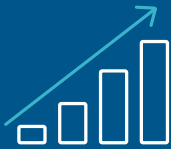


2016 FINANCIALS



OVER \$140 MILLION
IN ASSETS



EXCELLENT BALANCE
SHEET WITH LOWER RISK
AND HIGHER QUALITY



STOCKHOLDER'S
EQUITY BALANCE IS 2.5X
8 YEARS AGO

As a result of working together, sales were up significantly in 2016 and we are on track for a very strong 2017. Our sound risk management and investment strategies continue to support our success.

Dollars in Thousands

INCOME

Year Ended December 31

	2016	2015
Premium income	\$21,959	\$21,495
Net investment income	6,055	5,857
Other income	1,623	1,602
TOTAL INCOME	29,637	28,954
POLICYHOLDER BENEFITS AND EXPENSES		
Life insurance benefits	3,321	2,371
Accident & health benefits	3,605	4,556
Other policy benefits	5,272	4,820
Increase in reserves	6,423	4,335
Commissions	4,027	4,106
General expenses	3,480	3,093
Taxes other than federal income taxes	686	852
TOTAL BENEFITS & EXPENSES	26,814	24,133
GAIN FROM OPERATIONS	\$2,823	\$4,821
Federal Income Tax Expense	1,271	1,494
GAIN FROM OPERATIONS	\$1,552	\$3,327

Dollars in Thousands

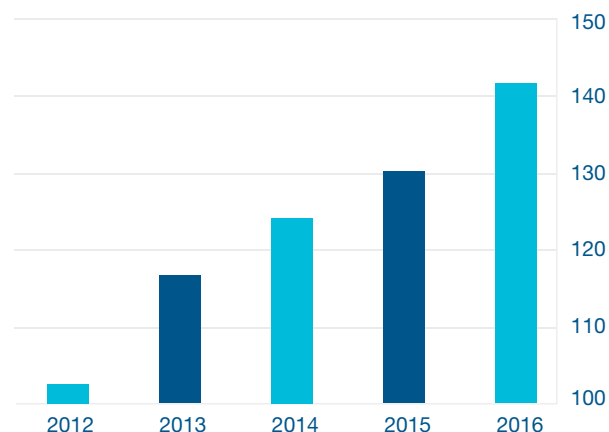
LIABILITIES

Year Ended December 31

	2016	2015
Policy reserves	\$105,710	\$99,286
Policy & contract claims	1,448	1,052
Other liabilities	5,361	3,491
TOTAL LIABILITIES	\$112,519	\$103,829
Stockholder's Equity	28,873	26,552
TOTAL LIABILITIES & STOCKHOLDER'S EQUITY	\$141,392	\$130,381

Dollars in Millions

ASSETS



Dollars in Thousands

ASSETS

Year Ended December 31

	2016	2015
Bonds	\$97,589	\$91,781
Preferred stocks	0	0
Common stocks	2,129	968
Policy loans	27,751	26,997
Cash & short term securities	4,082	1,486
Premiums deferred and uncollected	4,875	4,167
Other assets	4,966	4,982
TOTAL ADMITTED ASSETS	\$141,392	\$130,381