

STATE OF INDIANA ) BEFORE THE INDIANA  
 ) SS:  
COUNTY OF MARION ) COMMISSIONER OF INSURANCE

IN THE MATTER OF: )  
 )  
**United Home Life Insurance Company** )  
**225 South East Street** )  
**Indianapolis, Indiana 46202** )

Examination of: **United Home Life Insurance Company**


**NOTICE OF ENTRY OF ORDER**

Enclosed is the Final Order entered by Amy L. Beard, Commissioner of the Indiana Department of Insurance, after fully considering and reviewing the Verified Report of Examination of United Home Life Insurance Company, any relevant examination work papers, and any written submissions or rebuttals. The Verified Report of Examination, as sent to you on May 31, 2022, has been adopted by the Commissioner.

Pursuant to Ind. Code § 27-1-3.1-12(b), within thirty (30) days of receipt of the Final Order, each director of United Home Life Insurance Company shall file an affidavit with the Indiana Department of Insurance stating that he/she has received a copy of the Verified Report of Examination and the Final Order.

The Final Order is a final administrative decision that may be appealed pursuant to Ind. Code § 4-21.5-5.

June 24, 2022  
Date

  
\_\_\_\_\_  
Roy Eft  
Chief Financial Examiner

**CERTIFIED MAIL NUMBER: 7019 0700 0000 3590 2577**

STATE OF INDIANA ) BEFORE THE INDIANA  
 ) SS:  
COUNTY OF MARION ) COMMISSIONER OF INSURANCE

IN THE MATTER OF: )  
 )  
**United Home Life Insurance Company** )  
**225 South East Street** )  
**Indianapolis, Indiana 46202** )

Examination of: **United Home Life Insurance Company**

### FINDINGS AND FINAL ORDER

The Indiana Department of Insurance conducted an examination into the affairs of the United Home Life Insurance Company (hereinafter “Company”) for the time period January 1, 2016 through December 31, 2020.

The Verified Report of Examination was filed with the Commissioner of the Department of Insurance (hereinafter “Commissioner”) by the Examiner on May 31, 2022.

A copy of the Verified Report of Examination, along with a Notice of Opportunity to Make Written Submission or Rebuttal, was mailed to the Company via Certified Mail on May 31, 2022 and was received by the Company on June 2, 2022.

The Company did not file any objections.


NOW THEREFORE, based on the Verified Report of Examination, I hereby make the following **FINDINGS**:

1. That the Verified Report of Examination is a true and accurate report of the financial condition and affairs of the United Home Life Insurance Company as of December 31, 2020.
2. That the Examiner’s Recommendations are reasonable and necessary in order for the United Home Life Insurance Company to comply with the laws of the State of Indiana.

Based on the FINDINGS, the Commissioner does hereby ORDER:

1. Pursuant to Ind. Code § 27-1-3.1-11(a)(1), the Verified Report of Examination is adopted and shall be filed. Hereafter the Verified Report of Examination, may constitute prima facie evidence of the facts contained therein in any action or proceeding taken by the Indiana Department of Insurance against the Company, its officers, directors, or agents.
2. The Company shall comply with the Examiner's Recommendations enumerated in summary form and throughout the text of the Verified Report of Examination. A written response to these recommendations should be provided to the Department within 30 days of receipt of this order.
3. Compliance with the Examiner's recommendations shall be completed on or before the filing of the subsequent annual statement. In the event it is not feasible to comply with a recommendation before the filing of the subsequent annual statement, the Company shall submit a written explanation as to why it was not feasible with the filing of the annual statement.

Signed this 24<sup>th</sup> day of  
June, 2022.

  
\_\_\_\_\_  
Amy L. Beard  
Insurance Commissioner  
Indiana Department of Insurance

## ABOUT AFFIRMATIONS

The following pages for affirmations need to be signed by each Board Member and returned to the Indiana Department of Insurance within thirty (30) days in accordance with I.C. §27-1-3.1-12(b).

If your affirmations list individuals that are no longer on your Board of Directors, you may simply retype the form on plain white paper with the correct names and a line to the right for signature. If the names are misspelled, you may do the same, simply re-type the corrected form with a line to the right for signature.

Should you have any questions or difficulties with these forms or you require additional time past the thirty (30) day requirement, please do not hesitate to contact this department at (317) 232-2390.

**STATE OF INDIANA**  
**Department of Insurance**  
**REPORT OF EXAMINATION**  
**OF**

**UNITED HOME LIFE INSURANCE COMPANY**

NAIC Co. CODE 69922  
NAIC GROUP CODE 542

As of

December 31, 2020

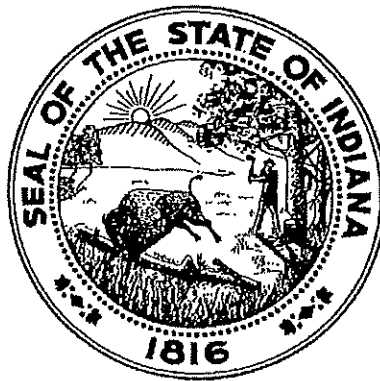


TABLE OF CONTENTS

SALUTATION.....	1
SCOPE OF EXAMINATION .....	2
HISTORY.....	2
CAPITAL AND SURPLUS.....	2
DIVIDENDS TO STOCKHOLDERS .....	3
TERRITORY AND PLAN OF OPERATION.....	3
GROWTH OF THE COMPANY.....	3
MANAGEMENT AND CONTROL.....	3
Directors.....	3
Officers.....	4
CONFLICT OF INTEREST .....	5
OATH OF OFFICE.....	5
CORPORATE RECORDS.....	5
Articles of Incorporation .....	5
Bylaws.....	5
Minutes.....	5
AFFILIATED COMPANIES.....	6
Organizational Structure .....	6
Affiliated Agreements.....	6
FIDELITY BOND AND OTHER INSURANCE.....	6
PENSION, STOCK OWNERSHIP, AND INSURANCE PLANS.....	7
SPECIAL AND STATUTORY DEPOSITS.....	7
REINSURANCE.....	7
Assumed Reinsurance .....	7
Ceded Reinsurance.....	7
ACCOUNTS AND RECORDS .....	8
FINANCIAL STATEMENTS .....	9
Assets .....	9
Liabilities, Surplus and Other Funds.....	10
Summary of Operations .....	11
Capital and Surplus Account Reconciliation.....	12
COMMENTS ON THE FINANCIAL STATEMENTS .....	13
OTHER SIGNIFICANT ISSUES .....	13
SUBSEQUENT EVENTS.....	13
AFFIDAVIT.....	14



# STATE OF INDIANA

ERIC J. HOLCOMB, GOVERNOR

## Indiana Department of Insurance

Amy L. Beard, Commissioner  
311 W. Washington Street, Suite 103  
Indianapolis, Indiana 46204-2787  
Telephone: 317-232-2385  
Fax: 317-232-5251  
Website: [in.gov/doi](http://in.gov/doi)

May 31, 2022

Honorable Amy L. Beard, Commissioner  
Indiana Department of Insurance  
311 West Washington Street, Suite 300  
Indianapolis, Indiana 46204-2787

Dear Commissioner:

Pursuant to the authority vested in Appointment Number 4084, an examination has been made of the affairs and financial condition of:

**United Home Life Insurance Company**  
**225 South East Street**  
**Indianapolis, Indiana 46202-4056**

hereinafter referred to as the "Company," or "Home Life," an Indiana domestic stock life insurance company. The examination was conducted at the corporate offices of Noble Consulting Services, Inc., in Indianapolis, Indiana.

The Report of Examination, reflecting the status of the Company as of December 31, 2020, is hereby respectfully submitted.

ACCREDITED BY THE NATIONAL ASSOCIATION OF INSURANCE COMMISSIONERS

AGENCY SERVICES 317-232-2389	COMPANY COMPLIANCE 317-232-3495	CONSUMER SERVICES 317-232-2395/1-800-622-4461	FINANCIAL SERVICES 317-232-2390	MEDICAL MALPRACTICE 317-232-2402	COMPANY RECORDS 317-232-5692	STATE HEALTH INSURANCE PROGRAM 1-800-452-4800
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## SCOPE OF EXAMINATION

The Company was last examined by representatives of the Indiana Department of Insurance (INDOI), and covered the period from January 1, 2011 through December 31, 2015. The present risk-focused examination was conducted by Noble Consulting Services, Inc., and covered the period from January 1, 2016 through December 31, 2020, and included any material transactions and/or events occurring subsequent to the examination date and noted during the course of this examination.

The examination was conducted in accordance with the NAIC *Financial Condition Examiners Handbook* (Handbook). The Handbook requires that we plan and perform the examination to evaluate the financial condition, assess corporate governance, identify current and prospective risks of the Company, and evaluate system controls and procedures used to mitigate those risks. An examination also includes identifying and evaluating significant risks that could cause an insurer's surplus to be materially misstated both currently and prospectively.

Mark Alberts, FSA, MAAA and Alberts Actuarial Consulting, LLC, provided all actuarial services throughout the examination and conducted a review of the Company's actuarial related risks as of December 31, 2020.

All accounts and activities of the Company were considered in accordance with the risk-focused examination process. This may include assessing significant estimates made by management and evaluating management's compliance with Statutory Accounting Principles. The examination does not attest to the fair presentation of the financial statements included herein. If, during the course of the examination an adjustment is identified, the impact of such adjustment will be documented separately following the Company's financial statements.

This examination report includes significant findings of fact, as in the Indiana Code (IC) 27-1-3.1-10 and general information about the insurer and its financial condition. There may be other items identified during the examination that, due to their nature (e.g., subjective conclusions, proprietary information, etc.), are not included within the examination report but separately communicated to the Company.

## HISTORY

The Company was incorporated under the laws of the state of Indiana on November 23, 1948. The Company was formed for the purpose of writing life and accident & health insurance. On June 30, 1965, National Security Life Insurance Company of Indiana was merged into the Company. On December 31, 1971, the Company acquired Marion Underwriters, Inc., of Indiana through an exchange of stock. On November 14, 1997, Home Life was acquired by Indiana Farm Bureau, Inc. (IFBI), an Indiana not-for-profit agricultural membership cooperative. Effective December 31, 2018, United Farm Family Mutual Insurance Company (UFFMIC) sold its remaining 25% stake of Home Life to United Farm Family Life Insurance Company (UFFLIC) who now owns 100% of Home Life.

The Company's ultimate controlling person is IFBI. The Company and its insurance affiliates, UFFLIC, UFB Casualty Insurance Company, and UFFMIC provide insurance to IFBI members and other consumers in Indiana (primarily) and are collectively known as Indiana Farm Bureau Insurance.

## CAPITAL AND SURPLUS

The Company has 5,000,000 authorized shares of common stock at a par value of \$2.07 with 1,209,298 shares issued and outstanding. The Company has no preferred stock.



## DIVIDENDS TO STOCKHOLDERS

The Company did not pay any dividends during the examination period.

The Company did not receive any capital contributions during the examination period.

## TERRITORY AND PLAN OF OPERATION

The Company is licensed in forty-six (46) states and the District of Columbia. The Company's policyholders are geographically dispersed. The Company markets primarily in the non-medically underwritten, simplified issue niche, offering guaranteed issue or simplified issue term and whole life products through independent agents. The Company targets the modest and middle-income market, and in recent years has placed an emphasis in the final expense, senior market. The Company's competitive strategy is to offer a broad portfolio of competitively priced products and to provide exceptional service and support to its policyholders as well as its agents and national marketers.

All of the Company's operational, administrative, and managerial functions are performed by employees of UFFLIC under a management agreement whereby UFFLIC provides it with certain support services.

## GROWTH OF THE COMPANY

The following exhibit summarizes the financial results, of the Company during the examination period<sup>A</sup>:

Year	Admitted Assets	Liabilities	Surplus and Other Funds	Premiums and Annuities	Net Income
2020	\$ 111,123,010	\$ 87,441,143	\$ 23,681,868	\$ 23,769,840	\$ 1,136,450
2019	103,975,635	82,909,470	21,066,165	22,106,408	1,245,309
2018	97,560,770	77,649,784	19,910,986	22,013,368	(127,019)
2017	92,790,507	73,330,712	19,459,796	20,892,516	213,319
2016	88,215,778	68,140,066	20,075,712	20,191,272	758,944

Assets and liability increased steadily due to a steady profitable business year over year. Net income was negative in 2018 due to an increase in death claims compared to prior year.

## MANAGEMENT AND CONTROL

### Directors

The Bylaws provide that the business affairs of the Company are to be managed by a Board of Directors (Board) which shall consist of thirteen (13) directors each of whom shall be a citizen of the United States and a majority of whom shall be residents of the state of Indiana. The shareholders, at each annual meeting, elect the members of the Board.

<sup>A</sup> Amounts may include immaterial rounding differences.

The following is a listing of persons serving as directors as of December 31, 2020, and his or her principal occupations as of that date:

<u>Name and Address</u>	<u>Principal Occupation</u>
Isabella Chism Galveston, Indiana	Farmer Self-Employed
Kendell Culp Rensselaer, Indiana	Vice President Indiana Farm Bureau, Inc.
Marybeth Miskovic Feutz Princeton, Indiana	Farmer Self-Employed
Robert Geswein Floyds Knobs, Indiana	Farmer Self-Employed
Terry Hayhurst Terre Haute, Indiana	Farmer Self-Employed
Bruce Herr Warren, Indiana	Farmer Self-employed
Randall Kron Evansville, Indiana	President Indiana Farm Bureau, Inc.
Kevin Ousley Columbia City, Indiana	Farmer Self-Employed
Kermit Paris Milroy, Indiana	Farmer Self-Employed
Harold Parker LaPorte, Indiana	Farmer Self-Employed
Jonathan Sparks Greenfield, Indiana	Farmer Self-Employed
Kevin Underwood West Lafayette, Indiana	Farmer Self-Employed
David Wyeth <sup>B</sup> North Salem, Indiana	Farmer Self-Employed

### Officers

The Bylaws state that the elected officers of the Company shall consist of a Chairman, a President, one (1) or more Vice Presidents, a Treasurer, and a Secretary. The Board may also elect one (1) or more Vice Chairmen, and may designate Vice Presidents as Executive or Senior Vice Presidents and may elect from time to time such other officers as is deemed necessary. Each of these officers is elected by the Board and shall hold office one (1) year or until his or her respective successors are duly chosen and have qualified.

<sup>B</sup> Effective December 10, 2021, David Wyeth resigned as a Director and Bruce Guernsey was elected to fill the unexpired term.

The following is a list of key officers and his or her respective titles as of December 31, 2020:

<u>Name</u>	<u>Office</u>
Randall Kron	President
Joseph Martin	Executive Vice President, Chief Executive Officer
Mark Miske	Senior Vice President, Chief Financial Officer, Treasurer
Kristin Keltner	Senior Vice President, General Counsel, Secretary
Thomas Bower	Senior Vice President, Life Operations
Tony Zajac	Actuary

### CONFLICT OF INTEREST

Directors and officers are required to review and sign Conflict of Interest statements annually. It was determined that all directors and officers listed in the Management and Control section of this Report of Examination have reviewed and signed their statements as of December 31, 2020.

### OATH OF OFFICE

IC 27-1-7-10(i) stipulates that every director, when elected, shall take and subscribe to an oath stating that he or she will faithfully, honestly, and diligently administer the affairs of the Company and will not knowingly violate any of the laws applicable to such Company. It was determined that all directors listed in the Management and Control section of this Report of Examination have subscribed to an oath as of December 31, 2020.

### CORPORATE RECORDS

#### Articles of Incorporation

There were no amendments made to the Articles of Incorporation during the examination period.

#### Bylaws

The bylaws were amended and restated as of August 28, 2020. The purpose of the amendments was to expand the Board to thirteen (13) members and to make any other changes as necessary for modernization and accuracy.

#### Minutes

The Board and shareholders meeting minutes were reviewed for the period under examination through the fieldwork date. Significant actions taken during each meeting were noted.

IC 27-1-7-7(b) states an annual meeting of shareholders, members, or policyholders shall be held within five (5) months after the close of each fiscal year of the Company and at such time within that period as the Bylaws may provide. For each year under review, the annual meeting of shareholders was held as noted above.

The Company committee meeting minutes for the examination period, and through the fieldwork date, were reviewed for the following committees: Audit Committee, Budget Committee, and Investment Committee.

## AFFILIATED COMPANIES

### Organizational Structure

The following organizational chart shows the Company's parent and subsidiaries as of December 31, 2020:

	<u>NAIC Co. Code</u>	<u>Domiciliary State/Country</u>
Indiana Farm Bureau, Inc.		
Indiana Farm Bureau Members Health LLC		IN
<b>United Farm Family Life Insurance Company</b>	<b>69892</b>	<b>IN</b>
<b>United Home Life Insurance Company</b>	<b>69922</b>	<b>IN</b>
UFB Properties <sup>c</sup>		IN
<b>United Farm Family Mutual Insurance Company</b>	<b>15288</b>	<b>IN</b>
<b>UFB Casualty Ins. Company</b>	<b>20303</b>	<b>IN</b>
Rural Insurance Agency, Inc.		IN
Peril Product, LLC		IN

### Affiliated Agreements

The following affiliated agreements and transactions were disclosed as part of the Form B – Holding Company Registration Statement and were filed with the INDOI, as required, in accordance with IC 27-1-23-4.

#### *Management Agreements*

The Company has a Management Agreement with UFFLIC whereby the Company receives the use of certain facilities and services. In 2020, the Company paid \$3.5 million of management fees for services provided pursuant to this agreement.

#### *Consolidated Federal Income Tax Allocation Agreement*

The Company's federal income tax return is consolidated with UFFLIC. The Company has a written agreement, approved by the Company's Board, which sets for the manner in which the total combined federal income tax is allocated to each entity.

## FIDELITY BOND AND OTHER INSURANCE

The Company protects itself against loss from any fraudulent or dishonest acts by any employees through a fidelity bond issued by Travelers Casualty and Surety Company of America. The bond has a single loss coverage limit of \$3 million (\$6 million aggregate limit), with a \$50 thousand deductible. The fidelity bond is adequate to meet the prescribed minimum coverage specified by the NAIC.

The Company had additional types of coverage in-force as of December 31, 2020, including but not limited to corporate and county liability, directors' and officers' liability, employed lawyers' professional liability, excess liability, umbrella, and workers' compensation.

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<sup>c</sup> UFB Properties is 65% owned by UFFMIC and 35% by UFFLIC.

## PENSION, STOCK OWNERSHIP, AND INSURANCE PLANS

The Company has no employees, and therefore, there were no employee pension or insurance plans. All personnel necessary to conduct business operations of the Company are provided by its affiliate, UFFLIC, pursuant to the Management Agreement.

## SPECIAL AND STATUTORY DEPOSITS

The Company reported the following deposits, as of December 31, 2020:

<u>State</u>	<u>Book Value</u>	<u>Fair Value</u>
For All Policyholders:		
Indiana	\$ 1,809,118	\$ 1,986,293
Other Special Deposits		
Georgia	100,088	100,088
New Mexico	203,442	237,772
North Carolina	622,984	651,170
South Carolina	255,140	338,848
Virginia	63,834	77,275
Total Deposits	<u>\$3,054,606</u>	<u>\$ 3,391,446</u>

## REINSURANCE

### Assumed Reinsurance

The Company assumes a small block of business from Farm Bureau Life Insurance Company of Missouri. This relationship has involved a 50% coinsurance of each policy since 2005. This relationship has not produced significant balances for the Company. Total assumed reserves as of December 31, 2020, were approximately \$0.8 million.

### Ceded Reinsurance

The Company maintains several primary reinsurance arrangements. Between 2003 and 2019 most products sold by Home Life were ceded to UFFLIC. Business was ceded automatically on a first-dollar quota share basis at percentages varying from 60% to 85%. Up through 2012, reinsurance was written on either a yearly renewable term (YRT) or coinsurance basis; beginning in 2013 all new business was reinsured on a coinsurance basis only. Effective January 1, 2020, Home Life new business ceased being ceded to UFFLIC. In 2020, premiums and reserve credits from these two (2) agreements totaled \$27.6 million (91% of ceded premiums) and \$92.0 million (98% of ceded reserves) respectively.

The Company currently has reinsurance agreements with multiple third-party reinsurers. Whole life and term with return of premium products are covered under YRT agreements; level term is covered using coinsurance. As of December 31, 2020, all of the Company's reinsurers have an A.M. Best rating of "A-" or better.

The Company also ceded accident and health and disability income business in excess of the Company's retention. This business is regarded as financially insignificant and does not involve material amounts of premium or reserve credits as of December 31, 2020.

## ACCOUNTS AND RECORDS

The Company's accounting procedures, practices, account records, and supporting data were reviewed and tested to the extent deemed necessary. The trial balance prepared from the Company's general ledger for the year ended December 31, 2020 was agreed to the Annual Statement. The Annual Statement for the year ended December 31, 2020 was agreed to the independent audit report without material exception. The Company's accounting procedures, practices, and account records were deemed satisfactory.

## FINANCIAL STATEMENTS

### UNITED HOME LIFE INSURANCE COMPANY

#### Assets

As of December 31, 2020

	<u>Per Examination*</u>
Bonds	\$ 74,390,569
Stocks:	
Preferred stocks	170,393
Common stocks	2,690,368
Cash, cash equivalents and short-term investments	5,055,645
Contract loans	4,849,382
Other invested assets	447,030
Subtotals, cash and invested assets	<u>87,603,387</u>
Investment income due and accrued	717,521
Premiums and considerations:	
Uncollected premiums and agents' balances in course of collection	118,103
Deferred premiums, agents' balances and instalments booked but deferred and not yet due	16,125,885
Reinsurance:	
Amounts recoverable from reinsurers	3,939,312
Other amounts receivable under reinsurance contracts	567,009
Net deferred tax asset	1,614,921
Receivables from parent, subsidiaries and affiliates	436,871
Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts	<u>111,123,010</u>
TOTAL**	<u>\$ 111,123,010</u>

\* There were no adjustments to the as-filed financial statements, therefore the Annual Statement amounts agree to the examination amounts.

\*\* The balance includes immaterial rounding differences.

UNITED HOME LIFE INSURANCE COMPANY  
Liabilities, Surplus and Other Funds  
As of December 31, 2020

	<u>Per Examination*</u>
Aggregate reserve for life contracts	\$ 76,584,923
Aggregate reserve for accident and health contracts	73,665
Liability for deposit-type contracts	1,195,330
Contract Claims:	
Life	3,312,933
Accident and health	2,018
Policyholders' dividends/refunds to members	147
Provisions for policyholders' dividends, refunds to members and coupons payable in the following year – estimated amounts:	
Coupons and similar benefits	238
Premiums and annuity considerations for life and accident and health contracts received in advance	16,509
Contract liabilities not included elsewhere:	
Other amounts payable on reinsurance	2,352,968
Interest Maintenance Reserve	71,450
Commissions to agents due or accrued – life and annuity	9,761
Commissions and expense allowances payable on reinsurance assumed	6,203
Taxes, licenses and fees due or accrued, excluding federal income taxes	195,762
Current federal and foreign income taxes	723,734
Unearned investment income	177,481
Amounts withheld or retained by reporting entity as agent or trustee	146,224
Amounts held for agents' account	1,682,166
Remittances and items not allocated	85,812
Miscellaneous liabilities:	
Asset valuation reserve	795,796
Payable to parent, subsidiaries and affiliates	8,021
Payable for securities	(1)
Total liabilities excluding protected Separate Accounts business	<u>87,441,143</u>
Total liabilities	<u>87,441,143</u>
Common capital stock	2,503,247
Gross paid in and contributed surplus	14,875,000
Unassigned funds (surplus)	<u>6,303,621</u>
Surplus	<u>21,178,621</u>
Totals	<u>23,681,868</u>
Totals**	<u>\$ 111,123,010</u>

\* There were no adjustments to the as-filed financial statements, therefore the Annual Statement amounts agree to the examination amounts.

\*\* The balance includes immaterial rounding differences.



UNITED HOME LIFE INSURANCE COMPANY  
 Summary of Operations  
 For the Year Ended December 31, 2020

	<u>Per Examination*</u>
Premiums and annuity considerations for life and accident and health contracts	\$ 23,769,840
Net investment income	3,214,846
Amortization of Interest Maintenance Reserve	42,975
Commissions and expense allowances on reinsurance ceded	6,244,657
Miscellaneous income	
Aggregate write-ins for miscellaneous income	30
Totals	<u>33,272,348</u>
Death benefits	8,690,073
Annuity benefits	292,860
Disability benefits and benefits under accident and health contracts	12,881
Coupons, guaranteed annual pure endowments and similar benefits	2,035
Surrender benefits and withdrawals for life contracts	1,155,941
Interest and adjustments on contract or deposit-type contract funds	164,912
Payments on supplementary contracts with life contingencies	31,564
Increase in aggregate reserves for life and accident and health contracts	<u>3,621,746</u>
Totals	13,972,011
Commissions on premiums, annuity considerations and deposit-type contract funds	12,609,154
Commissions and expense allowances on reinsurance assumed	56,242
General insurance expenses and fraternal expenses	3,954,904
Insurance taxes, licenses and fees, excluding federal income taxes	1,680,346
Increase in loading on deferred and uncollected premiums	(1,041,849)
Aggregate write-ins for deductions	5,296
Totals	<u>31,236,103</u>
Net gain from operations, before dividends to policyholders, refunds to members and federal income taxes	<u>2,036,245</u>
Net income, after dividends to policyholders, refunds to members and before federal income taxes	2,036,245
Federal and foreign income taxes incurred	<u>905,140</u>
Net gain from operations after dividends to policyholders, refunds to members and federal income taxes and before realized capital gains or (losses)	1,131,104
Net realized capital gains (losses)	<u>5,346</u>
Net income**	<u>\$ 1,136,450</u>

\* There were no adjustments to the as-filed financial statements, therefore the Annual Statement amounts agree to the examination amounts.

\*\* The balance includes immaterial rounding differences.

UNITED HOME LIFE INSURANCE COMPANY  
Capital and Surplus Account Reconciliation

	2020	2019	2018	2017	2016
Surplus as regards policyholders, December 31 prior year	\$ 21,066,165	\$ 19,910,986	\$ 19,459,796	\$ 20,075,712	\$ 19,499,072
Net income	1,136,450	1,245,309	(127,019)	213,319	758,944
Change in net unrealized capital gains or (losses) less capital gains tax	335,432	398,611	(94,182)	(100,976)	150,460
Change in net deferred income tax	183,272	1,131,231	(136,457)	(1,580,173)	500,393
Change in nonadmitted assets	1,114,496	(1,523,278)	794,348	834,144	(773,010)
Change in asset valuation reserve	(153,948)	(96,694)	14,500	17,770	(60,464)
Aggregate write-ins for gains and losses in surplus	-	-	-	-	318
Change in surplus as regards policyholders for the year	<u>2,615,702</u>	<u>1,155,179</u>	<u>451,190</u>	<u>(615,915)</u>	<u>576,641</u>
Surplus as regards policyholders, December 31 current year**	<u>\$ 23,681,868</u>	<u>\$ 21,066,165</u>	<u>\$ 19,910,986</u>	<u>\$ 19,459,796</u>	<u>\$ 20,075,712</u>

\*\* The balance includes immaterial rounding differences.

## COMMENTS ON THE FINANCIAL STATEMENTS

There were no recommended adjustments to the financial statements as of December 31, 2020, based on the results of this examination.

## OTHER SIGNIFICANT ISSUES

There were no other significant issues as of December 31, 2020, based on the results of this examination.

## SUBSEQUENT EVENTS

Effective September 30, 2021, the Company recaptured all reinsurance ceded to UFFLIC under the previously existing reinsurance agreements. This transaction terminated all of the Company's cessions to UFFLIC. The Company took over all retrocessions on the applicable blocks of business from UFFLIC. UFFLIC transferred \$72.7 million of assets to the Company with a book value to the point-in-time net ceded reserves to close the transaction. Unearned premiums of \$6.2 million and unearned commissions of \$1.6 million (net of retrocessions) between the companies were also refunded. From the non-affiliated reinsurance partners' perspective, the only change will be to the ceding company, with no further adjustments or transactions necessary.



AFFIDAVIT

This is to certify that the undersigned is a duly qualified Examiner-in-Charge appointed by the Indiana Department of Insurance and that he, in coordination with staff assistance from Noble Consulting Services, Inc., and actuarial assistance from Alberts Actuarial Consulting, LLC, performed an examination of United Home Life Insurance Company, as of December 31, 2020.

The Indiana Department of Insurance is accredited under the National Association of Insurance Commissioners Financial Regulation Accreditation Standards.

This examination was performed in accordance with those procedures required by the NAIC Financial Condition Examiners Handbook and other procedures tailored for this examination. Such procedures performed on this examination do not constitute an audit made in accordance with generally accepted auditing standards and no audit opinion is expressed on the financial statements contained in this report.

The attached Report of Examination is a true and complete report of condition of United Home Life Insurance Company as of December 31, 2020, as determined by the undersigned.

Dan Schoettle  
Dan Schoettle, CPA, CFE  
Noble Consulting Services, Inc.

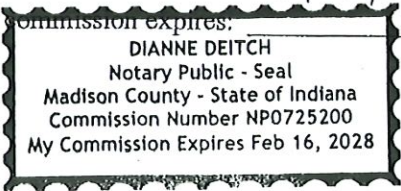
Under the Supervision of:

Jerry Ehlers  
Jerry Ehlers, CFE, AFS  
Examinations Manager  
Indiana Department of Insurance

State of: Indiana  
County of: Marion

On this 9th day of June, 2022, before me personally appeared, Dan Schoettle and Jerry Ehlers, to sign this document.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal in said County and State, the day and year last above written.

My Commission Expires: 2/16/2028  


Dianne Deitch  
Notary Public  
Dianne Deitch  
Notary Public

