Mutual of Omaha Insurance Company

Statutory Financial Statements as of and for the
Years Ended December 31, 2020 and 2019,
Supplemental Schedules as of and for the
Year Ended December 31, 2020, and
Independent Auditors' Reports

MUTUAL OF OMAHA INSURANCE COMPANY

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Mutual of Omaha Insurance Company
Omaha, Nebraska

We have audited the accompanying statutory-basis financial statements of Mutual of Omaha Insurance Company (the "Company"), which comprise the statutory-basis statements of admitted assets, liabilities, and surplus as of December 31, 2020 and 2019, and the related statutory-basis statements of operations, changes in surplus, and cash flows for the years then ended and the related notes to the statutory-basis financial statements.

Management's Responsibility for the Statutory-Basis Financial Statements

Management is responsible for the preparation and fair presentation of these statutory-basis financial statements in accordance with the accounting practices prescribed or permitted by the State of Nebraska Department of Insurance. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these statutory-basis financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the statutory-basis financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the statutory-basis financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the statutory-basis financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the statutory-basis financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the statutory-basis financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Basis for Adverse Opinion on Accounting Principles Generally Accepted in the United States of America

As described in Note 1 to the statutory-basis financial statements, the statutory-basis financial statements are prepared by Mutual of Omaha Insurance Company using the accounting practices prescribed or permitted by the State of Nebraska Department of Insurance, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of the State of Nebraska Department of Insurance.

The effects on the statutory-basis financial statements of the variances between the statutory-basis of accounting described in Note 1 to the statutory-basis financial statements and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion on Accounting Principles Generally Accepted in the United States of America

In our opinion, because of the significance of the matter described in the Basis for Adverse Opinion on Accounting Principles Generally Accepted in the United States of America paragraph, the statutory-basis financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of Mutual of Omaha Insurance Company as of December 31, 2020 and 2019, or the results of its operations or its cash flows for the years then ended.

Opinion on Statutory Basis of Accounting

In our opinion, the statutory-basis financial statements referred to above present fairly, in all material respects, the admitted assets, liabilities, and surplus of Mutual of Omaha Insurance Company as of December 31, 2020 and 2019, and the results of its operations and its cash flows for the years then ended, in accordance with the accounting practices prescribed or permitted by the State of Nebraska Department of Insurance as described in Note 1 to the statutory-basis financial statements.

Deloitte & Touche LLP

April 23, 2021

MUTUAL OF OMAHA INSURANCE COMPANY

STATUTORY STATEMENTS OF ADMITTED ASSETS, LIABILITIES, AND SURPLUS AS OF DECEMBER 31, 2020 AND 2019

	2020	2019
ADMITTED ASSETS		
CASH AND INVESTED ASSETS:		
Bonds	$4,453,241,138	$3,890,579,678
Preferred stocks	6,124,891	7,780,966
Common stocks—unaffiliated	110,532,842	61,309,587
Common stocks—affiliated	2,376,039,425	2,923,954,030
Mortgage loans—net	297,139,107	274,346,238
Real estate occupied by the Company—net of accumulated depreciation of $47,754,062 and $47,495,168, respectively	27,482,922	30,298,243
Investment real estate—net of accumulated depreciation of $531,949 and $506,615, respectively	4,417,380	7,108,873
Cash and cash equivalents	42,310	70,919,695
Short-term investments	76,310,437	61,233,017
Securities lending and repurchase agreement cash collateral	357,301,599	300,136,330
Other invested assets	491,550,735	334,551,173
Total cash and invested assets	8,200,182,786	7,962,217,830
INVESTMENT INCOME DUE AND ACCRUED	43,928,837	39,794,396
UNCOLLECTED PREMIUMS	209,192,400	203,621,757
RECEIVABLE FROM SUBSIDIARIES	226,235,924	158,446,623
FEDERAL INCOME TAXES RECOVERABLE	14,399,511	142,333,578
NET DEFERRED TAX ASSETS	83,473,468	73,446,665
COMPANY OWNED LIFE INSURANCE	625,621,329	489,311,725
OTHER ASSETS	37,424,999	38,238,919
TOTAL ADMITTED ASSETS	$9,440,459,254	$9,107,411,493
LIABILITIES AND SURPLUS		
LIABILITIES:		
Reserves for policies and contracts	$3,098,462,958	$2,847,420,955
Policy and contract claims	1,191,900,822	1,241,488,586
Premiums paid in advance	48,387,359	52,724,108
Asset valuation reserve	105,286,819	216,519,228
Drafts outstanding	22,456,565	22,798,139
Amounts held as agent or trustee	111,892,274	86,187,179
General expenses and taxes due or accrued	196,672,596	164,472,442
Liability for benefits for employees and agents	513,806,206	352,995,914
Borrowings and securities lending	378,534,063	799,411,416
Other liabilities	149,606,116	183,409,317
Total liabilities	5,817,005,778	5,967,427,284
SURPLUS:		
Surplus notes	710,610,861	710,436,567
Special surplus	-	142,187
Unassigned surplus	2,912,842,615	2,429,405,455
Total surplus	3,623,453,476	3,139,984,209
TOTAL LIABILITIES AND SURPLUS	$9,440,459,254	$9,107,411,493

See notes to statutory financial statements.

MUTUAL OF OMAHA INSURANCE COMPANY

STATUTORY STATEMENTS OF OPERATIONS
FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

	2020	2019
INCOME:		
Net health and accident premiums	$3,715,073,602	$3,538,507,101
Net investment income and amortization of IMR	701,985,201	174,488,122
Commissions and expense allowances on reinsurance ceded	42,721,759	26,914,692
Other income	115,648,275	89,521,095
Total income	4,575,428,837	3,829,431,010
BENEFITS AND EXPENSES:		
Policyholder benefits	2,737,010,610	2,934,722,767
Commissions	748,740,001	760,304,112
Operating expenses	301,253,474	258,550,196
Total benefits and expenses	3,787,004,085	3,953,577,075
NET INCOME (LOSS) FROM OPERATIONS BEFORE INCOME TAX EXPENSE AND NET REALIZED CAPITAL LOSS	788,424,752	(124,146,065)
FEDERAL INCOME TAX EXPENSE	1,102,354	653,157
NET INCOME (LOSS) FROM OPERATIONS BEFORE NET REALIZED CAPITAL LOSS	787,322,398	(124,799,222)
NET REALIZED CAPITAL LOSS—Net of federal income tax benefit of ($2,395,920) and ($2,084,124), and transfers to the interest maintenance reserve of ($9,013,223) and ($7,840,277), respectively	(20,517,759)	(5,842,936)
NET INCOME (LOSS)	$ 766,804,639	$ (130,642,158)

See notes to statutory financial statements.

MUTUAL OF OMAHA INSURANCE COMPANY

STATUTORY STATEMENTS OF CHANGES IN SURPLUS
FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

	Surplus Notes	Unassigned Surplus	Special Surplus	Total Surplus
BALANCE—December 31, 2018	$710,274,242	$2,462,443,645	$ -	$3,172,717,887
Net loss	-	(130,642,158)	-	(130,642,158)
Change in:				
Net unrealized capital gain—net of income tax benefit of $6,397,030	-	136,501,584	-	136,501,584
Net deferred income tax	-	54,288,438	-	54,288,438
Nonadmitted assets	-	(41,986,806)	-	(41,986,806)
Asset valuation reserve	-	(20,030,899)	-	(20,030,899)
Surplus notes	162,325	-	-	162,325
Benefit plans amounts not yet recognized in periodic benefit cost	-	(72,777,310)	-	(72,777,310)
Savings of consolidated tax filings	-	46,846,839	-	46,846,839
Affordable Care Act assessment	-	(142,187)	142,187	-
Unrealized loss—deferred gain on affiliate exchanges	-	(5,095,691)	-	(5,095,691)
BALANCE—December 31, 2019	710,436,567	2,429,405,455	142,187	3,139,984,209
Net income	-	766,804,639	-	766,804,639
Change in:				
Net unrealized capital gain—net of income taxes of $21,390,006	-	(279,621,883)	-	(279,621,883)
Net deferred income tax	-	(19,814,101)	-	(19,814,101)
Nonadmitted assets	-	30,789,415	-	30,789,415
Asset valuation reserve	-	111,232,409	-	111,232,409
Surplus notes	174,294	-	-	174,294
Benefit plans amounts not yet recognized in periodic benefit cost	-	(83,657,326)	-	(83,657,326)
Detriment of consolidated tax filings	-	(44,685,827)	-	(44,685,827)
Affordable Care Act assessment	-	142,187	(142,187)	-
Unrealized loss—deferred gain on affiliate exchanges	-	2,247,647	-	2,247,647
BALANCE—December 31, 2020	$710,610,861	$2,912,842,615	$ -	$3,623,453,476

See notes to statutory financial statements.

MUTUAL OF OMAHA INSURANCE COMPANY

STATUTORY STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

	2020	2019
CASH FROM (USED FOR) OPERATIONS:		
Net health and accident premiums	$ 3,708,659,658	$ 3,514,856,352
Net investment income	556,980,743	173,790,856
Other income	74,263,155	46,084,112
Benefit and loss related payments	(2,532,835,775)	(2,615,523,534)
Commissions and operating expenses	(924,755,646)	(997,635,524)
Dividends paid to policyholders	(18,939)	(20,488)
Federal income taxes refunded	93,929,588	50,374,887
Net cash from operations	976,222,784	171,926,661
CASH FROM (USED FOR) INVESTMENTS:		
Proceeds from investments sold, matured, or repaid:		
Bonds	616,321,652	407,444,696
Stocks	544,258,992	8,950,662
Mortgage loans	37,471,595	29,949,405
Real estate	22,042	5,127,265
Other invested assets	20,271,065	12,151,292
Miscellaneous proceeds	2,641,272	21,492,501
Cost of investments acquired:		
Bonds	(1,163,462,787)	(821,754,946)
Stocks	(351,678,250)	(144,697,128)
Mortgage loans	(60,359,507)	(43,350,000)
Real estate	(95,931)	(4,896,163)
Other invested assets	(75,584,326)	(126,153,153)
Miscellaneous applications	(31,146,934)	(2,523,835)
Net cash used for investments	(461,341,117)	(658,259,404)
CASH FROM (USED FOR) FINANCING AND MISCELLANEOUS SOURCES:		
Surplus notes	174,294	162,325
Borrowed funds	(486,635,328)	410,835,328
Other cash provided (applied)	(84,220,598)	5,101,404
Net cash from (used for) financing and miscellaneous sources	(570,681,632)	416,099,057

(Continued)

MUTUAL OF OMAHA INSURANCE COMPANY

STATUTORY STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

	2020	2019
NET CHANGE IN CASH, CASH EQUIVALENTS, AND SHORT-TERM INVESTMENTS	$ (55,799,965)	$ (70,233,686)
CASH, CASH EQUIVALENTS, AND SHORT-TERM INVESTMENTS:		
Beginning of year	132,152,712	202,386,398
End of year	$ 76,352,747	$ 132,152,712
NON-CASH TRANSACTIONS:		
Dividend in the form of stocks	$ 141,211,024	$ -
Bond conversions	$ 63,664,272	$ 5,484,640
Change in securities lending	$ 57,165,269	$ 150,781,861
Stock conversions	$ 57,046,971	$ 18,795,779
Return of capital—company owned life insurance policies	$ 56,749,929	$ -
Stock charitable contribution	$ 10,000,000	$ -
Return of capital—property	$ -	$ 7,110,984

See notes to statutory financial statements. (Concluded)

1. NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations—Mutual of Omaha Insurance Company (the "Company") is a mutual life, accident and health insurance company, domiciled in the State of Nebraska. The following are wholly owned subsidiaries of the Company as of December 31, 2020: United of Omaha Life Insurance Company ("United of Omaha"); Mutual of Omaha Holdings, Inc.; Omaha Financial Holdings, Inc.("OFHI"); East Campus Realty, LLC ("ECR"); Turner Park North, LLC; Omaha Health Insurance Company, Omaha Supplemental Insurance Company; and Mutual of Omaha Medicare Advantage Company ("Medicare Advantage Company").

The Company provides a wide array of financial products and services to a broad range of institutional and individual customers and is licensed in 50 states, the District of Columbia, Puerto Rico, and the U.S. Virgin Islands. Principal products and services provided include individual and group health insurance.

Basis of Presentation—The accompanying statutory financial statements have been prepared in conformity with accounting practices prescribed or permitted by the State of Nebraska Department of Insurance ("NDOI"). The State of Nebraska has adopted the National Association of Insurance Commissioners' ("NAIC") Statutory Accounting Principles ("NAIC SAP") as the basis of its statutory accounting practices. The Director of the Nebraska Department of Insurance has the right to permit other specific practices that may deviate from NAIC SAP. The Company did not utilize any permitted practices however, there was an impact on its results of operations and surplus for a previously prescribed accounting practice followed by its subsidiary United of Omaha for the years ended December 31, 2019 and 2018, as discussed in Note 7.

The accompanying statutory financial statements vary in some respects from those that would be presented in conformity with accounting principles generally accepted in the United States of America ("GAAP"). The most significant differences include:

a. Bonds are generally stated at amortized cost, while under GAAP, they may be stated at amortized cost or fair value. Exchange Traded Funds, eligible for bond reporting by the NAIC Securities Valuation Office ("SVO Identified Funds-ETFs"), are stated at fair value and classified as bonds, while under GAAP, they are stated at fair value and classified as equity.

b. An other-than-temporary impairment ("OTTI") exists for NAIC SAP on a loan-backed or structured security if fair value is less than the amortized cost basis and the Company has the intent to sell, does not have the intent and ability to retain the investment for a period of time sufficient to recover the amortized cost basis, or the Company does not expect to recover the entire amortized cost basis. For all other securities on an NAIC SAP basis, an OTTI is recognized if it is probable that the reporting entity will be unable to collect all amounts due according to the contractual terms of the security in effect at the date of acquisition or since the last OTTI. An OTTI exists for GAAP if a security's fair value is less than amortized cost and if the Company has the intent to sell, it is more likely than not that the Company will be required to sell before the recovery of the amortized cost basis, or if the Company does not expect to recover the entire amortized cost of the security.

c. Investments in preferred stocks are generally stated at amortized cost, while under GAAP, preferred stocks are stated at their estimated fair value. Under GAAP, certain investments in preferred stocks and other equity investments without readily determinable fair values for which the Company has elected a measurement alternative are stated at cost adjusted for price changes in observable transactions in the same or similar instruments of the same issuer and for impairments.

d. Limited partnerships are stated at the underlying audited GAAP equity value with the change in valuation reflected in unassigned surplus on an NAIC SAP basis. Income distributions from the limited partnerships are reported as net investment income on an NAIC SAP basis. Under GAAP, the change in valuation as well as the income distributions are reflected in either net investment income or as a realized capital gain or loss depending on the underlying investments.

e. Under NAIC SAP, derivative instruments that meet the criteria of an effective hedge are valued and reported in a manner that is consistent with the hedged asset or liability. The change in fair value of derivative instruments that do not meet the criteria of an effective hedge are recorded as a change in net unrealized capital gains (losses), a component of unassigned surplus. Under GAAP, all derivatives are reported on the balance sheet at fair value and the effective and ineffective portions of a single hedge are accounted for separately. Changes in fair value of derivatives, to the extent they are effective at offsetting hedged risk, are recorded through either income or equity, depending on the nature of the hedge. The ineffective portion of all changes in fair value is recorded in income.

f. Acquisition costs, such as commissions and other costs directly related to acquiring new business, are charged to operations as incurred, while under GAAP, to the extent associated with successful sales and recoverable from future policy revenues, are deferred and amortized to income as premiums are earned or in relation to estimated gross profits.

g. NAIC SAP requires an amount to be recorded for deferred taxes as a component of surplus; however, there are limitations as to the amount of deferred tax assets (“DTA”) that may be reported as admitted assets that are not applicable under GAAP. Federal income tax provision is required on a current basis for the statutory statements of operations, the same as for GAAP.

h. NAIC SAP policy reserves for health insurance contracts are calculated using prescribed mortality and interest assumptions, and the morbidity and lapse assumptions are Company estimates within statutory limitations. The effect on reserves, if any, due to a change in valuation basis, is recorded directly to unassigned surplus rather than included in the determination of net gain (loss) from operations. GAAP policy reserves are based on the Company’s estimates of morbidity, mortality, lapse, and interest assumptions.

i. The asset valuation reserve (“AVR”) and interest maintenance reserve (“IMR”) are established only on the statutory financial statements.

j. Assets are reported under NAIC SAP at admitted asset value and nonadmitted assets are excluded through a charge to surplus, while under GAAP, nonadmitted assets are reinstated to the balance sheet, net of any valuation allowance.

k. Reinsurance recoverables on unpaid losses are reported as a reduction of policy reserves, while under GAAP, they are reported as an asset.

l. Comprehensive income and its components are not presented on the statutory financial statements.

m. Subsidiaries included as common stocks are stated under the equity method, with the equity in the operating results of subsidiaries credited or charged directly to the Company's surplus for NAIC SAP. Dividends received from subsidiaries are recorded in net investment income. GAAP requires either consolidation or equity method reporting with operating results of subsidiaries reflected on the statutory statements of operations.

n. Surplus notes are reported as surplus for NAIC SAP while under GAAP, they are reported as long-term debt.

o. For loss contingencies, when no amount within management's estimate of the range is a better estimate than any other amount, the midpoint of the range is accrued. Under GAAP, the minimum amount in the range is accrued.

p. Gains on economic transactions, defined as arm's-length transactions that result in the transfer of the risks and rewards of ownership, with related parties are recognized and deferred in surplus under NAIC SAP rather than deferred until the assets are sold to third parties as required under GAAP.

Use of Estimates—The preparation of statutory financial statements in accordance with NAIC SAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the statutory financial statements, and reported amounts of revenues and expenses during the reporting period. The most significant estimates and assumptions include those used in determining investment valuation in the absence of quoted market values, impairments, reserves for policies and contracts, policy and contract claims, the liability for retiree benefits under defined-benefit plans, and deferred taxes. Actual results could differ from those estimates.

The process of determining fair value and recoverability of an asset relies on projections of future cash flows, operating results, and market conditions. Projections are inherently uncertain and, accordingly, actual future cash flows may differ materially from projected cash flows. As a result, the Company's asset valuations are susceptible to the risk inherent in making such projections.

Due to the nature of health and accident contracts and the risks involved, health and accident active life reserves are estimates. These reserves are calculated using morbidity, mortality, and interest rate assumptions. Voluntary lapse assumptions are permitted in certain situations subject to limitations for certain products. Actual morbidity, mortality, interest rates, and voluntary lapse rates may differ from valuation assumptions.

Claim reserves are estimated based upon the industry and/or company experience and other actuarial assumptions that consider the effects of current developments, anticipated trends, and risk management programs. Revisions of these estimates are reflected in operations in the year they are made.

The World Health Organization declared the spread of the COVID-19 virus as a pandemic on March 11, 2020. The pandemic and actions taken against it globally in response have disrupted business activities throughout the world through 2020 and will continue into 2021. As events and responses continue to rapidly evolve, it is not possible to reliably estimate the severity of these events on the Company's future statutory financial statements. The Company believes it has the ability to sustain its operations, maintain adequate liquidity and capital levels, and meet all obligations of policyholders as of the date of these statutory financial statements.

Investments—Investments are reported according to valuation procedures prescribed by the NAIC. Bonds are stated at amortized cost using the effective yield method, except for certain bonds with an NAIC designation of 6, which are stated at the lower of amortized cost or fair value. The use of fair value may cause some of the loan-backed securities previously designated as NAIC 6 to be reassigned to a different designation. SVO Identified Funds-ETFs, captured within the scope of Statement of Statutory Accounting Principles ("SSAP") 26R *Bonds*, are eligible for bond reporting. The Company has elected to value SVO Identified Funds-ETFs at fair value.

Premiums and discounts on loan-backed bonds and structured securities are amortized using the retrospective or prospective method based on anticipated prepayments from the date of purchase. Prepayment assumptions for loan-backed securities are based on information obtained from brokers or internal estimates based on original term sheets, offer memoranda, historical performance, or other forecasts. Changes in estimated cash flows due to changes in estimated prepayments are accounted for using the prospective method for impaired securities and securities valued based on an index, and the retrospective method for all other securities.

Preferred stocks, redeemable and perpetual, are stated at amortized cost, except for preferred stocks that are NAIC rated 4 through 6, which are stated at the lower of amortized cost or fair value.

Common stocks of unaffiliated companies are generally stated at fair value, common stocks of affiliated insurance companies are stated at their audited statutory equity value, and common stocks of affiliated non-insurance companies are stated at their GAAP equity value. The Federal Home Loan Bank ("FHLB") capital stocks are stated at cost. Changes in the carrying values are recorded as a change in net unrealized capital gains (losses), a component of unassigned surplus. Dividends are reported in net investment income.

Mortgage loans held for investment are stated at the aggregate unpaid principal balance adjusted for unamortized premium or discount, except impaired loans. Impaired loans are stated at the lower of amortized cost or fair value of the loan determined by the present value of expected future cash flows discounted at the loan's effective interest rate, the loan's observable market price, or fair value of the collateral less cost to sell if collateral dependent. Interest income is accrued on the unpaid principal balance based on the loan's contractual interest rate. The Company records a reserve for losses on mortgage loans as part of the AVR.

The Company calculates specific reserves on loans identified individually as impaired. Loans evaluated individually are considered impaired when, based on current information and events, it is probable that the Company will be unable to collect principal or interest amounts according to the contractual terms of the loan agreement. Interest income earned on impaired loans is accrued on the principal amount of the loan based on the loan's contractual interest rate until the loan is placed in non-accrual status. Cash payments on loans where accrual of interest has ceased are applied directly to the unpaid principal balance until such time as management determines that it is probable all principal amounts will be recovered.

Loans are reviewed on an individual basis to identify charge-offs. Charge-offs, net of recoveries, are deducted from the allowance. Mortgage loans are considered past due if the required principal and interest payments have not been received when contractually due. All mortgage loans are in non-accrual status when payments are determined to be uncollectible. Mortgage loans are returned to accrual status when all the principal and interest amounts contractually due have been brought current and future payments are reasonably assured.

A mortgage loan is considered a troubled debt restructuring (“TDR”) if the borrower is experiencing financial difficulties and the Company has granted a concession it would not otherwise consider. A TDR typically involves a modification of terms such as a change of the interest rate to a below market rate, a forgiveness of principal or interest, an extended repayment period (maturity date) at a contractual interest rate lower than the current interest rate for new debt with similar risk, or capitalization and deferral of interest payments.

Real estate, excluding real estate held for sale, is stated at cost, less accumulated depreciation. Real estate held for the production of income is comprised of real estate owned by the Company that is primarily leased to non-affiliated third parties. Depreciation is provided on the straight-line method over the estimated useful lives, generally forty years, of the related assets. Real estate held for sale is stated at the lower of depreciated cost or fair value less encumbrances and estimated costs to sell. Real estate held for sale consists of collateral received on foreclosed mortgage loans.

Cash equivalents are highly-liquid debt securities whose remaining maturities at the time of acquisition is three months or less. Cash equivalents, including money market mutual funds, are stated at cost, which approximates fair value.

Short-term investments include related party notes and investments whose remaining maturities at the time of acquisition are three months to one year and are stated at cost, which approximates fair value.

The Company has securities lending agreements whereby unrelated parties, primarily major brokerage firms, borrow securities from the Company. The Company requires a minimum of 102% of the fair value of the domestic securities loaned at the outset of the contract as collateral. The Company continues to retain control over and receive interest on loaned securities, and accordingly, the loaned securities continue to be reported as bonds. The securities loaned are on open terms and can be returned to the Company on the next business day requiring a return of the collateral. Collateral received is invested in cash equivalents and securities, and the Company records a corresponding liability for the collateral which is included in borrowings and securities lending on the statutory financial statements. The Company cannot access the collateral unless the borrower fails to deliver the loaned securities. To further minimize the credit risks related to this securities lending program, the Company regularly monitors the financial condition of counterparties to these agreements and also receives an indemnification from the financial intermediary who structures the transactions.

The Company has repurchase agreements whereby unrelated parties, primarily major brokerage firms, borrow securities from the Company. The Company requires a minimum of 95% of the fair value of the securities loaned at the outset of the contract as collateral. The Company continues to retain control over and receive interest on loaned securities, and accordingly, the repurchase agreement securities continue to be reported as bonds. Collateral received is invested in cash equivalents and securities, and the Company records a corresponding liability for the collateral which is included in borrowings and securities lending on the statutory financial statements.

Other invested assets include the Company’s investment in ECR, and investments in derivatives, low-income housing tax credits (“LIHTC”), limited partnerships, receivables for securities and surplus notes. ECR is a limited liability company established for the operation of real estate in Omaha, Nebraska. Mutual of Omaha is the sole member. The investment in ECR is stated at the underlying GAAP equity. Changes are recorded in net unrealized capital gains (losses), a component of unassigned surplus. Distributions of income from this investment are recorded in net investment income. As of December 31, 2020 and 2019, the Company’s investment in ECR was $45,385,983 and $59,370,317, respectively. Investments in LIHTCs are stated at amortized cost. As of December 31, 2020 and 2019, the Company's investment in LIHTCs was $51,676,208 and $47,146,256, respectively. Federal tax credits from the LIHTCs are scheduled to be received through 2031. The federal LIHTC programs provide tax credits over a ten-year period, after which the required holding period extends five years. The amount of LIHTC and other tax benefits recognized during 2020 and 2019 were $9,536,692 and $8,598,674, respectively. Investments in surplus notes are stated at amortized cost. As of December 31, 2020 and 2019, the Company's investment in surplus notes was $26,248,360 and $4,039,752, respectively.

The Company uses derivative financial instruments to reduce exposure to market volatility associated with assets held or liabilities incurred and to change the characteristics of the Company's asset/liability mix, consistent with the Company's risk management activities.

Derivatives generally include foreign currency swaps. When derivative financial instruments meet specific criteria, they may be designated as accounting hedges and accounted for on an amortized cost basis, in a manner consistent with the item hedged. Derivative financial instruments that are not designated as accounting hedges are accounted for on a fair value basis with changes recorded as a change in net unrealized capital gains (losses), a component of unassigned surplus. Net settlement amounts on interest rate swaps are recorded as adjustments to net investment income on an accrual basis over the life of the swap. Interest on currency swaps is included in net investment income.

The Company designates certain of its foreign currency swaps as cash flow hedges when they are highly effective in offsetting the exposure of variations in cash flows for the hedged item. For currency swaps, the Company is exposed to credit related losses in the amount of the net currency differential in the event of non-performance by the swap counterparty.

Investment income consists primarily of interest and dividends. Interest is recognized on an accrual basis and dividends are recorded as earned at the ex-dividend date. Interest income on mortgage-backed securities ("MBS") and asset-backed securities ("ABS") is determined on the effective yield method based on estimated principal repayments. Accrual of income is suspended when securities are in default or when the receipt of interest payments is in doubt. Realized capital gains (losses) on the sale of investments are determined on the specific identification basis.

Investment income due or accrued for which it is probable the balance is uncollectible is written off and charged to investment income. Investment income due or accrued deemed collectible on mortgage loans in default that is more than 180 days past due is nonadmitted. All other investment income due or accrued deemed collectible that is more than 90 days past due is nonadmitted. The Company accrues interest income on an impaired security to the extent it is deemed collectible and the security continues to perform under its restricted contractual terms. Interest income on a non-performing security is generally recognized on a cash basis.

Company-Owned Life Insurance—Company-owned life insurance ("COLI") represents individual life insurance policies on the lives of certain officers and other key employees who have provided positive consent allowing the Company to be the beneficiary of such contracts. Certain contracts are stated at cash surrender value while others are stated at contract value as determined by third-party carriers. The cash surrender values of the policies were $625,621,329 and $489,311,725 as of December 31, 2020 and 2019, respectively. The Company paid no premiums in 2020 and 2019. The underlying investment characteristics at December 31, 2020 were 55% common stocks and 45% bonds. The underlying investment characteristics at December 31, 2019 were 59% bonds and 41% common stocks. A gain of $79,559,675 and $70,035,188 in the surrender value of the policies was included in other income for the years ended December 31, 2020 and 2019, respectively. In addition, the Company received a dividend from OFHI in the form of COLI in 2020 as disclosed in Note 7. The company-owned life insurance policies are in compliance with Internal Revenue Code Section 7702.

Property—Property is stated at cost less accumulated depreciation and amortization and is included in other assets. The Company provides for depreciation of property using the straight-line method over the estimated useful lives of the assets. Furniture and fixtures are generally depreciated over one to twenty years. Leasehold improvements are stated at cost less accumulated amortization. The Company provides for amortization of leasehold improvements using the straight-line method over the lesser of the useful life of the asset or the remaining original lease term, excluding options or renewal periods. Leasehold improvements are depreciated over two to twenty years.

Electronic Data Processing ("EDP") Equipment and Software—EDP equipment and operating and non-operating software are stated at cost less accumulated depreciation or amortization and are included in other assets. Depreciation expense is computed using the straight-line method over the lesser of the estimated useful life of the related asset or three years for EDP equipment and operating system software. Depreciation expense for non-operating-system software is computed using the straight-line method over the lesser of its estimated useful life or five years. Costs incurred for the development of internal use software are capitalized and amortized using the straight-line method over the lesser of the useful lives of the assets or five years.

Policy Reserves—Policy reserves include active life reserves, unearned premium reserves, and premium deficiency reserve calculations.

Active life reserves for accident and health contracts provide amounts estimated to adequately discharge estimated future obligations in excess of estimated future net premiums on policies in force. Such reserves are based on statutory mortality and interest assumptions. Morbidity assumptions are either industry experience or a blend of industry and Company experience. Voluntary lapse assumptions, when applicable, are based on Company experience with statutory limitations. Such reserves are calculated on a net level premium method or on a one- or two-year preliminary term basis.

Unearned premium reserves reflect premiums paid or due to the Company prior to the statutory financial statement date, for the contract period subsequent to the statutory financial statement date.

The Company anticipates investment income as a factor in premium deficiency reserve calculations. As of December 31, 2020 and 2019, the Company had $11,246,368 and $11,540,021, respectively, of premium deficiency reserves related to its individual and discretionary group major medical lines of business.

Claim Reserves—Disabled life reserves reflect amounts that are either not yet due or yet to arise on claims incurred with a continuing loss. Such reserves are based on statutory interest and claim termination rates based on either industry or a blend of the Company and industry experience in compliance with statutory requirements. Revisions of these estimates are reflected in operations in the year they are made.

Incurred but not paid claim liabilities include the amounts estimated for claims that have been reported but not settled and estimates for claims incurred but not reported. Such reserves are estimated based upon the Company's and affiliates' historical experience and other actuarial assumptions that consider the effects of current developments, payment patterns, membership patterns, anticipated trends, claim utilization, product changes, risk management programs and other factors. The liabilities are continually reviewed and adjustments and changes are reflected in the year they are made. Claim adjustment expenses are accrued and included in general expenses and taxes due or accrued.

Reinsurance—In the normal course of business, the Company assumes and cedes insurance business from its affiliates and unrelated third parties in order to limit its maximum loss, provide greater diversification of risk, minimize exposures on larger risks and expand certain business lines, and manage capital. The ceding of insurance business does not discharge an insurer from its primary legal liability to a policyholder. The Company remains liable to the extent that a reinsurer is unable to meet its obligations. Amounts recoverable from reinsurers are reviewed for collectibility and length of time overdue on a quarterly basis. Amounts deemed uncollectible are written off through a charge to the statutory statements of operations when the uncollectibility of amounts recoverable from reinsurers is confirmed. Balances are included in the statutory statements of admitted assets, liabilities, and surplus and the statutory statements of operations, net of reinsurance, except for commissions and expense allowances on reinsurance ceded which are shown as income.

Amounts recoverable from reinsurers are based upon assumptions consistent with those used in establishing the liabilities related to the underlying reinsured contracts. Management believes the amounts recoverable are appropriately established.

Premiums due under reinsurance agreements are reported as negative uncollected premiums on the statutory statements of admitted assets, liabilities, and surplus. Experience refunds related to reinsurance are reported as reinsurance recoverables.

Federal Income Taxes—The provision for income taxes includes amounts paid and accrued. The Company is subject to income tax in the U.S. and several state jurisdictions. Significant judgments and estimates are required in the determination of the Company's income tax expense, deferred tax assets ("DTAs"), and deferred tax liabilities ("DTL").

Deferred taxes are recognized to the extent there are differences between the statutory and tax basis of assets and liabilities by using enacted tax rates in effect for the year in which the differences are expected to reverse. The effect of a change in tax rates on DTAs and DTLs is recognized in surplus in the period that includes the enactment date. Deferred taxes are also recognized for carryforward items including net operating loss, capital loss, and charitable contributions. NAIC SAP requires that temporary differences and carryforward items be identified and measured. Deductible temporary differences and carryforward amounts that generate tax benefits when they reverse or are utilized are tax affected in determining the DTA. Taxable temporary differences include items that will generate tax expense when they reverse and are tax affected in determining the DTL.

In the determination of the amount of the DTA that can be recognized and admitted, the NAIC SAP requires that DTAs be limited to an amount that is expected to be realized in the future based on an analysis of the Company's temporary differences, past financial history and future earnings projections. The net admitted DTA shall not exceed the excess of the adjusted gross DTA over the gross DTL. The adjusted gross DTA shall be admitted based upon three separately determined components: i) an amount of taxes paid in prior years which may be recovered through loss carrybacks of existing temporary differences that are expected to reverse within three years from the reporting date; ii) an amount that is limited to the lesser of future deductible temporary differences and carryforward amounts that are expected to be realized within three years from the reporting date, or 15% of adjusted capital and surplus; and iii) an amount where the adjusted gross DTA equals DTL.

The Company records uncertain tax positions in accordance with NAIC SAP for those instances where it determines that a tax loss contingency meets a more-likely-than-not threshold based on the technical merits. If the estimated loss contingency is greater than 50% of the tax benefit originally recognized, the entire benefit originally recognized is reported as the tax loss contingency. The Company recognizes interest accrued related to uncertain tax positions and penalties as federal income tax expense. The liability for uncertain tax positions and the associated interest liability, if any, are included in current federal income taxes recoverable on the statutory statements of admitted assets, liabilities, and surplus.

Asset Valuation Reserve and Interest Maintenance Reserve—The Company establishes certain reserves under NAIC guidelines. The AVR is determined by formula and is based on the Company's investments in bonds, preferred stocks, common stocks, mortgage loans, real estate, short-term investments, and other invested assets. This valuation reserve requires appropriation of surplus to provide for possible losses on these investments. Realized and unrealized capital gains (losses), other than those resulting from interest rate changes, are credited or charged to the AVR.

The IMR, included in other liabilities on the statutory statements of admitted assets, liabilities, and surplus, is used to defer realized capital gains (losses), net of tax, on sales of bonds and certain other investments that result from interest rate changes. These gains (losses) are then amortized into investment income over what would have been the remaining years to maturity of the underlying investments. Losses in excess of gains are recorded as an asset and nonadmitted.

Premiums and Related Commissions—Health and accident premiums are recognized as income over the terms of the policies. Commissions and other expenses related to the acquisition of policies are charged to operations as incurred.

Nonadmitted Assets—Certain assets designated as nonadmitted assets, principally net deferred tax assets, electronic data processing equipment and software, and furniture and equipment, are excluded from the statutory statements of admitted assets, liabilities, and surplus. The net change in such assets is charged or credited directly to unassigned surplus.

Vulnerability Due to Certain Risks and Concentrations—The following is a description of the most significant risks facing life and health insurers and how the Company manages those risks:

Morbidity/mortality risk is the risk that experience is unfavorable compared to Company assumptions due to misestimation in setting assumption, catastrophic risk (e.g. pandemic), volatility, and changes in trend. The Company mitigates these risks through reinsurance programs, adherence to strict underwriting guidelines, monitoring underwriting exceptions, and a formal assumption review and approval process.

Legal/regulatory risk is the risk that changes in the legal or regulatory environment in which an insurer operates will occur and create additional costs or expenses not anticipated by the insurer in pricing its products. The Company monitors economic and regulatory developments that have the potential to impact its business.

Interest rate risk is the risk that interest rates will change and cause a decrease in the value of an insurer's investments or cause changes in policyholder behavior resulting in changes in asset or liability cash flows. The Company mitigates this risk through various asset-liability management techniques, including duration matching and matching the maturity schedules of its assets with the expected payouts of its liabilities. To the extent that liabilities come due more quickly than assets mature, the Company may have to sell assets prior to maturity and recognize a gain or loss.

Credit risk is the risk that issuers of securities owned by the Company will default, or that other parties, including reinsurers who owe the Company money, will not pay. The Company has policies regarding the financial stability and credit standing of its counterparties. The Company attempts to limit its credit risk by dealing with creditworthy counterparties and obtaining collateral where appropriate.

Liquidity risk is the risk that a given security or asset cannot be traded quickly enough in the market to prevent a loss, generate cash to meet funding requirements, or make a required profit. The Company has established an appropriate liquidity risk management framework to evaluate current and future funding and liquidity requirements. Future liquidity requirements are projected on a regular basis as part of the financial planning process.

Fair Value—Financial assets and liabilities have been categorized into a three-level fair value hierarchy, based on the priority of the inputs to the respective valuation technique. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). An asset or liability's classification within the fair value hierarchy is based on the lowest level of significant input to its valuation. The input levels are as follows:

Level 1—Fair value is based on unadjusted quoted prices in active markets that are accessible to the Company for identical assets or liabilities. These generally provide the most reliable evidence and are used to measure fair value whenever available.

Level 2—Fair value is based on significant inputs that are observable for the asset or liability, either directly or indirectly, through corroboration with observable market data. Level 2 inputs include quoted market prices in active markets for similar assets and liabilities, quoted market prices in markets that are not active for identical or similar assets or liabilities and other market observable inputs. Valuations are generally obtained from third party pricing services for identical or comparable assets or liabilities and validated or determined through use of valuation methodologies using observable market inputs.

Level 3—Fair value is based on significant unobservable inputs for the asset or liability. These inputs reflect assumptions about what market participants would use in pricing the asset or liability. Prices are determined using valuation methodologies such as option pricing models, discounted cash flow models and other similar techniques. Fair value for certain investments in qualifying investment funds is approximated by using the fund's net asset value ("NAV") per share.

Other-Than-Temporary Declines in Fair Value—The Company regularly reviews its investment portfolio for factors that may indicate that a decline in fair value of an investment is other-than-temporary. Some factors considered in evaluating whether or not a decline in fair value is other-than-temporary include the Company's ability and intent to retain the investment for a period of time sufficient to allow for a recovery in value, the Company's intent to sell the investment at the reporting date, and the financial condition and prospects of the issuer.

The Company recognizes OTTI of bonds not backed by loans when it is either probable that the Company will not collect all amounts due according to the contractual terms of the bond in effect at the date of acquisition or when the Company has made a decision to sell the bond prior to its maturity at an amount below its amortized cost. When an OTTI is recognized, the bond is written down to fair value and the amount of the write down is recorded as a realized capital loss on the statutory statements of operations.

For loan-backed securities, OTTI is recognized when fair value is less than the amortized cost basis and the Company has the intent to sell or lacks the intent and ability to retain the investment until recovery. When an OTTI is recognized because the Company has the intent to sell or lacks the intent and ability to retain the investment until recovery, the amortized cost basis of the loan-backed security is written down to fair value and the amount of the write-down is recorded as a realized capital loss on the statutory statements of operations.

If the Company does not have the intent to sell and has the intent and ability to retain the investment until recovery, OTTI is recognized when the present value of future cash flows discounted at the security's effective interest rate is less than the amortized cost basis as of the statutory statements of admitted assets, liabilities, and surplus date. When an OTTI is recognized, the loan-backed security is written down to the discounted estimated future cash flows and is recorded as a realized capital loss on the statutory statements of operations.

The Company recognizes OTTI of stocks for declines in value that are other-than-temporary and reports those adjustments as realized capital losses on the statutory statements of operations.

The Company recognizes OTTI of limited partnerships generally when the underlying GAAP equity of the partnership is less than 80% of amortized cost or the limited partnership reports realized capital losses on the statutory financial statements or the limited partnership shows other indicators of loss. When an OTTI is recognized, the limited partnership is written down to fair value and the amount of the impairment is recorded as a realized capital loss on the statutory statements of operations.

The Company performs a monthly analysis of the prices received from third parties to assess if the prices represent a reasonable estimate of fair value. This process involves quantitative and qualitative analysis and is overseen by investment and accounting professionals.

Discontinued Operations—On August 13, 2019, the Company announced an agreement to sell Mutual of Omaha Bank ("Bank"), a wholly owned subsidiary of OFHI, to a third party for approximately $1 billion in cash and purchaser stocks. Regulatory approvals were received in the fourth quarter of 2019 and the purchase was substantially complete on January 1, 2020. The carrying amount of OFHI's investment in the Bank immediately prior to the classification as held for sale was $906,633,746. Consideration received included cash of $842,444,754 and approximately 3 million shares of the purchaser's common stocks with a closing date fair value of $141,211,024. The consideration was used to pay certain intercompany loans and other amounts owed by OFHI to the Company, after which all remaining amounts were paid as a dividend, see Note 2 and return of capital, see Note 7. Sale of the common stocks was subject to certain sale restrictions which expired on December 31, 2020.

The Company is the lessor in a long-term sublease agreement with the purchaser of the Bank relating to a previous sale-leaseback transaction.

The effects of discontinued operations on assets, liabilities, surplus and income as of and for the year ended December 31, 2019 were as follows:

Assets	Common stocks	$ 901,929,092
Liabilities	Asset valuation reserve	95,236,795
Surplus	Unassigned funds (surplus)	806,692,297
	Change in net unrealized capital gains (losses) less capital gain tax of $0	58,430,984
	Change in asset valuation reserve	(95,236,795)

Accounting Pronouncements—During 2019, the NAIC issued revisions to SSAP 41R *Surplus Notes* that provide enhanced disclosures for issuers of surplus notes to identify notes with anticipated cashflows that have been partially or fully offset by the asset received from the note holder. See Note 11 for the associated disclosures.

During 2019, the NAIC issued revisions to SSAP 61R *Life, Deposit-Type and Accident and Health Reinsurance* effective in 2020 that require additional disclosures about the transfer of risk within reinsurance agreements. See Supplemental Reinsurance Schedule for the required disclosures.

During 2020, the NAIC issued revisions to SSAP 2R *Rolling Short-term Investments* effective in 2020 to incorporate additional concepts that prevent entities from classifying certain related party or affiliated investments that are expected to be renewed (rolled) continuously for subsequent years that do not meet certain qualifications as a cash equivalent or short-term investment. The Company's affiliated lending agreements meet the qualifications to continue to classify them as short-term investments. See Note 7 for the associated disclosures.

During 2020, the NAIC issued an interpretation that adopts, with modification to reject concepts that are not consistent with statutory accounting principles, Accounting Standards Update 2020-04 *Reference Rate Reform: Facilitation of the Effects of Reference Rate Reform on Financial Reporting* issued by the Financial Accounting Standards Board. The guidance provides optional expedients and exceptions for applying statutory accounting principles to contracts, hedging relationships, and other transactions that reference a rate expected to be discontinued due to reference rate reform. Additionally, the guidance reduces the operational and financial impacts of contract modifications that replace a reference rate, such as London Interbank Offered Rate (LIBOR), affected by reference rate reform. The expedients and exceptions provided by the amendments do not apply to contract modifications made and hedging relationships entered into or evaluated after December 31, 2022, with certain exceptions. The Company has a surplus note, investment securities, and funding agreements that reference LIBOR. The implementation of this guidance did not impact any of these instruments. The Company does not hold any derivatives accounted for as hedges that reference LIBOR or another rate expected to be discontinued due to reference rate reform. There was no impact on the statutory financial statements as a result of the adoption of this guidance.

2. INVESTMENTS

Bonds—The carrying value and estimated fair value of investments in bonds, including loan-backed securities, by type, and redeemable preferred stocks, as of December 31, were as follows:

2020	Carrying Value	Gross Unrealized Gains	Gross Unrealized Losses	Estimated Fair Value
Hybrid securities	$ 166,264,656	$ 11,575,831	$ 1,576,987	$ 176,263,500
Industrial and miscellaneous	3,779,893,159	707,455,923	8,764,955	4,478,584,127
Political subdivision	15,874,956	722,050	166,184	16,430,822
Special revenue/assessment obligations	240,872,809	25,893,722	120,534	266,645,997
States, territories, and possessions	2,135,416	813,320	-	2,948,736
SVO identified funds—ETFs	2,572,131	-	-	2,572,131
U.S. government	245,628,011	30,621,305	11,948	276,237,368
Total bonds	4,453,241,138	777,082,151	10,640,608	5,219,682,681
Redeemable preferred stocks	6,124,891	659,852	-	6,784,743
Total	$4,459,366,029	$777,742,003	$10,640,608	$5,226,467,424

2019	Carrying Value	Gross Unrealized Gains	Gross Unrealized Losses	Estimated Fair Value
Hybrid securities	$ 81,429,325	$ 5,020,978	$ 148,467	$ 86,301,836
Industrial and miscellaneous	3,347,527,890	383,941,871	5,795,315	3,725,674,446
Political subdivision	5,740,344	-	109,200	5,631,144
Special revenue/assessment obligations	210,362,101	17,515,225	320,943	227,556,383
States, territories, and possessions	2,136,215	595,442	3,580	2,728,077
SVO identified funds—ETFs	1,091,733	-	-	1,091,733
U.S. government	242,292,070	23,982,128	11,385	266,262,813
Total bonds	3,890,579,678	431,055,644	6,388,890	4,315,246,432
Redeemable preferred stocks	7,780,966	762,999	-	8,543,965
Total	$3,898,360,644	$431,818,643	$ 6,388,890	$4,323,790,397

Bonds with an NAIC designation of 6 with carrying amounts of $2,265,239 and $740,344 as of December 31, 2020 and 2019, respectively, were stated at the lower of amortized cost or fair value.

The Company's bond portfolio was primarily comprised of investment grade securities. Based upon designations by the NAIC, investment grade bonds comprised 96.4% and 98.6% of the carrying value of the Company's total bond portfolio as of December 31, 2020 and 2019, respectively.

The carrying value and estimated fair value of bonds and redeemable preferred stocks as of December 31, 2020, by contractual maturity, are shown below. Actual maturities may differ as a result of prepayments by the issuer. MBS and other ABS, which provide for periodic payments throughout their lives, are listed separately.

	Carrying Value	Estimated Fair Value
Due in one year or less	$ 55,325,009	$ 56,569,096
Due after one year through five years	500,042,545	535,810,900
Due after five years through ten years	748,099,249	853,123,018
Due after ten years	2,271,598,754	2,821,306,049
	3,575,065,557	4,266,809,063
MBS and other ABS	884,300,472	959,618,361
Total	$4,459,366,029	$5,226,427,424

Aging of unrealized capital losses on the Company's investments in bonds as of December 31, was as follows:

	Less Than One Year		One Year or More		Total	
2020	**Estimated Fair Value**	**Gross Unrealized Capital Losses**	**Estimated Fair Value**	**Gross Unrealized Capital Losses**	**Estimated Fair Value**	**Gross Unrealized Capital Losses**
U.S. government	$ 263,250	$ 11,948	$ -	$ -	$ 263,250	$ 11,948
Special revenue/assessment obligations	5,179,900	120,534	-	-	5,179,900	120,534
Political subdivision	3,922,450	166,184	-	-	3,922,450	166,184
Industries and miscellaneous	186,630,913	7,721,085	18,329,978	1,043,870	204,960,891	8,764,955
Hybrid securities	23,367,684	1,528,466	553,400	48,521	23,921,084	1,576,987
Total	$ 219,364,197	$ 9,548,217	$ 18,883,378	$ 1,092,391	$ 238,247,575	$ 10,640,608

	Less Than One Year		One Year or More		Total	
2019	**Estimated Fair Value**	**Gross Unrealized Capital Losses**	**Estimated Fair Value**	**Gross Unrealized Capital Losses**	**Estimated Fair Value**	**Gross Unrealized Capital Losses**
U.S. government	$ 5,922,948	$ 11,243	$ 725,000	$ 143	$ 6,647,948	$ 11,386
States, territories and possessions	352,913	3,580	-	-	352,913	3,580
Special revenue/assessment obligations	30,499,011	320,943	-	-	30,499,011	320,943
Political subdivision	4,890,800	109,200	-	-	4,890,800	109,200
Industries and miscellaneous	306,104,131	4,580,260	25,746,805	1,215,054	331,850,936	5,795,314
Hybrid securities	8,672,199	55,524	3,078,379	92,943	11,750,578	148,467
Total	$ 356,442,002	$ 5,080,750	$ 29,550,184	$ 1,308,140	$ 385,992,186	$ 6,388,890

There were no unrealized capital losses on redeemable preferred stocks as of December 31, 2020 and 2019.

As described in Note 1, the Company regularly reviews its investment portfolio for factors that may indicate that a decline in fair value of an investment is other-than-temporary. As of December 31, 2020, seven securities were in an unrealized capital loss position one year or more with an average credit rating of Baa2 and were 42% investment grade. As of December 31, 2020, 64 securities were in an unrealized capital loss position less than one year with an average credit rating of Baa1 and 76% were investment grade.

Net realized capital losses for the years ended December 31, 2020 and 2019 include losses of $3,983,763 and $3,106,290, respectively, resulting from other-than-temporary declines in fair value of bonds or changes in expected cash flows, and are not included in the table above.

Proceeds from sales or disposals of bonds and stocks and the components of bonds and stocks net realized capital gains (losses) for the years ended December 31, were as follows:

	2020	2019
Proceeds from sales or disposals:		
Bonds	$ 494,301,640	$ 294,932,996
Stocks	$ 88,497,492	$ 5,856,162
Net realized capital gains (losses) on bonds and stocks:		
Bonds:		
Gross realized capital gains from sales or other disposals	$ 12,805,605	$ 13,497,057
Gross realized capital losses from sales or other disposals	(1,571,260)	(4,715,522)
OTTI losses	(3,983,763)	(3,106,290)
Net realized capital gains	$ 7,250,582	$ 5,675,245
Stocks:		
Gross realized capital gains from sales or other disposals	$ 4,470,905	$ 319,905
Gross realized capital losses from sales or other disposals	(13,397,917)	(49,310)
Net realized capital gains (losses)	$ (8,927,012)	$ 270,595

The net realized capital gains shown above resulted in the recognition of IMR of $14,679,162 and $6,557,319 as of December 31, 2020 and 2019, respectively.

Common Stocks-Unaffiliated—Included within common stocks—unaffiliated as of December 31, 2020 and 2019 is FHLB capital stocks of $2,552,800 and $17,250,100, respectively. As of December 31, 2020 and 2019, $500,000 and $17,250,100, respectively, were classified as required stocks. As of December 31, 2020, the remaining $2,052,800 was classified as excess stocks.

Mortgage Loans—The Company invests in mortgage loans collateralized principally by commercial real estate throughout the U.S. The Company's investments in mortgage loans are held through a participation agreement with United of Omaha. As of December 31, 2020, the Company's portfolio was made up of only commercial mortgage loans, whereas at December 31, 2019 the Company held both commercial and residential mortgage loans. During 2020, the minimum and maximum lending rates for mortgage loans were 2.80% and 5.88% respectively. During 2019, the minimum and maximum lending rates for mortgage loans were 4.19% and 4.53% respectively. During 2020 and 2019, the maximum percentage of any one commercial loan to the value of the collateral security at the time of the loan, exclusive of insured, guaranteed or purchase money mortgages was 69% and 66%, respectively. During 2019, the maximum percentage of any one residential loan to the value of the collateral security at the time of the loan, exclusive of insured guaranteed or purchase money mortgages, was 79%.

The Company's mortgage loan portfolio includes 27 and 24 loan originators as of December 31, 2020 and 2019, respectively. Mortgage loan participations purchased from one loan originator comprise approximately 16% and 22% of the portfolio book value as of December 31, 2020 and 2019, respectively. The properties collateralizing mortgage loans are geographically dispersed throughout the U.S., with the largest concentration in California of approximately 29% and 27% of the portfolio book value as of December 31, 2020 and 2019, respectively.

Credit Quality Indicators—For purposes of monitoring the credit quality and risk characteristics, the Company considers the current debt service coverage, loan to value ratios, leasing status, average rollover, loan performance, guarantees, and current rents in relation to current markets. The debt service coverage ratio compares a property's cash flow to amounts needed to service the principal and interest due under the loan. The credit quality indicators are updated annually or more frequently if conditions warrant based on the Company's credit monitoring process. The Company monitors the credit quality for the insurance segment's residential loans by reviewing payment activity monthly.

The Company participates or is a co-lender in mortgage loan agreements with other lenders for commercial mortgage loans. These amounts were $92,263,767 and $109,390,928 as of December 31, 2020 and 2019, respectively. The Company was not subject to a participant or co-lender mortgage loan agreement for which the Company is restricted from unilaterally foreclosing on the mortgage loan as of December 31, 2020 and 2019.

The recorded investment (defined as the aggregate unpaid principal balance adjusted for unamortized premium or discount) in commercial mortgage loans by credit quality profile, as of December 31, was as follows:

	Debt Service Coverage Ratios			
2020	**>1.20x**	**1.00x-1.20x**	**<1.00x**	**Total**
Loan-to-value ratios:				
Less than 65%	$ 276,060,208	$ 9,679,875	$ 5,277,995	$ 291,018,078
66% to 75%	6,121,029	-	-	6,121,029
Greater than 75%	-	-	-	-
Total	$ 282,181,237	$ 9,679,875	$ 5,277,995	$ 297,139,107

	Debt Service Coverage Ratios			
2019	**>1.20x**	**1.00x-1.20x**	**<1.00x**	**Total**
Loan-to-value ratios:				
Less than 65%	$ 246,325,132	$ 11,797,225	$ 8,963,729	$ 267,086,086
66% to 75%	3,481,168	-	-	3,481,168
Greater than 75%	-	-	-	-
Total	$ 249,806,300	$ 11,797,225	$ 8,963,729	$ 270,567,254

Non-Accrual and Past Due Loans—All of the Company's loans were in current status as of December 31, 2020 and 2019. There was no recorded investment for loans where the interest rate was reduced as of December 31, 2020 and 2019. The Company had no loans in non-accrual status as of December 31, 2020 and 2019.

Impaired Loans—The Company did not have any impaired commercial mortgage loans as of or during the year ended December 31, 2020. As of December 31, 2019, the Company did not have any impaired commercial mortgage loans. For the year ended December 31, 2019, the Company had an average recorded investment in impaired commercial mortgage loans of $1,672,854 for which it recognized interest income of $154,635 and received interest of $44,020.

The Company did not hold an allowance for credit losses on residential mortgage loans as of December 31, 2019.

Restructured Loans and Securities—The recorded investment in loans, bonds and common stocks modified in a TDR was $2,111,875 during the year ended December 31, 2020. There was $900,000 of realized capital losses in a TDR for the year ended December 31, 2020. There was no recorded investment in loans, bonds, and common stocks modified in a TDR during the year ended December 31, 2019.

The Company had one TDR as of December 31, 2020. The Company had no TDRs as of December 31, 2019. The Company did not have any mortgage loans that were restructured within the previous twelve months and subsequently defaulted on their restructured terms during the period. No additional funds were committed to debtors whose terms have been modified in the years ended December 31, 2020 and 2019.

Limited Partnerships—Net realized capital losses for the years ended December 31, 2020 and 2019 include losses of $3,869,864 and $1,023,837, respectively, resulting from other-than-temporary declines in fair value of limited partnerships due to market conditions.

Restricted Assets—Information related to the Company's investment in restricted assets as of December 31, was as follows:

2020	Gross Restricted Assets	Total Admitted Restricted Assets	Percentage: Gross Restricted to Total Assets	Percentage: Admitted Restricted to Total Admitted Assets
Collateral held under security lending agreements	$357,301,599	$357,301,599	3.66 %	3.79 %
FHLB capital stocks	2,552,800	2,552,800	0.03	0.03
On deposit with states	3,554,572	3,554,572	0.04	0.04
Pledged collateral to FHLB (including assets backing funding agreements)	465,662,064	465,662,064	4.77	4.93
Pledged as collateral not captured in other categories	2,780,000	2,780,000	0.03	0.03
Total	$831,851,035	$831,851,035	8.53 %	8.82 %

2019	Gross Restricted Assets	Total Admitted Restricted Assets	Percentage: Gross Restricted to Total Assets	Percentage: Admitted Restricted to Total Admitted Assets
Collateral held under security lending agreements	$300,136,330	$300,136,330	3.17 %	3.30 %
FHLB capital stocks	17,250,100	17,250,100	0.18	0.19
On deposit with states	3,544,297	3,544,297	0.04	0.04
Pledged collateral to FHLB (including assets backing funding agreements)	404,945,587	404,945,587	4.28	4.45
Total	$725,876,314	$725,876,314	7.67 %	7.98 %

Net Investment Income and Amortization of IMR—The sources of net investment income for the years ended December 31, were as follows:

	2020	2019
Bonds	$ 200,023,174	$ 177,029,850
Common stocks—unaffiliated	5,350,849	933,685
Common stocks—affiliated	468,909,891	-
Mortgage loans	16,383,461	14,637,255
Real estate	11,470,063	11,354,916
Other invested assets	46,295,318	19,412,473
Other	7,102,066	9,204,945
Gross investment income	755,534,822	232,573,124
Amortization of IMR	891,381	369,401
Investment expenses	(54,441,002)	(58,454,403)
Net investment income and amortization of IMR	$ 701,985,201	$ 174,488,122

Dividends received from OFHI resulting from Bank sale consideration totaling $458,534,891 are included in net investment income from common stocks—affiliated.

3. STRUCTURED SECURITIES

The carrying value and estimated fair value of structured securities, by type, as of December 31, were as follows:

2020	Carrying Value	Gross Unrealized Capital Gains	Gross Unrealized Capital Losses	Estimated Fair Value
MBS:				
Commercial	$ 247,305,935	$ 38,307,563	$ 4,899	$ 285,608,599
Residential	279,669,197	27,463,091	11,967	307,120,321
	526,975,132	65,770,654	16,866	592,728,920
Other ABS	357,325,340	13,890,028	4,325,927	366,889,441
Total	$ 884,300,472	$ 79,660,682	$ 4,342,793	$ 959,618,361

2019	Carrying Value	Gross Unrealized Capital Gains	Gross Unrealized Capital Losses	Estimated Fair Value
MBS:				
Commercial	$ 283,923,656	$ 34,962,969	$ 7,159	$ 318,879,466
Residential	305,269,326	18,939,236	775,119	323,433,443
	589,192,982	53,902,205	782,278	642,312,909
Other ABS	306,049,860	7,368,840	541,780	312,876,920
Total	$ 895,242,842	$ 61,271,045	$ 1,324,058	$ 955,189,829

Aging of unrealized capital losses on the Company's structured securities as of December 31, was as follows:

2020	Less than One Year: Estimated Fair Value	Less than One Year: Gross Unrealized Capital Losses	One Year or More: Estimated Fair Value	One Year or More: Gross Unrealized Capital Losses	Total: Estimated Fair Value	Total: Gross Unrealized Capital Losses
MBS:						
Commercial	$ 5,499,870	$ 4,899	$ -	$ -	$ 5,499,870	$ 4,899
Residential	263,250	11,948	10,350	19	273,600	11,967
	5,763,120	16,847	10,350	19	5,773,470	16,866
Other ABS	81,816,155	4,311,033	2,638,926	14,893	84,455,081	4,325,926
Total	$ 87,579,275	$4,327,880	$2,649,276	$14,912	$ 90,228,551	$4,342,792

2019	Less than One Year: Estimated Fair Value	Less than One Year: Gross Unrealized Capital Losses	One Year or More: Estimated Fair Value	One Year or More: Gross Unrealized Capital Losses	Total: Estimated Fair Value	Total: Gross Unrealized Capital Losses
MBS:						
Commercial	$ 268,886	$ 7,159	$ -	$ -	$ 268,886	$ 7,159
Residential	81,315,930	774,870	10,784	249	81,326,714	775,119
	81,584,816	782,029	10,784	249	81,595,600	782,278
Other ABS	107,801,475	536,387	2,855,095	5,393	110,656,570	541,780
Total	$189,386,291	$1,318,416	$2,865,879	$ 5,642	$192,252,170	$1,324,058

A portion of the Commercial and Residential MBS portfolios is backed by collateral guaranteed or insured by a government agency. As of December 31, 2020 and 2019, 60% and 68%, respectively, of the carrying value of Residential MBS portfolio was guaranteed by a government agency. As of December 31, 2020 and 2019, 76% and 75%, respectively, of the carrying value of Commercial MBS portfolio was guaranteed by a government agency.

OTTI is recognized based on the Company's intent to sell, inability to hold to maturity, and when the present value of future cash flows is expected to be less than amortized cost of the security. There was no OTTI on loan-backed and structured securities related to the intent to sell or inability to hold to maturity during 2020 or 2019. All of the Company's OTTI on loan-backed and structured securities during 2020 and 2019 were based on the present value of future cash flows expected to be less than amortized cost of the security as shown in the following table:

2020	**Amortized Cost Basis Before Current Period OTTI**	**Present Value of Projected Cash Flows**	**Recognized OTTI**	**Amortized Cost Basis After OTTI**	**Fair Value at the Date of Impairment**	**Date of Financial Statement Where Reported**
CUSIP:						
03235TAA5	$ 2,659,084	$ 1,548,324	$1,110,760	$ 1,548,324	$ 1,548,324	09/30/2020
26827EAA3	3,555,497	3,392,982	162,515	3,392,982	3,321,368	09/30/2020
G4301UAH7	9,784,328	8,419,635	1,364,693	8,419,635	7,830,982	12/31/2020
Total	$15,998,909	$13,360,941	$2,637,968	$13,360,941	$12,700,674	

2019	**Amortized Cost Basis Before Current Period OTTI**	**Present Value of Projected Cash Flows**	**Recognized OTTI**	**Amortized Cost Basis After OTTI**	**Fair Value at the Date of Impairment**	**Date of Financial Statement Where Reported**
CUSIP:						
46625MDA4	$ 71,068	$ -	$ 71,068	$ -	$ -	03/31/2019
03235TAA5	5,724,223	2,689,000	3,035,223	2,689,000	2,688,971	12/31/2019
Total	$ 5,795,291	$ 2,689,000	$3,106,291	$ 2,689,000	$ 2,688,971	

4. **FAIR VALUE MEASUREMENTS**

The categorization of fair value measurements determined on a recurring basis, by input level, as of December 31, was as follows:

2020	**Quoted Prices in Active Markets for Identical Assets or Liabilities (Level 1)**	**Significant Other Observable Inputs (Level 2)**	**NAV**	**Total**
State and political subdivisions securities	$ -	$ 786,322	$ -	$ 786,322
Derivative Cash Collateral	2,780,000	-	-	2,780,000
SVO identified funds—ETFs	2,572,131	-	-	2,572,131
Common stocks—unaffiliated	84,118,409	2,552,800	23,186,733	109,857,942
Securities lending and repurchase agreement cash collateral	357,301,599	-	-	357,301,599
Securities lending and repurchase agreement cash collateral liability	(357,301,599)	-	-	(357,301,599)
Total	$ 89,470,540	$ 3,339,122	$23,186,733	$ 115,996,395

2019	**Quoted Prices in Active Markets for Identical Assets or Liabilities (Level 1)**	**Significant Other Observable Inputs (Level 2)**	**NAV**	**Total**
State and political subdivisions securities	$ -	$ 740,344	$ -	$ 740,344
SVO identified funds—ETFs	1,091,733	-	-	1,091,733
Common stocks—unaffiliated	23,234,332	17,250,100	20,825,155	61,309,587
Securities lending and repurchase agreement cash collateral	300,136,330	-	-	300,136,330
Securities lending and repurchase agreement cash collateral liability	(300,136,330)	-	-	(300,136,330)
Derivative cash collateral held liability	(3,020,000)	-	-	(3,020,000)
Total	$ 21,306,065	$17,990,444	$20,825,155	$ 60,121,664

A description of the significant inputs and valuation techniques used to determine estimated fair value for assets and liabilities on a recurring basis is as follows:

Level 1 Measurements

SVO Identified Funds-ETFs and Common Stocks-Unaffiliated—These securities are principally valued using the market approach. The valuation of these securities is based principally on observable inputs including quoted prices in active markets.

Derivative Cash Collateral Held and Securities Lending and Repurchase Agreement Cash Collateral and Payable for Securities Lending—Comprised of U.S. Direct Obligation/Full Faith and Credit Exempt money market instruments, commercial paper, cash, and all highly-liquid debt securities purchased with an original maturity of less than three months. The money market instruments are valued using unadjusted quoted prices in active markets that are accessible for identical assets and are primarily classified as Level 1. If public quotations are not available for commercial paper or debt securities, because of the highly-liquid nature of these assets, the carrying amount may be used to approximate fair value.

Level 2 Measurements

State and Political Subdivisions Securities—These securities are principally valued using the market approach, which uses prices and other relevant information generated by market transactions for similar assets. The valuation of these securities is based primarily on quoted prices in active markets, or through the use of matrix pricing or other similar techniques using standard market observable inputs such as the benchmark U.S. Treasury yield curve, the spread from the U.S. Treasury curve for the identical security and comparable securities that are actively traded.

Common Stocks-Unaffiliated—These FHLB capital stocks are only redeemable at par, so fair value is presumed to be par.

Level 3 Measurements

In general, investments classified within Level 3 use many of the same valuation techniques and inputs as described above. However, if key inputs are unobservable, or if the investments are illiquid and there is very limited trading activity, the investments are generally classified as Level 3. The use of independent non-binding broker quotations to value investments generally indicates there is a lack of liquidity or the general lack of transparency to develop the valuation estimates, causing these investments to be classified in Level 3.

Net Transfers into and out of Level 3—During the year ended December 31, 2020, there was one transfer in/out of Level 3, respectively. During the year ended December 31, 2019, there was no transfers into and out of Level 3, respectively.

NAV

Common Stocks-Unaffiliated—These securities consist of open-ended real estate trusts and are principally valued using the net asset values provided by the asset managers.

There were no changes in assets and liabilities measured at fair value on a recurring basis using significant unobservable inputs (Level 3) during the years ended December 31, 2020 and 2019.

Fair Value of Financial Instruments—The carrying value, estimated fair value, and fair value hierarchy level of the Company's financial instruments as of December 31, were as follows:

2020	Carrying Value	Estimated Fair Value	Level 1	Level 2	Level 3	NAV	Not Practicable (Carrying Value)
Financial assets:							
Bonds	$4,453,241,138	$5,219,682,681	$ 2,572,131	$4,811,900,705	$405,209,845	$ -	$ -
Preferred stocks	6,124,891	6,784,743	-	6,784,743	-	-	-
Common stocks—unaffiliated	110,532,842	110,532,842	84,118,409	2,552,800	-	23,186,733	674,900
Mortgage loans	297,139,107	319,795,254	-	-	319,795,254	-	-
Other invested assets—surplus notes	26,248,360	27,499,472	-	27,499,472	-	-	-
Cash and cash equivalents	42,310	42,099	(963,735)	1,005,834	-	-	-
Short-term investments	76,310,437	76,317,276	-	76,317,276	-	-	-
Securities lending and repurchase agreement cash collateral	357,301,599	357,301,599	357,301,599	-	-	-	-
Derivative assets	2,560,861	2,812,195	-	1,312,195	1,500,000	-	-
Financial liabilities:							
Borrowings	12,201,535	12,201,535		12,201,535	-	-	-
Payable for securities lending	357,301,599	357,301,599	357,301,599	-	-	-	-
Derivative liabilities	6,899,994	4,387,825	-	4,387,825	-	-	-

2019	Carrying Value	Estimated Fair Value	Level 1	Level 2	Level 3	NAV
Financial assets:						
Bonds	$3,890,579,678	$4,315,246,432	$ 1,091,733	$4,017,467,981	$296,686,718	$ -
Preferred stocks	7,780,966	8,543,966	-	8,543,966	-	-
Common stocks—unaffiliated unaffiliated	61,309,587	61,309,587	23,234,332	17,250,100	-	20,825,155
Mortgage loans	274,346,238	290,607,523	-	-	290,607,523	-
Other invested assets—surplus notes	4,039,752	4,354,470	-	4,354,470	-	-
Cash and cash equivalents	70,919,695	70,914,743	68,584,441	2,330,302	-	-
Short-term investments	61,233,017	61,232,423	-	61,232,423	-	-
Securities lending and repurchase agreement cash collateral	300,136,330	300,136,330	300,136,330	-	-	-
Derivative assets	3,870,495	4,071,812	-	4,071,812	-	-
Financial liabilities:						
Borrowings	499,275,086	499,275,086	383,775,086	115,500,000	-	-
Payable for securities lending	300,136,330	300,136,330	300,136,330	-	-	-
Derivative cash collateral	3,020,000	3,020,000	3,020,000	-	-	-
Derivative liabilities	1,888,934	2,188,558	-	2,188,558	-	-

There were no financial instruments for which it was not practicable to determine a fair value for the year ended December 31, 2019.

The following methods and assumptions were used by the Company in estimating its fair value disclosures for financial instruments:

Fair values of securities lending cash collateral, derivative cash collateral, common stocks-unaffiliated, and payable for securities lending are estimated as discussed above. For 2020, it is not practicable to measure fair value in certain common stocks-unaffiliated.

Bonds—Fair values for bonds, including loan-backed securities, are based on quoted market prices, where available. For bonds for which market values are not readily available, fair values were estimated by the Company using projected future cash flows, current market rates, credit quality, and maturity date.

Preferred Stocks—Fair values for preferred stocks are based on market value, where available. For preferred stocks for which market values are not available, fair values were estimated by the Company using projected future cash flows, current market rates, credit quality, and maturity date.

Mortgage Loans—Fair values for mortgage loans are estimated by discounting expected future cash flows using current interest rates for similar loans with similar credit risk.

Other Invested Assets-Surplus Notes—Fair values for other invested assets-surplus notes are based on quoted market prices for similar assets.

Cash and Cash Equivalents—The carrying amount for cash and other cash equivalents approximates fair value.

Short-Term Investments—Fair values for short-term investments includes public bonds and short-term revolvers. The public bonds are valued using a discounted cash flow methodology using standard market observable inputs, and inputs derived from, or corroborated by, market observable data, including the market yield curve, duration, call provisions, observable prices, and spreads for similar publicly traded issues that incorporate the credit quality and industry sector of the issuer. The carrying amount of short-term revolvers approximates fair value.

Borrowings—The carrying amount for borrowings approximates fair value due to the short-term nature.

Derivative Assets and Liabilities—These derivatives consist of foreign currency swaps and are principally valued using an income approach. The valuation of these securities are based on option pricing models, which utilize significant inputs that may include the swap yield curve, LIBOR basis curves, currency spot rates, and cross currency basis curves.

5. DERIVATIVE FINANCIAL INSTRUMENTS

The following table summarizes the Company's derivative financial instruments as of December 31:

	Notional	Credit	Carrying Value		Estimated Fair Value	
2020	**Amount**	**Exposure**	**Assets**	**Liabilities**	**Assets**	**Liabilities**
Foreign current swaps	$123,427,049	$1,722,671	$1,060,861	$6,899,994	$1,312,195	$4,387,825
Warrants	1,500,000	-	1,500,000	-	1,500,000	-
Total	$124,927,049	$1,722,671	$2,560,861	$6,899,994	$2,812,195	$4,387,825

	Notional	Credit	Carrying Value		Estimated Fair Value	
2019	**Amount**	**Exposure**	**Assets**	**Liabilities**	**Assets**	**Liabilities**
Foreign currency swaps	$114,723,049	$1,693,460	$3,870,495	$1,888,934	$4,071,812	$2,188,558
Total	$114,723,049	$1,693,460	$3,870,495	$1,888,934	$4,071,812	$2,188,558

The following changes in value of derivatives for the years ended December 31, were reported on the statutory financial statements as follows:

2020	**Unrealized Capital Losses**	**Net Investment Income**
Foreign currency swaps	$ 7,820,694	$ 1,730,107

2019	**Unrealized Capital Losses**	**Net Investment Income**
Foreign currency swaps	$ 1,460,282	$ 1,664,741

Certain of the Company's derivative instruments contain provisions requiring collateral against fair value subject to minimum transfer amounts. The aggregate fair value of all the derivative instruments with collateral features resulted in a net liability of $1,575,630 as of December 31, 2020 and a net asset of $1,883,254 as of December 31, 2019. The Company pledged $2,780,000 of cash collateral as of December 31, 2020 and was holding $3,020,000 of cash collateral as of December 31, 2019. The Company did not pledge any cash collateral as of December 31, 2019 and was not holding any cash collateral as of December 31, 2020.

6. INCOME TAXES

The Company is the parent corporation of an affiliated group of corporations that file a consolidated U.S. Corporate Income Tax Return. As of December 31, 2020, the Company's federal income tax return was consolidated with the following affiliates: Mutual of Omaha Holdings, Inc. and its subsidiaries; Medicare Advantage Company; OFHI. and certain of its subsidiaries including Mutual Community Development Company, OMAFIN, Inc., and Mutual of Omaha Mortgage, Inc. (formerly Synergy One Lending, Inc.); Omaha Health Insurance Company; Omaha Supplemental Insurance Company; United of Omaha; Companion; Medicare Advantage Insurance Company of Omaha; Mutual of Omaha Structured Settlement Company; Omaha Reinsurance Company; United World Life Insurance Company ("United World"); and the Bank. On January 1, 2020, OFHI sold the Bank to a third party. The Company also files state income tax returns in certain jurisdictions.

Federal income tax is allocated between the members of the consolidated return pursuant to a written agreement approved by the Board of Directors. Each member's provision for federal income tax incurred is based on a separate return calculation wherein the current tax benefit for net operating losses, capital losses, charitable contributions, and credits are not included until such would have been recognized on a separate return basis. An exception exists for Omaha Reinsurance Company which is entitled to the benefit for losses, deductions, and credits when realized. Otherwise, the Company has the right to utilize any net operating loss, capital loss, charitable contribution, or credit realized in the consolidation. The difference between the Company's separate federal income tax incurred and the consolidated federal income tax incurred is reported as a charge or credited to surplus. Amounts due to subsidiaries as of December 31, 2020 and 2019 were $14,288,814 and $1,260,845, respectively. These amounts were included in federal income taxes recoverable.

On December 22, 2017, the Tax Cuts and Jobs Act ("Act") was signed into law. The Act included numerous changes, including a permanent reduction in the federal corporate income tax rate from 35% to 21%.

There were no deposits admitted under Section 6603 of the Internal Revenue Service Code.

Federal income tax (benefit) incurred for the years ended December 31, consisted of the following major components:

	2020	2019
Current federal income tax	$ 1,102,354	$ 653,157
Federal income tax on net realized capital gain (loss)	2,395,920	2,084,124
Federal income tax	3,498,274	2,737,281
Change in net deferred income tax (benefit)	19,814,101	(54,288,438)
Total federal income tax (benefit) incurred	$ 23,312,375	$(51,551,157)

Reconciliations between federal income tax (benefit) based on the federal corporate income tax rate and the effective tax rate for the years ended December 31, were as follows:

	2020	2019
Net income (loss) from operations before income tax expense and net realized capital loss	$ 788,424,752	$(124,146,065)
Net realized capital gain (loss) before income tax (benefit) and transfers to IMR	(9,108,616)	4,081,465
Total pre-tax income (loss)	779,316,136	(120,064,600)
Statutory tax rate	21 %	21 %
Expected federal income tax (benefit) incurred	163,656,389	(25,213,566)
Prior year tax expenses	(146,990)	(684,771)
Change in nonadmitted assets	(4,292,714)	3,350,838
Amortization of IMR	(187,190)	(77,574)
Pension liability adjustments	(17,568,038)	(15,283,235)
Life insurance cash values	(17,622,696)	(14,707,389)
Losses from disregarded entities	(3,539,794)	(2,090,638)
Dividends received deductions	(99,447,358)	(901,198)
Tax credit investment and realization	6,426,547	7,076,584
Net interest income reported in federal income tax (benefit)	(3,653,974)	(2,255,288)
Other	(311,807)	690,010
Federal income tax (benefit) at effective tax rate before 2017 tax legislation	23,312,375	(50,096,227)
Impact of 2017 tax legislation	-	(1,454,930)
Total federal income tax (benefit) at effective tax rate after 2017 tax legislation	$ 23,312,375	$ (51,551,157)

The Company files income tax returns in the U.S. federal jurisdiction and certain state jurisdictions. Generally, the current and three preceding calendar years remain subject to examination. The Internal Revenue Service has initiated audits of Mutual of Omaha and its subsidiaries' federal income tax returns for calendar years 2014 through 2018 related to losses incurred and carried back to earlier tax years. At this time, no material adjustments are expected as a result of this examination.

Net operating losses incurred after December 31, 2017 cannot be carried back to prior years but carry forward indefinitely where such carryforward is limited to a deduction equal to 80% of the taxable income in any one year. An exception to the carryback limitation was enacted during 2020 as part of the CARES Act ("Coronavirus Aid, Relief, and Economic Security Act") allowing losses incurred in calendar years 2018 through 2020 to be carried back five years. The Company has net operating loss carryforwards of $22,072,788 as of December 31, 2020.

For the years ended December 31, 2020 and 2019, there was no income tax accrual for uncertain tax positions. As of December 31, 2020, there were no positions for which management believes it is reasonably possible that the total amounts of tax contingencies will significantly increase within twelve months of the reporting date.

As of December 31, 2020 and 2019, based on the weight of available positive and negative evidence and the expectation that more likely than not the DTAs will be realized, no valuation allowance was recorded.

The components of DTA and DTL as of December 31, were as follows:

	2020		
	Ordinary	**Capital**	**Total**
Gross DTA	$ 290,017,549	$ 12,059,592	$ 302,077,141
Nonadmitted DTA	(170,133,252)	(9,029,151)	(179,162,403)
Net admitted DTA	119,884,297	3,030,441	122,914,738
DTL	(37,221,517)	(2,219,753)	(39,441,270)
Net DTA	$ 82,662,780	$ 810,688	$ 83,473,468

	2019		
	Ordinary	**Capital**	**Total**
Gross DTA	$ 325,204,532	$ 28,075,481	$ 353,280,013
Nonadmitted DTA	(207,277,761)	(23,115,552)	(230,393,313)
Net admitted DTA	117,926,771	4,959,929	122,886,700
DTL	(45,290,794)	(4,149,241)	(49,440,035)
Net DTA	$ 72,635,977	$ 810,688	$ 73,446,665

The Company has admitted DTAs as of December 31, as follows:

	2020		
	Ordinary	**Capital**	**Total**
Federal income tax paid in prior years recoverable through loss carrybacks	$ -	$ 810,688	$ 810,688
Adjusted gross DTA expected to be realized (lesser of 1 or 2)	82,662,780	-	82,662,780
1. Adjusted gross DTA expected to be realized following the balance sheet date	82,662,780	-	82,662,780
2. Adjusted gross DTA allowed per limitation threshold	N/A	N/A	578,911,561
Adjusted gross DTA that can be offset by DTL	37,221,517	2,219,753	39,441,270
DTA admitted as the result of application of SSAP 101	$119,884,297	$3,030,441	$122,914,738

	2019		
	Ordinary	**Capital**	**Total**
Federal income tax paid in prior years recoverable through loss carrybacks	$ -	$ -	$ -
Adjusted gross DTA expected to be realized (lesser of 1 or 2)	72,635,977	810,688	73,446,665
1. Adjusted gross DTA expected to be realized following the balance sheet date	72,635,977	810,688	73,446,665
2. Adjusted gross DTA allowed per limitation threshold	N/A	N/A	432,806,397
Adjusted gross DTA that can be offset by DTL	45,290,794	4,149,241	49,440,035
DTA admitted as the result of application of SSAP 101	$117,926,771	$4,959,929	$122,886,700

The authorized control level risk-based capital ("RBC") ratio percentages used to determine recovery period and threshold limitation amounts were 908% and 726% as of December 31, 2020 and 2019, respectively. The amounts of adjusted capital and surplus used to determine recovery period and threshold limitations were $3,845,757,354 and $3,355,690,864 as of December 31, 2020 and 2019, respectively.

The Company has not utilized an income tax planning strategy for the realization of the DTA for 2020 or 2019.

The tax effects of temporary differences that give rise to significant portions of the DTA and DTL as of December 31, were as follows:

	2020	2019	Change
DTA:			
Ordinary:			
Policy reserves	$ 71,125,981	$ 69,711,097	$ 1,414,884
Deferred acquisition costs	63,487,555	56,824,799	6,662,756
Expense accruals and other prepaid income	55,349,181	44,544,969	10,804,212
Pension liability	59,448,837	43,195,003	16,253,834
Nonadmitted assets	4,566,047	3,978,511	587,536
Bonds and other invested assets	6,186,097	10,738,469	(4,552,372)
Net operating loss carryforwards	6,336,852	77,027,226	(70,690,374)
Depreciation and amortization	7,499,007	6,777,816	721,191
Other	16,017,992	12,406,642	3,611,350
Subtotal	290,017,549	325,204,532	(35,186,983)
Nonadmitted DTA	(170,133,252)	(207,277,761)	37,144,509
Admitted ordinary DTA	119,884,297	117,926,771	1,957,526
Capital—investments	12,059,592	28,075,481	(16,015,889)
Subtotal	12,059,592	28,075,481	(16,015,889)
Nonadmitted	(9,029,151)	(23,115,552)	14,086,401
Admitted capital DTA	3,030,441	4,959,929	(1,929,488)
Admitted DTA	122,914,738	122,886,700	28,038
DTL:			
Ordinary:			
Investments	(3,851,659)	(4,089,193)	237,534
Policyholder reserves	(23,799,227)	(29,898,576)	6,099,349
Other	(9,570,631)	(11,303,025)	1,732,394
Subtotal	(37,221,517)	(45,290,794)	8,069,277
Capital—investments	(2,219,753)	(4,149,241)	1,929,488
Subtotal	(2,219,753)	(4,149,241)	1,929,488
DTL	(39,441,270)	(49,440,035)	9,998,765
Net admitted DTA	$ 83,473,468	$ 73,446,665	$ 10,026,803

The Company does not recognize a temporary difference related to the unrealized capital gains (losses) for its investment in subsidiaries. The net operating loss carryforward reported in the DTA is a tax sharing attribute and does not represent an amount eligible to offset taxable income in a specific jurisdiction.

The change in net deferred income tax, exclusive of nonadmitted assets reported separately in surplus in the annual statement, during the years ended December 31, was comprised of the following:

	2020	2019	Change
DTA	$ 302,077,141	$ 353,280,013	$(51,202,872)
DTL	(39,441,270)	(49,440,035)	9,998,765
Net DTA	$ 262,635,871	$ 303,839,978	(41,204,107)
Tax effect of unrealized capital gains (losses)			21,390,006
Change in net deferred income tax			$(19,814,101)

	2019	2018	Change
DTA	$ 353,280,013	$ 294,963,016	$ 58,316,997
DTL	(49,440,035)	(51,808,506)	2,368,471
Net DTA	$ 303,839,978	$ 243,154,510	60,685,468
Tax effect of unrealized capital gains (losses)			(6,397,030)
Change in net deferred income tax			$ 54,288,438

7. RELATED PARTY INFORMATION

The Company's investments in non-insurance Subsidiary, Controlled, or Affiliated entities' ("SCA"), as of December 31, were as follows:

	2020		2019	
	Admitted	Nonadmitted	Admitted	Nonadmitted
Omaha Financial Holdings, Inc.	$ 136,166,938	$ -	$ 1,001,652,193	$ -
ECR	45,385,983	-	59,370,317	-
Mutual of Omaha Investor Services, Inc.	3,355,973	-	3,291,976	-

The Company utilizes the look-through approach in valuing its investment in Mutual of Omaha Holdings, Inc. and OFHI. Mutual of Omaha Holdings, Inc. and OFHI are not audited and in accordance with SSAP 97 *Investment in Subsidiary, Controlled and Affiliated Entities*, they are stated at the combined value of their audited subsidiaries. Mutual of Omaha Holdings, Inc. is stated at the combined value of Mutual of Omaha Investor Services, Inc., valued at its audited GAAP equity of $3,355,973, and Omaha Insurance Company, valued at its underlying statutory surplus of $55,964,196. OFHI is stated at the value of its audited subsidiary Mutual of Omaha Mortgage, Inc., valued at its audited GAAP equity of $136,166,938. ECR is stated at the underlying GAAP equity of $45,385,983.

The Company has an investment in an insurance SCA, United of Omaha, for which the audited statutory surplus and income reflects a departure from NAIC SAP, for a previously prescribed accounting practice from the NDOI. The prescribed practice required an accounting practice for synthetic guaranteed interest contracts ("synthetic GIC") that differed from NAIC SAP in how certain reserves were determined. The regulation was amended and is now consistent with NAIC SAP. In 2019, this practice increased net income by $6,930,318 and decreased surplus by $339,404. The Company's investment in United of Omaha was $1,761,937,972 at December 31, 2019. The investment would have been $1,762,277,376 at December 31, 2019, without the prescribed practice. The RBC of United of Omaha would not have triggered a regulatory event if the prescribed practice was not used.

The carrying value of United of Omaha exceeds 10% of the admitted assets of the Company. Due to the sale of the bank and the subsequent dividend, the carrying value of OFHI no longer exceeds 10% of the admitted assets of the Company as of December 31, 2020. The Company carries its investment in United of Omaha and OFHI on the statutory surplus method and the GAAP equity method, respectively. Assets, liabilities, and results of operations for United of Omaha and OFHI as of December 31, were as follows:

	2020	**2019**	
	United of Omaha	**United of Omaha**	**OFHI**
Admitted assets	$28,649,865,991	$26,246,357,059	$8,735,294,023
Liabilities	26,779,071,275	24,484,419,087	7,733,641,831
Net income	77,994,756	136,209,532	65,997,800

The Company has the following borrowing and lending agreements available to related parties as of December 31, 2020. All of the amounts outstanding are included in short-term investments on the statutory statements of admitted assets, liabilities, and surplus. The Company has the following bilateral unsecured revolving line of credit agreements available to affiliates as of December 31, 2020. The interest rate for borrowings under these agreements in 2020 was from 0.15% to 1.65%.

Borrowing Company	**Date Issued**	**Maximum Borrowing**	**Carrying Value of Debt**
United of Omaha	03/27/2020	$ 250,000,000	$ 57,300,000
United World	03/27/2020	20,000,000	-
Omaha Insurance Company	10/09/2020	30,000,000	10,000,000
Companion	11/19/2020	23,000,000	-

Effective December 1, 2019 the Company terminated the $96,900,000 revolving line of credit agreement with ECR and forgave the outstanding balance of $59,969,512 in the form of a cash contribution.

The Company also has the following unsecured demand revolving line of credit agreements available to affiliates as of December 31, 2020. The interest rate for borrowings under these agreements in 2020 was from 0.15% to 1.95%.

Borrowing Company	**Date Credit Issued**	**Maximum Borrowing**	**Carrying Value of Debt**
Medicare Advantage Company	03/27/2020	$ 50,000,000	$ -
Omaha Supplemental Insurance Company	07/24/2020	30,000,000	-
Omaha Reinsurance Company	09/25/2020	30,000,000	-
ECR	11/23/2020	5,000,000	-
Omaha Health Insurance Company	12/01/2020	200,000,000	-

The Company has the following bilateral unsecured revolving line of credit agreements available from affiliates as of December 31, 2020.

Lending Company	**Date Credit Issued**	**Maximum Borrowing**	**Carrying Value of Debt**
United of Omaha	03/27/2020	$ 500,000,000	$ -
United World	03/27/2020	20,000,000	7,200,000
Omaha Insurance Company	10/09/2020	30,000,000	-
Companion	11/19/2020	23,000,000	-

All of the above lending and borrowing agreements are substantially similar to the agreement held in the prior year.

The Company received the following distributions and made the following capital contributions with its affiliates during the years ended December 31:

2020					
Date	Return of Capital Received	Dividends Received	Capital Contributions	Affiliate	Description
January 2	$423,351,297	$ -	$ -	OFHI	Cash
January 2	-	317,323,867	-	OFHI	Cash
January 2	-	141,211,024	-	OFHI	Stock
February 14	-	-	25,000,000	Omaha Health Insurance Company	Cash
March 13	-	-	25,000,000	Omaha Health Insurance Company	Cash
April 24	-	-	25,000,000	Omaha Health Insurance Company	Cash
May 18	-	-	40,000,000	Omaha Health Insurance Company	Cash
June 15	-	-	50,000,000	Omaha Health Insurance Company	Cash
July 8	56,749,929	-	-	OFHI	COLI
July 21	10,000,000	-	-	OFHI	Cash
August 10	-	-	40,000,000	Omaha Health Insurance Company	Cash
September 14	-	-	45,000,000	Omaha Health Insurance Company	Cash
September 28	-	-	2,275,667	OFHI	Cash
November 2	-	10,000,000	-	OFHI	Cash
November 23	-	-	50,000,000	Omaha Health Insurance Company	Cash

2019					
Date	Return of Capital Received	Dividends Received	Capital Contributions	Affiliate	Description
February 20	$ -	$ -	$ 2,500,000	Omaha Supplemental Insurance Company	Cash
March 25	-	-	15,000,000	Omaha Health Insurance Company	Cash
May 17	-	-	2,000,000	Mutual of Omaha Holdings, Inc.	Cash
June 3	-	-	25,000,000	Omaha Health Insurance Company	Cash
June 28	-	-	6,000,000	ECR	Cash
June 28	-	-	2,500,000	Turner Park North, LLC.	Cash
July 29	-	-	5,000,000	Omaha Supplemental Insurance Company	Cash
August 28	-	-	15,000,000	Omaha Health Insurance Company	Cash
October 10	-	-	15,000,000	Omaha Health Insurance Company	Cash
December 1	-	-	59,969,512	ECR	Cash
December 16	-	-	20,000,000	Omaha Health Insurance Company	Cash
December 26	-	-	10,000,000	Omaha Insurance Company	Cash
December 26	-	-	10,000,000	Omaha Supplemental Insurance Company	Cash

The Company is a member of a controlled group of companies and as such, its results may not be indicative of those if it were to be operated on a stand-alone basis. Any amounts due to or from each affiliated company are presented on a net basis on the statutory financial statements.

The Company and certain of its direct and indirect subsidiaries share certain resources such as personnel, operational and administrative services, facilities, information and communication services, employee benefits administration, investment management, advertising and general management services. Most of the expenses related to these resources were paid by the Company and are subject to allocation among the Company and such subsidiaries. Management believes the measures used to allocate expenses among companies provide a reasonable allocation that conforms to NAIC guidelines. Additionally, certain amounts are paid or collected by the Company on behalf of its direct and indirect subsidiaries and are usually settled within 30 days. Amounts due to the Company for these services were included in receivable from subsidiaries and were $141,335,738 and $87,432,396 as of December 31, 2020 and 2019, respectively. Also included in receivable from subsidiaries was net amounts due to the Company for premiums deposited, tax payments, claims processed, and commissions paid.

8. BORROWINGS AND SECURITIES LENDING

On May 3, 2019, the Company entered into a senior unsecured five-year credit facility, which includes letter-of-credit and short-term sub-facilities, that allows for an aggregate maximum borrowing of $300,000,000. The Company may elect to increase the commitment at any time in an amount not to exceed $100 million. As of the closing date, the Company and United of Omaha terminated their joint unsecured revolving line of credit agreements, which had scheduled maturity dates in June 2019. As of December 31, 2020 and 2019, the Company had no outstanding borrowings under this agreement.

FHLB—The Company is a member of FHLB of Topeka. The Company has an agreement with the FHLB under which the Company pledges FHLB approved collateral in return for extensions of credit. It is part of the Company's strategy to utilize these funds for operations or other long-term projects. The Company and United of Omaha have each entered into borrowing agreements with the FHLB. On March 6, 2020, the Board of Directors of the Company approved an enterprise-wide aggregate operating leverage limit ("Enterprise-Wide Limit") on debt. The Company and United of Omaha have been authorized by their Boards of Directors to obtain extensions of credit under their agreements with the FHLB on a combined basis in an amount not to exceed $2,500,000,000. There was $5,000,000 long-term and $383,335,328 short-term outstanding borrowings as of December 31, 2020 and 2019, respectively. The maximum amount borrowed by the Company under this agreement was $223,750,000 and $383,335,328 during the years ended December 31, 2020 and 2019, respectively.

The collateral pledged to FHLB as of December 31, was as follows:

	2020	**2019**
Estimated fair value	$ 518,559,300	$ 441,319,568
Carrying value	465,662,064	404,945,587
Aggregate total borrowing	5,000,000	383,335,328

The maximum collateral pledged during the years ended December 31, was as follows:

	2020	**2019**
Estimated fair value	$ 550,424,380	$ 441,319,568
Carrying value	487,152,206	404,945,587
Amount borrowed at time of maximum collateral	53,500,000	383,335,328

As of December 31, 2020 and 2019, there was no debt subject to prepayment penalties.

Securities Lending—The Company has an agreement to sell and repurchase securities. On March 6, 2020, the Board of Directors of the Company rescinded the maximum borrowing limit of $100,000,000 for repurchase transactions and approved the Enterprise-Wide Limit.

The Company had securities loaned to third parties of $346,738,917 and $299,927,374 as of December 31, 2020 and 2019, respectively. The securities loaned as of December 31, 2020 and 2019, were under bilateral repurchase agreements on open terms whereby the related loaned security could be returned to the Company on the next business day requiring return of cash collateral. The Company cannot access the cash collateral unless the borrower fails to deliver the loaned securities.

The transfers of financial assets accounted for as secured borrowings as of December 31, were as follows:

	2020	2019
Assets:		
Cash	$ 18,502,421	$ 48,499,650
Cash equivalents	169,734,807	104,221,313
Short-term investments	72,024,508	57,499,398
Bonds	97,039,863	89,915,969
Total securities lending cash collateral	$ 357,301,599	$ 300,136,330
Liabilities:		
Securities lending cash collateral	$ 357,301,599	$ 300,136,330

The estimated fair value of the Company's contractually obligated collateral positions for the collateral received as of December 31, were as follows:

	2020	2019
30 days or less	$ 167,441,183	$ 115,269,925
31 to 60 days	22,989,882	12,534,353
61 to 90 days	22,192,226	56,868,647
Greater than 90 days	144,475,154	115,489,991
Total collateral received	$ 357,098,445	$ 300,162,916

The amortized cost and estimated fair value of the aggregate amount of the Company's collateral reinvested as of December 31, were as follows:

2020	Amortized Cost	Estimated Fair Value
Less than 30 days	$ 167,441,085	$ 167,441,183
31 to 60 days	22,989,599	22,989,882
61 to 90 days	22,192,226	22,192,226
91 to 120 days	5,097,702	5,099,371
121 to 180 days	11,747,575	11,759,515
181 to 365 days	63,555,501	63,575,280
1 to 2 years	33,406,514	33,416,906
2 to 3 years	13,670,338	13,671,285
Greater than 3 years	17,201,059	16,952,797
Total collateral reinvested	$ 357,301,599	$ 357,098,445

2019	Amortized Cost	Estimated Fair Value
Less than 30 days	$ 115,268,917	$ 115,269,925
31 to 60 days	12,534,133	12,534,353
61 to 90 days	56,900,647	56,868,647
91 to 120 days	11,359,928	11,373,019
121 to 180 days	10,868,864	10,860,895
181 to 365 days	49,670,750	49,694,368
1 to 2 years	43,533,092	43,561,710
Total collateral reinvested	$ 300,136,330	$ 300,162,917

The Company holds securities with a fair value of $357,098,445 and $300,162,916 in response to collateral of $357,267,337 and $299,927,374 that could be called with one day's notice as of December 31, 2020 and 2019, respectively. Excess liquidity at the Enterprise-Wide Limit would be used to fulfill any remaining obligation due to our lending counterparties.

Of the collateral received, $62,366,310 was for transactions that extended beyond one year from December 31, 2020.

The carrying value and estimated fair value of securities sold under repurchase agreements accounted for as secured borrowings, all of which were designated NAIC 1, was $9,941,116 and $10,581,250, respectively, as of December 31, 2020. There were no securities sold under repurchase agreements as of December 31, 2019.

9. EMPLOYEE BENEFIT PLANS

The Company is both the sponsor and administrator of a non-contributory defined benefit plan ("Pension Plan") covering all U.S. employees meeting certain minimum requirements. Retirement benefits are based upon years of credited service and final average earnings history. Effective January 1, 2005, the Pension Plan was amended to freeze plan benefits for participants under 40 years of age. No benefits are available under the Pension Plan included in pension benefits below for employees hired on or after January 1, 2005. The Company also sponsors and administers a supplemental defined benefit plan covering certain current and former employees. The Company also provides certain postretirement medical and life insurance benefits (other benefits) to retired employees hired before January 1, 1995. Other benefits are based upon hire date, age, and years of service. The Company uses the accrual method of accounting for other benefits.

Projected Benefit Obligations and Plan Assets—The Company has no pension or other benefit plans in which projected benefit obligations are overfunded as of December 31, 2020 and 2019. The changes in the projected benefit obligation and plan assets for the Company's underfunded plans as of December 31, the measurement date, were as follows:

	Pension Benefits		Other Benefits	
	2020	2019	2020	2019
Change in benefit obligation:				
Benefit obligation at beginning of year	$ 1,292,789,499	$ 1,171,295,945	$ 49,895,800	$ 45,360,417
Service cost	5,793,665	5,879,660	122,688	101,811
Interest cost	46,090,841	53,128,463	1,733,414	1,994,156
Actuarial (gain) loss	143,997,650	119,390,644	(337,407)	6,673,428
Benefits paid	(58,104,527)	(56,905,213)	(5,295,150)	(4,234,012)
Benefit obligation at end of year	$ 1,430,567,128	$ 1,292,789,499	$ 46,119,345	$ 49,895,800
Change in plan assets:				
Fair value of plan assets at beginning of year	$ 1,034,551,749	$ 978,284,557	$ 8,794,800	$ 10,102,349
Actual return on plan assets	110,875,474	109,694,746	208,773	(1,288,663)
Employer contribution	3,477,659	3,477,659	-	-
Benefits paid	(58,104,527)	(56,905,213)	(1,369,851)	(18,886)
Fair value of plan assets at end of year	$ 1,090,800,355	$ 1,034,551,749	$ 7,633,722	$ 8,794,800

As of December 31, 2020 and 2019, the amount of the accumulated benefit obligation for defined-benefit pension plans was $1,411,785,987 and $1,270,300,909, respectively.

The funded status and components of net periodic benefit costs for the years ended December 31, were as follows:

	Pension Benefits		Other Benefits	
	2020	2019	2020	2019
Prepaid benefit costs	$102,686,827	$100,396,980	$ -	$ -
Total assets	$102,686,827	$100,396,980	$ -	$ -
Accrued benefit cost	$ 31,746,397	$ 32,264,399	$34,968,724	$36,904,555
Liability for pension benefits	308,020,376	225,973,351	3,516,899	4,196,445
Total liabilities recognized	$339,766,773	$258,237,750	$38,485,623	$41,101,000
Components of net periodic benefit cost:				
Service cost	$ 5,793,665	$ 5,879,660	$ 122,688	$ 101,811
Interest cost	46,090,841	53,128,463	1,733,414	1,994,156
Expected return on plan assets	(60,375,602)	(61,832,667)	(351,414)	(397,370)
Amount of recognized gains and losses	9,160,906	6,500,417	-	13,969
Amount of prior service cost recognized	-	-	484,780	596,330
Total net periodic benefit cost	$ 669,810	$ 3,675,873	$ 1,989,468	$ 2,308,896

The amounts in unassigned funds (surplus) recognized as components of net periodic benefit costs for the years ended December 31, were as follows:

	Pension Benefits		Other Benefits	
	2020	2019	2020	2019
Amounts in unassigned funds (surplus) recognized as components of net periodic benefit cost:				
Items not yet recognized in net periodic cost at the beginning of the year	$326,370,331	$261,342,183	$4,196,445	$(3,553,717)
Amortization of prior service cost	-	-	(484,780)	(596,330)
Net (gain) loss arising during the year	93,497,778	71,528,565	(194,766)	8,359,461
Amortization of actuarial loss	(9,160,906)	(6,500,417)	-	(13,969)
Items not yet recognized in net periodic cost at the end of the year	$410,707,203	$326,370,331	$3,516,899	$ 4,195,445

The following benefit payments are expected to be paid as of December 31:

	2021	2022	2023	2024	2025	2026–2030
Pension benefits	$69,576,032	$72,382,084	$74,887,719	$77,350,566	$79,389,344	$404,743,644
Other postretirement benefits	$ 4,099,000	$ 4,048,000	$ 3,924,000	$ 3,792,000	$ 3,643,000	$ 15,779,000

The Pension Plan assets as of December 31, included the following:

	2020	2019
United group annuity contract:		
General asset account	$ 776,935,270	$ 652,727,078
Separate Account K equity securities	37,365,638	47,913,644
Separate Account IIF equity securities	94,342,314	111,440,573
Equity securities—domestic	-	32,351,422
Equity securities—foreign	95,101,220	105,620,414
Limited partnerships	87,055,913	84,498,618
Total	$1,090,800,355	$1,034,551,749

Investments in the group annuity contract include the general asset account, which is valued at contract value, Separate Account K, and Separate Account IIF. The Separate Account K and Separate Account IIF funds are recorded at fair value of the defined-benefit pension plan's proportionate share of the underlying net assets. The underlying net assets of the Separate Account K consist primarily of small cap common stocks traded on organized exchanges and over-the-counter markets. Separate Account IIF is an index mutual fund based on the S&P 500 index.

Limited partnerships are valued at fair value based on the proportionate share of the partnership's capital balance. Equity securities-domestic and equity securities-foreign consist of mutual funds and collective investment trusts valued at fair value based on the proportionate share of the underlying net assets. The assets consist of securities traded on organized exchanges and over-the-counter markets.

The estimated fair value of the investments as of December 31, were as follows:

2020	**Quoted Prices in Active Markets for Identical Assets or Liabilities (Level 1)**	**Significant Other Observable Inputs (Level 2)**	**Significant Unobservable Inputs (Level 3)**	**Total Fair Value**
Pension:				
General asset account	$ -	$ -	$776,935,270	$ 776,935,270
Separate Account K equity securities	-	37,365,638	-	37,365,638
Separate Account IIF equity securities	94,342,314	-	-	94,342,314
Equity securities—domestic	-	-	-	-
Equity securities—foreign	95,101,220	-	-	95,101,220
Limited partnerships	-	-	87,055,913	87,055,913
Total	$189,443,534	$ 37,365,638	$863,991,183	$1,090,800,355
2019				
Pension:				
General asset account	$ -	$ -	$652,727,078	$ 652,727,078
Separate Account K equity securities	-	47,913,644	-	47,913,644
Separate Account IIF equity securities	111,440,573	-	-	111,440,573
Equity securities—domestic	32,351,422	-	-	32,351,422
Equity securities—foreign	38,589,283	67,031,131	-	105,620,414
Limited partnerships	-	-	84,498,618	84,498,618
Total	$182,381,278	$114,944,775	$737,225,696	$1,034,551,749

The investment objective of the Pension Plan is to produce current income and long-term capital growth through a combination of equity and fixed income investments that, together with appropriate employer contributions, will be adequate to provide for the payment of the plan's benefit obligations. The assets of the Pension Plan may be invested in both fixed income and equity investments. Fixed income investments may include group annuity contracts, cash and short-term instruments, corporate bonds, mortgages and other fixed income investments. Equity investments may include large cap, mid cap and small cap stocks, and venture capital.

The Company has various regulated investment advisors that monitor investments in the Pension Plan to ensure they are in compliance with the Company's investment policy and guidelines. The use of derivative instruments as direct investments is prohibited. The Company's Retirement Plans Committee periodically reviews the performance of the Pension Plan's investments and asset allocation. The current allocation strategy is 72% fixed income and 28% equities and other. The Company, subject to general guidelines set by the Retirement Plans Committee, makes all investment decisions.

The Company determines its expected long-term rate of return on assets based primarily on the Company's expectations of future returns for the Pension Plan's investments, based on target allocations of the defined benefit plan's investments. Additionally, the Company considers historical returns on comparable fixed income investments and equity investments and adjusts its estimate as deemed appropriate.

The Company expects to use available credits in lieu of required contributions in 2020. Additional voluntary contributions may be made pursuant to the maximum funding limits under the Employee Retirement Income Security Act of 1974, as amended. The Company does not expect to make a contribution in 2020.

Actuarial Assumptions—Actuarial assumptions used to calculate the projected benefit obligation and net periodic pension cost for the plans as of and for the years ended December 31, are set forth in the following table:

	Pension Benefits		Other Benefits	
	2020	**2019**	**2020**	**2019**
Projected benefit obligation:				
Discount rate	2.60 %	3.65 %	2.60 %	3.65 %
Rate of increase in compensation levels	3.40	3.40	N/A	N/A
Net periodic pension cost:				
Discount rate	3.65 %	4.65 %	3.65 %	4.65 %
Rate of increase in compensation levels	3.40	3.40	N/A	N/A
Expected long-term rate of return on plan assets	6.00	6.50	4.00	4.00

Actuarial losses in 2020 are primarily the result of a decrease in the discount rate, partially offset by higher than expected asset returns. Actuarial losses in 2019 are primarily the result of a decrease in the discount rate, partially offset by higher than expected asset returns and changes in mortality assumptions.

The assumed health care cost trend rates used in measuring the accumulated postretirement benefit obligation was 5.40% and 5.30% in 2020 and 2019, respectively, then gradually declining to 3.90% in 2074 and remaining at that level thereafter.

Savings and Investment Plans—The Company sponsors savings and investment plans under which the Company matches a portion of employee contributions. The expense to the Company for the plans was $6,561,985 and $5,276,396 in 2020 and 2019, respectively. The Company also provides deferred compensation benefits for certain key executive officers. As of December 31, 2020 and 2019, the liability for deferred compensation benefits, included in liability for benefits for employees and agents on the statutory statements of admitted assets, liabilities, and surplus, was $22,540,799 and $22,636,002, respectively.

10. SURPLUS

The portion of unassigned surplus represented by each item below as of December 31, was as follows:

	2020	**2019**
Unrealized capital gain	$ 1,010,954,652	$ 1,290,576,535
Nonadmitted assets	(320,535,560)	(351,324,975)
AVR	(105,286,819)	(216,519,228)

11. SURPLUS NOTES

On July 17, 2014, the Company issued $300,000,000 in surplus notes (“2014 notes”) due July 15, 2054, at par. Interest on the 2014 notes is fixed at 4.297% and payable semiannually until January 15, 2024, at which time interest resets quarterly to a variable rate, payable quarterly. The 2014 notes were underwritten by Goldman, Sachs & Co. and J.P. Morgan Securities LLC, and are administered by US Bank, NA as registrar and paying agent. The 2014 notes are callable under a make-whole provision calculated as the present value of the remaining principal and interest payments any time prior to July 15, 2024 or at any time on or after July 15, 2024 at par.

On October 12, 2010, the Company issued $300,000,000 in surplus notes ("2010 notes") due October 15, 2040, at a discount of $10,095,000 with 6.95% interest due semiannually. The 2010 notes were underwritten by Goldman, Sachs & Co. and J.P. Morgan Securities LLC and are administered by US Bank, NA as registrar and paying agent.

On June 15, 2006, the Company issued $300,000,000 in surplus notes due ("2006 notes") June 15, 2036, at a discount of $3,630,000 with 6.80% interest due semiannually. The 2006 notes were underwritten by Goldman, Sachs & Co. and Merrill Lynch & Co., and are administered by U.S. Bank, NA as registrar and paying agent.

The 2014 notes, 2010 notes, and 2006 notes (collectively the surplus notes) do not have payments that are contractually linked nor are any of the payments subject to administrative offsetting provisions. Additionally, the surplus note proceeds were not used to purchase an asset directly from the holder of the surplus note. Cash with a principal balance of $883,650,000 was received upon issuance of the surplus notes and the asset issuer was not a related party. Any payment of interest or repayment of principal on any outstanding surplus note may be made, either in full or in part, only from available surplus funds of the Company, when the amount of the surplus of the Company over all liabilities is double that of the amount of the principal or interest then proposed to be paid and with the prior approval of the NDOI. Total carrying value of all surplus notes was $710,610,861 and $710,436,567 as of December 31, 2020 and 2019, respectively. Interest of $41,495,015 paid in 2020 and 2019, is included in net investment income. Life-to-date interest expense recognized and life-to-date principal paid as of December 31, 2020, was $502,040,944 and $182,810,000, respectively. The notes are unsecured obligations of the Company and are expressly subordinated in right of payment to all present and future claims and senior indebtedness of the Company. The 2014 notes, 2010 notes, and 2006 notes are held by bank custodians for unaffiliated investors and may hold 10% or more of the outstanding notes at any time, no amounts are held by affiliates.

12. COMMITMENTS AND CONTINGENCIES

The Company had unfunded investment commitments for limited partnerships investments, bonds, private preferred stocks, and mortgage lending of $196,856,164 and $170,687,866 as of December 31, 2020 and 2019, respectively.

As a condition of doing business, all states and jurisdictions have adopted laws requiring membership in life and health insurance guaranty funds. Member companies are subject to assessments each year based on life, health, or annuity premiums collected in the state. The Company estimated its costs related to past insolvencies and had a liability for guaranty fund assessments of $4,087,990 and $4,284,221 as of December 31, 2020 and 2019, respectively. The Company estimated premium tax credits that it will receive related to guaranty funds of $9,247,573 and $10,201,703 as of December 31, 2020 and 2019, respectively.

The Company recognizes discounted and undiscounted amounts relating to Penn Treaty Network America and its subsidiaries (together "Penn Treaty") insolvency. As of December 31, 2020, the discounted and undiscounted liabilities and receivables were $3,613,050 and $10,439,115, and

$2,856,776 and $8,139,552, respectively. As of December 31, 2019, the discounted and undiscounted liabilities and receivables were $3,803,829 and $10,746,195, and $3,017,587 and $8,371,587, respectively. There are 50 jurisdictions for liabilities and 39 jurisdictions for premium tax credits by insolvency as of December 31, 2020. Amounts used for the Penn Treaty accruals are the discounted amounts, using a 4.25% discount rate, reported by the National Organization of Life and Health Insurance Guaranty Association.

The Company has adopted resolutions to deliver a written guarantee to various departments of insurance to maintain Omaha Insurance Company's and Medicare Advantage Company's capital and surplus at or above various statutory minimum levels or RBC, whichever is greater. Omaha Insurance Company is an indirect subsidiary of the Company.

The Company has a Portfolio Maintenance Agreement with Omaha Reinsurance Company. Under the Portfolio Maintenance Agreement, to the extent there are any realized capital losses during any calendar quarter on any of the assets credited to certain funds withheld accounts established by United, the Company will contribute equity capital in the form of cash or assets to Omaha Reinsurance Company. There were no amounts due under this agreement as of December 31, 2020 and 2019.

The Company has an agreement with a third party guaranteeing the performance and payment by Medicare Advantage Insurance Company of Omaha of all of its obligations arising under a reinsurance agreement with an unaffiliated reinsurer.

Various lawsuits have arisen in the ordinary course of the Company's business. Contingent liabilities arising from litigation, income taxes, and other matters are not considered material in relation to the Company's statutory statements of admitted assets, liabilities, and surplus, the statutory statements of operations, or statutory statements of cash flows.

13. LEASES

The Company and United of Omaha jointly enter into agreements for the rental of office space, equipment and computer software under non-cancelable operating leases. Future required minimum rental payments under leases as of December 31, 2020, were as follows:

2021	$ 11,883,784
2022	9,548,004
2023	7,893,346
2024	5,579,025
2025	2,812,533
Thereafter	6,605,598
Total	$ 44,322,290

The Company's rental expense for the years ended December 31, 2020 and 2019, was $10,992,467 and $8,627,452, respectively.

14. THIRD-PARTY ADMINISTRATORS

The Company's direct premium written by third-party administrators during the years ended December 31, was as follows:

Name and Address of Managing General Agent or Third-Party Administrator	FEIN Number	Exclusive Contract	Type of Business Written	Type of Authority Granted	2020	2019
Long Term Care Group Inc., 11000 Prairie Lakes Dr. Suite 600 Eden Prairie, MN 55344	95-4604537	No	Long-term care	Premium administration and collection; policyholder service; claims administration and payment	$ 383,531,621	$ 349,296,330
Maxon Company 76 N. Broadway Irvington, NY 10533	52-1080377	No	Group health	Premium administration and collection; claims administration and payment	12,249,903	8,764,535
Health Special Risks, Inc. 880 Sibley Memorial Highway Suite 101 Mendota Heights, MN 55118	41-1365449	No	Special risk	Premium collection; claims administration	4,934,126	3,793,001
				Total	$ 400,715,650	$ 361,853,866

15. LIABILITY FOR POLICY AND CONTRACT CLAIMS

A reconciliation of the liability for policy and contract claims, which includes unpaid claims and the present value of amounts not yet due on claims that existed, as of December 31, was as follows:

	2020	2019
Balance at January 1	$1,296,273,781	$1,232,683,185
Reinsurance recoverable	54,785,195	54,295,336
Net balance at January 1	1,241,488,586	1,178,387,849
Incurred related to:		
Current year	2,525,840,998	2,683,373,836
Prior years	(41,590,249)	(5,883,037)
Total incurred	2,484,250,749	2,677,490,799
Paid related to:		
Current year	1,910,768,290	2,038,989,548
Prior years	623,070,223	575,400,514
Total paid	2,533,838,513	2,614,390,062
Net balance at December 31	1,191,900,822	1,241,488,586
Reinsurance recoverable	53,104,636	54,785,195
Balance at December 31	$1,245,005,458	$1,296,273,781

During 2020, incurred claims related to prior years were favorable on a non-interest adjusted basis primarily due to favorable runout within Medicare Supplement, Long-Term Care and Group health coverages. Group LTD had favorable run out on a non-interest basis primarily due to updated termination rates. Special Risk was favorable on an interest adjusted basis. The runout for other health products was in line with expectations. For 2019, runout on prior year incurrals was favorable on both an interest adjusted, and non-interest adjusted basis primarily due to updated claim termination rates for group long term disability and favorable run out from long-term care, slightly offset by unfavorable runout on special risk due to settlement of a litigated claim.

Management believes that the liability for unpaid claims is adequate to cover the ultimate development of claims. The liability is regularly reviewed and revised to reflect current conditions and claim trends and any resulting adjustments are reflected in operating results in the year they are made.

A roll forward of the liability for claim adjustment expenses, included in general expenses and taxes due or accrued, as of December 31, was as follows:

	2020	**2019**
Prior year accrual	$ 24,414,113	$ 23,872,048
Incurred claim adjustment expenses	34,592,824	34,951,287
Paid claim adjustment expenses	(34,463,614)	(34,409,222)
	$ 24,543,323	$ 24,414,113

16. ELECTRONIC DATA PROCESSING EQUIPMENT AND SOFTWARE

EDP equipment and operating and non-operating software included in other assets as of December 31, consisted of the following:

	2020	**2019**
EDP equipment	$ 91,017,375	$ 84,938,273
Operating system software	12,803,256	12,803,256
Non-operating system software	263,339,613	246,676,244
Accumulated depreciation	(291,614,370)	(273,765,124)
Nonadmitted assets	(56,786,930)	(53,256,795)
	$ 18,758,944	$ 17,395,854

Depreciation expense related to EDP equipment and operating and non-operating software totaled $25,597,150 and $26,109,998 for the years ended December 31, 2020 and 2019, respectively.

17. RECONCILIATION TO ANNUAL STATEMENT

The Company is required to file an annual statement with the NDOI. Following the filing, it was determined that the noncash increase in value of COLI of $70,035,188 was incorrectly included on the statement of cash flows as an increase in cash outflows from commissions and operating expenses rather than a reduction in cash inflows from other income. This correction caused differences between the reported amounts in the annual statement and these statutory financial statements for the year ended December 31, 2019 and are shown in the table below.

	Amount in Annual Statement	Difference	Audited Financial Statements
Statement of cash flows:			
Operating cash flows			
Other income	$ 116,119,300	$ (70,035,188)	$ 46,084,112
Commissions and operating expenses	(1,067,670,712)	70,035,188	(997,635,524)

18. SUBSEQUENT EVENTS

The Company has evaluated events subsequent to December 31, 2020 through April 23, 2021, the date these statutory financial statements were available to be issued and has determined there are no material subsequent events requiring adjustment to or disclosure in the statutory financial statements.

* * * * * *

SUPPLEMENTAL SCHEDULES

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INDEPENDENT AUDITORS' REPORT ON ADDITIONAL INFORMATION

To the Board of Directors
Mutual of Omaha Insurance Company
Omaha, Nebraska

Our 2020 audit was conducted for the purpose of forming an opinion on the 2020 statutory-basis financial statements as a whole. The supplemental schedule of selected financial data, the supplemental reinsurance schedule, the supplemental summary investment schedule, and the supplemental schedule of investment risks interrogatories as of and for the year ended December 31, 2020, are presented for purposes of additional analysis and are not a required part of the 2020 statutory-basis financial statements. These schedules are the responsibility of the Company's management and were derived from and relate directly to the underlying accounting and other records used to prepare the statutory-basis financial statements. Such schedules have been subjected to the auditing procedures applied in our audit of the 2020 statutory-basis financial statements and certain additional procedures, including comparing and reconciling such schedules directly to the underlying accounting and other records used to prepare the statutory-basis financial statements or to the statutory-basis financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, such schedules are fairly stated in all material respects in relation to the 2020 statutory-basis financial statements as a whole.

Deloitte & Touche LLP

April 23, 2021

MUTUAL OF OMAHA INSURANCE COMPANY

SUPPLEMENTAL SCHEDULE OF SELECTED FINANCIAL DATA
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2020

Investment income earned:	
U.S. government bonds	$ 12,160,845
Other bonds (unaffiliated)	187,862,329
Bonds of affiliates	-
Preferred stocks—unaffiliated	421,292
Preferred stocks—affiliates	-
Common stocks—unaffiliated	5,350,849
Common stocks—affiliates	468,909,891
Mortgage loans	16,383,461
Real estate	11,470,063
Contract loans	-
Cash, cash equivalents and short-term investments	2,026,303
Other invested assets	47,101,530
Derivative instruments	1,729,979
Aggregate write-ins for investment income	2,118,280
Gross investment income	$ 755,534,822
Real estate owned—book value less encumbrances	$ 31,900,301
Mortgage loans—book value:	
Farm mortgages	$ -
Residential mortgages	-
Commercial mortgages	297,139,107
Total mortgage loans	$ 297,139,107
Mortgage loans by standing—book value:	
Good standing	$ 297,139,107
Good standing with restructured terms	$ -
Interest overdue more than three months—not in foreclosure	$ -
Foreclosure in process	$ -
Other long-term assets—statement value	$ 488,901,460
Collateral loans	$ -

(Continued)

MUTUAL OF OMAHA INSURANCE COMPANY

SUPPLEMENTAL SCHEDULE OF SELECTED FINANCIAL DATA
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2020

Bonds and stocks of subsidiaries and affiliates—book value:	
Bonds	$ -
Preferred stocks	$ -
Common stocks	$2,376,039,425
Bonds by NAIC designation and maturity:	
Bonds by maturity—statement value:	
Due within one year or less	$ 298,851,159
Over 1 year and through 5 years	881,347,491
Over 5 years through 10 years	984,465,377
Over 10 years through 20 years	665,246,987
Over 20 years	1,698,074,476
No maturity date	2,572,130
Total by maturity	$4,530,557,620
Bonds by NAIC designation—statement value:	
NAIC 1	$2,419,446,831
NAIC 2	1,947,582,905
NAIC 3	145,983,639
NAIC 4	6,859,371
NAIC 5	8,419,635
NAIC 6	2,265,239
Total by NAIC designation	$4,530,557,620
Total bonds publicly traded	$2,224,230,510
Total bonds privately traded	$2,306,327,110
Preferred stocks—statement value	$ 6,124,891
Common stocks—market value	$2,486,572,267
Short-term investments—book value	$ 76,310,437
Options, caps, and floors owned—statement value	$ -
Options, caps, and floors written and in force—statement value	$ -
Collar, swap, and forward agreements open—current value	$ (4,339,133)
Cash on deposit	$ (963,837)

(Continued)

MUTUAL OF OMAHA INSURANCE COMPANY

SUPPLEMENTAL SCHEDULE OF SELECTED FINANCIAL DATA
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2020

Life insurance in force (in thousands):	
Industrial	$ -
Ordinary	$ -
Credit life	$ -
Group life	$ -
Amount of accidental death insurance in force under ordinary policies (in thousands)	$ -
Life insurance with disability provisions in force (in thousands):	
Industrial	$ -
Ordinary	$ -
Credit life	$ -
Group life	$ -
Supplementary contracts in force:	
Ordinary—not involving life contingencies:	
Amount on deposit	$ -
Income payable	$ -
Ordinary—involving life contingencies—income payable	$ -
Group—not involving life contingencies:	
Amount on deposit	$ -
Income payable	$ -
Group—involving life contingencies—income payable	$ -
Annuities—ordinary:	
Immediate—amount of income payable	$ -
Deferred—fully paid—account balance	$ -
Deferred—not fully paid—account balance	$ -

(Continued)

MUTUAL OF OMAHA INSURANCE COMPANY

SUPPLEMENTAL SCHEDULE OF SELECTED FINANCIAL DATA
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2020

Group:	
Amount of income payable	$ -
Fully paid—account balance	$ -
Not fully paid—account balance	$ -
Accident and health insurance—premiums in force:	
Other	$3,448,553,376
Group	$ 182,797,965
Credit	$ -
Deposit funds and dividend accumulations:	
Deposit funds—account balance	$ -
Dividend accumulations—account balance	$ -
Claim payments 2020:	
Group accident and health—year ended December 31, 2020:	
2020	$ 46,944,023
2019	$ 27,807,851
2018	$ 7,100,235
2017	$ 5,365,817
2016	$ 3,044,188
2015 and prior	$ 16,183,123

(Continued)

MUTUAL OF OMAHA INSURANCE COMPANY

SUPPLEMENTAL SCHEDULE OF SELECTED FINANCIAL DATA
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2020

Claim payments 2020 (continued)	
Other accident and health—year ended December 31, 2020:	
2020	$ 1,863,824,267
2019	$ 454,628,216
2018	$ 36,732,201
2017	$ 23,506,123
2016	$ 13,298,156
2015 and prior	$ 35,404,312
Other coverages that use developmental methods to calculate claim reserves—year ended December 31, 2020:	
2020	$ -
2019	$ -
2018	$ -
2017	$ -
2016	$ -
2015 and prior	$ -

(Concluded)

MUTUAL OF OMAHA INSURANCE COMPANY

SUPPLEMENTAL REINSURANCE SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2020

1. **Reinsurance contracts which limit significance risk subject to Appendix A-791—Life and Health Reinsurance Agreements of the NAIC Accounting Practices and Procedures Manual (“Appendix A-791”):**

   The Company has not entered into, renewed or amended any reinsurance contracts on or after January 1, 1996, that have provisions limiting the reinsurer’s assumption of significant risk, as described in Appendix A-791.

2. **Reinsurance contracts which limit reinsurers risk NOT subject to Appendix A-791:**

   The Company has not entered into, renewed or amended on or after January 1, 1996, that include provisions, which limits the reinsurer’s assumptions of risk.

3. **Reinsurance contracts which contain features that delay payment (excluding reinsurance contracts with a federal or state facility):**

   The Company has not entered into, renewed or amended reinsurance contracts on or after January 1, 1996, which contain provisions that allow (1) the reporting of losses or settlements with the reinsurer to occur less frequently than quarterly or (2) payments due from the reinsurer to not be made in cash within ninety days of the settlement date unless there is no activity during the period or (3) contain a payment schedule, accumulating retentions from multiple years or any features inherently designed to delay timing of the reimbursement to the ceding company.

4. **Reinsurance contracts NOT subject to Appendix A-791 and NOT yearly-renewable term (“YRT”) that meet the risk transfer requirements under SSAP No. 61R:**

   The Company has not entered into, renewed or amended any reinsurance contract on or after January 1, 1996, which are not subject to Appendix A-791 and are not YRT which reflected reinsurance reserve credit for the assumption reinsurance.

   The Company has entered into, renewed or amended reinsurance contracts on or after January 1, 1996, for non-proportional reinsurance however the contracts do not result in significant surplus relief. The insured event triggering contract coverage has been recognized for all the reinsurance contracts.

5. **Risk ceded not subject to Appendix A-791 and NOT YRT which were accounted as reinsurance for SAP and deposit accounting for GAAP or were accounted as reinsurance for GAAP and deposit accounting for SAP:**

   The Company has not ceded any risk during the period ended December 31, 2020, under any reinsurance contracts entered into, renewed or amended on or after January 1, 1996, which are not subject to Appendix A-791 and are not YRT which are account for as reinsurance, as described under SSAP No. 61R for SAP and deposit accounting for GAAP or were accounted for as reinsurance for GAAP and deposit accounting for SAP.

SUMMARY INVESTMENT SCHEDULE

Investment Categories	Gross Investment Holdings 1 Amount	2 Percentage of Column 1 Line 13	Admitted Assets as Reported in the Annual Statement 3 Amount	4 Securities Lending Reinvested Collateral Amount	5 Total (Col. 3 + 4) Amount	6 Percentage of Column 5 Line 13
1. Long-Term Bonds (Schedule D, Part 1):						
1.01 U.S. governments	245,628,011	2.994	245,628,011	0	245,628,011	2.995
1.02 All other governments	0	0.000	0	0	0	0.000
1.03 U.S. states, territories and possessions, etc. guaranteed	2,135,416	0.026	2,135,416	0	2,135,416	0.026
1.04 U.S. political subdivisions of states, territories, and possessions, guaranteed	15,874,956	0.194	15,874,956	0	15,874,956	0.194
1.05 U.S. special revenue and special assessment obligations, etc. non-guaranteed	240,872,809	2.936	240,872,809	0	240,872,809	2.937
1.06 Industrial and miscellaneous	3,779,893,159	46.079	3,779,893,159	97,039,863	3,876,933,022	47.279
1.07 Hybrid securities	166,264,656	2.027	166,264,656	0	166,264,656	2.028
1.08 Parent, subsidiaries and affiliates	0	0.000	0	0	0	0.000
1.09 SVO identified funds	2,572,131	0.031	2,572,131	0	2,572,131	0.031
1.10 Unaffiliated Bank loans	0	0.000	0	0	0	0.000
1.11 Total long-term bonds	4,453,241,138	54.288	4,453,241,138	97,039,863	4,550,281,000	55.490
2. Preferred stocks (Schedule D, Part 2, Section 1):						
2.01 Industrial and miscellaneous (Unaffiliated)	6,124,891	0.075	6,124,891	0	6,124,891	0.075
2.02 Parent, subsidiaries and affiliates	0	0.000	0	0	0	0.000
2.03 Total preferred stocks	6,124,891	0.075	6,124,891	0	6,124,891	0.075
3. Common stocks (Schedule D, Part 2, Section 2):						
3.01 Industrial and miscellaneous Publicly traded (Unaffiliated)	58,484,213	0.713	58,484,213	0	58,484,213	0.713
3.02 Industrial and miscellaneous Other (Unaffiliated)	23,861,633	0.291	23,861,633	0	23,861,633	0.291
3.03 Parent, subsidiaries and affiliates Publicly traded	0	0.000	0	0	0	0.000
3.04 Parent, subsidiaries and affiliates Other	2,376,039,425	28.965	2,376,039,425	0	2,376,039,425	28.975
3.05 Mutual funds	28,186,996	0.344	28,186,996	0	28,186,996	0.344
3.06 Unit investment trusts	0	0.000	0	0	0	0.000
3.07 Closed-end funds	0	0.000	0	0	0	0.000
3.08 Total common stocks	2,486,572,267	30.313	2,486,572,267	0	2,486,572,267	30.323
4. Mortgage loans (Schedule B):						
4.01 Farm mortgages	0	0.000	0	0	0	0.000
4.02 Residential mortgages	0	0.000	0	0	0	0.000
4.03 Commercial mortgages	297,139,107	3.622	297,139,107	0	297,139,107	3.624
4.04 Mezzanine real estate loans	0	0.000	0	0	0	0.000
4.05 Total valuation allowance	0	0.000	0	0	0	0.000
4.06 Total mortgage loans	297,139,107	3.622	297,139,107	0	297,139,107	3.624
5. Real estate (Schedule A):						
5.01 Properties occupied by company	27,482,921	0.335	27,482,922	0	27,482,922	0.335
5.02 Properties held for production of income	4,417,380	0.054	4,417,380	0	4,417,380	0.054
5.03 Properties held for sale	0	0.000	0	0	0	0.000
5.04 Total real estate	31,900,301	0.389	31,900,302	0	31,900,302	0.389
6. Cash, cash equivalents and short-term investments:						
6.01 Cash (Schedule E, Part 1)	(963,837)	(0.012)	(963,837)	0	(963,837)	(0.012)
6.02 Cash equivalents (Schedule E, Part 2)	1,006,147	0.012	1,006,147	0	1,006,147	0.012
6.03 Short-term investments (Schedule DA)	76,310,437	0.930	76,310,437	0	76,310,437	0.931
6.04 Total cash, cash equivalents and short-term investments	76,352,748	0.931	76,352,748	0	76,352,748	0.931
7. Contract loans	0	0.000	0	0	0	0.000
8. Derivatives (Schedule DB)	2,560,861	0.031	2,560,861	0	2,560,861	0.031
9. Other invested assets (Schedule BA)	491,755,227	5.995	488,901,460	0	488,901,460	5.962
10. Receivables for securities	88,414	0.001	88,414	0	88,414	0.001
11. Securities Lending (Schedule DL, Part 1)	357,301,599	4.356	357,301,599	XXX	XXX	XXX
12. Other invested assets (Page 2, Line 11)	0	0.000	0	260,261,737	260,261,737	3.174
13. Total invested assets	8,203,036,551	100.000	8,200,182,786	357,301,599	8,200,182,786	100.000

SUPPLEMENTAL INVESTMENT RISKS INTERROGATORIES

For The Year Ended December 31, 2020
(To Be Filed by April 1)

Of The Mutual of Omaha Insurance Company

ADDRESS (City, State and Zip Code) Omaha , NE 68175

NAIC Group Code 0261 NAIC Company Code 71412 Federal Employer's Identification Number (FEIN) 47-0246511

The Investment Risks Interrogatories are to be filed by April 1. They are also to be included with the Audited Statutory Financial Statements.

Answer the following interrogatories by reporting the applicable U.S. dollar amounts and percentages of the reporting entity's total admitted assets held in that category of investments.

1. Reporting entity's total admitted assets as reported on Page 2 of this annual statement. $ 9,440,459,254

2. Ten largest exposures to a single issuer/borrower/investment.

	1 Issuer	2 Description of Exposure	3 Amount	4 Percentage of Total Admitted Assets
2.01	United of Omaha Life Insurance Company	Equity	$ 1,870,794,716	19.8 %
2.02	OMAHA HEALTH INSURANCE CO	Equity	$ 275,989,995	2.9 %
2.03	MCCARTHY GP LLC	Sch BA-Joint Venture	$ 246,708,464	2.6 %
2.04	Omaha Financial Holdings, Inc.	Equity	$ 136,166,938	1.4 %
2.05	Federal National Mortgage Association	MBS, CMO	$ 65,762,084	0.7 %
2.06	Freddie Mac	MBS, CMO	$ 60,900,675	0.6 %
2.07	Mutual of Omaha Holdings, Inc.	Equity	$ 59,320,169	0.6 %
2.08	United Revolver	Bank Loan	$ 57,300,000	0.6 %
2.09	CIT Group Inc.	Equity	$ 55,549,793	0.6 %
2.10	Prime Notes Llc	Bonds	$ 50,000,000	0.5 %

3. Amounts and percentages of the reporting entity's total admitted assets held in bonds and preferred stocks by NAIC designation.

	Bonds	1	2		Preferred Stocks	3	4
3.01	NAIC-1	$ 2,419,446,831	25.6 %	3.07	P/RP-1	$ 5,124,891	0.1 %
3.02	NAIC-2	$ 1,947,582,905	20.6 %	3.08	P/RP-2	$ 1,000,000	0.0 %
3.03	NAIC-3	$ 145,983,639	1.5 %	3.09	P/RP-3	$ 0	0.0 %
3.04	NAIC-4	$ 6,859,371	0.1 %	3.10	P/RP-4	$ 0	0.0 %
3.05	NAIC-5	$ 8,419,635	0.1 %	3.11	P/RP-5	$ 0	0.0 %
3.06	NAIC-6	$ 2,265,239	0.0 %	3.12	P/RP-6	$ 0	0.0 %

4. Assets held in foreign investments:

4.01 Are assets held in foreign investments less than 2.5% of the reporting entity's total admitted assets? Yes [ ] No [X]

If response to 4.01 above is yes, responses are not required for interrogatories 5 - 10.

4.02	Total admitted assets held in foreign investments	$ 614,117,780	6.5 %
4.03	Foreign-currency-denominated investments	$ 0	0.0 %
4.04	Insurance liabilities denominated in that same foreign currency	$ 0	0.0 %

5. Aggregate foreign investment exposure categorized by NAIC sovereign designation:

		1	2
5.01	Countries designated NAIC-1	$ 608,957,780	6.5 %
5.02	Countries designated NAIC-2	$ 0	0.0 %
5.03	Countries designated NAIC-3 or below	$ 5,160,000	0.1 %

6. Largest foreign investment exposures by country, categorized by the country's NAIC sovereign designation:

		1	2
	Countries designated NAIC - 1:		
6.01	Country 1: United Kingdom	$ 163,343,344	1.7 %
6.02	Country 2: Australia	$ 125,734,919	1.3 %
	Countries designated NAIC - 2:		
6.03	Country 1:	$ 0	0.0 %
6.04	Country 2:	$ 0	0.0 %
	Countries designated NAIC - 3 or below:		
6.05	Country 1: Bahamas	$ 5,160,000	0.1 %
6.06	Country 2:	$ 0	0.0 %

		1	2
7.	Aggregate unhedged foreign currency exposure	$ 0	0.0 %

8. Aggregate unhedged foreign currency exposure categorized by NAIC sovereign designation:

		1	2
8.01	Countries designated NAIC-1	$ 0	0.0 %
8.02	Countries designated NAIC-2	$ 0	0.0 %
8.03	Countries designated NAIC-3 or below	$ 0	0.0 %

9. Largest unhedged foreign currency exposures by country, categorized by the country's NAIC sovereign designation:

		1	2
	Countries designated NAIC - 1:		
9.01	Country 1:	$ 0	0.0 %
9.02	Country 2:	$ 0	0.0 %
	Countries designated NAIC - 2:		
9.03	Country 1:	$ 0	0.0 %
9.04	Country 2:	$ 0	0.0 %
	Countries designated NAIC - 3 or below:		
9.05	Country 1:	$ 0	0.0 %
9.06	Country 2:	$ 0	0.0 %

10. Ten largest non-sovereign (i.e. non-governmental) foreign issues:

	1 Issuer	2 NAIC Designation	3	4
10.01	Compass Group PLC	1	$ 15,000,000	0.2 %
10.02	Owl Rock CLO II Ltd	1FE	$ 15,000,000	0.2 %
10.03	Inchcape PLC	2	$ 12,305,700	0.1 %
10.04	VTTI BV	2	$ 12,213,000	0.1 %
10.05	Colliers International EMEA Finco PLC	2	$ 12,213,000	0.1 %
10.06	Oldendorff Drybulk GmbH & Co. KG	2	$ 12,000,000	0.1 %
10.07	Golub Capital Partners Clo 47M LP	1FE	$ 11,190,000	0.1 %
10.08	Stockland Trust Management Limited	1FE	$ 11,000,000	0.1 %
10.09	Covent Garden Group Holdings Limited	1PL	$ 10,938,400	0.1 %
10.10	Golub Capital Partners CLO 46M L P	1FE	$ 10,500,000	0.1 %

11. Amounts and percentages of the reporting entity's total admitted assets held in Canadian investments and unhedged Canadian currency exposure:

11.01 Are assets held in Canadian investments less than 2.5% of the reporting entity's total admitted assets? Yes [X] No [ ]

If response to 11.01 is yes, detail is not required for the remainder of interrogatory 11.

		1	2
11.02	Total admitted assets held in Canadian investments	$ 0	0.0 %
11.03	Canadian-currency-denominated investments	$ 0	0.0 %
11.04	Canadian-denominated insurance liabilities	$ 0	0.0 %
11.05	Unhedged Canadian currency exposure	$ 0	0.0 %

12. Report aggregate amounts and percentages of the reporting entity's total admitted assets held in investments with contractual sales restrictions:

12.01 Are assets held in investments with contractual sales restrictions less than 2.5% of the reporting entity's total admitted assets? Yes [X] No [ ]

If response to 12.01 is yes, responses are not required for the remainder of Interrogatory 12.

	1	2	3
12.02	Aggregate statement value of investments with contractual sales restrictions	$ 0	0.0 %
	Largest three investments with contractual sales restrictions:		
12.03		$ 0	0.0 %
12.04		$ 0	0.0 %
12.05		$ 0	0.0 %

13. Amounts and percentages of admitted assets held in the ten largest equity interests:

13.01 Are assets held in equity interests less than 2.5% of the reporting entity's total admitted assets? Yes [ ] No [X]

If response to 13.01 above is yes, responses are not required for the remainder of Interrogatory 13.

	1 Issuer	2	3
13.02	United of Omaha Life Insurance Company	$ 1,870,794,716	19.8 %
13.03	OMAHA HEALTH INSURANCE CO	$ 275,989,995	2.9 %
13.04	MCCARTHY GP LLC	$ 246,708,464	2.6 %
13.05	Omaha Financial Holdings, Inc.	$ 136,166,938	1.4 %
13.06	Mutual of Omaha Holdings, Inc.	$ 59,320,169	0.6 %
13.07	CIT Group Inc.	$ 55,549,793	0.6 %
13.08	East Campus Realty LLC	$ 45,385,983	0.5 %
13.09	Whitehorse Liquidity Partners III, LP	$ 24,566,055	0.3 %
13.10	Lion Industrial Trust	$ 23,186,733	0.2 %
13.11	MUTUAL MEDICARE ADVANTAGE CO	$ 19,041,825	0.2 %

14. Amounts and percentages of the reporting entity's total admitted assets held in nonaffiliated, privately placed equities:

14.01 Are assets held in nonaffiliated, privately placed equities less than 2.5% of the reporting entity's total admitted assets? Yes [ ] No [X]

If response to 14.01 above is yes, responses are not required for 14.02 through 14.05.

	1	2	3
14.02	Aggregate statement value of investments held in nonaffiliated, privately placed equities	$ 446,021,726	4.7 %
	Largest three investments held in nonaffiliated, privately placed equities:		
14.03	MCCARTHY GP LLC	$ 246,708,464	2.6 %
14.04	Whitehorse Liquidity Partners III, LP	$ 24,566,055	0.3 %
14.05	Lion Industrial Trust	$ 23,186,733	0.2 %

Ten largest fund managers:

	1 Fund Manager	2 Total Invested	3 Diversified	4 Nondiversified
14.06	Vanguard Index Funds - Vanguard Large-Cap ETF	$ 9,274,503	$ 9,274,503	$ 0
14.07	Vanguard Index Funds - Vanguard Mid-Cap ETF	$ 7,307,459	$ 7,307,459	$ 0
14.08	Vanguard Index Funds - Vanguard Small-Cap ETF	$ 7,092,192	$ 7,092,192	$ 0
14.09	Vanguard STAR Funds - Vanguard Total International Stock ETF	$ 4,512,842	$ 4,512,842	$ 0
14.10	Vanguard Bond Index Funds - Vanguard Intermediate-Term Bond ETF	$ 2,572,131	$ 2,572,131	$ 0
14.11	Demand Deposit Account FHLB Topeka	$ 16,376	$ 0	$ 16,376
14.12	Wells Fargo Funds Trust - Treasury Plus Money Market Fund	$ 94	$ 94	$ 0
14.13	First American Funds, Inc. - U.S. Treasury Money Market Fund	$ 7	$ 7	$ 0
14.14		$ 0	$ 0	$ 0
14.15		$ 0	$ 0	$ 0

15. Amounts and percentages of the reporting entity's total admitted assets held in general partnership interests:

15.01 Are assets held in general partnership interests less than 2.5% of the reporting entity's total admitted assets? Yes [X] No [ ]

If response to 15.01 above is yes, responses are not required for the remainder of Interrogatory 15.

	1	2	3
15.02	Aggregate statement value of investments held in general partnership interests	$ 0	0.0 %
	Largest three investments in general partnership interests:		
15.03		$ 0	0.0 %
15.04		$ 0	0.0 %
15.05		$ 0	0.0 %

16. Amounts and percentages of the reporting entity's total admitted assets held in mortgage loans:

16.01 Are mortgage loans reported in Schedule B less than 2.5% of the reporting entity's total admitted assets? Yes [ ] No [X]

If response to 16.01 above is yes, responses are not required for the remainder of Interrogatory 16 and Interrogatory 17.

	1 Type (Residential, Commercial, Agricultural)	2	3
16.02	Commercial - STEPHEN D TEBO DBA TEBO DEVELOPMENT COMPANY	$ 11,773,521	0.1 %
16.03	Commercial - HS ATLANTA PORTFOLIO INVESTORS LLC	$ 10,000,000	0.1 %
16.04	Commercial - WORTHY BROTHERS DEVELOPMENT COMPANY INC	$ 9,043,757	0.1 %
16.05	Commercial - IMPERIAL LEGACY ENTERPRISES LLC	$ 8,712,588	0.1 %
16.06	Commercial - SUNSET LAND COMPANY LLC	$ 8,652,525	0.1 %
16.07	Commercial - PK INVESTMENT ASSOCIATES LLC	$ 8,155,933	0.1 %
16.08	Commercial - PLAZA DEL AMO PROPERTIES LLC	$ 8,000,000	0.1 %
16.09	Commercial - ROCKSIDE SQUARE LLC	$ 7,208,222	0.1 %
16.10	Commercial - CHRISTIANA TOWN CENTER LLC	$ 7,070,334	0.1 %
16.11	Commercial - NIGHTS VISION 1776 LLC	$ 6,942,652	0.1 %

Amount and percentage of the reporting entity's total admitted assets held in the following categories of mortgage loans:

		Loans	
16.12	Construction loans	$ 0	0.0 %
16.13	Mortgage loans over 90 days past due	$ 0	0.0 %
16.14	Mortgage loans in the process of foreclosure	$ 0	0.0 %
16.15	Mortgage loans foreclosed	$ 0	0.0 %
16.16	Restructured mortgage loans	$ 0	0.0 %

17. Aggregate mortgage loans having the following loan-to-value ratios as determined from the most current appraisal as of the annual statement date:

	Loan to Value	Residential 1	Residential 2	Commercial 3	Commercial 4	Agricultural 5	Agricultural 6
17.01	above 95%	$ 0	0.0 %	$ 0	0.0 %	$ 0	0.0 %
17.02	91 to 95%	$ 0	0.0 %	$ 0	0.0 %	$ 0	0.0 %
17.03	81 to 90%	$ 0	0.0 %	$ 0	0.0 %	$ 0	0.0 %
17.04	71 to 80%	$ 0	0.0 %	$ 0	0.0 %	$ 0	0.0 %
17.05	below 70%	$ 0	0.0 %	$ 297,139,107	3.1 %	$ 0	0.0 %

18. Amounts and percentages of the reporting entity's total admitted assets held in each of the five largest investments in real estate:

18.01 Are assets held in real estate reported less than 2.5% of the reporting entity's total admitted assets? Yes [X] No [ ]

If response to 18.01 above is yes, responses are not required for the remainder of Interrogatory 18.

Largest five investments in any one parcel or group of contiguous parcels of real estate.

	Description 1	2	3
18.02		$ 0	0.0 %
18.03		$ 0	0.0 %
18.04		$ 0	0.0 %
18.05		$ 0	0.0 %
18.06		$ 0	0.0 %

19. Report aggregate amounts and percentages of the reporting entity's total admitted assets held in investments held in mezzanine real estate loans:

19.01 Are assets held in investments held in mezzanine real estate loans less than 2.5% of the reporting entity's total admitted assets? Yes [X] No [ ]

If response to 19.01 is yes, responses are not required for the remainder of Interrogatory 19.

	1	2	3
19.02	Aggregate statement value of investments held in mezzanine real estate loans:	$ 0	0.0 %
	Largest three investments held in mezzanine real estate loans:		
19.03		$ 0	0.0 %
19.04		$ 0	0.0 %
19.05		$ 0	0.0 %

20. Amounts and percentages of the reporting entity's total admitted assets subject to the following types of agreements:

	At Year End 1	At Year End 2	At End of Each Quarter 1st Quarter 3	2nd Quarter 4	3rd Quarter 5
20.01 Securities lending agreements (do not include assets held as collateral for such transactions)	$ 279,969,104	3.0 %	$ 328,734,407	$ 265,975,138	$ 226,323,723
20.02 Repurchase agreements	$ 9,941,116	0.1 %	$ 9,936,625	$ 9,938,115	$ 9,939,618
20.03 Reverse repurchase agreements	$ 0	0.0 %	$ 0	$ 0	$ 0
20.04 Dollar repurchase agreements	$ 0	0.0 %	$ 0	$ 0	$ 0
20.05 Dollar reverse repurchase agreements	$ 0	0.0 %	$ 0	$ 0	$ 0

21. Amounts and percentages of the reporting entity's total admitted assets for warrants not attached to other financial instruments, options, caps, and floors:

	Owned 1	Owned 2	Written 3	Written 4
21.01 Hedging	$ 0	0.0 %	$ 0	0.0 %
21.02 Income generation	$ 0	0.0 %	$ 0	0.0 %
21.03 Other	$ 1,500,000	0.0 %	$ 0	0.0 %

22. Amounts and percentages of the reporting entity's total admitted assets of potential exposure for collars, swaps, and forwards:

	At Year End 1	At Year End 2	At End of Each Quarter 1st Quarter 3	2nd Quarter 4	3rd Quarter 5
22.01 Hedging	$ 1,722,671	0.0 %	$ 1,806,540	$ 1,779,254	$ 1,751,207
22.02 Income generation	$ 0	0.0 %	$ 0	$ 0	$ 0
22.03 Replications	$ 0	0.0 %	$ 0	$ 0	$ 0
22.04 Other	$ 0	0.0 %	$ 0	$ 0	$ 0

23. Amounts and percentages of the reporting entity's total admitted assets of potential exposure for futures contracts:

	At Year End 1	At Year End 2	At End of Each Quarter 1st Quarter 3	2nd Quarter 4	3rd Quarter 5
23.01 Hedging	$ 0	0.0 %	$ 0	$ 0	$ 0
23.02 Income generation	$ 0	0.0 %	$ 0	$ 0	$ 0
23.03 Replications	$ 0	0.0 %	$ 0	$ 0	$ 0
23.04 Other	$ 0	0.0 %	$ 0	$ 0	$ 0