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# HEALTH QUARTERLY STATEMENT

**As of March 31, 2020**

of the Condition and Affairs of the

# USAble Mutual Insurance Company

NAIC Group Code.....876, 876 (Current Period) (Prior Period) — NAIC Company Code..... 83470 — Employer's ID Number..... 71-0226428

Organized under the Laws of Arkansas — State of Domicile or Port of Entry Arkansas — Country of Domicile US

Licensed as Business Type Life, Accident & Health — Is HMO Federally Qualified? Yes [ ] No [ ]

Incorporated/Organized..... December 10, 1948 — Commenced Business..... March 2, 1949

| | | |
|---|---|---|
| Statutory Home Office | 601 S. Gaines .. Little Rock .. AR .. US .. 72201<br>*(Street and Number) (City or Town, State, Country and Zip Code)* | |
| Main Administrative Office | 601 S. Gaines .. Little Rock .. AR .. US .. 72201<br>*(Street and Number) (City or Town, State, Country and Zip Code)* | 501-378-2000<br>*(Area Code) (Telephone Number)* |
| Mail Address | 601 S. Gaines .. Little Rock .. AR .. US .. 72201<br>*(Street and Number or P. O. Box) (City or Town, State, Country and Zip Code)* | |
| Primary Location of Books and Records | 601 S. Gaines .. Little Rock .. AR .. US .. 72201<br>*(Street and Number) (City or Town, State, Country and Zip Code)* | 501-378-2000<br>*(Area Code) (Telephone Number)* |
| Internet Web Site Address | www.arkansasbluecross.com | |
| Statutory Statement Contact | Scott Bradley Winter<br>*(Name)* | 501-399-3951<br>*(Area Code) (Telephone Number) (Extension)* |
| | sbwinter@arkbluecross.com<br>*(E-Mail Address)* | 501-378-3258<br>*(Fax Number)* |

## OFFICERS

| Name | Title | Name | Title |
|---|---|---|---|
| 1. Curtis Edwin Barnett | President / CEO | 2. Calvin Eugene Kellogg | EVP / Chief Strategy Officer |
| 3. Gray Donald Dillard | Treasurer / COO | 4. Timothy Gerard Gauger | Secretary |

## OTHER

Stephen William Abell
Alicia Marie Berkemeyer
James Daniel Bloodworth
Brian Keith Dorathy
Maxine Arlene Greenwood
Harvey David Jacobson
Mark Thomas Jansen
David Bryan Martin
Odell Calvin Nickelberry
Kathleen O'Dea Ryan
Philip Eugene Sherrill
Joanna Maria Thomas
Scott Bradley Winter
James Robert Bailey
Judy Dawn Blevins
Victor Pratt Davis
Matthew Richard Flora
Kimberly Ann Henderson
Anthony Marcus James
Wanda Denise King
Mary Alison Melson
Hal Jackson Norman
Wendy Womack See
Steven Aaron Spaulding
Matthew Dennis Vannatta

## DIRECTORS OR TRUSTEES

| | | | |
|---|---|---|---|
| Curtis Edwin Barnett | Susan Glover Brittain | Robert Vincent Brothers | Mark William Greenway |
| Marla Kay Johnson | James Virgil Kelley | Mahlon Ogden Maris MD | Carla Marie Martin |
| James Thomas May | Robert Daniel Nabholz | Ben Edwin Owens | Lonnie Stewart Robinson MD # |
| Robert Lee Shoptaw | Sherman Ellis Tate | Rex Moreland Terry | Paul Mark White |

State of........ Arkansas
County of..... Pulaski

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

| | | |
|---|---|---|
| (Signature) | (Signature) | (Signature) |
| Curtis Edwin Barnett | Calvin Eugene Kellogg | Gray Donald Dillard |
| 1. (Printed Name) | 2. (Printed Name) | 3. (Printed Name) |
| President / CEO | EVP / Chief Strategy Officer | Treasurer / COO |
| (Title) | (Title) | (Title) |

Subscribed and sworn to before me
This ________ day of ____________________

____________________

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

# ASSETS

| | Current Statement Date 1 Assets | 2 Nonadmitted Assets | 3 Net Admitted Assets (Cols. 1 - 2) | 4 Prior Year Net Admitted Assets |
|---|---|---|---|---|
| 1. Bonds | 582,556,699 | | 582,556,699 | 603,181,207 |
| 2. Stocks: | | | | |
| 2.1 Preferred stocks | | | 0 | |
| 2.2 Common stocks | 429,659,662 | | 429,659,662 | 433,460,761 |
| 3. Mortgage loans on real estate: | | | | |
| 3.1 First liens | | | 0 | |
| 3.2 Other than first liens | | | 0 | |
| 4. Real estate: | | | | |
| 4.1 Properties occupied by the company (less $..........0 encumbrances) | 55,695,815 | | 55,695,815 | 53,489,517 |
| 4.2 Properties held for the production of income (less $..........0 encumbrances) | 6,595,258 | | 6,595,258 | 6,639,078 |
| 4.3 Properties held for sale (less $..........0 encumbrances) | | | 0 | |
| 5. Cash ($.....66,650,249), cash equivalents ($.....58,609,882) and short-term investments ($.....6,979,085) | 132,239,216 | | 132,239,216 | 142,109,610 |
| 6. Contract loans (including $..........0 premium notes) | | | 0 | |
| 7. Derivatives | | | 0 | |
| 8. Other invested assets | 171,198,725 | | 171,198,725 | 199,448,182 |
| 9. Receivables for securities | | | 0 | |
| 10. Securities lending reinvested collateral assets | | | 0 | |
| 11. Aggregate write-ins for invested assets | 3,265,586 | 0 | 3,265,586 | 3,401,976 |
| 12. Subtotals, cash and invested assets (Lines 1 to 11) | 1,381,210,961 | 0 | 1,381,210,961 | 1,441,730,330 |
| 13. Title plants less $..........0 charged off (for Title insurers only) | | | 0 | |
| 14. Investment income due and accrued | 3,301,620 | | 3,301,620 | 4,922,882 |
| 15. Premiums and considerations: | | | | |
| 15.1 Uncollected premiums and agents' balances in the course of collection | | | 0 | |
| 15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including $..........0 earned but unbilled premiums) | | | 0 | |
| 15.3 Accrued retrospective premiums ($.....138,685,016) and contracts subject to redetermination ($.....(15,810,786)) | 122,874,230 | 3,447,078 | 119,427,152 | 116,644,178 |
| 16. Reinsurance: | | | | |
| 16.1 Amounts recoverable from reinsurers | 3,886,687 | | 3,886,687 | 3,703,146 |
| 16.2 Funds held by or deposited with reinsured companies | | | 0 | |
| 16.3 Other amounts receivable under reinsurance contracts | | | 0 | |
| 17. Amounts receivable relating to uninsured plans | 100,817,697 | 871,088 | 99,946,609 | 86,670,103 |
| 18.1 Current federal and foreign income tax recoverable and interest thereon | 8,094,607 | | 8,094,607 | 19,344,639 |
| 18.2 Net deferred tax asset | 115,964,373 | 62,220,950 | 53,743,423 | 46,905,299 |
| 19. Guaranty funds receivable or on deposit | | | 0 | |
| 20. Electronic data processing equipment and software | 13,891,140 | 8,294,033 | 5,597,107 | 5,869,081 |
| 21. Furniture and equipment, including health care delivery assets ($..........0) | 25,050,647 | 25,050,647 | 0 | |
| 22. Net adjustment in assets and liabilities due to foreign exchange rates | | | 0 | |
| 23. Receivables from parent, subsidiaries and affiliates | 27,361,342 | 2,834,281 | 24,527,061 | 12,597,905 |
| 24. Health care ($.....32,965,469) and other amounts receivable | 108,861,962 | 43,700,130 | 65,161,832 | 73,961,252 |
| 25. Aggregate write-ins for other than invested assets | 80,507,542 | 45,449,669 | 35,057,873 | 39,727,722 |
| 26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 through 25) | 1,991,822,810 | 191,867,876 | 1,799,954,934 | 1,852,076,538 |
| 27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts | | | 0 | |
| 28. Total (Lines 26 and 27) | 1,991,822,810 | 191,867,876 | 1,799,954,934 | 1,852,076,538 |

## DETAILS OF WRITE-INS

| | | | | |
|---|---|---|---|---|
| 1101. Deposits with National Accounts | 3,265,586 | | 3,265,586 | 3,401,976 |
| 1102. | | | 0 | |
| 1103. | | | 0 | |
| 1198. Summary of remaining write-ins for Line 11 from overflow page | 0 | 0 | 0 | 0 |
| 1199. Totals (Lines 1101 thru 1103 plus 1198) (Line 11 above) | 3,265,586 | 0 | 3,265,586 | 3,401,976 |
| 2501. Supplemental Savings Plan | 34,745,567 | | 34,745,567 | 39,415,416 |
| 2502. Other Assets | 312,306 | | 312,306 | 312,306 |
| 2503. Other Non-Admitted Assets | 45,449,669 | 45,449,669 | 0 | |
| 2598. Summary of remaining write-ins for Line 25 from overflow page | 0 | 0 | 0 | 0 |
| 2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above) | 80,507,542 | 45,449,669 | 35,057,873 | 39,727,722 |

# LIABILITIES, CAPITAL AND SURPLUS

| | Current Period | | | Prior Year |
|---|---|---|---|---|
| | 1<br>Covered | 2<br>Uncovered | 3<br>Total | 4<br>Total |
| 1. Claims unpaid (less $.....6,768,103 reinsurance ceded) | 148,112,600 | 503,230 | 148,615,830 | 190,894,561 |
| 2. Accrued medical incentive pool and bonus amounts | 2,688,203 | | 2,688,203 | 2,689,457 |
| 3. Unpaid claims adjustment expenses | 6,096,497 | | 6,096,497 | 6,421,153 |
| 4. Aggregate health policy reserves, including the liability of $..........0 for medical loss ratio rebate per the Public Health Service Act | 121,008,491 | | 121,008,491 | 126,031,552 |
| 5. Aggregate life policy reserves | | | 0 | |
| 6. Property/casualty unearned premium reserve | | | 0 | |
| 7. Aggregate health claim reserves | | | 0 | |
| 8. Premiums received in advance | 35,279,946 | | 35,279,946 | 28,795,706 |
| 9. General expenses due or accrued | 456,131,399 | | 456,131,399 | 440,130,669 |
| 10.1 Current federal and foreign income tax payable and interest thereon (including $..........0 on realized gains (losses)) | | | 0 | |
| 10.2 Net deferred tax liability | | | 0 | |
| 11. Ceded reinsurance premiums payable | 4,649,171 | | 4,649,171 | 4,466,147 |
| 12. Amounts withheld or retained for the account of others | 41,413,447 | | 41,413,447 | 48,238,301 |
| 13. Remittances and items not allocated | 39,712,965 | | 39,712,965 | 796,066 |
| 14. Borrowed money (including $..........0 current) and interest thereon $..........0 (including $..........0 current) | | | 0 | |
| 15. Amounts due to parent, subsidiaries and affiliates | 657,275 | | 657,275 | 143,072 |
| 16. Derivatives | | | 0 | |
| 17. Payable for securities | 774,540 | | 774,540 | |
| 18. Payable for securities lending | | | 0 | |
| 19. Funds held under reinsurance treaties with ($..........0 authorized reinsurers, $..........0 unauthorized reinsurers and certified $..........0 reinsurers) | | | 0 | |
| 20. Reinsurance in unauthorized and certified ($..........0) companies | | | 0 | |
| 21. Net adjustments in assets and liabilities due to foreign exchange rates | | | 0 | |
| 22. Liability for amounts held under uninsured plans | 61,881,187 | | 61,881,187 | 62,595,386 |
| 23. Aggregate write-ins for other liabilities (including $..........0 current) | 21,777,012 | 0 | 21,777,012 | 21,808,485 |
| 24. Total liabilities (Lines 1 to 23) | 940,182,732 | 503,230 | 940,685,962 | 933,010,554 |
| 25. Aggregate write-ins for special surplus funds | XXX | XXX | 0 | 42,870,062 |
| 26. Common capital stock | XXX | XXX | | |
| 27. Preferred capital stock | XXX | XXX | | |
| 28. Gross paid in and contributed surplus | XXX | XXX | | |
| 29. Surplus notes | XXX | XXX | | |
| 30. Aggregate write-ins for other than special surplus funds | XXX | XXX | 0 | 0 |
| 31. Unassigned funds (surplus) | XXX | XXX | 859,268,971 | 876,195,921 |
| 32. Less treasury stock, at cost: | | | | |
| 32.1 .....0.000 shares common (value included in Line 26 $..........0) | XXX | XXX | | |
| 32.2 .....0.000 shares preferred (value included in Line 27 $..........0) | XXX | XXX | | |
| 33. Total capital and surplus (Lines 25 to 31 minus Line 32) | XXX | XXX | 859,268,971 | 919,065,983 |
| 34. Total liabilities, capital and surplus (Lines 24 and 33) | XXX | XXX | 1,799,954,933 | 1,852,076,538 |

**DETAILS OF WRITE-INS**

| | | | | |
|---|---|---|---|---|
| 2301. Deferred Gain on Capitalization of joint venture | 19,617,685 | | 19,617,685 | 19,617,685 |
| 2302. Miscellaneous | 2,159,327 | | 2,159,327 | 2,190,800 |
| 2303. | | | 0 | |
| 2398. Summary of remaining write-ins for Line 23 from overflow page | 0 | 0 | 0 | 0 |
| 2399. Totals (Lines 2301 thru 2303 plus 2398) (Line 23 above) | 21,777,012 | 0 | 21,777,012 | 21,808,485 |
| 2501. 2020 ACA Insurer Fee Estimate | XXX | XXX | | 42,870,062 |
| 2502. | | | | |
| 2503. | | | | |
| 2598. Summary of remaining write-ins for Line 25 from overflow page | XXX | XXX | 0 | 0 |
| 2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above) | XXX | XXX | 0 | 42,870,062 |
| 3001. | | | | |
| 3002. | | | | |
| 3003. | | | | |
| 3098. Summary of remaining write-ins for Line 30 from overflow page | XXX | XXX | 0 | 0 |
| 3099. Totals (Lines 3001 thru 3003 plus 3098) (Line 30 above) | XXX | XXX | 0 | 0 |

# STATEMENT OF REVENUE AND EXPENSES

| | Current Year To Date 1 Uncovered | Current Year To Date 2 Total | Prior Year To Date 3 Total | Prior Year Ended December 31 4 Total |
|---|---|---|---|---|
| 1. Member months | XXX | 1,852,004 | 1,845,076 | 7,437,192 |
| 2. Net premium income (including $.........0 non-health premium income) | XXX | 603,621,381 | 608,398,552 | 2,389,476,420 |
| 3. Change in unearned premium reserves and reserve for rate credits | XXX | 3,602,652 | 868,064 | 5,523,215 |
| 4. Fee-for-service (net of $.........0 medical expenses) | XXX | | | |
| 5. Risk revenue | XXX | | | |
| 6. Aggregate write-ins for other health care related revenues | XXX | 0 | 0 | 0 |
| 7. Aggregate write-ins for other non-health revenues | XXX | 0 | 0 | 0 |
| 8. Total revenues (Lines 2 to 7) | XXX | 607,224,033 | 609,266,616 | 2,394,999,635 |
| **Hospital and Medical:** | | | | |
| 9. Hospital/medical benefits | | 238,050,955 | 291,437,227 | 1,148,868,460 |
| 10. Other professional services | | 12,201,269 | 11,258,787 | 47,267,129 |
| 11. Outside referrals | | 47,492,265 | 5,681,974 | 23,931,174 |
| 12. Emergency room and out-of-area | | 51,030,203 | 53,234,557 | 216,328,642 |
| 13. Prescription drugs | | 130,201,630 | 126,494,355 | 464,236,277 |
| 14. Aggregate write-ins for other hospital and medical | 0 | 0 | 0 | 0 |
| 15. Incentive pool, withhold adjustments and bonus amounts | | 2,411,353 | 2,025,910 | 18,776,311 |
| 16. Subtotal (Lines 9 to 15) | 0 | 481,387,676 | 490,132,809 | 1,919,407,994 |
| **Less:** | | | | |
| 17. Net reinsurance recoveries | | (8,096,226) | (9,243,185) | (39,739,145) |
| 18. Total hospital and medical (Lines 16 minus 17) | 0 | 489,483,902 | 499,375,994 | 1,959,147,139 |
| 19. Non-health claims (net) | | | | |
| 20. Claims adjustment expenses, including $.....4,005,837 cost containment expenses | | 31,907,717 | 22,453,952 | 106,383,276 |
| 21. General administrative expenses | | 83,603,733 | 51,276,611 | 264,507,096 |
| 22. Increase in reserves for life and accident and health contracts (including $.........0 increase in reserves for life only) | | | | |
| 23. Total underwriting deductions (Lines 18 through 22) | 0 | 604,995,351 | 573,106,556 | 2,330,037,511 |
| 24. Net underwriting gain or (loss) (Lines 8 minus 23) | XXX | 2,228,681 | 36,160,060 | 64,962,124 |
| 25. Net investment income earned | | 4,733,721 | 6,738,922 | 47,782,059 |
| 26. Net realized capital gains (losses) less capital gains tax of $.....5,208,321 | | 23,753,406 | 686,546 | (1,736,131) |
| 27. Net investment gains or (losses) (Lines 25 plus 26) | 0 | 28,487,127 | 7,425,468 | 46,045,927 |
| 28. Net gain or (loss) from agents' or premium balances charged off [(amount recovered $.........0) (amount charged off $.........0)] | | | | |
| 29. Aggregate write-ins for other income or expenses | 0 | 500,350 | 229,635 | 1,616,807 |
| 30. Net income or (loss) after capital gains tax and before all other federal income taxes (Lines 24 plus 27 plus 28 plus 29) | XXX | 31,216,158 | 43,815,163 | 112,624,858 |
| 31. Federal and foreign income taxes incurred | XXX | 6,041,711 | 15,769,138 | 28,079,273 |
| 32. Net income (loss) (Lines 30 minus 31) | XXX | 25,174,447 | 28,046,025 | 84,545,585 |

**DETAILS OF WRITE-INS**

| | 1 | 2 | 3 | 4 |
|---|---|---|---|---|
| 0601. | XXX | | | |
| 0602. | XXX | | | |
| 0603. | XXX | | | |
| 0698. Summary of remaining write-ins for Line 6 from overflow page | XXX | 0 | 0 | 0 |
| 0699. Totals (Lines 0601 thru 0603 plus 0698) (Line 6 above) | XXX | 0 | 0 | 0 |
| 0701. | XXX | | | |
| 0702. | XXX | | | |
| 0703. | XXX | | | |
| 0798. Summary of remaining write-ins for Line 7 from overflow page | XXX | 0 | 0 | 0 |
| 0799. Totals (Lines 0701 thru 0703 plus 0798) (Line 7 above) | XXX | 0 | 0 | 0 |
| 1401. | | | | |
| 1402. | | | | |
| 1403. | | | | |
| 1498. Summary of remaining write-ins for Line 14 from overflow page | 0 | 0 | 0 | 0 |
| 1499. Totals (Lines 1401 thru 1403 plus 1498) (Line 14 above) | 0 | 0 | 0 | 0 |
| 2901. Miscellaneous Income/Expense | | 504,155 | 237,640 | 1,624,277 |
| 2902. State Tax Expense | | (3,805) | (8,005) | (7,470) |
| 2903. | | | | |
| 2998. Summary of remaining write-ins for Line 29 from overflow page | 0 | 0 | 0 | 0 |
| 2999. Totals (Lines 2901 thru 2903 plus 2998) (Line 29 above) | 0 | 500,350 | 229,635 | 1,616,807 |

# STATEMENT OF REVENUE AND EXPENSES (Continued)

| CAPITAL AND SURPLUS ACCOUNT | 1<br>Current Year<br>to Date | 2<br>Prior Year<br>To Date | 3<br>Prior Year<br>Ended December 31 |
|---|---|---|---|
| 33. Capital and surplus prior reporting year | 919,065,986 | 830,545,434 | 830,545,434 |
| 34. Net income or (loss) from Line 32 | 25,174,447 | 28,046,025 | 84,545,585 |
| 35. Change in valuation basis of aggregate policy and claim reserves | | | |
| 36. Change in net unrealized capital gains (losses) less capital gains tax of $..........0 | (60,711,134) | 12,217,025 | 5,948,346 |
| 37. Change in net unrealized foreign exchange capital gain or (loss) | | | |
| 38. Change in net deferred income tax | 17,378,634 | 8,167,984 | 9,994,070 |
| 39. Change in nonadmitted assets | (41,755,548) | (6,474,424) | (12,712,258) |
| 40. Change in unauthorized and certified reinsurance | | | |
| 41. Change in treasury stock | | | |
| 42. Change in surplus notes | | | |
| 43. Cumulative effect of changes in accounting principles | | | |
| 44. Capital changes: | | | |
| 44.1 Paid in | | | |
| 44.2 Transferred from surplus (Stock Dividend) | | | |
| 44.3 Transferred to surplus | | | |
| 45. Surplus adjustments: | | | |
| 45.1 Paid in | | | |
| 45.2 Transferred to capital (Stock Dividend) | | | |
| 45.3 Transferred from capital | | | |
| 46. Dividends to stockholders | | | |
| 47. Aggregate write-ins for gains or (losses) in surplus | 116,589 | 185,848 | 744,809 |
| 48. Net change in capital and surplus (Lines 34 to 47) | (59,797,013) | 42,142,459 | 88,520,552 |
| 49. Capital and surplus end of reporting period (Line 33 plus 48) | 859,268,973 | 872,687,893 | 919,065,986 |

**DETAILS OF WRITE-INS**

| | | | |
|---|---|---|---|
| 4701. Capital Lease Adjustment | 116,589 | 185,848 | 744,809 |
| 4702. | | | |
| 4703. | | | |
| 4798. Summary of remaining write-ins for Line 47 from overflow page | 0 | 0 | 0 |
| 4799. Totals (Lines 4701 thru 4703 plus 4798) (Line 47 above) | 116,589 | 185,848 | 744,809 |

# CASH FLOW

| | | 1<br>Current Year to Date | 2<br>Prior Year To Date | 3<br>Prior Year Ended December 31 |
|---|---|---|---|---|
| | **CASH FROM OPERATIONS** | | | |
| 1. | Premiums collected net of reinsurance | 610,241,398 | 603,695,246 | 2,411,049,838 |
| 2. | Net investment income | 8,685,527 | 8,396,661 | 51,001,552 |
| 3. | Miscellaneous income | | | |
| 4. | Total (Lines 1 through 3) | 618,926,925 | 612,091,907 | 2,462,051,389 |
| 5. | Benefit and loss related payments | 550,029,674 | 461,685,520 | 1,993,320,781 |
| 6. | Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts | | | |
| 7. | Commissions, expenses paid and aggregate write-ins for deductions | 113,602,452 | 126,546,202 | 352,024,786 |
| 8. | Dividends paid to policyholders | | | |
| 9. | Federal and foreign income taxes paid (recovered) net of $..........0 tax on capital gains (losses) | | | 38,715,586 |
| 10. | Total (Lines 5 through 9) | 663,632,126 | 588,231,722 | 2,384,061,153 |
| 11. | Net cash from operations (Line 4 minus Line 10) | (44,705,201) | 23,860,184 | 77,990,236 |
| | **CASH FROM INVESTMENTS** | | | |
| 12. | Proceeds from investments sold, matured or repaid: | | | |
| | 12.1 Bonds | 176,285,969 | 31,198,657 | 117,709,308 |
| | 12.2 Stocks | 46,581,448 | 1,537,780 | 18,796,269 |
| | 12.3 Mortgage loans | | | |
| | 12.4 Real estate | | | |
| | 12.5 Other invested assets | 17,047,075 | 539,408 | 1,753,965 |
| | 12.6 Net gains or (losses) on cash, cash equivalents and short-term investments | | | 1,895 |
| | 12.7 Miscellaneous proceeds | 910,930 | 1,257,447 | 51,316 |
| | 12.8 Total investment proceeds (Lines 12.1 to 12.7) | 240,825,422 | 34,533,293 | 138,312,754 |
| 13. | Cost of investments acquired (long-term only): | | | |
| | 13.1 Bonds | 154,508,588 | 24,704,581 | 161,816,517 |
| | 13.2 Stocks | 60,283,943 | | 86,374,783 |
| | 13.3 Mortgage loans | | | |
| | 13.4 Real estate | 3,958,424 | 145,253 | 7,670,094 |
| | 13.5 Other invested assets | | 393,632 | 1,646,845 |
| | 13.6 Miscellaneous applications | | | |
| | 13.7 Total investments acquired (Lines 13.1 to 13.6) | 218,750,956 | 25,243,466 | 257,508,239 |
| 14. | Net increase or (decrease) in contract loans and premium notes | | | |
| 15. | Net cash from investments (Line 12.8 minus Line 13.7 and Line 14) | 22,074,467 | 9,289,827 | (119,195,485) |
| | **CASH FROM FINANCING AND MISCELLANEOUS SOURCES** | | | |
| 16. | Cash provided (applied): | | | |
| | 16.1 Surplus notes, capital notes | | | |
| | 16.2 Capital and paid in surplus, less treasury stock | | | |
| | 16.3 Borrowed funds | | | |
| | 16.4 Net deposits on deposit-type contracts and other insurance liabilities | | | |
| | 16.5 Dividends to stockholders | | | |
| | 16.6 Other cash provided (applied) | 12,760,339 | 6,948,910 | (13,573,023) |
| 17. | Net cash from financing and miscellaneous sources (Lines 16.1 through 16.4 minus Line 16.5 plus Line 16.6) | 12,760,339 | 6,948,910 | (13,573,023) |
| | **RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS** | | | |
| 18. | Net change in cash, cash equivalents and short-term investments (Line 11 plus Line 15 plus Line 17) | (9,870,394) | 40,098,922 | (54,778,273) |
| 19. | Cash, cash equivalents and short-term investments: | | | |
| | 19.1 Beginning of year | 142,109,608 | 196,887,881 | 196,887,881 |
| | 19.2 End of period (Line 18 plus Line 19.1) | 132,239,214 | 236,986,803 | 142,109,608 |

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

| | | | |
|---|---|---|---|
| 20.0001 | | | |

# EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

| | 1 | Comprehensive (Hospital & Medical) | | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
|---|---|---|---|---|---|---|---|---|---|---|
| | Total | 2<br>Individual | 3<br>Group | Medicare Supplement | Vision Only | Dental Only | Federal Employees Health Benefit Plan | Title XVIII Medicare | Title XIX Medicaid | Other |
| **Total Members at End of:** | | | | | | | | | | |
| 1. Prior Year | 617,680 | 198,764 | 116,440 | 120,054 | 31,915 | 54,490 | 70,819 | 8,990 | | 16,208 |
| 2. First Quarter | 615,202 | 192,507 | 112,061 | 118,814 | 33,224 | 55,946 | 73,379 | 7,611 | | 21,660 |
| 3. Second Quarter | 0 | | | | | | | | | |
| 4. Third Quarter | 0 | | | | | | | | | |
| 5. Current Year | 0 | | | | | | | | | |
| 6. Current Year Member Months | 1,852,004 | 586,497 | 340,289 | 358,559 | 99,563 | 168,337 | 219,811 | 23,026 | | 55,922 |
| **Total Member Ambulatory Encounters for Period:** | | | | | | | | | | |
| 7. Physician | 312,367 | 78,915 | 24,026 | 209,426 | | | | | | |
| 8. Non-Physician | 139,651 | 95,189 | 40,855 | 3,607 | | | | | | |
| 9. Total | 452,018 | 174,104 | 64,881 | 213,033 | 0 | 0 | 0 | 0 | 0 | 0 |
| 10. Hospital Patient Days Incurred | 73,807 | 17,395 | 4,413 | 51,999 | | | | | | |
| 11. Number of Inpatient Admissions | 11,044 | 4,087 | 1,290 | 5,667 | | | | | | |
| 12. Health Premiums Written (a) | 595,362,127 | 264,867,518 | 135,660,206 | 73,516,012 | 2,261,391 | 13,736,415 | 72,044,886 | 23,105,604 | | 10,170,094 |
| 13. Life Premiums Direct | 0 | | | | | | | | | |
| 14. Property/Casualty Premiums Written | 0 | | | | | | | | | |
| 15. Health Premiums Earned | 598,964,779 | 264,867,518 | 135,653,561 | 72,003,525 | 2,261,391 | 13,736,530 | 77,174,035 | 23,105,604 | | 10,162,615 |
| 16. Property/Casualty Premiums Earned | 0 | | | | | | | | | |
| 17. Amount Paid for Provision of Health Care Services | 540,682,228 | 253,146,473 | 119,363,414 | 62,632,962 | 1,659,726 | 9,524,740 | 68,692,695 | 18,844,572 | | 6,817,645 |
| 18. Amount Incurred for Provision of Health Care Services | 481,387,676 | 205,381,284 | 108,416,953 | 62,087,997 | 1,659,726 | 9,691,165 | 68,165,637 | 16,861,678 | | 9,123,236 |

(a) For health premiums written: Amount of Medicare Title XVIII exempt from state taxes or fees $..........0.

# CLAIMS UNPAID AND INCENTIVE POOL, WITHHOLD AND BONUS (Reported and Unreported)

## Aging Analysis of Unpaid Claims

| 1<br>Account | 2<br>1 - 30 Days | 3<br>31 - 60 Days | 4<br>61 - 90 Days | 5<br>91 - 120 Days | 6<br>Over 120 Days | 7<br>Total |
|---|---|---|---|---|---|---|
| **Claims Unpaid (Reported)** | | | | | | |
| 0399999. Aggregate Accounts Not Individually Listed-Covered | 27,930,492 | 295,282 | 64,045 | 370,238 | | 28,660,057 |
| 0499999. Subtotals | 27,930,492 | 295,282 | 64,045 | 370,238 | 0 | 28,660,057 |
| 0599999. Unreported Claims and Other Claim Reserves | | | | | | 126,723,875 |
| 0799999. Total Claims Unpaid | | | | | | 155,383,931 |
| 0899999. Accrued Medical Incentive Pool and Bonus Amounts | | | | | | 2,688,203 |

# UNDERWRITING AND INVESTMENT EXHIBIT

## Analysis of Claims Unpaid - Prior Year - Net of Reinsurance

| Line of Business | Claims Paid Year to Date | | Liability End of Current Quarter | | 5 | 6 |
|---|---|---|---|---|---|---|
| | 1<br>On Claims Incurred Prior to January 1 of Current Year | 2<br>On Claims Incurred During the Year | 3<br>On Claims Unpaid December 31 of Prior Year | 4<br>On Claims Incurred During the Year | Claims Incurred in Prior Years (Columns 1 + 3) | Estimated Claim Reserve and Claim Liability December 31 of Prior Year |
| 1. Comprehensive (hospital and medical) | 115,698,489 | 312,179,284 | (3,151,873) | 82,760,337 | 112,546,616 | 119,136,035 |
| 2. Medicare Supplement | 26,197,275 | 36,435,688 | 1,570,343 | 28,296,793 | 27,767,618 | 30,423,265 |
| 3. Dental only | 1,123,919 | 8,400,821 | 281,633 | 1,235,784 | 1,405,552 | 1,350,992 |
| 4. Vision only | | | | | 0 | |
| 5. Federal Employees Health Benefits Plan | 24,663,411 | 43,746,679 | 3,622,647 | 20,115,391 | 28,286,058 | 24,093,552 |
| 6. Title XVIII - Medicare | 6,511,220 | 12,297,569 | 1,471,370 | 7,955,594 | 7,982,590 | 11,448,389 |
| 7. Title XIX - Medicaid | | | | | 0 | |
| 8. Other health | 553,863 | 6,264,623 | 30,742 | 4,427,069 | 584,605 | 4,442,328 |
| 9. Health subtotal (Lines 1 to 8) | 174,748,177 | 419,324,664 | 3,824,862 | 144,790,968 | 178,573,039 | 190,894,561 |
| 10. Healthcare receivables (a) | | 64,721,563 | | | 0 | |
| 11. Other non-health | | | | | 0 | |
| 12. Medical incentive pools and bonus amounts | 9,000 | 2,403,607 | | 2,688,203 | 9,000 | 2,689,457 |
| 13. Totals (Lines 9-10+11+12) | 174,757,177 | 357,006,708 | 3,824,862 | 147,479,171 | 178,582,039 | 193,584,018 |

(a) Excludes $..........0 loans or advances to providers not yet expensed.

# NOTES TO FINANCIAL STATEMENTS

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

A. Accounting Practices

The financial statements of Arkansas Blue Cross and Blue Shield are presented on the basis of accounting practices prescribed or permitted by the Arkansas Insurance Department.

The Arkansas Insurance Department recognizes only statutory accounting practices prescribed or permitted by the State of Arkansas for determining and reporting the financial condition and results of operations of an insurance company, for determining its solvency under Arkansas Law. The National Association of Insurance Commissioners' (NAIC) *Accounting Practices and Procedures* manual, version effective January 1, 2001, (NAIC SAP) has been adopted as a component of prescribed or permitted practices by the Arkansas Insurance Department.

| | SSAP # | F/S Page | F/S Line # | Current Year to Date | 2019 |
|---|---|---|---|---|---|
| **NET INCOME** | | | | | |
| (1) USAble Mutual Insurance Company Company state basis (Page 4, Line 32, Columns 2 & 4) | XXX | XXX | XXX | $ 25,174,446 | $ 84,545,585 |
| (2) State Prescribed Practices that are an increase/(decrease) from NAIC SAP | | | | | |
| | | | | $ | $ |
| (3) State Permitted Practices that are an increase/(decrease) from NAIC SAP | | | | | |
| | | | | $ | $ |
| (4) NAIC SAP (1 – 2 – 3 = 4) | XXX | XXX | XXX | $ 25,174,446 | $ 84,545,585 |
| **SURPLUS** | | | | | |
| (5) USAble Mutual Insurance Company Company state basis (Page 3, line 33, Columns 3 & 4) | XXX | XXX | XXX | $ 859,268,971 | $ 919,065,983 |
| (6) State Prescribed Practices that are an increase/(decrease) from NAIC SAP | | | | | |
| | | | | $ | $ |
| (7) State Permitted Practices that are an increase/(decrease) from NAIC SAP | | | | | |
| | | | | $ | $ |
| (8) NAIC SAP (5 – 6 – 7 = 8) | XXX | XXX | XXX | $ 859,268,971 | $ 919,065,983 |

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

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 Policy

Health premiums are earned ratably over the terms of the related insurance and reinsurance contracts or polices. Expenses incurred in connection with acquiring new insurance business are charged to operations as incurred.

In addition, the company uses the following accounting policies:

(1) Basis for Short-Term Investments
Short-term investments are stated at amortized cost.

(2) Basis for Bonds, Mandatory Convertible Securities, SVO-Identified Investments and Amortization Method
Bonds not backed by other loans and are stated at amortized cost using the interest method.

(3) Basis for Common Stocks
Common Stocks are carried at market except that investments in stocks of uncombined subsidiaries and affiliates in which the Company has an interest of 20% or more are carried on the equity basis.

(4) Basis for Preferred Stocks
The Company does not have preferred stock.

(5) Basis for Mortgage Loans
The Company does not have mortgage loans. The Company does own mortgage backed securities.

(6) Basis for Loan-Backed Securities and Adjustment Methodology
Loan-backed securities are stated at either amortized cost or the lower of amortized cost or fair value. The prospective adjustment method is used to value all securities.

(7) Accounting Policies for Investments in Subsidiaries, Controlled and Affiliated Entities
Common stock investments in affiliates including limited liability companies are carried at their NAIC SAP or GAAP equity values in accordance with the requirements of SSAP no. 97, *Investments in Subsidiary, Controlled, and Affiliated Entities.*

(8) Accounting Policies for Investments in Joint Ventures, Partnerships and Limited Liability Entities
The Company has investments in joint ventures, partnerships and limited liability companies. See (7) above for accounting policy

(9) Accounting Policies for Derivatives
The Company does not have derivatives.

(10) Anticipated Investment Income Used in Premium Deficiency Calculation
The Company does not have premium deficiency reserves.

(11) Management's Policies and Methodologies for Estimating Liabilities for Losses and Loss/Claim Adjustment Expenses
When setting reserves, the Company employs the 5 methods that are described below. Based on the estimates of these methods and also retrospective considerations, the company sets a best estimate and then an explicit margin is added to ensure that the estimate is sufficient. The average of the methods, as well as the spread of the estimates, is also considered when setting the respective liabilities. Aggregate liabilities are tested against other aggregate estimation methods to check for reasonableness, and any additional margin or adjustments are made

a. **Aggregate Method:** 12 months of paid claims are subtracted from 12 months of estimated incurred claims to get the liability estimate

# NOTES TO FINANCIAL STATEMENTS

b. **3 Month Average Method**: For the base liability estimate, the average liability of the third, fourth, and fifth month prior to the current month is used. Adjustments are made for trend, membership change, and backlog to determine the current month's estimate of liability.

c. **Previous Year's IBNR Method** This method is similar to the Three Month Average Method, except that the actual reserve from one year ago is used as the base estimate of liability. This is projected forward using adjustments for trend, membership change, and backlog.

d. **CY Lag Method:** This method calculates completion factors by incurral year. Completion factors used for the current year are based on the previous year's experience. Completion factors for the most recent 3 years are set manually.

e. **12 Month CF Method:** This method is identical to the CY Lag Method, except that historical completion factors are based on 12 months of rolling data.

(12) Changes in the Capitalization Policy and Predefined Thresholds from Prior Period
No change in the capitalization policy this year.

(13) Method Used to Estimate Pharmaceutical Rebate Receivables
Pharmacy rebate receivable estimates are based upon the prior quarter's invoiced amounts

D. Going Concern

For the period ending March 31, 2020 management has evaluated the Company's ability to continue as a going concern. Management has concluded that there is not substantial doubt that the Company can continue as a going concern, therefore, there are no policies in place to alleviate such situations.

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

No significant changes

**Note 3 – Business Combinations and Goodwill**

No significant changes

**Note 4 – Discontinued Operations**

No significant changes

**Note 5 – Investments**

A. Mortgage Loans, including Mezzanine Real Estate Loans
No significant changes

B. Debt Restructuring
No significant changes

C. Reverse Mortgages
No significant changes

D. Loan-Backed Securities

(1) Description of Sources Used to Determine Prepayment Assumptions
For fixed-rate agency mortgage-backed securities, Clearwater Analytics calculates prepayment speeds utilizing Mortgage Industry Advisory Corporation (MIAC) Mortgage Industry Medians (MIMs). MIMs are derived from a semi-monthly dealer-consensus survey of long-term prepayment projections. For other mortgage-backed, loan-backed, and structured securities, Clearwater utilizes prepayment assumptions from Moody's Analytics. Moody's applies a flat economic credit model and utilizes a vector of multiple monthly speeds as opposed to a single speed for more robust projections. In instances where Moody's projections are not available, Clearwater uses data from Reuters, which utilizes the median prepayment speed from contributors' models.

(2) Other-Than-Temporary Impairments
No significant changes

| | 1<br>Amortized Cost Basis Before Other-than-Temporary Impairment | 2<br>Other-than-Temporary Impairment Recognized in Loss | 3<br>Fair Value<br>1 – 2 |
|---|---|---|---|
| OTTI Recognized 1st Quarter | | | |
| a. Intent to sell | $ | $ | $ |
| b. Inability or lack of intent to retain the investment in the security for a period of time sufficient to recover the amortized cost basis | | | |
| c. Total 1st Quarter | $ | $ | $ |
| OTTI Recognized 2nd Quarter | | | |
| d. Intent to sell | $ | $ | $ |
| e. Inability or lack of intent to retain the investment in the security for a period of time sufficient to recover the amortized cost basis | | | |
| f. Total 2nd Quarter | $ | $ | $ |
| OTTI Recognized 3rd Quarter | | | |
| g. Intent to sell | $ | $ | $ |
| h. Inability or lack of intent to retain the investment in the security for a period of time sufficient to recover the amortized cost basis | | | |
| i. Total 3rd Quarter | $ | $ | $ |
| OTTI Recognized 4th Quarter | | | |
| j. Intent to sell | $ | $ | $ |

# NOTES TO FINANCIAL STATEMENTS

| | 1<br>Amortized Cost Basis Before Other-than-Temporary Impairment | 2<br>Other-than-Temporary Impairment Recognized in Loss | 3<br>Fair Value<br>1 – 2 |
|---|---|---|---|
| k. Inability or lack of intent to retain the investment in the security for a period of time sufficient to recover the amortized cost basis | | | |
| l. Total 4th Quarter | $ | $ | $ |
| m. Annual aggregate total | XXX | | XXX |

No significant changes

(3) Recognized OTTI securities
No significant changes

| CUSIP | Book/Adjusted Carrying Value Amortized Cost Before Current Period OTTI | Present Value of 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 |
|---|---|---|---|---|---|---|
| | $ | $ | $ | $ | $ | |
| Total | | | $ | | | |

No significant changes

(4) All impaired securities (fair value is less than cost or amortized cost) for which an other-than-temporary impairment has not been recognized in earnings as a realized loss (including securities with a recognized other-than-temporary impairment for non-interest related declines when a non-recognized interest related impairment remains):

| | | |
|---|---|---|
| a. The aggregate amount of unrealized losses: | 1. Less than 12 Months | $ 524,351 |
| | 2. 12 Months or Longer | $ |
| b. The aggregate related fair value of securities with unrealized losses: | 1. Less than 12 Months | $ 15,803,175 |
| | 2. 12 Months or Longer | $ |

(5) Information Investor Considered in Reaching Conclusion that Impairments are Not Other-Than-Temporary
No significant changes

E. Dollar Repurchase Agreements and/or Securities Lending Transactions
(1) Policy for Requiring Collateral or Other Security
No significant changes
(2) Disclose the Carrying Amount and Classification of Both Assets and Liabilities
No significant changes
(3) Collateral Received
a. Aggregate Amount Collateral Received
No significant changes
b. The Fair Value of that Collateral and of the Portion of that Collateral that it has Sold or Repledged $
c. Information about Sources and Uses of Collateral
No significant changes
(4) Aggregate Value of the Reinvested Collateral
No significant changes
(5) Collateral Reinvestment
No significant changes

F. Repurchase Agreements Transactions Accounted for as Secured Borrowing
Repurchase Transaction – Cash Taker – Overview of Secured Borrowing Transactions
(1) Company Policies or Strategies for Repo Programs
No significant changes

No significant changes
(2) Type of Repo Trades Used

| | First Quarter | Second Quarter | Third Quarter | Fourth Quarter |
|---|---|---|---|---|
| a. Bilateral (YES/NO) | | | | |
| b. Tri-Party (YES/NO | | | | |

(3) Original (Flow) and Residual Maturity

| | First Quarter | Second Quarter | Third Quarter | Fourth Quarter |
|---|---|---|---|---|
| a. Maximum Amount | | | | |
| 1. Open – No Maturity | $ | $ | $ | $ |
| 2. Overnight | $ | $ | $ | $ |
| 3. 2 Days to 1 Week | $ | $ | $ | $ |
| 4. >1 Week to 1 Month | $ | $ | $ | $ |
| 5. >1 Month to 3 Months | $ | $ | $ | $ |
| 6. >3 Months to 1 Year | $ | $ | $ | $ |
| 7. > 1 Year | $ | $ | $ | $ |
| b. Ending Balance | | | | |
| 1. Open – No Maturity | $ | $ | $ | $ |
| 2. Overnight | $ | $ | $ | $ |
| 3. 2 Days to 1 Week | $ | $ | $ | $ |
| 4. >1 Week to 1 Month | $ | $ | $ | $ |
| 5. >1 Month to 3 Months | $ | $ | $ | $ |
| 6. >3 Months to 1 Year | $ | $ | $ | $ |
| 7. > 1 Year | $ | $ | $ | $ |

(4) Fair Value Securities Sold and/or Acquired that Resulted in Default
No significant changes

# NOTES TO FINANCIAL STATEMENTS

(5) Securities "Sold" Under Repo – Secured Borrowing

| | First Quarter | Second Quarter | Third Quarter | Fourth Quarter |
|---|---|---|---|---|
| a. Maximum Amount | | | | |
| 1. BACV | XXX | XXX | XXX | $ |
| 2. Nonadmitted – Subset of BACV | XXX | XXX | XXX | $ |
| 3. Fair Value | $ | $ | $ | $ |
| b. Ending Balance | | | | |
| 1. BACV | XXX | XXX | XXX | $ |
| 2. Nonadmitted – Subset of BACV | XXX | XXX | XXX | $ |
| 3. Fair Value | $ | $ | $ | $ |

(6) Securities Sold Under Repo – Secured Borrowing by NAIC Designation

| Ending Balance | 1<br>None | 2<br>NAIC 1 | 3<br>NAIC 2 | 4<br>NAIC 3 |
|---|---|---|---|---|
| a. Bonds- BACV | $ | $ | $ | $ |
| b. Bonds- FV | | | | |
| c. LB & SS- BACV | | | | |
| d. LB & SS- FV | | | | |
| e. Preferred Stock- BACV | | | | |
| f. Preferred Stock- FV | | | | |
| g. Common Stock | | | | |
| h. Mortgage Loans- BACV | | | | |
| i. Mortgage Loans- FV | | | | |
| j. Real Estate- BACV | | | | |
| k. Real Estate- FV | | | | |
| l. Derivatives- BACV | | | | |
| m. Derivatives- FV | | | | |
| n. Other Invested Assets- BACV | | | | |
| o. Other Invested Assets- FV | | | | |
| p. Total Assets- BACV | $ | $ | $ | $ |
| q. Total Assets- FV | $ | $ | $ | $ |

| Ending Balance | 5<br>NAIC 4 | 6<br>NAIC 5 | 7<br>NAIC 6 | 8<br>Nonadmitted |
|---|---|---|---|---|
| a. Bonds- BACV | $ | $ | $ | $ |
| b. Bonds- FV | | | | |
| c. LB & SS- BACV | | | | |
| d. LB & SS- FV | | | | |
| e. Preferred Stock- BACV | | | | |
| f. Preferred Stock- FV | | | | |
| g. Common Stock | | | | |
| h. Mortgage Loans- BACV | | | | |
| i. Mortgage Loans- FV | | | | |
| j. Real Estate- BACV | | | | |
| k. Real Estate- FV | | | | |
| l. Derivatives- BACV | | | | |
| m. Derivatives- FV | | | | |
| n. Other Invested Assets- BACV | | | | |
| o. Other Invested Assets- FV | | | | |
| p. Total Assets- BACV | $ | $ | $ | $ |
| q. Total Assets- FV | $ | $ | $ | $ |

p= a + c + e + g + h + j + l + n    q = b + d + f + g + i + k + m + o

(7) Collateral Received – Secured Borrowing

| | First Quarter | Second Quarter | Third Quarte | Fourth Quarter |
|---|---|---|---|---|
| a. Maximum Amount | | | | |
| 1. Cash | $ | $ | $ | $ |
| 2. Securities (FV) | $ | $ | $ | $ |
| b. Ending Balance | | | | |
| 1. Cash | $ | $ | $ | $ |
| 2. Securities (FV) | $ | $ | $ | $ |

(8) Cash & Non-Cash Collateral Received – Secured Borrowing by NAIC Designation

| Ending Balance | 1<br>None | 2<br>NAIC 1 | 3<br>NAIC 2 | 4<br>NAIC 3 |
|---|---|---|---|---|
| a. Cash | $ | $ | $ | $ |
| b. Bonds- FV | | | | |
| c. LB & SS- FV | | | | |
| d. Preferred Stock- FV | | | | |
| e. Common Stock | | | | |
| f. Mortgage Loans- FV | | | | |
| g. Real Estate- FV | | | | |
| h. Derivatives- FV | | | | |
| i. Other Invested Assets- FV | | | | |
| j. Total Collateral Assets – FV (Sum of a through i) | $ | $ | $ | $ |

| Ending Balance | 5<br>NAIC 4 | 6<br>NAIC 5 | 7<br>NAIC 6 | 8<br>Does Not Qualify as Admitted |
|---|---|---|---|---|
| a. Cash | $ | $ | $ | $ |
| b. Bonds- FV | | | | |

# NOTES TO FINANCIAL STATEMENTS

| Ending Balance | 5<br>NAIC 4 | 6<br>NAIC 5 | 7<br>NAIC 6 | 8<br>Does Not Qualify as Admitted |
|---|---|---|---|---|
| c. LB & SS- FV | | | | |
| d. Preferred Stock- FV | | | | |
| e. Common Stock | | | | |
| f. Mortgage Loans- FV | | | | |
| g. Real Estate- FV | | | | |
| h. Derivatives- FV | | | | |
| i. Other Invested Assets- FV | | | | |
| j. Total Collateral Assets – FV (Sum of a through i) | $ | $ | $ | $ |

(9) Allocation of Aggregate Collateral by Remaining Contractual Maturity

| | Fair Value |
|---|---|
| a. Overnight and Continuous | $ |
| b. 30 Days or Less | $ |
| c. 31 to 90 Days | $ |
| d. >90 Days | $ |

(10) Allocation of Aggregate Collateral Reinvested by Remaining Contractual Maturity

| | Amortized Cost | Fair Value |
|---|---|---|
| a. 30 Days or Less | $ | $ |
| b. 31 to 60 Days | $ | $ |
| c. 61 to 90 Days | $ | $ |
| d. 91 to 120 Days | $ | $ |
| e. 121 to 180 Days | $ | $ |
| f. 181 to 365 Days | $ | $ |
| g. 1 to 2 Years | $ | $ |
| h. 2 to 3 Years | $ | $ |
| i. >3 Years | $ | $ |

(11) Liability to Return Collateral – Secured Borrowing (Total)

| | First Quarter | Second Quarter | Third Quarter | Fourth Quarter |
|---|---|---|---|---|
| a. Maximum Amount | | | | |
| 1. Cash (Collateral – All) | $ | $ | $ | $ |
| 2. Securities Collateral (FV) | $ | $ | $ | $ |
| b. Ending Balance | | | | |
| 1. Cash (Collateral – All) | $ | $ | $ | $ |
| 2. Securities Collateral (FV) | $ | $ | $ | $ |

No significant changes

G. Reverse Repurchase Agreements Transactions Accounted for as Secured Borrowing
Repurchase Transactions – Cash Provider – Overview of Secured Borrowing Transactions

(1) Company Policy or Strategies for Engaging in Repo Programs
No significant chagnes

No significant changes

(2) Type of Repo Trades Used

| | First Quarter | Second Quarter | Third Quarter | Fourth Quarter |
|---|---|---|---|---|
| a. Bilateral (YES/NO) | | | | |
| b. Tri-Party (YES/NO | | | | |

(3) Original (Flow) and Residual Maturity

| | First Quarter | Second Quarter | Third Quarter | Fourth Quarter |
|---|---|---|---|---|
| a. Maximum Amount | | | | |
| 1. Open – No Maturity | $ | $ | $ | $ |
| 2. Overnight | $ | $ | $ | $ |
| 3. 2 Days to 1 Week | $ | $ | $ | $ |
| 4. >1 Week to 1 Month | $ | $ | $ | $ |
| 5. >1 Month to 3 Months | $ | $ | $ | $ |
| 6. >3 Months to 1 Year | $ | $ | $ | $ |
| 7. > 1 Year | $ | $ | $ | $ |
| b. Ending Balance | | | | |
| 1. Open – No Maturity | $ | $ | $ | $ |
| 2. Overnight | $ | $ | $ | $ |
| 3. 2 Days to 1 Week | $ | $ | $ | $ |
| 4. >1 Week to 1 Month | $ | $ | $ | $ |
| 5. >1 Month to 3 Months | $ | $ | $ | $ |
| 6. >3 Months to 1 Year | $ | $ | $ | $ |
| 7. > 1 Year | $ | $ | $ | $ |

(4) Fair Value Securities Sold and/or Acquired that Resulted in Default
No significant changes

(5) Fair Value of Securities Acquired Under Repo – Secured Borrowing

| | First Quarter | Second Quarter | Third Quarter | Fourth Quarter |
|---|---|---|---|---|
| a. Maximum Amount | $ | $ | $ | $ |
| b. Ending Balance | $ | $ | $ | $ |

(6) Securities Acquired Under Repo – Secured Borrowing by NAIC Designation

| Ending Balance | 1<br>None | 2<br>NAIC 1 | 3<br>NAIC 2 | 4<br>NAIC 3 |
|---|---|---|---|---|
| a. Bonds- FV | $ | $ | $ | $ |
| b. LB & SS- FV | | | | |
| c. Preferred Stock- FV | | | | |

# NOTES TO FINANCIAL STATEMENTS

| Ending Balance | 1<br>None | 2<br>NAIC 1 | 3<br>NAIC 2 | 4<br>NAIC 3 |
|---|---|---|---|---|
| d. Common Stock | | | | |
| e. Mortgage Loans- FV | | | | |
| f. Real Estate- FV | | | | |
| g. Derivatives- FV | | | | |
| h. Other Invested Assets- FV | | | | |
| i. Total Assets- FV (Sum of a through h) | $ | $ | $ | $ |

| Ending Balance | 5<br>NAIC 4 | 6<br>NAIC 5 | 7<br>NAIC 6 | 8<br>Does Not Qualify as Admitted |
|---|---|---|---|---|
| a. Bonds- FV | $ | $ | $ | $ |
| b. LB & SS- FV | | | | |
| c. Preferred Stock- FV | | | | |
| d. Common Stock | | | | |
| e. Mortgage Loans- FV | | | | |
| f. Real Estate- FV | | | | |
| g. Derivatives- FV | | | | |
| h. Other Invested Assets- FV | | | | |
| i. Total Assets- FV (Sum of a through h) | $ | $ | $ | $ |

(7) Collateral Provided – Secured Borrowing

| | First Quarter | Second Quarter | Third Quarter | Fourth Quarter |
|---|---|---|---|---|
| a. Maximum Amount | | | | |
| 1. Cash | $ | $ | $ | $ |
| 2. Securities (FV) | $ | $ | $ | $ |
| 3. Securities (BACV) | XXX | XXX | XXX | XXX |
| 4. Nonadmitted Subset (BACV) | XXX | XXX | XXX | XXX |
| b. Ending Balance | | | | |
| 1. Cash | $ | $ | $ | $ |
| 2. Securities (FV) | $ | $ | $ | $ |
| 3. Securities (BACV) | $ | $ | $ | $ |
| 4. Nonadmitted Subset (BACV) | $ | $ | $ | $ |

(8) Allocation of Aggregate Collateral Pledged by Remaining Contractual Maturity

| | Amortized Cost | Fair Value |
|---|---|---|
| a. Overnight and Continuous | $ | $ |
| b. 30 Days or Less | $ | $ |
| c. 31 to 90 Days | $ | $ |
| d. >90 Days | $ | $ |

(9) Recognized Receivable for Return of Collateral – Secured Borrowing

| | First Quarter | Second Quarter | Third Quarter | Fourth Quarter |
|---|---|---|---|---|
| a. Maximum Amount | | | | |
| 1. Cash | $ | $ | $ | $ |
| 2. Securities (FV) | $ | $ | $ | $ |
| B. Ending Balance | | | | |
| 1. Cash | $ | $ | $ | $ |
| 2. Securities (FV) | $ | $ | $ | $ |

(10) Recognized Liability to Return Collateral – Secured Borrowing (Total)

| | First Quarter | Second Quarter | Third Quarter | Fourth Quarter |
|---|---|---|---|---|
| a. Maximum Amount | | | | |
| 1. Repo Securities Sold/Acquired with Cash Collateral | $ | $ | $ | $ |
| 2. Repo Securities Sold/Acquired with Securities Collateral (FV) | $ | $ | $ | $ |
| b. Ending Balance | | | | |
| 1. Repo Securities Sold/Acquired with Cash Collateral | $ | $ | $ | $ |
| 2. Repo Securities Sold/Acquired with Securities Collateral (FV) | $ | $ | $ | $ |

No significant changes

H. Repurchase Agreements Transactions Accounted for as a Sale

Repurchase Transaction – Cash Taker – Overview of Sale Transactions

(1) Company Policy or Strategies for Engaging in Repo Programs

No significant changes

No significant changes

(2) Type of Repo Trades Used

| | First Quarter | Second Quarter | Third Quarter | Fourth Quarter |
|---|---|---|---|---|
| a. Bilateral (YES/NO) | | | | |
| b. Tri-Party (YES/NO | | | | |

(3) Original (Flow) & Residual Maturity

| | First Quarter | Second Quarter | Third Quarter | Fourth Quarter |
|---|---|---|---|---|
| a. Maximum Amount | | | | |
| 1. Open – No Maturity | $ | $ | $ | $ |
| 2. Overnight | $ | $ | $ | $ |
| 3. 2 Days to 1 Week | $ | $ | $ | $ |
| 4. >1 Week to 1 Month | $ | $ | $ | $ |
| 5. >1 Month to 3 Months | $ | $ | $ | $ |

# NOTES TO FINANCIAL STATEMENTS

| | First Quarter | Second Quarter | Third Quarter | Fourth Quarter |
|---|---|---|---|---|
| 6. >3 Months to 1 Year | $ | $ | $ | $ |
| 7. > 1 Year | $ | $ | $ | $ |
| b. Ending Balance | | | | |
| 1. Open – No Maturity | $ | $ | $ | $ |
| 2. Overnight | $ | $ | $ | $ |
| 3. 2 Days to 1 Week | $ | $ | $ | $ |
| 4. >1 Week to 1 Month | $ | $ | $ | $ |
| 5. >1 Month to 3 Months | $ | $ | $ | $ |
| 6. >3 Months to 1 Year | $ | $ | $ | $ |
| 7. > 1 Year | $ | $ | $ | $ |

(4) Fair Value Securities Sold and/or Acquired that Resulted in Default

No significant changes

(5) Securities "Sold" Under Repo – Sale

| | First Quarter | Second Quarter | Third Quarter | Fourth Quarter |
|---|---|---|---|---|
| a. Maximum Amount | | | | |
| 1. BACV | XXX | XXX | XXX | $ |
| 2. Nonadmitted – Subset of BACV | XXX | XXX | XXX | $ |
| 3. Fair Value | $ | $ | $ | $ |
| b. Ending Balance | | | | |
| 1. BACV | XXX | XXX | XXX | $ |
| 2. Nonadmitted – Subset of BACV | XXX | XXX | XXX | $ |
| 3. Fair Value | $ | $ | $ | $ |

(6) Securities Sold Under Repo – Sale by NAIC Designation

| Ending Balance | 1<br>None | 2<br>NAIC 1 | 3<br>NAIC 2 | 4<br>NAIC 3 |
|---|---|---|---|---|
| a. Bonds-BACV | $ | $ | $ | $ |
| b. Bonds-FV | | | | |
| c. LB & SS-BACV | | | | |
| d. LB & SS-FV | | | | |
| e. Preferred Stock-BACV | | | | |
| f. Preferred Stock-FV | | | | |
| g. Common Stock | | | | |
| h. Mortgage Loans-BACV | | | | |
| i. Mortgage Loans-FV | | | | |
| j. Real Estate-BACV | | | | |
| k. Real Estate-FV | | | | |
| l. Derivatives-BACV | | | | |
| m. Derivatives-FV | | | | |
| n. Other Invested Assets-BACV | | | | |
| o. Other Invested Assets-FV | | | | |
| p. Total Assets-BACV | $ | $ | $ | $ |
| q. Total Assets-FV | $ | $ | $ | $ |

| Ending Balance | 5<br>NAIC 4 | 6<br>NAIC 5 | 7<br>NAIC 6 | 8<br>Nonadmitted |
|---|---|---|---|---|
| a. Bonds-BACV | $ | $ | $ | $ |
| b. Bonds-FV | | | | |
| c. LB & SS-BACV | | | | |
| d. LB & SS-FV | | | | |
| e. Preferred Stock-BACV | | | | |
| f. Preferred Stock-FV | | | | |
| g. Common Stock | | | | |
| h. Mortgage Loans-BACV | | | | |
| i. Mortgage Loans-FV | | | | |
| j. Real Estate-BACV | | | | |
| k. Real Estate-FV | | | | |
| l. Derivatives-BACV | | | | |
| m. Derivatives-FV | | | | |
| n. Other Invested Assets-BACV | | | | |
| o. Other Invested Assets-FV | | | | |
| p. Total Assets-BACV | $ | $ | $ | $ |
| q. Total Assets-FV | $ | $ | $ | $ |

p= a + c + e + g + h + j + l + n q = b + d + f + g + i + k + m + o

(7) Proceeds Received – Sale

| | First Quarter | Second Quarter | Third Quarter | Fourth Quarter |
|---|---|---|---|---|
| a. Maximum Amount | | | | |
| 1. Cash | $ | $ | $ | $ |
| 2. Securities (FV) | $ | $ | $ | $ |
| 3. Nonadmitted | $ | $ | $ | $ |
| b. Ending Balance | | | | |
| 1. Cash | $ | $ | $ | $ |
| 2. Securities (FV) | $ | $ | $ | $ |
| 3. Nonadmitted | $ | $ | $ | $ |

(8) Cash & Non-Cash Collateral Received – Sale by NAIC Designation

| Ending Balance | 1<br>None | 2<br>NAIC 1 | 3<br>NAIC 2 | 4<br>NAIC 3 |
|---|---|---|---|---|
| a. Bonds-FV | $ | $ | $ | $ |

# NOTES TO FINANCIAL STATEMENTS

| Ending Balance | 1<br>None | 2<br>NAIC 1 | 3<br>NAIC 2 | 4<br>NAIC 3 |
|---|---|---|---|---|
| b. LB & SS-FV | | | | |
| c. Preferred Stock-FV | | | | |
| d. Common Stock | | | | |
| e. Mortgage Loans-FV | | | | |
| f. Real Estate-FV | | | | |
| g. Derivatives-FV | | | | |
| h. Other Invested Assets-FV | | | | |
| i. Total Assets-FV (Sum of a through h) | $ | $ | $ | $ |

| Ending Balance | 5<br>NAIC 4 | 6<br>NAIC 5 | 7<br>NAIC 6 | 8<br>Nonadmitted |
|---|---|---|---|---|
| a. Bonds-FV | $ | $ | $ | $ |
| b. LB & SS-FV | | | | |
| c. Preferred Stock-FV | | | | |
| d. Common Stock | | | | |
| e. Mortgage Loans-FV | | | | |
| f. Real Estate-FV | | | | |
| g. Derivatives-FV | | | | |
| h. Other Invested Assets-FV | | | | |
| i. Total Assets-FV (Sum of a through h) | $ | $ | $ | $ |

(9) Recognized Forward Resale Commitment

| | First Quarter | Second Quarter | Third Quarter | Fourth Quarter |
|---|---|---|---|---|
| a. Maximum Amount | $ | $ | $ | $ |
| b. Ending Balance | $ | $ | $ | $ |

No significant changes

I. Reverse Repurchase Agreements Transactions Accounted for as a Sale

Repurchase Transaction – Cash Provider – Overview of Sale Transactions

(1) Company Policy or Strategies for Engaging in Repo Programs

No significant changes

No significant changes

(2) Type of Repo Trades Used

| | 1<br>First Quarter | 2<br>Second Quarter | 3<br>Third Quarter | 4<br>Fourth Quarter |
|---|---|---|---|---|
| a. Bilateral (YES/NO) | | | | |
| b. Tri-Party (YES/NO | | | | |

(3) Original (Flow) & Residual Maturity

| | First Quarter | Second Quarter | Third Quarter | Fourth Quarter |
|---|---|---|---|---|
| a. Maximum Amount | | | | |
| 1. Open – No Maturity | $ | $ | $ | $ |
| 2. Overnight | $ | $ | $ | $ |
| 3. 2 Days to 1 Week | $ | $ | $ | $ |
| 4. >1 Week to 1 Month | $ | $ | $ | $ |
| 5. >1 Month to 3 Months | $ | $ | $ | $ |
| 6. >3 Months to 1 Year | $ | $ | $ | $ |
| 7. > 1 Year | $ | $ | $ | $ |
| b. Ending Balance | | | | |
| 1. Open – No Maturity | $ | $ | $ | $ |
| 2. Overnight | $ | $ | $ | $ |
| 3. 2 Days to 1 Week | $ | $ | $ | $ |
| 4. >1 Week to 1 Month | $ | $ | $ | $ |
| 5. >1 Month to 3 Months | $ | $ | $ | $ |
| 6. >3 Months to 1 Year | $ | $ | $ | $ |
| 7. > 1 Year | $ | $ | $ | $ |

(4) Fair Value Securities Sold and/or Acquired that Resulted in Default

No significant changes

(5) Securities Acquired Under Repo – Sale

| | First Quarter | Second Quarter | Third Quarter | Fourth Quarter |
|---|---|---|---|---|
| a. Maximum Amount | | | | |
| 1. BACV | XXX | XXX | XXX | $ |
| 2. Nonadmitted – Subset of BACV | XXX | XXX | XXX | $ |
| 3. Fair Value | $ | $ | $ | $ |
| b. Ending Balance | | | | |
| 1. BACV | XXX | XXX | XXX | $ |
| 2. Nonadmitted – Subset of BACV | XXX | XXX | XXX | $ |
| 3. Fair Value | $ | $ | $ | $ |

(6) Securities Acquired Under Repo – Sale by NAIC Designation

| Ending Balance | 1<br>None | 2<br>NAIC 1 | 3<br>NAIC 2 | 4<br>NAIC 3 |
|---|---|---|---|---|
| a. Bonds-BACV | $ | $ | $ | $ |
| b. Bonds-FV | | | | |
| c. LB & SS-BACV | | | | |
| d. LB & SS-FV | | | | |
| e. Preferred Stock-BACV | | | | |
| f. Preferred Stock-FV | | | | |
| g. Common Stock | | | | |

# NOTES TO FINANCIAL STATEMENTS

| Ending Balance | 1<br>None | 2<br>NAIC 1 | 3<br>NAIC 2 | 4<br>NAIC 3 |
|---|---|---|---|---|
| h. Mortgage Loans-BACV | | | | |
| i. Mortgage Loans-FV | | | | |
| j. Real Estate-BACV | | | | |
| k. Real Estate-FV | | | | |
| l. Derivatives-BACV | | | | |
| m. Derivatives-FV | | | | |
| n. Other Invested Assets-BACV | | | | |
| o. Other Invested Assets-FV | | | | |
| p. Total Assets-BACV | $ | $ | $ | $ |
| q. Total Assets-FV | $ | $ | $ | $ |

| Ending Balance | 5<br>NAIC 4 | 6<br>NAIC 5 | 7<br>NAIC 6 | 8<br>Nonadmitted |
|---|---|---|---|---|
| a. Bonds-BACV | $ | $ | $ | $ |
| b. Bonds-FV | | | | |
| c. LB & SS-BACV | | | | |
| d. LB & SS-FV | | | | |
| e. Preferred Stock-BACV | | | | |
| f. Preferred Stock-FV | | | | |
| g. Common Stock | | | | |
| h. Mortgage Loans-BACV | | | | |
| i. Mortgage Loans-FV | | | | |
| j. Real Estate-BACV | | | | |
| k. Real Estate-FV | | | | |
| l. Derivatives-BACV | | | | |
| m. Derivatives-FV | | | | |
| n. Other Invested Assets-BACV | | | | |
| o. Other Invested Assets-FV | | | | |
| p. Total Assets-BACV | $ | $ | $ | $ |
| q. Total Assets-FV | $ | $ | $ | $ |

p= a + c + e + g + h + j + l + n    q = b + d + f + g + i + k + m + o

(7) Proceeds Provided – Sale

| | First Quarter | Second Quarter | Third Quarter | Fourth Quarter |
|---|---|---|---|---|
| a. Maximum Amount | | | | |
| 1. Cash | $ | $ | $ | $ |
| 2. Securities (FV) | $ | $ | $ | $ |
| 3. Securities (BACV) | XXX | XXX | XXX | XXX |
| 4. Nonadmitted Subset | XXX | XXX | XXX | XXX |
| b. Ending Balance | | | | |
| 1. Cash | $ | $ | $ | $ |
| 2. Securities (FV) | $ | $ | $ | $ |
| 3. Securities (BACV) | $ | $ | $ | $ |
| 4. Nonadmitted Subset | $ | $ | $ | $ |

(8) Recognized Forward Resale Commitment

| | First Quarter | Second Quarter | Third Quarter | Fourth Quarter |
|---|---|---|---|---|
| a. Maximum Amount | $ | $ | $ | $ |
| b. Ending Balance | $ | $ | $ | $ |

No significant changes

J. Real Estate

No significant changes

K. Low-Income Housing Tax Credits (LIHTC)

No significant changes

L. Restricted Assets

No significant changes

M. Working Capital Finance Investments

(1) Aggregate Working Capital Finance Investments (WCFI) Book/Adjusted Carrying Value by NAIC Designation:
No significant changes

(2) Aggregate Maturity Distribution on the Underlying Working Capital Finance Programs
No significant changes

| | Book/Adjusted Carrying Value |
|---|---|
| a. Up to 180 Days | $ |
| b. 181 to 365 Days | |
| c. Total | $ |

T05M029901;99;NINVEST:WORKCAP;D

(3) Any Events of Default or Working Capital Finance Investments

N. Offsetting and Netting of Assets and Liabilities

No significant changes

| | Gross Amount Recognized | Amount Offset* | Net Amount Presented on Financial Statements |
|---|---|---|---|
| (1) Assets | | | |

# NOTES TO FINANCIAL STATEMENTS

| | Gross Amount Recognized | Amount Offset* | Net Amount Presented on Financial Statements |
|---|---|---|---|
| | $ | $ | $ |
| (2) Liabilities | | | |
| | $ | $ | $ |

* For derivative assets and derivative liabilities, the amount of offset shall agree to Schedule DB, Part D, Section 1.

No significant changes

O. 5GI Securities
No significant changes

P. Short Sales
No significant changes

Q. Prepayment Penalty and Acceleration Fees
No significant changes

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

No significant changes

**Note 7 – Investment Income**

No significant changes

**Note 8 – Derivative Instruments**

A. Derivatives Under *SSAP No. 86 – Derivatives*

(1) Market Risk, Credit Risk and Cash Requirements
No significant changes

(2) Objectives for Derivative Use
No significant changes

(3) Accounting Policies for Recognition and Measurement
No significant changes

(4) Identification of Whether Derivative Contracts with Financing Premiums
No significant changes

(5) Net Gain or Loss Recognized
No significant changes

(6) Net Gain or Loss Recognized from Derivatives that no Longer Qualify for Hedge Accounting
No significant changes

(7) Derivatives Accounted for as Cash Flow Hedges
No significant changes

(8) Total Premium Costs for Contracts

| a. Scheduled Amortization Fiscal Year | Derivative Premium Payments Due |
|---|---|
| 1. 2020 | $ |
| 2. 2021 | |
| 3. 2022 | |
| 4. 2023 | |
| 5. Thereafter | |
| 6. Total Future Settled Premiums | $ |

| b. | Undiscounted Future Premium Commitments | Derivative Fair Value with Premium Commitments (Reported on DB) | Derivative Fair Value Excluding Impact of Future Settled Premiums |
|---|---|---|---|
| 1. Prior Year | $ | $ | $ |
| 2. Current Year to Date | $ | $ | $ |

B. Derivatives under *SSAP No. 108 – Derivatives Hedging Variable Annuity Guarantees*

(1) Discussion of Hedged Item/Hedging Instruments and Hedging Strategy
No significant changes

(2) Recognition of Gains/Losses and Deferred Assets and Liabilities

a. Scheduled Amortization

| Amortization Year | Deferred Assets | Deferred Liabilities |
|---|---|---|
| 1. 2020 | $ | $ |
| 2. 2021 | | |
| 3. 2022 | | |
| 4. 2023 | | |
| 5. 2024 | | |
| 6. 2025 | | |
| 7. 2026 | | |
| 8. 2027 | | |
| 9. 2028 | | |
| 10. 2029 | | |
| 11. Total | $ | $ |

b. Total Deferred Balance

| | |
|---|---|
| (Should agree to column 19 of Schedule DB, Part E) | $ |

c. Reconciliation of Amortization

| | |
|---|---|
| 1. Prior year total deferred balance | $ |
| 2. Current year to date amortization | |

# NOTES TO FINANCIAL STATEMENTS

| | |
|---|---|
| 3. Current year to date deferred recognition | |
| 4. Ending deferred balance ([1-(2+3)] | $ |

(3) Hedging Strategies Identified as No Longer Highly Effective
No significant changes

(4) Hedging Strategies Terminated
No significant changes

**Note 9 – Income Taxes**

A. Deferred Tax Assets/(Liabilities)

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

| | 2020 | | | 2019 | | | Change | | |
|---|---|---|---|---|---|---|---|---|---|
| | 1<br>Ordinary | 2<br>Capital | 3<br>(Col 1+2)<br>Total | 4<br>Ordinary | 5<br>Capital | 6<br>(Col 4+5)<br>Total | 7<br>(Col 1-4)<br>Ordinary | 8<br>(Col 2-5)<br>Capital | 9<br>(Col 7+8)<br>Total |
| a. Gross deferred tax assets | $118,347,511 | $ 520,199 | $118,867,710 | $110,819,072 | $ 982,303 | $111,801,375 | $ 7,528,439 | $ (462,104) | $ 7,066,335 |
| b. Statutory valuation allowance adjustment | | | | | | | | | |
| c. Adjusted gross deferred tax assets (1a-1b) | $118,347,511 | $ 520,199 | $118,867,710 | $110,819,072 | $ 982,303 | $111,801,375 | $ 7,528,439 | $ (462,104) | $ 7,066,335 |
| d. Deferred tax assets nonadmitted | 62,220,950 | | 62,220,950 | 50,747,463 | | 50,747,463 | 11,473,487 | | 11,473,487 |
| e. Subtotal net admitted deferred tax asset (1c-1d) | $ 56,126,561 | $ 520,199 | $ 56,646,760 | $ 60,071,609 | $ 982,303 | $ 61,053,912 | $ (3,945,048) | $ (462,104) | $ (4,407,152) |
| f. Deferred tax liabilities | 1,438,701 | 1,464,638 | 2,903,339 | 1,450,134 | 12,698,479 | 14,148,613 | (11,433) | (11,233,841) | (11,245,274) |
| g. Net admitted deferred tax assets/(net deferred tax liability) (1e-1f) | $ 54,687,860 | $ (944,439) | $ 53,743,421 | $ 58,621,475 | $(11,716,176) | $ 46,905,299 | $ (3,933,615) | $ 10,771,737 | $ 6,838,122 |

2. Admission Calculation Components SSAP No. 101

| | 2020 | | | 2019 | | | Change | | |
|---|---|---|---|---|---|---|---|---|---|
| | 1<br>Ordinary | 2<br>Capital | 3<br>(Col 1+2)<br>Total | 4<br>Ordinary | 5<br>Capital | 6<br>(Col 4+5)<br>Total | 7<br>(Col 1-4)<br>Ordinary | 8<br>(Col 2-5)<br>Capital | 9<br>(Col 7+8)<br>Total |
| a. Federal income taxes paid in prior years recoverable through loss carrybacks | $ 53,743,421 | $ | $ 53,743,421 | $ 46,905,300 | $ | $ 46,905,300 | $ 6,838,121 | $ | $ 6,838,121 |
| 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. Adjusted gross deferred tax assets expected to be realized following the balance sheet date | | | | | | | | | |
| 2. Adjusted gross deferred tax assets allowed per limitation threshold | | | | | | | | | |
| c. Adjusted gross deferred tax assets (excluding the amount of deferred tax assets from 2(a) and 2(b) above) offset by gross deferred tax liabilities | 2,383,140 | 520,199 | 2,903,339 | 13,166,310 | 982,303 | 14,148,613 | (10,783,170) | (462,104) | (11,245,274) |
| d. Deferred tax assets admitted as the result of application of SSAP 101. Total (2(a)+2(b)+2(c)) | $ 56,126,561 | $ 520,199 | $ 56,646,760 | $ 60,071,610 | $ 982,303 | $ 61,053,913 | $ (3,945,049) | $ (462,104) | $ (4,407,153) |

# NOTES TO FINANCIAL STATEMENTS

3. Other Admissibility Criteria

| | | 2020 | 2019 |
|---|---|---|---|
| a. | Ratio percentage used to determine recovery period and threshold limitation amount | 760.0% | 696.7% |
| b. | Amount of adjusted capital and surplus used to determine recovery period and threshold limitation in 2(b)2 above | $ 616,249,553 | $ 823,421,541 |

4. Impact of Tax Planning Strategies

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

| | 2020 | | 2019 | | Change | |
|---|---|---|---|---|---|---|
| | 1<br>Ordinary | 2<br>Capital | 3<br>Ordinary | 4<br>Capital | 5<br>(Col. 1-3)<br>Ordinary | 6<br>(Col. 2-4)<br>Capital |
| 1. Adjusted gross DTAs amount from Note 9A1(c) | $ 118,347,511 | $ 520,199 | $ 110,819,072 | $ 982,303 | $ 7,528,439 | $ (462,104) |
| 2. Percentage of adjusted gross DTAs by tax character attributable to the impact of tax planning strategies | % | % | % | % | % | % |
| 3. Net Admitted Adjusted Gross DTAs amount from Note 9A1(e) | $ 56,126,561 | $ 520,199 | $ 60,071,609 | $ 982,303 | $ (3,945,048) | $ (462,104) |
| 4 Percentage of net admitted adjusted gross DTAs by tax character admitted because of the impact of tax planning strategies | % | % | % | % | % | % |

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

B. Deferred Tax Liabilities Not Recognized

Not applicable

C. Current and Deferred Income Taxes

1. Current Income Tax

| | 1<br>2020 | 2<br>2019 | 3<br>(Col 1-2)<br>Change |
|---|---|---|---|
| a. Federal | $ 6,041,712 | $ 31,120,058 | $ (25,078,346) |
| b. Foreign | $ | $ | $ |
| c. Subtotal | $ 6,041,712 | $ 31,120,058 | $ (25,078,346) |
| d. Federal income tax on net capital gains | $ 5,208,321 | $ (561,815) | $ 5,770,136 |
| e. Utilization of capital loss carry-forwards | $ | $ | $ |
| f. Other | $ | $ (3,040,785) | $ 3,040,785 |
| g. Federal and Foreign income taxes incurred | $ 11,250,033 | $ 27,517,458 | $ (16,267,425) |

2. Deferred Tax Assets

| | 1<br>2020 | 2<br>2019 | 3<br>(Col 1-2)<br>Change |
|---|---|---|---|
| a. Ordinary: | | | |
| 1. Discounting of unpaid losses | $ 462,664 | $ 767,788 | $ (305,124) |
| 2. Unearned premium reserve | | | |
| 3. Policyholder reserves | | | |
| 4. Investments | | | |
| 5. Deferred acquisition costs | 258,921 | 288,862 | (29,941) |
| 6. Policyholder dividends accrual | | | |
| 7. Fixed assets | 4,508,967 | 4,950,836 | (441,869) |
| 8. Compensation and benefits accrual | 45,961,318 | 44,395,406 | 1,565,912 |
| 9. Pension accrual | | | |
| 10. Receivables - nonadmitted | 22,655,345 | 15,849,008 | 6,806,337 |
| 11. Net operating loss carry-forward | | | |
| 12. Tax credit carry-forward | | | |
| 13. Other (items <=5% and >5% of total ordinary tax assets) | 44,500,296 | 44,567,172 | (66,876) |
| Other (items listed individually >5%of total ordinary tax assets) | | | |
| | | | |
| 99. Subtotal | $ 118,347,511 | $ 110,819,072 | $ 7,528,439 |

# NOTES TO FINANCIAL STATEMENTS

| | | | |
|---|---|---|---|
| b. Statutory valuation allowance adjustment | | | |
| c. Nonadmitted | 62,220,950 | 50,747,463 | 11,473,487 |
| d. Admitted ordinary deferred tax assets (2a99-2b-2c) | $ 56,126,561 | $ 60,071,609 | $ (3,945,048) |
| e. Capital: | | | |
| 1. Investments | $ 520,199 | $ 982,303 | $ (462,104) |
| 2. Net capital loss carry-forward | | | |
| 3. Real estate | | | |
| 4. Other (items <=5% and >5% of total capital tax assets) | | | |
| Other (items listed individually >5% of total capital tax assets) | | | |
| | | | |
| 99. Subtotal | $ 520,199 | $ 982,303 | $ (462,104) |
| f. Statutory valuation allowance adjustment | | | |
| g. Nonadmitted | | | |
| h. Admitted capital deferred tax assets (2e99-2f-2g) | 520,199 | 982,303 | (462,104) |
| i. Admitted deferred tax assets (2d+2h) | $ 56,646,760 | $ 61,053,912 | $ (4,407,152) |

3. Deferred Tax Liabilities

| | 1<br>2020 | 2<br>2019 | 3<br>(Col 1-2)<br>Change |
|---|---|---|---|
| a. Ordinary: | | | |
| 1. Investments | $ 146,135 | $ 157,568 | $ (11,433) |
| 2. Fixed assets | | | |
| 3. Deferred and uncollected premium | | | |
| 4. Policyholder reserves | | | |
| 5. Other (items <=5% and >5% of total ordinary tax liabilities) | 1,292,566 | 1,292,566 | |
| Other (items listed individually >5% of total ordinary tax liabilities) | | | |
| | | | |
| 99. Subtotal | $ 1,438,701 | $ 1,450,134 | $ (11,433) |
| b. Capital: | | | |
| 1. Investments | $ 1,464,638 | $ 12,698,479 | $ (11,233,841) |
| 2. Real estate | | | |
| 3. Other (Items <=5% and >5% of total capital tax liabilities) | | | |
| Other (items listed individually >5% of total capital tax liabilities) | | | |
| | | | |
| 99. Subtotal | $ 1,464,638 | $ 12,698,479 | $ (11,233,841) |
| c. Deferred tax liabilities (3a99+3b99) | $ 2,903,339 | $ 14,148,613 | $ (11,245,274) |
| 4. Net Deferred Tax Assets/Liabilities (2i – 3c) | $ 53,743,421 | $ 46,905,299 | $ 6,838,122 |

D. Reconciliation of Federal Income Tax Rate to Actual Effective Rate Among the more significant book to tax adjustments were the following:

| | Amount | Effective Tax Rate (%) |
|---|---|---|
| **Permanent Differences:** | | |
| Provision computed at statutory rate | $ 7,649,140 | 21.0% |
| Change in nonadmitted assets | | % |
| Proration of tax exempt investment income | 32,904 | 0.1% |
| Tax exempt income deduction | (95,757) | (0.3)% |
| Dividends received deduction | (35,860) | (0.1)% |
| Disallowed travel and entertainment | 17,277 | % |
| Other permanent differences | 4,558,142 | 12.5% |
| **Temporary Differences:** | | |
| Total ordinary DTAs | | % |
| Total ordinary DTLs | | % |
| Total capital DTAs | | % |
| Total capital DTLs | | % |
| **Other:** | | |
| Statutory valuation allowance adjustment | | % |
| Accrual adjustment – prior year | | % |
| Other | (18,254,447) | (50.1)% |
| Totals | $ (6,128,601) | (16.8)% |
| Federal and foreign income taxes incurred | 6,041,712 | 16.6% |
| Realized capital gains (losses) tax | 5,208,321 | 14.3% |
| Change in net deferred income taxes | (17,378,634) | (47.7)% |
| Total statutory income taxes | $ (6,128,601) | (16.8)% |

E. Operating Loss Carry Forwards and Income Taxes Available for Recoupment

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

At December 31, 2019, the Company did not have any unused operating loss carryforwards available to offset against future taxable income

2. The following is income tax expense for current year and proceeding years that is available for recoupment in the event of future net losses:

# NOTES TO FINANCIAL STATEMENTS

| Year | Amounts |
|---|---|
| 2020 | $11,250,033 |
| 2019 | $30,558,244 |

3. The Company's aggregate amount of deposits admitted under Section 6603 of the Internal Revenue Service Code
 The Company's aggregate amount of deposits admitted under Section 6603 of the Internal Revenue Service Code is 0.

F. Consolidated Federal Income Tax Return

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

USAble Mutual Insurance Company

USAble Corporation

Group Service Underwriters Inc

USAble Partners LLC

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

The method of allocation among companies is subject to a written agreement, approved by the required authorized officers. The method of allocation chosen is in accordance with IRS Regulation 1.1502-33(d)(2)(I) whereby profitable companies pay tax according to their income or losses. Intercompany tax balances are paid quarterly based on estimates and settled annual upon completion of the consolidated tax return.

G. Federal or Foreign Federal Income Tax Loss Contingencies:

The Company has no tax loss contingencies for which it is reasonably possible that the total liability will significantly increase within twelve months of the reporting date

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

Not applicable

I. Alternative Minimum Tax Credit
Was the AMT Credit recognized as a current year recoverable or Deferred Tax Asset (DTA)? DTA
Gross AMT Credit Recognized as:

| | | |
|---|---|---|
| 1a | Current year recoverable | $ |
| 1b | Deferred tax asset (DTA) | |
| 2 | Beginning Balance of AMT Credit Carryforward | |
| 3 | Amounts Recovered | |
| 4 | Adjustments | |
| 5 | Ending Balance of AMT Credit Carryforward (5=2-3-4) | |
| 6 | Reduction for Sequestration | |
| 7 | Nonadmltted by Reporting Entity | |
| 8 | Reporting Entity Ending Balance (8=5-6-7) | $ |

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

USAble Mutual Insurance Company, d.b.a. Arkansas Blue Cross Blue Shield, owns 100% of USAble Corporation, 20% of Partnership for a Healthy Arkansas, LLC, and 50% of HMO Partners, Inc.The Company owns 43.07% of LSV, LLC. LSV, LLC owns 100% of USAble Life. As of December 31, 2019, USAble Corporation owns 100% of Pinnacle Insurance Agency, 100% of USAble Partners, LLC 50% of Medsite Health Mgmt, LLC, 10% of New Directions Behavioral Health Holding Company, LLC, 100% USAble HMO, and 100% USAble PPO.

**Note 11 – Debt**

A. Debt Including Capital Notes
No significant changes

B. FHLB (Federal Home Loan Bank) Agreements

(1) Nature of the Agreement

The Company is a member of the Federal Home Loan Bank (FHLB) of Dallas. Through its membership, the Company has the ability to conduct business activity (borrowings) with the FHLB. It is part of the Company's strategy to utilize these funds as operational liquidity. (For example backup liquidity, to increase profitability and/or tactical funding and/or to improve spread lending liquidity.) The Company has determined the actual/estimated maximum borrowing capacity as $ 100,000,000, The Company calculated this amount in accordance with current and potential acquisitions of FHLB capital stock.

(2) FHLB Capital Stock
a. Aggregate Totals
1. Current Year to Date

| | Total |
|---|---|
| (a) Membership Stock – Class A | $ 706,800 |
| (b) Membership Stock – Class B | |

# NOTES TO FINANCIAL STATEMENTS

| | Total |
|---|---|
| (c) Activity Stock | |
| (d) Excess Stock | |
| (e) Aggregate Total (a+b+c+d) | $ 706,800 |
| (f) Actual or estimated borrowing capacity as determined by the insurer | $ 100,000,000 |

2. Prior Year-End

| | Total |
|---|---|
| (a) Membership Stock – Class A | $ 703,700 |
| (b) Membership Stock – Class B | |
| (c) Activity Stock | |
| (d) Excess Stock | |
| (e) Aggregate Total (a+b+c+d) | $ 703,700 |
| (f) Actual or estimated borrowing capacity as determined by the insurer | $ 100,000,000 |

b. Membership Stock (Class A and B) Eligible and Not Eligible for Redemption

| | 1 | 2 | Eligible for Redemption | | | |
|---|---|---|---|---|---|---|
| | | | 3 | 4 | 5 | 6 |
| Membership Stock | Current Year to Date Total (2+3+4+5+6) | Not Eligible for Redemption | Less than 6 Months | 6 Months to Less Than 1 Year | 1 to Less Than 3 Years | 3 to 5 Years |
| 1. Class A | $ 706,800 | $ | $ | $ | $ | $ 706,800 |
| 2. Class B | $ | $ | $ | $ | $ | $ |

(3) Collateral Pledged to FHLB

a. Amount Pledged as of Reporting Date (Current Year to Date)

| | 1<br>Fair Value | 2<br>Carrying Value | 3<br>Aggregate Total Borrowing |
|---|---|---|---|
| Current Year to Date Total Collateral Pledged | $ | $ | $ |
| Prior Year Total Collateral Pledged | $ | $ | $ |

b. Maximum Amount Pledged During Year

| | 1<br>Fair Value | 2<br>Carrying Value | 3<br>Amount Borrowed at Time of Maximum Collateral |
|---|---|---|---|
| Current Year to Date Total Collateral Pledged | $ | $ | $ |
| Prior Year Total Collateral Pledged | $ | $ | $ |

(4) Borrowing from FHLB

a. Amount as of the Reporting Date

1. Current Year to Date

| | 1<br>Total | 2<br>Funding Agreements Reserves Established |
|---|---|---|
| (a) Debt | | XXX |
| (b) Funding Agreements | | |
| (c) Other | | XXX |
| (d) Aggregate Total (a+b+c) | | |

2. Prior Year

| | 1<br>Total | 2<br>Funding Agreements Reserves Established |
|---|---|---|
| (a) Debt | $ | XXX |
| (b) Funding Agreements | | $ |
| (c) Other | | XXX |
| (d) Aggregate Total (a+b+c) | $ | $ |

b. Maximum Amount During Reporting Period (Current Year to Date)

| | Total |
|---|---|
| 1. Debt | |
| 2. Funding Agreements | |
| 3. Other | |
| 4. Aggregate Total (Lines 1+2+3) | |

c. FHLB – Prepayment Obligations

| | Does the Company have Prepayment Obligations under the Following Arrangements (YES/NO) |
|---|---|
| 1. Debt | NO |
| 2. Funding Agreements | NO |
| 3. Other | NO |

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

A. Defined Benefit Plan

(1) Change in Benefit Obligation
No significant changes

(2) Change in Plan Assets
No significant changes

(3) Funded Status
No significant changes

(4) Components of Net Periodic Benefit Cost

# NOTES TO FINANCIAL STATEMENTS

| | Pension Benefits | | Postretirement Benefits | | Special or Contractual Benefits per SSAP No. 11 | |
|---|---|---|---|---|---|---|
| | Current Year to Date | 2019 | Current Year to Date | 2019 | Current Year to Date | 2019 |
| a. Service cost | $ | $ | $ 141,750 | $ 646,000 | $ | $ |
| b. Interest cost | | | 1,221,750 | 5,774,000 | | |
| c. Expected return on plan assets | | | | | | |
| d. Transition asset or obligation | | | | | | |
| e. Gains and losses | | | | | | |
| f. Prior service cost or credit | | | (361,250) | (1,834,000) | | |
| g. Gain or loss recognized due to a settlement curtailment | | | | | | |
| h. Total net periodic benefit cost | $ | $ | $ 1,002,250 | $ 4,586,000 | $ | $ |

(5) Amounts in Unassigned Funds (Surplus) Recognized as Components of Net Period Benefit Cost
No significant changes
(6) Amounts in Unassigned Funds (Surplus) That Have Not Yet Been Recognized as Components of Net Period Benefit Cost
No significant changes
(7) Weighted Average Assumptions Used to Determine Net Periodic Benefit Cost as of Current Period
No significant changes
(8) Accumulated Benefit Obligation for Defined Benefit Pension Plans
No significant changes
(9) For Postretirement Benefits Other Than Pensions, the Assumed Health Care Cost Trend Rate(s)
No significant changes
(10) Estimated Future Payments, Which Reflect Unexpected Future Service
No significant changes
(11) Estimate of Contributions Expected to be Paid to the Plan
No significant changes
(12) Amounts and Types of Securities Included in Plan Assets
No significant changes
(13) Alternative Method Used to Amortize Prior Service Amounts or Net Gains and Losses
No significant changes
(14) Substantive Comment Used to Account for Benefit Obligations
No significant changes
(15) Cost of Providing Special or Contractual Termination Benefits Recognized
No significant changes
(16) Reasons for Significant Gains/Losses Related to Changes in Defined Benefit Obligation and any Other Significant Change in the Benefit Obligations Assets Not Otherwise Apparent
No significant changes
(17) Accumulated Postretirement and Pension Benefit Obligation and Fair Value of Plan Assets for Defined Postretirement and Pension Benefit Plans
No significant changes
(18) Full Transition Surplus Impact of SSAP 102
No significant changes

B. Investment Policies and Strategies
No significant changes

C. Fair Value of Plan Assets
No significant changes

D. Basis Used to Determine Expected Long-Term Rate-of-Return
No significant changes

E. Defined Contribution Plans
No significant changes

F. Multiemployer Plans
No significant changes

G. Consolidated/Holding Company Plans
No significant changes

H. Postemployment Benefits and Compensated Absences
No significant changes

I. Impact of Medicare Modernization Act on Postretirement Benefits (INT 04-17)
No significant changes

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

No significant changes

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

No significant changes

**Note 15 – Leases**

# NOTES TO FINANCIAL STATEMENTS

No significant changes

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

No significant changes

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

A. Transfers of Receivables Reported as Sales
No significant changes

B. Transfer and Servicing of Financial Assets

(1) Description of any Loaned Securities
No significant changes
(2) Servicing Assets and Servicing Liabilities
No significant changes
(3) When Servicing Assets and Liabilities are Measured at Fair Value
No significant changes
(4) Securitizations, Asset-Based Financing Arrangements and Similar Transfers Accounted for as Sales
(a)
No significant changes
(b)
No significant changes
(5) Disclosure Requirements for Transfers of Assets Accounted for as Secured Borrowing
No significant changes
(6) Transfer of Receivables with Recourse
No significant changes
(7) Securities Underlying Repurchase and Reverse Repurchase Agreements, Dollar Repurchase and Dollar Reverse Repurchase Agreements
No significant changes

C. Wash Sales

(1) Description of the Objectives Regarding These Transactions
No significant changes
(2) The details by NAIC designation 3 or below, or unrated of securities sold during the current period and reacquired within 30 days of the sale date are:
No significant changes

| Description | NAIC Designation | Number of Transactions | Book Value of Securities Sold | Cost of Securities Repurchased | Gain/(Loss) |
|---|---|---|---|---|---|
| | | | $ | $ | $ |

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

No significant changes

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

No significant changes

**Note 20 – Fair Value Measurements**

A. Fair Value Measurements
(1) Fair Value Measurements at Reporting Date

| Description for Each Type of Asset or Liability | Level 1 | Level 2 | Level 3 | Net Asset Value (NAV) | Total |
|---|---|---|---|---|---|
| Assets at Fair Value | | | | | |
| Other Invested Assets | $ | $ | $ | $ 89,957,034 | $ 89,957,034 |
| Bonds | $ | $ | $ | $ | $ |
| Industrial and Misc | $ | $ 2,720,571 | $ | $ | $ 2,720,571 |
| Common Stock | $ | $ | $ | $ | $ |
| Industrial and Misc | $ | $ 47,786,591 | $ | $ | $ 47,786,591 |
| Mutual Fund | $ | $ | $ | $ | $ |
| Parent, Subsididaries and Affiliates | $ | $ | $ 376,562,355 | $ | $ 376,562,355 |
| Total | $ | $ 50,507,162 | $ 376,562,355 | $ 89,957,034 | $ 517,026,550 |
| Liabilities at Fair Value | | | | | |
| | $ | $ | $ | $ | $ |
| Total | $ | $ | $ | $ | $ |

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

| Description | Beginning Balance | Transfers Into Level 3 | Transfers Out of Level 3 | Total Gains and (Losses) Included in Net Income | Total Gains and (Losses) Included in Surplus | Purchases | Issuances | Sales | Settle-ments | Ending Balance as of Current Period |
|---|---|---|---|---|---|---|---|---|---|---|
| a. Assets | | | | | | | | | | |
| Parent, Subsidiaries and Affiliates | $381,496,941 | $ | $ | $ | $ (4,934,586) | $ | $ | $ | $ | $376,562,355 |
| Total | $381,496,941 | $ | $ | $ | $ (4,934,586) | $ | $ | $ | $ | $376,562,355 |
| b. Liabilities | | | | | | | | | | |
| | $ | $ | $ | $ | $ | $ | $ | $ | $ | $ |

# NOTES TO FINANCIAL STATEMENTS

| Description | Beginning Balance | Transfers Into Level 3 | Transfers Out of Level 3 | Total Gains and (Losses) Included in Net Income | Total Gains and (Losses) Included in Surplus | Purchases | Issuances | Sales | Settle-ments | Ending Balance as of Current Period |
|---|---|---|---|---|---|---|---|---|---|---|
| Total | $ | $ | $ | $ | $ | $ | $ | $ | $ | $ |

(3) Policies when Transfers Between Levels are Recognized

(4) Description of Valuation Techniques and Inputs Used in Fair Value Measurement

(5) Fair Value Disclosures for Derivative Assets and Liabilities

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

C. Fair Value Level

| Type of Financial Instrument | Aggregate Fair Value | Admitted Assets | (Level 1) | (Level 2) | (Level 3) | Net Asset Value (NAV) | Not Practicable (Carrying Value) |
|---|---|---|---|---|---|---|---|
| Other Invested Assets | $ 89,957,034 | $ 89,957,034 | $ | $ | $ | $ 89,957,034 | $ |
| Bonds | $ 2,720,571 | $ 2,720,571 | $ | $ 2,720,571 | $ | $ | $ |
| Common Stock | $ 424,348,946 | $ 424,348,946 | $ | $ 47,786,591 | $ 376,562,355 | $ | $ |

D. Not Practicable to Estimate Fair Value

| Type of Class or Financial Instrument | Carrying Value | Effective Interest Rate | Maturity Date | Explanation |
|---|---|---|---|---|
| | $ | | | |

E. NAV Practical Expedient Investments

1. Martingale Investment Trust – Series 1Low Volatility Large Cap+

This strategy seeks to meet or exceed equity market returns while realizing significantly less volatility. This investment focuses on identifying and investing in low risk companies with sound fundamental properties. The portfolio is considered to be a low risk portfolio with broad, stable sector diversification. The fund contains 214 individual holdings as of 03/31/2020 with the top 10% of all holdings representing 13.3% of all fund holdings. Overall, the risk target of this portfolio is to perform with 70%-80% of the overall market volatility of the Russell 1000 Index.

The fund is able to be liquidated on a monthly basis. Because the underlying portfolio contains assets that are part of the Russell 1000 Index, it is very probable that the fund would not liquidate at the NAV of a prior month. It is possible the fund could be liquidated at a higher or lower price depending on overall market actions.

Barings U.S. Loan Fund Series – Tranche A

The Barings investment process is a focused and detailed fundamental bottom-up due diligence. The firm's investment philosophy is based on the belief that long-term, risk-adjusted returns can best be achieved through active portfolio management coupled with strong fundamental credit underwriting with the goal of minimizing principal losses. The firm takes a credit-intensive approach when selecting assets that seeks to determine where favorable value exists within companies on a relative basis to other investment alternatives.

The average number of loans in the portfolio is 192 at the end of the first quarter 2020, with 13.6% in the top ten holdings. The portfolio is diversified across eleven sectors, with five sectors containing more than 10% of all holdings. Average annualized default since inception is 0.5%, while the historical average is 2.9%.

The fund has daily liquidity but a 30 calendar day prior to withdraw notice is necessary. As of 3/31/20, there are $1.0 Billion assets in the Commingled Fund.

2. Not Applicable (The investments can be redeemed on a monthly basis.)

3. Not Applicable (There is no required capital commitment for the investments in Martingale or Barings)

4. Redemption of shares of either holding are processed on a monthly basis at prevailing market NAV.

5. Not Applicable

6. Not Applicable (There are no restrictions to viewing the investments of the Martingale Investment Trust – Series 1 Low Volatility Large Cap+ or the Barings U.S. Loan Fund Series – Tranche A. The holdings are provided to the Investor in each of the fund's annual reports, and can be requested at any month end closing.)

# NOTES TO FINANCIAL STATEMENTS

7. Not Applicable (The investor has not made a decision to redeem shares of the Martingale Investment Trust – Series 1 Low Volatility Large Cap+ or the Barings U.S. Loan Fund Series – Tranche A at this time.)

**Note 21 – Other Items**

No significant changes

**Note 22 – Events Subsequent**

Subsequent events have been considered through for these statutory financial statements which are to be issued on . There were no events occurring subsequent to the end of the quarter that merited recognition or disclosure in these statements.

**Note 23 – Reinsurance**

No significant changes

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

A. Method Used to Estimate Accrued Retrospective Premium Adjustments
No significant changes

B. Retrospective Premiums Recorded Through Written Premium or Adjustment to Earned Premium
No significant changes

C. Amount and Percentage of Net Premiums Written Subject to Retrospective Rating Features
No significant changes

D. Medical Loss Ratio Rebates Required Pursuant to the Public Health Service Act
No significant changes

E. Risk Sharing Provisions of the Affordable Care Act

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

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

| a. Permanent ACA Risk Adjustment Program | AMOUNT |
|---|---|
| Assets | |
| 1. Premium adjustments receivable due to ACA Risk Adjustment | $ |
| Liabilities | |
| 2. Risk adjustment user fees payable for ACA Risk Adjustment | $ |
| 3. Premium adjustments payable due to ACA Risk Adjustment | $ 19,573,134 |
| Operations (Revenue & Expenses) | |
| 4. Reported as revenue in premium for accident and health contracts (written/collected) due to ACA Risk Adjustment | $ |
| 5. Reported in expenses as ACA Risk Adjustment user fees (incurred/paid) | $ |

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

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

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

| | Accrued During the Prior Year on Business Written Before Dec. 31 of the Prior Year | | Received or Paid as of the Current Year to Date on Business Written Before Dec. 31 of the Prior Year | | Differences | | Adjustments | | Ref | Unsettled Balances as of the Reporting Date | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | Prior Year Accrued Less Payments (Col. 1-3) | Prior Year Accrued Less Payments (Col. 2-4) | To Prior Year Balances | To Prior Year Balances | | Cumulative Balance from Prior Years (Col. 1-3+7) | Cumulative Balance from Prior Years (Col. 2-4+8) |
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | | 0 | 10 |
| | Receivable | (Payable) | Receivable | (Payable) | Receivable | (Payable) | Receivable | (Payable) | | Receivable | (Payable) |
| a. Permanent ACA Risk Adjustment | | | | | | | | | | | |

# NOTES TO FINANCIAL STATEMENTS

| | Accrued During the Prior Year on Business Written Before Dec. 31 of the Prior Year | | Received or Paid as of the Current Year to Date on Business Written Before Dec. 31 of the Prior Year | | Differences | | Adjustments | | Ref | Unsettled Balances as of the Reporting Date | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | Prior Year Accrued Less Payments (Col. 1-3) | Prior Year Accrued Less Payments (Col. 2-4) | To Prior Year Balances | To Prior Year Balances | | Cumulative Balance from Prior Years (Col. 1-3+7) | Cumulative Balance from Prior Years (Col. 2-4+8) |
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | | 0 | 10 |
| | Receivable | (Payable) | Receivable | (Payable) | Receivable | (Payable) | Receivable | (Payable) | | Receivable | (Payable) |
| Program | | | | | | | | | | | |
| 1. Premium adjustments receivable | $ | $ | $ | $ | $ | $ | $ | $ | A | $ | $ |
| 2. Premium adjustments (payable) | | 19,573,134 | | | | 19,573,134 | | | B | | 19,573,134 |
| 3. Subtotal ACA Permanent Risk Adjustment Program | $ | $ 19,573,134 | $ | $ | $ | $ 19,573,134 | $ | $ | | $ | $ 19,573,134 |
| b. Transitional ACA Reinsurance Program | | | | | | | | | | | |
| 1. Amounts recoverable for claims paid | $ | $ | $ | $ | $ | $ | $ | $ | C | $ | $ |
| 2. Amounts recoverable for claims unpaid (contra liability) | | | | | | | | | D | | |
| 3. Amounts receivable relating to uninsured plans | | | | | | | | | E | | |
| 4. Liabilities for contributions payable due to ACA Reinsurance – not reported as ceded premiums | | | | | | | | | F | | |
| 5. Ceded reinsurance premiums payable | | | | | | | | | G | | |
| 6. Liability for amounts held under uninsured plans | | | | | | | | | H | | |
| 7. Subtotal ACA Transitional Reinsurance Program | $ | $ | $ | $ | $ | $ | $ | $ | | $ | $ |
| c. Temporary ACA Risk Corridors Program | | | | | | | | | | | |
| 1. Accrued retrospective premium | $ | $ | $ | $ | $ | $ | $ | $ | I | $ | $ |
| 2. Reserve for rate credits or policy experience rating refunds | | | | | | | | | J | | |
| 3. Subtotal ACA Risk Corridors Program | $ | $ | $ | $ | $ | $ | $ | $ | | $ | $ |
| d. Total for ACA Risk Sharing Provisions | $ | $ 19,573,134 | $ | $ | $ | $ 19,573,134 | $ | $ | | $ | $ 19,573,134 |

Explanations of Adjustments

A.
B.
C.
D.
E.
F.
G.
H.
I.
J.

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

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

# NOTES TO FINANCIAL STATEMENTS

| | Accrued During the Prior Year on Business Written Before Dec. 31 of the Prior Year | | Received or Paid as of the Current Year to Date on Business Written Before Dec. 31 of the Prior Year | | Differences | | Adjustments | | | Unsettled Balances as of the Reporting Date | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | Prior Year Accrued Less Payments (Col. 1-3) | Prior Year Accrued Less Payments (Col. 2-4) | To Prior Year Balances | To Prior Year Balances | | Cumulative Balance from Prior Years (Col. 1-3+7) | Cumulative Balance from Prior Years (Col. 2-4+8) |
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | | 9 | 10 |
| | Receivable | (Payable) | Receivable | (Payable) | Receivable | (Payable) | Receivable | (Payable) | | Receivable | (Payable) |
| c. 2020 | | | | | | | | | | | |
| 1. Accrued retrospective premium | $ | $ | $ | $ | $ | $ | $ | $ | E | $ | $ |
| 2. Reserve for rate credits or policy experience rating refunds | $ | $ | $ | $ | $ | $ | $ | $ | F | $ | $ |
| d. Total for Risk Corridors | $ | $ | $ | $ | $ | $ | $ | $ | | $ | $ |

A.
B.
C.
D.
E.
F.

(5) ACA Risk Corridors Receivable as of Reporting Date

| Risk Corridors Program Year | 1<br>Estimated Amount to be Filed or Final Amount Filed with CMS | 2<br>Non-Accrued Amounts for Impairment or Other Reasons | 3<br>Amounts Received from CMS | 4<br>Asset Balance (Gross of Non-Admissions) (1-2-3) | 5<br>Non-Admitted Amount | 5<br>Net Admitted Asset (4–5) |
|---|---|---|---|---|---|---|
| a. 2014 | $ | $ | $ | $ | $ | $ |
| b. 2015 | 15,919,592 | 15,919,592 | | | | |
| c. 2016 | 19,022,136 | 19,022,136 | | | | |
| d. Total (a+b+c) | $ 34,941,728 | $ 34,941,728 | $ | $ | $ | $ |

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

A. Change in Incurred Losses and Loss Adjustment Expenses

Reserves as of December 31, 2019 were $190,894,561. As of March 31, 2020, $174,748,177 has been paid for incurred claims and claim adjustment expenses attributable to insured events of prior years. Reserves remaining for prior years are now $3,824,862 as a result of re-estimation of unpaid claims and claim adjustment expenses.Therefore, there has been a $12,321,522 favorable prior-year development since December 31, 2019 to March 31, 2020. The increase is generally the result of ongoing analysis of recent loss development trends. Original estimates are increased or decreased, as additional information becomes known regarding individual claims.

| | | |
|---|---|---|
| 12/31/2019 Reserves | $ 190,894,561 | (includes Due and Unpaid) |
| 2019 Claims paid in 2020 | (174,748,177) | |
| Adjusted Net Reserves | $ 16,146,384 | |
| 2019 Remaining Reserves @ 03/31/2020 | 3,824,862 | |
| Favorable Development | $ 12,321,522 | |

B. Information about Significant Changes in Methodologies and Assumptions

No significant changes.

**Note 26 – Intercompany Pooling Arrangements**

No significant changes

**Note 27 – Structured Settlements**

Not applicable

**Note 28 – Health Care Receivables**

No significant changes

**Note 29 – Participating Policies**

No significant changes

**Note 30 – Premium Deficiency Reserves**

No significant changes

**Note 31 – Anticipated Salvage and Subrogation**

# NOTES TO FINANCIAL STATEMENTS

No significant changes

# GENERAL INTERROGATORIES

## PART 1 - COMMON INTERROGATORIES

### GENERAL

1.1 Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act? Yes [ ] No [ X ]

1.2 If yes, has the report been filed with the domiciliary state? Yes [ ] No [ ]

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

2.2 If yes, date of change:

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

3.2 Have there been any substantial changes in the organizational chart since the prior quarter end? Yes [ X ] No [ ]

3.3 If the response to 3.2 is yes, provide a brief description of those changes.

The Company's investment in USAble Corporation increased due to an investment in USAble PPO and USAble HMO.

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

3.5 If the response to 3.4 is yes, provide the CIK (Central Index Key) code issued by the SEC for the entity/group.

4.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes [ ] No [ X ]
If yes, complete and file the merger history data file with the NAIC for the annual filing corresponding to this period.

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

| 1<br>Name of Entity | 2<br>NAIC Company Code | 3<br>State of Domicile |
|---|---|---|
| | | |

5. If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved?
If yes, attach an explanation. Yes [ ] No [X] N/A [ ]

6.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/2015

6.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. 12/31/2015

6.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). 04/28/2017

6.4 By what department or departments?

Arkansas Insurance Department

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

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

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

7.2 If yes, give full information:

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

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

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

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

| 1<br>Affiliate Name | 2<br>Location (City, State) | 3<br>FRB | 4<br>OCC | 5<br>FDIC | 6<br>SEC |
|---|---|---|---|---|---|
| | | | | | |

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

(a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;

(b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;

(c) Compliance with applicable governmental laws, rules and regulations;

(d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and

(e) Accountability for adherence to the code.

9.11 If the response to 9.1 is No, please explain:

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

9.21 If the response to 9.2 is Yes, provide information related to amendment(s).

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

9.31 If the response to 9.3 is Yes, provide the nature of any waiver(s).

# GENERAL INTERROGATORIES

## PART 1 - COMMON INTERROGATORIES

### FINANCIAL

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

10.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: $ 0

### INVESTMENT

11.1 Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.) Yes [ ] No [ X ]

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

12. Amount of real estate and mortgages held in other invested assets in Schedule BA: $ 0

13. Amount of real estate and mortgages held in short-term investments: $ 0

14.1 Does the reporting entity have any investments in parent, subsidiaries and affiliates? Yes [ X ] No [ ]

14.2 If yes, please complete the following:

| | | 1<br>Prior Year End Book/Adjusted Carrying Value | 2<br>Current Quarter Book/Adjusted Carrying Value |
|---|---|---|---|
| 14.21 | Bonds | $ 0 | $ 0 |
| 14.22 | Preferred Stock | 0 | 0 |
| 14.23 | Common Stock | 381,496,941 | 376,562,355 |
| 14.24 | Short-Term Investments | 0 | 0 |
| 14.25 | Mortgage Loans on Real Estate | 0 | 0 |
| 14.26 | All Other | 81,303,178 | 81,068,987 |
| 14.27 | Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26) | $ 462,800,119 | $ 457,631,342 |
| 14.28 | Total Investment in Parent included in Lines 14.21 to 14.26 above | $ 0 | $ 0 |

15.1 Has the reporting entity entered into any hedging transactions reported on Schedule DB? Yes [ ] No [ X ]

15.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? Yes [ ] No [ ] N/A [X ]

If no, attach a description with this statement.

16. For the reporting entity's security lending program, state the amount of the following as of current statement date:

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

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

16.3 Total payable for securities lending reported on the liability page: $ 0

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

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

| 1<br>Name of Custodian(s) | 2<br>Custodian Address |
|---|---|
| US Bank Institutional Trust and Custody | PO Box 387, St. Louis, MO 61366-0387 |

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

| 1<br>Name(s) | 2<br>Location(s) | 3<br>Complete Explanation(s) |
|---|---|---|
| | | |

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

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

| 1<br>Old Custodian | 2<br>New Custodian | 3<br>Date of Change | 4<br>Reason |
|---|---|---|---|
| | | | |

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

| 1<br>Name of Firm or Individual | 2<br>Affiliation |
|---|---|
| Wells Capital Management Inc. | U |
| Scott B. Winter | I |
| Martingale Asset Management, LP | U |
| Barings, LLC | U |
| Pacific Investment Management Company LLC | U |

17.5097 For those firms/individuals listed in the table for Question 17.5, do any firms/individuals unaffiliated with the reporting entity (i.e., designated with a "U") manage more than 10% of the reporting entity's invested assets? Yes [ X ] No [ ]

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

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

| 1<br>Central Registration Depository Number | 2<br>Name of Firm or Individual | 3<br>Legal Entity Identifier (LEI) | 4<br>Registered With | 5<br>Investment Management Agreement (IMA) Filed |
|---|---|---|---|---|
| 116359 | Foundation Resource Management | N/A | SEC | NO |

# GENERAL INTERROGATORIES

## PART 1 - COMMON INTERROGATORIES

| 1<br>Central Registration Depository Number | 2<br>Name of Firm or Individual | 3<br>Legal Entity Identifier (LEI) | 4<br>Registered With | 5<br>Investment Management Agreement (IMA) Filed |
|---|---|---|---|---|
| 104973 | Wells Capital Management Inc. | 54300B3H2IOO2L85I90 | SEC | NO |
| 106006 | Barings, LLC | ANDKRHQKPRRG4Q2KLR05 | SEC, CFTC, NFA | NO |
| 108526 | Martingale Asset Management, LP | 549300GXM5ZGZJXZ1Y74 | SEC | NO |
| 104559 | Pacific Investment Management Company LLC | 549300KGPYQZXGMYYN38 | SEC | NO |

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

18.2 If no, list exceptions:

19. By self-designating 5GI securities, the reporting entity is certifying the following elements for each self-designated 5GI security:
 a. Documentation necessary to permit a full credit analysis of the security does not exist or an NAIC CRP credit rating for an FE or PL security is not available.
 b. Issuer or obligor is current on all contracted interest and principal payments.
 c. The insurer has an actual expectation of ultimate payment of all contracted interest and principal.
 Has the reporting entity self-designated 5GI securities? Yes [ ] No [ X ]

20. By self-designating PLGI securities, the reporting entity is certifying the following elements for each self-designated PLGI security:
 a. The security was purchased prior to January 1, 2018.
 b. The reporting entity is holding capital commensurate with the NAIC Designation reported for the security.
 c. The NAIC Designation was derived from the credit rating assigned by an NAIC CRP in its legal capacity as a NRSRO which is shown on a current private letter rating held by the insurer and available for examination by state insurance regulators.
 d. The reporting entity is not permitted to share this credit rating of the PL security with the SVO.
 Has the reporting entity self-designated PLGI securities? Yes [ ] No [ X ]

21. By assigning FE to a Schedule BA non-registered private fund, the reporting entity is certifying the following elements of each self-designated FE fund:
 a. The security was purchased prior to January 1, 2019.
 b. The reporting entity is holding capital commensurate with the NAIC Designation reported for the security.
 c. The security had a public credit rating(s) with annual surveillance assigned by an NAIC CRP in its legal capacity as an NRSRO prior to January 1, 2019.
 d. The fund only or predominantly holds bonds in its portfolio.
 e. The current reporting NAIC designation was derived from the public credit rating(s) with annual surveillance assigned by an NAIC CRP in its legal capacity as an NRSRO.
 f. The public credit rating(s) with annual surveillance assigned by an NAIC CRP has not lapsed.
 Has the reporting entity assigned FE to Schedule BA non-registered private funds that complied with the above criteria? Yes [ ] No [ X ]

# GENERAL INTERROGATORIES (continued)

## PART 2 - HEALTH

1. Operating Percentages:

| | |
|---|---|
| 1.1 A&H loss percent | 81.3 % |
| 1.2 A&H cost containment percent | 0.7 % |
| 1.3 A&H expense percent excluding cost containment expenses | 18.4 % |

| | | | |
|---|---|---|---|
| 2.1 | Do you act as a custodian for health savings accounts? | Yes [ ] | No [ X ] |
| 2.2 | If yes, please provide the amount of custodial funds held as of the reporting date. | | 0 |
| 2.3 | Do you act as an administrator for health savings accounts? | Yes [ ] | No [ X ] |
| 2.4 | If yes, please provide the amount of funds administered as of the reporting date. | | 0 |

| | | | |
|---|---|---|---|
| 3. | Is the reporting entity licensed or chartered, registered, qualified, eligible or writing business in at least two states? | Yes [ X ] | No [ ] |
| 3.1 | If no, does the reporting entity assume reinsurance business that covers risks residing in at least one state other than the state of domicile of the reporting entity? | Yes [ ] | No [ ] |

# SCHEDULE S - CEDED REINSURANCE

Showing All New Reinsurance Treaties - Current Year to Date

| 1<br>NAIC Company Code | 2<br>ID Number | 3<br>Effective Date | 4<br>Name of Reinsurer | 5<br>Domiciliary Jurisdiction | 6<br>Type of Reinsurance Ceded | 7<br>Type of Business Ceded | 8<br>Type of Reinsurer | 9<br>Certified Reinsurer Rating (1 through 6) | 10<br>Effective Date of Certified Reinsurer Rating |
|---|---|---|---|---|---|---|---|---|---|

**NONE**

# SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS

Current Year to Date - Allocated by States and Territories

| | 1 | Direct Business Only | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |
| State, Etc. | Active Status (a) | Accident and Health Premiums | Medicare Title XVIII | Medicaid Title XIX | Federal Employees Health Benefits Program Premiums | Life and Annuity Premiums and Other Considerations | Property/ Casualty Premiums | Total Columns 2 through 7 | Deposit-Type Contracts |
| 1. Alabama AL | N | | | | | | | 0 | |
| 2. Alaska AK | N | | | | | | | 0 | |
| 3. Arizona AZ | N | | | | | | | 0 | |
| 4. Arkansas AR | L | 498,859,095 | 23,105,604 | | 72,044,886 | | | 594,009,585 | |
| 5. California CA | N | | | | | | | 0 | |
| 6. Colorado CO | N | | | | | | | 0 | |
| 7. Connecticut CT | N | | | | | | | 0 | |
| 8. Delaware DE | N | | | | | | | 0 | |
| 9. District of Columbia DC | N | | | | | | | 0 | |
| 10. Florida FL | N | | | | | | | 0 | |
| 11. Georgia GA | N | | | | | | | 0 | |
| 12. Hawaii HI | N | | | | | | | 0 | |
| 13. Idaho ID | N | | | | | | | 0 | |
| 14. Illinois IL | N | | | | | | | 0 | |
| 15. Indiana IN | N | | | | | | | 0 | |
| 16. Iowa IA | N | | | | | | | 0 | |
| 17. Kansas KS | N | | | | | | | 0 | |
| 18. Kentucky KY | N | | | | | | | 0 | |
| 19. Louisiana LA | N | | | | | | | 0 | |
| 20. Maine ME | N | | | | | | | 0 | |
| 21. Maryland MD | N | | | | | | | 0 | |
| 22. Massachusetts MA | N | | | | | | | 0 | |
| 23. Michigan MI | N | | | | | | | 0 | |
| 24. Minnesota MN | N | | | | | | | 0 | |
| 25. Mississippi MS | N | | | | | | | 0 | |
| 26. Missouri MO | N | | | | | | | 0 | |
| 27. Montana MT | N | | | | | | | 0 | |
| 28. Nebraska NE | N | | | | | | | 0 | |
| 29. Nevada NV | N | | | | | | | 0 | |
| 30. New Hampshire NH | N | | | | | | | 0 | |
| 31. New Jersey NJ | N | | | | | | | 0 | |
| 32. New Mexico NM | N | | | | | | | 0 | |
| 33. New York NY | N | | | | | | | 0 | |
| 34. North Carolina NC | N | | | | | | | 0 | |
| 35. North Dakota ND | N | | | | | | | 0 | |
| 36. Ohio OH | N | | | | | | | 0 | |
| 37. Oklahoma OK | N | | | | | | | 0 | |
| 38. Oregon OR | N | | | | | | | 0 | |
| 39. Pennsylvania PA | N | | | | | | | 0 | |
| 40. Rhode Island RI | N | | | | | | | 0 | |
| 41. South Carolina SC | N | | | | | | | 0 | |
| 42. South Dakota SD | N | | | | | | | 0 | |
| 43. Tennessee TN | N | | | | | | | 0 | |
| 44. Texas TX | L | 1,352,542 | | | | | | 1,352,542 | |
| 45. Utah UT | N | | | | | | | 0 | |
| 46. Vermont VT | N | | | | | | | 0 | |
| 47. Virginia VA | N | | | | | | | 0 | |
| 48. Washington WA | N | | | | | | | 0 | |
| 49. West Virginia WV | N | | | | | | | 0 | |
| 50. Wisconsin WI | N | | | | | | | 0 | |
| 51. Wyoming WY | N | | | | | | | 0 | |
| 52. American Samoa AS | N | | | | | | | 0 | |
| 53. Guam GU | N | | | | | | | 0 | |
| 54. Puerto Rico PR | N | | | | | | | 0 | |
| 55. U.S. Virgin Islands VI | N | | | | | | | 0 | |
| 56. Northern Mariana Islands MP | N | | | | | | | 0 | |
| 57. Canada CAN | N | | | | | | | 0 | |
| 58. Aggregate Other alien OT | XXX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 59. Subtotal | XXX | 500,211,636 | 23,105,604 | 0 | 72,044,886 | 0 | 0 | 595,362,127 | 0 |
| 60. Reporting entity contributions for Employee Benefit Plans | XXX | | | | | | | 0 | |
| 61. Total (Direct Business) | XXX | 500,211,636 | 23,105,604 | 0 | 72,044,886 | 0 | 0 | 595,362,127 | 0 |

**DETAILS OF WRITE-INS**

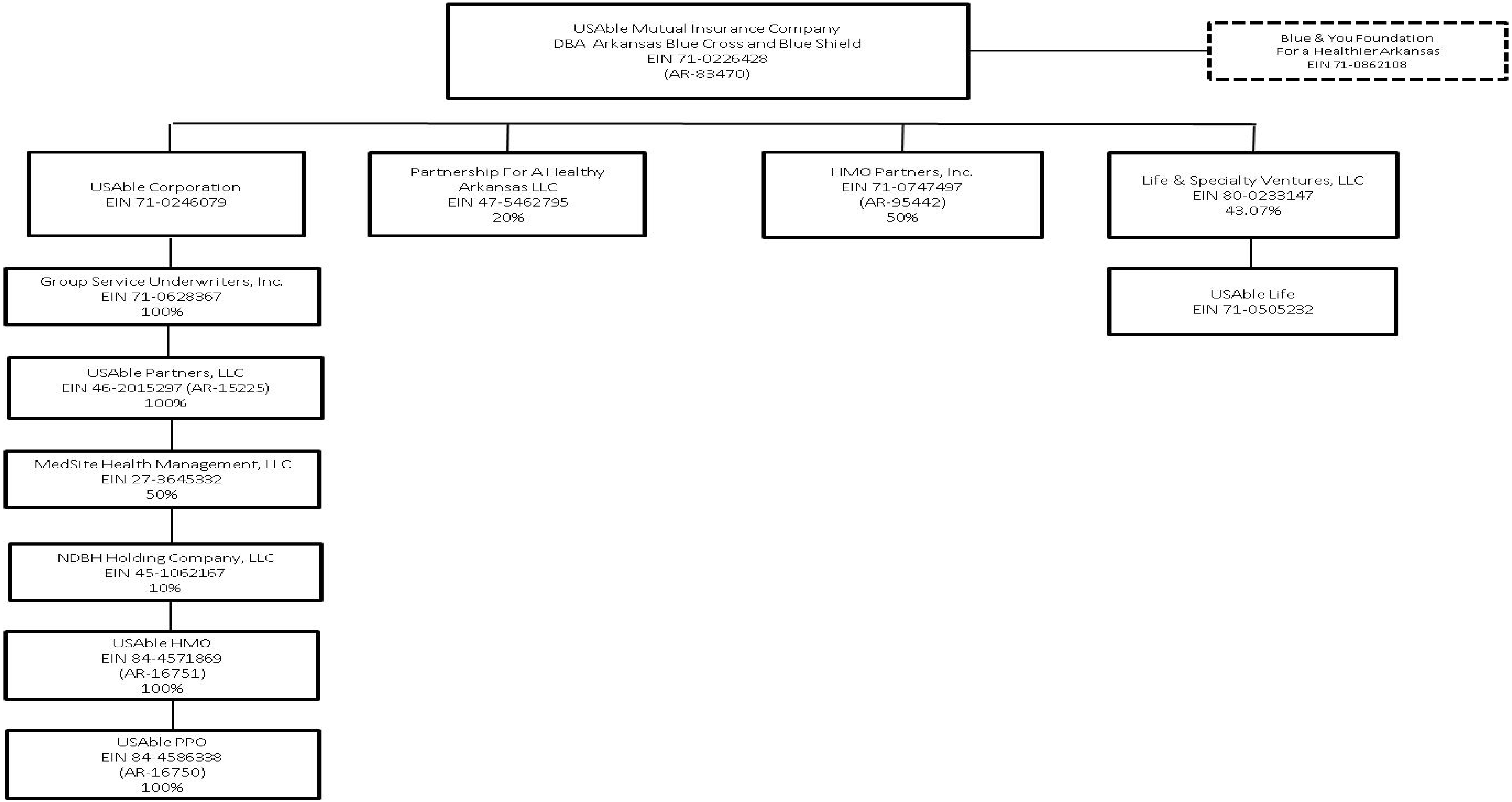
| | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| 58001. | | | | | | | | 0 | |
| 58002. | | | | | | | | 0 | |
| 58003. | | | | | | | | 0 | |
| 58998. Summary of remaining write-ins for line 58 from overflow page | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 58999. Total (Lines 58001 thru 58003 plus 58998) (Line 58 above) | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

(a) Active Status Count

| | | | |
|---|---|---|---|
| L - Licensed or Chartered - Licensed insurance carrier or domiciled RRG | 2 | R - Registered - Non-domiciled RRGs | 0 |
| E - Eligible - Reporting entities eligible or approved to write surplus lines in the state | 0 | Q - Qualified - Qualified or accredited reinsurer | 0 |
| | | N - None of the above - Not allowed to write business in the state | 55 |

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

## PART 1 – ORGANIZATIONAL CHART



# SCHEDULE Y

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

| 1<br>Group Code | 2<br>Group Name | 3<br>NAIC Company Code | 4<br>ID Number | 5<br>Federal RSSD | 6<br>CIK | 7<br>Name of Securities Exchange if Publicly Traded (U.S. or International) | 8<br>Names of Parent, Subsidiaries or Affiliates | 9<br>Domiciliary Location | 10<br>Relationship to Reporting Entity | 11<br>Directly Controlled by (Name of Entity/Person) | 12<br>Type of Control (Ownership Board, Management, Attorney-in-Fact, Influence, Other) | 13<br>If Control is Ownership Provide Percentage | 14<br>Ultimate Controlling Entity(ies)/Person(s) | 15<br>Is an SCA Filing Required? (Y/N) | 16<br>* |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Members** | | | | | | | | | | | | | | | |
| 0876 | USAble Mutual Insurance Company | 83470 | 71-0226428 | | | | USAble Mutual Insurance Company | AR | | USAble Mutual Insurance Company | Board | | USAble Mutual Insurance Company | N | |
| 0876 | USAble Mutual Insurance Company | | 71-0862108 | | | | Blue & You Foundation | AR | NIA | USAble Mutual Insurance Company | Ownership, Board, Influence | | USAble Mutual Insurance Company | N | |
| 0876 | USAble Mutual Insurance Company | | 71-0246079 | | | | USAble Corporation | AR | DS | USAble Mutual Insurance Company | Ownership, Board, Influence | 100.000 | USAble Mutual Insurance Company | Y | |
| 0876 | USAble Mutual Insurance Company | | 47-5462795 | | | | Partnership for a Health Arkansas LLC | AR | DS | USAble Mutual Insurance Company | Ownership, Influence, Board | 20.000 | USAble Mutual Insurance Company | N | |
| 0876 | USAble Mutual Insurance Company | 95442 | 71-0747497 | | | | HMO Partners, Inc. | AR | DS | USAble Mutual Insurance Company | Ownership, Board, Influence | 50.000 | USAble Mutual Insurance Company | N | |
| 0876 | USAble Mutual Insurance Company | | 80-0233147 | | | | Life & Specialty Ventures, Inc. | DE | NIA | USAble Mutual Insurance Company | Ownership, Board, Influence | 40.750 | USAble Mutual Insurance Company | N | |
| 0876 | USAble Mutual Insurance Company | | 71-0628367 | | | | Group Service Underwriters, Inc. | AR | DS | USAble Corporation | Ownership, Influence | 100.000 | USAble Mutual Insurance Company | N | |
| 0876 | USAble Mutual Insurance Company | | 27-3645332 | | | | MedSite Health Management, LLC | AR | DS | USAble Corporation | Ownership, Board, Influence | 50.000 | USAble Mutual Insurance Company | N | |
| 0876 | USAble Mutual Insurance Company | 15225 | 46-2015297 | | | | USAble Partners, LLC | AR | DS | USAble Corporation | Ownership, Board, Influence | 100.000 | USAble Mutual Insurance Company | N | |
| 0876 | USAble Mutual Insurance Company | | 45-1062167 | | | | NDBH Holding Company, LLC | AR | DS | USAble Corporation | Ownership, Influence | 10.000 | USAble Mutual Insurance Company | N | |
| 0876 | USAble Mutual Insurance Company | 94358 | 71-0505232 | | | | USAble Life | AR | IA | Life and Specialty Ventures, LLC | Ownership | 100.000 | USAble Mutual Insurance Company | N | |
| 0876 | USAble Mutual Insurance Company | 16751 | 84-4571869 | | | | USAble HMO | AR | DS | USAble Corporation | Ownership, Board, Influence | 100.000 | USAble Mutual Insurance Company | N | |
| 0876 | USAble Mutual Insurance Company | 16750 | 84-4586338 | | | | USAble PPO | AR | DS | USAble Corporation | Ownership, Board, Influence | 100.000 | USAble Mutual Insurance Company | N | |

# SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

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

| | Response |
|---|---|
| 1. Will the Medicare Part D Coverage Supplement be filed with the state of domicile and the NAIC with this statement? | YES |

**Explanation:**

1.

**Bar Code:**

# Overflow Page for Write-Ins

NONE

# SCHEDULE A - VERIFICATION

Real Estate

| | 1<br>Year to Date | 2<br>Prior Year Ended<br>December 31 |
|---|---|---|
| 1. Book/adjusted carrying value, December 31 of prior year | 60,128,594 | 59,038,149 |
| 2. Cost of acquired: | | |
| 2.1 Actual cost at time of acquisition | | |
| 2.2 Additional investment made after acquisition | 3,958,424 | 7,670,094 |
| 3. Current year change in encumbrances | | |
| 4. Total gain (loss) on disposals | | |
| 5. Deduct amounts received on disposals | | |
| 6. Total foreign exchange change in book/adjusted carrying value | | |
| 7. Deduct current year's other-than-temporary impairment recognized | | |
| 8. Deduct current year's depreciation | 1,795,946 | 6,579,649 |
| 9. Book/adjusted carrying value at end of current period (Lines 1+2+3+4-5+6-7-8) | 62,291,073 | 60,128,594 |
| 10. Deduct total nonadmitted amounts | | |
| 11. Statement value at end of current period (Line 9 minus Line 10) | 62,291,073 | 60,128,594 |

# SCHEDULE B - VERIFICATION

Mortgage Loans

NONE

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

# SCHEDULE BA - VERIFICATION

Other Long-Term Invested Assets

| | 1<br>Year to Date | 2<br>Prior Year Ended<br>December 31 |
|---|---|---|
| 1. Book/adjusted carrying value, December 31 of prior year | 199,448,182 | 201,004,379 |
| 2. Cost of acquired: | | |
| 2.1 Actual cost at time of acquisition | | |
| 2.2 Additional investment made after acquisition | | 1,646,845 |
| 3. Capitalized deferred interest and other | | |
| 4. Accrual of discount | | |
| 5. Unrealized valuation increase (decrease) | (16,001,370) | (830,886) |
| 6. Total gain (loss) on disposals | 4,798,989 | (618,191) |
| 7. Deduct amounts received on disposals | 17,047,075 | 1,753,965 |
| 8. Deduct amortization of premium and depreciation | | |
| 9. Total foreign exchange change in book/adjusted carrying value | | |
| 10. Deduct current year's other-than-temporary impairment recognized | | |
| 11. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5+6-7-8+9-10) | 171,198,725 | 199,448,182 |
| 12. Deduct total nonadmitted amounts | | |
| 13. Statement value at end of current period (Line 11 minus Line 12) | 171,198,725 | 199,448,182 |

# SCHEDULE D - VERIFICATION

Bonds and Stocks

| | 1<br>Year to Date | 2<br>Prior Year Ended<br>December 31 |
|---|---|---|
| 1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year | 1,036,641,968 | 911,897,502 |
| 2. Cost of bonds and stocks acquired | 214,792,532 | 372,842,665 |
| 3. Accrual of discount | 161,134 | 606,472 |
| 4. Unrealized valuation increase (decrease) | (40,004,997) | 17,491,473 |
| 5. Total gain (loss) on disposals | 24,161,050 | (1,681,649) |
| 6. Deduct consideration for bonds and stocks disposed of | 222,867,418 | 260,980,572 |
| 7. Deduct amortization of premium | 695,732 | 3,552,965 |
| 8. Total foreign exchange change in book/adjusted carrying value | | |
| 9. Deduct current year's other-than-temporary impairment recognized | | |
| 10. Total investment income recognized as a result of prepayment penalties and/or acceleration fees | 27,825 | 19,041 |
| 11. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9+10) | 1,012,216,362 | 1,036,641,968 |
| 12. Deduct total nonadmitted amounts | | |
| 13. Statement value at end of current period (Line 11 minus Line 12) | 1,012,216,362 | 1,036,641,968 |

# SCHEDULE D - PART 1B

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

| NAIC Designation | 1<br>Book/Adjusted Carrying Value Beginning of Current Quarter | 2<br>Acquisitions During Current Quarter | 3<br>Dispositions During Current Quarter | 4<br>Non-Trading Activity During Current Quarter | 5<br>Book/Adjusted Carrying Value End of First Quarter | 6<br>Book/Adjusted Carrying Value End of Second Quarter | 7<br>Book/Adjusted Carrying Value End of Third Quarter | 8<br>Book/Adjusted Carrying Value December 31 Prior Year |
|---|---|---|---|---|---|---|---|---|
| BONDS | | | | | | | | |
| 1. NAIC 1 (a) | 581,284,351 | 321,603,017 | 349,693,259 | (15,819,975) | 537,374,133 | | | 581,284,351 |
| 2. NAIC 2 (a) | 61,201,901 | | 16,345,709 | 12,184,588 | 57,040,780 | | | 61,201,901 |
| 3. NAIC 3 (a) | 1,931,785 | | 228,217 | 1,017,002 | 2,720,571 | | | 1,931,785 |
| 4. NAIC 4 (a) | | | | | 0 | | | |
| 5. NAIC 5 (a) | | | | | 0 | | | |
| 6. NAIC 6 (a) | | | | | 0 | | | |
| 7. Total Bonds | 644,418,037 | 321,603,017 | 366,267,185 | (2,618,385) | 597,135,484 | 0 | 0 | 644,418,037 |
| PREFERRED STOCK | | | | | | | | |
| 8. NAIC 1 | | | | | 0 | | | |
| 9. NAIC 2 | | | | | 0 | | | |
| 10. NAIC 3 | | | | | 0 | | | |
| 11. NAIC 4 | | | | | 0 | | | |
| 12. NAIC 5 | | | | | 0 | | | |
| 13. NAIC 6 | | | | | 0 | | | |
| 14. Total Preferred Stock | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 15. Total Bonds and Preferred Stock | 644,418,037 | 321,603,017 | 366,267,185 | (2,618,385) | 597,135,484 | 0 | 0 | 644,418,037 |

(a) Book/Adjusted Carrying Value column for the end of the current reporting period includes the following amount of short-term and cash equivalent bonds by NAIC designation:
NAIC 1 $.....14,578,784; NAIC 2 $..........0; NAIC 3 $..........0; NAIC 4 $..........0; NAIC 5 $..........0; NAIC 6 $..........0.

# SCHEDULE DA - PART 1

Short-Term Investments

| | 1<br>Book/Adjusted<br>Carrying Value | 2<br>Par Value | 3<br>Actual<br>Cost | 4<br>Interest Collected<br>Year To Date | 5<br>Paid for Accrued Interest<br>Year To Date |
|---|---|---|---|---|---|
| 9199999 | 6,979,085 | XXX | 6,946,386 | | |

# SCHEDULE DA - VERIFICATION

Short-Term Investments

| | 1<br>Year To Date | 2<br>Prior Year Ended<br>December 31 |
|---|---|---|
| 1. Book/adjusted carrying value, December 31 of prior year | 38,941,950 | 94,690,813 |
| 2. Cost of short-term investments acquired | | 160,687,128 |
| 3. Accrual of discount | 34,050 | 1,108,279 |
| 4. Unrealized valuation increase (decrease) | | |
| 5. Total gain (loss) on disposals | 445 | 378 |
| 6. Deduct consideration received on disposals | 31,997,361 | 217,544,648 |
| 7. Deduct amortization of premium | | |
| 8. Total foreign exchange change in book/adjusted carrying value | | |
| 9. Deduct current year's other-than-temporary impairment recognized | | |
| 10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9) | 6,979,085 | 38,941,950 |
| 11. Deduct total nonadmitted amounts | | |
| 12. Statement value at end of current period (Line 10 minus Line 11) | 6,979,085 | 38,941,950 |

## Sch. DB - Pt. A - Verification
## NONE

## Sch. DB - Pt. B - Verification
## NONE

## Sch. DB - Pt. C - Sn. 1
## NONE

## Sch. DB - Pt. C - Sn. 2
## NONE

## Sch. DB - Verification
## NONE

# SCHEDULE E - PART 2 - VERIFICATION

Cash Equivalents

| | 1<br>Year To Date | 2<br>Prior Year Ended December 31 |
|---|---|---|
| 1. Book/adjusted carrying value, December 31 of prior year | 33,890,141 | 61,952,026 |
| 2. Cost of cash equivalents acquired | 874,220,251 | 2,185,604,458 |
| 3. Accrual of discount | 53,069 | 167,948 |
| 4. Unrealized valuation increase (decrease) | | |
| 5. Total gain (loss) on disposals | 1,243 | 1,517 |
| 6. Deduct consideration received on disposals | 849,554,822 | 2,213,835,808 |
| 7. Deduct amortization of premium | | |
| 8. Total foreign exchange change in book/ adjusted carrying value | | |
| 9. Deduct current year's other-than-temporary impairment recognized | | |
| 10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9) | 58,609,882 | 33,890,141 |
| 11. Deduct total nonadmitted amounts | | |
| 12. Statement value at end of current period (Line 10 minus Line 11) | 58,609,882 | 33,890,141 |

# SCHEDULE A - PART 2

Showing all Real Estate ACQUIRED AND ADDITIONS MADE During the Current Quarter

| 1 | Location 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |
|---|---|---|---|---|---|---|---|---|
| Description of Property | City | State | Date Acquired | Name of Vendor | Actual Cost at Time of Acquisition | Amount of Encumbrances | Book/Adjusted Carrying Value Less Encumbrances | Additional Investment Made After Acquisition |
| **Acquired by Purchase** | | | | | | | | |
| Acquired by Purchase | Little Rock | AR | Various | Various | | | | 3,958,424 |
| 0199999. Totals | | | | | 0 | 0 | 0 | 3,958,424 |
| 0399999. Totals | | | | | 0 | 0 | 0 | 3,958,424 |



# SCHEDULE A - PART 3

Showing all Real Estate DISPOSED During the Quarter, Including Payments During the Final Year on "Sales Under Contract "

| 1 | Location 2 | 3 | 4 | 5 | 6 | 7 | 8 | Change in Book/Adjusted Carrying Value Less Encumbrances 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Description of Property | City | State | Disposal Date | Name of Purchaser | Actual Cost | Expended for Additions, Permanent Improvements and Changes in Encumbrances | Book/Adjusted Carrying Value Less Encumbrances Prior Year | Current Year's Depreciation | Current Year's Other-Than-Temporary Impairment Recognized | Current Year's Change in Encumbrances | Total Change in B./A.C.V. (11 - 9 - 10) | Total Foreign Exchange Change in B./A.C.V. | Book/Adjusted Carrying Value Less Encumbrances on Disposal | Amounts Received During Year | Foreign Exchange Gain (Loss) on Disposal | Realized Gain (Loss) on Disposal | Total Gain (Loss) on Disposal | Gross Income Earned Less Interest Incurred on Encumbrances | Taxes, Repairs, and Expenses Incurred |

# NONE

# SCHEDULE B - PART 2

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

| 1 | Location | | 4 | 5 | 6 | 7 | 8 | 9 |
|---|---|---|---|---|---|---|---|---|
| | 2 | 3 | | | | | | |
| Loan Number | City | State | Loan Type | Date Acquired | Rate of Interest | Actual Cost at Time of Acquisition | Additional Investment Made After Acquisition | Value of Land and Buildings |

**NONE**



# SCHEDULE B - PART 3

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

| 1 | Location | | 4 | 5 | 6 | 7 | Change in Book Value/Recorded Investment | | | | | | 14 | 15 | 16 | 17 | 18 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 2 | 3 | | | | | 8 | 9 | 10 | 11 | 12 | 13 | | | | | |
| Loan Number | City | State | Loan Type | Date Acquired | Disposal Date | Book Value/Recorded Investment Excluding Accrued Interest Prior Year | Unrealized Valuation Increase (Decrease) | Current Year's (Amortization) / Accretion | Current Year's Other-Than-Temporary Impairment Recognized | Capitalized Deferred Interest and Other | Total Change in Book Value (8 + 9 - 10 + 11) | Total Foreign Exchange Change in Book Value | Book Value / Recorded Investment Excluding Accrued Interest on Disposal | Consideration | Foreign Exchange Gain (Loss) on Disposal | Realized Gain (Loss) on Disposal | Total Gain (Loss) on Disposal |

**NONE**

# SCHEDULE BA - PART 2

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

| 1 | 2 | Location | | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | 3 | 4 | | | | | | | | | |
| CUSIP Identification | Name or Description | City | State | Name of Vendor or General Partner | NAIC Desig-nation and Admini-strative Symbol/ Market Indicator | Date Originally Acquired | Type and Strategy | Actual Cost at Time of Acquisition | Additional Investment Made after Acquisition | Amount of Encumbrances | Commitment for Additional Investment | Percentage of Ownership |

**NONE**

# SCHEDULE BA - PART 3

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

| 1 | 2 | Location | | 5 | 6 | 7 | 8 | Changes in Book/Adjusted Carrying Value | | | | | | 15 | 16 | 17 | 18 | 19 | 20 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | 3 | 4 | | | | | 9 | 10 | 11 | 12 | 13 | 14 | | | | | | |
| CUSIP Identification | Name or Description | City | State | Name of Purchaser or Nature of Disposal | Date Originally Acquired | Disposal Date | Book/Adjusted Carrying Value Less Encumbrances, Prior Year | Unrealized Valuation Increase (Decrease) | Current Year's (Depreciation) or (Amortization) / Accretion | Current Year's Other-Than-Temporary Impairment Recognized | Capitalized Deferred Interest and Other | Total Change in B./A.C.V. (9+10-11+12) | Total Foreign Exchange Change in B./A.C.V. | Book/Adjusted Carrying Value Less Encumbrances on Disposal | Consideration | Foreign Exchange Gain (Loss) on Disposal | Realized Gain (Loss) on Disposal | Total Gain (Loss) on Disposal | Investment Income |
| **Joint Venture or Partnership Interests That Have Underlying Characteristics of Mortgage Loans - Unaffiliated** | | | | | | | | | | | | | | | | | | | |
| 97MSCM 3D 9 | BABSON CAPITAL FLOATING RATE INCOME FUND | | USA | Return of Capital | 01/31/2017 | 02/29/2020 | 558,051 | | | | | 0 | | 550,839 | 547,075 | | (3,764) | (3,764) | 550,839 |
| 2399999. Total - Joint Venture or Partnership Interests That Have Underlying Characteristics of Mortgage Loans - Unaffiliated | | | | | | | 558,051 | 0 | 0 | 0 | 0 | 0 | 0 | 550,839 | 547,075 | 0 | (3,764) | (3,764) | 550,839 |
| **Any Other Class of Asset - Unaffiliated** | | | | | | | | | | | | | | | | | | | |
| 97MSCN 75 0 | MARTINGALE INVST TR SER 1 | | USA | MARTINGALE INVST TR SER 1 | 03/31/2017 | 01/31/2020 | 11,697,248 | | | | | 0 | | 11,697,248 | 16,500,000 | | 4,802,752 | 4,802,752 | |
| 4699999. Total - Any Other Class of Asset - Unaffiliated | | | | | | | 11,697,248 | 0 | 0 | 0 | 0 | 0 | 0 | 11,697,248 | 16,500,000 | 0 | 4,802,752 | 4,802,752 | 0 |
| 4899999. Subtotal - Unaffiliated | | | | | | | 12,255,299 | 0 | 0 | 0 | 0 | 0 | 0 | 12,248,086 | 17,047,075 | 0 | 4,798,989 | 4,798,989 | 550,839 |
| 5099999. Totals | | | | | | | 12,255,299 | 0 | 0 | 0 | 0 | 0 | 0 | 12,248,086 | 17,047,075 | 0 | 4,798,989 | 4,798,989 | 550,839 |

# SCHEDULE D - PART 3

## Showing all Long-Term Bonds and Stocks ACQUIRED During Current Quarter

| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
|---|---|---|---|---|---|---|---|---|---|
| CUSIP Identification | Description | Foreign | Date Acquired | Name of Vendor | Number of Shares of Stock | Actual Cost | Par Value | Paid for Accrued Interest and Dividends | NAIC Designation and Administrative Symbol |
| **Bonds - U.S. Government** | | | | | | | | | |
| 912810 SL 3 | UNITED STATES TREASURY | | 03/13/2020 | VARIOUS | | 2,330,549 | 2,100,000 | 3,513 | 1 |
| 912828 YY 0 | UNITED STATES TREASURY | | 01/09/2020 | SG AMERICAS SECURITIES, LLC | | 5,325,465 | 5,300,000 | 3,313 | 1 |
| 912828 YZ 7 | UNITED STATES TREASURY | | 01/09/2020 | CITIGROUP GLOBAL MARKETS INC | | 13,112,793 | 13,100,000 | 7,603 | 1 |
| 912828 Z5 2 | UNITED STATES TREASURY | | 02/27/2020 | DEUTSCHE BANK SECURITIES, INC | | 10,120,313 | 10,000,000 | 10,577 | 1 |
| 912828 Z9 4 | UNITED STATES TREASURY | | 03/05/2020 | VARIOUS | | 11,870,027 | 11,500,000 | 7,607 | 1 |
| 0599999. Total - Bonds - U.S. Government | | | | | | 42,759,147 | 42,000,000 | 32,612 | XXX |
| **Bonds - All Other Government** | | | | | | | | | |
| 302154 DB 2 | EXPORT-IMPORT BANK OF KOREA | C | 02/05/2020 | EUROCLEAR | | 997,010 | 1,000,000 | | 1FE |
| 1099999. Total - Bonds - All Other Government | | | | | | 997,010 | 1,000,000 | 0 | XXX |
| **Bonds - U.S. Special Revenue and Special Assessment** | | | | | | | | | |
| 31329P 5W 9 | FH ZA6261 - RMBS | | 02/27/2020 | BOFA SECURITIES INC | | 10,039,719 | 9,534,679 | 1,059 | 1 |
| 3132DV 4N 2 | FH SD8029 - RMBS | | 03/05/2020 | CITIGROUP GLOBAL MARKETS INC | | 808,334 | 788,678 | 438 | 1 |
| 3132DV 4W 2 | FH SD8037 - RMBS | | 02/27/2020 | BOFA SECURITIES INC | | 18,008,255 | 17,937,612 | 4,986 | 1 |
| 3132DV 5Q 4 | FH SD8055 - RMBS | | 03/05/2020 | CITIGROUP GLOBAL MARKETS INC | | 2,255,516 | 2,200,000 | 1,222 | 1 |
| 3137FR K5 9 | FHR 4961C A - CMO/RMBS | | 02/24/2020 | BOFA SECURITIES INC | | 705,250 | 700,000 | 1,313 | 1 |
| 31418D GM 8 | FN MA3803 - RMBS | | 01/06/2020 | CITIGROUP GLOBAL MARKETS INC | | 21,470,460 | 20,803,292 | 14,158 | 1 |
| 31418D KT 8 | FN MA3905 - RMBS | | 01/06/2020 | MLPFS INC FIXED INCOME | | 44,690,690 | 43,874,891 | 25,594 | 1 |
| 3199999. Total - Bonds - U.S. Special Revenue and Special Assessments | | | | | | 97,978,223 | 95,839,153 | 48,769 | XXX |
| **Bonds - Industrial and Miscellaneous** | | | | | | | | | |
| 09659W 2J 2 | BNP PARIBAS SA | C | 01/13/2020 | UBS FINANCIAL SERVICES INC | | 1,114,333 | 1,100,000 | 4,824 | 1FE |
| 404280 BK 4 | HSBC HOLDINGS PLC | C | 01/09/2020 | UBS FINANCIAL SERVICES INC | | 642,306 | 600,000 | 8,082 | 1FE |
| 46625H RY 8 | JPMORGAN CHASE & CO | | 01/09/2020 | Morgan Stanley | | 1,510,068 | 1,400,000 | 23,827 | 1FE |
| 60687Y AM 1 | MIZUHO FINANCIAL GROUP INC | C | 01/09/2020 | CITIGROUP GLOBAL MARKETS INC | | 1,872,846 | 1,800,000 | 19,337 | 1FE |
| 64828X AA 1 | NEW RESIDENTIAL MORTGAGE LOAN TRUST 2020 | | 01/30/2020 | GOLDMAN, SACHS & CO | | 1,828,935 | 1,800,000 | 4,950 | 1FE |
| 842400 GN 7 | SOUTHERN CALIFORNIA EDISON CO | | 03/30/2020 | JP MORGAN SECURITIES LLC | | 769,838 | 750,000 | 4,702 | 1FE |
| 86562M AR 1 | SUMITOMO MITSUI FINANCIAL GROUP INC | C | 01/09/2020 | US Bank | | 2,000,548 | 1,900,000 | 178 | 1FE |
| 89177H AA 0 | TPMT 19HY2 A1 - RMBS | | 01/31/2020 | BOFA SECURITIES INC | | 1,881,930 | 1,867,630 | 1,104 | 1FE |
| 94988J 5R 4 | WELLS FARGO BANK NA | | 01/09/2020 | CITIGROUP GLOBAL MARKETS INC | | 1,153,405 | 1,100,000 | 16,162 | 1FE |
| 3899999. Total - Bonds - Industrial and Miscellaneous | | | | | | 12,774,208 | 12,317,630 | 83,166 | XXX |
| 8399997. Total - Bonds - Part 3 | | | | | | 154,508,588 | 151,156,783 | 164,547 | XXX |
| 8399999. Total - Bonds | | | | | | 154,508,588 | 151,156,783 | 164,547 | XXX |
| **Common Stocks - Mutual Funds** | | | | | | | | | |
| 46636U 87 6 | JPMORGAN:EQUITY INC R6 | | 03/30/2020 | U.S. Bank | 3,257,436.340 | 60,283,943 | XXX | | |
| 9499999. Total - Common Stocks - Mutual Funds | | | | | | 60,283,943 | XXX | 0 | XXX |
| 9799997. Total - Common Stocks - Part 3 | | | | | | 60,283,943 | XXX | 0 | XXX |
| 9799999. Total - Common Stocks | | | | | | 60,283,943 | XXX | 0 | XXX |
| 9899999. Total - Preferred and Common Stocks | | | | | | 60,283,943 | XXX | 0 | XXX |
| 9999999. Total - Bonds, Preferred and Common Stocks | | | | | | 214,792,532 | XXX | 164,547 | XXX |

# SCHEDULE D - PART 4

## Showing all Long-Term Bonds and Stocks SOLD, REDEEMED or Otherwise DISPOSED OF During Current Quarter

| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Change in Book/Adjusted Carrying Value | | | | | 16 | 17 | 18 | 19 | 20 | 21 | 22 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | | | 11 | 12 | 13 | 14 | 15 | | | | | | | |
| CUSIP Identification | Description | Foreign | Disposal Date | Name of Purchaser | Number of Shares of Stock | Consideration | Par Value | Actual Cost | Prior Year Book/Adjusted Carrying Value | Unrealized Valuation Increase (Decrease) | Current Year's (Amortization) / Accretion | Current Year's Other-Than-Temporary Impairment Recognized | Total Change in B./A.C.V. (11+12-13) | Total Foreign Exchange Change in B./A.C.V. | Book/Adjusted Carrying Value at Disposal Date | Foreign Exchange Gain (Loss) on Disposal | Realized Gain (Loss) on Disposal | Total Gain (Loss) on Disposal | Bond Interest / Stock Dividends Received During Year | Stated Contractual Maturity Date | NAIC Designation and Administrative Symbol |
| **Bonds - U.S. Government** | | | | | | | | | | | | | | | | | | | | | |
| 38378U 8L 4 | GNR 15H04B FA - CMO | | 03/20/2020. | Paydown | | 23,777 | 23,777 | 23,918 | 23,780 | | 0 | | 0 | | 23,781 | | (4) | (4) | 100 | 12/20/2064. | 1 |
| 912828 5P 1 | UNITED STATES TREASURY | | 01/06/2020. | GOLDMAN, SACHS & CO. | | 12,583,125 | 12,000,000 | 12,135,469 | 12,108,687 | | (434) | | (434) | | 12,108,253 | | 474,872 | 474,872 | 35,820 | 11/30/2023. | 1 |
| 912828 H4 5 | UNITED STATES TREASURY | | 02/27/2020. | UBS FINANCIAL SERVICES INC. | | 5,893,781 | 5,728,853 | 5,386,869 | 5,606,409 | (178,538) | 4,034 | | (174,504) | | 5,431,906 | | 461,875 | 461,875 | 8,901 | 01/15/2025. | 1 |
| 912828 NM 8 | UNITED STATES TREASURY | | 02/27/2020. | BANK OF NEW YORK | | 9,234,634 | 9,161,982 | 9,157,169 | 9,260,058 | (569,441) | (25,513) | | (594,954) | | 8,665,104 | | 569,530 | 569,530 | 71,172 | 07/15/2020. | 1 |
| 912828 QV 5 | UNITED STATES TREASURY | | 02/27/2020. | WELLS FARGO SECURITIES LLC | | 9,254,392 | 9,121,840 | 8,927,040 | 9,258,227 | (566,880) | (12,889) | | (579,769) | | 8,678,459 | | 575,933 | 575,933 | 35,430 | 07/15/2021. | 1 |
| 912828 TE 0 | UNITED STATES TREASURY | | 02/27/2020. | NOMURA SECURITIES/FIXED INCOME | | 5,322,765 | 5,252,391 | 4,999,688 | 5,200,697 | (164,030) | 3,647 | | (160,383) | | 5,040,314 | | 282,451 | 282,451 | 4,080 | 07/15/2022. | 1 |
| 912828 VM 9 | UNITED STATES TREASURY | | 02/27/2020. | UBS FINANCIAL SERVICES INC. | | 11,618,854 | 11,319,075 | 10,881,651 | 11,303,722 | (414,118) | 1,341 | | (412,776) | | 10,890,945 | | 727,908 | 727,908 | 26,378 | 07/15/2023. | 1 |
| 912828 WU 0 | UNITED STATES TREASURY | | 02/27/2020. | MLPFS INC FIXED INCOME | | 5,540,708 | 5,411,550 | 5,105,373 | 5,326,831 | (187,400) | 3,185 | | (184,215) | | 5,142,616 | | 398,093 | 398,093 | 4,204 | 07/15/2024. | 1 |
| 912828 XT 2 | UNITED STATES TREASURY | | 01/06/2020. | GOLDMAN, SACHS & CO. | | 2,848,453 | 2,800,000 | 2,831,609 | 2,828,343 | | (102) | | (102) | | 2,828,241 | | 20,212 | 20,212 | 5,814 | 05/31/2024. | 1 |
| 912828 YB 0 | UNITED STATES TREASURY | | 01/09/2020. | GOLDMAN, SACHS & CO. | | 9,848,180 | 10,000,000 | 10,016,887 | 10,016,394 | | (41) | | (41) | | 10,016,353 | | (168,173) | (168,173) | 64,505 | 08/15/2029. | 1 |
| 912828 YD 6 | UNITED STATES TREASURY | | 01/06/2020. | GOLDMAN, SACHS & CO. | | 4,115,344 | 4,200,000 | 4,146,023 | 4,148,004 | | 122 | | 122 | | 4,148,126 | | (32,782) | (32,782) | 20,466 | 08/31/2026. | 1 |
| 912828 Z5 2 | UNITED STATES TREASURY | | 03/30/2020. | STATE STREET BOSTON | | 4,713,926 | 4,500,000 | 4,554,141 | | | (940) | | (940) | | 4,553,200 | | 160,726 | 160,726 | 10,199 | 01/31/2025. | 1 |
| 0599999. | Total - Bonds - U.S. Government | | | | | 80,997,938 | 79,519,468 | 78,165,836 | 75,081,152 | (2,080,406) | (27,590) | 0 | (2,107,996) | 0 | 77,527,297 | 0 | 3,470,641 | 3,470,641 | 287,069 | XXX | XXX |
| **Bonds - U.S. States, Territories and Possessions** | | | | | | | | | | | | | | | | | | | | | |
| 041042 ZW 5 | ARKANSAS ST | | 01/06/2020. | RAYMOND JAMES/FI | | 1,026,510 | 1,000,000 | 1,064,720 | 1,027,537 | | (214) | | (214) | | 1,027,322 | | (812) | (812) | 2,955 | 06/01/2022. | 1FE |
| 880541 QS 9 | TENNESSEE ST | | 01/06/2020. | RBC CAPITAL MARKETS, LLC. | | 1,145,177 | 1,100,000 | 1,209,142 | 1,148,335 | | (345) | | (345) | | 1,147,990 | | (2,813) | (2,813) | 16,205 | 08/01/2022. | 1FE |
| 1799999. | Total - Bonds - U.S. States, Territories & Possessions | | | | | 2,171,687 | 2,100,000 | 2,273,862 | 2,175,872 | 0 | (560) | 0 | (560) | 0 | 2,175,312 | 0 | (3,625) | (3,625) | 19,160 | XXX | XXX |
| **Bonds - U.S. Political Subdivisions of States** | | | | | | | | | | | | | | | | | | | | | |
| 283590 FH 5 | EL PASO CNTY TEX HOSP DIST | | 01/22/2020. | US Bank | | 667,569 | 655,000 | 736,711 | 668,726 | | (1,370) | | (1,370) | | 667,357 | | 213 | 213 | 14,465 | 08/15/2020. | 2FE |
| 432841 PP 3 | HILTON HEAD IS S C | | 01/06/2020. | RAYMOND JAMES/FI | | 336,603 | 330,000 | 367,132 | 338,229 | | (172) | | (172) | | 338,057 | | (1,454) | (1,454) | 1,357 | 12/01/2020. | 1FE |
| 64763F QJ 1 | NEW ORLEANS LA | | 01/06/2020. | RAYMOND JAMES/FI | | 226,823 | 225,000 | 234,196 | 226,538 | | (44) | | (44) | | 226,494 | | 328 | 328 | 2,494 | 09/01/2020. | 1FE |
| 662523 C6 4 | NORTH SLOPE BORO ALASKA | | 01/22/2020. | RBC CAPITAL MARKETS, LLC. | | 1,057,260 | 1,000,000 | 1,158,690 | 1,052,301 | | (2,183) | | (2,183) | | 1,050,118 | | 7,142 | 7,142 | 3,333 | 06/30/2023. | 1FE |
| 888514 HU 3 | TITUS CNTY TEX | | 01/22/2020. | TRADE SERVICES CINCINNATI | | 672,673 | 670,000 | 748,223 | 673,969 | | (1,522) | | (1,522) | | 672,448 | | 226 | 226 | 13,307 | 03/01/2020. | 1FE |
| 2499999. | Total - Bonds - U.S. Political Subdivisions of States | | | | | 2,960,929 | 2,880,000 | 3,244,951 | 2,959,764 | 0 | (5,290) | 0 | (5,290) | 0 | 2,954,474 | 0 | 6,455 | 6,455 | 34,955 | XXX | XXX |
| **Bonds - U.S. Special Revenue and Special Assessment** | | | | | | | | | | | | | | | | | | | | | |
| 20774Y J9 9 | CONNECTICUT ST HEALTH & EDL FACS AUTH RE | | 01/21/2020. | Citigroup Global Markets, Inc. | | 1,046,890 | 1,000,000 | 995,990 | 997,236 | | 24 | | 24 | | 997,261 | | 49,629 | 49,629 | 11,222 | 07/01/2042. | 1FE |
| 3128MJ 5B 2 | FH G08841 - RMBS | | 03/01/2020. | Paydown | | 53,011 | 53,011 | 52,360 | 52,334 | | 4 | | 4 | | 52,338 | | 673 | 673 | 307 | 10/01/2048. | 1 |
| 3128MJ 5T 3 | FH G08857 - RMBS | | 03/01/2020. | Paydown | | 1,958,055 | 1,958,055 | 1,988,190 | 1,992,902 | | (370) | | (370) | | 1,992,532 | | (34,477) | (34,477) | 12,655 | 01/01/2049. | 1 |
| 3132AD XW 3 | FH ZT1593 - RMBS | | 03/01/2020. | Paydown | | 889,856 | 889,856 | 907,931 | 910,862 | | (174) | | (174) | | 910,688 | | (20,833) | (20,833) | 5,406 | 01/01/2049. | 1 |
| 3132DV 3M 5 | FH SD8004 - RMBS | | 03/01/2020. | Paydown | | 297,149 | 297,149 | 300,817 | 300,705 | | (43) | | (43) | | 300,661 | | (3,512) | (3,512) | 1,705 | 08/01/2049. | 1 |
| 3132DV 3Y 9 | FH SD8015 - RMBS | | 03/01/2020. | Paydown | | 43,571 | 43,571 | 43,384 | 43,386 | | 1 | | 1 | | 43,387 | | 185 | 185 | 199 | 10/01/2049. | 1 |
| 3132DV 4W 2 | FH SD8037 - RMBS | | 03/01/2020. | Paydown | | 63,421 | 63,421 | 63,094 | | | 2 | | 2 | | 63,096 | | 325 | 325 | 192 | 01/01/2050. | 1 |
| 3133EH 2U 6 | FEDERAL FARM CREDIT BANKS FUNDING CORP | | 01/06/2020. | STIFEL NICOLAUS & COMPANY INC. | | 2,056,269 | 2,000,000 | 1,985,600 | 1,990,173 | | 39 | | 39 | | 1,990,212 | | 66,057 | 66,057 | 3,264 | 12/12/2023. | 1 |
| 3133EK EC 6 | FEDERAL FARM CREDIT BANKS FUNDING CORP | | 01/06/2020. | STIFEL NICOLAUS & COMPANY INC. | | 1,034,417 | 1,000,000 | 1,040,500 | 1,037,430 | | (133) | | (133) | | 1,037,297 | | (2,880) | (2,880) | 817 | 06/25/2024. | 1 |
| 3137FR K5 9 | FHR 4961C A - CMO/RMBS | | 03/01/2020. | Paydown | | 8,521 | 8,521 | 8,585 | | | 2 | | 2 | | 8,587 | | (65) | (65) | 18 | 07/25/2034. | 1 |
| 3140J6 GJ 0 | FN BM2000 - RMBS | | 03/01/2020. | Paydown | | 854,791 | 854,791 | 849,983 | 849,976 | | 1 | | 1 | | 849,978 | | 4,813 | 4,813 | 4,896 | 05/01/2047. | 1 |
| 31418C P5 7 | FN MA3143 - RMBS | | 03/01/2020. | Paydown | | 563,379 | 563,379 | 546,521 | 546,787 | | 15 | | 15 | | 546,802 | | 16,576 | 16,576 | 2,839 | 09/01/2047. | 1 |
| 31418C R8 9 | FN MA3210 - RMBS | | 03/01/2020. | Paydown | | 1,394,559 | 1,394,559 | 1,386,552 | 1,386,555 | | 6 | | 6 | | 1,386,561 | | 7,998 | 7,998 | 8,281 | 12/01/2047. | 1 |

# SCHEDULE D - PART 4

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

| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Change in Book/Adjusted Carrying Value | | | | | 16 | 17 | 18 | 19 | 20 | 21 | 22 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | | | 11 | 12 | 13 | 14 | 15 | | | | | | | |
| CUSIP Identification | Description | Foreign | Disposal Date | Name of Purchaser | Number of Shares of Stock | Consideration | Par Value | Actual Cost | Prior Year Book/Adjusted Carrying Value | Unrealized Valuation Increase (Decrease) | Current Year's (Amortization) / Accretion | Current Year's Other-Than-Temporary Impairment Recognized | Total Change in B./A.C.V. (11+12-13) | Total Foreign Exchange Change in B./A.C.V. | Book/Adjusted Carrying Value at Disposal Date | Foreign Exchange Gain (Loss) on Disposal | Realized Gain (Loss) on Disposal | Total Gain (Loss) on Disposal | Bond Interest / Stock Dividends Received During Year | Stated Contractual Maturity Date | NAIC Designation and Administrative Symbol |
| 31418C XN 9 | FN MA3384 - RMBS | | 03/01/2020. | Paydown | | 409,770 | 409,770 | 418,045 | 417,125 | | (59) | | (59) | | 417,066 | | (7,296) | (7,296) | 2,741 | 06/01/2048. | 1 |
| 31418D FF 4 | FN MA3765 - RMBS | | 03/01/2020. | Paydown | | 79,555 | 79,555 | 79,978 | 79,967 | | (4) | | (4) | | 79,963 | | (408) | (408) | 394 | 09/01/2049. | 1 |
| 31418D GM 8 | FN MA3803 - RMBS | | 03/01/2020. | Paydown | | 804,966 | 804,966 | 830,781 | | | (469) | | (469) | | 830,312 | | (25,347) | (25,347) | 3,890 | 10/01/2049. | 1 |
| 31418D KT 8 | FN MA3905 - RMBS | | 03/01/2020. | Paydown | | 366,619 | 366,619 | 373,435 | | | (83) | | (83) | | 373,352 | | (6,734) | (6,734) | 1,416 | 01/01/2050. | 1 |
| 359900 7R 2 | FULTON CNTY GA DEV AUTH REV | | 01/22/2020. | US Bank | | 695,338 | 635,000 | 749,186 | 687,041 | | (1,294) | | (1,294) | | 685,747 | | 9,590 | 9,590 | 17,903 | 07/01/2022. | 1FE |
| 54439N FU 6 | LOS ANGELES CALIF CMNTY REDEV AGY TAX AL | | 01/06/2020. | HILLTOP SECURITIES INC. | | 466,502 | 450,000 | 550,161 | 467,148 | | (496) | | (496) | | 466,652 | | (150) | (150) | 11,708 | 09/01/2040. | 1FE |
| 55554R AA 2 | MACON-BIBB CNTY GA HSG AUTH MULTIFAMILY | | 01/22/2020. | Loop Capital Markets | | 1,001,720 | 1,000,000 | 1,000,000 | 1,000,000 | | | | 0 | | 1,000,000 | | 1,720 | 1,720 | 6,403 | 04/01/2021. | 1FE |
| 57587A DL 9 | MASSACHUSETTS ST HSG FIN AGY HSG REV | | 02/14/2020. | Call @ 100.00 | | 5,000 | 5,000 | 5,010 | 5,004 | | (0) | | (0) | | 5,003 | | (3) | (3) | 0 | 12/01/2020. | 1FE |
| 57604T EL 6 | MASSACHUSETTS ST TRANSN FD REV. | | 01/22/2020. | NATIONAL FINANCIAL SERVICES CO | | 1,246,020 | 1,000,000 | 1,284,890 | 1,195,027 | | (1,810) | | (1,810) | | 1,193,218 | | 52,802 | 52,802 | 7,361 | 06/01/2026. | 1FE |
| 592646 W2 5 | METROPOLITAN WASH D C ARPTS AUTH ARPT SY | | 01/22/2020. | Morgan Stanley | | 1,025,770 | 1,000,000 | 1,067,530 | 1,020,508 | | (1,709) | | (1,709) | | 1,018,799 | | 6,971 | 6,971 | 15,694 | 10/01/2025. | 1FE |
| 64579F WP 4 | NEW JERSEY HEALTH CARE FACS FING AUTH RE | | 01/22/2020. | SSB-CUSTODIAN | | 2,000,000 | 2,000,000 | 2,000,000 | 2,000,000 | | | | 0 | | 2,000,000 | | | 0 | 3,135 | 07/01/2036. | 1FE |
| 67884F Z2 5 | OKLAHOMA DEV FIN AUTH LEASE REV. | | 01/22/2020. | Citigroup Global Markets, Inc. | | 1,076,208 | 1,050,000 | 1,158,707 | 1,074,930 | | (1,705) | | (1,705) | | 1,073,225 | | 2,983 | 2,983 | 6,183 | 12/01/2020. | 1FE |
| 708797 AN 5 | PENNSYLVANIA HSG FIN AGY SPL LTD OBLIG M | | 03/26/2020. | Call @ 100.00 | | 1,890 | 1,890 | 1,816 | 1,820 | | 0 | | 0 | | 1,820 | | 70 | 70 | 8 | 08/01/2035. | 1FE |
| 70922P AG 7 | PENNSYLVANIA ST TPK COMMN SPL OBLIG | | 01/06/2020. | RAYMOND JAMES/FI | | 1,005,100 | 1,000,000 | 1,019,570 | 1,005,623 | | (117) | | (117) | | 1,005,506 | | (406) | (406) | 2,388 | 12/01/2020. | 1FE |
| 70922P AH 5 | PENNSYLVANIA ST TPK COMMN SPL OBLIG | | 01/06/2020. | JP MORGAN SECURITIES LLC. | | 1,016,190 | 1,000,000 | 1,057,230 | 1,021,181 | | (209) | | (209) | | 1,020,971 | | (4,781) | (4,781) | 2,681 | 12/01/2021. | 1FE |
| 79730P BU 8 | SAN DIEGO CALIF REDEV AGY TAX ALLOC REV | | 01/06/2020. | HILLTOP SECURITIES INC. | | 103,647 | 100,000 | 117,675 | 103,563 | | (103) | | (103) | | 103,460 | | 187 | 187 | 2,602 | 09/01/2037. | 1FE |
| 88283L JZ 0 | TEXAS TRANSN COMMN ST HWY FD REV | | 01/22/2020. | RAYMOND JAMES/FI | | 1,050,000 | 1,000,000 | 1,123,440 | 1,043,797 | | (1,576) | | (1,576) | | 1,042,220 | | 7,780 | 7,780 | 12,556 | 04/01/2026. | 1FE |
| 914713 N2 4 | UNIVERSITY N C CHAPEL HILL REV | | 01/06/2020. | FIRST TENNESSEE BANK N A BOND | | 1,406,265 | 1,405,000 | 1,417,926 | 1,409,962 | | (49) | | (49) | | 1,409,914 | | (3,649) | (3,649) | 2,567 | 12/01/2021. | 1FE |
| 977092 VT 9 | WISCONSIN ST CLEAN WTR REV | | 01/22/2020. | CHASE SECURITIES INC. | | 566,220 | 500,000 | 580,620 | 551,016 | | (912) | | (912) | | 550,104 | | 16,116 | 16,116 | 3,681 | 06/01/2023. | 1 |
| 3199999. | Total - Bonds - U.S. Special Revenue and Special Assessments. | | | | | 24,590,667 | 23,934,112 | 25,005,508 | 23,192,059 | 0 | (11,224) | 0 | (11,224) | 0 | 24,456,731 | 0 | 133,936 | 133,936 | 155,112 | XXX | XXX |
| **Bonds - Industrial and Miscellaneous** | | | | | | | | | | | | | | | | | | | | | |
| 009158 AV 8 | AIR PRODUCTS AND CHEMICALS INC | | 01/09/2020. | PERSHING LLC | | 211,144 | 200,000 | 211,756 | 210,905 | | (77) | | (77) | | 210,828 | | 316 | 316 | 3,034 | 07/31/2024. | 1FE |
| 031162 BD 1 | AMGEN INC | | 03/23/2020. | Call @ 100.00 | | 3,027,150 | 3,000,000 | 3,132,210 | 3,017,211 | | (5,032) | | (5,032) | | 3,012,179 | | (12,179) | (12,179) | 76,313 | 10/01/2020. | 2FE |
| 05972M AA 2 | BANC 19CRE5 A - CMBS | | 03/17/2020. | Paydown | | 123,975 | 123,975 | 123,975 | 123,975 | | | | 0 | | 123,975 | | (0) | (0) | 589 | 03/17/2036. | 1FE |
| 09062X AE 3 | BIOGEN INC | | 01/09/2020. | STIFEL NICOLAUS & COMPANY INC. | | 260,363 | 250,000 | 268,570 | 258,725 | | (103) | | (103) | | 258,621 | | 1,741 | 1,741 | 2,970 | 09/15/2022. | 1FE |
| 09062X AF 0 | BIOGEN INC | | 01/09/2020. | US BANCORP INVESTMENTS INC. | | 1,631,265 | 1,500,000 | 1,603,140 | 1,595,854 | | (461) | | (461) | | 1,595,318 | | 35,947 | 35,947 | 19,913 | 09/15/2025. | 1FE |
| 12555D AB 1 | CIM 19INV1 A2 - CMO/RMBS | | 03/25/2020. | Paydown | | 77,090 | 77,090 | 76,936 | 76,421 | | (50) | | (50) | | 76,371 | | 718 | 718 | 361 | 02/25/2049. | 1FE |
| 126408 HD 8 | CSX CORP | | 01/09/2020. | US BANCORP INVESTMENTS INC. | | 636,930 | 600,000 | 636,960 | 634,841 | | (193) | | (193) | | 634,648 | | 2,283 | 2,283 | 4,020 | 11/01/2025. | 2FE |

# SCHEDULE D - PART 4

## Showing all Long-Term Bonds and Stocks SOLD, REDEEMED or Otherwise DISPOSED OF During Current Quarter

| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 | 21 | 22 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | | | Change in Book/Adjusted Carrying Value | | | | | | | | | | | |
| CUSIP Identification | Description | Foreign | Disposal Date | Name of Purchaser | Number of Shares of Stock | Consideration | Par Value | Actual Cost | Prior Year Book/Adjusted Carrying Value | Unrealized Valuation Increase (Decrease) | Current Year's (Amortization) / Accretion | Current Year's Other-Than-Temporary Impairment Recognized | Total Change in B./A.C.V. (11+12-13) | Total Foreign Exchange Change in B./A.C.V. | Book/Adjusted Carrying Value at Disposal Date | Foreign Exchange Gain (Loss) on Disposal | Realized Gain (Loss) on Disposal | Total Gain (Loss) on Disposal | Bond Interest / Stock Dividends Received During Year | Stated Contractual Maturity Date | NAIC Designation and Administrative Symbol |
| 13645R AS 3 | CANADIAN PACIFIC RAILWAY CO. | C | 01/09/2020. | US BANCORP INVESTMENTS INC. | | 2,061,900 | 2,000,000 | 2,057,760 | 2,055,533 | | (342) | | (342) | | 2,055,191 | | 6,709 | 6,709 | 26,100 | 02/01/2025. | 2FE |
| 149123 BV 2 | CATERPILLAR INC. | | 01/06/2020. | GOLDMAN, SACHS & CO. | | 5,079,407 | 4,940,000 | 5,443,393 | 5,092,651 | | (2,075) | | (2,075) | | 5,090,576 | | (11,170) | (11,170) | 21,942 | 05/27/2021. | 1FE |
| 15189X AP 3 | CENTERPOINT ENERGY HOUSTON ELECTRIC LLC | | 01/06/2020. | WELLS FARGO SECURITIES LLC | | 1,005,030 | 1,005,000 | 998,824 | 1,003,188 | | 24 | | 24 | | 1,003,212 | | 1,818 | 1,818 | 1,911 | 06/01/2021. | 1FE |
| 17275R BD 3 | CISCO SYSTEMS INC. | | 01/06/2020. | GOLDMAN, SACHS & CO. | | 4,136,028 | 4,115,000 | 4,133,847 | 4,119,939 | | (78) | | (78) | | 4,119,861 | | 16,166 | 16,166 | 32,691 | 02/28/2021. | 1FE |
| 191216 BW 9 | COCA-COLA CO. | | 01/09/2020. | State Street | | 1,737,663 | 1,695,000 | 1,709,628 | 1,708,630 | | (64) | | (64) | | 1,708,566 | | 29,097 | 29,097 | 5,043 | 06/01/2026. | 1FE |
| 231021 AR 7 | CUMMINS INC. | | 01/10/2020. | VARIOUS | | 1,236,690 | 1,164,000 | 1,228,179 | 1,217,575 | | (511) | | (511) | | 1,217,064 | | 19,626 | 19,626 | 12,115 | 10/01/2023. | 1FE |
| 268648 AQ 5 | EMC CORP. | | 01/30/2020. | Call @ 100.00 | | 228,676 | 228,000 | 230,866 | 228,041 | 227 | (52) | | 175 | | 228,217 | | (217) | (217) | 593 | 06/01/2020. | 3FE |
| 278062 AC 8 | EATON CORP. | | 01/09/2020. | State Street | | 613,632 | 600,000 | 621,108 | 609,933 | | (112) | | (112) | | 609,821 | | 3,811 | 3,811 | 3,254 | 11/02/2022. | 2FE |
| 291011 BC 7 | EMERSON ELECTRIC CO. | | 01/09/2020. | HILLTOP SECURITIES INC. | | 678,101 | 665,000 | 723,773 | 675,707 | | (403) | | (403) | | 675,304 | | 2,797 | 2,797 | 4,553 | 11/15/2020. | 1FE |
| 29374A AB 0 | EFF 191 A2 - ABS. | | 03/20/2020. | Paydown | | 92,196 | 92,196 | 92,195 | 92,196 | | 0 | | 0 | | 92,196 | | 0 | 0 | 523 | 10/21/2024. | 1FE |
| 354613 AK 7 | FRANKLIN RESOURCES INC. | | 01/06/2020. | PERSHING LLC. | | 777,998 | 750,000 | 782,535 | 781,203 | | (109) | | (109) | | 781,094 | | (3,097) | (3,097) | 5,819 | 03/30/2025. | 1FE |
| 372917 AS 3 | GENZYME CORP. | | 01/06/2020. | MLPFS INC FIXED INCOME | | 643,433 | 635,000 | 695,129 | 643,215 | | (346) | | (346) | | 642,869 | | 564 | 564 | 2,028 | 06/15/2020. | 1FE |
| 375558 BB 8 | GILEAD SCIENCES INC. | | 01/06/2020. | JP MORGAN SECURITIES LLC. | | 2,008,320 | 2,000,000 | 2,032,620 | 2,004,959 | | (142) | | (142) | | 2,004,817 | | 3,503 | 3,503 | 17,992 | 09/01/2020. | 1FE |
| 452308 AP 4 | ILLINOIS TOOL WORKS INC. | | 01/09/2020. | PERSHING LLC. | | 510,980 | 500,000 | 529,545 | 508,373 | | (187) | | (187) | | 508,186 | | 2,794 | 2,794 | 5,531 | 09/15/2021. | 1FE |
| 458140 AQ 3 | INTEL CORP. | | 01/06/2020. | BONY/TORONTO DOMINION SECURITI | | 541,976 | 540,000 | 558,409 | 542,877 | | (96) | | (96) | | 542,782 | | (805) | (805) | 5,843 | 07/29/2020. | 1FE |
| 539830 AY 5 | LOCKHEED MARTIN CORP. | | 01/06/2020. | CITIGROUP GLOBAL MARKETS INC. | | 2,307,893 | 2,250,000 | 2,405,273 | 2,304,560 | | (609) | | (609) | | 2,303,951 | | 3,942 | 3,942 | 23,659 | 09/15/2021. | 1FE |
| 539830 BE 8 | LOCKHEED MARTIN CORP. | | 01/09/2020. | MERRILL LYNCH PIERCE FENNER SMITH INC | | 1,118,634 | 1,075,000 | 1,120,032 | 1,119,054 | | (281) | | (281) | | 1,118,773 | | (139) | (139) | 11,431 | 03/01/2025. | 1FE |
| 59981B AC 8 | MCMLT 19GS1 A1 - CMO/RMBS. | | 03/01/2020. | Paydown | | 25,322 | 25,322 | 25,441 | 25,441 | | (0) | | (0) | | 25,440 | | (118) | (118) | 111 | 07/25/2059. | 1FE |
| 59981T AC 9 | MCMLT 19GS2 A1 - CMO/RMBS. | | 03/01/2020. | Paydown | | 37,311 | 37,311 | 37,546 | 37,546 | | (0) | | (0) | | 37,545 | | (234) | (234) | 160 | 08/25/2059. | 1FE |
| 637432 ND 3 | NATIONAL RURAL UTILITIES COOPERATIVE FIN | | 01/09/2020. | PERSHING LLC. | | 824,736 | 800,000 | 824,736 | 824,377 | | (154) | | (154) | | 824,223 | | 513 | 513 | 10,513 | 01/27/2025. | 1FE |
| 64828X AA 1 | NEW RESIDENTIAL MORTGAGE LOAN TRUST 2020 | | 03/25/2020. | Paydown | | 31,060 | 31,060 | 31,560 | | | (1) | | (1) | | 31,559 | | (499) | (499) | 102 | 11/25/2059. | 1FE |
| 655844 BJ 6 | NORFOLK SOUTHERN CORP. | | 01/06/2020. | Amherst Securities Group LLC. | | 2,543,958 | 2,490,000 | 2,606,856 | 2,534,157 | | (413) | | (413) | | 2,533,744 | | 10,214 | 10,214 | 20,128 | 04/01/2022. | 2FE |
| 67077M AB 4 | NUTRIEN LTD. | C | 03/30/2020. | Maturity @ 100.00 | | 2,850,000 | 2,850,000 | 3,209,408 | 2,866,365 | | (16,365) | | (16,365) | | 2,850,000 | | | 0 | 69,469 | 03/30/2020. | 2FE |
| 67077M AJ 7 | NUTRIEN LTD. | C | 01/09/2020. | PERSHING LLC. | | 1,997,073 | 1,950,000 | 2,015,033 | 1,978,660 | | (361) | | (361) | | 1,978,299 | | 18,774 | 18,774 | 17,404 | 10/01/2022. | 2FE |
| 68389X BA 2 | ORACLE CORP. | | 01/06/2020. | BONY/TORONTO DOMINION SECURITI | | 832,743 | 820,000 | 866,125 | 834,467 | | (180) | | (180) | | 834,287 | | (1,544) | (1,544) | 11,480 | 07/08/2021. | 1FE |
| 713448 BR 8 | PEPSICO INC. | | 01/06/2020. | JP MORGAN SECURITIES LLC. | | 3,336,927 | 3,300,000 | 3,530,967 | 3,344,172 | | (1,016) | | (1,016) | | 3,343,156 | | (6,229) | (6,229) | 19,193 | 11/01/2020. | 1FE |
| 713448 BW 7 | PEPSICO INC. | | 01/06/2020. | Amherst Securities Group LLC. | | 1,020,290 | 1,000,000 | 1,058,450 | 1,018,961 | | (215) | | (215) | | 1,018,746 | | 1,544 | 1,544 | 11,083 | 08/25/2021. | 1FE |
| 747525 AD 5 | QUALCOMM INC. | | 01/06/2020. | State Street | | 1,502,550 | 1,500,000 | 1,515,750 | 1,501,475 | | (74) | | (74) | | 1,501,401 | | 1,149 | 1,149 | 4,500 | 05/20/2020. | 1FE |
| 755111 BT 7 | RAYTHEON CO. | | 01/09/2020. | JP MORGAN SECURITIES LLC. | | 3,029,550 | 3,000,000 | 3,102,190 | 3,013,690 | | (564) | | (564) | | 3,013,126 | | 16,424 | 16,424 | 22,917 | 10/15/2020. | 1FE |
| 854502 AD 3 | STANLEY BLACK & DECKER INC. | | 01/09/2020. | PERSHING LLC. | | 513,065 | 500,000 | 525,470 | 511,594 | | (131) | | (131) | | 511,463 | | 1,602 | 1,602 | 2,900 | 11/01/2022. | 1FE |
| 863667 AM 3 | STRYKER CORP. | | 01/06/2020. | Morgan Stanley. | | 3,127,714 | 3,100,000 | 3,202,269 | 3,127,034 | | (460) | | (460) | | 3,126,575 | | 1,139 | 1,139 | 25,543 | 03/15/2021. | 1FE |
| 88579Y AV 3 | 3M CO. | | 01/09/2020. | MITSUBISHI UFJ SECURITIES. | | 2,005,360 | 2,000,000 | 1,923,520 | 1,942,560 | | 222 | | 222 | | 1,942,828 | | 62,532 | 62,532 | 14,250 | 09/19/2026. | 1FE |
| 89177H AA 0 | TPMT 19HY2 A1 - RMBS. | | 03/25/2020. | Paydown | | 88,246 | 88,246 | 88,922 | | | (5) | | (5) | | 88,917 | | (671) | (671) | 275 | 05/25/2058. | 1FE |
| 89177X AA 5 | TPMT 19HY3 A1A - RMBS. | | 03/25/2020. | Paydown | | 78,400 | 78,400 | 78,495 | 78,489 | | (8) | | (8) | | 78,480 | | (80) | (80) | 345 | 10/27/2059. | 1FE |

# SCHEDULE D - PART 4

## Showing all Long-Term Bonds and Stocks SOLD, REDEEMED or Otherwise DISPOSED OF During Current Quarter

| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Change in Book/Adjusted Carrying Value | | | | | 16 | 17 | 18 | 19 | 20 | 21 | 22 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | | | 11 | 12 | 13 | 14 | 15 | | | | | | | |
| CUSIP Identification | Description | Foreign | Disposal Date | Name of Purchaser | Number of Shares of Stock | Consideration | Par Value | Actual Cost | Prior Year Book/Adjusted Carrying Value | Unrealized Valuation Increase (Decrease) | Current Year's (Amortization) / Accretion | Current Year's Other-Than-Temporary Impairment Recognized | Total Change in B./A.C.V. (11+12-13) | Total Foreign Exchange Change in B./A.C.V. | Book/Adjusted Carrying Value at Disposal Date | Foreign Exchange Gain (Loss) on Disposal | Realized Gain (Loss) on Disposal | Total Gain (Loss) on Disposal | Bond Interest / Stock Dividends Received During Year | Stated Contractual Maturity Date | NAIC Designation and Administrative Symbol |
| 90520E AK 7 | MUFG UNION BANK NA | | 01/06/2020. | STIFEL NICOLAUS & COMPANY INC. | | 1,603,856 | 1,600,000 | 1,600,000 | 1,600,000 | | | | 0 | | 1,600,000 | | 3,856 | 3,856 | 2,707 | 12/09/2022. | 1FE |
| 907818 DG 0 | UNION PACIFIC CORP | | 01/06/2020. | Morgan Stanley | | 2,034,200 | 2,000,000 | 2,196,640 | 2,038,500 | | (864) | | (864) | | 2,037,636 | | (3,436) | (3,436) | 34,889 | 02/01/2021. | 1FE |
| 90931E AA 2 | UAL 191 A - ABS | | 02/25/2020. | Paydown | | 22,049 | 22,049 | 22,049 | 22,049 | | | | 0 | | 22,049 | | | 0 | 502 | 02/25/2033. | 1FE |
| 913017 BR 9 | UNITED TECHNOLOGIES CORP | | 01/09/2020. | JP MORGAN SECURITIES LLC | | 1,510,020 | 1,500,000 | 1,675,710 | 1,509,315 | | (1,065) | | (1,065) | | 1,508,251 | | 1,769 | 1,769 | 16,500 | 04/15/2020. | 2FE |
| 931142 CU 5 | WAL MART STORES INC | | 01/06/2020. | GOLDMAN, SACHS & CO | | 4,305,091 | 4,265,000 | 4,605,475 | 4,296,756 | | (1,158) | | (1,158) | | 4,295,597 | | 9,494 | 9,494 | 77,303 | 07/08/2020. | 1FE |
| 941063 AQ 2 | WASTE MANAGEMENT INC | | 01/06/2020. | GOLDMAN, SACHS & CO | | 497,474 | 485,000 | 538,884 | 496,459 | | (239) | | (239) | | 496,220 | | 1,254 | 1,254 | 7,870 | 03/01/2021. | 2FE |
| 976656 CL 0 | WISCONSIN ELECTRIC POWER CO | | 01/09/2020. | WELLS FARGO SECURITIES LLC | | 1,001,280 | 1,000,000 | 999,810 | 999,812 | | 1 | | 1 | | 999,814 | | 1,466 | 1,466 | 1,879 | 12/15/2024. | 1FE |
| 3899999. | Total - Bonds - Industrial and Miscellaneous | | | | | 65,564,748 | 64,447,651 | 67,697,965 | 65,227,445 | 227 | (34,348) | 0 | (34,121) | 0 | 65,313,777 | 0 | 223,145 | 223,145 | 660,250 | XXX | XXX |
| 8399997. | Total - Bonds - Part 4 | | | | | 176,285,969 | 172,881,231 | 176,388,122 | 168,636,293 | (2,080,179) | (79,012) | 0 | (2,159,191) | 0 | 172,427,592 | 0 | 3,830,552 | 3,830,552 | 1,156,547 | XXX | XXX |
| 8399999. | Total - Bonds | | | | | 176,285,969 | 172,881,231 | 176,388,122 | 168,636,293 | (2,080,179) | (79,012) | 0 | (2,159,191) | 0 | 172,427,592 | 0 | 3,830,552 | 3,830,552 | 1,156,547 | XXX | XXX |
| **Common Stocks - Industrial and Miscellaneous (Unaffiliated) Publicly Traded** | | | | | | | | | | | | | | | | | | | | | |
| 072730 30 2 | BAYER AKTIENGESELLSCHAFT EACH RE ADR | C | 01/07/2020. | Cantor Fitzgerald | 123,700.000 | 2,480,337 | XXX | 2,118,023 | 2,508,636 | (390,613) | | | (390,613) | | 2,118,023 | | 362,314 | 362,314 | | XXX | |
| 084670 70 2 | BERKSHIRE HATHWAY CL B ORD | | 01/08/2020. | MERRILL LYNCH,PIERCE,FENNER & SMITH | 18,000.000 | 4,075,639 | XXX | 1,328,679 | 4,077,000 | (2,748,321) | | | (2,748,321) | | 1,328,679 | | 2,746,960 | 2,746,960 | | XXX | |
| 15135U 10 9 | CENOVUS ENERGY ORD | C | 01/03/2020. | Stephens Inc. | 138,000.000 | 1,414,581 | XXX | 1,224,201 | 1,400,700 | (176,499) | | | (176,499) | | 1,224,201 | | 190,380 | 190,380 | 5,561 | XXX | |
| 166764 10 0 | CHEVRON ORD | | 01/16/2020. | VARIOUS | 36,300.000 | 4,384,280 | XXX | 2,833,528 | 4,374,513 | (1,540,985) | | | (1,540,985) | | 2,833,528 | | 1,550,753 | 1,550,753 | | XXX | |
| 17275R 10 2 | CISCO SYSTEMS ORD | | 01/09/2020. | MERRILL LYNCH,PIERCE,FENNER & SMITH | 28,200.000 | 1,332,710 | XXX | 595,466 | 1,352,472 | (757,006) | | | (757,006) | | 595,466 | | 737,244 | 737,244 | 9,870 | XXX | |
| 20825C 10 4 | CONOCOPHILLIPS ORD | | 01/06/2020. | MERRILL LYNCH,PIERCE,FENNER & SMITH | 34,000.000 | 2,252,935 | XXX | 2,003,960 | 2,211,020 | (207,060) | | | (207,060) | | 2,003,960 | | 248,975 | 248,975 | | XXX | |
| 219350 10 5 | CORNING ORD | | 01/07/2020. | Stephens Inc. | 83,800.000 | 2,495,378 | XXX | 1,149,520 | 2,439,418 | (1,289,898) | | | (1,289,898) | | 1,149,520 | | 1,345,858 | 1,345,858 | | XXX | |
| 303901 10 2 | FAIRFAX FINANCIAL HOLDINGS ORD | C | 01/15/2020. | Cantor Fitzgerald | 8,358.000 | 3,928,908 | XXX | 3,396,510 | 3,920,821 | (524,311) | | | (524,311) | | 3,396,510 | | 532,398 | 532,398 | | XXX | |
| 314211 10 3 | FEDERATED HERMES CL B ORD | | 01/07/2020. | MERRILL LYNCH,PIERCE,FENNER & SMITH | 30,000.000 | 980,484 | XXX | 686,415 | 977,700 | (291,285) | | | (291,285) | | 686,415 | | 294,069 | 294,069 | | XXX | |
| 40434L 10 5 | HP ORD | | 01/06/2020. | Stephens Inc. | 134,050.000 | 2,769,684 | XXX | 1,229,907 | 2,754,728 | (1,524,821) | | | (1,524,821) | | 1,229,907 | | 1,539,777 | 1,539,777 | 23,620 | XXX | |
| 458140 10 0 | INTEL ORD | | 01/09/2020. | Cantor Fitzgerald | 57,500.000 | 3,403,205 | XXX | 1,302,103 | 3,441,375 | (2,139,272) | | | (2,139,272) | | 1,302,103 | | 2,101,102 | 2,101,102 | | XXX | |
| 58933Y 10 5 | MERCK & CO ORD | | 01/10/2020. | PERSHING LLC | 39,500.000 | 3,547,659 | XXX | 1,401,794 | 3,592,525 | (2,190,731) | | | (2,190,731) | | 1,401,794 | | 2,145,865 | 2,145,865 | 24,095 | XXX | |
| 651639 10 6 | NEWMONT ORD | | 01/06/2020. | Stephens Inc. | 126,000.000 | 5,447,135 | XXX | 2,678,184 | 5,474,700 | (2,796,516) | | | (2,796,516) | | 2,678,184 | | 2,768,951 | 2,768,951 | | XXX | |
| 717081 10 3 | PFIZER ORD | | 01/06/2020. | MERRILL LYNCH,PIERCE,FENNER & SMITH | 63,600.000 | 2,471,406 | XXX | 1,174,290 | 2,491,848 | (1,317,558) | | | (1,317,558) | | 1,174,290 | | 1,297,116 | 1,297,116 | | XXX | |
| 718546 10 4 | PHILLIPS 66 ORD | | 01/07/2020. | MERRILL LYNCH,PIERCE,FENNER & SMITH | 12,000.000 | 1,294,293 | XXX | 275,487 | 1,336,920 | (1,061,433) | | | (1,061,433) | | 275,487 | | 1,018,806 | 1,018,806 | | XXX | |
| 739239 10 1 | POWER CORP OF CANADA ORD | C | 01/07/2020. | Cantor Fitzgerald | 93,000.000 | 2,388,071 | XXX | 2,021,212 | 2,391,383 | (370,171) | | | (370,171) | | 2,021,212 | | 366,858 | 366,858 | | XXX | |
| 798241 10 5 | SAN JUAN BASIN UNT | | 01/14/2020. | Cantor Fitzgerald | 108,600.000 | 267,835 | XXX | | 275,844 | (275,844) | | | (275,844) | | | | 267,835 | 267,835 | 185 | XXX | |
| 80105N 10 5 | SANOFI ADR REP 1 1/2 ORD | C | 01/03/2020. | Cantor Fitzgerald | 32,500.000 | 1,646,910 | XXX | 831,671 | 1,631,500 | (799,829) | | | (799,829) | | 831,671 | | 815,239 | 815,239 | | XXX | |

# SCHEDULE D - PART 4

## Showing all Long-Term Bonds and Stocks SOLD, REDEEMED or Otherwise DISPOSED OF During Current Quarter

| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Change in Book/Adjusted Carrying Value 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 | 21 | 22 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| CUSIP Identification | Description | Foreign | Disposal Date | Name of Purchaser | Number of Shares of Stock | Consideration | Par Value | Actual Cost | Prior Year Book/Adjusted Carrying Value | Unrealized Valuation Increase (Decrease) | Current Year's (Amortization) / Accretion | Current Year's Other-Than-Temporary Impairment Recognized | Total Change in B./A.C.V. (11+12-13) | Total Foreign Exchange Change in B./A.C.V. | Book/Adjusted Carrying Value at Disposal Date | Foreign Exchange Gain (Loss) on Disposal | Realized Gain (Loss) on Disposal | Total Gain (Loss) on Disposal | Bond Interest / Stock Dividends Received During Year | Stated Contractual Maturity Date | NAIC Designation and Administrative Symbol |
| 9099999. | Total - Common Stocks - Industrial and Miscellaneous (Unaffiliated) Publicly Traded | | | | | 46,581,448 | XXX | 26,250,950 | 46,653,103 | (20,402,153) | 0 | 0 | (20,402,153) | 0 | 26,250,950 | 0 | 20,330,498 | 20,330,498 | 63,331 | XXX | XXX |
| 9799997. | Total - Common Stocks - Part 4 | | | | | 46,581,448 | XXX | 26,250,950 | 46,653,103 | (20,402,153) | 0 | 0 | (20,402,153) | 0 | 26,250,950 | 0 | 20,330,498 | 20,330,498 | 63,331 | XXX | XXX |
| 9799999. | Total - Common Stocks | | | | | 46,581,448 | XXX | 26,250,950 | 46,653,103 | (20,402,153) | 0 | 0 | (20,402,153) | 0 | 26,250,950 | 0 | 20,330,498 | 20,330,498 | 63,331 | XXX | XXX |
| 9899999. | Total - Preferred and Common Stocks | | | | | 46,581,448 | XXX | 26,250,950 | 46,653,103 | (20,402,153) | 0 | 0 | (20,402,153) | 0 | 26,250,950 | 0 | 20,330,498 | 20,330,498 | 63,331 | XXX | XXX |
| 9999999. | Total - Bonds, Preferred and Common Stocks | | | | | 222,867,418 | XXX | 202,639,072 | 215,289,396 | (22,482,333) | (79,012) | 0 | (22,561,344) | 0 | 198,678,542 | 0 | 24,161,050 | 24,161,050 | 1,219,878 | XXX | XXX |

## Sch. DB - Pt. A - Sn. 1
## NONE

## Sch. DB - Pt. B - Sn. 1
## NONE

## Sch. DB - Pt. D - Sn. 1
## NONE

## Sch. DB - Pt. D - Sn. 2
## NONE

## Sch. DB - Pt. E
## NONE

## Sch. DL - Pt. 1
## NONE

## Sch. DL - Pt. 2
## NONE

# SCHEDULE E - PART 1 - CASH

Month End Depository Balances

| 1 | 2 | 3 | 4 | 5 | Book Balance at End of Each Month During Current Quarter | | | 9 |
|---|---|---|---|---|---|---|---|---|
| | | | | | 6 | 7 | 8 | |
| Depository | Code | Rate of Interest | Amount of Interest Received During Current Quarter | Amount of Interest Accrued at Current Statement Date | First Month | Second Month | Third Month | * |
| **Open Depositories** | | | | | | | | |
| Bank of America Little Rock, AR | | | | | | | | XXX |
| General Acct | | | | | 16,092,381 | 12,389,005 | 5,026,447 | XXX |
| Payroll Acct | | | | | 22,317 | 22,317 | 20,591 | XXX |
| BC Reg Business Claims | | | | | (706,960) | (681,827) | (881,725) | XXX |
| PDP ACH Premiums | | | | | 18,478 | 18,482 | 18,482 | XXX |
| PDP Lockbox | | | | | | | 9,111 | XXX |
| Med Adv ACH Prems | | | | | 409,865 | 267,625 | 353,843 | XXX |
| Medipak Amisys | | | | | | (759,561) | (756,444) | XXX |
| FEP Basic Option EFT | | | | | | | 14,062 | XXX |
| FEP Standard Option EFT | | | | | | | 900,500 | XXX |
| FEP Blue Focus Option EFT | | | | | 6,893 | | 4,542 | XXX |
| LTC CHCS | | | | | 166,787 | 186,845 | 167,915 | XXX |
| BAAA Operating | | | | | 8,074,031 | 8,149,848 | 13,539,518 | XXX |
| BAAA Refunds | | | | | 1,302,788 | 1,057,841 | 1,366,854 | XXX |
| BAAA Claims | | | | | 16,799,745 | 16,788,774 | 15,659,885 | XXX |
| Walmart Claims | | | | | 12,282,260 | 10,244,592 | 7,610,953 | XXX |
| BlueCard EFT | | | | | (25) | | (1,511) | XXX |
| Exchange Claims | | | | | (855,537) | (832,511) | (1,040,828) | XXX |
| USAM Claims | | | | | 2,184,720 | 1,802,564 | 1,623,171 | XXX |
| Clearinghouse Bank Account | | | | | 483,744 | 513,044 | 543,899 | XXX |
| | | | | | | | | XXX |
| Bank of America Vadalia, MO | | | | | | | | XXX |
| GCPS Assigned | | | | | (10,453) | (13,614) | (12,927) | XXX |
| GCPS Unassigned | | | | | (119,491) | (118,666) | (117,969) | XXX |
| Accounts Payable | | | | | (3,283,181) | (1,832,893) | (1,963,134) | XXX |
| | | | | | | | | XXX |
| Simmons First National Bank Pine Bluff, AR | | | | | | | | XXX |
| Parent Acct | | | | | 5,279,601 | 5,165,518 | 5,501,525 | XXX |
| Accounts Payable EFT | | | | | (353,006) | (386,807) | (377,100) | XXX |
| Medipak Assigned | | | | | (163,726) | (71,546) | (29,122) | XXX |
| Medipak Unassigned | | | | | (634,199) | (343,096) | (263,894) | XXX |
| FEP Basic Option | | | | | (139,975) | (126,461) | (68,139) | XXX |
| FEP Standard Option | | | | | (183,918) | (158,374) | (113,671) | XXX |
| FEP Investment | | | | | 2,156,075 | 2,156,532 | 2,156,724 | XXX |
| FEP Blue Focus Option | | | | | (565) | (530) | (635) | XXX |
| BlueCard Claims | | | | | (162,848) | (208,695) | (78,401) | XXX |
| ABCBS MMA DDA | | | 19,443 | | 7,224,804 | 7,231,607 | 7,236,237 | XXX |
| | | | | | | | | XXX |
| US Bank St. Louis, MO | | | | | | | | XXX |
| Membrs Lockbox | | | | | 2,628,878 | 8,512,182 | 8,239,407 | XXX |
| Uninvested Cash | | | | | 1,435 | 1,435 | 2,310 | XXX |
| | | | | | | | | XXX |
| BanCorp Little Rock, AR | | | | | | | | XXX |
| AR Works Rewards Collateral | | | | | 25,000 | 25,000 | 25,000 | XXX |
| 0199998. Deposits in.....58 depositories that do not exceed the allowable limit in any one depository (see Instructions) - Open Depositories | XXX | XXX | 3,479 | | 2,330,000 | 2,330,000 | 2,330,000 | XXX |
| 0199999. Total Open Depositories | XXX | XXX | 22,922 | 0 | 70,875,920 | 71,328,631 | 66,645,477 | XXX |
| 0399999. Total Cash on Deposit | XXX | XXX | 22,922 | 0 | 70,875,920 | 71,328,631 | 66,645,477 | XXX |
| 0499999. Cash in Company's Office | XXX | XXX | XXX | XXX | 4,772 | 4,772 | 4,772 | XXX |
| 0599999. Total Cash | XXX | XXX | 22,922 | 0 | 70,880,692 | 71,333,403 | 66,650,249 | XXX |

# SCHEDULE E - PART 2 - CASH EQUIVALENTS

Show Investments Owned End of Current Quarter

| 1 CUSIP | 2 Description | 3 Code | 4 Date Acquired | 5 Rate of Interest | 6 Maturity Date | 7 Book/Adjusted Carrying Value | 8 Amount of Interest Due & Accrued | 9 Amount Received During Year |
|---|---|---|---|---|---|---|---|---|
| **Bonds - U.S. Special Revenue & Special Assessment Obligations and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their U.S. Political Subdivision - Issuer Obligations** | | | | | | | | |
| | FEDERAL HOME LOAN BANKS | | 03/05/2020 | | 04/03/2020 | 5,999,700 | | 3,900 |
| | FEDERAL HOME LOAN BANKS | | 03/31/2020 | | 04/08/2020 | 1,600,000 | | |
| 2599999. U.S. Special Revenue & Special Assessment Obligations - Issuer Obligations | | | | | | 7,599,700 | 0 | 3,900 |
| 3199999. Total - U.S. Special Revenue & Special Assessment Obligations and all Non-Guaranteed Obligations | | | | | | 7,599,700 | 0 | 3,900 |
| **Total Bonds** | | | | | | | | |
| 7699999. Subtotals - Issuer Obligations | | | | | | 7,599,700 | 0 | 3,900 |
| 8399999. Subtotals - Bonds | | | | | | 7,599,700 | 0 | 3,900 |
| **Exempt Money Market Mutual Funds as Identified by the SVO** | | | | | | | | |
| 60934N 50 0 | FEDERATED TREAS OBL INST | | 03/31/2020 | 0.260 | | 50,903,682 | 59,746 | 1,404 |
| 8599999. Total - Exempt Money Market Mutual Funds as Identified by the SVO | | | | | | 50,903,682 | 59,746 | 1,404 |
| **All Other Money Market Mutual Funds** | | | | | | | | |
| 316175 60 3 | FIDELITY IMM:GOVT III | | 02/08/2018 | 0.010 | | 106,500 | 50 | 328 |
| 8699999. Total - All Other Money Market Mutual Funds | | | | | | 106,500 | 50 | 328 |
| 8899999. Total - Cash Equivalents | | | | | | 58,609,882 | 59,796 | 5,631 |

# MEDICARE PART D COVERAGE SUPPLEMENT

(Net of Reinsurance)

NAIC Group Code.....876 NAIC Company Code.....83470

| | Individual Coverage | | Group Coverage | | 5 |
|---|---|---|---|---|---|
| | 1<br>Insured | 2<br>Uninsured | 3<br>Insured | 4<br>Uninsured | Total<br>Cash |
| 1. Premiums collected | 6,948,195 | XXX | 713,638 | XXX | 7,661,833 |
| 2. Earned premiums | 6,335,051 | XXX | 753,443 | XXX | XXX |
| 3. Claims paid | 5,535,800 | XXX | 983,319 | XXX | 6,519,119 |
| 4. Claims incurred | 6,839,653 | XXX | 932,549 | XXX | XXX |
| 5. Reinsurance coverage and low income cost sharing - claims paid net of reimbursements applied (a) | XXX | (1,872,728) | XXX | (141,032) | (2,013,760) |
| 6. Aggregate policy reserves - change | | XXX | | XXX | XXX |
| 7. Expenses paid | 1,746,190 | XXX | 95,509 | XXX | 1,841,699 |
| 8. Expenses incurred | 1,536,756 | XXX | 94,007 | XXX | XXX |
| 9. Underwriting gain or loss | (2,041,358) | XXX | (273,113) | XXX | XXX |
| 10. Cash flow results | XXX | XXX | XXX | XXX | 1,314,775 |

(a) Uninsured Receivable/Payable with CMS at End of Quarter $..........0 due from CMS or $.....1,718,111 due to CMS.