsin.
- H. The Company does not own any shares of an upstream intermediate or ultimate parent, either directly or indirectly.
- I. The Company has no investments in subsidiaries, controlled or affiliated entities which exceed 10% of the admitted assets of the Company.
- J. The Company did not recognize any impairment write down for its investments in subsidiary, controlled or affiliated companies during the statement period.
- K. Not applicable.
- L. Not applicable.

Note 11 - Debt

- A. As of December 31, 2016 the Company had no outstanding capital notes or other debt obligations not already addressed in other notes as described in Statement of Statutory Accounting Principles number 15.
- B. The Company has no Federal Home Loan Bank agreements structured as debt.

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

- A-F. The Company does not have any direct employees and therefore, does not have any direct obligations for a defined benefit plan, deferred compensation arrangements, compensated absences or other post-retirement benefit plans. Services for the operation of the Company are provided under provision of an intercompany cost-sharing arrangement as described in note 10(f).
- G. The Company participates in a post-retirement benefit plan sponsored by Liberty Mutual, its parent. The Company has no legal obligation for benefits under this plan. Liberty Mutual allocates amounts to the Company each year. The Company's expense for the plan was \$9,719,046 in 2016 and \$9,900,082 in 2015.

H-I. See A-F above.

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

1. The Company has 12,000 shares authorized, 8,000 shares issued and outstanding. All shares are Class A shares.
2. The Company has no preferred stock outstanding.
3. Without prior approval of its domiciliary commissioner, dividends to shareholders are limited by the laws of the state of New Hampshire.
4. The Company has paid \$8,900,000 in dividends to shareholders. The last dividend payment to shareholders was in December, 2006 for \$4,100,000.
5. According to a resolution voted by the Board of Directors, not more than the larger of 10% of the statutory profits on participating business or 50 cents per \$ 1,000 of participating business in force may accrue to the shareholders' surplus account.

NOTES TO FINANCIAL STATEMENTS

6. Restricted surplus for Participating shareholders is (\$43,445,822).
7. There are no advances to surplus held by the Company.
8. The Company holds no stock for special purposes.
9. There were no changes in the amount of special surplus funds held in 2016.
10. The portion of unassigned surplus represented or reduced by each item below is as follows:

a.	Unrealized gains and losses	\$17,451,099
b.	Non-admitted asset values	\$106,020,303
c.	Separate Account business	\$750,000
d.	Asset Valuation Reserve	\$112,674,011
e.	Reinsurance in unauthorized companies	\$ -

11. As of December 31, 2016 the Company has not issued any surplus debentures.
12. The Company has not undertaken any quasi-reorganizations in 2016.
13. Quasi-reorganization (effective date)
Not applicable.

Note 14 – Contingencies

- A. The Company has no material contingent liabilities as of December 31, 2016.
- B. During 2016, the Company received notification of an impending insolvency concerning Penn Treaty Insurance. It is expected the insolvency will result in a retrospective premium-based guaranty fund assessment against the company of \$3,300,000 that has been charged to operations in the current period and the liability and premium tax asset have been recognized.
- C. The Company is not aware of any material gain contingencies per SSAP No. 5.
- D. The Company had no claims related extra contractual obligations or bad faith losses stemming from lawsuits in 2016.
- E. In the normal course of its business operations, The Company is involved in litigation from time to time with claimants, beneficiaries and others, and several lawsuits were pending on December 31, 2016. In the opinion of the Company, the ultimate liability, if any, would not have a material adverse financial effect upon the Company.

Note 15 – Leases

- A-B. The Company does not have any lease obligations.

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

The Company owns no Financial Instruments with Off-Balance Sheet Risk or Financial Instruments with Concentrations of Credit Risk.

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

- A. Transfer of Receivables Reported as Sales

The Company did not have any transfers of receivables reported as sales during the year.

- B. Transfers and Servicing of Financial Assets

The Company participates in a Securities Lending Program to generate additional income, whereby certain fixed income and mortgage backed securities are loaned for a period of time from the Company's portfolio to qualifying third parties, via a lending agent. The company does not participate in term loans; therefore, the Company does not have contractual collateral transactions that extend beyond one year from the reporting date. Borrowers of these securities provide collateral equal to or in excess of 102% of the market value of the loaned securities. Acceptable collateral may be in the form of cash or U.S. Government securities, such as Treasuries and Agency Bonds. The market value of the loaned securities is monitored and additional collateral is obtained if the market value of the collateral falls below 102% of the market value of the loaned securities. Additionally, the lending agent indemnifies the Company against borrower defaults. Cash collateral is carried as an asset with an offsetting liability on the balance sheet, as the collateral is unrestricted and the Company can exercise discretion as to how the collateral is invested. The loaned securities remain a recorded asset of the Company.

At December 31, 2016 the total fair value of securities on loan for the Company was \$513,065,529 with a corresponding collateral value of \$528,491,878 of which \$373,194,628 represents cash collateral that was reinvested.

- C. In the course of the company's asset management, securities are sold and reacquired within 30 days of the sale date to enhance the company's yield on its investment portfolio. The Company had no wash sales during 2016.

NOTES TO FINANCIAL STATEMENTS

Note 18 – Gain or (Loss) to the Reporting Entity from Uninsured A&H Plans and the Uninsured Portion of Partially Insured Plans

A. ASO Plans

	Uninsured Plans	Uninsured Portion Partially Insured Plans	Total
Net reimbursement or administrative expenses over (under) actual expenses	\$9,029,000	\$ -	\$9,029,000
Other income or (expense)	-	-	0
Net gain or loss from operations	\$9,029,000	\$0	\$9,029,000
Claim payment volume	\$871,800,000	\$ -	\$871,800,000

B. ASC Plans – None

C. Medicare or Other Similarly Structured Cost Based Reimbursement Contract – None

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

The Company does not have any direct premium written by managing general agents/third party administrators.

Note 20 – Fair Value Measurements

A. Inputs Used for Assets and Liabilities Measured at Fair Value

1. Fair Value Measurements by Levels 1, 2 and 3

Fair value is the price that would be received to sell an asset or would be paid to transfer a liability in an orderly transaction between market participants at the measurement date. In determining fair value, the Company primarily uses the market approach which generally utilizes market transaction data for identical or similar instruments.

Included in various investment related line items in the 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 hierarchy level assigned to each security in the Company's portfolio is based on the Company's assessment of the transparency and reliability of the inputs used in the valuation of each instrument at the measurement date. The highest priority is given to unadjusted quoted prices in active markets for identical assets (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). Securities are classified based on the lowest level of input that is significant to the fair value measurement. The Company recognizes transfers between levels at the end of each reporting period. The three hierarchy levels are defined as follows:

- Level 1 — Valuations based on unadjusted observable quoted market prices in active markets for identical assets or liabilities that the Company has the ability to access.
- Level 2 — Valuations based on observable inputs (other than Level 1 prices), such as quoted prices for similar assets or liabilities at the measurement date, quoted prices in markets that are not active, or other inputs that are observable, either directly or indirectly.
- Level 3 — Valuations based on inputs that are unobservable and significant to the overall fair value measurement and involve management judgment. The unobservable inputs reflect the Company's estimates of the assumptions that market participants would use in valuing the assets and liabilities.

NOTES TO FINANCIAL STATEMENTS

The following table summarizes the Company's assets and liabilities that are measured at fair value at December 31, 2016:

1	2	3	4	5
Description	Level 1	Level 2	Level 3	Total
Assets at fair value				
Bonds				
Issuer Obligations	\$ -	\$ -	\$ -	\$ -
Non-Issuer Obligations	-	8,524,804	-	8,524,804
Total Bonds	-	8,524,804	-	8,524,804
Preferred Stocks				
Industrial and Miscellaneous (Unaffiliated)	-	-	-	-
Total Preferred Stocks	-	-	-	-
Common Stocks				
Industrial and Miscellaneous	-	-	5,147,800	5,147,800
Total Common Stocks	-	-	5,147,800	5,147,800
Other Assets				
Other Assets	-	-	-	-
Total Other Assets	-	-	-	-
Separate Accounts Assets	38,531,256	-	-	38,531,256
Total Assets at fair value	\$38,531,256	\$8,524,804	\$5,147,800	\$52,203,860
Liabilities at fair value				
Derivative Liabilities	\$ -	\$ -	\$ -	\$ -
Total Liabilities at fair value	\$ -	\$ -	\$ -	\$ -

The Company did not have significant transfers between Levels 1 and 2 during the period ended December 31, 2016.

2. Rollforward of Level 3 Items

The following tables set forth the fair values of assets classified as Level 3 within the fair value hierarchy:

1	2	3	4	5	6	7	8	9	10	11
	Balance at 12/31/2015	Trans. into Level 3	Trans. out of Level 3	Total gains and (losses) included in Net Income	Total gains and (losses) included in Surplus	Purchases	Issu.	Sales	Settlements	Balance at 12/31/2016
Bonds	\$ -	\$9,109,242	(\$9,078,214)	\$ -	\$270,549	\$ -	\$ -	(\$51,540)	(\$250,037)	\$ -
Preferred Stock	-	-	-	-	-	-	-	-	-	-
Common Stock	5,932,000	-	-	-	-	-	-	(784,200)	-	5,147,800
Other Assets	-	-	-	-	-	-	-	-	-	-
Separate Account Assets	64,298,680	-	(64,298,680)	-	-	-	-	-	-	-
Total	\$70,230,680	\$9,109,242	(\$73,376,894)	\$ -	\$ -	\$ -	\$ -	(\$835,740)	\$ -	\$5,147,800

3. Policy on Transfers Into and Out of Level 3

The Company holds NAIC designated 6 fixed maturity securities at the lower of amortized cost or fair value defined by SSAP No. 26, Bonds and NAIC designated 4-6 preferred stocks at the lower of cost or fair value as defined by SSAP No. 32, Investments in Preferred Stock. Market fluctuations cause securities to change from being held at cost or amortized cost to fair value or vice versa. These changes result in a transfer in or out of Level 3. In addition, the Company also transfers securities into or out of level 3 as a result of re-evaluation of the observability of pricing inputs.

4. Inputs and Techniques Used for Fair Value

Fixed Maturities

At each valuation date, the Company uses various valuation techniques to estimate the fair value of its fixed maturities portfolio. The primary method for valuing the Company's securities is through independent third-party valuation service providers. For positions where valuations are not available from independent third-party valuation service providers, the Company utilizes broker quotes and internal pricing methods to determine fair values. The Company obtains a single non-binding price quote from a broker familiar with the security who, similar to the Company's valuation service providers, may consider transactions or activity in similar securities, as applicable, among other information. The brokers providing price quotes are generally from the brokerage divisions of leading financial institutions with market making, underwriting and distribution expertise regarding the security subject to valuation. The evaluation and prioritization of these valuation sources is systematic and predetermined resulting in a single quote or price for each financial instrument. The following describes the techniques generally used to determine the fair value of the Company's fixed maturities by asset class:

NOTES TO FINANCIAL STATEMENTS

U.S. Government and Agency Securities

U.S. government and agency securities consist primarily of bonds issued by the U.S. Treasury and mortgage pass-through agencies such as the Federal Home Loan Bank, the Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation. As the fair values of the Company's U.S. Treasury securities are based on active markets and unadjusted market prices, they are classified within Level 1. The fair value of U.S. government agency securities is generally determined using observable market inputs that include quoted prices for identical or similar assets in markets that are not active, benchmark yields, reported trades, bids, offers and credit spreads. Accordingly, the fair value of U.S. government agency securities is classified within Level 2.

Mortgage-Backed Securities

The Company's portfolio of residential mortgage-backed securities ("MBS") and commercial MBS are originated by both agencies and non-agencies, the majority of which are pass-through securities issued by U.S. government agencies. The fair value of MBS is generally determined using observable market inputs that include quoted prices for identical or similar assets in markets that are not active, benchmark yields, contractual cash flows, prepayment speeds, collateral performance and credit spreads. Accordingly, the fair value of MBS is primarily classified within Level 2.

Asset-Backed Securities

Asset-backed securities ("ABS") include mostly investment-grade bonds backed by pools of loans with a variety of underlying collateral, including automobile loan receivables, credit card receivables, and collateralized loan obligation securities originated by a variety of financial institutions. The fair value of ABS is generally determined using observable market inputs that include quoted prices for identical or similar assets in markets that are not active, benchmark yields, contractual cash flows, prepayment speeds, collateral performance and credit spreads. Accordingly, the fair value of ABS is primarily classified within Level 2.

Municipal Securities

The Company's municipal portfolio is comprised of bonds issued by U.S. domiciled state and municipal entities. The fair value of municipal securities is generally determined using observable market inputs that include quoted prices for identical or similar assets in markets that are not active, benchmark yields, binding broker quotes, issuer ratings, reported trades and credit spreads. Accordingly, the fair value of municipal securities is primarily classified within Level 2.

Corporate debt and other

Corporate debt securities consist primarily of investment-grade debt of a wide variety of corporate issuers and industries. The fair value of corporate and other securities is generally determined using observable market inputs that include quoted prices for identical or similar assets in markets that are not active, benchmark yields, new issuances, issuer ratings, reported trades of identical or comparable securities, bids, offers and credit spreads. Accordingly, the fair value of corporate and other securities is primarily classified within Level 2. In the event third-party vendor valuation is not available, prices are determined using non-binding price quotes from a broker familiar with the security. In this instance, the valuation inputs are generally unobservable and the fair value is classified within Level 3.

Foreign government securities

Foreign government securities include bonds issued or guaranteed by foreign governments. The fair value of foreign government securities is generally determined using observable market inputs that include quoted prices for identical or similar assets in markets that are not active, benchmark yields, binding broker quotes, issuer ratings, reported trades of identical or comparable securities and credit spreads. Accordingly, the fair value of foreign government securities is primarily classified within Level 2. In the event third-party vendor valuation is not available, prices are determined using non-binding price quotes from a broker familiar with the security. In this instance, the valuation inputs are generally unobservable and the fair value is classified within Level 3.

Common and Preferred Stocks

Common stocks are recorded at fair value and preferred stocks are reported at cost or fair value, depending on their NAIC designation. Common stocks with fair values based on quoted market prices in active markets are classified in Level 1. Common stocks with fair values determined using observable market inputs that include quoted prices for identical or similar assets in markets that are not active are classified in Level 2. The fair value of preferred stock is generally determined using observable market inputs that include quoted prices for identical or similar assets in markets that are not active. Accordingly, the fair value of preferred stock is primarily classified within Level 2.

Other Invested Assets

Other invested assets include limited partnership investments, other equity method investments and other alternative investments, which are not subject to these disclosures and therefore are excluded from the table in this note.

Separate account assets primarily consist of equity securities and limited partnerships. Equity securities are measured based on the methodology discussed above. Limited partnerships are recorded at the Company's estimated partnership value based on partnership financials and the percentage of investment in the partnership. Limited partnerships are excluded from the table in this note. The activity in separate account assets is offset by an equal amount for separate account liabilities, which results in a net zero impact for the Company.

5. Derivative Fair Values - None

B. Other Fair Value Disclosures

Not Applicable

NOTES TO FINANCIAL STATEMENTS

C. Aggregate Fair Value of All Financial Instruments

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	(Level 1)	(Level 2)	(Level 3)	Not Practicable (Carrying Value)
Cash, Cash Equivalents and Short Term	\$312,955,689	\$312,955,689	\$312,955,689	\$ -	\$ -	\$ -
Bonds	15,775,473,345	14,857,691,342	112,325,744	15,542,250,279	120,897,322	-
Preferred Stock	376,875	573,866	-	376,875	-	-
Common Stock	5,147,800	5,147,800	-	-	5,147,800	-
Other Assets	-	-	-	-	-	-
Securities Lending	373,275,829	373,194,628	-	373,275,829	-	-
Mortgage Loans	1,025,435,703	1,015,560,994	-	-	1,025,435,703	-
Surplus Notes	168,861,428	146,983,854	-	157,650,728	11,210,700	-
Separate Accounts	38,531,256	38,531,256	38,531,256	-	-	-
Contract Loans	128,285,036	128,285,036	-	-	128,285,036	-
Total	\$17,828,342,961	\$16,878,924,465	\$463,812,689	\$16,073,553,711	\$1,290,976,561	\$ -

D. Reasons Not Practicable to Estimate Fair Value

Not Applicable

Note 21 – Other Items

A. Extraordinary Items

The Company has no reporting requirements referred to in Statement of Statutory Accounting Principles number 24 "Discontinued Operations and Extraordinary Items."

B. Troubled Debt Restructuring: Debtors

The Company has no reporting requirements referred to in Statement of Statutory Accounting Principles number 36 "Trouble Debt Restructuring."

C. Other Disclosures

In 2016, the Company adopted the 2012 GLTD reserve valuation table that resulted in a decrease to Long-Term Disability reserves of \$71,000,000. The difference between the reserve under the old and new tables as of the beginning of the year was \$48,300,000 and is recorded on Exhibit 5A and on line 43 of page 4.

In 2016 the Company included negative cash balances in cash and cash equivalents in accordance with SSAP No. 2, Cash, Drafts and Short Term Investments. In accordance with SSAP No. 3, Accounting Changes and Corrections of Errors, the 2015 financial statements have not been adjusted to correct this presentation error. If the 2015 annual financial statement had been adjusted, total assets and liabilities would have each decreased by \$45.7 million, net cash provided from all sources would have decreased by \$45.7 million and there would have been no impact on net income or surplus.

D. Business Interruption Insurance Recoveries

The Company routinely assesses the collectability of receivables on its balance sheet and based on Company experience, less than 1% of the balance may become uncollectible and the potential loss is not material to the Company's financial condition.

E. State Transferable and Non-transferable Tax Credit

The Company has no State Transferable Tax Credits as of December 31, 2016.

F. Subprime-Mortgage-Related Risk Exposure

The Company has no material exposure to subprime mortgage related risk in 2016.

G. Offsetting and Netting of Assets and Liabilities

- Under an election made by a life insurance beneficiary, the Company transfers the proceeds of amounts due to an unaffiliated bank or thrift institution in the name of said beneficiary. These amounts are reported in the financial statements on Exhibit 7, Column 6. The Company paid interest rates on these deposits of 1.0% in 2016. Interest rates are reviewed for possible adjustment on a weekly basis. The company charges no fees to the beneficiaries related to these retained asset accounts. Retained asset accounts are not the default method for satisfying life insurance claims.

NOTES TO FINANCIAL STATEMENTS

2. Number and balance of retained asset accounts in force:

	In Force			
	As of End of Current Year		As of End of Prior Year	
	Number	Balance	Number	Balance
a. Up to and including 12 months	325	\$26,087,196	310	\$21,713,895
b. 13 to 24 months	241	12,815,441	186	9,953,275
c. 25 to 37 months	145	6,955,677	118	4,886,194
d. 38 to 48 months	90	3,383,636	94	4,035,662
e. 49 to 60 months	84	3,555,243	59	3,858,411
f. Over 60 months	222	9,866,970	209	7,868,233
g. Total	1,107	\$62,664,163	976	\$52,315,670

3. Segregations between individual and group contracts:

	Individual		Group	
	Number	Balance	Number	Balance
a. Number/balance of retained asset accounts at the beginning of the year	494	\$21,322,883	482	\$30,992,787
b. Number/amount of retained asset accounts issued/added during the year	152	11,530,769	237	28,961,933
c. Investment earnings credited to retained asset accounts during the year	N/A	225,243	N/A	342,478
d. Fees and other charges assessed to retained asset accounts during the year	N/A	0	N/A	0
e. Number/amount of retained asset accounts transferred to state unclaimed property funds during the year	12	14,136	17	391
f. Number/amount of retained asset accounts closed/withdrawn during the year	99	9,608,600	130	21,088,803
g. Number/balance of retained asset accounts at the end of the year	535	\$23,456,159	572	\$39,208,004

Note 22 – Events Subsequent

The Company is not aware of any events occurring subsequent to the close of the books for this statement which may have a material effect on its financial condition.

Note 23 - Reinsurance

A. Ceded Reinsurance Report

Section 1 - General Interrogatories

1. Are any of the reinsurers, listed in schedule S as non-affiliated, owned in excess of 10% or controlled, either directly or indirectly, by the company or by any representative, officer, trustee, or director of the Company?

Yes () No (X)

If yes, give full details.

2. Have any policies issued by the Company been reinsured with a company chartered in a country other than the United States (excluding U.S. Branches of such companies) which is owned in excess of 10% or controlled directly or indirectly, by an insured, a beneficiary, a creditor or an insured or any other person not primarily engaged in the insurance business?

Yes () No (X)

If yes, give full details.

Section 2 - Ceded Reinsurance Report - Part A

1. Does the Company have any reinsurance agreements in effect under which the reinsurer may unilaterally cancel any reinsurance for reasons other than for nonpayment of premium or other similar credits?

Yes () No (X)

2. Does the Company have any reinsurance agreements in effect such that the amount of losses paid or accrued through the statement date may result in a payment to the reinsurer of amounts which, in aggregate and allowing for offset of mutual credits from other reinsurance agreements with the same reinsurer, exceed the total direct premium collected under the reinsured policies?

Yes () No (X)

If yes, give full details.

NOTES TO FINANCIAL STATEMENTS

Section 3 - Ceded Reinsurance Report - Part B

1. What is the estimated amount of the aggregate reduction in surplus, for agreements not reflected in Section 2 above, of termination of all reinsurance agreements, by either party, as of the date of this statement? Where necessary, the Company may consider the current or anticipated experience of the business reinsured in making this estimate. \$0.
2. Have any new agreements been executed or existing agreements amended, since January 1 of the year of this statement, to include policies or contracts which 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 as asset or a reduction of liability, taken for such agreements.

B. Uncollectible Reinsurance

The Company had no uncollectible reinsurance balances written off through income and expenses in the current year.

C. Commutation of Ceded Reinsurance

The Company had no Reinsurance Treaty Commutations in 2016.

D. Certified Reinsurer Rating Downgraded or Status Subject to Revocation

The Company did not have any reinsurance agreements with Certified Reinsurers whose ratings were downgraded or subject to revocation in 2016.

Note 24 - Retrospectively Rated Contracts and Contracts Subject to Redetermination

- A. The Company estimates accrued retrospective premium adjustments for its Group Life and Group Disability contracts. The estimate for each case is derived from actual policy year-to-date premiums and paid claims, along with estimates for unpaid claims reserves and expenses.
- B. Accrued retrospective premiums are recorded through earned premium.
- C. Annual Premiums Subject to Retrospective Ratings in 2016 were \$151,896,000. This represented approximately 11% of total written premium for group policies.
- D. The Company does not recognize a liability for medical loss ratio rebates pursuant to the Public Health Service Act, as the Company does not write accident and health insurance subject to the Affordable Care Act.
- E. Liberty Life Assurance Company of Boston does not write accident and health insurance subject to the Affordable Care Act.

Note 25 - Changes in Incurred Losses and Loss Adjustment Expenses

Reserves are calculated on a tabular basis. There are no material changes in the provision of incurred loss and loss adjustment expenses as a result of additional information becoming available on an individual claim from prior year insured events.

Note 26 - Intercompany Pooling Arrangements

Liberty Life Assurance Company of Boston is not a part of any intercompany pooling arrangements.

Note 27 - Structured Settlements

The Company did not purchase any structured settlements in 2016.

Note 28 - Health Care Receivables

The Company has no Health Care Receivables in accordance with SSAP No. 84.

Note 29 - Participating Policies

For the year ending December 31, 2016 premiums earned under participating policies was \$37,316,278 or 1.4% of total premium collected by our Company. The Company holds a liability for any dividends that will be declared at the end of the current policy year for all of our participating policies. We also hold a liability for all unpaid but declared dividends. The Company paid dividends of \$6,533,652 in 2016 and did not allocate any additional income to such policyholders.

Note 30 - Premium Deficiency Reserves

The Company has no premium deficiency reserves for its accident and health business.

NOTES TO FINANCIAL STATEMENTS

Note 31 – Reserves for Life Contracts and Annuity Contracts

- The Company waives deductions of deferred fractional premiums upon death of the Insured on all policies and returns any portion of the final premium beyond the date of death for all policies issued on the Extra Value Life form, and for all policies issued in Massachusetts since July 1, 1976, and for all policies issued since February 1, 1981. The Company holds a net level premium reserve on mortality and interest bases consistent with the basic policy. Surrender values are not promised in excess of the legally computed reserves.
- Additional premiums are charged for policies issued on sub-standard lives according to underwriting classification. Mean reserves are determined by computing the regular mean reserve for the plan at the issue age and duration and holding an additional one-half of the extra premium for the year.
- As of December 31, 2016 the Company had \$4,838,458,510 of insurance in force for which gross premiums are less than the net premiums according to the standard of valuation set by the State of New Hampshire.
- The Tabular Interest (Page 7, Part A, Line 4), Tabular less Actuarial Reserves Released (Page 7, Part A, Line 5) and Tabular Cost (Page 7, Part A, Line 9) have been determined by the formula as described for these lines in the instructions for Page 7.
- The Tabular Interest (Page 7, Part B, Line 3) has been determined by the formula as described for these lines in the instructions for Page 7.
- There were no other reserve changes for 2016.

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

	General Account	Separate Account Nonguaranteed	Total	% of Total
A. Subject to discretionary withdrawal				
1. With Market Value Adjustment	\$ -	\$ -	\$ -	0.00%
2. At Book Value less Surrender Charge	621,147,551	-	621,147,551	8.42%
3. At Market Value	-	38,422,168	38,422,168	0.52%
4. Total with Adjustment or at Market Value	621,147,551	38,422,168	659,569,719	8.94%
5. At Book Value without Adjustment	790,728,752	-	790,728,752	10.71%
B. Not Subject to discretionary withdrawal	5,859,654,423	69,806,408	5,929,460,831	80.35%
C. Total (gross)	7,271,530,726	108,228,576	7,379,759,302	100.00%
D. Reinsurance Ceded	36,301,648	-	36,301,648	
E. Total Net* (C-D)	\$7,235,229,078	\$108,228,576	\$7,343,457,654	

* Reconciliation of total annuity actuarial reserves, deposit liabilities and other liabilities:

F. Life and Accident and Health Annual Statement:	
1. Exhibit 5, Annuities, Total (net)	\$5,867,032,553
2. Exhibit 5, Supplementary Contracts with Life Contingencies Section, Total (net)	3,369,158
3. Exhibit 7, Deposit-Type Contracts, Line 14, Column 1	1,364,827,367
4. Subtotal	\$7,235,229,078

Separate Accounts Annual Statement	
5. Exhibit 3, Line 0299999, Column 2	\$5,304,688
6. Exhibit 3, Line 0399999, Column 2	68,878
7. Policyholder dividend and coupon accumulations	-
8. Policyholder premiums	-
9. Guaranteed interest contracts	-
10. Other contract deposit funds	102,855,010
11. Subtotal	\$108,228,576
12. Combined Total	\$7,343,457,654

Note 33 - Premium and Annuity Considerations Deferred and Uncollected

Type	Gross	Net of Loading
1. Industrial	\$ -	\$ -
2. Ordinary New Business	6,985,126	3,834,169
3. Ordinary Renewal Business	59,131,208	54,854,431
4. Credit Life	-	-
5. Group Life	27,632,755	26,251,117
6. Group Annuity	-	-
7. Total	\$93,749,088	\$84,939,717

NOTES TO FINANCIAL STATEMENTS

Note 34 - Separate Accounts

A. Separate Account Activity

1. The Company utilizes separate accounts to record and account for assets and liabilities for particular lines of business and/or transactions. For the current reporting year, the Company reported assets and liabilities from the following product lines/transactions into a separate account:

Variable Life Insurance Products
Variable Annuities
Separate Account Group Annuities

2. All Separate Account Assets of Liberty Life Assurance Company of Boston are legally insulated from the general account. As of December 31, 2016 and 2015 the amounts of legally insulated assets were \$108,425,664 and \$101,774,512, respectively.
3. All of the Company's Separate Accounts are non-guaranteed.
4. The Separate Accounts of the Company do not participate in security lending transactions.

B. General Nature and Characteristics of Separate Accounts Business

	Nonguaranteed Separate Accounts
1. Premiums, considerations or deposits for year	\$2,386,223
2. Market Value invested assets at 12/31/2016	108,425,664
3. Assets Categorized by Withdrawal Characteristics:	
a. Subject to Discretionary Withdrawal	-
b. With Market Value adjustment	-
c. At book value without MV adjustment and with current surrender charge 5% or more	-
d. At Market Value	38,531,256
e. At book value without MV adjustment and with current surrender charge less than 5%	-
f. Subtotal	38,531,256
g. Not subject to discretionary withdrawal	69,894,408
h. Total withdrawal	-
4. Total Market Value	\$108,425,664

Separate Accounts assets and liabilities represent designated funds held and invested by the Company for the benefit of contract holders. Separate Accounts invested assets are carried at market value. Investment income and changes in asset values do not affect the operating results of the Company. Separate Accounts business is maintained independently from the general account of the Company. The Company provides administrative services for these contracts.

C. Reconciliation of Net Transfers to (from) Separate Accounts and the General Account

1. Transfers as reported in the Separate Accounts Statement:	
a. Transfers to Separate Accounts (Page 4 Line 1.4)	\$2,386,223
b. Transfers from Separate Accounts (Page 4, Line 10)	4,122,436
c. Net transfers	(\$1,736,213)
2. Reconciling Adjustments:	
a. Net transfer of reserves from (to) Separate Accounts	(\$332,328)
b. Other transfers to Separate Accounts	\$306,006
3. Transfers as reported in the Summary of Operations of the Life, Accident & Health Annual Statement	(\$1,762,535)

Note 35 - Loss/Claim Adjustment Expenses

- A. The balance in the liability for unpaid accident and health claim adjustment expenses as of 2016 and 2015 was \$108.3 million and \$ 77.6 million, respectively.
- B. The Company incurred \$118.5 million of claim adjustment expenses in 2016.
- C. The Company paid \$87.8 million of claim adjustment expenses in 2016, of which \$56.5 million of the paid amount is attributable to insured or covered events of prior years.
- D. The Company does not have any anticipated salvage or subrogation in its loss adjustment expense reserves.

GENERAL INTERROGATORIES

PART 1 – COMMON INTERROGATORIES

GENERAL

- 1.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer? Yes No]
- If yes, complete Schedule Y, Parts 1, 1A and 2.
- 1.2 If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations? Yes No N/A]
- 1.3 State Regulating? New Hampshire
- 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]
- 2.2 If yes, date of change: _____
- 3.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/2013
- 3.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. 12/31/2013
- 3.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). 06/17/2015
- 3.4 By what department or departments?
New Hampshire

- 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]
- 3.6 Have all of the recommendations within the latest financial examination report been complied with? Yes No N/A]
- 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]
- 4.12 renewals? Yes No]
- 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]
- 4.22 renewals? Yes No]
- 5.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes No]
- 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.

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

GENERAL INTERROGATORIES

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

6.2 If yes, give full information:

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

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

1 Nationality	2 Type of Entity
.....
.....

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

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

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

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

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

9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?
 Ernst & Young LLP, 200 Clarendon Street, Boston, MA

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:

GENERAL INTERROGATORIES

10.5 Has the reporting entity established an Audit Committee in compliance with the domiciliary state insurance laws? Yes 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?

Mary Madden, 100 Liberty Way, Dover, NH 03820, Employee

.....

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

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:

.....

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

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

.....

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

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

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

14.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards?

- 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.

Yes No

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

.....

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

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

.....

GENERAL INTERROGATORIES

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

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

.....

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

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

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

BOARD OF DIRECTORS

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

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

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

FINANCIAL

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

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

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

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

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

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

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

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

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

GENERAL INTERROGATORIES

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	\$ _____

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

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

INVESTMENT

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

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

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

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

24.05 If answer to 24.04 is yes, report amount of collateral for conforming programs. \$ 528,491,878

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? Yes No N/A

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

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

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 \$ 373,194,628

24.102 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2 \$ 373,194,628

24.103 Total payable for securities lending reported on the liability page \$ 373,194,628

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 No

GENERAL INTERROGATORIES

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

25.21	Subject to repurchase agreements	\$ _____
25.22	Subject to reverse repurchase agreements	\$ _____
25.23	Subject to dollar repurchase agreements	\$ _____
25.24	Subject to reverse dollar repurchase agreements	\$ _____
25.25	Placed under option agreements	\$ _____
25.26	Letter stock or securities restricted as to sale - excluding FHLB Capital Stock	\$ _____
25.27	FHLB Capital Stock	\$ <u>5,147,800</u>
25.28	On deposit with states	\$ <u>5,354,906</u>
25.29	On deposit with other regulatory bodies	\$ <u>5,782,298</u>
25.30	Pledged as collateral - excluding collateral pledged to an FHLB	\$ _____
25.31	Pledged as collateral to FHLB - including assets backing funding agreements	\$ _____
25.32	Other	\$ _____

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?
If no, attach a description with this statement. Yes [] No [] N/A [X]

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. \$ _____

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

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

1 Name of Custodian(s)	2 Custodian's Address
JP Morgan Chase	1 Chase Manhattan Plaza, New York, NY 10005
Royal Trust	77 King Street West, Toronto, Ontario M5W 1P9

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]

GENERAL INTERROGATORIES

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 Firm or Individual	2 Affiliation
Liberty Mutual Group Asset Management Inc.	A
Liberty Mutual Investment Advisors, LLC	A
StanCorp	U
Prudential Mortgage Capital Company	U

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

28.059 For firms/individuals unaffiliated with the reporting entity (i.e., designated with a "U") listed in the table for Question 28.05, does the total assets under management aggregate to more than 50% of the reporting entity's assets? Yes [] No [X]

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

1 Name Firm or Individual	2 Central Registration Depository Number	3 Legal Entity Identifier (LEI)	4 Registered With	5 Investment Management Agreement (IMA) Filed
Liberty Mutual Group Asset Manageme	N/A	N/A	Not a registered investment advisor	DS
Liberty Mutual Investment Advisors, LL	N/A	N/A	Not a registered investment advisor	DS
StanCorp	N/A	N/A	Not a registered investment advisor	DS
Prudential Mortgage Capital Company	N/A	N/A	Not a registered investment advisor	DS

29.1 Does the reporting entity have any diversified mutual funds reported in Schedule D – Part 2 (diversified according to the Securities and Exchange Commission (SEC) in the Investment Company Act of 1940 [Section 5 (b) (1)])? Yes [] No [X]

29.2 If yes, complete the following schedule:

1 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

GENERAL INTERROGATORIES

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	15,201,626,323	16,119,406,530	917,780,207
30.2 Preferred stocks	573,866	376,875	(196,991)
30.3 Totals	15,202,200,189	16,119,783,405	917,583,216

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

The primary source for reported fair values is our pricing vendor, Interactive Data Corporation, followed by backfill from Reuters, Bloomberg, Barclays, Merrill Lynch, and Markit for Term Loan securities. Lastly, management determines fair value based on quoted market prices of similar financial instruments or by using industry recognized valuation techniques.

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

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

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

.....

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

32.2 If no, list exceptions:

.....

OTHER

33.1 Amount of payments to trade associations, service organizations and statistical or Rating Bureaus, if any? \$ 531,230

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

1 Name	2 Amount Paid
American Council of Life Insurers	\$ 172,757
	\$
	\$

34.1 Amount of payments for legal expenses, if any? \$ 295,849

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

1 Name	2 Amount Paid
Sutherland, Asbill & Brennan LLP	\$ 88,818
	\$
	\$

35.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers or departments of government, if any? \$ 202,494

GENERAL INTERROGATORIES

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

1 Name	2 Amount Paid
.....	\$
.....	\$
.....	\$

GENERAL INTERROGATORIES

PART 2 – LIFE INTERROGATORIES

1.1 Does the reporting entity have any direct Medicare Supplement Insurance in force? Yes [] No [X]
 1.2 If yes, indicate premium earned on U.S. business only. \$ _____
 1.3 What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit? \$ _____

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. \$ _____
 1.5 Indicate total incurred claims on all Medicare Supplement insurance. \$ _____

1.6 Individual policies:

Most current three years:

1.61 Total premium earned \$ _____
 1.62 Total incurred claims \$ _____
 1.63 Number of covered lives _____

All years prior to most current three years:

1.64 Total premium earned \$ _____
 1.65 Total incurred claims \$ _____
 1.66 Number of covered lives _____

1.7 Group policies:

Most current three years:

1.71 Total premium earned \$ _____
 1.72 Total incurred claims \$ _____
 1.73 Number of covered lives _____

All years prior to most current three years:

1.74 Total premium earned \$ _____
 1.75 Total incurred claims \$ _____
 1.76 Number of covered lives _____

2. Health Test:

	1		2	
	Current Year		Prior Year	
2.1 Premium Numerator	\$ _____		\$ _____	
2.2 Premium Denominator	\$ 2,714,543,005		\$ 2,501,100,088	
2.3 Premium Ratio (2.1 / 2.2)				
2.4 Reserve Numerator	\$ _____		\$ _____	
2.5 Reserve Denominator	\$ 13,955,897,565		\$ 12,841,108,017	
2.6 Reserve Ratio (2.4 / 2.5)				

3.1 Does this reporting entity have Separate Accounts? Yes [X] No []

3.2 If yes, has a Separate Accounts statement been filed with this Department? Yes [X] No [] N/A []

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? \$ _____

3.4 State the authority under which Separate Accounts are maintained:

New Hampshire general law and resolution by Board of Directors.

.....

.....

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)?" \$ _____

4.1 Are personnel or facilities of this reporting entity used by another entity or entities or are personnel or facilities of another entity or entities used by this reporting entity (except for activities such as administration of jointly underwritten group contracts and joint mortality or morbidity studies)? Yes [X] No []

4.2 Net reimbursement of such expenses between reporting entities:

4.21 Paid \$ 401,949,116
 4.22 Received \$ _____

5.1 Does the reporting entity write any guaranteed interest contracts? Yes [] No [X]

5.2 If yes, what amount pertaining to these items is included in:

5.21 Page 3, Line 1 \$ _____
 5.22 Page 4, Line 1 \$ _____

6. For stock reporting entities only:

6.1 Total amount paid in by stockholders as surplus funds since organization of the reporting entity: \$ 861,893,842

7. Total dividends paid stockholders since organization of the reporting entity:

7.11 Cash \$ 8,900,000
 7.12 Stock \$ _____

8.1 Does the company 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]

8.2 If yes, has the reporting entity completed the Workers' Compensation Carve-Out Supplement to the Annual Statement? Yes [] No []

8.3 If 8.1 is yes, the amounts of earned premiums and claims incurred in this statement are:

	1		2		3
	Reinsurance Assumed		Reinsurance Ceded		Net Retained
8.31 Earned premium	_____		_____		_____
8.32 Paid claims	_____		_____		_____
8.33 Claim liability and reserve (beginning of year)	_____		_____		_____
8.34 Claim liability and reserve (end of year)	_____		_____		_____
8.35 Incurred claims	_____		_____		_____

GENERAL INTERROGATORIES

PART 2 – LIFE INTERROGATORIES

8.4 If reinsurance assumed included amounts with attachment points below \$1,000,000, the distribution of the amounts reported in Lines 8.31 and 8.34 for Column (1) are:

	Attachment Point	1 Earned Premium	2 Claim Liability and Reserve
8.41	<\$25,000	.....	.....
8.42	\$25,000 - 99,999	.....	.....
8.43	\$100,000 -249,999	.....	.....
8.44	\$250,000 - 999,999	.....	.....
8.45	\$1,000,000 or more	.....	.....

8.5 What portion of earned premium reported in 8.31, Column 1 was assumed from pools? \$ _____

9.1 Does the company have variable annuities with guaranteed benefits? Yes No

9.2 If 9.1 is yes, complete the following table for each type of guaranteed benefit.

Type		3	4	5	6	7	8	9
1 Guaranteed Death Benefit	2 Guaranteed Living Benefit	Waiting Period Remaining	Account Value Related to Col. 3	Total Related Account Values	Gross Amount of Reserve	Location of Reserve	Portion Reinsured	Reinsurance Reserve Credit
Greater of total premi	None	NA	NA	1,866,960	7,449	Exhibit 5	0	
Greater of total premi	None	NA	NA	3,504,576	11,119	Exhibit 5	0	

10. For reporting entities having sold annuities to another issuer 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:

10.1 Amount of loss reserves established by these annuities during the current year: \$ _____

10.2 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)
.....	\$
.....	\$
.....	\$

11.1 Do you act as a custodian for health savings accounts? Yes No

11.2 If yes, please provide the amount of custodial funds held as of the reporting date. \$ _____

11.3 Do you act as an administrator for health savings accounts? Yes No

11.4 If yes, please provide the balance of the funds administered as of the reporting date. \$ _____

12.1 Are any of the captive affiliates reported on Schedule S, Part 3, authorized reinsurers? Yes No N/A

12.2 If the answer to 12.1 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
.....

13. Provide the following for individual ordinary life insurance* policies (U.S. business only) for the current year (prior to reinsurance assumed or ceded).

13.1 Direct Premium Written	\$	667,734,834
13.2 Total Incurred Claims	\$	190,449,302
13.3 Number of Covered Lives		421,426

*Ordinary Life Insurance Includes
Term (whether full underwriting, limited underwriting, jet issue, "short form app")
Whole Life (whether full underwriting, limited underwriting, jet issue, "short form app")
Variable Life (with or without secondary guarantee)
Universal Life (with or without secondary guarantee)
Variable Universal Life (with or without secondary guarantee)

FIVE – YEAR HISTORICAL DATA

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

Show amounts of life insurance in this exhibit in thousands (OMIT \$000)

	1	2	3	4	5
	2016	2015	2014	2013	2012
Life Insurance in Force					
(Exhibit of Life Insurance)					
1. Ordinary-whole life and endowment (Line 34, Col. 4)	16,881,761	16,170,596	15,198,037	14,029,608	12,967,211
2. Ordinary-term (Line 21, Col. 4, less Line 34, Col. 4)	45,465,175	42,083,270	38,671,552	36,090,626	33,721,124
3. Credit life (Line 21, Col. 6)					
4. Group, excluding FEGLI/SGLI (Line 21, Col. 9 less Lines 43 & 44, Col. 4)	253,083,509	197,972,613	148,946,517	118,054,035	96,588,413
5. Industrial (Line 21, Col. 2)					
6. FEGLI/SGLI (Lines 43 & 44, Col. 4)					
7. Total (Line 21, Col. 10)	315,430,445	256,226,479	202,816,106	168,174,269	143,276,748
New Business Issued					
(Exhibit of Life Insurance)					
8. Ordinary-whole life and endowment (Line 34, Col. 2)	1,362,769	1,606,003	1,757,133	1,628,622	1,682,199
9. Ordinary-term (Line 2, Col. 4, less Line 34, Col. 2)	5,587,134	5,643,655	4,797,750	4,615,283	4,582,066
10. Credit life (Line 2, Col. 6)					
11. Group (Line 2, Col. 9)	58,135,867	48,736,133	28,801,578	22,737,097	12,516,706
12. Industrial (Line 2, Col. 2)					
13. Total (Line 2, Col. 10)	65,085,770	55,985,791	35,356,461	28,981,002	18,780,971
Premium Income - Lines of Business					
(Exhibit 1 – Part 1)					
14. Industrial life (Line 20.4, Col. 2)					
15.1 Ordinary life insurance (Line 20.4, Col. 3)	575,155,032	583,110,130	612,159,516	548,616,394	594,948,181
15.2 Ordinary individual annuities (Line 20.4, Col. 4)	705,255,370	687,159,621	778,719,418	662,922,195	427,975,911
16. Credit life, (group and individual) (Line 20.4, Col. 5)					
17.1 Group life insurance (Line 20.4, Col. 6)	489,227,837	392,786,848	300,868,052	226,750,668	195,030,886
17.2 Group annuities (Line 20.4, Col. 7)				2,000	1,000
18.1 A & H-group (Line 20.4, Col. 8)	944,901,854	838,039,874	718,825,544	657,624,440	589,112,663
18.2 A & H-credit (group and individual) (Line 20.4, Col. 9)					
18.3 A & H-other (Line 20.4, Col. 10)	2,912	3,615	4,280	5,544	7,314
19. Aggregate of all other lines of business (Line 20.4, Col. 11)					
20. Total	2,714,543,005	2,501,100,088	2,410,576,810	2,095,921,241	1,807,075,955
Balance Sheet					
(Pages 2 and 3)					
21. Total admitted assets excluding Separate Accounts business (Page 2, Line 26, Col. 3)	17,370,864,530	15,952,298,443	14,528,340,838	13,005,869,465	12,051,307,622
22. Total liabilities excluding Separate Accounts business (Page 3, Line 26)	16,209,904,196	14,985,851,694	13,625,899,952	12,288,987,941	11,362,669,476
23. Aggregate life reserves (Page 3, Line 1)	11,693,519,458	10,797,622,237	9,896,637,432	8,816,718,056	7,933,778,555
24. Aggregate A & H reserves (Page 3, Line 2)	2,113,019,167	1,932,958,284	1,766,562,794	1,608,616,588	1,495,794,099
25. Deposit-type contract funds (Page 3, Line 3)	1,364,827,367	1,234,135,060	1,102,888,659	1,017,120,891	946,955,050
26. Asset valuation reserve (Page 3, Line 24.01)	112,674,011	100,273,653	94,090,812	82,909,987	91,310,767
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)	1,158,460,334	963,946,749	899,940,886	714,381,524	686,138,146
Cash Flow (Page 5)					
29. Net cash from operations (Line 11)	1,228,988,280	1,158,796,543	1,245,431,060	1,118,917,637	941,453,283
Risk-Based Capital Analysis					
30. Total adjusted capital	1,276,351,525	1,069,896,894	999,691,920	799,791,511	783,811,077
31. Authorized control level risk-based capital	188,647,502	164,844,080	145,831,124	121,227,029	115,445,082
Percentage Distribution of Cash, Cash Equivalents and Invested Assets					
(Page 2, Col. 3) (Line No./Page 2, Line 12, Col. 3) x 100.0					
32. Bonds (Line 1)	87.4	87.8	90.1	90.9	88.8
33. Stocks (Lines 2.1 and 2.2)	0.1	0.1	0.2	0.2	1.0
34. Mortgage loans on real estate (Lines 3.1 and 3.2)	6.0	5.8	3.6	2.9	2.0
35. Real estate (Lines 4.1, 4.2 and 4.3)					
36. Cash, cash equivalents and short-term investments (Line 5)	1.8	1.1	1.4	1.0	1.3
37. Contract loans (Line 6)	0.8	0.8	0.9	0.9	1.0
38. Derivatives (Page 2, Line 7)					
39. Other invested assets (Line 8)	1.7	1.8	1.8	1.7	1.7
40. Receivables for securities (Line 9)	0.1	0.0	0.0	0.0	0.1
41. Securities lending reinvested collateral assets (Line 10)	2.2	2.6	2.0	2.4	4.2
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	2	3	4	5
	2016	2015	2014	2013	2012
Investments in Parent, Subsidiaries and Affiliates					
44. Affiliated bonds (Sch. D Summary, Line 12, Col. 1)					
45. Affiliated preferred stocks (Sch. D Summary, Line 18, Col. 1)					
46. Affiliated common stocks (Sch. D Summary, Line 24, Col. 1)	16,146,597	15,853,573	15,517,570	15,040,513	109,188,986
47. Affiliated short-term investments (subtotal included in Schedule DA Verification, Col. 5, Line 10)					
48. Affiliated mortgage loans on real estate					
49. All other affiliated					
50. Total of above Lines 44 to 49	16,146,597	15,853,573	15,517,570	15,040,513	109,188,986
51. Total investment in parent included in Lines 44 to 49 above					
Total Nonadmitted and Admitted Assets					
52. Total nonadmitted assets (Page 2, Line 28, Col. 2)	106,020,303	109,320,158	137,459,865	133,458,149	94,280,569
53. Total admitted assets (Page 2, Line 28, Col. 3)	17,479,290,194	16,054,072,955	14,628,754,778	13,115,090,983	12,403,179,525
Investment Data					
54. Net investment income (Exhibit of Net Investment Income)	733,064,499	691,116,148	637,392,786	607,888,826	571,705,065
55. Realized capital gains (losses) (Page 4, Line 34, Column 1)	8,074,780	6,561,963	2,850,210	(5,923,028)	(24,797)
56. Unrealized capital gains (losses) (Page 4, Line 38, Column 1)	(5,342,831)	604,348	12,361,085	(17,916,810)	3,751,940
57. Total of above Lines 54, 55 and 56	735,796,448	698,282,459	652,604,081	584,048,988	575,432,208
Benefits and Reserve Increase (Page 6)					
58. Total contract benefits-life (Lines 10, 11, 12, 13, 14 and 15, Col.1 minus Lines 10, 11, 12, 13, 14 and 15, Cols. 9, 10 and 11)	1,128,319,857	1,008,689,557	858,612,756	775,840,186	672,962,200
59. Total contract benefits-A & H (Lines 13 & 14, Cols. 9, 10 & 11)	621,089,195	590,880,516	520,447,557	468,586,475	447,852,104
60. Increase in life reserves-other than group and annuities (Line 19, Cols. 2 & 3)	381,465,946	399,923,535	470,122,473	388,827,786	478,205,717
61. Increase in A & H reserves (Line 19, Cols. 9, 10 & 11)	228,360,883	166,395,490	157,946,206	112,822,489	89,955,246
62. Dividends to policyholders (Line 30, Col. 1)	5,630,674	6,372,210	6,121,550	6,300,268	7,547,853
Operating Percentages					
63. Insurance expense percent (Page 6, Col. 1, Lines 21, 22 & 23 less Line 6)/(Page 6 Col. 1, Line 1 plus Exhibit 7, Col. 2, Line 2) x 100.00	16.6	14.4	11.6	13.1	13.4
64. Lapse percent (ordinary only) [Exhibit of Life Insurance, Column 4, Lines 14 & 15] / ½ (Exhibit of Life Insurance, Column 4, Lines 1 & 21)] x 100.00	4.8	5.3	5.6	5.9	6.1
65. A & H loss percent (Schedule H, Part 1, Lines 5 & 6, Col. 2)	85.0	90.6	94.7	88.8	91.7
66. A & H cost containment percent (Schedule H, Part 1, Line 4, Col. 2)	0.2	0.3	0.3	0.3	0.5
67. A & H expense percent excluding cost containment expenses (Schedule H, Part 1, Line 10, Col. 2)	24.6	15.9	14.3	18.5	16.6
A & H Claim Reserve Adequacy					
68. Incurred losses on prior years' claims-group health (Sch. H, Part 3, Line 3.1, Col. 2)	1,890,758,412	1,746,587,107	1,628,964,346	1,427,893,720	1,351,467,610
69. Prior years' claim liability and reserve-group health (Sch. H, Part 3, Line 3.2, Col. 2)	1,962,339,783	1,791,001,062	1,631,028,070	1,517,655,144	1,426,293,039
70. Incurred losses on prior years' claims-health other than group (Sch. H, Part 3, Line 3.1, Col. 1 less Col. 2)	108,248	138,867	190,950	175,971	157,989
71. Prior years' claim liability and reserve-health other than group (Sch. H, Part 3, Line 3.2, Col. 1 less Col. 2)	107,273	143,240	156,376	153,946	146,032
Net Gains From Operations After Federal Income					
Taxes by Lines of Business					
(Page 6, Line 33)					
72. Industrial life (Col. 2)					
73. Ordinary-life (Col. 3)	18,245,253	(11,519,815)	(3,588,402)	11,984,307	(4,281,894)
74. Ordinary-individual annuities (Col. 4)	3,815,207	3,495,858	1,699,847	(1,747,302)	3,530,947
75. Ordinary-supplementary contracts (Col. 5)	(101,060)	(72,599)	(243,799)	(232,264)	(265,704)
76. Credit life (Col. 6)					
77. Group life (Col. 7)	10,010,220	28,564,109	18,781,258	9,025,735	5,205,547
78. Group annuities (Col. 8)	252,971	(1,281,351)	234,639	1,341,021	989,911
79. A & H-group (Col. 9)	(34,936,932)	44,155,599	17,277,449	24,721,087	26,219,928
80. A & H-credit (Col. 10)					
81. A & H-other (Col. 11)	(12,095)	4,850	(13,126)	(18,634)	(24,411)
82. Aggregate of all other lines of business (Col. 12)					
83. Total (Col. 1)	(2,726,436)	63,346,651	34,147,866	45,073,950	31,374,324

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 [X]

If no, please explain:

Not applicable. We have not been the party to a merger.

EXHIBIT OF LIFE INSURANCE

	Industrial		Ordinary		Credit Life (Group and Individual)		Group			10 Total Amount of Insurance (a)
	1 Number of Policies	2 Amount of Insurance (a)	3 Number of Policies	4 Amount of Insurance (a)	5 Number of Individual Policies and Group Certificates	6 Amount of Insurance (a)	7 Number of		9 Amount of Insurance (a)	
							7 Policies	8 Certificates		
1. In force end of prior year			405,954	58,253,866			506	1,895,341	197,972,613	256,226,479
2. Issued during year			38,861	6,949,903			134	468,566	58,135,867	65,085,770
3. Reinsurance assumed										
4. Revived during year			1,228	553,148						553,148
5. Increased during year (net)			2,884					101,725	13,544,404	13,544,404
6. Subtotals, Lines 2 to 5			42,973	7,503,051			134	570,291	71,680,271	79,183,322
7. Additions by dividends during year	X X X		X X X	(517)	X X X		X X X	X X X		(517)
8. Aggregate write-ins for increases										
9. Totals (Lines 1 and 6 to 8)			448,927	65,756,400			640	2,465,632	269,652,884	335,409,284
Deductions during year:										
10. Death			3,030	183,875			X X X	6,641	350,315	534,190
11. Maturity			13	87			X X X			87
12. Disability							X X X			
13. Expiry			1,134	51,553						51,553
14. Surrender			11,330	1,315,112				116	5,122	1,320,234
15. Lapse			10,488	1,608,692			31	200,430	16,213,111	17,821,803
16. Conversion			1,506	157,198			X X X	X X X	X X X	157,198
17. Decreased (net)				92,947				(2)	827	93,774
18. Reinsurance										
19. Aggregate write-ins for decreases										
20. Totals (Lines 10 to 19)			27,501	3,409,464			31	207,185	16,569,375	19,978,839
21. In force end of year (Line 9 minus Line 20)			421,426	62,346,936			609	2,258,447	253,083,509	315,430,445
22. Reinsurance ceded end of year	X X X		X X X	44,274,535	X X X		X X X	X X X	229,131	44,503,666
23. Line 21 minus Line 22	X X X		X X X	18,072,401	X X X	(b)	X X X	X X X	252,854,378	270,926,779
DETAILS OF WRITE-IN LINES										
0801.										
0802.										
0803.										
0898. Summary of remaining write-ins for Line 08 from overflow page										
0899. Totals (Lines 0801 through 0803 plus 0898) (Line 08 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)										

(a) Amounts of life insurance in this exhibit shall be shown in thousands (omit 000)

(b) Group \$ 0; Individual \$ 0

EXHIBIT OF LIFE INSURANCE (Continued)**ADDITIONAL INFORMATION ON INSURANCE IN FORCE END OF YEAR**

	Industrial		Ordinary	
	1 Number of Policies	2 Amount of Insurance (a)	3 Number of Policies	4 Amount of Insurance (a)
24. Additions by dividends	X X X		X X X	331,820
25. Other paid-up insurance			84,073	5,959,012
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 (a)	3 Number of Policies	4 Amount of Insurance (a)
27. Term policies - decreasing			1,639	79,182
28. Term policies - other	19,848	5,570,652	166,170	44,265,827
29. Other term insurance - decreasing	X X X		X X X	6,490
30. Other term insurance	X X X	12,298	X X X	688,669
31. Totals, (Lines 27 to 30)	19,848	5,582,950	167,809	45,040,168
Reconciliation to Lines 2 and 21:				
32. Term additions	X X X		X X X	294,059
33. Totals, extended term insurance	X X X	X X X	4,854	130,948
34. Totals, whole life and endowment	19,013	1,362,769	248,763	16,881,761
35. Totals (Lines 31 to 34)	38,861	6,945,719	421,426	62,346,936

CLASSIFICATION OF AMOUNT OF INSURANCE (a) 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	6,910,362	39,540	59,669,163	2,677,773
38. Credit Life (Group and Individual)				
39. Group	58,136,067		252,704,950	
40. Totals (Lines 36 to 39)	65,046,429	39,540	312,374,113	2,677,773

ADDITIONAL INFORMATION ON CREDIT LIFE AND GROUP INSURANCE

	Credit Life		Group	
	1 Number of Individual Policies and Group Certificates	2 Amount of Insurance (a)	3 Number of Certificates	4 Amount of Insurance (a)
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	NONE			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 (a)	335,256
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BASIS OF CALCULATION OF ORDINARY TERM INSURANCE

47. State basis of calculation of (47.1) decreasing term insurance contained in Family Income, Mortgage Protection, etc., policies and riders and of (47.2) term insurance on wife and children under Family, Parent and Children, etc., policies and riders included above.
47.1 Current commuted value or scheduled amount, except mortgage protection on policies issued 1/31/81 and prior which is 1.1 times the scheduled amount.
47.2 Family Protection at \$5,000 per unit. Children's Protection at \$2,500 per unit.

POLICIES WITH DISABILITY PROVISIONS

Disability Provision	Industrial		Ordinary		Credit		Group	
	1 Number of Policies	2 Amount of Insurance (a)	3 Number of Policies	4 Amount of Insurance (a)	5 Number of Policies	6 Amount of Insurance (a)	7 Number of Certificates	8 Amount of Insurance (a)
48. Waiver of Premium			41,990	3,350,991			1,769,220	198,626,091
49. Disability Income								
50. Extended Benefits			X X X	X X X				
51. Other								
52. Total		(b)	41,990	(b) 3,350,991		(b)	1,769,220	(b) 198,626,091

(a) Amounts of life insurance in this exhibit shall be shown in thousands (omit 000).

(b) See Paragraph 9 of the Annual Audited Financial Reports in the General 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	85	42	2	
2. Issued during year		9		
3. Reinsurance assumed				
4. Increased during year (net)		7		
5. Total (Lines 1 to 4)	85	58	2	
Deductions during year:				
6. Decreased (net)	14	17		
7. Reinsurance ceded				
8. Totals (Lines 6 and 7)	14	17		
9. In force end of year	71	41	2	
10. Amount on deposit		(a) 1,177,936		(a)
11. Income now payable	71	41	2	
12. Amount of income payable	(a) 187,681	(a) 1,144,780	(a) 4,731	(a)

ANNUITIES

	Ordinary		Group	
	1 Immediate	2 Deferred	3 Contracts	4 Certificates
1. In force end of prior year	34,686	26,604	77	15,689
2. Issued during year	1,919	7,339		
3. Reinsurance assumed				
4. Increased during year (net)	(113)	(20)		
5. Total (Lines 1 to 4)	36,492	33,923	77	15,689
Deductions during year:				
6. Decreased (net)	733	1,891		692
7. Reinsurance ceded				
8. Totals (Lines 6 and 7)	733	1,891		692
9. In force end of year	35,759	32,032	77	14,997
Income now payable:				
10. Amount of income payable	(a) 501,189,777	X X X	X X X	(a) 22,125,201
Deferred fully paid:				
11. Account Balance	X X X	(a) 2,463,481,859	X X X	(a) 30,776,528
Deferred not fully paid:				
12. Account Balance	X X X	(a) 33,915,306	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	4,026,536	884,895,000			30	4,069
2. Issued during year	442,642	90,796,000				
3. Reinsurance assumed						
4. Increased during year (net)	120,250	X X X		X X X		X X X
5. Total (Lines 1 to 4)	4,589,428	X X X		X X X	30	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)	174,528	X X X		X X X	8	X X X
8. Reinsurance ceded		X X X		X X X		X X X
9. Totals (Lines 6 to 8)	174,528	X X X		X X X	8	X X X
10. In force end of year	4,414,900	(a) 990,978,000		(a)	22	(a) 2,857

DEPOSIT FUNDS AND DIVIDEND ACCUMULATIONS

	1 Deposit Funds Contracts	2 Dividend Accumulations Contracts
1. In force end of prior year	42,070	4,171
2. Issued during year	3,005	
3. Reinsurance assumed		
4. Increased during year (net)	8	
5. Total (Lines 1 to 4)	45,083	4,171
Deductions during year:		
6. Decreased (net)	2,833	174
7. Reinsurance ceded		
8. Totals (Lines 6 and 7)	2,833	174
9. In force end of year	42,250	3,997
10. Amount of account balance	(a) 71,360,106	(a) 8,191,173

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

SCHEDULE T - PREMIUMS AND ANNUITY CONSIDERATIONS

Allocated by States and Territories

States, Etc.	1	Direct Business Only						
		Active Status	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	L	19,122,101	2,465,710	14,911,404		36,499,215	
2. Alaska	AK	L	344,526	300	895,050		1,239,876	
3. Arizona	AZ	L	15,107,546	3,163,537	18,134,807		36,405,890	
4. Arkansas	AR	L	6,997,685	2,567,690	11,736,954		21,302,329	
5. California	CA	L	94,633,742	5,701,819	181,707,235		282,042,796	1,390,043
6. Colorado	CO	L	10,754,250	514,004	12,274,969		23,543,223	(10,080)
7. Connecticut	CT	L	21,274,843	5,566,180	17,229,606		44,070,629	
8. Delaware	DE	L	6,900,570	243,008,613	2,362,922		252,272,105	120,580,629
9. District of Columbia	DC	L	2,559,479	2,251,175	1,906,993		6,717,647	837,500
10. Florida	FL	L	45,816,301	29,157,442	39,097,804		114,071,547	
11. Georgia	GA	L	30,487,328	3,460,447	27,331,903		61,279,678	100,000
12. Hawaii	HI	L	2,784,692	81,850	4,485,448		7,351,990	
13. Idaho	ID	L	1,592,986	94,975	1,886,374		3,574,335	
14. Illinois	IL	L	23,042,099	9,259,385	29,181,997		61,483,481	467,401
15. Indiana	IN	L	24,282,300	7,345,260	18,337,551		49,965,111	1,668,736
16. Iowa	IA	L	2,619,959		10,015,451		12,635,410	
17. Kansas	KS	L	2,902,448	12,044	4,834,602		7,749,094	
18. Kentucky	KY	L	17,778,054	1,693,917	16,734,917		36,206,888	
19. Louisiana	LA	L	10,655,239	3,516,823	13,588,868		27,760,930	
20. Maine	ME	L	11,073,007	8,643,950	9,233,894		28,950,851	
21. Maryland	MD	L	26,936,736	3,830,796	16,246,578		47,014,110	
22. Massachusetts	MA	L	49,791,655	19,482,150	46,248,168		115,521,973	823,036
23. Michigan	MI	L	32,522,226	15,056,896	22,679,278		70,258,400	214,633
24. Minnesota	MN	L	11,018,605	1,393,244	16,117,511		28,529,360	
25. Mississippi	MS	L	5,084,340	1,063,001	6,311,559		12,458,900	
26. Missouri	MO	L	15,057,562	3,340,947	13,396,358		31,794,867	
27. Montana	MT	L	639,485	250,000	1,535,118		2,424,603	
28. Nebraska	NE	L	3,207,321	30,000	3,766,097		7,003,418	(52,349)
29. Nevada	NV	L	5,483,650	674,139	4,579,621		10,737,410	126,151
30. New Hampshire	NH	L	10,082,311	4,079,874	4,383,696		18,545,881	228,580
31. New Jersey	NJ	L	46,147,726	35,771,518	28,765,287		110,684,531	
32. New Mexico	NM	L	2,713,284	73,094	4,112,152		6,898,530	
33. New York	NY	L	183,308,401	179,814,118	65,774,611		428,897,130	756,866
34. North Carolina	NC	L	26,273,085	7,240,312	42,042,681		75,556,078	750,000
35. North Dakota	ND	L	636,171		1,404,448		2,040,619	
36. Ohio	OH	L	45,914,515	9,802,545	26,720,219		82,437,279	
37. Oklahoma	OK	L	7,526,670	749,421	7,198,903		15,474,994	
38. Oregon	OR	L	6,816,271	194,528	9,980,942		16,991,741	
39. Pennsylvania	PA	L	79,479,903	13,460,701	34,909,495		127,850,099	
40. Rhode Island	RI	L	7,632,271	401,927	1,835,646		9,869,844	
41. South Carolina	SC	L	11,178,321	2,723,089	17,030,729		30,932,139	
42. South Dakota	SD	L	656,966	100,000	1,674,834		2,431,800	
43. Tennessee	TN	L	25,260,425	3,664,547	17,395,323		46,320,295	80,000
44. Texas	TX	L	73,499,308	10,625,991	78,066,251		162,191,550	
45. Utah	UT	L	7,447,391	425,630	7,054,461		14,927,482	
46. Vermont	VT	L	2,634,881	1,606,834	1,421,052		5,662,767	
47. Virginia	VA	L	25,164,412	3,231,519	25,642,809		54,038,740	
48. Washington	WA	L	12,026,303	172,341	10,406,667		22,605,311	
49. West Virginia	WV	L	6,402,160	2,232,097	5,342,095		13,976,352	
50. Wisconsin	WI	L	8,988,409	2,778,335	12,856,185		24,622,929	
51. Wyoming	WY	L	1,795,495	1,172	2,249,762		4,046,429	700,000
52. American Samoa	AS	N						
53. Guam	GU	N						
54. Puerto Rico	PR	N	277,884		804,458		1,082,342	
55. US Virgin Islands	VI	N						
56. Northern Mariana Islands	MP	N						
57. Canada	CAN	L	200,180		347,405		547,585	
58. Aggregate Other Alien	OT	X X X		52,479,528			52,479,528	82,397,994
59. Subtotal	(a) 51		1,092,533,478	705,255,415	974,189,148		2,771,978,041	211,059,140
90. Reporting entity contributions for employee benefits plans	X X X		49,143,313				49,143,313	
91. Dividends or refunds applied to purchase paid-up additions and annuities	X X X		4,651,590				4,651,590	
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		440,920		321		441,241	
94. Aggregate other amounts not allocable by State	X X X							
95. Totals (Direct Business)	X X X		1,146,769,301	705,255,415	974,189,469		2,826,214,185	211,059,140
96. Plus Reinsurance Assumed	X X X		9,433				9,433	
97. Totals (All Business)	X X X		1,146,778,734	705,255,415	974,189,469		2,826,223,618	211,059,140
98. Less Reinsurance Ceded	X X X		92,249,887		17,331,059		109,580,946	
99. Totals (All Business) less Reinsurance Ceded	X X X		1,054,528,847	705,255,415	(b) 956,858,410		2,716,642,672	211,059,140

DETAILS OF WRITE-INS								
58001. BRB Barbados		X X X		52,479,528			52,479,528	82,397,994
58002.		X X X						
58003.		X X X						
58998. Summary of remaining write-ins for Line 58 from overflow page		X X X						
58999. Total (Lines 58001 through 58003 plus 58998) (Line 58 above)		X X X		52,479,528			52,479,528	82,397,994
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. Total (Lines 9401 through 9403 plus 9498) (Line 94 above)		X X X						

NONE

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

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

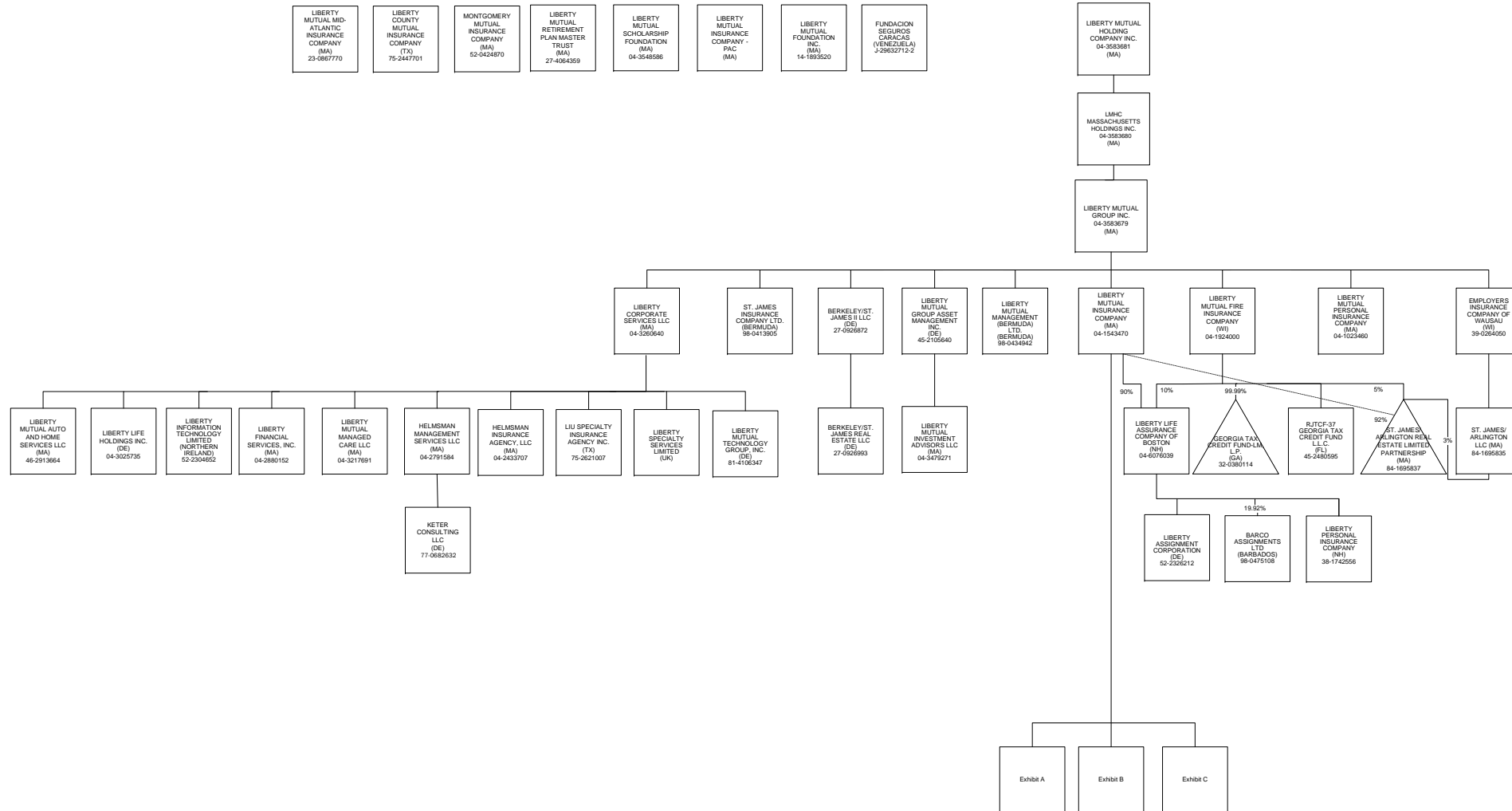
For Individual lines of business, premiums are reported based on the residence of the policyholder. For Group lines of business, premium is allocated based on the residence of the insured as provided by the policyholder.

(a) Insert the number of L responses except for Canada and Other Alien.

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

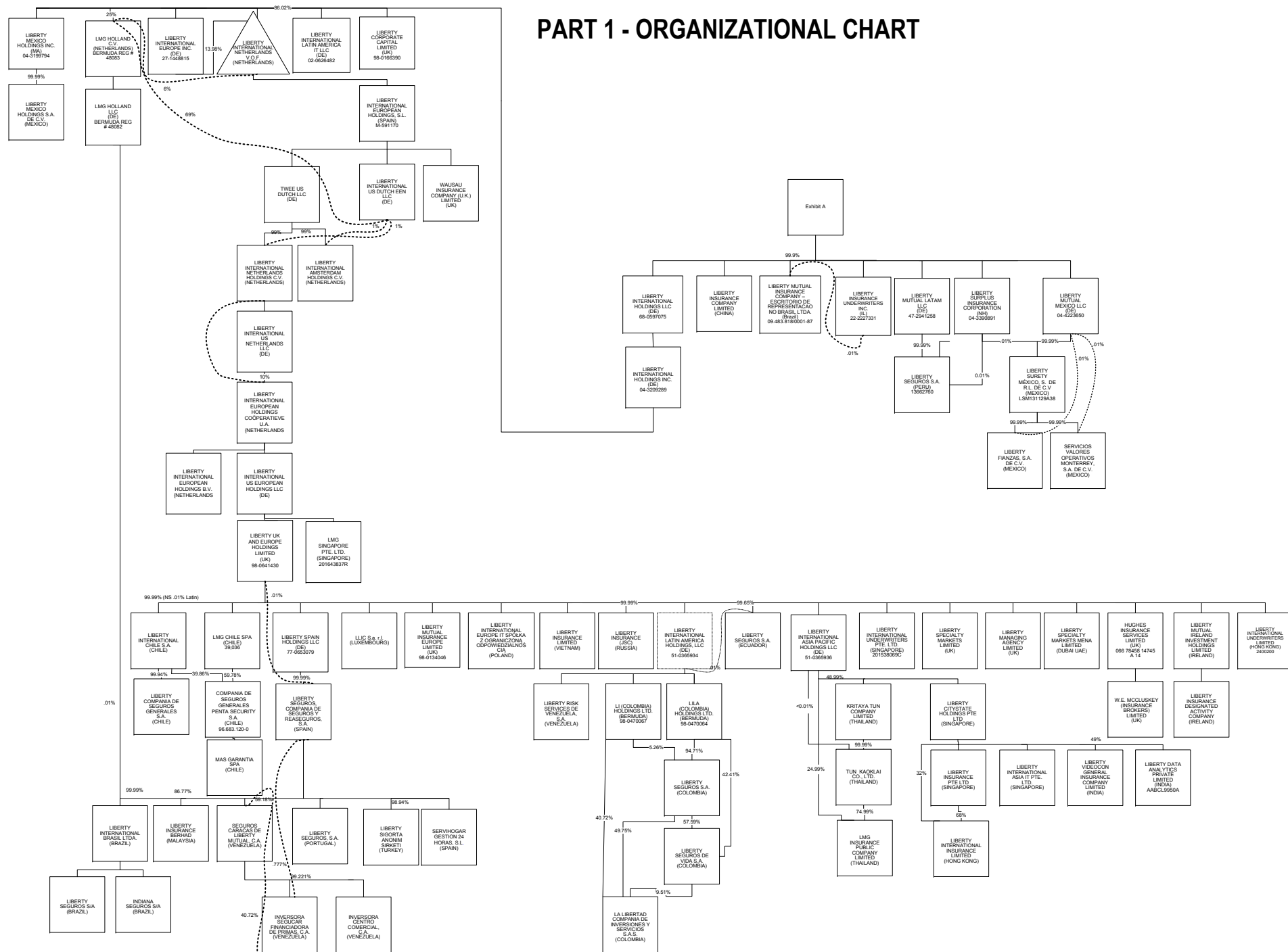
SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP

PART 1 - ORGANIZATIONAL CHART



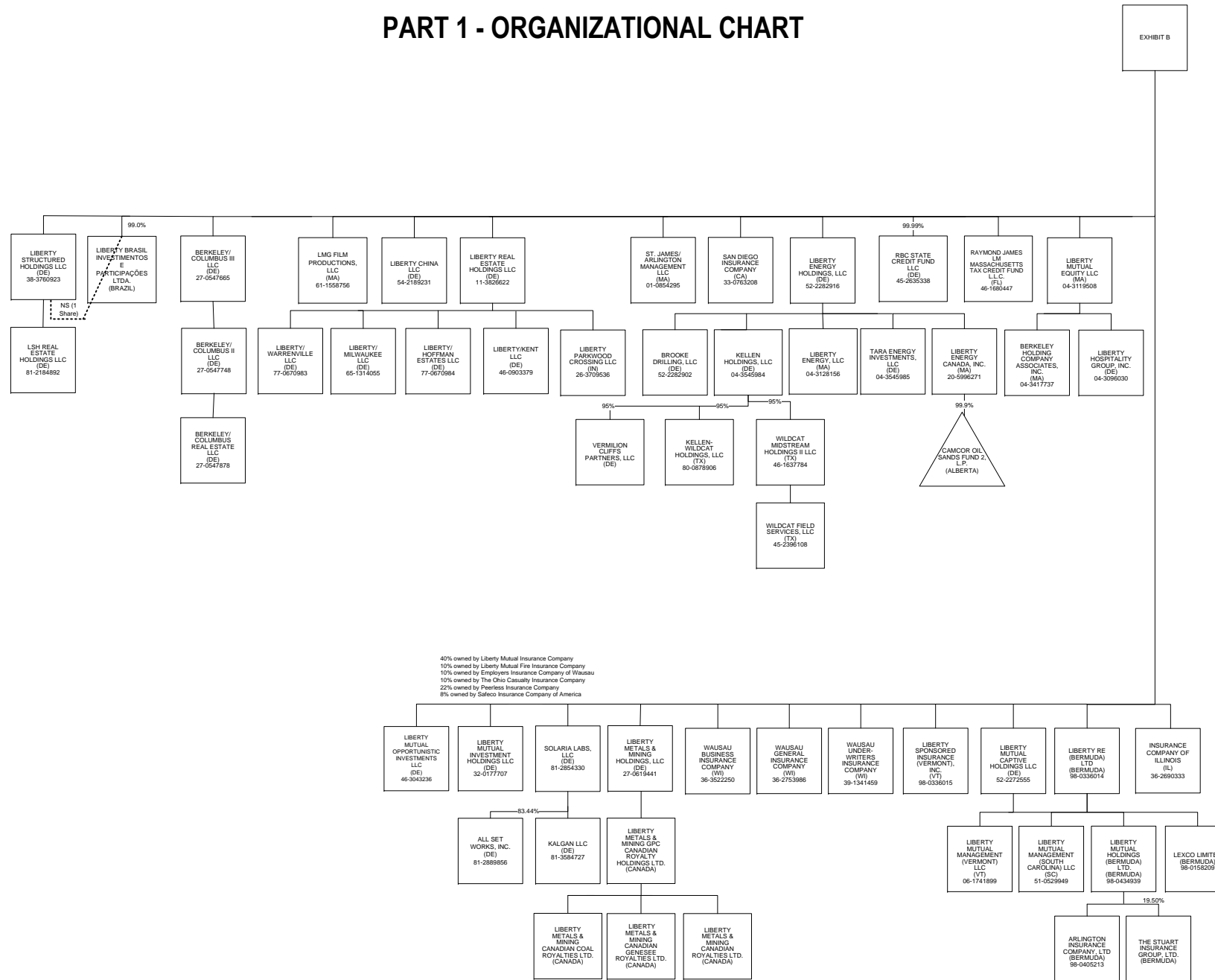
SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP

PART 1 - ORGANIZATIONAL CHART



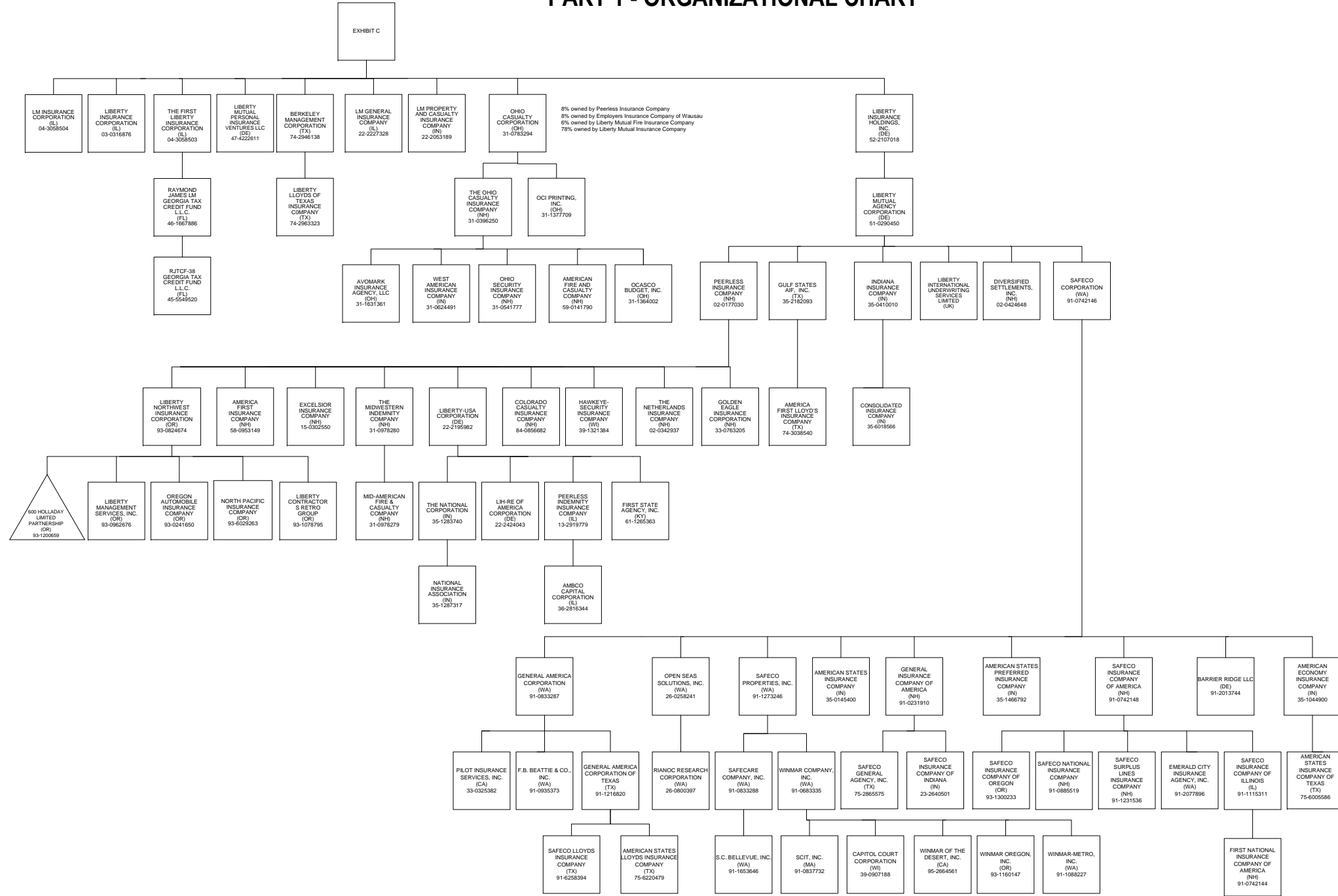
SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP

PART 1 - ORGANIZATIONAL CHART



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

PART 1 - ORGANIZATIONAL CHART



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