

**ANNUAL STATEMENT**  
OF THE  
**STANDARD INSURANCE COMPANY**



TheStandard®

**OF PORTLAND  
IN THE STATE OF OREGON**

Book 1 of 2

TO THE  
**INSURANCE DEPARTMENT**  
OF THE  
**STATE OF**

---

**FOR THE YEAR ENDED  
DECEMBER 31, 2018**

LIFE AND ACCIDENT AND HEALTH

**2018**

**2018**



LIFE AND ACCIDENT AND HEALTH COMPANIES - ASSOCIATION EDITION

ANNUAL STATEMENT

FOR THE YEAR ENDED DECEMBER 31, 2018
OF THE CONDITION AND AFFAIRS OF THE

Standard Insurance Company

NAIC Group Code 1348 (Current) 1348 (Prior) NAIC Company Code 69019 Employer's ID Number 93-0242990

Organized under the Laws of Oregon, State of Domicile or Port of Entry OR

Country of Domicile United States of America

Incorporated/Organized 02/24/1906 Commenced Business 04/12/1906

Statutory Home Office 1100 Southwest Sixth Avenue, Portland, OR, US 97204-1093

Main Administrative Office 1100 Southwest Sixth Avenue, Portland, OR, US 97204-1093

Mail Address PO Box 711, Portland, OR, US 97207-0711

Primary Location of Books and Records 1100 Southwest Sixth Avenue, Portland, OR, US 97204-1093

Internet Website Address www.standard.com

Statutory Statement Contact David Gerald Banning, david.banning@standard.com, 971-321-2246

OFFICERS

Chairman, President & Chief Executive Officer John Gregory Ness; Chief Financial Officer Floyd Fitz-Hubert Chadee; VP Chief Legal Officer & Corporate Secretary Holley Young Franklin JD #; VP Corporate Actuary & Chief Risk Officer Sally Ann Manafi FSA

OTHER

Robert Michael Erickson CMA #, Chief Accounting Officer & Treasurer

DIRECTORS OR TRUSTEES

Frederick William Buckman, Debora Dyer Horvath, Helen Elizabeth Mitchell, Eric Edmond Parsons, Minoru Wakabayashi, Ranjana Bhattacharya Clark, Akira Kumabe #, Kevin Masazo Murai, Mary Frances Sammons, Richard Howard Wills, Elizabeth Ellen Flynn, Duane Charles McDougall, John Gregory Ness, Masaharu Shiraishi #, Kazunori Yamauchi

State of Oregon County of Multnomah SS:

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

John Gregory Ness, Chairman, President & Chief Executive Officer; Floyd Fitz-Hubert Chadee, Chief Financial Officer; Holley Young Franklin JD, VP Chief Legal Officer & Corporate Secretary

Subscribed and sworn to before me this 25 day of February 2019. a. Is this an original filing? Yes [ X ] No [ ]. b. If no, 1. State the amendment number..... 2. Date filed ..... 3. Number of pages attached.....

Nicole Alison Denney, Notary Public, September 27, 2020

ANNUAL STATEMENT FOR THE YEAR 2018 OF THE STANDARD INSURANCE COMPANY

**ASSETS**

	Current Year			Prior Year
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	4 Net Admitted Assets
1. Bonds (Schedule D) .....	8,863,229,810	0	8,863,229,810	8,269,970,291
2. Stocks (Schedule D):				
2.1 Preferred stocks .....	2,100,000	0	2,100,000	2,100,000
2.2 Common stocks .....	35,973,000	0	35,973,000	36,907,900
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens .....	6,439,436,417	0	6,439,436,417	6,183,496,380
3.2 Other than first liens .....	0	0	0	0
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$ .....0 encumbrances) .....	61,209,950	0	61,209,950	59,372,646
4.2 Properties held for the production of income (less \$ .....0 encumbrances) .....	10,568,318	0	10,568,318	2,510,870
4.3 Properties held for sale (less \$ .....0 encumbrances) .....	0	0	0	0
5. Cash (\$ .....4,161,196 , Schedule E - Part 1), cash equivalents (\$ .....126,966,232 , Schedule E - Part 2) and short-term investments (\$ .....0 , Schedule DA) .....	131,127,428	0	131,127,428	241,825,327
6. Contract loans (including \$ .....0 premium notes) .....	391,570	0	391,570	2,257,045
7. Derivatives (Schedule DB) .....	5,698,910	0	5,698,910	17,802,164
8. Other invested assets (Schedule BA) .....	181,224,492	0	181,224,492	196,699,080
9. Receivables for securities .....	35,343,631	0	35,343,631	160,593,036
10. Securities lending reinvested collateral assets (Schedule DL) .....	0	0	0	0
11. Aggregate write-ins for invested assets .....	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11) .....	15,766,303,526	0	15,766,303,526	15,173,534,739
13. Title plants less \$ .....0 charged off (for Title insurers only) .....	0	0	0	0
14. Investment income due and accrued .....	109,718,251	0	109,718,251	108,550,135
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection .....	146,204,621	9,293,632	136,910,989	149,163,955
15.2 Deferred premiums and agents' balances and installments booked but deferred and not yet due (including \$ .....0 earned but unbilled premiums) .....	340,733	0	340,733	327,045
15.3 Accrued retrospective premiums (\$ .....17,494,973 ) and contracts subject to redetermination (\$ .....0 ) .....	17,548,973	54,000	17,494,973	12,248,815
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers .....	170,220,484	0	170,220,484	152,588,559
16.2 Funds held by or deposited with reinsured companies .....	0	0	0	0
16.3 Other amounts receivable under reinsurance contracts .....	48,753,056	0	48,753,056	39,041,345
17. Amounts receivable relating to uninsured plans .....	3,532,767	0	3,532,767	3,444,426
18.1 Current federal and foreign income tax recoverable and interest thereon .....	33,708,515	0	33,708,515	40,531,585
18.2 Net deferred tax asset .....	163,651,420	62,996,348	100,655,072	97,445,773
19. Guaranty funds receivable or on deposit .....	13,249,043	0	13,249,043	14,394,020
20. Electronic data processing equipment and software .....	70,613,806	56,877,128	13,736,678	11,426,290
21. Furniture and equipment, including health care delivery assets (\$ .....0 ) .....	24,568,970	24,568,970	0	0
22. Net adjustment in assets and liabilities due to foreign exchange rates .....	0	0	0	0
23. Receivables from parent, subsidiaries and affiliates .....	1,395,854	0	1,395,854	8,591,880
24. Health care (\$ .....0 ) and other amounts receivable .....	0	0	0	0
25. Aggregate write-ins for other than invested assets .....	36,329,433	32,029,537	4,299,896	2,340,748
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25) .....	16,606,139,452	185,819,615	16,420,319,837	15,813,629,315
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts .....	7,442,322,134	0	7,442,322,134	8,138,376,315
28. Total (Lines 26 and 27) .....	24,048,461,586	185,819,615	23,862,641,971	23,952,005,630
<b>DETAILS OF WRITE-INS</b>				
1101. ....	0	0	0	0
1102. ....				
1103. ....				
1198. Summary of remaining write-ins for Line 11 from overflow page .....	0	0	0	0
1199. Totals (Lines 1101 thru 1103 plus 1198)(Line 11 above) .....	0	0	0	0
2501. State transferable tax credits .....	4,297,043	0	4,297,043	2,337,894
2502. Miscellaneous non-invested assets .....	11,469,452	11,466,599	2,853	2,854
2503. Prepaid expenses .....	20,562,938	20,562,938	0	0
2598. Summary of remaining write-ins for Line 25 from overflow page .....	0	0	0	0
2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above) .....	36,329,433	32,029,537	4,299,896	2,340,748

ANNUAL STATEMENT FOR THE YEAR 2018 OF THE STANDARD INSURANCE COMPANY  
**LIABILITIES, SURPLUS AND OTHER FUNDS**

	1 Current Year	2 Prior Year
1. Aggregate reserve for life contracts \$ ..... 8,391,613,773 (Exh. 5, Line 9999999) less \$ ..... 0 included in Line 6.3 (including \$ ..... 0 Modco Reserve) .....	8,391,613,773	7,984,226,463
2. Aggregate reserve for accident and health contracts (including \$ ..... 0 Modco Reserve) .....	4,148,383,554	4,091,729,264
3. Liability for deposit-type contracts (Exhibit 7, Line 14, Col. 1) (including \$ ..... 0 Modco Reserve) .....	1,475,480,813	1,386,555,387
4. Contract claims:		
4.1 Life (Exhibit 8, Part 1, Line 4.4, Col. 1 less sum of Cols. 9, 10 and 11) .....	122,486,543	129,913,696
4.2 Accident and health (Exhibit 8, Part 1, Line 4.4, sum of Cols. 9, 10 and 11) .....	71,544,356	73,317,111
5. Policyholders' dividends \$ ..... 3,945 and coupons \$ ..... 0 due and unpaid (Exhibit 4, Line 10) .....	3,945	490
6. Provision for policyholders' dividends and coupons payable in following calendar year - estimated amounts:		
6.1 Dividends apportioned for payment (including \$ ..... 0 Modco) .....	96,188	99,413
6.2 Dividends not yet apportioned (including \$ ..... 0 Modco) .....	0	0
6.3 Coupons and similar benefits (including \$ ..... 0 Modco) .....	0	0
7. Amount provisionally held for deferred dividend policies not included in Line 6 .....	0	0
8. Premiums and annuity considerations for life and accident and health contracts received in advance less \$ ..... 0 discount; including \$ ..... 20,859,997 accident and health premiums (Exhibit 1, Part 1, Col. 1, sum of lines 4 and 14) .....	24,211,722	9,832,840
9. Contract liabilities not included elsewhere:		
9.1 Surrender values on canceled contracts .....	0	0
9.2 Provision for experience rating refunds, including the liability of \$ ..... 24,030,368 accident and health experience rating refunds of which \$ ..... 0 is for medical loss ratio rebate per the Public Health Service Act .....	40,954,158	58,694,923
9.3 Other amounts payable on reinsurance, including \$ ..... 88,052 assumed and \$ ..... 228,015,377 ceded .....	228,103,429	220,211,274
9.4 Interest maintenance reserve (IMR, Line 6) .....	4,557,922	14,588,808
10. Commissions to agents due or accrued-life and annuity contracts \$ ..... 8,728,930 accident and health \$ ..... 14,980,214 and deposit-type contract funds \$ ..... 1,133,181 .....	24,842,325	24,210,984
11. Commissions and expense allowances payable on reinsurance assumed .....	0	0
12. General expenses due or accrued (Exhibit 2, Line 12, Col. 6) .....	298,648,589	285,220,165
13. Transfers to Separate Accounts due or accrued (net) (including \$ ..... 0 accrued for expense allowances recognized in reserves, net of reinsured allowances) .....	0	0
14. Taxes, licenses and fees due or accrued, excluding federal income taxes (Exhibit 3, Line 9, Col. 5) .....	4,044,947	3,954,718
15.1 Current federal and foreign income taxes, including \$ ..... (4,485,380) on realized capital gains (losses) .....	0	0
15.2 Net deferred tax liability .....	0	0
16. Unearned investment income .....	151,328	103,781
17. Amounts withheld or retained by company as agent or trustee .....	12,256,829	9,657,044
18. Amounts held for agents' account, including \$ ..... 275 agents' credit balances .....	275	4,993
19. Remittances and items not allocated .....	111,102,758	248,188,160
20. Net adjustment in assets and liabilities due to foreign exchange rates .....	0	0
21. Liability for benefits for employees and agents if not included above .....	0	0
22. Borrowed money \$ ..... 0 and interest thereon \$ ..... 0 .....	0	0
23. Dividends to stockholders declared and unpaid .....	0	0
24. Miscellaneous liabilities:		
24.01 Asset valuation reserve (AVR, Line 16, Col. 7) .....	127,747,038	119,342,221
24.02 Reinsurance in unauthorized and certified (\$ ..... 0 ) companies .....	0	0
24.03 Funds held under reinsurance treaties with unauthorized and certified (\$ ..... 0 ) reinsurers .....	0	0
24.04 Payable to parent, subsidiaries and affiliates .....	188,448	356,310
24.05 Drafts outstanding .....	0	0
24.06 Liability for amounts held under uninsured plans .....	243	31,032
24.07 Funds held under coinsurance .....	0	0
24.08 Derivatives .....	1,624,525	0
24.09 Payable for securities .....	0	7,000,000
24.10 Payable for securities lending .....	0	0
24.11 Capital notes \$ ..... 0 and interest thereon \$ ..... 0 .....	0	0
25. Aggregate write-ins for liabilities .....	38,295,541	38,021,030
26. Total liabilities excluding Separate Accounts business (Lines 1 to 25) .....	15,126,339,249	14,705,260,107
27. From Separate Accounts Statement .....	7,442,322,134	8,138,376,315
28. Total liabilities (Lines 26 and 27) .....	22,568,661,383	22,843,636,422
29. Common capital stock .....	423,838,694	423,838,694
30. Preferred capital stock .....	0	0
31. Aggregate write-ins for other than special surplus funds .....	0	0
32. Surplus notes .....	250,000,000	250,000,000
33. Gross paid in and contributed surplus (Page 3, Line 33, Col. 2 plus Page 4, Line 51.1, Col. 1) .....	71,132,832	71,132,832
34. Aggregate write-ins for special surplus funds .....	0	2,887,049
35. Unassigned funds (surplus) .....	549,009,062	360,510,633
36. Less treasury stock, at cost:		
36.1 ..... 0 shares common (value included in Line 29 \$ ..... 0 ) .....	0	0
36.2 ..... 0 shares preferred (value included in Line 30 \$ ..... 0 ) .....	0	0
37. Surplus (Total Lines 31+32+33+34+35-36) (including \$ ..... 0 in Separate Accounts Statement) .....	870,141,894	684,530,514
38. Totals of Lines 29, 30 and 37 (Page 4, Line 55) .....	1,293,980,588	1,108,369,208
39. Totals of Lines 28 and 38 (Page 2, Line 28, Col. 3) .....	23,862,641,971	23,952,005,630
<b>DETAILS OF WRITE-INS</b>		
2501. Accrued interest and other liabilities .....	23,398,473	26,455,944
2502. Cash collateral received on derivatives .....	3,903,294	0
2503. Guaranty association assessments .....	8,193,000	9,874,108
2598. Summary of remaining write-ins for Line 25 from overflow page .....	2,800,774	1,690,978
2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above) .....	38,295,541	38,021,030
3101. ....		
3102. ....		
3103. ....		
3198. Summary of remaining write-ins for Line 31 from overflow page .....	0	0
3199. Totals (Lines 3101 thru 3103 plus 3198)(Line 31 above) .....	0	0
3401. Special surplus fund for Affordable Care Act .....	0	2,887,049
3402. ....		
3403. ....		
3498. Summary of remaining write-ins for Line 34 from overflow page .....	0	0
3499. Totals (Lines 3401 thru 3403 plus 3498)(Line 34 above) .....	0	2,887,049

ANNUAL STATEMENT FOR THE YEAR 2018 OF THE STANDARD INSURANCE COMPANY

**SUMMARY OF OPERATIONS**

	1 Current Year	2 Prior Year
1. Premiums and annuity considerations for life and accident and health contracts (Exhibit 1, Part 1, Line 20.4, Col. 1, less Col. 11) .....	4,459,061,208	4,300,261,130
2. Considerations for supplementary contracts with life contingencies .....	2,929,520	3,731,238
3. Net investment income (Exhibit of Net Investment Income, Line 17) .....	541,013,395	512,069,178
4. Amortization of Interest Maintenance Reserve (IMR, Line 5) .....	5,449,246	7,577,204
5. Separate Accounts net gain from operations excluding unrealized gains or losses .....	0	0
6. Commissions and expense allowances on reinsurance ceded (Exhibit 1, Part 2, Line 26.1, Col. 1) .....	210,085,454	178,685,987
7. Reserve adjustments on reinsurance ceded .....	0	0
8. Miscellaneous Income:		
8.1 Income from fees associated with investment management, administration and contract guarantees from Separate Accounts .....	38,261,161	35,616,237
8.2 Charges and fees for deposit-type contracts .....	0	15
8.3 Aggregate write-ins for miscellaneous income .....	11,207,806	11,744,222
9. Total (Lines 1 to 8.3) .....	5,268,007,790	5,049,685,211
10. Death benefits .....	88,717,259	86,567,670
11. Matured endowments (excluding guaranteed annual pure endowments) .....	0	0
12. Annuity benefits (Exhibit 8, Part 2, Line 6.4, Cols. 4 + 8) .....	1,040,257,351	978,577,162
13. Disability benefits and benefits under accident and health contracts .....	1,037,289,575	1,023,069,261
14. Coupons, guaranteed annual pure endowments and similar benefits .....	0	0
15. Surrender benefits and withdrawals for life contracts .....	1,734,049,342	1,698,880,603
16. Group conversions .....	0	0
17. Interest and adjustments on contract or deposit-type contract funds .....	19,830,428	16,199,723
18. Payments on supplementary contracts with life contingencies .....	5,128,532	4,781,751
19. Increase in aggregate reserves for life and accident and health contracts .....	468,882,874	554,349,026
20. Totals (Lines 10 to 19) .....	4,394,155,361	4,362,425,196
21. Commissions on premiums, annuity considerations, and deposit-type contract funds (direct business only) (Exhibit 1, Part 2, Line 31, Col. 1) .....	221,966,034	216,786,887
22. Commissions and expense allowances on reinsurance assumed (Exhibit 1, Part 2, Line 26.2, Col. 1) .....	2,456,458	2,737,970
23. General insurance expenses (Exhibit 2, Line 10, Cols. 1, 2, 3 and 4) .....	567,552,021	551,969,722
24. Insurance taxes, licenses and fees, excluding federal income taxes (Exhibit 3, Line 7, Cols. 1 + 2 + 3) .....	69,242,843	69,638,563
25. Increase in loading on deferred and uncollected premiums .....	81,405	375,765
26. Net transfers to or (from) Separate Accounts net of reinsurance .....	(202,950,260)	(330,129,282)
27. Aggregate write-ins for deductions .....	6,700,133	373,542
28. Totals (Lines 20 to 27) .....	5,059,203,995	4,874,178,363
29. Net gain from operations before dividends to policyholders and federal income taxes (Line 9 minus Line 28) .....	208,803,795	175,506,848
30. Dividends to policyholders .....	100,148	100,949
31. Net gain from operations after dividends to policyholders and before federal income taxes (Line 29 minus Line 30) .....	208,703,647	175,405,899
32. Federal and foreign income taxes incurred (excluding tax on capital gains) .....	10,044,835	(2,323,805)
33. Net gain from operations after dividends to policyholders and federal income taxes and before realized capital gains or (losses) (Line 31 minus Line 32) .....	198,658,812	177,729,704
34. Net realized capital gains (losses) (excluding gains (losses) transferred to the IMR) less capital gains tax of \$ ..... (1,664,866) (excluding taxes of \$ ..... (2,820,517) transferred to the IMR) .....	2,950,560	513,966
35. Net income (Line 33 plus Line 34) .....	201,609,372	178,243,670
<b>CAPITAL AND SURPLUS ACCOUNT</b>		
36. Capital and surplus, December 31, prior year (Page 3, Line 38, Col. 2) .....	1,108,369,208	1,040,371,338
37. Net income (Line 35) .....	201,609,372	178,243,670
38. Change in net unrealized capital gains (losses) less capital gains tax of \$ ..... (2,446,422) .....	(9,197,686)	1,907,191
39. Change in net unrealized foreign exchange capital gain (loss) .....	0	0
40. Change in net deferred income tax .....	12,256,766	(105,508,537)
41. Change in nonadmitted assets .....	(13,611,623)	68,097,505
42. Change in liability for reinsurance in unauthorized and certified companies .....	0	66
43. Change in reserve on account of change in valuation basis, (increase) or decrease .....	0	0
44. Change in asset valuation reserve .....	(8,404,817)	(7,351,406)
45. Change in treasury stock (Page 3, Lines 36.1 and 36.2, Col. 2 minus Col. 1) .....	0	0
46. Surplus (contributed to) withdrawn from Separate Accounts during period .....	0	0
47. Other changes in surplus in Separate Accounts Statement .....	0	0
48. Change in surplus notes .....	0	0
49. Cumulative effect of changes in accounting principles .....	0	0
50. Capital changes:		
50.1 Paid in .....	0	0
50.2 Transferred from surplus (Stock Dividend) .....	0	0
50.3 Transferred to surplus .....	0	0
51. Surplus adjustment:		
51.1 Paid in .....	0	0
51.2 Transferred to capital (Stock Dividend) .....	0	0
51.3 Transferred from capital .....	0	0
51.4 Change in surplus as a result of reinsurance .....	(868,847)	(830,209)
52. Dividends to stockholders .....	0	(72,000,000)
53. Aggregate write-ins for gains and losses in surplus .....	3,828,216	5,439,590
54. Net change in capital and surplus for the year (Lines 37 through 53) .....	185,611,380	67,997,870
55. Capital and surplus, December 31, current year (Lines 36 + 54) (Page 3, Line 38) .....	1,293,980,588	1,108,369,208
<b>DETAILS OF WRITE-INS</b>		
08.301. Other income .....	11,207,806	11,744,222
08.302. ....		
08.303. ....		
08.398. Summary of remaining write-ins for Line 8.3 from overflow page .....	0	0
08.399. Totals (Lines 08.301 thru 08.303 plus 08.398)(Line 8.3 above) .....	11,207,806	11,744,222
2701. Other expenses .....	671,257	373,542
2702. IMR - Commonwealth .....	6,028,876	0
2703. ....		
2798. Summary of remaining write-ins for Line 27 from overflow page .....	0	0
2799. Totals (Lines 2701 thru 2703 plus 2798)(Line 27 above) .....	6,700,133	373,542
5301. Change in liability for pension and postretirement benefits .....	(925,394)	3,039,394
5302. Ceding Commission - Commonwealth .....	4,753,610	0
5303. Adjustment due to accounting error .....	0	(57,543,679)
5398. Summary of remaining write-ins for Line 53 from overflow page .....	0	59,943,875
5399. Totals (Lines 5301 thru 5303 plus 5398)(Line 53 above) .....	3,828,216	5,439,590

ANNUAL STATEMENT FOR THE YEAR 2018 OF THE STANDARD INSURANCE COMPANY

**CASH FLOW**

	1	2
	Current Year	Prior Year
<b>Cash from Operations</b>		
1. Premiums collected net of reinsurance .....	4,464,708,780	4,304,708,852
2. Net investment income .....	599,932,899	588,946,724
3. Miscellaneous income .....	259,554,423	226,046,458
4. Total (Lines 1 through 3) .....	5,324,196,102	5,119,702,034
5. Benefit and loss related payments .....	3,949,053,440	3,792,180,076
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts .....	(202,950,260)	(330,129,282)
7. Commissions, expenses paid and aggregate write-ins for deductions .....	851,442,830	810,381,845
8. Dividends paid to policyholders .....	99,918	104,350
9. Federal and foreign income taxes paid (recovered) net of \$ ..... 0 tax on capital gains (losses) .....	(1,263,618)	(1,147,356)
10. Total (Lines 5 through 9) .....	4,596,382,310	4,271,389,633
11. Net cash from operations (Line 4 minus Line 10) .....	727,813,792	848,312,401
<b>Cash from Investments</b>		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds .....	1,531,551,520	1,566,180,742
12.2 Stocks .....	7,722,200	1,416,400
12.3 Mortgage loans .....	1,656,746,981	1,269,656,380
12.4 Real estate .....	0	0
12.5 Other invested assets .....	148,458	427,642
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments .....	2,496	2,467
12.7 Miscellaneous proceeds .....	132,476,534	12,004,403
12.8 Total investment proceeds (Lines 12.1 to 12.7) .....	3,328,648,189	2,849,688,034
13. Cost of investments acquired (long-term only):		
13.1 Bonds .....	2,153,049,169	1,993,769,639
13.2 Stocks .....	6,787,300	9,137,000
13.3 Mortgage loans .....	1,916,458,034	1,737,739,426
13.4 Real estate .....	13,759,833	18,627,305
13.5 Other invested assets .....	26,131,011	49,319,816
13.6 Miscellaneous applications .....	7,000,000	54,916,874
13.7 Total investments acquired (Lines 13.1 to 13.6) .....	4,123,185,347	3,863,510,060
14. Net increase (decrease) in contract loans and premium notes .....	(1,865,475)	(147,428)
15. Net cash from investments (Line 12.8 minus Line 13.7 minus Line 14) .....	(792,671,683)	(1,013,674,598)
<b>Cash from Financing and Miscellaneous Sources</b>		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes .....	0	0
16.2 Capital and paid in surplus, less treasury stock .....	0	0
16.3 Borrowed funds .....	0	0
16.4 Net deposits on deposit-type contracts and other insurance liabilities .....	88,925,426	263,910,546
16.5 Dividends to stockholders .....	0	72,000,000
16.6 Other cash provided (applied) .....	(134,765,433)	136,387,105
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6) .....	(45,840,007)	328,297,651
<b>RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS</b>		
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17) .....	(110,697,898)	162,935,454
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year .....	241,825,327	78,889,873
19.2 End of year (Line 18 plus Line 19.1) .....	131,127,428	241,825,327
<b>Note: Supplemental disclosures of cash flow information for non-cash transactions:</b>		
20.0001. Non-cash premium .....	0	120,000
20.0002. Assets transferred in conjunction with individual annuity reinsurance .....	420,446,746	0

**ANNUAL STATEMENT FOR THE YEAR 2018 OF THE STANDARD INSURANCE COMPANY  
ANALYSIS OF OPERATIONS BY LINES OF BUSINESS**

	1 Total	2 Industrial Life	Ordinary			6 Credit Life (Group and Individual)	Group		Accident and Health			12 Aggregate of All Other Lines of Business
			3 Life Insurance	4 Individual Annuities	5 Supplementary Contracts		7 Life Insurance (a)	8 Annuities	9 Group	10 Credit (Group and Individual)	11 Other	
1. Premiums and annuity considerations for life and accident and health contracts	4,459,061,208	0	1,407,435	226,270,158	0	0	127,972,984	2,630,051,341	1,268,256,186	0	205,103,104	0
2. Considerations for supplementary contracts with life contingencies	2,929,520	0	0	1,692,266	1,237,254	0	0	0	0	0	0	0
3. Net investment income	541,013,395	0	0	109,102,586	6,518,323	0	41,337,696	154,412,530	148,586,791	0	48,748,052	32,307,416
4. Amortization of Interest Maintenance Reserve (IMR)	5,449,246	0	0	1,161,461	65,654	0	329,298	1,891,716	1,159,279	0	395,805	446,033
5. Separate Accounts net gain from operations excluding unrealized gains or losses	0	0	0	0	0	0	0	0	0	0	0	0
6. Commissions and expense allowances on reinsurance ceded	210,085,454	0	2,339,610	1,114,231	0	0	165,731,621	0	18,180,549	0	22,719,443	0
7. Reserve adjustments on reinsurance ceded	0	0	0	0	0	0	0	0	0	0	0	0
8. Miscellaneous Income:												
8.1 Fees associated with income from investment management, administration and contract guarantees from Separate Accounts	38,261,161	0	0	0	0	0	0	38,261,161	0	0	0	0
8.2 Charges and fees for deposit-type contracts	0	0	0	0	0	0	0	0	0	0	0	0
8.3 Aggregate write-ins for miscellaneous income	11,207,806	0	0	0	0	0	233,721	(17)	11,288,916	0	59,464	(374,278)
9. Totals (Lines 1 to 8.3)	5,268,007,790	0	3,747,045	339,340,702	7,821,231	0	335,605,320	2,824,616,731	1,447,471,721	0	277,025,868	32,379,171
10. Death benefits	88,717,259	0	3,748,099	0	0	0	84,969,160	0	0	0	0	0
11. Matured endowments (excluding guaranteed annual pure endowments)	0	0	0	0	0	0	0	0	0	0	0	0
12. Annuity benefits	1,040,257,351	0	0	10,595,841	0	0	0	1,029,661,511	0	0	0	0
13. Disability benefits and benefits under accident and health contracts	1,037,289,575	0	0	0	0	0	0	0	928,530,479	0	108,759,096	0
14. Coupons, guaranteed annual pure endowments and similar benefits	0	0	0	0	0	0	0	0	0	0	0	0
15. Surrender benefits and withdrawals for life contracts	1,734,049,342	0	127,545	473,462,874	0	0	0	1,260,458,923	0	0	0	0
16. Group conversions	0	0	0	0	0	0	0	0	0	0	0	0
17. Interest and adjustments on contract or deposit-type contract funds	19,830,428	0	40,302	776,030	4,044,794	0	7,075,805	3,534,668	4,358,831	0	0	0
18. Payments on supplementary contracts with life contingencies	5,128,532	0	0	59,994	5,068,538	0	0	0	0	0	0	0
19. Increase in aggregate reserves for life and accident and health contracts	468,882,874	0	167,159	(190,287,328)	(2,578,323)	0	(32,174,789)	637,101,867	15,997,986	0	40,656,302	0
20. Totals (Lines 10 to 19)	4,394,155,361	0	4,083,105	294,607,410	6,535,009	0	59,870,176	2,930,756,968	948,887,296	0	149,415,398	0
21. Commissions on premiums, annuity considerations and deposit-type contract funds (direct business only)	221,966,034	0	0	19,331,528	0	0	46,030,528	14,991,180	90,763,024	0	50,849,773	0
22. Commissions and expense allowances on reinsurance assumed	2,456,458	0	0	0	0	0	0	0	0	0	2,456,458	0
23. General insurance expenses	567,552,021	0	0	15,271,163	0	0	121,886,034	65,154,386	327,289,600	0	37,950,838	0
24. Insurance taxes, licenses and fees, excluding federal income taxes	69,242,843	0	0	941,636	0	0	21,028,307	1,848,394	38,559,027	0	6,865,479	0
25. Increase in loading on deferred and uncollected premiums	81,405	0	39,510	0	0	0	41,895	0	0	0	0	0
26. Net transfers to or (from) Separate Accounts net of reinsurance	(202,950,260)	0	0	0	0	0	0	(202,950,260)	0	0	0	0
27. Aggregate write-ins for deductions	6,700,133	0	0	6,028,876	0	0	0	539,547	120,000	0	0	11,711
28. Totals (Lines 20 to 27)	5,059,203,995	0	4,122,615	336,180,613	6,535,009	0	248,856,940	2,810,340,215	1,405,618,947	0	247,537,946	11,711
29. Net gain from operations before dividends to policyholders and federal income taxes (Line 9 minus Line 28)	208,803,795	0	(375,570)	3,160,089	1,286,223	0	86,748,380	14,276,516	41,852,774	0	29,487,922	32,367,461
30. Dividends to policyholders	100,148	0	100,148	0	0	0	0	0	0	0	0	0
31. Net gain from operations after dividends to policyholders and before federal income taxes (Line 29 minus Line 30)	208,703,647	0	(475,718)	3,160,089	1,286,223	0	86,748,380	14,276,516	41,852,774	0	29,487,922	32,367,461
32. Federal income taxes incurred (excluding tax on capital gains)	10,044,835	0	(56,251)	2,332,366	1,068,376	0	18,383,486	2,671,097	16,455,758	0	10,144,640	(40,954,637)
33. Net gain from operations after dividends to policyholders and federal income taxes and before realized capital gains or (losses) (Line 31 minus Line 32)	198,658,812	0	(419,467)	827,723	217,847	0	68,364,894	11,605,419	25,397,016	0	19,343,282	73,322,098
<b>DETAILS OF WRITE-INS</b>												
08.301. Other income	11,207,806	0	0	0	0	0	233,721	(17)	11,288,916	0	59,464	(374,278)
08.302.	0	0	0	0	0	0	0	0	0	0	0	0
08.303.	0	0	0	0	0	0	0	0	0	0	0	0
08.398. Summary of remaining write-ins for Line 8.3 from overflow page	0	0	0	0	0	0	0	0	0	0	0	0
08.399. Totals (Lines 08.301 thru 08.303 plus 08.398) (Line 8.3 above)	11,207,806	0	0	0	0	0	233,721	(17)	11,288,916	0	59,464	(374,278)
2701. Other expenses	671,257	0	0	0	0	0	0	539,547	120,000	0	0	11,711
2702. IMR - Commonwealth	6,028,876	0	0	6,028,876	0	0	0	0	0	0	0	0
2703.	0	0	0	0	0	0	0	0	0	0	0	0
2798. Summary of remaining write-ins for Line 27 from overflow page	0	0	0	0	0	0	0	0	0	0	0	0
2799. Totals (Lines 2701 thru 2703 plus 2798) (Line 27 above)	6,700,133	0	0	6,028,876	0	0	0	539,547	120,000	0	0	11,711

(a) Includes the following amounts for FEGLI/SGLI: Line 1 0, Line 10 0, Line 16 0, Line 23 0, Line 24 0

ANNUAL STATEMENT FOR THE YEAR 2018 OF THE STANDARD INSURANCE COMPANY  
**ANALYSIS OF INCREASE IN RESERVES DURING THE YEAR**

	1 Total	2 Industrial Life	Ordinary			6 Credit Life (Group and Individual)	Group	
			3 Life Insurance	4 Individual Annuities	5 Supplementary Contracts		7 Life Insurance	8 Annuities
Involving Life or Disability Contingencies (Reserves)								
(Net of Reinsurance Ceded)								
1. Reserve December 31, prior year .....	7,984,226,463	0	6,920,733	3,157,225,019	41,028,923	0	695,128,210	4,083,923,579
2. Tabular net premiums or considerations .....	4,075,852,645	0	1,337,063	650,219,670	3,211,364	0	794,625,768	2,626,458,780
3. Present value of disability claims incurred .....	62,099,865	0	0	0	XXX	0	62,099,865	0
4. Tabular interest .....	224,033,175	0	321,764	72,349,528	1,468,805	0	40,312,226	109,580,852
5. Tabular less actual reserve released .....	(43,438,077)	0	0	(1,978,908)	(169,883)	0	(40,577,563)	(711,723)
6. Increase in reserve on account of change in valuation basis .....	0	0	0	0	0	0	0	0
6.1 Change in excess of VM-20 deterministic/stochastic reserve over net premium reserve .....	0	XXX	0	XXX	XXX	XXX	XXX	XXX
7. Other increases (net) .....	(431,406,177)	0	1,173,302	(431,086,268)	(1,494,617)	0	0	1,406
8. Totals (Lines 1 to 7) .....	11,871,367,894	0	9,752,862	3,446,729,041	44,044,592	0	1,551,588,506	6,819,252,894
9. Tabular cost .....	808,383,208	0	1,506,378	0	XXX	0	806,876,830	0
10. Reserves released by death .....	23,837,385	0	449,461	XXX	XXX	0	23,387,924	XXX
11. Reserves released by other terminations (net) .....	1,793,777,930	0	709,131	473,890,992	473,343	0	58,370,332	1,260,334,132
12. Annuity, supplementary contract and disability payments involving life contingencies .....	1,056,579,661	0	0	10,595,841	4,983,076	0	0	1,041,000,744
13. Net transfers to or (from) Separate Accounts .....	(202,824,063)	0	0	0	0	0	0	(202,824,063)
14. Total Deductions (Lines 9 to 13) .....	3,479,754,121	0	2,664,970	484,486,833	5,456,419	0	888,635,086	2,098,510,813
15. Reserve December 31, current year .....	8,391,613,773	0	7,087,892	2,962,242,208	38,588,173	0	662,953,420	4,720,742,081



ANNUAL STATEMENT FOR THE YEAR 2018 OF THE STANDARD INSURANCE COMPANY

**EXHIBIT OF NET INVESTMENT INCOME**

	1 Collected During Year	2 Earned During Year
1. U.S. Government bonds	(a) 423,714	412,219
1.1 Bonds exempt from U.S. tax	(a) 0	0
1.2 Other bonds (unaffiliated)	(a) 326,626,342	321,948,645
1.3 Bonds of affiliates	(a) 0	0
2.1 Preferred stocks (unaffiliated)	(b) 125,378	125,378
2.11 Preferred stocks of affiliates	(b) 0	0
2.2 Common stocks (unaffiliated)	1,702,540	1,702,540
2.21 Common stocks of affiliates	0	0
3. Mortgage loans	(c) 323,248,941	324,066,288
4. Real estate	(d) 12,750,670	12,636,852
5. Contract loans	31,385	31,385
6. Cash, cash equivalents and short-term investments	(e) 3,855,152	3,855,152
7. Derivative instruments	(f) (666,586)	(666,586)
8. Other invested assets	0	(41,561,118)
9. Aggregate write-ins for investment income	4,315,156	4,315,156
10. Total gross investment income	672,412,692	626,865,911
11. Investment expenses		(g) 33,946,300
12. Investment taxes, licenses and fees, excluding federal income taxes		(g) 2,646,443
13. Interest expense		(h) 13,125,000
14. Depreciation on real estate and other invested assets		(i) 4,421,317
15. Aggregate write-ins for deductions from investment income		31,713,456
16. Total deductions (Lines 11 through 15)		85,852,516
17. Net investment income (Line 10 minus Line 16)		541,013,395
<b>DETAILS OF WRITE-INS</b>		
0901. Prepayment penalty interest on callable bonds	4,556,364	4,556,364
0902. Miscellaneous Investment Income	(241,208)	(241,208)
0903.		
0998. Summary of remaining write-ins for Line 9 from overflow page	0	0
0999. Totals (Lines 0901 thru 0903 plus 0998) (Line 9, above)	4,315,156	4,315,156
1501. Interest Expense – FHLB Advances		15,364,723
1502. Mortgage Loan Service Fee		8,360,100
1503. Investment Fund Servicing Fee		4,689,944
1598. Summary of remaining write-ins for Line 15 from overflow page		3,298,689
1599. Totals (Lines 1501 thru 1503 plus 1598) (Line 15, above)		31,713,456

- (a) Includes \$ 5,731,996 accrual of discount less \$ 20,304,183 amortization of premium and less \$ 9,969,046 paid for accrued interest on purchases.
- (b) Includes \$ 0 accrual of discount less \$ 0 amortization of premium and less \$ 0 paid for accrued dividends on purchases.
- (c) Includes \$ 0 accrual of discount less \$ 41,687 amortization of premium and less \$ 0 paid for accrued interest on purchases.
- (d) Includes \$ 7,745,844 for company's occupancy of its own buildings; and excludes \$ 0 interest on encumbrances.
- (e) Includes \$ 0 accrual of discount less \$ 0 amortization of premium and less \$ 0 paid for accrued interest on purchases.
- (f) Includes \$ 0 accrual of discount less \$ 0 amortization of premium.
- (g) Includes \$ 0 investment expenses and \$ 0 investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.
- (h) Includes \$ 13,125,000 interest on surplus notes and \$ 0 interest on capital notes.
- (i) Includes \$ 4,421,317 depreciation on real estate and \$ 0 depreciation on other invested assets.

**EXHIBIT OF CAPITAL GAINS (LOSSES)**

	1 Realized Gain (Loss) On Sales or Maturity	2 Other Realized Adjustments	3 Total Realized Capital Gain (Loss) (Columns 1 + 2)	4 Change in Unrealized Capital Gain (Loss)	5 Change in Unrealized Foreign Exchange Capital Gain (Loss)
1. U.S. Government bonds	0	0	0	0	0
1.1 Bonds exempt from U.S. tax	0	0	0	0	0
1.2 Other bonds (unaffiliated)	(12,128,141)	(1,537,802)	(13,665,943)	0	0
1.3 Bonds of affiliates	0	0	0	0	0
2.1 Preferred stocks (unaffiliated)	0	0	0	0	0
2.11 Preferred stocks of affiliates	0	0	0	0	0
2.2 Common stocks (unaffiliated)	0	0	0	0	0
2.21 Common stocks of affiliates	0	0	0	0	0
3. Mortgage loans	(6,618,335)	0	(6,618,335)	0	0
4. Real estate	0	0	0	0	0
5. Contract loans	0	0	0	0	0
6. Cash, cash equivalents and short-term investments	0	2,496	2,496	0	0
7. Derivative instruments	8,032,465	0	8,032,465	(14,533,115)	0
8. Other invested assets	103,977	0	103,977	0	0
9. Aggregate write-ins for capital gains (losses)	0	0	0	2,889,007	0
10. Total capital gains (losses)	(10,610,034)	(1,535,306)	(12,145,340)	(11,644,108)	0
<b>DETAILS OF WRITE-INS</b>					
0901. Provision Adjustment to Mortgage Loans	0	0	0	2,889,007	0
0902.					
0903.					
0998. Summary of remaining write-ins for Line 9 from overflow page	0	0	0	0	0
0999. Totals (Lines 0901 thru 0903 plus 0998) (Line 9, above)	0	0	0	2,889,007	0

**ANNUAL STATEMENT FOR THE YEAR 2018 OF THE STANDARD INSURANCE COMPANY**  
**EXHIBIT - 1 PART 1 - PREMIUMS AND ANNUITY CONSIDERATIONS FOR LIFE AND ACCIDENT AND HEALTH CONTRACTS**

	1 Total	2 Industrial Life	Ordinary		5 Credit Life (Group and Individual)	Group		Accident and Health			11 Aggregate of All Other Lines of Business
			3 Life Insurance	4 Individual Annuities		6 Life Insurance	7 Annuities	8 Group	9 Credit (Group and Individual)	10 Other	
<b>FIRST YEAR (other than single)</b>											
1. Uncollected	(489,811)	0	15,976	0	0	0	0	0	0	(505,787)	0
2. Deferred and accrued	169,114	0	169,114	0	0	0	0	0	0	0	0
3. Deferred, accrued and uncollected:											
3.1 Direct	318,625	0	185,090	0	0	0	0	0	0	133,535	0
3.2 Reinsurance assumed	622	0	0	0	0	0	0	0	0	622	0
3.3 Reinsurance ceded	639,944	0	0	0	0	0	0	0	0	639,944	0
3.4 Net (Line 1 + Line 2)	(320,697)	0	185,090	0	0	0	0	0	0	(505,787)	0
4. Advance	259,757	0	255	0	0	0	0	0	0	259,502	0
5. Line 3.4 - Line 4	(580,454)	0	184,835	0	0	0	0	0	0	(765,289)	0
6. Collected during year:											
6.1 Direct	23,744,385	0	294,432	1,387,120	0	0	0	0	0	22,062,833	0
6.2 Reinsurance assumed	(168)	0	0	0	0	0	0	0	0	(168)	0
6.3 Reinsurance ceded	7,786,752	0	0	0	0	0	0	0	0	7,786,752	0
6.4 Net	15,957,465	0	294,432	1,387,120	0	0	0	0	0	14,275,913	0
7. Line 5 + Line 6.4	15,377,011	0	479,267	1,387,120	0	0	0	0	0	13,510,624	0
8. Prior year (uncollected + deferred and accrued - advance)	(1,262,158)	0	118,671	0	0	0	0	0	0	(1,380,829)	0
9. First year premiums and considerations:											
9.1 Direct	23,771,574	0	360,595	1,387,120	0	0	0	0	0	22,023,859	0
9.2 Reinsurance assumed	(835)	0	0	0	0	0	0	0	0	(835)	0
9.3 Reinsurance ceded	7,131,571	0	0	0	0	0	0	0	0	7,131,571	0
9.4 Net (Line 7 - Line 8)	16,639,168	0	360,595	1,387,120	0	0	0	0	0	14,891,453	0
<b>SINGLE</b>											
10. Single premiums and considerations:											
10.1 Direct	658,324,316	0	15,800,078	642,524,238	0	0	0	0	0	0	0
10.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0	0
10.3 Reinsurance ceded	15,759,162	0	15,759,162	0	0	0	0	0	0	0	0
10.4 Net	642,565,154	0	40,916	642,524,238	0	0	0	0	0	0	0
<b>RENEWAL</b>											
11. Uncollected	(59,011,357)	0	20,458	0	0	(121,697,810)	2,290,567	62,775,309	0	(2,399,881)	0
12. Deferred and accrued	(40,686,252)	0	267,906	0	0	(16,923,790)	0	(24,030,368)	0	0	0
13. Deferred, accrued and uncollected:											
13.1 Direct	125,567,566	0	3,630,417	0	0	54,923,051	2,290,567	63,412,446	0	1,311,085	0
13.2 Reinsurance assumed	5,814,706	0	0	0	0	196,624	0	5,489,140	0	128,942	0
13.3 Reinsurance ceded	231,079,882	0	3,342,054	0	0	193,741,275	0	30,156,645	0	3,839,908	0
13.4 Net (Line 11 + Line 12)	(99,697,610)	0	288,363	0	0	(138,621,600)	2,290,567	38,744,941	0	(2,399,881)	0
14. Advance	23,951,965	0	15,502	0	0	3,335,968	0	18,388,511	0	2,211,984	0
15. Line 13.4 - Line 14	(123,649,575)	0	272,861	0	0	(141,957,568)	2,290,567	20,356,430	0	(4,611,865)	0
16. Collected during year:											
16.1 Direct	5,151,007,311	0	20,200,058	6,813,645	0	901,626,396	2,630,551,893	1,363,711,721	0	228,103,598	0
16.2 Reinsurance assumed	87,571,772	0	0	0	0	1,543,838	0	60,770,033	0	25,257,901	0
16.3 Reinsurance ceded	1,427,260,422	0	19,174,081	424,454,845	0	775,479,427	0	144,776,229	0	63,375,840	0
16.4 Net	3,811,318,661	0	1,025,977	(417,641,200)	0	127,690,807	2,630,551,893	1,279,705,525	0	189,985,659	0
17. Line 15 + Line 16.4	3,687,669,086	0	1,298,838	(417,641,200)	0	(14,266,761)	2,632,842,460	1,300,061,955	0	185,373,794	0
18. Prior year (uncollected + deferred and accrued - advance)	(112,187,800)	0	292,914	0	0	(142,239,746)	2,791,119	31,805,770	0	(4,837,857)	0
19. Renewal premiums and considerations:											
19.1 Direct	5,146,242,547	0	20,048,916	6,813,645	0	906,062,121	2,630,051,341	1,355,969,293	0	227,297,231	0
19.2 Reinsurance assumed	88,288,726	0	0	0	0	1,680,156	0	61,417,296	0	25,191,274	0
19.3 Reinsurance ceded	1,434,674,387	0	19,042,992	424,454,845	0	779,769,293	0	149,130,403	0	82,276,854	0
19.4 Net (Line 17 - Line 18)	3,799,856,886	0	1,005,924	(417,641,200)	0	127,972,984	2,630,051,341	1,268,256,186	0	190,211,651	0
<b>TOTAL</b>											
20. Total premiums and annuity considerations:											
20.1 Direct	5,828,338,437	0	36,209,589	650,725,003	0	906,062,121	2,630,051,341	1,355,969,293	0	249,321,090	0
20.2 Reinsurance assumed	88,287,891	0	0	0	0	1,680,156	0	61,417,296	0	25,190,439	0
20.3 Reinsurance ceded	1,457,565,120	0	34,802,154	424,454,845	0	779,769,293	0	149,130,403	0	89,408,425	0
20.4 Net (Lines 9.4 + 10.4 + 19.4)	4,459,061,208	0	1,407,435	226,270,158	0	127,972,984	2,630,051,341	1,268,256,186	0	205,103,104	0

**EXHIBIT - 1 PART 2 - DIVIDENDS AND COUPONS APPLIED, REINSURANCE COMMISSIONS AND EXPENSE ALLOWANCES AND COMMISSIONS INCURRED (Direct Business Only)**

	1	2	Ordinary		5	Group		Accident and Health			11
			3	4		6	7	8	9	10	
	Total	Industrial Life	Life Insurance	Individual Annuities	Credit Life (Group and Individual)	Life Insurance	Annuities	Group	Credit (Group and Individual)	Other	Aggregate of All Other Lines of Business
<b>DIVIDENDS AND COUPONS APPLIED (included in Part 1)</b>											
21. To pay renewal premiums .....	28,032	.0	28,032	.0	.0	.0	.0	.0	.0	.0	.0
22. All other .....	40,916	.0	40,916	.0	.0	.0	.0	.0	.0	.0	.0
<b>REINSURANCE COMMISSIONS AND EXPENSE ALLOWANCES INCURRED</b>											
23. First year (other than single):											
23.1 Reinsurance ceded .....	5,632,662	.0	.0	.0	.0	.0	.0	.0	.0	5,632,662	.0
23.2 Reinsurance assumed .....	0	.0	.0	.0	.0	.0	.0	.0	.0	0	.0
23.3 Net ceded less assumed .....	5,632,662	.0	.0	.0	.0	.0	.0	.0	.0	5,632,662	.0
24. Single:											
24.1 Reinsurance ceded .....	0	.0	.0	.0	.0	.0	.0	.0	.0	0	.0
24.2 Reinsurance assumed .....	0	.0	.0	.0	.0	.0	.0	.0	.0	0	.0
24.3 Net ceded less assumed .....	0	.0	.0	.0	.0	.0	.0	.0	.0	0	.0
25. Renewal:											
25.1 Reinsurance ceded .....	204,452,792	.0	2,339,610	1,114,231	.0	165,731,621	.0	18,180,549	.0	17,086,781	.0
25.2 Reinsurance assumed .....	2,456,458	.0	.0	.0	.0	.0	.0	.0	.0	2,456,458	.0
25.3 Net ceded less assumed .....	201,996,334	0	2,339,610	1,114,231	0	165,731,621	0	18,180,549	0	14,630,323	0
26. Totals:											
26.1 Reinsurance ceded (Page 6, Line 6) .....	210,085,454	.0	2,339,610	1,114,231	.0	165,731,621	.0	18,180,549	.0	22,719,443	.0
26.2 Reinsurance assumed (Page 6, Line 22) .....	2,456,458	0	0	0	0	0	0	0	0	2,456,458	0
26.3 Net ceded less assumed .....	207,628,996	.0	2,339,610	1,114,231	.0	165,731,621	.0	18,180,549	.0	20,262,985	.0
<b>COMMISSIONS INCURRED (direct business only)</b>											
27. First year (other than single) .....	45,456,739	.0	.0	29,420	.0	5,758,904	613,439	13,663,892	.0	25,391,084	.0
28. Single .....	19,291,408	.0	.0	19,291,408	.0	.0	.0	.0	.0	.0	.0
29. Renewal .....	157,217,886	.0	.0	10,700	.0	40,271,624	14,377,741	77,099,132	.0	25,458,689	.0
30. Deposit-type contract funds .....	0	0	0	0	0	0	0	0	0	0	0
31. Totals (to agree with Page 6, Line 21)	221,966,034	0	0	19,331,528	0	46,030,528	14,991,180	90,763,024	0	50,849,773	0

**ANNUAL STATEMENT FOR THE YEAR 2018 OF THE STANDARD INSURANCE COMPANY  
EXHIBIT 2 - GENERAL EXPENSES**

	Insurance				5 Investment	6 Total
	1 Life	2 Accident and Health		4 All Other Lines of Business		
		Cost Containment	3 All Other			
1. Rent	6,029,616	0	9,235,693	0	799,752	16,065,061
2. Salaries and wages	119,860,677	0	207,782,756	0	15,314,441	342,957,874
3.11 Contributions for benefit plans for employees	13,623,985	0	29,085,213	0	4,739,221	47,448,419
3.12 Contributions for benefit plans for agents	0	0	0	0	0	0
3.21 Payments to employees under non-funded benefit plans	0	0	0	0	0	0
3.22 Payments to agents under non-funded benefit plans	0	0	0	0	0	0
3.31 Other employee welfare	2,481,623	0	4,335,730	0	218,303	7,035,656
3.32 Other agent welfare	0	0	0	0	0	0
4.1 Legal fees and expenses	(148,495)	0	183,840	0	469,443	504,788
4.2 Medical examination fees	1,238,793	0	3,802,073	0	0	5,040,866
4.3 Inspection report fees	10,410	0	855,971	0	0	866,381
4.4 Fees of public accountants and consulting actuaries	1,080,440	0	1,822,017	0	108,547	3,011,004
4.5 Expense of investigation and settlement of policy claims	1,735,879	0	14,486,627	0	2,253	16,224,759
5.1 Traveling expenses	4,319,835	0	5,826,658	0	845,437	10,991,930
5.2 Advertising	1,180,365	0	2,503,636	0	32,005	3,716,006
5.3 Postage, express, telegraph and telephone	3,543,440	0	5,147,319	0	292,893	8,983,652
5.4 Printing and stationery	2,095,597	0	2,186,738	0	81,325	4,363,660
5.5 Cost or depreciation of furniture and equipment	1,100,253	0	2,095,066	0	60,533	3,255,852
5.6 Rental of equipment	998,953	0	1,864,916	0	54,945	2,918,814
5.7 Cost or depreciation of EDP equipment and software	26,955,797	0	53,895,259	0	1,544,040	82,395,096
6.1 Books and periodicals	109,665	0	100,507	0	26,525	236,697
6.2 Bureau and association fees	523,300	0	1,010,535	0	65,893	1,599,728
6.3 Insurance, except on real estate	990,812	0	1,791,081	0	2,213,750	4,995,643
6.4 Miscellaneous losses	52,631	0	98,700	0	2,515	153,846
6.5 Collection and bank service charges	12,786	0	(12,665)	0	0	121
6.6 Sundry general expenses	4,955,924	0	7,367,376	0	408,625	12,731,925
6.7 Group service and administration fees	8,900,707	0	20,798,175	0	0	29,698,882
6.8 Reimbursements by uninsured plans	0	0	(12,009,899)	0	0	(12,009,899)
7.1 Agency expense allowance	0	0	0	0	0	0
7.2 Agents' balances charged off (less \$ recovered)	0	0	0	0	0	0
7.3 Agency conferences other than local meetings	307,139	0	312,308	0	0	619,447
9.1 Real estate expenses	349,342	0	670,867	0	6,484,859	7,505,068
9.2 Investment expenses not included elsewhere	2,109	0	3,941	0	180,995	187,045
9.3 Aggregate write-ins for expenses	0	0	0	0	0	0
10. General expenses incurred	202,311,583	0	365,240,438	0	33,946,300	(a) 601,498,321
11. General expenses unpaid December 31, prior year	44,302,392	0	237,681,227	0	3,236,546	285,220,165
12. General expenses unpaid December 31, current year	45,678,015	0	249,369,295	0	3,601,279	298,648,589
13. Amounts receivable relating to uninsured plans, prior year	0	0	3,323,990	0	0	3,323,990
14. Amounts receivable relating to uninsured plans, current year	0	0	3,423,214	0	0	3,423,214
15. General expenses paid during year (Lines 10+11-12-13+14)	200,935,960	0	353,651,594	0	33,581,567	588,169,121
<b>DETAILS OF WRITE-INS</b>						
09.301.						
09.302.						
09.303.						
09.398. Summary of remaining write-ins for Line 9.3 from overflow page	0	0	0	0	0	0
09.399. Totals (Lines 09.301 thru 09.303 plus 09.398) (Line 9.3 above)	0	0	0	0	0	0

(a) Includes management fees of \$ 18,641,525 to affiliates and \$ 3,023,389 to non-affiliates.

**EXHIBIT 3 - TAXES, LICENSES AND FEES (EXCLUDING FEDERAL INCOME TAXES)**

	Insurance			4 Investment	5 Total
	1 Life	2 Accident and Health	3 All Other Lines of Business		
1. Real estate taxes	0	0	0	2,621,568	2,621,568
2. State insurance department licenses and fees	1,238,421	2,124,712	0	0	3,363,133
3. State taxes on premiums	14,854,643	24,742,602	0	0	39,597,245
4. Other state taxes, including \$ for employee benefits	1,582,486	2,957,495	0	0	4,539,981
5. U.S. Social Security taxes	5,349,614	11,730,871	0	24,875	17,105,360
6. All other taxes	793,173	3,868,826	0	0	4,661,999
7. Taxes, licenses and fees incurred	23,818,337	45,424,506	0	2,646,443	71,889,286
8. Taxes, licenses and fees unpaid December 31, prior year	1,509,078	2,314,751	0	130,889	3,954,718
9. Taxes, licenses and fees unpaid December 31, current year	1,685,293	2,124,462	0	235,192	4,044,947
10. Taxes, licenses and fees paid during year (Lines 7 + 8 - 9)	23,642,122	45,614,795	0	2,542,140	71,799,057

**EXHIBIT 4 - DIVIDENDS OR REFUNDS**

	1 Life	2 Accident and Health
	1. Applied to pay renewal premiums	28,032
2. Applied to shorten the endowment or premium-paying period	0	0
3. Applied to provide paid-up additions	40,916	0
4. Applied to provide paid-up annuities	0	0
5. Total Lines 1 through 4	68,948	0
6. Paid in cash	26,817	0
7. Left on deposit	3,994	0
8. Aggregate write-ins for dividend or refund options	159	0
9. Total Lines 5 through 8	99,918	0
10. Amount due and unpaid	3,945	0
11. Provision for dividends or refunds payable in the following calendar year	96,188	0
12. Terminal dividends	0	0
13. Provision for deferred dividend contracts	0	0
14. Amount provisionally held for deferred dividend contracts not included in Line 13	0	0
15. Total Lines 10 through 14	100,133	0
16. Total from prior year	99,903	0
17. Total dividends or refunds (Lines 9 + 15 - 16)	100,148	0
<b>DETAILS OF WRITE-INS</b>		
0801. Applied to reduce policy loans	159	0
0802.		
0803.		
0898. Summary of remaining write-ins for Line 8 from overflow page	0	0
0899. Totals (Lines 0801 thru 0803 plus 0898) (Line 8 above)	159	0

ANNUAL STATEMENT FOR THE YEAR 2018 OF THE STANDARD INSURANCE COMPANY  
**EXHIBIT 5 - AGGREGATE RESERVE FOR LIFE CONTRACTS**

1	2	3	4	5	6
Valuation Standard	Total	Industrial	Ordinary	Credit (Group and Individual)	Group
0100001. AE 3.50% NLP CNF 1906-1941	24,714	0	24,714	0	0
0100002. AM(5) 3.00% NLP CNF 1941-1947	321,010	0	321,010	0	0
0100003. AM(5) 3.00% ILL CNF 1941-1947	356,212	0	356,212	0	0
0100004. 1941 CSO 2.25% NLP CNF 1947-1964	3,040,376	0	3,040,376	0	0
0100005. 1941 CSO 2.25% CRVM CNF 1947-1964	2,403,047	0	2,403,047	0	0
0100006. 1941 CSO 2.25% NJ CNF 1947-1964	2,388,594	0	2,388,594	0	0
0100007. 1958 CSO 2.50% CRVM CNF 1970-1982	210	0	210	0	0
0100008. 1958 CSO 3.00% NLP CNF 1964-1970	5,408,492	0	5,408,492	0	0
0100009. 1958 CSO 3.00% NJ CNF 1964-1970	9,838,929	0	9,838,929	0	0
0100010. 1958 CSO 3.50% NLP CNF 1970-1992	10,885,837	0	10,885,837	0	0
0100011. 1958 CSO 3.50% CRVM CNF 1970-1982	43,463,099	0	43,463,099	0	0
0100012. 1958 CSO 4.00% NLP CNF 1978-1982	4,986	0	4,986	0	0
0100013. 1958 CSO 4.00% CRVM CNF 1974-1982	20,517,686	0	20,517,686	0	0
0100014. 1958 CSO 4.50% NLP CNF 1981-1988	96,132	0	96,132	0	0
0100015. 1958 CSO 4.50% CRVM 1981-1988	55,088,211	0	55,088,211	0	0
0100016. 1958 CSO 5.50% NLP CNF 1979-1988	12,826,603	0	12,826,603	0	0
0100017. 1958 CSO 5.50% CRVM 1987 - 1998	3,674,926	0	3,674,926	0	0
0100018. 1958 CSO 6.00% CRVM 1983-1986	31,393,334	0	31,393,334	0	0
0100019. 1980 CSO 4.00% CRVM 1988-1999, 2006-2008	88,732,253	0	88,732,253	0	0
0100020. 1980 CSO 4.50% NLP 1983-2005	99,837	0	99,837	0	0
0100021. 1980 CSO 4.50% CRVM 1995-2005	108,193,289	0	108,193,289	0	0
0100022. 1980 CSO 4.50% NLP CNF 1983-2005	297,070	0	297,070	0	0
0100023. 1980 CSO 5.00% NLP 1993-1994	883,655	0	883,655	0	0
0100024. 1980 CSO 5.00% CRVM crf 1993-1994	40,798,128	0	40,798,128	0	0
0100025. 1980 CSO 5.50% NL 1987-1992	3,244,706	0	3,244,706	0	0
0100026. 1980 CSO 5.50% CRVM 1986-1992	230,182,209	0	230,182,209	0	0
0100027. 1980 CSO 6.00% CRVM CNF 1983-1986	24,672,188	0	24,672,188	0	0
0100028. 2001 CSO 4.00% CRVM CNF 2009-2012	866,391	0	866,391	0	0
0100029. 2001 CSO 3.5% CRVM CNF 2013-2018 NB	2,187,425	0	2,187,425	0	0
0100030. - 58 CSO 3 1/2% 1958-75	137,442	0	0	0	137,442
0100031. - 58 CSO 4% 1976-1987	514,517	0	0	0	514,517
0100032. - 80 CSO 4 1/2% 1995-2003	16,436,897	0	0	0	16,436,897
0100033. - 80 CSO 5 1/2% 1988-1992	2,016,075	0	0	0	2,016,075
0100034. - 80 CSO 5% 1993-1994	1,680,753	0	0	0	1,680,753
0100035. - 2001 CSO 4 1/2% 2004-2005	7,528,290	0	0	0	7,528,290
0100036. - 2001 CSO 4% 2006-2012	18,388,464	0	0	0	18,388,464
0100037. - 2001 CSO 3 1/2% 2013-2017 NB	18,448,246	0	0	0	18,448,246
0199997. Totals (Gross)	767,040,233	0	701,889,549	0	65,150,684
0199998. Reinsurance ceded	694,817,582	0	694,817,582	0	0
0199999. Life Insurance: Totals (Net)	72,222,651	0	7,071,967	0	65,150,684
0200001. 1971 IAM 3.50% 1966, 1970-1973	113,136	XXX	113,136	XXX	0
0200002. 1971 IAM 4.00% 1974-1979	13,690,037	XXX	13,690,037	XXX	0
0200003. 1971 IAM 4.50% 1980-1982	29,422,238	XXX	29,422,238	XXX	0
0200004. 1971 IAM 8.50% 1984	13,667,830	XXX	13,667,830	XXX	0
0200005. 1971 IAM 8.75% 1983	7,805,142	XXX	7,805,142	XXX	0
0200006. 1983 IAM 5.25% 1989-1999	2,313,083	XXX	2,313,083	XXX	0
0200007. 1983 IAM 5.50% 1994, 1996-1997	8,047,857	XXX	8,047,857	XXX	0
0200008. 1983 IAM 5.75% 1993	5,142,309	XXX	5,142,309	XXX	0
0200009. 1983 IAM 6.00% 1995	3,771,360	XXX	3,771,360	XXX	0
0200010. 1983 IAM 6.25% 1992	8,887,290	XXX	8,887,290	XXX	0
0200011. 1983 IAM 6.50% 1987, 1990	15,410,978	XXX	15,410,978	XXX	0
0200012. 1983 IAM 6.75% 1991	10,656,715	XXX	10,656,715	XXX	0
0200013. 1983 IAM 7.00% 1988-1989	19,748,273	XXX	19,748,273	XXX	0
0200014. 1983 IAM 7.25% 1986	4,289,015	XXX	4,289,015	XXX	0
0200015. 1983 IAM 8.50% 1985	5,694,861	XXX	5,694,861	XXX	0
0200016. ANNUITY 2000 2.85% 2012	10,350,021	XXX	10,350,021	XXX	0
0200017. ANNUITY 2000 3.10% 2012	106,173,037	XXX	106,173,037	XXX	0
0200018. ANNUITY 2000 3.75% 2013	197,599,148	XXX	197,599,148	XXX	0
0200019. ANNUITY 2000 3.90% 2011	9,827,715	XXX	9,827,715	XXX	0
0200020. ANNUITY 2000 4.00% 2005, 2012, 2014	292,570,792	XXX	292,570,792	XXX	0
0200021. ANNUITY 2000 4.15% 2011	90,372,762	XXX	90,372,762	XXX	0
0200022. ANNUITY 2000 4.20% 2004	33,415,374	XXX	33,415,374	XXX	0
0200023. ANNUITY 2000 4.25% 2012	856,542	XXX	856,542	XXX	0
0200024. ANNUITY 2000 4.50% 2003, 2006, 2010, 2014	47,015,312	XXX	47,015,312	XXX	0
0200025. ANNUITY 2000 4.75% 2005-2008, 2010	154,495,800	XXX	154,495,800	XXX	0
0200026. ANNUITY 2000 5.00% 2008-2009, 2011	168,986,587	XXX	168,986,587	XXX	0
0200027. ANNUITY 2000 5.25% 2006, 2010	41,160,795	XXX	41,160,795	XXX	0
0200028. ANNUITY 2000 5.50% 2001-2002, 2007-2009	158,675,455	XXX	158,675,455	XXX	0
0200029. ANNUITY 2000 5.75% 2000	16,487,174	XXX	16,487,174	XXX	0
0200030. ANNUITY 2000 6.00% 2009	14,554,507	XXX	14,554,507	XXX	0
0200031. ANNUITY 2012 2.32% 2017	193,665	XXX	193,665	XXX	0
0200032. ANNUITY 2012 3.00% 2016	174,070	XXX	174,070	XXX	0
0200033. ANNUITY 2012 3.47% 2015	961,556	XXX	961,556	XXX	0
0200034. ANNUITY 2012 3.50% 2017-2018 NB	4,576,741	XXX	4,576,741	XXX	0
0200035. ANNUITY 2012 3.75% 2015-2018 NB	1,389,482,647	XXX	1,389,482,647	XXX	0
0200036. ANNUITY 2012 4.00% 2015-2016	375,528,305	XXX	375,528,305	XXX	0
0200037. SELECT 2010 2.88% 2012	477,850	XXX	477,850	XXX	0
0200038. SELECT 2010 3.23% 2013	1,003,827	XXX	1,003,827	XXX	0
0200039. SELECT 2010 3.77% 2014	579,119	XXX	579,119	XXX	0
0200040. SELECT 2010 4.00% 1977-2011	86,230,472	XXX	86,230,472	XXX	0
0200041. 1951 PENSION 10.00% 1984-1985	572,788	XXX	0	XXX	572,788
0200042. 1951 PENSION 4.00% 1975-1983	305,285	XXX	0	XXX	305,285
0200043. 1983 GAM 6.00% 1987	508,299	XXX	0	XXX	508,299
0200044. 1983 GAM 6.25% 1988-1989	184,642	XXX	0	XXX	184,642
0200045. 1983 GAM 6.50% 1986	221,740	XXX	0	XXX	221,740
0200046. 1983 GAM 7.25% 1987	127,812	XXX	0	XXX	127,812
0200047. 1983 GAM 7.75% 1988-1989	63,636	XXX	0	XXX	63,636
0200048. 1983 GAM 8.00% 1986-1987	751,008	XXX	0	XXX	751,008
0200049. 1983 GAM 8.25% 1989	81,507	XXX	0	XXX	81,507
0200050. 1983 GAM 8.75% 1986, 1988-1989	1,347,492	XXX	0	XXX	1,347,492
0200051. 1983 GAM 9.25% 1986	440,091	XXX	0	XXX	440,091
0200052. 1983 IAM 5.25% 1993	166,974	XXX	0	XXX	166,974

ANNUAL STATEMENT FOR THE YEAR 2018 OF THE STANDARD INSURANCE COMPANY  
**EXHIBIT 5 - AGGREGATE RESERVE FOR LIFE CONTRACTS**

1	2	3	4	5	6
Valuation Standard	Total	Industrial	Ordinary	Credit (Group and Individual)	Group
0200053. 1983 IAM 5.50% 1995	23,789	XXX	0	XXX	23,789
0200054. 1983 IAM 5.75% 1992	21,822	XXX	0	XXX	21,822
0200055. 1983 IAM 6.00% 1990-1991, 1996-1997	326,653	XXX	0	XXX	326,653
0200056. 1983 IAM 6.25% 1993, 1996-1997	3,330,337	XXX	0	XXX	3,330,337
0200057. 1983 IAM 6.50% 1993-1995	1,929,769	XXX	0	XXX	1,929,769
0200058. 1983 IAM 6.99% 1995	1,445,347	XXX	0	XXX	1,445,347
0200059. 1983 IAM 7.25% 1990-1991	101,863	XXX	0	XXX	101,863
0200060. 1983 IAM 7.75% 1992	1,535,810	XXX	0	XXX	1,535,810
0200061. 1983 IAM 8.00% 1990	20,430	XXX	0	XXX	20,430
0200062. 1983 IAM 8.25% 1990-1991	1,546,831	XXX	0	XXX	1,546,831
0200063. 1994 GAM 2.25% 2018 NB	1,757,620	XXX	0	XXX	1,757,620
0200064. 1994 GAM 3.64% 2016	2,187,879	XXX	0	XXX	2,187,879
0200065. 1994 GAM 3.75% 2017	1,482,888	XXX	0	XXX	1,482,888
0200066. 1994 GAM 3.89% 2015	2,288,953	XXX	0	XXX	2,288,953
0200067. 1994 GAM 4.00% 2013	1,973,380	XXX	0	XXX	1,973,380
0200068. 1994 GAM 4.20% 2012	1,266,812	XXX	0	XXX	1,266,812
0200069. 1994 GAM 4.31% 2014	1,422,540	XXX	0	XXX	1,422,540
0200070. 1994 GAM 4.47% 2011	1,741,803	XXX	0	XXX	1,741,803
0200071. 1994 GAM 4.50% 2004-2005	2,186,250	XXX	0	XXX	2,186,250
0200072. 1994 GAM 4.67% 2006	756,419	XXX	0	XXX	756,419
0200073. 1994 GAM 4.70% 2003	1,903,590	XXX	0	XXX	1,903,590
0200074. 1994 GAM 5.06% 2010	1,391,608	XXX	0	XXX	1,391,608
0200075. 1994 GAM 5.12% 2007	669,502	XXX	0	XXX	669,502
0200076. 1994 GAM 5.25% 2008	1,223,983	XXX	0	XXX	1,223,983
0200077. 1994 GAM 5.50% 1999	163,445	XXX	0	XXX	163,445
0200078. 1994 GAM 5.79% 2009	467,125	XXX	0	XXX	467,125
0200079. 1994 GAM 6.00% 2001	388,063	XXX	0	XXX	388,063
0200080. 1994 GAM 6.25% 1999-2000	2,258,489	XXX	0	XXX	2,258,489
0200081. 1994 GAM 6.50% 2002	732,264	XXX	0	XXX	732,264
0200082. 1994 GAM 6.75% 2000-2001	2,453,696	XXX	0	XXX	2,453,696
0200083. 1994 GAM 7.00% 2000	3,096,850	XXX	0	XXX	3,096,850
0200084. ANNUITY 2000 5.75% 1998	285,750	XXX	0	XXX	285,750
0200085. ANNUITY 2000 6.25% 1998	1,214,554	XXX	0	XXX	1,214,554
0200086. 1994 GAM 3.00% 1962-2018 NB	4,672,374,689	XXX	0	XXX	4,672,374,689
0299997. Totals (Gross)	8,071,151,474	XXX	3,350,409,397	XXX	4,720,742,077
0299998. Reinsurance ceded	388,167,189	XXX	388,167,189	XXX	0
0299999. Annuities: Totals (Net)	7,682,984,285	XXX	2,962,242,208	XXX	4,720,742,077
0300001. ANNUITY 2000 2.85% 2012	45,300	0	45,300	0	0
0300002. ANNUITY 2000 3.75% 2013	72,263	0	72,263	0	0
0300003. ANNUITY 2000 3.90% 2011	61,773	0	61,773	0	0
0300004. ANNUITY 2000 4.00% 2004, 2014	1,197,324	0	1,197,324	0	0
0300005. ANNUITY 2000 4.50% 2006, 2010	1,225,744	0	1,225,744	0	0
0300006. ANNUITY 2000 4.75% 2007-2008	85,268	0	85,268	0	0
0300007. ANNUITY 2000 5.00% 2009	135,780	0	135,780	0	0
0300008. ANNUITY 2012 2.25% 2018 NB	3,065,160	0	3,065,160	0	0
0300009. ANNUITY 2012 3.09% 2016	3,707,046	0	3,707,046	0	0
0300010. ANNUITY 2012 3.50% 2017-2018 NB	216,521	0	216,521	0	0
0300011. ANNUITY 2012 3.75% 2015-2017	3,180,401	0	3,180,401	0	0
0300012. ANNUITY 2012 4.00% 2015	3,828,466	0	3,828,466	0	0
0300013. SELECT 2010 3.50% 1958, 1979-1983	25,090	0	25,090	0	0
0300014. SELECT 2010 3.74% 2013	1,369,610	0	1,369,610	0	0
0300015. SELECT 2010 3.96% 2012	1,843,846	0	1,843,846	0	0
0300016. SELECT 2010 4.00% 1977-2011, 2014	20,036,669	0	20,036,669	0	0
0300017. Annuity 2000 4.00%, 2013	58,118	0	58,118	0	0
0300018. Annuity 2000 3.75%, 2017	988	0	988	0	0
0300019. Annuity 2000 5.50%, 2004, 2007	111,744	0	111,744	0	0
0300020. 1969-1971 US Life Modified 4% 1971-2018 NB	18,746,039	0	0	0	18,746,039
0399997. Totals (Gross)	59,013,150	0	40,267,111	0	18,746,039
0399998. Reinsurance ceded	1,678,938	0	1,678,938	0	0
0399999. SCWLC: Totals (Net)	57,334,212	0	38,588,173	0	18,746,039
0400001. 1959 ADB - 1958 CSO 4.50% 1964-2000	25,082	0	25,082	0	0
0499997. Totals (Gross)	25,082	0	25,082	0	0
0499998. Reinsurance ceded	25,082	0	25,082	0	0
0499999. Accidental Death Benefits: Totals (Net)	0	0	0	0	0
0500001. 1952 Interco Disa - 1958 CSO 3% 1964-2000	337,531	0	337,531	0	0
0599997. Totals (Gross)	337,531	0	337,531	0	0
0599998. Reinsurance ceded	337,531	0	337,531	0	0
0599999. Disability-Active Lives: Totals (Net)	0	0	0	0	0
0600001. 1952 Interco Disa - 1958 CSO 3% 1964-2000	2,025,894	0	2,025,894	0	0
0600002. 1970 Inter-co Group Val Table 4 1/2% 1952-1987, 1995-2005	103,880,269	0	0	0	103,880,269
0600003. 1970 Inter-co Group Val Table 5 1/2% 1988-1992	13,731,869	0	0	0	13,731,869
0600004. 1970 Inter-co Group Val Table 5% 1993-1994	11,928,781	0	0	0	11,928,781
0600005. 1970 Inter-co Group Val Table 4% 2006-2012	167,810,275	0	0	0	167,810,275
0600006. 1970 Inter-co Group Val Table 3 1/2% 2013	33,872,130	0	0	0	33,872,130
0600007. 2005 Group Life Waiver Val Table 3 1/2% 2014-2017 NB	235,849,614	0	0	0	235,849,614
0600008. 1970 Inter-co Group Val Table 3 1/2% 1952-1974	45,211	0	0	0	45,211
0600009. 1970 Inter-co Group Val Table 4% 1975-1979	124,098	0	0	0	124,098
0600010. 1970 Inter-co Group Val Table 4 1/2% 1980-1982, 1995-2005	13,950,503	0	0	0	13,950,503
0600011. 1970 Inter-co Group Val Table 6% 1983-1986	68,797	0	0	0	68,797
0600012. 1970 Inter-co Group Val Table 5 1/2% 1987-1992	601,984	0	0	0	601,984
0600013. 1970 Inter-co Group Val Table 5% 1993-1994	504,596	0	0	0	504,596
0600014. 1969-1971 US Life Modified 4% 1971-2016 NB	1,590,702	0	0	0	1,590,702
0699997. Totals (Gross)	585,984,723	0	2,025,894	0	583,958,829
0699998. Reinsurance ceded	6,928,022	0	2,025,894	0	4,902,128
0699999. Disability-Disabled Lives: Totals (Net)	579,056,701	0	0	0	579,056,701

**EXHIBIT 5 - AGGREGATE RESERVE FOR LIFE CONTRACTS**

1	2	3	4	5	6
Valuation Standard	Total	Industrial	Ordinary	Credit (Group and Individual)	Group
0700001. Surrender Value in Excess .....	3,255,767	0	3,255,767	0	0
0700002. Reserves for the excess of valuation net premiums over corresponding gross premiums .....	241,889	0	241,889	0	0
0700003. Immediate Payment of Claims .....	214,418	0	214,418	0	0
0700004. Non-Deduction of Deferred Fractional Premiums .....	80,914	0	80,914	0	0
0799997. Totals (Gross)	3,792,988	0	3,792,988	0	0
0799998. Reinsurance ceded	3,777,064	0	3,777,064	0	0
0799999. Miscellaneous Reserves: Totals (Net)	15,924	0	15,924	0	0
9999999. Totals (Net) - Page 3, Line 1	8,391,613,773	0	3,007,918,272	0	5,383,695,501

**EXHIBIT 5 - INTERROGATORIES**

- 1.1 Has the reporting entity ever issued both participating and non-participating contracts?..... Yes [ X ] No [ ]
- 1.2 If not, state which kind is issued. ....
- 2.1 Does the reporting entity at present issue both participating and non-participating contracts?..... Yes [ ] No [ X ]
- 2.2 If not, state which kind is issued. ....  
NON-PARTICIPATING .....
- 3. Does the reporting entity at present issue or have in force contracts that contain non-guaranteed elements?..... Yes [ X ] No [ ]  
If so, attach a statement that contains the determination procedures, answers to the interrogatories and an actuarial opinion as described in the instructions.
- 4. Has the reporting entity any assessment or stipulated premium contracts in force? ..... Yes [ ] No [ X ]  
If so, state:  
4.1 Amount of insurance? ..... \$ ..... 0  
4.2 Amount of reserve? ..... \$ ..... 0  
4.3 Basis of reserve: .....
- 4.4 Basis of regular assessments: .....
- 4.5 Basis of special assessments: .....
- 4.6 Assessments collected during the year ..... \$ ..... 0
- 5. If the contract loan interest rate guaranteed in any one or more of its currently issued contracts is less than 5%, not in advance, state the contract loan rate guarantees on any such contracts. ....
- 6. Does the reporting entity hold reserves for any annuity contracts that are less than the reserves that would be held on a standard basis? ..... Yes [ ] No [ X ]  
6.1 If so, state the amount of reserve on such contracts on the basis actually held: ..... \$ ..... 0  
6.2 That would have been held (on an exact or approximate basis) using the actual ages of the annuitants; the interest rate(s) used in 6.1; and the same mortality basis used by the reporting entity for the valuation of comparable annuity benefits issued to standard lives. If the reporting entity has no comparable annuity benefits for standard lives to be valued, the mortality basis shall be the table most recently approved by the state of domicile for valuing individual annuity benefits: ..... \$ ..... 0  
Attach statement of methods employed in their valuation.
- 7. Does the reporting entity have any Synthetic GIC contracts or agreements in effect as of December 31 of the current year? ..... Yes [ ] No [ X ]  
7.1 If yes, state the total dollar amount of assets covered by these contracts or agreements ..... \$ ..... 0  
7.2 Specify the basis (fair value, amortized cost, etc.) for determining the amount: .....
- 7.3 State the amount of reserves established for this business: ..... \$ ..... 0  
7.4 Identify where the reserves are reported in the blank: .....
- 8. Does the reporting entity have any Contingent Deferred Annuity contracts or agreements in effect as of December 31 of the current year? ..... Yes [ ] No [ X ]  
8.1 If yes, state the total dollar amount of account value covered by these contracts or agreements: ..... \$ ..... 0  
8.2 State the amount of reserves established for this business: ..... \$ ..... 0  
8.3 Identify where the reserves are reported in the blank: .....
- 9. Does the reporting entity have any Guaranteed Lifetime Income Benefit contracts, agreements or riders in effect as of December 31 of the current year? ..... Yes [ ] No [ X ]  
9.1 If yes, state the total dollar amount of any account value associated with these contracts, agreements or riders: ..... \$ ..... 0  
9.2 State the amount of reserves established for this business: ..... \$ ..... 0  
9.3 Identify where the reserves are reported in the blank: .....

**EXHIBIT 5A - CHANGES IN BASES OF VALUATION DURING THE YEAR**

1 Description of Valuation Class	Valuation Basis		4 Increase in Actuarial Reserve Due to Change
	2 Changed From	3 Changed To	
NONE			
9999999 - Total (Column 4, only)			



ANNUAL STATEMENT FOR THE YEAR 2018 OF THE STANDARD INSURANCE COMPANY  
**EXHIBIT 6 - AGGREGATE RESERVES FOR ACCIDENT AND HEALTH CONTRACTS**

	1 Total	2 Group Accident and Health	3 Credit Accident and Health (Group and Individual)	4 Collectively Renewable	Other Individual Contracts				
					5 Non-Cancelable	6 Guaranteed Renewable	7 Non-Renewable for Stated Reasons Only	8 Other Accident Only	9 All Other
<b>ACTIVE LIFE RESERVE</b>									
1. Unearned premium reserves .....	27,824,189	0	0	0	20,680,596	7,143,593	0	0	0
2. Additional contract reserves (a) .....	341,704,054	0	0	0	283,615,752	58,088,302	0	0	0
3. Additional actuarial reserves-Asset/Liability analysis .....	0	0	0	0	0	0	0	0	0
4. Reserve for future contingent benefits .....	0	0	0	0	0	0	0	0	0
5. Reserve for rate credits .....	0	0	0	0	0	0	0	0	0
6. Aggregate write-ins for reserves .....	0	0	0	0	0	0	0	0	0
7. Totals (Gross) .....	369,528,243	0	0	0	304,296,348	65,231,895	0	0	0
8. Reinsurance ceded .....	104,789,760	0	0	0	96,188,839	8,600,921	0	0	0
9. Totals (Net) .....	264,738,483	0	0	0	208,107,509	56,630,974	0	0	0
<b>CLAIM RESERVE</b>									
10. Present value of amounts not yet due on claims .....	4,082,302,017	3,230,090,493	0	0	755,129,393	97,082,131	0	0	0
11. Additional actuarial reserves-Asset/Liability analysis .....	0	0	0	0	0	0	0	0	0
12. Reserve for future contingent benefits .....	0	0	0	0	0	0	0	0	0
13. Aggregate write-ins for reserves .....	0	0	0	0	0	0	0	0	0
14. Totals (Gross) .....	4,082,302,017	3,230,090,493	0	0	755,129,393	97,082,131	0	0	0
15. Reinsurance ceded .....	198,656,946	37,028,599	0	0	143,399,019	18,229,328	0	0	0
16. Totals (Net) .....	3,883,645,071	3,193,061,894	0	0	611,730,374	78,852,803	0	0	0
17. TOTAL (Net) .....	4,148,383,554	3,193,061,894	0	0	819,837,883	135,483,777	0	0	0
18. TABULAR FUND INTEREST .....	150,167,561	111,596,414	0	0	33,650,129	4,921,018	0	0	0
<b>DETAILS OF WRITE-INS</b>									
0601. ....									
0602. ....									
0603. ....									
0698. Summary of remaining write-ins for Line 6 from overflow page .....	0	0	0	0	0	0	0	0	0
0699. TOTALS (Lines 0601 thru 0603 plus 0698) (Line 6 above) .....	0	0	0	0	0	0	0	0	0
1301. ....									
1302. ....									
1303. ....									
1398. Summary of remaining write-ins for Line 13 from overflow page .....	0	0	0	0	0	0	0	0	0
1399. TOTALS (Lines 1301 thru 1303 plus 1398) (Line 13 above) .....	0	0	0	0	0	0	0	0	0

(a) Attach statement as to valuation standard used in calculating this reserve, specifying reserve bases, interest rates and methods.

- Up through 12/31/1992, 1964 CDT 3.5%, 58CSO, 2 year preliminary term
- 01/01/1993 through 12/31/1994, 1985 CIDA 5.0%, 80CSO, 2 year preliminary term
- 01/01/1995 through 12/31/2002, 1985 CIDA 4.5%, 80CSO, 2 year preliminary term
- 01/01/2003 through 12/31/2005, 1985 CID-C 4.5%, 80CSO, 2 year preliminary term
- 01/01/2006 through 12/31/2009, 1985 CID-C 4.0%, 80CSO, 2 year preliminary term
- 01/01/2010 through 12/31/2012, 1985 CID-C 4.0%, 80CSO/2001CSO\*, 2 year preliminary term
- 01/01/2013 through Present, 1985 CID-C 3.5%, 80CSO/2001CSO\*, 2 year preliminary term

Acquired from Minnesota Life in 2000

- Up through 12/31/2003, 1985 CIDA 5.0%, 80CSO, 2 year preliminary term
- 01/01/2004 through 12/31/2012, 1985 CIDA 4.0%, 80CSO, 2 year preliminary term
- 01/01/2013 through Present, 1985 CIDA 3.5%, 80CSO, 2 year preliminary term

ANNUAL STATEMENT FOR THE YEAR 2018 OF THE STANDARD INSURANCE COMPANY

**EXHIBIT 7 - DEPOSIT TYPE CONTRACTS**

	1	2	3	4	5	6
	Total	Guaranteed Interest Contracts	Annuities Certain	Supplemental Contracts	Dividend Accumulations or Refunds	Premium and Other Deposit Funds
1. Balance at the beginning of the year before reinsurance .....	1,410,540,379	0	271,888,806	250,402,661	21,540,115	866,708,797
2. Deposits received during the year .....	845,558,594	0	115,252,627	159,685,676	524,474	570,095,817
3. Investment earnings credited to the account .....	16,184,303	0	2,400,088	6,311,530	916,282	6,556,403
4. Other net change in reserves .....	0	0	0	0	0	0
5. Fees and other charges assessed .....	1,200	0	0	1,200	0	0
6. Surrender charges .....	0	0	0	0	0	0
7. Net surrender or withdrawal payments .....	772,574,156	0	87,037,935	128,846,195	1,277,093	555,412,933
8. Other net transfers to or (from) Separate Accounts .....	0	0	0	0	0	0
9. Balance at the end of current year before reinsurance (Lines 1+2+3+4-5-6-7-8) .....	1,499,707,920	0	302,503,586	287,552,472	21,703,778	887,948,084
10. Reinsurance balance at the beginning of the year .....	(23,984,992)	0	0	(738,407)	(21,483,989)	(1,762,596)
11. Net change in reinsurance assumed .....	0	0	0	0	0	0
12. Net change in reinsurance ceded .....	242,115	0	0	68,130	164,760	9,225
13. Reinsurance balance at the end of the year (Lines 10+11-12) .....	(24,227,107)	0	0	(806,537)	(21,648,749)	(1,771,821)
14. Net balance at the end of current year after reinsurance (Lines 9 + 13)	1,475,480,813	0	302,503,586	286,745,935	55,029	886,176,263

ANNUAL STATEMENT FOR THE YEAR 2018 OF THE STANDARD INSURANCE COMPANY  
**EXHIBIT 8 - CLAIMS FOR LIFE AND ACCIDENT AND HEALTH CONTRACTS**

**PART 1 - Liability End of Current Year**

	1	2	Ordinary			6	Group		Accident and Health		
			3	4	5		7	8	9	10	11
	Total	Industrial Life	Life Insurance	Individual Annuities	Supplementary Contracts	Credit Life (Group and Individual)	Life Insurance	Annuities	Group	Credit (Group and Individual)	Other
<b>1. Due and unpaid:</b>											
1.1 Direct .....	0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
1.2 Reinsurance assumed .....	0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
1.3 Reinsurance ceded .....	0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
1.4 Net .....	0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
<b>2. In course of settlement:</b>											
2.1 Resisted .....											
2.11 Direct .....	2,412,500	.0	.0	.0	.0	.0	2,412,500	.0	.0	.0	.0
2.12 Reinsurance assumed .....	0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
2.13 Reinsurance ceded .....	0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
2.14 Net .....	2,412,500	.0	(b) .0	(b) .0	.0	(b) .0	(b) 2,412,500	.0	.0	.0	.0
2.2 Other .....											
2.21 Direct .....	62,663,582	.0	5,944,586	.0	.0	.0	33,887,143	.0	16,037,258	.0	6,794,595
2.22 Reinsurance assumed .....	3,269,411	.0	.0	.0	.0	.0	106,280	.0	62,732	.0	3,100,399
2.23 Reinsurance ceded .....	10,232,541	.0	5,726,153	.0	.0	.0	408,000	.0	2,025,500	.0	2,072,888
2.24 Net .....	55,700,452	.0	(b) 218,433	(b) .0	.0	(b) .0	(b) 33,585,423	.0	(b) 14,074,490	(b) .0	(b) 7,822,106
<b>3. Incurred but unreported:</b>											
3.1 Direct .....	134,460,313	.0	1,437,909	.0	.0	.0	86,442,525	.0	44,899,885	.0	1,679,994
3.2 Reinsurance assumed .....	6,218,368	.0	.0	.0	.0	.0	262,669	.0	5,593,339	.0	362,360
3.3 Reinsurance ceded .....	4,760,734	.0	1,418,189	.0	.0	.0	454,727	.0	2,887,818	.0	.0
3.4 Net .....	135,917,947	.0	(b) 19,720	(b) .0	.0	(b) .0	(b) 86,250,467	.0	(b) 47,605,406	(b) .0	(b) 2,042,354
<b>4. TOTALS .....</b>											
4.1 Direct .....	199,536,395	.0	7,382,495	.0	.0	.0	122,742,168	.0	60,937,143	.0	8,474,589
4.2 Reinsurance assumed .....	9,487,779	.0	.0	.0	.0	.0	368,949	.0	5,656,071	.0	3,462,759
4.3 Reinsurance ceded .....	14,993,275	.0	7,144,342	.0	.0	.0	862,727	.0	4,913,318	.0	2,072,888
4.4 Net .....	194,030,899	(a) 0	(a) 238,153	.0	.0	.0	(a) 122,248,390	.0	61,679,896	.0	9,864,460

(a) Including matured endowments (but not guaranteed annual pure endowments) unpaid amounting to \$ .....0 in Column 2, \$ .....0 in Column 3 and \$ .....0 in Column 7.

(b) Include only portion of disability and accident and health claim liabilities applicable to assumed "accrued" benefits. Reserves (including reinsurance assumed and net of reinsurance ceded) for unaccrued benefits for Ordinary Life Insurance \$ .....0 Individual Annuities \$ .....0, Credit Life (Group and Individual) \$ .....0, and Group Life \$ .....579,056,701, are included in Page 3, Line 1, (See Exhibit 5, Section on Disability Disabled Lives); and for Group Accident and Health \$ .....3,193,061,894 Credit (Group and Individual) Accident and Health \$ .....0, and Other Accident and Health \$ .....690,583,177 are included in Page 3, Line 2 (See Exhibit 6, Claim Reserve).

ANNUAL STATEMENT FOR THE YEAR 2018 OF THE STANDARD INSURANCE COMPANY  
**EXHIBIT 8 - CLAIMS FOR LIFE AND ACCIDENT AND HEALTH CONTRACTS**

**PART 2 - Incurred During the Year**

	1 Total	2 Industrial Life (a)	Ordinary			6 Credit Life (Group and Individual)	Group		Accident and Health		
			3 Life Insurance (b)	4 Individual Annuities	5 Supplementary Contracts		7 Life Insurance (c)	8 Annuities	9 Group	10 Credit (Group and Individual)	11 Other
1. Settlements During the Year:											
1.1 Direct	2,803,901,401	0	41,488,146	10,595,841	5,159,498	0	704,456,821	1,029,661,510	947,898,087	0	64,641,498
1.2 Reinsurance assumed	129,175,187	0	0	0	0	0	1,220,343	0	62,938,144	0	65,016,700
1.3 Reinsurance ceded	739,422,737	0	37,720,887	0	30,965	0	606,516,754	0	75,981,836	0	19,172,295
1.4 Net	(d) 2,193,653,851	0	3,767,259	10,595,841	5,128,533	0	99,160,410	1,029,661,510	934,854,395	0	110,485,903
2. Liability December 31, current year from Part 1:											
2.1 Direct	199,536,395	0	7,382,495	0	0	0	122,742,168	0	60,937,143	0	8,474,589
2.2 Reinsurance assumed	9,487,779	0	0	0	0	0	368,949	0	5,656,071	0	3,462,759
2.3 Reinsurance ceded	14,993,275	0	7,144,342	0	0	0	862,727	0	4,913,318	0	2,072,888
2.4 Net	194,030,899	0	238,153	0	0	0	122,248,390	0	61,679,896	0	9,864,460
3. Amounts recoverable from reinsurers December 31, current year	165,649,783	0	0	0	0	0	145,997,612	0	15,925,942	0	3,726,229
4. Liability December 31, prior year:											
4.1 Direct	211,986,604	0	10,667,124	0	0	0	130,251,741	0	63,038,644	0	8,029,095
4.2 Reinsurance assumed	8,836,940	0	0	0	0	0	24,950	0	5,595,269	0	3,216,721
4.3 Reinsurance ceded	17,592,737	0	10,409,811	0	0	0	620,308	0	4,647,140	0	1,915,478
4.4 Net	203,230,807	0	257,313	0	0	0	129,656,383	0	63,986,773	0	9,330,338
5. Amounts recoverable from reinsurers December 31, prior year	152,588,557	0	0	0	0	0	139,214,354	0	11,908,903	0	1,465,300
6. Incurred Benefits											
6.1 Direct	2,791,451,192	0	38,203,517	10,595,841	5,159,498	0	696,947,248	1,029,661,510	945,796,586	0	65,086,992
6.2 Reinsurance assumed	129,826,026	0	0	0	0	0	1,564,342	0	62,998,946	0	65,262,738
6.3 Reinsurance ceded	749,884,501	0	34,455,418	0	30,965	0	613,542,431	0	80,265,053	0	21,590,634
6.4 Net	2,171,392,717	0	3,748,099	10,595,841	5,128,533	0	84,969,159	1,029,661,510	928,530,479	0	108,759,096

(a) Including matured endowments (but not guaranteed annual pure endowments) amounting to \$ .....0 in Line 1.1, \$ .....0 in Line 1.4.  
 \$ .....0 in Line 6.1, and \$ .....0 in Line 6.4.

(b) Including matured endowments (but not guaranteed annual pure endowments) amounting to \$ .....113,210 in Line 1.1, \$ .....0 in Line 1.4.  
 \$ .....113,210 in Line 6.1, and \$ .....0 in Line 6.4.

(c) Including matured endowments (but not guaranteed annual pure endowments) amounting to \$ .....0 in Line 1.1, \$ .....0 in Line 1.4.  
 \$ .....0 in Line 6.1, and \$ .....0 in Line 6.4.

(d) Includes \$ .....4,557,308 premiums waived under total and permanent disability benefits.

ANNUAL STATEMENT FOR THE YEAR 2018 OF THE STANDARD INSURANCE COMPANY

**EXHIBIT OF NON-ADMITTED ASSETS**

	1	2	3
	Current Year Total Nonadmitted Assets	Prior Year Total Nonadmitted Assets	Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1. Bonds (Schedule D) .....	0	0	0
2. Stocks (Schedule D):			
2.1 Preferred stocks .....	0	0	0
2.2 Common stocks .....	0	0	0
3. Mortgage loans on real estate (Schedule B):			
3.1 First liens .....	0	0	0
3.2 Other than first liens.....	0	0	0
4. Real estate (Schedule A):			
4.1 Properties occupied by the company .....	0	0	0
4.2 Properties held for the production of income.....	0	0	0
4.3 Properties held for sale .....	0	0	0
5. Cash (Schedule E - Part 1), cash equivalents (Schedule E - Part 2) and short-term investments (Schedule DA) .....	0	0	0
6. Contract loans .....	0	0	0
7. Derivatives (Schedule DB) .....	0	0	0
8. Other invested assets (Schedule BA) .....	0	0	0
9. Receivables for securities .....	0	0	0
10. Securities lending reinvested collateral assets (Schedule DL) .....	0	0	0
11. Aggregate write-ins for invested assets .....	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11) .....	0	0	0
13. Title plants (for Title insurers only) .....	0	0	0
14. Investment income due and accrued .....	0	0	0
15. Premiums and considerations:			
15.1 Uncollected premiums and agents' balances in the course of collection .....	9,293,632	9,516,949	223,317
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due ..	0	0	0
15.3 Accrued retrospective premiums and contracts subject to redetermination .....	54,000	204,507	150,507
16. Reinsurance:			
16.1 Amounts recoverable from reinsurers .....	0	0	0
16.2 Funds held by or deposited with reinsured companies .....	0	0	0
16.3 Other amounts receivable under reinsurance contracts .....	0	0	0
17. Amounts receivable relating to uninsured plans .....	0	0	0
18.1 Current federal and foreign income tax recoverable and interest thereon .....	0	0	0
18.2 Net deferred tax asset .....	62,996,348	51,502,459	(11,493,889)
19. Guaranty funds receivable or on deposit .....	0	0	0
20. Electronic data processing equipment and software .....	56,877,128	57,329,599	452,471
21. Furniture and equipment, including health care delivery assets .....	24,568,970	24,275,679	(293,291)
22. Net adjustment in assets and liabilities due to foreign exchange rates .....	0	0	0
23. Receivables from parent, subsidiaries and affiliates .....	0	0	0
24. Health care and other amounts receivable .....	0	0	0
25. Aggregate write-ins for other than invested assets .....	32,029,538	29,378,800	(2,650,738)
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25) .....	185,819,616	172,207,993	(13,611,623)
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts .....	0	0	0
28. Total (Lines 26 and 27) .....	185,819,616	172,207,993	(13,611,623)
<b>DETAILS OF WRITE-INS</b>			
1101. ....			
1102. ....			
1103. ....			
1198. Summary of remaining write-ins for Line 11 from overflow page .....	0	0	0
1199. Totals (Lines 1101 thru 1103 plus 1198)(Line 11 above) .....	0	0	0
2501. Prepaid expenses .....	20,562,938	20,814,145	251,207
2502. Miscellaneous non-invested assets .....	11,466,599	8,564,655	(2,901,945)
2503. ....			
2598. Summary of remaining write-ins for Line 25 from overflow page .....	0	0	0
2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above) .....	32,029,538	29,378,800	(2,650,738)

ANNUAL STATEMENT FOR THE YEAR 2018 OF THE STANDARD INSURANCE COMPANY  
**NOTES TO FINANCIAL STATEMENTS**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GOING CONCERN

A. Accounting Practices

Standard Insurance Company (the “Company”) is a stock life insurance company domiciled in the State of Oregon and licensed to do business in all states except for New York. The Company is also licensed in the District of Columbia, and the U.S. territories of Guam, Puerto Rico and the Virgin Islands. The Company markets group life and accidental death and dismemberment (“AD&D”) insurance, group and individual accident and health (“A&H”) insurance products, group dental and group vision insurance, and group and individual annuity products through brokers and its own representatives.

The accompanying statutory basis financial statements of the Company have been prepared in conformity with accounting practices prescribed or permitted by the Oregon Department of Consumer and Business Services—Division of Financial Regulation (“Oregon Insurance Division”). Only the statutory accounting practices so prescribed or permitted by the Oregon Insurance Division can be used in determining and reporting the financial condition and results of operations of an insurance company under Oregon Insurance Law.

The National Association of Insurance Commissioners’ (“NAIC”) Accounting Practices and Procedures Manual, (“NAIC SAP”), including the Statements of Statutory Accounting Principles (“SSAP”) as updated by the NAIC, have been adopted by the Oregon Insurance Division as a component of prescribed or permitted accounting practices under Oregon Insurance Division Bulletin INS 2007-5. The Oregon Insurance Division has not adopted accounting practices that differ from NAIC SAP.

A reconciliation of the Company’s net income and capital and surplus between NAIC SAP and practices prescribed and permitted by the State of Oregon is shown below:

	<u>SSAP #</u>	<u>F/S Page</u>	<u>F/S Line #</u>	<u>2018</u>	<u>2017</u>
<b><u>NET INCOME</u></b>					
(1) Standard Insurance Company state basis (Page 4, Line 35, Columns 1 & 2)	XXX	XXX	XXX	\$ 201,609,372	\$ 178,243,670
(2) State Prescribed Practices that are an increase/(decrease) from NAIC SAP:				-	-
(3) State Permitted Practices that are an increase/(decrease) from NAIC SAP:				-	-
(4) NAIC SAP (1-2-3=4)	XXX	XXX	XXX	<u>\$ 201,609,372</u>	<u>\$ 178,243,670</u>
<b><u>SURPLUS</u></b>					
(5) Standard Insurance Company state basis (Page 3, Line 38, Columns 1 & 2)	XXX	XXX	XXX	\$ 1,293,980,588	\$ 1,108,369,208
(6) State Prescribed Practices that are an increase/(decrease) from NAIC SAP:				-	-
(7) State Permitted Practices that are an increase/(decrease) from NAIC SAP:				-	-
(8) NAIC SAP (5-6-7=8)	XXX	XXX	XXX	<u>\$ 1,293,980,588</u>	<u>\$ 1,108,369,208</u>

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

The preparation of financial statements in conformity with statutory accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities. It also requires the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates.

C. Accounting Policy

Life premiums are recognized as revenue over the premium paying period of the related policies. A&H premiums are earned ratably over the terms of the related insurance and reinsurance contracts or policies. Annuity considerations with life contingencies or purchase rate guarantees are recognized as revenue when received. Expenses incurred in connection with acquiring new insurance business, including acquisition costs such as sales commissions, are charged to operations as incurred. Deposits on deposit-type agreements are entered directly as a liability when received. Reserves for losses and unearned premiums ceded to reinsurers have been reported as reductions of related reserves.

Initial gains on indemnity reinsurance of in-force blocks of business have unique accounting treatment. A portion of the initial gain (equal to the tax effect of the initial gain in surplus) is reported as commissions and expense allowances on reinsurance ceded in the statement of operations. The remainder of the initial gain is reported on a net-of-tax basis as a write-in for gain or loss in surplus in the capital and surplus account. In subsequent years, the ceding entity recognizes income on the reinsurance ceded line for the net-of-tax profits that emerge on the reinsured block of business with a corresponding decrease in the write-in for gain or loss in surplus. (SSAP No. 61R – *Life, Deposit-Type and Accident and Health Reinsurance*, paragraph 78.d)

ANNUAL STATEMENT FOR THE YEAR 2018 OF THE STANDARD INSURANCE COMPANY  
**NOTES TO FINANCIAL STATEMENTS**

---

The liability for experience rated refunds is estimated at the end of each reporting period for retrospectively rated contracts based on the loss experience of the insured group during the term of the policy (including loss development after the term of the policy) and the stipulated formula set forth in the policy. The change in the liability for experience rated refunds is recorded as an adjustment to premium income for the reported period.

Real estate holdings are stated at lower of amortized cost or fair value. Fair market value of real estate is determined through third party or internal appraisals.

For all investments, impairments are recorded when it is determined that the decline in fair value of an investment below its amortized cost is other-than-temporary. The Company recognizes other-than-temporary impairments in net realized capital losses and permanently adjusts the book value of the investment to report the impairment. Factors considered in evaluating whether a decline in value is other-than-temporary include: (i) the length of time and the extent to which the fair value has been less than amortized cost, (ii) the financial conditions and near-term prospects of the issuer, and (iii) the Company's intent and ability to retain the investment for a period of time sufficient to allow for any anticipated recovery in market value. In addition, for securities expected to be sold, an other-than-temporary impairment is recognized if the Company does not expect the realizable market value of a security to recover to amortized cost prior to the expected date of sale. Once an impairment has been recorded, the Company continues to review the other-than-temporary impaired securities for further potential impairment on an ongoing basis. The Company records temporary impairments and the allowance for loan losses as unrealized capital losses.

The Company accounts for transferable state tax credits in accordance with SSAP No. 94R – *Transferable and Non-Transferable State Tax Credits*. State tax credits are recorded at cost and gains are deferred until the value of the credits utilized exceeds the cost of the credits or until the credits are sold to other entities. Losses related to the credits are recognized when the Company identifies the credits cannot be used.

The Company uses the following additional accounting policies:

- (1) Short-term investments are stated at amortized cost.
- (2) Bonds (“fixed maturity securities”) not backed by other loans and mandatory convertible securities are generally stated at amortized cost using the scientific (constant) yield to worst method, which is determined by the call or maturity date which produces the lowest asset value unless fixed maturity securities have a NAIC designation of 6, which are stated at the lower of amortized cost or fair value.
- (3) Common stocks are stated at fair value in accordance with the guidance provided in SSAP No. 30 – *Unaffiliated Common Stock*.
- (4) Preferred stocks are stated in accordance with the guidance provided in SSAP No. 32 – *Preferred Stock*.
- (5) Mortgage loans are stated at the unpaid principal balance adjusted for unamortized discounts, premiums, and allowance for losses.
- (6) Loan-backed and structured securities are carried at either amortized cost or the lower of amortized cost or fair value in accordance with the provisions of SSAP No. 43R – *Loan-Backed and Structured Securities*. For loan-backed and structured securities, the effective yield is based on estimated cash flows, including prepayment assumptions based on data from widely accepted third-party data sources. Significant changes in estimated cash flows from the original purchase assumptions are accounted for using the prospective method.
- (7) The Company owned no investments in any subsidiaries, controlled and affiliated companies as of December 31, 2018.
- (8) The Company holds investments in joint ventures, partnerships and limited liability companies (see Schedule BA). The majority of these investments are investments in low income housing limited partnerships and are accounted for in accordance with SSAP No. 93 – *Low Income Housing Tax Credit Property Investments*. The investments are admitted assets, recorded at cost and carried at amortized cost unless considered impaired. The cost method amortizes any excess of the carrying amount of the investment over its estimated residual value during the periods in which benefits are allocated to the Company.  
  
Joint ventures, partnerships, and limited liability companies which are not classified as low income housing partnerships are admitted assets and accounted for using the equity method of accounting as required by SSAP No. 48 – *Joint Ventures, Partnerships and Limited Liability Companies*.
- (9) See Note 8 for the derivative accounting policy.
- (10) Should the Company determine the need for premium deficiency reserves, investment income would be anticipated as a factor in the premium deficiency calculation, in accordance with SSAP No. 54R – *Individual and Group Accident and Health Contracts*.
- (11) Claim liabilities for accident and health policies are established using a combination of industry morbidity tables and company adjusted formulas. The present value of future benefits is calculated for each claim reported and approved. Interest rates are reviewed annually as determined by the Oregon Insurance Division and NAIC model guidelines. Incurred but not reported (“IBNR”) reserves are established at the policy level and formulas are reviewed as appropriate to ensure that reserve run-outs demonstrate sufficient adequacy. Claim adjustment expenses for accident and health policies are developed using estimates of expected claim duration and administration costs based on company experience. Future costs are adjusted for inflation.
- (12) The Company did not change its capitalization policy for 2018.

ANNUAL STATEMENT FOR THE YEAR 2018 OF THE STANDARD INSURANCE COMPANY  
**NOTES TO FINANCIAL STATEMENTS**

---

(13) The Company had no pharmaceutical rebate receivables as of December 31, 2018.

D. Going Concern

Management does not have any substantial doubt about the Company's ability to continue as a going concern.

2. ACCOUNTING CHANGES AND CORRECTIONS OF ERRORS

Accounting Changes

SSAP No. 100R – *Fair Value*, was revised on November 6, 2017 and became effective January 1, 2018 on a prospective basis and allows the use of net asset value (“NAV”) per share as a practical expedient for the measurement of fair value either when specifically named in statutory accounting guidance or when specific conditions exist. Insurers will be allowed to use NAV when an SSAP specifically identifies NAV as a permitted practical expedient or an investment does not have a readily determinable fair value. The Company has adopted this revision and the adoption did not have a material effect on its financial position, results of operations, cash flows or disclosures.

SSAP 86 – *Derivatives*, was revised in November 2017 and the changes became effective January 1, 2018. The NAIC adopted changes that require modifications to variation margin to be recognized as unrealized gains/losses until the derivative contract has matured, been terminated or expires. The change applies to both over-the-counter derivatives and exchange traded futures, regardless of whether the counterparty/exchange considers the variation margin payment to be collateral or an actual settlement. The Company has adopted these changes and the adoption did not have a material effect on its financial position, results of operations, cash flows or disclosures.

SSAP No. 9 – *Subsequent Events*, was revised and became effective February 8, 2018 on a retrospective basis. The change provides guidance in three areas in response to the Tax Cuts and Jobs Act. The revision adopts concepts from Securities & Exchange Commission Staff Accounting Bulletin No. 118 related to “complete” and “incomplete” tax estimates and those items for which a reasonable estimate cannot be determined. It also provides a limited time exception to SSAP No. 9 – *Subsequent Events*, for one year from the enactment date, to allow companies not to be required to adjust the audited statutory financial statements for a change in estimate after the annual statement has been filed. Reporting changes to deferred tax assets and liabilities (“DTA”) and (“DTL”) that require companies to allocate the re-measurement of DTAs and DTLs to three components of surplus: change in net unrealized capital gain/loss, change in net deferred income tax and change in nonadmitted assets. The change in the nonadmitted asset component is computed by comparing beginning-of-year nonadmitted assets at the old rate to end-of-year nonadmitted assets at the new rate. A disclosure in narrative format to the statement note and the audited financial statements of the change in DTAs and DTLs as a result of the tax reform is also required. The Company has adopted these changes and the adoption did not have a material effect on its financial position, results of operations, cash flows or disclosures.

SSAP No. 92 – *Postretirement Benefits Other than Pensions* and SSAP No. 102 – *Pensions*, was revised and became effective March 24, 2018. This is a revision to SSAP No. 92 and SSAP No. 102, removing the fair value Level 3 reconciliation for plan assets. Instead, the fair value of the plan assets is compared to the pension or other postretirement benefit liability. If the plan is overfunded, that asset is nonadmitted and if the plan is underfunded, a liability is reported. The Company has adopted these changes and the adoption did not have a material effect on its financial position, results of operations, cash flows or disclosures.

SSAP No. 101 – *Income Taxes*, was revised and key changes were made to SSAP No. 101 in response to the Tax Cuts and Jobs Act that was signed on December 22, 2017. This revision clarifies differences in carry-back provisions between life and non-life entities and updates the implementation guide. The guidance was finalized and became effective May 24, 2018 on a retrospective basis. The Corporate federal income tax rate declined from 35% to 21%, reducing future current federal income taxes and gross DTAs and DTLs. The ability to carry back net operating losses (“NOL”) for life entities was eliminated. The NOL carryforward period for life entities changed from 20 succeeding taxable years to an indefinite period, with an 80% taxable income limitation. The alternative minimum tax was repealed with transition provisions for accelerated recovery of any credit carryforward that existed as of December 31, 2017. The Company has adopted these changes and the adoption did not have a material effect on its financial position, results of operations, cash flows or disclosures.

INT 18-02T – *2019 ACA Section 9010 Moratorium*, was finalized and became effective May 24, 2018 as a result of adoption of a 2019 moratorium on the health insurance provider fee. It provides guidance on the moratorium and general guidance in the event of any future moratoriums of the provider fee. The Company has adopted these changes and the adoption did not have a material effect on its financial position, results of operations, cash flows or disclosures.

Corrections of Errors

There were no corrections of errors for 2018.



ANNUAL STATEMENT FOR THE YEAR 2018 OF THE STANDARD INSURANCE COMPANY  
**NOTES TO FINANCIAL STATEMENTS**

---

3. BUSINESS COMBINATIONS AND GOODWILL

The Company was not a direct party to any business combinations and did not have any goodwill as of December 31, 2018 or 2017.

A. Statutory Purchase Method

The Company had no transactions that were accounted for as a statutory purchase for 2018 or 2017.

B. Statutory Merger

The Company was not a party to any statutory mergers for 2018 or 2017.

C. Assumption Reinsurance

The Company had no goodwill resulting from assumption reinsurance for 2018 or 2017.

D. Impairment Loss

The Company had no recognized impairment losses resulting from business combinations and goodwill for 2018 or 2017.

4. DISCONTINUED OPERATIONS

A. Discontinued Operation Disposed of or Classified as Held for Sale

The Company did not have any discontinued operations disposed of or classified as held for sale for 2018 or 2017.

B. Change in Plan of Sale of Discontinued Operation

The Company did not have any change in plan of sale of discontinued operations for 2018 or 2017.

C. Nature of Any Significant Continuing Involvement with Discontinued Operations After Disposal

The Company did not have any significant continuing involvement with discontinued operations after disposal for 2018 or 2017.

D. Equity Interest Retained in the Discontinued Operation After Disposal

The Company did not have any equity interest retained in the discontinued operation after disposal for 2018 or 2017.

5. INVESTMENTS

A. Mortgage Loans, including Mezzanine Real Estate Loans

(1) The minimum and maximum lending rates for mortgage loans for 2018 were:

Farm mortgages	N/A
Residential mortgages	N/A
Commercial mortgages	4.250% and 9.125%

(2) The maximum percentage of any one loan to the value of security at the time of the loan, exclusive of insured or guaranteed or purchase money mortgages was 75%.

	<u>Current Year</u>	<u>Prior Year</u>
(3) Taxes, assessments and any amounts advanced and not included in the mortgage loan total:	\$ 373,427	\$ 366,533

## NOTES TO FINANCIAL STATEMENTS

- (4) Age Analysis of Mortgage Loans and Identification of Mortgage Loans in Which the Insurer is a Participant or Co-lender in a Mortgage Loan Agreement:

	Farm	Residential		Commercial		Mezzanine	Total
		Insured	All Other	Insured	All Other		
a. Current Year							
1. Recorded Investment (All)							
(a) Current	\$	- \$	- \$	77,832 \$	- \$	6,438,159,646 \$	- \$ 6,438,237,478
(b) 30-59 Days Past Due		-	-	-	-	905,614	- 905,614
(c) 60-89 Days Past Due		-	-	-	-	-	-
(d) 90-179 Days Past Due		-	-	-	-	-	-
(e) 180+ Days Past Due		-	-	-	-	2,907,072	- 2,907,072
2. Accruing Interest 90-179 Days Past Due							
(a) Recorded Investment	\$	- \$	- \$	- \$	- \$	- \$	- \$
(b) Interest Accrued		-	-	-	-	-	-
3. Accruing Interest 180+ Days Past Due							
(a) Recorded Investment	\$	- \$	- \$	- \$	- \$	- \$	- \$
(b) Interest Accrued		-	-	-	-	-	-
4. Interest Reduced							
(a) Recorded Investment	\$	- \$	- \$	- \$	- \$	125,685,153 \$	- \$ 125,685,153
(b) Number of Loans		-	-	-	-	212	- 212
(c) Percent Reduced		- %	- %	- %	- %	1.390 %	- % 1.390 %
5. Participant or Co-lender in a Mortgage Loan Agreement							
(a) Recorded Investment	\$	- \$	- \$	- \$	- \$	5,166,519,316 \$	- \$ 5,166,519,316
b. Prior Year							
1. Recorded Investment (All)							
(a) Current	\$	- \$	- \$	83,718 \$	- \$	6,182,641,706 \$	- \$ 6,182,725,424
(b) 30-59 Days Past Due		-	-	-	-	5,315,354	- 5,315,354
(c) 60-89 Days Past Due		-	-	-	-	-	-
(d) 90-179 Days Past Due		-	-	-	-	-	-
(e) 180+ Days Past Due		-	-	-	-	958,356	- 958,356
2. Accruing Interest 90-179 Days Past Due							
(a) Recorded Investment	\$	- \$	- \$	- \$	- \$	- \$	- \$
(b) Interest Accrued		-	-	-	-	-	-
3. Accruing Interest 180+ Days Past Due							
(a) Recorded Investment	\$	- \$	- \$	- \$	- \$	- \$	- \$
(b) Interest Accrued		-	-	-	-	-	-
4. Interest Reduced							
(a) Recorded Investment	\$	- \$	- \$	- \$	- \$	134,130,675 \$	- \$ 134,130,675
(b) Number of Loans		-	-	-	-	225	- 225
(c) Percent Reduced		- %	- %	- %	- %	1.199 %	- % 1.199 %
5. Participant or Co-lender in a Mortgage Loan Agreement							
(a) Recorded Investment	\$	- \$	- \$	- \$	- \$	5,071,135,697 \$	- \$ 5,071,135,697

## NOTES TO FINANCIAL STATEMENTS

- (5) Investment in Impaired Loans With or Without Allowance for Credit Losses and Impaired Loans Subject to a Participant or Co-lender Mortgage Loan Agreement for Which the Reporting Entity is Restricted from Unilaterally Foreclosing on the Mortgage Loan:

Farm	Residential		Commercial		Mezzanine	Total
	Insured	All Other	Insured	All Other		

## a. Current Year

1. With Allowance for Credit Losses	\$	- \$	- \$	- \$	- \$	5,899,775	\$	- \$	5,899,775
2. No Allowance for Credit Losses		-	-	-	-	3,560,630		-	3,560,630
3. Total (1+2)		-	-	-	-	9,460,405		-	9,460,405
4. Subject to a participant or co-lender mortgage loan agreement for which the reporting entity is restricted from unilaterally foreclosing on the mortgage loan		-	-	-	-	5,909,732		-	5,909,732

## b. Prior Year

1. With Allowance for Credit Losses	\$	- \$	- \$	- \$	- \$	23,736,942	\$	- \$	23,736,942
2. No Allowance for Credit Losses		-	-	-	-	20,074,939		-	20,074,939
3. Total (1+2)		-	-	-	-	43,811,881		-	43,811,881
4. Subject to a participant or co-lender mortgage loan agreement for which the reporting entity is restricted from unilaterally foreclosing on the mortgage loan		-	-	-	-	9,048,323		-	9,048,323

- (6) Investment in Impaired Loans - Average Recorded Investment, Interest Income Recognized, Recorded Investment on Nonaccrual Status and Amount of Interest Income Recognized Using a Cash-Basis Method of Accounting:

Farm	Residential		Commercial		Mezzanine	Total
	Insured	All Other	Insured	All Other		

## a. Current Year

1. Average Recorded Investment	\$	- \$	- \$	- \$	- \$	26,636,143	\$	- \$	26,636,143
2. Interest Income Recognized		-	-	-	-	1,030,928		-	1,030,928
3. Recorded Investments on Nonaccrual Status		-	-	-	-	1,401,287		-	1,401,287
4. Amount of Interest Income Recognized Using a Cash-Basis Method of Accounting		-	-	-	-	1,106,911		-	1,106,911

## b. Prior Year

1. Average Recorded Investment	\$	- \$	- \$	- \$	- \$	45,440,139	\$	- \$	45,440,139
2. Interest Income Recognized		-	-	-	-	2,351,408		-	2,351,408
3. Recorded Investments on Nonaccrual Status		-	-	-	-	976,327		-	976,327
4. Amount of Interest Income Recognized Using a Cash-Basis Method of Accounting		-	-	-	-	2,356,769		-	2,356,769

- (7) Allowance for Credit Losses:

	<u>Current Year</u>	<u>Prior Year</u>
a. Balance at beginning of period	\$ 5,502,754	\$ 7,386,742
b. Additions charged to operations	3,729,329	125,335
c. Direct write-downs charged against the allowances	(6,618,336)	(2,009,323)
d. Recoveries of amounts previously charged off	-	-
e. Balance at end of period	<u>\$ 2,613,747</u>	<u>\$ 5,502,754</u>

- (8) Mortgage Loans Derecognized as a Result of Foreclosure:

The Company did not have any mortgage loans derecognized as a result of foreclosure for 2018.

- (9) Interest income on impaired commercial mortgage loans is recognized until the loans are more than 90 days delinquent. Interest income and accrued interest receivable are reversed when a commercial mortgage loan is put on non-accrual status. Interest income on commercial mortgage loans more than 90 days delinquent is recognized in the period the cash is collected. Interest income recognition is continued when the commercial mortgage loan becomes less than 90 days delinquent and management determines it is probable that the commercial mortgage loan will continue to perform.

ANNUAL STATEMENT FOR THE YEAR 2018 OF THE STANDARD INSURANCE COMPANY  
**NOTES TO FINANCIAL STATEMENTS**

B. Debt Restructuring

	<b>Current Year</b>	<b>Prior Year</b>
(1) The total recorded investment in restructured loans, as of year-end	\$ 27,685,257	\$ 53,231,015
(2) The realized capital losses related to these loans	\$ -	\$ -
(3) Total contractual commitments to extend credit to debtors owing receivables whose terms have been modified in troubled debt restructurings	\$ -	\$ -
(4) The Company accrues interest income on impaired loans to the extent it is deemed collectible (delinquent less than 90 days) and the loan continues to perform under its original or restructured contractual terms. Interest income on non-performing loans is generally recognized on a cash basis.		

C. Reverse Mortgages

The Company did not have any reverse mortgages for 2018 or 2017.

D. Loan-Backed Securities

Asset-backed securities totaled \$1.23 billion and \$852.6 million as of December 31, 2018 and 2017, respectively, and were reported at the lower of amortized cost or fair value.

(1) Prepayment assumptions for mortgage-backed/loan-backed and structured securities were obtained from independent pricing services or the Company's third-party asset managers.

(2) a. The Company recognized other-than-temporary impairments ("OTTI") for one loan-backed and structured security on the basis of the intent to sell for 2018.

b. The Company did not recognize any OTTI on the basis of the inability or lack of intent to retain the loan-backed and structured securities for a period of time sufficient to recover the amortized cost basis for 2018.

(3) The Company did not recognize any OTTI on loan-backed and structured securities where the present value of cash flows expected to be collected was less than the amortized cost basis for 2018.

(4) As of December 31, 2018, all impaired fixed maturity securities (fair value is less than cost or amortized cost) for which an OTTI has not been recognized in earnings as a realized loss (including securities with a recognized OTTI for non-interest related declines when a non-recognized interest related impairment remains):

a. The aggregate amount of unrealized losses:

1. Less than 12 Months	\$ 108,651,696
2. 12 Months or Longer	77,071,067

b. The aggregate related fair value of securities with unrealized losses:

1. Less than 12 Months	\$ 4,207,891,955
2. 12 Months or Longer	1,663,356,531

(5) The Company expects the fair value of the fixed maturity securities above to recover as the fixed maturity securities approach their maturity dates or sooner if market yields for such fixed maturity securities decline. The Company does not believe that any of the fixed maturity securities are impaired due to credit quality or due to any company or industry specific event. Based on the Company's evaluation of the securities and intent to hold the securities, and as it is unlikely that the Company will be required to sell the securities, none of the unrealized losses summarized above are considered other-than-temporary.

E. Dollar Repurchase Agreements and/or Securities Lending Transactions

The Company did not have any dollar repurchase agreements or securities lending transactions for 2018 or 2017.

F. Repurchase Agreements Transactions Accounted for as Secured Borrowing

The Company did not have any repurchase agreements transactions accounted for as secured borrowing for 2018 or 2017.

G. Reverse Repurchase Agreements Transactions Accounted for as Secured Borrowing

The Company did not have any reverse repurchase agreements transactions accounted for as secured borrowing for 2018 or 2017.

H. Repurchase Agreements Transactions Accounted for as a Sale

The Company did not have any repurchase agreements transactions accounted for as a sale for 2018 or 2017.

I. Reverse Repurchase Agreements Transactions Accounted for as a Sale

The Company did not have any reverse repurchase agreements transactions accounted for as a sale for 2018 or 2017.

ANNUAL STATEMENT FOR THE YEAR 2018 OF THE STANDARD INSURANCE COMPANY  
**NOTES TO FINANCIAL STATEMENTS**

---

J. Real Estate

- (1) The Company did not record any impairment losses on real estate investments for 2018 or 2017.
- (2) a) The Company had no property classified as held for sale as of December 31, 2018 or 2017.  
b) The Company sold no real estate for 2018. The Company wrote off owned building improvements resulting in a realized loss of \$111,479 for 2017 as reported within Summary of Operations, Page 4, Line 34 - Net realized capital gains (losses).
- (3) The Company had no plans to sell its real estate for 2018 or 2017.
- (4) The Company did not engage in retail land sales operations for 2018 or 2017.
- (5) The Company did not have any real estate investments with participating mortgage loan features for 2018 or 2017.

K. Low-Income Housing Tax Credits ("LIHTC")

- (1) As of December 31, 2018, the Company had 38 LIHTC investments. The remaining years of unexpired tax credits ranged from one to thirteen. The length of time remaining for holding periods ranged from one to seventeen years.
- (2) The Company recognized \$43.0 million and \$3.4 million of federal and state LIHTC tax credits, respectively, and \$7.1 million of other tax benefits from tax losses for 2018. The Company recognized \$41.9 million and \$5.2 million of federal and state LIHTC tax credits, respectively, and \$12.3 million of other tax benefits from tax losses for 2017.
- (3) The balance of the investment recognized in the statement of financial position was \$181.2 million and \$196.7 million as of December 31, 2018 and 2017, respectively.
- (4) One property is subject to regulatory review.
- (5) LIHTC investments did not exceed 10% of the total admitted assets as of December 31, 2018 or 2017.
- (6) The Company recognized no impairments in LIHTC investments for 2018 or 2017.
- (7) No write-downs due to the forfeiture or ineligibility of tax credits were made for 2018 or 2017.

ANNUAL STATEMENT FOR THE YEAR 2018 OF THE STANDARD INSURANCE COMPANY  
**NOTES TO FINANCIAL STATEMENTS**

L. Restricted Assets

(1) Restricted Assets (Including Pledged)

Restricted Asset Category	Gross (Admitted & Nonadmitted) Restricted						
	Current Year					6 Total From Prior Year	7 Increase/ (Decrease) (5 minus 6)
	1 Total General Account (G/A)	2 G/A Supporting S/A Activity (a)	3 Total Separate Account (S/A) Restricted Assets	4 S/A Assets Supporting G/A Activity (b)	5 Total (1 plus 3)		
a. Subject to contractual obligation for which liability is not shown	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
b. Collateral held under security lending agreements	-	-	-	-	-	-	-
c. Subject to repurchase agreements	-	-	-	-	-	-	-
d. Subject to reverse repurchase agreements	-	-	-	-	-	-	-
e. Subject to dollar repurchase agreements	-	-	-	-	-	-	-
f. Subject to dollar reverse repurchase agreements	-	-	-	-	-	-	-
g. Placed under option contracts	-	-	-	-	-	-	-
h. Letter stock or securities restricted as to sale - excluding FHLB capital stock	-	-	-	-	-	-	-
i. FHLB capital stock	35,973,000	-	-	-	35,973,000	36,907,900	(934,900)
j. On deposit with states	5,205,574	-	-	-	5,205,574	4,414,312	791,262
k. On deposit with other regulatory bodies	1,683,883	-	-	-	1,683,883	1,645,541	38,342
l. Pledged as collateral to FHLB (including assets backing funding arrangements)	921,650,671	-	-	-	921,650,671	921,529,054	121,617
m. Pledged as collateral not captured in other categories	8,726,451	-	-	-	8,726,451	11,280,240	(2,553,789)
n. Other restricted assets	-	-	-	-	-	-	-
<b>o. Total Restricted Assets</b>	<b>\$ 973,239,579</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 973,239,579</b>	<b>\$ 975,777,047</b>	<b>(2,537,468)</b>

(a) Subset of Column 1

(b) Subset of Column 3

Restricted Asset Category	Current Year			
	8 Total Nonadmitted Restricted	9 Total Admitted Restricted (\$ minus 8)	Percentage	
			10 Gross (Admitted & Nonadmitted) Restricted to Total Assets (c)	11 Admitted Restricted to Total Admitted Assets (d)
a. Subject to contractual obligation for which liability is not shown	\$ -	-	-%	-%
b. Collateral held under security lending agreements	-	-	-	-
c. Subject to repurchase agreements	-	-	-	-
d. Subject to reverse repurchase agreements	-	-	-	-
e. Subject to dollar repurchase agreements	-	-	-	-
f. Subject to dollar reverse repurchase agreements	-	-	-	-
g. Placed under option contracts	-	-	-	-
h. Letter stock or securities restricted as to sale - excluding FHLB capital stock	-	-	-	-
i. FHLB capital stock	-	35,973,000	0.150	0.151
j. On deposit with states	-	5,205,574	0.022	0.022
k. On deposit with other regulatory bodies	-	1,683,883	0.007	0.007
l. Pledged as collateral to FHLB (including assets backing funding arrangements)	-	921,650,671	3.832	3.862
m. Pledged as collateral not captured in other categories	-	8,726,451	0.036	0.037
n. Other restricted assets	-	-	-	-
<b>o. Total Restricted Assets</b>	<b>\$ -</b>	<b>\$ 973,239,579</b>	<b>4.047%</b>	<b>4.079%</b>

ANNUAL STATEMENT FOR THE YEAR 2018 OF THE STANDARD INSURANCE COMPANY  
**NOTES TO FINANCIAL STATEMENTS**

(c) Column 5 divided by Asset Page, Column 1, Line 28

(d) Column 9 divided by Asset Page, Column 3, Line 28

(2) Detail of Assets Pledged as Collateral Not Captured in Other Categories (Contracts that Share Similar Characteristics, Such as Reinsurance and Derivatives, Are Reported in the Aggregate)

Description of Assets	Gross (Admitted & Nonadmitted) Restricted					6	7	8	Percentage	
	Current Year								9	10
	1	2	3	4	5	Total From Prior Year	Increase/ (Decrease) (5 minus 6)	Total Current Year Admitted Restricted		
Collateral pledged for derivatives	\$ 8,726,451	\$ -	\$ -	\$ -	\$ 8,726,451	\$ 11,280,240	\$ (2,553,789)	\$ 8,726,451	0.036%	0.037%
Total (c)	\$ 8,726,451	\$ -	\$ -	\$ -	\$ 8,726,451	\$ 11,280,240	\$ (2,553,789)	\$ 8,726,451	0.036%	0.037%

(a) Subset of column 1

(b) Subset of column 3

(c) Total Line for Columns 1 through 7 should equal 5L(1)m Columns 1 through 7 respectively and Total Line for Columns 8 through 10 should equal 5L(1)m Columns 9 through 11 respectively

(3) Detail of Other Restricted Assets (Contracts that Share Similar Characteristics, Such as Reinsurance and Derivatives, Are Reported in the Aggregate)

The Company did not have investments identified as other restricted assets as of December 31, 2018 or 2017.

(4) Collateral Received and Reflected as Assets Within the Reporting Entity's Financial Statements

Collateral Assets	1	2	3	4
	Book/Adjusted Carrying Value (BACV)	Fair Value	% of BACV to Total Assets (Admitted and Nonadmitted)*	% of BACV to Total Admitted Assets**
a. Cash, Cash Equivalents and Short-Term Investments	\$ 3,890,000	\$ 3,890,000	0.023%	0.024%
b. Schedule D, Part 1	-	-	-	-
c. Schedule D, Part 2, Section 1	-	-	-	-
d. Schedule D, Part 2, Section 2	-	-	-	-
e. Schedule B	-	-	-	-
f. Schedule A	-	-	-	-
g. Schedule BA, Part 1	-	-	-	-
h. Schedule DL, Part 1	-	-	-	-
i. Other	-	-	-	-
j. Total Collateral Assets (a+b+c+d+e+f+g+h+i)	\$ 3,890,000	\$ 3,890,000	0.023%	0.024%

\* Column 1 divided by Asset Page, Line 26 (Column 1)

\*\* Column 1 divided by Asset Page, Line 26 (Column 3)

	1	2
	Amount	% of Liability to Total Liabilities *
k. Recognized Obligation to Return Collateral Asset	\$ 3,903,294	0.026%

\* Column 1 divided by Liability Page, Line 26 (Column 1)

M. Working Capital Finance Investments

The Company did not have any working capital finance investments as of December 31, 2018 or 2017.

N. Offsetting and Netting of Assets and Liabilities

The Company did not have offsetting and netting of assets and liabilities as of December 31, 2018 or 2017.

O. Structured Notes

The Company did not have any structured notes as of December 31, 2018 or 2017.

P. 5GI Securities

The Company did not have any 5GI securities as of December 31, 2018 or 2017.

ANNUAL STATEMENT FOR THE YEAR 2018 OF THE STANDARD INSURANCE COMPANY  
**NOTES TO FINANCIAL STATEMENTS**

Q. Short Sales

(1) Unsettled Short Sale Transactions (Outstanding as of Reporting Date)

The Company did not have any unsettled short sale transactions outstanding as of December 31, 2018 or 2017.

(2) Settled Short Sale Transactions

The Company did not have any settled short sale transactions for 2018 or 2017.

R. Prepayment Penalty and Acceleration Fees

For 2018, the Company had fixed maturity securities disposed as a result of a callable feature. The following table sets forth the number of fixed maturity securities disposed and the amount recognized in investment income as a result of prepayment penalty and acceleration fees:

	General Account	Separate Account
(1) Number of CUSIPs	52	-
(2) Aggregate Amount of Investment Income	\$ 4,556,364	\$ -

6. JOINT VENTURES, PARTNERSHIPS AND LIMITED LIABILITY COMPANIES

A. The Company did not have any investments in joint ventures, partnerships or limited liability companies that exceeded 10% of its admitted assets as of December 31, 2018 or 2017.

B. The Company did not recognize any impairment write down for its investments in joint ventures, partnerships and limited liability companies as of December 31, 2018 or 2017.

7. INVESTMENT INCOME

A. All investment income due and accrued with amounts that are over 90 days past due is excluded from surplus.

B. There was no investment income excluded from surplus for 2018 or 2017.

8. DERIVATIVE INSTRUMENTS

A. The Company is exposed to the credit worthiness of the institutions from which it purchases its derivative instruments and these institutions' continued abilities to perform according to the terms of the contracts. For example, the current values for the credit exposure have been affected by fluctuations in the S&P 500 Index. The Company's maximum credit risk exposure would require an increase of 21.8% in the value of the S&P 500 Index. The maximum credit risk is calculated using the cap strike price of the Company's S&P 500 Index options less the floor price, multiplied by the notional amount of the S&P 500 Index options.

As the Company uses the Chicago Mercantile Exchange ("CME") to clear all of its interest rate swaps, the Company is only exposed to the default of the CME. Transactions with the CME require the Company to pledge or accept initial and variation margin collateral. The Company has pledged cash and a fixed maturity security as collateral to the CME. The Company maintains beneficial ownership of the collateral, which is classified as either cash on Page 2, Line 5 or fixed maturity securities on Page 2, Line 1. The Company receives collateral related to its index options for over-the-counter derivative positions from certain counterparties which is classified as cash on Page 2, Line 5.

The following table sets forth collateral pledged to the CME for derivatives:

	Cash		Fixed Maturity Securities		Total	
	12/31/2018	12/31/2017	12/31/2018	12/31/2017	12/31/2018	12/31/2017
	Collateral:					
Initial margin collateral	\$ -	\$ -	\$ 7,845,506	\$ 7,864,689	\$ 7,845,506	\$ 7,864,689
Variation margin collateral	880,945	3,415,551	-	-	880,945	3,415,551
Total Collateral	\$ 880,945	\$ 3,415,551	\$ 7,845,506	\$ 7,864,689	\$ 8,726,451	\$ 11,280,240

The following table sets forth collateral pledged to the Company for derivatives:

	Cash (1)		Fixed Maturity Securities		Total	
	12/31/2018	12/31/2017	12/31/2018	12/31/2017	12/31/2018	12/31/2017
	Collateral:					
Variation margin collateral	\$ 3,890,000	\$ -	\$ -	\$ -	\$ 3,890,000	\$ -
Total Collateral	\$ 3,890,000	\$ -	\$ -	\$ -	\$ 3,890,000	\$ -

(1) Cash collateral received is reported in cash, cash equivalents and short-term investments and the obligation to return the collateral is recorded in aggregate write-ins for liabilities as cash collateral received on derivatives.



**NOTES TO FINANCIAL STATEMENTS**

---

- B. The Company sells indexed annuities, which permit the holder to allocate their deposit between a fixed interest rate return and an indexed return, where interest credited to the contracts is on the performance of the S&P 500 Index, subject to an upper limit or “cap” or a percentage participation or “participation rate”, and minimum guarantees. The index-based interest guarantees do not qualify for hedge accounting. Policyholders may elect to rebalance between interest crediting options at renewal dates annually. At each renewal date, the Company has the opportunity to re-price the indexed component by changing the cap or participation rate, subject to minimum guarantees. The Company purchases index options for its interest crediting strategies used in its indexed annuity products. These index options also do not qualify for hedge accounting. However, they are highly correlated to the index-based interest credited to the associated policies, such that the Company is economically hedged with respect to index-based interest rate guarantees for the current renewal period.

The Company uses interest rate swaps to reduce risks from changes in interest rates, to manage interest rate exposures arising from asset and liability mismatches, to protect against variability in future cash flows, and to protect the value of the Company’s investments. By means of these contracts, the Company agrees with a counterparty to exchange, at specified intervals, the difference between fixed rate and floating rate interest amounts as calculated by reference to agreed notional amounts.

- C. The Company designates and accounts for fair value hedges under hedge accounting when they have met the criteria requirements of SSAP No. 86 – *Derivatives*. To qualify for hedge accounting under SSAP No. 86, at the inception of the hedge, the Company documents its risk management objective and strategy for undertaking the hedging transaction, as well as its designation of the hedge as either: (i) a hedge of the estimated fair value of a recognized asset or liability (fair value hedge); or (ii) a hedge of a forecasted transaction or the variability of cash flows to be received or paid related to the recognized asset or liability (cash flow hedge). A derivative must be assessed as being highly effective in offsetting the designated risk of the hedged item. Hedge effectiveness is assessed at inception and throughout the life of the designated hedging relationship. In hedge transactions which qualify for hedge accounting, the change in the carrying value of the derivative is recorded in a manner consistent with the changes in the carrying value of the hedged item. In measuring effectiveness, no component of the derivative’s gain or loss is excluded. Upon termination of a derivative that qualified for hedge accounting, the gain or loss is reflected as an adjustment to the basis of the hedged item and is recognized in income consistent with the hedged item.

If the Company chooses to not designate its derivatives for hedge accounting or designated derivatives no longer meet the criteria of an effective hedge, the changes in the fair value of the derivatives are included in change in net unrealized capital gains (losses) without considering changes in the fair value of the hedged item. Accruals of interest income, expense and related cash flows on interest rate swaps are reported in net investment income. Upon termination of a derivative that does not qualify for hedge accounting, the gain or loss is included in net realized capital gains (losses). In addition, when realized gains or losses on interest-rate related derivatives are recognized, they are amortized through the interest maintenance reserve.

- D. The Company did not have any derivative contracts with financing premiums as of December 31, 2018.
- E. The Company’s net unrealized capital loss from derivatives excluded from the assessment of hedge effectiveness was \$9.1 million as of December 31, 2018, compared to a net unrealized capital gain of \$5.4 million as of December 31, 2017.
- F. The Company’s derivatives that originally were designated for hedge accounting still qualified for hedge accounting as of December 31, 2018. Therefore, the Company did not recognize any unrealized gains or losses for 2018 related to derivatives that no longer qualify for hedge accounting.

In the second half of 2018, the Company entered into new interest rate swaps in order to enhance the Company’s macro interest rate risk profile. The Company has chosen to not designate these derivatives for hedge accounting because the strategy is enacted at the portfolio level and given this, the derivatives are carried at fair value with the changes in fair value included in net unrealized capital gains (losses). The Company recognized approximately \$15 thousand in net unrealized capital losses as of December 31, 2018 related to these derivatives.

- G. The Company did not have any cash flow hedges as of December 31, 2018.
- H. The Company did not have any premium cost with deferred or financing premiums as of December 31, 2018.

ANNUAL STATEMENT FOR THE YEAR 2018 OF THE STANDARD INSURANCE COMPANY  
**NOTES TO FINANCIAL STATEMENTS**

9. INCOME TAXES

A. The components of the net deferred tax asset/(liability) at December 31 are as follows:

	<b>12/31/2018</b>		
	<b>(1)</b>	<b>(2)</b>	<b>(3)</b>
	<b>Ordinary</b>	<b>Capital</b>	<b>(Col 1 + 2) Total</b>
(a) Gross Deferred Tax Assets	\$ 208,001,073	\$ 14,906,353	\$ 222,907,426
(b) Statutory Valuation Allowance Adjustments	-	-	-
(c) Adjusted Gross Deferred Tax Assets (1a - 1b)	208,001,073	14,906,353	222,907,426
(d) Deferred Tax Assets Nonadmitted	53,910,066	9,086,282	62,996,348
(e) Subtotal Net Admitted Deferred Tax Asset (1c - 1d)	154,091,007	5,820,071	159,911,078
(f) Deferred Tax Liabilities	54,698,348	4,557,658	59,256,006
(g) Net Admitted Deferred Tax Asset/(Net Deferred Tax Liability) (1e - 1f)	<u>\$ 99,392,659</u>	<u>\$ 1,262,413</u>	<u>\$ 100,655,072</u>
	<b>12/31/2017</b>		
	<b>(4)</b>	<b>(5)</b>	<b>(6)</b>
	<b>Ordinary</b>	<b>Capital</b>	<b>(Col 4 + 5) Total</b>
(a) Gross Deferred Tax Assets	\$ 200,532,782	\$ 13,808,689	\$ 214,341,471
(b) Statutory Valuation Allowance Adjustments	-	-	-
(c) Adjusted Gross Deferred Tax Assets (1a - 1b)	200,532,782	13,808,689	214,341,471
(d) Deferred Tax Assets Nonadmitted	43,642,691	7,859,768	51,502,459
(e) Subtotal Net Admitted Deferred Tax Asset (1c - 1d)	156,890,091	5,948,921	162,839,012
(f) Deferred Tax Liabilities	61,398,393	3,994,846	65,393,239
(g) Net Admitted Deferred Tax Asset/(Net Deferred Tax Liability) (1e - 1f)	<u>\$ 95,491,698</u>	<u>\$ 1,954,075</u>	<u>\$ 97,445,773</u>
	<b>Change</b>		
	<b>(7)</b>	<b>(8)</b>	<b>(9)</b>
	<b>(Col 1 - 4) Ordinary</b>	<b>(Col 2 - 5) Capital</b>	<b>(Col 7 + 8) Total</b>
(a) Gross Deferred Tax Assets	\$ 7,468,291	\$ 1,097,664	\$ 8,565,955
(b) Statutory Valuation Allowance Adjustments	-	-	-
(c) Adjusted Gross Deferred Tax Assets (1a - 1b)	7,468,291	1,097,664	8,565,955
(d) Deferred Tax Assets Nonadmitted	10,267,375	1,226,514	11,493,889
(e) Subtotal Net Admitted Deferred Tax Asset (1c - 1d)	(2,799,084)	(128,850)	(2,927,934)
(f) Deferred Tax Liabilities	(6,700,045)	562,812	(6,137,233)
(g) Net Admitted Deferred Tax Asset/(Net Deferred Tax Liability) (1e - 1f)	<u>\$ 3,900,961</u>	<u>\$ (691,662)</u>	<u>\$ 3,209,299</u>

## NOTES TO FINANCIAL STATEMENTS

2.	12/31/2018		
	(1)	(2)	(3)
	<u>Ordinary</u>	<u>Capital</u>	<u>(Col 1 + 2) Total</u>
Admission Calculation Components SSAP No. 101			
(a) Federal Income Taxes Paid In Prior Years Recoverable Through Loss Carrybacks.	\$ (382,257)	\$ 1,262,413	\$ 880,156
(b) Adjusted Gross Deferred Tax Assets Expected To Be Realized (Excluding The Amount Of Deferred Tax Assets From 2(a) above) After Application of the Threshold Limitation. (The Lesser of 2(b)1 and 2(b)2 Below)	99,774,915	-	99,774,915
1. Adjusted Gross Deferred Tax Assets Expected to be Realized Following the Balance Sheet Date.	99,774,915	-	99,774,915
2. Adjusted Gross Deferred Tax Assets Allowed per Limitation Threshold.	XXX	XXX	176,938,326
(c) Adjusted Gross Deferred Tax Assets (Excluding The Amount Of Deferred Tax Assets From 2(a) and 2(b) above) Offset by Gross Deferred Tax Liabilities.	<u>54,698,349</u>	<u>4,557,658</u>	<u>59,256,007</u>
(d) Deferred Tax Assets Admitted as the result of application of SSAP No. 101. Total (2(a) + 2(b) + 2(c))	<u>\$ 154,091,007</u>	<u>\$ 5,820,071</u>	<u>\$ 159,911,078</u>
	12/31/2017		
	(4)	(5)	(6)
	<u>Ordinary</u>	<u>Capital</u>	<u>(Col 4 + 5) Total</u>
Admission Calculation Components SSAP No. 101			
(a) Federal Income Taxes Paid In Prior Years Recoverable Through Loss Carrybacks.	\$ 30,852,014	\$ 1,954,076	\$ 32,806,090
(b) Adjusted Gross Deferred Tax Assets Expected To Be Realized (Excluding The Amount Of Deferred Tax Assets From 2(a) above) After Application of the Threshold Limitation. (The Lesser of 2(b)1 and 2(b)2 Below)	64,639,683	-	64,639,683
1. Adjusted Gross Deferred Tax Assets Expected to be Realized Following the Balance Sheet Date.	64,639,683	-	64,639,683
2. Adjusted Gross Deferred Tax Assets Allowed per Limitation Threshold.	XXX	XXX	149,924,572
(c) Adjusted Gross Deferred Tax Assets (Excluding The Amount Of Deferred Tax Assets From 2(a) and 2(b) above) Offset by Gross Deferred Tax Liabilities.	<u>61,398,393</u>	<u>3,994,846</u>	<u>65,393,239</u>
(d) Deferred Tax Assets Admitted as the result of application of SSAP No. 101. Total (2(a) + 2(b) + 2(c))	<u>\$ 156,890,090</u>	<u>\$ 5,948,922</u>	<u>\$ 162,839,012</u>

## NOTES TO FINANCIAL STATEMENTS

	<b>Change</b>		
	(7)	(8)	(9)
	<b>(Col 1 - 4) Ordinary</b>	<b>(Col 2 - 5) Capital</b>	<b>(Col 7 + 8) Total</b>
<b>Admission Calculation Components SSAP No. 101</b>			
(a) Federal Income Taxes Paid In Prior Years Recoverable Through Loss Carrybacks.	\$ (31,234,271)	\$ (691,663)	\$ (31,925,934)
(b) Adjusted Gross Deferred Tax Assets Expected To Be Realized (Excluding The Amount Of Deferred Tax Assets From 2(a) above) After Application of the Threshold Limitation. (The Lesser of 2(b)1 and 2(b)2 Below)	35,135,232	-	35,135,232
1. Adjusted Gross Deferred Tax Assets Expected to be Realized Following the Balance Sheet Date.	35,135,232	-	35,135,232
2. Adjusted Gross Deferred Tax Assets Allowed per Limitation Threshold.	XXX	XXX	27,013,754
(c) Adjusted Gross Deferred Tax Assets (Excluding The Amount Of Deferred Tax Assets From 2(a) and 2(b) above) Offset by Gross Deferred Tax Liabilities.	<u>(6,700,044)</u>	<u>562,812</u>	<u>(6,137,232)</u>
(d) Deferred Tax Assets Admitted as the result of application of SSAP No. 101. Total (2(a) + 2(b) + 2(c))	<u>\$ (2,799,083)</u>	<u>\$ (128,851)</u>	<u>\$ (2,927,934)</u>
3.		<b>2018</b>	<b>2017</b>
(a) Ratio Percentage Used To Determine Recovery Period And Threshold Limitation Amount.		849.102 %	749.507 %
(b) Amount Of Adjusted Capital And Surplus Used To Determine Recovery Period And Threshold Limitation In 2(b)2 Above.		\$ 1,179,588,838	\$ 999,497,145
4.		<b>12/31/2018</b>	
		<b>(1)</b>	<b>(2)</b>
		<b>Ordinary</b>	<b>Capital</b>
<b>Impact of Tax-Planning Strategies</b>			
(a) Determination Of Adjusted Gross Deferred Tax Assets And Net Admitted Deferred Tax Assets, By Tax Character As A Percentage.			
1. Adjusted Gross DTAs Amount From Note 9A1 (c)	\$ 208,001,073	\$	14,906,353
2. Percentage Of Adjusted Gross DTAs By Tax Character Attributable To The Impact Of Tax Planning Strategies	-	%	- %
3. Net Admitted Adjusted Gross DTAs Amount From Note 9A1 (e)	\$ 154,091,007	\$	5,820,071
4. Percentage Of Net Admitted Adjusted Gross DTAs By Tax Character Admitted Because Of The Impact Of Tax Planning Strategies	-	%	- %

## NOTES TO FINANCIAL STATEMENTS

	12/31/2017	
	(3)	(4)
	Ordinary	Capital
Impact of Tax-Planning Strategies		
(a) Determination Of Adjusted Gross Deferred Tax Assets And Net Admitted Deferred Tax Assets, By Tax Character As A Percentage.		
1. Adjusted Gross DTAs Amount From Note 9A1 (c)	\$ 200,532,782	\$ 13,808,689
2. Percentage Of Adjusted Gross DTAs By Tax Character Attributable To The Impact Of Tax Planning Strategies	- %	- %
3. Net Admitted Adjusted Gross DTAs Amount From Note 9A1 (e)	\$ 156,890,091	\$ 5,948,921
4. Percentage Of Net Admitted Adjusted Gross DTAs By Tax Character Admitted Because Of The Impact Of Tax Planning Strategies	- %	- %
	<b>Change</b>	
	(5) (Col 1 - 3) Ordinary	(6) (Col 2 - 4) Capital
Impact of Tax-Planning Strategies		
(a) Determination Of Adjusted Gross Deferred Tax Assets And Net Admitted Deferred Tax Assets, By Tax Character As A Percentage.		
1. Adjusted Gross DTAs Amount From Note 9A1 (c)	\$ 7,468,291	\$ 1,097,664
2. Percentage Of Adjusted Gross DTAs By Tax Character Attributable To The Impact Of Tax Planning Strategies	- %	- %
3. Net Admitted Adjusted Gross DTAs Amount From Note 9A1 (e)	\$ (2,799,084)	\$ (128,850)
4. Percentage Of Net Admitted Adjusted Gross DTAs By Tax Character Admitted Because Of The Impact Of Tax Planning Strategies	- %	- %
(b) Does the Company's tax-planning strategies include the use of reinsurance?		No

## B. Regarding deferred tax liabilities that are not recognized

There are no temporary differences for which deferred tax liabilities are not recognized.

## C. Current income taxes incurred consist of the following major components:

	(1)	(2)	(3)
	12/31/2018	12/31/2017	(Col 1 - 2) Change
1. Current Income Tax			
(a) Federal	\$ 10,044,835	\$ (2,323,805)	\$ 12,368,640
(b) Foreign	-	-	-
(c) Subtotal	10,044,835	(2,323,805)	12,368,640
(d) Federal income tax on net capital gains	(4,485,383)	10,958,814	(15,444,197)
(e) Utilization of capital loss carry-forwards	-	-	-
(f) Other	-	-	-
(g) Federal and foreign income taxes incurred	\$ 5,559,452	\$ 8,635,009	\$ (3,075,557)

## NOTES TO FINANCIAL STATEMENTS

2. Deferred Tax Assets:						
(a) Ordinary						
(1) Discounting of unpaid losses	\$	88,702,092	\$	84,879,751	\$	3,822,341
(2) Unearned premium reserve		770,609		219,113		551,496
(3) Policyholder reserves		-		-		-
(4) Investments		-		-		-
(5) Deferred acquisition costs		43,121,350		40,915,393		2,205,957
(6) Policyholder dividends accrual		-		-		-
(7) Fixed assets		1,476,127		2,505,602		(1,029,475)
(8) Compensation and benefits accrual		-		-		-
(9) Pension accrual		-		-		-
(10) Receivables - nonadmitted		-		-		-
(11) Net operating loss carry-forward		-		-		-
(12) Tax credit carry-forward		-		-		-
(13) Other (including items <5% of total ordinary tax assets)		73,930,895		72,012,923		1,917,972
(99) Subtotal		208,001,073		200,532,782		7,468,291
(b) Statutory valuation allowance adjustment		-		-		-
(c) Nonadmitted		53,910,066		43,642,691		10,267,375
(d) Admitted ordinary deferred tax assets (2a99 - 2b - 2c)		154,091,007		156,890,091		(2,799,084)
(e) Capital:						
(1) Investments		14,906,353		13,808,689		1,097,664
(2) Net capital loss carry-forward		-		-		-
(3) Real estate		-		-		-
(4) Other (including items <5% of total capital assets)		-		-		-
(99) Subtotal		14,906,353		13,808,689		1,097,664
(f) Statutory valuation allowance adjustment		-		-		-
(g) Nonadmitted		9,086,282		7,859,768		1,226,514
(h) Admitted capital deferred tax assets (2e99 - 2f - 2g)		5,820,071		5,948,921		(128,850)
(i) Admitted deferred tax assets (2d + 2h)		159,911,078		162,839,012		(2,927,934)
3. Deferred Tax Liabilities:						
(a) Ordinary						
(1) Investments		-		-		-
(2) Fixed assets		-		-		-
(3) Deferred and uncollected premium		-		-		-
(4) Policyholder reserves		49,896,006		57,527,144		(7,631,138)
(5) Other (including items <5% of total ordinary tax liabilities)		4,802,342		3,871,249		931,093
(99) Subtotal		54,698,348		61,398,393		(6,700,045)
(b) Capital:						
(1) Investments		4,557,658		3,994,846		562,812
(2) Real estate		-		-		-
(3) Other (including items <5% of total capital tax liabilities)		-		-		-
(99) Subtotal		4,557,658		3,994,846		562,812
(c) Deferred tax liabilities (3a99 + 3b99)		59,256,006		65,393,239		(6,137,233)
4. Net deferred tax assets/liabilities (2i - 3c)	\$	100,655,072	\$	97,445,773	\$	3,209,299

**NOTES TO FINANCIAL STATEMENTS**

- D. The provision for federal income taxes incurred is different from that which would be obtained by applying the statutory federal income tax rate to income before income taxes. The significant items causing this difference at December 31, 2018, and December 31, 2017, were as follows:

	<u>2018</u>	<u>2017</u>
Provision computed at statutory rate	\$ 44,037,570	\$ 65,962,793
Tax credits	(44,022,045)	(41,752,747)
Dividend received deduction	(5,209,537)	(4,220,309)
Tax exempt interest	(6,757)	(40,776)
Meals & entertainment disallowance	612,767	456,245
Change in nonadmitted assets	1,963,262	(4,900,074)
Tax reform reserve change	-	99,298,821
Prior year over accrual and adjustments	(1,465,612)	(181,210)
Change in interest maintenance reserve	(2,106,486)	(299,629)
Other miscellaneous expenses	(500,476)	(179,568)
Total statutory income taxes	<u>\$ (6,697,314)</u>	<u>\$ 114,143,546</u>
Federal income tax expense incurred	\$ 5,559,452	\$ 8,635,009
(Increase)/Decrease in net deferred income taxes	(12,256,766)	105,508,537
Total statutory income taxes	<u>\$ (6,697,314)</u>	<u>\$ 114,143,546</u>

In computing taxable income, life insurance companies are allowed a deduction attributable to their life insurance and A&H reserves. The Tax Cuts and Jobs Act significantly changed the methodology by which these reserves are computed for tax purposes. The changes are effective for tax years beginning after 2017 and are subject to a transition rule that spreads the additional income tax liability over the subsequent eight years beginning in 2018. These amounts represent the Company's best estimate given current assumptions and guidance, but may change in the future with additional guidance from the Internal Revenue Service or with an expected bill from Congress specifying legislative corrections.

## E. Additional Disclosures

- (1) As of December 31, 2018, the Company had no capital loss, net operating loss or tax credit carryforwards.
- (2) The following are income taxes incurred in the current and prior years that will be available for recoupment in the event of future net losses:

<u>Year</u>	<u>Ordinary</u>	<u>Capital</u>	<u>Total</u>
2018	\$ -	\$ -	\$ -
2017	-	9,217,146	9,217,146
2016	-	-	-
Total	<u>\$ -</u>	<u>\$ 9,217,146</u>	<u>\$ 9,217,146</u>

- (3) The Company did not have any deposits reported as admitted assets under Section 6603 of the Internal Revenue Code.

## F. Consolidated Federal Income Tax Return

- (1) The Company is a member of an affiliated group included in the consolidated federal income tax return of StanCorp Financial Group, Inc. ("StanCorp"). In addition to the Company, other subsidiaries included in the consolidated StanCorp income tax return are The Standard Life Insurance Company of New York ("Standard of New York"), StanCorp Investment Advisers, Inc. ("StanCorp Investment Advisers"), Standard Management, Inc. ("Standard Management"), StanCorp Equities, Inc. ("StanCorp Equities"), Standard Retirement Services, Inc. ("Standard Retirement Services") and StanCap Insurance Company, Inc. ("StanCap Insurance Company").
- (2) The method of allocation between the companies is subject to written agreement, which has been approved by the Board of Directors. The tax liability is allocated in the ratio of the subsidiary's tax liability on a separate return basis to the total taxes of all the members on a separate return basis. Each member is required to use current operating losses and other credits first without considering the current year's profits and losses of other members of the affiliated group. StanCorp is required to pay the Company for excess tax credits and losses to the extent they are utilized in the consolidated return. The above-mentioned written agreement states that balances are to be settled within 90 days of receiving notice of such allocation from StanCorp.

ANNUAL STATEMENT FOR THE YEAR 2018 OF THE STANDARD INSURANCE COMPANY  
**NOTES TO FINANCIAL STATEMENTS**

10. INFORMATION CONCERNING PARENT, SUBSIDIARIES, AFFILIATES AND OTHER RELATED PARTIES

A., B. &

C. The Company purchases commercial mortgage loans originated by its affiliate, StanCorp Mortgage Investors, LLC (“StanCorp Mortgage Investors”). Total commercial mortgage loans purchased from StanCorp Mortgage Investors at fair value for 2018 and 2017 were \$1.92 billion and \$1.74 billion, respectively. The Company did not sell any commercial mortgage loans to StanCorp Mortgage Investors for 2018 or 2017.

The Company did not sell any commercial mortgage loans to its affiliate, StanCap Insurance Company, for 2018. The Company sold commercial mortgage loans at fair value to StanCap Insurance Company for 2017 in the amount of \$17.3 million.

The Company sold commercial mortgage loans at fair value to its affiliate, Standard of New York, for 2018 and 2017 in the amounts of \$11.5 million and \$16.9 million, respectively.

The Company sold commercial mortgage loans at fair value to its affiliate, Pacific Guardian Life Insurance Company, Limited, a subsidiary of Meiji Yasuda Life Insurance Company (“Meiji Yasuda”), the ultimate holding company, for 2018 and 2017 in the amounts of \$19.2 million and \$13.7 million, respectively.

The Company sold commercial mortgage loans at fair value to its parent, StanCorp, for 2018 in the amount of \$160.8 million. The Company did not sell any commercial mortgage loans to StanCorp for 2017.

In March 2018, June 2018, September 2018 and December 2018, the Company distributed approved interest payments of \$3.3 million for its subordinated surplus note (“Surplus Note”) to StanCorp.

D. As of December 31, 2018 and 2017, the Company reported the following amounts due from (to) its parent and affiliates:

	<b>2018</b>	<b>2017</b>
StanCorp	\$ 111,379	\$ 961,636
Standard Retirement Services	(128,229)	(307,106)
Standard of New York	95,092	301,445
StanCorp Real Estate, LLC (“StanCorp Real Estate”)	(20,388)	(39,961)
StanCorp Investment Advisers	(20,036)	(9,181)
StanCap Insurance Company	54	(62)
Standard Management	(19,795)	12,341
StanCorp Equities	334,565	235,459
StanCorp Mortgage Investors	854,764	7,080,999
Total due from parent and affiliates	\$ 1,207,406	\$ 8,235,570

All amounts due to or from the Company and its parent and affiliates are generally settled monthly and accrue interest if not settled within 30 days. For the intercompany tax agreement, amounts are generally settled within 90 days after the tax return is filed and accrue interest if not settled.

E. The Company has made no guarantee or agreement for the benefit of an affiliate which results in material contingent exposure of the Company’s assets or liabilities.

F. The Company provides management, administrative, and investment services to Standard Management and StanCorp Equities, and charges each company a management fee.

The Company provides management and administrative services to StanCorp Mortgage Investors and StanCorp Real Estate, and charges each company a service fee. The Company pays an asset management fee for investment services provided by these two companies. Asset management fees are allocated to general expenses, per Exhibit 2, based upon the underlying nature of the affiliates' expenses incurred.

The Company has an Administrative Services Agreement with its affiliate Standard of New York whereby the Company provides at Standard of New York’s request and direction, the following services: distribution and producer management, marketing support, product development and administration, policyholder and absence management services, underwriting, policyholder services, claims processing and payment, actuarial and financial services, information technology services, legal services, government relations, general services, human resources, management services, and administrative services only (“ASO”).

The Company has an Administrative Services Agreement with Standard of New York whereby Standard of New York performs certain claims processing, payment services and absence management services on certain new and on-going long-term and short-term disability claims, state mandated disability life claims and standalone AD&D claims incurred under group policies issued by the Company.

The Company has an Administrative Services and Treasury Agreement with StanCorp Equities, a broker-dealer registered with the Securities and Exchange Commission under the Securities Exchange Act of 1934 and a member of the Financial Industry Regulatory Authority which provides for allocation of expenses between the companies.



## NOTES TO FINANCIAL STATEMENTS

The Company has an Intercompany Administrative Services Agreement between the Company and the following affiliates: StanCorp, StanCorp Investment Advisers, Standard Management, StanCorp Mortgage Investors, StanCorp Real Estate, Standard Retirement Services and StanCap Insurance Company. The companies agreed that each company that receives services performed by another company pursuant to this agreement shall reimburse the provider for the services at the provider's cost or at market rates if the provider also provides similar services to external clients, as determined by the provider of the services.

Effective April 1, 2018, the Company entered into a Non-Recourse Master Participation and Servicing Agreement with its affiliate, StanCorp Mortgage Investors and its parent, StanCorp, in which StanCorp Mortgage Investors originates commercial mortgage loans secured by improved real estate, the Company purchases commercial mortgage loans from StanCorp Mortgage Investors, and StanCorp purchases participating interests in the commercial mortgage loans from the Company.

- G. All outstanding shares of the Company are owned by its parent, StanCorp, domiciled in the State of Oregon.
- H. The Company did not own any investments of its parent, StanCorp, or Meiji Yasuda, the ultimate holding company domiciled in Japan.
- I. The Company had no investments in its parent or affiliates that exceed 10% of its admitted assets.
- J. The Company did not hold investments in impaired subsidiary, controlled or affiliated ("SCA") companies.
- K. The Company did not hold an investment in a foreign insurance subsidiary.
- L. The Company did not hold an investment in a downstream noninsurance holding company.
- M. The Company did not hold investments in SCA companies.
- N. The Company did not hold investments in insurance SCA companies.
- O. The Company did not have any share of losses in investments in SCA companies.

## 11. DEBT

- A. Effective August 30, 2018, the Company and its parent, StanCorp, entered into a new line of credit agreement with U.S. Bank National Association for \$50 million with a maturity date of August 30, 2023. The Company had no outstanding debt from this agreement as of December 31, 2018.

## B. Federal Home Loan Bank ("FHLB") Agreements

- (1) The Company is a member of the FHLB of Des Moines. The Company issues collateralized agreements and invests the cash received from advances to support various spread-based business and enhance its asset-liability management. Membership also provides an additional funding source and access to financial services that can be used as an alternative source of liquidity. The Company has determined the actual or estimated maximum borrowing in accordance with regulatory and FHLB of Des Moines borrowing limits. The following tables indicate the amount of FHLB of Des Moines stock purchased, collateral pledged, and assets and liabilities related to the agreement with the FHLB of Des Moines.

- (2) FHLB Capital Stock
  - a. Aggregate Totals

	<b>1 Total 2+3</b>	<b>2 General Account</b>	<b>3 Separate Accounts</b>
<b>1. Current Year</b>			
(a) Membership Stock - Class A	\$ -	\$ -	-
(b) Membership Stock - Class B	10,000,000	10,000,000	-
(c) Activity Stock	25,973,000	25,973,000	-
(d) Excess Stock	-	-	-
(e) Aggregate Total (a+b+c+d)	<u>\$ 35,973,000</u>	<u>\$ 35,973,000</u>	<u>\$ -</u>
(f) Actual or Estimated Borrowing Capacity as Determined by the Insurer	\$ 658,790,160	XXX	XXX
<b>2. Prior Year-end</b>			
(a) Membership Stock - Class A	\$ -	\$ -	-
(b) Membership Stock - Class B	10,000,000	10,000,000	-
(c) Activity Stock	26,907,900	26,907,900	-
(d) Excess Stock	-	-	-
(e) Aggregate Total (a+b+c+d)	<u>\$ 36,907,900</u>	<u>\$ 36,907,900</u>	<u>\$ -</u>
(f) Actual or Estimated Borrowing Capacity as Determined by the Insurer	\$ 672,797,653	XXX	XXX

11B(2)a1(f) should be equal to or greater than 11B(4)a1(d)

11B(2)a2(f) should be equal to or greater than 11B(4)a2(d)

## NOTES TO FINANCIAL STATEMENTS

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

Membership Stock	1 Current Year Total (2+3+4+5+6)	2 Not Eligible for Redemption	Eligible for Redemption			
			3 Less Than 6 Months	4 6 months to Less Than 1 Year	5 1 to Less Than 3 Years	6 3 to 5 Years

1. Class A	\$	- \$	- \$	- \$	- \$	- \$	-
2. Class B		10,000,000	10,000,000	-	-	-	-

11B(2)b1 Current Year Total (Column 1) should equal 11B(2)a1(a) Total (Column 1)

11B(2)b2 Current Year Total (Column 1) should equal 11B(2)a1(b) Total (Column 1)

## (3) Collateral Pledged to FHLB

## a. Amount Pledged as of Reporting Date

	1 Fair Value	2 Carrying Value	3 Aggregate Total Borrowing
1. Current Year Total General and Separate Accounts Total Collateral Pledged (Lines 2+3)	\$ 942,940,792	\$ 921,650,671	649,324,362
2. Current Year General Account Total Collateral Pledged	\$ 942,940,792	\$ 921,650,671	649,324,362
3. Current Year Separate Accounts Total Collateral Pledged	\$ -	\$ -	-
4. Prior Year-end Total General and Separate Accounts Total Collateral Pledged	\$ 938,815,999	\$ 921,529,054	672,695,551

11B(3)a1 (Columns 1, 2 and 3) should be equal to or less than 11B(3)b1 (Columns 1, 2 and 3, respectively)

11B(3)a2 (Columns 1, 2 and 3) should be equal to or less than 11B(3)b2 (Columns 1, 2 and 3, respectively)

11B(3)a3 (Columns 1, 2 and 3) should be equal to or less than 11B(3)b3 (Columns 1, 2 and 3, respectively)

11B(3)a4 (Columns 1, 2 and 3) should be equal to or less than 11B(3)b4 (Columns 1, 2 and 3, respectively)

## b. Maximum Amount Pledged During Reporting Period

	1 Fair Value	2 Carrying Value	3 Amount Borrowed at Time of Maximum Collateral
1. Current Year Total General and Separate Accounts Maximum Collateral Pledged (Lines 2+3)	\$ 1,084,039,570	\$ 1,057,320,167	749,653,887
2. Current Year General Account Maximum Collateral Pledged	\$ 1,084,039,570	\$ 1,057,320,167	749,653,887
3. Current Year Separate Accounts Maximum Collateral Pledged	\$ -	\$ -	-
4. Prior Year-end Total General and Separate Accounts Maximum Collateral Pledged	\$ 938,815,999	\$ 921,529,054	672,695,551

ANNUAL STATEMENT FOR THE YEAR 2018 OF THE STANDARD INSURANCE COMPANY  
**NOTES TO FINANCIAL STATEMENTS**

- (4) Borrowing from FHLB  
a. Amount as of the Reporting Date

	<b>1 Total 2+3</b>	<b>2 General Account</b>	<b>3 Separate Accounts</b>	<b>4 Funding Agreements Reserves Established</b>
1. Current Year				
(a) Debt	\$ -	\$ -	\$ -	XXX
(b) Funding Agreements	649,324,362	649,324,362	-	-
(c) Other	-	-	-	XXX
(d) Aggregate Total (a+b+c)	<u>\$ 649,324,362</u>	<u>\$ 649,324,362</u>	<u>\$ -</u>	<u>-</u>
2. Prior Year-end				
(a) Debt	\$ -	\$ -	\$ -	XXX
(b) Funding Agreements	672,695,551	672,695,551	-	-
(c) Other	-	-	-	XXX
(d) Aggregate Total (a+b+c)	<u>\$ 672,695,551</u>	<u>\$ 672,695,551</u>	<u>\$ -</u>	<u>-</u>

- b. Maximum Amount during Reporting Period (Current Year)

	<b>1 Total 2+3</b>	<b>2 General Account</b>	<b>3 Separate Accounts</b>
1. Debt	\$ -	\$ -	-
2. Funding Agreements	749,653,887	749,653,887	-
3. Other	-	-	-
4. Aggregate Total (Lines 1+2+3)	<u>\$ 749,653,887</u>	<u>\$ 749,653,887</u>	<u>-</u>

11B(4)b4 (Columns 1, 2 and 3) should be equal to or greater than 11B(4)a1(d) (Columns 1, 2 and 3, respectively)

- c. FHLB - Prepayment Obligations

	Does the company have prepayment obligations under the following arrangements (YES/NO)?
1. Debt	No
2. Funding Agreements	No
3. Other	No

**12. RETIREMENT PLANS, DEFERRED COMPENSATION, POSTEMPLOYMENT BENEFITS AND COMPENSATED ABSENCES AND OTHER POSTRETIREMENT BENEFIT PLANS**

**A. Defined Benefit Plan**

StanCorp sponsors the employee pension plan and as such, the Company only participates in the employee pension plan and is not directly liable for obligations under the employee pension plan. On November 14, 2017, StanCorp's Board of Directors approved a resolution to freeze the accumulation of any further benefits under the employee pension plan effective March 31, 2018. For 2018, the amount of expense incurred was a credit of \$18.1 million for the employee pension plan.

The Company sponsors and administers a postretirement benefit plan that includes medical, prescription drug benefits and group term life insurance. Eligible retirees are required to contribute specified amounts for medical and prescription drug benefits that are determined periodically and are based on retiree's length of service and age at retirement. The postretirement benefit plan is limited to eligible participants who retired prior to July 1, 2013.

Annual pension expense and other postretirement benefit plans were determined under the provision of SSAP No. 102 – *Pensions* and SSAP No. 92 – *Postretirement Benefits Other Than Pensions*, respectively.

## NOTES TO FINANCIAL STATEMENTS

The following table sets forth a summary of assets, obligations and assumptions of the Pension and Other Postretirement Benefit Plans as of December 31, 2018 and 2017:

## (1) Change in benefit obligation

## a. Pension Benefits

The Company did not have any pension benefits in 2018 or 2017.

## b. Postretirement Benefits

	<b>Overfunded</b>		<b>Underfunded</b>	
	<b>2018</b>	<b>2017</b>	<b>2018</b>	<b>2017</b>
1. Benefit obligation at beginning of year	\$ -	\$ -	\$ (22,149,638)	\$ (21,292,496)
2. Service cost	-	-	-	-
3. Interest cost	-	-	(795,364)	(897,648)
4. Contribution by plan participants	-	-	-	-
5. Actuarial gain (loss)	-	-	1,986,463	(909,438)
6. Foreign currency exchange rate changes	-	-	-	-
7. Benefits paid	-	-	1,138,419	1,066,458
8. Plan amendments	-	-	-	-
9. Business combinations, divestitures, curtailments, settlements and special termination benefits	-	-	-	(116,514)
10. Benefit obligation at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (19,820,120)</u>	<u>\$ (22,149,638)</u>

## c. Special or Contractual Benefits Per SSAP No. 11

The Company did not have any special or contractual benefits per SSAP No. 11 in 2018.

## (2) Change in plan assets

	<b>Pension Benefits</b>		<b>Postretirement Benefits</b>		<b>Special or Contractual Benefits Per SSAP No. 11</b>	
	<b>2018</b>	<b>2017</b>	<b>2018</b>	<b>2017</b>	<b>2018</b>	<b>2017</b>
	a. Fair value of plan assets at beginning of year	\$ -	\$ -	\$ 21,259,969	\$ 20,466,787	\$ -
b. Actual return on plan assets	-	-	(258,470)	1,160,092	-	-
c. Foreign currency exchange rate changes	-	-	-	-	-	-
d. Reporting entity contribution	-	-	218,313	583,034	-	-
e. Plan participants' contributions	-	-	-	-	-	-
f. Benefits paid	-	-	(1,138,419)	(1,066,458)	-	-
g. Business combinations, divestitures and settlements	-	-	-	116,514	-	-
h. Fair value of plan assets at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 20,081,393</u>	<u>\$ 21,259,969</u>	<u>\$ -</u>	<u>\$ -</u>

## (3) Funded status

	<b>Pension Benefits</b>		<b>Postretirement Benefits</b>	
	<b>2018</b>	<b>2017</b>	<b>2018</b>	<b>2017</b>
a. Components:				
1. Prepaid benefit costs	\$ -	\$ -	\$ -	\$ -
2. Overfunded plan assets	-	-	261,273	-
3. Accrued benefit costs	-	-	(2,173,513)	(2,803,514)
4. Liability for pension benefits	-	-	2,173,513	1,913,845
b. Assets and liabilities recognized:				
1. Assets (nonadmitted)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 261,273</u>	<u>\$ -</u>
2. Liabilities recognized	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (889,669)</u>
c. Unrecognized liabilities	\$ -	\$ -	\$ -	\$ -

## NOTES TO FINANCIAL STATEMENTS

## (4) Components of net periodic benefit cost

	Pension Benefits		Postretirement Benefits		Special or Contractual Benefits Per SSAP No. 11	
	2018	2017	2018	2017	2018	2017
	a. Service cost	\$ -	\$ -	\$ -	\$ -	\$ -
b. Interest cost	-	-	795,364	897,648	-	-
c. Expected return on plan assets	-	-	(816,399)	(785,395)	-	-
d. Transition asset or obligation	-	-	-	-	-	-
e. Gains and losses	-	-	150,915	125,240	-	-
f. Prior service cost or credit	-	-	(541,568)	(541,568)	-	-
g. Gain or loss recognized due to a settlement or curtailment	-	-	-	-	-	-
h. Total net periodic benefit cost	\$ -	\$ -	\$ (411,688)	\$ (304,075)	\$ -	\$ -

## (5) Amounts in unassigned funds (surplus) recognized as components of net periodic benefit cost

	Pension Benefits		Postretirement Benefits	
	2018	2017	2018	2017
a. Items not yet recognized as a component of net periodic cost - prior year	\$ -	\$ -	\$ (1,913,845)	\$ (2,864,914)
b. Net transition asset or obligation recognized	-	-	-	-
c. Net prior service cost or credit arising during the period	-	-	-	-
d. Net prior service cost or credit recognized	-	-	541,568	541,568
e. Net gain and loss arising during the period	-	-	(911,594)	534,741
f. Net gain and loss recognized	-	-	(150,915)	(125,240)
g. Items not yet recognized as a component of net periodic cost - current year	\$ -	\$ -	\$ (2,434,786)	\$ (1,913,845)

## (6) Amounts in unassigned funds (surplus) expected to be recognized in the next fiscal year as components of net periodic benefit costs

	Pension Benefits		Postretirement Benefits	
	2018	2017	2018	2017
a. Net transition asset or obligation	\$ -	\$ -	\$ -	\$ -
b. Net prior service cost or credit	-	-	(541,568)	(541,568)
c. Net recognized gains and losses	-	-	108,046	150,915

## (7) Amounts in unassigned funds (surplus) that have not yet been recognized as components of net periodic benefit cost

	Pension Benefits		Postretirement Benefits	
	2018	2017	2018	2017
a. Net transition asset or obligation	\$ -	\$ -	\$ -	\$ -
b. Net prior service cost or credit	-	-	(6,219,196)	-
c. Net recognized gains and losses	-	-	3,784,410	(1,913,845)

## (8) Weighted-average assumptions used to determine net periodic benefit cost as of Dec. 31

	2018	2017
a. Weighted-average discount rate	4.03 %	4.50 %
b. Expected long-term rate of return on plan assets	3.90	4.05
c. Rate of compensation increase	-	-

Weighted-average assumptions used to determine projected benefit obligations as of Dec. 31:

	2018	2017
d. Weighted-average discount rate	4.40 %	3.70 %
e. Rate of compensation increase	-	-

The tables above set forth the averaged assumptions for the postretirement benefit plan related to expected long-term rate of return on plan assets for 2018 and 2017 plus weighted-average discount rate for 2018.

## (9) The Company had no accumulated benefit obligation for the defined benefit pension plans as of December 31, 2018.

## (10) The assumed health care cost trend rate used in measuring the accumulated postretirement benefit obligation was 6.2% in the next year and declines ratably to 4.5% over the following eighteen years for medical benefits.

## NOTES TO FINANCIAL STATEMENTS

- (11) Assumed health care cost trend rates have a significant effect on the amounts reported for the health care plans. A one-percentage-point change in assumed health care cost trend rates would have the following effects:

	<u>1 Percentage Point Increase</u>	<u>1 Percentage Point Decrease</u>
a. Effect on total of service and interest cost components	\$ 87,775	\$ (73,111)
b. Effect on postretirement benefit obligation	2,065,904	(1,730,190)

- (12) The following estimated future payments, which reflect expected future service, as appropriate, are expected to be paid in the years indicated:

	<u>Year(s)</u>	<u>Amount</u>
a.	2019	\$ 1,112,248
b.	2020	1,172,455
c.	2021	1,140,822
d.	2022	1,116,774
e.	2023	1,091,591
f.	2024 through 2028	5,671,854

- (13) The Company contributed \$0.2 million and \$0.6 million to fund the postretirement benefit plan for 2018 and 2017, respectively. The Company expects to make contributions of \$0.2 million to its postretirement benefit plan in 2019. No plan assets are expected to be returned to the Company in 2019.

- (14) There were no securities of the Company or related parties included in the plan assets.

- (15) The Company did not use any alternative method to amortize unrecognized net loss.

- (16) The Company did not have any substantive commitments that are used in determining the benefit obligation.

- (17) The Company did not have any special or contractual termination benefits recognized during the year.

- (18) The Company did not have a significant change in the benefit obligation or plan assets not otherwise apparent in the other disclosures required by SSAP No. 102 – *Pensions* and SSAP No. 92 – *Postretirement Benefits Other Than Pensions*.

- (19) There are no plans to return any plan assets to the employer during the next 12-month period.

- (20) See Note 12 A (1) - (3) & 12 A (5) - (7) for accumulated benefit obligation, fair value of plan assets, funded status and surplus impact.

- (21) The Company chose to recognize the entire change in the year of implementation. There was no transition liability to report.

- B. The investment goal of the postretirement plan is to produce a steady return on plan assets to maintain its funded status. To achieve this goal, the Company's postretirement benefit plan assets are comprised primarily of municipal bonds and cash and cash equivalents.

The following table sets forth the Company's target and actual weighted-average asset allocations for the postretirement benefits plan:

<u>Postretirement Benefits</u>	<u>2018 Target</u>	<u>2018 Actual</u>
Asset category:		
Debt securities	95.0 %	96.0 %
Cash and cash equivalents	5.0	4.0
Total	<u>100.0 %</u>	<u>100.0 %</u>

- C.

- (1) Fair Value Measurements of Plan Assets at Reporting Date

<u>Description for each class of plan assets</u>	<u>(Level 1)</u>	<u>(Level 2)</u>	<u>(Level 3)</u>	<u>Total</u>
Debt securities	\$ -	\$ 19,340,714	\$ -	\$ 19,340,714
Cash and cash equivalents	740,679	-	-	740,679
Total Plan Assets	<u>\$ 740,679</u>	<u>\$ 19,340,714</u>	<u>\$ -</u>	<u>\$ 20,081,393</u>

- D. For the postretirement benefit plan, the expected long-term rate of return on assets was developed by considering the historical returns and the future expectations for returns, as well as the target asset allocation.

ANNUAL STATEMENT FOR THE YEAR 2018 OF THE STANDARD INSURANCE COMPANY  
**NOTES TO FINANCIAL STATEMENTS**

---

E. Defined Contribution Plan

Eligible employees are covered by a qualified deferred compensation plan sponsored by the Company under which a portion of the employee contribution is matched. Through 2017, employees not eligible for the employee pension plan were eligible for an additional non-elective employer contribution. As a result of the freeze of the employee pension plan, all employees were eligible for an additional non-elective employer contribution effective April 1, 2018, retroactive to January 1, 2018. Contributions to the plan were \$25.3 million and \$15.0 million for 2018 and 2017, respectively.

Eligible executive officers are covered by a non-qualified supplemental employee retirement plan ("SERP"). On April 27, 2017, the sponsorship of the SERP changed from the Company to StanCorp. As such, the Company only participates in the SERP and is not directly liable for the obligations under the SERP. The Company continues to administer the plan on behalf of StanCorp and a proportional share of expenses are allocated to StanCorp's subsidiaries. On November 14, 2017, StanCorp's Board of Directors approved a resolution to freeze the accumulation of any further benefits under the non-qualified plan effective March 31, 2018.

Eligible executive officers, directors, agents and group producers may participate in one of several non-qualified deferred compensation plans under which a portion of the deferred compensation may be matched. The liability for the plans was \$21.2 million and \$18.5 million as of December 31, 2018 and 2017, respectively.

F. Multiemployer Plans

The Company did not participate in any multiemployer plans as of December 31, 2018 or 2017.

G. Consolidated/Holding Company Plans

The Company administers the postretirement benefit plan and supplemental retirement plan on behalf of StanCorp and all its subsidiaries. Costs are allocated between the members of the affiliated group based on number of employees. Costs allocated to the Company's parent and affiliates were approximately 19.3% and 21.0% of total plan costs for 2018 and 2017, respectively.

H. Postemployment Benefits and Compensated Absences

The Company did not have any postemployment benefits and compensated absences for 2018 or 2017.

I. Impact of Medicare Modernization Act on Postretirement Benefits (INT 04-17)

The Company had no significant change from the Modernization Act on Medicare on Postretirement Benefits (INT 04-17) in 2018 and 2017.

13. CAPITAL AND SURPLUS, SHAREHOLDERS' DIVIDEND RESTRICTIONS AND QUASI-REORGANIZATIONS

- (1) The Company had 1,000 shares of common stock authorized, issued and outstanding as of December 31, 2018. All the shares are owned by its parent, StanCorp.
- (2) The Company had no preferred stock issued and outstanding as of December 31, 2018.
- (3) Ordinary dividends, which do not require the approval of the domiciliary commissioner, are limited by the laws of the Company's state of domicile, Oregon. Extraordinary dividends, which require the approval of the domiciliary commissioner, are limited by the laws of the Company's state of domicile, Oregon.
- (4) There were no cash distributions paid by the Company to its parent, StanCorp, for 2018.
- (5) Within the limitations of (3) above, there were no restrictions placed on the portion of the Company's profits that may be paid as ordinary dividends to shareholders as of December 31, 2018.
- (6) There were no restrictions placed on the Company's surplus, including for whom the surplus is being held as of December 31, 2018.
- (7) There were no advances to surplus not repaid as of December 31, 2018.
- (8) The Company did not hold any of its own stock, including stock of affiliated companies, for special purposes as of December 31, 2018.
- (9) The change in the balance in aggregate write-ins for special surplus funds from December 31, 2017 to December 31, 2018 was due to an estimated fee assessment related to the Affordable Care Act as part of SSAP No. 106 – *Affordable Care Act Section 9010 Assessment*. There was no accrual in 2018 due to the moratorium of the 2019 fee.
- (10) The portion of unassigned funds (surplus) reduced by cumulative unrealized losses was \$27.2 million as of December 31, 2018.

ANNUAL STATEMENT FOR THE YEAR 2018 OF THE STANDARD INSURANCE COMPANY  
**NOTES TO FINANCIAL STATEMENTS**

(11) The Company issued the following surplus debentures or similar obligations:

Date Issued	Interest Rate	Par Value (Face Amount of Note)	Carrying Value of Note	Interest And/Or Principal Paid Current Year	Total Interest And/Or Principal Paid	Unapproved Interest And/Or Principal	Date of Maturity
8/15/2012	5.25 %	\$ 250,000,000	\$ 250,000,000	\$ 13,125,000	\$ 83,671,875	-	8/14/2042
1311999 Total		\$ 250,000,000	\$ 250,000,000	\$ 13,125,000	\$ 83,671,875	-	XXX

\* Total should agree with Page 3, Line 32.

A Surplus Note in the amount of \$250.0 million was issued on August 15, 2012 to StanCorp in exchange for cash. The Surplus Note was issued in a transaction exempt from registration under the United States Securities Act of 1933, as amended, and this note may not be offered, sold, pledged or otherwise transferred in the absence of such registration or an applicable exemption there from.

The Surplus Note matures in 2042 and bears an annual interest rate of 5.25%, with interest payments due March 31, June 30, September 30 and December 31 of each year. The Company has the right to prepay the principal balance of the Surplus Note, in whole or in part, at any time or from time to time, without penalty. In accordance with the requirements of the NAIC, the Surplus Note provides that no interest or principal payments may be made by the Company without the prior approval of the Oregon Insurance Division, interest will not be represented as an addition to the instrument, interest will not accrue additional interest and any payments with respect to the Surplus Note will be subordinate to the Company's other obligations to policyholders, lenders and creditors.

(12) Impact of quasi-reorganization

The Company has not been impacted by any restatement due to prior quasi-reorganizations.

(13) The effective date(s) of all quasi-reorganizations in the prior 10 years

The Company has not been a party to a quasi-reorganization in the 10 years from January 1, 2009 to December 31, 2018.

#### 14. LIABILITIES, CONTINGENCIES AND ASSESSMENTS

##### A. Contingent Commitments

- (1) The Company had commitments to fund partnership investments totaling \$93.3 million and \$31.7 million as of December 31, 2018 and 2017, respectively. The contributions are payable on demand.
- (2) The Company was not a guarantor to any contingent commitments as of December 31, 2018 or 2017.
- (3) The Company was not a guarantor to any contingent commitments as of December 31, 2018 or 2017.

##### B. Assessments

- (1) Insolvency regulations exist in many of the jurisdictions in which the Company conducts business. Such regulations may require insurance companies operating within the jurisdiction to participate in guaranty associations. The associations levy assessments against their members for the purpose of paying benefits due to policyholders of impaired or insolvent insurance companies. In 2009, the Pennsylvania Insurance Commissioner placed long-term care insurer Penn Treaty Network America Insurance Company ("Penn Treaty") and its wholly-owned subsidiary, American Network Insurance Company ("ANIC") in rehabilitation and petitioned the state court for approval to liquidate both entities.

On March 1, 2017, the Commonwealth Court of Pennsylvania issued Orders of Liquidation for both Penn Treaty and ANIC. During the first quarter of 2017, the National Organization of Life & Health Insurance Guaranty Associations ("NOLHGA") reported total expected assessments from the liquidation, and the Company began to receive assessments from local jurisdictions. As of December 31, 2018, the Company had received and paid assessments from 45 states totaling \$12.5 million. Based on this information, the Company has recorded an asset of \$6.3 million for the expected recoverable and a liability of \$8.0 million for the expected assessments. The total expense recorded for this insolvency was \$7.6 million, comprised of \$7.7 million in expense for 2017, and a benefit of \$0.1 million for 2018. The expense and the asset include assessments received and the remaining accrual. The Company will update the accrual as further details become available and as additional paid assessments are made throughout 2019 and beyond.

In accordance with statutory accounting pronouncement 2017-01 – *Discounting of Long-Term Care Guaranty Fund Assessments*, adopted March 16, 2017, companies are required to record accruals related to long-term care insolvencies on a discounted basis. NOLHGA has reported expected total assessments on both a discounted and undiscounted basis. Individual jurisdiction assessments received by the Company have been based on the discounted NOLHGA amount. Based on this and discussions with individual guaranty associations, the Company arrived at the above \$7.6 million pre-tax estimate using the discounted figures provided by NOLHGA. The Company does not expect that any difference between its current estimate and an undiscounted accrual balance would be material to the Company's financial position.

As of December 31, 2018, the Company maintained a reserve of \$0.2 million for future assessments with respect to currently impaired, insolvent, or failed insurers other than Penn Treaty/ANIC.

Excluding Penn Treaty/ANIC, the guaranty association assessments levied against the Company were \$0.3 million and \$0.5 million for 2018 and 2017, respectively.



ANNUAL STATEMENT FOR THE YEAR 2018 OF THE STANDARD INSURANCE COMPANY  
**NOTES TO FINANCIAL STATEMENTS**

(2)

a.	Assets recognized from paid and accrued premium tax offsets and policy surcharges prior year-end	\$ 6,542,496
b.	Decreases current year:	
	Premium tax offset applied	1,383,209
c.	Increases current year:	
	New assessments paid, for which a future offset is available	1,789,756
d.	Assets recognized from paid and accrued premium tax offsets and policy surcharges current year-end	\$ 6,949,043

(3)

- a. Discount Rate Applied 4.25%
- b. The Undiscounted and Discounted Amount of the Guaranty Fund Assessments and Related Assets by Insolvency

Name of the Insolvency	Guaranty Fund Assessment		Related Assets	
	Undiscounted	Discounted	Undiscounted	Discounted
Penn Treaty/ANIC	\$ 31,497,214	\$ 20,399,090	\$ 12,845,771	NA

- c. Number of Jurisdictions, Ranges of Years Used to Discount and Weighted Average Number of Years of the Discounting Time Period for Payables and Recoverables by Insolvency

Name of the Insolvency	Payables			Recoverables		
	Number of Jurisdictions	Range of Years	Weighted Average Number of Years	Number of Jurisdictions	Range of Years	Weighted Average Number of Years
Penn Treaty/ANIC	50	2018	1	38	NA	NA

**C. Gain Contingencies**

The Company did not have any gain contingencies as of December 31, 2018 or 2017.

**D. Claims Related Extra Contractual Obligation and Bad Faith Losses Stemming from Lawsuits**

The Company had no material claims relating to extra contractual obligations or bad faith losses from lawsuits as of December 31, 2018 or 2017.

**E. Joint and Several Liabilities**

The Company did not have any joint and several liabilities as of December 31, 2018 or 2017.

**F. All Other Contingencies**

In the normal course of business, the Company is involved in various legal actions and other state and Federal proceedings. A number of these actions or proceedings were pending as of December 31, 2018. In some instances, lawsuits include claims for punitive damages and similar types of relief in unspecified or substantial amounts, in addition to amounts for alleged contractual liability or other compensatory damages. In the opinion of management, the ultimate liability, if any, arising from the actions or proceedings is not expected to have a material effect on the Company's business, financial position, results of operations, or cash flows.

In addition to product-specific reinsurance arrangements, the Company maintains reinsurance coverage for certain catastrophe losses related to group life and AD&D.

ANNUAL STATEMENT FOR THE YEAR 2018 OF THE STANDARD INSURANCE COMPANY  
**NOTES TO FINANCIAL STATEMENTS**

As of December 31, 2018 and 2017, the Company had in accounts receivable for uninsured plans and amounts due from agents \$4.0 million and \$3.6 million, respectively. The Company routinely assesses the collectability of these receivables. Based upon the Company's experience, the potential loss is immaterial to the Company's financial condition.

Years currently subject to examination by the Internal Revenue Service are 2015 through 2018 and are not subject to examination for years prior to 2015.

15. LEASES

A. Lessee Operating Lease

(1) General description of the lessee's leasing arrangements

- a. The Company leases real estate and office equipment under various operating lease agreements. Rental expense was \$14.7 million and \$16.2 million for 2018 and 2017, respectively. There was no rental expense for subleased properties for 2018 or 2017.
- b. The Company did not have any contingent rental payments.
- c. Certain rental commitments have renewal options extending through 2025 with renewal options for periods ranging from one to 10 years. Some of these renewals are subject to adjustments in future periods.
- d. The Company did not have any restrictions imposed by the lease agreements.
- e. The Company did not have any lease agreements that terminated early.

(2) Leases having initial or remaining noncancelable lease terms in excess of one year.

- a. As of December 31, 2018, the minimum aggregate rental commitments are as follows:

	<u>Year Ending December 31</u>		<u>Operating Leases</u>
1.	2019	\$	3,997,898
2.	2020		2,815,729
3.	2021		2,162,808
4.	2022		1,558,202
5.	2023		831,283
6.	Total	\$	<u>11,365,920</u>

(3) The Company was not involved in any sale-leaseback transactions for 2018 or 2017.

B. Lessor Leases

(1) Operating Leases

The Company owns and leases real estate. It is an insignificant part of the Company's business activities.

(2) Leveraged Leases

The Company did not have any leveraged leases for 2018 or 2017.

16. INFORMATION ABOUT FINANCIAL INSTRUMENTS WITH OFF-BALANCE SHEET RISK AND FINANCIAL INSTRUMENTS WITH CONCENTRATIONS OF CREDIT RISK

(1) The table below summarizes the notional amount of the Company's financial instruments with off-balance sheet risk.

	<u>Assets</u>		<u>Liabilities</u>	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
a. Swaps	\$ 497,645,000	\$ 185,165,000	\$ 185,389,000	\$ 246,835,000
b. Futures	-	-	-	-
c. Options	547,509,046	562,409,624	-	-
d. Total	<u>\$ 1,045,154,046</u>	<u>\$ 747,574,624</u>	<u>\$ 185,389,000</u>	<u>\$ 246,835,000</u>

See Schedule DB of the Company's annual statement for additional detail.

(2) The Company's financial instruments with off-balance sheet risk are swaps and options. See Note 8 for information regarding these derivative contracts.

## NOTES TO FINANCIAL STATEMENTS

- (3) The Company is exposed to credit-related losses in the event of nonperformance by counterparties to financial instruments, but it does not expect any counterparties to fail to meet their obligations given their high credit ratings. Because the Company's swaps are cleared through a regulated exchange and positions are marked to market on a daily basis, the Company has little exposure to credit-related losses in the event of nonperformance by counterparties to such financial instruments.
- (4) The Company is required to pledge collateral related to the clearing of interest rate swap contracts through the CME. The amount of collateral that is required is determined by the exchange on which the interest rate swap is cleared. The Company pledged a fixed maturity security and cash to satisfy the collateral requirement. In the first quarter of 2018 the Company began receiving collateral from its counterparties on its index option contracts to mitigate the credit-related risks.

### Financial Instruments with Concentrations of Credit Risk

The Company's fixed maturity securities totaled \$8.86 billion as of December 31, 2018. The Company maintains prudent diversification across industries, issuers and maturities. A potential ratings downgrade of U.S. government securities could lead to future deterioration in the U.S. and global credit and financial markets. As a result, these events may materially adversely affect the Company's financial condition and results of operations. The weighted-average credit quality of the Company's fixed maturity securities investment portfolio was A- (Standard & Poor's) as of December 31, 2018. The percentage of fixed maturity securities below investment grade was 6.0% and 6.9% as of December 31, 2018 and 2017, respectively.

As of December 31, 2018, commercial mortgage loans in the Company's investment portfolio totaled \$6.44 billion. Commercial mortgage loans in California accounted for 26.4% of the Company's commercial mortgage loan portfolio.

Due to the concentration of commercial mortgage loans in California, the Company could be exposed to potential losses as a result of an economic downturn in California as well as certain catastrophes, such as earthquakes and fires, which may affect the region. Borrowers are required to maintain fire insurance coverage. The Company considers the potential for earthquake loss based upon specific information to each property within the western region by both location and type of property in an effort to reduce certain earthquake exposure. However, such diversification may not always eliminate the risk of such losses, which could have a material adverse effect on the Company's business, financial position, results of operations or cash flows.

Concentration of borrowers and tenants in the Company's commercial mortgage loan portfolio may expose the Company to potential losses resulting from a downturn in the economy, business performance of tenants, or adverse changes in a borrower's financial condition. Although the Company diversifies the commercial mortgage loan portfolio by location, type of property, borrower and tenants, such diversification may not eliminate the risk of such losses, which could have a material adverse effect on the Company's business, financial position, results of operations or cash flows.

The Company is subject to default risk on its fixed maturity securities portfolio and its corresponding impact on credit spreads. The Company's commercial mortgage loan portfolio is subject to delinquency, default and borrower concentration risks. Related declines in market activity due to overall declining values of fixed maturity securities may result in the Company's fixed maturity securities portfolio becoming less liquid. In addition, the Company's commercial mortgage loans are relatively illiquid. The Company may have difficulty selling its fixed maturity securities and commercial mortgage loans at attractive prices, in a timely manner, or both if significant amounts of cash are required on short notice. Declines in the value of our invested assets could also affect our ability to pledge collateral as required.

## 17. SALE, TRANSFER AND SERVICING OF FINANCIAL ASSETS AND EXTINGUISHMENTS OF LIABILITIES

### A. Transfers of Receivables Reported as Sales

The Company did not have any transfers of receivables reported as sales for 2018 or 2017.

### B. Transfer and Servicing of Financial Assets

The Company did not have transfers and servicing of financial assets for 2018 or 2017.

### C. Wash Sales

- (1) In the course of the Company's asset management, fixed maturity securities may be sold and reacquired within 30 days of the sale date to enhance the Company's yield on its investment portfolio.
- (2) The details by NAIC designation 3 or below, or that do not have an NAIC designation, excluding all cash equivalents, derivative instruments and short-term investments with credit assessments equivalent to an NAIC 1 or 2 designation sold for the year ended December 31, 2018 and reacquired within 30 days of the sale date are as follows:

<u>Description</u>	<u>NAIC Designation</u>	<u>Number of Transactions</u>	<u>Book Value of Securities Sold</u>	<u>Cost of Securities Repurchased</u>	<u>Gain (Loss)</u>
Fixed maturity securities	NAIC 3	1	\$ 5,674,584	\$ 5,473,023	\$ 201,561

## NOTES TO FINANCIAL STATEMENTS

## 18. GAIN OR LOSS TO THE REPORTING ENTITY FROM UNINSURED PLANS AND THE UNINSURED PORTION OF PARTIALLY INSURED PLANS

## A. ASO Plans

The gain from operations from ASO uninsured plans and the uninsured portion of partially insured plans was as follows for 2018:

	<u>ASO Uninsured Plans</u>	<u>Uninsured Portion of Partially Insured Plans</u>	<u>Total ASO</u>
a. Net reimbursement for administrative expenses (including administrative fees) in excess of actual expenses	\$ 231,284	\$ 969,706	\$ 1,200,990
b. Total net other income or expenses (including interest paid to or received from plans)	-	-	-
c. Net gain or (loss) from operations	231,284	969,706	1,200,990
d. Total claim payment volume	5,070,746	21,260,134	26,330,880

## B. Administrative Service Contracts (“ASC”) Plans

The Company did not have any ASC plans for 2018 or 2017.

## C. Medicare or Other Similarly Structured Cost Based Reimbursement Contract

The Company did not have any Medicare or other similarly structured cost based reimbursement contracts for 2018 or 2017.

## 19. DIRECT PREMIUM WRITTEN/PRODUCED BY MANAGING GENERAL AGENTS/THIRD PARTY ADMINSTRATORS

No individual managing general agent/third party administrator wrote direct premiums equal to or greater than 5% of surplus in 2018 or 2017.

## 20. FAIR VALUE MEASUREMENTS

A. Assets and liabilities measured and recorded at fair value in the statutory statements of admitted assets, liabilities and capital and surplus are subject to additional disclosures. These disclosure requirements apply only to those financial assets and liabilities measured at estimated fair value at the end of the reporting period. These financial assets and liabilities include separate account assets, index options, Index-based Interest Guarantees, interest rate swaps and certain fixed maturity securities and commercial mortgage loans when the estimated fair value is lower than amortized cost as of the reporting date.

## (1) Fair Value Measurements as of December 31, 2018

<u>Description</u>	<u>(Level 1)</u>	<u>(Level 2)</u>	<u>(Level 3)</u>	<u>Net Asset Value (NAV)</u>	<u>Total</u>
a. Assets at fair value:					
Commercial Mortgage Loans					
Commercial	\$ -	\$ -	\$ 5,899,778	\$ -	\$ 5,899,778
Total Commercial Mortgage Loans	-	-	5,899,778	-	5,899,778
Derivative assets					
Interest rate swaps	-	1,609,980	-	-	1,609,980
Index options	-	-	4,088,930	-	4,088,930
Total Derivatives	-	1,609,980	4,088,930	-	5,698,910
Separate account assets	7,365,386,789	76,935,345	-	-	7,442,322,134
Total assets at fair value/NAV	<u>\$ 7,365,386,789</u>	<u>\$ 78,545,325</u>	<u>\$ 9,988,708</u>	<u>\$ -</u>	<u>\$ 7,453,920,822</u>
b. Liabilities at fair value:					
Indexed-based Interest Guarantees	\$ -	\$ -	\$ 84,357,452	\$ -	\$ 84,357,452
Interest rate swaps	-	1,624,525	-	-	1,624,525
Total liabilities at fair value	<u>\$ -</u>	<u>\$ 1,624,525</u>	<u>\$ 84,357,452</u>	<u>\$ -</u>	<u>\$ 85,981,977</u>

ANNUAL STATEMENT FOR THE YEAR 2018 OF THE STANDARD INSURANCE COMPANY  
**NOTES TO FINANCIAL STATEMENTS**

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

Description	Beginning Balance at 01/01/2018	Transfers into Level 3	Transfers out of Level 3	Total gains and (losses) included in Net Income	Total gains and (losses) included in Surplus	Purchases	Issuances	Sales	Settlements	Ending Balance at 12/31/2018
a. Assets:										
Derivative										
Index options	\$ 17,802,164	-	-	7,892,959	(14,518,570)	13,046,467	-	-	(20,134,090)	\$ 4,088,930
Total Assets	\$ 17,802,164	-	-	7,892,959	(14,518,570)	13,046,467	-	-	(20,134,090)	\$ 4,088,930
b. Liabilities:										
Index-based Interest Guarantees	\$ 88,517,780	-	-	(1,416,454)	-	-	7,115,788	-	(9,859,662)	\$ 84,357,452
Total Liabilities	\$ 88,517,780	-	-	(1,416,454)	-	-	7,115,788	-	(9,859,662)	\$ 84,357,452

(3) The Company recognizes transfers between fair value levels at the end of the reporting period.

(4) Valuation techniques and inputs used in the fair value measurement for assets and liabilities.

Assets and liabilities recorded at fair value are disclosed using a three-level hierarchy. The classification of assets and liabilities within the hierarchy is based on whether the inputs to the valuation methodology used for measurement are observable or unobservable. Observable inputs reflect market-derived or market-based information obtained from independent sources while unobservable inputs reflect the Company's estimates about market data.

The fair value hierarchy prioritizes the inputs to valuation techniques used to measure fair value into three broad levels: Level 1 inputs are based upon quoted prices in active markets for identical assets or liabilities that the Company can access at the measurement date. Level 2 inputs are based upon quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active and model-based valuation techniques for which all significant assumptions are observable in the market. Level 3 inputs are generated from model-based techniques that use significant assumptions not observable in the market. These unobservable assumptions reflect the Company's estimates of assumptions that market participants would use in pricing the asset or liability.

There are three types of valuation techniques used to measure assets and liabilities recorded at fair value:

- The market approach uses prices or other relevant information generated by market transactions involving identical or comparable assets or liabilities.
- The income approach uses the present value of cash flows or earnings.
- The cost approach uses replacement costs more readily adaptable for valuing physical assets.

The Company uses both the market and income approach in its fair value measurements. These measurements are discussed in more detail below.

**Fixed Maturity Securities**

Fixed maturity securities are comprised of the following bond classes:

- U.S. government.
- U.S. states, territories and possessions.
- U.S. special revenues.
- Industrial and miscellaneous (unaffiliated).

The fixed maturity securities are diversified across industries, issuers and maturities. The Company calculates fair values for all classes of fixed maturity securities using valuation techniques described below. They are placed into three levels depending on the valuation technique used to determine the fair value of the securities.

The Company uses independent pricing services to assist management in determining the fair value of these assets. The pricing services incorporate a variety of information observable in the market in its valuation techniques, including:

- Reported trading prices.
- Benchmark yields.
- Broker-dealer quotes.
- Benchmark securities.
- Bids and offers.
- Credit ratings.
- Relative credit information.
- Other reference data.

The pricing services also take into account perceived market movements and sector news, as well as a fixed maturity security's terms and conditions, including any features specific to that issue that may influence risk, and thus marketability. Depending on the security, the priority of the use of observable market inputs may change as some observable market inputs may not be relevant or additional inputs may be necessary.

The pricing services provide quoted market prices when available. Quoted prices are not always available due to fixed maturity security market inactivity. The pricing services obtain a broker quote when sufficient information, such as security structure or other market information, is not available to produce a valuation. Valuations and quotes obtained from third-party commercial pricing services are non-binding and do not represent quotes on which one may execute the disposition of the assets.

**NOTES TO FINANCIAL STATEMENTS**

---

The significant unobservable inputs used in the fair value measurement of the reporting entity's fixed maturity securities are valuations and quotes received from analytical reviews and broker quotes. Significant increases or decreases in any of those inputs in isolation would result in a significantly lower or higher fair value measurement. Generally, a change in the assumption used for the pricing evaluation is accompanied by a directionally similar change in the assumption used for the methodologies.

The Company performs control procedures over the external valuations at least quarterly through a combination of procedures that include an evaluation of methodologies used by the pricing services, analytical reviews, back testing of sales activity and the maintenance of a securities watch list. When necessary, the Company compares prices received from the pricing services to prices independently estimated by the Company utilizing discounted cash flow models or through performing independent valuations of inputs and assumptions similar to those used by the pricing service in order to ensure prices represent a reasonable estimate of fair value. Although the Company does identify differences from time to time as a result of these validation procedures, the Company did not make any significant adjustments as of December 31, 2018 or December 31, 2017.

The fair values for fixed maturity securities with a designated class of other than class 6 or 6FE that had other-than-temporary impairments were valued using Level 2 measurements. The Company principally uses the market and income approaches to measure these financial instruments at fair value. The Level 3 fixed maturity securities were valued using matrix pricing, independent broker quotes and other standard market valuation methodologies.

**Commercial Mortgage Loans**

For disclosure purposes, the fair values of commercial mortgage loans were estimated using a discounted cash flow valuation. The valuation includes both observable market inputs and estimated model parameters.

Significant observable inputs to the valuation include:

- Pricing for loans originated by StanCorp Mortgage Investors during the most recent quarter.
- U.S. Government treasury yields.
- The contractual terms of nearly every mortgage loan subject to valuation.

Significant estimated parameters include:

- The use of risk characteristics including stabilized debt coverage ratio and loan-to-value ratio.
- Variations in valuation spread between loans based on individual risk characteristics.

Valuations for commercial mortgage loans measured at fair value on a nonrecurring basis using significant unobservable Level 3 inputs are sensitive to a number of variables, but are most sensitive to net operating income and the applied capitalization rate. Generally, an increase or decrease resulting from a change in the stabilized net operating income from the collateralized property would result in a directionally similar change in the fair value of the asset. An increase or decrease in the assumption for the capitalization rate would result in a directionally opposite change in the fair value of the asset.

**Index Options**

Index options were valued using Level 3 inputs. The fair value was determined using some inputs that were not observable or could not be derived principally from, or corroborated by, observable market data.

The Company calculated the fair value for its index options using the Black-Scholes option pricing model and parameters derived from market sources. The Company's valuations maximize the use of observable inputs, which include direct price quotes from the Chicago Board Options Exchange ("CBOE") and Overnight Indexed Swap rates, as reported by Bloomberg. Unobservable inputs are estimated from the best sources available to the Company and include estimates of future gross dividends to be paid on the stocks underlying the S&P 500 Index and other relevant indices, estimates of quoted market prices and the spread between the bid and ask prices, and estimates of implied volatilities on options. Valuation parameters are calibrated to replicate the actual end-of-day market quotes for options trading on the CBOE. The Company performs additional validation procedures such as the daily observation of market activity and conditions and the tracking and analyzing of actual quotes provided by banking counterparties each time the Company purchases options from them. Additionally, in order to help validate the values derived through the procedures noted above, the Company obtains indicators of value from representative investment banks.

While valuations for the index options are sensitive to a number of variables, valuations for index options purchased are most sensitive to changes in the indices' value and the implied volatilities of these indices. Significant fluctuations in either of those inputs in isolation would result in a significantly lower or higher fair value measurement. Generally, an increase or decrease used in the assumption for the implied volatilities and in the indices' value would result in a directionally similar change in the fair value of the asset.

**Separate Account Assets**

Separate account assets represent segregated funds held for the exclusive benefit of contract holders. The activities of the account primarily relate to participant-directed 401(k) contracts. Separate account assets are recorded at fair value on a recurring basis, with changes in fair value recorded to separate account liabilities. Separate account assets consist of mutual funds. The mutual funds' fair value is determined through Level 1 and Level 2 inputs. The majority of the separate account assets are valued using quoted prices in an active market with the remainder of the assets valued using quoted prices from an independent pricing service. The Company reviews the values obtained from the pricing service for reasonableness through analytical procedures and performance reviews.

## NOTES TO FINANCIAL STATEMENTS

**Index-based Interest Guarantees**

The Company uses the income approach valuation technique to determine the fair value of index-based interest guarantees. The liability is the present value of future cash flows attributable to the projected index growth in excess of cash flows driven by fixed interest rate guarantees for the indexed annuity product. Level 3 assumptions for policyholder behavior and future index crediting rate declarations significantly influence the calculation. Index-based interest guarantees are included in aggregate reserves on the Company's liabilities, surplus and other funds.

Valuations for the index-based interest guarantees are sensitive to a number of variables, but are most sensitive to the index value, primarily the S&P 500 Index, the implied volatilities of this index and the interest rate environment. Generally, a significant increase or decrease used in the assumption for the implied volatilities and in the index value would result in a directionally similar change, while an increase or decrease in interest rate environment would result in a directionally opposite change in the fair value of the liability.

**Interest Rate Swaps**

Interest rate swaps are used in hedging relationships and are recorded in a manner that is consistent with the hedged item if they qualify for hedge accounting or at fair value if they do not qualify or are not designed to qualify for hedge accounting. The estimated fair value of the interest rate swaps is determined through a pricing model. The interest rate swaps qualify as Level 2 under the fair value hierarchy since their valuation is based on a model for which all significant assumptions are observable in the market.

(5) Fair value measurements of derivative assets and liabilities as of December 31, 2018 are included in 20.A.(1) and 20.A.(2).

B. The Company provides additional fair value information in Notes 5, 8, 10 and 11.

C. Estimated Fair Value of All Financial Instruments

**As of December 31, 2018**

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets				Net Asset Value (NAV)	Not Practicable (Carrying Value)
			(Level 1)	(Level 2)	(Level 3)		
Fixed maturity securities	\$ 8,816,711,206	\$ 8,863,229,810	\$ -	\$ 8,816,315,030	\$ 396,176	\$ -	\$ -
Preferred stocks	2,010,000	2,100,000	-	2,010,000	-	-	-
Common stocks	35,973,000	35,973,000	-	-	35,973,000	-	-
Commercial mortgage loans	6,476,476,031	6,439,436,417	-	-	6,476,476,031	-	-
Cash, cash equivalents and short-term investments	131,127,428	131,127,428	131,127,428	-	-	-	-
Index options	4,088,930	4,088,930	-	-	4,088,930	-	-
Interest rate swaps (assets)	5,895,939	1,609,980	-	5,895,939	-	-	-
Separate account assets	7,442,322,134	7,442,322,134	7,365,386,789	76,935,345	-	-	-
Indexed-based Interest Guarantees	(84,357,452)	-	-	-	(84,357,452)	-	-
Interest rate swaps (liabilities)	(4,957,782)	-	-	(4,957,782)	-	-	-

**As of December 31, 2017**

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets				Not Practicable (Carrying Value)
			(Level 1)	(Level 2)	(Level 3)	
Fixed maturity securities	\$ 8,541,833,052	\$ 8,269,970,291	\$ -	\$ 8,518,659,767	\$ 23,173,285	\$ -
Preferred stocks	2,145,000	2,100,000	-	2,145,000	-	-
Common stocks	36,907,900	36,907,900	-	-	36,907,900	-
Commercial mortgage loans	6,297,551,715	6,183,496,380	-	-	6,297,551,715	-
Cash, cash equivalents and short-term investments	241,825,327	241,825,327	121,825,327	120,000,000	-	-
Index options	17,802,164	17,802,164	-	-	17,802,164	-
Interest rate swaps (assets)	1,025,530	-	-	1,025,530	-	-
Separate account assets	8,138,376,315	8,138,376,315	8,047,225,903	91,150,412	-	-
Indexed-based Interest Guarantees	(88,517,780)	-	-	-	(88,517,780)	-
Interest rate swaps (liabilities)	(2,342,207)	-	-	(2,342,207)	-	-

D. Not Practicable to Estimate Fair Value

The Company did not have any investments where it was not practicable to estimate fair value as of December 31, 2018 or 2017.

E. Investments Measured Using the NAV Practical Expedient

The Company did not have any investments that were measured using the NAV practical expedient pursuant to SSAP No. 100R – *Fair Value* as of December 31, 2018.

ANNUAL STATEMENT FOR THE YEAR 2018 OF THE STANDARD INSURANCE COMPANY  
**NOTES TO FINANCIAL STATEMENTS**

---

21. OTHER ITEMS

A. Unusual or Infrequent Items

The Company did not have any unusual or infrequent items for 2018 or 2017.

B. Troubled Debt Restructuring: Debtors

(1) The Company had one mortgage loan payable with restructured terms where the borrower will pay interest only at current interest rate until the payment due April 1, 2019.

The Company had two mortgage loans payable with restructured terms with the maturity date extended for 10 years with no change in monthly payments or interest rate.

(2) The Company did not have an aggregate gain on restructuring of payables.

(3) The Company did not have an aggregate gain or loss on transfers of assets recognized during the period.

(4) The Company did not have any amounts that are considered contingently payable on the restructured loans.

C. Other Disclosures

Assets in the amount of \$6.9 million and \$6.1 million were on deposit with government authorities or trustees as required by law as of December 31, 2018 and 2017, respectively.

The Company maintains a strategic marketing alliance with Ameritas Life Insurance Corp. (“Ameritas”) that offers the Company’s policyholders flexible dental coverage options and access to Ameritas’ nationwide preferred provider organization panel of dentists. As part of this alliance, the Company and Ameritas entered into a reinsurance agreement. In 2018, the agreement provided for 24% of the net dental premiums written by the Company and the risk associated with this premium to be ceded to Ameritas.

The Company participates in a reinsurance and third-party administration arrangement with Northwestern Mutual Life Insurance Company (“Northwestern Mutual”) under which Northwestern Mutual group long term disability, short term disability, group life and AD&D products are sold using Northwestern Mutual’s agency distribution system. Generally, the Company assumes 60% of the risk and receives 60% of the premiums for the policies issued. If the Company were to become unable to meet its obligations, Northwestern Mutual would retain the reinsured liabilities. Therefore, in accordance with an agreement with Northwestern Mutual, the Company established a trust for the benefit of Northwestern Mutual with the market value of assets in the trust equal to Northwestern Mutual’s reinsurance receivable from the Company. The market value of assets required to be maintained in the trust as of December 31, 2018, was \$225.2 million. In addition to assuming risk, the Company provides product design, pricing, underwriting, legal support, claims management and other administrative services under the arrangement.

Effective October 1, 2000, the Company assumed, through a reinsurance agreement, the individual disability insurance business of Minnesota Life Insurance Company (“Minnesota Life”). The Company paid a ceding commission of approximately \$55 million and received approximately \$500 million in assets and corresponding statutory liabilities. If the Company were to become unable to meet its obligations, Minnesota Life would retain the reinsured liabilities. Therefore, in accordance with the agreement with Minnesota Life, the Company established a trust for the benefit of Minnesota Life with the market value of assets in the trust equal to Minnesota Life’s reinsurance receivable from the Company. The market value of assets required to be maintained in the trust is determined quarterly. The market value of assets required to be maintained in the trust as of December 31, 2018, was \$536.2 million. Accompanying the transaction was a national marketing agreement that provides access to Minnesota Life agents, some of whom now market the Company’s individual disability insurance products. The national marketing agreement is renewed annually.

Effective January 1, 2001, the Company ceded to Protective Life Insurance Company (“Protective Life”), through a reinsurance agreement, the Company’s individual life insurance product line. The Company received a ceding commission of approximately \$90 million and transferred to Protective Life approximately \$790 million in assets and corresponding statutory liabilities. If Protective Life were to become unable to meet its obligations, the Company would retain the reinsured liabilities. Therefore, the liabilities remain on the Company’s balance sheet, and an equal amount is recorded as a recoverable from the reinsurer. In accordance with the agreement, Protective Life established a trust for the benefit of the Company with assets in the trust required to be equal to the Company’s reinsurance receivable from Protective Life. The amount of assets required to be maintained in the trust is determined quarterly.

Effective October 1, 2002, the Company entered into a reinsurance agreement with TIAA to assume TIAA’s group disability and group life insurance business. This business included approximately 1,800 group insurance contracts, representing 650,000 insured individuals. The Company paid a ceding commission of approximately \$75 million and received approximately \$705 million in assets and corresponding statutory liabilities. If the Company were to become unable to meet its obligations, TIAA would retain the reinsured liabilities. Therefore, in accordance with the agreement with TIAA, the Company established a trust for the benefit of TIAA with the market value of assets in the trust equal to TIAA’s reinsurance receivable from the Company. The market value of assets required to be maintained in the trust is determined quarterly. The market value of assets required to be maintained in the trust as of December 31, 2018, was \$124.0 million.

Effective September 30, 2014, StanCap Insurance Company, an affiliate, entered into a reinsurance agreement with the Company to reinsure the Company’s group life and AD&D business.



## NOTES TO FINANCIAL STATEMENTS

Effective February 21, 2018, the Company ceded to Commonwealth Annuity and Life Insurance Company (“Commonwealth”), through a reinsurance agreement, certain individual annuity business. The Company received a ceding commission of \$6.9 million and transferred to Commonwealth approximately \$430 million in assets and corresponding liabilities. In accordance with the agreement, Commonwealth established a trust for the benefit of the Company with the book value of assets in the trust required to be equal to 104% of the statutory reserves. The Company evaluates the collectability of the amounts on deposit with the reinsurer by monitoring the value of assets held in trust and the credit quality of the counterparty. The amount of assets required to be maintained in the trust is determined quarterly.

## D. Business Interruption Insurance Recoveries

The Company did not have any business interruption insurance recoveries for 2018 or 2017.

## E. State Transferable and Non-transferable Tax Credits

- (1) Carrying Value of Transferable and Non-transferable State Tax Credits Gross of any Related Tax Liabilities and Total Unused Transferable and Non-transferable State Tax Credits by State and in Total as of December 31, 2018

Description of State Transferable and Non-transferable Tax Credits	State	Carrying Value	Unused Amount
Atlantic City Townhomes	New Jersey	\$ 1,047,043	\$ 2,735,960
MM Lawrence	Massachusetts	400,000	1,000,000
Low Income Housing	Missouri	2,850,000	4,000,000
26867 Outback Solar	Oregon	-	1,133,663
Agricultural Workforce Housing Construction	Oregon	-	1,147,255
OHLIGA Guaranty	Oregon	298,690	298,690
Total		\$ 4,595,733	\$ 10,315,568

- (2) Method of Estimating Utilization of Remaining Transferable and Non-transferable State Tax Credits

The Company accounts for transferable state tax credits in accordance with SSAP No. 94R – *Transferable and Non-Transferable State Tax Credits*. Credits are recorded at cost and gains are deferred until the value of the credits utilized exceeds the cost of the credits or until the credits are sold to other entities. Losses to the credits are recognized when the Company identifies the credits cannot be used.

- (3) Impairment Loss

The Company did not recognize an impairment loss related to state tax credits for 2018.

- (4) State Tax Credits Admitted and Nonadmitted as of December 31, 2018

	Total Admitted	Total Nonadmitted
a. Transferable	\$ 4,297,043	\$ -
b. Non-transferable	-	298,690

## F. Subprime-Mortgage-Related Risk Exposure

- (1) Subprime mortgages are residential loans to borrowers with weak credit profiles. The Company has invested in certain mortgage-backed and structured securities that include exposure to subprime and other below-prime mortgage loans. These investments are included in fixed maturity securities in the financial statements and listed in Schedule D Part 1 and are generally reported at amortized cost.

- (2) The Company did not have direct exposure through investments in subprime mortgage loans.

- (3) Direct exposure through other investments.

	Actual Cost	Book/Adjusted Carrying Value (excluding interest)	Fair Value	Other-Than-Temporary Impairment Losses Recognized
a. Residential mortgage-backed securities	\$ 42,074,858	\$ 43,643,690	\$ 45,813,398	\$ -
b. Commercial mortgage-backed securities	-	-	-	-
c. Collateralized debt obligations	-	-	-	-
d. Structured securities	-	-	-	-
e. Equity investments in SCAs *	-	-	-	-
f. Other assets	-	-	-	-
g. Total	\$ 42,074,858	\$ 43,643,690	\$ 45,813,398	\$ -

\* The Company has no subsidiaries with investments in subprime mortgages.

- (4) Underwriting exposure to subprime mortgage risk through Mortgage Guaranty or Financial Guaranty insurance coverage.

The Company did not have any underwriting exposure to subprime mortgage risk through Mortgage Guaranty or Financial Guaranty insurance coverage as of December 31, 2018 or 2017.

ANNUAL STATEMENT FOR THE YEAR 2018 OF THE STANDARD INSURANCE COMPANY  
**NOTES TO FINANCIAL STATEMENTS**

G. Retained Assets

- (1) Retained asset accounts are reported as deposit-type accounts on the Company's books. Many of the Company's group contracts contain a retained provision and have a minimum amount of either \$10,000 or \$25,000, depending on the contract provisions. When a claim is received for a group that has this provision, the claim will be settled by sending the beneficiary a checkbook issued by Northern Trust, unless the beneficiary selects a lump-sum payment. The beneficiary can write checks for any amount up to the settlement amount plus any interest that is added to the account. If the account balance drops below \$500, Northern Trust issues a check to the beneficiary for the balance and closes the account. Interest is added to the accounts monthly. Interest rates paid to retained asset account holders in 2018 were as follows:

Month	Interest Rate
January	1.48 %
February	1.41 %
March	1.64 %
April	1.77 %
May	1.85 %
June	1.89 %
July	1.94 %
August	1.99 %
September	2.13 %
October	2.21 %
November	2.32 %
December	2.41 %

Interest rates were changed 12 times during 2018.

(2)

	In Force			
	As of End of Current Year		As of End of Prior Year	
	Number	Balance	Number	Balance
a. Up to and including 12 months	734	\$ 58,719,100	326	\$ 29,203,673
b. 13 to 24 months	242	16,628,506	305	18,714,529
c. 25 to 36 months	246	14,054,662	170	7,690,340
d. 37 to 48 months	137	6,081,154	122	5,821,952
e. 49 to 60 months	101	4,812,755	110	5,284,125
f. Over 60 months	895	29,417,836	889	28,991,087
g. Total	2,355	\$ 129,714,013	1,922	\$ 95,705,706

(3)

	Individual		Group	
	Number	Balance/ Amount	Number	Balance/ Amount
a. Number/balance of retained asset accounts at the beginning of the year	-	\$ -	1,922	\$ 95,705,706
b. Number/amount of retained asset accounts issued/added during the year	-	-	1,035	127,061,937
c. Investment earnings credited to retained asset accounts during the year	N/A	-	N/A	2,239,356
d. Fees and other charges assessed to retained asset accounts during the year	N/A	-	N/A	1,200
e. Number/amount of retained asset accounts transferred to state unclaimed property funds during the year	-	-	-	-
f. Number/amount of retained asset accounts closed/withdrawn during the year	-	-	602	95,291,786
g. Number/balance of retained asset accounts at the end of the year g=a+b+c-d-e-f	-	\$ -	2,355	\$ 129,714,013

H. Insurance-Linked Securities ("ILS") Contracts

The Company did not directly write or assume any ILS contracts for 2018 or 2017.





**NOTES TO FINANCIAL STATEMENTS**

## D. Medical loss ratio rebates required pursuant to the Public Health Service Act

The Company did not have any medical loss ratio rebates required pursuant to the Public Health Service Act for 2018.

## E. Risk-Sharing Provisions of the ACA

The Company did not write any A&H insurance premiums subject to the ACA risk-sharing provisions for 2018. Per SSAP No. 107 – *Risk-Sharing Provisions of the Affordable Care Act*, the ACA risk-sharing provisions include health plans in the individual or small group markets. The Company writes group dental and vision plans. Per SSAP No. 107, group plans are required to contribute funding but are not eligible to receive distributions under the risk-sharing provisions of the ACA.

## 25. CHANGE IN INCURRED LOSSES AND LOSS ADJUSTMENT EXPENSES

- A. Reserves as of December 31, 2017 were \$4.09 billion. For 2018, \$792.2 million had been paid for incurred losses and loss adjustment expenses attributable to insured events of prior years. Reserves remaining for prior years were \$3.25 billion as of December 31, 2018, as a result of re-estimation of unpaid claims and claim adjustment expenses. There was a \$53.1 million decrease of prior year development from December 31, 2017 to December 31, 2018. Original estimates are increased or decreased as additional information becomes known regarding individual claims. Prior years' effects are combined with current experience in determining retrospective premium, premium refunds, and renewal rates for the larger group contracts.
- B. There were no significant changes in methodologies and assumptions used in calculating the liability for unpaid losses and loss adjustment expenses.

## 26. INTERCOMPANY POOLING ARRANGEMENTS

The Company did not have any intercompany pooling arrangements as of December 31, 2018 or 2017.

## 27. STRUCTURED SETTLEMENTS

The Company did not purchase any structured settlements to fulfill obligations of claimants for 2018 or 2017.

## 28. HEALTH CARE RECEIVABLES

## A. Pharmaceutical Rebate Receivables

The Company did not have any pharmaceutical rebate receivables as of December 31, 2018, 2017 or 2016.

## B. Risk-Sharing Receivables

The Company did not have any risk-sharing receivables as of December 31, 2018, 2017 or 2016.

## 29. PARTICIPATING POLICIES

For individual life insurance contracts, 23% of the \$1.4 million net premium earned in 2018 was from participating contracts. Dividends paid in 2018 was less than \$100 thousand. The Company accounts for dividends based on dividends paid plus the increase in provision assuming policies in-force on the valuation date remain in-force. No additional income was allocated to participating individual life policyholders.

## 30. PREMIUM DEFICIENCY RESERVES

In accordance with SSAP No. 54R – *Individual and Group Accident and Health Contracts*, there was no premium deficiency reserve held as of December 31, 2018 for all individual and group accident and health contracts. Since premium deficiency reserves were unnecessary, no calculation involving anticipated investment income was performed as of December 31, 2018.

- |   |   |
|---|---|
| 1. Liability carried for premium deficiency reserves              | \$ -  |
| 2. Date of the most recent evaluation of this liability           | 12/31/2018  |
| 3. Was anticipated investment income utilized in the calculation? | Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> |

ANNUAL STATEMENT FOR THE YEAR 2018 OF THE STANDARD INSURANCE COMPANY  
**NOTES TO FINANCIAL STATEMENTS**

31. RESERVES FOR LIFE CONTRACTS AND ANNUITY CONTRACTS

- (1) The Company waives deduction of deferred fractional premiums and returns unearned premium beyond the month of death. Continuous or semi continuous reserves are used to account for these benefits, except for those under a small block of second to die coverages, which use curtate reserves. As of December 31, 2018, reserves held for surrender values in excess of the legally computed reserves totaled \$712, net of reinsurance ceded. Effective January 1, 2001, substantially all individual life policies became 100% reinsured under a coinsurance reinsurance agreement with Protective Life.
- (2) The reserve for a substandard policy where a flat extra premium is charged is the sum of the standard policy reserve plus one half (1/2) of the extra premium. For a substandard policy with a table rating, the extra reserve is based on appropriate multiples of standard rates of mortality. As of December 31, 2018, there was no reserve net of reinsurance ceded associated with substandard ratings for individual life policies.
- (3) As of December 31, 2018, the Company had \$147.9 million of insurance in-force for which the gross premiums were less than the net premiums according to the standard valuation law set by the State of Oregon. Reserves to cover the above insurance totaled \$0 net of reinsurance ceded, as of December 31, 2018 and are reported in Exhibit 5 Section A, Life Insurance.
- (4) The Tabular Interest (Page 7, Line 4) was determined by formula except some annuity products have Tabular Interest determined from the basic data for such items.

The Tabular Less Actual Reserve Released (Page 7, Line 5) was determined by formula.

The Tabular Cost (Page 7, Line 9) was determined by formula.

- (5) For the determination of Tabular Interest on deposit funds not involving life contingencies the amount of interest credited to the withdrawable account balance is used. For immediate annuities not involving life contingencies, the Tabular Interest was calculated as the change in statutory reserves, plus benefit payments, less premium.
- (6) The details for other changes:

<u>ITEM</u>	<u>ORDINARY</u>					<u>GROUP</u>		
	<u>Total</u>	<u>Industrial Life</u>	<u>Life Ins.</u>	<u>Individual Annuities</u>	<u>Supplementary Contracts</u>	<u>Credit Life Group and Individual</u>	<u>Life Ins.</u>	<u>Annuities</u>
The increase for Ordinary Life Insurance reflects additional reserves for extra mortality expected on group conversion policies issued in 2018.	\$ 1,173,302		\$ 1,173,302	-	-	-	-	-
The increase for Group Annuities reflects amounts credited to plan balances as a result of a plan achieving certain asset growth threshold levels.	1,406			-	-	-	-	1,406
3106999 Total	\$ 1,174,708		\$ 1,173,302	-	-	-	-	1,406

## NOTES TO FINANCIAL STATEMENTS

## 32. ANALYSIS OF ANNUITY ACTUARIAL RESERVES AND DEPOSIT – TYPE LIABILITIES BY WITHDRAWAL CHARACTERISTICS

Withdrawal Characteristics of Annuity Actuarial Reserves and Deposit – Type Contract Funds and Other Liabilities Without Life or Disability Contingencies:

	<u>General Account</u>	<u>Separate Account with Guarantees</u>	<u>Separate Account Nonguaranteed</u>	<u>Total</u>	<u>% of Total</u>
A. Subject to discretionary withdrawal:					
(1) With market value adjustment	\$ 4,688,615,615	\$ -	\$ -	\$ 4,688,615,615	27.5 %
(2) At book value less current surrender charge of 5% or more	22,127,533	-	-	22,127,533	0.1
(3) At fair value	-	-	7,442,322,134	7,442,322,134	43.6
(4) Total with market value adjustment or at fair value (total of 1 through 3)	<u>4,710,743,148</u>	<u>-</u>	<u>7,442,322,134</u>	<u>12,153,065,282</u>	<u>71.2</u>
(5) At book value without adjustment (minimal or no charge or adjustment)	3,519,171,886	-	-	3,519,171,886	20.6
B. Not subject to discretionary withdrawal	1,399,957,512	-	-	1,399,957,512	8.2
C. Total (gross: direct + assumed)	<u>9,629,872,546</u>	<u>-</u>	<u>7,442,322,134</u>	<u>17,072,194,680</u>	<u>100.0 %</u>
D. Reinsurance ceded	414,073,236	-	-	414,073,236	
E. Total (net)* (C) - (D)	<u>\$ 9,215,799,310</u>	<u>\$ -</u>	<u>\$ 7,442,322,134</u>	<u>\$ 16,658,121,444</u>	

\* Reconciliation of total annuity actuarial reserves and deposit fund liabilities.

F.

	<u>Amount</u>
Life & Accident & Health Annual Statement:	
(1) Exhibit 5, Annuities Section, Total (net)	\$ 7,682,984,285
(2) Exhibit 5, Supplementary Contracts with Life Contingencies Section, Total (net)	57,334,212
(3) Exhibit 7, Deposit-Type Contracts, Line 14, Column 1	1,475,480,813
(4) Subtotal	<u>9,215,799,310</u>
Separate Accounts Annual Statement:	
(5) Exhibit 3, Line 0299999, Column 2	7,442,322,134
(6) Exhibit 3, Line 0399999, Column 2	-
(7) Policyholder dividend and coupon accumulations	-
(8) Policyholder premiums	-
(9) Guaranteed interest contracts	-
(10) Other contract deposit funds	-
(11) Subtotal	<u>7,442,322,134</u>
(12) Combined Total	<u>\$ 16,658,121,444</u>

## 33. PREMIUMS AND ANNUITY CONSIDERATIONS DEFERRED AND UNCOLLECTED

A. Deferred and uncollected life insurance premiums and annuity considerations as of December 31, 2018, were as follows:

<u>Type</u>	<u>Gross</u>	<u>Net of Loading</u>
(1) Industrial	\$ -	\$ -
(2) Ordinary new business	185,090	126,137
(3) Ordinary renewal	288,363	236,284
(4) Credit Life	-	-
(5) Group Life	(138,621,600)	(142,501,400)
(6) Group Annuity	2,290,567	2,290,567
(7) Totals	<u>\$ (135,857,580)</u>	<u>\$ (139,848,412)</u>

ANNUAL STATEMENT FOR THE YEAR 2018 OF THE STANDARD INSURANCE COMPANY  
**NOTES TO FINANCIAL STATEMENTS**

34. SEPARATE ACCOUNTS

A. Separate Account Activity

- (1) The Company utilizes separate accounts to record and account for assets and liabilities for variable group annuity contract holders and all funds are nonguaranteed. The Company issues contracts through its separate accounts for which contract holders borne all the investment risks and the investment income and investment gains and losses accrue directly to the contract holder.
- (2) In accordance with the product/transaction recorded within the separate accounts, these assets are considered legally insulated from the general account. As of December 31, 2018 and 2017, the Company separate account statements included legally insulated assets of \$7.44 billion and \$8.14 billion, respectively. The assets legally insulated from the general account as of December 31, 2018 were attributed to the following product/transaction:

Product/Transaction	Legally Insulated Assets	Separated Account Assets (Not Legally Insulated)
Separate Account "A" - Unregistered	\$ 7,442,322,134	\$ -
Total	\$ 7,442,322,134	\$ -

- (3) There are no separate account liabilities guaranteed by the general account.
- (4) The Company does not engage in securities lending transactions with the separate accounts.

B. General Nature and Characteristics of Separate Accounts Business

Separate account assets and liabilities are reported at fair value and represent funds administered and invested by the Company for the benefit of variable group annuity contract holders. Funds are subject to discretionary withdrawal at fair value without restriction. All funds are nonguaranteed. Contract holders have the right to purchase annuities during the term of the contracts with specified guaranteed maximum rates.

Information regarding the separate accounts of the Company were as follows:

	Index	Nonindexed Guarantee Less than/equal to 4%	Nonindexed Guarantee More than 4%	Nonguaranteed Separate Accounts	Total
(1) Premiums, considerations or deposits for year ended 12/31/2018	\$ -	\$ -	\$ -	\$ 1,001,353,778	\$ 1,001,353,778
Reserves at 12/31/2018					
(2) For accounts with assets at:					
a. Fair value	-	-	-	7,442,322,134	7,442,322,134
b. Amortized cost	-	-	-	-	-
c. Total Reserves*	\$ -	\$ -	\$ -	\$ 7,442,322,134	\$ 7,442,322,134
(3) By withdrawal characteristics:					
a. Subject to discretionary withdrawal:					
1. With market value adjustment	\$ -	\$ -	\$ -	\$ -	-
2. At book value without market value adjustment and with current surrender charge of 5% or more	-	-	-	-	-
3. At fair value	-	-	-	7,442,322,134	7,442,322,134
4. At book value without market value adjustment and with current surrender charge less than 5%	-	-	-	-	-
5. Subtotal	-	-	-	7,442,322,134	7,442,322,134
b. Not subject to discretionary withdrawal	-	-	-	-	-
c. Total	\$ -	\$ -	\$ -	\$ 7,442,322,134	\$ 7,442,322,134

\* Line 2(c) should equal Line 3(c).

- (4) Reserves for Asset Default Risk in Lieu of AVR

Not applicable



ANNUAL STATEMENT FOR THE YEAR 2018 OF THE STANDARD INSURANCE COMPANY  
**NOTES TO FINANCIAL STATEMENTS**

---

C. Reconciliation of Net Transfers To or (From) Separate Accounts

(1)	Transfers as reported in the Summary of Operations of the Separate Accounts Statement:	
	a. Transfers to Separate Accounts (Page 4, Line 1.4)	\$ 907,234,589
	b. Transfers from Separate Accounts (Page 4, Line 10)	1,110,184,849
	c. Net transfers to or (From) Separate Accounts (a) – (b)	<u>(202,950,260)</u>
(2)	Reconciling Adjustments:	-
(3)	Transfers as Reported in the Summary of Operations of the Life, Accident & Health Annual Statement	
	(1c) + (2) = (Page 4, Line 26)	<u><u>\$ (202,950,260)</u></u>

35. LOSS/CLAIM ADJUSTMENT EXPENSES

The balance in the liability for unpaid A&H claim adjustment expenses as of December 31, 2018 and 2017 was \$185.3 million and \$178.7 million, respectively.

The Company incurred \$174.8 million and paid \$168.2 million of claim adjustment expenses in the current year, of which \$61.6 million of the paid amount was attributable to insured or covered events of prior years. The Company increased the provision for insured events of prior years by \$1.4 million.

The Company did not take into account estimated anticipated salvage and subrogation in its determination of the liability for unpaid claims/losses.

**GENERAL INTERROGATORIES**

**PART 1 - COMMON INTERROGATORIES  
GENERAL**

- 1.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer? ..... Yes [ X ] No [ ]  
If yes, complete Schedule Y, Parts 1, 1A and 2
- 1.2 If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent, or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations? ..... Yes [ X ] No [ ] N/A [ ]
- 1.3 State Regulating? ..... Oregon
- 1.4 Is the reporting entity publicly traded or a member of a publicly traded group? ..... Yes [ ] No [ X ]
- 1.5 If the response to 1.4 is yes, provide the CIK (Central Index Key) code issued by the SEC for the entity/group. ....
- 2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? ..... Yes [ ] No [ X ]
- 2.2 If yes, date of change: .....
- 3.1 State as of what date the latest financial examination of the reporting entity was made or is being made. .... 12/31/2015
- 3.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. .... 12/31/2015
- 3.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). .... 05/03/2017
- 3.4 By what department or departments?  
Oregon Department of Consumer and Business Services - Division of Financial Regulation. ....
- 3.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments? ..... Yes [ ] No [ ] N/A [ X ]
- 3.6 Have all of the recommendations within the latest financial examination report been complied with? ..... Yes [ ] No [ ] N/A [ X ]
- 4.1 During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity), receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:  
4.11 sales of new business? ..... Yes [ ] No [ X ]  
4.12 renewals? ..... Yes [ ] No [ X ]
- 4.2 During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:  
4.21 sales of new business? ..... Yes [ ] No [ X ]  
4.22 renewals? ..... Yes [ ] No [ X ]
- 5.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? ..... Yes [ ] No [ X ]  
If yes, complete and file the merger history data file with the NAIC.
- 5.2 If yes, provide the name of the entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

1 Name of Entity	2 NAIC Company Code	3 State of Domicile

- 6.1 Has the reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? ..... Yes [ ] No [ X ]
- 6.2 If yes, give full information: .....
- 7.1 Does any foreign (non-United States) person or entity directly or indirectly control 10% or more of the reporting entity? ..... Yes [ X ] No [ ]
- 7.2 If yes,  
7.21 State the percentage of foreign control; ..... 100.0 %  
7.22 State the nationality(s) of the foreign person(s) or entity(s) or if the entity is a mutual or reciprocal, the nationality of its manager or attorney-in-fact; and identify the type of entity(s) (e.g., individual, corporation or government, manager or attorney in fact).

1 Nationality	2 Type of Entity
Japan .....	Mutual insurance company .....

**ANNUAL STATEMENT FOR THE YEAR 2018 OF THE STANDARD INSURANCE COMPANY**  
**GENERAL INTERROGATORIES**

- 8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board? ..... Yes [ ] No [ X ]  
 8.2 If response to 8.1 is yes, please identify the name of the bank holding company.  
 .....  
 8.3 Is the company affiliated with one or more banks, thrifts or securities firms? ..... Yes [ X ] No [ ]  
 8.4 If response to 8.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.

1 Affiliate Name	2 Location (City, State)	3 FRB	4 OCC	5 FDIC	6 SEC
StanCorp Equities, Inc. ....	Portland, OR .....	NO	NO	NO	YES
StanCorp Investment Advisers, Inc. ....	Portland, OR .....	NO	NO	NO	YES

9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?  
 KPMG LLP  
 1300 SW Fifth Ave. Suite 3800  
 Portland OR 97201
- 10.1 Has the insurer been granted any exemptions to the prohibited non-audit services provided by the certified independent public accountant requirements as allowed in Section 7H of the Annual Financial Reporting Model Regulation (Model Audit Rule), or substantially similar state law or regulation? ..... Yes [ ] No [ X ]  
 10.2 If the response to 10.1 is yes, provide information related to this exemption:  
 .....
- 10.3 Has the insurer been granted any exemptions related to the other requirements of the Annual Financial Reporting Model Regulation as allowed for in Section 18A of the Model Regulation, or substantially similar state law or regulation? ..... Yes [ ] No [ X ]  
 10.4 If the response to 10.3 is yes, provide information related to this exemption:  
 .....
- 10.5 Has the reporting entity established an Audit Committee in compliance with the domiciliary state insurance laws? ..... Yes [ X ] No [ ] N/A [ ]  
 10.6 If the response to 10.5 is no or n/a, please explain  
 .....
11. What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with an actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?  
 Sally Manafi  
 PO Box 711  
 Portland, OR 97207  
 Officer of Standard Insurance Company .....
- 12.1 Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly? ..... Yes [ X ] No [ ]  
 12.11 Name of real estate holding company ..... Real estate is owned indirectly through limited partnership interests as reported on Schedule BA.  
 12.12 Number of parcels involved ..... 658  
 12.13 Total book/adjusted carrying value ..... \$ ..... 181,224,462
- 12.2 If, yes provide explanation:  
 Real estate is owned indirectly through limited partnership interests as reported on Schedule BA. ....
13. **FOR UNITED STATES BRANCHES OF ALIEN REPORTING ENTITIES ONLY:**
- 13.1 What changes have been made during the year in the United States manager or the United States trustees of the reporting entity?  
 .....
- 13.2 Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located? ..... Yes [ ] No [ ]  
 13.3 Have there been any changes made to any of the trust indentures during the year? ..... Yes [ ] No [ ]  
 13.4 If answer to (13.3) is yes, has the domiciliary or entry state approved the changes? ..... Yes [ ] No [ ] N/A [ ]
- 14.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards? ..... Yes [ X ] No [ ]  
 (a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;  
 (b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;  
 (c) Compliance with applicable governmental laws, rules and regulations;  
 (d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and  
 (e) Accountability for adherence to the code.
- 14.11 If the response to 14.1 is No, please explain:  
 .....
- 14.2 Has the code of ethics for senior managers been amended? ..... Yes [ ] No [ X ]  
 14.21 If the response to 14.2 is yes, provide information related to amendment(s).  
 .....
- 14.3 Have any provisions of the code of ethics been waived for any of the specified officers? ..... Yes [ ] No [ X ]  
 14.31 If the response to 14.3 is yes, provide the nature of any waiver(s).  
 .....

**ANNUAL STATEMENT FOR THE YEAR 2018 OF THE STANDARD INSURANCE COMPANY  
GENERAL INTERROGATORIES**

- 15.1 Is the reporting entity the beneficiary of a Letter of Credit that is unrelated to reinsurance where the issuing or confirming bank is not on the SVO Bank List? ..... Yes [ ] No [ X ]
- 15.2 If the response to 15.1 is yes, indicate the American Bankers Association (ABA) Routing Number and the name of the issuing or confirming bank of the Letter of Credit and describe the circumstances in which the Letter of Credit is triggered.

1 American Bankers Association (ABA) Routing Number	2 Issuing or Confirming Bank Name	3 Circumstances That Can Trigger the Letter of Credit	4 Amount

**BOARD OF DIRECTORS**

16. Is the purchase or sale of all investments of the reporting entity passed upon either by the board of directors or a subordinate committee thereof? ..... Yes [ X ] No [ ]
17. Does the reporting entity keep a complete permanent record of the proceedings of its board of directors and all subordinate committees thereof? ..... Yes [ X ] No [ ]
18. Has the reporting entity an established procedure for disclosure to its board of directors or trustees of any material interest or affiliation on the part of any of its officers, directors, trustees or responsible employees that is in conflict with the official duties of such person? ..... Yes [ X ] No [ ]

**FINANCIAL**

19. Has this statement been prepared using a basis of accounting other than Statutory Accounting Principles (e.g., Generally Accepted Accounting Principles)? ..... Yes [ ] No [ X ]
- 20.1 Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):
- |   |          |   |
|---|----------|---|
| 20.11 To directors or other officers.....               | \$ ..... | 0 |
| 20.12 To stockholders not officers.....                 | \$ ..... | 0 |
| 20.13 Trustees, supreme or grand (Fraternal Only) ..... | \$ ..... | 0 |
- 20.2 Total amount of loans outstanding at the end of year (inclusive of Separate Accounts, exclusive of policy loans):
- |   |          |   |
|---|----------|---|
| 20.21 To directors or other officers.....               | \$ ..... | 0 |
| 20.22 To stockholders not officers.....                 | \$ ..... | 0 |
| 20.23 Trustees, supreme or grand (Fraternal Only) ..... | \$ ..... | 0 |
- 21.1 Were any assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reported in the statement? ..... Yes [ ] No [ X ]
- 21.2 If yes, state the amount thereof at December 31 of the current year:
- |                                 |          |   |
|---------------------------------|----------|---|
| 21.21 Rented from others.....   | \$ ..... | 0 |
| 21.22 Borrowed from others..... | \$ ..... | 0 |
| 21.23 Leased from others .....  | \$ ..... | 0 |
| 21.24 Other .....               | \$ ..... | 0 |
- 22.1 Does this statement include payments for assessments as described in the Annual Statement Instructions other than guaranty fund or guaranty association assessments? ..... Yes [ ] No [ X ]
- 22.2 If answer is yes:
- |   |   |
|---|---|
| 22.21 Amount paid as losses or risk adjustment \$ ..... | 0 |
| 22.22 Amount paid as expenses .....                     | 0 |
| 22.23 Other amounts paid .....                          | 0 |
- 23.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? ..... Yes [ X ] No [ ]
- 23.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: ..... \$ ..... 111,379

**INVESTMENT**

- 24.01 Were all the stocks, bonds and other securities owned December 31 of current year, over which the reporting entity has exclusive control, in the actual possession of the reporting entity on said date? (other than securities lending programs addressed in 24.03)..... Yes [ ] No [ X ]
- 24.02 If no, give full and complete information relating thereto  
Collateral is on deposit with Wells Fargo for hedging program. ....
- 24.03 For security lending programs, provide a description of the program including value for collateral and amount of loaned securities, and whether collateral is carried on or off-balance sheet. (an alternative is to reference Note 17 where this information is also provided)  
The Company does not participate in a securities lending program. ....
- 24.04 Does the Company's security lending program meet the requirements for a conforming program as outlined in the Risk-Based Capital Instructions? ..... Yes [ ] No [ ] N/A [ X ]
- 24.05 If answer to 24.04 is yes, report amount of collateral for conforming programs. .... \$ ..... 0
- 24.06 If answer to 24.04 is no, report amount of collateral for other programs. .... \$ ..... 0
- 24.07 Does your securities lending program require 102% (domestic securities) and 105% (foreign securities) from the counterparty at the outset of the contract? ..... Yes [ ] No [ ] N/A [ X ]
- 24.08 Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%? ..... Yes [ ] No [ ] N/A [ X ]
- 24.09 Does the reporting entity or the reporting entity 's securities lending agent utilize the Master Securities lending Agreement (MSLA) to conduct securities lending? ..... Yes [ ] No [ ] N/A [ X ]

**ANNUAL STATEMENT FOR THE YEAR 2018 OF THE STANDARD INSURANCE COMPANY  
GENERAL INTERROGATORIES**

24.10 For the reporting entity's security lending program state the amount of the following as December 31 of the current year:

24.101 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2 .....	\$ .....	0
24.102 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2 .....	\$ .....	0
24.103 Total payable for securities lending reported on the liability page .....	\$ .....	0

25.1 Were any of the stocks, bonds or other assets of the reporting entity owned at December 31 of the current year not exclusively under the control of the reporting entity, or has the reporting entity sold or transferred any assets subject to a put option contract that is currently in force? (Exclude securities subject to Interrogatory 21.1 and 24.03)..... Yes [ X ] No [ ]

25.2 If yes, state the amount thereof at December 31 of the current year:

25.21 Subject to repurchase agreements .....	\$ .....	0
25.22 Subject to reverse repurchase agreements .....	\$ .....	0
25.23 Subject to dollar repurchase agreements .....	\$ .....	0
25.24 Subject to reverse dollar repurchase agreements .....	\$ .....	0
25.25 Placed under option agreements .....	\$ .....	0
25.26 Letter stock or securities restricted as to sale - excluding FHLB Capital Stock .....	\$ .....	0
25.27 FHLB Capital Stock .....	\$ .....	35,973,000
25.28 On deposit with states .....	\$ .....	5,205,574
25.29 On deposit with other regulatory bodies .....	\$ .....	1,683,883
25.30 Pledged as collateral - excluding collateral pledged to an FHLB .....	\$ .....	8,726,451
25.31 Pledged as collateral to FHLB - including assets backing funding agreements .....	\$ .....	921,650,671
25.32 Other .....	\$ .....	0

25.3 For category (25.26) provide the following:

1 Nature of Restriction	2 Description	3 Amount

26.1 Does the reporting entity have any hedging transactions reported on Schedule DB?..... Yes [ X ] No [ ]

26.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state?..... Yes [ X ] No [ ] N/A [ ]  
If no, attach a description with this statement.

27.1 Were any preferred stocks or bonds owned as of December 31 of the current year mandatorily convertible into equity, or, at the option of the issuer, convertible into equity?..... Yes [ ] No [ X ]

27.2 If yes, state the amount thereof at December 31 of the current year..... \$ .....

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

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

1 Name of Custodian(s)	2 Custodian's Address
BNY Mellon .....	IIS Syracuse Client Services, 111 Sanders Creek Parkway, 2nd Floor, East Syracuse, NY 13057 .....

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

1 Name(s)	2 Location(s)	3 Complete Explanation(s)

28.03 Have there been any changes, including name changes, in the custodian(s) identified in 28.01 during the current year?..... Yes [ ] No [ X ]

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

1 Old Custodian	2 New Custodian	3 Date of Change	4 Reason

**ANNUAL STATEMENT FOR THE YEAR 2018 OF THE STANDARD INSURANCE COMPANY  
GENERAL INTERROGATORIES**

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

1 Name of Firm or Individual	2 Affiliation
Pine Bridge Investments .....	U.....
Pacific Investment Management Company LLC .....	U.....
Standard Management, Inc. ....	A.....
.....	.....

28.0597 For those firms/individuals listed in the table for Question 28.05, do any firms/individuals unaffiliated with the reporting entity (i.e. designated with a "U") manage more than 10% of the reporting entity's assets? ..... Yes [ ] No [ X ]

28.0598 For firms/individuals unaffiliated with the reporting entity (i.e. designated with a "U") listed in the table for Question 28.05, does the total assets under management aggregate to more than 50% of the reporting entity's assets? ..... Yes [ ] No [ X ]

28.06 For those firms or individuals listed in the table for 28.05 with an affiliation code of "A" (affiliated) or "U" (unaffiliated), provide the information for the table below.

1 Central Registration Depository Number	2 Name of Firm or Individual	3 Legal Entity Identifier (LEI)	4 Registered With	5 Investment Management Agreement (IMA) Filed
104578 .....	Pine Bridge Investments .....	.....	SEC .....	NO.....
104559 .....	Pacific Investment Management Company LLC .....	.....	SEC .....	NO.....
.....	Standard Management, Inc. ....	.....	Not a registered investment advisor .....	NO.....
.....	.....	.....	.....	.....

29.1 Does the reporting entity have any diversified mutual funds reported in Schedule D, Part 2 (diversified according to the Securities and Exchange Commission (SEC) in the Investment Company Act of 1940 [Section 5(b)(1)])? ..... Yes [ ] No [ X ]

29.2 If yes, complete the following schedule:

1 CUSIP #	2 Name of Mutual Fund	3 Book/Adjusted Carrying Value
29.2999 - Total		0

29.3 For each mutual fund listed in the table above, complete the following schedule:

1 Name of Mutual Fund (from above table)	2 Name of Significant Holding of the Mutual Fund	3 Amount of Mutual Fund's Book/Adjusted Carrying Value Attributable to the Holding	4 Date of Valuation
.....	.....	.....	.....

30. Provide the following information for all short-term and long-term bonds and all preferred stocks. Do not substitute amortized value or statement value for fair value.

	1 Statement (Admitted) Value	2 Fair Value	3 Excess of Statement over Fair Value (-), or Fair Value over Statement (+)
30.1 Bonds .....	8,863,229,810	8,816,711,206	(46,518,604)
30.2 Preferred stocks .....	2,100,000	2,010,000	(90,000)
30.3 Totals	8,865,329,810	8,818,721,206	(46,608,604)

30.4 Describe the sources or methods utilized in determining the fair values:  
Market values are provided by various pricing vendors that are subscribed to. ....

31.1 Was the rate used to calculate fair value determined by a broker or custodian for any of the securities in Schedule D? ..... Yes [ ] No [ X ]

31.2 If the answer to 31.1 is yes, does the reporting entity have a copy of the broker's or custodian's pricing policy (hard copy or electronic copy) for all brokers or custodians used as a pricing source? ..... Yes [ ] No [ ]

31.3 If the answer to 31.2 is no, describe the reporting entity's process for determining a reliable pricing source for purposes of disclosure of fair value for Schedule D:  
.....

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

32.2 If no, list exceptions:  
.....

ANNUAL STATEMENT FOR THE YEAR 2018 OF THE STANDARD INSURANCE COMPANY  
**GENERAL INTERROGATORIES**

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

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

**OTHER**

35.1 Amount of payments to trade associations, service organizations and statistical or rating bureaus, if any? .....\$ .....732,084

35.2 List the name of the organization and the amount paid if any such payment represented 25% or more of the total payments to trade associations, service organizations and statistical or rating bureaus during the period covered by this statement.

1 Name	2 Amount Paid

36.1 Amount of payments for legal expenses, if any? .....\$ .....3,585,036

36.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payments for legal expenses during the period covered by this statement.

1 Name	2 Amount Paid

37.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers or departments of government, if any? .....\$ .....42,000

37.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payment expenditures in connection with matters before legislative bodies, officers or departments of government during the period covered by this statement.

1 Name	2 Amount Paid
John Powell & Associates .....	42,000

ANNUAL STATEMENT FOR THE YEAR 2018 OF THE STANDARD INSURANCE COMPANY  
**GENERAL INTERROGATORIES**

**PART 2 - LIFE INTERROGATORIES**

1.1 Does the reporting entity have any direct Medicare Supplement Insurance in force? ..... Yes [ ] No [ X ]

1.2 If yes, indicate premium earned on U.S. business only ..... \$ ..... 0

1.3 What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit? ..... \$ ..... 0  
 1.31 Reason for excluding:  
 .....

1.4 Indicate amount of earned premium attributable to Canadian and/or Other Alien not included in Item (1.2) above. .... \$ ..... 0

1.5 Indicate total incurred claims on all Medicare Supplement insurance. .... \$ ..... 0

1.6 Individual policies:

	Most current three years:	
1.61 Total premium earned .....	\$ .....	0
1.62 Total incurred claims .....	\$ .....	0
1.63 Number of covered lives .....		0
All years prior to most current three years		
1.64 Total premium earned .....	\$ .....	0
1.65 Total incurred claims .....	\$ .....	0
1.66 Number of covered lives .....		0

1.7 Group policies:

	Most current three years:	
1.71 Total premium earned .....	\$ .....	0
1.72 Total incurred claims .....	\$ .....	0
1.73 Number of covered lives .....		0
All years prior to most current three years		
1.74 Total premium earned .....	\$ .....	0
1.75 Total incurred claims .....	\$ .....	0
1.76 Number of covered lives .....		0

2. Health Test:

	1 Current Year	2 Prior Year
2.1 Premium Numerator .....	116,832,012	107,138,993
2.2 Premium Denominator .....	4,459,061,208	4,300,261,130
2.3 Premium Ratio (2.1/2.2) .....	0.026	0.025
2.4 Reserve Numerator .....	99,368,545	100,086,916
2.5 Reserve Denominator .....	12,734,012,302	12,279,168,599
2.6 Reserve Ratio (2.4/2.5) .....	0.008	0.008

3.1 Does this reporting entity have Separate Accounts? ..... Yes [ X ] No [ ]

3.2 If yes, has a Separate Accounts Statement been filed with this Department? ..... Yes [ X ] No [ ] N/A [ ]

3.3 What portion of capital and surplus funds of the reporting entity covered by assets in the Separate Accounts statement, is not currently distributable from the Separate Accounts to the general account for use by the general account? ..... \$ ..... 0

3.4 State the authority under which Separate Accounts are maintained:  
 Oregon Code 733.220 .....

3.5 Was any of the reporting entity's Separate Accounts business reinsured as of December 31? ..... Yes [ ] No [ X ]

3.6 Has the reporting entity assumed by reinsurance any Separate Accounts business as of December 31? ..... Yes [ ] No [ X ]

3.7 If the reporting entity has assumed Separate Accounts business, how much, if any, reinsurance assumed receivable for reinsurance of Separate Accounts reserve expense allowances is included as a negative amount in the liability for "Transfers to Separate Accounts due or accrued (net)"? ..... \$ ..... 0

4.1 Are personnel or facilities of this reporting entity used by another entity or entities or are personnel or facilities of another entity or entities used by this reporting entity (except for activities such as administration of jointly underwritten group contracts and joint mortality or morbidity studies)? ..... Yes [ X ] No [ ]

4.2 Net reimbursement of such expenses between reporting entities:

4.21 Paid .....	\$ .....	331,800,960
4.22 Received .....	\$ .....	269,791,398

5.1 Does the reporting entity write any guaranteed interest contracts? ..... Yes [ ] No [ X ]

5.2 If yes, what amount pertaining to these lines is included in:

5.21 Page 3, Line 1 .....	\$ .....	0
5.22 Page 4, Line 1 .....	\$ .....	0

6. FOR STOCK REPORTING ENTITIES ONLY:

6.1 Total amount paid in by stockholders as surplus funds since organization of the reporting entity: ..... \$ ..... 336,133,228

7. Total dividends paid stockholders since organization of the reporting entity:

7.11 Cash .....	\$ .....	2,416,728,000
7.12 Stock .....	\$ .....	0



ANNUAL STATEMENT FOR THE YEAR 2018 OF THE STANDARD INSURANCE COMPANY  
**GENERAL INTERROGATORIES**

8.1 Does the company reinsure any Workers' Compensation Carve-Out business defined as: ..... Yes [ ] No [ X ]  
 Reinsurance (including retrocessional reinsurance) assumed by life and health insurers of medical, wage loss and death benefits of the occupational illness and accident exposures, but not the employers liability exposures, of business originally written as workers' compensation insurance.

8.2 If yes, has the reporting entity completed the Workers' Compensation Carve-Out Supplement to the Annual Statement? ..... Yes [ ] No [ ]

8.3 If 8.1 is yes, the amounts of earned premiums and claims incurred in this statement are:

	1 Reinsurance Assumed	2 Reinsurance Ceded	3 Net Retained
8.31 Earned premium .....	0	0	0
8.32 Paid claims .....	0	0	0
8.33 Claim liability and reserve (beginning of year) .....	0	0	0
8.34 Claim liability and reserve (end of year) .....	0	0	0
8.35 Incurred claims .....	0	0	0

8.4 If reinsurance assumed included amounts with attachment points below \$1,000,000, the distribution of the amounts reported in Lines 8.31 and 8.34 for Column (1) are:

	Attachment Point	1 Earned Premium	2 Claim Liability and Reserve
8.41	<\$25,000	0	0
8.42	\$25,000 - 99,999	0	0
8.43	\$100,000 - 249,999	0	0
8.44	\$250,000 - 999,999	0	0
8.45	\$1,000,000 or more	0	0

8.5 What portion of earned premium reported in 8.31, Column 1 was assumed from pools? .....\$ 0

9. For reporting entities having sold annuities to another insurer where the insurer purchasing the annuities has obtained a release of liability from the claimant (payee) as the result of the purchase of an annuity from the reporting entity only:

9.1 Amount of loss reserves established by these annuities during the current year: .....\$ 0

9.2 List the name and location of the insurance company purchasing the annuities and the statement value on the purchase date of the annuities.

1	2 Statement Value on Purchase Date of Annuities (i.e., Present Value)
P&C Insurance Company And Location	

10.1 Do you act as a custodian for health savings accounts? ..... Yes [ ] No [ X ]

10.2 If yes, please provide the amount of custodial funds held as of the reporting date. ....\$ 0

10.3 Do you act as an administrator for health savings accounts? ..... Yes [ ] No [ X ]

10.4 If yes, please provide the balance of funds administered as of the reporting date. ....\$ 0

ANNUAL STATEMENT FOR THE YEAR 2018 OF THE STANDARD INSURANCE COMPANY  
**GENERAL INTERROGATORIES**

11.1 Are any of the captive affiliates reported on Schedule S, Part 3, authorized reinsurers? ..... Yes  No  N/A   
 11.2 If the answer to 11.1 is yes, please provide the following:

1 Company Name	2 NAIC Company Code	3 Domiciliary Jurisdiction	4 Reserve Credit	Assets Supporting Reserve Credit		
				5 Letters of Credit	6 Trust Agreements	7 Other
StanCap Insurance Company, Inc. ....	00000 .....	OR.....	.0	.0	.0	.0

12. Provide the following for individual ordinary life insurance\* policies (U.S. business only) for the current year (prior to reinsurance assumed or ceded):

12.1 Direct Premium Written .....\$ .....21,449,449  
 12.2 Total Incurred Claims .....\$ .....38,203,517  
 12.3 Number of Covered Lives .....24,177

*Ordinary Life Insurance Includes
Term (whether full underwriting, limited underwriting, jet issue, "short form app")
Whole Life (whether full underwriting, limited underwriting, jet issue, "short form app")
Variable Life (with or without secondary gurantee)
Universal Life (with or without secondary gurantee)
Variable Universal Life (with or without secondary gurantee)

13. Is the reporting entity licensed or chartered, registered, qualified, eligible or writing business in at least two states? ..... Yes  No

13.1 If no, does the reporting entity assume reinsurance business that covers risks residing in at least one state other than the state of domicile of the reporting entity? ..... Yes  No

**FIVE-YEAR HISTORICAL DATA**

Show amounts in whole dollars only, no cents; show percentages to one decimal place, i.e. 17.6.

\$000 omitted for amounts of life insurance

	1 2018	2 2017	3 2016	4 2015	5 2014
<b>Life Insurance in Force</b> (Exhibit of Life Insurance)					
1. Ordinary - whole life and endowment (Line 34, Col. 4) .....	1,714,714	1,805,078	1,471,732	1,541,709	1,644,301
2. Ordinary - term (Line 21, Col. 4, less Line 34, Col. 4) .....	275,554	339,239	777,708	805,172	831,594
3. Credit life (Line 21, Col. 6) .....	0	0	0	0	0
4. Group, excluding FEGLI/SGLI (Line 21, Col. 9 less Lines 43 & 44, Col. 4) .....	387,426,876	369,576,152	340,944,025	307,039,531	288,863,327
5. Industrial (Line 21, Col. 2) .....	0	0	0	0	0
6. FEGLI/SGLI (Lines 43 & 44, Col. 4) .....	0	0	0	0	0
7. Total (Line 21, Col. 10) .....	389,417,144	371,720,469	343,193,465	309,386,412	291,339,222
7.1 Total in force for which VM-20 deterministic/stochastic reserves are calculated .....	0	0	XXX	XXX	XXX
<b>New Business Issued</b> (Exhibit of Life Insurance)					
8. Ordinary - whole life and endowment (Line 34, Col. 2) .....	3,889	3,451	3,893	4,810	6,585
9. Ordinary - term (Line 2, Col. 4, less Line 34, Col. 2) .....	0	0	0	0	0
10. Credit life (Line 2, Col. 6) .....	0	0	0	0	0
11. Group (Line 2, Col. 9) .....	49,208,826	55,680,564	72,769,904	49,519,101	30,450,655
12. Industrial (Line 2, Col. 2) .....	0	0	0	0	0
13. Total (Line 2, Col. 10) .....	49,212,715	55,684,015	72,773,797	49,523,911	30,457,240
<b>Premium Income - Lines of Business</b> (Exhibit 1 - Part 1)					
14. Industrial life (Line 20.4, Col. 2) .....	0	0	0	0	0
15.1 Ordinary-life insurance (Line 20.4, Col. 3) .....	1,407,435	1,388,661	1,469,539	1,274,770	1,424,929
15.2 Ordinary-individual annuities (Line 20.4, Col. 4) .....	226,270,158	501,780,209	414,068,784	371,746,754	305,039,452
16. Credit life (group and individual) (Line 20.4, Col. 5) .....	0	0	0	0	0
17.1 Group life insurance (Line 20.4, Col. 6) .....	127,972,984	131,520,992	141,771,050	114,061,375	386,409,227
17.2 Group annuities (Line 20.4, Col. 7) .....	2,630,051,341	2,226,822,242	2,176,543,149	1,789,837,541	2,102,238,533
18.1 A & H-group (Line 20.4, Col. 8) .....	1,268,256,186	1,241,656,682	1,153,384,598	1,064,654,405	1,043,763,425
18.2 A & H-credit (group and individual) (Line 20.4, Col. 9) .....	0	0	0	0	0
18.3 A & H-other (Line 20.4, Col. 10) .....	205,103,104	197,092,344	188,559,268	186,799,140	180,973,632
19. Aggregate of all other lines of business (Line 20.4, Col. 11) .....	0	0	0	0	0
20. Total .....	4,459,061,208	4,300,261,130	4,075,796,389	3,528,373,985	4,019,849,198
<b>Balance Sheet (Pages 2 &amp; 3)</b>					
21. Total admitted assets excluding Separate Accounts business (Page 2, Line 26, Col. 3) .....	16,420,319,837	15,813,629,315	14,680,639,785	13,750,153,730	13,181,285,398
22. Total liabilities excluding Separate Accounts business (Page 3, Line 26) .....	15,126,339,249	14,705,260,107	13,640,268,447	12,665,125,810	12,029,500,817
23. Aggregate life reserves (Page 3, Line 1) .....	8,391,613,773	7,984,226,463	7,513,462,772	6,855,077,208	6,532,737,328
23.1 Excess VM-20 deterministic/stochastic reserve over NPR related to Line 7.1 .....	0	0	XXX	XXX	XXX
24. Aggregate A & H reserves (Page 3, Line 2) .....	4,148,383,554	4,091,729,264	4,008,024,780	3,928,838,845	3,897,451,397
25. Deposit-type contract funds (Page 3, Line 3) .....	1,475,480,813	1,386,555,387	1,122,644,841	865,845,379	682,885,619
26. Asset valuation reserve (Page 3, Line 24.01) .....	127,747,038	119,342,221	111,990,815	104,109,647	104,324,051
27. Capital (Page 3, Lines 29 and 30) .....	423,838,694	423,838,694	423,838,694	423,838,694	423,838,694
28. Surplus (Page 3, Line 37) .....	870,141,894	684,530,514	616,532,644	661,189,226	727,945,887
<b>Cash Flow (Page 5)</b>					
29. Net Cash from Operations (Line 11) .....	727,813,792	848,312,401	986,318,697	606,611,342	534,313,413
<b>Risk-Based Capital Analysis</b>					
30. Total adjusted capital .....	1,421,775,720	1,227,711,429	1,152,362,153	1,189,137,567	1,256,108,632
31. Authorized control level risk - based capital .....	155,596,049	150,801,179	151,972,375	144,795,573	139,622,936
<b>Percentage Distribution of Cash, Cash Equivalents and Invested Assets</b> (Page 2, Col. 3) (Line No. /Page 2, Line 12, Col. 3) x 100.0					
32. Bonds (Line 1) .....	56.2	54.5	55.9	56.3	55.8
33. Stocks (Lines 2.1 and 2.2) .....	0.2	0.3	0.2	0.2	0.0
34. Mortgage loans on real estate(Lines 3.1 and 3.2) .....	40.8	40.8	40.7	40.2	40.8
35. Real estate (Lines 4.1, 4.2 and 4.3) .....	0.5	0.4	0.3	0.2	0.3
36. Cash, cash equivalents and short-term investments (Line 5) .....	0.8	1.6	0.6	0.6	0.7
37. Contract loans (Line 6) .....	0.0	0.0	0.0	0.0	0.0
38. Derivatives (Page 2, Line 7) .....	0.0	0.1	0.1	0.1	0.1
39. Other invested assets (Line 8) .....	1.1	1.3	1.4	1.6	1.7
40. Receivables for securities (Line 9) .....	0.2	1.1	0.8	0.7	0.5
41. Securities lending reinvested collateral assets (Line 10) .....	0.0	0.0	0.0	0.0	0.0
42. Aggregate write-ins for invested assets (Line 11) .....	0.0	0.0	0.0	0.0	0.0
43. Cash, cash equivalents and invested assets (Line 12) .....	100.0	100.0	100.0	100.0	100.0

ANNUAL STATEMENT FOR THE YEAR 2018 OF THE STANDARD INSURANCE COMPANY

**FIVE-YEAR HISTORICAL DATA**

(Continued)

	1 2018	2 2017	3 2016	4 2015	5 2014
<b>Investments in Parent, Subsidiaries and Affiliates</b>					
44. Affiliated bonds (Schedule D Summary, Line 12, Col. 1) .....	0	0	0	0	0
45. Affiliated preferred stocks (Schedule D Summary, Line 18, Col. 1) .....	0	0	0	0	0
46. Affiliated common stocks (Schedule D Summary Line 24, Col. 1), .....	0	0	0	0	0
47. Affiliated short-term investments (subtotal included in Schedule DA Verification, Col. 5, Line 10) .....	0	0	0	0	0
48. Affiliated mortgage loans on real estate .....	0	0	0	0	0
49. All other affiliated .....	0	0	0	0	0
50. Total of above Lines 44 to 49 .....	0	0	0	0	0
51. Total Investment in Parent included in Lines 44 to 49 above .....	0	0	0	0	0
<b>Total Nonadmitted and Admitted Assets</b>					
52. Total nonadmitted assets (Page 2, Line 28, Col. 2) .....	185,819,615	172,207,993	240,305,497	197,959,939	161,456,907
53. Total admitted assets (Page 2, Line 28, Col. 3) .....	23,862,641,971	23,952,005,630	21,792,138,976	20,781,587,942	20,361,117,513
<b>Investment Data</b>					
54. Net investment income (Exhibit of Net Investment Income) .....	541,013,395	512,069,178	528,172,350	523,746,266	526,539,870
55. Realized capital gains (losses) (Page 4, Line 34, Column 1) .....	2,950,560	513,966	(28,107,333)	(19,815,480)	893,475
56. Unrealized capital gains (losses) (Page 4, Line 38, Column 1) .....	(9,197,686)	1,907,191	5,682,457	(8,812,049)	(1,796,419)
57. Total of above Lines 54, 55 and 56 .....	534,766,269	514,490,335	505,747,474	495,118,737	525,636,926
<b>Benefits and Reserve Increases (Page 6)</b>					
58. Total contract benefits - life (Lines 10, 11, 12, 13, 14 and 15 Col. 1, minus Lines 10, 11, 12, 13, 14 and 15 Cols. 9, 10 and 11) .....	2,863,023,952	2,764,025,435	2,628,064,505	2,191,559,279	2,248,395,576
59. Total contract benefits - A & H (Lines 13 & 14, Cols. 9, 10 & 11) .....	1,037,289,575	1,023,069,261	984,928,375	933,238,529	940,525,116
60. Increase in life reserves - other than group and annuities (Line 19, Cols. 2 and 3) .....	167,159	134,020	650,067	(578,852)	(105,031)
61. Increase in A & H reserves (Line 19, Cols. 9, 10 & 11) .....	56,654,288	83,704,484	79,185,936	31,387,448	(19,588,337)
62. Dividends to policyholders (Line 30, Col. 1) .....	100,148	100,949	97,370	96,291	90,153
<b>Operating Percentages</b>					
63. Insurance expense percent (Page 6, Col. 1, Lines 21, 22 & 23, less Line 6)/(Page 6, Col. 1, Line 1 plus Exhibit 7, Col. 2, Line 2) x 100.0 .....	13.0	13.8	13.2	13.9	13.1
64. Lapse percent (ordinary only) [(Exhibit of Life Insurance, Col. 4, Lines 14 & 15) / 1/2 (Exhibit of Life Insurance, Col. 4, Lines 1 & 21)] x 100.0 .....	6.3	3.7	3.6	4.1	4.8
65. A & H loss percent (Schedule H, Part 1, Lines 5 and 6, Col. 2) .....	74.2	76.9	79.3	77.1	73.6
66. A & H cost containment percent (Schedule H, Pt. 1, Line 4, Col. 2) .....	0.0	0.0	0.0	0.0	0.0
67. A & H expense percent excluding cost containment expenses (Schedule H, Pt. 1, Line 10, Col. 2) .....	34.9	35.2	34.1	33.5	30.9
<b>A &amp; H Claim Reserve Adequacy</b>					
68. Incurred losses on prior years' claims - group health (Schedule H, Part 3, Line 3.1 Col. 2) .....	3,116,980,698	3,093,552,792	3,079,320,740	3,058,482,372	3,105,845,947
69. Prior years' claim liability and reserve - group health (Schedule H, Part 3, Line 3.2 Col. 2) .....	3,241,050,678	3,188,617,032	3,134,541,504	3,118,757,888	3,168,960,691
70. Incurred losses on prior years' claims-health other than group (Schedule H, Part 3, Line 3.1 Col. 1 less Col. 2) .....	730,615,591	700,519,090	681,624,351	656,806,749	650,704,231
71. Prior years' claim liability and reserve-health other than group (Schedule H, Part 3, Line 3.2 Col. 1 less Col. 2) .....	672,837,079	654,971,385	633,784,795	631,621,844	609,456,315
<b>Net Gains From Operations After Federal Income Taxes by Lines of Business (Page 6, Line 33)</b>					
72. Industrial life (Col. 2) .....	0	0	0	0	0
73. Ordinary - life (Col. 3) .....	(419,467)	642,331	618,931	630,754	861,478
74. Ordinary - individual annuities (Col. 4) .....	827,723	32,062,986	31,749,522	2,809,486	14,543,182
75. Ordinary-supplementary contracts (Col. 5) .....	217,847	2,361,471	(337,728)	1,456,181	5,827,515
76. Credit life (Col. 6) .....	0	0	0	0	0
77. Group life (Col. 7) .....	68,364,894	78,082,053	58,228,081	59,781,990	56,424,695
78. Group annuities (Col. 8) .....	11,605,419	10,056,843	24,390,178	25,029,674	20,277,770
79. A & H-group (Col. 9) .....	25,397,016	10,955,394	10,414,375	40,372,566	87,211,980
80. A & H-credit (Col. 10) .....	0	0	0	0	0
81. A & H-other (Col. 11) .....	19,343,282	25,563,037	31,296,937	36,565,420	29,838,564
82. Aggregate of all other lines of business (Col. 12) .....	73,322,098	18,005,589	16,508,181	13,263,682	(6,516,322)
83. Total (Col. 1) .....	198,658,812	177,729,704	172,868,477	179,909,753	208,468,862

NOTE: If a party to a merger, have the two most recent years of this exhibit been restated due to a merger in compliance with the disclosure requirements of SSAP No. 3, Accounting Changes and Correction of Errors? Yes [ ] No [ ]  
 If no, please explain: .....



ANNUAL STATEMENT FOR THE YEAR 2018 OF THE STANDARD INSURANCE COMPANY

DIRECT BUSINESS IN THE STATE OF Oregon

DURING THE YEAR 2018

NAIC Group Code 1348

LIFE INSURANCE

NAIC Company Code 69019

Table with 5 columns: 1 Ordinary, 2 Credit Life (Group and Individual), 3 Group, 4 Industrial, 5 Total. Rows include Direct Premiums and Annuity Considerations, Direct Dividends to Policyholders, and Direct Claims and Benefits Paid.

Table with 10 columns: 1 No., 2 Amount, 3 No. of Ind. Pols. & Gr. Certifs., 4 Amount, 5 No. of Certifs., 6 Amount, 7 No., 8 Amount, 9 No., 10 Amount. Rows include Direct Death Benefits and Matured Endowments Incurred and Policy Exhibit.

(a) Includes Individual Credit Life Insurance prior year \$ 0, current year \$ 0. Includes Group Credit Life Insurance Loans less than or equal to 60 months at issue, prior year \$ 0, current year \$ 0. Loans greater than 60 months at issue BUT NOT GREATER THAN 120 MONTHS, prior year \$ 0, current year \$ 0.

ACCIDENT AND HEALTH INSURANCE

Table with 5 columns: 1 Direct Premiums, 2 Direct Premiums Earned, 3 Dividends Paid Or Credited On Direct Business, 4 Direct Losses Paid, 5 Direct Losses Incurred. Rows include Group Policies (b) and Individual Policies.

(b) For health business on indicated lines report: Number of persons insured under PPO managed care products 33,113 and number of persons insured under indemnity only products 6.



**ANNUAL STATEMENT FOR THE YEAR 2018 OF THE STANDARD INSURANCE COMPANY**

DIRECT BUSINESS IN THE STATE OF Grand Total

DURING THE YEAR 2018

NAIC Group Code 1348

**LIFE INSURANCE**

NAIC Company Code 69019

DIRECT PREMIUMS AND ANNUITY CONSIDERATIONS	1	2	3	4	5
	Ordinary	Credit Life (Group and Individual)	Group	Industrial	Total
1. Life insurance	21,449,449	0	900,860,322	0	922,309,772
2. Annuity considerations	650,725,826	0	1,890,171	0	652,615,997
3. Deposit-type contract funds	114,856,797	XXX	395,831	XXX	115,252,627
4. Other considerations	0	0	2,628,671,549	0	2,628,671,549
5. Totals (Sum of Lines 1 to 4)	787,032,072	0	3,531,817,874	0	4,318,849,946
<b>DIRECT DIVIDENDS TO POLICYHOLDERS</b>					
Life insurance:					
6.1 Paid in cash or left on deposit	2,036,039	0	0	0	2,036,039
6.2 Applied to pay renewal premiums	1,973,432	0	0	0	1,973,432
6.3 Applied to provide paid-up additions or shorten the endowment or premium-paying period	15,798,870	0	0	0	15,798,870
6.4 Other	390,065	0	0	0	390,065
6.5 Totals (Sum of Lines 6.1 to 6.4)	20,198,406	0	0	0	20,198,406
Annuities:					
7.1 Paid in cash or left on deposit	0	0	0	0	0
7.2 Applied to provide paid-up annuities	0	0	0	0	0
7.3 Other	0	0	0	0	0
7.4 Totals (Sum of Lines 7.1 to 7.3)	0	0	0	0	0
8. Grand Totals (Lines 6.5 plus 7.4)	20,198,406	0	0	0	20,198,406
<b>DIRECT CLAIMS AND BENEFITS PAID</b>					
9. Death benefits	41,152,380	0	704,456,821	0	745,609,201
10. Matured endowments	113,210	0	0	0	113,210
11. Annuity benefits	10,274,069	0	1,029,661,511	0	1,039,935,580
12. Surrender values and withdrawals for life contracts	554,233,413	0	1,260,334,132	0	1,814,567,545
13. Aggregate write-ins for miscellaneous direct claims and benefits paid	0	0	478,024	0	478,024
14. All other benefits, except accident and health	0	0	0	0	0
15. Totals	605,773,071	0	2,994,930,488	0	3,600,703,560
<b>DETAILS OF WRITE-INS</b>					
1301. Miscellaneous direct claims period certain	0	0	478,024	0	478,024
1302.					
1303.					
1398. Summary of Line 13 from overflow page	0	0	0	0	0
1399. Totals (Lines 1301 thru 1303 plus 1398) (Line 13 above)	0	0	478,024	0	478,024

DIRECT DEATH BENEFITS AND MATURED ENDOWMENTS INCURRED	Ordinary		Credit Life (Group and Individual)		Group		Industrial		Total	
	1	2	3	4	5	6	7	8	9	10
	No.	Amount	No. of Ind. Pols. & Gr. Certifs.	Amount	No. of Certifs.	Amount	No.	Amount	No.	Amount
16. Unpaid December 31, prior year	82	10,667,124	0	0	3,889	130,251,747	0	0	3,971	140,918,871
17. Incurred during current year	697	37,980,961	0	0	20,306	697,076,144	0	0	21,003	735,057,105
Settled during current year:										
18.1 By payment in full	670	41,265,590	0	0	20,473	703,158,071	0	0	21,143	744,423,661
18.2 By payment on compromised claims	0	0	0	0	15	1,061,750	0	0	15	1,061,750
18.3 Totals paid	670	41,265,590	0	0	20,488	704,219,821	0	0	21,158	745,485,411
18.4 Reduction by compromise	0	0	0	0	2	237,000	0	0	2	237,000
18.5 Amount rejected	0	0	0	0	3	180,000	0	0	3	180,000
18.6 Total settlements	670	41,265,590	0	0	20,493	704,636,821	0	0	21,163	745,902,411
19. Unpaid Dec. 31, current year (16+17-18.6)	109	7,382,495	0	0	3,702	122,691,069	0	0	3,811	130,073,565
<b>POLICY EXHIBIT</b>										
20. In force December 31, prior year	25,391	2,144,317,090	0 (a)	0	16,641	369,391,993,500	0	0	42,032	371,536,310,590
21. Issued during year	97	3,888,500	0	0	1,670	49,209,291,050	0	0	1,767	49,213,179,550
22. Other changes to in force (Net)	(1,583)	(157,937,664)	0	0	(2,086)	(32,607,514,100)	0	0	(3,669)	(32,765,451,764)
23. In force December 31 of current year	23,905	1,990,267,926	0 (a)	0	16,225	385,993,770,450	0	0	40,130	387,984,038,376

(a) Includes Individual Credit Life Insurance prior year \$ 0 , current year \$ 0  
 Includes Group Credit Life Insurance Loans less than or equal to 60 months at issue, prior year \$ 0 , current year \$ 0  
 Loans greater than 60 months at issue BUT NOT GREATER THAN 120 MONTHS, prior year \$ 0 , current year \$ 0

**ACCIDENT AND HEALTH INSURANCE**

	1	2	3	4	5
	Direct Premiums	Direct Premiums Earned	Dividends Paid Or Credited On Direct Business	Direct Losses Paid	Direct Losses Incurred
24. Group Policies (b)	1,358,997,790	1,355,969,292	0	947,898,088	987,942,903
24.1 Federal Employees Health Benefits Plan premium (b)	0	0	0	0	0
24.2 Credit (Group and Individual)	0	0	0	0	0
24.3 Collectively renewable policies (b)	0	0	0	0	0
24.4 Medicare Title XVIII exempt from state taxes or fees	0	0	0	0	0
Other Individual Policies:					
25.1 Non-cancelable (b)	196,591,596	194,875,709	0	47,870,972	85,692,868
25.2 Guaranteed renewable (b)	53,574,835	53,073,833	0	16,770,523	30,832,687
25.3 Non-renewable for stated reasons only (b)	0	0	0	0	0
25.4 Other accident only	0	0	0	0	0
25.5 All other (b)	0	0	0	0	0
25.6 Totals (sum of Lines 25.1 to 25.5)	250,166,431	247,949,542	0	64,641,495	116,525,555
26. Totals (Lines 24 + 24.1 + 24.2 + 24.3 + 24.4 + 25.6)	1,609,164,221	1,603,918,834	0	1,012,539,582	1,104,468,458

(b) For health business on indicated lines report: Number of persons insured under PPO managed care products 388,027 and number of persons insured under indemnity only products 12 .

ANNUAL STATEMENT FOR THE YEAR 2018 OF THE STANDARD INSURANCE COMPANY

**EXHIBIT OF LIFE INSURANCE**

(\$000 Omitted for Amounts of Life Insurance)

	Industrial		Ordinary		Credit Life (Group and Individual)		Group			10 Total Amount of Insurance
	1	2	3	4	5	6	8		9	
	Number of Policies	Amount of Insurance	Number of Policies	Amount of Insurance	Number of Individual Policies and Group Certificates	Amount of Insurance	Number of Policies	Certificates	Amount of Insurance	
1. In force end of prior year	0	0	25,391	2,144,317	0	0	16,804	4,450,388	369,576,152	371,720,469
2. Issued during year	0	0	97	3,889	0	0	1,669	487,853	49,208,826	49,212,715
3. Reinsurance assumed	0	0	0	0	0	0	819	24,250	1,256,160	1,256,160
4. Revived during year	0	0	4	47	0	0	0	0	0	47
5. Increased during year (net)	0	0	0	3,362	0	0	(141)	(33,777)	(3,469,082)	(3,465,720)
6. Subtotals, Lines 2 to 5	0	0	101	7,298	0	0	2,347	478,326	46,995,904	47,003,202
7. Additions by dividends during year	XXX	0	XXX	20,928	XXX	0	XXX	XXX	0	20,928
8. Aggregate write-ins for increases	0	0	0	0	0	0	0	0	0	0
9. Totals (Lines 1 and 6 to 8)	0	0	25,492	2,172,543	0	0	19,151	4,928,714	416,572,056	418,744,599
Deductions during year:										
10. Death	0	0	611	37,900	0	0	XXX	26,672	704,925	742,825
11. Maturity	0	0	15	449	0	0	XXX	0	0	449
12. Disability	0	0	0	0	0	0	XXX	0	0	0
13. Expiry	0	0	11	910	0	0	0	0	0	910
14. Surrender	0	0	625	61,186	0	0	0	0	0	61,186
15. Lapse	0	0	322	69,393	0	0	1,944	318,259	28,440,255	28,509,648
16. Conversion	0	0	3	650	0	0	XXX	XXX	XXX	650
17. Decreased (net)	0	0	0	11,787	0	0	0	0	0	11,787
18. Reinsurance	0	0	0	0	0	0	0	0	0	0
19. Aggregate write-ins for decreases	0	0	0	0	0	0	0	0	0	0
20. Totals (Lines 10 to 19)	0	0	1,587	182,275	0	0	1,944	344,931	29,145,180	29,327,455
21. In force end of year (Line 9 minus Line 20)	0	0	23,905	1,990,268	0	0	17,207	4,583,783	387,426,876	389,417,144
22. Reinsurance ceded end of year	XXX	0	XXX	1,968,327	XXX	0	XXX	XXX	384,321,382	386,289,709
23. Line 21 minus Line 22	XXX	0	XXX	21,941	XXX	(a)	XXX	XXX	3,105,494	3,127,435
<b>DETAILS OF WRITE-INS</b>										
0801.										
0802.										
0803.										
0898. Summary of remaining write-ins for Line 8 from overflow page	0	0	0	0	0	0	0	0	0	0
0899. TOTALS (Lines 0801 thru 0803 plus 0898) (Line 8 above)	0	0	0	0	0	0	0	0	0	0
1901.										
1902.										
1903.										
1998. Summary of remaining write-ins for Line 19 from overflow page	0	0	0	0	0	0	0	0	0	0
1999. TOTALS (Lines 1901 thru 1903 plus 1998) (Line 19 above)	0	0	0	0	0	0	0	0	0	0

(a) Group \$ .....0 ; Individual \$ .....0

25

ANNUAL STATEMENT FOR THE YEAR 2018 OF THE STANDARD INSURANCE COMPANY

**EXHIBIT OF LIFE INSURANCE**

(\$000 Omitted for Amounts of Life Insurance) (Continued)  
**ADDITIONAL INFORMATION ON INSURANCE IN FORCE END OF YEAR**

	Industrial		Ordinary	
	1 Number of Policies	2 Amount of Insurance	3 Number of Policies	4 Amount of Insurance
24. Additions by dividends .....	XXX	0	XXX	568,155
25. Other paid-up insurance .....	0	0	5,204	63,415
26. Debit ordinary insurance .....	XXX	XXX	0	0

**ADDITIONAL INFORMATION ON ORDINARY INSURANCE**

Term Insurance Excluding Extended Term Insurance	Issued During Year (Included in Line 2)		In Force End of Year (Included in Line 21)	
	1 Number of Policies	2 Amount of Insurance	3 Number of Policies	4 Amount of Insurance
27. Term policies - decreasing .....	0	0	0	0
28. Term policies - other .....	0	0	1,152	187,757
29. Other term insurance - decreasing .....	XXX	0	XXX	0
30. Other term insurance .....	XXX	0	XXX	15,017
31. Totals (Lines 27 to 30) .....	0	0	1,152	202,774
Reconciliation to Lines 2 and 21:				
32. Term additions .....	XXX	0	XXX	66,774
33. Totals, extended term insurance .....	XXX	XXX	64	6,007
34. Totals, whole life and endowment .....	97	3,889	22,689	1,714,714
35. Totals (Lines 31 to 34) .....	97	3,889	23,905	1,990,269

**CLASSIFICATION OF AMOUNT OF INSURANCE BY PARTICIPATING STATUS**

	Issued During Year (Included in Line 2)		In Force End of Year (Included in Line 21)	
	1 Non-Participating	2 Participating	3 Non-Participating	4 Participating
36. Industrial .....	0	0	0	0
37. Ordinary .....	3,889	0	661,811	1,328,457
38. Credit Life (Group and Individual) .....	0	0	0	0
39. Group .....	49,208,826	0	386,025,014	1,401,863
40. Totals (Lines 36 to 39) .....	49,212,715	0	386,686,825	2,730,320

**ADDITIONAL INFORMATION ON CREDIT LIFE AND GROUP INSURANCE**

	Credit Life		Group	
	1 Number of Individual Policies and Group Certificates	2 Amount of Insurance	3 Number of Certificates	4 Amount of Insurance
41. Amount of insurance included in Line 2 ceded to other companies .....	XXX	0	XXX	316,354
42. Number in force end of year if the number under shared groups is counted on a pro-rata basis .....	0	XXX	4,583,783	XXX
43. Federal Employees' Group Life Insurance included in Line 21 .....	0	0	0	0
44. Servicemen's Group Life Insurance included in Line 21 .....	0	0	0	0
45. Group Permanent Insurance included in Line 21 .....	0	0	0	0

**ADDITIONAL ACCIDENTAL DEATH BENEFITS**

46. Amount of additional accidental death benefits in force end of year under ordinary policies .....	14,233
---	--------

**BASIS OF CALCULATION OF ORDINARY TERM INSURANCE**

47. State basis of calculation of (47.1) decreasing term insurance contracts containing Family Income, Mortgage Repayment, etc., policies and riders and of (47.2) term insurance on wife and children under Family, Parent and Child, etc., policies and riders, including above.	
47.1 .....	
47.2 .....	

**NONE**

**POLICIES WITH DISABILITY PROVISIONS**

Disability Provisions	Industrial		Ordinary		Credit		Group	
	1 Number of Policies	2 Amount of Insurance	3 Number of Policies	4 Amount of Insurance	5 Number of Policies	6 Amount of Insurance	7 Number of Certi- ficates	8 Amount of Ins- urance
48. Waiver of Premium .....	0	0	1,818	143,148	0	0	16,815	330,880,622
49. Disability Income .....	0	0	0	0	0	0	0	0
50. Extended Benefits .....	0	0	XXX	XXX	0	0	0	0
51. Other .....	0	0	0	0	0	0	0	0
52. Total .....	0	(a) 0	1,818	(a) 143,148	0	(a) 0	16,815	(a) 330,880,622

(a) See the Annual Audited Financial Reports section of the annual statement instructions



ANNUAL STATEMENT FOR THE YEAR 2018 OF THE STANDARD INSURANCE COMPANY  
**EXHIBIT OF NUMBER OF POLICIES, CONTRACTS, CERTIFICATES, INCOME PAYABLE AND ACCOUNT VALUES IN FORCE FOR SUPPLEMENTARY CONTRACTS, ANNUITIES, ACCIDENT & HEALTH AND OTHER POLICIES**

**SUPPLEMENTARY CONTRACTS**

	Ordinary		Group	
	1 Involving Life Contingencies	2 Not Involving Life Contingencies	3 Involving Life Contingencies	4 Not Involving Life Contingencies
1. In force end of prior year	1,720	6,134	0	41
2. Issued during year	54	943	0	3
3. Reinsurance assumed	0	0	0	0
4. Increased during year (net)	0	0	0	0
5. Total (Lines 1 to 4)	1,774	7,077	0	44
Deductions during year:				
6. Decreased (net)	98	458	0	1
7. Reinsurance ceded	462	0	0	0
8. Totals (Lines 6 and 7)	560	458	0	1
9. In force end of year	1,214	6,619	0	43
10. Amount on deposit	0	(a) 286,745,934	0	(a) 2,551,602
11. Income now payable	1,215	745	0	43
12. Amount of income payable	(a) 4,496,690	(a) 10,182,229	(a) 0	(a) 467,114

**ANNUITIES**

	Ordinary		Group	
	1 Immediate	2 Deferred	3 Contracts	4 Certificates
1. In force end of prior year	4,111	35,742	3,035	9,671
2. Issued during year	718	5,082	597	6,812
3. Reinsurance assumed	0	0	0	0
4. Increased during year (net)	0	0	0	0
5. Totals (Lines 1 to 4)	4,829	40,824	3,632	16,483
Deductions during year:				
6. Decreased (net)	344	4,308	184	5,264
7. Reinsurance ceded	0	6,608	0	0
8. Totals (Lines 6 and 7)	344	10,916	184	5,264
9. In force end of year	4,485	29,908	3,448	11,219
Income now payable:				
10. Amount of income payable	(a) 98,579,880	XXX	XXX	(a) 5,630,925
Deferred fully paid:				
11. Account balance	XXX	(a) 2,890,784,611	XXX	(a) 199,789
Deferred not fully paid:				
12. Account balance	XXX	(a) 66,799,852	XXX	(a) 0

**ACCIDENT AND HEALTH INSURANCE**

	Group		Credit		Other	
	1 Certificates	2 Premiums in Force	3 Policies	4 Premiums in Force	5 Policies	6 Premiums in Force
1. In force end of prior year	35,293	1,409,779,070	0	0	131,549	268,410,625
2. Issued during year	4,707	184,518,889	0	0	9,908	25,322,454
3. Reinsurance assumed	348	(929,252)	0	0	0	(2,890,323)
4. Increased during year (net)	(1,145)	XXX	0	XXX	0	XXX
5. Totals (Lines 1 to 4)	39,203	XXX	0	XXX	141,457	XXX
Deductions during year:						
6. Conversions	0	XXX	XXX	XXX	XXX	XXX
7. Decreased (net)	3,409	XXX	0	XXX	8,721	XXX
8. Reinsurance ceded	0	XXX	0	XXX	0	XXX
9. Totals (Lines 6 to 8)	3,409	XXX	0	XXX	8,721	XXX
10. In force end of year	35,794	(a) 1,447,111,306	0	(a) 0	132,736	(a) 277,806,127

**DEPOSIT FUNDS AND DIVIDEND ACCUMULATIONS**

	1	2
	Deposit Funds Contracts	Dividend Accumulations Contracts
1. In force end of prior year	138	26
2. Issued during year	1	0
3. Reinsurance assumed	0	0
4. Increased during year (net)	688	3,051
5. Totals (Lines 1 to 4)	827	3,077
Deductions During Year:		
6. Decreased (net)	0	2
7. Reinsurance ceded	688	3,051
8. Totals (Lines 6 and 7)	688	3,053
9. In force end of year	139	24
10. Amount of account balance	(a) 886,176,260	(a) 55,029

(a) See the Annual Audited Financial Reports section of the annual statement instructions.

**ANNUAL STATEMENT FOR THE YEAR 2018 OF THE STANDARD INSURANCE COMPANY  
FORM FOR CALCULATING THE INTEREST MAINTENANCE RESERVE**

**INTEREST MAINTENANCE RESERVE**

	1 Amount
1. Reserve as of December 31, Prior Year .....	14,588,808
2. Current year's realized pre-tax capital gains/(losses) of \$ .....(13,431,033) transferred into the reserve net of taxes of \$ .....(2,820,517) .....	(10,610,516)
3. Adjustment for current year's liability gains/(losses) released from the reserve .....	6,028,876
4. Balance before reduction for amount transferred to Summary of Operations (Line 1 + Line 2 + Line 3) .....	10,007,168
5. Current year's amortization released to Summary of Operations (Amortization, Line 1, Column 4) .....	5,449,246
6. Reserve as of December 31, current year (Line 4 minus Line 5)	4,557,922

**AMORTIZATION**

	1	2	3	4
Year of Amortization	Reserve as of December 31, Prior Year	Current Year's Realized Capital Gains/(Losses) Transferred into the Reserve Net of Taxes	Adjustment for Current Year's Liability Gains/(Losses) Released From the Reserve	Balance Before Reduction for Current Year's Amortization (Cols. 1 + 2 + 3)
1. 2018 .....	5,172,752	(23,543)	300,038	5,449,246
2. 2019 .....	3,754,842	(1,222,913)	626,439	3,158,368
3. 2020 .....	2,560,017	(1,160,943)	622,791	2,021,865
4. 2021 .....	1,898,468	(1,046,879)	571,359	1,422,949
5. 2022 .....	1,467,663	(933,846)	521,145	1,054,962
6. 2023 .....	1,132,293	(818,810)	470,157	783,640
7. 2024 .....	824,406	(695,972)	406,423	534,857
8. 2025 .....	561,671	(589,919)	344,011	315,763
9. 2026 .....	310,798	(472,939)	274,997	112,856
10. 2027 .....	100,045	(349,637)	202,979	(46,613)
11. 2028 .....	2,751	(221,794)	127,010	(92,032)
12. 2029 .....	(7,991)	(167,004)	94,549	(80,445)
13. 2030 .....	(36,560)	(169,085)	96,479	(109,166)
14. 2031 .....	(90,857)	(179,534)	102,585	(167,806)
15. 2032 .....	(137,161)	(185,537)	106,350	(216,347)
16. 2033 .....	(182,363)	(194,047)	112,146	(264,264)
17. 2034 .....	(208,715)	(195,421)	111,262	(292,874)
18. 2035 .....	(224,681)	(186,988)	104,039	(307,630)
19. 2036 .....	(248,242)	(181,143)	97,775	(331,609)
20. 2037 .....	(269,941)	(174,028)	90,478	(353,491)
21. 2038 .....	(285,303)	(164,650)	82,546	(367,406)
22. 2039 .....	(312,719)	(161,884)	77,942	(396,660)
23. 2040 .....	(325,056)	(165,060)	77,388	(412,728)
24. 2041 .....	(308,024)	(164,055)	74,518	(397,561)
25. 2042 .....	(244,610)	(169,792)	74,658	(339,743)
26. 2043 .....	(174,318)	(169,111)	72,112	(271,317)
27. 2044 .....	(105,060)	(157,217)	65,814	(196,463)
28. 2045 .....	(36,380)	(125,132)	52,383	(109,130)
29. 2046 .....	814	(89,838)	37,608	(51,417)
30. 2047 .....	268	(54,545)	22,834	(31,443)
31. 2048 and Later	0	(19,251)	8,059	(11,192)
32. Total (Lines 1 to 31)	14,588,808	(10,610,516)	6,028,876	10,007,167

ANNUAL STATEMENT FOR THE YEAR 2018 OF THE STANDARD INSURANCE COMPANY

**ASSET VALUATION RESERVE**

	Default Component			Equity Component			7 Total Amount (Cols. 3 + 6)
	1 Other Than Mortgage Loans	2 Mortgage Loans	3 Total (Cols. 1 + 2)	4 Common Stock	5 Real Estate and Other Invested Assets	6 Total (Cols. 4 + 5)	
1. Reserve as of December 31, prior year .....	66,432,562	50,830,586	117,263,148	77,356	2,001,717	2,079,073	119,342,221
2. Realized capital gains/(losses) net of taxes - General Account .....	6,160,069	(5,228,484)	931,585	0	84,113	84,113	1,015,698
3. Realized capital gains/(losses) net of taxes - Separate Accounts .....	0	0	0	0	0	0	0
4. Unrealized capital gains/(losses) net of deferred taxes - General Account .....	(11,481,161)	2,282,316	(9,198,846)	0	0	0	(9,198,846)
5. Unrealized capital gains/(losses) net of deferred taxes - Separate Accounts .....	0	0	0	0	0	0	0
6. Capital gains credited/(losses charged) to contract benefits, payments or reserves .....	0	0	0	0	0	0	0
7. Basic contribution .....	15,107,067	11,138,433	26,245,500	0	1,080,941	1,080,941	27,326,441
8. Accumulated balances (Lines 1 through 5 - 6 + 7) .....	76,218,536	59,022,851	135,241,387	77,356	3,166,772	3,244,127	138,485,515
9. Maximum reserve .....	68,973,923	54,653,320	123,627,244	287,784	8,644,320	8,932,104	132,559,348
10. Reserve objective .....	47,765,013	42,070,364	89,835,377	179,865	7,442,599	7,622,464	97,457,841
11. 20% of (Line 10 - Line 8) .....	(5,690,705)	(3,390,497)	(9,081,202)	20,502	855,165	875,667	(8,205,535)
12. Balance before transfers (Lines 8 + 11) .....	70,527,832	55,632,353	126,160,185	97,858	4,021,937	4,119,795	130,279,980
13. Transfers .....	0	0	0	0	0	0	0
14. Voluntary contribution .....	0	0	0	0	0	0	0
15. Adjustment down to maximum/up to zero .....	(1,553,909)	(979,033)	(2,532,942)	0	0	0	(2,532,942)
16. Reserve as of December 31, current year (Lines 12 + 13 + 14 + 15)	68,973,923	54,653,320	123,627,243	97,858	4,021,937	4,119,795	127,747,038

ANNUAL STATEMENT FOR THE YEAR 2018 OF THE STANDARD INSURANCE COMPANY

**ASSET VALUATION RESERVE  
BASIC CONTRIBUTION, RESERVE OBJECTIVE AND MAXIMUM RESERVE CALCULATIONS  
DEFAULT COMPONENT**

Line Number	NAIC Designation	Description	1 Book/Adjusted Carrying Value	2 Reclassify Related Party Encumbrances	3 Add Third Party Encumbrances	4 Balance for AVR Reserve Calculations (Cols. 1 + 2 + 3)	Basic Contribution		Reserve Objective		Maximum Reserve	
							5 Factor	6 Amount (Cols.4 x 5)	7 Factor	8 Amount (Cols. 4 x 7)	9 Factor	10 Amount (Cols. 4 x 9)
<b>LONG-TERM BONDS</b>												
1.		Exempt Obligations	25,588,716	XXX	XXX	25,588,716	0.0000	0	0.0000	0	0.0000	0
2.	1	Highest Quality	5,522,385,229	XXX	XXX	5,522,385,229	0.0004	2,208,954	0.0023	12,701,486	0.0030	16,567,156
3.	2	High Quality	2,785,889,536	XXX	XXX	2,785,889,536	0.0019	5,293,190	0.0058	16,158,159	0.0090	25,073,006
4.	3	Medium Quality	320,869,846	XXX	XXX	320,869,846	0.0093	2,984,090	0.0230	7,380,006	0.0340	10,909,575
5.	4	Low Quality	200,540,401	XXX	XXX	200,540,401	0.0213	4,271,511	0.0530	10,628,641	0.0750	15,040,530
6.	5	Lower Quality	7,956,082	XXX	XXX	7,956,082	0.0432	343,703	0.1100	875,169	0.1700	1,352,534
7.	6	In or Near Default	0	XXX	XXX	0	0.0000	0	0.2000	0	0.2000	0
8.		Total Unrated Multi-class Securities Acquired by Conversion	0	XXX	XXX	0	XXX	0	XXX	0	XXX	0
9.		Total Long-Term Bonds (Sum of Lines 1 through 8)	8,863,229,810	XXX	XXX	8,863,229,810	XXX	15,101,447	XXX	47,743,462	XXX	68,942,800
<b>PREFERRED STOCK</b>												
10.	1	Highest Quality	0	XXX	XXX	0	0.0004	0	0.0023	0	0.0030	0
11.	2	High Quality	2,100,000	XXX	XXX	2,100,000	0.0019	3,990	0.0058	12,180	0.0090	18,900
12.	3	Medium Quality	0	XXX	XXX	0	0.0093	0	0.0230	0	0.0340	0
13.	4	Low Quality	0	XXX	XXX	0	0.0213	0	0.0530	0	0.0750	0
14.	5	Lower Quality	0	XXX	XXX	0	0.0432	0	0.1100	0	0.1700	0
15.	6	In or Near Default	0	XXX	XXX	0	0.0000	0	0.2000	0	0.2000	0
16.		Affiliated Life with AVR	0	XXX	XXX	0	0.0000	0	0.0000	0	0.0000	0
17.		Total Preferred Stocks (Sum of Lines 10 through 16)	2,100,000	XXX	XXX	2,100,000	XXX	3,990	XXX	12,180	XXX	18,900
<b>SHORT - TERM BONDS</b>												
18.		Exempt Obligations	0	XXX	XXX	0	0.0000	0	0.0000	0	0.0000	0
19.	1	Highest Quality	0	XXX	XXX	0	0.0004	0	0.0023	0	0.0030	0
20.	2	High Quality	0	XXX	XXX	0	0.0019	0	0.0058	0	0.0090	0
21.	3	Medium Quality	0	XXX	XXX	0	0.0093	0	0.0230	0	0.0340	0
22.	4	Low Quality	0	XXX	XXX	0	0.0213	0	0.0530	0	0.0750	0
23.	5	Lower Quality	0	XXX	XXX	0	0.0432	0	0.1100	0	0.1700	0
24.	6	In or Near Default	0	XXX	XXX	0	0.0000	0	0.2000	0	0.2000	0
25.		Total Short - Term Bonds (Sum of Lines 18 through 24)	0	XXX	XXX	0	XXX	0	XXX	0	XXX	0
<b>DERIVATIVE INSTRUMENTS</b>												
26.		Exchange Traded	0	XXX	XXX	0	0.0004	0	0.0023	0	0.0030	0
27.	1	Highest Quality	4,074,385	XXX	XXX	4,074,385	0.0004	1,630	0.0023	9,371	0.0030	12,223
28.	2	High Quality	0	XXX	XXX	0	0.0019	0	0.0058	0	0.0090	0
29.	3	Medium Quality	0	XXX	XXX	0	0.0093	0	0.0230	0	0.0340	0
30.	4	Low Quality	0	XXX	XXX	0	0.0213	0	0.0530	0	0.0750	0
31.	5	Lower Quality	0	XXX	XXX	0	0.0432	0	0.1100	0	0.1700	0
32.	6	In or Near Default	0	XXX	XXX	0	0.0000	0	0.2000	0	0.2000	0
33.		Total Derivative Instruments	4,074,385	XXX	XXX	4,074,385	XXX	1,630	XXX	9,371	XXX	12,223
34.		Total (Lines 9 + 17 + 25 + 33)	8,869,404,195	XXX	XXX	8,869,404,195	XXX	15,107,067	XXX	47,765,013	XXX	68,973,923

**ASSET VALUATION RESERVE (Continued)**  
**BASIC CONTRIBUTION, RESERVE OBJECTIVE AND MAXIMUM RESERVE CALCULATIONS**  
**DEFAULT COMPONENT**

Line Number	NAIC Designation	Description	1 Book/Adjusted Carrying Value	2 Reclassify Related Party Encumbrances	3 Add Third Party Encumbrances	4 Balance for AVR Reserve Calculations (Cols. 1 + 2 + 3)	Basic Contribution		Reserve Objective		Maximum Reserve	
							5 Factor	6 Amount (Cols. 4 x 5)	7 Factor	8 Amount (Cols. 4 x 7)	9 Factor	10 Amount (Cols. 4 x 9)
MORTGAGE LOANS												
In Good Standing:												
35.		Farm Mortgages - CM1 - Highest Quality .....	0	0	XXX	0	0.0010	0	0.0050	0	0.0065	0
36.		Farm Mortgages - CM2 - High Quality .....	0	0	XXX	0	0.0035	0	0.0100	0	0.0130	0
37.		Farm Mortgages - CM3 - Medium Quality .....	0	0	XXX	0	0.0060	0	0.0175	0	0.0225	0
38.		Farm Mortgages - CM4 - Low Medium Quality .....	0	0	XXX	0	0.0105	0	0.0300	0	0.0375	0
39.		Farm Mortgages - CM5 - Low Quality .....	0	0	XXX	0	0.0160	0	0.0425	0	0.0550	0
40.		Residential Mortgages - Insured or Guaranteed .....	0	0	XXX	0	0.0003	0	0.0006	0	0.0010	0
41.		Residential Mortgages - All Other .....	77,832	0	XXX	77,832	0.0013	101	0.0030	233	0.0040	311
42.		Commercial Mortgages - Insured or Guaranteed .....	0	0	XXX	0	0.0003	0	0.0006	0	0.0010	0
43.		Commercial Mortgages - All Other - CM1 - Highest Quality .....	4,773,830,285	0	XXX	4,773,830,285	0.0010	4,773,830	0.0050	23,869,151	0.0065	31,029,897
44.		Commercial Mortgages - All Other - CM2 - High Quality .....	1,496,755,234	0	XXX	1,496,755,234	0.0035	5,238,643	0.0100	14,967,552	0.0130	19,457,818
45.		Commercial Mortgages - All Other - CM3 - Medium Quality .....	152,651,065	0	XXX	152,651,065	0.0060	915,906	0.0175	2,671,394	0.0225	3,434,649
46.		Commercial Mortgages - All Other - CM4 - Low Medium Quality .....	14,667,935	0	XXX	14,667,935	0.0105	154,013	0.0300	440,038	0.0375	550,048
47.		Commercial Mortgages - All Other - CM5 - Low Quality .....	0	0	XXX	0	0.0160	0	0.0425	0	0.0550	0
Overdue, Not in Process:												
48.		Farm Mortgages .....	0	0	XXX	0	0.0420	0	0.0760	0	0.1200	0
49.		Residential Mortgages - Insured or Guaranteed .....	0	0	XXX	0	0.0005	0	0.0012	0	0.0020	0
50.		Residential Mortgages - All Other .....	0	0	XXX	0	0.0025	0	0.0058	0	0.0090	0
51.		Commercial Mortgages - Insured or Guaranteed .....	0	0	XXX	0	0.0005	0	0.0012	0	0.0020	0
52.		Commercial Mortgages - All Other .....	1,331,876	0	XXX	1,331,876	0.0420	55,939	0.0760	101,223	0.1200	159,825
In Process of Foreclosure:												
53.		Farm Mortgages .....	0	0	XXX	0	0.0000	0	0.1700	0	0.1700	0
54.		Residential Mortgages - Insured or Guaranteed .....	0	0	XXX	0	0.0000	0	0.0040	0	0.0040	0
55.		Residential Mortgages - All Other .....	0	0	XXX	0	0.0000	0	0.0130	0	0.0130	0
56.		Commercial Mortgages - Insured or Guaranteed .....	0	0	XXX	0	0.0000	0	0.0040	0	0.0040	0
57.		Commercial Mortgages - All Other .....	122,190	0	XXX	122,190	0.0000	0	0.1700	20,772	0.1700	20,772
58.		Total Schedule B Mortgages (Sum of Lines 35 through 57)	6,439,436,417	0	XXX	6,439,436,417	XXX	11,138,433	XXX	42,070,364	XXX	54,653,320
59.		Schedule DA Mortgages	0	0	XXX	0	0.0030	0	0.0100	0	0.0130	0
60.		Total Mortgage Loans on Real Estate (Lines 58 + 59)	6,439,436,417	0	XXX	6,439,436,417	XXX	11,138,433	XXX	42,070,364	XXX	54,653,320

**ASSET VALUATION RESERVE**  
**BASIC CONTRIBUTION, RESERVE OBJECTIVE AND MAXIMUM RESERVE CALCULATIONS**  
**EQUITY AND OTHER INVESTED ASSET COMPONENT**

Line Number	NAIC Designation	Description	1 Book/Adjusted Carrying Value	2 Reclassify Related Party Encumbrances	3 Add Third Party Encumbrances	4 Balance for AVR Reserve Calculations (Cols. 1 + 2 + 3)	Basic Contribution		Reserve Objective		Maximum Reserve	
							5 Factor	6 Amount (Cols. 4 x 5)	7 Factor	8 Amount (Cols. 4 x 7)	9 Factor	10 Amount (Cols. 4 x 9)
<b>COMMON STOCK</b>												
1.		Unaffiliated - Public .....	.0	XXX	XXX	.0	0.0000	.0	0.1300 (a)	.0	0.1300 (a)	.0
2.		Unaffiliated - Private .....	.0	XXX	XXX	.0	0.0000	.0	0.1600	.0	0.1600	.0
3.		Federal Home Loan Bank .....	35,973,000	XXX	XXX	35,973,000	0.0000	.0	0.0050	179,865	0.0080	287,784
4.		Affiliated - Life with AVR .....	.0	XXX	XXX	.0	0.0000	.0	0.0000	.0	0.0000	.0
Affiliated - Investment Subsidiary:												
5.		Fixed Income - Exempt Obligations .....	.0	.0	.0	.0	XXX	.0	XXX	.0	XXX	.0
6.		Fixed Income - Highest Quality .....	.0	.0	.0	.0	XXX	.0	XXX	.0	XXX	.0
7.		Fixed Income - High Quality .....	.0	.0	.0	.0	XXX	.0	XXX	.0	XXX	.0
8.		Fixed Income - Medium Quality .....	.0	.0	.0	.0	XXX	.0	XXX	.0	XXX	.0
9.		Fixed Income - Low Quality .....	.0	.0	.0	.0	XXX	.0	XXX	.0	XXX	.0
10.		Fixed Income - Lower Quality .....	.0	.0	.0	.0	XXX	.0	XXX	.0	XXX	.0
11.		Fixed Income - In/Near Default .....	.0	.0	.0	.0	XXX	.0	XXX	.0	XXX	.0
12.		Unaffiliated Common Stock - Public .....	.0	.0	.0	.0	0.0000	.0	0.1300 (a)	.0	0.1300 (a)	.0
13.		Unaffiliated Common Stock - Private .....	.0	.0	.0	.0	0.0000	.0	0.1600	.0	0.1600	.0
14.		Real Estate .....	.0	.0	.0	.0	0.0000 (b)	.0	0.0000 (b)	.0	0.0000 (b)	.0
15.		Affiliated - Certain Other (See SVO Purposes and Procedures Manual) .....	.0	XXX	XXX	.0	0.0000	.0	0.1300	.0	0.1300	.0
16.		Affiliated - All Other .....	.0	XXX	XXX	.0	0.0000	.0	0.1600	.0	0.1600	.0
17.		<b>Total Common Stock (Sum of Lines 1 through 16)</b>	<b>35,973,000</b>	<b>0</b>	<b>0</b>	<b>35,973,000</b>	<b>XXX</b>	<b>0</b>	<b>XXX</b>	<b>179,865</b>	<b>XXX</b>	<b>287,784</b>
<b>REAL ESTATE</b>												
18.		Home Office Property (General Account only) .....	61,209,950	.0	.0	61,209,950	0.0000	.0	0.0750	4,590,746	0.0750	4,590,746
19.		Investment Properties .....	10,568,318	.0	.0	10,568,318	0.0000	.0	0.0750	792,624	0.0750	792,624
20.		Properties Acquired in Satisfaction of Debt .....	.0	.0	.0	.0	0.0000	.0	0.1100	.0	0.1100	.0
21.		<b>Total Real Estate (Sum of Lines 18 through 20)</b>	<b>71,778,268</b>	<b>0</b>	<b>0</b>	<b>71,778,268</b>	<b>XXX</b>	<b>0</b>	<b>XXX</b>	<b>5,383,370</b>	<b>XXX</b>	<b>5,383,370</b>
<b>OTHER INVESTED ASSETS</b>												
<b>INVESTMENTS WITH THE UNDERLYING CHARACTERISTICS OF BONDS</b>												
22.		Exempt Obligations .....	.0	XXX	XXX	.0	0.0000	.0	0.0000	.0	0.0000	.0
23.	1	Highest Quality .....	.0	XXX	XXX	.0	0.0004	.0	0.0023	.0	0.0030	.0
24.	2	High Quality .....	.0	XXX	XXX	.0	0.0019	.0	0.0058	.0	0.0090	.0
25.	3	Medium Quality .....	.0	XXX	XXX	.0	0.0093	.0	0.0230	.0	0.0340	.0
26.	4	Low Quality .....	.0	XXX	XXX	.0	0.0213	.0	0.0530	.0	0.0750	.0
27.	5	Lower Quality .....	.0	XXX	XXX	.0	0.0432	.0	0.1100	.0	0.1700	.0
28.	6	In or Near Default .....	.0	XXX	XXX	.0	0.0000	.0	0.2000	.0	0.2000	.0
29.		<b>Total with Bond Characteristics (Sum of Lines 22 through 28)</b>	<b>0</b>	<b>XXX</b>	<b>XXX</b>	<b>0</b>	<b>XXX</b>	<b>0</b>	<b>XXX</b>	<b>0</b>	<b>XXX</b>	<b>0</b>

**ASSET VALUATION RESERVE (Continued)**  
**BASIC CONTRIBUTION, RESERVE OBJECTIVE AND MAXIMUM RESERVE CALCULATIONS**  
**EQUITY AND OTHER INVESTED ASSET COMPONENT**

Line Number	NAIC Designation	Description	1 Book/Adjusted Carrying Value	2 Reclassify Related Party Encumbrances	3 Add Third Party Encumbrances	4 Balance for AVR Reserve Calculations (Cols. 1 + 2 + 3)	Basic Contribution		Reserve Objective		Maximum Reserve	
							5 Factor	6 Amount (Cols. 4 x 5)	7 Factor	8 Amount (Cols. 4 x 7)	9 Factor	10 Amount (Cols. 4 x 9)
INVESTMENTS WITH THE UNDERLYING CHARACTERISTICS OF PREFERRED STOCKS												
30.	1	Highest Quality .....	0	XXX	XXX	0	0.0004	0	0.0023	0	0.0030	0
31.	2	High Quality .....	0	XXX	XXX	0	0.0019	0	0.0058	0	0.0090	0
32.	3	Medium Quality .....	0	XXX	XXX	0	0.0093	0	0.0230	0	0.0340	0
33.	4	Low Quality .....	0	XXX	XXX	0	0.0213	0	0.0530	0	0.0750	0
34.	5	Lower Quality .....	0	XXX	XXX	0	0.0432	0	0.1100	0	0.1700	0
35.	6	In or Near Default .....	0	XXX	XXX	0	0.0000	0	0.2000	0	0.2000	0
36.		Affiliated Life with AVR .....	0	XXX	XXX	0	0.0000	0	0.0000	0	0.0000	0
37.		Total with Preferred Stock Characteristics (Sum of Lines 30 through 36)	0	XXX	XXX	0	XXX	0	XXX	0	XXX	0
INVESTMENTS WITH THE UNDERLYING CHARACTERISTICS OF MORTGAGE LOANS												
In Good Standing Affiliated:												
38.		Mortgages - CM1 - Highest Quality .....	0	0	XXX	0	0.0010	0	0.0050	0	0.0065	0
39.		Mortgages - CM2 - High Quality .....	0	0	XXX	0	0.0035	0	0.0100	0	0.0130	0
40.		Mortgages - CM3 - Medium Quality .....	0	0	XXX	0	0.0060	0	0.0175	0	0.0225	0
41.		Mortgages - CM4 - Low Medium Quality .....	0	0	XXX	0	0.0105	0	0.0300	0	0.0375	0
42.		Mortgages - CM5 - Low Quality .....	0	0	XXX	0	0.0160	0	0.0425	0	0.0550	0
43.		Residential Mortgages - Insured or Guaranteed .....	0	0	XXX	0	0.0003	0	0.0006	0	0.0010	0
44.		Residential Mortgages - All Other .....	0	XXX	XXX	0	0.0013	0	0.0030	0	0.0040	0
45.		Commercial Mortgages - Insured or Guaranteed .....	0	0	XXX	0	0.0003	0	0.0006	0	0.0010	0
Overdue, Not in Process Affiliated:												
46.		Farm Mortgages .....	0	0	XXX	0	0.0420	0	0.0760	0	0.1200	0
47.		Residential Mortgages - Insured or Guaranteed .....	0	0	XXX	0	0.0005	0	0.0012	0	0.0020	0
48.		Residential Mortgages - All Other .....	0	0	XXX	0	0.0025	0	0.0058	0	0.0090	0
49.		Commercial Mortgages - Insured or Guaranteed .....	0	0	XXX	0	0.0005	0	0.0012	0	0.0020	0
50.		Commercial Mortgages - All Other .....	0	0	XXX	0	0.0420	0	0.0760	0	0.1200	0
In Process of Foreclosure Affiliated:												
51.		Farm Mortgages .....	0	0	XXX	0	0.0000	0	0.1700	0	0.1700	0
52.		Residential Mortgages - Insured or Guaranteed .....	0	0	XXX	0	0.0000	0	0.0040	0	0.0040	0
53.		Residential Mortgages - All Other .....	0	0	XXX	0	0.0000	0	0.0130	0	0.0130	0
54.		Commercial Mortgages - Insured or Guaranteed .....	0	0	XXX	0	0.0000	0	0.0040	0	0.0040	0
55.		Commercial Mortgages - All Other .....	0	0	XXX	0	0.0000	0	0.1700	0	0.1700	0
56.		Total Affiliated (Sum of Lines 38 through 55)	0	0	XXX	0	XXX	0	XXX	0	XXX	0
57.		Unaffiliated - In Good Standing With Covenants .....	0	0	XXX	0	0.0000 (c)	0	0.0000 (c)	0	0.0000 (c)	0
58.		Unaffiliated - In Good Standing Defeased With Government Securities .....	0	0	XXX	0	0.0010	0	0.0050	0	0.0065	0
59.		Unaffiliated - In Good Standing Primarily Senior .....	0	0	XXX	0	0.0035	0	0.0010	0	0.0130	0
60.		Unaffiliated - In Good Standing All Other .....	0	0	XXX	0	0.0060	0	0.0175	0	0.0225	0
61.		Unaffiliated - Overdue, Not in Process .....	0	0	XXX	0	0.0420	0	0.0760	0	0.1200	0
62.		Unaffiliated - In Process of Foreclosure .....	0	0	XXX	0	0.0000	0	0.1700	0	0.1700	0
63.		Total Unaffiliated (Sum of Lines 57 through 62)	0	0	XXX	0	XXX	0	XXX	0	XXX	0
64.		Total with Mortgage Loan Characteristics (Lines 56 + 63)	0	0	XXX	0	XXX	0	XXX	0	XXX	0

**ASSET VALUATION RESERVE (Continued)**  
**BASIC CONTRIBUTION, RESERVE OBJECTIVE AND MAXIMUM RESERVE CALCULATIONS**  
**EQUITY AND OTHER INVESTED ASSET COMPONENT**

Line Number	NAIC Designation	Description	1 Book/Adjusted Carrying Value	2 Reclassify Related Party Encumbrances	3 Add Third Party Encumbrances	4 Balance for AVR Reserve Calculations (Cols. 1 + 2 + 3)	Basic Contribution		Reserve Objective		Maximum Reserve	
							5 Factor	6 Amount (Cols. 4 x 5)	7 Factor	8 Amount (Cols. 4 x 7)	9 Factor	10 Amount (Cols. 4 x 9)
INVESTMENTS WITH THE UNDERLYING CHARACTERISTICS OF COMMON STOCK												
65.		Unaffiliated Public .....	.0	XXX	XXX	.0	0.0000	.0	0.1300 (a)	.0	0.1300 (a)	.0
66.		Unaffiliated Private .....	.0	XXX	XXX	.0	0.0000	.0	0.1600	.0	0.1600	.0
67.		Affiliated Life with AVR .....	.0	XXX	XXX	.0	0.0000	.0	0.0000	.0	0.0000	.0
68.		Affiliated Certain Other (See SVO Purposes & Procedures Manual) .....	.0	XXX	XXX	.0	0.0000	.0	0.1300	.0	0.1300	.0
69.		Affiliated Other - All Other .....	0	XXX	XXX	0	0.0000	0	0.1600	0	0.1600	0
70.		Total with Common Stock Characteristics (Sum of Lines 65 through 69)	0	XXX	XXX	0	XXX	0	XXX	0	XXX	0
INVESTMENTS WITH THE UNDERLYING CHARACTERISTICS OF REAL ESTATE												
71.		Home Office Property (General Account only) .....	.0	.0	.0	.0	0.0000	.0	0.0750	.0	0.0750	.0
72.		Investment Properties .....	.0	.0	.0	.0	0.0000	.0	0.0750	.0	0.0750	.0
73.		Properties Acquired in Satisfaction of Debt .....	0	0	0	0	0.0000	0	0.1100	0	0.1100	0
74.		Total with Real Estate Characteristics (Sum of Lines 71 through 73)	0	0	0	0	XXX	0	XXX	0	XXX	0
LOW INCOME HOUSING TAX CREDIT INVESTMENTS												
75.		Guaranteed Federal Low Income Housing Tax Credit .....	10,128,807	.0	.0	10,128,807	0.0003	3,039	0.0006	6,077	0.0010	10,129
76.		Non-guaranteed Federal Low Income Housing Tax Credit .....	169,945,621	.0	.0	169,945,621	0.0063	1,070,657	0.0120	2,039,347	0.0190	3,228,967
77.		Guaranteed State Low Income Housing Tax Credit .....	.0	.0	.0	.0	0.0003	.0	0.0006	.0	0.0010	.0
78.		Non-guaranteed State Low Income Housing Tax Credit .....	1,150,034	.0	.0	1,150,034	0.0063	7,245	0.0120	13,800	0.0190	21,851
79.		All Other Low Income Housing Tax Credit .....	0	0	0	0	0.0273	0	0.0600	0	0.0975	0
80.		Total LIHTC (Sum of Lines 75 through 79)	181,224,462	0	0	181,224,462	XXX	1,080,941	XXX	2,059,225	XXX	3,260,946
ALL OTHER INVESTMENTS												
81.		NAIC 1 Working Capital Finance Investments .....	.0	XXX	.0	.0	0.0000	.0	0.0037	.0	0.0037	.0
82.		NAIC 2 Working Capital Finance Investments .....	.0	XXX	.0	.0	0.0000	.0	0.0120	.0	0.0120	.0
83.		Other Invested Assets - Schedule BA .....	30	XXX	.0	30	0.0000	.0	0.1300	.4	0.1300	.4
84.		Other Short-Term Invested Assets - Schedule DA .....	0	XXX	0	0	0.0000	0	0.1300	0	0.1300	0
85.		Total All Other (Sum of Lines 81, 82, 83 and 84) .....	30	XXX	0	30	XXX	0	XXX	4	XXX	4
86.		Total Other Invested Assets - Schedules BA & DA (Sum of Lines 29, 37, 64, 70, 74, 80 and 85)	181,224,492	0	0	181,224,492	XXX	1,080,941	XXX	2,059,229	XXX	3,260,950

(a) Times the company's weighted average portfolio beta (Minimum .10, Maximum .20).  
 (b) Determined using the same factors and breakdowns used for directly owned real estate.  
 (c) This will be the factor associated with the risk category determined in the company generated worksheet.



**ASSET VALUATION RESERVE (Continued)**

**BASIC CONTRIBUTION, RESERVE OBJECTIVE AND MAXIMUM RESERVE CALCULATIONS REPLICATIONS (SYNTHETIC) ASSETS**

1 RSAT Number	2 Type	3 CUSIP	4 Description of Asset(s)	5 NAIC Designation or Other Description of Asset	6 Value of Asset	7 AVR Basic Contribution	8 AVR Reserve Objective	9 AVR Maximum Reserve
<b>NONE</b>								
0599999 - Total								

ANNUAL STATEMENT FOR THE YEAR 2018 OF THE STANDARD INSURANCE COMPANY

**SCHEDULE F**

Showing all claims for death losses and all other contract claims resisted or compromised during the year, and all claims for death losses and all other contract claims resisted December 31 of current year

1	2	3	4	5	6	7	8
Contract Numbers	Claim Numbers	State of Residence of Claimant	Year of Claim for Death or Disability	Amount Claimed	Amount Paid During the Year	Amount Resisted Dec. 31 of Current Year	Why Compromised or Resisted
152507	D07913	PA	2016	105,000	72,500	0	Insufficient information received
609781	D73838	IA	2014	65,000	65,000	0	Beneficiary designation
608217	D85433	WA	2014	335,500	20,000	0	Not eligible
648852	E15371	NJ	2016	223,000	0	0	Partial denial
750983	E29091	NC	2017	70,000	0	0	EOL not approved
156883	E41086	NM	2017	50,000	0	0	EOL not approved
754503	E42412	TX	2017	50,000	0	0	Not eligible
649345	E43026	AL	2017	110,000	0	0	Not eligible
111480	E43121	KY	2017	67,000	0	0	Not eligible
643197	E43842	AL	2017	178,000	0	0	Not eligible
645548	E44900	OK	2017	20,000	22,500	0	EOL not approved
646909	E45033	TX	2017	50,000	10,000	0	Manner of death
646909	E45033	TX	2017	50,000	10,000	0	Partial denial
134415	E51214	NM	2017	50,000	32,500	0	Partial denial
153968	E56786	IL	2017	10,000	0	0	Does not meet age requirement
642682	E57687	NV	2018	112,500	12,500	0	Not eligible
753440	E58032	UT	2018	48,000	48,000	0	Beneficiary designation
639678	E59830	VA	2018	2,500	2,500	0	Policy exclusion
753441	E60101	CA	2018	943,000	593,000	0	Partial denial
645743	E64046	NM	2018	60,000	10,000	0	Not eligible
646089	E65609	TX	2018	5,000	5,000	0	Not eligible
503144	E66617	CA	2018	50,000	0	0	Not insured
753788	E67566	WI	2018	12,250	12,250	0	Not a member
110334	E70568	FL	2018	100,000	0	0	Not insured
641733	E71838	PA	2018	194,000	146,000	0	Partial denial
750961	E74212	MO	2018	30,000	0	0	Not insured
0399999. Death Claims - Group				2,990,750	1,061,750	0	XXX
0599999. Death Claims - Disposed Of				2,990,750	1,061,750	0	XXX
608088	E07061	MT	2016	250,000	475,000	0	Manner of death
750989	E21528	FL	2016	300,000	90,000	0	Policy exclusion
750986	E40933	OK	2017	170,000	120,000	0	Policy exclusion
140881	E47367	GA	2017	149,000	0	0	Policy exclusion
503093	E48075	CA	2017	15,000	0	0	Policy exclusion
645549	E48116	NM	2017	138,554	0	0	Policy exclusion
649315	E50835	RI	2017	249,000	249,000	0	Policy exclusion
754515	E51307	MD	2017	103,000	103,000	0	Policy exclusion
647896	E52305	OH	2017	15,000	15,000	0	Policy exclusion
136847	E53764	CO	2017	51,000	46,000	0	Policy exclusion
647393	E55110	LA	2017	300,000	0	0	Policy exclusion
751005	E57341	AL	2017	48,000	0	0	Policy exclusion
752598	E58658	CA	2017	50,000	50,000	0	Policy exclusion
754407	E58679	TX	2017	50,000	0	0	Manner of death
643851	E61466	LA	2018	60,000	0	0	Not eligible
156971	E64953	IL	2018	250,000	150,000	0	Partial denial
648852	E69452	FL	2017	718,000	0	0	Not a covered loss
0899999. Additional Accidental Death Benefits-Group				2,916,554	1,298,000	0	XXX
1099999. Additional Accidental Death Benefits Claims - Disposed Of				2,916,554	1,298,000	0	XXX
1599999. Disability Benefits Claims - Disposed Of				0	0	0	XXX
2099999. Matured Endowments Claims - Disposed Of				0	0	0	XXX
2599999. Annuities with Life Contingency Claims - Disposed Of				0	0	0	XXX
2699999. Claims Disposed of During Current Year				5,907,304	2,359,750	0	XXX
643621	B24436	LA	2005	125,000	0	85,000	Partial denial
642894	D73457	OK	2014	220,000	132,000	132,000	EOL not approved
148233	E37525	WI	2017	100,000	0	100,000	Partial denial
638075	E65654	CT	2018	225,000	105,000	120,000	Partial denial
753781	E71164	PA	2016	57,000	0	57,000	Member not insured
750961	E74212	FL	2018	30,000	0	30,000	EOL not approved
2999999. Death Claims - Group				757,000	237,000	524,000	XXX
3199999. Death Claims - Resisted				757,000	237,000	524,000	XXX
630363	E13110	CA	2016	500,000	0	500,000	Policy exclusion
649143	E31804	MS	2016	200,000	0	200,000	Policy exclusion
648219	E56192	SD	2018	75,000	37,500	37,500	Policy exclusion
162343	E58831	MA	2018	37,000	0	37,000	Policy exclusion
160619	E64026	TX	2018	649,000	0	649,000	Policy exclusion
125163	E68307	KY	2018	30,000	0	15,000	Policy exclusion
752564	E74541	MO	2018	300,000	0	300,000	Policy exclusion
643129	E75940	MT	2018	150,000	0	150,000	Policy exclusion
3499999. Additional Accidental Death Benefits-Group				1,941,000	37,500	1,888,500	XXX
3699999. Additional Accidental Death Benefits Claims - Resisted				1,941,000	37,500	1,888,500	XXX
4199999. Disability Benefits Claims - Resisted				0	0	0	XXX
4699999. Matured Endowments Claims - Resisted				0	0	0	XXX
5199999. Annuities with Life Contingencies Claims - Resisted				0	0	0	XXX
5299999. Claims Resisted During Current Year				2,698,000	274,500	2,412,500	XXX
5399999 - Totals				8,605,304	2,634,250	2,412,500	XXX

ANNUAL STATEMENT FOR THE YEAR 2018 OF THE STANDARD INSURANCE COMPANY

**SCHEDULE H - ACCIDENT AND HEALTH EXHIBIT**

	Total		Group Accident and Health		Credit Accident and Health (Group and Individual)		Collectively Renewable		Other Individual Contracts											
	1 Amount	2 %	3 Amount	4 %	5 Amount	6 %	7 Amount	8 %	Non-Cancelable		Guaranteed Renewable		Non-Renewable for Stated Reasons Only		Other Accident Only		All Other			
									9 Amount	10 %	11 Amount	12 %	13 Amount	14 %	15 Amount	16 %	17 Amount	18 %		
<b>PART 1. - ANALYSIS OF UNDERWRITING OPERATIONS</b>																				
1. Premiums written	1,472,054,202	XXX	1,266,436,355	XXX	0	XXX	0	XXX	166,752,036	XXX	38,865,811	XXX	0	XXX	0	XXX	0	XXX	0	XXX
2. Premiums earned	1,472,271,818	XXX	1,268,256,185	XXX	0	XXX	0	XXX	165,473,855	XXX	38,541,778	XXX	0	XXX	0	XXX	0	XXX	0	XXX
3. Incurred claims	1,080,363,994	73.4	944,528,466	74.5	0	0.0	0	0.0	110,923,501	67.0	24,912,027	64.6	0	0.0	0	0.0	0	0.0	0	0.0
4. Cost containment expenses	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
5. Incurred claims and cost containment expenses (Lines 3 and 4)	1,080,363,994	73.4	944,528,466	74.5	0	0.0	0	0.0	110,923,501	67.0	24,912,027	64.6	0	0.0	0	0.0	0	0.0	0	0.0
6. Increase in contract reserves	12,492,393	0.8	0	0.0	0	0.0	0	0.0	7,757,983	4.7	4,734,410	12.3	0	0.0	0	0.0	0	0.0	0	0.0
7. Commissions (a)	103,169,263	7.0	72,582,475	5.7	0	0.0	0	0.0	24,521,737	14.8	6,065,051	15.7	0	0.0	0	0.0	0	0.0	0	0.0
8. Other general insurance expenses	365,240,438	24.8	327,289,600	25.8	0	0.0	0	0.0	30,425,570	18.4	7,525,268	19.5	0	0.0	0	0.0	0	0.0	0	0.0
9. Taxes, licenses and fees	45,424,506	3.1	38,559,027	3.0	0	0.0	0	0.0	5,567,769	3.4	1,297,710	3.4	0	0.0	0	0.0	0	0.0	0	0.0
10. Total other expenses incurred	513,834,207	34.9	438,431,102	34.6	0	0.0	0	0.0	60,515,076	36.6	14,888,029	38.6	0	0.0	0	0.0	0	0.0	0	0.0
11. Aggregate write-ins for deductions	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
12. Gain from underwriting before dividends or refunds	(134,418,776)	(9.1)	(114,703,383)	(9.0)	0	0.0	0	0.0	(13,722,705)	(8.3)	(5,992,688)	(15.5)	0	0.0	0	0.0	0	0.0	0	0.0
13. Dividends or refunds	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
14. Gain from underwriting after dividends or refunds	(134,418,776)	(9.1)	(114,703,383)	(9.0)	0	0.0	0	0.0	(13,722,705)	(8.3)	(5,992,688)	(15.5)	0	0.0	0	0.0	0	0.0	0	0.0
<b>DETAILS OF WRITE-INS</b>																				
1101.																				
1102.																				
1103.																				
1198. Summary of remaining write-ins for Line 11 from overflow page	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
1199. Totals (Lines 1101 thru 1103 plus 1198)(Line 11 above)	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0

(a) Includes \$ 0 reported as "Contract, membership and other fees retained by agents."

ANNUAL STATEMENT FOR THE YEAR 2018 OF THE STANDARD INSURANCE COMPANY  
**SCHEDULE H - ACCIDENT AND HEALTH EXHIBIT (Continued)**

	1 Total	2 Group Accident and Health	3 Credit Accident and Health (Group and Individual)	4 Collectively Renewable	Other Individual Contracts				
					5 Non-Cancelable	6 Guaranteed Renewable	7 Non-Renewable for Stated Reasons Only	8 Other Accident Only	9 All Other
<b>PART 2. - RESERVES AND LIABILITIES</b>									
<b>A. Premium Reserves:</b>									
1. Unearned premiums .....	27,260,950	0	0	0	20,117,357	7,143,593	0	0	0
2. Advance premiums .....	20,859,997	18,388,511	0	0	2,203,867	267,619	0	0	0
3. Reserve for rate credits .....	24,030,368	24,030,368	0	0	0	0	0	0	0
4. Total premium reserves, current year .....	72,151,315	42,418,879	0	0	22,321,224	7,411,212	0	0	0
5. Total premium reserves, prior year .....	72,368,931	44,238,709	0	0	21,043,043	7,087,179	0	0	0
6. Increase in total premium reserves .....	(217,616)	(1,819,830)	0	0	1,278,181	324,033	0	0	0
<b>B. Contract Reserves:</b>									
1. Additional reserves (a) .....	237,477,532	0	0	0	187,990,152	49,487,380	0	0	0
2. Reserve for future contingent benefits .....	0	0	0	0	0	0	0	0	0
3. Total contract reserves, current year .....	237,477,532	0	0	0	187,990,152	49,487,380	0	0	0
4. Total contract reserves, prior year .....	224,985,139	0	0	0	180,232,169	44,752,970	0	0	0
5. Increase in contract reserves .....	12,492,393	0	0	0	7,757,983	4,734,410	0	0	0
<b>C. Claim Reserves and Liabilities:</b>									
1. Total current year .....	3,955,189,424	3,254,741,788	0	0	619,764,157	80,683,479	0	0	0
2. Total prior year .....	3,913,887,757	3,241,050,678	0	0	602,727,249	70,109,830	0	0	0
3. Increase .....	41,301,667	13,691,110	0	0	17,036,908	10,573,649	0	0	0

<b>PART 3. - TEST OF PRIOR YEAR'S CLAIM RESERVES AND LIABILITIES</b>									
<b>1. Claims paid during the year:</b>									
1.1 On claims incurred prior to current year .....	730,709,660	625,864,744	0	0	91,625,689	13,219,227	0	0	0
1.2 On claims incurred during current year .....	308,352,667	304,972,612	0	0	2,260,904	1,119,151	0	0	0
<b>2. Claim reserves and liabilities, December 31, current year:</b>									
2.1 On claims incurred prior to current year .....	3,116,886,629	2,491,115,954	0	0	565,337,114	60,433,561	0	0	0
2.2 On claims incurred during current year .....	838,302,795	763,625,834	0	0	54,427,043	20,249,918	0	0	0
<b>3. Test:</b>									
3.1 Lines 1.1 and 2.1 .....	3,847,596,289	3,116,980,698	0	0	656,962,803	73,652,788	0	0	0
3.2 Claim reserves and liabilities, December 31, prior year .....	3,913,887,757	3,241,050,678	0	0	602,727,249	70,109,830	0	0	0
3.3 Line 3.1 minus Line 3.2 .....	(66,291,468)	(124,069,980)	0	0	54,235,554	3,542,958	0	0	0

<b>PART 4. - REINSURANCE</b>									
<b>A. Reinsurance Assumed:</b>									
1. Premiums written .....	86,183,176	60,983,173	0	0	25,160,136	39,867	0	0	0
2. Premiums earned .....	86,924,899	61,417,296	0	0	25,467,498	40,105	0	0	0
3. Incurred claims .....	94,254,358	37,916,336	0	0	56,319,101	18,921	0	0	0
4. Commissions .....	2,456,458	0	0	0	2,452,564	3,894	0	0	0
<b>B. Reinsurance Ceded:</b>									
1. Premiums written .....	218,525,673	149,117,248	0	0	54,836,265	14,572,160	0	0	0
2. Premiums earned .....	218,571,915	149,130,403	0	0	54,869,352	14,572,160	0	0	0
3. Incurred claims .....	118,358,153	81,330,105	0	0	31,088,467	5,939,581	0	0	0
4. Commissions .....	40,899,992	18,180,549	0	0	17,893,860	4,825,583	0	0	0

(a) Includes \$ .....0 premium deficiency reserve.

ANNUAL STATEMENT FOR THE YEAR 2018 OF THE STANDARD INSURANCE COMPANY  
**SCHEDULE H - PART 5 - HEALTH CLAIMS**

	1 Medical	2 Dental	3 Other	4 Total
<b>A. Direct:</b>				
1. Incurred Claims .....	0	103,785,334	1,000,682,456	1,104,467,790
2. Beginning Claim Reserves and Liabilities .....	0	6,335,667	3,351,065,330	3,357,400,997
3. Ending Claim Reserves and Liabilities .....	0	7,098,155	3,442,231,050	3,449,329,205
4. Claims Paid	0	103,022,846	909,516,736	1,012,539,582
<b>B. Assumed Reinsurance:</b>				
5. Incurred Claims.....	0	0	94,254,358	94,254,358
6. Beginning Claim Reserves and Liabilities .....	0	0	745,203,859	745,203,859
7. Ending Claim Reserves and Liabilities .....	0	0	711,503,372	711,503,372
8. Claims Paid	0	0	127,954,845	127,954,845
<b>C. Ceded Reinsurance:</b>				
9. Incurred Claims.....	0	25,373,453	92,984,700	118,358,153
10. Beginning Claim Reserves and Liabilities .....	0	3,170,534	198,920,767	202,091,301
11. Ending Claim Reserves and Liabilities .....	0	3,534,054	221,761,269	225,295,323
12. Claims Paid	0	25,009,933	70,144,198	95,154,131
<b>D. Net:</b>				
13. Incurred Claims.....	0	78,411,881	1,001,952,114	1,080,363,995
14. Beginning Claim Reserves and Liabilities .....	0	3,165,133	3,897,348,422	3,900,513,555
15. Ending Claim Reserves and Liabilities .....	0	3,564,101	3,931,973,153	3,935,537,254
16. Claims Paid	0	78,012,913	967,327,383	1,045,340,296
<b>E. Net Incurred Claims and Cost Containment Expenses:</b>				
17. Incurred Claims and Cost Containment Expenses .....	0	78,411,881	1,001,952,114	1,080,363,995
18. Beginning Reserves and Liabilities .....	0	3,165,133	3,897,348,421	3,900,513,554
19. Ending Reserves and Liabilities .....	0	3,564,101	3,931,973,154	3,935,537,255
20. Paid Claims and Cost Containment Expenses	0	78,012,913	967,327,381	1,045,340,294

ANNUAL STATEMENT FOR THE YEAR 2018 OF THE STANDARD INSURANCE COMPANY

**SCHEDULE S - PART 1 - SECTION 1**

Reinsurance Assumed Life Insurance, Annuities, Deposit Funds and Other Liabilities Without Life or Disability Contingencies, and Related Benefits Listed by Reinsured Company as of December 31, Current Year

1 NAIC Company Code	2 ID Number	3 Effective Date	4 Name of Reinsured	5 Domiciliary Jurisdiction	6 Type of Reinsurance Assumed	7 Type of Business Assumed	8 Amount of In Force at End of Year	9 Reserve	10 Premiums	11 Reinsurance Payable on Paid and Unpaid Losses	12 Modified Coinsurance Reserve	13 Funds Withheld Under Coinsurance
0399999. Total General Account - U.S. Affiliates							0	0	0	0	0	0
0699999. Total General Account - Non-U.S. Affiliates							0	0	0	0	0	0
0799999. Total General Account - Affiliates							0	0	0	0	0	0
67091	39-0509570	11/01/2017	Northwestern Mutual Life Insurance Company	WI	OTH/G	OL	1,401,863,100	576,748	1,680,156	351,949	0	0
68345	13-1624203	10/01/2002	TIAA-CREF Life Insurance Company	NY	CO/G	OL	31,243,988	15,295,190	0	17,000	0	0
0899999. General Account - U.S. Non-Affiliates							1,433,107,088	15,871,938	1,680,156	368,949	0	0
1099999. Total General Account - Non-Affiliates							1,433,107,088	15,871,938	1,680,156	368,949	0	0
1199999. Total General Account							1,433,107,088	15,871,938	1,680,156	368,949	0	0
1499999. Total Separate Accounts - U.S. Affiliates							0	0	0	0	0	0
1799999. Total Separate Accounts - Non-U.S. Affiliates							0	0	0	0	0	0
1899999. Total Separate Accounts - Affiliates							0	0	0	0	0	0
2199999. Total Separate Accounts - Non-Affiliates							0	0	0	0	0	0
2299999. Total Separate Accounts							0	0	0	0	0	0
2399999. Total U.S. (Sum of 0399999, 0899999, 1499999 and 1999999)							1,433,107,088	15,871,938	1,680,156	368,949	0	0
2499999. Total Non-U.S. (Sum of 0699999, 0999999, 1799999 and 2099999)							0	0	0	0	0	0
9999999 - Totals							1,433,107,088	15,871,938	1,680,156	368,949	0	0

ANNUAL STATEMENT FOR THE YEAR 2018 OF THE STANDARD INSURANCE COMPANY

**SCHEDULE S - PART 1 - SECTION 2**

Reinsurance Assumed Accident and Health Insurance Listed by Reinsured Company as of December 31, Current Year

1	2	3	4	5	6	7	8	9	10	11	12	13
NAIC Company Code	ID Number	Effective Date	Name of Reinsured	Domiciliary Jurisdiction	Type of Reinsurance Assumed	Type of Business Assumed	Premiums	Unearned Premiums	Reserve Liability Other Than for Unearned Premiums	Reinsurance Payable on Paid and Unpaid Losses	Modified Coinsurance Reserve	Funds Withheld Under Coinsurance
0399999. Total - U.S. Affiliates							0	0	0	0	0	0
0699999. Total - Non-U.S. Affiliates							0	0	0	0	0	0
0799999. Total - Affiliates							0	0	0	0	0	0
00000	22-2327144	01/01/1987	Zimmermann Line-Slip Co.	NJ	OTH/G	A	0	0	0	449,280	0	0
67091	39-0509570	01/01/1988	Northwestern Mutual Life Insurance Company	WI	OTH/G	LTDI	61,205,223	0	219,432,563	5,164,917	0	0
67091	39-0509570	11/01/2017	Northwestern Mutual Life Insurance Company	WI	OTH/G	A	212,073	0	0	29,374	0	0
69345	13-1624203	10/01/2002	TIAA-CREF Life Insurance Company	NY	CO/G	LTDI	0	0	88,278,712	12,500	0	0
66168	41-0417830	09/30/2000	Minnesota Mutual Life Insurance Company	MN	CO/I	LTDI	25,190,439	2,822,668	425,985,146	3,462,759	0	0
0899999. U.S. Non-Affiliates							86,607,735	2,822,668	733,696,421	9,118,830	0	0
1099999. Total - Non-Affiliates							86,607,735	2,822,668	733,696,421	9,118,830	0	0
1199999. Total U.S. (Sum of 0399999 and 0899999)							86,607,735	2,822,668	733,696,421	9,118,830	0	0
1299999. Total Non-U.S. (Sum of 0699999 and 0999999)							0	0	0	0	0	0
9999999 - Totals							86,607,735	2,822,668	733,696,421	9,118,830	0	0

ANNUAL STATEMENT FOR THE YEAR 2018 OF THE STANDARD INSURANCE COMPANY

**SCHEDULE S - PART 2**

Reinsurance Recoverable on Paid and Unpaid Losses Listed by Reinsuring Company as of December 31, Current Year

1 NAIC Company Code	2 ID Number	3 Effective Date	4 Name of Company	5 Domiciliary Jurisdiction	6 Paid Losses	7 Unpaid Losses
00000	46-5761825	09/30/2014	StanCap Insurance Company, Inc.	OR	145,997,612	0
0199999. Life and Annuity - U.S. Affiliates - Captive					145,997,612	0
0399999. Total Life and Annuity - U.S. Affiliates					145,997,612	0
0699999. Total Life and Annuity - Non-U.S. Affiliates					0	0
0799999. Total Life and Annuity - Affiliates					145,997,612	0
93572	43-1235868	01/01/1997	RG A Reinsurance Company	MO	0	603,909
97071	13-3126819	07/01/2014	SCOR Global Life USA Reinsurance Company	DE	0	258,818
66346	58-0828824	02/01/2000	Munich American Reassurance Co.	GA	0	22
82627	06-0839705	07/01/1978	Swiss Re Life & Health	MO	0	0
82627	06-0839705	01/01/1997	Swiss Re Life & Health	MO	0	0
37273	39-1338397	07/01/2015	AXIS Insurance Company	IL	0	0
16535	36-4233459	07/01/2015	Nexus Reinsurance Underwriting Managers LLC o/b/o Zurich American Insurance Company	NY	0	0
93572	43-1235868	07/01/2015	RG A Reinsurance Company	MO	0	0
84824	04-6145677	01/01/2018	Commonwealth Annuity and Life Insurance Company	MA	4,570,701	0
0899999. Life and Annuity - U.S. Non-Affiliates					4,570,701	862,749
00000	AA-1126510	07/01/2015	Lloyd's Underwriter Syndicate No. 0510 KLN	GBR	0	0
00000	AA-1127861	07/01/2015	Lloyd's Underwriter Syndicate No. 1861 ATL ex No. 1861 ANV	GBR	0	0
00000	AA-1129000	07/01/2015	Markel o/b/o Lloyd's Underwriter Syndicate No. 3000 MKL	GBR	0	0
00000	AA-1120064	07/01/2017	Lloyd's Underwriter Syndicate No. 1919 CVS	GBR	0	0
00000	AA-1120055	07/01/2015	Lloyd's Underwriter Syndicate No. 3623 AFB	GBR	0	0
00000	AA-1126005	07/01/2015	Lloyd's Underwriter Syndicate No. 4000 PEM	GBR	0	0
00000	AA-1126006	07/01/2015	Lloyd's Underwriter Syndicate No. 4472 LIB	GBR	0	0
00000	AA-1120090	07/01/2015	Lloyd's Underwriter Syndicate No. 4711 ASP	GBR	0	0
00000	AA-1120116	07/01/2017	Lloyd's Underwriter Syndicate No. 3902 NOA	GBR	0	0
00000	AA-1120080	07/01/2017	Lloyd's Underwriter Syndicate No. 5151 ENH ex. No. 5151 MAL	GBR	0	0
0999999. Life and Annuity - Non-U.S. Non-Affiliates					0	0
1099999. Total Life and Annuity - Non-Affiliates					4,570,701	862,749
1199999. Total Life and Annuity					150,568,313	862,749
00000	46-5761825	09/30/2014	StanCap Insurance Company, Inc.	OR	11,101,027	0
1299999. Accident and Health - U.S. Affiliates - Captive					11,101,027	0
1499999. Total Accident and Health - U.S. Affiliates					11,101,027	0
1799999. Total Accident and Health - Non-U.S. Affiliates					0	0
1899999. Total Accident and Health - Affiliates					11,101,027	0
76694	23-2044256	06/26/2001	London Life Reinsurance Company	PA	0	0
66346	58-0828824	02/01/2000	Munich American Reassurance Co.	GA	124,955	35,749
93572	43-1235868	07/01/1994	RG A Reinsurance Company	MO	2,037,363	1,872,457
61301	47-0098400	06/01/2002	Ameritas Life Insurance Corp.	NE	2,445,958	2,301,472
82627	06-0839705	07/01/1978	Swiss Re Life & Health	MO	84	0
97071	13-3126819	07/01/2014	SCOR Global Life USA Reinsurance Company Nexus Reinsurance Underwriting Managers LLC o/b/o Zurich American Insurance Company	DE	216,555	703,640
16535	36-4233459	07/01/2015	Company	NY	0	0
93572	43-1235868	07/01/2015	RG A Reinsurance Company	MO	0	0
66346	58-0828824	01/01/1999	Munich American Reassurance Company	GA	253,945	67,083
66346	58-0828824	11/01/2000	Munich American Reassurance Company	GA	1,155,120	574,578
66346	58-0828824	07/01/2005	Munich American Reassurance Company	GA	295,173	212,795
66346	58-0828824	07/01/2005	Munich American Reassurance Company	GA	699,973	402,469
66346	58-0828824	07/01/2001	Munich American Reassurance Company	GA	96,639	32,184
66346	58-0828824	06/01/1999	Munich American Reassurance Company	GA	35,652	1,837
67598	04-1768571	04/26/1974	Paul Revere Life	MA	18,606	2,620
66346	58-0828824	11/01/2010	Munich American Reassurance Company	GA	273,511	424,736
66346	58-0828824	11/01/2010	Munich American Reassurance Company	GA	135,836	188,996
66346	58-0828824	03/05/2013	Munich American Reassurance Company	GA	2,361	76,038
66346	58-0828824	01/01/2017	Munich American Reassurance Company	GA	12,995	7,136
66346	58-0828824	06/01/2017	Munich American Reassurance Company	GA	2,000	1,100
66346	58-0828824	10/01/2000	Munich American Reassurance Company	GA	333,530	33,243
66346	58-0828824	06/30/2002	Munich American Reassurance Company	GA	410,888	48,071
1999999. Accident and Health - U.S. Non-Affiliates					8,551,144	6,986,206
00000	AA-1126510	07/01/2015	Lloyd's Underwriter Syndicate No. 0510 KLN	GBR	0	0
00000	AA-1127861	07/01/2015	Lloyd's Underwriter Syndicate No. 1861 ATL ex No. 1861 ANV	GBR	0	0
00000	AA-1129000	07/01/2015	Markel o/b/o Lloyd's Underwriter Syndicate No. 3000 MKL	GBR	0	0
00000	AA-1120064	07/01/2017	Lloyd's Underwriter Syndicate No. 1919 CVS	GBR	0	0
00000	AA-1120055	07/01/2015	Lloyd's Underwriter Syndicate No. 3623 AFB	GBR	0	0
00000	AA-1126005	07/01/2015	Lloyd's Underwriter Syndicate No. 4000 PEM	GBR	0	0
00000	AA-1126006	07/01/2015	Lloyd's Underwriter Syndicate No. 4472 LIB	GBR	0	0
00000	AA-1120090	07/01/2015	Lloyd's Underwriter Syndicate No. 4711 ASP	GBR	0	0
00000	AA-1120116	07/01/2017	Lloyd's Underwriter Syndicate No. 3902 NOA	GBR	0	0
00000	AA-1120080	07/01/2017	Lloyd's Underwriter Syndicate No. 5151 ENH ex. No. 5151 MAL	GBR	0	0
2099999. Accident and Health - Non-U.S. Non-Affiliates					0	0
2199999. Total Accident and Health - Non-Affiliates					8,551,144	6,986,206
2299999. Total Accident and Health					19,652,171	6,986,206
2399999. Total U.S. (Sum of 0399999, 0899999, 1499999 and 1999999)					170,220,484	7,848,955
2499999. Total Non-U.S. (Sum of 0699999, 0999999, 1799999 and 2099999)					0	0
9999999 Totals - Life, Annuity and Accident and Health					170,220,484	7,848,955



ANNUAL STATEMENT FOR THE YEAR 2018 OF THE STANDARD INSURANCE COMPANY

**SCHEDULE S - PART 3 - SECTION 1**

Reinsurance Ceded Life Insurance, Annuities, Deposit Funds and Other Liabilities Without Life or Disability Contingencies, and Related Benefits Listed by Reinsuring Company as of December 31, Current Year

1 NAIC Company Code	2 ID Number	3 Effective Date	4 Name of Company	5 Domi- ciliary Juris- diction	6 Type of Reinsurance Ceded	7 Type of Business Ceded	8 Amount in Force at End of Year	Reserve Credit Taken		11 Premiums	Outstanding Surplus Relief		14 Modified Coinsurance Reserve	15 Funds Withheld Under Coinsurance
								9 Current Year	10 Prior Year		12 Current Year	13 Prior Year		
00000	46-5761825	09/30/2014	StanCap Insurance Company, Inc.	OR	CO/G	OL	380,154,374,637	0	0	773,593,764	0	0	0	0
0199999. General Account - Authorized U.S. Affiliates - Captive														
0399999. Total General Account - Authorized U.S. Affiliates							380,154,374,637	0	0	773,593,764	0	0	0	0
0699999. Total General Account - Authorized Non-U.S. Affiliates							0	0	0	0	0	0	0	0
0799999. Total General Account - Authorized Affiliates							380,154,374,637	0	0	773,593,764	0	0	0	0
82627	06-0839705	07/01/1978	Swiss Re Life & Health	MO	YRT/G	OL	0	754,800	772,698	0	0	0	0	0
93572	43-1235868	01/01/1997	RGA Reinsurance Company	MO	YRT/G	OL	2,916,339,494	3,679,561	4,075,146	3,972,708	0	0	0	0
93572	43-1235868	01/01/1997	RGA Reinsurance Company	MO	YRT/I	OL	0	0	0	0	0	0	0	0
66346	58-0828824	11/01/2017	Munich American Reassurance Company	GA	YRT/G	OL	808,200	49	0	304	0	0	0	0
97071	13-3126819	07/01/2014	SCOR Global Life USA Reinsurance Company	DE	YRT/G	OL	1,249,859,783	467,770	435,909	1,733,630	0	0	0	0
97071	13-3126819	07/01/2014	SCOR Global Life USA Reinsurance Company	DE	YRT/I	OL	0	0	0	0	0	0	0	0
82627	06-0839705	01/01/1997	Swiss Re Life & Health	MO	YRT/G	OL	0	0	0	0	0	0	0	0
37273	39-1338397	07/01/2015	AXIS Insurance Company	IL	CAT/G	OL	0	0	0	65,644	0	0	0	0
93572	43-1235868	07/01/2015	RGA Reinsurance Company	MO	CAT/G	OL	0	0	0	22,150	0	0	0	0
16535	36-4233459	07/01/2015	Nexus Reinsurance Underwriting Managers LLC o/b/o Zurich American Insurance Company	NY	CAT/G	OL	0	0	0	108,506	0	0	0	0
84824	04-6145677	01/01/2018	Commonwealth Annuity and Life Insurance Company	MA	CO/I	FA	0	302,816,737	0	323,392,399	0	0	0	0
84824	04-6145677	01/01/2018	Commonwealth Annuity and Life Insurance Company	MA	CO/I	JA	0	86,858,540	0	101,062,446	0	0	0	0
68136	63-0169720	01/01/2001	Protective Life Insurance Company	TN	CO/I	OL	1,968,326,643	725,381,112	734,777,246	34,802,154	0	0	0	0
0899999. General Account - Authorized U.S. Non-Affiliates							6,135,334,120	1,119,958,569	740,060,999	465,159,941	0	0	0	0
1099999. Total General Account - Authorized Non-Affiliates							6,135,334,120	1,119,958,569	740,060,999	465,159,941	0	0	0	0
1199999. Total General Account Authorized							386,289,708,757	1,119,958,569	740,060,999	1,238,753,705	0	0	0	0
1499999. Total General Account - Unauthorized U.S. Affiliates							0	0	0	0	0	0	0	0
1799999. Total General Account - Unauthorized Non-U.S. Affiliates							0	0	0	0	0	0	0	0
1899999. Total General Account - Unauthorized Affiliates							0	0	0	0	0	0	0	0
00000	AA-1126510	07/01/2015	Lloyd's Underwriter Syndicate No. 0510 KLN	GBR	CAT/G	OL	0	0	0	43,868	0	0	0	0
00000	AA-1127861	07/01/2015	Lloyd's Underwriter Syndicate No. 1861 ATL ex No. 1861 ANV	GBR	CAT/G	OL	0	0	0	23,099	0	0	0	0
00000	AA-1129000	07/01/2015	Markel o/b/o Lloyd's Underwriter Syndicate No. 3000 MKL	GBR	CAT/G	OL	0	0	0	10,068	0	0	0	0
00000	AA-1120064	07/01/2017	Lloyd's Underwriter Syndicate No. 1919 CVS	GBR	CAT/G	OL	0	0	0	13,031	0	0	0	0
00000	AA-1120055	07/01/2015	Lloyd's Underwriter Syndicate No. 3623 AFB	GBR	CAT/G	OL	0	0	0	70,678	0	0	0	0
00000	AA-1126005	07/01/2015	Lloyd's Underwriter Syndicate No. 4000 PEM	GBR	CAT/G	OL	0	0	0	6,041	0	0	0	0
00000	AA-1126006	07/01/2015	Lloyd's Underwriter Syndicate No. 4472 LIB	GBR	CAT/G	OL	0	0	0	35,238	0	0	0	0
00000	AA-1120090	07/01/2015	Lloyd's Underwriter Syndicate No. 4711 ASP	GBR	CAT/G	OL	0	0	0	14,095	0	0	0	0
00000	AA-1120116	07/01/2017	Lloyd's Underwriter Syndicate No. 3902 NOA	GBR	CAT/G	OL	0	0	0	43,438	0	0	0	0
00000	AA-1120080	07/01/2017	Lloyd's Underwriter Syndicate No. 5151 ENH ex. No. 5151 MAL	GBR	CAT/G	OL	0	0	0	13,031	0	0	0	0
2099999. General Account - Unauthorized Non-U.S. Non-Affiliates							0	0	0	272,587	0	0	0	0
2199999. Total General Account - Unauthorized Non-Affiliates							0	0	0	272,587	0	0	0	0
2299999. Total General Account Unauthorized							0	0	0	272,587	0	0	0	0
2599999. Total General Account - Certified U.S. Affiliates							0	0	0	0	0	0	0	0
2899999. Total General Account - Certified Non-U.S. Affiliates							0	0	0	0	0	0	0	0
2999999. Total General Account - Certified Affiliates							0	0	0	0	0	0	0	0
3299999. Total General Account - Certified Non-Affiliates							0	0	0	0	0	0	0	0
3399999. Total General Account Certified							0	0	0	0	0	0	0	0
3499999. Total General Account Authorized, Unauthorized and Certified							386,289,708,757	1,119,958,569	740,060,999	1,239,026,292	0	0	0	0
3799999. Total Separate Accounts - Authorized U.S. Affiliates							0	0	0	0	0	0	0	0
4099999. Total Separate Accounts - Authorized Non-U.S. Affiliates							0	0	0	0	0	0	0	0
4199999. Total Separate Accounts - Authorized Affiliates							0	0	0	0	0	0	0	0
4499999. Total Separate Accounts - Authorized Non-Affiliates							0	0	0	0	0	0	0	0
4599999. Total Separate Accounts Authorized							0	0	0	0	0	0	0	0
4899999. Total Separate Accounts - Unauthorized U.S. Affiliates							0	0	0	0	0	0	0	0
5199999. Total Separate Accounts - Unauthorized Non-U.S. Affiliates							0	0	0	0	0	0	0	0
5299999. Total Separate Accounts - Unauthorized Affiliates							0	0	0	0	0	0	0	0
5599999. Total Separate Accounts - Unauthorized Non-Affiliates							0	0	0	0	0	0	0	0
5699999. Total Separate Accounts Unauthorized							0	0	0	0	0	0	0	0

ANNUAL STATEMENT FOR THE YEAR 2018 OF THE STANDARD INSURANCE COMPANY

**SCHEDULE S - PART 3 - SECTION 1**

Reinsurance Ceded Life Insurance, Annuities, Deposit Funds and Other Liabilities Without Life or Disability Contingencies, and Related Benefits Listed by Reinsuring Company as of December 31, Current Year

1 NAIC Company Code	2 ID Number	3 Effective Date	4 Name of Company	5 Domi- ciliary Juris- diction	6 Type of Reinsurance Ceded	7 Type of Business Ceded	8 Amount in Force at End of Year	Reserve Credit Taken		11 Premiums	Outstanding Surplus Relief		14 Modified Coinsurance Reserve	15 Funds Withheld Under Coinsurance	
								9 Current Year	10 Prior Year		12 Current Year	13 Prior Year			
5999999. Total Separate Accounts - Certified U.S. Affiliates								0	0	0	0	0	0	0	0
6299999. Total Separate Accounts - Certified Non-U.S. Affiliates								0	0	0	0	0	0	0	0
6399999. Total Separate Accounts - Certified Affiliates								0	0	0	0	0	0	0	0
6699999. Total Separate Accounts - Certified Non-Affiliates								0	0	0	0	0	0	0	0
6799999. Total Separate Accounts Certified								0	0	0	0	0	0	0	0
6899999. Total Separate Accounts Authorized, Unauthorized and Certified								0	0	0	0	0	0	0	0
6999999. Total U.S. (Sum of 0399999, 0899999, 1499999, 1999999, 2599999, 3099999, 3799999, 4299999, 4899999, 5399999, 5999999 and 6499999)								386,289,708,757	1,119,958,569	740,060,999	1,238,753,705	0	0	0	0
7099999. Total Non-U.S. (Sum of 0699999, 0999999, 1799999, 2099999, 2899999, 3199999, 4099999, 4399999, 5199999, 5499999, 6299999 and 6599999)								0	0	0	272,587	0	0	0	0
9999999 - Totals								386,289,708,757	1,119,958,569	740,060,999	1,239,026,292	0	0	0	0

ANNUAL STATEMENT FOR THE YEAR 2018 OF THE STANDARD INSURANCE COMPANY

**SCHEDULE S - PART 3 - SECTION 2**

Reinsurance Ceded Accident and Health Insurance Listed by Reinsuring Company as of December 31, Current Year

1 NAIC Company Code	2 ID Number	3 Effective Date	4 Name of Company	5 Domi- ciliary Juris- diction	6 Type of Reinsurance Ceded	7 Type of Business Ceded	8 Premiums	9 Unearned Premiums (Estimated)	10 Reserve Credit Taken Other than for Unearned Premiums	Outstanding Surplus Relief		13 Modified Coinsurance Reserve	14 Funds Withheld Under Coinsurance
										11 Current Year	12 Prior Year		
00000	46-5761825	09/30/2014	StanCap Insurance Company, Inc.	OR	GO/G	AD&D	82,590,383	0	0	0	0	0	0
0199999. General Account - Authorized U.S. Affiliates - Captive							82,590,383	0	0	0	0	0	0
0399999. Total General Account - Authorized U.S. Affiliates							82,590,383	0	0	0	0	0	0
0699999. Total General Account - Authorized Non-U.S. Affiliates							0	0	0	0	0	0	0
0799999. Total General Account - Authorized Affiliates							82,590,383	0	0	0	0	0	0
			Nexus Reinsurance Underwriting Managers LLC										
16535	36-4233459	07/01/2015	o/b/o Zurich American Insurance Company	NY	CAT/G	AD&D	84,826	0	0	0	0	0	0
37273	39-1338397	07/01/2015	AXIS Insurance Company	IL	CAT/G	AD&D	51,316	0	0	0	0	0	0
61301	47-0098400	06/01/2002	Ameritas Life Insurance Corp.	NE	CO/G	D	41,801,621	0	78,263	0	0	0	0
61301	47-0098400	06/01/2002	Ameritas Life Insurance Corp.	NE	CO/G	OH	9,199,052	0	42,867	0	0	0	0
66346	58-0828824	02/01/2000	Munich American Reassurance Co.	GA	YRT/G	LTDI	1,418,523	0	3,756,867	0	0	0	0
66346	58-0828824	11/01/2017	Munich American Reassurance Co.	GA	YRT/G	AD&D	4,075	0	0	0	0	0	0
76694	23-2044256	06/26/2001	London Life Reinsurance Company	PA	YRT/G	LTDI	0	0	0	0	0	0	0
82627	06-0839705	07/01/1978	Swiss Re Life & Health	MO	YRT/G	LTDI	0	0	165	0	0	0	0
93572	43-1235868	07/01/1994	RGA Reinsurance Company	MO	YRT/G	LTDI	9,728,533	0	33,150,437	0	0	0	0
93572	43-1235868	07/01/1994	RGA Reinsurance Company	MO	YRT/G	AD&D	2,815,189	0	0	0	0	0	0
93572	43-1235868	07/01/2015	RGA Reinsurance Company	MO	CAT/G	AD&D	17,295	0	0	0	0	0	0
97071	13-3126819	07/01/2014	SCOR Global Life USA Reinsurance Company	DE	YRT/G	AD&D	1,206,484	0	0	0	0	0	0
66346	58-0828824	01/01/1999	Munich American Reassurance Company	GA	YRT/I	LTDI	1,410,985	0	10,653,951	0	0	0	0
66346	58-0828824	06/01/1999	Munich American Reassurance Company	GA	CO/I	LTDI	579,598	209,132	2,465,908	0	0	0	0
66346	58-0828824	11/01/2000	Munich American Reassurance Company	GA	CO/I	LTDI	13,375,057	4,449,568	69,871,213	0	0	0	0
66346	58-0828824	07/01/2001	Munich American Reassurance Company	GA	CO/I	LTDI	659,406	231,414	4,304,008	0	0	0	0
66346	58-0828824	07/01/2005	Munich American Reassurance Company	GA	CO/I	LTDI	15,164,901	5,015,654	70,804,056	0	0	0	0
66346	58-0828824	07/01/2005	Munich American Reassurance Company	GA	CO/I	LTDI	8,043,101	3,099,829	20,245,532	0	0	0	0
66346	58-0828824	11/01/2010	Munich American Reassurance Company	GA	CO/I	LTDI	17,417,717	5,661,012	28,995,994	0	0	0	0
66346	58-0828824	11/01/2010	Munich American Reassurance Company	GA	CO/I	LTDI	5,578,626	1,530,887	5,457,371	0	0	0	0
66346	58-0828824	03/05/2013	Munich American Reassurance Company	GA	CO/I	LTDI	947,944	265,474	660,171	0	0	0	0
66346	58-0828824	01/01/2017	Munich American Reassurance Company	GA	CO/I	LTDI	3,939,834	807,430	402,988	0	0	0	0
66346	58-0828824	01/01/2017	Munich American Reassurance Company	GA	CO/I	LTDI	1,010,555	49,595	27,774	0	0	0	0
67598	04-1768571	04/26/1974	Paul Revere Life	MA	YRT/I	LTDI	0	0	1,252,416	0	0	0	0
66346	58-0828824	10/01/2000	Munich American Reassurance Company	GA	CO/I	LTDI	1,280,701	563,240	10,015,808	0	0	0	0
66346	58-0828824	06/30/2002	Munich American Reassurance Company	GA	YRT/I	LTDI	0	0	19,377,682	0	0	0	0
0899999. General Account - Authorized U.S. Non-Affiliates							135,735,339	21,883,235	281,563,471	0	0	0	0
1099999. Total General Account - Authorized Non-Affiliates							135,735,339	21,883,235	281,563,471	0	0	0	0
1199999. Total General Account Authorized							218,325,722	21,883,235	281,563,471	0	0	0	0
1499999. Total General Account - Unauthorized U.S. Affiliates							0	0	0	0	0	0	0
1799999. Total General Account - Unauthorized Non-U.S. Affiliates							0	0	0	0	0	0	0
1899999. Total General Account - Unauthorized Affiliates							0	0	0	0	0	0	0
00000	AA-1126510	07/01/2015	Lloyd's Underwriter Syndicate No. 0510 KLN	GBR	CAT/G	AD&D	34,296	0	0	0	0	0	0
00000	AA-1127861	07/01/2015	Lloyd's Underwriter Syndicate No. 1861 ATL ex No. 1861 ANV	GBR	CAT/G	AD&D	18,062	0	0	0	0	0	0
00000	AA-1129000	07/01/2015	Markel o/b/o Lloyd's Underwriter Syndicate No. 3000 MKL	GBR	CAT/G	AD&D	7,861	0	0	0	0	0	0
00000	AA-1120064	07/01/2017	Lloyd's Underwriter Syndicate No. 1919 CVS	GBR	CAT/G	AD&D	10,201	0	0	0	0	0	0
00000	AA-1120055	07/01/2015	Lloyd's Underwriter Syndicate No. 3623 AFB	GBR	CAT/G	AD&D	55,247	0	0	0	0	0	0
00000	AA-1126005	07/01/2015	Lloyd's Underwriter Syndicate No. 4000 PEM	GBR	CAT/G	AD&D	4,717	0	0	0	0	0	0
00000	AA-1126006	07/01/2015	Lloyd's Underwriter Syndicate No. 4472 LIB	GBR	CAT/G	AD&D	27,515	0	0	0	0	0	0
00000	AA-1120090	07/01/2015	Lloyd's Underwriter Syndicate No. 4711 ASP	GBR	CAT/G	AD&D	11,006	0	0	0	0	0	0
00000	AA-1120116	07/01/2017	Lloyd's Underwriter Syndicate No. 3902 NOA	GBR	CAT/G	AD&D	34,001	0	0	0	0	0	0
00000	AA-1120080	07/01/2017	Lloyd's Underwriter Syndicate No. 5151 ENH ex. No. 5151 MAL	GBR	CAT/G	AD&D	10,200	0	0	0	0	0	0
2099999. General Account - Unauthorized Non-U.S. Non-Affiliates							213,106	0	0	0	0	0	0
2199999. Total General Account - Unauthorized Non-Affiliates							213,106	0	0	0	0	0	0
2299999. Total General Account Unauthorized							213,106	0	0	0	0	0	0
2599999. Total General Account - Certified U.S. Affiliates							0	0	0	0	0	0	0
2899999. Total General Account - Certified Non-U.S. Affiliates							0	0	0	0	0	0	0
2999999. Total General Account - Certified Affiliates							0	0	0	0	0	0	0
3299999. Total General Account - Certified Non-Affiliates							0	0	0	0	0	0	0

ANNUAL STATEMENT FOR THE YEAR 2018 OF THE STANDARD INSURANCE COMPANY

**SCHEDULE S - PART 3 - SECTION 2**

Reinsurance Ceded Accident and Health Insurance Listed by Reinsuring Company as of December 31, Current Year

1 NAIC Company Code	2 ID Number	3 Effective Date	4 Name of Company	5 Domi- ciliary Juris- diction	6 Type of Reinsurance Ceded	7 Type of Business Ceded	8 Premiums	9 Unearned Premiums (Estimated)	10 Reserve Credit Taken Other than for Unearned Premiums	Outstanding Surplus Relief		13 Modified Coinsurance Reserve	14 Funds Withheld Under Coinsurance
										11 Current Year	12 Prior Year		
3399999			Total General Account Certified				0	0	0	0	0	0	0
3499999			Total General Account Authorized, Unauthorized and Certified				218,538,828	21,883,235	281,563,471	0	0	0	0
3799999			Total Separate Accounts - Authorized U.S. Affiliates				0	0	0	0	0	0	0
4099999			Total Separate Accounts - Authorized Non-U.S. Affiliates				0	0	0	0	0	0	0
4199999			Total Separate Accounts - Authorized Affiliates				0	0	0	0	0	0	0
4499999			Total Separate Accounts - Authorized Non-Affiliates				0	0	0	0	0	0	0
4599999			Total Separate Accounts Authorized				0	0	0	0	0	0	0
4899999			Total Separate Accounts - Unauthorized U.S. Affiliates				0	0	0	0	0	0	0
5199999			Total Separate Accounts - Unauthorized Non-U.S. Affiliates				0	0	0	0	0	0	0
5299999			Total Separate Accounts - Unauthorized Affiliates				0	0	0	0	0	0	0
5599999			Total Separate Accounts - Unauthorized Non-Affiliates				0	0	0	0	0	0	0
5699999			Total Separate Accounts Unauthorized				0	0	0	0	0	0	0
5999999			Total Separate Accounts - Certified U.S. Affiliates				0	0	0	0	0	0	0
6299999			Total Separate Accounts - Certified Non-U.S. Affiliates				0	0	0	0	0	0	0
6399999			Total Separate Accounts - Certified Affiliates				0	0	0	0	0	0	0
6699999			Total Separate Accounts - Certified Non-Affiliates				0	0	0	0	0	0	0
6799999			Total Separate Accounts Certified				0	0	0	0	0	0	0
6899999			Total Separate Accounts Authorized, Unauthorized and Certified				0	0	0	0	0	0	0
6999999			Total U.S. (Sum of 0399999, 0899999, 1499999, 1999999, 2599999, 3099999, 3799999, 4299999, 4899999, 5399999, 5999999 and 6499999)				218,325,722	21,883,235	281,563,471	0	0	0	0
7099999			Total Non-U.S. (Sum of 0699999, 0999999, 1799999, 2099999, 2899999, 3199999, 4099999, 4399999, 5199999, 5499999, 6299999 and 6599999)				213,106	0	0	0	0	0	0
9999999			Totals				218,538,828	21,883,235	281,563,471	0	0	0	0

ANNUAL STATEMENT FOR THE YEAR 2018 OF THE STANDARD INSURANCE COMPANY

**SCHEDULE S - PART 4**

Reinsurance Ceded to Unauthorized Companies

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
NAIC Company Code	ID Number	Effective Date	Name of Reinsurer	Reserve Credit Taken	Paid and Unpaid Losses Recoverable (Debit)	Other Debits	Total (Cols.5+6+7)	Letters of Credit	Issuing or Confirming Bank Reference Number (a)	Trust Agreements	Funds Deposited by and Withheld from Reinsurers	Other	Miscellaneous Balances (Credit)	Sum of Cols. 9+11+12+13 +14 but not in Excess of Col. 8
0399999			Total General Account - Life and Annuity U.S. Affiliates	0	0	0	0	0	XXX	0	0	0	0	0
0699999			Total General Account - Life and Annuity Non-U.S. Affiliates	0	0	0	0	0	XXX	0	0	0	0	0
0799999			Total General Account - Life and Annuity Affiliates	0	0	0	0	0	XXX	0	0	0	0	0
00000	AA-1126510	07/01/2015	Lloyd's Underwriter Syndicate No. 0510 KLN	0	0	0	0	0		0	0	0	0	0
00000	AA-1127861	07/01/2015	Lloyd's Underwriter Syndicate No. 1861 ATL ex No. 1861 ANV	0	0	0	0	0		0	0	0	0	0
00000	AA-1129000	07/01/2015	Markel o/b/o Lloyd's Underwriter Syndicate No. 3000 MKL	0	0	0	0	0		0	0	0	0	0
00000	AA-1120064	07/01/2017	Lloyd's Underwriter Syndicate No. 1919 CVS	0	0	0	0	0		0	0	0	0	0
00000	AA-1120055	07/01/2015	Lloyd's Underwriter Syndicate No. 3623 AFB	0	0	0	0	0		0	0	0	0	0
00000	AA-1126005	07/01/2015	Lloyd's Underwriter Syndicate No. 4000 PEM	0	0	0	0	0		0	0	0	0	0
00000	AA-1126006	07/01/2015	Lloyd's Underwriter Syndicate No. 4472 LIB	0	0	0	0	0		0	0	0	0	0
00000	AA-1120090	07/01/2015	Lloyd's Underwriter Syndicate No. 4711 ASP	0	0	0	0	0		0	0	0	0	0
00000	AA-1120116	07/01/2017	Lloyd's Underwriter Syndicate No. 3902 NOA	0	0	0	0	0		0	0	0	0	0
00000	AA-1120080	07/01/2017	Lloyd's Underwriter Syndicate No. 5151 ENH ex. No. 5151 MAL	0	0	0	0	0		0	0	0	0	0
0999999			General Account - Life and Annuity Non-U.S. Non-Affiliates	0	0	0	0	0	XXX	0	0	0	0	0
1099999			Total General Account - Life and Annuity Non-Affiliates	0	0	0	0	0	XXX	0	0	0	0	0
1199999			Total General Account Life and Annuity	0	0	0	0	0	XXX	0	0	0	0	0
1499999			Total General Account - Accident and Health U.S. Affiliates	0	0	0	0	0	XXX	0	0	0	0	0
1799999			Total General Account - Accident and Health Non-U.S. Affiliates	0	0	0	0	0	XXX	0	0	0	0	0
1899999			Total General Account - Accident and Health Affiliates	0	0	0	0	0	XXX	0	0	0	0	0
00000	AA-1126510	07/01/2015	Lloyd's Underwriter Syndicate No. 0510 KLN	0	0	0	0	0		0	0	0	0	0
00000	AA-1127861	07/01/2015	Lloyd's Underwriter Syndicate No. 1861 ATL ex No. 1861 ANV	0	0	0	0	0		0	0	0	0	0
00000	AA-1129000	07/01/2015	Markel o/b/o Lloyd's Underwriter Syndicate No. 3000 MKL	0	0	0	0	0		0	0	0	0	0
00000	AA-1120064	07/01/2017	Lloyd's Underwriter Syndicate No. 1919 CVS	0	0	0	0	0		0	0	0	0	0
00000	AA-1120055	07/01/2015	Lloyd's Underwriter Syndicate No. 3623 AFB	0	0	0	0	0		0	0	0	0	0
00000	AA-1126005	07/01/2015	Lloyd's Underwriter Syndicate No. 4000 PEM	0	0	0	0	0		0	0	0	0	0
00000	AA-1126006	07/01/2015	Lloyd's Underwriter Syndicate No. 4472 LIB	0	0	0	0	0		0	0	0	0	0
00000	AA-1120090	07/01/2015	Lloyd's Underwriter Syndicate No. 4711 ASP	0	0	0	0	0		0	0	0	0	0
00000	AA-1120116	07/01/2017	Lloyd's Underwriter Syndicate No. 3902 NOA	0	0	0	0	0		0	0	0	0	0
00000	AA-1120080	07/01/2017	Lloyd's Underwriter Syndicate No. 5151 ENH ex. No. 5151 MAL	0	0	0	0	0		0	0	0	0	0
2099999			General Account - Accident and Health Non-U.S. Non-Affiliates	0	0	0	0	0	XXX	0	0	0	0	0
2199999			Total General Account - Accident and Health Non-Affiliates	0	0	0	0	0	XXX	0	0	0	0	0
2299999			Total General Account Accident and Health	0	0	0	0	0	XXX	0	0	0	0	0
2399999			Total General Account	0	0	0	0	0	XXX	0	0	0	0	0
2699999			Total Separate Accounts - U.S. Affiliates	0	0	0	0	0	XXX	0	0	0	0	0
2999999			Total Separate Accounts - Non-U.S. Affiliates	0	0	0	0	0	XXX	0	0	0	0	0
3099999			Total Separate Accounts - Affiliates	0	0	0	0	0	XXX	0	0	0	0	0
3399999			Total Separate Accounts - Non-Affiliates	0	0	0	0	0	XXX	0	0	0	0	0
3499999			Total Separate Accounts	0	0	0	0	0	XXX	0	0	0	0	0
3599999			Total U.S. (Sum of 0399999, 0899999, 1499999, 1999999, 2699999 and 3199999)	0	0	0	0	0	XXX	0	0	0	0	0
3699999			Total Non-U.S. (Sum of 0699999, 0999999, 1799999, 2099999, 2999999 and 3299999)	0	0	0	0	0	XXX	0	0	0	0	0
9999999			Totals	0	0	0	0	0	XXX	0	0	0	0	0

(a)	Issuing or Confirming Bank Reference Number	Letters of Credit Code	American Bankers Association (ABA) Routing Number	Issuing or Confirming Bank Name	Letters of Credit Amount
				<b>NONE</b>	

Schedule S - Part 5

**NONE**

Schedule S - Part 5 - Bank Footnote

**NONE**

ANNUAL STATEMENT FOR THE YEAR 2018 OF THE STANDARD INSURANCE COMPANY

**SCHEDULE S - PART 6**

Five Year Exhibit of Reinsurance Ceded Business  
(\$000 Omitted)

	1 2018	2 2017	3 2016	4 2015	5 2014
<b>A. OPERATIONS ITEMS</b>					
1. Premiums and annuity considerations for life and accident and health contracts .....	1,457,565	973,776	891,457	834,425	463,119
2. Commissions and reinsurance expense allowances .....	210,085	178,686	170,348	152,363	50,224
3. Contract claims .....	749,885	706,504	620,692	590,057	359,530
4. Surrender benefits and withdrawals for life contracts .....	23,825	0	0	0	0
5. Dividends to policyholders .....	19,980	0	0	0	0
6. Reserve adjustments on reinsurance ceded .....	0	0	0	0	0
7. Increase in aggregate reserve for life and accident and health contracts .....	16,554	23,945	18,641	16,077	(1,080)
<b>B. BALANCE SHEET ITEMS</b>					
8. Premiums and annuity considerations for life and accident and health contracts deferred and uncollected .....	231,720	224,998	195,551	186,115	175,006
9. Aggregate reserves for life and accident and health contracts .....	1,423,405	1,017,176	993,231	974,591	958,514
10. Liability for deposit-type contracts .....	0	0	0	0	0
11. Contract claims unpaid .....	14,993	17,593	13,236	9,886	13,885
12. Amounts recoverable on reinsurance .....	170,220	152,589	135,471	124,963	121,481
13. Experience rating refunds due or unpaid .....	1,206	0	0	0	0
14. Policyholders' dividends (not included in Line 10) .....	20,518	20,642	0	0	0
15. Commissions and reinsurance expense allowances due .....	48,753	39,041	2,103	1,731	2,724
16. Unauthorized reinsurance offset .....	0	0	0	0	1
17. Offset for reinsurance with Certified Reinsurers .....	0	0	0	0	0
<b>C. UNAUTHORIZED REINSURANCE (DEPOSITS BY AND FUNDS WITHHELD FROM)</b>					
18. Funds deposited by and withheld from (F) .....	0	0	0	0	0
19. Letters of credit (L) .....	0	0	0	0	0
20. Trust agreements (T) .....	0	0	0	0	0
21. Other (O) .....	0	0	0	0	0
<b>D. REINSURANCE WITH CERTIFIED REINSURERS (DEPOSITS BY AND FUNDS WITHHELD FROM)</b>					
22. Multiple Beneficiary Trust .....	0	0	0	0	0
23. Funds deposited by and withheld from (F) .....	0	0	0	0	0
24. Letters of credit (L) .....	0	0	0	0	0
25. Trust agreements (T) .....	0	0	0	0	0
26. Other (O) .....	0	0	0	0	0

ANNUAL STATEMENT FOR THE YEAR 2018 OF THE STANDARD INSURANCE COMPANY

**SCHEDULE S - PART 7**

Restatement of Balance Sheet to Identify Net Credit for Ceded Reinsurance

	1 As Reported (net of ceded)	2 Restatement Adjustments	3 Restated (gross of ceded)
<b>ASSETS (Page 2, Col. 3)</b>			
1. Cash and invested assets (Line 12) .....	15,766,303,526	0	15,766,303,526
2. Reinsurance (Line 16) .....	218,973,540	(218,973,540)	0
3. Premiums and considerations (Line 15) .....	154,746,695	231,719,826	386,466,521
4. Net credit for ceded reinsurance .....	XXX	1,446,250,647	1,446,250,647
5. All other admitted assets (balance) .....	280,296,076	0	280,296,076
6. Total assets excluding Separate Accounts (Line 26) .....	16,420,319,837	1,458,996,933	17,879,316,770
7. Separate Account assets (Line 27) .....	7,442,322,134	0	7,442,322,134
8. Total assets (Line 28)	23,862,641,971	1,458,996,933	25,321,638,904
<b>LIABILITIES, CAPITAL AND SURPLUS (Page 3)</b>			
9. Contract reserves (Lines 1 and 2) .....	12,539,997,327	1,399,178,114	13,939,175,441
10. Liability for deposit-type contracts (Line 3) .....	1,475,480,813	24,227,109	1,499,707,922
11. Claim reserves (Line 4) .....	194,030,899	14,993,275	209,024,174
12. Policyholder dividends/reserves (Lines 5 through 7) .....	100,133	20,518,249	20,618,382
13. Premium & annuity considerations received in advance (Line 8) .....	24,211,722	80,186	24,291,908
14. Other contract liabilities (Line 9) .....	273,615,509	0	273,615,509
15. Reinsurance in unauthorized companies (Line 24.02 minus inset amount) .....	0	0	0
16. Funds held under reinsurance treaties with unauthorized reinsurers (Line 24.03 minus inset amount) .....	0	0	0
17. Reinsurance with Certified Reinsurers (Line 24.02 inset amount) .....	0	0	0
18. Funds held under reinsurance treaties with Certified Reinsurers (Line 24.03 inset amount) .....	0	0	0
19. All other liabilities (balance) .....	618,902,846	0	618,902,846
20. Total liabilities excluding Separate Accounts (Line 26) .....	15,126,339,249	1,458,996,933	16,585,336,182
21. Separate Account liabilities (Line 27) .....	7,442,322,134	0	7,442,322,134
22. Total liabilities (Line 28) .....	22,568,661,383	1,458,996,933	24,027,658,316
23. Capital & surplus (Line 38) .....	1,293,980,588	XXX	1,293,980,588
24. Total liabilities, capital & surplus (Line 39)	23,862,641,971	1,458,996,933	25,321,638,904
<b>NET CREDIT FOR CEDED REINSURANCE</b>			
25. Contract reserves .....	1,399,178,114		
26. Claim reserves .....	14,993,275		
27. Policyholder dividends/reserves .....	20,518,249		
28. Premium & annuity considerations received in advance .....	80,186		
29. Liability for deposit-type contracts .....	24,227,109		
30. Other contract liabilities .....	0		
31. Reinsurance ceded assets .....	218,973,540		
32. Other ceded reinsurance recoverables .....	0		
33. Total ceded reinsurance recoverables .....	1,677,970,473		
34. Premiums and considerations .....	231,719,826		
35. Reinsurance in unauthorized companies .....	0		
36. Funds held under reinsurance treaties with unauthorized reinsurers .....	0		
37. Reinsurance with Certified Reinsurers .....	0		
38. Funds held under reinsurance treaties with Certified Reinsurers .....	0		
39. Other ceded reinsurance payables/offsets .....	0		
40. Total ceded reinsurance payable/offsets .....	231,719,826		
41. Total net credit for ceded reinsurance	1,446,250,647		



**ANNUAL STATEMENT FOR THE YEAR 2018 OF THE STANDARD INSURANCE COMPANY**  
**SCHEDULE T - PREMIUMS AND ANNUITY CONSIDERATIONS (b)**

Allocated by States and Territories

States, Etc.	1	Life Contracts		Direct Business Only			7	
		2	3	4	5	6		
	Active Status (a)	Life Insurance Premiums	Annuity Considerations	Accident and Health Insurance Premiums, Including Policy, Membership and Other Fees	Other Considerations	Total Columns 2 through 5	Deposit-Type Contracts	
1. Alabama	AL	L	17,026,026	11,441,828	17,289,036	39,549,259	85,306,149	0
2. Alaska	AK	L	1,013,921	1,885,103	1,498,908	13,662,171	18,060,102	0
3. Arizona	AZ	L	9,729,815	11,009,451	19,468,316	54,945,158	95,152,741	1,747,442
4. Arkansas	AR	L	9,153,202	2,811,736	11,201,336	4,127,340	27,293,614	678,362
5. California	CA	L	103,725,696	54,012,515	248,379,770	226,174,899	632,292,880	310,592
6. Colorado	CO	L	26,711,363	7,701,400	40,124,570	150,313,293	224,850,625	764,980
7. Connecticut	CT	L	12,276,136	16,793,209	24,775,599	11,497,874	65,342,818	11,395,583
8. Delaware	DE	L	1,931,835	1,317,744	3,362,287	3,773,693	10,385,559	2,822,759
9. District of Columbia	DC	L	17,084,115	531,335	22,667,924	8,970,773	49,254,147	0
10. Florida	FL	L	59,593,360	49,026,668	100,337,213	166,605,994	375,563,235	2,006,386
11. Georgia	GA	L	40,196,449	11,256,086	68,833,326	22,606,382	142,892,243	2,326,197
12. Hawaii	HI	L	2,121,072	6,546,974	2,318,233	429,478	11,415,757	286,650
13. Idaho	ID	L	18,760,513	3,058,313	15,753,393	21,110,106	58,682,326	558,122
14. Illinois	IL	L	23,507,820	29,365,343	49,651,628	59,672,283	162,197,073	1,226,799
15. Indiana	IN	L	15,540,486	21,902,337	19,347,614	51,522,680	108,313,115	618,027
16. Iowa	IA	L	13,985,137	7,875,953	18,497,658	6,714,538	47,073,286	75,057
17. Kansas	KS	L	29,012,135	4,701,398	13,634,180	6,147,252	53,494,965	653,856
18. Kentucky	KY	L	4,507,838	5,932,382	11,653,839	100,487,118	122,581,177	788,413
19. Louisiana	LA	L	12,375,430	13,079,654	17,263,703	67,992,298	110,711,085	1,140,280
20. Maine	ME	L	6,705,227	3,362,425	5,883,877	3,346,436	19,297,965	295,623
21. Maryland	MD	L	12,878,472	8,083,486	15,433,453	19,986,390	56,381,802	1,475,881
22. Massachusetts	MA	L	19,363,962	21,946,498	34,775,742	43,597,373	119,683,576	39,733,112
23. Michigan	MI	L	9,792,693	31,084,057	23,977,125	139,790,982	204,644,856	1,927,310
24. Minnesota	MN	L	39,299,819	23,320,012	58,506,833	60,292,998	181,419,662	548,665
25. Mississippi	MS	L	2,657,267	4,766,539	6,303,889	2,793,924	16,521,619	332,052
26. Missouri	MO	L	35,410,185	7,890,930	35,891,357	55,729,525	134,921,997	7,424,100
27. Montana	MT	L	5,306,182	1,519,431	4,532,652	909,971	12,268,236	91,858
28. Nebraska	NE	L	2,855,985	2,448,865	11,140,969	2,306,664	18,752,483	171,506
29. Nevada	NV	L	15,244,719	3,872,202	19,903,797	16,838,559	55,859,277	0
30. New Hampshire	NH	L	4,879,701	3,418,073	6,967,000	15,679,166	30,943,941	2,655,898
31. New Jersey	NJ	L	9,579,427	27,840,583	41,813,826	39,010,286	118,244,123	3,308,353
32. New Mexico	NM	L	23,456,010	6,196,251	7,658,710	4,268,144	41,579,114	0
33. New York	NY	N	1,996,465	0	6,213,786	0	8,210,251	0
34. North Carolina	NC	L	11,522,895	21,207,985	22,118,593	38,665,232	93,514,704	1,471,707
35. North Dakota	ND	L	2,573,626	5,179,983	6,256,749	1,010,560	15,020,918	0
36. Ohio	OH	L	19,073,518	23,574,973	42,554,548	107,705,343	192,908,382	2,913,459
37. Oklahoma	OK	L	5,420,681	5,212,014	7,529,314	42,714,823	60,876,832	0
38. Oregon	OR	L	46,156,766	23,708,286	89,735,087	305,320,473	464,920,612	2,695,731
39. Pennsylvania	PA	L	28,238,504	38,942,832	46,351,631	117,545,507	231,078,475	2,365,897
40. Rhode Island	RI	L	8,041,714	4,273,138	6,237,184	1,686,774	20,238,811	308,288
41. South Carolina	SC	L	15,599,695	5,886,766	26,889,516	23,390,193	71,766,171	42,174
42. South Dakota	SD	L	334,528	1,389,799	3,801,411	10,401,139	15,926,878	0
43. Tennessee	TN	L	13,367,439	15,349,324	24,801,378	22,035,577	75,553,719	483,522
44. Texas	TX	L	68,037,059	29,086,857	124,804,012	215,024,108	436,952,037	2,973,203
45. Utah	UT	L	3,419,384	6,145,990	10,506,956	74,431,643	94,503,972	69,529
46. Vermont	VT	L	3,811,932	2,078,114	7,806,353	9,727,799	23,424,198	53,618
47. Virginia	VA	L	29,054,978	17,077,675	61,950,231	27,281,854	135,364,737	396,926
48. Washington	WA	L	30,779,015	20,824,152	95,393,902	157,893,455	304,890,524	15,428,966
49. West Virginia	WV	L	1,358,177	2,422,752	7,414,462	7,800,625	18,996,015	216,566
50. Wisconsin	WI	L	16,423,399	21,356,672	33,421,477	38,227,141	109,428,690	469,178
51. Wyoming	WY	L	2,429,377	2,899,904	3,198,359	6,956,296	15,483,936	0
52. American Samoa	AS	N	0	0	0	0	0	0
53. Guam	GU	L	8,592,125	0	2,302,367	0	10,894,492	0
54. Puerto Rico	PR	L	0	0	29,140	0	29,140	0
55. U.S. Virgin Islands	VI	L	135,368	0	640,472	0	775,840	0
56. Northern Mariana Islands	MP	N	1,942	0	0	0	1,942	0
57. Canada	CAN	N	71,596	0	99,625	0	171,221	0
58. Aggregate Other Alien	OT	XXX	187,591	0	259,905	0	447,496	0
59. Subtotal	XXX		922,309,772	652,615,997	1,609,164,221	2,628,671,549	5,812,761,539	115,252,627
90. Reporting entity contributions for employee benefits plans	XXX		766,074	0	4,713,932	0	5,480,006	0
91. Dividends or refunds applied to purchase paid-up additions and annuities	XXX		15,798,870	0	0	0	15,798,870	0
92. Dividends or refunds applied to shorten endowment or premium paying period	XXX		0	0	0	0	0	0
93. Premium or annuity considerations waived under disability or other contract provisions	XXX		222,556	0	0	0	222,556	0
94. Aggregate or other amounts not allocable by State	XXX		0	0	0	0	0	0
95. Totals (Direct Business)	XXX		939,097,272	652,615,997	1,613,878,153	2,628,671,549	5,834,262,971	115,252,627
96. Plus reinsurance assumed	XXX		1,543,838	0	86,027,767	0	87,571,605	0
97. Totals (All Business)	XXX		940,641,110	652,615,997	1,699,905,920	2,628,671,549	5,921,834,576	115,252,627
98. Less reinsurance ceded	XXX		811,588,979	424,431,751	215,938,822	0	1,451,959,551	0
99. Totals (All Business) less Reinsurance Ceded	XXX		129,052,131	228,184,247	(c) 1,483,967,098	2,628,671,549	4,469,875,025	115,252,627
<b>DETAILS OF WRITE-INS</b>								
58001. Other Alien ZZZ	XXX		187,591	0	259,905	0	447,496	0
58002.	XXX							
58003.	XXX							
58998. Summary of remaining write-ins for Line 58 from overflow page	XXX		0	0	0	0	0	0
58999. Totals (Lines 58001 through 58003 plus 58998)(Line 58 above)	XXX		187,591	0	259,905	0	447,496	0
9401.	XXX							
9402.	XXX							
9403.	XXX							
9498. Summary of remaining write-ins for Line 94 from overflow page	XXX		0	0	0	0	0	0
9499. Totals (Lines 9401 through 9403 plus 9498)(Line 94 above)	XXX		0	0	0	0	0	0

(a) Active Status Counts:

L - Licensed or Chartered - Licensed insurance carrier or domiciled RRG ..... 53 R - Registered - Non-domiciled RRGs ..... 0  
E - Eligible - Reporting entities eligible or approved to write surplus lines in the state ..... 0 Q - Qualified - Qualified or accredited reinsurer ..... 0  
N - None of the above - Not allowed to write business in the state ..... 4

(b) Explanation of basis of allocation by states, etc., of premiums and annuity considerations

Individual insurance premiums, annuity and other considerations are allocated to the state to which the premium statements are mailed. Group insurance premiums (for groups with less than 500 lives) are allocated to the state to which the billing statements are mailed. For groups with 500 or more lives, insurance premiums are allocated among the states where the insureds reside or work, based upon data furnished by the policyholder.

(c) Column 4 should balance with Exhibit 1, Lines 6.4, 10.4, and 16.4, Cols. 8, 9, 10, or with Schedule H, Part 1, Line 1, indicate which: Exhibit 1, Lines 6.4, 10.4, and 16.4, Cols. 8, 9, 10.

ANNUAL STATEMENT FOR THE YEAR 2018 OF THE STANDARD INSURANCE COMPANY

**SCHEDULE T - PART 2  
INTERSTATE COMPACT - EXHIBIT OF PREMIUMS WRITTEN**

Allocated by States and Territories

		Direct Business Only					6 Totals
		1 Life (Group and Individual)	2 Annuities (Group and Individual)	3 Disability Income (Group and Individual)	4 Long-Term Care (Group and Individual)	5 Deposit-Type Contracts	
States, Etc.							
1. Alabama	AL	17,026,026	11,441,828	15,877,481	0	0	44,345,336
2. Alaska	AK	1,013,921	1,885,103	1,431,413	0	0	4,330,436
3. Arizona	AZ	9,729,815	11,009,451	18,510,844	0	1,747,442	40,997,552
4. Arkansas	AR	9,153,202	2,811,736	10,108,942	0	678,362	22,752,242
5. California	CA	103,725,696	54,012,515	232,325,567	0	310,592	390,374,371
6. Colorado	CO	26,711,363	7,701,400	36,887,406	0	764,980	72,065,149
7. Connecticut	CT	12,276,136	16,793,209	23,573,565	0	11,395,583	64,038,492
8. Delaware	DE	1,931,835	1,317,744	3,111,821	0	2,822,759	9,184,158
9. District of Columbia	DC	17,084,115	531,335	21,799,663	0	0	39,415,113
10. Florida	FL	59,593,360	49,026,668	93,169,713	0	2,006,386	203,796,127
11. Georgia	GA	40,196,449	11,256,086	61,348,828	0	2,326,197	115,127,560
12. Hawaii	HI	2,121,072	6,546,974	2,235,178	0	286,650	11,189,874
13. Idaho	ID	18,760,513	3,058,313	13,160,235	0	558,122	35,537,184
14. Illinois	IL	23,507,820	29,365,343	46,072,045	0	1,226,799	100,172,006
15. Indiana	IN	15,540,486	21,902,337	18,120,127	0	618,027	56,180,976
16. Iowa	IA	13,985,137	7,875,953	17,122,290	0	75,057	39,058,437
17. Kansas	KS	29,012,135	4,701,398	12,542,431	0	653,856	46,909,820
18. Kentucky	KY	4,507,838	5,932,382	10,060,149	0	788,413	21,288,782
19. Louisiana	LA	12,375,430	13,079,654	16,216,106	0	1,140,280	42,811,469
20. Maine	ME	6,705,227	3,362,425	5,480,823	0	295,623	15,844,098
21. Maryland	MD	12,878,472	8,083,486	14,371,055	0	1,475,881	36,808,894
22. Massachusetts	MA	19,363,962	21,946,498	33,020,512	0	39,733,112	114,064,085
23. Michigan	MI	9,792,693	31,084,057	22,974,623	0	1,927,310	65,778,683
24. Minnesota	MN	39,299,819	23,320,012	54,253,184	0	548,665	117,421,680
25. Mississippi	MS	2,657,267	4,766,539	5,799,175	0	332,052	13,555,033
26. Missouri	MO	35,410,185	7,890,930	33,418,789	0	7,424,100	84,144,005
27. Montana	MT	5,306,182	1,519,431	3,498,196	0	91,858	10,415,667
28. Nebraska	NE	2,855,985	2,448,865	10,215,204	0	171,506	15,691,560
29. Nevada	NV	15,244,719	3,872,202	18,668,582	0	0	37,785,503
30. New Hampshire	NH	4,879,701	3,418,073	6,347,743	0	2,655,898	17,301,415
31. New Jersey	NJ	9,579,427	27,840,583	26,735,038	0	3,308,353	67,463,401
32. New Mexico	NM	23,456,010	6,196,251	6,903,297	0	0	36,555,558
33. New York	NY	1,996,465	0	6,204,017	0	0	8,200,482
34. North Carolina	NC	11,522,895	21,207,985	20,883,170	0	1,471,707	55,085,756
35. North Dakota	ND	2,573,626	5,179,983	5,823,947	0	0	13,577,556
36. Ohio	OH	19,073,518	23,574,973	40,481,955	0	2,913,459	86,043,904
37. Oklahoma	OK	5,420,681	5,212,014	6,730,613	0	0	17,363,308
38. Oregon	OR	46,156,766	23,708,286	83,544,442	0	2,695,731	156,105,224
39. Pennsylvania	PA	28,238,504	38,942,832	42,868,192	0	2,365,897	112,415,426
40. Rhode Island	RI	8,041,714	4,273,138	5,917,599	0	308,288	18,540,740
41. South Carolina	SC	15,599,695	5,886,766	25,086,222	0	42,174	46,614,857
42. South Dakota	SD	334,528	1,389,799	3,478,875	0	0	5,203,202
43. Tennessee	TN	13,367,439	15,349,324	23,056,995	0	483,522	52,257,281
44. Texas	TX	68,037,059	29,086,857	114,823,058	0	2,973,203	214,920,178
45. Utah	UT	3,419,384	6,145,990	9,942,845	0	69,529	19,577,747
46. Vermont	VT	3,811,932	2,078,114	7,496,380	0	53,618	13,440,044
47. Virginia	VA	29,054,978	17,077,675	58,721,320	0	396,926	105,250,899
48. Washington	WA	30,779,015	20,824,152	92,146,377	0	15,428,966	159,178,511
49. West Virginia	WV	1,358,177	2,422,752	7,322,863	0	216,566	11,320,358
50. Wisconsin	WI	16,423,399	21,356,672	32,006,831	0	469,178	70,256,080
51. Wyoming	WY	2,429,377	2,899,904	3,048,937	0	0	8,378,218
52. American Samoa	AS	0	0	0	0	0	0
53. Guam	GU	8,592,125	0	2,139,835	0	0	10,731,960
54. Puerto Rico	PR	0	0	29,140	0	0	29,140
55. U.S. Virgin Islands	VI	135,368	0	42,037	0	0	177,405
56. Northern Mariana Islands	MP	1,942	0	0	0	0	1,942
57. Canada	CAN	71,596	0	99,625	0	0	171,221
58. Aggregate Other Alien	OT	187,591	0	259,905	0	0	447,496
59. Total		922,309,772	652,615,997	1,487,515,205	0	115,252,627	3,177,693,601

ANNUAL STATEMENT FOR THE YEAR 2018 OF THE STANDARD INSURANCE COMPANY

**SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP  
PART 1 - ORGANIZATION CHART**

<b>Company</b>	<b>FEIN</b>	<b>NAIC</b>	<b>LOCATION</b>	<b>Ownership</b>
Meiji Yasuda Life Insurance Company ("MY")			JPN	
StanCorp Financial Group, Inc. ("SFG")	93-1253576		OR	100.00% owned by MY
Standard Insurance Company	93-0242990	69019	OR	100.00% owned by SFG
The Standard Life Insurance Company of New York	13-4119477	89009	NY	100.00% owned by SFG
StanCap Insurance Company, Inc.	46-5761825		OR	100.00% owned by SFG
Standard Management, Inc.	93-0928203		OR	100.00% owned by SFG
StanCorp Equities, Inc.	93-0930972		OR	100.00% owned by SFG
StanCorp Investment Advisers, Inc.	93-1296382		OR	100.00% owned by SFG
Standard Retirement Services, Inc.	25-1838406		OR	100.00% owned by SFG
StanCorp Mortgage Investors, LLC ("SMI")	93-1191029		OR	100.00% owned by SFG
StanCorp Mortgage Investors Pass-Through, LLC	26-1758088		OR	100.00% owned by SMI
StanCorp Real Estate, LLC ("SRE")	93-1191030		OR	100.00% owned by SFG
1381-1399 Florin Road LLC	45-3789788		OR	100.00% owned by SRE
Standard Insurance Company Continuing Health & Welfare Benefits Trust	93-1097066		OR	100.00% owned by SFG
The Standard Charitable Foundation	20-3997125		OR	100.00% owned by SFG
Pacific Guardian Life Insurance Company, Limited	99-0108050	64343	HI	100.00% owned by MY
Meiji Yasuda America Incorporated	51-0383916		NY	100.00% owned by MY
Meiji Yasuda Europe Limited			GBR	100.00% owned by MY
Meiji Yasuda Asia Limited			HKG	100.00% owned by MY
Founder Meiji Yasuda Life Insurance Co., Ltd.			CHN	29.20% owned by MY
PT AVRIST Assurance			IDN	29.90% owned by MY
TU Europa S.A.			POL	33.50% owned by MY
TUiR Warta S.A.			POL	24.30% owned by MY
Thai Life Insurance Public Company Limited			THA	15.00% owned by MY
Meiji Yasuda General Insurance Co., Ltd.			JPN	100.00% owned by MY
Meiji Yasuda Insurance Service Company, Limited			JPN	100.00% owned by MY
Meiji Yasuda Asset Management Company Ltd.			JPN	92.90% owned by MY
Meiji Yasuda Real Estate Management Company Limited			JPN	100.00% owned by MY
Meiji Yasuda Life Planning Center Company, Limited			JPN	100.00% owned by MY
Meiji Yasuda System Technology Company Limited			JPN	100.00% owned by MY
MYJ Co., Ltd.			JPN	100.00% owned by MY
Diamond Athletics, Ltd.			JPN	35.00% owned by MY

**SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP  
PART 1 - ORGANIZATION CHART**

<b>Company</b>	<b>FEIN</b>	<b>NAIC</b>	<b>LOCATION</b>	<b>Ownership</b>
Meiji Yasuda Institute of Life and Wellness, Inc.			JPN	91.00% owned by MY
Sunvenus Tachikawa Company Limited			JPN	100.00% owned by MY
MST Insurance Service Co., Ltd.			JPN	16.10% owned by MY
Yasuda Enterprise Development Co., Ltd.			JPN	50.00% owned by MY
The Mitsubishi Asset Brains Company, Limited			JPN	25.00% owned by MY
KSP COMMUNITY, Inc.			JPN	18.50% owned by MY
Japan Pension Service Co., Ltd.			JPN	39.70% owned by MY
Meiji Yasuda Business Plus Co., Ltd.			JPN	100.00% owned by MY
Meiji Yasuda Trading Company, Ltd.			JPN	100.00% owned by MY
RP Alpha Tokutei Mokuteki Kaisha			JPN	100.00% owned by MY
Meiji Yasuda Life Foundation of Health and Welfare			JPN	100.00% owned by MY
Meiji Yasuda Mental Health Foundation			JPN	100.00% owned by MY
The Meiji Yasuda Cultural Foundation			JPN	100.00% owned by MY
Meiji Yasuda Health Development Foundation			JPN	100.00% owned by MY

ANNUAL STATEMENT FOR THE YEAR 2018 OF THE STANDARD INSURANCE COMPANY

SCHEDULE Y

PART 1A - DETAIL OF INSURANCE HOLDING COMPANY SYSTEM

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
Group Code	Group Name	NAIC Company Code	ID Number	Federal RSSD	CIK	Name of Securities Exchange if Publicly Traded (U.S. or International)	Names of Parent, Subsidiaries Or Affiliates	Domiciliary Location	Relationship to Reporting Entity	Directly Controlled by (Name of Entity/Person)	Type of Control (Ownership, Board, Management, Attorney-in-Fact, Influence, Other)	If Control is Ownership Provide Percentage	Ultimate Controlling Entity(ies)/Person(s)	Is an SCA Filing Required? (Y/N)	*
		.0000					Meiji Yasuda Life Insurance Company	JPN	UIP			0.000		N	1
1348	Meiji Yasuda Life Insurance Group	.0000	93-1253576				StanCorp Financial Group, Inc.	OR	UDP	Meiji Yasuda Life Insurance Company	Ownership	100.000	Meiji Yasuda Life Insurance Company	N	
1348	Meiji Yasuda Life Insurance Group	.69019	93-0242990				Standard Insurance Company	OR	RE	StanCorp Financial Group, Inc.	Ownership	100.000	Meiji Yasuda Life Insurance Company	N	
							The Standard Life Insurance Company of New York	NY	IA	StanCorp Financial Group, Inc.	Ownership	100.000	Meiji Yasuda Life Insurance Company	N	
1348	Meiji Yasuda Life Insurance Group	.89009	13-4119477				StanCap Insurance Company, Inc.	OR	NIA	StanCorp Financial Group, Inc.	Ownership	100.000	Meiji Yasuda Life Insurance Company	N	
		.00000	46-5761825				Standard Management, Inc.	OR	NIA	StanCorp Financial Group, Inc.	Ownership	100.000	Meiji Yasuda Life Insurance Company	N	
		.00000	93-0928203				StanCorp Equities, Inc.	OR	NIA	StanCorp Financial Group, Inc.	Ownership	100.000	Meiji Yasuda Life Insurance Company	N	
		.00000	93-0930972				StanCorp Investment Advisers, Inc.	OR	NIA	StanCorp Financial Group, Inc.	Ownership	100.000	Meiji Yasuda Life Insurance Company	N	
		.00000	93-1296382				Standard Retirement Services, Inc.	OR	NIA	StanCorp Financial Group, Inc.	Ownership	100.000	Meiji Yasuda Life Insurance Company	N	
		.00000	25-1838406				StanCorp Mortgage Investors, LLC	OR	NIA	StanCorp Financial Group, Inc.	Ownership	100.000	Meiji Yasuda Life Insurance Company	N	
		.00000	93-1191029				StanCorp Mortgage Investors Pass-Through, LLC	OR	NIA	StanCorp Financial Group, Inc.	Ownership	100.000	Meiji Yasuda Life Insurance Company	N	
		.00000	26-1758088				StanCorp Real Estate, LLC	OR	NIA	StanCorp Financial Group, Inc.	Ownership	100.000	Meiji Yasuda Life Insurance Company	N	
		.00000	93-1191030				1381-1399 Florin Road LLC	OR	NIA	StanCorp Real Estate, LLC	Ownership	100.000	Meiji Yasuda Life Insurance Company	N	
		.00000	45-3789788				Standard Insurance Company Continuing Health & Welfare Benefits Trust	OR	NIA	StanCorp Financial Group, Inc.	Ownership	100.000	Meiji Yasuda Life Insurance Company	N	
		.00000	93-1097066				The Standard Charitable Foundation	OR	NIA	StanCorp Financial Group, Inc.	Ownership	100.000	Meiji Yasuda Life Insurance Company	N	
		.00000	20-3997125				Pacific Guardian Life Insurance Company, Limited	HI	IA	Meiji Yasuda Life Insurance Company	Ownership	100.000	Meiji Yasuda Life Insurance Company	N	
1348	Meiji Yasuda Life Insurance Group	.64343	99-0108050				Meiji Yasuda America Incorporated	NY	NIA	Meiji Yasuda Life Insurance Company	Ownership	100.000	Meiji Yasuda Life Insurance Company	N	
		.00000	51-0383916				Meiji Yasuda Europe Limited	GBR	NIA	Meiji Yasuda Life Insurance Company	Ownership	100.000	Meiji Yasuda Life Insurance Company	N	
		.00000					Meiji Yasuda Asia Limited	HKG	NIA	Meiji Yasuda Life Insurance Company	Ownership	100.000	Meiji Yasuda Life Insurance Company	N	
		.00000					Founder Meiji Yasuda Life Insurance Co., Ltd.	CHN	IA	Meiji Yasuda Life Insurance Company	Influence	0.000	Meiji Yasuda Life Insurance Company	N	
		.00000					PT AVRIST Assurance	IDN	IA	Meiji Yasuda Life Insurance Company	Influence	0.000	Meiji Yasuda Life Insurance Company	N	
		.00000					TU Europa S.A.	POL	IA	Meiji Yasuda Life Insurance Company	Influence	0.000	Meiji Yasuda Life Insurance Company	N	
		.00000					TUIR Warta S.A.	POL	IA	Meiji Yasuda Life Insurance Company	Influence	0.000	Meiji Yasuda Life Insurance Company	N	
		.00000					Thai Life Insurance Public Company Limited	THA	IA	Meiji Yasuda Life Insurance Company	Influence	0.000	Meiji Yasuda Life Insurance Company	N	
		.00000					Meiji Yasuda General Insurance Co., Ltd.	JPN	IA	Meiji Yasuda Life Insurance Company	Ownership	100.000	Meiji Yasuda Life Insurance Company	N	
		.00000					Meiji Yasuda Insurance Service Company, Limited	JPN	NIA	Meiji Yasuda Life Insurance Company	Ownership	100.000	Meiji Yasuda Life Insurance Company	N	
		.00000					Meiji Yasuda Asset Management Company Ltd.	JPN	NIA	Meiji Yasuda Life Insurance Company	Ownership	92.900	Meiji Yasuda Life Insurance Company	N	
		.00000					Meiji Yasuda Real Estate Management Company Limited	JPN	NIA	Meiji Yasuda Life Insurance Company	Ownership	100.000	Meiji Yasuda Life Insurance Company	N	
		.00000					Meiji Yasuda Life Planning Center Company, Limited	JPN	NIA	Meiji Yasuda Life Insurance Company	Ownership	100.000	Meiji Yasuda Life Insurance Company	N	
		.00000					Meiji Yasuda System Technology Company Limited	JPN	NIA	Meiji Yasuda Life Insurance Company	Ownership	100.000	Meiji Yasuda Life Insurance Company	N	
		.00000					MYJ Co., Ltd.	JPN	NIA	Meiji Yasuda Life Insurance Company	Ownership	100.000	Meiji Yasuda Life Insurance Company	N	
		.00000					Diamond Athletics, Ltd.	JPN	NIA	Meiji Yasuda Life Insurance Company	Influence	0.000	Meiji Yasuda Life Insurance Company	N	
		.00000					Meiji Yasuda Institute of Life and Wellness, Inc.	JPN	NIA	Meiji Yasuda Life Insurance Company	Ownership	91.000	Meiji Yasuda Life Insurance Company	N	
		.00000					Sunvenus Tachikawa Company Limited	JPN	NIA	Meiji Yasuda Life Insurance Company	Ownership	100.000	Meiji Yasuda Life Insurance Company	N	
		.00000					MST Insurance Service Co., Ltd.	JPN	NIA	Meiji Yasuda Life Insurance Company	Influence	0.000	Meiji Yasuda Life Insurance Company	N	
		.00000					Yasuda Enterprise Development Co., Ltd.	JPN	NIA	Meiji Yasuda Life Insurance Company	Ownership	50.000	Meiji Yasuda Life Insurance Company	N	
		.00000					The Mitsubishi Asset Brains Company, Limited	JPN	NIA	Meiji Yasuda Life Insurance Company	Influence	0.000	Meiji Yasuda Life Insurance Company	N	
		.00000					KSP COMMUNITY, Inc.	JPN	NIA	Meiji Yasuda Life Insurance Company	Influence	0.000	Meiji Yasuda Life Insurance Company	N	
		.00000					Japan Pension Service Co., Ltd.	JPN	NIA	Meiji Yasuda Life Insurance Company	Influence	0.000	Meiji Yasuda Life Insurance Company	N	
		.00000					Meiji Yasuda Business Plus Co., Ltd.	JPN	NIA	Meiji Yasuda Life Insurance Company	Ownership	100.000	Meiji Yasuda Life Insurance Company	N	
		.00000					Meiji Yasuda Trading Company, Ltd.	JPN	NIA	Meiji Yasuda Life Insurance Company	Ownership	100.000	Meiji Yasuda Life Insurance Company	N	
		.00000					RP Alpha Tokuteki Mokuteki Kaisha	JPN	NIA	Meiji Yasuda Life Insurance Company	Ownership	100.000	Meiji Yasuda Life Insurance Company	N	

ANNUAL STATEMENT FOR THE YEAR 2018 OF THE STANDARD INSURANCE COMPANY

**SCHEDULE Y**

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

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
Group Code	Group Name	NAIC Company Code	ID Number	Federal RSSD	CIK	Name of Securities Exchange if Publicly Traded (U.S. or International)	Names of Parent, Subsidiaries Or Affiliates	Domiciliary Location	Relationship to Reporting Entity	Directly Controlled by (Name of Entity/Person)	Type of Control (Ownership, Board, Management, Attorney-in-Fact, Influence, Other)	If Control is Ownership Provide Percentage	Ultimate Controlling Entity(ies)/Person(s)	Is an SCA Filing Required? (Y/N)	*
		.0000					Meiji Yasuda Life Foundation of Health and Welfare	JPN	NIA	Meiji Yasuda Life Insurance Company	Ownership	100.000	Meiji Yasuda Life Insurance Company	N	
		.0000					Meiji Yasuda Mental Health Foundation	JPN	NIA	Meiji Yasuda Life Insurance Company	Ownership	100.000	Meiji Yasuda Life Insurance Company	N	
		.0000					The Meiji Yasuda Cultural Foundation	JPN	NIA	Meiji Yasuda Life Insurance Company	Ownership	100.000	Meiji Yasuda Life Insurance Company	N	
		.0000					Meiji Yasuda Health Development Foundation	JPN	NIA	Meiji Yasuda Life Insurance Company	Ownership	100.000	Meiji Yasuda Life Insurance Company	N	

Asterisk	Explanation
1	Meiji Yasuda Life Insurance Company is a mutual insurance company owned by its policyholders.

ANNUAL STATEMENT FOR THE YEAR 2018 OF THE STANDARD INSURANCE COMPANY

**SCHEDULE Y**

**PART 2 - SUMMARY OF INSURER'S TRANSACTIONS WITH ANY AFFILIATES**

1	2	3	4	5	6	7	8	9	10	11	12	13
NAIC Company Code	ID Number	Names of Insurers and Parent, Subsidiaries or Affiliates	Shareholder Dividends	Capital Contributions	Purchases, Sales or Exchanges of Loans, Securities, Real Estate, Mortgage Loans or Other Investments	Income/ (Disbursements) Incurred in Connection with Guarantees or Undertakings for the Benefit of any Affiliate(s)	Management Agreements and Service Contracts	Income/ (Disbursements) Incurred Under Reinsurance Agreements	*	Any Other Material Activity Not in the Ordinary Course of the Insurer's Business	Totals	Reinsurance Recoverable/ (Payable) on Losses and/or Reserve Credit Taken/(Liability)
	00-000000	Meiji Yasuda Life Insurance Company	62,000,000	0	0	0	0	0		0	62,000,000	0
	93-1253576	StanCorp Financial Group, Inc.	(14,500,000)	0	(160,763,829)	0	(4,006,266)	0		0	(179,270,095)	0
69019	93-0242990	Standard Insurance Company	0	0	(1,725,051,820)	0	58,450,802	0		0	(1,666,601,018)	157,098,639
89009	13-4119477	The Standard Life Insurance Company of New York	0	0	(11,450,535)	0	(5,676,184)	0		0	(17,126,719)	0
	46-5761825	StanCap Insurance Company, Inc.	0	0	0	0	100,000	0		0	100,000	(157,098,639)
	93-1191029	StanCorp Mortgage Investors, LLC	(26,000,000)	0	1,916,458,034	0	(8,904,501)	0		0	1,881,553,533	0
	93-1191030	StanCorp Real Estate, LLC	(17,750,000)	0	0	0	(599,438)	0		0	(18,349,438)	0
	93-1296382	StanCorp Investment Advisers, Inc.	0	0	0	0	(1,069,926)	0		0	(1,069,926)	0
	25-1838406	Standard Retirement Services, Inc.	(1,750,000)	0	0	0	(26,059,757)	0		0	(27,809,757)	0
	93-0928203	Standard Management, Inc.	(2,000,000)	0	0	0	(8,680,167)	0		0	(10,680,167)	0
	93-0930972	StanCorp Equities, Inc.	0	0	0	0	(3,554,563)	0		0	(3,554,563)	0
64343	99-0108050	Pacific Guardian Life Insurance Company, Limited	0	0	(19,191,850)	0	0	0		0	(19,191,850)	0
9999999 Control Totals			0	0	0	0	0	0	XXX	0	0	0

## SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

The following supplemental reports are required to be filed as part of your statement filing unless specifically waived by the domiciliary state. However, in the event that your domiciliary state waives the filing requirement, your response of WAIVED to the specific interrogatory will be accepted in lieu of filing a "NONE" report and a bar code will be printed below. If the supplement is required of your company but is not being filed for whatever reason enter SEE EXPLANATION and provide an explanation following the interrogatory questions.

	Responses
<b>MARCH FILING</b>	
1. Will the Supplemental Compensation Exhibit be filed with the state of domicile by March 1? .....	YES
2. Will the confidential Risk-based Capital Report be filed with the NAIC by March 1? .....	YES
3. Will the confidential Risk-based Capital Report be filed with the state of domicile, if required, by March 1? .....	YES
4. Will an actuarial opinion be filed by March 1? .....	YES
<b>APRIL FILING</b>	
5. Will Management's Discussion and Analysis be filed by April 1? .....	YES
6. Will the Life, Health & Annuity Guaranty Association Model Act Assessment Base Reconciliation Exhibit be filed with the state of domicile and the NAIC by April 1? .....	YES
7. Will the Adjustments to the Life, Health & Annuity Guaranty Association Model Act Assessment Base Reconciliation Exhibit (if required) be filed with the state of domicile and the NAIC by April 1? .....	YES
8. Will the Supplemental Investment Risks Interrogatories be filed by April 1? .....	YES
<b>JUNE FILING</b>	
9. Will an audited financial report be filed by June 1? .....	YES
10. Will Accountant's Letter of Qualifications be filed with the state of domicile and electronically with the NAIC by June 1? .....	YES
<b>AUGUST FILING</b>	
11. Will the regulator-only (non-public) Communication of Internal Control Related Matters Noted in Audit be filed with the state of domicile and electronically with the NAIC (as a regulator-only non-public document) by August 1? .....	YES

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

<b>MARCH FILING</b>	
12. Will Schedule SIS (Stockholder Information Supplement) be filed with the state of domicile by March 1? .....	NO
13. Will the Medicare Supplement Insurance Experience Exhibit be filed with the state of domicile and the NAIC by March 1? .....	NO
14. Will the Trusteed Surplus Statement be filed with the state of domicile and the NAIC by March 1? .....	NO
15. Will the actuarial opinion on participating and non-participating policies as required in Interrogatories 1 and 2 to Exhibit 5 be filed with the state of domicile and electronically with the NAIC by March 1? .....	YES
16. Will the actuarial opinion on non-guaranteed elements as required in interrogatory #3 to Exhibit 5 be filed with the state of domicile and electronically with the NAIC by March 1? .....	YES
17. Will the actuarial opinion on X-Factors be filed with the state of domicile and electronically with the NAIC by March 1? .....	NO
18. Will the actuarial opinion on Separate Accounts Funding Guaranteed Minimum Benefit be filed with the state of domicile and electronically with the NAIC by March 1? .....	NO
19. Will the actuarial opinion on Synthetic Guaranteed Investment Contracts be filed with the state of domicile and electronically with the NAIC by March 1? .....	NO
20. Will the Reasonableness of Assumptions Certification required by Actuarial Guideline XXXV be filed with the state of domicile and electronically with the NAIC by March 1? .....	NO
21. Will the Reasonableness and Consistency of Assumptions Certification required by Actuarial Guideline XXXV be filed with the state of domicile and electronically with the NAIC by March 1? .....	YES
22. Will the Reasonableness of Assumptions Certification for Implied Guaranteed Rate Method required by Actuarial Guideline XXXVI be filed with the state of domicile and electronically with the NAIC by March 1? .....	NO
23. Will the Reasonableness and Consistency of Assumptions Certification required by Actuarial Guideline XXXVI (Updated Average Market Value) be filed with the state of domicile and electronically with the NAIC by March 1? .....	NO
24. Will the Reasonableness and Consistency of Assumptions Certification required by Actuarial Guideline XXXVI (Updated Market Value) be filed with the state of domicile and electronically with the NAIC by March 1? .....	NO
25. Will the C-3 RBC Certifications required under C-3 Phase I be filed with the state of domicile and electronically with the NAIC by March 1? .....	YES
26. Will the C-3 RBC Certifications required under C-3 Phase II be filed with the state of domicile and electronically with the NAIC by March 1? .....	NO



ANNUAL STATEMENT FOR THE YEAR 2018 OF THE STANDARD INSURANCE COMPANY  
**SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES**

- 27. Will the Actuarial Certifications Related to Annuity Nonforfeiture Ongoing Compliance for Equity Indexed Annuities be filed with the state of domicile and electronically with the NAIC by March 1? ..... YES
- 28. Will the actuarial opinion required by the Modified Guaranteed Annuity Model Regulation be filed with the state of domicile and electronically with the NAIC by March 1? ..... NO
- 29. Will the Actuarial Certifications Related to Hedging required by Actuarial Guideline XLIII be filed with the state of domicile and electronically with the NAIC by March 1? ..... NO
- 30. Will the Financial Officer Certification Related to Clearly Defined Hedging Strategy required by Actuarial Guideline XLIII be filed with the state of domicile and electronically with the NAIC by March 1? ..... NO
- 31. Will the Management Certification That the Valuation Reflects Management's Intent required by Actuarial Guideline XLIII be filed with the state of domicile and electronically with the NAIC by March 1? ..... NO
- 32. Will the Actuarial Certification Related to the Reserves required by Actuarial Guideline XLIII be filed with the state of domicile and electronically with the NAIC by March 1? ..... NO
- 33. Will the Actuarial Certification regarding the use of 2001 Preferred Class Tables required by the Model Regulation Permitting the Recognition of Preferred Mortality Tables for Use in Determining Minimum Reserve Liabilities be filed with the state of domicile and electronically with the NAIC by March 1? ..... NO
- 34. Will the Worker's Compensation Carve-Out Supplement be filed by March 1? ..... NO
- 35. Will Supplemental Schedule O be filed with the state of domicile and the NAIC by March 1? ..... YES
- 36. Will the Medicare Part D Coverage Supplement be filed with the state of domicile and the NAIC by March 1? ..... NO
- 37. Will an approval from the reporting entity's state of domicile for relief related to the five-year rotation requirement for lead audit partner be filed electronically with the NAIC by March 1? ..... NO
- 38. Will an approval from the reporting entity's state of domicile for relief related to the one-year cooling off period for independent CPA be filed electronically with the NAIC by March 1? ..... NO
- 39. Will an approval from the reporting entity's state of domicile for relief related to the Requirements for Audit Committees be filed electronically with the NAIC by March 1? ..... NO
- 40. Will the VM-20 Reserves Supplement be filed with the state of domicile and the NAIC by March 1? ..... YES

**APRIL FILING**

- 41. Will the confidential Regulatory Asset Adequacy Issues Summary (RAAIS) required by the Valuation Manual be filed with the state of domicile by April 1? ..... YES
- 42. Will the Long-Term Care Experience Reporting Forms be filed with the state of domicile and the NAIC by April 1? ..... NO
- 43. Will the Interest-Sensitive Life Insurance Products Report Forms be filed with the state of domicile and the NAIC by April 1? ..... YES
- 44. Will the Credit Insurance Experience Exhibit be filed with the state of domicile and the NAIC by April 1? ..... NO
- 45. Will the Accident and Health Policy Experience Exhibit be filed by April 1? ..... YES
- 46. Will the Analysis of Annuity Operations by Lines of Business be filed with the state of domicile and the NAIC by April 1? ..... YES
- 47. Will the Analysis of Increase in Annuity Reserves During the Year be filed with the state of domicile and the NAIC by April 1? ..... YES
- 48. Will the Supplemental Health Care Exhibit (Parts 1, 2 and 3) be filed with the state of domicile and the NAIC by April 1? ..... NO
- 49. Will the regulator only (non-public) Supplemental Health Care Exhibit's Expense Allocation Report be filed with the state of domicile and the NAIC by April 1? ..... NO
- 50. Will the confidential Actuarial Memorandum required by Actuarial Guideline XXXVIII 8D be filed with the state of domicile by April 30? ..... NO
- 51. Will the Supplemental Term and Universal Life Insurance Reinsurance Exhibit be filed with the state of domicile and the NAIC by April 1? ..... NO
- 52. Will the Variable Annuities Supplement be filed with the state of domicile and the NAIC by April 1? ..... NO

**AUGUST FILING**

- 53. Will Management's Report of Internal Control Over Financial Reporting be filed with the state of domicile by August 1? ..... YES

- 12.
- 13.
- 14.
- 17.
- 18.
- 19.
- 20.
- 22.
- 23.
- 24.
- 26.
- 28.
- 29.
- 30.
- 31.
- 32.
- 33.
- 34.
- 36.
- 37.
- 38.
- 39.
- 42.
- 44.
- 48.
- 49.
- 50.
- 51.
- 52.

Bar Codes:

- 12. SIS Stockholder Information Supplement [Document Identifier 420]



- 13. Medicare Supplement Insurance Experience Exhibit [Document Identifier 360]



- 14. Trusteed Surplus Statement [Document Identifier 490]



- 17. Actuarial Opinion on X-Factors [Document Identifier 442]



- 18. Actuarial Opinion on Separate Accounts Funding Guaranteed Minimum Benefit [Document Identifier 443]

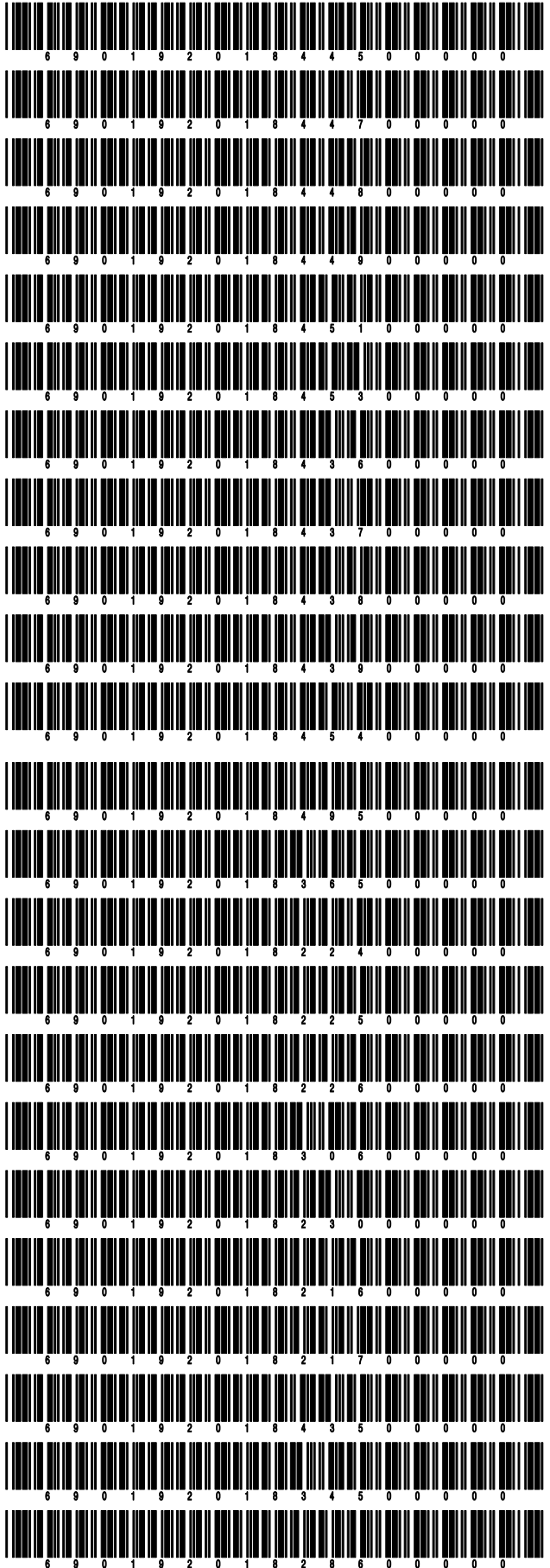


- 19. Actuarial Opinion on Synthetic Guaranteed Investment Contracts [Document Identifier 444]



**SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES**

- 20. Reasonableness of Assumptions Certification required by Actuarial Guideline XXXV [Document Identifier 445]
- 22. Reasonableness of Assumptions Certification for Implied Guaranteed Rate Method required by Actuarial Guideline XXXVI [Document Identifier 447]
- 23. Reasonableness and Consistency of Assumptions Certification required by Actuarial Guideline XXXVI [Document Identifier 448]
- 24. Reasonableness and Consistency of Assumptions Certification required by Actuarial Guideline XXXVI (Updated Market Value) [Document Identifier 449]
- 26. C-3 RBC Certifications Required Under C-3 Phase II [Document Identifier 451]
- 28. Modified Guaranteed Annuity Model Regulation [Document Identifier 453]
- 29. Actuarial Certifications Related to Hedging required by Actuarial Guideline XLIII [Document Identifier 436]
- 30. Financial Officer Certification Related to Clearly Defined Hedging Strategy required by Actuarial Guideline XLIII [Document Identifier 437]
- 31. Management Certification That the Valuation Reflects Management's Intent required by Actuarial Guideline XLIII [Document Identifier 438]
- 32. Actuarial Certification Related to the Reserves required by Actuarial Guideline XLIII [Document Identifier 439]
- 33. Actuarial Certification regarding the use of 2001 Preferred Class Tables required by the Model Regulation Permitting the Recognition of Preferred Mortality Tables for Use in Determining Minimum Reserve Liabilities [Document Identifier 454]
- 34. Workers' Compensation Carve-Out Supplement [Document Identifier 495]
- 36. Medicare Part D Coverage Supplement [Document Identifier 365]
- 37. Relief from the five-year rotation requirement for lead audit partner [Document Identifier 224]
- 38. Relief from the one-year cooling off period for independent CPA [Document Identifier 225]
- 39. Relief from the Requirements for Audit Committees [Document Identifier 226]
- 42. Long-Term Care Experience Reporting Forms [Document Identifier 306]
- 44. Credit Insurance Experience Exhibit [Document Identifier 230]
- 48. Supplemental Health Care Exhibit (Parts 1, 2 and 3) [Document Identifier 216]
- 49. Supplemental Health Care Exhibit's Expense Allocation Report [Document Identifier 217]
- 50. Actuarial Memorandum Required by Actuarial Guideline XXXVIII 8D [Document Identifier 435]
- 51. Supplemental Term and Universal Life Insurance Reinsurance Exhibit [Document Identifier 345]
- 52. Variable Annuities Supplement [Document Identifier 286]



ANNUAL STATEMENT FOR THE YEAR 2018 OF THE STANDARD INSURANCE COMPANY

**OVERFLOW PAGE FOR WRITE-INS**

Additional Write-ins for Liabilities Line 25

	1 Current Year	2 Prior Year
2504. Funds held for escheatment .....	2,411,826	1,246,251
2505. Long-term contracts payable .....	388,948	444,727
2597. Summary of remaining write-ins for Line 25 from overflow page	2,800,774	1,690,978

Additional Write-ins for Summary of Operations Line 53

	1 Current Year	2 Prior Year
5304. Nonqualified defined benefit plan adjustment .....	0	59,943,875
5397. Summary of remaining write-ins for Line 53 from overflow page	0	59,943,875

Additional Write-ins for Exhibit of Net Investment Income Line 15

	2 Earned During Year
1504. Bond Management Fee .....	3,059,202
1505. Interest Expense - OTC Collateral .....	239,487
1597. Summary of remaining write-ins for Line 15 from overflow page	3,298,689

ANNUAL STATEMENT FOR THE YEAR 2018 OF THE STANDARD INSURANCE COMPANY

**SUMMARY INVESTMENT SCHEDULE**

Investment Categories	Gross Investment Holdings		Admitted Assets as Reported in the Annual Statement			
	1 Amount	2 Percentage	3 Amount	4 Securities Lending Reinvested Collateral Amount	5 Total (Col. 3 + 4) Amount	6 Percentage
1. Bonds:						
1.1 U.S. treasury securities	20,923,546	0.133	20,923,546	0	20,923,546	0.133
1.2 U.S. government agency obligations (excluding mortgage-backed securities):						
1.21 Issued by U.S. government agencies	13,294,117	0.084	13,294,117	0	13,294,117	0.084
1.22 Issued by U.S. government sponsored agencies	93,314,293	0.592	93,314,293	0	93,314,293	0.592
1.3 Non-U.S. government (including Canada, excluding mortgaged-backed securities)	41,361,858	0.262	41,361,858	0	41,361,858	0.262
1.4 Securities issued by states, territories, and possessions and political subdivisions in the U.S.:						
1.41 States, territories and possessions general obligations	34,067,254	0.216	34,067,254	0	34,067,254	0.216
1.42 Political subdivisions of states, territories and possessions and political subdivisions general obligations	82,894,216	0.526	82,894,216	0	82,894,216	0.526
1.43 Revenue and assessment obligations	271,996,362	1.725	271,996,362	0	271,996,362	1.725
1.44 Industrial development and similar obligations	0	0.000	0	0	0	0.000
1.5 Mortgage-backed securities (includes residential and commercial MBS):						
1.51 Pass-through securities:						
1.511 Issued or guaranteed by GNMA	0	0.000	0	0	0	0.000
1.512 Issued or guaranteed by FNMA and FHLMC	4,298,187	0.027	4,298,187	0	4,298,187	0.027
1.513 All other	568,139,120	3.604	568,139,120	0	568,139,120	3.604
1.52 CMOs and REMICs:						
1.521 Issued or guaranteed by GNMA, FNMA, FHLMC or VA	5,669,701	0.036	5,669,701	0	5,669,701	0.036
1.522 Issued by non-U.S. Government issuers and collateralized by mortgage-backed securities issued or guaranteed by agencies shown in Line 1.521	15,199,026	0.096	15,199,026	0	15,199,026	0.096
1.523 All other	406,314,532	2.577	406,314,532	0	406,314,532	2.577
2. Other debt and other fixed income securities (excluding short-term):						
2.1 Unaffiliated domestic securities (includes credit tenant loans and hybrid securities)	6,004,113,020	38.082	6,004,113,020	0	6,004,113,020	38.082
2.2 Unaffiliated non-U.S. securities (including Canada)	1,301,644,578	8.256	1,301,644,578	0	1,301,644,578	8.256
2.3 Affiliated securities	0	0.000	0	0	0	0.000
3. Equity interests:						
3.1 Investments in mutual funds	0	0.000	0	0	0	0.000
3.2 Preferred stocks:						
3.21 Affiliated	0	0.000	0	0	0	0.000
3.22 Unaffiliated	2,100,000	0.013	2,100,000	0	2,100,000	0.013
3.3 Publicly traded equity securities (excluding preferred stocks):						
3.31 Affiliated	0	0.000	0	0	0	0.000
3.32 Unaffiliated	0	0.000	0	0	0	0.000
3.4 Other equity securities:						
3.41 Affiliated	0	0.000	0	0	0	0.000
3.42 Unaffiliated	35,973,000	0.228	35,973,000	0	35,973,000	0.228
3.5 Other equity interests including tangible personal property under lease:						
3.51 Affiliated	0	0.000	0	0	0	0.000
3.52 Unaffiliated	0	0.000	0	0	0	0.000
4. Mortgage loans:						
4.1 Construction and land development	0	0.000	0	0	0	0.000
4.2 Agricultural	0	0.000	0	0	0	0.000
4.3 Single family residential properties	77,832	0.000	77,832	0	77,832	0.000
4.4 Multifamily residential properties	0	0.000	0	0	0	0.000
4.5 Commercial loans	6,439,358,585	40.843	6,439,358,585	0	6,439,358,585	40.843
4.6 Mezzanine real estate loans	0	0.000	0	0	0	0.000
5. Real estate investments:						
5.1 Property occupied by company	61,209,950	0.388	61,209,950	0	61,209,950	0.388
5.2 Property held for production of income (including \$ 0 of property acquired in satisfaction of debt)	10,568,318	0.067	10,568,318	0	10,568,318	0.067
5.3 Property held for sale (including \$ 0 property acquired in satisfaction of debt)	0	0.000	0	0	0	0.000
6. Contract loans	391,570	0.002	391,570	0	391,570	0.002
7. Derivatives	5,698,910	0.036	5,698,910	0	5,698,910	0.036
8. Receivables for securities	35,343,631	0.224	35,343,631	0	35,343,631	0.224
9. Securities Lending (Line 10, Asset Page reinvested collateral)	0	0.000	0	XXX	XXX	XXX
10. Cash, cash equivalents and short-term investments	131,127,428	0.832	131,127,428	0	131,127,428	0.832
11. Other invested assets	181,224,492	1.149	181,224,492	0	181,224,492	1.149
12. Total invested assets	15,766,303,526	100.000	15,766,303,526	0	15,766,303,526	100.000

ANNUAL STATEMENT FOR THE YEAR 2018 OF THE STANDARD INSURANCE COMPANY

**SCHEDULE A - VERIFICATION BETWEEN YEARS**

Real Estate

1.	Book/adjusted carrying value, December 31 of prior year .....	61,883,516
2.	Cost of acquired:	
2.1	Actual cost at time of acquisition (Part 2, Column 6) .....	6,110,060
2.2	Additional investment made after acquisition (Part 2, Column 9) .....	7,649,773
		13,759,833
3.	Current year change in encumbrances:	
3.1	Totals, Part 1, Column 13 .....	0
3.2	Totals, Part 3, Column 11 .....	0
		0
4.	Total gain (loss) on disposals, Part 3, Column 18 .....	0
5.	Deduct amounts received on disposals, Part 3, Column 15 .....	0
6.	Total foreign exchange change in book/adjusted carrying value:	
6.1	Totals, Part 1, Column 15 .....	0
6.2	Totals, Part 3, Column 13 .....	0
		0
7.	Deduct current year's other than temporary impairment recognized:	
7.1	Totals, Part 1, Column 12 .....	0
7.2	Totals, Part 3, Column 10 .....	0
		0
8.	Deduct current year's depreciation:	
8.1	Totals, Part 1, Column 11 .....	3,865,081
8.2	Totals, Part 3, Column 9 .....	0
		3,865,081
9.	Book/adjusted carrying value at the end of current period (Lines 1+2+3+4-5+6-7-8) .....	71,778,268
10.	Deduct total nonadmitted amounts .....	0
11.	Statement value at end of current period (Line 9 minus Line 10) .....	71,778,268

**SCHEDULE B - VERIFICATION BETWEEN YEARS**

Mortgage Loans

1.	Book value/recorded investment excluding accrued interest, December 31 of prior year .....	6,188,999,134
2.	Cost of acquired:	
2.1	Actual cost at time of acquisition (Part 2, Column 7) .....	1,803,635,859
2.2	Additional investment made after acquisition (Part 2, Column 8) .....	112,822,175
		1,916,458,034
3.	Capitalized deferred interest and other:	
3.1	Totals, Part 1, Column 12 .....	0
3.2	Totals, Part 3, Column 11 .....	20,363
		20,363
4.	Accrual of discount .....	0
5.	Unrealized valuation increase (decrease):	
5.1	Totals, Part 1, Column 9 .....	0
5.2	Totals, Part 3, Column 8 .....	0
		0
6.	Total gain (loss) on disposals, Part 3, Column 18 .....	(6,618,335)
7.	Deduct amounts received on disposals, Part 3, Column 15 .....	1,656,767,344
8.	Deduct amortization of premium and mortgage interest points and commitment fees .....	41,687
9.	Total foreign exchange change in book value/recorded investment excluding accrued interest:	
9.1	Totals, Part 1, Column 13 .....	0
9.2	Totals, Part 3, Column 13 .....	0
		0
10.	Deduct current year's other than temporary impairment recognized:	
10.1	Totals, Part 1, Column 11 .....	0
10.2	Totals, Part 3, Column 10 .....	0
		0
11.	Book value/recorded investment excluding accrued interest at end of current period (Lines 1+2+3+4+5+6-7-8+9-10) .....	6,442,050,164
12.	Total valuation allowance .....	(2,613,747)
13.	Subtotal (Line 11 plus 12) .....	6,439,436,417
14.	Deduct total nonadmitted amounts .....	0
15.	Statement value of mortgages owned at end of current period (Line 13 minus Line 14) .....	6,439,436,417

ANNUAL STATEMENT FOR THE YEAR 2018 OF THE STANDARD INSURANCE COMPANY

**SCHEDULE BA - VERIFICATION BETWEEN YEARS**

Other Long-Term Invested Assets

1.	Book/adjusted carrying value, December 31 of prior year .....	196,699,080
2.	Cost of acquired:	
2.1	Actual cost at time of acquisition (Part 2, Column 8) .....	4,693,489
2.2	Additional investment made after acquisition (Part 2, Column 9) .....	21,437,522
		26,131,011
3.	Capitalized deferred interest and other:	
3.1	Totals, Part 1, Column 16 .....	0
3.2	Totals, Part 3, Column 12 .....	0
		0
4.	Accrual of discount .....	0
5.	Unrealized valuation increase (decrease):	
5.1	Totals, Part 1, Column 13 .....	0
5.2	Totals, Part 3, Column 9 .....	0
		0
6.	Total gain (loss) on disposals, Part 3, Column 19 .....	103,977
7.	Deduct amounts received on disposals, Part 3, Column 16 .....	148,458
8.	Deduct amortization of premium and depreciation .....	41,561,118
9.	Total foreign exchange change in book/adjusted carrying value:	
9.1	Totals, Part 1, Column 17 .....	0
9.2	Totals, Part 3, Column 14 .....	0
		0
10.	Deduct current year's other than temporary impairment recognized:	
10.1	Totals, Part 1, Column 15 .....	0
10.2	Totals, Part 3, Column 11 .....	0
		0
11.	Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5+6-7-8+9-10) .....	181,224,492
12.	Deduct total nonadmitted amounts .....	0
13.	Statement value at end of current period (Line 11 minus Line 12) .....	181,224,492

**SCHEDULE D - VERIFICATION BETWEEN YEARS**

Bonds and Stocks

1.	Book/adjusted carrying value, December 31 of prior year .....	8,308,978,191
2.	Cost of bonds and stocks acquired, Part 3, Column 7 .....	2,159,836,469
3.	Accrual of discount .....	5,731,996
4.	Unrealized valuation increase (decrease):	
4.1	Part 1, Column 12 .....	0
4.2	Part 2, Section 1, Column 15 .....	0
4.3	Part 2, Section 2, Column 13 .....	0
4.4	Part 4, Column 11 .....	0
		0
5.	Total gain (loss) on disposals, Part 4, Column 19 .....	(12,128,141)
6.	Deduction consideration for bonds and stocks disposed of, Part 4, Column 7 .....	1,543,830,084
7.	Deduct amortization of premium .....	20,304,183
8.	Total foreign exchange change in book/adjusted carrying value:	
8.1	Part 1, Column 15 .....	0
8.2	Part 2, Section 1, Column 19 .....	0
8.3	Part 2, Section 2, Column 16 .....	0
8.4	Part 4, Column 15 .....	0
		0
9.	Deduct current year's other than temporary impairment recognized:	
9.1	Part 1, Column 14 .....	709,460
9.2	Part 2, Section 1, Column 17 .....	0
9.3	Part 2, Section 2, Column 14 .....	0
9.4	Part 4, Column 13 .....	828,342
		1,537,802
10.	Total investment income recognized as a result of prepayment penalties and/or acceleration fees, Notes 5R, Line 5R(2) .....	4,556,364
11.	Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9+10) .....	8,901,302,810
12.	Deduct total nonadmitted amounts .....	0
13.	Statement value at end of current period (Line 11 minus Line 12) .....	8,901,302,810

ANNUAL STATEMENT FOR THE YEAR 2018 OF THE STANDARD INSURANCE COMPANY

**SCHEDULE D - SUMMARY BY COUNTRY**

Long-Term Bonds and Stocks OWNED December 31 of Current Year

Description		1 Book/Adjusted Carrying Value	2 Fair Value	3 Actual Cost	4 Par Value of Bonds
<b>BONDS</b>					
Governments (Including all obligations guaranteed by governments)	1. United States .....	25,588,716	24,894,413	25,662,186	25,665,170
	2. Canada .....	20,119,513	20,610,245	21,208,225	19,605,000
	3. Other Countries	21,242,345	23,168,512	22,205,537	20,565,000
	4. Totals	66,950,574	68,673,170	69,075,948	65,835,170
U.S. States, Territories and Possessions (Direct and guaranteed)	5. Totals	34,067,254	34,795,106	34,222,725	32,794,846
U.S. Political Subdivisions of States, Territories and Possessions (Direct and guaranteed)	6. Totals	82,894,216	84,743,052	83,500,788	81,483,845
U.S. Special Revenue and Special Assessment Obligations and all Non- Guaranteed Obligations of Agencies and Authorities of Governments and their Political Subdivisions	7. Totals	399,106,515	415,967,328	403,639,755	388,659,120
Industrial and Miscellaneous, SVO Identified Funds, Bank Loans and Hybrid Securities (unaffiliated)	8. United States .....	6,576,452,670	6,542,960,961	6,636,494,262	6,565,164,871
	9. Canada .....	290,684,557	287,586,686	291,623,382	289,767,680
	10. Other Countries	1,413,074,024	1,381,984,903	1,416,493,063	1,414,131,572
	11. Totals	8,280,211,251	8,212,532,550	8,344,610,707	8,269,064,123
Parent, Subsidiaries and Affiliates	12. Totals	0	0	0	0
	13. Total Bonds	8,863,229,810	8,816,711,206	8,935,049,923	8,837,837,104
<b>PREFERRED STOCKS</b>					
Industrial and Miscellaneous (unaffiliated)	14. United States .....	2,100,000	2,010,000	2,100,000	
	15. Canada .....	0	0	0	
	16. Other Countries	0	0	0	
	17. Totals	2,100,000	2,010,000	2,100,000	
Parent, Subsidiaries and Affiliates	18. Totals	0	0	0	
	19. Total Preferred Stocks	2,100,000	2,010,000	2,100,000	
<b>COMMON STOCKS</b>					
Industrial and Miscellaneous (unaffiliated)	20. United States .....	35,973,000	35,973,000	35,973,000	
	21. Canada .....	0	0	0	
	22. Other Countries	0	0	0	
	23. Totals	35,973,000	35,973,000	35,973,000	
Parent, Subsidiaries and Affiliates	24. Totals	0	0	0	
	25. Total Common Stocks	35,973,000	35,973,000	35,973,000	
	26. Total Stocks	38,073,000	37,983,000	38,073,000	
	27. Total Bonds and Stocks	8,901,302,810	8,854,694,206	8,973,122,923	

ANNUAL STATEMENT FOR THE YEAR 2018 OF THE STANDARD INSURANCE COMPANY

**SCHEDULE D - PART 1A - SECTION 1**

Quality and Maturity Distribution of All Bonds Owned December 31, at Book/Adjusted Carrying Values by Major Types of Issues and NAIC Designations

NAIC Designation	1 1 Year or Less	2 Over 1 Year Through 5 Years	3 Over 5 Years Through 10 Years	4 Over 10 Years Through 20 Years	5 Over 20 Years	6 No Maturity Date	7 Total Current Year	8 Col. 7 as a % of Line 11.7	9 Total from Col. 7 Prior Year	10 % From Col. 8 Prior Year	11 Total Publicly Traded	12 Total Privately Placed (a)
<b>1. U.S. Governments</b>												
1.1 NAIC 1	960,396	19,227,132	5,401,188	0	0	XXX	25,588,716	0.3	25,796,686	0.3	25,588,716	0
1.2 NAIC 2	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
1.3 NAIC 3	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
1.4 NAIC 4	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
1.5 NAIC 5	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
1.6 NAIC 6	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
1.7 Totals	960,396	19,227,132	5,401,188	0	0	XXX	25,588,716	0.3	25,796,686	0.3	25,588,716	0
<b>2. All Other Governments</b>												
2.1 NAIC 1	10,737,282	12,075,833	15,107,144	0	3,441,599	XXX	41,361,858	0.5	45,204,884	0.5	18,252,023	23,109,835
2.2 NAIC 2	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
2.3 NAIC 3	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
2.4 NAIC 4	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
2.5 NAIC 5	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
2.6 NAIC 6	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
2.7 Totals	10,737,282	12,075,833	15,107,144	0	3,441,599	XXX	41,361,858	0.5	45,204,884	0.5	18,252,023	23,109,835
<b>3. U.S. States, Territories and Possessions etc., Guaranteed</b>												
3.1 NAIC 1	3,346,815	15,031,190	6,705,185	8,984,064	0	XXX	34,067,254	0.4	35,259,808	0.4	34,067,254	0
3.2 NAIC 2	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
3.3 NAIC 3	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
3.4 NAIC 4	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
3.5 NAIC 5	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
3.6 NAIC 6	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
3.7 Totals	3,346,815	15,031,190	6,705,185	8,984,064	0	XXX	34,067,254	0.4	35,259,808	0.4	34,067,254	0
<b>4. U.S. Political Subdivisions of States, Territories and Possessions, Guaranteed</b>												
4.1 NAIC 1	2,704,247	20,092,078	38,713,334	18,047,332	3,337,225	XXX	82,894,216	0.9	66,041,954	0.8	82,894,216	0
4.2 NAIC 2	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
4.3 NAIC 3	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
4.4 NAIC 4	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
4.5 NAIC 5	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
4.6 NAIC 6	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
4.7 Totals	2,704,247	20,092,078	38,713,334	18,047,332	3,337,225	XXX	82,894,216	0.9	66,041,954	0.8	82,894,216	0
<b>5. U.S. Special Revenue &amp; Special Assessment Obligations, etc., Non-Guaranteed</b>												
5.1 NAIC 1	9,294,715	71,679,669	178,803,154	97,531,888	37,195,299	XXX	394,504,725	4.5	343,664,507	4.2	376,892,057	17,612,668
5.2 NAIC 2	0	0	3,431,790	1,170,000	0	XXX	4,601,790	0.1	4,594,914	0.1	4,601,790	0
5.3 NAIC 3	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
5.4 NAIC 4	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
5.5 NAIC 5	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
5.6 NAIC 6	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
5.7 Totals	9,294,715	71,679,669	182,234,944	98,701,888	37,195,299	XXX	399,106,515	4.5	348,259,421	4.2	381,493,847	17,612,668

S105



ANNUAL STATEMENT FOR THE YEAR 2018 OF THE STANDARD INSURANCE COMPANY

**SCHEDULE D - PART 1A - SECTION 1 (Continued)**

Quality and Maturity Distribution of All Bonds Owned December 31, at Book/Adjusted Carrying Values by Major Types of Issues and NAIC Designations

NAIC Designation	1 1 Year or Less	2 Over 1 Year Through 5 Years	3 Over 5 Years Through 10 Years	4 Over 10 Years Through 20 Years	5 Over 20 Years	6 No Maturity Date	7 Total Current Year	8 Col. 7 as a % of Line 11.7	9 Total from Col. 7 Prior Year	10 % From Col. 8 Prior Year	11 Total Publicly Traded	12 Total Privately Placed (a)
<b>6. Industrial &amp; Miscellaneous (Unaffiliated)</b>												
6.1 NAIC 1	330,980,267	1,967,764,763	1,935,894,960	372,553,751	362,363,433	XXX	4,969,557,174	56.1	4,557,298,579	55.1	3,407,500,331	1,562,056,843
6.2 NAIC 2	148,674,601	1,442,609,385	1,017,140,348	103,149,547	69,713,865	XXX	2,781,287,746	31.4	2,620,747,920	31.7	2,331,621,231	449,666,515
6.3 NAIC 3	7,675,552	161,206,638	142,363,605	7,493,539	2,130,513	XXX	320,869,847	3.6	381,087,214	4.6	191,735,509	129,134,338
6.4 NAIC 4	1,243,200	110,982,029	87,808,284	506,889	0	XXX	200,540,402	2.3	186,561,251	2.3	90,924,762	109,615,640
6.5 NAIC 5	0	7,956,082	0	0	0	XXX	7,956,082	0.1	3,393,774	0.0	5,759,349	2,196,733
6.6 NAIC 6	0	0	0	0	0	XXX	0	0.0	318,800	0.0	0	0
6.7 Totals	488,573,620	3,690,518,897	3,183,207,197	483,703,726	434,207,811	XXX	8,280,211,251	93.4	7,749,407,538	93.7	6,027,541,182	2,252,670,069
<b>7. Hybrid Securities</b>												
7.1 NAIC 1	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
7.2 NAIC 2	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
7.3 NAIC 3	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
7.4 NAIC 4	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
7.5 NAIC 5	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
7.6 NAIC 6	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
7.7 Totals	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
<b>8. Parent, Subsidiaries and Affiliates</b>												
8.1 NAIC 1	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
8.2 NAIC 2	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
8.3 NAIC 3	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
8.4 NAIC 4	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
8.5 NAIC 5	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
8.6 NAIC 6	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
8.7 Totals	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
<b>9. SVO Identified Funds</b>												
9.1 NAIC 1	XXX	XXX	XXX	XXX	XXX	0	0	0.0	0	0.0	0	0
9.2 NAIC 2	XXX	XXX	XXX	XXX	XXX	0	0	0.0	0	0.0	0	0
9.3 NAIC 3	XXX	XXX	XXX	XXX	XXX	0	0	0.0	0	0.0	0	0
9.4 NAIC 4	XXX	XXX	XXX	XXX	XXX	0	0	0.0	0	0.0	0	0
9.5 NAIC 5	XXX	XXX	XXX	XXX	XXX	0	0	0.0	0	0.0	0	0
9.6 NAIC 6	XXX	XXX	XXX	XXX	XXX	0	0	0.0	0	0.0	0	0
9.7 Totals	XXX	XXX	XXX	XXX	XXX	0	0	0.0	0	0.0	0	0
<b>10. Bank Loans</b>												
10.1 NAIC 1	0	0	0	0	0	XXX	0	0.0	XXX	XXX	0	0
10.2 NAIC 2	0	0	0	0	0	XXX	0	0.0	XXX	XXX	0	0
10.3 NAIC 3	0	0	0	0	0	XXX	0	0.0	XXX	XXX	0	0
10.4 NAIC 4	0	0	0	0	0	XXX	0	0.0	XXX	XXX	0	0
10.5 NAIC 5	0	0	0	0	0	XXX	0	0.0	XXX	XXX	0	0
10.6 NAIC 6	0	0	0	0	0	XXX	0	0.0	XXX	XXX	0	0
10.7 Totals	0	0	0	0	0	XXX	0	0.0	XXX	XXX	0	0

9105

ANNUAL STATEMENT FOR THE YEAR 2018 OF THE STANDARD INSURANCE COMPANY

**SCHEDULE D - PART 1A - SECTION 1 (Continued)**

Quality and Maturity Distribution of All Bonds Owned December 31, at Book/Adjusted Carrying Values by Major Types of Issues and NAIC Designations

NAIC Designation	1 1 Year or Less	2 Over 1 Year Through 5 Years	3 Over 5 Years Through 10 Years	4 Over 10 Years Through 20 Years	5 Over 20 Years	6 No Maturity Date	7 Total Current Year	8 Col. 7 as a % of Line 11.7	9 Total from Col. 7 Prior Year	10 % From Col. 8 Prior Year	11 Total Publicly Traded	12 Total Privately Placed (a)
<b>11. Total Bonds Current Year</b>												
11.1 NAIC 1	(d) 358,023,722	2,105,870,665	2,180,624,965	497,117,035	406,337,556	0	5,547,973,943	62.6	XXX	XXX	3,945,194,597	1,602,779,346
11.2 NAIC 2	(d) 148,674,601	1,442,609,385	1,020,572,138	104,319,547	69,713,865	0	2,785,889,536	31.4	XXX	XXX	2,336,223,021	449,666,515
11.3 NAIC 3	(d) 7,675,552	161,206,638	142,363,605	7,493,539	2,130,513	0	320,869,847	3.6	XXX	XXX	191,735,509	129,134,338
11.4 NAIC 4	(d) 1,243,200	110,982,029	87,808,284	506,889	0	0	200,540,402	2.3	XXX	XXX	90,924,762	109,615,640
11.5 NAIC 5	(d) 0	7,956,082	0	0	0	0	(c) 7,956,082	0.1	XXX	XXX	5,759,349	2,196,733
11.6 NAIC 6	(d) 0	0	0	0	0	0	(c) 0	0.0	XXX	XXX	0	0
11.7 Totals	515,617,075	3,828,624,799	3,431,368,992	609,437,010	478,181,934	0	(b) 8,863,229,810	100.0	XXX	XXX	6,569,837,238	2,293,392,572
11.8 Line 11.7 as a % of Col. 7	5.8	43.2	38.7	6.9	5.4	0.0	100.0	XXX	XXX	XXX	74.1	25.9
<b>12. Total Bonds Prior Year</b>												
12.1 NAIC 1	373,661,079	1,844,933,356	1,808,531,365	563,339,680	482,800,938	0	XXX	XXX	5,073,266,418	61.3	3,888,639,501	1,184,626,917
12.2 NAIC 2	156,177,003	1,298,980,779	1,000,239,660	132,183,271	37,762,121	0	XXX	XXX	2,625,342,834	31.7	2,233,180,760	392,162,074
12.3 NAIC 3	13,929,278	151,727,384	194,595,389	18,712,064	2,123,099	0	XXX	XXX	381,087,214	4.6	216,317,797	164,769,417
12.4 NAIC 4	1,565,037	104,456,749	78,927,628	1,246,860	364,977	0	XXX	XXX	186,561,251	2.3	98,740,106	87,821,145
12.5 NAIC 5	0	2,000,736	1,393,038	0	0	0	XXX	XXX	(c) 3,393,774	0.0	2,000,736	1,393,038
12.6 NAIC 6	0	318,800	0	0	0	0	XXX	XXX	(c) 318,800	0.0	0	318,800
12.7 Totals	545,332,397	3,402,417,804	3,083,687,080	715,481,875	523,051,135	0	XXX	XXX	(b) 8,269,970,291	100.0	6,438,878,900	1,831,091,391
12.8 Line 12.7 as a % of Col. 9	6.6	41.1	37.3	8.7	6.3	0.0	XXX	XXX	100.0	XXX	77.9	22.1
<b>13. Total Publicly Traded Bonds</b>												
13.1 NAIC 1	238,923,595	1,475,247,887	1,517,854,366	382,849,093	330,319,655	0	3,945,194,596	44.5	3,888,639,501	47.0	3,945,194,596	XXX
13.2 NAIC 2	128,846,319	1,295,548,965	786,620,877	65,198,314	60,008,547	0	2,336,223,022	26.4	2,233,180,760	27.0	2,336,223,022	XXX
13.3 NAIC 3	4,675,552	104,819,830	75,345,207	4,764,407	2,130,513	0	191,735,509	2.2	216,317,797	2.6	191,735,509	XXX
13.4 NAIC 4	365,398	64,929,863	25,122,612	506,889	0	0	90,924,762	1.0	98,740,106	1.2	90,924,762	XXX
13.5 NAIC 5	0	5,759,349	0	0	0	0	5,759,349	0.1	2,000,736	0.0	5,759,349	XXX
13.6 NAIC 6	0	0	0	0	0	0	0	0.0	0	0.0	0	XXX
13.7 Totals	372,810,864	2,946,305,894	2,404,943,062	453,318,703	392,458,715	0	6,569,837,238	74.1	6,438,878,900	77.9	6,569,837,238	XXX
13.8 Line 13.7 as a % of Col. 7	5.7	44.8	36.6	6.9	6.0	0.0	100.0	XXX	XXX	XXX	100.0	XXX
13.9 Line 13.7 as a % of Line 11.7, Col. 7, Section 11	4.2	33.2	27.1	5.1	4.4	0.0	74.1	XXX	XXX	XXX	74.1	XXX
<b>14. Total Privately Placed Bonds</b>												
14.1 NAIC 1	119,100,127	630,622,778	662,770,599	114,267,942	76,017,901	0	1,602,779,347	18.1	1,184,626,917	14.3	XXX	1,602,779,347
14.2 NAIC 2	19,828,282	147,060,420	233,951,261	39,121,233	9,705,318	0	449,666,514	5.1	392,162,074	4.7	XXX	449,666,514
14.3 NAIC 3	3,000,000	56,386,808	67,018,398	2,729,132	0	0	129,134,338	1.5	164,769,417	2.0	XXX	129,134,338
14.4 NAIC 4	877,802	46,052,166	62,685,672	0	0	0	109,615,640	1.2	87,821,145	1.1	XXX	109,615,640
14.5 NAIC 5	0	2,196,733	0	0	0	0	2,196,733	0.0	1,393,038	0.0	XXX	2,196,733
14.6 NAIC 6	0	0	0	0	0	0	0	0.0	318,800	0.0	XXX	0
14.7 Totals	142,806,211	882,318,905	1,026,425,930	156,118,307	85,723,219	0	2,293,392,572	25.9	1,831,091,391	22.1	XXX	2,293,392,572
14.8 Line 14.7 as a % of Col. 7	6.2	38.5	44.8	6.8	3.7	0.0	100.0	XXX	XXX	XXX	XXX	100.0
14.9 Line 14.7 as a % of Line 11.7, Col. 7, Section 11	1.6	10.0	11.6	1.8	1.0	0.0	25.9	XXX	XXX	XXX	XXX	25.9

(a) Includes \$ 2,205,324,904 freely tradable under SEC Rule 144 or qualified for resale under SEC Rule 144A.

(b) Includes \$ 0 current year of bonds with Z designations, \$ 318,800 prior year of bonds with Z designations and \$ 0 prior year of bonds with Z\* designations. The letter "Z" means the NAIC designation was not assigned by the Securities Valuation Office (SVO) at the date of the statement. "Z\*" means the SVO could not evaluate the obligation because valuation procedures for the security class are under regulatory review.

(c) Includes \$ 0 current year of bonds with 5GI designations, \$ 0 prior year of bonds with 5\* or 5GI designations and \$ 0 current year, \$ 0 prior year of bonds with 6\* designations. "5GI" means the NAIC designation was assigned by the (SVO) in reliance on the insurer's certification that the issuer is current in all principal and interest payments. "6\*" means the NAIC designation was assigned by the SVO due to inadequate certification of principal and interest payments.

(d) Includes the following amount of short-term and cash equivalent bonds by NAIC designation: NAIC 1 \$ 0 ; NAIC 2 \$ 0 ; NAIC 3 \$ 0 ; NAIC 4 \$ 0 ; NAIC 5 \$ 0 ; NAIC 6 \$ 0

ANNUAL STATEMENT FOR THE YEAR 2018 OF THE STANDARD INSURANCE COMPANY

**SCHEDULE D - PART 1A - SECTION 2**

Maturity Distribution of All Bonds Owned December 31, at Book/Adjusted Carrying Values by Major Type and Subtype of Issues

Distribution by Type	1 1 Year or Less	2 Over 1 Year Through 5 Years	3 Over 5 Years Through 10 Years	4 Over 10 Years Through 20 Years	5 Over 20 Years	6 No Maturity Date	7 Total Current Year	8 Col. 7 as a % of Line 11.7	9 Total from Col. 7 Prior Year	10 % From Col. 8 Prior Year	11 Total Publicly Traded	12 Total Privately Placed
<b>1. U.S. Governments</b>												
1.1 Issuer Obligations	960,396	19,227,132	5,401,188	0	0	XXX	25,588,716	0.3	25,796,686	0.3	25,588,716	0
1.2 Residential Mortgage-Backed Securities	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
1.3 Commercial Mortgage-Backed Securities	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
1.4 Other Loan-Backed and Structured Securities	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
1.5 Totals	960,396	19,227,132	5,401,188	0	0	XXX	25,588,716	0.3	25,796,686	0.3	25,588,716	0
<b>2. All Other Governments</b>												
2.1 Issuer Obligations	10,737,282	12,075,833	15,107,144	0	3,441,599	XXX	41,361,858	0.5	45,204,884	0.5	18,252,023	23,109,835
2.2 Residential Mortgage-Backed Securities	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
2.3 Commercial Mortgage-Backed Securities	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
2.4 Other Loan-Backed and Structured Securities	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
2.5 Totals	10,737,282	12,075,833	15,107,144	0	3,441,599	XXX	41,361,858	0.5	45,204,884	0.5	18,252,023	23,109,835
<b>3. U.S. States, Territories and Possessions, Guaranteed</b>												
3.1 Issuer Obligations	3,346,815	15,031,190	6,705,185	8,984,064	0	XXX	34,067,254	0.4	35,259,808	0.4	34,067,254	0
3.2 Residential Mortgage-Backed Securities	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
3.3 Commercial Mortgage-Backed Securities	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
3.4 Other Loan-Backed and Structured Securities	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
3.5 Totals	3,346,815	15,031,190	6,705,185	8,984,064	0	XXX	34,067,254	0.4	35,259,808	0.4	34,067,254	0
<b>4. U.S. Political Subdivisions of States, Territories and Possessions, Guaranteed</b>												
4.1 Issuer Obligations	2,704,247	20,092,078	38,713,334	18,047,332	3,337,225	XXX	82,894,216	0.9	66,041,954	0.8	82,894,216	0
4.2 Residential Mortgage-Backed Securities	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
4.3 Commercial Mortgage-Backed Securities	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
4.4 Other Loan-Backed and Structured Securities	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
4.5 Totals	2,704,247	20,092,078	38,713,334	18,047,332	3,337,225	XXX	82,894,216	0.9	66,041,954	0.8	82,894,216	0
<b>5. U.S. Special Revenue &amp; Special Assessment Obligations etc., Non-Guaranteed</b>												
5.1 Issuer Obligations	7,763,444	63,769,065	161,742,487	97,888,441	34,147,217	XXX	365,310,654	4.1	322,271,312	3.9	360,081,663	5,228,991
5.2 Residential Mortgage-Backed Securities	1,531,271	4,980,686	4,348,423	813,447	232,733	XXX	11,906,560	0.1	14,710,378	0.2	11,906,560	0
5.3 Commercial Mortgage-Backed Securities	0	2,929,918	16,144,033	0	2,815,350	XXX	21,889,301	0.2	11,277,731	0.1	9,505,625	12,383,676
5.4 Other Loan-Backed and Structured Securities	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
5.5 Totals	9,294,715	71,679,669	182,234,943	98,701,888	37,195,300	XXX	399,106,515	4.5	348,259,421	4.2	381,493,848	17,612,667
<b>6. Industrial and Miscellaneous</b>												
6.1 Issuer Obligations	409,326,996	3,274,628,397	2,607,899,205	381,174,989	412,669,681	XXX	7,085,699,268	79.9	6,922,756,072	83.7	5,665,165,846	1,420,533,422
6.2 Residential Mortgage-Backed Securities	17,248,483	47,497,840	29,356,274	20,304,530	767,768	XXX	115,174,895	1.3	87,987,038	1.1	107,236,337	7,938,558
6.3 Commercial Mortgage-Backed Securities	16,152,301	195,381,430	212,611,950	25,001,230	10,298,472	XXX	459,445,383	5.2	245,146,399	3.0	139,017,716	320,427,667
6.4 Other Loan-Backed and Structured Securities	45,845,840	173,011,230	333,339,768	57,222,977	10,471,890	XXX	619,891,705	7.0	493,518,029	6.0	116,121,282	503,770,423
6.5 Totals	488,573,620	3,690,518,897	3,183,207,197	483,703,726	434,207,811	XXX	8,280,211,251	93.4	7,749,407,538	93.7	6,027,541,181	2,252,670,070
<b>7. Hybrid Securities</b>												
7.1 Issuer Obligations	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
7.2 Residential Mortgage-Backed Securities	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
7.3 Commercial Mortgage-Backed Securities	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
7.4 Other Loan-Backed and Structured Securities	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
7.5 Totals	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
<b>8. Parent, Subsidiaries and Affiliates</b>												
8.1 Issuer Obligations	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
8.2 Residential Mortgage-Backed Securities	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
8.3 Commercial Mortgage-Backed Securities	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
8.4 Other Loan-Backed and Structured Securities	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
8.5 Totals	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0

8018

ANNUAL STATEMENT FOR THE YEAR 2018 OF THE STANDARD INSURANCE COMPANY

**SCHEDULE D - PART 1A - SECTION 2 (Continued)**

Maturity Distribution of All Bonds Owned December 31, at Book/Adjusted Carrying Values by Major Type and Subtype of Issues

Distribution by Type	1 1 Year or Less	2 Over 1 Year Through 5 Years	3 Over 5 Years Through 10 Years	4 Over 10 Years Through 20 Years	5 Over 20 Years	6 No Maturity Date	7 Total Current Year	8 Col. 7 as a % of Line 11.7	9 Total from Col. 7 Prior Year	10 % From Col. 8 Prior Year	11 Total Publicly Traded	12 Total Privately Placed
<b>9. SVO Identified Funds</b>												
9.1 Exchange Traded Funds Identified by the SVO	XXX	XXX	XXX	XXX	XXX	0	0	0.0	0	0.0	0	0
9.2 Bond Mutual Funds Identified by the SVO	XXX	XXX	XXX	XXX	XXX	0	0	0.0	0	0.0	0	0
9.3 Totals	XXX	XXX	XXX	XXX	XXX	0	0	0.0	0	0.0	0	0
<b>10. Bank Loans</b>												
10.1 Bank Loans - Issued	0	0	0	0	0	XXX	0	0.0	XXX	XXX	0	0
10.2 Bank Loans - Acquired	0	0	0	0	0	XXX	0	0.0	XXX	XXX	0	0
10.3 Totals	0	0	0	0	0	XXX	0	0.0	XXX	XXX	0	0
<b>11. Total Bonds Current Year</b>												
11.1 Issuer Obligations	434,839,180	3,404,823,695	2,835,568,543	506,094,826	453,595,722	XXX	7,634,921,966	86.1	XXX	XXX	6,186,049,718	1,448,872,248
11.2 Residential Mortgage-Backed Securities	18,779,754	52,478,526	33,704,697	21,117,977	1,000,501	XXX	127,081,455	1.4	XXX	XXX	119,142,897	7,938,558
11.3 Commercial Mortgage-Backed Securities	16,152,301	198,311,348	228,755,983	25,001,230	13,113,822	XXX	481,334,684	5.4	XXX	XXX	148,523,341	332,811,343
11.4 Other Loan-Backed and Structured Securities	45,845,840	173,011,230	333,339,768	57,222,977	10,471,890	XXX	619,891,705	7.0	XXX	XXX	116,121,282	503,770,423
11.5 SVO Identified Funds	XXX	XXX	XXX	XXX	XXX	0	0	0.0	XXX	XXX	0	0
11.6 Bank Loans	0	0	0	0	0	XXX	0	0.0	XXX	XXX	0	0
11.7 Totals	515,617,075	3,828,624,799	3,431,368,991	609,437,010	478,181,935	0	8,863,229,810	100.0	XXX	XXX	6,569,837,238	2,293,392,572
11.8 Line 11.7 as a % of Col. 7	5.8	43.2	38.7	6.9	5.4	0.0	100.0	XXX	XXX	XXX	74.1	25.9
<b>12. Total Bonds Prior Year</b>												
12.1 Issuer Obligations	503,994,566	3,117,627,638	2,716,557,440	586,039,977	493,111,095	XXX	XXX	XXX	7,417,330,716	89.7	6,156,199,013	1,261,131,703
12.2 Residential Mortgage-Backed Securities	2,036,283	9,096,641	20,403,289	64,464,947	6,696,256	XXX	XXX	XXX	102,697,416	1.2	102,697,416	0
12.3 Commercial Mortgage-Backed Securities	2,510,795	56,602,358	145,229,560	32,970,666	19,110,751	XXX	XXX	XXX	256,424,130	3.1	128,552,122	127,872,008
12.4 Other Loan-Backed and Structured Securities	36,790,753	219,091,167	201,496,791	32,006,285	4,133,033	XXX	XXX	XXX	493,518,029	6.0	51,430,349	442,087,680
12.5 SVO Identified Funds	XXX	XXX	XXX	XXX	XXX	0	XXX	XXX	0	0.0	0	0
12.6 Bank Loans	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
12.7 Totals	545,332,397	3,402,417,804	3,083,687,080	715,481,875	523,051,135	0	XXX	XXX	8,269,970,291	100.0	6,438,878,900	1,831,091,391
12.8 Line 12.7 as a % of Col. 9	6.6	41.1	37.3	8.7	6.3	0.0	XXX	XXX	100.0	XXX	77.9	22.1
<b>13. Total Publicly Traded Bonds</b>												
13.1 Issuer Obligations	334,565,061	2,851,320,337	2,191,969,245	429,458,381	378,736,692	XXX	6,186,049,716	69.8	6,156,199,013	74.4	6,186,049,716	XXX
13.2 Residential Mortgage-Backed Securities	17,755,632	49,468,140	31,607,812	19,703,111	608,202	XXX	119,142,897	1.3	102,697,416	1.2	119,142,897	XXX
13.3 Commercial Mortgage-Backed Securities	566,548	4,485,602	130,357,369	0	13,113,822	XXX	148,523,341	1.7	128,552,122	1.6	148,523,341	XXX
13.4 Other Loan-Backed and Structured Securities	19,923,623	41,031,815	51,008,634	4,157,210	0	XXX	116,121,282	1.3	51,430,349	0.6	116,121,282	XXX
13.5 SVO Identified Funds	XXX	XXX	XXX	XXX	XXX	0	0	0.0	0	0.0	0	XXX
13.6 Bank Loans	0	0	0	0	0	XXX	0	0.0	XXX	XXX	0	XXX
13.7 Totals	372,810,864	2,946,305,894	2,404,943,060	453,318,702	392,458,716	0	6,569,837,236	74.1	6,438,878,900	77.9	6,569,837,236	XXX
13.8 Line 13.7 as a % of Col. 7	5.7	44.8	36.6	6.9	6.0	0.0	100.0	XXX	XXX	XXX	100.0	XXX
13.9 Line 13.7 as a % of Line 11.7, Col. 7, Section 11	4.2	33.2	27.1	5.1	4.4	0.0	74.1	XXX	XXX	XXX	74.1	XXX
<b>14. Total Privately Placed Bonds</b>												
14.1 Issuer Obligations	100,274,119	553,503,358	643,599,298	76,636,445	74,859,030	XXX	1,448,872,250	16.3	1,261,131,703	15.2	XXX	1,448,872,250
14.2 Residential Mortgage-Backed Securities	1,024,122	3,010,386	2,096,885	1,414,866	392,299	XXX	7,938,558	0.1	0	0.0	XXX	7,938,558
14.3 Commercial Mortgage-Backed Securities	15,585,753	193,825,746	98,398,614	25,001,230	0	XXX	332,811,343	3.8	127,872,008	1.5	XXX	332,811,343
14.4 Other Loan-Backed and Structured Securities	25,922,217	131,979,415	282,331,134	53,065,767	10,471,890	XXX	503,770,423	5.7	442,087,680	5.3	XXX	503,770,423
14.5 SVO Identified Funds	XXX	XXX	XXX	XXX	XXX	0	0	0.0	0	0.0	XXX	0
14.6 Bank Loans	0	0	0	0	0	XXX	0	0.0	XXX	XXX	XXX	0
14.7 Totals	142,806,211	882,318,905	1,026,425,931	156,118,308	85,723,219	0	2,293,392,574	25.9	1,831,091,391	22.1	XXX	2,293,392,574
14.8 Line 14.7 as a % of Col. 7	6.2	38.5	44.8	6.8	3.7	0.0	100.0	XXX	XXX	XXX	XXX	100.0
14.9 Line 14.7 as a % of Line 11.7, Col. 7, Section 11	1.6	10.0	11.6	1.8	1.0	0.0	25.9	XXX	XXX	XXX	XXX	25.9

ANNUAL STATEMENT FOR THE YEAR 2018 OF THE STANDARD INSURANCE COMPANY  
**SCHEDULE DA - VERIFICATION BETWEEN YEARS**

Short-Term Investments

	1 Total	2 Bonds	3 Mortgage Loans	4 Other Short-term Investment Assets (a)	5 Investments in Parent, Subsidiaries and Affiliates
1. Book/adjusted carrying value, December 31 of prior year .....					
2. Cost of short-term investments acquired .....					
3. Accrual of discount .....					
4. Unrealized valuation increase (decrease) .....					
5. Total gain (loss) on disposals .....					
6. Deduct consideration received on disposals .....					
7. Deduct amortization of premium .....					
8. Total foreign exchange change in book/adjusted carrying value .....					
9. Deduct current year's other than temporary impairment recognized .....					
10. Book adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9) .....					
11. Deduct total nonadmitted amounts .....					
12. Statement value at end of current period (Line 10 minus Line 11)					

**NONE**

(a) Indicate the category of such assets, for example, joint ventures, transportation equipment:

ANNUAL STATEMENT FOR THE YEAR 2018 OF THE STANDARD INSURANCE COMPANY  
**SCHEDULE DB - PART A - VERIFICATION BETWEEN YEARS**

Options, Caps, Floors, Collars, Swaps and Forwards

1. Book/adjusted carrying value, December 31, prior year (Line 9, prior year)	17,802,164
2. Cost paid/(consideration received) on additions:	
2.1 Current year paid/(consideration received) at time of acquisition, still open, Section 1, Column 12	13,046,470
2.2 Current year paid/(consideration received) at time of acquisition, terminated, Section 2, Column 14	0
3. Unrealized valuation increase/(decrease):	
3.1 Section 1, Column 17	(9,070,727)
3.2 Section 2, Column 19	(5,462,388)
4. Total gain (loss) on termination recognized, Section 2, Column 22	8,032,465
5. Considerations received/(paid) on terminations, Section 2, Column 15	20,273,599
6. Amortization:	
6.1 Section 1, Column 19	0
6.2 Section 2, Column 21	0
7. Adjustment to the book/adjusted carrying value of hedged item:	
7.1 Section 1, Column 20	0
7.2 Section 2, Column 23	0
8. Total foreign exchange change in book/adjusted carrying value:	
8.1 Section 1, Column 18	0
8.2 Section 2, Column 20	0
9. Book/adjusted carrying value at end of current period (Lines 1+2+3+4-5+6+7+8)	4,074,385
10. Deduct nonadmitted assets	0
11. Statement value at end of current period (Line 9 minus Line 10)	4,074,385

**SCHEDULE DB - PART B - VERIFICATION**

Futures Contracts

1. Book/Adjusted carrying value, December 31 of prior year (Line 6, prior year)	
2. Cumulative cash change (Section 1, Broker Name/Net Cash Deposits Footnote - Cumulative Cash Change Column)	
3.1 Add:	
Change in variation margin on open contracts - Highly effective hedges	
3.11 Section 1, Column 15, current year minus	
3.12 Section 1, Column 15, prior year	
Change in variation margin on open contracts - All other	
3.13 Section 1, Column 18, current year minus	
3.14 Section 1, Column 18, prior year	
3.2 Add:	
Change in adjustment to basis of hedged item	
3.21 Section 1, Column 17, current year to date minus	
3.22 Section 1, Column 17, prior year	
Change in amount recognized	
3.23 Section 1, Column 19, current year to date minus	
3.24 Section 1, Column 19, prior year	
3.3 Subtotal (Line 3.1 minus Line 3.2)	
4.1 Cumulative variation margin on terminated contracts during the year (Section 2, Column 15)	
4.2 Less:	
4.21 Amount used to adjust basis of hedged item (Section 2, Column 17)	
4.22 Amount recognized (Section 2, Column 16)	
4.3 Subtotal (Line 4.1 minus Line 4.2)	
5. Dispositions gains (losses) on contracts terminated in prior year:	
5.1 Total gain (loss) recognized for terminations in prior year	
5.2 Total gain (loss) adjusted into the hedged item(s) for terminations in prior year	
6. Book/Adjusted carrying value at end of current period (Lines 1+2+3.3-4.3-5.1-5.2)	
7. Deduct total nonadmitted amounts	
8. Statement value at end of current period (Line 6 minus Line 7)	

**NONE**

Schedule DB - Part C - Section 1 - Replication (Synthetic Asset) Transactions (RSATs) Open

**N O N E**

Schedule DB-Part C-Section 2-Reconciliation of Replication (Synthetic Asset) Transactions Open

**N O N E**

ANNUAL STATEMENT FOR THE YEAR 2018 OF THE STANDARD INSURANCE COMPANY

**SCHEDULE DB - VERIFICATION**

Verification of Book/Adjusted Carrying Value, Fair Value and Potential Exposure of all Open Derivative Contracts

		Book/Adjusted Carrying Value Check
1.	Part A, Section 1, Column 14.....	4,074,385
2.	Part B, Section 1, Column 15 plus Part B, Section 1 Footnote - Total Ending Cash Balance .....	0
3.	Total (Line 1 plus Line 2) .....	4,074,385
4.	Part D, Section 1, Column 5 .....	5,698,910
5.	Part D, Section 1, Column 6 .....	(1,624,525)
6.	Total (Line 3 minus Line 4 minus Line 5) .....	0
		Fair Value Check
7.	Part A, Section 1, Column 16 .....	5,027,088
8.	Part B, Section 1, Column 13 .....	0
9.	Total (Line 7 plus Line 8) .....	5,027,088
10.	Part D, Section 1, Column 8 .....	9,984,870
11.	Part D, Section 1, Column 9 .....	(4,957,782)
12.	Total (Line 9 minus Line 10 minus Line 11) .....	0
		Potential Exposure Check
13.	Part A, Section 1, Column 21 .....	7,595,316
14.	Part B, Section 1, Column 20 .....	0
15.	Part D, Section 1, Column 11 .....	7,595,316
16.	Total (Line 13 plus Line 14 minus Line 15) .....	0



ANNUAL STATEMENT FOR THE YEAR 2018 OF THE STANDARD INSURANCE COMPANY  
**SCHEDULE E - PART 2 - VERIFICATION BETWEEN YEARS**

(Cash Equivalents)

	1 Total	2 Bonds	3 Money Market Mutual funds	4 Other (a)
1. Book/adjusted carrying value, December 31 of prior year .....	127,085,268	0	127,085,268	0
2. Cost of cash equivalents acquired .....	2,158,933,432	24,998,984	2,133,934,448	0
3. Accrual of discount .....	1,016	1,016	0	0
4. Unrealized valuation increase (decrease) .....	0	0	0	0
5. Total gain (loss) on disposals .....	0	0	0	0
6. Deduct consideration received on disposals .....	2,159,053,484	25,000,000	2,134,053,484	0
7. Deduct amortization of premium .....	0	0	0	0
8. Total foreign exchange change in book/adjusted carrying value .....	0	0	0	0
9. Deduct current year's other than temporary impairment recognized .....	0	0	0	0
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9) .....	126,966,232	0	126,966,232	0
11. Deduct total nonadmitted amounts .....	0	0	0	0
12. Statement value at end of current period (Line 10 minus Line 11)	126,966,232	0	126,966,232	0

(a) Indicate the category of such investments, for example, joint ventures, transportation equipment:

## ALPHABETICAL INDEX

### ANNUAL STATEMENT BLANK

Analysis of Increase in Reserves During The Year .....	7
Analysis of Operations By Lines of Business .....	6
Asset Valuation Reserve Default Component .....	30
Asset Valuation Reserve Equity .....	32
Asset Valuation Reserve Replications (Synthetic) Assets .....	35
Asset Valuation Reserve .....	29
Assets .....	2
Cash Flow .....	5
Exhibit 1 - Part 1 - Premiums and Annuity Considerations for Life and Accident and Health Contracts .....	9
Exhibit 1 - Part 2 - Dividends and Coupons Applied, Reinsurance Commissions and Expense .....	10
Exhibit 2 - General Expenses .....	11
Exhibit 3 - Taxes, Licenses and Fees (Excluding Federal Income Taxes) .....	11
Exhibit 4 - Dividends or Refunds .....	11
Exhibit 5 - Aggregate Reserve for Life Contracts .....	12
Exhibit 5 - Interrogatories .....	13
Exhibit 5A - Changes in Bases of Valuation During The Year .....	13
Exhibit 6 - Aggregate Reserves for Accident and Health Contracts .....	14
Exhibit 7 - Deposit-Type Contracts .....	15
Exhibit 8 - Claims for Life and Accident and Health Contracts - Part 1 .....	16
Exhibit 8 - Claims for Life and Accident and Health Contracts - Part 2 .....	17
Exhibit of Capital Gains (Losses) .....	8
Exhibit of Life Insurance .....	25
Exhibit of Net Investment Income .....	8
Exhibit of Nonadmitted Assets .....	18
Exhibit of Number of Policies, Contracts, Certificates, Income Payable and Account Values .....	27
Five-Year Historical Data .....	22
Form for Calculating the Interest Maintenance Reserve (IMR) .....	28
General Interrogatories .....	20
Jurat Page .....	1
Liabilities, Surplus and Other Funds .....	3
Life Insurance (State Page) .....	24
Notes To Financial Statements .....	19
Overflow Page For Write-ins .....	55
Schedule A - Part 1 .....	E01
Schedule A - Part 2 .....	E02
Schedule A - Part 3 .....	E03
Schedule A - Verification Between Years .....	SI02
Schedule B - Part 1 .....	E04
Schedule B - Part 2 .....	E05
Schedule B - Part 3 .....	E06
Schedule B - Verification Between Years .....	SI02
Schedule BA - Part 1 .....	E07
Schedule BA - Part 2 .....	E08
Schedule BA - Part 3 .....	E09
Schedule BA - Verification Between Years .....	SI03
Schedule D - Part 1 .....	E10
Schedule D - Part 1A - Section 1 .....	SI05
Schedule D - Part 1A - Section 2 .....	SI08
Schedule D - Part 2 - Section 1 .....	E11
Schedule D - Part 2 - Section 2 .....	E12
Schedule D - Part 3 .....	E13
Schedule D - Part 4 .....	E14
Schedule D - Part 5 .....	E15
Schedule D - Part 6 - Section 1 .....	E16
Schedule D - Part 6 - Section 2 .....	E16
Schedule D - Summary By Country .....	SI04
Schedule D - Verification Between Years .....	SI03
Schedule DA - Part 1 .....	E17
Schedule DA - Verification Between Years .....	SI10

**ANNUAL STATEMENT BLANK (Continued)**

Schedule DB - Part A - Section 1 .....	E18
Schedule DB - Part A - Section 2 .....	E19
Schedule DB - Part A - Verification Between Years .....	SI11
Schedule DB - Part B - Section 1 .....	E20
Schedule DB - Part B - Section 2 .....	E21
Schedule DB - Part B - Verification Between Years .....	SI11
Schedule DB - Part C - Section 1 .....	SI12
Schedule DB - Part C - Section 2 .....	SI13
Schedule DB - Part D - Section 1 .....	E22
Schedule DB - Part D - Section 2 .....	E23
Schedule DB - Verification .....	SI14
Schedule DL - Part 1 .....	E24
Schedule DL - Part 2 .....	E25
Schedule E - Part 1 - Cash .....	E26
Schedule E - Part 2 - Cash Equivalents .....	E27
Schedule E - Part 2 - Verification Between Years .....	SI15
Schedule E - Part 3 - Special Deposits .....	E28
Schedule F .....	36
Schedule H - Accident and Health Exhibit - Part 1 .....	37
Schedule H - Part 2, Part 3 and Part 4 .....	38
Schedule H - Part 5 - Health Claims .....	39
Schedule S - Part 1 - Section 1 .....	40
Schedule S - Part 1 - Section 2 .....	41
Schedule S - Part 2 .....	42
Schedule S - Part 3 - Section 1 .....	43
Schedule S - Part 3 - Section 2 .....	44
Schedule S - Part 4 .....	45
Schedule S - Part 5 .....	46
Schedule S - Part 6 .....	47
Schedule S - Part 7 .....	48
Schedule T - Part 2 Interstate Compact .....	50
Schedule T - Premiums and Annuity Considerations .....	49
Schedule Y - Information Concerning Activities of Insurer Members of a Holding Company Group .....	51
Schedule Y - Part 1A - Detail of Insurance Holding Company System .....	52
Schedule Y - Part 2 - Summary of Insurer's Transactions With Any Affiliates .....	53
Summary Investment Schedule .....	SI01
Summary of Operations .....	4
Supplemental Exhibits and Schedules Interrogatories .....	54