STATE OF NEBRSKA
DEPARTMENT OF INSURANCE

JAN 30 2019

FILED

CERTIFICATION

January 30, 2019

I, Bruce R. Ramge, Director of Insurance of the State of Nebraska, do hereby certify that the attached is a full and correct copy of the Financial Examination Report of

AMERITAS LIFE INSURANCE CORP.

as of

DECEMBER 31, 2017

The report is now on file and forming a part of the records of this Department.

I hereto subscribe my name under the seal of my office at Lincoln, Nebraska.

Bruce R. Ramge

DIRECTOR OF INSURANCE

CERTIFICATE OF ADOPTION

Notice of the proposed report for the financial examination of

AMERITAS LIFE INSURANCE CORP.

dated as of December 31, 2017 verified under oath by the examiner-in-charge on December 3, 2018 and received by the company on January 15, 2019, has been adopted without modification as the final report pursuant to Neb. Rev. Stat. § 44-5906(3) (a).

Dated this 29th day of January 2019.

STATE OF NEBRASKA
DEPARTMENT OF INSURANCE

Justin C. Schrader, CFE
Chief Financial Examiner

STATE OF NEBRASKA

Department of Insurance

EXAMINATION REPORT

OF

AMERITAS LIFE INSURANCE CORP.

as of

December 31, 2017

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Lincoln, Nebraska
November 30, 2018

Honorable Bruce R. Ramge
Director of Insurance
Nebraska Department of Insurance
1135 M Street, Suite 300
PO Box 82089
Lincoln, Nebraska 68501-2089

Dear Sir:

Pursuant to your instruction and authorizations, and in accordance with statutory requirements, an examination has been conducted of the financial condition and business affairs of:

AMERITAS LIFE INSURANCE CORP.
5900 "O" Street
Lincoln, Nebraska 68510-2234

(hereinafter also referred to as the "Company") and the report of such examination is respectfully presented herein.

INTRODUCTION

The Company was last examined as of December 31, 2012 by the State of Nebraska. The current financial condition examination covers the intervening period to, and including, the close of business on December 31, 2017, and includes such subsequent events and transactions as were considered pertinent to this report. The States of Nebraska and New York participated in this examination and assisted in the preparation of this report.

The same examination staff conducted a concurrent financial condition examination of the Company's subsidiary, Ameritas Life Insurance Corp. of New York.

SCOPE OF EXAMINATION

This examination was conducted pursuant to and in accordance with both the NAIC Financial Condition Examiners Handbook (Handbook) and Section §44-5904(1) of the Nebraska

Insurance Statutes. The Handbook requires that examiners plan and perform the examination to evaluate the financial condition and identify prospective risks of the Company by obtaining information about the Company including, but not limited to: corporate governance, identifying and assessing inherent risks within the Company, and evaluating system controls and procedures used to mitigate those risks. The examination also includes assessing the principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation and management's compliance with Statutory Accounting Principles and Annual Statement Instructions, when applicable to domestic state regulations.

The examination was completed under coordination of the holding company group approach with the Nebraska Department of Insurance as the coordinating state and the New York Department of Financial Services (NYDFS). The companies examined under this approach benefit to a large degree from common management, systems and processes, and internal control and risk management functions that are administered at the consolidated or business unit level.

The coordinated examination applies procedures sufficient to comprise a full scope financial examination of each of the companies in accordance with the examination procedures and standards promulgated by the NAIC and by the respective state insurance departments where the companies are domiciled. The objective is to enable each domestic state to report on their respective companies' financial condition and to summarize key results of examination procedures.

A general review was made of the Company's operations and the manner in which its business has been conducted in order to determine compliance with statutory and charter provisions. The Company's history was traced and has been set out in this report under the caption "Description of Company". All items pertaining to management and control were reviewed, including provisions for disclosure of conflicts of interest to the Board of Directors and the departmental organization of the Company. The Articles of Incorporation and By-Laws were reviewed, including appropriate filings of any changes or amendments thereto. The minutes of the meetings of the shareholder, Board of Directors and committees, held during the examination period, were read and noted. Attendance at meetings, proxy information, election of Directors and Officers, and approval of investment transactions were also noted.

The fidelity bond and other insurance coverages protecting the Company's property and interests were reviewed. Certificates of Authority to conduct the business of insurance in the various states were inspected and a survey was made of the Company's general plan of operation.

Data reflecting the Company's growth during the period under review, as developed from the Company's filed annual statements, is reflected in the financial section of this report under the caption "Body of Report".

The Company's reinsurance facilities were ascertained and noted, and have been commented upon in this report under the caption "Reinsurance". Accounting records and procedures were tested to the extent deemed necessary through the risk-focused examination process. The Company's method of claims handling and procedures pertaining to the adjustment and payment of incurred losses were also noted.

All accounts and activities of the Company were considered in accordance with the risk-focused examination process. This included a review of workpapers prepared by Deloitte & Touche, LLP, the Company's external auditors, during their audit of the Company's accounts for the year ended December 31, 2017. Portions of the auditor's workpapers have been incorporated into the workpapers of the examiners and have been utilized in determining the scope and areas of emphasis in conducting the examination. This utilization was performed pursuant to Title 210 (Rules of the Nebraska Department of Insurance), Chapter 56, Section 013.

Any failure of items to add to the totals shown in schedules and exhibits appearing throughout this report is due to rounding.

DESCRIPTION OF COMPANY

HISTORY

The Company was organized under the laws of the State of Nebraska on April 6, 1887, as a capital stock legal reserve life insurance company and commenced business on May 6 of that same year. It was subsequently reorganized as a mutual legal reserve life insurance company on December 31, 1949. The Articles of Incorporation provide that the Company shall have perpetual existence.

The Company entered into the accident and health field in 1953 and began writing group accident and health insurance in 1959. In 1975, it significantly reduced its marketing of group accident and health insurance, with the exception of dental and vision programs which were expanded and have become a major product in the Company's insurance portfolio.

The Company operated under the name of Bankers Life Insurance Company of Nebraska until the July 1, 1988 amendment to its Articles of Incorporation which changed the name to Ameritas Life Insurance Corp.

Effective January 1, 1998, the Company converted from a mutual insurance company structure to a mutual holding company structure pursuant to Chapter 61, Insurers Demutualization Act, of the Nebraska Insurance Laws. The Director of Insurance of the State of Nebraska approved the conversion plan in October of 1997 with the policyholders of the Company approving the conversion in December of 1997.

In 1999, Ameritas Mutual Insurance Holding Company was merged with Acacia Mutual Holding Corporation to form Ameritas Acacia Mutual Holding Company.

Effective January 1, 2006, Ameritas Acacia Mutual Holding Company and Union Central Mutual Holding Company merged to form UNIFI Mutual Holding Company (UNIFI). Effective May 2, 2012, the UNIFI name was changed to Ameritas Mutual Holding Company (AMHC).

On April 17, 2009, the Ohio Department of Insurance approved The Union Central Life Insurance Company (Union Central) becoming a wholly-owned subsidiary of the Company. Effective April 22, 2009, the Nebraska Department of Insurance approved the re-domestication of Union Central from Ohio to Nebraska. Effective July 1, 2014, Union Central merged with the Company, with the Company being the surviving entity.

MANAGEMENT AND CONTROL

Holding Company

The Company is a member of an insurance holding company system as defined by Nebraska Statute. An organizational listing flowing from the "Ultimate Controlling Person", as reported in the 2017 Annual Statement, is represented by the following (subsidiaries are denoted through the use of indentations, and unless otherwise indicated, all subsidiaries are 100% owned):

- Ameritas Mutual Holding Company
  - Ameritas Holding Company
    - Ameritas Investment Partners, Inc.
    - Ameritas Life Insurance Corp.
      - Ameritas Charitable Foundation
      - Ameritas Investment Corp.
      - Ameritas Life Insurance Corp. of New York
      - Calvert Investments, Inc.
        - Calvert Investment Management, Inc.
      - Griffin Realty, LLC
    - Paycor, Inc. (13.74%)
    - iHear Medical, Inc. (10.93%)
    - BenefitEd, LLC (50%)

Shareholder

Article VI, Section 1 of the Company's Articles of Incorporation provides that, "the annual meeting of the shareholders shall be held at the Home Office of the Company on such day and at such time of day as may be determined by the Board of Directors, but in no event later than June 30, of each year."

Article IV, Section 1 of the Company's Articles of Incorporation provides that, "the total number of shares which the Company has authority to issue is 25 million shares of capital stock, having a par value of $0.10 per share." All of the issued capital stock of the Company is held by Ameritas Holding Company (AHC), an intermediate holding company in the AMHC structure.

The Company paid ordinary common stock dividends of $20 million for each year between 2013 and 2016, and $15 million in 2017, to its immediate parent, AHC.

Board of Directors

Article V, Section 1, of the Articles of Incorporation provides that, "the business and affairs of the Company shall be conducted by a Board of Directors numbering not less than seven, as the By-Laws of the Company shall provide. At least three Directors shall be residents of Nebraska. The term of office of each Director shall be one year and until his or her successor shall be elected and qualified."

The following persons were serving as Directors at December 31, 2017:

Name and Residence	Principal Occupation
James P. Abel Lincoln, Nebraska	Chairman and Chief Executive Officer, NEBCO, Inc.
John S. Dinsdale Omaha, Nebraska	Chairman, Pinnacle Bancorp, Inc.
James R. Krieger Lincoln, Nebraska	Vice Chairman and Chief Financial Officer, Gallup, Inc.

Name and Residence	Principal Occupation
William W. Lester Lincoln, Nebraska	President and Chief Operating Officer, Ameritas Mutual Holding Company
JoAnn M. Martin Lincoln, Nebraska	Chief Executive Officer, Ameritas Mutual Holding Company
Patricia A. McGuire Hyattsville, Maryland	President, Trinity Washington University
Tonn M. Ostergard Lincoln, Nebraska	President and Chief Executive Officer, Crete Carrier Corporation
Kim M. Robak Lincoln, Nebraska	Senior Partner, Mueller Robak, LLC
Paul C. Schorr, IV Lincoln, Nebraska	Senior Managing Director, One Equity Partners
Bryan E. Slone Omaha, Nebraska	Attorney/Of Counsel, Koley Jessen, LLC

Officers

Article V, Section 1 of the Company's By-Laws provides that, "the Company shall have the following Executive Officers and Officers: (i) a Chair of the Board, who may also be designated as the Chief Executive Officer; (ii) a Chief Executive Officer, who may also be designated as President; (iii) such number of Chief Operating Officers, Executive Vice Presidents, Senior Vice Presidents, Vice Presidents, Second Vice Presidents, and Assistant Vice Presidents as the Board of Directors shall from time-to-time determine; (iv) a Secretary and one or more Assistant Secretaries; and (v) a Treasurer." One person may hold more than one office at the same time, except that the Chair of the Board or the Vice Chair of the Board, if any, cannot also hold the office of Secretary, Treasurer, or Vice President.

The following is listing of Senior Officers elected and serving the Company at December 31, 2017:

Name	**Office**
JoAnn M. Martin	Chair of the Board of Directors and Chief Executive Officer
William W. Lester	President and Chief Operating Officer
Karen M. Gustin	Executive Vice President, Group Division
Robert-John H. Sands	Senior Vice President, General Counsel and Corporate Secretary
Susan K. Wilkinson	Senior Vice President, Chief Financial Officer and Treasurer
James J. Barone	Senior Vice President, Group Business Development and MGA Distribution
Ryan C. Beasley	Senior Vice President, Shared Agency Distribution
Patrick D. Fleming	Senior Vice President, Group National Accounts and Key Partnering Relationships
Robert M. Jurgensmeier	Senior Vice President, Chief Actuary, Individual
Brent F. Korte	Senior Vice President and Chief Marketing Officer
Bruce E. Mieth	Senior Vice President, Group Operations
James Mikus	Senior Vice President and Chief Investment Officer
Lisa A. Mullen	Senior Vice President, Individual Financial Operations
Christine M. Neighbors	Senior Vice President, General Counsel
April L. Rimpley	Senior Vice President, Human Resources
Steven J. Valerius	President, Individual Division
Linda A. Whitmire	Senior Vice President, Chief Actuary, Corporate
Richard A. Wiedenbeck	Senior Vice President and Chief Information Officer
Kelly J. Wieseler	Senior Vice President, Group Chief Actuary and Underwriting

Committees

Article IV, Section 1 of the Company's By-Laws states that, "the Board of Directors, as it may from time to time consider necessary and proper, by resolution passed by a majority of the whole Board, designate one or more standing or other committees, and delegate to each of them such responsibilities and authority as it may deem appropriate." As required by its By-Laws, the Company is required to maintain an Executive Committee, a Nominating and Corporate Governance Committee, a Finance Committee, an Audit and Risk Committee, and a Compensation Committee.

The Company maintains its own Executive Committee and Finance Committee. By Board resolution, the Company also has designated an Insurance Operating Committee that is comprised of Officers of the Company.

The following persons were serving on the Executive Committee at December 31, 2017:

JoAnn Martin, Chair	James Abel
Tonn Ostergard	Kim Robak

The following persons were serving on the Finance Committee at December 31, 2017:

JoAnn Martin, Chair	J. Sid Dinsdale
Tonn Ostergard	Paul Schorr IV

The following persons were serving on the Insurance Operating Committee at December 31, 2017:

Linda Whitmire, Chair	Karen Gustin
Brent Korte	William Lester
JoAnn Martin	James Mikus
Robert-John Sands	Steven Valerius
Richard Wiedenbeck	Susan Wilkinson

The Company utilizes the Nominating and Corporate Governance Committee, Audit and Risk Committee, and Compensation Committee of its parent, AHC.

The following persons were serving on the Nominating and Corporate Governance Committee at December 31, 2017:

James Abel, Chair	James Krieger
John Lawrence III	Patricia McGuire
Kim Robak	Bryan Slone

The following persons were serving on the Audit and Risk Committee at December 31, 2017:

Bryan Slone, Chair	John Dinsdale
Patricia McGuire	Tonn Ostergard
Wayne Silby	

The following persons were serving on the Compensation Committee at December 31, 2017:

James Krieger, Chair	James Abel
Kim Robak	Paul Schorr IV

TRANSACTIONS WITH AFFILIATES

Administrative Services Agreements

Effective January 1, 2011, employees of the Company's affiliates, Union Central, and Ameritas Life Insurance Corp. of New York (ALIC-NY) became employees of the Company, making the Company the primary provider of all technical, financial, legal, and marketing support. The Company provides and receives this technical, financial, legal, and marketing support to and from its affiliates under two General Administrative Services Agreements, both initially effective January 1, 2011. Also, effective January 1, 2017, employees of the Company's affiliates Ameritas Investment Corp. (AIC), and Ameritas Investment Partners, Inc. (AIP) became employees of the Company.

The first General Administrative Services Agreement is between the Company, AHC, and ALIC-NY (f/k/a First Ameritas Life Insurance Corp. of New York). Under the terms of the agreement, the Company and AHC are to provide ALIC-NY with support services including: policy administration, underwriting, policy issue, premium processing, customer service, claims administration, reinsurance processing, product filings, agent licensing and compensation, separate account administration, information management, accounting and actuarial, information technology, legal, human resources, and marketing and distribution. The agreement provides for payment on a monthly basis based on fair and reasonable charges or fees for services as agreed and appropriately documented by the parties. This agreement remains in force until terminated by either party upon ninety days advance written notice to the other.

The second General Administrative Services Agreement was amended January 1, 2013 to remove Union Central Mortgage Funding, Inc., and to add Griffin Realty, LLC (Griffin), and Ameritas Mortgage Funding, Inc. (AMF) as parties to the agreement. Currently, the Company and the following are parties to the agreement: AHC, AIC, AMF, Calvert Group, LTD, Griffin, PRBA, Inc., Summit Investment Advisors, Inc. (Summit), and Union Central. Under the terms of the agreement, the Company is to provide the other participating parties with administrative support services. It also arranges for other administrative support services to be provided by and among the various parties as necessary and appropriate from time to time. These services include: policy administration, claims administration, information management support and the development and maintenance of software, management, administrative, legal, accounting, information technology, and keeping of books and records showing financial condition. The agreement provides for payment on a monthly basis based on fair and reasonable charges or fees for services as agreed and appropriately documented by the parties. This agreement had an initial term of one year and will automatically renew for successive one-year periods.

Investment Advisory Agreement

Effective April 1, 2015, a Revised and Restated Investment Advisory Agreement was entered into by the Company with AIP. The agreement replaces and succeeds all existing investment advisory agreements between the Company and AIP or any of its predecessors or affiliates. AIP shall act as investment advisor to the Company and, subject to the supervision of the Board, manage the investment and reinvestment of the assets of the Company. As compensation, AIP shall receive quarterly pay based upon the basis point allocation to the invested assets of the Company as set forth in the exhibits to the agreement. All fees due will be calculated within 45 days of the end of each quarter and shall be remitted to AIP within ten days of the invoice date.

Tax Allocation Agreement

The Company is party to a Tax Allocation Agreement with its ultimate parent AMHC, effective April 1, 2016. The tax liability of each member of the affiliated group shall generally be based on such member's taxable income determined as if such member had filed its federal corporate income tax return on a separate return basis with the IRS.

Space Sharing Agreement

Effective December 1, 2016, the Company entered into the First Amendment to Space Sharing Agreement with Calvert Investment Services, Inc. (CIS). In 2017, CIS was merged into its parent Calvert Investments, Inc. (Calvert), and the agreement remained in effect. On October 5, 2016, CIS began occupying more of the rentable space and this agreement amended the allocation between the Company and CIS based on the floors occupied and parking spaces used by each company. The agreement terminates on December 31, 2020, unless sooner terminated by written agreement of both parties and compensation is due within fifteen days following the receipt of a monthly invoice from Calvert.

Underwriting and Distribution Agreement

Effective June 2, 2017, the Fourth Amended and Restated Principal Underwriting and Distribution Agreement was entered into by the Company and AIC, on behalf of separate accounts of the Company. The agreement grants AIC the right to be the principal underwriter of the separate accounts and the distributing agent during the term of the agreement. As compensation, AIC shall receive fair and reasonable rates for the services provided in each role under the agreement. Prior to the beginning of each calendar year, each party shall agree upon the annual amount of such compensation, which shall be based on documented methodology and metrics to support the fairness of such compensation. The Company shall pay AIC in monthly installments during the course of the calendar year. The agreement may be terminated by either party upon 180 days' written notice to the other party.

TERRITORY AND PLAN OF OPERATION

As evidenced by current or continuous Certificates of Authority, the Company is licensed to transact business in the District of Columbia and all states, with the exception of New York.

The Company and its affiliated insurance company, ALIC-NY, are part of the AMHC group, whose core strength lies within its insurance companies. Under the Ameritas brand, the mutual organization offers insurance, retirement and financial products, and services to individuals, families, and businesses. The Company maintains a diversified operating profile through these operating business segments: individual, group, retirement plans, and financial subsidiaries. The Company has a broad product portfolio, including permanent life insurance, term life insurance, variable life insurance, universal life insurance, fixed annuities, indexed annuities, variable annuities, disability income insurance, group retirement plans, investments, and dental, vision, and hearing care insurance.

The individual division offers life insurance, disability income insurance, and annuities. For businesses and their employees, the retirement plans division markets group annuities to the small- and mid-sized 401(k) employer market. The Company markets products in all states and the District of Columbia, except New York, using a multi-channel platform that includes core general agencies and strategic alliances.

The group division offers group dental and vision, with hearing care insurance complementing the product portfolio. Captive distribution within the group division consists of sales associates operating within multiple regional sales offices nationwide and a number of strategic partnership alliances, third party administrators, and brokerage general agency channels.

REINSURANCE

Assumed Life

The Company has various older Yearly Renewable Term agreements with its subsidiary ALIC-NY. During the exam period, Union Central entered into an assumptive coinsurance agreement with ALIC-NY, effective August 30, 2013. Pursuant to this agreement, Union Central assumed 100% of a closed block of ordinary life insurance policies and their respective riders on a funds withheld basis. Union Central was merged into the Company, who is now the reinsurer for this agreement.

As part of a Master Transaction Agreement, the Company entered into reinsurance agreements with First Allmerica Financial Life Insurance Company (FAFLIC), and Accordia Life and Annuity Company (Accordia) effective December 28, 2015. The Company agrees to reinsure closed blocks of business from FAFLIC on a 90% quota share basis of all liabilities under certain life insurance policies issued in the State of New York, and a 100% quota share basis of all liabilities under certain life insurance policies issued in any other state. The Company also agrees to reinsure 100% of Accordia's liabilities retroceded from Athene Annuity and Life Company. In conjunction with the Master Transaction Agreement, and the underlying Reinsurance Agreements, the Company also entered into Administrative Service Agreements and Trust Agreements with FAFLIC and Accordia. The trusts are held at U.S. Bank N.A. with the Company named as Grantor and FAFLIC and Accordia named as beneficiaries.

Effective September 1, 2016, the Company entered into a Reinsurance and Administrative Services Agreement with The Guardian Insurance & Annuity Company, Inc.

(Guardian), whereby the Company assumes 100% quota share of certain retirement plan products.

Assumed Accident and Health

The Company assumed business through three automatic quota share reinsurance treaties covering vision and dental indemnity programs offered to employers and/or individuals by the reinsured companies. The business is written on the reinsured's policy forms but is subject to the provisions of the reinsurance agreements. Administrative agreements accompany these treaties whereby marketing, underwriting, and administrative services are made available by the Company. Quota share percentages for these treaties cover between 15% and 100% of the subject business, depending on the specific terms of each treaty.

Ceded Life

The Company has a 90% first dollar quota share arrangement for most permanent life policies issued from June 2000 through December 2005, in addition to low load variable universal life policies issued prior to June 2000. The net amount at risk for most permanent life policies issued prior to June 2000 or after 2005 is reinsured to the extent that it exceeds the Company's retention limit applicable at the time of issue. The current retention limit for most permanent life plans is $2 million, which became effective in 2006.

First dollar quota share reinsurance on term life polices began in April 1996 with 80% reinsured and was later changed to 90%, which is still in use for most term life policies. Excess of retention reinsurance coverage was used for term products introduced prior to 1996. A certain block of annually renewable term (ART) policies have a 50/50 quota share reinsurance arrangement. Beginning in September 2011, the ART and 10-year level term plans are reinsured on a YRT excess basis.

The enhancement to guaranteed minimum death benefits on most variable annuity plans is fully reinsured, except there is a cap on the reinsured amount for some of the more recently issued policies. There is no reinsurance on variable annuities issued after December 31, 2008.

The Company entered into an accidental death carve-out reinsurance agreement effective July 1, 2006 whereby the net amount at risk retained by the Company is reinsured against accidental death and catastrophe/terrorism, including NBC (nuclear, biological, and chemical). Effective January 1, 2010, the accidental death carve-out agreement was changed from a "ground up" to a $3 million "inter aggregate" arrangement. Under this arrangement, the four (now two) affiliated insurance companies under AMHC, would need to incur, annually, $3 million of accidental death claims combined before any reinsurance benefits are paid. Effective January 1, 2014, the accidental death carve-out agreement was changed to $4 million "inter aggregate" arrangement. Effective January 1, 2017, the accidental death carve-out agreement was changed to $4.5 million "inter aggregate" arrangement.

Effective August 30, 2013, Union Central, which subsequently merged into the Company, entered into a combination coinsurance and modified coinsurance agreement with ALIC-NY whereby the Company cedes 100% of certain group variable annuity contracts to ALIC-NY who will also be responsible for the servicing of those contracts.

Effective October 27, 2014, the Company entered into four reinsurance agreements with PartnerRe Life Reinsurance Company of America (PartnerRe), RGA Reinsurance Company (RGA), SCOR Global Life USA Reinsurance Company (SCOR), and Swiss Re Life & Health America, Inc. (Swiss Re), whereby the Company retains established levels of Yearly Renewable Term business. The excess is split between the four parties with PartnerRe assuming 10%, RGA 20%, SCOR 45%, and Swiss Re 25%.

Effective January 1, 2017, the Company amended its reinsurance agreement with Swiss Re from September 26, 2011, to include the Health IQ program with the Keystone Term product, whereby the Company retains established levels of Yearly Renewable Term business. 100% of the excess will be ceded to Swiss Re.

The Company also has other ceded life reinsurance arrangements, generally covering policy forms no longer issued. These contracts remain in effect on a run-off basis.

Ceded Disability

Fully underwritten individual disability insurance and business overhead expense policies are ceded on a coinsurance basis to Gen Re Life Corporation (Gen Re) and Munich American Life Assurance Company (Munich). Amounts in excess of $5,000 of monthly benefit for individual disability, and in excess of $8,000 of monthly benefits for business overhead expense policies are ceded 50/50 between Gen Re and Munich.

Effective October 1, 2012, lump sum policies are ceded to Gen Re on a coinsurance basis with the first $25,000 of benefits retained. 60% of amounts in excess of $25,000 are reinsured up to a maximum of $100,000. Thus placing Gen Re’s maximum liability at $45,000.

General

All contracts reviewed contained standard insolvency, arbitration, errors and omissions, and termination clauses where applicable. All contracts contained the clauses necessary to assure reinsurance credits could be taken.

BODY OF REPORT

GROWTH

The following comparative data reflects the growth of the Company during the period covered by this examination, in thousands:

	2013	2014	2015	2016	2017
Bonds	$ 6,538,206	$ 6,970,047	$ 8,347,515	$ 8,421,920	$ 8,564,489
Admitted assets	16,236,634	16,822,005	18,218,495	18,696,586	20,076,470
Aggregate reserves for life contracts	6,804,175	7,036,542	8,533,806	8,897,637	9,058,943
Total liabilities	14,683,942	15,198,546	16,686,273	17,212,520	18,520,886
Capital and surplus	1,552,692	1,623,458	1,532,222	1,484,066	1,555,583
Premium income	1,864,791	2,119,666	3,444,136	4,421,915	2,724,472
Net investment income	407,964	454,554	432,301	474,481	490,655
Death benefits	160,311	156,783	200,320	234,070	259,851
Net income	191,576	129,843	(9,654)	(4,796)	106,314

FINANCIAL STATEMENTS

The following financial statements are based on the statutory financial statements filed by the Company with the State of Nebraska Department of Insurance and present the financial condition of the Company for the period ending December 31, 2017. The accompanying comments on financial statements reflect any examination adjustments to the amounts reported in the annual statements and should be considered an integral part of the financial statements. A reconciliation of the capital and surplus account for the period under review is also included.

FINANCIAL STATEMENT
December 31, 2017

Assets	Assets	Assets Not Admitted	Net Admitted Assets
Bonds	$ 8,564,489,116		$ 8,564,489,116
Preferred stocks	7,306,584		7,306,584
Common stocks	566,840,001		566,840,001
Mortgage loans – first liens	1,791,083,445		1,791,083,445
Mortgage loans – other than first liens	7,709,780		7,709,780
Real estate – occupied by company	43,580,757		43,580,757
Real estate – held for income	5,960,409		5,960,409
Real estate – held for sale	6,166,439		6,166,439
Cash	15,403,583		15,403,583
Cash equivalents	156,598,851		156,598,851
Short-term investments	31,937,837		31,937,837
Contract loans	545,980,377	$ 3,345,081	542,635,296
Derivatives	90,539,102		90,539,102
Other invested assets	327,625,839	6,426,903	321,198,936
Receivables for securities	4,817,882		4,817,882
Subtotal, cash and invested assets	$12,166,040,002	$ 9,771,984	$12,156,268,018
Investment income due and accrued	108,530,074	39,687	108,490,387
Uncollected premiums	48,227,408	9,202,391	39,025,107
Deferred premiums	67,579,533		67,579,533
Amounts recoverable from reinsurers	23,292,933		23,292,933
Funds held by or deposited	43,700,368		43,700,368
Other reinsurance amounts receivable	15,477,466		15,477,466
Receivables relating to uninsured plans	12,494,512		12,494,512
Income tax recoverable	21,676,968		21,676,968
Net deferred tax asset	122,261,336	60,818,697	61,442,639
Guaranty funds receivable	9,543,588		9,543,588
Electronic data processing equipment	17,329,073	14,120,576	3,208,497
Furniture and equipment	6,541,888	6,541,888	
Receivables from related parties	4,838,522		4,838,522
Health care	11,493,523	8,779,290	2,714,233
COLI cash surrender value	67,714,706		67,714,706
Miscellaneous receivables	4,639,527	1,971,309	2,668,218
Unearned annualized commissions	10,269,870	10,269,870	
Prepaid expenses	6,219,404	6,219,404	
Other assets	4,724,084	4,724,084	
Separate Accounts	7,436,333,923		7,436,333,923
Totals	$20,208,928,708	$132,459,180	$20,076,469,528

Liabilities, Surplus, and Other Funds

Aggregate reserve for life contracts	$ 9,058,943,062
Aggregate reserve for accident and health contracts	334,125,011
Liability for deposit-type contracts	962,590,433
Contract claims - life	45,275,215
Contract claims – accident and health	46,945,409
Policyholders' dividends	9,323
Dividends apportioned for payment	36,352,830
Premiums received in advance	9,530,486
Provision for experience rating refunds	5,674,123
Other amounts payable on reinsurance	29,747,683
Interest maintenance reserve	79,400,126
Commissions to agents due or accrued	7,174,293
Commissions payable on reinsurance assumed	10,399,879
General expenses due or accrued	78,142,983
Transfers to Separate Accounts due or accrued	(38,060,483)
Taxes, licenses and fees	9,220,353
Unearned investment income	162,170
Amounts withheld by company as agent	2,353,980
Amounts held for agents' account	4,096,703
Remittances and items not allocated	28,570,430
Liability for benefits for employees and agents	75,678,907
Borrowed money	2,321,055
Asset valuation reserve	174,346,448
Payable to parent, subsidiaries and affiliates	2,685,389
Liability for amounts held under uninsured plans	1,058,403
Derivatives	35,064,737
Payable for securities	13,804,631
Commitments – low income housing partnerships	18,462,719
Non-qualified pension liability	17,006,475
Unclaimed checks	11,776,356
Deferred revenue & undistributed losses	9,429,572
Miscellaneous liabilities	12,263,826
From Separate Accounts	7,436,333,923
Total liabilities	$18,520,886,450
Common capital stock	2,500,000
Surplus note discount	(76,850)
Surplus note	50,000,000
Gross paid in and contributed surplus	431,449,425
Special surplus – ACA fee assessment	13,930,000
Unassigned funds	1,057,780,503
Total capital and surplus	$ 1,555,583,078
Total liabilities, capital and surplus	$20,076,469,528

SUMMARY OF OPERATIONS – 2017

Premiums and annuity considerations	$2,724,472,357
Considerations for supplementary contracts	1,678,050
Net investment income	490,654,891
Amortization of interest maintenance reserve	12,421,028
Commissions and expense allowance on reinsurance ceded	23,218,319
Reserve adjustments on reinsurance ceded	8,054,031
Income from fees from separate accounts	68,396,470
Charges and fees for deposit-type contracts	69,531
Separate Account transfers assumed	377,308,175
Revenue sharing agreement income	24,235,664
Miscellaneous insurance income	11,281,801
Miscellaneous reinsurance	3,905,963
Total income	$3,745,696,280
Death benefits	$ 259,851,262
Matured endowments	1,837,101
Annuity benefits	84,882,026
Disability benefits	556,304,573
Surrender benefits and withdrawals	2,008,665,583
Interest and adjustments deposit-type contract funds	18,811,366
Payments on supplementary contracts	2,915,603
Increase in aggregate reserves	164,794,700
Commissions	148,300,631
Commissions on reinsurance assumed	13,667,785
General insurance expenses	395,424,449
Insurance taxes, licenses and fees	43,042,013
Increase in loading	(1,954,261)
Net transfers from separate accounts	(14,153,014)
Separate Account transfers ceded	11,103,476
Miscellaneous expense	2,199,539
Modco reserve adjustment	(71,473,746)
Total benefits and expenses	$3,624,219,086
Net gain from operations before dividends and federal income taxes	$ 121,477,194
Dividends to policyholders	(34,061,549)
Federal income taxes incurred	6,959,081
Net realized capital gains	11,939,481
Net income	$ 106,314,207

CAPITAL AND SURPLUS ACCOUNT
(in thousands)

	2013	2014	2015*	2016	2017
Capital and surplus, beginning	$1,348,408	$1,552,692	$1,643,709	$1,532,222	$1,484,066
Net income	191,576	129,843	(9,654)	(4,796)	106,314
Change - unrealized capital gains	(12,177)	10,321	(65,245)	1,013	37,824
Change - deferred income tax	(80,077)	(23,845)	45,925	30,251	(100,357)
Change - nonadmitted assets	127,521	10,183	(60,417)	(21,068)	61,998
Change - reinsurance in unauthorized companies	23				
Change - asset valuation reserve	(12,201)	(17,842)	(3,679)	(3,570)	(16,525)
Change – surplus notes	9	9	9	9	9
Surplus adjustment paid in				(30,587)	
Change in surplus as a result of reinsurance				651	
Dividends to stockholders	(20,000)	(20,000)	(20,000)	(20,000)	(15,000)
Correction of prior errors	9,740	(10,931)			(102)
Emerging reinsurance profits	(182)	(3,856)			
Adjustment for minimum pension liability	9,242				
Unrecognized prior service cost	(3)	1	1		
Unrecognized actuarial losses	(9,186)	(3,117)	1,572	(60)	(2,644)
Capital and surplus, ending	$1,552,692	$1,623,458	$1,532,222	$1,484,066	$1,555,583

*Change from 2014 ending to 2015 beginning capital and surplus is due to the merger of an affiliated company into Ameritas Life Insurance Corp.

EXAMINATION CHANGES IN FINANCIAL STATEMENTS

Unassigned funds (surplus) in the amount of $1,057,780,503, as reported in the Company's 2017 Annual Statement, has been accepted for examination purposes. Examination findings, in the aggregate, were considered to have no material effect on the Company’s financial condition.

COMPLIANCE WITH PREVIOUS RECOMMENDATIONS

No recommendations were made as a result of the previous examination.

COMMENTARY ON CURRENT EXAMINATION FINDINGS

There are no comments or recommendations that have been made as a result of this examination.

SUBSEQUENT EVENT

Asset Purchase Transactions

The Company assumed Separate Account assets and liabilities through assumption reinsurance as of September 30, 2018 for $1.3 billion from Guardian as this transaction is a continuation of the Asset Purchase Agreement effective September 1, 2016. Additionally, on November 30, 2018, $883 million of Separate Account assets and liabilities was assumed by the Company from Guardian.

SUMMARY OF COMMENTS AND RECOMMENDATIONS

There are no comments or recommendations that have been made as a result of this examination.

ACKNOWLEDGMENT

The courteous cooperation extended by the Officers and employees of the Company during this examination is hereby acknowledged.

In addition to the undersigned, Skyler Lawyer, CFE, Linda Scholl, CISA, CFE, APIR, Daniel Rousseau, Kolby Shanks, Joel Tapsoba, Financial Examiners; Gary Evans, CISA, AES, CFE, and Santosh Ghimire, Information Systems Specialists; and Rhonda Ahrens, FSA, MAAA, Chief Actuary and Derek Wallman, Actuarial Examiners; all with the Nebraska Department of Insurance and Bob Burch, CFE, Financial Examiner, with Eide Bailly, LLP, contracted by the New York Department of Financial Services; participated in this examination and assisted in the preparation of this report.

Respectfully submitted,

Isaak Russell, CFE
Examiner-in-Charge
Department of Insurance
State of Nebraska

State of Nebraska,

County of Lancaster,

Isaak Russell, being duly sworn, states as follows:

1. I have authority to represent the Department of Insurance of the State of Nebraska in the examination of Ameritas Life Insurance Corp.

2. The Department of Insurance of the State of Nebraska is accredited under the National Association of Insurance Commissioners Financial Regulation Standards and Accreditation.

3. I have reviewed the examination work papers and examination report, and the examination of the Ameritas Life Insurance Corp was performed in a manner consistent with the standards and procedures required by the Department of Insurance of the State of Nebraska.

The affiant says nothing further.

Examiner-in-Charge's Signature

Subscribed and sworn before me by Michelle Zielinski on this ~~12~~ 03 day of December, 2018.

State of Nebraska - General Notary
MICHELLE ZIELINSKI
My Commission Expires
November 8, 2019

(SEAL)

Notary Public

My commission expires Nov 8, 2019 [date].