

**QUARTERLY STATEMENT
OF THE
SOUTHWEST CREDIT LIFE, INC.**

**of
Gallup
in the state of
New Mexico**

**TO THE
Insurance Department
OF THE STATE OF
New Mexico**

**FOR THE QUARTER ENDED
SEPTEMBER 30, 2017**

2017



QUARTERLY STATEMENT AS OF SEPTEMBER 30, 2017 OF THE CONDITION AND AFFAIRS OF THE SOUTHWEST CREDIT LIFE, INC.

NAIC Group Code	0000 <small>(Current Period)</small>	0000 <small>(Prior Period)</small>	NAIC Company Code	91448	Employer's ID Number	85-0274677
Organized under the Laws of	New Mexico		State of Domicile or Port of Entry	NM		
Country of Domicile	United States of America					
Incorporated/Organized	01/15/1979		Commenced Business	06/14/1979		
Statutory Home Office	701 West Coal Avenue <small>(Street and Number)</small>			Gallup, NM, US 87301 <small>(City or Town, State, Country and Zip Code)</small>		
Main Administrative Office	Gallup, NM, US 87301 <small>(City or Town, State, Country and Zip Code)</small>		701 West Coal Avenue <small>(Street and Number)</small>	(505)722-6621 <small>(Area Code) (Telephone Number)</small>		
Mail Address	P.O. Box 1377 <small>(Street and Number or P.O. Box)</small>			Gallup, NM, US 87305 <small>(City or Town, State, Country and Zip Code)</small>		
Primary Location of Books and Records	Gallup, NM, US 87301 <small>(City or Town, State, Country and Zip Code)</small>		701 West Coal Avenue <small>(Street and Number)</small>	(505)722-6621 <small>(Area Code) (Telephone Number)</small>		
Internet Web Site Address	N/A					
Statutory Statement Contact	Cynthia Gail Knight <small>(Name)</small>			(505)722-6621-1003 <small>(Area Code)(Telephone Number)(Extension)</small>		
	cindyk@gurleymotor.com <small>(E-Mail Address)</small>			(505)863-9091 <small>(Fax Number)</small>		

OFFICERS

Name	Title
Steven Patrick Gurley	President
Cynthia Gail Knight	Vice-President
Cynthia Gail Knight	Treasurer
Loretta Mescal	Secretary

OTHERS

DIRECTORS OR TRUSTEES

Steven Patrick Gurley	Cynthia Gail Knight
Loretta Mescal	Burke Stansberry
Salvador Murillo	Donna Swoboda

State of New Mexico
County of McKinley ss

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

_____ (Signature) Steven Patrick Gurley _____ (Printed Name) 1. President _____ (Title)	_____ (Signature) Cynthia Gail Knight _____ (Printed Name) 2. Vice President/Treasurer _____ (Title)	_____ (Signature) Loretta Mescal _____ (Printed Name) 3. Secretary _____ (Title)
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Subscribed and sworn to before me this _____ day of _____, 2017

- a. Is this an original filing?
b. If no, 1. State the amendment number
2. Date filed
3. Number of pages attached

Yes[X] No[]

(Notary Public Signature)

ASSETS

	Current Statement Date			4 December 31 Prior Year Net Admitted Assets
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	
1. Bonds	405,562		405,562	301,953
2. Stocks:				
2.1 Preferred stocks				
2.2 Common stocks				
3. Mortgage loans on real estate:				
3.1 First liens				
3.2 Other than first liens				
4. Real estate:				
4.1 Properties occupied by the company (less \$.....0 encumbrances)				
4.2 Properties held for the production of income (less \$.....0 encumbrances)				
4.3 Properties held for sale (less \$.....0 encumbrances)				
5. Cash (\$.....166,372), cash equivalents (\$.....0) and short-term investments (\$.....0)	166,372		166,372	309,226
6. Contract loans (including \$.....0 premium notes)				
7. Derivatives				
8. Other invested assets				
9. Receivables for securities				
10. Securities lending reinvested collateral assets				
11. Aggregate write-ins for invested assets				
12. Subtotals, cash and invested assets (Lines 1 to 11)	571,934		571,934	611,179
13. Title plants less \$.....0 charged off (for Title insurers only)				
14. Investment income due and accrued	1,178		1,178	208
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection				
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$.....0 earned but unbilled premiums)				
15.3 Accrued retrospective premiums (\$.....0) and contracts subject to redetermination (\$.....0)				
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers				
16.2 Funds held by or deposited with reinsured companies				
16.3 Other amounts receivable under reinsurance contracts				
17. Amounts receivable relating to uninsured plans				
18.1 Current federal and foreign income tax recoverable and interest thereon	354		354	369
18.2 Net deferred tax asset				
19. Guaranty funds receivable or on deposit				
20. Electronic data processing equipment and software				
21. Furniture and equipment, including health care delivery assets (\$.....0)				
22. Net adjustments in assets and liabilities due to foreign exchange rates				
23. Receivables from parent, subsidiaries and affiliates				
24. Health care (\$.....0) and other amounts receivable				
25. Aggregate write-ins for other-than-invested assets				
26. TOTAL assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	573,466		573,466	611,756
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts				
28. TOTAL (Lines 26 and 27)	573,466		573,466	611,756
DETAILS OF WRITE-INS				
1101.				
1102.				
1103.				
1198. Summary of remaining write-ins for Line 11 from overflow page				
1199. TOTALS (Lines 1101 through 1103 plus 1198) (Line 11 above)				
2501.				
2502.				
2503.				
2598. Summary of remaining write-ins for Line 25 from overflow page				
2599. TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above)				

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Statement Date	2 December 31 Prior Year
1. Aggregate reserve for life contracts \$.....529 less \$.....0 included in Line 6.3 (including \$.....0 Modco Reserve)	529	938
2. Aggregate reserve for accident and health contracts (including \$.....0 Modco Reserve)		
3. Liability for deposit-type contracts (including \$.....0 Modco Reserve)		
4. Contract claims:		
4.1 Life	5,000	5,000
4.2 Accident and health		
5. Policyholders' dividends \$.....0 and coupons \$.....0 due and unpaid		
6. Provision for policyholders' dividends and coupons payable in following calendar year - estimated amounts:		
6.1 Dividends apportioned for payment (including \$.....0 Modco)		
6.2 Dividends not yet apportioned (including \$.....0 Modco)		
6.3 Coupons and similar benefits (including \$.....0 Modco)		
7. Amount provisionally held for deferred dividend policies not included in Line 6		
8. Premiums and annuity considerations for life and accident & health contracts received in advance less \$.....0 discount; including \$.....0 accident and health premiums		
9. Contract liabilities not included elsewhere:		
9.1 Surrender values on canceled contracts		
9.2 Provision for experience rating refunds, including the liability of \$.....0 accident and health experience rating refunds of which \$.....0 is for medical loss ratio rebate per the Public Health Service Act		
9.3 Other amounts payable on reinsurance; including \$.....0 assumed and \$.....0 ceded		
9.4 Interest Maintenance Reserve	31	125
10. Commissions to agents due or accrued-life and annuity contracts \$.....0, accident and health \$.....0 and deposit-type contract funds \$.....0		
11. Commissions and expense allowances payable on reinsurance assumed		
12. General expenses due or accrued		
13. Transfers to Separate Accounts due or accrued (net) (Including \$.....0 accrued for expense allowances recognized in reserves, net of reinsured allowances)		
14. Taxes, licenses and fees due or accrued, excluding federal income taxes	(1,614)	(1,614)
15.1 Current federal and foreign income taxes, including \$.....0 on realized capital gains (losses)		
15.2 Net deferred tax liability		
16. Unearned investment income		
17. Amounts withheld or retained by company as agent or trustee		
18. Amounts held for agents' account, including \$.....0 agents' credit balances		
19. Remittances and items not allocated		
20. Net adjustment in assets and liabilities due to foreign exchange rates		
21. Liability for benefits for employees and agents if not included above		
22. Borrowed money \$.....0 and interest thereon \$.....0		
23. Dividends to stockholders declared and unpaid		
24. Miscellaneous liabilities:		
24.01 Asset valuation reserve		0
24.02 Reinsurance in unauthorized and certified (\$.....0) companies		
24.03 Funds held under reinsurance treaties with unauthorized and certified (\$.....0) reinsurers		
24.04 Payable to parent, subsidiaries and affiliates		
24.05 Drafts outstanding		
24.06 Liability for amounts held under uninsured plans		
24.07 Funds held under coinsurance		
24.08 Derivatives		
24.09 Payable for securities		
24.10 Payable for securities lending		
24.11 Capital notes \$.....0 and interest thereon \$.....0		
25. Aggregate write-ins for liabilities		
26. Total Liabilities excluding Separate Accounts business (Lines 1 to 25)	3,946	4,449
27. From Separate Accounts Statement		
28. Total Liabilities (Lines 26 and 27)	3,946	4,449
29. Common capital stock	604,440	604,440
30. Preferred capital stock		
31. Aggregate write-ins for other than special surplus funds		
32. Surplus notes		
33. Gross paid in and contributed surplus	66,728	66,728
34. Aggregate write-ins for special surplus funds		
35. Unassigned funds (surplus)	972,888	1,010,675
36. Less treasury stock, at cost:		
36.1 .....650 shares common (value included in Line 29 \$.....299,000)	1,074,536	1,074,536
36.2 .....0 shares preferred (value included in Line 30 \$.....0)		
37. Surplus (Total Lines 31 to 35, Less 36) (including \$.....0 in Separate Accounts Statement)	(34,920)	2,867
38. Totals of Lines 29, 30 and 37	569,520	607,307
39. Totals of Lines 28 and 38 (Page 2, Line 28, Col. 3)	573,466	611,756
DETAILS OF WRITE-INS		
2501.		
2502.		
2503.		
2598. Summary of remaining write-ins for Line 25 from overflow page		
2599. TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above)		
3101.		
3102.		
3103.		
3198. Summary of remaining write-ins for Line 31 from overflow page		
3199. TOTALS (Lines 3101 through 3103 plus 3198) (Line 31 above)		
3401.		
3402.		
3403.		
3498. Summary of remaining write-ins for Line 34 from overflow page		
3499. TOTALS (Lines 3401 through 3403 plus 3498) (Line 34 above)		

SUMMARY OF OPERATIONS

	1 Current Year To Date	2 Prior Year To Date	3 Prior Year Ended December 31
1. Premiums and annuity considerations for life and accident and health contracts	(9)	(756)	(1,175)
2. Considerations for supplementary contracts with life contingencies			
3. Net investment income	704	5,065	5,363
4. Amortization of Interest Maintenance Reserve (IMR)	94	288	382
5. Separate Accounts net gain from operations excluding unrealized gains or losses			
6. Commissions and expense allowances on reinsurance ceded			
7. Reserve adjustments on reinsurance ceded			
8. Miscellaneous Income:			
8.1 Income from fees associated with investment management, administration and contract guarantees from Separate Accounts			
8.2 Charges and fees for deposit-type contracts			
8.3 Aggregate write-ins for miscellaneous income			
9. Totals (Lines 1 to 8.3)	789	4,597	4,570
10. Death benefits	9,777		(5,000)
11. Matured endowments (excluding guaranteed annual pure endowments)			
12. Annuity benefits			
13. Disability benefits and benefits under accident and health contracts			
14. Coupons, guaranteed annual pure endowments and similar benefits			
15. Surrender benefits and withdrawals for life contracts			
16. Group conversions			
17. Interest and adjustments on contract or deposit-type contract funds			
18. Payments on supplementary contracts with life contingencies			
19. Increase in aggregate reserves for life and accident and health contracts	(409)	(5,368)	(10,436)
20. TOTALS (Lines 10 to 19)	9,368	(5,368)	(15,436)
21. Commissions on premiums, annuity considerations, and deposit type contract funds (direct business only)			
22. Commissions and expense allowances on reinsurance assumed			
23. General insurance expenses	28,363	28,155	47,731
24. Insurance taxes, licenses and fees, excluding federal income taxes	830	899	1,099
25. Increase in loading on deferred and uncollected premiums			
26. Net transfers to or (from) Separate Accounts, net of reinsurance			
27. Aggregate write-ins for deductions			
28. Totals (Lines 20 to 27)	38,561	23,686	33,394
29. Net gain from operations before dividends to policyholders and federal income taxes (Line 9 minus Line 28)	(37,772)	(19,089)	(28,824)
30. Dividends to policyholders			
31. Net gain from operations after dividends to policyholders and before federal income taxes (Line 29 minus Line 30)	(37,772)	(19,089)	(28,824)
32. Federal and foreign income taxes incurred (excluding tax on capital gains)	15	151	391
33. Net gain from operations after dividends to policyholders and federal income taxes and before realized capital gains or (losses) (Line 31 minus Line 32)	(37,787)	(19,240)	(29,215)
34. Net realized capital gains (losses) (excluding gains (losses) transferred to the IMR) less capital gains tax of \$.....0 (excluding taxes of \$.....0 transferred to the IMR)			
35. Net income (Line 33 plus Line 34)	(37,787)	(19,240)	(29,215)
CAPITAL AND SURPLUS ACCOUNT			
36. Capital and surplus, December 31, prior year	607,307	635,493	635,493
37. Net Income (Line 35)	(37,787)	(19,240)	(29,215)
38. Change in net unrealized capital gains (losses) less capital gains tax of \$.....0			
39. Change in net unrealized foreign exchange capital gain (loss)			
40. Change in net deferred income tax			
41. Change in nonadmitted assets			
42. Change in liability for reinsurance in unauthorized and certified companies			
43. Change in reserve on account of change in valuation basis, (increase) or decrease			
44. Change in asset valuation reserve		200	1,029
45. Change in treasury stock			
46. Surplus (contributed to) withdrawn from Separate Accounts during period			
47. Other changes in surplus in Separate Accounts Statement			
48. Change in surplus notes			
49. Cumulative effect of changes in accounting principles			
50. Capital changes:			
50.1 Paid in			
50.2 Transferred from surplus (Stock Dividend)			
50.3 Transferred to surplus			
51. Surplus adjustment:			
51.1 Paid in			
51.2 Transferred to capital (Stock Dividend)			
51.3 Transferred from capital			
51.4 Change in surplus as a result of reinsurance			
52. Dividends to stockholders			
53. Aggregate write-ins for gains and losses in surplus			
54. Net change in capital and surplus (Lines 37 through 53)	(37,787)	(19,040)	(28,186)
55. Capital and surplus as of statement date (Lines 36 + 54)	569,520	616,453	607,307
DETAILS OF WRITE-INS			
08.301.			
08.302.			
08.303.			
08.398. Summary of remaining write-ins for Line 8.3 from overflow page			
08.399. TOTALS (Lines 08.301 through 08.303 plus 08.398) (Line 8.3 above)			
2701.			
2702.			
2703.			
2798. Summary of remaining write-ins for Line 27 from overflow page			
2799. TOTALS (Lines 2701 through 2703 plus 2798) (Line 27 above)			
5301.			
5302.			
5303.			
5398. Summary of remaining write-ins for Line 53 from overflow page			
5399. TOTALS (Lines 5301 through 5303 plus 5398) (Line 53 above)			

CASH FLOW

	1 Current Year To Date	2 Prior Year To Date	3 Prior Year Ended December 31
Cash from Operations			
1. Premiums collected net of reinsurance	(9)	(756)	(1,175)
2. Net investment income	1,342	6,892	8,532
3. Miscellaneous income			
4. TOTAL (Lines 1 to 3)	1,333	6,136	7,357
5. Benefit and loss related payments	9,777		
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts			
7. Commissions, expenses paid and aggregate write-ins for deductions	29,193	29,054	48,830
8. Dividends paid to policyholders			
9. Federal and foreign income taxes paid (recovered) net of \$.....0 tax on capital gains (losses)			
10. TOTAL (Lines 5 through 9)	38,970	29,054	48,830
11. Net cash from operations (Line 4 minus Line 10)	(37,637)	(22,918)	(41,473)
Cash from Investments			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds		300,000	300,000
12.2 Stocks			
12.3 Mortgage loans			
12.4 Real estate			
12.5 Other invested assets			
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments			
12.7 Miscellaneous proceeds			
12.8 TOTAL investment proceeds (Lines 12.1 to 12.7)		300,000	300,000
13. Cost of investments acquired (long-term only):			
13.1 Bonds	105,217	303,217	303,217
13.2 Stocks			
13.3 Mortgage loans			
13.4 Real estate			
13.5 Other invested assets			
13.6 Miscellaneous applications			
13.7 TOTAL investments acquired (Lines 13.1 to 13.6)	105,217	303,217	303,217
14. Net increase (or decrease) in contract loans and premium notes			
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14)	(105,217)	(3,217)	(3,217)
Cash from Financing and Miscellaneous Sources			
16. Cash provided (applied):			
16.1 Surplus notes, capital notes			
16.2 Capital and paid in surplus, less treasury stock			
16.3 Borrowed funds			
16.4 Net deposits on deposit-type contracts and other insurance liabilities			
16.5 Dividends to stockholders			
16.6 Other cash provided (applied)		(151)	(181)
17. Net cash from financing and miscellaneous sources (Line 16.1 through 16.4 minus Line 16.5 plus Line 16.6)		(151)	(181)
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS			
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17)	(142,854)	(26,286)	(44,871)
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year	309,226	354,097	354,097
19.2 End of period (Line 18 plus Line 19.1)	166,372	327,811	309,226

Note: Supplemental Disclosures of Cash Flow Information for Non-Cash Transactions:

20.0001				
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EXHIBIT 1**DIRECT PREMIUMS AND DEPOSIT - TYPE CONTRACTS**

	1 Current Year To Date	2 Prior Year To Date	3 Prior Year Ended December 31
1. Industrial life			
2. Ordinary life insurance			
3. Ordinary individual annuities			
4. Credit life (group and individual)	(9)	(756)	(1,175)
5. Group life insurance			
6. Group annuities			
7. A & H - group			
8. A & H - credit (group and individual)			
9. A & H - other			
10. Aggregate of all other lines of business			
11. Subtotal	(9)	(756)	(1,175)
12. Deposit-type contracts			
13. Total	(9)	(756)	(1,175)
DETAILS OF WRITE-INS			
1001.			
1002.			
1003.			
1098. Summary of remaining write-ins for Line 10 from overflow page			
1099. Totals (Lines 1001 through 1003 plus 1098) (Line 10 above)			

Notes to Financial Statement

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GOING CONCERN

A. Accounting Practices

The financial statements of Southwest Credit Life, Inc. are presented on the basis of accounting practices prescribed or permitted by the New Mexico Division of Insurance.

The New Mexico Division of Insurance recognizes only statutory accounting practices prescribed or permitted by the State of New Mexico for determining and reporting the financial condition and results of operations of an insurance company, for determining its solvency under the New Mexico Insurance Law. The National Association of Insurance Commissioners' (NAIC) *Accounting Practices and Procedures* manual (NAIC SAP) has been adopted as a component of prescribed or permitted practices by the State of New Mexico. The state has adopted certain prescribed accounting practices that differ from those found in NAIC SAP. In addition, the Commissioner of Insurance has the right to permit other specific practices that deviate from prescribed practices.

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

	<u>September 30, 2017</u>	<u>December 31, 2016</u>
(1) Net Income New Mexico basis	\$(37,787)	\$(29,215)
(2) State Prescribed Practices (Income):	NONE	NONE
(3) State Permitted Practices (Income):	NONE	NONE
(4) Net Income, NAIC SAP	\$(37,788)	\$(29,215)
(5) Statutory Surplus New Mexico basis	\$569,520	\$607,307
(6) State Prescribed Practices (Surplus):	NONE	NONE
(7) State Permitted Practices (Surplus):	NONE	NONE
(8) Statutory Surplus, NAIC SAP	\$569,520	\$607,307

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

No Change.

C. Accounting Policy

No Change.

D. Going Concern

No Change.

2. ACCOUNTING CHANGES AND CORRECTIONS OF ERRORS

A. Accounting Changes: None

B. Correction of Errors: None

3. BUSINESS COMBINATIONS AND GOODWILL

No Change.

4. DISCONTINUED OPERATIONS

No Change.

5. INVESTMENTS

A.-C.: No Change.

D. Loan-Backed Securities: The Company does not have loan backed securities.

E. Repurchase Agreements & Securities Lending - The Company has no investments in

Notes to Financial Statement

repurchase agreements or securities lending transactions.

All Others: No Change.

6. JOINT VENTURES, PARTNERSHIPS AND LIMITED LIABILITY COMPANIES

No Change.

7. INVESTMENT INCOME

No Change.

8. DERIVATIVE INSTRUMENTS

No Change.

9. INCOME TAXES

No Change.

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

No Change.

11. DEBT

No Change.

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

A. Defined Benefit Plans: N/A

All Others: No Change.

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

No Change.

14. CONTINGENCIES

No Change.

15. LEASES

No Change.

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

No Change.

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

A. Transfers of Receivables Reported as Sales: No Change.

B. Transfer and Servicing of Financial Assets: NONE.

C. Wash Sales: NONE.

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

No Change.

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

No Change.

20. FAIR VALUE MEASUREMENTS

Not Applicable.

Notes to Financial Statement

21. OTHER ITEMS

No Change.

22. EVENTS SUBSEQUENT

No Change.

23. REINSURANCE

No Change.

24. RETROSPECTIVELY RATED CONTRACTS & CONTRACTS SUBJECT TO REDETERMINATION

No Change.

25. CHANGES IN INCURRED LOSSES AND LOSS ADJUSTMENT EXPENSES

The Company had no material change in the provision for incurred loss and loss adjustment expenses attributable to insured events of prior years.

26. INTERCOMPANY POOLING ARRANGEMENTS

No Change.

27. STRUCTURED SETTLEMENTS

No Change.

28. HEALTH CARE RECEIVABLES

No Change.

29. PARTICIPATING POLICIES

No Change.

30. PREMIUM DEFICIENCY RESERVES

No Change.

31. RESERVES FOR LIFE CONTRACTS AND ANNUITY CONTRACTS

No Change.

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

No Change.

33. PREMIUM AND ANNUITY CONSIDERATIONS DEFERRED AND UNCOLLECTED

No Change.

34. SEPARATE ACCOUNTS

No Change.

35. LOSS/CLAIM ADJUSTMENT EXPENSES

No Change.

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES GENERAL

- 1.1 Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act? Yes[] No[X]
- 1.2 If yes, has the report been filed with the domiciliary state? Yes[] No[] N/A[X]

- 2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? Yes[] No[X]
- 2.2 If yes, date of change:

- 3.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer? Yes[X] No[]
If yes, complete Schedule Y, Parts 1 and 1A.
- 3.2 Have there been any substantial changes in the organizational chart since the prior quarter end? Yes[] No[X]
- 3.3 If the response to 3.2 is yes, provide a brief description of those changes:

- 4.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes[] No[X]
- 4.2 If yes, provide the name of entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

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

- 5. If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved? Yes[] No[] N/A[X]
If yes, attach an explanation.

- 6.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/2012
- 6.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. 12/31/2012
- 6.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). 10/24/2013
- 6.4 By what department or departments?
NEW MEXICO DEPARTMENT OF INSURANCE
- 6.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments? Yes[] No[] N/A[X]
- 6.6 Have all of the recommendations within the latest financial examination report been complied with? Yes[X] No[] N/A[]

- 7.1 Has this reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? Yes[] No[X]
- 7.2 If yes, give full information

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

1 Affiliate Name	2 Location (City, State)	3 FRB	4 OCC	5 FDIC	6 SEC
.....	Yes[] No[X]	Yes[] No[X]	Yes[] No[X]	Yes[] No[X]

- 9.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards? Yes[X] No[]
 - (a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
 - (b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
 - (c) Compliance with applicable governmental laws, rules and regulations;
 - (d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
 - (e) Accountability for adherence to the code.
- 9.11 If the response to 9.1 is No, please explain:
- 9.2 Has the code of ethics for senior managers been amended? Yes[] No[X]
- 9.21 If the response to 9.2 is Yes, provide information related to amendment(s).
- 9.3 Have any provisions of the code of ethics been waived for any of the specified officers? Yes[] No[X]
- 9.31 If the response to 9.3 is Yes, provide the nature of any waiver(s).

FINANCIAL

- 10.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? Yes[] No[X]
- 10.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: \$ 0

INVESTMENT

- 11.1 Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.) Yes[] No[X]
- 11.2 If yes, give full and complete information relating thereto:

- 12. Amount of real estate and mortgages held in other invested assets in Schedule BA: \$ 0
- 13. Amount of real estate and mortgages held in short-term investments: \$ 0

GENERAL INTERROGATORIES (Continued)

INVESTMENT

14.1 Does the reporting entity have any investments in parent, subsidiaries and affiliates?
 14.2 If yes, please complete the following:

Yes No

	1 Prior Year-End Book/Adjusted Carrying Value	2 Current Quarter Book/Adjusted Carrying Value
14.21 Bonds		
14.22 Preferred Stock		
14.23 Common Stock		
14.24 Short-Term Investments		
14.25 Mortgages Loans on Real Estate		
14.26 All Other		
14.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26)		
14.28 Total Investment in Parent included in Lines 14.21 to 14.26 above		

15.1 Has the reporting entity entered into any hedging transactions reported on Schedule DB?
 15.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state?
 If no, attach a description with this statement.

Yes No
 Yes No N/A

16. For the reporting entity's security lending program, state the amount of the following as of the current statement date:
 16.1 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2
 16.2 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2
 16.3 Total payable for securities lending reported on the liability page

\$ 0
 \$ 0
 \$ 0

17. Excluding items in Schedule E - Part 3 - Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 1, III - General Examination Considerations, F. Outsourcing of Critical Functions, Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook?
 17.1 For all agreements that comply with the requirements of the NAIC Financial Condition Examiners Handbook, complete the following:

Yes No

1 Name of Custodian(s)	2 Custodian Address
Morgan Stanley Smith Barney LLC	6565 Americas Pkwy NE, Albuquerque, NM 87110

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

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

17.3 Have there been any changes, including name changes, in the custodian(s) identified in 17.1 during the current quarter?
 17.4 If yes, give full and complete information relating thereto:

Yes No

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

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

1 Name of Firm or Individual	2 Affiliation
Morgan Stanley Smith Barney, LLC, Clifford Gramer .....	..... U

17.5097 For those firms/individuals listed in the table for Question 17.5, do any firms/individuals unaffiliated with the reporting entity (i.e. designated with a "U") manage more than 10% of the reporting entity's assets?
 17.5098 For firms/individuals unaffiliated with the reporting entity (i.e. designated with a "U") listed in the table for Question 17.5, does the total assets under management aggregate to more than 50% of the reporting entity's assets?

Yes No

Yes No

17.6 For those firms or individuals listed in the table for 17.5 with an affiliation code of "A" (affiliated) or "U" (unaffiliated), provide the information for the table below.

1 Central Registration Depository Number	2 Name of Firm or Individual	3 Legal Entity Identifier (LEI)	4 Registered With	5 Investment Management Agreement (IMA) Filed
149777	Morgan Stanley Smith Barney, LLC, Clifford Gramer		Securities Exchange Commission .....	..... DS

GENERAL INTERROGATORIES (Continued)

18.1 Have all the filing requirements of the Purposes and Procedures Manual of the NAIC Investment Analysis Office been followed?
18.2 If no, list exceptions:

Yes[X] No[]

GENERAL INTERROGATORIES

PART 2 - LIFE & HEALTH

	Amount
1. Report the statement value of mortgage loans at the end of this reporting period for the following categories:	
1.1 Long-Term Mortgages in Good Standing	
1.11 Farm Mortgages	\$ 0
1.12 Residential Mortgages	\$ 0
1.13 Commercial Mortgages	\$ 0
1.14 Total Mortgages in Good Standing	\$ 0
1.2 Long-Term Mortgages in Good Standing with Restructured Terms	
1.21 Total Mortgages in Good Standing with Restructured Terms	\$ 0
1.3 Long-Term Mortgage Loans upon which Interest is Overdue more than Three Months	
1.31 Farm Mortgages	\$ 0
1.32 Residential Mortgages	\$ 0
1.33 Commercial Mortgages	\$ 0
1.34 Total Mortgages with Interest Overdue more than Three Months	\$ 0
1.4 Long-Term Mortgage Loans in Process of Foreclosure	
1.41 Farm Mortgages	\$ 0
1.42 Residential Mortgages	\$ 0
1.43 Commercial Mortgages	\$ 0
1.44 Total Mortgages in Process of Foreclosure	\$ 0
1.5 Total Mortgage Loans (Lines 1.14 + 1.21 + 1.34 + 1.44) (Page 2, Column 3, Lines 3.1 + 3.2)	\$ 0
1.6 Long-Term Mortgages Foreclosed, Properties Transferred to Real Estate in Current Quarter	
1.61 Farm Mortgages	\$ 0
1.62 Residential Mortgages	\$ 0
1.63 Commercial Mortgages	\$ 0
1.64 Total Mortgages Foreclosed and Transferred to Real Estate	\$ 0
2. Operating Percentages:	
2.1 A&H loss percent	..... 0.000%
2.2 A&H cost containment percent	..... 0.000%
2.3 A&H expense percent excluding cost containment expenses	..... 0.000%
3.1 Do you act as a custodian for health savings accounts?	Yes[] No[X]
3.2 If yes, please provide the amount of custodial funds held as of the reporting date.	\$ 0
3.3 Do you act as an administrator for health savings accounts?	Yes[] No[X]
3.4 If yes, please provide the balance of the funds administered as of the reporting date.	\$ 0

SCHEDULE S - CEDED REINSURANCE
Showing All New Reinsurance Treaties - Current Year to Date

1 NAIC Company Code	2 ID Number	3 Effective Date	4 Name of Reinsurer	5 Domiciliary Jurisdiction	6 Type of Reinsurance Ceded	7 Type of Reinsurer	8 Certified Reinsurer Rating (1 through 6)	9 Effective Date of Certified Reinsurer Rating
			NONE					

SCHEDULE T - PREMIUMS AND ANNUITY CONSIDERATIONS

Current Year To Date - Allocated by States and Territories

	1	Direct Business Only					
		Life Contracts		4 Accident and Health Insurance Premiums, Including Policy, Membership and Other Fees	5 Other Considerations	6 Total Columns 2 Through 5	7 Deposit-Type Contracts
		2 Life Insurance Premiums	3 Annuity Considerations				
States, Etc.	Active Status						
1. Alabama (AL)	N						
2. Alaska (AK)	N						
3. Arizona (AZ)	N						
4. Arkansas (AR)	N						
5. California (CA)	N						
6. Colorado (CO)	N						
7. Connecticut (CT)	N						
8. Delaware (DE)	N						
9. District of Columbia (DC)	N						
10. Florida (FL)	N						
11. Georgia (GA)	N						
12. Hawaii (HI)	N						
13. Idaho (ID)	N						
14. Illinois (IL)	N						
15. Indiana (IN)	N						
16. Iowa (IA)	N						
17. Kansas (KS)	N						
18. Kentucky (KY)	N						
19. Louisiana (LA)	N						
20. Maine (ME)	N						
21. Maryland (MD)	N						
22. Massachusetts (MA)	N						
23. Michigan (MI)	N						
24. Minnesota (MN)	N						
25. Mississippi (MS)	N						
26. Missouri (MO)	N						
27. Montana (MT)	N						
28. Nebraska (NE)	N						
29. Nevada (NV)	N						
30. New Hampshire (NH)	N						
31. New Jersey (NJ)	N						
32. New Mexico (NM)	L	(9)				(9)	
33. New York (NY)	N						
34. North Carolina (NC)	N						
35. North Dakota (ND)	N						
36. Ohio (OH)	N						
37. Oklahoma (OK)	N						
38. Oregon (OR)	N						
39. Pennsylvania (PA)	N						
40. Rhode Island (RI)	N						
41. South Carolina (SC)	N						
42. South Dakota (SD)	N						
43. Tennessee (TN)	N						
44. Texas (TX)	N						
45. Utah (UT)	N						
46. Vermont (VT)	N						
47. Virginia (VA)	N						
48. Washington (WA)	N						
49. West Virginia (WV)	N						
50. Wisconsin (WI)	N						
51. Wyoming (WY)	N						
52. American Samoa (AS)	N						
53. Guam (GU)	N						
54. Puerto Rico (PR)	N						
55. U.S. Virgin Islands (VI)	N						
56. Northern Mariana Islands (MP)	N						
57. Canada (CAN)	N						
58. Aggregate other alien (OT)	X X X						
59. Subtotal	(a) 1	(9)				(9)	
90. Reporting entity contributions for employee benefits plans	X X X						
91. Dividends or refunds applied to purchase paid-up additions and annuities	X X X						
92. Dividends or refunds applied to shorten endowment or premium paying period	X X X						
93. Premium or annuity considerations waived under disability or other contract provisions	X X X						
94. Aggregate other amounts not allocatable by State	X X X						
95. Totals (Direct Business)	X X X	(9)				(9)	
96. Plus Reinsurance Assumed	X X X						
97. Totals (All Business)	X X X	(9)				(9)	
98. Less Reinsurance Ceded	X X X						
99. Totals (All Business) less Reinsurance Ceded	X X X	(9)				(9)	
DETAILS OF WRITE-INS							
58001	X X X						
58002	X X X						
58003	X X X						
58998. Summary of remaining write-ins for Line 58 from overflow page	X X X						
58999. TOTAL (Lines 58001 through 58003 plus 58998) (Line 58 above)	X X X						
9401	X X X						
9402	X X X						
9403	X X X						
9498. Summary of remaining write-ins for Line 94 from overflow page	X X X						
9499. TOTAL (Lines 9401 through 9403 plus 9498) (Line 94 above)	X X X						

(L) Licensed or Chartered - Licensed Insurance Carrier or Domiciled RRG; (R) Registered - Non-domiciled RRGs; (Q) Qualified - Qualified or Accredited Reinsurer; (E) Eligible - Reporting Entities eligible or approved to write Surplus Lines in the state; (N) None of the above - Not allowed to write business in the state.

(a) Insert the number of L responses except for Canada and Other Alien.

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

A. SOUTHWEST CREDIT LIFE, INC.

(NAIC Company Code: 91448, Federal ID No. 85-0274677)

<u>Name</u>	<u>Title</u>	<u>Ownership Percentage</u>
Steven P. Gurley	Pres./Dir.	25.00%
Erin A. Ingalls		25.00%
Shannon M. O'Donnell		25.00%
Lauren L. Kellerman		25.00%

B. SOUTHWEST GENERAL INSURANCE COMPANY

(NAIC Company Code: 27499, Federal ID No. 85-0168089)

<u>Name</u>	<u>Title</u>	<u>Ownership Percentage</u>
Patrick J. Gurley & Carolee Gurley Irrevocable Trust		50.40%
Steven P. Gurley	Pres./Dir.	12.40%
Erin A. Ingalls		12.40%
Shannon M. O'Donnell		12.40%
Lauren L. Kellerman		12.40%

C. RED ROCK INVESTMENT COMPANY

(Federal ID No. 85-0086708)

<u>Name</u>	<u>Title</u>	<u>Ownership Percentage</u>
Steven P. Gurley	Pres./Dir.	24.58%
Erin A. Ingalls		24.58%
Shannon M. O'Donnell		24.58%
Lauren L. Kellerman		24.58%
Burke Stansberry		1.68%

D. GURLEY MOTOR COMPANY

(Federal ID No. 85-0165743)

<u>Name</u>	<u>Title</u>	<u>Ownership Percentage</u>
Steven P. Gurley	Pres./Dir.	52.00%
Erin A. Ingalls		16.00%
Shannon M. O'Donnell		16.00%
Lauryn L. Kellerman		16.00%

SCHEDULE Y

PART 1A - DETAIL OF INSURANCE HOLDING COMPANY SYSTEM

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
Group Code	Group Name	NAIC Company Code	ID Number	FEDERAL RSSD	CIK	Name of Securities Exchange if Publicly Traded (U.S. or International)	Names of Parent, Subsidiaries or Affiliates	Domiciliary Location	Relationship to Reporting Entity	Directly Controlled by (Name of Entity / Person)	Type of Control (Ownership, Board, Management, Attorney-in-Fact, Influence, Other)	If Control is Ownership Provide Percentage	Ultimate Controlling Entity(ies) / Person(s)	Is an SCA Filing Required? (Y/N)	*
.....	27499	85-0168089	.....	.....	.....	Southwest General Insurance Company	NM	IA	SEE SCHED Y PART 1	Board of Directors, Management, Influence	.....	SEE SCHED Y PART 1	N	.....
.....	00000	85-0086708	.....	.....	.....	Gurley Motor Company	NM	NIA	SEE SCHED Y PART 1	Board of Directors, Management, Influence	.....	SEE SCHED Y PART 1	N	.....
.....	00000	85-0165743	.....	.....	.....	Red Rock Investment Co.	NM	NIA	SEE SCHED Y PART 1	Board of Directors, Management, Influence	.....	SEE SCHED Y PART 1	N	.....
.....	91448	85-0274677	.....	.....	.....	Southwest Credit Life, Inc.	NM	RE	SEE SCHED Y PART 1	Board of Directors, Management, Influence	.....	SEE SCHED Y PART 1	N	.....

Asterisk	Explanation
0000001	.....

OVERFLOW PAGE FOR WRITE-INS

STATEMENT AS OF **September 30, 2017** OF THE **SOUTHWEST CREDIT LIFE, INC.**
SCHEDULE A - VERIFICATION

Real Estate

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year		
2. Cost of acquired:		
2.1 Actual cost at time of acquisition		
2.2 Additional investment made after acquisition		
3. Current year change in encumbrances		
4. Total gain (loss) on disposals		
5. Deduct amounts received on disposals		
6. Total foreign exchange change in book/adjusted carrying value		
7. Deduct current year's other-than-temporary impairment recognized		
8. Deduct current year's depreciation		
9. Book/adjusted carrying value at the end of current period (Lines 1 + 2 + 3 + 4 - 5 + 6 - 7 - 8)		
10. Deduct total nonadmitted amounts		
11. Statement value at end of current period (Line 9 minus Line 10)		

NONE

SCHEDULE B - VERIFICATION

Mortgage Loans

	1 Year To Date	2 Prior Year Ended December 31
1. Book value/recorded investment excluding accrued interest, December 31 of prior year		
2. Cost of acquired:		
2.1 Actual cost at time of acquisition		
2.2 Additional investment made after acquisition		
3. Capitalized deferred interest and other		
4. Accrual of discount		
5. Unrealized valuation increase (decrease)		
6. Total gain (loss) on disposals		
7. Deduct amounts received on disposals		
8. Deduct amortization of premium and mortgage interest points		
9. Total foreign exchange change in book value/recorded investment		
10. Deduct current year's other-than-temporary impairment recognized		
11. Book value/recorded investment excluding accrued interest at end of current period (Lines 1 + 2 + 3 + 4 + 5 + 6 - 7 - 8 + 9 - 10)		
12. Total valuation allowance		
13. Subtotal (Line 11 plus Line 12)		
14. Deduct total nonadmitted amounts		
15. Statement value at end of current period (Line 13 minus Line 14)		

NONE

SCHEDULE BA - VERIFICATION

Other Long-Term Invested Assets

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year		
2. Cost of acquired:		
2.1 Actual cost at time of acquisition		
2.2 Additional investment made after acquisition		
3. Capitalized deferred interest and other		
4. Accrual of discount		
5. Unrealized valuation increase (decrease)		
6. Total gain (loss) on disposals		
7. Deduct amounts received on disposals		
8. Deduct amortization of premium and depreciation		
9. Total foreign exchange change in book/adjusted carrying value		
10. Deduct current year's other-than-temporary impairment recognized		
11. Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 + 6 - 7 - 8 + 9 - 10)		
12. Deduct total nonadmitted amounts		
13. Statement value at end of current period (Line 11 minus Line 12)		

NONE

SCHEDULE D - VERIFICATION

Bonds and Stocks

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year	301,953	300,345
2. Cost of bonds and stocks acquired	105,217	303,217
3. Accrual of discount		
4. Unrealized valuation increase (decrease)		
5. Total gain (loss) on disposals		
6. Deduct consideration for bonds and stocks disposed of		300,000
7. Deduct amortization of premium	1,608	1,609
8. Total foreign exchange change in book/adjusted carrying value		
9. Deduct current year's other-than-temporary impairment recognized		
10. Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 - 6 - 7 + 8 - 9)	405,562	301,953
11. Deduct total nonadmitted amounts		
12. Statement value at end of current period (Line 10 minus Line 11)	405,562	301,953

SCHEDULE D - PART 1B

**Showing the Acquisitions, Dispositions and Non-Trading Activity
During the Current Quarter for all Bonds and Preferred Stock by NAIC Designation**

	1	2	3	4	5	6	7	8
NAIC Designation	Book/Adjusted Carrying Value Beginning of Current Quarter	Acquisitions During Current Quarter	Dispositions During Current Quarter	Non-Trading Activity During Current Quarter	Book/Adjusted Carrying Value End of First Quarter	Book/Adjusted Carrying Value End of Second Quarter	Book/Adjusted Carrying Value End of Third Quarter	Book/Adjusted Carrying Value December 31 Prior Year
BONDS								
1. NAIC 1 (a)	406,101			(539)	301,420	406,101	405,562	301,953
2. NAIC 2 (a)								
3. NAIC 3 (a)								
4. NAIC 4 (a)								
5. NAIC 5 (a)								
6. NAIC 6 (a)								
7. Total Bonds	406,101			(539)	301,420	406,101	405,562	301,953
PREFERRED STOCK								
8. NAIC 1								
9. NAIC 2								
10. NAIC 3								
11. NAIC 4								
12. NAIC 5								
13. NAIC 6								
14. Total Preferred Stock								
15. Total Bonds & Preferred Stock	406,101			(539)	301,420	406,101	405,562	301,953

(a) Book/Adjusted Carrying Value column for the end of the current reporting period includes the following amount of short-term and cash equivalent bonds by NAIC designation: NAIC 1 \$.....0; NAIC 2 \$.....0; NAIC 3 \$.....0; NAIC 4 \$.....0; NAIC 5 \$.....0; NAIC 6 \$.....0

QS102

SCHEDULE DA - PART 1

Short - Term Investments

	1 Book/Adjusted Carrying Value	2 Par Value	3 Actual Cost	4 Interest Collected Year To Date	5 Paid for Accrued Interest Year To Date
9199999. Totals		X X X			

SCHEDULE DA - Verification

Short-Term Investments

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year		351,318
2. Cost of short-term investments acquired		
3. Accrual of discount		
4. Unrealized valuation increase (decrease)		
5. Total gain (loss) on disposals		
6. Deduct consideration received on disposals		351,318
7. Deduct amortization of premium		
8. Total foreign exchange change in book/adjusted carrying value		
9. Deduct current year's other-than-temporary impairment recognized		
10. Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 - 6 - 7 + 8 - 9)		
11. Deduct total nonadmitted amounts		
12. Statement value at end of current period (Line 10 minus Line 11)		

SI04 Schedule DB - Part A Verification NONE

SI04 Schedule DB - Part B Verification NONE

SI05 Schedule DB Part C Section 1 NONE

SI06 Schedule DB Part C Section 2 NONE

SI07 Schedule DB - Verification NONE

SI08 Schedule E - Verification (Cash Equivalents) NONE

E01 Schedule A Part 2	NONE
E01 Schedule A Part 3	NONE
E02 Schedule B Part 2	NONE
E02 Schedule B Part 3	NONE
E03 Schedule BA Part 2	NONE
E03 Schedule BA Part 3	NONE
E04 Schedule D Part 3	NONE
E05 Schedule D Part 4	NONE
E06 Schedule DB Part A Section 1	NONE
E07 Schedule DB Part B Section 1	NONE
E08 Schedule DB Part D Section 1	NONE
E09 Schedule DB Part D Section 2 - Collateral Pledged By Reporting Entity	NONE
E09 Schedule DB Part D Section 2 - Collateral Pledged To Reporting Entity	NONE
E10 Schedule DL - Part 1 - Securities Lending Collateral Assets	NONE
E11 Schedule DL - Part 2 - Securities Lending Collateral Assets	NONE

SCHEDULE E - PART 1 - CASH**Month End Depository Balances**

1 Depository		2 Code	3 Rate of Interest	4 Amount of Interest Received During Current Quarter	5 Amount of Interest Accrued at Current Statement Date	Book Balance at End of Each Month During Current Quarter			9 *
						6 First Month	7 Second Month	8 Third Month	
open depositories									
PINNACLE BANK NEW MEXICO	GALLUP, NEW MEXICO					1,589	1,691	3,220	X X X
MORGAN STANLEY	ALBUQUERQUE, NEW MEXICO		0.010	21		181,635	165,645	163,152	X X X
0199998 Deposits in .....0 depositories that do not exceed the allowable limit in any one depository (see Instructions) - open depositories		X X X	X X X						X X X
0199999 Totals - Open Depositories		X X X	X X X	21		183,224	167,336	166,372	X X X
0299998 Deposits in .....0 depositories that do not exceed the allowable limit in any one depository (see Instructions) - suspended depositories		X X X	X X X						X X X
0299999 Totals - Suspended Depositories		X X X	X X X						X X X
0399999 Total Cash On Deposit		X X X	X X X	21		183,224	167,336	166,372	X X X
0499999 Cash in Company's Office		X X X	X X X	X X X	X X X				X X X
0599999 Total Cash		X X X	X X X	21		183,224	167,336	166,372	X X X

SCHEDULE E - PART 2 - CASH EQUIVALENTS

Show Investments Owned End of Current Quarter

1 Description	2 Code	3 Date Acquired	4 Rate of Interest	5 Maturity Date	6 Book/Adjusted Carrying Value	7 Amount of Interest Due & Accrued	8 Amount Received During Year
NONE							
8699999 Total - Cash Equivalents							

INDEX TO LIFE AND ACCIDENT AND HEALTH QUARTERLY STATEMENT

Accident and Health; Q3; Q4; Q6; Q11; QSupp3
Accounting Changes and Corrections of Errors; Q4; Q7, Note 2
Accounting Practices and Policies; Q7, Note 1
Admitted Assets; Q2; Q8; QSI01; QSI03; QSI08; QSupp2
Affiliated Transactions; Q2; Q3; Q7, Note 10; Q8; Q8.1
Annuities; Q3; Q4; Q6; Q11; QSupp3
Annuity Actuarial Reserves; Q7, Note 32
Annuity Benefits; Q4
Asset Valuation Reserve; Q3; Q4
Bonds; Q2; Q5; Q8.1; Q8.2; QSI01; QSI02; QE04; QE05; QSupp2
Business Combinations and Goodwill; Q7, Note 3
Capital Gains (Losses); Q3; Q4; Q5
Capital Stock; Q3; Q4; Q7, Note 13
Capital Notes; Q3; Q5; Q7, Note 11
Caps; QE06; QSI04
Cash; Q2; Q5; QSI04; QE12; QSupp2
Cash Equivalents; Q2; Q5; QSI08; QE13
Claim Adjustment Expenses; Q7, Note 35
Claims; Q3; QSupp1
Coinsurance; Q3
Collars; QE06; QSI04
Commissions; Q3; Q4; Q5
Common Stock; Q2; Q3; Q5; Q7, Note 13; Q8.1; Q8.2; QSI01; QE04; QE05; QSupp2
Contract Loans; Q2; Q5
Contingencies; Q7, Note 14
Counterparty Exposure; Q7, Note 8; QE06; QE08
Coupons; Q3; Q4
Credit Life; Q6
Death Benefits; Q4
Debt; Q7, Note 11
Deferred Compensation; Q7, Note 12
Deposit Liabilities by Withdrawal Characteristics; Q7, Note 32
Derivative Instruments; Q7, Note 8; QSI04; QSI05; QSI06; QSI07; QE06; QE07; QE08
Deposit-Type Contracts; Q3; Q4; Q5; Q6; Q11
Disability Benefits; Q11
Discontinued Operations; Q7, Note 4
Dividends or Refunds; Q5; Q11
Electronic Data Processing Equipment; Q2
Exchange or Counterparty; QE06; QE07; QE08
Expenses; Q3; Q4; Q5; QE01
Experience Rating Refunds; Q3; Q4
Extinguishment of Liabilities; Q7, Note 17
Extraordinary Items; Q7, Note 21
Fair Value; Q7, Note 20
Federal ID Number; Q10
Federal Reserve Board; Q8
Floors; QE06; QSI04
Foreign Exchange; Q2; Q3; Q4; QSI01; QSI03; QSI08; QE01; QE02; QE03; QE05
Forwards; QE06; QSI04
Furniture and Equipment; Q2
Futures Contracts; QE07; QSI04
General Insurance Expenses; Q4
Group Life Insurance; Q6
Guaranty Fund; Q2
Health Care Receivables; Q2; Q7, Note 28
Holding Company; Q8; Q12; Q13
Income; Q2; Q3; Q4; Q5; QE01; QE03; QE06; QE07; QSupp2
Income Generation Transactions; QE06; QE07
Income Taxes; Q2; Q3; Q4; Q5; Q7, Note 9
Incurred Losses and Loss Adjustment Expenses; Q7, Note 25
Individual Annuities; Q6
Industrial Life; Q6
Insurance Futures Options; QE07
Intercompany Pooling; Q7, Note 26
Interest Maintenance Reserve; Q3; Q4
Investment Income; Q3; Q7, Note 7; QE13
 Accrued; Q2; QSupp2
 Earned; Q4
 Received; Q5
Investments; Q2; Q3; Q4; Q5; Q7, Note 5; Q8.1; Q8.2; QSI01; QSI03; QSI08; QE01; QE02; QE03; QE04; QE05; QE06; QE07; QE08; QE12; QE13; QSupp2
Joint Venture; Q7, Note 6; QE03

INDEX TO LIFE AND ACCIDENT AND HEALTH QUARTERLY STATEMENT

Leases; Q7, Note 15
Licensing; Q3; Q4; Q8
Limited Liability Company (LLC); Q7, Note 6; QE03
Limited Partnership; Q7, Note 6; QE03
Long-Term Invested Assets; Q5; Q9; QSI01; QE03; QE04; QE05
Managing General Agents; Q7, Note 19; Q8
Matured Endowments; Q4
Medicare Part D Coverage; QSupp5
Mergers; Q7, Note 3; Q8
Modco Reserve; Q3
Mortgage Loans; Q2; Q5; Q8.1; Q9; QSI01; QE02; QSupp2
Nonadmitted Assets; Q2; Q4; QSI01; QSI03; QSI08
Non-Cash Transactions; Q5
Off-Balance Sheet Risk; Q7, Note 16
Options; Q8.1; QE06; QSI04
Ordinary Life Insurance; Q6
Organizational Chart; Q8; Q12
Other Derivative Transactions; QE06; QE07
Parent, Subsidiaries and Affiliates; Q2; Q3; Q7, Note 10; Q8.1; Q12
Participating Policies; Q7, Note 29
Pharmaceutical Rebates; Q2; Q7, Note 28
Policies; Q3; QSupp3
Policyholder Dividends; Q3; Q4; Q5
Postemployment Benefits; Q7, Note 12
Postretirement Benefits; Q7, Note 12
Preferred Stock; Q2; Q3; Q5; Q8.1; Q8.2; QSI01; QSI02; QE04; QE05; QSupp2
Premium Deficiency Reserves; Q3; Q7, Note 30
Premiums and Annuity Considerations; Q7, Note 33
 Advance; Q3
 Collected; Q4; Q5
 Deferred; Q2; QSupp3
 Direct; Q2; Q4; Q6; Q11
 Uncollected; Q2; QSupp3
Quasi Reorganizations; Q7, Note 13
Real Estate; Q2; Q5; Q8.1; Q9; QSI01; QE01; QSupp2
Redetermination, Contracts Subject to; Q7, Note 24
Reinsurance; Q7, Note 23
 Assumed; Q3; Q4; Q10
 Ceded; Q3; Q4; Q11
 Funds Held; Q2; Q3
 Payable; Q3; Q4
 Receivable; Q2; QSupp3
 Unauthorized; Q3; Q4; QSupp3
Replicated (Synthetic) Assets; QSI05; QSI06
Reserves; Q7, Note 31
 Accident and Health; Q3; Q4
 Annuity; Q3
 Claim; Q3
 Life; Q3; Q4
Retirement Plans; Q7, Note 12
Retrospectively Rated Policies; Q7, Note 24
Securities Lending; Q2; Q3; QE09; QE11
Separate Accounts; Q2; Q3; Q4; Q5; Q7, Note 34
Servicing of Financial Assets; Q7, Note 17
Short-Term Investments; Q2; Q5; Q8.1; QSI03; QSupp2
Special Deposits; QSupp2
Stockholder Dividends; Q3; Q4; Q5
Structured Settlements; Q7, Note 27
Subsequent Events; Q7, Note 22
Supplementary Contracts; Q4
Surplus; Q3; Q4; Q5; Q7, Note 13; QSupp1; QSupp2; QSupp3
Surplus Notes; Q3; Q4; Q5; QE03; Q7, Note 13
Surrender Values; Q3; Q4
Swaps; QE07; QSI04
Taxes; Q2; Q3; Q4; Q5; QE01
Third-Party Administrator; Q7, Note 19; Q8
Treasury Stock; Q3; Q4; Q5
Uninsured Accident and Health; Q2; Q3; Q7, Note 18
Valuation Allowance; QSI01
Wash Sales; Q7, Note 17