STATE OF MISSOURI

DEPARTMENT OF INSURANCE, FINANCIAL INSTITUTIONS AND PROFESSIONAL REGISTRATION

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

RE: Examination Report of Reinsurance Company of Missouri, Inc. for the period ended December 31, 2012

ORDER

After full consideration and review of the report of the financial examination of Reinsurance Company of Missouri, Inc. for the period ended December 31, 2012, 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, fidelity bond and other insurance, pension, stock ownership and insurance plans, territory and plan of operations, growth of the company and loss experience, reinsurance, accounts and records, statutory deposits, financial statements, financial statement changes resulting from examination, and comments on financial statement items.

Based on such findings and conclusions, I hereby ORDER, that the report of the Financial Examination of Reinsurance Company of Missouri, Inc. as of December 31, 2012 be and is hereby ADOPTED as filed and for Reinsurance Company of Missouri, Inc. 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) implement, and verify compliance with each item, if any, mentioned in the Comments on Financial Statement Items and/or Summary of Recommendations section of such report; (2) 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 17th day of April, 2014.

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

FILED

APR 2 8 2014

DIRECTOR OF INSURANCE,
FINANCIAL INSTITUTIONS &
PROFESSIONAL REGISTRATION

REPORT OF

FINANCIAL EXAMINATION

Reinsurance Company of Missouri, Inc.

As of:

DECEMBER 31, 2012

STATE OF MISSOURI

DEPARTMENT OF INSURANCE, FINANCIAL INSTITUTIONS
AND PROFESSIONAL REGISTRATION

JEFFERSON CITY, MISSOURI

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November 7, 2013

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 comprehensive financial examination has been made of the records, affairs and financial condition of

Reinsurance Company of Missouri, Inc.

hereinafter referred to as such or as "RCM" or as the "Company." The Company's main administrative office is located at 1370 Timberlake Manor Parkway, Chesterfield, MO 63017-6039, telephone number (636) 736-7000. This examination began on March 4, 2013 and concluded on the above date.

SCOPE OF EXAMINATION

Period Covered

The last examination was completed as of December 31, 2008. This examination covers the period of January 1, 2009 through December 31, 2012. This examination also included material transactions or events occurring subsequent to December 31, 2012.

Procedures

We conducted our examination in accordance with the National Association of Insurance Commissioners (NAIC) Financial Condition Examiners Handbook, except where practices, procedures and applicable regulations of the Department of Insurance, Financial Institutions and Professional Registration (DIFP) or statutes of the state of Missouri prevailed. The Handbook requires that we plan and perform the examination to evaluate the financial condition and identify prospective risks of the Company by obtaining information about the Company including corporate governance, identifying and assessing inherent risks within the Company, and evaluating systems controls and procedures used to mitigate those risks. An examination also includes assessing the principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation, management's compliance with Statutory Accounting Principles and Annual Statement Instructions when applicable to domestic state regulations.

All accounts and activities of the Company were considered in accordance with the risk-focused examination process.

The examiners relied upon information and workpapers provided by the Company's independent auditor, Deloitte, for its audit covering the period from January 1, 2012, through December 31,

2012. Such reliance included fraud risk analysis, internal control narratives and tests of internal controls.

SUMMARY OF SIGNIFICANT FINDINGS

Common stock and consequently unassigned surplus were decreased by $182,130,000 as a result of an examination adjustment made to the Company's subsidiary, RGA Reinsurance Company (RGA Re). The value of RGA Re makes up the entirety of the common stock value of RCM.

SUBSEQUENT EVENTS

The adjustment to the December 31, 2012, Annual Statement noted above in Summary of Significant Findings is a result of Reinsurance Group of America Inc.'s 2013 studies of its group business in Australia. Due to identified deterioration of the business RGA Re strengthened its reserves in the second quarter of 2013. The DIFP determined that although the studies identifying the deterioration of the business were performed in 2013, the situation also existed at year end 2012. The DIFP requested that RGA Re determine what the adjustments to its liabilities would have been at December 31, 2012, had the results of the study been available at that time. The DIFP consulting actuary reviewed the Company's reserve analysis, and determined the adjustments were reasonable.

No other material subsequent events were noted.

COMPANY HISTORY

General

The Company was incorporated on October 30, 1998, as Reinsurance Company of Missouri, Incorporated. On December 28, 1998, the organization of the Company and its acquisition of RGA Reinsurance Company were approved by the Missouri Department of Insurance. The Company was issued a Certificate of Authority on April 20, 2000, to operate as a stock life insurance company under the provisions of Chapter 376 RSMo, (Life, Health and Accident Insurance), and is currently licensed to write the following lines of business: life, annuities and endowments, accident and health insurance and variable contracts.

The Company was formed for federal income tax reasons and primarily functions as an intermediate holding company for RGA Reinsurance Company allowing RGA Re to receive more favorable tax treatment. As such the Company holds a license only in Missouri and has no need to obtain certificates of authority in other jurisdictions. The Company writes no direct premium, but assumes some ordinary life business primarily from RGA Re.

Capital Stock and Paid In Surplus

The articles of incorporation authorize the Company to issue one hundred thousand shares of capital stock having a par value of $60 per share. There were ten thousand shares of common stock issued and outstanding at December 31, 2012, for a balance of $600,000 in the Company's capital stock account. All outstanding shares are owned by Reinsurance Group of America, Inc. (RGA, Inc.).

Gross paid in and contributed surplus totaled $1,133,750,000 at December 31, 2012. The following table shows the changes to the gross paid in and contributed capital account during the examination period.

Prior to 2009	$	1,012,750,000
2009		87,000,000
2010		22,000,000
2011		-
2012		12,000,000
TOTAL	$	1,133,750,000

Dividends

The Company made dividend payments of $80,000,000 in 2011 and $40,000,000 in 2012. The payments were made to the Company's parent, Reinsurance Group of America, Inc.

Acquisitions, Mergers and Major Corporate Events

There were no acquisitions, mergers or major corporate events during the examination period.

Surplus Debentures

The Company had two surplus debentures issued and outstanding at December 31, 2012, to Reinsurance Group of America, Incorporated. The principal amounts outstanding were as follows:

Issue Date	Amount	Rate	Maturity
December 15, 2000	$100,000,000	8.31%	December 15, 2030
October 12, 2012	250,000,000	7.25%	October 12, 2042
Total	$350,000,000		

Additionally, $1,101,458 of interest was accrued and reported with the surplus notes for a total of $351,101,458 as special surplus funds per Missouri 20 CSR 200-1.070(5)(c) (Subordinated Indebtedness). This regulation states "All outstanding subordinated indebtedness and interest accruing shall be reported at face value in the Annual Statement on page 3 and in other financial statements of the company as a special surplus account."

CORPORATE RECORDS

The Company's articles of incorporation and bylaws were reviewed. The articles of incorporation were amended December 1, 2009. The amendment was properly filed with the Missouri Secretary of State's office. The bylaws were also amended and restated as of December 1, 2009. There were no additional changes made during the examination period.

The minutes of the shareholder, board of directors, and relevant RGA, Inc., committee meetings were reviewed and appear to properly support and approve the corporate transactions and events for the period under examination.

MANAGEMENT AND CONTROL

Board of Directors

The management of the Company is vested in a board of directors, which per the articles of incorporation and bylaws, will consist of not less than nine or more than twenty-five members. The Company had ten Directors serving at December 31, 2012, as follows:

Name and Address	Principal Occupation and Business Affiliation
David B. Atkinson Chesterfield, MO	Executive Vice President Reinsurance Company of Missouri, Inc.
David C. Fischer Chesterfield, MO	Executive Vice President and Chief Investment Officer Reinsurance Group of America, Inc.
James M. Kellett Chesterfield, MO	Senior Vice President Reinsurance Company of Missouri, Inc.
Todd C. Larson Chesterfield, MO	Executive Vice President and Treasurer Reinsurance Group of America, Inc.
John P. Laughlin Chesterfield, MO	Executive Vice President RGA Reinsurance Company
Jack B. Lay Chesterfield, MO	Senior Executive Vice President and Chief Financial Officer Reinsurance Group of America, Inc.
Anna Manning Chesterfield, MO	Executive Vice President and Head of U.S. Markets Reinsurance Group of America, Inc.
Robert M. Musen Chesterfield, MO	Executive Vice President RGA Reinsurance Company
Albert G. Woodring Chesterfield, MO	President and Chief Executive Officer Reinsurance Group of America, Inc.
Melville J. Young Chesterfield, MO	Executive Vice President RGA Reinsurance Company

Officers

The officers of the Company serving and reported on the Jurat page of the Annual Statement at December 31, 2012, were as follows:

Name	Position
Anna Manning	President and Chief Executive Officer
Todd C. Larson	Executive Vice President and Treasurer
James P. Ash	Vice President and Entity Actuary
Jack B. Lay	Senior Executive Vice President and Chief Financial Officer

David C. Fischer	Executive Vice President and Chief Investment Officer
William L. Hutton	Executive Vice President, General Counsel and Secretary

Committees

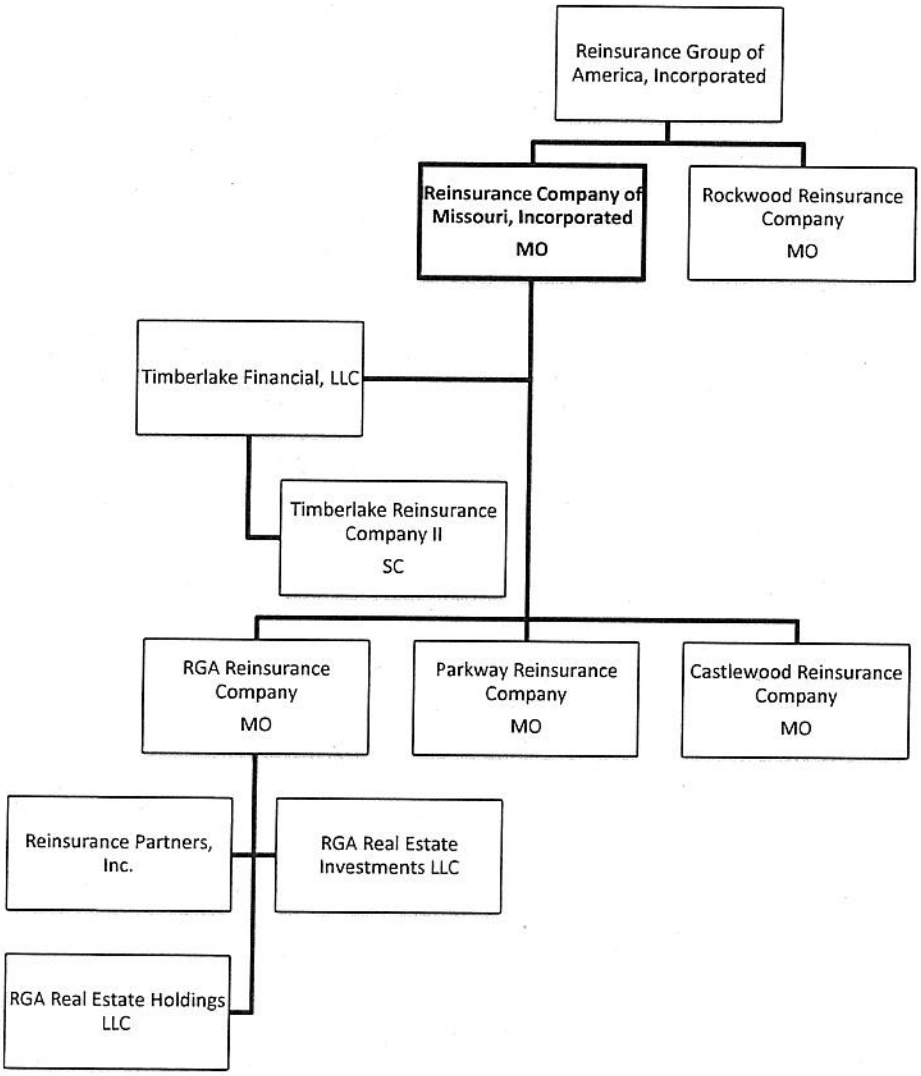
The Company had no active committees as of December 31, 2012. Generally RCM has not had board committees. RGA, Inc. has an Audit Committee, Compensation Committee, Nominating & Corporate Governance Committee and a Finance, Investment & Risk Management (FIRM) Committee, all of which have provided management oversight to RCM.

Holding Company, Subsidiaries and Affiliates

The Company is part of an Insurance Holding Company System as defined by Section 382.010 RSMo (Definitions). The Company is a wholly owned subsidiary of Reinsurance Group of America, Incorporated, a Missouri holding company formed in December 1992. Reinsurance Group of America, Incorporated is the ultimate parent of the holding company system.

Organization Chart

The following organizational chart depicts a portion of the holding company system at December 31, 2012, of which the Company is directly a part, and includes other Missouri domestic insurance company affiliates and their subsidiaries.



Affiliated Transactions

The Company enters into various agreements with affiliates. Active agreements are discussed below:

Administrative Services Agreement

Affiliates: RGA Re
Effective: July 6, 1999.
Terms: RGA Re provides administrative services including, data processing and record keeping.
Rate(s): No fees were paid pursuant to this agreement during the examination period.

Software License & Maintenance Agreement

Affiliates: RGA Re and other affiliates

Effective: January 1, 2012.

Terms: RGA Re developed the Core Financial Reporting Initiative (CFRI) software, a common global general ledger, and accounts payable and financial reporting system. RGA Re grants a CFRI software license to each signatory to the agreement, and provides software maintenance services. These services include all information, advice, and services to correct errors or defects or performance failures arising in the software. RGA Re will create and make available new releases of the software and other improvements and alterations, and will provide training on use and operation of the software.

Rate(s): Each affiliate paid a one-time license fee to RGA Re for the use of the CFRI software. Each affiliate pays an amount equal to all expenses, direct and indirect, reasonably and equitably determined by RGA Re to be attributable to such affiliate for maintenance services. The fees are calculated monthly and payable to RGA Re within 30 days of each month end.

Incurred: $532,018

Tax Allocation Agreement

Affiliates: RGA, Inc., RGA Re, RCM, Parkway Reinsurance Company, Rockwood Reinsurance Company, Castlewood Reinsurance Company, and other affiliates.

Effective: July 1, 1998, thirteenth amendment November 1, 2012

Terms: RGA Inc. will file on behalf of participants. Tax liability is computed on a separate return basis and provides that the members shall receive reimbursement to the extent their losses and other credits result in a reduction of the consolidated tax income. Participants will be paid for losses or credits used on consolidated tax return to the extent of the amounts previously paid to RGA, Inc.

Rate(s): There are no fees related to the agreement.

Incurred: $29,393,094

FIDELITY BOND AND OTHER INSURANCE

Insurance programs are administered through RGA, Inc. for the benefit of the members of the insurance holding company system. RGA, Inc.'s fidelity bond policy has an aggregate limit of liability of $15,000,000, with a $250,000 single loss deductible. Blended excess policies provide additional layers of coverage up to a maximum aggregate limit of liability of $50,000,000. This coverage exceeds the minimum amount of fidelity insurance suggested by the NAIC.

RGA, Inc. is also a named insured on policies that provide the following coverage: Professional Liability, Directors & Officers Liability, Employment Practices Liability, Cyber Liability, General Liability, Auto Liability, and Workers' Compensation. The level of insurance coverage appears reasonable.

PENSIONS, STOCK OWNERSHIP AND INSURANCE PLANS

The Company has no direct employees. All personnel services are provided by RGA Reinsurance Company pursuant to an administrative services agreement. RGA Reinsurance Company offers a comprehensive benefits package to its employees, including medical, dental,

and vision, life, accidental death and dismemberment, long-term disability, flexible spending accounts, paid time off, holidays, tuition reimbursement, and a bonus plan. Additionally, life insurance and medical and dental coverage are available for retirees.

RGA Reinsurance Company also sponsors tax-qualified pension and savings plans for its employees, as well as non-qualified "parity" pension and savings plans for its employees whose benefits under the tax-qualified plans are limited by Internal Revenue Service Code.

Benefit expenses are allocated to the Company quarterly pursuant to the administrative services agreement with RGA Reinsurance Company.

TERRITORY AND PLAN OF OPERATION

The Company is licensed only in Missouri. The Company is licensed under Chapter 376 RSMo (Life, Health and Accident Insurance) to write life, accident and health insurance and annuities.

RCM initially reinsured a block of business from its subsidiary RGA Reinsurance Company, to qualify itself as a life insurance company for income tax purposes. The Company has since entered into a small number of ordinary life reinsurance agreements with RGA Reinsurance Company and with non-affiliated insurance companies.

GROWTH OF COMPANY

RCM primarily functions as an intermediate holding company for RGA Re and as such its growth is primarily dependent on RGA Re's growth. RGA Re typically enters into numerous assumed and ceded reinsurance agreements each year making written premium an unreliable indicator of financial performance. RCM's financial performance is tracked by monitoring its unassigned funds.

RCM's unassigned funds went from ($5.8) million as of the previous examination to $206.7 million at December 31, 2012. Unassigned funds increased sharply during calendar year 2009 before decreasing slightly throughout the remainder of the examination period.

LOSS EXPERIENCE

The following exhibit reflects the annual underwriting results of the Company during the examination period. Amounts are in 000's.

	2009	2010	2011	2012
Net Premium Income	$ 73,818	$ 47,525	$ 93,101	$ 83,565
Investment and Other Income	(4,397)	75,807	36,430	(6,272)
Total Benefits and Expenses	(93,589)	(83,576)	(94,290)	10,649
Taxes and Capital Gains	7,369	13,934	1,902	(29,393)
Net Income	$ (16,800)	$ 53,690	$ 37,142	$ 58,549

Net Premium Income and Total Benefits and Expenses experienced a sizable amount of volatility during the examination period. This is common in the reinsurance industry as operating results for a particular period reflect the agreements in place at that time. The Company reported a positive net income in three of the four years.

REINSURANCE

General

RCM was essentially formed as a holding company for the purpose of owning U. S. based regulated entities, and to facilitate tax planning strategies for the U. S. taxpayers of RGA, Inc.

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

	2009	2010	2011	2012
Direct Business	$ -	$ -	$ -	$ -
Reinsurance Assumed	73,817,745	47,525,159	93,101,462	83,565,387
Reinsurance Ceded	-	-	-	-
Net Premiums Written	$ 73,817,745	$ 47,525,159	$ 93,101,462	$ 83,565,387

Assumed

At December 31, 2012, RCM assumed 93% of its business from a single treaty with RGA Re with the remainder of business being assumed from three non-affiliated companies. Assumed premiums have almost doubled since the prior examination to $83.6 million as of year-end 2012. Yearly fluctuations in reinsurance assumed were largely due to treaties with RGA Re that were recaptured, novated, or terminated during the examination period.

Ceded

RCM is protected by a catastrophe policy which covers the RGA group of company's worldwide portfolio for events involving 10 or more insured deaths from a single occurrence and covers $100 million of claims in excess of the Company's $50 million deductible.

ACCOUNTS AND RECORDS

General

The Company's financial statements were prepared with PeopleSoft Financials which were re-implemented to permit a common chart of accounts across domestic and international operations. The majority of administration of the Company's reinsurance agreements (including the related premiums, claim payments, etc.) is performed on the General American Reinsurance (GARE) System.

Reserves and related actuarial items as of December 31, 2012, were reviewed and certified by James P. Ash, FSA, MAAA, Vice President Entity Actuary for Reinsurance Company of Missouri.

Independent Actuary

Pursuant to a contract with the DIFP, Timothy F. Harris, FSA, MAAA, Principal & Consulting Actuary, Milliman, Inc. reviewed the underlying actuarial assumptions and actuarial methods used in determining actuarial liabilities and related items.

Independent Auditor

The Company's financial statements for the period January 1, 2009 to December 31, 2012, were audited by Deloitte. The workpapers and reports of the independent audit were reviewed for this

examination. These workpapers and reports were used in the course of this examination as deemed appropriate.

Information Systems

In conjunction with this examination, Andrew Balas, AES, Information Systems Financial Examiner with the DIFP, conducted a review of the Company's information systems. His evaluation did not identify any significant weaknesses.

STATUTORY DEPOSITS

Deposits with the State of Missouri

The funds on deposit with the DIFP as of December 31, 2012, as reflected below, were sufficient in par and market value to meet the capital deposit requirements for the state of Missouri in accordance with RSMo Section 376.290 (Deposit and transfer of securities).

Type of Security	Par Value	Market Value	Statement Value
U.S. Treasury Notes	$ 700,000	$ 767,837	$ 659,784

Other Special Deposits

In addition to the funds on deposit with the state of Missouri, RCM has another deposit, which is not for the benefit of all policyholders. This special deposit represents funds held by RCM to secure its obligations to a specific cedent pursuant to a reinsurance agreement.

Beneficiary	Market Value	Statement Value
Cedent	$ 19,118,358	$ 16,684,293

FINANCIAL STATEMENTS

The following financial statements, with supporting exhibits, present the financial condition of the Company as of December 31, 2012, and the results of operations for the year then ended. Any examination adjustments to the amounts reported in the financial statements and/or comments regarding such are made in the "Comments on the Financial Statements," which follow the financial statements.

There may have been additional differences found in the course of this examination, which are not shown in the "Comments on the Financial Statements." These differences, if any, were determined to be immaterial in relation to the financial statements, and therefore were only communicated to the Company and noted in the workpapers for each individual annual statement item.

ASSETS

		Assets	Nonadmitted Assets	Net Admitted Assets
Bonds		$ 96,982,029		$ 96,982,029
Common stocks	Note 1	1,462,459,397		1,462,459,397
Cash, cash equivalents, and short-term investments		3,825,370		3,825,370
Receivables for securities		1,751		1,751
Subtotals, cash and invested assets		1,563,268,547		1,563,268,547
Investment income due and accrued		$ 1,321,679		$ 1,321,679
Uncollected premiums and agents' balances		1,669,350		1,669,350
Net deferred tax asset		1,116,180	1,116,180	0
Electronic data processing equipment and software		452,215	452,215	0
Receivables from parent, subsidiaries and affiliates		5,600		5,600
Aggregate Write-ins for other than invested assets		1,424,734	1,104,454	320,280
Totals		$1,569,258,305	$ 2,672,849	$1,566,585,456

LIABILITIES, SURPLUS AND OTHER FUNDS

Aggregate reserve for life contracts		$ 39,310,237
Life (contract claims)		1,199,945
General expenses due or accrued		18,531
FIT		14,771,981
Remittances and items not allocated		822,187
Asset valuation reserve		392,928
Total liabilities		$ 56,515,809
Common capital stock		$ 600,000
Surplus notes		$ 351,101,458
Gross paid in and contributed surplus		1,133,750,000
Unassigned funds (surplus)	Note 1	24,618,189
Surplus	Note 1	$ 1,509,469,647
Totals of common and preferred stock and surplus		$ 1,510,069,647
Totals of liabilities, common and preferred stock and surplus		$ 1,566,585,456

SUMMARY OF OPERATIONS

Premiums and annuity considerations for life and accident and health contracts	$	83,565,387
Net investment income		(6,172,439)
Amortization of Interest Maintenance Reserve (IMR)		(99,871)
Totals	$	77,293,077
Death benefits	$	84,409,413
Interest and adjustments on contract or deposit-type contract funds		21,226
Increase in aggregate reserves for life and accident and health contracts		(95,367,565)
Totals	$	(10,936,926)
General insurance expenses		164,617
Insurance taxes, licenses and fees, excluding federal income taxes		123,355
Totals	$	(10,648,954)
Net gain from operations before dividends to policyholders and federal income taxes	$	87,942,031
Dividends to policyholders		
Net gain from operations after dividends to policyholders and before federal income taxes	$	87,942,031
Federal and foreign income taxes incurred (excluding tax on capital gains)		29,393,094
Net gain from operations after dividends and FIT and before realized capital gains or (losses)	$	58,548,937
Net realized capital gains or (losses) (excluding gains (losses) transferred to the IMR)		(55)
Net income	$	58,548,882

RECONCILIATION OF CAPITAL AND SURPLUS
Changes from December 31, 2009 to December 31, 2012

	2009	2010	2011	2012
Capital and surplus, December 31 prior year	$ 1,107,899,174	$ 1,412,944,779	$ 1,486,928,194	$ 1,478,864,286
Net income	(16,799,552)	53,690,312	37,142,114	58,548,882
Change in unrealized capital gains (losses)	234,797,201	99,337,136	(12,953,126)	(121,344,353)
Change in net deferred income tax	20,148	(228,880)	(559,215)	(202,497)
Change in non-admitted assets	(39,841)	(20,628,070)	8,400,334	14,445,159
Change in asset valuation reserve		(187,083)	(94,015)	(111,830)
Change in surplus notes				250,755,208
Cumulative effect of change in accounting principles	67,649			
Paid in surplus	87,000,000	22,000,000		12,000,000
Dividends to stockholders		(80,000,000)	(40,000,000)	
Aggregate write-ins for gains and (losses) in surplus				(755,208)
Examination changes				(182,130,000)
Change in capital and surplus for the year	$ 305,045,605	$ 73,983,415	$ (8,063,908)	$ 31,205,361
Capital and surplus, December 31 current year	$ 1,412,944,779	$ 1,486,928,194	$ 1,478,864,286	$ 1,510,069,647

ANALYSIS OF
EXAMINATION CHANGES IN THE FINANCIAL STATEMENTS

Total Capital & Surplus Per Company		
Common capital stock		$600,000
Surplus notes		351,101,458
Gross paid in surplus		1,133,750,000
Unassigned funds		206,748,189
Total capital and surplus per company		$1,692,199,647
Increases:		
None	0	
Decreases:		
Decrease in Common Stock	(182,130,000)	
Net change in unassigned surplus		(182,130,000)
Total Capital & Surplus Per Examination		
Common capital stock		$600,000
Surplus notes		351,101,458
Gross paid in surplus		1,133,750,000
Unassigned funds		24,618,189
Total capital and surplus per examination		$1,510,069,647

COMMENTS ON THE FINANCIAL STATEMENTS

(1) Common Stock **$1,462,459,397**

Common stock was decreased from $1,644,589,397 by $182,130,000 with a resulting reduction in unassigned surplus, as a result of an examination adjustment made to RGA Re, which resulted in a decrease in its capital and surplus. The value of RGA Re makes up the entirety of the common stock value of RCM.

SUMMARY OF RECOMMENDATIONS

There were no recommendations.

ACKNOWLEDGEMENT

The assistance and cooperation extended by the officers and employees of Reinsurance Company of Missouri, Inc., during the course of this examination is hereby acknowledged and appreciated. In addition to the undersigned; John Boczkiewicz, CFE, Andrew Coppedge, CFE, Douglas Daniels, CFE, and Karen Milster, CFE; examiners for the DIFP; participated in this examination. Andrew Balas, DIFP Information Systems Financial Examiner reviewed the Company's Information Systems. Timothy F. Harris, FSA, MAAA, Principal & Consulting Actuary, Milliman, Inc. reviewed the underlying actuarial assumptions and actuarial methods used in determining actuarial liabilities and related items.

VERIFICATION

State of Missouri)
) ss
County of St. Louis)

I, 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 the Company, 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.

Richard Hayes, CFE
Examiner-in-Charge
Missouri Department of Insurance, Financial Institutions and Professional Registration

Wyatt Sample, CFE
Examiner-in-Charge
Missouri Department of Insurance, Financial Institutions and Professional Registration

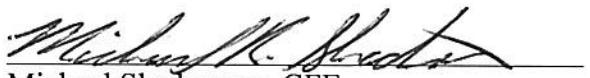
Sworn to and subscribed before me this 10th day of February 2014
My commission expires: May 11, 2016

Notary Public

ANDREA V. MOFFATT
Notary Public - Notary Seal
State of Missouri
Commissioned for St. Louis County
My Commission Expires: May 11, 2016
Commission Number: 12552590

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.



Michael Shadowens, CFE
Audit Manager, St. Louis
Missouri Department of Insurance, Financial Institutions and Professional Registration