MUTUAL OF OMAHA INSURANCE COMPANY

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Audited Financial Report

Mutual of Omaha Insurance Company

Statutory Financial Statements as of and for the Years Ended December 31, 2021 and 2020, Supplemental Schedules as of and for the Year Ended December 31, 2021, and Independent Auditor's Reports

MUTUAL OF OMAHA INSURANCE COMPANY

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INDEPENDENT AUDITOR'S REPORT

To the Audit Committee
Mutual of Omaha Insurance Company
Omaha, Nebraska

Opinions

We have audited the statutory financial statements of Mutual of Omaha Insurance Company (the "Company"), which comprise the statutory statements of admitted assets, liabilities, and surplus as of December 31, 2021 and 2020, and the related statutory statements of operations, changes in surplus, and cash flows for the years then ended, and the related notes to the statutory financial statements (collectively referred to as the "statutory financial statements").

Unmodified Opinion on Statutory-Basis of Accounting

In our opinion, the accompanying statutory financial statements present fairly, in all material respects, the admitted assets, liabilities, and surplus of the Company as of December 31, 2021 and 2020, 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 described in Note 1.

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 section of our report, the statutory financial statements do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Company as of December 31, 2021 and 2020, or the results of its operations or its cash flows for the years then ended.

Basis for Opinions

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Statutory Financial Statements section of our report. We are required to be independent of the Company, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. 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 financial statements, the statutory financial statements are prepared by the 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 financial statements of the variances between the statutory-basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material and pervasive.

Responsibilities of Management for the Statutory Financial Statements

Management is responsible for the preparation and fair presentation of the statutory 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 statutory financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the statutory financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for one year after the date that the statutory financial statements are issued.

Auditor's Responsibilities for the Audit of the Statutory Financial Statements

Our objectives are to obtain reasonable assurance about whether the statutory financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the statutory financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the statutory financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the statutory financial statements.
- Obtain an understanding of internal control relevant to the audit 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, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the statutory financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control–related matters that we identified during the audit.

Deloitte & Touche LLP

April 15, 2022

MUTUAL OF OMAHA INSURANCE COMPANY

STATUTORY STATEMENTS OF ADMITTED ASSETS, LIABILITIES, AND SURPLUS AS OF DECEMBER 31, 2021 AND 2020

	2021	2020
ADMITTED ASSETS		
CASH AND INVESTED ASSETS:		
Bonds	$ 4,724,444,886	$ 4,453,241,138
Preferred stocks	8,505,919	6,124,891
Common stocks—unaffiliated	158,557,955	110,532,842
Common stocks—affiliated	2,467,406,691	2,376,039,425
Mortgage loans—net	447,594,507	297,139,107
Real estate occupied by the Company—net of accumulated depreciation of $49,531,792 and $47,754,062 in 2021 and 2020, respectively	25,992,627	27,482,922
Investment real estate—net of accumulated depreciation of $552,481 and $531,949 in 2021 and 2020, respectively	4,886,989	4,417,380
Cash and cash equivalents	(13,348,837)	42,310
Short-term investments	239,400,000	76,310,437
Securities lending and repurchase agreement cash collateral	309,800,564	357,301,599
Other invested assets	632,876,165	491,550,735
Total cash and invested assets	9,006,117,466	8,200,182,786
INVESTMENT INCOME DUE AND ACCRUED	46,553,668	43,928,837
UNCOLLECTED PREMIUMS	210,020,379	209,192,400
RECEIVABLE FROM SUBSIDIARIES	202,302,177	226,235,924
FEDERAL INCOME TAXES RECOVERABLE	37,430,542	14,399,511
NET DEFERRED TAX ASSETS	80,165,930	83,473,468
COMPANY-OWNED LIFE INSURANCE	712,943,758	625,621,329
OTHER ASSETS	46,255,115	37,424,999
TOTAL ADMITTED ASSETS	$ 10,341,789,035	$ 9,440,459,254
LIABILITIES AND SURPLUS		
LIABILITIES:		
Reserves for policies and contracts	$ 3,381,994,101	$ 3,098,462,958
Policy and contract claim reserves	1,254,596,043	1,191,900,822
Premiums received in advance	49,451,752	48,387,359
Asset valuation reserve	160,955,020	105,286,819
Drafts outstanding	8,579,341	22,456,565
Amounts held as agent or trustee	110,093,423	111,892,274
General expenses and taxes due or accrued	161,812,409	196,672,596
Liability for benefits for employees and agents	392,202,241	513,806,206
Borrowings	342,907,505	21,232,464
Payable for securities lending	309,800,564	357,301,599
Other liabilities	172,799,614	149,606,116
Total liabilities	6,345,192,013	5,817,005,778
SURPLUS:		
Surplus notes	710,797,574	710,610,861
Unassigned surplus	3,285,799,448	2,912,842,615
Total surplus	3,996,597,022	3,623,453,476
TOTAL LIABILITIES AND SURPLUS	$ 10,341,789,035	$ 9,440,459,254

See notes to statutory financial statements.

MUTUAL OF OMAHA INSURANCE COMPANY

STATUTORY STATEMENTS OF OPERATIONS
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020

	2021	2020
INCOME:		
Net health and accident premiums	$3,779,081,159	$3,715,073,602
Net investment income and amortization of IMR	267,704,353	701,985,201
Commissions and expense allowances on reinsurance ceded	48,600,827	42,721,759
Other income	108,199,547	115,648,275
Total income	4,203,585,886	4,575,428,837
BENEFITS AND EXPENSES:		
Policyholder benefits	2,693,385,258	2,508,455,863
Change in reserves from policyholder benefits	298,077,439	228,573,172
Commissions	709,505,113	748,740,001
Operating expenses	292,866,346	301,235,049
Total benefits and expenses	3,993,834,156	3,787,004,085
NET INCOME (LOSS) FROM OPERATIONS BEFORE FEDERAL INCOME TAX AND NET REALIZED CAPITAL GAIN (LOSS)	209,751,730	788,424,752
FEDERAL INCOME TAX	18,281,905	1,102,354
NET INCOME (LOSS) FROM OPERATIONS BEFORE NET REALIZED CAPITAL LOSS	191,469,825	787,322,398
NET REALIZED CAPITAL GAIN (LOSS)—Net of federal income tax of $2,141,581 and $2,395,920, and transfers to the interest maintenance reserve of $13,915,009 and $9,013,223	28,474,476	(20,517,759)
NET INCOME	$ 219,944,301	$ 766,804,639

See notes to statutory financial statements.

MUTUAL OF OMAHA INSURANCE COMPANY

STATUTORY STATEMENTS OF CHANGES IN SURPLUS
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020

	Surplus Notes	Unassigned Surplus	Special Surplus	Total Surplus
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 (loss)—net of income taxes of $21,390,006	-	(279,621,883)	-	(279,621,883)
Net deferred income tax (benefit)	-	(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)
Savings of consolidated tax filings	-	(44,685,827)	-	(44,685,827)
Affordable Care Act assessment	-	142,187	(142,187)	-
Unrealized gain (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
Net income	-	219,944,301	-	219,944,301
Change in:				
Net unrealized capital gain (loss)—net of income taxes of $(2,476,956)	-	76,049,195	-	76,049,195
Net deferred income tax (benefit)	-	(28,483,322)	-	(28,483,322)
Nonadmitted assets	-	33,917,824	-	33,917,824
Asset valuation reserve	-	(55,668,201)	-	(55,668,201)
Surplus notes	186,713	-	-	186,713
Benefit plans amounts not yet recognized in periodic benefit cost	-	128,899,424	-	128,899,424
Savings of consolidated tax filings	-	2,238,286	-	2,238,286
Unrealized gain (loss)—deferred gain on affiliate exchanges	-	(3,940,674)	-	(3,940,674)
BALANCE—December 31, 2021	$710,797,574	$3,285,799,448	$ -	$3,996,597,022

See notes to statutory financial statements.

MUTUAL OF OMAHA INSURANCE COMPANY

STATUTORY STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020

	2021	2020
CASH FROM (USED FOR) OPERATIONS:		
Net health and accident premiums	$ 3,775,337,665	$ 3,708,659,658
Net investment income	265,923,665	556,980,743
Other income	70,106,438	74,263,155
Benefit and loss related payments	(2,646,009,917)	(2,532,835,775)
Commissions and operating expenses	(994,740,462)	(924,755,646)
Dividends paid to policyholders	(17,501)	(18,939)
Federal income taxes paid (refunded)	(16,200,470)	93,929,588
Net cash from (used for) operations	454,399,418	976,222,784
CASH FROM (USED FOR) INVESTMENTS:		
Proceeds from investments sold, matured, or repaid:		
Bonds	555,732,171	616,321,652
Stocks	137,095,301	544,258,992
Mortgage loans	38,287,698	37,471,595
Other invested assets	46,553,198	20,271,065
Miscellaneous proceeds	2,076,752	2,663,314
Cost of investments acquired:		
Bonds	(818,366,728)	(1,163,462,787)
Stocks	(162,613,490)	(351,678,250)
Mortgage loans	(188,762,000)	(60,359,507)
Other invested assets	(249,232,719)	(75,584,326)
Miscellaneous applications	(1,729,720)	(31,242,865)
Net cash from (used for) investments	(640,959,537)	(461,341,117)
CASH FROM (USED FOR) FINANCING AND MISCELLANEOUS SOURCES:		
Borrowed funds	321,626,800	(486,635,328)
Amounts from (due to) affiliates	23,933,748	(67,789,302)
Other cash provided (applied)	(9,302,013)	(16,257,001)
Net cash from (used for) financing and miscellaneous sources	336,258,535	(570,681,632)

(Continued)

MUTUAL OF OMAHA INSURANCE COMPANY

STATUTORY STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020

	2021	2020
NET CHANGE IN CASH, CASH EQUIVALENTS, AND SHORT-TERM INVESTMENTS	$ 149,698,416	$ (55,799,965)
CASH, CASH EQUIVALENTS, AND SHORT-TERM INVESTMENTS:		
Beginning of year	76,352,747	132,152,712
End of year	$ 226,051,163	$ 76,352,747
NON-CASH TRANSACTIONS:		
Stock conversions	$ 133,638,499	$ 57,046,971
Bond conversions	$ 78,889,728	$ 63,664,272
Change in securities lending	$ 47,501,036	$ 57,165,269
Other invested asset contribution to charity	$ 37,000,006	$ -
Stock charitable contribution	$ 3,000,000	$ 10,000,000
Dividend in the form of stocks	$ -	$ 141,211,024
Return of capital—company-owned life insurance policies	$ -	$ 56,749,929

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, 2021: United of Omaha Life Insurance Company ("United of Omaha"); Omaha Health Insurance Company ("Omaha Health"); Omaha Supplemental Insurance Company ("Omaha Supplemental"); Mutual of Omaha Medicare Advantage Company ("Omaha Medicare Advantage"); East Campus Realty, LLC ("East Campus"); Mutual DMLT Holdings, LLC ("Mutual DMLT"); Mutual of Omaha Holdings, Inc. ("Mutual of Omaha Holdings"); Omaha Financial Holdings, Inc. ("OFHI"); and Turner Park North, LLC. In addition, the Company owns 16.95% of Boston Financial Opportunity Zone Fund 1, LP ("Boston") and 8.74% of MHEG OZ Fund 1, LP ("MHEG").

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

Basis of Presentation—The Company has prepared accompanying statutory financial statements 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 NDOI has the right to permit other specific practices that may deviate from NAIC SAP. The Company does not utilize any permitted practices and there are not any prescribed practices applicable.

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 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, 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"), captured within the scope of Statutory Account Principles ("SSAP") No. 26R, Bonds ("SSAP No. 26R"), 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. Perpetual preferred stocks are stated at estimated fair value with changes in fair value recognized in unrealized gains and losses while under GAAP, perpetual preferred stocks are generally stated at their estimated fair value with changes in fair value recognized in net income. Certain investments in perpetual preferred stocks and other equity investments without readily determinable fair values for which the Company has elected a measurement alternative under GAAP are stated at cost adjusted for price changes in observable transactions in the same or similar instruments of the same issuer and for impairments. Redeemable preferred stocks are stated at amortized cost; except for redeemable preferred stocks that are NAIC rated 4 through 6, which are stated at lower of amortized cost or value. Under GAAP, preferred stocks that are redeemable mandatorily or at the option of the holder are generally stated at their estimated fair value with changes in fair value recognized in other comprehensive income in equity.

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 and included in net investment income and amortization of interest maintenance reserve ("IMR") on the statutory statements of operations 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. Changes in fair value of derivatives qualifying for hedge accounting are recorded through either income or equity, depending on the nature of the hedge, which changes in fair value of derivatives not qualifying for hedge accounting are recorded through 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 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 and included in net investment income and amortization of IMR on the statutory statements of operations. 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 with related parties, defined as arms-length transactions, resulting in the transfer of the risks and rewards of ownership, are transferred at fair value and the gain is deferred until the assets are sold to third party under NAIC SAP. While under GAAP the transaction and any related gain is eliminated in consolidation.

Reclassifications—Certain amounts in the prior period statutory financial statements have been reclassified to conform to the presentation of the current period statutory financial statements. These reclassifications had no effect on the previously reported financial results.

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. Actual results could differ from those estimates.

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 claim reserves, the liability for benefits for employees and agents, income tax expense, and deferred taxes.

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 insurance contracts and the risks involved, reserves for policies and contracts are estimates. These reserves are calculated using Company estimated morbidity assumptions and prescribed mortality, and interest rate assumptions. Lapse assumptions are permitted in certain situations subject to limitations for certain products. Actual morbidity, mortality, interest rates, and lapse rates may differ from valuation assumptions.

Policy and contract 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 2021 and 2020, and will continue into 2022. As events and responses continue to 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 these statutory financial statements were available to be issued.

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. SVO Identified Funds-ETFs, captured within the scope of SSAP No. 26R, are stated at fair value and classified as bonds.

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.

Redeemable preferred stocks are stated at amortized cost and perpetual preferred stocks are stated at fair value; except for redeemable preferred stocks that are NAIC rated 4 through 6, which are stated at 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 and included in net investment income and amortization of IMR on the statutory statements of operations.

Mortgage loans-net are 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, reported as investment real estate on the statutory statements of admitted assets, liabilities, and surplus, 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, if any, 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, if applicable, 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 payable for securities lending on the statutory statements of admitted assets, liabilities, and surplus. 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. Cash collateral received is invested in cash equivalents and securities, and the Company records a corresponding liability for the collateral which is included in payable for securities lending on the statutory statements of admitted assets, liabilities, and surplus.

Other invested assets include the Company's investments in derivatives, receivables for securities, affiliated and unaffiliated joint ventures, affiliated and unaffiliated low-income housing tax credits ("LIHTC"), and surplus notes.

Affiliated joint ventures include East Campus, Turner Park North, LLC, Mutual DMLT, and Discovery Mortgage Loan Trust, Series 2021-26. All affiliated joint ventures, excluding Mutual DMLT, and Discovery Mortgage Loan Trust, Series 2021-26, were also held as of December 31, 2020. Affiliated joint ventures are stated at their underlying GAAP equity, which approximates fair value, with a one-quarter lag adjusted for all capital distributions, cash distributions, and impairment charges for the quarter with charges recorded in net unrealized capital gains (losses), a component of unassigned surplus. Fair values of the affiliated joint ventures are determined using the underlying audited GAAP financial statements or audited trust statement value. Distributions of income from these affiliated joint ventures are recorded in net investment income and included in net investment income and amortization of IMR on the statutory statements of operations. The investment in Turner Park North, LLC is stated at fair value and is 100% non-admitted as of December 31, 2021 and 2020. Affiliated non-guaranteed state LIHTCs include Boston and MHEG.

As of December 31, 2021 and 2020, the Company's total investment in affiliated and unaffiliated federal LIHTCs and unaffiliated state LIHTCs, stated at proportional amortized cost, was $45,037,806 and $51,676,208, respectively. The number of remaining years of unexpired tax credits and the required holding period for the LIHTC investments as of December 31, 2021 are 10 and 15 years, respectively. The amount of LIHTC and other tax benefits recognized during 2021 and 2020 were $10,067,644 and $9,536,692, respectively.

Investments in surplus notes are stated at amortized cost. As of December 31, 2021 and 2020, the Company's investment in surplus notes was $27,791,178 and $26,248,360, 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 swaps-foreign exchange and purchase options-other call options and warrants. 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, and nonadmitted. Interest on swaps-foreign and purchase options-other call options and warrants is included in net investment income and included in net investment income and amortization of IMR on the statutory statements of operations.

The Company uses swaps-foreign currency to hedge the foreign currency risk on debt issues that are payable in a currency other than U.S. dollars. Swaps-foreign exchange transactions generally involve the exchange of funds received in the course of principal and interest collections on securities denominated in a foreign currency to U.S. dollars at a predetermined rate. Gains and losses resulting from early termination of swaps-foreign exchange transactions that use hedge accounting are deferred and amortized over the remaining period originally covered by the swap. Gains and losses resulting from changes in fair value on swaps-foreign exchange that do not use hedge accounting are reported as unrealized gains (losses), a component of unassigned surplus.

The Company uses Purchased Options-Other-Call Options and Warrants for warrants that are received as part of the consideration for agreeing to the restructuring of a private placement bond.

All derivatives' market values change along with the underlying assets, currencies. As the market value of swaps may be less than zero, the Company may be required to post collateral, often in the form of cash against swaps with negative values.

For swaps, the Company is exposed to credit-related losses in the amount of the market value loss in the event of nonperformance by the swap counterparty. Counterparty risk is continually monitored along with criteria related to collateral requirements that are specified in the credit support annex of the International Swaps and Derivatives Association. Due to the investment grade rating of the counterparty, credit-related losses are considered to be very unlikely.

Net investment income consists primarily of interest and dividends and is included in net investment income and amortization of IMR on the statutory statements of operations. 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 net investment income and amortization of IMR on the statutory statements of operations. 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 $712,943,758 and $625,621,329 as of December 31, 2021 and 2020, respectively. The Company paid no premiums in 2021 and 2020. The underlying investment characteristics at December 31, 2021 were 53% bonds and 47% common stocks. The underlying investment characteristics at December 31, 2020 were 55% common stocks and 45% bonds. A gain of $87,322,429 and $79,559,675 in the surrender value of the policies was included in other income for the years ended December 31, 2021 and 2020, respectively. In addition, the Company received a dividend from OFHI in the form of COLI in 2020 as disclosed in Note 7. The COLI policies are in compliance with Internal Revenue Code Section 7702.

Electronic Data Processing Equipment and Software—Electronic data processing ("EDP") equipment and operating and non-operating software are stated at cost less accumulated depreciation or amortization and are included in other assets on the statutory statements of admitted assets, liabilities, and surplus. 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—Reserves for policies and contracts include health insurance contract reserves, unearned premium reserves, and premium deficiency reserve calculations.

Health insurance contract reserves 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, 2021 and 2020, the Company had $11,021,244 and $11,246,368, respectively, of premium deficiency reserves related to its individual and discretionary group major medical lines of business.

Claim Reserves—Policy and contract claim reserves include disabled life reserves that 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.

Unpaid 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 on the statutory statements of admitted assets, liabilities, and surplus.

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, 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 on 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 in other assets on the statutory statements of admitted assets, liabilities, and surplus.

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, 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 the 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 general expenses and taxes due or accrued 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 net investment income, included in net investment income and amortization of IMR on the statutory statements of operations, 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—Net 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, EDP equipment and software, prepaid expenses, and suspense items, 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 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.

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.

Premiums Received in Advance— Premiums received in advance are those premiums that have been received by the Company prior to year-end but which were due after year-end. The total amount of advanced premiums is reported as a liability on the statutory financial statement and is not considered premium income until due.

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.

Accounting Pronouncements— During 2020, the NAIC issued revisions to SSAP No. 32R *Preferred Stock* that revised the definitions, measurements, and impairment guidance for preferred stocks. The revisions were effective for the Company on January 1, 2021. The adoption of this guidance did not have a material impact on the Company's statutory financial statements. See related changes in Note 1 to the Company's nature of operations under investments.

In January of 2022, the NAIC issued revisions to SSAP No. 61R*, Life, Deposit-Type and Accident and Health Reinsurance* effective in 2021 that allows affirmative statement in lieu of the disclosures required within paragraphs 79-84 if there are no applicable reinsurance contracts. Additionally, the update eliminates disclosure for non-proportional reinsurance that does not result in significant surplus relief. See Note 10 for the associated disclosures.

2. INVESTMENTS

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

2021	Carrying Value	Gross Unrealized Gains	Gross Unrealized Losses	Estimated Fair Value
All Other Governments	$ 25,615,043	$ 422,718	$ 372,362	$ 25,665,399
Hybrid securities	161,376,107	8,364,076	375,826	169,364,357
Industrial and miscellaneous	3,937,297,063	512,158,543	15,516,898	4,433,938,708
Political subdivision	16,036,089	951,660	336,091	16,651,658
Special revenue/assessment obligations	265,797,696	18,408,053	1,917,058	282,288,691
States, territories, and possessions	2,134,605	661,720	13,688	2,782,637
SVO identified funds—ETFs	2,366,003	-	-	2,366,003
U.S. government	313,822,280	25,933,559	234,040	339,521,799
Total bonds	$4,724,444,886	$566,900,329	$18,765,963	$5,272,579,252

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

Bonds with an NAIC designation of 6 with carrying values of $1,920,300 and $2,265,239 as of December 31, 2021 and 2020, 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 97% and 96% of the carrying value of the Company's total bond portfolio as of December 31, 2021 and 2020, respectively.

The carrying value and estimated fair value of investment in bonds as of December 31, 2021, 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	$ 71,274,515	$ 72,355,507
Due after one year through five years	515,398,906	540,701,962
Due after five years through ten years	730,666,988	795,231,246
Due after ten years	2,575,639,409	2,986,278,735
	3,892,979,818	4,394,567,450
MBS and other ABS	831,465,068	878,011,802
Total	$4,724,444,886	$5,272,579,252

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	
2021	**Estimated Fair Value**	**Gross Unrealized Capital Losses**	**Estimated Fair Value**	**Gross Unrealized Capital Losses**	**Estimated Fair Value**	**Gross Unrealized Capital Losses**
U.S. government	$ 9,977,691	$ 223,684	$ 263,649	$ 10,356	$ 10,241,340	$ 234,040
Special revenue/assessment obligations	57,870,249	1,917,058	-	-	57,870,249	1,917,058
Political subdivision	3,881,063	336,091	-	-	3,881,063	336,091
Industries and miscellaneous	547,123,214	12,098,899	65,772,304	3,417,999	612,895,518	15,516,898
All other governments	8,775,681	372,362	-	-	8,775,681	372,362
States, territories, and possessions	339,138	13,688	-	-	339,138	13,688
Hybrid securities	35,684,063	265,069	3,079,697	110,757	38,763,760	375,826
Total	$663,651,099	$ 15,226,851	$69,115,650	$3,539,112	$732,766,749	$18,765,963

	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

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, 2021, 22 securities were in an unrealized capital loss position one year or more with an average credit rating of Baa1 and were 72% investment grade. As of December 31, 2021, 376 securities were in an unrealized capital loss position less than one year with an average credit rating of A3 and 95% were investment grade. Therefore, the Company does not believe the unrealized losses on investments represent an other-than-temporary impairment as of December 31, 2021.

Net realized capital losses for the years ended December 31, 2021 and 2020 include losses of $1,716,128 and $3,983,763, 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 and the gross realized capital gains and gross realized capital losses from the sales or disposals of bonds and common stocks-unaffiliated resulting in gross realized capital gains or gross realized capital losses for the years ended December 31, were as follows:

	2021	2020
Proceeds from sales or disposals:		
Bonds	$ 442,294,680	$ 494,301,640
Common stocks-unaffiliated	$ 83,925,415	$ 88,497,492
Net realized capital gain (loss) on bonds and common stocks-unaffiliated:		
Bonds:		
Gross realized capital gains from sales or other disposals	$ 20,682,717	$ 12,805,605
Gross realized capital losses from sales or other disposals	(3,217,911)	(1,571,260)
OTTI losses	(1,716,128)	(3,983,763)
Net realized capital gain (loss)	$ 15,748,678	$ 7,250,582
Common stocks-unaffiliated:		
Gross realized capital gains from sales or other disposals	$ 1,630,927	$ 4,470,905
Gross realized capital losses from sales or other disposals	(10,182,077)	(13,397,917)
Net realized capital gain (loss)	$ (8,551,150)	$ (8,927,012)

Bond income due and accrued of $545,733 and $341,120, related to bonds in default was excluded from net investment income and amortization of IMR during the years ended December 31, 2021 and 2020, respectively.

Common Stocks—Unaffiliated—Included within common stocks—unaffiliated as of December 31, 2021 and 2020 is FHLB capital stocks of $11,583,300 and $2,552,800, respectively. As of December 31, 2021 and 2020, $500,000 was classified as membership-class A stock and not eligible for redemption. There was no excess membership-class A stock and $2,000,000 classified as membership-Class A excess stock as of December 31, 2021 and 2020. As of December 31, 2021, $10,899,800 was classified as membership-class B stock and not eligible for redemption and there was no required membership-class B stock and not eligible for redemption. As of December 31, 2021 and 2020, $183,500 and $52,800, respectively, was classified as membership-class B excess stock and not eligible for redemption.

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. During 2021, the minimum and maximum lending rates for new commercial mortgage loans were 2.65% and 3.50% respectively. During 2020, the minimum and maximum lending rates for commercial mortgage loans were 2.80% and 5.88% respectively. During 2021 and 2020, 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 96% and 69%, respectively. All loans were in current status as of December 31, 2021 and 2020.

The Company participates or is a co-lender in mortgage loan agreements with other lenders for commercial mortgage loans. These amounts were $77,054,848 and $92,263,767 as of December 31, 2021 and 2020, 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, 2021 or 2020.

The Company's mortgage loan portfolio includes 35 and 27 loan originators as of December 31, 2021 and 2020, respectively. Mortgage loan participations purchased from one loan originator comprise approximately 11% and 16% of the portfolio book value as of December 31, 2021 and 2020, respectively. The properties collateralizing mortgage loans are geographically dispersed throughout the U.S., with the largest concentration in California of approximately 30% and 29% of the portfolio book value as of December 31, 2021 and 2020, 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 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			
2021	**>1.20x**	**1.00x-1.20x**	**<1.00x**	**Total**
Loan-to-value ratios:				
Less than 65%	$ 402,025,827	$ 8,955,511	$ 5,817,103	$ 416,798,441
66% to 75%	29,796,066	-	-	29,796,066
Greater than 75%	1,000,000	-	-	1,000,000
Total	$ 432,821,893	$ 8,955,511	$ 5,817,103	$ 447,594,507

	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

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

2021	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	$309,800,564	$309,800,564	2.91 %	2.99 %
FHLB capital stocks	11,583,300	11,583,300	0.11	0.11
On deposit with states	3,551,668	3,551,668	0.03	0.03
Pledged collateral to FHLB (including assets backing funding agreements)	626,797,402	626,797,402	5.89	6.06
Pledged as collateral not captured in other categories	60,000	60,000	0.00	0.00
Total	$951,792,934	$951,792,934	8.94 %	9.19 %

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 %

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

	2021	2020
Bonds	$ 205,986,498	$ 200,023,174
Preferred stocks	268,557	-
Common stocks—unaffiliated	2,144,539	5,350,849
Common stocks—affiliated	17,946,999	468,909,891
Mortgage loans	16,960,527	16,383,461
Real estate	11,341,770	11,470,063
Other invested assets	62,596,194	46,295,318
Other	1,781,933	7,102,066
Gross investment income	319,027,017	755,534,822
Amortization of IMR	2,301,698	891,381
Investment expenses	(53,624,362)	(54,441,002)
Net investment income and amortization of IMR	$ 267,704,353	$ 701,985,201

3. STRUCTURED SECURITIES

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

2021	Carrying Value	Gross Unrealized Capital Gains	Gross Unrealized Capital Losses	Estimated Fair Value
MBS:				
Commercial	$ 214,810,816	$ 26,219,465	$ 154,137	$ 240,876,144
Residential	285,387,161	16,144,456	1,730,679	299,800,938
	500,197,977	42,363,921	1,884,816	540,677,082
Other ABS	331,267,091	7,808,210	1,740,581	337,334,720
Total	$ 831,465,068	$ 50,172,131	$ 3,625,397	$ 878,011,802

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

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

2021	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	$ 8,556,015	$ 154,137	$ -	$ -	$ 8,556,015	$ 154,137
Residential	47,319,722	1,720,323	263,649	10,356	47,583,371	1,730,679
	55,875,737	1,874,460	263,649	10,356	56,139,386	1,884,816
Other ABS	103,918,054	948,074	22,079,520	792,507	125,997,574	1,740,581
Total	$159,793,791	$2,822,534	$22,343,169	$ 802,863	$182,136,960	$3,625,397

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

A portion of the Commercial and Residential MBS portfolios are backed by collateral guaranteed or insured by a government agency. As of December 31, 2021 and 2020, 64% and 60%, respectively, of the carrying value of Residential MBS portfolio was guaranteed by a government agency. As of December 31, 2021 and 2020, 74% and 76%, respectively, of the carrying value of Commercial MBS portfolio was guaranteed by a government agency.

There was $1,653,718 and no OTTI as of December 31, 2021 and 2020, respectively, on loan-backed and structured securities related to the intent to sell, inability or lack of intent to hold for a period of time sufficient to recover the amortized cost basis of the security. The Company's OTTI on loan-backed and structured securities based on the present value of future cash flows expected to be less than amortized cost basis of the security was $62,410 and $2,637,968 as of December 31, 2021 and 2020 as shown in the following table:

2021	**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:						
G4301UAH7	$ 8,615,936	$ 6,962,218	$ 1,653,718	$ 6,962,218	$ 6,962,218	4/1/2021
64828MBB2	3,914,731	3,852,321	62,410	3,852,321	3,814,314	12/31/2021
Total	$ 12,530,667	$ 10,814,539	$ 1,716,128	$ 10,814,539	$ 10,776,532	

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	9/30/2020
26827EAA3	3,555,497	3,392,982	162,515	3,392,982	3,321,368	9/30/2020
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	

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:

2021	Quoted Prices in Active Markets for Identical Assets or Liabilities (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	NAV	Total
State and political subdivisions securities	$ -	$ 818,935	$ -	$ -	$ 818,935
Asset-backed securities	-	-	1,101,365	-	1,101,365
Preferred stocks	-	505,172	-	-	505,172
Derivative Cash Collateral	60,000	-	-	-	60,000
Derivative Cash Collateral Liability	(5,060,000)	-	-	-	(5,060,000)
SVO identified funds—ETFs	2,366,003	-	-	-	2,366,003
Common stocks—unaffiliated	114,817,846	11,583,300	-	31,481,909	157,883,055
Securities lending and repurchase agreement cash collateral	309,800,564	-	-	-	309,800,564
Payable for securities lending	(309,800,564)	-	-	-	(309,800,564)
Total	$ 112,183,849	$ 12,907,407	$ 1,101,365	$ 31,481,909	$ 157,674,530

2020	Quoted Prices in Active Markets for Identical Assets or Liabilities (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	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
Payable for securities lending	(357,301,599)	-	-	-	(357,301,599)
Total	$ 89,470,540	$ 3,339,122	$ -	$ 23,186,733	$ 115,996,395

A description of the significant inputs and valuation techniques used to determine estimated fair value for level 2 and level 3 assets and liabilities on a recurring basis is as follows:

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.

Preferred Stocks—These securities are principally valued using the market approach. The valuation of these securities is based principally on observable inputs including quoted prices in markets that are not considered active.

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. During the year ended December 31, 2021 and 2020, there were no material transfers into or out of Level 3.

Asset-Backed Securities —These securities are principally valued using the market approach. The valuation of these securities is based primarily on matrix pricing or other similar techniques that utilize inputs that are unobservable or cannot be derived principally from, or corroborated by, observable market data, or are based on independent non-binding broker quotations.

NAV

The Company has one investment measured using the NAV as a practical expedient pursuant to SSAP No. 100R, *Fair Value*. The investment trust NAV per share is $2,297.13 and is a trust that makes real estate value added investments in the industrial sector. If there is a liquidation of the underlying assets, the period of time for assets to be liquidated will be longer than a year. The Company has no unfunded commitments related to the investment. An investor may redeem assets on a quarterly basis with a 90 day notice period. No other significant restrictions exist on the ability to sell investment at the measurement date.

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:

2021	Carrying Value	Estimated Fair Value	Level 1	Level 2	Level 3	NAV	Not Practicable (Carrying Value)
Financial assets:							
Bonds	$ 4,724,444,886	$ 5,272,579,252	$ 2,366,003	$ 4,988,862,028	$ 281,351,221	$ -	$ -
Preferred stocks	8,505,919	9,022,973	-	7,147,974	-	-	1,874,999
Common stocks—unaffiliated	158,557,955	158,557,955	114,817,846	11,583,300	-	31,481,909	674,900
Mortgage loans-net	447,594,507	465,024,337	-	-	465,024,337	-	-
Other invested assets— surplus notes	27,791,178	28,431,127	-	28,431,127	-	-	-
Cash and cash equivalents	(13,348,837)	(13,348,837)	(13,348,837)	-	-	-	-
Short-term investments	239,400,000	239,400,000	-	239,400,000	-	-	-
Securities lending and repurchase agreement cash collateral	309,800,564	309,800,564	309,800,564	-	-	-	-
Other invested assets-derivative assets	3,322,329	5,805,062	-	5,805,062	-	-	-
Financial liabilities:							
Borrowings	333,876,576	333,876,576	248,375,047	85,501,529	-	-	-
Payable for securities lending	309,800,564	309,800,564	309,800,564	-	-	-	-
Other liabilities-derivative cash collateral	5,060,000	5,060,000	5,060,000	-	-	-	-
Other liabilities-derivative liabilities	3,273,841	1,572,105	-	1,572,105	-	-	-

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-net	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	-	-	-	-
Other invested assets-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	-	-	-	-
Other liabilities-derivative liabilities	6,899,994	4,387,825	-	4,387,825	-	-	-

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

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. It is not practicable to measure the fair value in certain private preferred stocks and the carrying value approximates fair value.

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. It is not practicable to measure the fair value in certain common stocks - unaffiliated when using the equity method and when measuring fair value in certain private stock.

Mortgage Loans-Net—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 value for cash and other cash equivalents approximates fair value.

Short-Term Investments—Fair values for short-term investments includes public bonds and short-term unsecured revolving credit notes. 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 value of short-term unsecured revolving credit notes approximates fair value and are included within Level 2 due to the internal nature and with no public market.

Securities Lending and Repurchase Agreement Cash Collateral, Other Liabilities-Derivative 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 value may be used to approximate fair value.

Other Invested Assets-Derivative Assets and Other Liabilities-Derivative 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.

Borrowings— Fair values of long-term FHLB borrowings are estimated by discounting expected future cash flows using current interest rates for debt with comparable terms and included in Level 2. Fair values of short-term FHLB borrowings approximates carrying value and thus is included in Level 1. The carrying value of short-term unsecured revolving credit notes approximates fair value and are included within Level 2 due to the internal nature and with no public market.

5. DERIVATIVE FINANCIAL INSTRUMENTS

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

2021	Notional Amount	Credit Exposure	Carrying Value Assets	Carrying Value Liabilities	Estimated Fair Value Assets	Estimated Fair Value Liabilities
Foreign current swaps	$ 126,300,449	$ 1,708,115	$ 3,322,329	$ 3,273,841	$ 5,805,062	$ 1,572,105
Total	$ 126,300,449	$ 1,708,115	$ 3,322,329	$ 3,273,841	$ 5,805,062	$ 1,572,105

2020	Notional Amount	Credit Exposure	Carrying Value Assets	Carrying Value Liabilities	Estimated Fair Value Assets	Estimated Fair Value Liabilities
Foreign current swaps	$ 123,427,049	$ 1,722,671	$ 1,060,861	$ 6,899,994	$ 1,312,195	$ 4,387,825
Purchase options-other call options and 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

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

2021	Unrealized Capital Gains	Net Investment Income
Foreign currency swaps	$ 5,887,622	$ 1,671,643

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

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 asset of $4,232,957 as of December 31, 2021 and in a net liability of $1,575,630 as of December 31, 2020. The Company pledged $60,000 and $2,780,000 of cash collateral as of December 31, 2021 and 2020, respectively. The Company was holding cash collateral of $5,060,000 as of December 31, 2021 and did not hold 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, 2021, the Company's federal income tax return was consolidated with the following affiliates: Mutual DMLT, Mutual of Omaha Holdings. and its subsidiaries; Omaha Medicare Advantage; OFHI and certain of its subsidiaries including Mutual Community Development Company, and Mutual of Omaha Mortgage, Inc. ("Mutual of Omaha Mortgage"); Omaha Health; Omaha Supplemental; and United of Omaha and certain of its subsidiaries including Companion Life Insurance Company ("Companion"), Medicare Advantage Insurance Company of Omaha ("Medicare Advantage Company"), Mutual of Omaha Structured Settlement Company, Omaha Reinsurance Company ("Omaha Re"), United DMLT Holdings, LLC, and United World Life Insurance Company ("United World"). 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 Re 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 (from) subsidiaries as of December 31, 2021 and 2020 were $24,295,052 and $(14,288,814), respectively, included as federal income taxes payable in other liabilities on the statutory statements of admitted assets, liabilities, and surplus.

There were no deposits reported as admitted under Section 6603 of the Internal Revenue Service Code as of December 31, 2021 or 2020.

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

	2021	2020
Federal income tax	$ 18,281,905	$ 1,102,354
Federal income tax on net realized capital gain (loss)	2,141,581	2,395,920
Federal income tax	20,423,486	3,498,274
Change in net deferred income tax (benefit)	28,483,322	19,814,101
Total federal income tax incurred	$ 48,906,808	$ 23,312,375

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:

	2021	2020
Net income from operations before federal income tax and net realized capital gain (loss)	$ 209,751,730	$ 788,424,752
Net realized capital gain (loss) before federal income tax and transfers to IMR	44,531,066	(9,108,616)
Total pre-tax income	254,282,796	779,316,136
Statutory tax rate	21 %	21 %
Expected federal income tax incurred	53,399,387	163,656,389
Prior year tax expenses	(549,125)	(146,990)
Change in nonadmitted assets	2,355,989	(4,292,714)
Amortization of IMR	(483,357)	(187,190)
Pension liability adjustments	27,068,879	(17,568,038)
Life insurance cash values	(18,337,710)	(17,622,696)
Income (loss) from disregarded entities	35,990	(3,539,794)
Dividends received deductions	(5,008,535)	(99,447,358)
Tax credit investment and realization	(1,752,792)	6,426,547
Net interest income reported in federal income tax	-	(3,653,974)
Contribution of appreciated property	(8,005,321)	-
Other	183,403	(311,807)
Total federal income tax at effective tax rate	$ 48,906,808	$ 23,312,375

There were no net operating loss carryforwards as of December 31, 2021.

The Company had $53,975,472 of income taxes incurred that will be available for recoupment as of December 31, 2021, of which $6,366,857, will expire at the end of December 31, 2022.

As of December 31, 2021, 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.

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

	2021		
	Ordinary	**Capital**	**Total**
Gross DTA	$ 259,550,563	$ 17,845,933	$ 277,396,496
Nonadmitted DTA	(149,907,267)	(6,556,308)	(156,463,575)
Net admitted DTA	109,643,296	11,289,625	120,932,921
DTL	(29,667,006)	(11,099,985)	(40,766,991)
Net DTA	$ 79,976,290	$ 189,640	$ 80,165,930

	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

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

	2021		
	Ordinary	Capital	Total
Federal income tax paid in prior years recoverable through loss carrybacks	$ -	$ 189,640	$ 189,640
Adjusted gross DTA expected to be realized (lesser of 1 or 2)	79,976,290	-	79,976,290
1. Adjusted gross DTA expected to be realized following the balance sheet date	79,976,290	-	79,976,290
2. Adjusted gross DTA allowed per limitation threshold	N/A	N/A	552,843,253
Adjusted gross DTA that can be offset by DTL	29,667,006	11,099,985	40,766,991
DTA admitted as the result of application of SSAP No. 101	$ 109,643,296	$ 11,289,625	$ 120,932,921

	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 No. 101	$ 119,884,297	$ 3,030,441	$ 122,914,738

The authorized control level risk-based capital (“RBC”) ratio percentages used to determine recovery period and threshold limitation amounts were 958% and 908% as of December 31, 2021 and 2020, respectively. The amounts of adjusted capital and surplus used to determine recovery period and threshold limitations were $4,421,748,180 and $3,845,757,354 as of December 31, 2021 and 2020, respectively.

The Company has not utilized an income tax planning strategy for the realization of the DTA for 2021 or 2020.

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

	2021	2020	Change
DTA:			
Ordinary:			
Policy reserves	$ 74,117,559	$ 71,125,981	$ 2,991,578
Deferred acquisition costs	70,236,491	63,487,555	6,748,936
Expense accruals and other prepaid income	55,548,123	55,349,181	198,942
Pension liability	33,211,768	59,448,837	(26,237,069)
Nonadmitted assets	5,360,895	4,566,047	794,848
Bonds and other invested assets	4,010,723	6,186,097	(2,175,374)
Net operating loss carryforwards	-	6,336,852	(6,336,852)
Depreciation and amortization	7,387,869	7,499,007	(111,138)
Other	9,677,135	16,017,992	(6,340,857)
Subtotal	259,550,563	290,017,549	(30,466,986)
Nonadmitted DTA	(149,907,267)	(170,133,252)	20,225,985
Admitted ordinary DTA	109,643,296	119,884,297	(10,241,001)
Capital—investments	17,845,933	12,059,592	5,786,341
Nonadmitted	(6,556,308)	(9,029,151)	2,472,843
Admitted capital DTA	11,289,625	3,030,441	8,259,184
Admitted DTA	120,932,921	122,914,738	(1,981,817)
DTL:			
Ordinary:			
Investments	(3,457,809)	(3,851,659)	393,850
Policyholder reserves	(16,207,582)	(23,799,227)	7,591,645
Other	(10,001,615)	(9,570,631)	(430,984)
Subtotal	(29,667,006)	(37,221,517)	7,554,511
Capital—investments	(11,099,985)	(2,219,753)	(8,880,232)
DTL	(40,766,991)	(39,441,270)	(1,325,721)
Net admitted DTA	$ 80,165,930	$ 83,473,468	$ (3,307,538)

The Company's deferred tax liability does not include a deferred tax liability for investment in subsidiaries.

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

	2021	2020	Change
DTA	$ 277,396,496	$ 302,077,141	$ (24,680,645)
DTL	(40,766,991)	(39,441,270)	(1,325,721)
Net DTA	$ 236,629,505	$ 262,635,871	(26,006,366)
Tax effect of unrealized capital gains (losses)			(2,476,956)
Change in net deferred income tax (benefit)			$ (28,483,322)

	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 (benefit)			$ (19,814,101)

7. RELATED PARTY INFORMATION

The Company's investments in non-insurance subsidiary, controlled, or affiliated entities' ("SCA") and related NAIC filing response information, as of December 31, were as follows:

	2021						
	Admitted	Nonadmitted	Type of NAIC Filing	Date of Filing to the NAIC	NAIC Valuation Amount	NAIC Response Received	Resubmission Required
OFHI	$ 170,543,594	$ -	S2	8/19/2021	$ 136,166,948	Yes	No
Mutual of Omaha Investor Services, Inc.	3,825,598	-	S2	8/19/2021	3,361,471	Yes	No

	2020						
	Admitted	Nonadmitted	Type of NAIC Filing	Date of Filing to the NAIC	NAIC Valuation Amount	NAIC Response Received	Resubmission Required
OFHI	$ 136,166,938	$ -	S2	5/21/2020	$ 1,001,652,193	Yes	No
Mutual of Omaha Investor Services, Inc.	3,355,973	-	S2	5/21/2020	3,291,976	Yes	No

The Company utilizes the look-through approach in valuing its investment in Mutual of Omaha Holdings and OFHI. Mutual of Omaha Holdings and OFHI are not audited and in accordance with SSAP No. 97 *Investment in Subsidiary, Controlled and Affiliated Entities*, they are stated at the combined value of their audited subsidiaries. Mutual of Omaha Holdings is stated at the combined value of Mutual of Omaha Investor Services, Inc., valued at its audited GAAP equity of $3,825,598 and $3,355,973, as of December 31, 2021 and 2020, respectively, and Omaha Insurance Company ("Omaha Insurance"), valued at its underlying statutory surplus of $52,683,766 and $55,964,196 as of December 31, 2021 and 2020, respectively. OFHI is stated at the value Mutual of Omaha Mortgage, Inc., valued at its audited GAAP equity of $170,543,594 and $136,166,938 as of December 31, 2021 and 2020, respectively. East Campus is stated at the underlying GAAP equity of $37,565,307 and $45,385,983 as of December 31, 2021 and 2020, respectively.

The carrying value of United of Omaha exceeds 10% of the admitted assets of the Company. The Company carries its investment in United of Omaha at its statutory surplus value of $1,924,820,013 as of December 31, 2021. Assets, liabilities, and results of operations for United of Omaha as of December 31, were as follows:

	2021	**2020**
	United of Omaha	**United of Omaha**
Admitted assets	$ 31,183,618,852	$ 28,649,865,991
Liabilities	29,258,798,838	26,779,071,275
Net income	(28,997,031)	77,994,756

The Company has the following bilateral unsecured revolving credit notes available from related parties as of December 31, 2021. All outstanding borrowings due from the company are included in borrowings on the statutory statements of assets, liabilities, and surplus.

Lending Company	**Date Credit Issued**	**Maximum Borrowing**	**Carrying Value of Debt**
United of Omaha	03/26/2021	$ 500,000,000	$ 80,500,000
Omaha Insurance	10/08/2021	30,000,000	-
Companion	11/18/2021	23,000,000	-
United World	03/26/2021	20,000,000	-

The Company has the following borrowing agreements available to related parties as of December 31, which are substantially similar to the agreements held in the prior year. All of the outstanding borrowings due to the Company are included in short-term investments on the statutory statements of admitted assets, liabilities, and surplus.

		2021				**2020**
Borrowing Company	**Date Issued**	**Type of Borrowing**	**Interest Rates**	**Maximum Borrowings**	**Amount Outstanding**	**Amount Outstanding**
United of Omaha	03/26/2021	Bilateral unsecured revolving credit note	0.16%-0.20%	$ 250,000,000	$ -	$ 57,300,000
Omaha Health	11/30/2021	Unsecured demand revolving credit note	1.88%-1.94%	250,000,000	206,400,000	-
Omaha Insurance	10/08/2021	Bilateral unsecured revolving credit note	0.16%-0.20%	30,000,000	16,200,000	10,000,000
Omaha Supplemental	07/23/2021	Unsecured demand revolving credit note	0.16%-0.20%	30,000,000	-	-
Omaha Re	09/24/2021	Unsecured demand revolving credit note	0.16%-0.20%	30,000,000	-	-
Companion	11/18/2021	Bilateral unsecured revolving credit note	0.16%-0.20%	23,000,000	-	-
United World	03/26/2021	Bilateral unsecured revolving credit note	0.16%-0.20%	20,000,000	16,800,000	-
Omaha Medicare Advantage	03/26/2021	Unsecured demand revolving credit note	0.16%-0.20%	10,000,000	-	-
East Campus	11/22/2021	Unsecured demand revolving credit note	0.16%-0.20%	5,000,000	-	-

The $10,000,000 unsecured demand revolving line of credit agreement available to Omaha Medicare Advantage matured on December 31, 2021 and was not renewed.

The Company had the following transactions with its affiliates during the years ended December 31:

2021

Date	Return of Capital Received	Dividends Received (Paid) / Income	Capital Distribution	Purchase	Affiliate	Description
Q2 & Q4	$ -	$ -	$ -	$ 75,359,024	Mutual DMLT	Cash
December 22	-	-	6,000,000	-	Omaha Supplemental	Cash

2020

Date	Return of Capital Received	Dividends Received (Paid) / Income	Capital Distribution	Purchase	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	Cash
March 13	-	-	25,000,000	-	Omaha Health	Cash
April 24	-	-	25,000,000	-	Omaha Health	Cash
May 18	-	-	40,000,000	-	Omaha Health	Cash
June 15	-	-	50,000,000	-	Omaha Health	Cash
July 8	56,749,929	-	-	-	OFHI	COLI
July 21	10,000,000	-	-	-	OFHI	Cash
August 10	-	-	40,000,000	-	Omaha Health	Cash
September 14	-	-	45,000,000	-	Omaha Health	Cash
September 28	-	-	2,275,667	-	OFHI	Cash
November 2	-	10,000,000	-	-	OFHI	Cash
November 23	-	-	50,000,000	-	Omaha Health	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 will make available to each other the services of certain employees, specialists, professionals, skill and experienced administrators, and specialized equipment as needed. The services made available under the agreement, may include, but are not limited to human resources, facilities, print and mail, payroll, finance and accounting, treasury and investments, internal audit, compliance, information technology infrastructure and personnel, marketing, legal, corporate services, broker dealer and investment advisory services, and other services as determined by the parties. Most of the expenses related to these services were paid by the Company and are subject to allocation among the Company and its direct and indirect subsidiaries. Management believes the measures used to allocate expenses provide a reasonable allocation that conforms to NAIC guidelines. Amounts due for these services are included in receivable from subsidiaries on the statutory statements of admitted assets, liabilities, and surplus.

Additionally, certain amounts paid or collected by the Company, on behalf of its direct and indirect subsidiaries, are generally settled within 30 days. The Company received payments from subsidiaries of $2,112,148,690 for the year ended December 31, 2021.

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 $100,000,000. As of December 31, 2021 and 2020, 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. 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 $253,326,800 short-term and $5,000,000 long-term outstanding borrowings as of December 31, 2021 and 2020, respectively. The maximum amount borrowed by the Company under this agreement was $345,591,700 and $223,750,000 during the years ended December 31, 2021 and 2020, respectively.

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

	2021	2020
Estimated fair value	$ 664,406,300	$ 518,559,300
Carrying value	626,797,402	465,662,064
Aggregate total borrowing	253,326,800	5,000,000

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

	2021	2020
Estimated fair value	$ 664,406,300	$ 550,424,380
Carrying value	626,797,402	487,152,206
Amount borrowed at time of maximum collateral	253,326,800	53,500,000

As of December 31, 2021 and 2020, there was no debt subject to prepayment penalties.

Transfer and Servicing of Financial Assets—The Company has an agreement to sell and repurchase securities. Securities with a fair value of $292,173,842 were on loan for securities lending and $10,061,330 for bilateral repurchase lending under the program as of December 31, 2021. The Company had securities with a fair value of $336,157,667 on loan for securities lending and $10,581,250 for bilateral repurchase lending under the program as of December 31, 2020. The Company was liable for cash collateral of $299,667,250 for securities lending and $10,133,314 for bilateral repurchase lending as of December 31, 2021. The Company was liable for cash collateral of $346,675,580 for securities lending and $10,626,019 for repurchase lending as of December 31, 2020.

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

	2021	2020
Assets:		
Cash	$ 33,499,716	$ 18,502,421
Cash equivalents	83,769,483	169,734,807
Short-term investments	114,549,042	72,024,508
Bonds	77,982,323	97,039,863
Total securities lending cash collateral	$ 309,800,564	$ 357,301,599
Liabilities:		
Securities lending cash collateral	$ 309,800,564	$ 357,301,599

The Company has accepted collateral that it is permitted to sell or repledge under the Company's security lending program. The Company receives primarily cash collateral in an amount in excess of the fair value of the securities lent. The Company reinvests the cash collateral into higher-yielding securities than the securities which the Company has lent to other entities under the arrangement. The estimated fair value of the Company's contractually obligated collateral positions, securities which the borrower may request the return of on demand, as of December 31, were as follows:

	2021	2020
30 days or less	$ 87,635,297	$ 167,441,183
31 to 60 days	20,760,611	22,989,882
61 to 90 days	62,965,293	22,192,226
Greater than 90 days	138,465,411	144,475,154
Total collateral received	$ 309,826,612	$ 357,098,445

The amortized cost and estimated fair value of the collateral reinvested under the Company's security lending program as of December 31, were as follows:

2021	Amortized Cost	Estimated Fair Value
Less than 30 days	$ 87,635,297	$ 87,635,297
31 to 60 days	20,759,325	20,760,611
61 to 90 days	62,965,293	62,965,293
91 to 120 days	6,899,223	6,902,555
121 to 180 days	24,524,714	24,524,714
181 to 365 days	53,708,836	53,712,990
1 to 2 years	27,451,691	27,442,825
2 to 3 years	7,697,549	7,690,107
Greater than 3 years	18,158,636	18,192,220
Total collateral reinvested	$ 309,800,564	$ 309,826,612

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

The Company holds securities with a fair value of $309,826,612 and $357,098,445 in response to collateral of $309,928,558 and $357,267,337 that could be called with one day's notice as of December 31, 2021 and 2020, respectively. Excess liquidity at the enterprise level would be used to fulfill any remaining obligation due to the Company's lending counterparties. Of the collateral received, the Company has $51,564,220 in collateral for securities lending that extended beyond one year from December 31, 2021.

The maximum amount and ending balance for repurchase agreements accounted for as secured borrowings, by maturity, during the years ended December 31, were as follows:

	2021	2020
Maximum amount:		
Overnight	$ 10,275,000	$ -
1 week to 1 month	5,441,463	10,987,500
Ending balance:		
Overnight	$ 10,137,500	$ -
1 week to 1 month	-	10,625,000

The maximum amount and ending balance for securities sold under repurchase agreements accounted for as secured borrowings, during the years ended December 31, were as follows:

	2021	2020
Maximum amount:		
Carrying value	$ 14,083,803	$ 9,941,116
Estimated fair value	15,272,188	10,634,375
Ending balance:		
Bonds - NAIC 1:		
Carrying value	$ 9,947,169	$ 9,941,116
Estimated fair value	10,061,330	10,581,250

The maximum amount and ending balance of cash collateral received and liability to return collateral under secured borrowings was $15,253,963 and $10,137,500 as of December 31, 2021, respectively. The maximum amount and ending balance of cash collateral received and liability to return collateral under secured borrowings was $10,987,500 and $10,625,000 as of December 31, 2020, respectively. All cash collateral was not NAIC rated and there was no non-cash collateral received under such transactions as of December 31, 2021 and 2020. Estimated fair value of the Company's allocation of aggregate collateral, by remaining contractual maturity, all of which was overnight and continuous, was $10,137,500 and $10,581,300 as of December 31, 2021 and 2020, respectively.

The Company's amortized cost and estimated fair value of the allocation of aggregate collateral reinvested under repurchase agreements, by remaining contractual maturity, as of December 31, was as follows:

2021	**Amortized Cost**	**Estimated Fair Value**
30 days or less	$ 2,866,476	$ 2,866,476
31 to 60 days	679,020	679,062
61 to 90 days	2,059,541	2,059,541
91 to 120 days	225,668	225,777
121 to 180 days	802,183	802,183
181 to 365 days	1,756,770	1,756,906
1 to 2 years	897,922	897,632
2 to 3 years	251,780	251,537
Greater than 3 years	593,954	595,052
Total collateral reinvested	$ 10,133,314	$ 10,134,166

2020	**Amortized Cost**	**Estimated Fair Value**
30 days or less	$ 4,979,637	$ 4,979,639
31 to 60 days	683,702	683,711
61 to 90 days	659,989	659,989
91 to 120 days	151,604	151,653
121 to 180 days	349,369	349,724
181 to 365 days	1,890,117	1,890,706
1 to 2 years	993,497	993,807
2 to 3 years	406,551	406,579
Greater than 3 years	511,553	504,170
Total collateral reinvested	$ 10,626,019	$ 10,619,978

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 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 does not have pension or other benefit plans in which projected benefit obligations are overfunded as of December 31, 2021 and 2020. 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	
	2021	2020	2021	2020
Change in benefit obligation:				
Benefit obligation at beginning of year	$ 1,430,567,128	$ 1,292,789,499	$ 46,119,345	$ 49,895,800
Service cost	5,499,831	5,793,665	127,537	122,688
Interest cost	36,376,196	46,090,841	1,145,812	1,733,414
Actuarial (gain) loss	(87,155,899)	143,997,650	(7,956,950)	(337,407)
Benefits paid	(60,557,500)	(58,104,527)	(4,198,491)	(5,295,150)
Benefit obligation at end of year	$ 1,324,729,756	$ 1,430,567,128	$ 35,237,253	$ 46,119,345
Change in plan assets:				
Fair value of plan assets at beginning of year	$ 1,090,800,355	$ 1,034,551,749	$ 7,633,722	$ 8,794,800
Actual return on plan assets	79,300,255	110,875,474	158,944	208,773
Employer contribution	3,477,659	3,477,659	-	-
Benefits paid	(60,557,500)	(58,104,527)	(1,209,238)	(1,369,851)
Fair value of plan assets at end of year	$ 1,113,020,769	$ 1,090,800,355	$ 6,583,428	$ 7,633,722

As of December 31, 2021 and 2020, the amount of the accumulated benefit obligation for defined-benefit pension plans was $1,314,980,091 and $1,411,785,987, respectively.

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

	Pension Benefits		Other Benefits	
	2021	2020	2021	2020
Overfunded:				
Prepaid benefit costs	$109,150,748	$102,686,827	$ -	$ -
Total assets (nonadmitted)	$109,150,748	$102,686,827	$ -	$ -
Underfunded:				
Accrued benefit cost	$ 31,214,014	$ 31,746,397	$ 32,974,868	$34,968,724
Liability for pension benefits	180,494,973	308,020,376	(4,321,043)	3,516,899
Total liabilities recognized	$211,708,987	$339,766,773	$ 28,653,825	$38,485,623
Components of net periodic benefit cost:				
Service cost	$ 5,499,831	$ 5,793,665	$ 127,537	$ 122,688
Interest cost	36,376,196	46,090,841	1,145,812	1,733,414
Expected return on plan assets	(58,357,871)	(60,375,602)	(277,952)	(351,414)
Amount of recognized gains (losses)	12,963,199	9,160,906	-	-
Amount of prior service cost recognized	-	-	-	484,780
Total net periodic benefit costs	$ (3,518,645)	$ 669,810	$ 995,397	$ 1,989,468

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

	Pension Benefits		Other Benefits	
	2021	2020	2021	2020
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	$410,707,203	$326,370,331	$ 3,516,899	$ 4,196,445
Amortization of prior service cost	-	-	-	(484,780)
Net (gain) loss arising during the year	(108,098,283)	93,497,778	(7,837,942)	(194,766)
Amortization of actuarial loss	(12,963,199)	(9,160,906)	-	-
Items not yet recognized in net periodic cost at the end of the year	$289,645,721	$410,707,203	$ (4,321,043)	$ 3,516,899

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

	2022	2023	2024	2025	2026	2027–2031
Pension benefits	$67,701,780	$71,333,307	$74,371,607	$77,018,999	$79,213,361	$406,683,086
Other postretirement benefits	$ 3,755,389	$ 3,581,132	$ 3,377,390	$ 3,157,995	$ 2,944,245	$ 11,539,242

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

	2021	2020
United group annuity contract:		
General asset account	$ 848,353,121	$ 776,935,270
Separate Account K equity securities	19,143,062	37,365,638
Separate Account IIF equity securities	76,877,505	94,342,314
Equity securities—foreign	59,345,007	95,101,220
Limited partnerships	109,302,074	87,055,913
Total	$1,113,020,769	$1,090,800,355

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:

2021	**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	$ -	$ -	$ 848,353,121	$ 848,353,121
Separate Account K equity securities	-	19,143,062	-	19,143,062
Separate Account IIF equity securities	76,877,505	-	-	76,877,505
Equity securities—foreign	59,345,007	-	-	59,345,007
Limited partnerships	-	-	109,302,074	109,302,074
Total	$ 136,222,512	$ 19,143,062	$ 957,655,195	$ 1,113,020,769
2020				
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—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

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 76% fixed income and 24% equities and other. The Company, subject to general guidelines set by the Retirement Plans Investment 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 2021. 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 2022.

The company funds a portion of its defined benefits plans with group annuity contracts and certain other separate account funds purchased from its affiliate, United of Omaha. As of December 31, 2021, the value of the group annuity contracts funding the defined benefit pension plan and other postretirement benefit plan were $566,393,180 and $6,583,428, respectively, and the value of the separate account investments funding the defined benefit pension plan was $96,020,567. There were no separate account investments funding the other postretirement benefit plan as of December 31, 2021. As of December 31, 2020, the value of the group annuity contracts funding the defined benefit pension plan and other postretirement benefit plan were $776,935,270 and $7,633,722, respectively, and the value of the separate account investments funding the defined benefit pension plan was $131,707,952. There were no separate account investments funding the other postretirement benefit plan as of December 31, 2020.

The accumulated benefit obligation, projected benefit obligation and fair value of the plan assets are as follows:

	Pension Benefts	Postretirement Benefits
Projected benefit obligation/ accumulated postretirement benefit	$ 1,324,729,756	$ 35,237,253
Fair value of plan assets	1,113,020,769	6,583,428
Underfunded	$ 211,708,987	$ 28,653,825

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	
	2021	2020	2021	2020
Projected benefit obligation:				
Discount rate	3.05 %	2.60 %	3.05 %	2.60 %
Rate of increase in compensation levels	2.50	3.40	N/A	N/A
Net periodic pension cost:				
Discount rate	2.60 %	3.65 %	2.60 %	3.65 %
Rate of increase in compensation levels	3.40	3.40	N/A	N/A
Expected long-term rate of return on plan assets	5.50	6.00	4.00	4.00

Actuarial gains in 2021 are primarily the result of an increase in the discount rate and higher-than-expected asset returns. Actuarial losses in 2020 are primarily the result of a decrease in the discount rate, partially offset by higher-than-expected asset returns.

The assumed health care cost trend rates used in measuring the accumulated postretirement benefit obligation was 6.50% and 5.40% in 2021 and 2020, respectively, then gradually declining to 5.00% in 2028 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 $6,751,028 and $6,561,985 in 2021 and 2020, respectively.

The Company also provides deferred compensation benefits for certain key executive officers. As of December 31, 2021 and 2020, 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 $25,859,840 and $22,540,799, respectively.

10. REINSURANCE

The Company has reinsurance agreements with affiliate entities to assume certain individual health business. The Company assumes 90% of individual health business from Omaha Insurance and Omaha Supplemental, and 100% from United World. The Company also assumes 100% of long-term care policies and 100% of certain Medicare supplement policies from United of Omaha.

The Company has not entered into, renewed or amended any reinsurance contracts on or after January 1, 1996, that were in effect for the current period, that have provisions limiting reinsurer's assumption of significant risk as described in Appendix A-791—Life and Health Reinsurance Agreements of the NAIC Accounting Practices and Procedures Manual.

11. SURPLUS

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

	2021	2020
Unrealized capital gain	$ 1,090,709,126	$ 1,010,954,652
Nonadmitted assets	(286,617,736)	(320,535,560)
AVR	(160,955,020)	(105,286,819)

12. 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, excluding July 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.

On June 15, 2006, the Company issued $300,000,000 in surplus notes due ("2006 notes") June 15, 2036, at a discount of $6,255,000 with 6.80% interest due semiannually.

The 2014 notes, 2010 notes, and 2006 notes, (collectively the surplus notes) were all offered in the U.S. only to qualified institutional buyers in reliance on Rule 144A under the Securities Act of 1933 or to institutional investors that are accredited investors within the meaning of Rule 501(a) (1), (2), (3), or (7) under the Securities Act, and, outside the U.S. to certain non-U.S. persons in offshore transactions in reliance on Regulation S under the Securities Act. The 2014 notes and 2010 notes were underwritten by Goldman, Sachs & Co. and J.P. Morgan Securities LLC, and are administered by US Bank, NA as registrar/paying agent. The 2006 notes were underwritten by Goldman, Sachs & Co. and Merrill Lynch & Co., and are administered by US Bank, NA as registrar/paying agent. All of the surplus 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, and did not include any guarantees.

The surplus notes do not have payments that are contractually linked nor or 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.

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. If payment restrictions are not satisfied, the applicable interest payment date or maturity date will be extended until such time, if any, at which such restrictions are satisfied. Interest will continue to accrue on any unpaid principal amount of the notes, but not on unpaid interest the payment of which has not been so approved, during the period of such extension. If the payment restrictions are thereafter satisfied and payment has not been made, to the extent permitted by law, interest will accrue on any unpaid interest from the date of satisfaction of the payment restrictions.

The surplus 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. This includes all insurance policies and existing or future indebtedness issued, incurred or guaranteed by the Company, other than any future surplus notes or similarly subordinated obligations, any indebtedness that is expressly subordinate to, or ranks equal in all respects with the notes, and any premium refunds on assessable policies of the Company. The notes are subject to the provisions of Nebraska Section 44-4842, which establishes the priority of distribution in the event of the reorganization, rehabilitation, liquidation or conservation of an insurance company under the Liquidation Act.

As of December 31, 2021 and 2020, there was not any unapproved interest or principal or principal paid during the year. Carrying value of the surplus notes, year to date and life to date interest expense and life to date principal paid as of December 31, were as follows:

2021

Year	Date Issued	Interest Rate	Carrying Value	Current Year Interest Expense Recognized	Life-To-Date Interest Expense Recognized	Life-To-Date Principal Paid
2014	07/17/2014	4.30%	$ 300,000,000	$ 12,891,000	$ 90,165,383	$ -
2010	10/12/2010	6.95%	152,344,280	10,892,735	157,875,397	143,270,000
2006	06/15/2006	6.80%	258,453,294	17,711,280	295,512,179	39,540,000
Total			$ 710,797,574	$ 41,495,015	$ 543,552,959	$ 182,810,000

2020

Year	Date Issued	Interest Rate	Carrying Value	Current Year Interest Expense Recognized	Life-To-Date Interest Expense Recognized	Life-To-Date Principal Paid
2014	07/17/2014	4.30%	$ 300,000,000	$ 12,891,000	$ 77,257,383	$ -
2010	10/12/2010	6.95%	152,236,690	10,892,735	146,982,662	143,270,000
2006	06/15/2006	6.80%	258,374,171	17,711,280	277,800,899	39,540,000
Total			$ 710,610,861	$ 41,495,015	$ 502,040,944	$ 182,810,000

13. COMMITMENTS AND CONTINGENCIES

The Company had unfunded investment commitments for limited partnership investments, bonds, and mortgage lending of $157,903,124 and $196,856,164 as of December 31, 2021 and 2020, 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 $3,753,955 and $4,087,990 as of December 31, 2021 and 2020, respectively, and are included in general expenses and taxes due or accrued on the statutory statements of admitted assets, liabilities, and surplus. The Company estimated premium tax credits that it will receive related to guaranty funds of $7,963,821 and $9,247,573 as of December 31, 2021 and 2020, respectively, and are included in other assets on the statutory statements of admitted assets, liabilities, and surplus.

The Company recognizes discounted and undiscounted amounts relating to Penn Treaty Network America and its subsidiaries (together "Penn Treaty") insolvency. As of December 31, 2021, the discounted and undiscounted liabilities and receivables were $3,351,725 and $10,177,791, and $2,595,451 and $7,878,228, respectively. 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. There are 50 jurisdictions for liabilities and 39 jurisdictions for premium tax credits by insolvency as of December 31, 2021. 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 the following guarantees for affiliates as of December 31, 2021. The initial liability recognition for all guarantees is exempted under SSAP No. 5R 18.g, *Liabilities, Contingencies and Impairments of Assets*.

The Company has adopted resolutions to guarantee and maintain Omaha Insurance, a wholly owned indirect subsidiary, capital and surplus at or above Iowa Insurance Division statutory minimum levels of $5,000,000 or risk-based capital, whichever is greater, at or above Maine Bureau of Insurance statutory minimum levels of $2,000,000 or regulatory action risk-based capital, whichever is greater, and at or above New Jersey Department of Banking and Insurance statutory minimum levels of $3,500,000 for a minimum of 10 years beginning April 25, 2012 to those respective departments. The maximum potential amount of future payments for these guarantees cannot be estimated because the agreement is to maintain the company's capital and surplus which is continuously changing. There were no amounts paid under these agreements as of December 31, 2021 or 2020. Risk of performance is remote as the capital and surplus of Omaha Insurance is well above state required minimum levels.

The Company has adopted resolutions to guarantee and maintain Omaha Medicare Advantage, a wholly owned subsidiary, at or above Ohio Department of Insurance statutory minimum levels of $1,700,0000 or the Company Action Level RBC, whichever is greater, and to make any capital contribution with Texas Department of Insurance in order to maintain an RBC of at least 250% for two years from initial licensing of 2018 to comply with RBC requirements of Title 28, Texas Administrative Code § 7.402. The initial liability recognition is exempted under SSAP No. 5R 18.g. The maximum potential amount of future payments for the guarantee cannot be estimated because the agreement is to maintain the company's capital and surplus which is continuously changing. There were no amounts paid under these agreements as of December 31, 2021 or 2020. Risk of performance is remote as the capital and surplus of Omaha Medicare Advantage is well above state required minimum levels.

The Company has a Portfolio Maintenance Agreement with Omaha Re, a wholly owned indirect subsidiary. Under the portfolio maintenance agreement, to the extent there are any realized capital losses, net of amounts transferred to interest maintenance reserve, during any calendar quarter on any of the assets credited to certain funds withheld accounts established by United of Omaha, the Company will contribute equity capital in the form of cash or assets to Omaha Re. The maximum potential amount of future payments cannot be estimated because it is unlimited to the extent that Omaha Re sustains capital losses on certain funds withheld account assets. There were no amounts paid under these agreements as of December 31, 2021 or 2020. Risk of performance is based on market conditions.

The Company has guaranteed the performance and payment by Medicare Advantage Company, a wholly owned indirect subsidiary, of all of its obligations arising under a reinsurance agreement with an unaffiliated insurer. The maximum potential amount of future payments cannot be estimated because it is unlimited to the extent that Medicare Advantage Company is unable to meet its obligations under the reinsurance agreement. There were no amounts paid under this agreement as of December 31, 2021 or 2020. Risk of performance is remote as Medicare Advantage Company holds a trust for the payment of the reinsurance and the balance in the trust is more than the assumed reserves.

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 financial position of the Company.

14. 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. The Company’s allocated rental expense for the years ended December 31, 2021 and 2020, was $13,363,125 and $10,992,467, respectively.

Future required minimum rental payments under leases as of December 31, 2021, were as follows:

2022	$ 11,652,227
2023	11,134,992
2024	8,513,591
2025	5,246,045
2026	4,048,739
Thereafter	6,039,157
Total	$ 46,634,751

The total minimum rentals to be received in the future under noncancelable sublease was $10,640,366 and $11,930,107 for the years ended f December 31, 2021 and 2020.

15. 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	2021	2020
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	$ 414,438,766	$ 383,531,621
Maxon Company 76 N. Broadway Irvington, NY 10533	52-1080377	No	Group health	Premium administration and collection; claims administration and payment	23,299,919	12,249,903
Health Special Risks, Inc. 880 Sibley Memorial Highway Suite 101 Mendota Heights, MN 55118	41-1365449	No	Special risk	Premium collection; claims administration	5,620,453	4,934,126
				Total	$ 443,359,138	$ 400,715,650

16. POLICY AND CONTRACT CLAIM RESERVES

A reconciliation of the liability for policy and contract claim reserves as of December 31, was as follows:

	2021	2020
Balance at January 1	$ 1,245,005,458	$ 1,296,273,781
Reinsurance recoverable	53,104,636	54,785,195
Net balance at January 1	1,191,900,822	1,241,488,586
Incurred related to:		
Current year	2,736,008,778	2,525,840,998
Prior years	(28,095,473)	(41,590,249)
Total incurred	2,707,913,305	2,484,250,749
Paid related to:		
Current year	2,044,419,388	1,910,768,290
Prior years	600,798,696	623,070,223
Total paid	2,645,218,084	2,533,838,513
Net balance at December 31	1,254,596,043	1,191,900,822
Reinsurance recoverable	54,835,729	53,104,636
Balance at December 31	$ 1,309,431,772	$ 1,245,005,458

During 2021, incurred claims related to prior years were favorable on a non-interest adjusted basis due to favorable runout within Medicare Supplement, long-term care, special risk, group short-term disability and other group health coverages that were in line with expectations. Group long-term disability ("LTD") was favorable on an interest-adjusted basis due to updated termination rates. During

2020, incurred claims related to prior years were favorable on a non-interest adjusted basis due to favorable runout within Medicare supplement, long-term care, special risk, group short-term disability and other group health coverages that were in line with expectations. Group LTD was favorable run out on a non-interest basis due to updated termination rates.

The Company did not have any significant changes in methodology or assumptions utilized in estimating the liability for unpaid claims and claim adjustment expenses.

A roll forward of the liability for claim adjustment expenses included in general expenses, due or accrued, on the statutory statements of admitted assets, liabilities, and surplus, as of December 31, was as follows:

	2021	2020
Prior year accrual	$ 24,543,323	$ 24,414,113
Incurred claim adjustment expenses	33,269,755	34,592,824
Paid claim adjustment expenses	(33,205,243)	(34,463,614)
	$ 24,607,835	$ 24,543,323

17. 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:

	2021	2020
EDP equipment	$ 90,530,154	$ 91,017,375
Operating system software	12,844,032	12,803,256
Non-operating system software	283,205,657	263,339,613
Accumulated depreciation	(308,391,821)	(291,614,370)
Nonadmitted assets	(61,752,378)	(56,786,930)
	$ 16,435,644	$ 18,758,944

Depreciation expense related to EDP equipment and operating and non-operating software totaled $25,446,994 and $25,597,150 for the years ended December 31, 2021 and 2020, respectively.

18. SUBSEQUENT EVENTS

The Company has evaluated events subsequent to December 31, 2021 through April 15, 2022, the date these statutory financial statements were available to be issued. On January 26, 2022, the Company announced its intention to construct a new home office building in downtown Omaha, Nebraska and redevelop existing property. No definitive agreements have been entered into that would have a material effect on the financial position, results of operations or cash flow of the Company. The Company expects further actions may be taken over the course of 2022, which may include a definitive construction agreement and redevelopment plans for existing property. The Company is not aware of any additional material subsequent events requiring adjustment to or disclosure in the statutory financial statements.

* * * * * *

SUPPLEMENTAL SCHEDULES

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INDEPENDENT AUDITOR'S REPORT ON ADDITIONAL INFORMATION

To the Audit Committee
Mutual of Omaha Insurance Company
Omaha, Nebraska

Our 2021 audit was conducted for the purpose of forming an opinion on the 2021 statutory financial statements as a whole. The supplemental schedule of selected financial data, the supplemental summary investment schedule, and the supplemental investment risks interrogatories as of and for the year ended December 31, 2021, are presented for the purposes of additional analysis and are not a required part of the 2021 statutory financial statements. These schedules are the responsibility of Mutual of Omaha Insurance Company's management and were derived from and relate directly to the underlying accounting and other records used to prepare the statutory financial statements. Such schedules have been subject to the auditing procedures applied in our audit of the 2021 statutory 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 financial statements or to the statutory 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 2021 statutory financial statements as a whole.

Deloitte & Touche LLP

April 15, 2022

MUTUAL OF OMAHA INSURANCE COMPANY

SUPPLEMENTAL SCHEDULE OF SELECTED FINANCIAL DATA
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2021

Investment income earned:	
U.S. government bonds	$ 13,287,248
Other bonds (unaffiliated)	192,699,250
Bonds of affiliates	-
Preferred stocks—unaffiliated	268,557
Preferred stocks—affiliates	-
Common stocks—unaffiliated	2,144,539
Common stocks—affiliates	17,946,999
Mortgage loans	16,960,527
Real estate	11,341,770
Contract loans	-
Cash, cash equivalents and short-term investments	1,781,933
Other invested assets	59,581,115
Derivative instruments	1,632,843
Aggregate write-ins for investment income	1,382,236
Gross investment income	$ 319,027,017
Real estate owned—book value less encumbrances	$ 30,879,616
Mortgage loans—book value:	
Farm mortgages	$ -
Residential mortgages	-
Commercial mortgages	447,594,507
Total mortgage loans	$ 447,594,507
Mortgage loans by standing—book value:	
Good standing	$ 445,698,301
Good standing with restructured terms	$ 1,896,206
Interest overdue more than three months—not in foreclosure	$ -
Foreclosure in process	$ -
Other long-term assets—statement value	$ 629,166,255
Collateral loans	$ -

(Continued)

MUTUAL OF OMAHA INSURANCE COMPANY

SUPPLEMENTAL SCHEDULE OF SELECTED FINANCIAL DATA AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2021

Bonds and stocks of subsidiaries and affiliates—book value:	
Bonds	$ -
Preferred stocks	$ -
Common stocks	$ 2,467,406,691
Bonds and short-term investments by NAIC designation and maturity	
Bonds by maturity—statement value:	
Due within one year or less	$ 481,898,312
Over 1 year and through 5 years	893,481,443
Over 5 years through 10 years	940,321,531
Over 10 years through 20 years	683,559,815
Over 20 years	1,962,217,781
No maturity date	2,366,004
Total by maturity	$ 4,963,844,886
Bonds by NAIC designation—statement value:	
NAIC 1	$ 2,781,523,505
NAIC 2	2,044,430,315
NAIC 3	122,491,532
NAIC 4	13,479,234
NAIC 5	-
NAIC 6	1,920,300
Total by NAIC designation	$ 4,963,844,886
Total bonds publicly traded	$ 2,434,387,818
Total bonds privately traded	$ 2,529,457,068
Preferred stocks—statement value	$ 8,505,919
Common stocks—market value	$ 2,625,964,646
Short-term investments—book value	$ 239,400,000
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	$ 48,488
Cash on deposit	$ (13,348,938)

(Continued)

MUTUAL OF OMAHA INSURANCE COMPANY

SUPPLEMENTAL SCHEDULE OF SELECTED FINANCIAL DATA
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2021

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:	
Income payable	$ -
Ordinary—deferred:	
Fully paid account balance	$ -
Ordinary—deferred—not fully paid—account balance	
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, 2021

Group:	
Income payable	$ -
Fully paid account balance	$ -
Not fully paid account balance	$ -
Accident and health insurance—premiums in force:	
Other	$ 3,542,524,510
Group	$ 203,419,025
Credit	$ -
Deposit funds and dividend accumulations:	
Deposit funds—account balance	$ -
Dividend accumulations—account balance	$ -
Claim payments 2021:	
Group accident and health—year ended December 31, 2021:	
2021	$ 55,419,851
2020	$ 18,700,956
2019	$ 7,826,181
2018	$ 3,500,877
2017	$ 3,472,410
2016 and prior	$ 17,168,530

(Continued)

MUTUAL OF OMAHA INSURANCE COMPANY

SUPPLEMENTAL SCHEDULE OF SELECTED FINANCIAL DATA
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2021

Claim payments 2021 (continued)	
Other accident and health—year ended December 31, 2021:	
2021	$ 1,988,999,537
2020	$ 445,587,473
2019	$ 31,365,135
2018	$ 24,370,581
2017	$ 15,139,015
2016 and prior	$ 33,667,537
Other coverages that use developmental methods to calculate claim reserves—year ended December 31, 2021:	
2021	$ -
2020	$ -
2019	$ -
2018	$ -
2017	$ -
2016 and prior	$ -

(Concluded)

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	313,822,280	3.483	313,822,280	0	313,822,280	3.485
1.02 All other governments	25,615,043	0.284	25,615,043	0	25,615,043	0.284
1.03 U.S. states, territories and possessions, etc. guaranteed	2,134,605	0.024	2,134,605	0	2,134,605	0.024
1.04 U.S. political subdivisions of states, territories, and possessions, guaranteed	16,036,089	0.178	16,036,089	0	16,036,089	0.178
1.05 U.S. special revenue and special assessment obligations, etc. non-guaranteed	265,797,696	2.950	265,797,696	0	265,797,696	2.951
1.06 Industrial and miscellaneous	3,937,297,063	43.704	3,937,297,063	77,982,323	4,015,279,386	44.584
1.07 Hybrid securities	161,376,107	1.791	161,376,107	0	161,376,107	1.792
1.08 Parent, subsidiaries and affiliates	0	0.000	0	0	0	0.000
1.09 SVO identified funds	2,366,003	0.026	2,366,003	0	2,366,003	0.026
1.10 Unaffiliated Bank loans	0	0.000	0	0	0	0.000
1.11 Total long-term bonds	4,724,444,886	52.442	4,724,444,886	77,982,323	4,802,427,209	53.324
2. Preferred stocks (Schedule D, Part 2, Section 1):						
2.01 Industrial and miscellaneous (Unaffiliated)	8,505,919	0.094	8,505,919	0	8,505,919	0.094
2.02 Parent, subsidiaries and affiliates	0	0.000	0	0	0	0.000
2.03 Total preferred stocks	8,505,919	0.094	8,505,919	0	8,505,919	0.094
3. Common stocks (Schedule D, Part 2, Section 2):						
3.01 Industrial and miscellaneous Publicly traded (Unaffiliated)	12,056,350	0.134	12,056,350	0	12,056,350	0.134
3.02 Industrial and miscellaneous Other (Unaffiliated)	32,156,809	0.357	32,156,809	0	32,156,809	0.357
3.03 Parent, subsidiaries and affiliates Publicly traded	0	0.000	0	0	0	0.000
3.04 Parent, subsidiaries and affiliates Other	2,467,406,691	27.388	2,467,406,691	0	2,467,406,691	27.397
3.05 Mutual funds	114,344,796	1.269	114,344,796	0	114,344,796	1.270
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	2,625,964,646	29.148	2,625,964,646	0	2,625,964,646	29.158
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	447,594,507	4.968	447,594,507	0	447,594,507	4.970
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	447,594,507	4.968	447,594,507	0	447,594,507	4.970
5. Real estate (Schedule A):						
5.01 Properties occupied by company	25,992,627	0.289	25,992,627	0	25,992,627	0.289
5.02 Properties held for production of income	4,886,989	0.054	4,886,989	0	4,886,989	0.054
5.03 Properties held for sale	0	0.000	0	0	0	0.000
5.04 Total real estate	30,879,616	0.343	30,879,616	0	30,879,616	0.343
6. Cash, cash equivalents and short-term investments:						
6.01 Cash (Schedule E, Part 1)	(13,348,938)	(0.148)	(13,348,938)	0	(13,348,938)	(0.148)
6.02 Cash equivalents (Schedule E, Part 2)	101	0.000	101	0	101	0.000
6.03 Short-term investments (Schedule DA)	239,400,000	2.657	239,400,000	0	239,400,000	2.658
6.04 Total cash, cash equivalents and short-term investments	226,051,163	2.509	226,051,163	0	226,051,163	2.510
7. Contract loans	0	0.000	0	0	0	0.000
8. Derivatives (Schedule DB)	3,322,329	0.037	3,322,329	0	3,322,329	0.037
9. Other invested assets (Schedule BA)	632,012,075	7.015	629,166,255	0	629,166,255	6.986
10. Receivables for securities	387,582	0.004	387,582	0	387,582	0.004
11. Securities Lending (Schedule DL, Part 1)	309,800,564	3.439	309,800,564	XXX	XXX	XXX
12. Other invested assets (Page 2, Line 11)	0	0.000	0	231,818,241	231,818,241	2.574
13. Total invested assets	9,008,963,287	100.000	9,006,117,466	309,800,564	9,006,117,466	100.000

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SUPPLEMENTAL INVESTMENT RISKS INTERROGATORIES

For The Year Ended December 31, 2021
(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. $ 10,341,789,035

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	$ 1,924,820,013	18.6 %
2.02	OMAHA HEALTH INSURANCE CO	Equity	$ 279,826,235	2.7 %
2.03	OMHL Revolver	Bank Loan	$ 206,400,000	2.0 %
2.04	MCCARTHY GP LLC	Sch BA-Joint Venture	$ 171,850,859	1.7 %
2.05	Omaha Financial Holdings, Inc.	Equity	$ 170,543,594	1.6 %
2.06	Federal Home Loan Mortgage Corporation	CMO, MBS	$ 89,142,704	0.9 %
2.07	Discovery Mortgage Loan Trust, Series 2021-26	Sch BA-All Other	$ 77,227,362	0.7 %
2.08	Mutual of Omaha Holdings, Inc.	Equity	$ 56,509,363	0.5 %
2.09	SFR3 LLC	Sch BA-Joint Venture	$ 51,214,339	0.5 %
2.10	Federal National Mortgage Association	CMO, MBS	$ 48,535,307	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	$ 2,781,523,505	26.9 %	3.07	P/RP-1	$ 6,125,748	0.1 %
3.02	NAIC-2	$ 2,044,430,315	19.8 %	3.08	P/RP-2	$ 505,172	0.0 %
3.03	NAIC-3	$ 122,491,532	1.2 %	3.09	P/RP-3	$ 0	0.0 %
3.04	NAIC-4	$ 13,479,234	0.1 %	3.10	P/RP-4	$ 0	0.0 %
3.05	NAIC-5	$ 0	0.0 %	3.11	P/RP-5	$ 0	0.0 %
3.06	NAIC-6	$ 1,920,300	0.0 %	3.12	P/RP-6	$ 1,874,999	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	$ 782,272,632	7.6 %
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	$ 727,568,596	7.0 %
5.02	Countries designated NAIC-2	$ 37,028,137	0.4 %
5.03	Countries designated NAIC-3 or below	$ 17,675,899	0.2 %

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	$ 165,132,202	1.6 %
6.02	Country 2: Australia	$ 129,718,711	1.3 %
	Countries designated NAIC - 2:		
6.03	Country 1: Mexico	$ 9,824,144	0.1 %
6.04	Country 2: Indonesia	$ 7,047,016	0.1 %
	Countries designated NAIC - 3 or below:		
6.05	Country 1: Bahamas	$ 5,703,857	0.1 %
6.06	Country 2: Colombia	$ 2,850,504	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	Perth Airport Pty Ltd	2, 2FE	$ 17,000,000	0.2 %
10.02	Compass Group PLC	1	$ 15,000,000	0.1 %
10.03	Owl Rock CLO II Ltd	1FE	$ 15,000,000	0.1 %
10.04	Temasek Financial (I) Limited	1FE	$ 12,848,116	0.1 %
10.05	Inchcape PLC	2	$ 12,176,100	0.1 %
10.06	Oldendorff Drybulk GmbH & Co. KG	2	$ 12,000,000	0.1 %
10.07	HSBC Holdings plc	2FE	$ 11,928,014	0.1 %
10.08	VTTI BV	3	$ 11,368,000	0.1 %
10.09	Colliers International EMEA Finco PLC	2	$ 11,368,000	0.1 %
10.10	Golub Capital Partners Clo 47M LP	1FE	$ 11,190,000	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	$ 1,924,820,013	18.6 %
13.03	OMAHA HEALTH INSURANCE CO	$ 279,826,235	2.7 %
13.04	MCCARTHY GP LLC	$ 171,850,859	1.7 %
13.05	Omaha Financial Holdings, Inc.	$ 170,543,594	1.6 %
13.06	Discovery Mortgage Loan Trust, Series 2021-26	$ 77,227,362	0.7 %
13.07	Vanguard Index Funds - Vanguard S&P 500 ETF	$ 75,255,500	0.7 %
13.08	Mutual of Omaha Holdings, Inc.	$ 56,509,363	0.5 %
13.09	Whitehorse Liquidity Partners LP	$ 54,229,247	0.5 %
13.10	SFR3 LLC	$ 51,214,339	0.5 %
13.11	East Campus Realty LLC	$ 37,565,307	0.4 %

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	$ 511,798,235	4.9 %
	Largest three investments held in nonaffiliated, privately placed equities:		
14.03	MCCARTHY GP LLC	$ 171,850,859	1.7 %
14.04	Whitehorse Liquidity Partners LP	$ 54,229,247	0.5 %
14.05	SFR3 LLC	$ 51,214,339	0.5 %

Ten largest fund managers:

	1 Fund Manager	2 Total Invested	3 Diversified	4 Nondiversified
14.06	Vanguard Index Funds - Vanguard S&P 500 ETF	$ 75,255,500	$ 75,255,500	$ 0
14.07	Vanguard Index Funds - Vanguard Large-Cap ETF	$ 17,778,186	$ 17,778,186	$ 0
14.08	Vanguard Index Funds - Vanguard Mid-Cap ETF	$ 8,680,269	$ 8,680,269	$ 0
14.09	Vanguard Index Funds - Vanguard Small-Cap ETF	$ 7,403,862	$ 7,403,862	$ 0
14.10	Vanguard STAR Funds - Vanguard Total International Stock ETF	$ 5,226,980	$ 5,226,980	$ 0
14.11	Vanguard Bond Index Funds - Vanguard Intermediate-Term Bond ETF	$ 2,366,003	$ 2,366,003	$ 0
14.12	Demand Deposit Account FHLB Topeka	$ 88,602	$ 0	$ 88,602
14.13	Wells Fargo Funds Trust - Treasury Plus Money Market Fund	$ 94	$ 94	$ 0
14.14	First American Funds, Inc. - U.S. Treasury Money Market Fund	$ 7	$ 7	$ 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 - DEVILLE PROPERTIES LTD	$ 16,353,714	0.2 %
16.03	Commercial - STEPHEN D TEBO DBA TEBO DEVELOPMENT COMPANY	$ 11,555,706	0.1 %
16.04	Commercial - HS ATLANTA PORTFOLIO INVESTORS LLC	$ 10,000,000	0.1 %
16.05	Commercial - WORTHY BROTHERS DEVELOPMENT COMPANY INC	$ 8,839,752	0.1 %
16.06	Commercial - SUNSET LAND COMPANY LLC	$ 8,432,016	0.1 %
16.07	Commercial - WESTHAVEN I LLC	$ 8,052,000	0.1 %
16.08	Commercial - PLAZA DEL AMO PROPERTIES LLC	$ 8,000,000	0.1 %
16.09	Commercial - PK INVESTMENT ASSOCIATES LLC	$ 7,908,611	0.1 %
16.10	Commercial - IMPERIAL LEGACY ENTERPRISES LLC	$ 7,848,726	0.1 %
16.11	Commercial - SUMMERFIELD ASSOCIATES LLC	$ 7,434,110	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	$ 1,896,206	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:

		Residential		Commercial		Agricultural	
	Loan to Value	1	2	3	4	5	6
17.01	above 95%	$ 0	0.0 %	$ 1,000,000	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 %	$ 3,500,000	0.0 %	$ 0	0.0 %
17.05	below 70%	$ 0	0.0 %	$ 443,094,507	4.3 %	$ 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		At End of Each Quarter		
				1st Quarter	2nd Quarter	3rd Quarter
		1	2	3	4	5
20.01	Securities lending agreements (do not include assets held as collateral for such transactions)	$ 262,702,204	2.5 %	$ 265,842,973	$ 323,663,957	$ 328,929,737
20.02	Repurchase agreements	$ 9,947,169	0.1 %	$ 15,391,624	$ 14,660,435	$ 14,202,397
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		Written	
		1	2	3	4
21.01	Hedging	$ 0	0.0 %	$ 0	0.0 %
21.02	Income generation	$ 0	0.0 %	$ 0	0.0 %
21.03	Other	$ 0	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		At End of Each Quarter		
				1st Quarter	2nd Quarter	3rd Quarter
		1	2	3	4	5
22.01	Hedging	$ 1,708,115	0.0 %	$ 1,631,994	$ 1,769,056	$ 1,738,891
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		At End of Each Quarter		
				1st Quarter	2nd Quarter	3rd Quarter
		1	2	3	4	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