

JUN 24 2025

FILED

# CERTIFICATION

June 24, 2025

I, Eric Dunning, 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

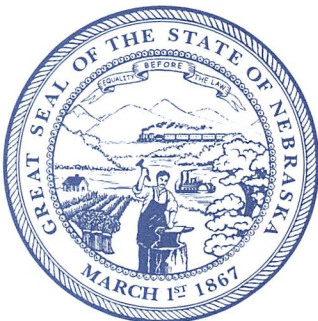
**UNITED AMERICAN INSURANCE COMPANY**

**AS OF**

**DECEMBER 31, 2023**

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.



  
\_\_\_\_\_  
DIRECTOR OF INSURANCE

CERTIFICATE OF ADOPTION

Notice of the proposed report for the financial examination of

**UNITED AMERICAN INSURANCE COMPANY**

**3700 SOUTH STONEBRIDGE DRIVE**

**MCKINNEY, TX 75070**

dated as of December 31, 2023, verified under oath by the examiner-in-charge on  
May 27, 2025, and received by the company on May 29, 2025, has been adopted  
with modification as the final report pursuant to Neb. Rev. Stat. § 44-5906(3) (a).

Dated this 13<sup>th</sup> day of June 2025.

STATE OF NEBRASKA  
DEPARTMENT OF INSURANCE

A handwritten signature in black ink that reads "Tadd R. Wegner". The signature is written in a cursive style with a large, stylized 'W'.

Tadd Wegner, CFE  
Chief Financial Regulator

**STATE OF NEBRASKA**

**Department of Insurance**

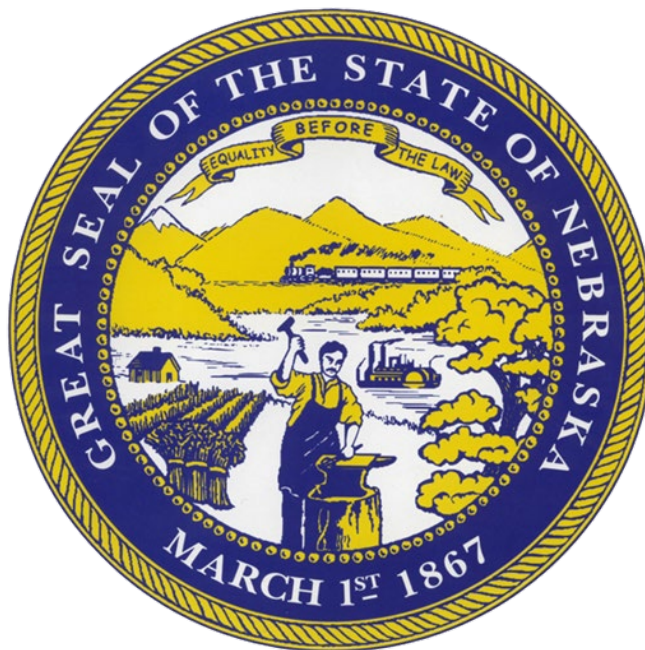
**EXAMINATION REPORT**

**OF**

**UNITED AMERICAN INSURANCE COMPANY**

**as of**

**December 31, 2023**



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Lincoln, Nebraska  
May 29, 2025

Honorable Eric Dunning  
Director of Insurance  
Nebraska Department of Insurance  
1526 K Street, Suite 200  
Lincoln, Nebraska 68508

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:

**UNITED AMERICAN INSURANCE COMPANY**

which has its Statutory Home Office located at

**10306 Regency Parkway Drive  
Omaha, Nebraska 68114**

with its Principal Executive Office located at

**3700 South Stonebridge Drive  
McKinney, Texas 75070**

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

**INTRODUCTION**

The State of Nebraska last examined the Company as of December 31, 2019. The current financial condition examination covers the intervening period to, and includes the close of business on December 31, 2023 and such subsequent events and transactions as were considered pertinent to this report. The States of Nebraska, Indiana, New York, and Ohio, participated in this examination and assisted in the preparation of this report.

The same examination staff conducted concurrent financial condition examinations of the Company's affiliates, American Income Life Insurance Company (American Income), Family Heritage Life Insurance Company of America (Family Heritage), Globe Life and Accident Insurance Company (Globe), Liberty National Life Insurance Company (Liberty National), National Income Life Insurance Company (National Income), and the Company's subsidiary, Globe Life Insurance Company of New York (Globe Life New York).

### **SCOPE OF EXAMINATION**

The 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 Indiana Department of Insurance, Ohio Department of Insurance, and the New York Department of Financial Services as the participating states. 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.

The Nebraska Department of Insurance made a general review 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, as were plans for employee welfare and pension. 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 years ended December 31, 2022 and 2023. 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 in Texas as a limited capital, stock life, health and accident insurance Company on June 13, 1947.

Torchmark Corporation (Torchmark), a Delaware corporation, formed NU Life Insurance Company of Delaware (NU Life) with an incorporation date of August 14, 1981, as a wholly



owned subsidiary of another Torchmark subsidiary, Globe. NU Life was formed to facilitate the acquisition and re-domestication of the Company from Texas to Delaware. On December 31, 1981, Globe purchased all of the outstanding common stock of the Company.

On February 28, 1982, the Company was merged into NU Life. The name of NU Life was then changed to United American Insurance Company, a Delaware Company.

Torchmark acquired the Company as a direct subsidiary on August 31, 1993. This was accomplished by Globe receiving a \$30,000,000 cash dividend from the Company. Globe then transferred all of the stock of the Company to Torchmark.

The Company re-domiciled from the state of Delaware to Nebraska on December 19, 2007.

Effective August 8, 2019, the holding company changed its corporate name from Torchmark Corporation to Globe Life Inc.

## **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 2023 Annual Statement, is represented by the following (subsidiaries are denoted through the use of indentations, and unless otherwise indicated, all subsidiaries are 100% owned):

Globe Life Inc.

American Income Life Insurance Company

American Income Marketing Services, Inc.

National Income Life Insurance Company

AILO 1, LLC

TMK Buildings Corporation

Liberty National Life Insurance Company

Brown-Service Funeral Homes Company, Inc.

Liberty National Auto Club, Inc.  
 LND01, LLC  
 Torchmark Insurance Agency, Inc.  
 American Life and Health Group, Inc.  
 Globe Life and Accident Insurance Company  
     Family Heritage Life Insurance Company of America  
     Globe Marketing Services, Inc.  
     Globe Marketing and Advertising Distributors, LLC  
 TMK Re, Ltd.  
 United American Insurance Company  
     Globe Life Insurance Company of New York  
 Specialized Advertising Group, Inc.  
 AILIC Receivables Corporation  
 Globe Life Insurance Agency, Inc.  
 TMK Properties, L.P.\*

\*Globe Life Inc. is the Limited Partner and TMK Buildings Corporation is the General Manager.

### **Shareholder**

Article VI of the Articles of Incorporation states that, “the authorized capital of this Corporation shall be \$5,000,000 consisting of 5,000,000 shares of common stock of the par value of \$1.00 per share.” As of December 31, 2023, the Company has 3,000,000 shares of common stock issued and outstanding resulting in a common capital stock value of \$3,000,000. All of the outstanding shares of the Company are held by the parent, Globe Life Inc., a financial services holding company.

The Company declared ordinary dividends on its common capital stock to Globe Life Inc. in the following amounts during the current period under examination:

<u>Date</u>	<u>Amount</u>
July 12, 2023	\$22,916,000
July 12, 2022	32,002,000
July 12, 2021	50,205,000
July 9, 2021	5,374,000
July 9, 2020	5,374,000

### **Board of Directors**

Article III, Section 1 of the Company's By-Laws states that, "the number of Directors shall be five (5) but may, by resolution of the Board of Directors, be increased to any greater number of Directors. The Directors shall be elected at the annual meeting of the Stockholders and each Director shall be elected to serve until his successor shall be elected and shall qualify."

The following persons were serving as Directors at December 31, 2023:

<b><u>Name and Residence</u></b>	<b><u>Principal Occupation</u></b>
Michael Shane Henrie Plano, Texas	Divisional Senior Vice President, Corporate Accounting, Chief Financial Officer and Treasurer
Michael Clay Majors Dallas, Texas	President of the Company
John O. Norton Plano, Texas	Divisional Senior Vice President and Actuary
Dolores L. Skarjune McKinney, Texas	Divisional Senior Vice President, Sales Administration
Carol J. Watson Lincoln, Nebraska	Principal, Watson & Co. LLC

Article III, Section 6 of the Company's By-Laws states that, "regular meetings of the Directors may be held without notice at such places and times as shall be determined from time to time by resolution of the Directors. Special meetings of the Board of Directors may be called by the President, or by the Secretary, upon the written request of any of the following: the Chairman of the Board, the President, or any two (2) Directors, on at least twelve hours' notice to each Director, and shall be held at such place or places as may be determined by the Directors..."

Article III, Section 9 of the By-Laws states that, "any action required or permitted to be taken at any meeting of the Board of Directors or of any committee thereof, may be taken

without a meeting, if prior to such action a written consent thereto is signed by all members of the Board of Directors or of such committee, as the case may be, and such written consent is filed with the minutes of proceedings of the Board of Directors or such committee.”

### **Officers**

Article IV, Section 1 of the Company’s By-Laws states that, “the Officers of the Corporation shall be a President and a Secretary, who shall be elected by the Board of Directors and who shall hold office until their successors are elected and qualified. In addition, the Board of Directors may elect one or more Vice Presidents, a Treasurer, and such Assistant Secretaries and Assistant Treasurers as they deem proper... More than one Office may be held by the same person.” The Officers are elected at the first meeting of the Board of Directors after each annual meeting of the Shareholders.

The following is a partial listing of Senior Officers elected and serving the Company at December 31, 2023:

<b><u>Name</u></b>	<b><u>Office</u></b>
Michael C. Majors	President
M. Shane Henrie	Chief Financial Officer and Treasurer
Joel P. Scarborough	General Counsel and Secretary
Zhe (Jenny) Guan	Appointed Actuary
Jon A. Adams	Divisional Senior Vice President, Financial Reporting, and Controller
Robert E. Hensley	Divisional Senior Vice President, Investments
John O. Norton	Divisional Senior Vice President, Corporate Actuary

### **Committees**

During the period covered by this examination, the Company appointed Subsidiary Audit and Subsidiary Risk Committees of the Board of Directors.

The following persons were serving on the Subsidiary Audit Committee at December 31, 2023:

M. Shane Henrie (Chair)	John O. Norton
Dolores L. Skarjune	

The following persons were serving on the Subsidiary Risk Committee at December 31, 2023:

Emily C. Casso (Chair)	M. Shane Henrie
John O. Norton	Saumil N. Patel

Board committees are appointed at the holding company level and perform centralized duties for all of the companies in the group. The following committees are in place at the holding company level: Audit, Compensation, and Governance & Nominating.

## **TRANSACTIONS WITH AFFILIATES**

### **Tax Allocation Agreement**

The Company and each of the subsidiaries of Globe Life Inc. are parties to a tax allocation agreement effective January 1, 1989. The agreement allocates the federal income tax liability in an amount equal to that which would have been reported had separate tax returns been filed. Effective December 29, 2023, the parties entered into Amendment No. 2 to the Consolidated Tax Allocation Agreement, to allocate responsibility for payment of the corporate alternative minimum tax to align with INT 23-03: Inflation Reduction Act — *Corporate Alternative Minimum Tax*, as recently adopted by the NAIC's Statutory Accounting Principles (E) Working Group.

### **Service Agreements**

Effective January 1, 1991, the Company entered into a master services agreement with Globe Life Inc., its parent. Under the terms of this contract, each party agrees to provide each

other, on request, the following services: executive, financial, legal, accounting, and other services. For all services provided by Globe Life Inc., the service fee is a portion of Globe Life Inc.'s total operating expenses for the immediately preceding calendar year determined as a percentage of salary and benefits of the Company to the consolidated salaries and benefits of Globe Life Inc. under the contract. During 2023, the total amount paid by the Company under this agreement was approximately \$4,212,000. The agreement includes the investment management arrangement with Globe Life Inc. The Company is charged a fee based on the total value of the securities managed. During 2023, total investment management fees paid by the Company to Globe Life Inc. was approximately \$1,260,000.

Effective August 1, 2000, the Company entered into an agreement with its affiliate, Globe Life New York. The agreement applies to the provision of underwriting, claims, and administrative support services for Medicare Supplement and other health insurance policies, to life insurance and military business policies sold by the Globe Life New York agency force. During 2023, the total amount paid by the Company under this agreement was approximately \$862,439.

Effective January 1, 2002, the Company entered into a service agreement with Liberty National pursuant to which Liberty National performs quality assurance/application verification calls to applicants for the Company's insurance policies. No payments were made under this agreement during 2023.

Effective November 1, 2005, the Company entered into a bill payment service agreement with affiliates Globe, Liberty National, and American Income, whereby each of the companies may, from time to time, elect to perform bill-paying services for one or more of the other

companies. The cost incurred by each of the companies in providing these bill paying services is nominal and thus, cost shall not be reimbursable.

Effective March 1, 2006, the Company entered into a recruiting agreement with its affiliate Globe, which provides the Company will furnish agent recruiting services to the Company, Liberty National, and American Income. Each of the respective companies agreed to pay its respective proportionate shares of salary and/or wage expenses incurred by Globe in connection with the providing of such agent recruiting services.

Effective February 1, 2007, the Company entered into a medical service agreement with American Income, whereby upon request from the Company, American Income will obtain medical records for and on behalf of the Company for use in the underwriting and claims investigation process. The Company pays an \$11 service fee for each medical record requested and reimburses American Income for the actual cost of the medical records received from the provider. During 2023, the Company paid \$1,196 under this agreement.

Effective January 1, 2011, the Company entered into a service agreement with affiliates, American Income, Liberty National, and Globe. Under the terms of this agreement, these affiliates, all being subsidiaries of Globe Life Inc., incur various costs which benefit not only the purchaser, but all of the affiliates. The agreement outlines terms by which these affiliates, who desire to establish ongoing terms for the provision of such services and allocation of costs, share costs amongst the service providers and service beneficiaries. These services include: underwriting, marketing, travel, sales support, quality assurance, agent supplies, information technology agency support, telecommunications, compliance, actuarial, and such additional services as the affiliates from time to time shall mutually agree. Effective January 1, 2015, affiliate, Family Heritage, was added via amendment to the agreement. This agreement was

additionally amended on January 1, 2017, to add certain services. During 2023, the total amount paid by the Company under this agreement was approximately \$24,994,440.

Effective January 29, 2013, the Company entered to an agreement with affiliates, Liberty National, Globe, and Specialized Advertising Group, Inc. (SAG), related to the sharing of salary expense, employee benefit costs, and costs of goods and services provided by independent third parties which benefit all the affiliates to varying degrees. According to the agreement, each participating affiliates can either be a service provider or a service beneficiary related to accounting, financial reporting, website development, database administration, creative advertisement development, media buying and advertisement placement, vendor management, marketing campaign analysis, lead sales, legal and human resources, and any other mutually agreed upon services. The plan setup under this SAG was never fully developed and the administrative costs associated with supporting this agreement were nominal in 2023.

Effective September 1, 2015, the Company entered into an agreement with affiliates, Globe Life Inc., Globe, SAG and Globe Life Insurance Agency, Inc. (“GLIA”), a subsidiary of Globe Life Inc., establishing the ongoing terms of and to allocate pursuant to generally accepted statutory accounting practices the salary expense and other costs related to the provision of certain services by Globe Life Inc., Globe, the Company and/or SAG to, and for the benefit of, GLIA. Such services include accounting; financial reporting; federal/state tax services; legal, marketing/print media and website development; database administration; vendor management; agent/agency administration; agency services; commission accounting; lead development/sales; human resources; information technology; telecommunications; compliance and such additional services as mutually agreed upon between GLIA and the service provider. GLIA was established



with a specific marketing purpose like above, but the plan never fully developed, and the administrative costs associated with supporting were nominal in 2023.

Effective January 1, 2020, the Company entered into an agreement with its affiliate, Globe Life New York, pursuant to which Globe Life New York will utilize certain of its personnel and/or resources to provide agent recruiting and training services to the Company. During 2023, the Company incurred \$1,114,346 in expenses related to this agreement.

#### **Cost Sharing Agreement**

Effective May 1, 2014, the Company and its affiliates Liberty National, Globe, American Income, and Family Heritage, along with their ultimate parent Globe Life Inc., entered into a cost-sharing agreement related to a Naming and License Agreement dated January 29, 2014. This Naming and License Agreement was entered into by Globe Life Inc., Globe, and the Rangers Baseball LLC, owner and operator of the Texas Rangers Baseball Club of MLB. In recognition of the benefits of the subsidiaries and the parent resulting from the Naming Rights Agreement, the companies are sharing in and allocating the costs (approximately \$46 Million over 10 years, with additional costs related to signage and the stadium suite) of the agreement amongst the participating affiliates. In general, these allocations are as follows: 67.4% to Globe, 6.6% to Globe Life Inc., and the remaining 26% shared equally amongst the remaining affiliates. Cost allocations shall be made monthly and billed to the applicable subsidiary within 15 days of the end of each calendar month and remitted to Globe Life Inc. within 5 days of receipt of the invoice. During 2023, the total amount paid by the Company under this agreement was approximately \$218,913.

Effective October 1, 2014, the Company and its affiliates Liberty National, American Income, and Globe entered into an information technology cost sharing agreement for providing

cost allocations related to the purchase of computer software and implementation services associated with an insurance agent compensation system and related to the purchase of computer hardware, hardware maintenance services, computer software and software maintenance services associated with a policy administration system. There were no fees incurred for this agreement during 2023, and all costs shared were associated with the initial purchase and installation of agent compensation system software and equipment.

Effective November 23, 2020, the Company, Liberty National, American Income, Family Heritage, Globe, and Globe Life, Inc. entered into a cost sharing agreement in order to share in and allocate among themselves costs incurred by Globe to obtain certain sponsorship benefits (such as the use of “Globe Life” branded seat coverings) associated with the Dallas Cowboys Football Club, Ltd., granted pursuant to a contractual agreement (the “BSC Agreement”) entered into on or about September 9, 2020, by and between Globe and an unaffiliated third party.

#### **Lease Agreement**

Effective July 1, 2007, the Company entered into a lease agreement with its affiliate, TMK Properties, L.P. (TMK Properties), whereby TMK Properties will lease to the Company approximately 148,000 square feet of space located at 3700 South Stonebridge Drive, McKinney, Texas (the “Premises”) at a monthly rent of \$154,960 per month for a five-year term, with automatic renewal annually thereafter. Additionally, upon the date that a Certificate of Occupancy was issued to TMK Properties, the Company leased an additional 150,000 square feet of newly-constructed space within the Premises upon the same terms and conditions of the lease agreement. During 2023, the Company paid \$1,859,521 in rent and operating costs to TMK Properties under this agreement.

### **Affiliate Loans**

Globe Life Inc. affiliates borrow money within the holding company periodically throughout the year to meet cash flow needs which arise as a result of various investment opportunities and cash flow needs. As of December 31, 2023, the Company had no outstanding affiliate loans.

### **TERRITORY AND PLAN OF OPERATION**

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

The Company writes ordinary life, individual annuities, and accident and health business. The accident and health business is principally Medicare Supplement, long-term care business, and limited-benefit supplemental health coverage to people under age 65. The Medicare Supplement business constitutes the largest percentage of direct health premium writings and almost more than half of the Company's direct written premium. The Company competes with other insurance carriers through policyholder service, price, product, design, and sales efforts. As of the examination date, the Company is marketing its products nationwide through 36,468 appointed independent agents and direct response channels.

### **REINSURANCE**

#### **Assumed**

Effective July 1, 2013, the Company entered into a modified coinsurance reinsurance agreement with affiliate, American Income. According to the terms of the agreement, the Company is assuming from American Income a 90% quota share of 2013 calendar year issued life insurance policies, including riders, supplemental benefits, and interim coverage if any (but

excluding accidental death benefit policies) issued by American Income in all states excluding New York on or after the effective date, through December 31, 2013.

### **Ceded**

Effective July 1, 2017, the Company entered into a 50% coinsurance reinsurance agreement whereby the Company cedes to Liberty National 50% of annuity policies issued by the Company either in force as of July 1, 2017, or issued subsequent. Subsequent to the examination date, effective November 1, 2024, this affiliate reinsurance agreement was recaptured and terminated.

Effective July 1, 2017, the Company entered into an annuity coinsurance reinsurance agreement with affiliate, Globe. Under the agreement, the Company is ceding to Globe on a 25% quota share basis, annuity policies issued by the Company, and inforce as of the effective date or issued subsequent. Subsequent to the examination date, effective November 1, 2024, this affiliate reinsurance agreement was recaptured and terminated.

Effective July 1, 2017, the Company entered into an annuity coinsurance reinsurance agreement with affiliate, American Income. Under the agreement, the Company cedes to American Income on a 25% quota share basis, annuity policies issued by the Company, and inforce as of the effective date or issued subsequent. Subsequent to the examination date, effective November 1, 2024, this affiliate reinsurance agreement was recaptured and terminated.

The remainder of ceded reserves, which are for long term care business, are ceded to a non-affiliate which is currently in runoff.

## **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:

	<b><u>2020</u></b>	<b><u>2021</u></b>	<b><u>2022</u></b>	<b><u>2023</u></b>
Bonds	\$521,581,391	\$537,333,112	\$485,880,137	\$457,568,900
Admitted assets	729,058,281	714,511,163	691,552,612	667,702,703
Aggregate reserves for life contracts	155,246,583	149,656,240	142,216,725	137,702,778
Aggregate reserves for accident and health contracts	188,729,226	196,380,227	206,907,558	219,685,122
Total liabilities	519,715,127	522,936,993	500,587,376	504,346,800
Capital and surplus	209,343,154	191,574,170	190,965,236	163,355,903
Premium income	540,992,522	547,399,436	559,766,310	552,324,273
Net investment income	35,622,997	39,836,503	38,018,174	33,653,031
Death benefits	18,171,238	20,306,658	18,272,748	15,567,888
Disability benefits	334,404,796	368,017,894	379,570,925	398,124,978
Net income	63,953,254	33,599,905	22,916,767	(10,818,136)
Life insurance in-force (000s)	1,820,479	1,731,910	1,642,529	1,552,748

### **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, 2023. 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, 2023**

<b><u>Assets</u></b>		<b><u>Assets Not Admitted</u></b>	<b><u>Net Admitted Assets</u></b>
	<b><u>Assets</u></b>		
Bonds	\$457,568,900		\$457,568,900
Common stocks	36,473,722		36,473,722
Cash & cash equivalents	12,574,017		\$12,574,017
Contract loans	5,067,467		5,067,467
Other invested assets	<u>40,475,143</u>		<u>40,475,143</u>
Subtotal, cash and invested assets	\$552,159,249		\$552,159,249
Investment income due and accrued	6,866,516		6,866,516
Uncollected premiums and agents' balances	11,092,454		11,092,454
Deferred premiums and agents' balances	2,132,336		2,132,336
Amounts recoverable from reinsurers	31,114,914		31,114,914
Other amounts receivable under reinsurance contracts	223,631		223,631
Current federal income taxes	1,664,148		1,664,148
Net deferred tax asset	19,160,000	\$ 4,365,000	14,795,000
Guaranty funds receivable or on deposit	3,004,917		3,004,917
Electronic data processing equipment and software	5,930,634	4,126,934	1,803,701
Furniture and equipment	194,487	194,487	
Health care and other amounts receivable	20,747,107	20,747,107	
Cash surrender value – company owned life insurance	33,890,166		33,890,166
Agency deferred compensation plan assets	8,955,671		8,955,671
Other prepaid contracts	2,876,500	2,876,500	
Utility deposits and memberships	<u>975,933</u>	<u>975,933</u>	
Totals	<u>\$700,988,664</u>	<u>\$33,285,961</u>	<u>\$667,702,703</u>

### **Liabilities, Surplus, and Other Funds**

Aggregate reserve for life contracts	\$137,702,778
Aggregate reserve for accident and health contracts	219,685,122
Liability for deposit-type contracts	626,269
Life contract claims	3,475,917
Accident and health contract claims	76,584,000
Premiums and annuity considerations received in advance	4,735,168
Other amounts payable on reinsurance	3,506,221
Interest maintenance reserve	14,426,821
Commissions to agents due or accrued	5,512,661
Commissions and expense allowances payable reinsurance assumed	896,990
General expense due or accrued	1,100,690
Taxes, licenses and fees due or accrued	660,935
Unearned investment income	75,000
Amounts withheld or retained by reporting entity as agent or trustee	5,048,722
Amounts held for agents' account	2,437,895
Remittances and items not allocated	3,050,515
Net adjustment in assets and liabilities due to foreign exchange rates	365,539
Liability for benefits for employees and agents	20,137,432
Asset valuation reserve	2,095,649
Payable to parent, subsidiaries and affiliates	2,179,713
Nursing home adjustments	<u>42,763</u>
Total liabilities	<u>\$504,346,800</u>
Common capital stock	\$ 3,000,000
Gross paid in and contributed surplus	102,165,285
Unassigned funds	<u>58,190,618</u>
Total capital and surplus	<u>\$163,355,903</u>
Totals	<u>\$667,702,703</u>

### **SUMMARY OF OPERATIONS – 2023**

Premiums and annuity considerations	\$552,324,273
Net investment income	33,653,032
Amortization of interest maintenance reserve	1,292,347
Commissions and expense allowances on reinsurance ceded	916,532
Nursing home business	20,000
Other	<u>1,205</u>
Totals	\$588,207,389
Death benefits	\$ 15,567,888
Matured endowments	182,725
Disability benefits and benefits under accident and health contracts	398,124,978
Surrender benefits and withdrawals for life contracts	3,344,172
Interest and adjustments on contract	23,582
Increase in aggregate reserves	<u>8,263,617</u>
Totals	\$425,506,962
Commissions on premiums	\$ 75,067,821
Commissions and expense allowances on reinsurance assumed	4,281,973
General insurance expenses	67,473,517
Insurance taxes, licenses and fees	10,868,902
Increase in loading on deferred and uncollected premiums	(179,588)
Non-insurance service fees	909,343
IBT Part D administrative income	21,455
Modco reserve adjustment	<u>2,568,635</u>
Totals	\$586,519,020
Net gain from operations before dividends, federal income taxes and net realized capital gains	\$ 1,688,369
Federal income taxes incurred	2,038,211
Net realized capital losses	<u>(10,468,294)</u>
Net income (loss)	<u><u>\$ (10,818,136)</u></u>



### **CAPITAL AND SURPLUS ACCOUNT**

	<b><u>2020</u></b>	<b><u>2021</u></b>	<b><u>2022</u></b>	<b><u>2023</u></b>
Capital and surplus, beginning	<u>\$147,831,058</u>	<u>\$209,343,154</u>	<u>\$191,574,170</u>	<u>\$190,965,236</u>
Net income (loss)	\$ 63,953,254	\$ 33,599,905	\$ 22,916,767	\$ (10,818,136)
Change in net unrealized capital gains	1,272,751	(6,432,056)	2,176,740	(2,302,387)
Change in net unrealized foreign exchange capital gain	152,660	27,824	(510,315)	1,924,667
Change in net deferred income tax	2,494,000	7,669,000	3,270,000	7,929,000
Change in nonadmitted assets	4,590,772	1,739,870	2,130,239	(4,961,272)
Change in asset valuation reserve	(701,107)	63,109	127,638	3,121,669
Dividends to stockholders	(5,374,000)	(55,579,000)	(32,002,000)	(22,916,000)
Change in executive benefit plans	<u>(4,876,233)</u>	<u>1,142,364</u>	<u>1,281,996</u>	<u>413,126</u>
Net change for the year	<u>\$ 61,512,096</u>	<u>\$ (17,768,984)</u>	<u>\$ (608,935)</u>	<u>\$ (27,609,332)</u>
Capital and surplus, ending	<u>\$209,343,154</u>	<u>\$191,574,170</u>	<u>\$190,965,236</u>	<u>\$163,355,903</u>

### **EXAMINATION CHANGES IN FINANCIAL STATEMENTS**

Unassigned funds (surplus) in the amount of \$58,190,618, as reported in the Company's 2023 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.

### **SUMMARY OF COMMENTS AND RECOMMENDATIONS**

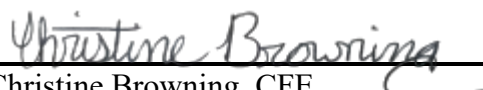
There are no comments or recommendations that have been made as a result of this examination.


## **ACKNOWLEDGMENT**

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

In addition to the undersigned, Amy Alves, CFE, CPA, MCM, and Kathleen Wilson, CFE, Financial Examiners; Ras Sowers CISA, CRISC, CDPSE, CISSP, HCISPP, CIA, CRMA, and David Hall, CISA, CPA, and CITP, Information Systems Specialists; and Nan Nguyen, ASA, MAAA, Veronika Cooper, FSA, MAAA, Vadim Marchenko, ASA, MAAA, and Tricia Matson, FSA, MAAA, Actuarial Examiners; all with Risk & Regulatory Consulting, LLC, representing the Nebraska Department of Insurance and the Financial Examiners and Information Systems Specialists with or contracted by the Indiana Department of Insurance, New York Department of Financial Services, and Ohio Department of Insurance; participated in this examination and assisted in the preparation of this report.

Respectfully submitted,

  
\_\_\_\_\_  
Christine Browning, CFE  
Examiner-in-Charge  
Risk & Regulatory Consulting, LLC  
Representing the Department of Insurance  
State of Nebraska

  
\_\_\_\_\_  
Skyler Lawyer, CFE  
Assistant Chief Examiner  
Department of Insurance  
State of Nebraska

State of Nebraska,

County of Lancaster,

Christine Browning, 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 Globe Life and Accident Insurance Company, Liberty National Life Insurance Company, and United American Insurance Company of Collin County, Texas.
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 Globe Life and Accident Insurance Company, Liberty National Life Insurance Company, and United American Insurance Company of Collin County, Texas was performed in a manner consistent with the standards and procedures required by the Department of Insurance of the State of Nebraska.

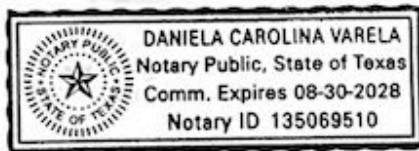
The affiant says nothing further.

Christine Browning  
Examiner-in-Charge's Signature

Subscribed and sworn before me by Christine Browning on this 27<sup>th</sup> day of May, 2025.

(SEAL)

Daniela  
Notary Public



My commission expires 08/30/2028 [date].

**BOARD MEMBER'S AFFIDAVIT**

STATE OF Texas )  
 ) ss  
COUNTY OF Collin )

The undersigned, Michael C. Majors, being of lawful age, and first duly sworn, upon oath states that he/she is a Board Member of United American Insurance Company and has received a copy of the Adopted Financial Examination Report for United American Insurance Company, which was filed with the Nebraska Department of Insurance on or about June 24, 2025.

Michael C. Majors  
(Signature of Board Member)

Signed or attested to before me this 9 day of July, 2025.

Marchele R. Jerome  
NOTARY PUBLIC

My Commission Expires: 10-14-2027



**BOARD MEMBER'S AFFIDAVIT**

STATE OF Texas )  
 ) ss  
COUNTY OF Collin )

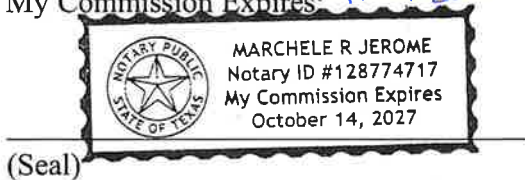
The undersigned, M. Shane Henrie, being of lawful age, and first duly sworn, upon oath states that he/she is a Board Member of United American Insurance Company and has received a copy of the Adopted Financial Examination Report for United American Insurance Company, which was filed with the Nebraska Department of Insurance on or about June 24, 2025.

M. Shane Henrie  
(Signature of Board Member)

Signed or attested to before me this 9 day of July, 2025.

Marchele R. Jerome  
NOTARY PUBLIC

My Commission Expires: 10-14-2027



**BOARD MEMBER'S AFFIDAVIT**

STATE OF Texas )  
 ) ss  
COUNTY OF Collin )

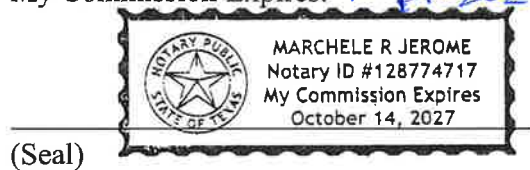
The undersigned, John O. Norton, being of lawful age, and first duly sworn, upon oath states that he/she is a Board Member of United American Insurance Company and has received a copy of the Adopted Financial Examination Report for United American Insurance Company, which was filed with the Nebraska Department of Insurance on or about June 24, 2025.

John O. Norton  
(Signature of Board Member)

Signed or attested to before me this 9 day of July, 2025.

Marchele R. Jerome  
NOTARY PUBLIC

My Commission Expires: 10-14-2027



**BOARD MEMBER'S AFFIDAVIT**

STATE OF Texas )  
COUNTY OF Collin ) ss

The undersigned, Dolores Skarjune, being of lawful age, and first duly sworn, upon oath states that he/she is a Board Member of United American Insurance Company and has received a copy of the Adopted Financial Examination Report for United American Insurance Company, which was filed with the Nebraska Department of Insurance on or about June 24, 2025.

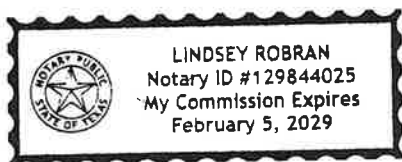
  
(Signature of Board Member)

Signed or attested to before me this 14<sup>th</sup> day of July, 2025.

  
NOTARY PUBLIC

My Commission Expires:

February 5, 2029  
(Seal)



# BOARD MEMBER'S AFFIDAVIT

STATE OF Iowa )  
COUNTY OF Dickinson ) SS

The undersigned, Carol J. Watson, being of lawful age, and first duly sworn, upon oath states that he/she is a Board Member of United American Insurance Company and has received a copy of the Adopted Financial Examination Report for United American Insurance Company, which was filed with the Nebraska Department of Insurance on or about June 24, 2025.

Carol J. Watson  
(Signature of Board Member)

Signed or attested to before me this 10th day of July, 2025.

[Signature]  
NOTARY PUBLIC

My Commission Expires:

10-2-25  
(Seal)

