

## Life Insurer Financial Analysis

Company	Massachusetts Mutual Life Ins	Security Mutual Life of NY	Foresters Life Ins & Ann	Lafayette Life Ins Co	Western & Southern Life Ins
<b>Ratings</b>					
A.M. Best Company (Financial Strength)	A++ (1)	A- (4)	A (3)	A+ (2)	A+ (2)
Standard & Poor's (Financial Strength)	AA+ (2)			AA (3)	AA (2)
Moody's (Financial Strength)	Aa2 (3)				Aa3 (4)
Fitch Ratings (Financial Strength)	AA+ (2)			AA (3)	AA (3)
Weiss (Safety Rating)	A- (3)	B (5)	C+ (7)	B (5)	B (5)
Comdex Ranking (Percentile in Rated Companies)	98			96	96
<b>Asset Analysis</b>					
Total Admitted Assets	210,358,711	2,667,789	1,932,934	4,548,053	9,792,314
Total Liabilities	195,376,179	2,531,285	1,872,616	4,286,626	5,243,980
Separate Accounts	60,385,550	46,231	1,227,230	0	982,729
Total Surplus & AVR	17,799,670	149,328	63,578	299,807	4,823,821
As % of General Account Assets	11.9%	5.7%	9.0%	6.6%	54.8%
Invested Assets	143,759,908	2,505,963	684,631	4,409,655	8,516,926
Bonds(%)	55.3%	77.5%	83.1%	73.5%	41.9%
Stocks(%)	6.7%	0.1%	0.0%	1.7%	37.5%
Mortgages(%)	15.3%	6.7%	0.0%	7.2%	0.5%
Real Estate(%)	0.6%	0.4%	0.0%	0.0%	0.4%
Policy Loans(%)	8.2%	13.3%	13.9%	10.3%	2.0%
Cash & Short-Term(%)	2.1%	1.6%	3.0%	2.8%	1.8%
Other Invested Assets(%)	11.7%	0.4%	0.0%	4.6%	16.0%
	100.0%	100.0%	100.0%	100.0%	100.0%
Net Yield on Mean Invested Assets					
2015 (Industry Average 3.94%)	4.57%	4.78%	4.17%	4.68%	6.50%
2014 (Industry Average 4.04%)	4.91%	4.87%	4.23%	4.86%	8.34%
2013 (Industry Average 4.03%)	4.85%	4.96%	4.49%	4.80%	4.13%
2012 (Industry Average 4.46%)	5.06%	5.10%	4.87%	5.29%	3.81%
2011 (Industry Average 4.45%)	5.37%	5.27%	4.98%	5.46%	6.13%
5 Year Average (Industry Average 4.18%)	4.95%	5.00%	4.55%	5.02%	5.78%
Asset Growth					
2015 Total Admitted Assets	210,358,711	2,667,789	1,932,934	4,548,053	9,792,314
1-Year Growth	6.7%	-0.2%	4.3%	11.8%	-1.3%
3-Year Compound Growth	10.6%	0.5%	13.0%	11.0%	4.4%
2015 Total Surplus & AVR	17,799,670	149,328	63,578	299,807	4,823,821
1-Year Growth	5.6%	-1.8%	3.8%	24.5%	4.0%
3-Year Compound Growth	6.8%	4.2%	9.7%	17.7%	6.7%

A Best's Financial Strength Rating opinion addresses the relative ability of an insurer to meet its ongoing insurance obligations. It is not a warranty of a company's financial strength and ability to meet its obligations to policyholders. View our Important Notice: Best's Credit Ratings for a disclaimer notice and complete details at <http://www.ambest.com/ratings/notice>.

Data for Year-End 2015 from the life insurance companies' statutory annual statements. All dollar amounts are in thousands. All ratings shown are current as of August 01, 2016. Ratings are subject to change. This report is produced by VitalSigns, a product of EbixExchange USA.

Presented by: Jeff Hochwalt, CLU,ChFC, Financial Resource Partners, LLC, 5670 Greenwood Plz Blvd Ste 350, Greenwood Villag, CO 80111 Phone: 303-996-8866 Email: [jeff@financialrp.com](mailto:jeff@financialrp.com)

## Life Insurer Financial Analysis

Company	Massachusetts Mutual Life Ins	Security Mutual Life of NY	Foresters Life Ins & Ann	Lafayette Life Ins Co	Western & Southern Life Ins
<b>Asset Quality Analysis</b>					
Non-Investment Grade Bonds (Class 3 - 6)					
Non-Investment Grade Bonds/Total Bonds	8.2%	0.3%	5.6%	6.9%	6.7%
Non-Investment Grade Bonds/Surplus & AVR	38.0%	4.5%	50.4%	76.9%	5.2%
Non-Performing Bonds (Class 6)					
Non-Performing Bonds/Total Bonds	0.4%	0.0%	0.0%	0.1%	0.1%
Non-Performing Bonds/Surplus & AVR	2.0%	0.0%	0.0%	0.7%	0.1%
Non-Performing Mortgages & Real Estate					
Non-Performing Mort & R.E./ Total Mort & R.E.	0.0%	0.0%	0.0%	0.0%	0.0%
Non-Performing Mort & R.E./Surplus & AVR	0.0%	0.0%	0.0%	0.0%	0.0%
Non-Performing Assets/Surplus & AVR					
Bonds In or Near Default	2.0%	0.0%	0.0%	0.7%	0.1%
Problem Mortgages	0.0%	0.0%	0.0%	0.0%	0.0%
Real Estate Acquired by Foreclosure	0.0%	0.0%	0.0%	0.0%	0.0%
Total Non-Performing Assets/Surplus & AVR	2.0%	0.0%	0.0%	0.7%	0.1%
As a Percent of Invested Assets	0.3%	0.0%	0.0%	0.1%	0.0%
<b>Bond Portfolio Analysis</b>					
Quality					
Class 1: Highest Quality	55.5%	56.9%	55.4%	59.7%	63.7%
Class 2: Higher Quality	36.3%	42.7%	39.0%	33.5%	29.6%
Class 3: Medium Quality	4.2%	0.3%	5.5%	3.8%	3.9%
Class 4: Low Quality	2.6%	0.0%	0.1%	2.8%	2.2%
Class 5: Lower Quality	0.9%	0.0%	0.0%	0.2%	0.5%
Class 6: In or Near Default	0.4%	0.0%	0.0%	0.1%	0.1%
Weighted Bond Class	1.6	1.4	1.5	1.5	1.5
Maturity					
1 Year or Less	8.1%	3.9%	1.3%	8.0%	11.2%
1 to 5 Years	31.1%	15.4%	35.5%	33.7%	22.4%
5 to 10 Years	31.4%	12.6%	37.3%	30.1%	16.3%
10 to 20 Years	12.6%	14.3%	11.8%	10.0%	25.9%
Over 20 Years	16.8%	53.8%	14.1%	18.3%	24.1%
Weighted Bond Maturity (Years)	9.4	17	9.2	9.4	11.9

A Best's Financial Strength Rating opinion addresses the relative ability of an insurer to meet its ongoing insurance obligations. It is not a warranty of a company's financial strength and ability to meet its obligations to policyholders. View our Important Notice: Best's Credit Ratings for a disclaimer notice and complete details at <http://www.ambest.com/ratings/notice>.

Data for Year-End 2015 from the life insurance companies' statutory annual statements. All dollar amounts are in thousands. All ratings shown are current as of August 01, 2016. Ratings are subject to change. This report is produced by VitalSigns, a product of EbixExchange USA.

Presented by: Jeff Hochwalt, CLU,ChFC, Financial Resource Partners, LLC, 5670 Greenwood Plz Blvd Ste 350, Greenwood Villag, CO 80111 Phone: 303-996-8866 Email: [jeff@financialrp.com](mailto:jeff@financialrp.com)

## Life Insurer Financial Analysis

Company	Massachusetts Mutual Life Ins	Security Mutual Life of NY	Foresters Life Ins & Ann	Lafayette Life Ins Co	Western & Southern Life Ins
<b>Operating Income Analysis</b>					
Total Income	28,727,152	314,042	242,180	729,963	805,729
Total General Expenses	2,099,688	59,444	21,165	34,589	141,143
Total General Expenses/Total Income	7.3%	18.9%	8.7%	4.7%	17.5%
Earnings Before Policy Dividends & Taxes	1,927,863	17,359	12,255	82,211	338,665
Policy Dividends	1,727,594	9,972	908	52,703	57,752
Policy Dividends/Earnings	89.6%	57.4%	7.4%	64.1%	17.1%
Pretax Earnings from Operations	200,270	7,387	11,347	29,508	280,913
Federal Income Taxes	-153,276	-87	3,026	6,195	28,820
Income Taxes/Pretax Earnings	-76.5%	-1.2%	26.7%	21.0%	10.3%
Net Earnings from Operations	353,545	7,474	8,321	23,313	252,093
Net Realized Capital Gains	58,636	-565	0	9,584	15,961
Net Income	412,181	6,909	8,321	32,897	268,054
As % of Admitted Assets	0.2%	0.3%	0.4%	0.7%	2.7%
Unrealized Capital Gains	194,731	418	0	-14,463	-149,736
<b>Premium Growth</b>					
2015 Total Premium Income	21,530,217	174,629	203,652	532,937	256,197
1-Year Growth	17.2%	5.4%	-15.3%	-0.7%	-2.7%
3-Year Compound Growth	2.0%	0.7%	17.2%	-1.7%	-2.8%
2015 Ordinary Life Premium	5,277,080	141,387	63,874	389,789	216,669
1-Year Growth	8.6%	6.1%	-1.7%	1.5%	-1.4%
3-Year Compound Growth	7.4%	3.3%	-1.6%	0.0%	-1.6%
<b>Profitability</b>					
Return on Assets	0.2%	0.3%	0.4%	0.6%	2.5%
Return on Equity	2.5%	5.4%	14.2%	11.4%	5.9%
2015 Lapse Ratio	4.0%	7.6%	4.3%	5.4%	4.1%
3-Year Average Lapse Ratio	4.3%	7.6%	4.6%	5.3%	4.4%
Net Investment Income	6,246,442	118,593	26,081	192,716	545,324
Required Interest	4,065,065	90,560	23,086	125,137	110,346
Interest Margin	53.7%	31.0%	13.0%	54.0%	394.2%
Total General Expenses/Total Income	7.3%	18.9%	8.7%	4.7%	17.5%

A Best's Financial Strength Rating opinion addresses the relative ability of an insurer to meet its ongoing insurance obligations. It is not a warranty of a company's financial strength and ability to meet its obligations to policyholders. View our Important Notice: Best's Credit Ratings for a disclaimer notice and complete details at <http://www.ambest.com/ratings/notice>.

Data for Year-End 2015 from the life insurance companies' statutory annual statements. All dollar amounts are in thousands. All ratings shown are current as of August 01, 2016. Ratings are subject to change. This report is produced by VitalSigns, a product of EbixExchange USA.

Presented by: Jeff Hochwalt, CLU, ChFC, Financial Resource Partners, LLC, 5670 Greenwood Plz Blvd Ste 350, Greenwood Villag, CO 80111 Phone: 303-996-8866 Email: [jeff@financialrp.com](mailto:jeff@financialrp.com)

## Life Insurer Financial Analysis

Company	Massachusetts Mutual Life Ins	Security Mutual Life of NY	Foresters Life Ins & Ann	Lafayette Life Ins Co	Western & Southern Life Ins
<b>Analysis of Face Amount of Insurance</b>					
Total Insurance In Force	523,841,427	31,892,248	11,467,614	19,885,515	15,621,331
Ordinary Life	89.4%	89.1%	100.0%	99.8%	93.1%
Group Life	10.6%	10.9%	0.0%	0.2%	4.3%
Other	0.0%	0.0%	0.0%	0.0%	2.6%
Total Reinsurance Ceded	332,230,997	19,449,310	6,337,355	13,247,051	1,886,727
% of In Force Ceded					
Ordinary Life	67.5%	67.2%	55.3%	66.7%	13.0%
Group Life	29.0%	10.3%	0.0%	36.7%	0.0%
Other	0.0%	0.0%	0.0%	0.0%	0.0%
Ordinary Life Policies In Force	1,563,064	455,231	94,993	91,299	811,764
Average Policy Size (in dollars)	299,775	62,446	120,721	217,465	17,925
Ordinary Life Policies Issued in 2015	90,302	63,417	5,981	4,963	23,872
Average Policy Size (in dollars)	599,869	43,501	179,476	306,228	33,434
<b>Analysis by Line of Business</b>					
Net Premiums Written	21,530,383	174,629	203,652	532,937	256,197
Individual					
Life	24.5%	81.0%	31.4%	73.1%	89.2%
Annuities	10.4%	8.1%	68.6%	23.7%	0.7%
Health	2.6%	0.0%	0.0%	0.0%	8.7%
Group					
Life	6.3%	5.1%	0.0%	0.0%	1.4%
Annuities	56.2%	0.0%	0.0%	3.1%	0.0%
Health	0.0%	5.9%	0.0%	0.0%	0.0%
Credit Life & Health	0.0%	0.0%	0.0%	0.0%	0.0%
Other Lines	0.0%	0.0%	0.0%	0.0%	0.0%
Net Earnings from Operations	353,545	7,474	8,321	23,313	252,093
Individual					
Life	-65.0%	67.4%	91.4%	22.6%	3.5%
Annuities	9.3%	71.4%	8.7%	75.4%	-0.9%
Health	19.1%	1.5%	0.0%	0.0%	-0.8%
Group					
Life	18.8%	-13.3%	0.0%	1.1%	0.1%
Annuities	117.6%	-7.9%	-0.1%	2.5%	-0.1%
Health	0.2%	-19.6%	0.0%	-0.1%	0.0%
Credit Life & Health	0.0%	0.5%	0.0%	0.0%	0.0%
Other Lines	0.0%	0.0%	0.0%	-1.4%	98.2%

A Best's Financial Strength Rating opinion addresses the relative ability of an insurer to meet its ongoing insurance obligations. It is not a warranty of a company's financial strength and ability to meet its obligations to policyholders. View our Important Notice: Best's Credit Ratings for a disclaimer notice and complete details at <http://www.ambest.com/ratings/notice>.

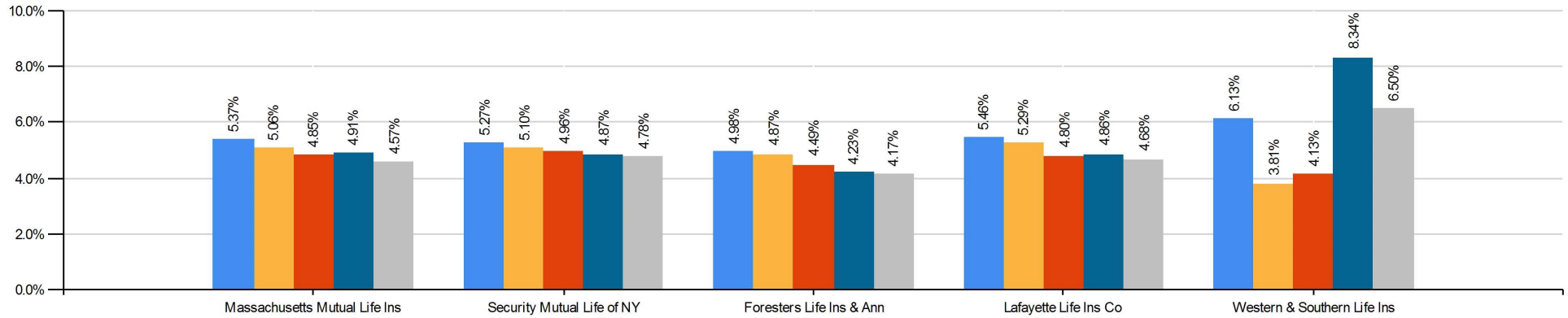
Data for Year-End 2015 from the life insurance companies' statutory annual statements. All dollar amounts are in thousands. All ratings shown are current as of August 01, 2016. Ratings are subject to change. This report is produced by VitalSigns, a product of EbixExchange USA.

Presented by: Jeff Hochwalt, CLU,ChFC, Financial Resource Partners, LLC, 5670 Greenwood Plz Blvd Ste 350, Greenwood Villag, CO 80111 Phone: 303-996-8866 Email: [jeff@financialrp.com](mailto:jeff@financialrp.com)

## Trend Analysis Report

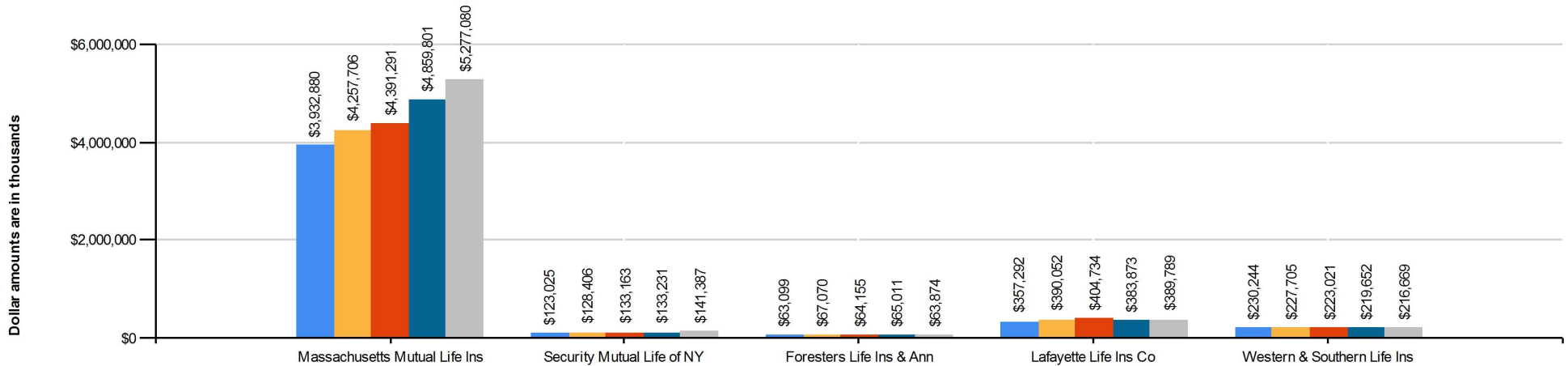
### Net Yield on Mean Invested Assets - 5 Year Comparison

2011 2012 2013 2014 2015



### Ordinary Life Premium - 5 Year Comparison

2011 2012 2013 2014 2015

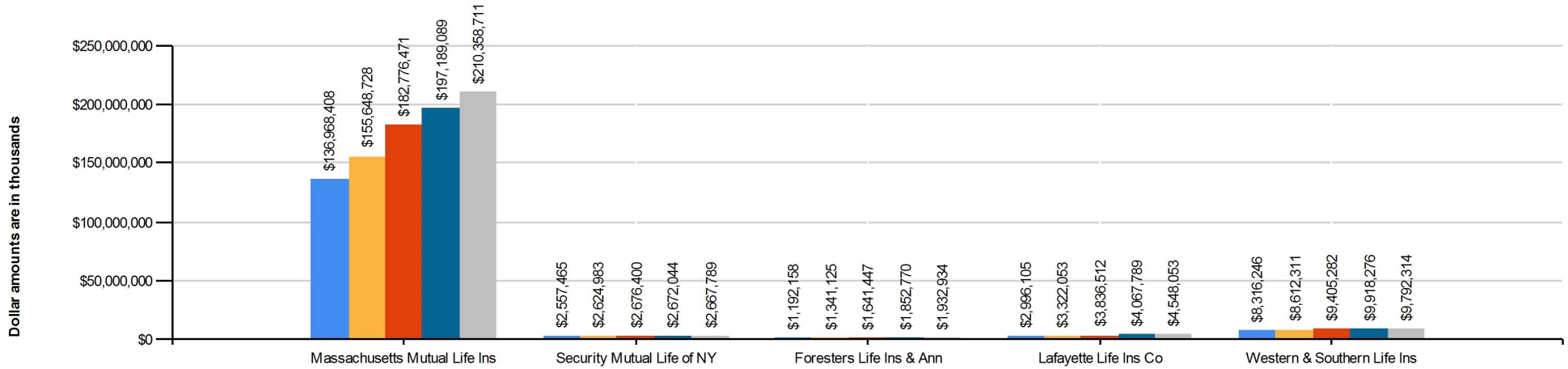


Data for Year-End 2015 from the life insurance companies' statutory annual statements. This information represents only one aspect of a company's performance. All dollar amounts are in thousands.  
 Presented by: Jeff Hochwalt, CLU,ChFC, Financial Resource Partners, LLC, 5670 Greenwood Plz Blvd Ste 350, Greenwood Villag, CO 80111 Phone: 303-996-8866 Email: jeff@financialrp.com

## Trend Analysis Report

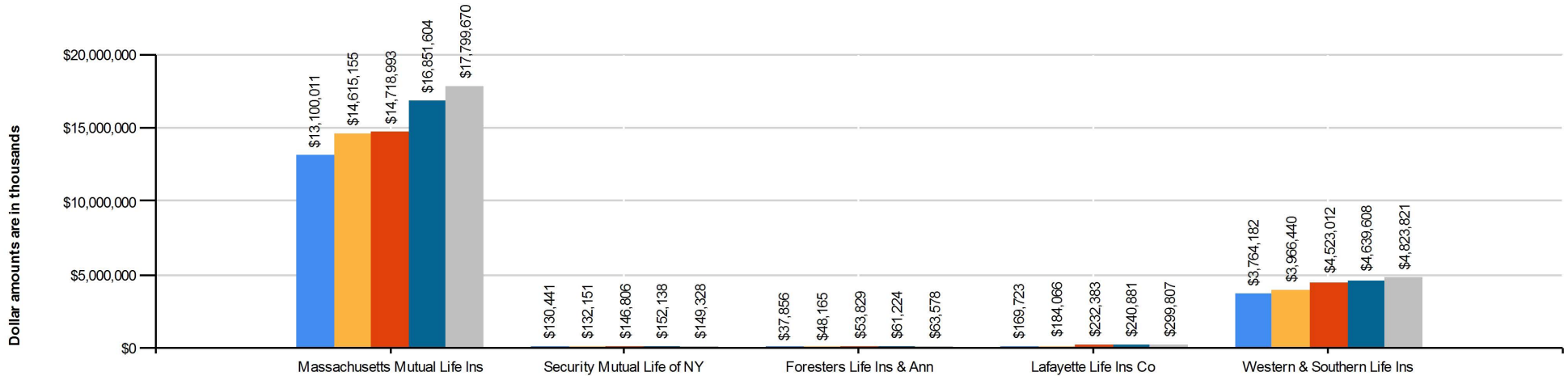
### Total Admitted Assets - 5 Year Comparison

2011 2012 2013 2014 2015



### Total Surplus & Asset Valuation Reserve - 5 Year Comparison

2011 2012 2013 2014 2015



Data for Year-End 2015 from the life insurance companies' statutory annual statements. This information represents only one aspect of a company's performance. All dollar amounts are in thousands.  
 Presented by: Jeff Hochwalt, CLU,ChFC, Financial Resource Partners, LLC, 5670 Greenwood Plz Blvd Ste 350, Greenwood Villag, CO 80111 Phone: 303-996-8866 Email: jeff@financialrp.com