



**DEPARTMENT OF INSURANCE, FINANCIAL
INSTITUTIONS AND PROFESSIONAL REGISTRATION**

P.O. Box 690, Jefferson City, Mo. 65102-0690

RE: Examination Report of Farm Bureau Life Insurance Company of Missouri for the period ended December 31, 2014

ORDER

After full consideration and review of the report of the financial examination of Farm Bureau Life Insurance Company of Missouri for the period ended December 31, 2014, together with any written submissions or rebuttals and any relevant portions of the examiner's workpapers, I, John M. Huff, Director, Missouri Department of Insurance, Financial Institutions and Professional Registration pursuant to section 374.205.3(3)(a), RSMo, adopt such examination report. After my consideration and review of such report, workpapers, and written submissions or rebuttals, I hereby incorporate by reference and deem the following parts of such report to be my findings and conclusions to accompany this order pursuant to section 374.205.3(4), RSMo: summary of significant findings, subsequent events, company history, corporate records, management and control, territory and plan of operation, reinsurance, financial statements, examination changes, and general comments and/or recommendations.

Based on such findings and conclusions, I hereby ORDER, that the report of the Financial Examination of Farm Bureau Life Insurance Company of Missouri as of December 31, 2014 be and is hereby ADOPTED as filed and for Farm Bureau Life Insurance Company of Missouri to take the following action or actions, which I consider necessary to cure any violation of law, regulation or prior order of the Director revealed by such report: (1) account for its financial condition and affairs in a manner consistent with the Director's findings and conclusions.

So ordered, signed and official seal affixed this 8th day of July, 2016.



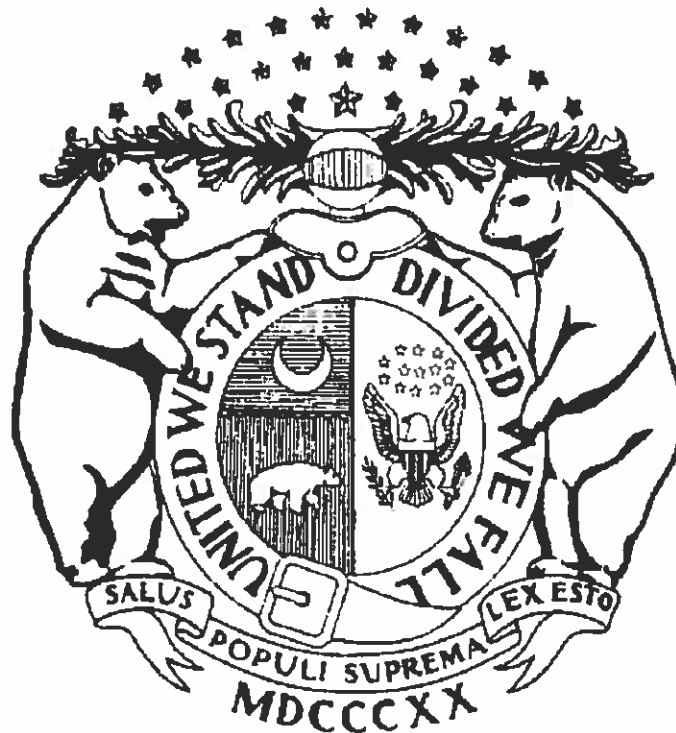
A handwritten signature in blue ink, appearing to read "John M. Huff", is written over a horizontal line.

John M. Huff, Director
Department of Insurance, Financial Institutions
and Professional Registration

**REPORT OF THE
FINANCIAL EXAMINATION OF
FARM BUREAU LIFE INSURANCE COMPANY
OF MISSOURI**

**AS OF
DECEMBER 31, 2014**

FILED
JUL 18 2016
**DIRECTOR OF INSURANCE,
FINANCIAL INSTITUTIONS &
PROFESSIONAL REGISTRATION**



**STATE OF MISSOURI
DEPARTMENT OF INSURANCE, FINANCIAL INSTITUTIONS
AND PROFESSIONAL REGISTRATION
JEFFERSON CITY, MISSOURI**

TABLE OF CONTENTS

SCOPE OF EXAMINATION	1
PERIOD COVERED.....	1
PROCEDURES	1
RELIANCE UPON OTHERS	2
SUMMARY OF SIGNIFICANT FINDINGS	2
SUBSEQUENT EVENTS	2
COMPANY HISTORY	2
GENERAL.....	2
DIVIDENDS AND CAPITAL CONTRIBUTIONS	3
MERGERS AND ACQUISITIONS	3
CORPORATE RECORDS	3
MANAGEMENT AND CONTROL	3
CORPORATE GOVERNANCE.....	3
OFFICERS.....	4
HOLDING COMPANY, SUBSIDIARIES AND AFFILIATES	5
ORGANIZATIONAL CHART	6
INTERCOMPANY AGREEMENTS	6
TERRITORY AND PLAN OF OPERATION	8
REINSURANCE	8
GENERAL.....	8
ASSUMED	8
CEDED	9

FINANCIAL STATEMENTS.....	10
ASSETS	11
LIABILITIES, SURPLUS AND OTHER FUNDS	12
SUMMARY OF OPERATIONS	13
EXAMINATION CHANGES.....	14
GENERAL COMMENTS AND/OR RECOMMENDATIONS	14
ACKNOWLEDGMENT	15
VERIFICATION	15
SUPERVISION	16

Jefferson City, Missouri
April 29, 2016

Honorable John M. Huff, Director
Missouri Department of Insurance, Financial Institutions
and Professional Registration
301 West High Street, Room 530
Jefferson City, Missouri 65101

Director Huff:

In accordance with your financial examination warrant, a full scope financial examination has been made of the records, affairs and financial condition of

Farm Bureau Life Insurance Company of Missouri

hereinafter referred to as such, as FBL, or as the Company. Its administrative office is located at 701 South Country Club Drive, Jefferson City, Missouri, 65109, telephone number (573) 893-1400. This examination began on October 26, 2015, and concluded on the above date.

SCOPE OF EXAMINATION

Period Covered

The Missouri Department of Insurance, Financial Institutions and Professional Registration (DIFP) has performed a full scope financial examination of FBL. The last examination was completed as of December 31, 2009. This examination covers the period of January 1, 2010, through December 31, 2014. This examination also included the material transactions or events occurring subsequent to December 31, 2014.

This examination was performed concurrently with the Missouri DIFP examinations of FBL affiliates Farm Bureau Town & Country Insurance Company of Missouri (FBT&C) and Farm Bureau New Horizons Insurance Company of Missouri (FBNH).

Procedures

We conducted our examination in accordance with the National Association of Insurance Commissioners' (NAIC) Financial Condition Examiners Handbook (Handbook) except where practices, procedures and applicable regulations of the DIFP and statutes of the State of Missouri prevailed. The Handbook requires that we plan and perform the examination to evaluate the financial condition, assess corporate governance, identify current and prospective risks of the Company and evaluate system controls and procedures used to mitigate those risks. An

examination also includes identifying and evaluating significant risks that could cause an insurer's surplus to be materially misstated both currently and prospectively.

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

The examination report includes significant findings of fact and general information about the insurer and its financial condition. There may be other items identified during the examination that, due to their nature, are not included within the examination report but separately communicated to other regulators and/or the Company.

Reliance Upon Others

The examiners relied upon information supplied by the Company's independent auditor, Williams Keepers, LLP, of Columbia, Missouri, for its audit covering the period from January 1, 2014, through December 31, 2014. Areas in which the testing and results from the CPA workpapers were relied upon in our examination included internal controls, bank confirmations, paid claims data, premiums receivable, unearned premiums, attorney representation letters, fraud assessment, and subsequent events review.

SUMMARY OF SIGNIFICANT FINDINGS

There were no material adverse findings, significant non-compliance issues, or material changes to the financial statements noted during the examination.

SUBSEQUENT EVENTS

There were no significant subsequent events noted from December 31, 2014, through the date of the report.

COMPANY HISTORY

General

FBL was incorporated on May 6, 1950, under the laws of the State of Missouri and commenced business on July 27, 1950. The Company operates as a stock life and health insurer under the insurance laws of Chapter 376 RSMo (Life and Accident Insurance).

Dividends and Capital Contributions

The Bylaws allow for dividends to be paid on common stock shares, pursuant to a declaration of the Board of Directors. The ultimate parent, Missouri Farm Bureau Federation (MFB-Federation), has adopted a general policy to require an annual dividend from FBL that is equal to 10% of the prior year's net income. The following dividends were declared and paid to the direct parent, Missouri Farm Bureau Services, Inc. (MFB-Services), during the examination period.

<u>Year</u>	<u>Dividends Paid</u>
2010	\$225,440
2011	0
2012	175,789
2013	206,638
2014	458,977

In 2012, FBL contributed \$3.5 million in paid in capital to its subsidiary Farm Bureau New Horizons Insurance Company of Missouri.

Mergers and Acquisitions

There were no mergers or acquisitions involving the Company or the holding company system of the ultimate parent, MFB-Federation, during the examination period.

CORPORATE RECORDS

The Company's Articles of Incorporation and Bylaws were reviewed. There were no amendments during the examination period. The minutes of the Board of Directors' meetings, written consents in lieu of meetings, and the sole shareholder written consents were reviewed for proper approval of corporate transactions. In general, the minutes and written consents appear to properly reflect and approve the Company's major transactions and events for the period under examination.

MANAGEMENT AND CONTROL

Corporate Governance

The management of the Company is vested in a Board of Directors, which is appointed by the sole shareholder. The Company's Bylaws specify that the Board of Directors shall consist of twelve (12) members. The directors of the ultimate parent, MFB-Federation, simultaneously serve as directors all of its subsidiaries, including FBL. The Board of Directors appointed and serving, as of December 31, 2014, were as follows:

<u>Name</u>	<u>Address</u>	<u>Principal Occupation and Business Affiliation</u>
Charles Bassett	Dixon, MO	Farmer, Self-Employed
Lane Baxter	Rogersville, MO	Farmer, Self-Employed
Chris Chinn	Clarence, MO	Farmer, Self-Employed
Mary Fischer	Rockville, MO	Executive Secretary, First Christian Church
Brent Hampy	Smithton, MO	Farmer, Self-Employed
Vernon Hart	St. Joseph, MO	Farmer, Self-Employed
Todd Hays	Monroe City, MO	Farmer, Vice-President of MFB-Federation
Blake Hurst	Tarkio, MO	Farmer, President of MFB-Federation
Denny Mertz	Chesterfield, MO	Farmer, Self-Employed
Allen Rowland	Dexter, MO	Farmer, Self-Employed
Teribeth Spargo	Naylor, MO	Farmer, Self-Employed
Harry Thompson	Lohman, MO	Farmer, Self-Employed

The Articles of Incorporation and Bylaws do not require any committees, but the Articles of Incorporation do allow for committees to be appointed by the Board of Directors. The FBL committees formally appointed and serving as of December 31, 2014, were as follows:

<u>Audit Committee</u>	<u>Compensation Committee</u>	<u>Per Diem & Expense Committee</u>
Denny Mertz, Chairman	Todd Hays, Chairman	Todd Hays, Chairman
Vernon Hart	Harry Thompson	Brent Hampy
Chris Chinn	Charles Bassett	Lane Baxter
Allen Rowland	Teribeth Spargo	Mary Fischer

The Company also has six informal committees which include the Investment Committee, Personnel Committee, Reinsurance Committee, Software Development Initiative (SDI) Steering Committee, 401(k) Committee and Long-Term Planning Committee. The committees consist of management and staff members from all areas of the Company.

Officers

The officers elected by the Board of Directors and serving as of December 31, 2014, were as follows:

<u>Officer</u>	<u>Position</u>
Blake Hurst	President
Todd Hays	Vice-President
Daniel Cassidy	Secretary and Chief Administrative Officer
Randall Campbell	Treasurer and Chief Financial Officer

Holding Company, Subsidiaries and Affiliates

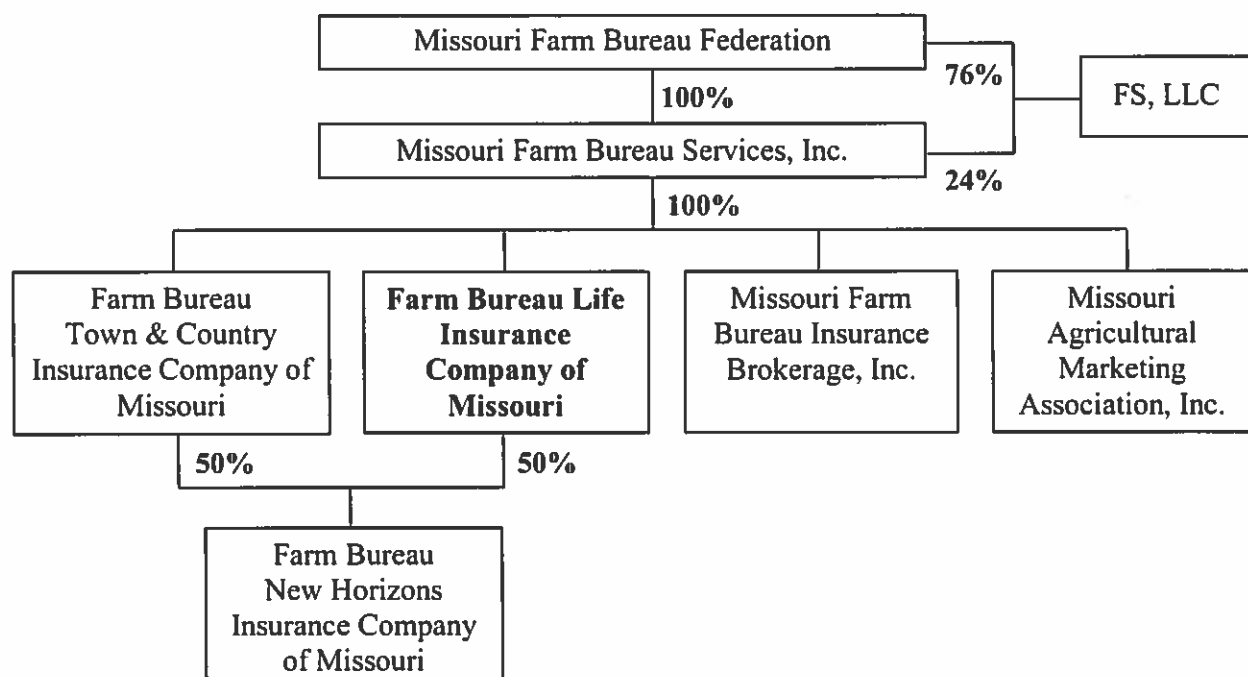
The Company is a member of an Insurance Holding Company System, as defined by Section 382.010 RSMo (Definitions). An Insurance Holding Company System Registration Statement was filed by the direct parent, MFB-Services, on behalf of FBL and its other insurance subsidiaries for each year of the examination period. FBL is ultimately owned 100% by MFB-Federation.

Below is a description of the business operations of all affiliated entities.

- **MFB-Federation** – The ultimate parent company is a not-for-profit organization that promotes the interests of its member farmers and the agriculture industry. Profits from the insurance operations of FBT&C, FBL and FBNH are the main source of income for the consolidated operations of MFB-Federation.
- **MFB-Services** – A holding company that directly or indirectly owns all insurance entities. Employees of MFB-Services conduct most of the daily operations of the insurance entities.
- **FBT&C** – A property and casualty insurer that writes primarily homeowners, farmowners, automobile physical damage and automobile liability lines of business.
- **FBNH** – A property and casualty insurer formed in 2005 that specializes in writing property business for individuals with poor claims history or properties with higher risks due to poor condition or other reasons. Most of its net written business is derived from business assumed from an unaffiliated Missouri mutual insurer.
- **Missouri Farm Bureau Insurance Brokerage, Inc.** – A brokerage designed to place insurance coverages either not offered by or not available through FBT&C, FBL or FBNH. Coverages offered range from workers' compensation, non-standard automobile, professional liability, individual and group health products, disability, Medicare supplements, long-term care and many specialty coverages.
- **Missouri Agricultural Marketing Association, Inc.** – A dormant entity that had no business operations during the examination period.
- **FS, LLC** – An entity formed in 2006 for the sole purpose of holding ownership to the main office building in Jefferson City, Missouri. Ownership of the building was transferred from MFB-Federation to FS, LLC at the time of its formation to provide tax advantages that could not be utilized by MFB-Federation.

Organizational Chart

Below is an organizational chart reflecting FBL's ownership and affiliates, as of December 31, 2014. [Note: All entities incorporated / domiciled in Missouri.]



Intercompany Agreements

The Company is a party to significant intercompany agreements in effect as of December 31, 2014, as outlined below:

- Type:** Allocation of Consolidated Tax Liability Agreement
Parties: MFB-Federation, MFB-Services and all subsidiaries
Effective: September 1, 2005
Terms: MFB-Services and its subsidiaries (including FBL) agree to file a consolidated federal income tax return. The Company will pay estimated federal income tax payments to MFB-Services on or before April 15, June 15, September 15, and December 15 of each current tax year and on or before March 15 of the following year for the extension filing. Settlement of the remaining tax liability or receivable due with the final tax return will be made after the final tax return is filed. The allocation of the consolidated federal income tax payments to each entity will be based upon the proportion of each entity's individual taxable income to the consolidated taxable income. A separate adjustment shall be made each year between MFB-Services and each subsidiary for the difference, if any, between the allocated tax payments and the tax liability that would have resulted from each entity filing a separate federal tax return.

- 2. Type:** Space Rent Agreement
Parties: FS, LLC, FBT&C, FBNH and FBL
Effective: July 1, 2013
Terms: FBT&C, FBNH and FBL utilize office space and facilities in a building located in Jefferson City, Missouri that is owned by FS, LLC. This building serves as the home office for FBT&C, FBNH and FBL to conduct all major business functions. FBT&C, FBNH and FBL will pay rent to FS, LLC for the following expenses associated with operating the building: depreciation, maintenance and repairs, utilities, taxes, building management, insurance, interest, and other costs. The rent shall be calculated on an annual basis and charged to FBT&C, FBNH and FBL based upon the assigned square footage of each entity.
- 3. Type:** Service Agreement
Parties: MFB-Services, FBT&C, FBL and FBNH
Effective: January 1, 2007
Terms: MFB-Services will provide the following services for the subsidiary insurers: executive management, human resources, accounting, legal, audit, investment, information technology, public affairs, mailroom, imaging, printing, supplies, furniture & equipment, fleet rental, building maintenance, janitorial, cafeteria, copying, customer service, and actuarial. The insurers will pay fees to MFB-Services on a monthly basis for the services provided. The fees for most of the provided services are calculated based upon various allocation methods that are specified in the agreement. The fees for some services may be directly attributable to an entity and will be billed based upon actual usage. Fees payable to MFB-Services are to be paid within 60 days after the fees have been calculated.
- 4. Type:** Cost Sharing Agreement
Parties: MFB-Federation, MFB-Services, FBT&C, FBL, FBNH and MFB-Brokerage
Effective: January 1, 2007
Terms: The parties utilize common management and employees for various operational activities. The costs will be shared among the parties for the following operational functions: underwriting, sales (commissions), sales contests, promotional events, agents payroll, Partners for Growth program (county office expenses), and other miscellaneous areas. The allocation of costs shall be computed on a monthly basis after actual expenses are determined and are due within 60 days of the computations. The allocation basis for underwriting, commissions, and service center costs is not specified but is to be based upon predetermined percentages that are reviewed annually. Allocation of agents' payroll is to be based upon the production attributable to each entity in the preceding month. The allocation basis for the costs of other activities was not explained in the agreement.

TERRITORY AND PLAN OF OPERATION

FBL is licensed only in the State of Missouri under Chapter 376 RSMo (Life, Health and Accident Insurance). The major lines of business, based upon 2014 direct and net written premiums, are listed in the table below.

Line of Business	Direct Premiums	Net Premiums
Ordinary Life	78.9%	75.9%
Individual Annuities	19.6%	23.0%
All Other	<u>1.5%</u>	<u>1.1%</u>
Total	<u>100.0%</u>	<u>100.0%</u>

The Company offers traditional whole life, term life and annuity policies. Most of the whole life policies are participating. The policyholder dividends paid during each year of the examination period ranged from \$2.2 million to \$3.1 million.

Business for FBL is produced by a dedicated agency force employed by an affiliate, Missouri Farm Bureau Insurance Brokerage, Inc. (MFB-Brokerage). There were 235 agents of MFB-Brokerage, as of December 31, 2014. The agents produce business exclusively for FBL and its two affiliates, FBT&C and FBNH. Any risks for lines of business not written by FBL, FBT&C or FBNH are placed by MFB-Brokerage with third-party insurers.

REINSURANCE

General

The Company's premium activity on a direct written, assumed and ceded basis, for the period under examination, is detailed below:

	2010	2011	2012	2013	2014
Direct Business	\$ 45,459,370	\$ 43,646,339	\$ 44,352,055	\$ 48,747,543	\$ 45,310,282
Reinsurance Assumed	0	0	0	0	0
Reinsurance Ceded:					
Affiliates	0	0	0	0	0
Non-affiliates	<u>(6,429,723)</u>	<u>(6,867,863)</u>	<u>(6,378,063)</u>	<u>(6,431,771)</u>	<u>(6,710,936)</u>
Net Premiums Written	<u>\$39,029,647</u>	<u>\$36,778,476</u>	<u>\$37,973,992</u>	<u>\$42,315,772</u>	<u>\$38,599,346</u>

Assumed

The Company does not assume any business.

Ceded

The Company retains a maximum of \$200,000 per insured life, subject to a minimum cession size of \$25,000 and a trivial net amount at risk of \$15,000. Risks are ceded under several reinsurance agreements with multiple reinsurers. However, over 90% of ceded in-force and ceded reserves are assumed by two reinsurers, RGA Reinsurance Company (RGA) and SCOR Global Life USA Reinsurance Company (SCOR). Below is a summary of the business ceded to RGA and SCOR:

Reinsurer	Ceded In-Force as of 12/31/2014	% of Ceded In-Force	Ceded Reserves as		2014 Ceded Premiums	% of Ceded Premiums
			of 12/31/2014	% of Ceded Reserves		
RGA	\$1,608,964,778	62.40%	\$7,042,699	70.20%	\$3,812,083	58.60%
SCOR	881,957,268	34.20%	2,323,020	23.20%	2,148,822	33.10%
All Other	87,341,964	3.40%	660,015	6.60%	540,161	8.30%
Total	\$2,578,264,010	100.00%	\$10,025,734	100.00%	\$6,501,066	100.00%

FBL has two quota share agreements with RGA, which cover the Company's Premier term and Convertible term policies. The Company cedes 75% of the risk of each policy to RGA, and FBL retains the remaining 25% of face value. The Company's maximum retention is \$200,000 per policy under these agreements. These agreements accounted for approximately 42% and 54% of total ceded in-force and ceded reserves, respectively, as of December 31, 2014.

Omni whole life and term life policies and Gold whole life policies are ceded mostly to SCOR and RGA under separate reinsurance agreements. The Omni and Gold policies are split between the reinsurers depending on the beginning letter of the policyholder's last name. FBL retains varying amounts of each policy and cedes 100% of the face amounts in excess of the retention to the reinsurers. The Company's maximum retention ranges from \$150,000 to \$200,000 per life under the terms of each agreement. The reinsurance agreements for the Omni and Gold policies accounted for approximately 28% and 21% of the total ceded in-force and ceded reserves, respectively, as of December 31, 2014.

Executive Gold term life policies are ceded to SCOR with a coinsurance agreement. The Company cedes 80% of the risk of each policy to SCOR. FBL's retention of 20% of the face value is limited to maximum retention of \$150,000 per policy. This agreement is closed to new business, but represented approximately 22% and 13% of ceded in-force and ceded reserves, respectively, as of the examination date.

The Company also has accidental death carve-out excess coverage with SCOR, which provides coverage for the accumulation of accidental deaths or catastrophic losses during a year. The Company has a provisional aggregate loss retention of \$1,100,000, which is adjusted based upon the Company's average net insurance in-force during the contract period. The reinsurer is liable for 100% of losses in excess of the retention, limited to \$650,000 per insured person and \$10 million per loss occurrence.

The Company is contingently liable for all reinsurance losses ceded to others. This contingent liability would become an actual liability in the event that an assuming reinsurer fails to perform its obligations under the reinsurance agreement.

FINANCIAL STATEMENTS

The following financial statements are based on the statutory financial statements filed by the Company with the DIFP and present the financial condition of the company for the period ending December 31, 2014. The accompanying comments on financial statements reflect any examination adjustments to the amounts reported in the annual statement and should be considered an integral part of the financial statements.

ASSETS
as of December 31, 2014

	<u>Assets</u>	Non- Admitted <u>Assets</u>	Net Admitted <u>Assets</u>
Bonds	\$411,036,864	\$0	\$411,036,864
Preferred Stocks	4,041,454	0	4,041,454
Common Stocks	60,660,523	0	60,660,523
Cash, Cash Equivalents and Short-Term Investments	2,808,928	0	2,808,928
Contract Loans	23,818,176	0	23,818,176
Other Invested Assets	9,692,893	0	9,692,893
Investment Income Due and Accrued	4,579,362	1,731	4,577,631
Uncollected Premiums and Agents' Balances	4,065	0	4,065
Deferred Premiums	7,511,108	0	7,511,108
Amounts Recoverable from Reinsurers	397,044	0	397,044
Other Reinsurance Receivables	82,292	0	82,292
Net Deferred Tax Asset	6,086,156	2,787,861	3,298,295
Guaranty Funds Receivable	267,680	0	267,680
Receivable from Parent, Sub., Affiliates	75,961	0	75,961
TOTAL ASSETS	<u>\$531,062,506</u>	<u>\$2,789,592</u>	<u>\$528,272,914</u>

LIABILITIES, SURPLUS AND OTHER FUNDS
as of December 31, 2014

Aggregate Reserve for Life Contracts	\$417,008,600
Aggregate Reserve for Accident and Health Contracts	4,290
Liability for Deposit-Type Contracts	24,092,638
Life Contract Claims	2,317,978
Accident and Health Contract Claims	16,000
Policyholder Dividends Due and Unpaid	1,012
Provision for Policyholder Dividends Payable	3,154,925
Premiums Received in Advance	122,941
Interest Maintenance Reserve	4,157,394
Commissions Due and Accrued	294,902
General Expenses Due or Accrued	41,742
Taxes, Licenses and Fees Due or Accrued	(11,719)
Federal Income Taxes Payable	784,797
Unearned Investment Income	534,848
Amounts Withheld or Retained	8,193
Remittances and Items Not Allocated	220,987
Liability for Benefits for Employees and Agents	385,303
Asset Valuation Reserve	14,556,769
Payable to Parent, Subsidiaries and Affiliates	584,942
Aggregate Write-In Liabilities	<u>3,580</u>
TOTAL LIABILITIES	\$468,280,122
Common Capital Stock	600,000
Gross Paid In and Contributed Surplus	50,000
Unassigned Funds (Surplus)	<u>59,342,791</u>
Capital and Surplus	<u>\$ 59,992,791</u>
TOTAL LIABILITIES AND SURPLUS	<u>\$528,272,913</u>

SUMMARY OF OPERATIONS
For the Year Ended December 31, 2014

Premiums and Annuity Considerations	\$38,599,347
Considerations for Supp. Contracts with Life Contingencies	96,474
Net Investment Income	22,601,898
Amortization of Interest Maintenance Reserve	645,863
Commission and Expense Allowances on Reins. Ceded	1,012,149
Miscellaneous Income	(676)
TOTAL	<u>\$62,955,055</u>
Death Benefits	8,633,511
Matured Endowments	514,655
Annuity Benefits	7,352,277
Disability Benefits and Benefits Under A&H Policies	122,777
Surrender Benefits and Withdrawals for Life Contracts	10,142,066
Interest and Adjust. on Policy or Deposit-Type Contract Funds	855,377
Payments on Supp. Contracts with Life Contingencies	356,043
Increase in Aggregate Reserves for Life, A&H Policies	14,483,685
Commissions on Direct Business	4,287,761
General Insurance Expenses	9,127,945
Insurance Taxes, Licenses and Fees	1,032,764
Increase in Loading on Deferred and Uncollected Premiums	(33,424)
TOTAL	<u>\$56,875,437</u>
NET GAIN FROM OPERATIONS	\$ 6,079,618
Dividends to Policyholders	3,051,447
Federal Income Taxes Incurred	453,033
Net Realized Capital Gains (Losses)	1,428,391
NET INCOME	<u>\$ 4,003,529</u>
CAPITAL AND SURPLUS:	
Capital and Surplus, December 31, 2013	\$54,178,109
Net Income	4,003,529
Change in Net Unrealized Capital Gains or (Losses)	2,401,848
Change in Deferred Income Tax	668,035
Change in Non-Admitted Assets	756,738
Change in Asset Valuation Reserve	(1,556,489)
Dividends to Stockholders	(458,977)
Net Change in Capital & Surplus for the Year	<u>5,814,684</u>
CAPITAL AND SURPLUS, DECEMBER 31, 2014	<u>\$59,992,793</u>

COMMENTS ON FINANCIAL STATEMENT ITEMS

None.

EXAMINATION CHANGES

None.

GENERAL COMMENTS AND/OR RECOMMENDATIONS

None.


ACKNOWLEDGMENT

The assistance and cooperation extended by the officers and the employees of Farm Bureau Life Insurance Company of Missouri during the course of this examination is hereby acknowledged and appreciated. In addition to the undersigned, Jennifer Danz, CPA, CFE, Examiner-In-Charge, Marc Peterson, CFE, Steve Koonse, CFE, John Merrigan, CPA, MBA, Debbie Doggett, CFE, PIR, Chris Bosch, CFE, and Kim Dobbs, CFE, AES, examiners for the Missouri DIFP, participated in this examination. Lori Newberg, FSA, MAAA, of Miller & Newberg, Inc., also participated as a consulting actuary.

VERIFICATION

State of Missouri)
)
 County of)

I, Shannon W. Schmoeger, on my oath swear that to the best of my knowledge and belief the above examination report is true and accurate and is comprised of only facts appearing upon the books, records or other documents of Farm Bureau Life Insurance Company of Missouri, its agents or other persons examined or as ascertained from the testimony of its officers or agents or other persons examined concerning its affairs and such conclusions and recommendations as the examiners find reasonably warranted from the facts.



 Shannon W. Schmoeger, CFE, ARe
 Examiner-In-Charge
 Missouri DIFP

Sworn to and subscribed before me this ^{KL} 13th day of May, 2016.

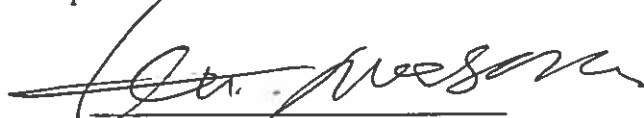
My commission expires: May 18, 2020 Kimberly Landers
 Notary Public



KIMBERLY LANDERS
 My Commission Expires
 May 18, 2020
 Callaway County
 Commission #12558402

SUPERVISION

The examination process has been monitored and supervised by the undersigned. The examination report and supporting workpapers have been reviewed and approved. Compliance with NAIC procedures and guidelines as contained in the Financial Condition Examiners Handbook has been confirmed except where practices, procedures and applicable regulations of the MO DIFP and statutes of the State of Missouri prevailed.



Levi N. Nwasoria, CPA, CFE
Audit Manager
Missouri DIFP