



LIFE, AND ACCIDENT AND HEALTH COMPANIES/FRATERNAL BENEFIT SOCIETIES - ASSOCIATION EDITION

ANNUAL STATEMENT
FOR THE YEAR ENDED DECEMBER 31, 2019
OF THE CONDITION AND AFFAIRS OF THE
Cape Verity III, Inc.

NAIC Group Code 3891 (Current) 4734 (Prior) NAIC Company Code 15473 Employer's ID Number 46-3485456
Organized under the Laws of Iowa, State of Domicile or Port of Entry IA
Country of Domicile United States of America
Licensed as business type: Life, Accident and Health [ X ] Fraternal Benefit Societies [ ]
Incorporated/Organized 08/23/2013 Commenced Business 08/23/2013
Statutory Home Office 215 10th Street Suite 1100 Des Moines, IA, US 50309
Main Administrative Office 215 10th Street Suite 1100 Des Moines, IA, US 50309
Mail Address 215 10th Street Suite 1100 Des Moines, IA, US 50309
Primary Location of Books and Records 215 10th Street Suite 1100 Des Moines, IA, US 50309
Internet Website Address N/A
Statutory Statement Contact Tonya Rachele Maxwell 515-393-3725
tonya.maxwell@gafg.com 774-369-3684

OFFICERS

President David Paul Wilken Chief Financial Officer David Allen Jacoby #
Senior Vice President, Associate General Counsel and Secretary Virginia Hope Johnson #
Chief Executive Officer Robert Michael Arena Jr.

OTHER

Bryan Edward Nelson #, Vice President and Appointed Actuary Gary Phillip Silber, Managing Director, Associate General Counsel and Assistant Secretary John Nicholas Giamalis #, Treasurer
Phillip William Sherrill, Managing Director David Eberhart Neve, Vice President Tonya Rachele Maxwell, Vice President

DIRECTORS OR TRUSTEES

Robert Michael Arena Jr. Hanben Kim Lee David Paul Wilken

State of New York County of New York 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.

David Paul Wilken President Virginia Hope Johnson Senior Vice President, Associate General Counsel and Secretary David Allen Jacoby Chief Financial Officer

Subscribed and sworn to before me this 13 day of February, 2020 Gabrielle Catherine Lipner

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

GABRIELLE CATHERINE LIPNER
NOTARY PUBLIC-STATE OF NEW YORK
No. 01L16399180
Qualified in Kings County
My Commission Expires 10-15-2023



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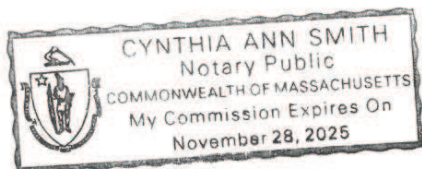
State of Massachusetts SS:  
County of Suffolk

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David Paul Wilken Virginia Hope Johnson David Allen Jacoby  
President Senior Vice President, Associate General Counsel and Secretary Chief Financial Officer

Subscribed and sworn to before me this February 2020  
day of February  
Cynthia Ann Smith

- a. Is this an original filing? Yes [ ] No [ ]
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  1. State the amendment number
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ANNUAL STATEMENT FOR THE YEAR 2019 OF THE Cape Verity III, Inc.

**ASSETS**

	Current Year			Prior Year
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	4 Net Admitted Assets
1. Bonds (Schedule D) .....	132,876,163		132,876,163	27,607,779
2. Stocks (Schedule D):				
2.1 Preferred stocks .....				
2.2 Common stocks .....				
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens .....				
3.2 Other than first liens .....				
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$ .....				
encumbrances) .....				
4.2 Properties held for the production of income (less				
\$ .....				
encumbrances) .....				
4.3 Properties held for sale (less \$ .....				
encumbrances) .....				
5. Cash (\$ ....., Schedule E - Part 1), cash equivalents				
(\$ ....., Schedule E - Part 2) and short-term				
investments (\$ ....., Schedule DA) .....	8,909,942		8,909,942	8,974,034
6. Contract loans (including \$ .....	19,685,881		19,685,881	4,361,605
premium notes) .....				
7. Derivatives (Schedule DB) .....				
8. Other invested assets (Schedule BA) .....				
9. Receivables for securities .....				
10. Securities lending reinvested collateral assets (Schedule DL) .....				
11. Aggregate write-ins for invested assets .....				
12. Subtotals, cash and invested assets (Lines 1 to 11) .....	161,471,986		161,471,986	40,943,418
13. Title plants less \$ .....				
charged off (for Title insurers				
only) .....				
14. Investment income due and accrued .....	1,707,256		1,707,256	315,554
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection .....				
15.2 Deferred premiums and agents' balances and installments booked but				
deferred and not yet due (including \$ .....				
earned but unbilled premiums) .....	7,478,996		7,478,996	5,081,689
15.3 Accrued retrospective premiums (\$ .....				
) and				
contracts subject to redetermination (\$ .....				
) .....				
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers .....				
16.2 Funds held by or deposited with reinsured companies .....	2,945,803,647		2,945,803,647	596,438,403
16.3 Other amounts receivable under reinsurance contracts .....	73,874,849		73,874,849	13,273,150
17. Amounts receivable relating to uninsured plans .....				
18.1 Current federal and foreign income tax recoverable and interest thereon .....				
18.2 Net deferred tax asset .....	209,150,902	209,150,902		
19. Guaranty funds receivable or on deposit .....				
20. Electronic data processing equipment and software .....				
21. Furniture and equipment, including health care delivery assets				
(\$ .....				
) .....				
22. Net adjustment in assets and liabilities due to foreign exchange rates .....				
23. Receivables from parent, subsidiaries and affiliates .....				
24. Health care (\$ .....				
) and other amounts receivable .....				
25. Aggregate write-ins for other than invested assets .....	1,264,038,244	1,904	1,264,036,340	282,685,955
26. Total assets excluding Separate Accounts, Segregated Accounts and	4,663,525,880	209,152,806	4,454,373,074	938,738,169
Protected Cell Accounts (Lines 12 to 25) .....				
27. From Separate Accounts, Segregated Accounts and Protected Cell				
Accounts .....				
28. Total (Lines 26 and 27) .....	4,663,525,880	209,152,806	4,454,373,074	938,738,169
<b>DETAILS OF WRITE-INS</b>				
1101. ....				
1102. ....				
1103. ....				
1198. Summary of remaining write-ins for Line 11 from overflow page .....				
1199. Totals (Lines 1101 thru 1103 plus 1198)(Line 11 above) .....				
2501. Contingent Note .....	1,264,036,340		1,264,036,340	282,685,955
2502. Accounts Receivable - Misc .....	1,904	1,904		
2503. ....				
2598. Summary of remaining write-ins for Line 25 from overflow page .....				
2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above) .....	1,264,038,244	1,904	1,264,036,340	282,685,955

ANNUAL STATEMENT FOR THE YEAR 2019 OF THE Cape Verity III, Inc.  
**LIABILITIES, SURPLUS AND OTHER FUNDS**

	1 Current Year	2 Prior Year
1. Aggregate reserve for life contracts \$ ..... 4,112,925,668 (Exh. 5, Line 9999999) less \$ ..... included in Line 6.3 (including \$ ..... Modco Reserve) .....	4,112,925,668	833,505,182
2. Aggregate reserve for accident and health contracts (including \$ ..... Modco Reserve) .....		
3. Liability for deposit-type contracts (Exhibit 7, Line 14, Col. 1) (including \$ ..... Modco Reserve) .....		
4. Contract claims:		
4.1 Life (Exhibit 8, Part 1, Line 4.4, Col. 1 less sum of Cols. 9, 10 and 11) .....		
4.2 Accident and health (Exhibit 8, Part 1, Line 4.4, sum of Cols. 9, 10 and 11) .....		
5. Policyholders' dividends/refunds to members \$ ..... and coupons \$ ..... due and unpaid (Exhibit 4, Line 10) .....		
6. Provision for policyholders' dividends, refunds to members and coupons payable in following calendar year - estimated amounts:		
6.1 Policyholders' dividends and refunds to members apportioned for payment (including \$ ..... Modco) .....		
6.2 Policyholders' dividends and refunds to members not yet apportioned (including \$ ..... Modco) .....		
6.3 Coupons and similar benefits (including \$ ..... Modco) .....		
7. Amount provisionally held for deferred dividend policies not included in Line 6 .....		
8. Premiums and annuity considerations for life and accident and health contracts received in advance less \$ ..... discount; including \$ ..... accident and health premiums (Exhibit 1, Part 1, Col. 1, sum of lines 4 and 14) .....		
9. Contract liabilities not included elsewhere:		
9.1 Surrender values on canceled contracts .....		
9.2 Provision for experience rating refunds, including the liability of \$ ..... accident and health experience rating refunds of which \$ ..... is for medical loss ratio rebate per the Public Health Service Act .....		
9.3 Other amounts payable on reinsurance, including \$ ..... 69,238,461 assumed and \$ ..... ceded .....	69,238,461	23,472,334
9.4 Interest maintenance reserve (IMR, Line 6) .....	12,014,389	11,306,598
10. Commissions to agents due or accrued-life and annuity contracts \$ ..... accident and health \$ ..... and deposit-type contract funds \$ .....		
11. Commissions and expense allowances payable on reinsurance assumed .....	2,514,509	784,013
12. General expenses due or accrued (Exhibit 2, Line 12, Col. 7) .....		
13. Transfers to Separate Accounts due or accrued (net) (including \$ ..... accrued for expense allowances recognized in reserves, net of reinsured allowances) .....		
14. Taxes, licenses and fees due or accrued, excluding federal income taxes (Exhibit 3, Line 9, Col. 6) .....		
15.1 Current federal and foreign income taxes, including \$ ..... on realized capital gains (losses) .....		
15.2 Net deferred tax liability .....		
16. Unearned investment income .....		
17. Amounts withheld or retained by reporting entity as agent or trustee .....		
18. Amounts held for agents' account, including \$ ..... 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 \$ ..... and interest thereon \$ .....		
23. Dividends to stockholders declared and unpaid .....		
24. Miscellaneous liabilities:		
24.01 Asset valuation reserve (AVR, Line 16, Col. 7) .....	344,695	105,938
24.02 Reinsurance in unauthorized and certified (\$ ..... ) companies .....		
24.03 Funds held under reinsurance treaties with unauthorized and certified (\$ ..... ) reinsurers .....		
24.04 Payable to parent, subsidiaries and affiliates .....		300
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 .....		300,000
24.10 Payable for securities lending .....		
24.11 Capital notes \$ ..... and interest thereon \$ .....		
25. Aggregate write-ins for liabilities .....		
26. Total liabilities excluding Separate Accounts business (Lines 1 to 25) .....	4,197,037,722	869,474,365
27. From Separate Accounts Statement .....		
28. Total liabilities (Lines 26 and 27) .....	4,197,037,722	869,474,365
29. Common capital stock .....	2,500,000	2,500,000
30. Preferred capital stock .....		
31. Aggregate write-ins for other than special surplus funds .....	1,264,036,340	282,685,957
32. Surplus notes .....		
33. Gross paid in and contributed surplus (Page 3, Line 33, Col. 2 plus Page 4, Line 51.1, Col. 1) .....	191,532,945	25,500,000
34. Aggregate write-ins for special surplus funds .....		
35. Unassigned funds (surplus) .....	(1,200,733,933)	(241,422,153)
36. Less treasury stock, at cost:		
36.1 ..... shares common (value included in Line 29 \$ ..... ) .....		
36.2 ..... shares preferred (value included in Line 30 \$ ..... ) .....		
37. Surplus (Total Lines 31+32+33+34+35-36) (including \$ ..... in Separate Accounts Statement) .....	254,835,352	66,763,804
38. Totals of Lines 29, 30 and 37 (Page 4, Line 55) .....	257,335,352	69,263,804
39. Totals of Lines 28 and 38 (Page 2, Line 28, Col. 3) .....	4,454,373,074	938,738,169
<b>DETAILS OF WRITE-INS</b>		
2501. ....		
2502. ....		
2503. ....		
2598. Summary of remaining write-ins for Line 25 from overflow page .....		
2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above) .....		
3101. Contingent Note .....	1,264,036,340	282,685,957
3102. ....		
3103. ....		
3198. Summary of remaining write-ins for Line 31 from overflow page .....		
3199. Totals (Lines 3101 thru 3103 plus 3198)(Line 31 above) .....	1,264,036,340	282,685,957
3401. ....		
3402. ....		
3403. ....		
3498. Summary of remaining write-ins for Line 34 from overflow page .....		
3499. Totals (Lines 3401 thru 3403 plus 3498)(Line 34 above) .....		

**SUMMARY OF OPERATIONS**

	1 Current Year	2 Prior Year
1. Premiums and annuity considerations for life and accident and health contracts (Exhibit 1, Part 1, Line 20.4, Col. 1, less Col. 11) .....	2,246,377,134	28,939,828
2. Considerations for supplementary contracts with life contingencies .....		
3. Net investment income (Exhibit of Net Investment Income, Line 17) .....	5,324,068	882,701
4. Amortization of Interest Maintenance Reserve (IMR, Line 5) .....	694,169	767,051
5. Separate Accounts net gain from operations excluding unrealized gains or losses .....		
6. Commissions and expense allowances on reinsurance ceded (Exhibit 1, Part 2, Line 26.1, Col. 1) .....		
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 .....	139,760,021	37,461,923
9. Total (Lines 1 to 8.3) .....	2,392,155,392	68,051,503
10. Death benefits .....	52,394,430	15,245,018
11. Matured endowments (excluding guaranteed annual pure endowments) .....		
12. Annuity benefits (Exhibit 8, Part 2, Line 6.4, Cols. 4 + 8) .....		
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 .....	11,714,622	5,131,816
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 .....	3,278,975,434	49,858,636
20. Totals (Lines 10 to 19) .....	3,343,084,486	70,235,470
21. Commissions on premiums, annuity considerations, and deposit-type contract funds (direct business only) (Exhibit 1, Part 2, Line 31, Col. 1) .....		
22. Commissions and expense allowances on reinsurance assumed (Exhibit 1, Part 2, Line 26.2, Col. 1) .....	8,111,688	3,103,164
23. General insurance expenses and fraternal expenses (Exhibit 2, Line 10, Cols. 1, 2, 3, 4 and 6) .....		
24. Insurance taxes, licenses and fees, excluding federal income taxes (Exhibit 3, Line 7, Cols. 1 + 2 + 3 + 5) .....		300
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) .....	3,351,196,174	73,338,934
29. Net gain from operations before dividends to policyholders, refunds to members and federal income taxes (Line 9 minus Line 28) .....	(959,040,782)	(5,287,431)
30. Dividends to policyholders and refunds to members .....		
31. Net gain from operations after dividends to policyholders, refunds to members and before federal income taxes (Line 29 minus Line 30) .....	(959,040,782)	(5,287,431)
32. Federal and foreign income taxes incurred (excluding tax on capital gains) .....	(26,713,822)	537,555
33. Net gain from operations after dividends to policyholders, refunds to members and federal income taxes and before realized capital gains or (losses) (Line 31 minus Line 32) .....	(932,326,960)	(5,824,986)
34. Net realized capital gains (losses) (excluding gains (losses) transferred to the IMR) less capital gains tax of \$ .....(224,384) (excluding taxes of \$ .....372,673 transferred to the IMR) .....	224,384	19,381
35. Net income (Line 33 plus Line 34) .....	(932,102,576)	(5,805,605)
<b>CAPITAL AND SURPLUS ACCOUNT</b>		
36. Capital and surplus, December 31, prior year (Page 3, Line 38, Col. 2) .....	69,263,804	66,367,993
37. Net income (Line 35) .....	(932,102,576)	(5,805,605)
38. Change in net unrealized capital gains (losses) less capital gains tax of \$ .....		
39. Change in net unrealized foreign exchange capital gain (loss) .....		
40. Change in net deferred income tax .....	174,605,522	1,310,346
41. Change in nonadmitted assets .....	(174,607,427)	(1,293,728)
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 .....	(238,755)	(28,456)
45. Change in treasury stock (Page 3, Lines 36.1 and 36.2, Col. 2 minus Col. 1) .....		
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 .....	166,032,945	
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 .....	954,381,840	8,713,254
54. Net change in capital and surplus for the year (Lines 37 through 53) .....	188,071,548	2,895,811
55. Capital and surplus, December 31, current year (Lines 36 + 54) (Page 3, Line 38) .....	257,335,352	69,263,804
<b>DETAILS OF WRITE-INS</b>		
08.301. Funds Withheld Miscellaneous Income .....	139,760,021	37,461,923
08.302. ....		
08.303. ....		
08.398. Summary of remaining write-ins for Line 8.3 from overflow page .....		
08.399. Totals (Lines 08.301 thru 08.303 plus 08.398)(Line 8.3 above) .....	139,760,021	37,461,923
2701. ....		
2702. ....		
2703. ....		
2798. Summary of remaining write-ins for Line 27 from overflow page .....		
2799. Totals (Lines 2701 thru 2703 plus 2798)(Line 27 above) .....		
5301. Contingent Note Surplus .....	981,350,384	5,799,745
5302. Tax Sharing Agreement .....	(26,650,165)	508,295
5303. Prior Year Adjustment .....	(318,379)	2,405,214
5398. Summary of remaining write-ins for Line 53 from overflow page .....		
5399. Totals (Lines 5301 thru 5303 plus 5398)(Line 53 above) .....	954,381,840	8,713,254

ANNUAL STATEMENT FOR THE YEAR 2019 OF THE Cape Verity III, Inc.

**CASH FLOW**

	1	2
	Current Year	Prior Year
<b>Cash from Operations</b>		
1. Premiums collected net of reinsurance .....	64,192,648	26,631,998
2. Net investment income .....	3,747,351	819,642
3. Miscellaneous income .....	(51,589,655)	1,601,843
4. Total (Lines 1 through 3) .....	16,350,344	29,053,483
5. Benefit and loss related payments .....	18,065,067	19,537,408
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts .....		
7. Commissions, expenses paid and aggregate write-ins for deductions .....	6,381,191	5,508,566
8. Dividends paid to policyholders .....		
9. Federal and foreign income taxes paid (recovered) net of \$ ..... tax on capital gains (losses) .....		
10. Total (Lines 5 through 9) .....	24,446,258	25,045,974
11. Net cash from operations (Line 4 minus Line 10) .....	(8,095,914)	4,007,509
<b>Cash from Investments</b>		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds .....	15,988,131	3,550,597
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 .....	1,264	
12.7 Miscellaneous proceeds .....		
12.8 Total investment proceeds (Lines 12.1 to 12.7) .....	15,989,395	3,550,597
13. Cost of investments acquired (long-term only):		
13.1 Bonds .....	8,748,812	6,799,327
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) .....	8,748,812	6,799,327
14. Net increase (decrease) in contract loans and premium notes .....	1,872,165	67,191
15. Net cash from investments (Line 12.8 minus Line 13.7 minus Line 14) .....	5,368,418	(3,315,921)
<b>Cash from Financing and Miscellaneous Sources</b>		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes .....		
16.2 Capital and paid in surplus, less treasury stock .....	2,663,406	
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) .....	(1)	2,405,214
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6) .....	2,663,405	2,405,214
<b>RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS</b>		
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17) .....	(64,091)	3,096,802
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year .....	8,974,034	5,877,232
19.2 End of year (Line 18 plus Line 19.1) .....	8,909,943	8,974,034
<b>Note: Supplemental disclosures of cash flow information for non-cash transactions:</b>		
20.0001. Settled ceded reinsurance obligation .....	38,918,586	
20.0002. APIC CVII Retro Cession .....	149,767,905	
20.0003. Settled Assumed einsurance obligation .....		(6,931,405)

ANNUAL STATEMENT FOR THE YEAR 2019 OF THE Cape Verity III, Inc.  
**ANALYSIS OF OPERATIONS BY LINES OF BUSINESS - SUMMARY**

	1	2	3	4	5	6	7	8	9
	Total	Individual Life	Group Life	Individual Annuities	Group Annuities	Accident and Health	Fraternal	Other Lines of Business	YRT Mortality Risk Only
1. Premiums and annuity considerations for life and accident and health contracts .....	2,246,377,134	2,246,377,134							
2. Considerations for supplementary contracts with life contingencies .....		XXX	XXX			XXX	XXX		XXX
3. Net investment income .....	5,324,068	5,324,068							
4. Amortization of Interest Maintenance Reserve (IMR) .....	694,169	694,169							
5. Separate Accounts net gain from operations excluding unrealized gains or losses .....							XXX		
6. Commissions and expense allowances on reinsurance ceded .....							XXX		
7. Reserve adjustments on reinsurance ceded .....							XXX		
8. Miscellaneous Income:									
8.1 Income from fees associated with investment management, administration and contract guarantees from Separate Accounts .....							XXX		
8.2 Charges and fees for deposit-type contracts .....						XXX	XXX		
8.3 Aggregate write-ins for miscellaneous income .....	139,760,021	139,760,021							
9. Totals (Lines 1 to 8.3) .....	2,392,155,392	2,392,155,392							
10. Death benefits .....	52,394,430	52,394,430				XXX	XXX		
11. Matured endowments (excluding guaranteed annual pure endowments) .....						XXX	XXX		
12. Annuity benefits .....		XXX	XXX			XXX	XXX		XXX
13. Disability benefits and benefits under accident and health contracts .....							XXX		
14. Coupons, guaranteed annual pure endowments and similar benefits .....							XXX		
15. Surrender benefits and withdrawals for life contracts .....	11,714,622	11,714,622				XXX	XXX		
16. Group conversions .....							XXX		
17. Interest and adjustments on contract or deposit-type contract funds .....							XXX		
18. Payments on supplementary contracts with life contingencies .....						XXX	XXX		
19. Increase in aggregate reserves for life and accident and health contracts .....	3,278,975,434	3,278,975,434					XXX		
20. Totals (Lines 10 to 19) .....	3,343,084,486	3,343,084,486					XXX		
21. Commissions on premiums, annuity considerations and deposit-type contract funds (direct business only) .....									XXX
22. Commissions and expense allowances on reinsurance assumed .....	8,111,688	8,111,688					XXX		
23. General insurance expenses and fraternal expenses .....									
24. Insurance taxes, licenses and fees, excluding federal income taxes .....									
25. Increase in loading on deferred and uncollected premiums .....							XXX		
26. Net transfers to or (from) Separate Accounts net of reinsurance .....							XXX		
27. Aggregate write-ins for deductions .....									
28. Totals (Lines 20 to 27) .....	3,351,196,174	3,351,196,174							
29. Net gain from operations before dividends to policyholders, refunds to members and federal income taxes (Line 9 minus Line 28) .....	(959,040,782)	(959,040,782)							
30. Dividends to policyholders and refunds to members .....							XXX		
31. Net gain from operations after dividends to policyholders, refunds to members and before federal income taxes (Line 29 minus Line 30) .....	(959,040,782)	(959,040,782)							
32. Federal income taxes incurred (excluding tax on capital gains) .....	(26,713,822)	(26,713,822)							
33. Net gain from operations after dividends to policyholders, refunds to members and federal income taxes and before realized capital gains or (losses) (Line 31 minus Line 32) .....	(932,326,960)	(932,326,960)							
34. Policies/certificates in force end of year .....							XXX		
<b>DETAILS OF WRITE-INS</b>									
08.301. Funds Withheld Miscellaneous Income .....	139,760,021	139,760,021							
08.302. ....									
08.303. ....									
08.398. Summary of remaining write-ins for Line 8.3 from overflow page .....									
08.399. Totals (Lines 08.301 thru 08.303 plus 08.398) (Line 8.3 above) .....	139,760,021	139,760,021							
2701. ....									
2702. ....									
2703. ....									
2798. Summary of remaining write-ins for Line 27 from overflow page .....									
2799. Totals (Lines 2701 thru 2703 plus 2798) (Line 27 above) .....									

ANNUAL STATEMENT FOR THE YEAR 2019 OF THE Cape Verity III, Inc.  
**ANALYSIS OF OPERATIONS BY LINES OF BUSINESS - INDIVIDUAL LIFE INSURANCE (b)**

	1	2	3	4	5	6	7	8	9	10	11	12
	Total	Industrial Life	Whole Life	Term Life	Indexed Life	Universal Life	Universal Life With Secondary Guarantees	Variable Life	Variable Universal Life	Credit Life (c)	Other Individual Life	YRT Mortality Risk Only
1. Premiums for life contracts (a)	2,246,377,134			21,653,054			2,224,724,080					
2. Considerations for supplementary contracts with life contingencies	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
3. Net investment income	5,324,068			309,529			5,014,539					
4. Amortization of Interest Maintenance Reserve (IMR)	694,169			36,693			657,476					
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	139,760,021			3,953,224			135,806,797					
9. Totals (Lines 1 to 8.3)	2,392,155,392			25,952,500			2,366,202,892					
10. Death benefits	52,394,430			1,665,068			50,729,362					
11. Matured endowments (excluding guaranteed annual pure endowments)												
12. Annuity benefits	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
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	11,714,622						11,714,622					
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	3,278,975,434			49,008,358			3,229,967,076					
20. Totals (Lines 10 to 19)	3,343,084,486			50,673,426			3,292,411,060					
21. Commissions on premiums, annuity considerations and deposit-type contract funds (direct business only)												XXX
22. Commissions and expense allowances on reinsurance assumed	8,111,688			644,796			7,466,892					
23. General insurance expenses												
24. Insurance taxes, licenses and fees, excluding federal income taxes												
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)	3,351,196,174			51,318,222			3,299,877,952					
29. Net gain from operations before dividends to policyholders, refunds to members and federal income taxes (Line 9 minus Line 28)	(959,040,782)			(25,365,722)			(933,675,060)					
30. Dividends to policyholders and refunds to members												
31. Net gain from operations after dividends to policyholders, refunds to members and before federal income taxes (Line 29 minus Line 30)	(959,040,782)			(25,365,722)			(933,675,060)					
32. Federal income taxes incurred (excluding tax on capital gains)	(26,713,822)						(26,713,822)					
33. Net gain from operations after dividends to policyholders, refunds to members and federal income taxes and before realized capital gains or (losses) (Line 31 minus Line 32)	(932,326,960)			(25,365,722)			(906,961,238)					
34. Policies/certificates in force end of year												
<b>DETAILS OF WRITE-INS</b>												
08.301. FwH NII Assumed	139,760,021			3,953,224			135,806,797					
08.302.												
08.303.												
08.398. Summary of remaining write-ins for Line 8.3 from overflow page												
08.399. Totals (Lines 08.301 thru 08.303 plus 08.398) (Line 8.3 above)	139,760,021			3,953,224			135,806,797					
2701.												
2702.												
2703.												
2798. Summary of remaining write-ins for Line 27 from overflow page												
2799. Totals (Lines 2701 thru 2703 plus 2798) (Line 27 above)												

(a) Include premium amounts for preneed plans included in Line 1  
(b) Indicate if blocks of business in run-off that comprise less than 5% of premiums and less than 5% of reserve and loans liability are aggregated with material blocks of business and which columns are affected.  
(c) Individual and Group Credit Life are combined and included on page. (Indicate whether included with Individual or Group.)



Analysis of Operations by Lines of Business - Group Life Insurance

**N O N E**

Analysis of Operations by Lines of Business - Individual Annuities

**N O N E**

Analysis of Operations by Lines of Business - Group Annuities

**N O N E**

Analysis of Operations by Lines of Business - Accident and Health

**N O N E**

ANNUAL STATEMENT FOR THE YEAR 2019 OF THE Cape Verity III, Inc.

**ANALYSIS OF INCREASE IN RESERVES DURING THE YEAR - INDIVIDUAL LIFE INSURANCE (a)**

	1	2	3	4	5	6	7	8	9	10	11	12
	Total	Industrial Life	Whole Life	Term Life	Indexed Life	Universal Life	Universal Life With Secondary Guarantees	Variable Life	Variable Universal Life	Credit Life <sup>(b)</sup> (N/A Fraternal)	Other Individual Life	YRT Mortality Risk Only
<b>Involving Life or Disability Contingencies (Reserves)</b> (Net of Reinsurance Ceded)												
1. Reserve December 31 of prior year .....	833,505,182			60,670,939			772,834,243					
2. Tabular net premiums or considerations .....	2,246,377,133			21,653,054			2,224,724,079					
3. Present value of disability claims incurred .....												
4. Tabular interest .....	192,083,380			4,726,023			187,357,357					
5. Tabular less actual reserve released .....												
6. Increase in reserve on account of change in valuation basis .....												
6.1 Change in excess of VM-20 deterministic/stochastic reserve over net premium reserve .....		XXX								XXX		
7. Other increases (net) .....	3,130,175,467			54,924,645			3,075,250,822					
8. Totals (Lines 1 to 7) .....	6,402,141,162			141,974,661			6,260,166,501					
9. Tabular cost .....	2,225,106,442			30,630,295			2,194,476,147					
10. Reserves released by death .....	52,394,430			1,665,068			50,729,362					
11. Reserves released by other terminations (net) .....	11,714,622						11,714,622					
12. Annuity, supplementary contract and disability payments involving life contingencies .....												
13. Net transfers to or (from) Separate Accounts .....												
14. Total Deductions (Lines 9 to 13) .....	2,289,215,494			32,295,363			2,256,920,131					
15. Reserve December 31 of current year .....	4,112,925,668			109,679,298			4,003,246,370					
<b>Cash Surrender Value and Policy Loans</b>												
16. CSV Ending balance December 31, current year .....	1,677,753,209						1,677,753,209					
17. Amount Available for Policy Loans Based upon Line 16 CSV .....												

(a) Indicate if blocks of business in run-off that comprise less than 5% of premiums and less than 5% of reserve and loans liability are aggregated with material blocks of business and which columns are affected.

(b) Individual and Group Credit Life are combined and included on ..... page. (Indicate whether included with Individual or Group.)

Analysis of Increase in Reserves During the Year - Group Life Insurance

**N O N E**

Analysis of Increase in Reserves During the Year - Individual Annuities

**N O N E**

Analysis of Increase in Reserves During the Year - Group Annuities

**N O N E**

ANNUAL STATEMENT FOR THE YEAR 2019 OF THE Cape Verity III, Inc.

**EXHIBIT OF NET INVESTMENT INCOME**

	1 Collected During Year	2 Earned During Year
1. U.S. Government bonds .....	(a) 9,379	9,379
1.1 Bonds exempt from U.S. tax .....	(a)	
1.2 Other bonds (unaffiliated) .....	(a) 3,698,252	5,095,132
1.3 Bonds of affiliates .....	(a)	
2.1 Preferred stocks (unaffiliated) .....	(b)	
2.11 Preferred stocks of affiliates .....	(b)	
2.2 Common stocks (unaffiliated) .....		
2.21 Common stocks of affiliates .....		
3. Mortgage loans .....	(c)	
4. Real estate .....	(d)	
5. Contract loans .....		
6. Cash, cash equivalents and short-term investments .....	(e) 219,557	219,557
7. Derivative instruments .....	(f)	
8. Other invested assets .....		
9. Aggregate write-ins for investment income .....		
10. Total gross investment income .....	3,927,188	5,324,068
11. Investment expenses .....		(g)
12. Investment taxes, licenses and fees, excluding federal income taxes .....		(g)
13. Interest expense .....		(h)
14. Depreciation on real estate and other invested assets .....		(i)
15. Aggregate write-ins for deductions from investment income .....		
16. Total deductions (Lines 11 through 15) .....		
17. Net investment income (Line 10 minus Line 16) .....		5,324,068
<b>DETAILS OF WRITE-INS</b>		
0901. ....		
0902. ....		
0903. ....		
0998. Summary of remaining write-ins for Line 9 from overflow page .....		
0999. Totals (Lines 0901 thru 0903 plus 0998) (Line 9, above) .....		
1501. ....		
1502. ....		
1503. ....		
1598. Summary of remaining write-ins for Line 15 from overflow page .....		
1599. Totals (Lines 1501 thru 1503 plus 1598) (Line 15, above) .....		

- (a) Includes \$ 40,262 accrual of discount less \$ 310,077 amortization of premium and less \$ 1,757,736 paid for accrued interest on purchases.
- (b) Includes \$ accrual of discount less \$ amortization of premium and less \$ paid for accrued dividends on purchases.
- (c) Includes \$ accrual of discount less \$ amortization of premium and less \$ paid for accrued interest on purchases.
- (d) Includes \$ for company's occupancy of its own buildings; and excludes \$ interest on encumbrances.
- (e) Includes \$ accrual of discount less \$ amortization of premium and less \$ paid for accrued interest on purchases.
- (f) Includes \$ accrual of discount less \$ amortization of premium.
- (g) Includes \$ investment expenses and \$ investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.
- (h) Includes \$ interest on surplus notes and \$ interest on capital notes.
- (i) Includes \$ depreciation on real estate and \$ depreciation on other invested assets.

**EXHIBIT OF CAPITAL GAINS (LOSSES)**

	1	2	3	4	5
	Realized Gain (Loss) On Sales or Maturity	Other Realized Adjustments	Total Realized Capital Gain (Loss) (Columns 1 + 2)	Change in Unrealized Capital Gain (Loss)	Change in Unrealized Foreign Exchange Capital Gain (Loss)
1. U.S. Government bonds .....	(74)		(74)		
1.1 Bonds exempt from U.S. tax .....					
1.2 Other bonds (unaffiliated) .....	1,773,443		1,773,443		
1.3 Bonds of affiliates .....					
2.1 Preferred stocks (unaffiliated) .....					
2.11 Preferred stocks of affiliates .....					
2.2 Common stocks (unaffiliated) .....					
2.21 Common stocks of affiliates .....					
3. Mortgage loans .....					
4. Real estate .....					
5. Contract loans .....					
6. Cash, cash equivalents and short-term investments .....	1,264		1,264		
7. Derivative instruments .....					
8. Other invested assets .....					
9. Aggregate write-ins for capital gains (losses) .....					
10. Total capital gains (losses) .....	1,774,633		1,774,633		
<b>DETAILS OF WRITE-INS</b>					
0901. ....					
0902. ....					
0903. ....					
0998. Summary of remaining write-ins for Line 9 from overflow page .....					
0999. Totals (Lines 0901 thru 0903 plus 0998) (Line 9, above) .....					

ANNUAL STATEMENT FOR THE YEAR 2019 OF THE Cape Verity III, Inc.

**EXHIBIT - 1 PART 1 - PREMIUMS AND ANNUITY CONSIDERATIONS FOR LIFE AND ACCIDENT AND HEALTH CONTRACTS**

	Insurance											
	1 Total	2 Industrial Life	Ordinary		5 Credit Life (Group and Individual)	Group		Accident and Health			11 Aggregate of All Other Lines of Business	12 Fraternal (Fraternal Benefit Societies Only)
			3 Life Insurance	4 Individual Annuities		6 Life Insurance	7 Annuities	8 Group	9 Credit (Group and Individual)	10 Other		
<b>FIRST YEAR (other than single)</b>												
1. Uncollected .....												
2. Deferred and accrued .....												
3. Deferred, accrued and uncollected:												
3.1 Direct .....												
3.2 Reinsurance assumed .....												
3.3 Reinsurance ceded .....												
3.4 Net (Line 1 + Line 2) .....												
4. Advance .....												
5. Line 3.4 - Line 4 .....												
6. Collected during year:												
6.1 Direct .....												
6.2 Reinsurance assumed .....												
6.3 Reinsurance ceded .....												
6.4 Net .....												
7. Line 5 + Line 6.4 .....												
8. Prior year (uncollected + deferred and accrued - advance) .....												
9. First year premiums and considerations:												
9.1 Direct .....												
9.2 Reinsurance assumed .....												
9.3 Reinsurance ceded .....												
9.4 Net (Line 7 - Line 8) .....												
<b>SINGLE</b>												
10. Single premiums and considerations:												
10.1 Direct .....												
10.2 Reinsurance assumed .....												
10.3 Reinsurance ceded .....												
10.4 Net .....												
<b>RENEWAL</b>												
11. Uncollected .....												
12. Deferred and accrued .....	7,478,996		7,478,996									
13. Deferred, accrued and uncollected:												
13.1 Direct .....												
13.2 Reinsurance assumed .....	7,478,996		7,478,996									
13.3 Reinsurance ceded .....												
13.4 Net (Line 11 + Line 12) .....	7,478,996		7,478,996									
14. Advance .....												
15. Line 13.4 - Line 14 .....	7,478,996		7,478,996									
16. Collected during year:												
16.1 Direct .....												
16.2 Reinsurance assumed .....	2,243,979,827		2,243,979,827									
16.3 Reinsurance ceded .....												
16.4 Net .....	2,243,979,827		2,243,979,827									
17. Line 15 + Line 16.4 .....	2,251,458,824		2,251,458,824									
18. Prior year (uncollected + deferred and accrued - advance) .....	5,081,689		5,081,689									
19. Renewal premiums and considerations:												
19.1 Direct .....												
19.2 Reinsurance assumed .....	2,246,377,134		2,246,377,134									
19.3 Reinsurance ceded .....												
19.4 Net (Line 17 - Line 18) .....	2,246,377,134		2,246,377,134									
<b>TOTAL</b>												
20. Total premiums and annuity considerations:												
20.1 Direct .....												
20.2 Reinsurance assumed .....	2,246,377,134		2,246,377,134									
20.3 Reinsurance ceded .....												
20.4 Net (Lines 9.4 + 10.4 + 19.4) .....	2,246,377,134		2,246,377,134									

**EXHIBIT - 1 PART 2 - POLICYHOLDERS' DIVIDENDS, REFUNDS TO MEMBERS AND COUPONS APPLIED, REINSURANCE COMMISSIONS AND EXPENSE ALLOWANCES AND COMMISSIONS INCURRED (Direct Business Only)**

	1	2	Insurance								11	12
			Ordinary		5	Group		Accident and Health				
			3	4		6	7	8	9	10		
Total	Industrial Life	Life Insurance	Individual Annuities	Credit Life (Group and Individual)	Life Insurance	Annuities	Group	Credit (Group and Individual)	Other	Aggregate of All Other Lines of Business	Fraternal (Fraternal Benefit Societies Only)	
<b>POLICYHOLDERS' DIVIDENDS, REFUNDS TO MEMBERS AND COUPONS APPLIED (included in Part 1)</b>												
21. To pay renewal premiums .....												
22. All other .....												
<b>REINSURANCE COMMISSIONS AND EXPENSE ALLOWANCES INCURRED</b>												
23. First year (other than single):												
23.1 Reinsurance ceded .....												
23.2 Reinsurance assumed .....												
23.3 Net ceded less assumed .....												
24. Single:												
24.1 Reinsurance ceded .....												
24.2 Reinsurance assumed .....												
24.3 Net ceded less assumed .....												
25. Renewal:												
25.1 Reinsurance ceded .....												
25.2 Reinsurance assumed .....	8,111,688		8,111,688									
25.3 Net ceded less assumed .....	(8,111,688)		(8,111,688)									
26. Totals:												
26.1 Reinsurance ceded (Page 6, Line 6) .....												
26.2 Reinsurance assumed (Page 6, Line 22) .....	8,111,688		8,111,688									
26.3 Net ceded less assumed .....	(8,111,688)		(8,111,688)									
<b>COMMISSIONS INCURRED (direct business only)</b>												
27. First year (other than single) .....												
28. Single .....												
29. Renewal .....												
30. Deposit-type contract funds .....												
31. Totals (to agree with Page 6, Line 21)												

Exhibit 2 - General Expenses

**NONE**

Exhibit 3 - Taxes, Licenses and Fees

**NONE**

Exhibit 4 - Dividends or Refunds

**NONE**





**EXHIBIT 5 - INTERROGATORIES**

- 1.1 Has the reporting entity ever issued both participating and non-participating contracts?..... Yes [ ] No [ X ]
- 1.2 If not, state which kind is issued.  
Assumed Business Only .....
- 2.1 Does the reporting entity at present issue both participating and non-participating contracts?..... Yes [ ] No [ X ]
- 2.2 If not, state which kind is issued.  
Assumed Business Only .....
- 3. Does the reporting entity at present issue or have in force contracts that contain non-guaranteed elements?..... Yes [ X ] No [ ]  
If so, attach a statement that contains the determination procedures, answers to the interrogatories and an actuarial opinion as described in the instructions.
- 4. Has the reporting entity any assessment or stipulated premium contracts in force? ..... Yes [ ] No [ X ]  
If so, state:  
4.1 Amount of insurance? ..... \$  
4.2 Amount of reserve? ..... \$  
4.3 Basis of reserve:  
.....  
4.4 Basis of regular assessments:  
.....  
4.5 Basis of special assessments:  
.....  
4.6 Assessments collected during the year ..... \$
- 5. If the contract loan interest rate guaranteed in any one or more of its currently issued contracts is less than 5%, not in advance, state the contract loan rate guarantees on any such contracts. ....
- 6. Does the reporting entity hold reserves for any annuity contracts that are less than the reserves that would be held on a standard basis? ..... Yes [ ] No [ X ]  
6.1 If so, state the amount of reserve on such contracts on the basis actually held: ..... \$  
6.2 That would have been held (on an exact or approximate basis) using the actual ages of the annuitants; the interest rate(s) used in 6.1; and the same mortality basis used by the reporting entity for the valuation of comparable annuity benefits issued to standard lives. If the reporting entity has no comparable annuity benefits for standard lives to be valued, the mortality basis shall be the table most recently approved by the state of domicile for valuing individual annuity benefits: ..... \$  
Attach statement of methods employed in their valuation.
- 7. Does the reporting entity have any Synthetic GIC contracts or agreements in effect as of December 31 of the current year? ..... Yes [ ] No [ X ]  
7.1 If yes, state the total dollar amount of assets covered by these contracts or agreements ..... \$  
7.2 Specify the basis (fair value, amortized cost, etc.) for determining the amount:  
.....  
7.3 State the amount of reserves established for this business: ..... \$  
7.4 Identify where the reserves are reported in the blank:  
.....
- 8. Does the reporting entity have any Contingent Deferred Annuity contracts or agreements in effect as of December 31 of the current year? ..... Yes [ ] No [ X ]  
8.1 If yes, state the total dollar amount of account value covered by these contracts or agreements: ..... \$  
8.2 State the amount of reserves established for this business: ..... \$  
8.3 Identify where the reserves are reported in the blank:  
.....
- 9. Does the reporting entity have any Guaranteed Lifetime Income Benefit contracts, agreements or riders in effect as of December 31 of the current year? ..... Yes [ ] No [ X ]  
9.1 If yes, state the total dollar amount of any account value associated with these contracts, agreements or riders: ..... \$  
9.2 State the amount of reserves established for this business: ..... \$  
9.3 Identify where the reserves are reported in the blank:  
.....

**EXHIBIT 5A - CHANGES IN BASES OF VALUATION DURING THE YEAR**

1 Description of Valuation Class	Valuation Basis		4 Increase in Actuarial Reserve Due to Change
	2 Changed From	3 Changed To	
NONE			
9999999 - Total (Column 4, only)			

Exhibit 6 - Aggregate Reserves for Accident and Health Contracts

**NONE**

Exhibit 7 - Deposit-Type Contracts

**NONE**

Exhibit 8 - Contract Claims - Part 1 - Liability End of Current Year

**NONE**

**EXHIBIT 8 - CLAIMS FOR LIFE AND ACCIDENT AND HEALTH CONTRACTS**

**PART 2 - Incurred During the Year**

	1 Total	2 Industrial Life (a)	Ordinary			6 Credit Life (Group and Individual)	Group		Accident and Health		
			3 Life Insurance (b)	4 Individual Annuities	5 Supplementary Contracts		7 Life Insurance (c)	8 Annuities	9 Group	10 Credit (Group and Individual)	11 Other
1. Settlements During the Year:											
1.1 Direct .....											
1.2 Reinsurance assumed .....	52,394,431		52,394,431								
1.3 Reinsurance ceded .....											
1.4 Net .....	(d) 52,394,431		52,394,431								
2. Liability December 31, current year from Part 1:											
2.1 Direct .....											
2.2 Reinsurance assumed .....											
2.3 Reinsurance ceded .....											
2.4 Net .....											
3. Amounts recoverable from reinsurers December 31, current year .....											
4. Liability December 31, prior year:											
4.1 Direct .....											
4.2 Reinsurance assumed .....											
4.3 Reinsurance ceded .....											
4.4 Net .....											
5. Amounts recoverable from reinsurers December 31, prior year .....											
6. Incurred Benefits											
6.1 Direct .....											
6.2 Reinsurance assumed .....	52,394,431		52,394,431								
6.3 Reinsurance ceded .....											
6.4 Net .....	52,394,431		52,394,431								

- (a) Including matured endowments (but not guaranteed annual pure endowments) amounting to \$ ..... in Line 1.1, \$ ..... in Line 1.4.  
\$ ..... in Line 6.1, and \$ ..... in Line 6.4.
- (b) Including matured endowments (but not guaranteed annual pure endowments) amounting to \$ ..... in Line 1.1, \$ ..... in Line 1.4.  
\$ ..... in Line 6.1, and \$ ..... in Line 6.4.
- (c) Including matured endowments (but not guaranteed annual pure endowments) amounting to \$ ..... in Line 1.1, \$ ..... in Line 1.4.  
\$ ..... in Line 6.1, and \$ ..... in Line 6.4.
- (d) Includes \$ ..... premiums waived under total and permanent disability benefits.

ANNUAL STATEMENT FOR THE YEAR 2019 OF THE Cape Verity III, Inc.

**EXHIBIT OF NON-ADMITTED ASSETS**

	1	2	3
	Current Year Total Nonadmitted Assets	Prior Year Total Nonadmitted Assets	Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1. Bonds (Schedule D) .....			
2. Stocks (Schedule D):			
2.1 Preferred stocks .....			
2.2 Common stocks .....			
3. Mortgage loans on real estate (Schedule B):			
3.1 First liens .....			
3.2 Other than first liens.....			
4. Real estate (Schedule A):			
4.1 Properties occupied by the company .....			
4.2 Properties held for the production of income.....			
4.3 Properties held for sale .....			
5. Cash (Schedule E - Part 1), cash equivalents (Schedule E - Part 2) and short-term investments (Schedule DA) .....			
6. Contract loans .....			
7. Derivatives (Schedule DB) .....			
8. Other invested assets (Schedule BA) .....			
9. Receivables for securities .....			
10. Securities lending reinvested collateral assets (Schedule DL) .....			
11. Aggregate write-ins for invested assets .....			
12. Subtotals, cash and invested assets (Lines 1 to 11) .....			
13. Title plants (for Title insurers only) .....			
14. Investment income due and accrued .....			
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 ..			
15.3 Accrued retrospective premiums and contracts subject to redetermination .....			
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 .....			
18.2 Net deferred tax asset .....	209,150,902	34,545,379	(174,605,523)
19. Guaranty funds receivable or on deposit .....			
20. Electronic data processing equipment and software .....			
21. Furniture and equipment, including health care delivery assets .....			
22. Net adjustment in assets and liabilities due to foreign exchange rates .....			
23. Receivables from parent, subsidiaries and affiliates .....			
24. Health care and other amounts receivable .....			
25. Aggregate write-ins for other than invested assets .....	1,904		(1,904)
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25) .....	209,152,806	34,545,379	(174,607,427)
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts .....			
28. Total (Lines 26 and 27) .....	209,152,806	34,545,379	(174,607,427)
<b>DETAILS OF WRITE-INS</b>			
1101. ....			
1102. ....			
1103. ....			
1198. Summary of remaining write-ins for Line 11 from overflow page .....			
1199. Totals (Lines 1101 thru 1103 plus 1198)(Line 11 above)			
2501. Accounts Receivable - Misc .....	1,904		(1,904)
2502. ....			
2503. ....			
2598. Summary of remaining write-ins for Line 25 from overflow page .....			
2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above)	1,904		(1,904)

**Notes to the Financial Statements**

**1. Summary of Significant Accounting Policies and Going Concern**

**A. Accounting Practices**

The accompanying financial statements of Cape Verity III, Inc. ("Cape Verity III" or "the Company") are presented on the basis of accounting practices prescribed or permitted by the Insurance Division, Department of Commerce, of the State of Iowa (Iowa Department). The National Association of Insurance Commissioners ("NAIC") Accounting Practices & Procedures Manual (NAIC SAP) has been adopted as a component of prescribed or permitted practices by the State of Iowa.

Pursuant to Iowa Administrative Code ("IAC") Section 191-99.11(3), *Limited Purpose Subsidiary Life Insurance Company*, the Company has included as an admitted asset the outstanding principal amount of a Variable Funding Puttable Note (contingent note) serving as collateral for reinsurance credit taken by an affiliated cedant in connection with a reinsurance agreement entered into between the Company and the affiliated cedant. The contingent note was issued by RGA Worldwide Reinsurance Company, Ltd, and is held for the benefit of the affiliated cedant. The contingent note is not included as a risk-based asset in the Company's risk-based capital calculation.

A reconciliation of the Company's net income (loss) and statutory surplus between practices prescribed and permitted by the State of Iowa and NAIC SAP is shown below:

	SSAP #	F/S Page	F/S Line #	2019	2018
<b>Net Income</b>					
(1) State basis (Page 4, Line 35, Columns 1 & 2)	XXX	XXX	XXX	\$ (932,102,576)	\$ (5,805,605)
(2) State prescribed practices that are an increase / (decrease) from NAIC SAP:					
(3) State permitted practices that are an increase / (decrease) from NAIC SAP:					
(4) NAIC SAP (1-2-3=4)	XXX	XXX	XXX	<u>\$ (932,102,576)</u>	<u>\$ (5,805,605)</u>
<b>Surplus</b>					
(5) State basis (Page 3, Line 38, Columns 1 & 2)	XXX	XXX	XXX	\$ 257,335,352	\$ 69,263,804
(6) State prescribed practices that are an increase / (decrease) from NAIC SAP:					
	SSAP 4	2,3, and 4	25, 31, and 5301, respectively	1,264,036,340	282,685,957
(7) State permitted practices that are an increase / (decrease) from NAIC SAP:					
(8) NAIC SAP (5-6-7=8)	XXX	XXX	XXX	<u>\$ (1,006,700,988)</u>	<u>\$ (213,422,153)</u>

If the Company had not been permitted to include the contingent note in surplus, the Company's risk-based capital would have been below Mandatory Control Level.

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

The preparation of financial statements in conformity with Statutory Accounting Principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities. It also requires disclosure of contingent assets and liabilities as of the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates.

**C. Accounting Policy**

Life premiums are recognized as income over the premium paying period of the related policies. Reinsurance treaties that do not meet the definition of risk transfer are recorded under the rules of deposit accounting as prescribed in Statement of Statutory Accounting Principles ("SSAP") No. 61R – *Life, Deposit-Type and Accident and Health Reinsurance* and are carried as a deposit liability, net income and expenses are shown in the aggregate write in line on the summary of operations. Expenses incurred in connection with acquiring new insurance business, including the acquisition costs such as sales commissions, are charged to operations as incurred.

In addition, the Company uses the following accounting policies, as applicable:

- (1) Short-term investments that have original maturities of greater than three months and less than twelve months at date of purchase are carried at amortized cost, which approximates fair value.
- (2) Bonds not backed by other loans are stated at amortized cost or fair value, using the modified scientific method, in accordance with the NAIC *Purposes and Procedures* Manual of the Capital Markets and Investment Analysis Office.
- (3) Common stocks - Not Applicable
- (4) Preferred stocks - Not Applicable
- (5) Mortgage loans - Not Applicable
- (6) Loan-backed securities - Not Applicable
- (7) Investments in subsidiaries, controlled and affiliated entities - Not Applicable
- (8) Investments in joint ventures, partnerships and limited liability entities - Not Applicable
- (9) Derivatives - Not Applicable
- (10) Investment income as a factor in the premium deficiency calculation - Not Applicable
- (11) Liabilities for losses and loss/claim adjustment expenses - Not Applicable
- (12) Changes in capitalization policy - Not Applicable
- (13) Pharmaceutical rebate receivables - Not Applicable

## Notes to the Financial Statements

### 1. Summary of Significant Accounting Policies and Going Concern (Continued)

#### D. Going Concern

There is no substantial doubt about the Company's ability to continue as a going concern.

### 2. Accounting Changes and Corrections of Errors

During the 2018 audit, corrections were made to 2018 and prior period balances resulting in a \$42,041 increase in Renewal Premiums and a \$445,052 decrease in Reserves. This resulted in taxes being understated by \$84,632. In accordance with SSAP No. 3 - Accounting Changes and Corrections of Errors, the net of tax impact of these changes are being treated as a correction of an error and presented as an adjustment to unassigned surplus of \$318,379 for the year ended December 31, 2019.

### 3. Business Combinations and Goodwill

- A. Statutory Purchase Method - Not Applicable
- B. Statutory Merger - Not Applicable
- C. Assumption Reinsurance - Not Applicable
- D. Impairment Loss - Not Applicable

### 4. Discontinued Operations - Not Applicable

### 5. Investments

- A. Mortgage Loans, including Mezzanine Real Estate Loans - Not Applicable
- B. Debt Restructuring - Not Applicable
- C. Reverse Mortgages - Not Applicable
- D. Loan-Backed Securities - Not Applicable
- E. Dollar Repurchase Agreements and/or Securities Lending Transactions - Not Applicable
- F. Repurchase Agreements Transactions Accounted for as Secured Borrowing - Not Applicable
- G. Reverse Repurchase Agreements Transactions Accounted for as Secured Borrowing - Not Applicable
- H. Repurchase Agreements Transactions Accounted for as a Sale - Not Applicable
- I. Reverse Repurchase Agreements Transactions Accounted for as a Sale - Not Applicable
- J. Real Estate - Not Applicable
- K. Low-Income Housing Tax Credits (LIHTC) - Not Applicable
- L. Restricted Assets - Not Applicable
- M. Working Capital Finance Investments - Not Applicable
- N. Offsetting and Netting of Assets and Liabilities - Not Applicable
- O. 5GI Securities - Not Applicable
- P. Short Sales - Not Applicable
- Q. Prepayment Penalty and Acceleration Fees

	<u>General Account</u>	<u>Separate Account</u>
(1) Number of CUSIPs .....	1	.....
(2) Aggregate Amount of Investment Income .....	\$ 454,830	\$ .....

### 6. Joint Ventures, Partnerships and Limited Liability Companies

#### A. Investments in Joint Ventures, Partnerships or Limited Liability Companies that Exceed 10% of Admitted Assets

The Company has no investments in joint venture, partnerships or limited liability companies that exceed 10% of its admitted assets as of December 31, 2019 and December 31, 2018.

#### B. Impaired Investments in Joint Ventures, Partnerships and Limited Liability Companies

The Company recognizes impairments when it is probable that it will be unable to recover the carrying amount of the investment or there is evidence indicating inability of the investee to sustain earnings that would justify the carrying value of the investment. The Company did not have any impairment in joint ventures, partnerships, or limited liability companies as of December 31, 2019 and December 31, 2018.

### 7. Investment Income - Not Applicable

### 8. Derivative Instruments - Not Applicable

**Notes to the Financial Statements**

**9. Income Taxes**

A. Components of the Net Deferred Tax Asset/(Liability)

(1) Change between years by tax character

	2019			2018			Change		
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	Ordinary	Capital	Total (Col 1+2)	Ordinary	Capital	Total (Col 4+5)	Ordinary (Col 1-4)	Capital (Col 2-5)	Total (Col 7+8)
(a) Gross deferred tax assets	\$ 217,814,930	\$ .....	\$ 217,814,930	\$ 43,593,447	\$ .....	\$ 43,593,447	\$ 174,221,483	\$ .....	\$ 174,221,483
(b) Statutory valuation allowance adjustments	.....	.....	.....	.....	.....	.....	.....	.....	.....
(c) Adjusted gross deferred tax assets (1a - 1b)	217,814,930	.....	217,814,930	43,593,447	.....	43,593,447	174,221,483	.....	174,221,483
(d) Deferred tax assets nonadmitted	209,150,901	.....	209,150,901	34,545,379	.....	34,545,379	174,605,522	.....	174,605,522
(e) Subtotal net admitted deferred tax asset (1c - 1d)	\$ 8,664,029	\$ .....	\$ 8,664,029	\$ 9,048,068	\$ .....	\$ 9,048,068	\$ (384,039)	\$ .....	\$ (384,039)
(f) Deferred tax liabilities	8,298,099	365,930	8,664,029	8,894,108	153,960	9,048,068	(596,009)	211,970	(384,039)
(g) Net admitted deferred tax asset/(net deferred tax liability) (1e - 1f)	\$ 365,930	\$ (365,930)	\$ -	\$ 153,960	\$ (153,960)	\$ -	\$ 211,970	\$ (211,970)	\$ -

The ultimate realization of deferred tax assets depends on the generation of future taxable income during the periods in which the temporary differences are deductible and prior to the expiration of capital loss, net operating loss and tax credit carry-forwards. Management considers the scheduled reversal of deferred tax liabilities (including the impact of available carry-back and carry-forward periods), projected taxable income, and tax planning strategies in making this assessment. Management believes it is more likely than not that all deferred tax assets will be realized based on projected taxable income and available tax planning strategies. There were no tax planning strategies used related to reinsurance.

(2) Admission calculation components SSAP No. 101

The amount of admitted adjusted gross deferred tax assets admitted under each component of SSAP 101:

	2019			2018			Change		
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	Ordinary	Capital	Total (Col 1+2)	Ordinary	Capital	Total (Col 4+5)	Ordinary (Col 1-4)	Capital (Col 2-5)	Total (Col 7+8)
(a) Federal income taxes paid in prior years recoverable through loss carrybacks	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....
(b) Adjusted gross deferred tax assets expected to be realized (excluding the amount of deferred tax assets from 2(a) above) after application of the threshold limitation (lesser of 2(b)1 and 2(b)2 below)	.....	.....	.....	.....	.....	.....	.....	.....	.....
1. Adjusted gross deferred tax assets expected to be realized following the balance sheet date	.....	.....	.....	.....	.....	.....	.....	.....	.....
2. Adjusted gross deferred tax assets allowed per limitation threshold	XXX	XXX	38,600,135	XXX	XXX	10,391,031	XXX	XXX	28,209,104
(c) Adjusted gross deferred tax assets (excluding the amount of deferred tax assets from 2(a) and 2(b) above) offset by gross deferred tax liabilities	8,298,099	365,930	8,664,029	8,894,108	153,960	9,048,068	(596,009)	211,970	(384,039)
(d) Deferred tax assets admitted as the result of application of SSAP No. 101	.....	.....	.....	.....	.....	.....	.....	.....	.....
Total (2(a) + 2(b) + 2(c))	\$ 8,298,099	\$ 365,930	\$ 8,664,029	\$ 8,894,108	\$ 153,960	\$ 9,048,068	\$ (596,009)	\$ 211,970	\$ (384,039)

(3) Ratio used as basis of admissibility

	2019	2018
(a) Ratio percentage used to determine recovery period and threshold limitation amount	1,003.807%	1,205.000%
(b) Amount of adjusted capital and surplus used to determine recovery period and threshold limitation in 2(b)2 above	\$ 257,334,233	\$ 69,273,538

## Notes to the Financial Statements

### 9. Income Taxes (Continued)

#### (4) Impact of tax-planning strategies

##### (a) Determination of adjusted gross deferred tax assets and net admitted deferred tax assets, by tax character as a percentage

	2019		2018		Change	
	(1)	(2)	(3)	(4)	(5)	(6)
	Ordinary	Capital	Ordinary	Capital	Ordinary (Col. 1-3)	Capital (Col. 2-4)
1. Adjusted gross DTAs amount from Note 9A1(c)	\$ 217,814,930	\$	\$ 43,593,447	\$	\$ 174,221,483	\$
2. Percentage of adjusted gross DTAs by tax character attributable to the impact of tax planning strategies	%	%	%	%	%	%
3. Net admitted adjusted gross DTAs amount from Note 9A1(e)	\$ 8,664,029	\$	\$ 9,048,068	\$	\$ (384,039)	\$
4. Percentage of net admitted adjusted gross DTAs by tax character admitted because of the impact of tax planning strategies	%	%	%	%	%	%

##### (b) Use of reinsurance-related tax-planning strategies

Does the company's tax-planning strategies include the use of reinsurance? No

#### B. Regarding Deferred Tax Liabilities That Are Not Recognized

There are no temporary differences for which deferred tax liabilities are not recognized.

#### C. Major Components of Current Income Taxes Incurred

	(1) 2019	(2) 2018	(3) Change (1-2)
Current income taxes incurred consist of the following major components:			
1. Current Income Tax			
(a) Federal	\$ (26,798,453)	\$ 537,555	\$ (27,336,008)
(b) Foreign			
(c) Subtotal	\$ (26,798,453)	\$ 537,555	\$ (27,336,008)
(d) Federal income tax on net capital gains	148,289	(29,260)	177,549
(e) Utilization of capital loss carry-forwards			
(f) Other			
(g) Federal and foreign income taxes incurred	\$ (26,650,164)	\$ 508,295	\$ (27,158,459)

	(1) 2019	(2) 2018	(3) Change (1-2)
Current income taxes incurred consist of the following major components:			
2. Deferred Tax Assets			
(a) Ordinary			
(1) Discounting of unpaid losses	\$	\$	\$
(2) Unearned premium reserve			
(3) Policyholder reserves	101,585,758	19,557,105	82,028,653
(4) Investments		8,313	(8,313)
(5) Deferred acquisition costs		262,509	(262,509)
(6) Policyholder dividends accrual			
(7) Fixed assets			
(8) Compensation and benefits accrual			
(9) Pension accrual			
(10) Receivables - nonadmitted			
(11) Net operating loss carry-forward			
(12) Tax credit carry-forward			
(13) Other (including items less than 5% of total ordinary tax assets)	116,229,172	23,765,520	92,463,652
(99) Subtotal	\$ 217,814,930	\$ 43,593,447	\$ 174,221,483
(b) Statutory valuation allowance adjustment			
(c) Nonadmitted	209,150,901	34,545,379	174,605,522
(d) Admitted ordinary deferred tax assets (2a99 - 2b - 2c)	\$ 8,664,029	\$ 9,048,068	\$ (384,039)
(e) Capital			
(1) Investments	\$	\$	\$
(2) Net capital loss carry-forward			
(3) Real estate			
(4) Other (including items <5% of total capital tax assets)			
(99) Subtotal	\$	\$	\$
(f) Statutory valuation allowance adjustment			
(g) Nonadmitted			
(h) Admitted capital deferred tax assets (2e99 - 2f - 2g)			
(i) Admitted deferred tax assets (2d + 2h)	\$ 8,664,029	\$ 9,048,068	\$ (384,039)



## Notes to the Financial Statements

## 9. Income Taxes (Continued)

	(1) 2019	(2) 2018	(3) Change (1-2)
Current income taxes incurred consist of the following major components:			
3. Deferred Tax Liabilities			
(a) Ordinary			
(1) Investments	\$ 9,464	\$	\$ 9,464
(2) Fixed assets			
(3) Deferred and uncollected premium	1,579,418	1,067,154	512,264
(4) Policyholder reserves	6,708,817	7,826,954	(1,118,137)
(5) Other (including items <5% of total ordinary tax liabilities)	400	—	400
(99) Subtotal	\$ 8,298,099	\$ 8,894,108	\$ (596,009)
(b) Capital			
(1) Investments	\$ 365,930	\$ 153,960	\$ 211,970
(2) Real estate			
(3) Other (including items <5% of total capital tax liabilities)			
(99) Subtotal	\$ 365,930	\$ 153,960	\$ 211,970
(c) Deferred tax liabilities (3a99 + 3b99)	\$ 8,664,029	\$ 9,048,068	\$ (384,039)
4. Net deferred tax assets/liabilities (2i - 3c)	\$ —	\$ —	\$ —

The Tax Cuts and Jobs Act ("TCJA") reduces the corporate tax rate to 21%, effective January 1, 2018. In addition, the TCJA resulted in the Company recording a deferred tax asset and liability of \$10 million related to the reserves transition adjustment for the year ended December 31, 2017. The Company booked an additional \$650 thousand related to the reserves transition adjustment for the year ended December 31, 2018 to true up the estimate booked as of December 31, 2017.

The change in deferred income taxes reported in surplus before consideration of nonadmitted assets is comprised of the following components:

	12/31/2019			12/31/2018			Change
	Ordinary	Capital	Total	Ordinary	Capital	Total	
Total deferred tax assets (admitted and nonadmitted)	217,814,930	-	217,814,930	43,593,447	-	43,593,447	174,221,483
Total deferred tax liabilities	8,664,029	365,930	9,029,959	8,894,108	153,960	9,048,068	(18,109)
Net deferred tax asset/(liabilities)	209,150,901	(365,930)	208,784,971	34,699,339	(153,960)	34,545,379	174,239,592
Tax effect of unrealized (gains) / losses							-
Change in net deferred income tax							174,239,592

## D. Among the More Significant Book to Tax Adjustments

The significant items causing a difference between the statutory federal income tax rate and the Company's effective income tax rate are as follows:

	2019	Effective Tax Rate
Provision computed at statutory rate	\$ (201,320,303)	21.000%
IMR	148,636	-0.016
Non-admitted assets	400	-0.000
Prior tax return adjustments	(84,419)	0.009
Total	\$ (201,255,686)	20.993%

	2019	Effective Tax Rate
Federal and foreign income taxes incurred	\$ (26,798,453)	2.795%
Realized capital gains (losses) tax	148,289	-0.015
Change in net deferred income taxes	(174,605,522)	18.213
Total statutory income taxes	\$ (201,255,686)	20.993%

## E. Operating Loss and Tax Credit Carryforwards

(1) At December 31, 2019 the Company does not have any net operating loss carry-forwards, capital loss carry-forwards or foreign tax credits.

(2) Income tax expense available for recoupment

As a result of recent tax reform (TCJA), the Company can no longer carry back future losses, therefore there are no available taxes for recoupment.

(3) Deposits admitted under IRC Section 6603 - Not Applicable

## F. Consolidated Federal Income Tax Return

(1) The Company will file a consolidated Federal income tax return with Commonwealth Annuity and Life Insurance Company ("CWA"), Accordia Life and Annuity Company ("Accordia"), Cape Verity II, Inc., Cape Verity III, Inc., Gotham Re, Inc., Forethought National Life Insurance Company, Forethought Life Insurance Company and First Allmerica Financial Life Insurance Company for the period ending December 31, 2019. The Company is a party to a written agreement, which sets forth the manner in which the total combined Federal income tax is allocated to each entity within the consolidated group. Pursuant to this agreement, Accordia is obligated to perform all of the Company's tax sharing obligations and is entitled to accept all of the Company's tax sharing benefits. Accordingly, any current taxes payable or receivable of the Company are reflected by Accordia.

(2) The IRS routinely audits the Company's federal income tax returns, and when appropriate, provisions are made in the financial statements in anticipation of the results of these audits. The Company believes that its income tax filing positions and deductions will be sustained on audit, and does not anticipate any adjustments that will result in a material, adverse effect on the Company's financial condition, results of operations, or cash flow. Therefore, no reasonable estimate can be made for tax loss contingencies and none has been recorded.

## Notes to the Financial Statements

### 9. Income Taxes (Continued)

- G. Federal or Foreign Income Tax Loss Contingencies - Not Applicable
- H. Repatriation Transition Tax (RTT) - Not Applicable
- I. Alternative Minimum Tax (AMT) Credit - Not Applicable

### 10. Information Concerning Parent, Subsidiaries, Affiliates and Other Related Parties

- A. Nature of Relationships - Cape Verity III, Inc. was formed on August 15, 2013 and commenced business as a special purpose financial captive life insurance company domiciled and licensed in the state of Iowa. All outstanding shares of the Company's common stock are directly owned by Accordia, a stock life insurance company domiciled in the state of Iowa. All outstanding shares of Accordia are owned by Commonwealth Annuity, an insurance company incorporated in the state of Massachusetts. Accordia carries the Company at its statutory net worth, as prescribed in the Securities Valuations Office Purposes and Procedures manual. Accordia is an indirect wholly owned subsidiary of Global Atlantic Financial Group ("GAFG").
- B. Detail of Transactions Greater Than 0.5% of Admitted Assets - None
- C. Amount of Transactions & Effects of Change in Terms of Intercompany Arrangements - None
- D. Amounts Due to or From Related Parties - The Company had \$0 and \$0 receivables due from affiliates as of December 31, 2019 and December 31, 2018, respectively. The Company had \$0 and \$300 payable due to affiliates as of December 31, 2019 and December 31, 2018, respectively.
- E. Guarantees or Contingencies - Not Applicable
- F. Management, Service Contracts, Cost Sharing Arrangement - The Company has entered into administration, shared services, management services, and investment management services agreements with related parties. These affiliates provide legal, compliance, technology, operations, financial reporting, human resources, and risk management services. The Company did not record expenses for these agreements at December 31, 2019.
- G. Nature of Relationships that Could Affect Operations - The Company's various affiliated relationships and agreement/transactions are discussed above in Note 10F. The operating results and financial position of the Company as reported in these financial statements would not be significantly different from those that would have been obtained if the Company were autonomous.
- H. Amount Deducted for Investment in Upstream Company - Not Applicable
- I. Detail of Investments in Affiliates Greater Than 10% of Admitted Assets - Not Applicable
- J. Write-Down for Impairments of Investments in Subsidiary Controlled or Affiliated Companies - Not Applicable
- K. Foreign Subsidiary Value Using CARVM - Not Applicable
- L. Downstream Holding Company Value Using Look-Through Method - Not Applicable
- M. All SCA Investments - Not Applicable
- N. Investment in Insurance SCAs - Not Applicable
- O. SCA and SSAP No. 48 Entity Loss Tracking - Not Applicable

### 11. Debt

- A. Debt, Including Capital Notes - Not Applicable
- B. FHLB (Federal Home Loan Bank) Agreements - Not Applicable

### 12. Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences and Other Postretirement Benefit Plans - Not Applicable

### 13. Capital and Surplus, Shareholders' Dividend Restrictions and Quasi-Reorganizations

- 1. The Company has 25,000 shares authorized, issued and outstanding. All shares are common stock.
- 2. The Company has no preferred stock authorized.
- 3. The payment of dividends by the Company to its parent is regulated under Iowa law. Under Iowa law, the Company may pay dividends only from the earned surplus arising from its business and must receive the prior approval (or non-disapproval) of the Iowa Insurance Commissioner to pay any dividend that would exceed certain statutory limitations.
- 4. As of December 31, 2019 and December 31, 2018, no dividends were paid.
- 5. Iowa law provides that a Limited Purpose Subsidiary Life Insurance Company ("LPS") may pay dividends that do not decrease the capital of the LPS below the minimum capital and surplus requirements designated by the commissioner of the Iowa Department, provided that payment of such dividend would not jeopardize the ability of the LPS to fulfill its obligations.
- 6. The unassigned surplus is held for the benefit of the Company's shareholder.
- 7. There were no unpaid advances to surplus.
- 8. Stock Held for Special Purposes  
No shares of stock are held by the Company, including stock of affiliated companies, for special purposes.
- 9. There were no changes in balances of special surplus.
- 10. Unassigned funds (surplus)  
This portion of unassigned funds (surplus) represented or reduced by unrealized gains and (losses), net of capital gains tax, was \$0 at December 31, 2019 and December 31, 2018, respectively.
- 11. Company-Issued Surplus Debentures or Similar Obligations - Not Applicable
- 12. Impact of Any Restatement Due to Prior Quasi-Reorganizations - Not Applicable

## Notes to the Financial Statements

### 13. Capital and Surplus, Shareholders' Dividend Restrictions and Quasi-Reorganizations (Continued)

13. Effective Date(s) of Quasi-Reorganizations in the Prior 10 Years - Not Applicable

### 14. Liabilities, Contingencies and Assessments

- A. Contingent Commitments - Not Applicable  
B. Assessments

Unfavorable economic conditions may contribute to an increase in the number of insurance companies that are under regulatory supervision. This may result in an increase in mandatory assessments by state guaranty funds, or voluntary payments by solvent insurance companies to cover losses to policyholders of insolvent or rehabilitated companies. Mandatory assessments, which are subject to statutory limits, can be partially recovered through a reduction in future premium taxes in some states. The Company is not able to reasonably estimate the potential impact of any such future assessments or voluntary payments.

- C. Gain Contingencies - Not Applicable  
D. Claims Related Extra Contractual Obligation and Bad Faith Losses Stemming from Lawsuits - Not Applicable  
E. Joint and Several Liabilities - Not Applicable  
F. All Other Contingencies - Not Applicable

### 15. Leases

- A. Lessee Operating Lease - Not Applicable  
B. Lessor Leases - Not Applicable

### 16. Information About Financial Instruments With Off-Balance-Sheet Risk And Financial Instruments With Concentrations of Credit Risk - Not Applicable

### 17. Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities

- A. Transfers of Receivables Reported as Sales - Not Applicable  
B. Transfers and Servicing of Financial Assets - Not Applicable  
C. Wash Sales - Not Applicable

### 18. Gain or Loss to the Reporting Entity from Uninsured Plans and the Uninsured Portion of Partially Insured Plans - Not Applicable

### 19. Direct Premium Written/Produced by Managing General Agents/Third Party Administrators - Not Applicable

### 20. Fair Value Measurements

- A. Fair Value Measurement - Not Applicable  
B. Other Fair Value Disclosures - Not Applicable  
C. Fair Values for All Financial Instruments by Level 1, 2 and 3

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	Level 1	Level 2	Level 3	Net Asset Value (NAV)	Not Practicable (Carrying Value)
Bonds	\$ 147,669,771	\$ 132,876,163	\$	\$ 147,669,771	\$	\$	\$
Short-term investments	821,895	821,895	821,895				
Cash and equivalents	8,088,047	8,088,047	8,088,047				

- D. Not Practicable to Estimate Fair Value - Not Applicable  
E. Nature and Risk of Investments Reported at NAV - Not Applicable

### 21. Other Items

- A. Unusual or Infrequent Items

The Company had no reportable material extraordinary items.

- B. Troubled Debt Restructuring - Not Applicable  
C. Other Disclosures

The Company is the holder of a contingent note security utilized to enable the Company to secure statutory reserve credit for the reinsurance ceded to the Company under its reinsurance agreement. Total outstanding principal of the contingent note as of December 31, 2019 was \$1,264,036,341.

The Company's Parent is currently undergoing a conversion to a new life insurance administration system, which impacts the business assumed. As part of this conversion certain life insurance policies have been temporarily restricted at December 31, 2019 resulting in a delay of the billing of premiums and other related policy transactions. In limited cases, estimates were used for restricted policy balances within the financial statements. Any variances to the estimates will be recorded as policies are released from the restricted status in future periods.

Effective April 1, 2019 Accordia recaptured business that was ceded to a subsidiary, Cape Verity II. Accordia retroceded this business to Cape Verity III resulting in a capital impact of \$50,000,000.

The Company's largest single life insurance policy face value as of December 31, 2019 is \$19,877,329.

- D. Business Interruption Insurance Recoveries

The Company did not have any business interruption insurance recoveries as of December 31, 2019 and December 31, 2018.

- E. State Transferable and Non-Transferable Tax Credits - Not Applicable

## Notes to the Financial Statements

### 21. Other Items (Continued)

#### F. Subprime-Mortgage-Related Risk Exposure

- (1) While the Company holds no direct investments in subprime mortgage loans, the Company may have limited exposure to subprime borrowers through direct investments in primarily investment grade subprime residential mortgage-backed securities. The Company's definition of subprime is predominantly based on borrower statistics from a residential pool of mortgages. Included in the statistics evaluated is the average credit score of the borrower, the loan-to-value ratio, the debt-to-income statistics, and the diversity of all these statistics across the borrower profile. As is true for all securities in the Company's portfolio, the entire mortgage-backed asset portfolio is reviewed for impairments at least quarterly. Additionally, reviews of specific mortgage-backed securities are made on a periodic basis by reviewing both the unrealized gain/loss as well as changes to the underlying statistics. Included in the analysis are current delinquency and default statistics, as well as the current and original levels of subordination on the security.
- (2) Direct exposure through investments in subprime mortgage loans - Not Applicable
- (3) Direct exposure through other investments - Not Applicable
- (4) Underwriting exposure to subprime mortgage risk through Mortgage Guaranty or Financial Guaranty insurance coverage - Not Applicable

#### G. Retained Assets - Not Applicable

#### H. Insurance-Linked Securities (ILS) Contracts - Not Applicable

#### I. The Amount That Could Be Realized on Life Insurance Where the Reporting Entity is Owner and Beneficiary or Has Otherwise Obtained Rights to Control the Policy - Not Applicable

### 22. Events Subsequent

Type I – Recognized Subsequent Events – No Type I subsequent events to report

Type II – Non-recognized Subsequent Events – No Type II subsequent events to report

Subsequent events have been considered through February 21, 2020.

### 23. Reinsurance

#### A. Ceded Reinsurance Report

##### Section 1 – General Interrogatories

- (1) Are any of the reinsurers, listed in Schedule S as non-affiliated, owned in excess of 10% or controlled, either directly or indirectly, by the company or by any representative, officer, trustee, or director of the company?  
Yes ( ) No (X)
- (2) Have any policies issued by the company been reinsured with a company chartered in a country other than the United States (excluding U.S. Branches of such companies) that is owned in excess of 10% or controlled directly or indirectly by an insured, a beneficiary, a creditor or any other person not primarily engaged in the insurance business?  
Yes ( ) No (X)

##### Section 2 – Ceded Reinsurance Report – Part A

- (1) Does the company have any reinsurance agreements in effect under which the reinsurer may unilaterally cancel any reinsurance for reasons other than for nonpayment of premium or other similar credits?  
Yes ( ) No (X)
- (2) Does the reporting entity have any reinsurance agreements in effect such that the amount of losses paid or accrued through the statement date may result in a payment to the reinsurer of amounts that, in aggregate and allowing for offset of mutual credits from other reinsurance agreements with the same reinsurer, exceed the total direct premium collected under the reinsured policies?  
Yes ( ) No (X)

##### Section 3 – Ceded Reinsurance Report – Part B

- (1) What is the estimated amount of the aggregate reduction in surplus, (for agreements other than those under which the reinsurer may unilaterally cancel for reasons other than for nonpayment of premium or other similar credits that are reflected in Section 2 above) of termination of ALL reinsurance agreements, by either party, as of the date of this statement? Where necessary, the company may consider the current or anticipated experience of the business reinsured in making this estimate. \$ –
- (2) Have any new agreements been executed or existing agreements amended, since January 1 of the year of this statement, to include policies or contracts that were in force or which had existing reserves established by the company as of the effective date of the agreement?  
Yes ( ) No (X)

#### B. Uncollectible Reinsurance - Not Applicable

#### C. Commutation of Ceded Reinsurance - Not Applicable

#### D. Certified Reinsurer Rating Downgraded or Status Subject to Revocation - Not Applicable

#### E. Reinsurance of Variable Annuity Contracts with an Affiliated Captive Reinsurer - Not Applicable

#### F. Reinsurance Agreement with an Affiliated Captive Reinsurer - Not Applicable

#### G. Ceding Entities That Utilize Captive Reinsurers to Assume Reserves Subject to the XXX/AXXX Captive Framework - Not Applicable

### 24. Retrospectively Rated Contracts & Contracts Subject to Redetermination - Not Applicable

**Notes to the Financial Statements**

25. **Change in Incurred Losses and Loss Adjustment Expenses** - Not Applicable

26. **Intercompany Pooling Arrangements** - Not Applicable

27. **Structured Settlements** - Not Applicable

28. **Health Care Receivables** - Not Applicable

29. **Participating Policies**

The Company does not have any participating policies.

30. **Premium Deficiency Reserves** - Not Applicable

31. **Reserves for Life Contracts and Annuity Contracts**

1. The Company waives deduction of deferred fractional premiums upon death of insured and returns any portion of the final premium beyond the date of death. The reserve for surrender values promised in excess of the legally computed reserves is shown in Exhibit 5, Section G, line 2.
2. Mean reserves for substandard policies are determined by computing the regular mean reserve for the policy and holding in addition one half of the extra premium charge for the year.
3. As of December 31, 2019, the Company had \$5,206,300,214 of insurance in force for which the gross premiums were less than that net premiums according to the standard valuation set by the State of Iowa. Reserves to cover the above shortfall in premium totaled \$191,101,528 at December 31, 2019, are calculated annually, and were included in reserves on Page 3, line 1 (Exhibit 5, Section G).
4. The tabular interest at December 31, 2019 (Page 7, Line 4), tabular less actual reserve released (Page 7, Line 5) and tabular cost (Page 7, Line 9) have been determined by formula as described in the NAIC instructions for Page 7.
5. The tabular interest on funds not involving life contingencies (Page 7, Part B, Line 3) has been determined in a manner consistent with that used for this item in Part A.
6. Details for Other Changes

There is no significant change in reserves showing on Exhibit 7, Line 4, or the "Other Increases (net)" line on Page 7, Line 7, as of December 31, 2019.

32. **Analysis of Annuity Actuarial Reserves and Deposit Type Contract Liabilities by Withdrawal Characteristics** - Not Applicable

33. **Analysis of Life Actuarial Reserves by Withdrawal Characteristics**

	General Account			Separate Account – Guaranteed and Nonguaranteed		
	Account Value	Cash Value	Reserve	Account Value	Cash Value	Reserve
A. Subject to discretionary withdrawal, surrender values, or policy loans:						
(1) Term Policies with Cash Value	\$	\$	\$	\$	\$	\$
(2) Universal Life						
(3) Universal Life with Secondary Guarantees	75,687,415	65,659,183	283,801,124			
(4) Indexed Universal Life						
(5) Indexed Universal Life with Secondary Guarantees	1,783,602,723	1,612,094,027	3,524,505,860			
(6) Indexed Life						
(7) Other Permanent Cash Value Life Insurance						
(8) Variable Life						
(9) Variable Universal Life						
(10) Miscellaneous Reserves						
B. Not subject to discretionary withdrawal or no cash values						
(1) Term Policies without Cash Value	XXX	XXX	108,138,504	XXX	XXX	
(2) Accidental Death Benefits	XXX	XXX		XXX	XXX	
(3) Disability - Active Lives	XXX	XXX		XXX	XXX	
(4) Disability - Disabled Lives	XXX	XXX		XXX	XXX	
(5) Miscellaneous Reserves	XXX	XXX	196,480,180	XXX	XXX	
C. Total (gross: direct + assumed)	\$ 1,859,290,138	\$ 1,677,753,210	\$ 4,112,925,668	\$	\$	\$
D. Reinsurance Ceded						
E. Total (net) (C) - (D)	<u>\$ 1,859,290,138</u>	<u>\$ 1,677,753,210</u>	<u>\$ 4,112,925,668</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>

**Notes to the Financial Statements**

**33. Analysis of Life Actuarial Reserves by Withdrawal Characteristics (Continued)**

	<u>Amount</u>
F.	
Life & Accident & Health Annual Statement:	
(1) Exhibit 5, Life Insurance Section, Total (net) .....	\$ 3,916,445,488
(2) Exhibit 5, Accidental Death Benefits Section, Total (net) .....	
(3) Exhibit 5, Disability – Active Lives Section, Total (net) .....	
(4) Exhibit 5, Disability – Disabled Lives Section, Total (net) .....	
(5) Exhibit 5, Miscellaneous Reserves Section, Total (net) .....	196,480,180
(6) Subtotal .....	<u>\$ 4,112,925,668</u>
Separate Accounts Annual Statement:	
(7) Exhibit 3, Line 0199999, Column 2 .....	
(8) Exhibit 3, Line 0499999, Column 2 .....	
(9) Exhibit 3, Line 0599999, Column 2 .....	
(10) Subtotal (Lines (7) through (9)) .....	
(11) Combined Total ((6) and (10)) .....	<u>\$ 4,112,925,668</u>

**34. Premiums and Annuity Considerations Deferred and Uncollected**

A. Deferred and Uncollected Life Insurance Premiums and Annuity Considerations

<u>Type</u>	<u>Gross</u>	<u>Net of Loading</u>
(1) Industrial .....	\$ .....	\$ .....
(2) Ordinary new business .....		
(3) Ordinary renewal .....	7,478,996	7,478,996
(4) Credit life .....		
(5) Group life .....		
(6) Group annuity .....		
(7) Totals .....	<u>\$ 7,478,996</u>	<u>\$ 7,478,996</u>

**35. Separate Accounts - Not Applicable**

**36. Loss/Claim Adjustment Expenses**

The Company does not have any loss/claim adjustment expenses.

**GENERAL INTERROGATORIES**

**PART 1 - COMMON INTERROGATORIES  
GENERAL**

- 1.1 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, 1A and 2
- 1.2 If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent, or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations? ..... Yes [ X ] No [ ] N/A [ ]
- 1.3 State Regulating? ..... Iowa
- 1.4 Is the reporting entity publicly traded or a member of a publicly traded group? ..... Yes [ ] No [ X ]
- 1.5 If the response to 1.4 is yes, provide the CIK (Central Index Key) code issued by the SEC for the entity/group. ....
- 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 State as of what date the latest financial examination of the reporting entity was made or is being made. .... 12/31/2014
- 3.2 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. .... 12/31/2014
- 3.3 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). .... 04/29/2016
- 3.4 By what department or departments?  
Iowa insurance Department .....
- 3.5 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 ]
- 3.6 Have all of the recommendations within the latest financial examination report been complied with? ..... Yes [ ] No [ ] N/A [ X ]
- 4.1 During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity), receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:  
4.11 sales of new business? ..... Yes [ ] No [ X ]  
4.12 renewals? ..... Yes [ ] No [ X ]
- 4.2 During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:  
4.21 sales of new business? ..... Yes [ ] No [ X ]  
4.22 renewals? ..... Yes [ ] No [ X ]
- 5.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? ..... Yes [ ] No [ X ]  
If yes, complete and file the merger history data file with the NAIC.
- 5.2 If yes, provide the name of the 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

- 6.1 Has the 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 ]
- 6.2 If yes, give full information: .....
- 7.1 Does any foreign (non-United States) person or entity directly or indirectly control 10% or more of the reporting entity? ..... Yes [ X ] No [ ]
- 7.2 If yes,  
7.21 State the percentage of foreign control; ..... 100.0 %  
7.22 State the nationality(s) of the foreign person(s) or entity(s) or if the entity is a mutual or reciprocal, the nationality of its manager or attorney-in-fact; and identify the type of entity(s) (e.g., individual, corporation or government, manager or attorney in fact).

1 Nationality	2 Type of Entity
Bermuda .....	Corporation .....

ANNUAL STATEMENT FOR THE YEAR 2019 OF THE Cape Verity III, Inc.

**GENERAL INTERROGATORIES**

- 8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board? ..... Yes [ X ] No [ ]
- 8.2 If response to 8.1 is yes, please identify the name of the bank holding company.  
The Goldman Sachs Group, Inc. ....
- 8.3 Is the company affiliated with one or more banks, thrifts or securities firms? ..... Yes [ X ] No [ ]
- 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
The Goldman Sachs Group, Inc. ....	New York, NY .....	YES	NO	NO	YES
Goldman Sachs & Co. ....	New York, NY .....	NO	YES	NO	YES
Goldman Sachs Execution & Clearing, L.P. ....	Jersey City, NJ .....	NO	YES	NO	YES
Goldman Sachs Financial Markets, L.P. ....	New York, NY .....	NO	NO	NO	YES
REDI Global Technologies LLC .....	New York, NY .....	NO	NO	NO	YES
Epoch Securities, Inc. ....	New York, NY .....	NO	NO	NO	YES
The Goldman Sachs Trust Company, N.A. ....	New York, NY .....	NO	YES	YES	NO
Goldman Sachs Bank USA .....	Salt Lake City, UT .....	YES	NO	YES	NO
Goldman Sachs Asset Management, L.P. ....	New York, NY .....	NO	NO	NO	YES
Mercer Allied Company, L.P. ....	Saratoga Springs, NY .....	NO	NO	NO	YES
Forethought Investment Advisors, LLC .....	Indianapolis, IN .....	NO	NO	NO	YES
Forethought Distributors, LLC .....	Simsbury, CT .....	NO	NO	NO	YES

9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?  
Pricewaterhouse Coopers, 699 Walnut Street, Des Moines, IA 50310
- 10.1 Has the insurer been granted any exemptions to the prohibited non-audit services provided by the certified independent public accountant requirements as allowed in Section 7H of the Annual Financial Reporting Model Regulation (Model Audit Rule), or substantially similar state law or regulation? ..... Yes [ ] No [ X ]
- 10.2 If the response to 10.1 is yes, provide information related to this exemption: .....
- 10.3 Has the insurer been granted any exemptions related to the other requirements of the Annual Financial Reporting Model Regulation as allowed for in Section 18A of the Model Regulation, or substantially similar state law or regulation? ..... Yes [ ] No [ X ]
- 10.4 If the response to 10.3 is yes, provide information related to this exemption: .....
- 10.5 Has the reporting entity established an Audit Committee in compliance with the domiciliary state insurance laws? ..... Yes [ X ] No [ ] N/A [ ]
- 10.6 If the response to 10.5 is no or n/a, please explain .....
11. What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with an actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?  
Bryan Nelson, 215 10th Street, Suite 1100, Des Moines, IA 50309, Vice President, Chief Actuary, and Appointed Actuary .....
- 12.1 Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly? ..... Yes [ ] No [ X ]
- 12.11 Name of real estate holding company .....
- 12.12 Number of parcels involved .....
- 12.13 Total book/adjusted carrying value ..... \$ .....
- 12.2 If, yes provide explanation: .....
13. **FOR UNITED STATES BRANCHES OF ALIEN REPORTING ENTITIES ONLY:**
- 13.1 What changes have been made during the year in the United States manager or the United States trustees of the reporting entity? .....
- 13.2 Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located? ..... Yes [ ] No [ ]
- 13.3 Have there been any changes made to any of the trust indentures during the year? ..... Yes [ ] No [ ]
- 13.4 If answer to (13.3) is yes, has the domiciliary or entry state approved the changes? ..... Yes [ ] No [ ] N/A [ ]
- 14.1 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.
- 14.11 If the response to 14.1 is No, please explain: .....
- 14.2 Has the code of ethics for senior managers been amended? ..... Yes [ ] No [ X ]
- 14.21 If the response to 14.2 is yes, provide information related to amendment(s). .....
- 14.3 Have any provisions of the code of ethics been waived for any of the specified officers? ..... Yes [ ] No [ X ]
- 14.31 If the response to 14.3 is yes, provide the nature of any waiver(s). .....



**GENERAL INTERROGATORIES**

- 15.1 Is the reporting entity the beneficiary of a Letter of Credit that is unrelated to reinsurance where the issuing or confirming bank is not on the SVO Bank List? ..... Yes [ ] No [ X ]
- 15.2 If the response to 15.1 is yes, indicate the American Bankers Association (ABA) Routing Number and the name of the issuing or confirming bank of the Letter of Credit and describe the circumstances in which the Letter of Credit is triggered.

1 American Bankers Association (ABA) Routing Number	2 Issuing or Confirming Bank Name	3 Circumstances That Can Trigger the Letter of Credit	4 Amount

**BOARD OF DIRECTORS**

16. Is the purchase or sale of all investments of the reporting entity passed upon either by the board of directors or a subordinate committee thereof? ..... Yes [ X ] No [ ]
17. Does the reporting entity keep a complete permanent record of the proceedings of its board of directors and all subordinate committees thereof? ..... Yes [ X ] No [ ]
18. Has the reporting entity an established procedure for disclosure to its board of directors or trustees of any material interest or affiliation on the part of any of its officers, directors, trustees or responsible employees that is in conflict with the official duties of such person? ..... Yes [ X ] No [ ]

**FINANCIAL**

19. Has this statement been prepared using a basis of accounting other than Statutory Accounting Principles (e.g., Generally Accepted Accounting Principles)? ..... Yes [ ] No [ X ]
- 20.1 Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):
- 20.11 To directors or other officers.....\$ .....
  - 20.12 To stockholders not officers.....\$ .....
  - 20.13 Trustees, supreme or grand (Fraternal Only) .....\$ .....
- 20.2 Total amount of loans outstanding at the end of year (inclusive of Separate Accounts, exclusive of policy loans):
- 20.21 To directors or other officers.....\$ .....
  - 20.22 To stockholders not officers.....\$ .....
  - 20.23 Trustees, supreme or grand (Fraternal Only) .....\$ .....
- 21.1 Were any assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reported in the statement? ..... Yes [ ] No [ X ]
- 21.2 If yes, state the amount thereof at December 31 of the current year:
- 21.21 Rented from others.....\$ .....
  - 21.22 Borrowed from others.....\$ .....
  - 21.23 Leased from others .....\$ .....
  - 21.24 Other .....\$ .....
- 22.1 Does this statement include payments for assessments as described in the Annual Statement Instructions other than guaranty fund or guaranty association assessments? ..... Yes [ ] No [ X ]
- 22.2 If answer is yes:
- 22.21 Amount paid as losses or risk adjustment \$ .....
  - 22.22 Amount paid as expenses .....\$ .....
  - 22.23 Other amounts paid .....\$ .....
- 23.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? ..... Yes [ ] No [ X ]
- 23.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: .....\$ .....

**INVESTMENT**

- 24.01 Were all the stocks, bonds and other securities owned December 31 of current year, over which the reporting entity has exclusive control, in the actual possession of the reporting entity on said date? (other than securities lending programs addressed in 24.03)..... Yes [ X ] No [ ]
- 24.02 If no, give full and complete information relating thereto  
.....
- 24.03 For security lending programs, provide a description of the program including value for collateral and amount of loaned securities, and whether collateral is carried on or off-balance sheet. (an alternative is to reference Note 17 where this information is also provided)  
.....
- 24.04 Does the Company's security lending program meet the requirements for a conforming program as outlined in the Risk-Based Capital Instructions? ..... Yes [ ] No [ ] N/A [ X ]
- 24.05 If answer to 24.04 is yes, report amount of collateral for conforming programs. ....\$ .....
- 24.06 If answer to 24.04 is no, report amount of collateral for other programs. ....\$ .....
- 24.07 Does your securities lending program require 102% (domestic securities) and 105% (foreign securities) from the counterparty at the outset of the contract? ..... Yes [ ] No [ ] N/A [ X ]
- 24.08 Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%? ..... Yes [ ] No [ ] N/A [ X ]
- 24.09 Does the reporting entity or the reporting entity 's securities lending agent utilize the Master Securities lending Agreement (MSLA) to conduct securities lending? ..... Yes [ ] No [ ] N/A [ X ]

ANNUAL STATEMENT FOR THE YEAR 2019 OF THE Cape Verity III, Inc.

**GENERAL INTERROGATORIES**

24.10 For the reporting entity's security lending program state the amount of the following as December 31 of the current year:

- 24.101 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2 .....\$ .....
- 24.102 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2 .....\$ .....
- 24.103 Total payable for securities lending reported on the liability page .....\$ .....

25.1 Were any of the stocks, bonds or other assets of the reporting entity owned at December 31 of the current year not exclusively under the control of the reporting entity, or has the reporting entity sold or transferred any assets subject to a put option contract that is currently in force? (Exclude securities subject to Interrogatory 21.1 and 24.03) ..... Yes [ ] No [ X ]

- 25.2 If yes, state the amount thereof at December 31 of the current year:
- 25.21 Subject to repurchase agreements .....\$ .....
  - 25.22 Subject to reverse repurchase agreements .....\$ .....
  - 25.23 Subject to dollar repurchase agreements .....\$ .....
  - 25.24 Subject to reverse dollar repurchase agreements .....\$ .....
  - 25.25 Placed under option agreements .....\$ .....
  - 25.26 Letter stock or securities restricted as to sale - excluding FHLB Capital Stock .....\$ .....
  - 25.27 FHLB Capital Stock .....\$ .....
  - 25.28 On deposit with states .....\$ .....
  - 25.29 On deposit with other regulatory bodies .....\$ .....
  - 25.30 Pledged as collateral - excluding collateral pledged to an FHLB .....\$ .....
  - 25.31 Pledged as collateral to FHLB - including assets backing funding agreements .....\$ .....
  - 25.32 Other .....\$ .....

25.3 For category (25.26) provide the following:

1 Nature of Restriction	2 Description	3 Amount

26.1 Does the reporting entity have any hedging transactions reported on Schedule DB? ..... Yes [ ] No [ X ]

26.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? ..... Yes [ ] No [ ] N/A [ X ]  
If no, attach a description with this statement.

**LINES 26.3 through 26.5: FOR LIFE/FRATERNAL REPORTING ENTITIES ONLY:**

26.3 Does the reporting entity utilize derivatives to hedge variable annuity guarantees subject to fluctuations as a result of interest rate sensitivity? .. Yes [ ] No [ X ]

- 26.4 If the response to 26.3 is YES, does the reporting entity utilize:
- 26.41 Special accounting provision of SSAP No. 108 ..... Yes [ ] No [ ]
  - 26.42 Permitted accounting practice ..... Yes [ ] No [ ]
  - 26.43 Other accounting guidance ..... Yes [ ] No [ ]

26.5 By responding YES to 26.41 regarding utilizing the special accounting provisions of SSAP No. 108, the reporting entity attests to the following: ..... Yes [ ] No [ ]

- The reporting entity has obtained explicit approval from the domiciliary state.
- Hedging strategy subject to the special accounting provisions is consistent with the requirements of VM-21.
- Actuarial certification has been obtained which indicates that the hedging strategy is incorporated within the establishment of VM-21 reserves and provides the impact of the hedging strategy within the Actuarial Guideline Conditional Tail Expectation Amount.
- Financial Officer Certification has been obtained which indicates that the hedging strategy meets the definition of a Clearly Defined Hedging Strategy within VM-21 and that the Clearly Defined Hedging Strategy is the hedging strategy being used by the company in its actual day-to-day risk mitigation efforts.

27.1 Were any preferred stocks or bonds owned as of December 31 of the current year mandatorily convertible into equity, or, at the option of the issuer, convertible into equity? ..... Yes [ ] No [ X ]

27.2 If yes, state the amount thereof at December 31 of the current year. ....\$ .....

28. 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?..... Yes [ X ] No [ ]

28.01 For agreements that comply with the requirements of the NAIC Financial Condition Examiners Handbook, complete the following:

1 Name of Custodian(s)	2 Custodian's Address

ANNUAL STATEMENT FOR THE YEAR 2019 OF THE Cape Verity III, Inc.

**GENERAL INTERROGATORIES**

28.02 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)

28.03 Have there been any changes, including name changes, in the custodian(s) identified in 28.01 during the current year?..... Yes [ ] No [ X ]

28.04 If yes, give full and complete information relating thereto:

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

28.05 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
Internal Global Atlantic Investment Team .....	I.....
Goldman Sachs Asset Management CLO, Corp. ....	A.....
Hartford Investment Management Company .....	U.....

28.0597 For those firms/individuals listed in the table for Question 28.05, do any firms/individuals unaffiliated with the reporting entity (i.e. designated with a "U") manage more than 10% of the reporting entity's invested assets?..... Yes [ ] No [ X ]

28.0598 For firms/individuals unaffiliated with the reporting entity (i.e. designated with a "U") listed in the table for Question 28.05, does the total assets under management aggregate to more than 50% of the reporting entity's invested assets?..... Yes [ ] No [ X ]

28.06 For those firms or individuals listed in the table for 28.05 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
107738 .....	Goldman Sachs Asset Management CLO, Corp. ....	5493000C7DKPYVEOMA87 .....		OS.....
106699 .....	Hartford Investment Management Company .....	FE0BULMG7PY8B4MG7C65 .....		NO.....

29.1 Does the reporting entity have any diversified mutual funds reported in Schedule D, Part 2 (diversified according to the Securities and Exchange Commission (SEC) in the Investment Company Act of 1940 [Section 5(b)(1)])? ..... Yes [ ] No [ X ]

29.2 If yes, complete the following schedule:

1 CUSIP #	2 Name of Mutual Fund	3 Book/Adjusted Carrying Value
29.2999 - Total		

29.3 For each mutual fund listed in the table above, complete the following schedule:

1 Name of Mutual Fund (from above table)	2 Name of Significant Holding of the Mutual Fund	3 Amount of Mutual Fund's Book/Adjusted Carrying Value Attributable to the Holding	4 Date of Valuation

**GENERAL INTERROGATORIES**

30. Provide the following information for all short-term and long-term bonds and all preferred stocks. Do not substitute amortized value or statement value for fair value.

	1 Statement (Admitted) Value	2 Fair Value	3 Excess of Statement over Fair Value (-), or Fair Value over Statement (+)
30.1 Bonds .....	136,696,963	151,490,571	14,793,608
30.2 Preferred stocks .....			
30.3 Totals	136,696,963	151,490,571	14,793,608

30.4 Describe the sources or methods utilized in determining the fair values:

Fair values are generally derived using external independent pricing vendors and validated by comparing to broker quotes, recent open market trades and/or internally developed pricing models. ....

31.1 Was the rate used to calculate fair value determined by a broker or custodian for any of the securities in Schedule D? ..... Yes [ ] No [ X ]

31.2 If the answer to 31.1 is yes, does the reporting entity have a copy of the broker's or custodian's pricing policy (hard copy or electronic copy) for all brokers or custodians used as a pricing source? ..... Yes [ ] No [ ]

31.3 If the answer to 31.2 is no, describe the reporting entity's process for determining a reliable pricing source for purposes of disclosure of fair value for Schedule D:  
.....

32.1 Have all the filing requirements of the Purposes and Procedures Manual of the NAIC Investment Analysis Office been followed? ..... Yes [ X ] No [ ]

32.2 If no, list exceptions:  
.....

33. By self-designating 5GI securities, the reporting entity is certifying the following elements of each self-designated 5GI security:  
 a. Documentation necessary to permit a full credit analysis of the security does not exist or an NAIC CRP credit rating for an FE or PL security is not available.  
 b. Issuer or obligor is current on all contracted interest and principal payments.  
 c. The insurer has an actual expectation of ultimate payment of all contracted interest and principal.  
 Has the reporting entity self-designated 5GI securities? ..... Yes [ ] No [ X ]

34. By self-designating PLGI securities, the reporting entity is certifying the following elements of each self-designated PLGI security:  
 a. The security was purchased prior to January 1, 2018.  
 b. The reporting entity is holding capital commensurate with the NAIC Designation reported for the security.  
 c. The NAIC Designation was derived from the credit rating assigned by an NAIC CRP in its legal capacity as a NRSRO which is shown on a current private letter rating held by the insurer and available for examination by state insurance regulators.  
 d. The reporting entity is not permitted to share this credit rating of the PL security with the SVO.  
 Has the reporting entity self-designated PLGI securities? ..... Yes [ ] No [ X ]

35. By assigning FE to a Schedule BA non-registered private fund, the reporting entity is certifying the following elements of each self-designated FE fund:  
 a. The shares were purchased prior to January 1, 2019.  
 b. The reporting entity is holding capital commensurate with the NAIC Designation reported for the security.  
 c. The security had a public credit rating(s) with annual surveillance assigned by an NAIC CRP in its legal capacity as an NRSRO prior to January 1, 2019.  
 d. The fund only or predominantly holds bonds in its portfolio.  
 e. The current reported NAIC Designation was derived from the public credit rating(s) with annual surveillance assigned by an NAIC CRP in its legal capacity as an NRSRO.  
 f. The public credit rating(s) with annual surveillance assigned by an NAIC CRP has not lapsed.  
 Has the reporting entity assigned FE to Schedule BA non-registered private funds that complied with the above criteria? ..... Yes [ ] No [ X ]

**OTHER**

36.1 Amount of payments to trade associations, service organizations and statistical or rating bureaus, if any? ..... \$ .....

36.2 List the name of the organization and the amount paid if any such payment represented 25% or more of the total payments to trade associations, service organizations and statistical or rating bureaus during the period covered by this statement.

1 Name	2 Amount Paid
.....	

**GENERAL INTERROGATORIES**

37.1 Amount of payments for legal expenses, if any? .....\$ .....

37.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payments for legal expenses during the period covered by this statement.

1 Name	2 Amount Paid
.....	.....

38.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers or departments of government, if any? .....\$ .....

38.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payment expenditures in connection with matters before legislative bodies, officers or departments of government during the period covered by this statement.

1 Name	2 Amount Paid
.....	.....

**GENERAL INTERROGATORIES**

**PART 2 - LIFE, ACCIDENT AND HEALTH COMPANIES/FRATERNAL BENEFIT SOCIETIES INTERROGATORIES**

**Life, Accident and Health Companies/Fraternal Benefit Societies:**

- 1.1 Does the reporting entity have any direct Medicare Supplement Insurance in force? ..... Yes [ ] No [ X ]
- 1.2 If yes, indicate premium earned on U.S. business only ..... \$
- 1.3 What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit? ..... \$
- 1.31 Reason for excluding:  
.....
- 1.4 Indicate amount of earned premium attributable to Canadian and/or Other Alien not included in Item (1.2) above. .... \$
- 1.5 Indicate total incurred claims on all Medicare Supplement insurance. .... \$
- 1.6 Individual policies:
- Most current three years:
- 1.61 Total premium earned ..... \$
- 1.62 Total incurred claims ..... \$
- 1.63 Number of covered lives .....
- All years prior to most current three years
- 1.64 Total premium earned ..... \$
- 1.65 Total incurred claims ..... \$
- 1.66 Number of covered lives .....
- 1.7 Group policies:
- Most current three years:
- 1.71 Total premium earned ..... \$
- 1.72 Total incurred claims ..... \$
- 1.73 Number of covered lives .....
- All years prior to most current three years
- 1.74 Total premium earned ..... \$
- 1.75 Total incurred claims ..... \$
- 1.76 Number of covered lives .....

2. Health Test:

	1 Current Year	2 Prior Year
2.1 Premium Numerator .....		
2.2 Premium Denominator .....	2,246,377,134	28,939,828
2.3 Premium Ratio (2.1/2.2) .....	0.000	0.000
2.4 Reserve Numerator .....		
2.5 Reserve Denominator .....	3,916,445,488	805,356,946
2.6 Reserve Ratio (2.4/2.5) .....	0.000	0.000

- 3.1 Does this reporting entity have Separate Accounts? ..... Yes [ ] No [ X ]
- 3.2 If yes, has a Separate Accounts Statement been filed with this Department? ..... Yes [ ] No [ ] N/A [ X ]
- 3.3 What portion of capital and surplus funds of the reporting entity covered by assets in the Separate Accounts statement, is not currently distributable from the Separate Accounts to the general account for use by the general account? ..... \$
- 3.4 State the authority under which Separate Accounts are maintained:  
.....
- 3.5 Was any of the reporting entity's Separate Accounts business reinsured as of December 31? ..... Yes [ ] No [ X ]
- 3.6 Has the reporting entity assumed by reinsurance any Separate Accounts business as of December 31? ..... Yes [ ] No [ X ]
- 3.7 If the reporting entity has assumed Separate Accounts business, how much, if any, reinsurance assumed receivable for reinsurance of Separate Accounts reserve expense allowances is included as a negative amount in the liability for "Transfers to Separate Accounts due or accrued (net)"? ..... \$
4. For reporting entities having sold annuities to another insurer where the insurer purchasing the annuities has obtained a release of liability from the claimant (payee) as the result of the purchase of an annuity from the reporting entity only:
- 4.1 Amount of loss reserves established by these annuities during the current year: ..... \$
- 4.2 List the name and location of the insurance company purchasing the annuities and the statement value on the purchase date of the annuities.

1	2 Statement Value on Purchase Date of Annuities (i.e., Present Value)
P&C Insurance Company And Location	

# GENERAL INTERROGATORIES

## PART 2 - LIFE, ACCIDENT AND HEALTH COMPANIES/FRATERNAL BENEFIT SOCIETIES INTERROGATORIES

- 5.1 Do you act as a custodian for health savings accounts? ..... Yes [ ] No [ X ]
- 5.2 If yes, please provide the amount of custodial funds held as of the reporting date. .... \$ .....
- 5.3 Do you act as an administrator for health savings accounts? ..... Yes [ ] No [ X ]
- 5.4 If yes, please provide the balance of funds administered as of the reporting date. .... \$ .....
- 6.1 Are any of the captive affiliates reported on Schedule S, Part 3, authorized reinsurers? ..... Yes [ ] No [ ] N/A [ X ]
- 6.2 If the answer to 6.1 is yes, please provide the following:

1 Company Name	2 NAIC Company Code	3 Domiciliary Jurisdiction	4 Reserve Credit	Assets Supporting Reserve Credit		
				5 Letters of Credit	6 Trust Agreements	7 Other

7. Provide the following for individual ordinary life insurance\* policies (U.S. business only) for the current year (prior to reinsurance assumed or ceded):
- 7.1 Direct Premium Written ..... \$ .....
- 7.2 Total Incurred Claims ..... \$ .....
- 7.3 Number of Covered Lives ..... .....

*Ordinary Life Insurance Includes
Term (whether full underwriting, limited underwriting, jet issue, "short form app")
Whole Life (whether full underwriting, limited underwriting, jet issue, "short form app")
Variable Life (with or without secondary gurarantee)
Universal Life (with or without secondary gurarantee)
Variable Universal Life (with or without secondary gurarantee)

8. Is the reporting entity licensed or chartered, registered, qualified, eligible or writing business in at least two states? ..... Yes [ ] No [ X ]
- 8.1 If no, does the reporting entity assume reinsurance business that covers risks residing in at least one state other than the state of domicile of the reporting entity? ..... Yes [ X ] No [ ]

**Life, Accident and Health Companies Only:**

- 9.1 Are personnel or facilities of this reporting entity used by another entity or entities or are personnel or facilities of another entity or entities used by this reporting entity (except for activities such as administration of jointly underwritten group contracts and joint mortality or morbidity studies)? ..... Yes [ ] No [ X ]
- 9.2 Net reimbursement of such expenses between reporting entities:
- 9.21 Paid ..... \$ .....
- 9.22 Received ..... \$ .....
- 10.1 Does the reporting entity write any guaranteed interest contracts? ..... Yes [ ] No [ X ]
- 10.2 If yes, what amount pertaining to these lines is included in:
- 10.21 Page 3, Line 1 ..... \$ .....
- 10.22 Page 4, Line 1 ..... \$ .....
11. For stock reporting entities only:
- 11.1 Total amount paid in by stockholders as surplus funds since organization of the reporting entity: ..... \$ .....
12. Total dividends paid stockholders since organization of the reporting entity:
- 12.11 Cash ..... \$ .....
- 12.12 Stock ..... \$ .....
- 13.1 Does the reporting entity reinsure any Workers' Compensation Carve-Out business defined as: ..... Yes [ ] No [ X ]  
 Reinsurance (including retrocessional reinsurance) assumed by life and health insurers of medical, wage loss and death benefits of the occupational illness and accident exposures, but not the employers liability exposures, of business originally written as workers' compensation insurance.
- 13.2 If yes, has the reporting entity completed the Workers' Compensation Carve-Out Supplement to the Annual Statement? ..... Yes [ ] No [ ]
- 13.3 If 13.1 is yes, the amounts of earned premiums and claims incurred in this statement are:

	1 Reinsurance Assumed	2 Reinsurance Ceded	3 Net Retained
13.31 Earned premium			
13.32 Paid claims			
13.33 Claim liability and reserve (beginning of year)			
13.34 Claim liability and reserve (end of year)			
13.35 Incurred claims			

# GENERAL INTERROGATORIES

## PART 2 - LIFE, ACCIDENT AND HEALTH COMPANIES/FRATERNAL BENEFIT SOCIETIES INTERROGATORIES

13.4 If reinsurance assumed included amounts with attachment points below \$1,000,000, the distribution of the amounts reported in Lines 13.31 and 13.34 for Column (1) are:

	Attachment Point	1 Earned Premium	2 Claim Liability and Reserve
13.41	<\$25,000	.....	.....
13.42	\$25,000 - 99,999	.....	.....
13.43	\$100,000 - 249,999	.....	.....
13.44	\$250,000 - 999,999	.....	.....
13.45	\$1,000,000 or more	.....	.....

13.5 What portion of earned premium reported in 13.31, Column 1 was assumed from pools? ..... \$ .....

**Fraternal Benefit Societies Only:**

- 14. Is the reporting entity organized and conducted on the lodge system, with ritualistic form of work and representative form of government? ..... Yes [ ] No [ ]
- 15. How often are meetings of the subordinate branches required to be held?  
.....
- 16. How are the subordinate branches represented in the supreme or governing body?  
.....
- 17. What is the basis of representation in the governing body?  
.....
- 18.1 How often are regular meetings of the governing body held?  
.....
- 18.2 When was the last regular meeting of the governing body held? .....
- 18.3 When and where will the next regular or special meeting of the governing body be held?  
.....
- 18.4 How many members of the governing body attended the last regular meeting? .....
- 18.5 How many of the same were delegates of the subordinate branches? .....
- 19. How are the expenses of the governing body defrayed?  
.....
- 20. When and by whom are the officers and directors elected?  
.....
- 21. What are the qualifications for membership?  
.....
- 22. What are the limiting ages for admission?  
.....
- 23. What is the minimum and maximum insurance that may be issued on any one life?  
.....
- 24. Is a medical examination required before issuing a benefit certificate to applicants? ..... Yes [ ] No [ ]
- 25. Are applicants admitted to membership without filing an application with and becoming a member of a local branch by ballot and initiation? ..... Yes [ ] No [ ]
- 26.1 Are notices of the payments required sent to the members? ..... Yes [ ] No [ ] N/A [ ]
- 26.2 If yes, do the notices state the purpose for which the money is to be used? ..... Yes [ ] No [ ]
- 27. What proportion of first and subsequent year's payments may be used for management expenses?  
27.11 First Year ..... %  
27.12 Subsequent Years ..... %
- 28.1 Is any part of the mortuary, disability, emergency or reserve fund, or the accretions from or payments for the same, used for expenses? ..... Yes [ ] No [ ]
- 28.2 If so, what amount and for what purpose? ..... \$ .....
- 29.1 Does the reporting entity pay an old age disability benefit? ..... Yes [ ] No [ ]
- 29.2 If yes, at what age does the benefit commence? .....
- 30.1 Has the constitution or have the laws of the reporting entity been amended during the year? ..... Yes [ ] No [ ]
- 30.2 If yes, when?  
.....
- 31. Have you filed with this Department all forms of benefit certificates issued, a copy of the constitution and all of the laws, rules and regulations in force at the present time? ..... Yes [ ] No [ ]
- 32.1 State whether all or a portion of the regular insurance contributions were waived during the current year under premium-paying certificates on account of meeting attained age or membership requirements? ..... Yes [ ] No [ ]
- 32.2 If so, was an additional reserve included in Exhibit 5? ..... Yes [ ] No [ ] N/A [ ]
- 32.3 If yes, explain  
.....
- 33.1 Has the reporting entity reinsured, amalgamated with, or absorbed any company, order, society, or association during the year? ..... Yes [ ] No [ ]
- 33.2 If yes, was there any contract agreement, or understanding, written or oral, expressed or implied, by means of which any officer, director, trustee, or any other person, or firm, corporation, society or association, received or is to receive any fee, commission, emolument, or compensation of any nature whatsoever in connection with, on an account of such reinsurance, amalgamation, absorption, or transfer of membership or funds? ..... Yes [ ] No [ ] N/A [ ]
- 34. Has any present or former officer, director, trustee, incorporator, or any other persons, or any firm, corporation, society or association, any claims of any nature whatsoever against this reporting entity, which is not included in the liabilities on Page 3 of this statement? ..... Yes [ ] No [ ]
- 35.1 Does the reporting entity have outstanding assessments in the form of liens against policy benefits that have increased surplus? ..... Yes [ ] No [ ]
- 35.2 If yes, what is the date of the original lien and the total outstanding balance of liens that remain in surplus?

Date	Outstanding Lien Amount
.....	.....



ANNUAL STATEMENT FOR THE YEAR 2019 OF THE Cape Verity III, Inc.

**FIVE-YEAR HISTORICAL DATA**

Show amounts in whole dollars only, no cents; show percentages to one decimal place, i.e. 17.6.  
\$000 omitted for amounts of life insurance

	1 2019	2 2018	3 2017	4 2016	5 2015
<b>Life Insurance in Force</b> (Exhibit of Life Insurance)					
1. Ordinary - whole life and endowment (Line 34, Col. 4) .....	15,492,177	3,536,664	3,572,389	3,741,723	3,866,110
2. Ordinary - term (Line 21, Col. 4, less Line 34, Col. 4) .....	945,667	945,667	1,108,532	1,108,532	1,055,441
3. Credit life (Line 21, Col. 6) .....					
4. Group, excluding FEGLI/SGLI (Line 21, Col. 9 less Lines 43 & 44, Col. 4) .....					
5. Industrial (Line 21, Col. 2) .....					
6. FEGLI/SGLI (Lines 43 & 44, Col. 4) .....					
7. Total (Line 21, Col. 10) .....	16,437,844	4,482,331	4,680,921	4,850,255	4,921,551
7.1 Total in force for which VM-20 deterministic/stochastic reserves are calculated .....				XXX	XXX
<b>New Business Issued</b> (Exhibit of Life Insurance)					
8. Ordinary - whole life and endowment (Line 34, Col. 2) .....					
9. Ordinary - term (Line 2, Col. 4, less Line 34, Col. 2) .....					
10. Credit life (Line 2, Col. 6) .....					
11. Group (Line 2, Col. 9) .....					
12. Industrial (Line 2, Col. 2) .....					
13. Total (Line 2, Col. 10) .....					
<b>Premium Income - Lines of Business</b> (Exhibit 1 - Part 1)					
14. Industrial life (Line 20.4, Col. 2) .....					
15.1 Ordinary-life insurance (Line 20.4, Col. 3) .....	2,246,377,134	28,939,828	34,103,399	36,291,966	37,917,949
15.2 Ordinary-individual annuities (Line 20.4, Col. 4) .....					
16. Credit life (group and individual) (Line 20.4, Col. 5) .....					
17.1 Group life insurance (Line 20.4, Col. 6) .....					
17.2 Group annuities (Line 20.4, Col. 7) .....					
18.1 A & H-group (Line 20.4, Col. 8) .....					
18.2 A & H-credit (group and individual) (Line 20.4, Col. 9) .....					
18.3 A & H-other (Line 20.4, Col. 10) .....					
19. Aggregate of all other lines of business (Line 20.4, Col. 11) .....					
20. Total .....	2,246,377,134	28,939,828	34,103,399	36,291,966	37,917,949
<b>Balance Sheet (Pages 2 &amp; 3)</b>					
21. Total admitted assets excluding Separate Accounts business (Page 2, Line 26, Col. 3) .....	4,454,373,074	938,738,169	881,980,810	816,397,794	747,288,762
22. Total liabilities excluding Separate Accounts business (Page 3, Line 26) .....	4,197,037,722	869,474,365	815,612,817	757,298,854	686,449,212
23. Aggregate life reserves (Page 3, Line 1) .....	4,112,925,668	833,505,182	783,646,547	728,918,163	664,218,692
23.1 Excess VM-20 deterministic/stochastic reserve over NPR related to Line 7.1 .....				XXX	XXX
24. Aggregate A & H reserves (Page 3, Line 2) .....					
25. Deposit-type contract funds (Page 3, Line 3) .....					
26. Asset valuation reserve (Page 3, Line 24.01) .....	344,695	105,938	77,482	84,891	81,535
27. Capital (Page 3, Lines 29 and 30) .....	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000
28. Surplus (Page 3, Line 37) .....	254,835,352	66,763,804	63,867,993	56,598,940	58,339,550
<b>Cash Flow (Page 5)</b>					
29. Net Cash from Operations (Line 11) .....	(8,095,914)	4,007,509	2,643,332	2,511,795	(15,267,751)
<b>Risk-Based Capital Analysis</b>					
30. Total adjusted capital .....	257,680,047	69,369,742	66,445,475	59,183,831	60,921,085
31. Authorized control level risk - based capital .....	25,670,271	5,756,345	4,777,938	4,725,302	4,168,324
<b>Percentage Distribution of Cash, Cash Equivalents and Invested Assets</b> (Page 2, Col. 3) (Line No. /Page 2, Line 12, Col. 3) x 100.0					
32. Bonds (Line 1) .....	82.3	67.4	64.7	68.0	84.9
33. Stocks (Lines 2.1 and 2.2) .....					
34. Mortgage loans on real estate(Lines 3.1 and 3.2) .....					
35. Real estate (Lines 4.1, 4.2 and 4.3) .....					
36. Cash, cash equivalents and short-term investments (Line 5) .....	5.5	21.9	20.8	17.8	2.1
37. Contract loans (Line 6) .....	12.2	10.7	14.4	14.2	13.0
38. Derivatives (Page 2, Line 7) .....					
39. Other invested assets (Line 8) .....					
40. Receivables for securities (Line 9) .....					
41. Securities lending reinvested collateral assets (Line 10) .....					
42. Aggregate write-ins for invested assets (Line 11) .....					
43. Cash, cash equivalents and invested assets (Line 12) .....	100.0	100.0	100.0	100.0	100.0

**FIVE-YEAR HISTORICAL DATA**

(Continued)

	1 2019	2 2018	3 2017	4 2016	5 2015
<b>Investments in Parent, Subsidiaries and Affiliates</b>					
44. Affiliated bonds (Schedule D Summary, Line 12, Col. 1) .....					
45. Affiliated preferred stocks (Schedule D Summary, Line 18, Col. 1) .....					
46. Affiliated common stocks (Schedule D Summary Line 24, Col. 1), .....					
47. Affiliated short-term investments (subtotal included in Schedule DA Verification, Col. 5, Line 10) .....					
48. Affiliated mortgage loans on real estate .....					
49. All other affiliated .....					
50. Total of above Lines 44 to 49 .....					
51. Total Investment in Parent included in Lines 44 to 49 above .....					
<b>Total Nonadmitted and Admitted Assets</b>					
52. Total nonadmitted assets (Page 2, Line 28, Col. 2) .....	209,152,806	34,545,379	33,251,651	55,982,997	54,698,258
53. Total admitted assets (Page 2, Line 28, Col. 3) .....	4,454,373,074	938,738,169	881,980,810	816,397,794	747,288,762
<b>Investment Data</b>					
54. Net investment income (Exhibit of Net Investment Income) .....	5,324,068	882,701	578,436	684,502	749,721
55. Realized capital gains (losses) (Page 4, Line 34, Column 1) .....	224,384	19,381	(42,596)	15,755	259,769
56. Unrealized capital gains (losses) (Page 4, Line 38, Column 1) .....					
57. Total of above Lines 54, 55 and 56 .....	5,548,452	902,082	535,840	700,257	1,009,490
<b>Benefits and Reserve Increases (Page 6)</b>					
58. Total contract/certificate benefits - life (Lines 10, 11, 12, 13, 14 and 15, Col. 1 minus Lines 10, 11, 12, 13, 14 and 15, Cols. 6, 7 and 8) .....	64,109,052	20,376,834	21,277,877	23,299,282	17,049,167
59. Total contract/certificate benefits - A & H (Lines 13 & 14, Col. 6) .....					
60. Increase in life reserves - other than group and annuities (Line 19, Col. 2) .....	3,278,975,434	49,858,636	54,574,091	64,699,472	53,832,596
61. Increase in A & H reserves (Line 19, Col. 6) .....					
62. Dividends to policyholders and refunds to members (Line 30, Col. 1) .....					
<b>Operating Percentages</b>					
63. Insurance expense percent (Page 6, Col. 1, Lines 21, 22 & 23, less Line 6)/(Page 6, Col. 1, Line 1 plus Exhibit 7, Col. 2, Line 2) x 100.0 .....	0.4	10.7	10.1	9.9	11.4
64. Lapse percent (ordinary only) [(Exhibit of Life Insurance, Col. 4, Lines 14 & 15) / 1/2 (Exhibit of Life Insurance, Col. 4, Lines 1 & 21)] x 100.0 .....	4.9	4.4	3.7	2.6	4.6
65. A & H loss percent (Schedule H, Part 1, Lines 5 and 6, Col. 2) .....					
66. A & H cost containment percent (Schedule H, Pt. 1, Line 4, Col. 2) .....					
67. A & H expense percent excluding cost containment expenses (Schedule H, Pt. 1, Line 10, Col. 2) .....					
<b>A &amp; H Claim Reserve Adequacy</b>					
68. Incurred losses on prior years' claims - group health (Schedule H, Part 3, Line 3.1 Col. 2) .....					
69. Prior years' claim liability and reserve - group health (Schedule H, Part 3, Line 3.2 Col. 2) .....					
70. Incurred losses on prior years' claims-health other than group (Schedule H, Part 3, Line 3.1 Col. 1 less Col. 2) .....					
71. Prior years' claim liability and reserve-health other than group (Schedule H, Part 3, Line 3.2 Col. 1 less Col. 2) .....					
<b>Net Gains From Operations After Dividends to Policyholders/Members' Refunds and Federal Income Taxes by Lines of Business (Page 6.x, Line 33)</b>					
72. Industrial life (Page 6.1, Col. 2) .....					
73. Ordinary - life (Page 6.1, Col. 1 less Cols. 2, 10 and 12) .....	(932,326,960)	(5,824,986)	(2,907,549)	(21,309,540)	(5,686,481)
74. Ordinary - individual annuities (Page 6, Col. 4) .....					
75. Ordinary-supplementary contracts .....	XXX				
76. Credit life (Page 6.1, Col. 10 plus Page 6.2, Col. 7) .....					
77. Group life (Page 6.2, Col. 1 Less Cols. 7 and 9) .....					
78. Group annuities (Page 6, Col. 5) .....					
79. A & H-group (Page 6.5, Col. 3) .....					
80. A & H-credit (Page 6.5, Col. 10) .....					
81. A & H-other (Page 6.5, Col. 1 less Cols. 3 and 10) .....					
82. Aggregate of all other lines of business (Page 6, Col. 8) .....					
83. Fraternal (Page 6, Col. 7) .....					
84. Total (Page 6, Col. 1) .....	(932,326,960)	(5,824,986)	(2,907,549)	(21,309,540)	(5,686,481)

NOTE: If a party to a merger, have the two most recent years of this exhibit been restated due to a merger in compliance with the disclosure requirements of SSAP No. 3, Accounting Changes and Correction of Errors? .....

Yes [ ] No [ ]

If no, please explain: .....



ANNUAL STATEMENT FOR THE YEAR 2019 OF THE Cape Verity III, Inc.

DIRECT BUSINESS IN THE STATE OF Grand Total

DURING THE YEAR 2019

NAIC Group Code 3891

LIFE INSURANCE

NAIC Company Code 15473

Table with 5 columns: 1 Ordinary, 2 Credit Life (Group and Individual), 3 Group, 4 Industrial, 5 Total. Rows include Direct Premiums and Annuity Considerations, Direct Dividends to Policyholders/Refunds to Members, Direct Claims and Benefits Paid, and Details of Write-Ins. A large 'NONE' watermark is present across the table.

Table with 10 columns: 1 No. of Pols. & Certifs., 2 Amount, 3 No. of Ind. Pols. & Gr. Certifs., 4 Amount, 5 No. of Certifs., 6 Amount, 7 No. of Pols. & Certifs., 8 Amount, 9 No. of Pols. & Certifs., 10 Amount. Rows include Direct Death Benefits and Matured Endowments Incurred, and Policy Exhibit. A large 'NONE' watermark is present across the table.

(a) Includes Individual Credit Life Insurance prior year \$ ..., current year \$ ...
Includes Group Credit Life Insurance Loans less than or equal to 60 months at issue, prior year \$ ..., current year \$ ...
Loans greater than 60 months at issue BUT NOT GREATER THAN 120 MONTHS, prior year \$ ..., current year \$ ...

ACCIDENT AND HEALTH INSURANCE

Table with 5 columns: 1 Direct Premiums, 2 Direct Premiums Earned, 3 Policyholder Dividends Paid, Refunds to Members or Credited on Direct Business, 4 Direct Losses Paid, 5 Direct Losses Incurred. Rows include Group Policies (b), Federal Employees Health Benefits Plan premium (b), Credit (Group and Individual), Medicare Title XVIII exempt from state taxes or fees, Other Individual Policies, and Totals. A large 'NONE' watermark is present across the table.

(b) For health business on indicated lines report: Number of persons insured under PPO managed care products ... and number of persons insured under indemnity only products ...

ANNUAL STATEMENT FOR THE YEAR 2019 OF THE Cape Verity III, Inc.

**EXHIBIT OF LIFE INSURANCE**

(\$000 Omitted for Amounts of Life Insurance)

	Industrial		Ordinary		Credit Life (Group and Individual)		Group			10 Total Amount of Insurance
	1	2	3	4	5	6	Number of		9	
	Number of Policies	Amount of Insurance	Number of Policies	Amount of Insurance	Number of Individual Policies and Group Certificates	Amount of Insurance	Policies	Certificates	Amount of Insurance	
1. In force end of prior year .....			20,223	4,482,331						4,482,331
2. Issued during year .....										
3. Reinsurance assumed .....			37,461	12,478,410						12,478,410
4. Revived during year .....			56	25,543						25,543
5. Increased during year (net) .....				43,879						43,879
6. Subtotals, Lines 2 to 5 .....			37,517	12,547,832						12,547,832
7. Additions by dividends during year .....	XXX		XXX		XXX		XXX	XXX		
8. Aggregate write-ins for increases .....										
9. Totals (Lines 1 and 6 to 8) .....			57,740	17,030,163						17,030,163
Deductions during year:										
10. Death .....			211	42,440			XXX			42,440
11. Maturity .....							XXX			
12. Disability .....							XXX			
13. Expiry .....										
14. Surrender .....			469	143,063						143,063
15. Lapse .....			2,061	374,013						374,013
16. Conversion .....							XXX	XXX	XXX	
17. Decreased (net) .....				32,803						32,803
18. Reinsurance .....										
19. Aggregate write-ins for decreases .....										
20. Totals (Lines 10 to 19) .....			2,741	592,319						592,319
21. In force end of year (b) (Line 9 minus Line 20) .....			54,999	16,437,844						16,437,844
22. Reinsurance ceded end of year .....	XXX		XXX		XXX		XXX	XXX		
23. Line 21 minus Line 22 .....	XXX		XXX	16,437,844	XXX	(a)	XXX	XXX		16,437,844
<b>DETAILS OF WRITE-INS</b>										
0801. ....										
0802. ....										
0803. ....										
0898. Summary of remaining write-ins for Line 8 from overflow page .....										
0899. TOTALS (Lines 0801 thru 0803 plus 0898) (Line 8 above) .....										
1901. ....										
1902. ....										
1903. ....										
1998. Summary of remaining write-ins for Line 19 from overflow page .....										
1999. TOTALS (Lines 1901 thru 1903 plus 1998) (Line 19 above) .....										

Life, Accident and Health Companies Only:

(a) Group \$ ..... ; Individual \$ .....

Fraternal Benefit Societies Only:

(b) Paid-up insurance included in the final totals of Line 21 (including additions to certificates) number of certificates ....., Amount \$ .....

Additional accidental death benefits included in life certificates were in amount \$ ....., Does the society collect any contributions from members for general expenses of the society under fully paid-up certificates? Yes [ ] No [ ]

If not, how are such expenses met?

.....

25

**EXHIBIT OF LIFE INSURANCE**

(\$000 Omitted for Amounts of Life Insurance) (Continued)  
**ADDITIONAL INFORMATION ON INSURANCE IN FORCE END OF YEAR**

	Industrial		Ordinary	
	1 Number of Policies	2 Amount of Insurance	3 Number of Policies	4 Amount of Insurance
24. Additions by dividends .....	XXX		XXX	
25. Other paid-up insurance .....				
26. Debit ordinary insurance .....		XXX		

**NONE**

**ADDITIONAL INFORMATION ON ORDINARY INSURANCE**

Term Insurance Excluding Extended Term Insurance	Issued During Year (Included in Line 2)		In Force End of Year (Included in Line 21)	
	1 Number of Policies	2 Amount of Insurance	3 Number of Policies	4 Amount of Insurance
27. Term policies - decreasing .....				
28. Term policies - other .....			6,529	945,667
29. Other term insurance - decreasing .....	XXX		XXX	
30. Other term insurance .....	XXX		XXX	
31. Totals (Lines 27 to 30) .....			6,529	945,667
Reconciliation to Lines 2 and 21:				
32. Term additions .....	XXX		XXX	
33. Totals, extended term insurance .....	XXX	XXX		
34. Totals, whole life and endowment .....			48,470	15,492,177
35. Totals (Lines 31 to 34) .....			54,999	16,437,844

**CLASSIFICATION OF AMOUNT OF INSURANCE BY PARTICIPATING STATUS**

	Issued During Year (Included in Line 2)		In Force End of Year (Included in Line 21)	
	1 Non-Participating	2 Participating	3 Non-Participating	4 Participating
36. Industrial .....				
37. Ordinary .....			16,437,844	
38. Credit Life (Group and Individual) .....				
39. Group .....				
40. Totals (Lines 36 to 39) .....			16,437,844	

**ADDITIONAL INFORMATION ON CREDIT LIFE AND GROUP INSURANCE**

	Credit Life		Group	
	1 Number of Individual Policies and Group Certificates	2 Amount of Insurance	3 Number of Certificates	4 Amount of Insurance
41. Amount of insurance included in Line 2 ceded to reinsurers .....	XXX		XXX	
42. Number in force end of year if the number under credit life is counted on a pro-rata basis .....		XXX		XXX
43. Federal Employees' Group Life Insurance included in Line 21 .....				
44. Servicemen's Group Life Insurance included in Line 21 .....				
45. Group Permanent Insurance included in Line 21 .....				

**NONE**

**ADDITIONAL INFORMATION ON ACCIDENTAL DEATH BENEFITS**

46. Amount of additional accidental death benefits in force at year end under ordinary policies .....	
---	--

**NONE**

**BASIS OF CALCULATION OF ORDINARY TERM INSURANCE**

47. State basis of calculation of (47.1) decreasing term insurance contracts containing Family Income, Mortgage Repayment, etc., policies and riders and of (47.2) term insurance on wife and children under Family, Parent and Child, etc., policies and riders, including above:	
47.1 .....	
47.2 .....	

**NONE**

**POLICIES WITH DISABILITY PROVISIONS**

Disability Provisions	Industrial		Ordinary		Credit		Group	
	1 Number of Policies	2 Amount of Insurance	3 Number of Policies	4 Amount of Insurance	5 Number of Policies	6 Amount of Insurance	7 Number of Certificates	8 Amount of Insurance
48. Waiver of Premium .....			3,588	679,675				
49. Disability Income .....								
50. Extended Benefits .....			XXX	XXX				
51. Other .....								
52. Total .....		(a)	3,588	(a) 679,675		(a)		(a)

(a) See the Annual Audited Financial Reports section of the annual statement instructions

Exhibit of Number of Policies, Contracts, ...Supplementary Contracts

**NONE**

Exhibit of Number of Policies, Contracts, ...Annuities

**NONE**

Exhibit of Number of Policies, Contracts, ...Accident and Health Insurance

**NONE**

Exhibit of Number of Policies, Contracts, ...Deposit Funds

**NONE**

ANNUAL STATEMENT FOR THE YEAR 2019 OF THE Cape Verity III, Inc.  
**FORM FOR CALCULATING THE INTEREST MAINTENANCE RESERVE**

**INTEREST MAINTENANCE RESERVE**

	1 Amount
1. Reserve as of December 31, Prior Year .....	11,306,598
2. Current year's realized pre-tax capital gains/(losses) of \$ .....1,774,633 transferred into the reserve net of taxes of \$ .....372,673 .....	1,401,960
3. Adjustment for current year's liability gains/(losses) released from the reserve .....	.....
4. Balance before reduction for amount transferred to Summary of Operations (Line 1 + Line 2 + Line 3) .....	12,708,558
5. Current year's amortization released to Summary of Operations (Amortization, Line 1, Column 4) .....	694,169
6. Reserve as of December 31, current year (Line 4 minus Line 5)	12,014,389

**AMORTIZATION**

	1	2	3	4
Year of Amortization	Reserve as of December 31, Prior Year	Current Year's Realized Capital Gains/(Losses) Transferred into the Reserve Net of Taxes	Adjustment for Current Year's Liability Gains/(Losses) Released From the Reserve	Balance Before Reduction for Current Year's Amortization (Cols. 1 + 2 + 3)
1. 2019 .....	702,614	(8,444)	.....	694,169
2. 2020 .....	675,656	29,295	.....	704,950
3. 2021 .....	651,229	42,435	.....	693,663
4. 2022 .....	628,616	45,205	.....	673,821
5. 2023 .....	611,465	48,608	.....	660,074
6. 2024 .....	594,600	51,876	.....	646,476
7. 2025 .....	589,958	50,361	.....	640,320
8. 2026 .....	586,671	45,004	.....	631,675
9. 2027 .....	586,755	39,083	.....	625,838
10. 2028 .....	579,163	31,656	.....	610,819
11. 2029 .....	576,027	26,002	.....	602,029
12. 2030 .....	557,667	27,158	.....	584,824
13. 2031 .....	542,843	31,523	.....	574,365
14. 2032 .....	526,117	39,133	.....	565,250
15. 2033 .....	508,636	45,546	.....	554,182
16. 2034 .....	480,095	52,019	.....	532,114
17. 2035 .....	435,472	56,861	.....	492,333
18. 2036 .....	383,379	57,440	.....	440,819
19. 2037 .....	325,608	59,336	.....	384,944
20. 2038 .....	251,809	61,074	.....	312,883
21. 2039 .....	189,022	61,584	.....	250,605
22. 2040 .....	141,757	63,179	.....	204,935
23. 2041 .....	96,195	64,879	.....	161,073
24. 2042 .....	55,875	65,014	.....	120,889
25. 2043 .....	20,814	67,832	.....	88,646
26. 2044 .....	6,055	68,056	.....	74,111
27. 2045 .....	2,485	63,540	.....	66,025
28. 2046 .....	501	50,573	.....	51,074
29. 2047 .....	(205)	36,309	.....	36,104
30. 2048 .....	(278)	22,045	.....	21,767
31. 2049 and Later	.....	7,781	.....	7,781
32. Total (Lines 1 to 31)	11,306,598	1,401,960	.....	12,708,558

ANNUAL STATEMENT FOR THE YEAR 2019 OF THE Cape Verity III, Inc.

**ASSET VALUATION RESERVE**

	Default Component			Equity Component			7 Total Amount (Cols. 3 + 6)
	1 Other Than Mortgage Loans	2 Mortgage Loans	3 Total (Cols. 1 + 2)	4 Common Stock	5 Real Estate and Other Invested Assets	6 Total (Cols. 4 + 5)	
1. Reserve as of December 31, prior year .....	99,779		99,779				99,779
2. Realized capital gains/(losses) net of taxes - General Account .....							
3. Realized capital gains/(losses) net of taxes - Separate Accounts .....							
4. Unrealized capital gains/(losses) net of deferred taxes - General Account .....							
5. Unrealized capital gains/(losses) net of deferred taxes - Separate Accounts .....							
6. Capital gains credited/(losses charged) to contract benefits, payments or reserves .....							
7. Basic contribution .....	187,296		187,296				187,296
8. Accumulated balances (Lines 1 through 5 - 6 + 7) .....	287,075		287,075				287,075
9. Maximum reserve .....	989,905		989,905				989,905
10. Reserve objective .....	575,175		575,175				575,175
11. 20% of (Line 10 - Line 8) .....	57,620		57,620				57,620
12. Balance before transfers (Lines 8 + 11) .....	344,695		344,695				344,695
13. Transfers .....							
14. Voluntary contribution .....							
15. Adjustment down to maximum/up to zero .....							
16. Reserve as of December 31, current year (Lines 12 + 13 + 14 + 15)	344,695		344,695				344,695



**ASSET VALUATION RESERVE**  
**BASIC CONTRIBUTION, RESERVE OBJECTIVE AND MAXIMUM RESERVE CALCULATIONS**  
**DEFAULT COMPONENT**

Line Number	NAIC Designation	Description	1 Book/Adjusted Carrying Value	2 Reclassify Related Party Encumbrances	3 Add Third Party Encumbrances	4 Balance for AVR Reserve Calculations (Cols. 1 + 2 + 3)	Basic Contribution		Reserve Objective		Maximum Reserve	
							5 Factor	6 Amount (Cols.4 x 5)	7 Factor	8 Amount (Cols. 4 x 7)	9 Factor	10 Amount (Cols. 4 x 9)
<b>LONG-TERM BONDS</b>												
1.		Exempt Obligations		XXX	XXX		0.0000		0.0000		0.0000	
2.	1	Highest Quality	57,340,051	XXX	XXX	57,340,051	0.0005	28,670	0.0016	91,744	0.0033	189,222
3.	2	High Quality	75,536,113	XXX	XXX	75,536,113	0.0021	158,626	0.0064	483,431	0.0106	800,683
4.	3	Medium Quality		XXX	XXX		0.0099		0.0263		0.0376	
5.	4	Low Quality		XXX	XXX		0.0245		0.0572		0.0817	
6.	5	Lower Quality		XXX	XXX		0.0630		0.1128		0.1880	
7.	6	In or Near Default		XXX	XXX		0.0000		0.2370		0.2370	
8.		Total Unrated Multi-class Securities Acquired by Conversion		XXX	XXX		XXX		XXX		XXX	
9.		Total Long-Term Bonds (Sum of Lines 1 through 8)	132,876,163	XXX	XXX	132,876,163	XXX	187,296	XXX	575,175	XXX	989,905
<b>PREFERRED STOCK</b>												
10.	1	Highest Quality		XXX	XXX		0.0005		0.0016		0.0033	
11.	2	High Quality		XXX	XXX		0.0021		0.0064		0.0106	
12.	3	Medium Quality		XXX	XXX		0.0099		0.0263		0.0376	
13.	4	Low Quality		XXX	XXX		0.0245		0.0572		0.0817	
14.	5	Lower Quality		XXX	XXX		0.0630		0.1128		0.1880	
15.	6	In or Near Default		XXX	XXX		0.0000		0.2370		0.2370	
16.		Affiliated Life with AVR		XXX	XXX		0.0000		0.0000		0.0000	
17.		Total Preferred Stocks (Sum of Lines 10 through 16)		XXX	XXX		XXX		XXX		XXX	
<b>SHORT - TERM BONDS</b>												
18.		Exempt Obligations	821,895	XXX	XXX	821,895	0.0000		0.0000		0.0000	
19.	1	Highest Quality		XXX	XXX		0.0005		0.0016		0.0033	
20.	2	High Quality		XXX	XXX		0.0021		0.0064		0.0106	
21.	3	Medium Quality		XXX	XXX		0.0099		0.0263		0.0376	
22.	4	Low Quality		XXX	XXX		0.0245		0.0572		0.0817	
23.	5	Lower Quality		XXX	XXX		0.0630		0.1128		0.1880	
24.	6	In or Near Default		XXX	XXX		0.0000		0.2370		0.2370	
25.		Total Short - Term Bonds (Sum of Lines 18 through 24)	821,895	XXX	XXX	821,895	XXX		XXX		XXX	
<b>DERIVATIVE INSTRUMENTS</b>												
26.		Exchange Traded		XXX	XXX		0.0005		0.0016		0.0033	
27.	1	Highest Quality		XXX	XXX		0.0005		0.0016		0.0033	
28.	2	High Quality		XXX	XXX		0.0021		0.0064		0.0106	
29.	3	Medium Quality		XXX	XXX		0.0099		0.0263		0.0376	
30.	4	Low Quality		XXX	XXX		0.0245		0.0572		0.0817	
31.	5	Lower Quality		XXX	XXX		0.0630		0.1128		0.1880	
32.	6	In or Near Default		XXX	XXX		0.0000		0.2370		0.2370	
33.		Total Derivative Instruments		XXX	XXX		XXX		XXX		XXX	
34.		Total (Lines 9 + 17 + 25 + 33)	133,698,058	XXX	XXX	133,698,058	XXX	187,296	XXX	575,175	XXX	989,905

**ASSET VALUATION RESERVE (Continued)**  
**BASIC CONTRIBUTION, RESERVE OBJECTIVE AND MAXIMUM RESERVE CALCULATIONS**  
**DEFAULT COMPONENT**

Line Number	NAIC Designation	Description	1 Book/Adjusted Carrying Value	2 Reclassify Related Party Encumbrances	3 Add Third Party Encumbrances	4 Balance for AVR Reserve Calculations (Cols. 1 + 2 + 3)	Basic Contribution		Reserve Objective		Maximum Reserve	
							5 Factor	6 Amount (Cols.4 x 5)	7 Factor	8 Amount (Cols. 4 x 7)	9 Factor	10 Amount (Cols. 4 x 9)
MORTGAGE LOANS												
In Good Standing:												
35.		Farm Mortgages - CM1 - Highest Quality .....			XXX		0.0011		0.0057		0.0074	
36.		Farm Mortgages - CM2 - High Quality .....			XXX		0.0040		0.0114		0.0149	
37.		Farm Mortgages - CM3 - Medium Quality .....			XXX		0.0069		0.0200		0.0257	
38.		Farm Mortgages - CM4 - Low Medium Quality .....			XXX		0.0120		0.0343		0.0428	
39.		Farm Mortgages - CM5 - Low Quality .....			XXX		0.0183		0.0486		0.0628	
40.		Residential Mortgages - Insured or Guaranteed .....			XXX		0.0003		0.0007		0.0011	
41.		Residential Mortgages - All Other .....			XXX		0.0015		0.0034		0.0046	
42.		Commercial Mortgages - Insured or Guaranteed .....			XXX		0.0003		0.0007		0.0011	
43.		Commercial Mortgages - All Other - CM1 - Highest Quality .....			XXX		0.0011		0.0057		0.0074	
44.		Commercial Mortgages - All Other - CM2 - High Quality .....			XXX		0.0040		0.0114		0.0149	
45.		Commercial Mortgages - All Other - CM3 - Medium Quality .....			XXX		0.0069		0.0200		0.0257	
46.		Commercial Mortgages - All Other - CM4 - Low Medium Quality .....			XXX		0.0120		0.0343		0.0428	
47.		Commercial Mortgages - All Other - CM5 - Low Quality .....			XXX		0.0183		0.0486		0.0628	
Overdue, Not in Process:												
48.		Farm Mortgages .....			XXX		0.0480		0.0868		0.1371	
49.		Residential Mortgages - Insured or Guaranteed .....			XXX		0.0006		0.0014		0.0023	
50.		Residential Mortgages - All Other .....			XXX		0.0029		0.0066		0.0103	
51.		Commercial Mortgages - Insured or Guaranteed .....			XXX		0.0006		0.0014		0.0023	
52.		Commercial Mortgages - All Other .....			XXX		0.0480		0.0868		0.1371	
In Process of Foreclosure:												
53.		Farm Mortgages .....			XXX		0.0000		0.1942		0.1942	
54.		Residential Mortgages - Insured or Guaranteed .....			XXX		0.0000		0.0046		0.0046	
55.		Residential Mortgages - All Other .....			XXX		0.0000		0.0149		0.0149	
56.		Commercial Mortgages - Insured or Guaranteed .....			XXX		0.0000		0.0046		0.0046	
57.		Commercial Mortgages - All Other .....			XXX		0.0000		0.1942		0.1942	
58.		Total Schedule B Mortgages (Sum of Lines 35 through 57)			XXX		XXX		XXX		XXX	
59.		Schedule DA Mortgages			XXX		0.0034		0.0114		0.0149	
60.		Total Mortgage Loans on Real Estate (Lines 58 + 59)			XXX		XXX		XXX		XXX	

Asset Valuation Reserve - Equity Component

**NONE**

Asset Valuation Reserve - Replications (Synthetic) Assets

**NONE**

Schedule F - Claims

**NONE**

Schedule H - Part 1 - Analysis of Underwriting Operations

**NONE**

Schedule H - Part 2 - Reserves and Liabilities

**NONE**

Schedule H - Part 3 - Test of Prior Year's Claim Reserves and Liabilities

**NONE**

Schedule H - Part 4 - Reinsurance

**NONE**

Schedule H - Part 5 - Health Claims

**NONE**

ANNUAL STATEMENT FOR THE YEAR 2019 OF THE Cape Verity III, Inc.

**SCHEDULE S - PART 1 - SECTION 1**

Reinsurance Assumed Life Insurance, Annuities, Deposit Funds and Other Liabilities Without Life or Disability Contingencies, and Related Benefits Listed by Reinsured Company as of December 31, Current Year

1 NAIC Company Code	2 ID Number	3 Effective Date	4 Name of Reinsured	5 Domiciliary Jurisdiction	6 Type of Reinsurance Assumed	7 Type of Business Assumed	8 Amount of In Force at End of Year	9 Reserve	10 Premiums	11 Reinsurance Payable on Paid and Unpaid Losses	12 Modified Coinsurance Reserve	13 Funds Withheld Under Coinsurance
62200	95-2496321	10/01/2013	Accordia Life and Annuity Company	1A	COFIWH/I	XXL	16,437,843,584	4,112,925,668	2,246,377,134			2,945,803,647
0199999. General Account - U.S. Affiliates - Captive							16,437,843,584	4,112,925,668	2,246,377,134			2,945,803,647
0399999. Total General Account - U.S. Affiliates							16,437,843,584	4,112,925,668	2,246,377,134			2,945,803,647
0699999. Total General Account - Non-U.S. Affiliates												
0799999. Total General Account - Affiliates							16,437,843,584	4,112,925,668	2,246,377,134			2,945,803,647
1099999. Total General Account - Non-Affiliates												
1199999. Total General Account							16,437,843,584	4,112,925,668	2,246,377,134			2,945,803,647
1499999. Total Separate Accounts - U.S. Affiliates												
1799999. Total Separate Accounts - Non-U.S. Affiliates												
1899999. Total Separate Accounts - Affiliates												
2199999. Total Separate Accounts - Non-Affiliates												
2299999. Total Separate Accounts												
2399999. Total U.S. (Sum of 0399999, 0899999, 1499999 and 1999999)							16,437,843,584	4,112,925,668	2,246,377,134			2,945,803,647
2499999. Total Non-U.S. (Sum of 0699999, 0999999, 1799999 and 2099999)												
9999999 - Totals							16,437,843,584	4,112,925,668	2,246,377,134			2,945,803,647

Schedule S - Part 1 - Section 2

**NONE**

Schedule S - Part 2

**NONE**

Schedule S - Part 3 - Section 1

**NONE**

Schedule S - Part 3 - Section 2

**NONE**

Schedule S - Part 4

**NONE**

Schedule S - Part 4 - Bank Footnote

**NONE**

Schedule S - Part 5

**NONE**

Schedule S - Part 5 - Bank Footnote

**NONE**

Schedule S - Part 6

**NONE**

Schedule S - Part 7

**NONE**

ANNUAL STATEMENT FOR THE YEAR 2019 OF THE Cape Verity III, Inc.  
**SCHEDULE T - PREMIUMS AND ANNUITY CONSIDERATIONS (b)**

Allocated by States and Territories

States, Etc.	1	Life Contracts		Direct Business Only			7
		2	3	4	5	6	
	Active Status (a)	Life Insurance Premiums	Annuity Considerations	Accident and Health Insurance Premiums, Including Policy, Membership and Other Fees	Other Considerations	Total Columns 2 through 5	Deposit-Type Contracts
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	L					
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	N					
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	XXX					
59. Subtotal		XXX					
90. Reporting entity contributions for employee benefits plans		XXX					
91. Dividends or refunds applied to purchase paid-up additions and annuities		XXX					
92. Dividends or refunds applied to shorten endowment or premium paying period		XXX					
93. Premium or annuity considerations waived under disability or other contract provisions		XXX					
94. Aggregate or other amounts not allocable by State		XXX					
95. Totals (Direct Business)		XXX					
96. Plus reinsurance assumed		XXX	2,243,979,827			2,243,979,827	
97. Totals (All Business)		XXX	2,243,979,827			2,243,979,827	
98. Less reinsurance ceded		XXX					
99. Totals (All Business) less Reinsurance Ceded		XXX	2,243,979,827	(c)		2,243,979,827	
DETAILS OF WRITE-INS							
58001.		XXX					
58002.		XXX					
58003.		XXX					
58998. Summary of remaining write-ins for Line 58 from overflow page		XXX					
58999. Totals (Lines 58001 through 58003 plus 58998)(Line 58 above)		XXX					
9401.		XXX					
9402.		XXX					
9403.		XXX					
9498. Summary of remaining write-ins for Line 94 from overflow page		XXX					
9499. Totals (Lines 9401 through 9403 plus 9498)(Line 94 above)		XXX					

(a) Active Status Counts:

L - Licensed or Chartered - Licensed insurance carrier or domiciled RRG .....1 R - Registered - Non-domiciled RRGs.....  
 E - Eligible - Reporting entities eligible or approved to write surplus lines in the state..... Q - Qualified - Qualified or accredited reinsurer.....  
 N - None of the above - Not allowed to write business in the state.....56

(b) Explanation of basis of allocation by states, etc., of premiums and annuity considerations

Premium and annuity considerations were allocated to state according to the mailing address of the policyholder.

(c) Column 4 should balance with Exhibit 1, Lines 6.4, 10.4, and 16.4, Cols. 8, 9, 10, or with Schedule H, Part 1, Line 1, indicate which: Exhibit 1, Lines 6.4, 10.4, and 16.4, Cols. 8, 9, 10.

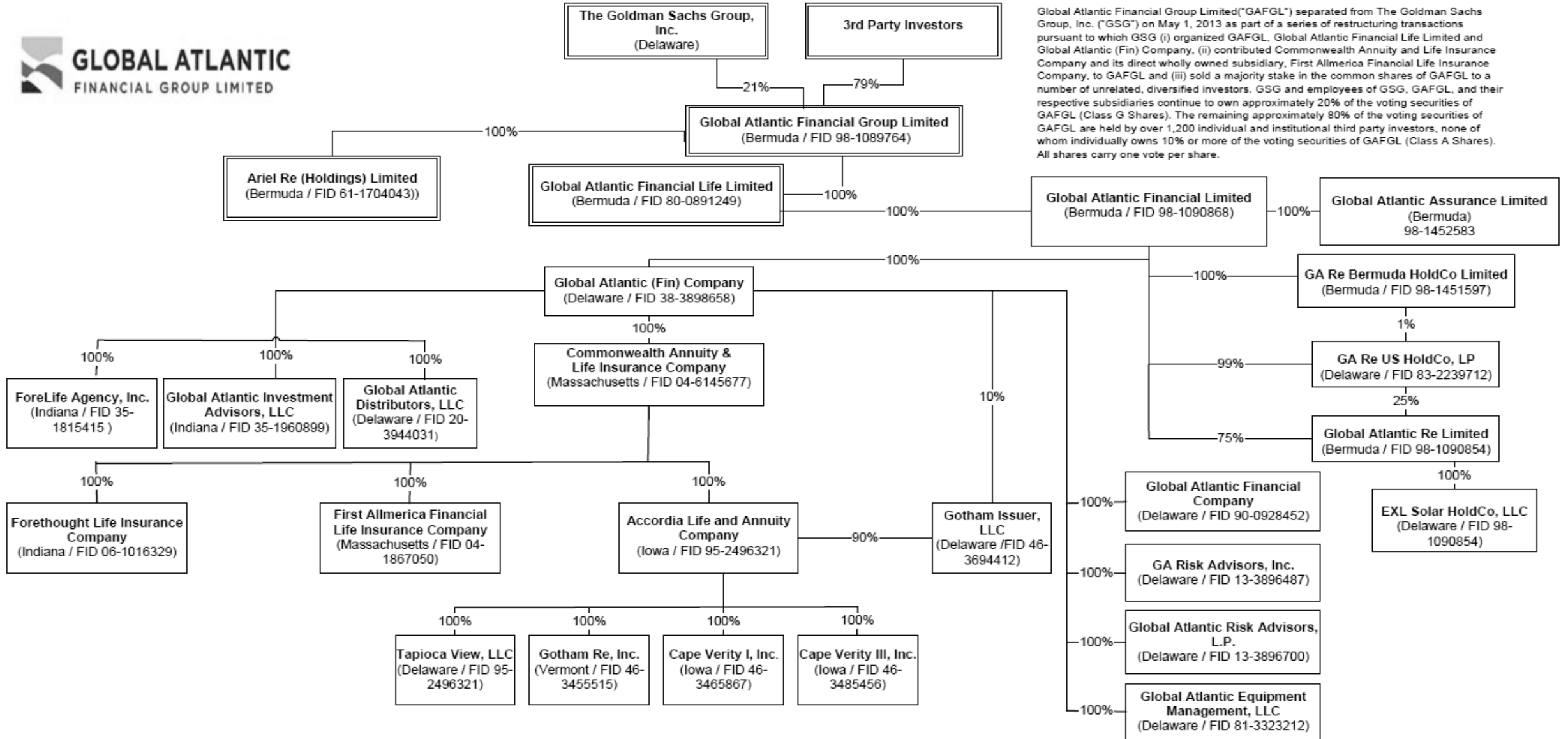
**SCHEDULE T - PART 2**  
**INTERSTATE COMPACT - EXHIBIT OF PREMIUMS WRITTEN**

Allocated by States and Territories

States, Etc.	Direct Business Only					Totals
	1 Life (Group and Individual)	2 Annuities (Group and Individual)	3 Disability Income (Group and Individual)	4 Long-Term Care (Group and Individual)	5 Deposit-Type Contracts	
1. Alabama	AL					
2. Alaska	AK					
3. Arizona	AZ					
4. Arkansas	AR					
5. California	CA					
6. Colorado	CO					
7. Connecticut	CT					
8. Delaware	DE					
9. District of Columbia	DC					
10. Florida	FL					
11. Georgia	GA					
12. Hawaii	HI					
13. Idaho	ID					
14. Illinois	IL					
15. Indiana	IN					
16. Iowa	IA					
17. Kansas	KS					
18. Kentucky	KY					
19. Louisiana	LA					
20. Maine	ME					
21. Maryland	MD					
22. Massachusetts	MA					
23. Michigan	MI					
24. Minnesota	MN					
25. Mississippi	MS					
26. Missouri	MO					
27. Montana	MT					
28. Nebraska	NE					
29. Nevada	NV					
30. New Hampshire	NH					
31. New Jersey	NJ					
32. New Mexico	NM					
33. New York	NY					
34. North Carolina	NC					
35. North Dakota	ND					
36. Ohio	OH					
37. Oklahoma	OK					
38. Oregon	OR					
39. Pennsylvania	PA					
40. Rhode Island	RI					
41. South Carolina	SC					
42. South Dakota	SD					
43. Tennessee	TN					
44. Texas	TX					
45. Utah	UT					
46. Vermont	VT					
47. Virginia	VA					
48. Washington	WA					
49. West Virginia	WV					
50. Wisconsin	WI					
51. Wyoming	WY					
52. American Samoa	AS					
53. Guam	GU					
54. Puerto Rico	PR					
55. U.S. Virgin Islands	VI					
56. Northern Mariana Islands	MP					
57. Canada	CAN					
58. Aggregate Other Alien	OT					
59. Total						

**NONE**

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



Global Atlantic Financial Group Limited ("GAFGL") separated from The Goldman Sachs Group, Inc. ("GSG") on May 1, 2013 as part of a series of restructuring transactions pursuant to which GSG (i) organized GAFGL, Global Atlantic Financial Life Limited and Global Atlantic (Fin) Company, (ii) contributed Commonwealth Annuity and Life Insurance Company and its direct wholly owned subsidiary, First Allmerica Financial Life Insurance Company, to GAFGL and (iii) sold a majority stake in the common shares of GAFGL to a number of unrelated, diversified investors. GSG and employees of GSG, GAFGL, and their respective subsidiaries continue to own approximately 20% of the voting securities of GAFGL (Class G Shares). The remaining approximately 80% of the voting securities of GAFGL are held by over 1,200 individual and institutional third party investors, none of whom individually owns 10% or more of the voting securities of GAFGL (Class A Shares). All shares carry one vote per share.



ANNUAL STATEMENT FOR THE YEAR 2019 OF THE Cape Verity III, Inc.

**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)	*
			80-0891249				Global Atlantic Financial Life Limited	BMJ	NIA	Global Atlantic Financial Group Limited	Ownership	100.000	Global Atlantic Financial Group Limited		
			90-0928452				Global Atlantic Financial Company	DE	NIA	Global Atlantic (Fin) Company	Ownership	100.000	Global Atlantic Financial Group Limited		
			38-3898658				Global Atlantic (Fin) Company	DE	NIA	Global Atlantic Financial Limited	Ownership	100.000	Global Atlantic Financial Group Limited		
			98-1090868				Global Atlantic Financial Limited	BMJ	NIA	Global Atlantic Financial Life Limited	Ownership	100.000	Global Atlantic Financial Group Limited		
			98-1090854				Global Atlantic Re Limited	BMJ	IA	Global Atlantic Financial Limited	Ownership	75.000	Global Atlantic Financial Group Limited		
			98-1090854				Global Atlantic Re Limited	BMJ	IA	GA Re US HoldCo, LP	Ownership	25.000	Global Atlantic Financial Group Limited		
			61-1704043				Ariel Re (Holdings) Limited	BMJ	NIA	Global Atlantic Financial Group Limited	Ownership	100.000	Global Atlantic Financial Group Limited		
			13-3896700				Global Atlantic Risk Advisors, L.P.	DE	NIA	Global Atlantic (Fin) Company	Ownership	100.000	Global Atlantic Financial Group Limited		
			38-3898658				Global Atlantic Insurance Network, LLC	DE	NIA	Global Atlantic (Fin) Company	Ownership	100.000	Global Atlantic Financial Group Limited		
			13-3896487				GA Risk Advisors, Inc.	DE	NIA	Global Atlantic (Fin) Company	Ownership	100.000	Global Atlantic Financial Group Limited		
			98-1089764	4520225			Global Atlantic Financial Group Limited	BMJ	NIA	The Goldman Sachs Group, Inc.	Ownership	21.000	The Goldman Sachs Group, Inc.		
			98-1089764	4520225			Global Atlantic Financial Group Limited	BMJ	NIA	Third Party Investors	Ownership	79.000	Third Party Investors		
							First Allmerica Financial Life Insurance Company	MA	IA	Commonwealth Annuity and Life Insurance Company	Ownership	100.000	Global Atlantic Financial Group Limited		
3891	Goldman Sachs Grp	69140	04-1867050	2578101	793699		Commonwealth Annuity and Life Insurance Company	MA	IA	Global Atlantic (Fin) Company	Ownership	100.000	Global Atlantic Financial Group Limited		
3891	Goldman Sachs Grp	84824	04-6145677	3958278	1086664			IA	IA	Global Atlantic (Fin) Company	Ownership	100.000	Global Atlantic Financial Group Limited		
3891	Goldman Sachs Grp	62200	95-2496321				Accordia Life and Annuity Company	IA	IA	Commonwealth Annuity and Life Insurance Company	Ownership	100.000	Global Atlantic Financial Group Limited		
			46-3694412				Gotham Issuer, LLC	DE	IA	Global Atlantic (Fin) Company	Ownership	10.000	Global Atlantic Financial Group Limited		
			46-3694412				Gotham Issuer, LLC	DE	IA	Accordia Life and Annuity Company	Ownership	90.000	Global Atlantic Financial Group Limited		
3891	Goldman Sachs Grp	15333	46-3455515				Gotham Re, Inc.	VT	IA	Accordia Life and Annuity Company	Ownership	100.000	Global Atlantic Financial Group Limited		
			95-2496321				Tapioca View, LLC	DE	IA	Accordia Life and Annuity Company	Ownership	100.000	Global Atlantic Financial Group Limited		
3891	Goldman Sachs Grp	15475	46-3465867				Cape Verity I, Inc.	IA	IA	Accordia Life and Annuity Company	Ownership	100.000	Global Atlantic Financial Group Limited		
3891	Goldman Sachs Grp	15473	46-3485456				Cape Verity III, Inc.	IA	RE	Accordia Life and Annuity Company	Ownership	100.000	Global Atlantic Financial Group Limited		
			35-1960899				Global Atlantic Investment Advisors, LLC	IN	IA	Global Atlantic (Fin) Company	Ownership	100.000	Global Atlantic Financial Group Limited		
			20-3944031				Global Atlantic Distributors, LLC	DE	IA	Global Atlantic (Fin) Company	Ownership	100.000	Global Atlantic Financial Group Limited		
			35-1815415				ForeLife Agency, Inc	IN	IA	Global Atlantic (Fin) Company	Ownership	100.000	Global Atlantic Financial Group Limited		
3891	Goldman Sachs Grp	91642	06-1016329				Forethought Life Insurance Company	IN	IA	Commonwealth Annuity and Life Insurance Company	Ownership	100.000	Global Atlantic Financial Group Limited		
			81-3323212				Global Atlantic Equipment Management, LLC	DE	NIA	Global Atlantic (Fin) Company	Ownership	100.000	Global Atlantic Financial Group Limited		
			98-1452583				Global Atlantic Assurance Limited	BMJ	IA	Global Atlantic Financial Limited	Ownership	100.000	Global Atlantic Financial Group Limited		
			98-1451597				GA Re Bermuda HoldCo Limited	BMJ	NIA	Global Atlantic Financial Limited	Ownership	100.000	Global Atlantic Financial Group Limited		

ANNUAL STATEMENT FOR THE YEAR 2019 OF THE Cape Verity III, Inc.

**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)	*
			83-2239712				GA Re US HoldCo, LP	DE	NIA	Global Atlantic Financial Limited	Ownership	99.000	Global Atlantic Financial Group Limited		
			83-2239712				GA Re US HoldCo, LP	DE	NIA	GA Re Bermuda HoldCo Limited	Ownership	1.000	Global Atlantic Financial Group Limited		
			98-1090854				EXL Solar HoldCo, LLC	DE	NIA	Global Atlantic Re Limited	Ownership	100.000	Global Atlantic Financial Group Limited		

Asterisk	Explanation
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**SCHEDULE Y**

**PART 2 - SUMMARY OF INSURER'S TRANSACTIONS WITH ANY AFFILIATES**

1	2	3	4	5	6	7	8	9	10	11	12	13
NAIC Company Code	ID Number	Names of Insurers and Parent, Subsidiaries or Affiliates	Shareholder Dividends	Capital Contributions	Purchases, Sales or Exchanges of Loans, Securities, Real Estate, Mortgage Loans or Other Investments	Income/ (Disbursements) Incurred in Connection with Guarantees or Undertakings for the Benefit of any Affiliate(s)	Management Agreements and Service Contracts	Income/ (Disbursements) Incurred Under Reinsurance Agreements	*	Any Other Material Activity Not in the Ordinary Course of the Insurer's Business	Totals	Reinsurance Recoverable/ (Payable) on Losses and/or Reserve Credit Taken/(Liability)
	80-0891249	Global Atlantic Financial Life Limited								(4,550,104)	(4,550,104)	
	38-3898658	Global Atlantic (Fin) Company		(132,000,000)			(6,133,188)			(85,955,396)	(224,088,584)	
	98-1090868	Commonwealth Re Midco Limited					(3,211,797)				(3,211,797)	
84824	04-6145677	Commonwealth Annuity & Life Insurance Company		(365,000,000)	606,080,505		(57,204,270)	(23,695,556)		289,858,333	450,039,012	58,262,187
	AA-3191237	Global Atlantic Re Limited					(18,031,013)	259,035,220		131,363,139	372,367,346	(15,966,035,394)
69140	04-1867050	First Allmerica Financial Life Insurance Company			(41,240,245)		(273,676)	(27,369,900)			(68,883,821)	933,565,265
62200	95-2496321	Accordia Life and Annuity Company		100,000,000	(887,327,183)		(12,448,880)	43,612,867		(400,462,736)	(1,156,625,932)	5,482,585,606
	90-0928452	Global Atlantic Financial Company		10,000,000	(15,410,176)		426,493,970				421,083,794	
15333	46-3455515	Gotham Re, Inc.			(5,628,487)		(171,920)	12,697,960			6,897,553	(441,429,815)
15475	46-3465867	Cape Verity I, Inc.			(15,427,723)		323,122	(4,086,129)			(19,190,730)	(1,369,659,939)
15473	46-3485456	Cape Verity III, Inc.			111,050,529			(39,526,738)			71,523,791	(4,112,925,667)
	35-1960899	Global Atlantic Investment Advisors, LLC					(2,904,483)				(2,904,483)	
	20-3944031	Global Atlantic Distributors, LLC					(46,658,223)				(46,658,223)	
91642	06-1016329	Forethought Life Insurance Company		365,000,000	247,902,780		(260,835,330)	(220,667,724)		69,746,764	201,146,490	15,415,637,757
	13-3575636	Goldman Sachs Asset Management, L.P. (GSAM fees)						12,025,127			12,025,127	
	81-3323212	Global Atlantic Equipment Management, LLC										
		Global Atlantic Assurance Limited		22,000,000			(19,607,698)				2,392,302	
							(11,361,741)				(11,361,741)	
9999999 Control Totals												
									XXX			

**SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES**

The following supplemental reports are required to be filed as part of your statement filing unless specifically waived by the domiciliary state. However, in the event that your domiciliary state waives the filing requirement, your response of WAIVED to the specific interrogatory will be accepted in lieu of filing a "NONE" report and a bar code will be printed below. If the supplement is required of your company but is not being filed for whatever reason enter SEE EXPLANATION and provide an explanation following the interrogatory questions.

	<u>Responses</u>
<b>MARCH FILING</b>	
1. Will the Supplemental Compensation Exhibit be filed with the state of domicile by March 1? .....	YES
2. Will the confidential Risk-based Capital Report be filed with the NAIC by March 1? .....	SEE EXPLANATION
3. Will the confidential Risk-based Capital Report be filed with the state of domicile, if required, by March 1? .....	YES
4. Will an actuarial opinion be filed by March 1? .....	YES
<b>APRIL FILING</b>	
5. Will Management's Discussion and Analysis be filed by April 1? .....	YES
6. Will the Life, Health & Annuity Guaranty Association Model Act Assessment Base Reconciliation Exhibit be filed with the state of domicile and the NAIC by April 1? (Not applicable to fraternal benefit societies) .....	WAIVED
7. Will the Adjustments to the Life, Health & Annuity Guaranty Association Model Act Assessment Base Reconciliation Exhibit (if required) be filed with the state of domicile and the NAIC by April 1? (Not applicable to fraternal benefit societies) .....	WAIVED
8. Will the Supplemental Investment Risks Interrogatories be filed by April 1? .....	YES
<b>JUNE FILING</b>	
9. Will an audited financial report be filed by June 1? .....	YES
10. Will Accountant's Letter of Qualifications be filed with the state of domicile and electronically with the NAIC by June 1? .....	SEE EXPLANATION
<b>AUGUST FILING</b>	
11. Will the regulator-only (non-public) Communication of Internal Control Related Matters Noted in Audit be filed with the state of domicile and electronically with the NAIC (as a regulator-only non-public document) by August 1? .....	YES














The following supplemental reports are required to be filed as part of your annual statement filing **if your company is engaged in the type of business covered by the supplement. However, in the event that your company does not transact the type of business for which the special report must be filed, your response of NO to the specific interrogatory will be accepted in lieu of filing a "NONE" report and a bar code will be printed below.** If the supplement is required of your company but is not being filed for whatever reason enter SEE EXPLANATION and provide an explanation following the interrogatory questions.

<b>MARCH FILING</b>	
12. Will Schedule SIS (Stockholder Information Supplement) be filed with the state of domicile by March 1? (Not applicable to fraternal benefit societies) ...	NO
13. Will the Medicare Supplement Insurance Experience Exhibit be filed with the state of domicile and the NAIC by March 1? .....	NO
14. Will the Trusteed Surplus Statement be filed with the state of domicile and the NAIC by March 1? .....	NO
15. Will the actuarial opinion on participating and non-participating policies as required in Interrogatories 1 and 2 to Exhibit 5 be filed with the state of domicile and electronically with the NAIC by March 1? .....	NO
16. Will the actuarial opinion on non-guaranteed elements as required in interrogatory #3 to Exhibit 5 be filed with the state of domicile and electronically with the NAIC by March 1? .....	SEE EXPLANATION
17. Will the actuarial opinion on X-Factors be filed with the state of domicile and electronically with the NAIC by March 1? .....	SEE EXPLANATION
18. Will the actuarial opinion on Separate Accounts Funding Guaranteed Minimum Benefit be filed with the state of domicile and electronically with the NAIC by March 1? .....	NO
19. Will the actuarial opinion on Synthetic Guaranteed Investment Contracts be filed with the state of domicile and electronically with the NAIC by March 1? .....	NO
20. Will the Reasonableness of Assumptions Certification required by Actuarial Guideline XXXV be filed with the state of domicile and electronically with the NAIC by March 1? .....	NO
21. Will the Reasonableness and Consistency of Assumptions Certification required by Actuarial Guideline XXXV be filed with the state of domicile and electronically with the NAIC by March 1? .....	NO
22. Will the Reasonableness of Assumptions Certification for Implied Guaranteed Rate Method required by Actuarial Guideline XXXVI be filed with the state of domicile and electronically with the NAIC by March 1? .....	NO
23. Will the Reasonableness and Consistency of Assumptions Certification required by Actuarial Guideline XXXVI (Updated Average Market Value) be filed with the state of domicile and electronically with the NAIC by March 1? .....	NO
24. Will the Reasonableness and Consistency of Assumptions Certification required by Actuarial Guideline XXXVI (Updated Market Value) be filed with the state of domicile and electronically with the NAIC by March 1? .....	SEE EXPLANATION
25. Will the C-3 RBC Certifications required under C-3 Phase I be filed with the state of domicile and electronically with the NAIC by March 1? .....	NO
26. Will the C-3 RBC Certifications required under C-3 Phase II be filed with the state of domicile and electronically with the NAIC by March 1? .....	NO

# SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

27.	Will the Actuarial Certifications Related to Annuity Nonforfeiture Ongoing Compliance for Equity Indexed Annuities be filed with the state of domicile and electronically with the NAIC by March 1? .....	NO
28.	Will the actuarial opinion required by the Modified Guaranteed Annuity Model Regulation be filed with the state of domicile and electronically with the NAIC by March 1? .....	NO
29.	Will the Actuarial Certifications Related to Hedging required by Actuarial Guideline XLIII be filed with the state of domicile and electronically with the NAIC by March 1? .....	NO
30.	Will the Financial Officer Certification Related to Clearly Defined Hedging Strategy required by Actuarial Guideline XLIII be filed with the state of domicile and electronically with the NAIC by March 1? .....	NO
31.	Will the Management Certification That the Valuation Reflects Management's Intent required by Actuarial Guideline XLIII be filed with the state of domicile and electronically with the NAIC by March 1? .....	NO
32.	Will the Actuarial Certification Related to the Reserves required by Actuarial Guideline XLIII be filed with the state of domicile and electronically with the NAIC by March 1? .....	NO
33.	Will the Actuarial Certification regarding the use of 2001 Preferred Class Tables required by the Model Regulation Permitting the Recognition of Preferred Mortality Tables for Use in Determining Minimum Reserve Liabilities be filed with the state of domicile and electronically with the NAIC by March 1? .....	SEE EXPLANATION
34.	Will the Worker's Compensation Carve-Out Supplement be filed by March 1? (Not applicable to fraternal benefit societies) .....	NO
35.	Will Supplemental Schedule O be filed with the state of domicile and the NAIC by March 1? .....	NO
36.	Will the Medicare Part D Coverage Supplement be filed with the state of domicile and the NAIC by March 1? .....	NO
37.	Will an approval from the reporting entity's state of domicile for relief related to the five-year rotation requirement for lead audit partner be filed electronically with the NAIC by March 1? .....	NO
38.	Will an approval from the reporting entity's state of domicile for relief related to the one-year cooling off period for independent CPA be filed electronically with the NAIC by March 1? .....	NO
39.	Will an approval from the reporting entity's state of domicile for relief related to the Requirements for Audit Committees be filed electronically with the NAIC by March 1? .....	NO
40.	Will the VM-20 Reserves Supplement be filed with the state of domicile and the NAIC by March 1? .....	SEE EXPLANATION
<b>APRIL FILING</b>		
41.	Will the confidential Regulatory Asset Adequacy Issues Summary (RAAIS) required by the Valuation Manual be filed with the state of domicile by April 1? .....	YES
42.	Will the Long-Term Care Experience Reporting Forms be filed with the state of domicile and the NAIC by April 1? .....	NO
43.	Will the Credit Insurance Experience Exhibit be filed with the state of domicile and the NAIC by April 1? (Not applicable to fraternal benefit societies) ...	NO
44.	Will the Accident and Health Policy Experience Exhibit be filed by April 1? .....	NO
45.	Will the Supplemental Health Care Exhibit (Parts 1, 2 and 3) be filed with the state of domicile and the NAIC by April 1? .....	NO
46.	Will the regulator only (non-public) Supplemental Health Care Exhibit's Expense Allocation Report be filed with the state of domicile and the NAIC by April 1? .....	NO
47.	Will the confidential Actuarial Memorandum required by Actuarial Guideline XXXVIII 8D be filed with the state of domicile by April 30? .....	NO
48.	Will the Supplemental Term and Universal Life Insurance Reinsurance Exhibit be filed with the state of domicile and the NAIC by April 1? .....	SEE EXPLANATION
49.	Will the Variable Annuities Supplement be filed with the state of domicile and the NAIC by April 1? .....	NO
<b>AUGUST FILING</b>		
50.	Will Management's Report of Internal Control Over Financial Reporting be filed with the state of domicile by August 1? .....	YES
Explanations:		
2.	The Company is not required to file with the NAIC	
10.	The Company is not required to file with the NAIC	
12.	The Company has only one shareholder	
13.	The Company has no Medicare Supplement Insurance Business	
14.	The Company has no trustee surplus	
15.	The Company has no participating business	
16.	The Company will file with the State but is not required to file with the NAIC	
17.	The Company will file with the State but is not required to file with the NAIC	
18.	The Company has no Separate Accounts Funding Guaranteed Minimum Benefit	
19.	The Company has no Synthetic GTIC contracts	
20.	The Reasonableness and Consistency of Assumption Certificate will be filed	
21.	The Company has no indexed annuity contracts	
22.	The Reasonableness and Consistency of Assumption Certificate (updated Market Value) will be filed	
23.	The Reasonableness and Consistency of Assumption Certificate (updated Market Value) will be filed	
24.	The Company will file with the State but is not required to file with the NAIC	
25.	The Company is not required to file this form	
26.	The Company is not required to file this form	
27.	The Company has no participating business	
28.	The Company has no Modified Guarantee Annuities	
29.	Not applicable to variable business in force	
30.	Not applicable to variable business in force	
31.	The Company has no variable contracts	
32.	The Company has no variable contracts	
33.	The Company will file with the State but is not required to file with the NAIC	
34.	The Company has no Workers Compensation business	
35.	The Company has no Accident and Health business	
36.	The Company has no Medicare Part D coverage business	
37.	Audit partner has not exceeded five years	
38.	There are no employees currently in cooling off periods	
39.	The Company is not seeking relief from these requirements	
40.	The Company will file with the State but is not required to file with the NAIC	
42.	The Company has no Long-Term business	
43.	The Company has no Accident and Health business	
44.	The Company has no annuity business	
45.	The Company has no health business	
46.	The Company has no health business	
47.	The Company is exempt from the requirements of Section 8D of AG38	
48.	The Company will file with the State but is not required to file with the NAIC	
49.		
Bar Codes:		
6.	Life, Health & Annuity Guaranty Association Model Act Assessment Base Reconciliation Exhibit [Document Identifier 290]	
7.	Adjustments to the Life, Health & Annuity Guaranty Association Model Act Assessment Base Reconciliation Exhibit [Document Identifier 300]	
12.	SIS Stockholder Information Supplement [Document Identifier 420]	
13.	Medicare Supplement Insurance Experience Exhibit [Document Identifier 360]	
14.	Trusteed Surplus Statement [Document Identifier 490]	

# SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

- 15. Participating Opinion for Exhibit 5 [Document Identifier 371]   
1 5 4 7 3 2 0 1 6 3 7 1 0 0 0 0 0
- 18. Actuarial Opinion on Separate Accounts Funding Guaranteed Minimum Benefit [Document Identifier 443]   
1 5 4 7 3 2 0 1 6 4 4 3 0 0 0 0 0
- 19. Actuarial Opinion on Synthetic Guaranteed Investment Contracts [Document Identifier 444]   
1 5 4 7 3 2 0 1 6 4 4 4 0 0 0 0 0
- 20. Reasonableness of Assumptions Certification required by Actuarial Guideline XXXV [Document Identifier 445]   
1 5 4 7 3 2 0 1 6 4 4 5 0 0 0 0 0
- 21. Reasonableness and Consistency of Assumptions Certification required by Actuarial Guideline XXXV [Document Identifier 446]   
1 5 4 7 3 2 0 1 6 4 4 6 0 0 0 0 0
- 22. Reasonableness of Assumptions Certification for Implied Guaranteed Rate Method required by Actuarial Guideline XXXVI [Document Identifier 447]   
1 5 4 7 3 2 0 1 6 4 4 7 0 0 0 0 0
- 23. Reasonableness and Consistency of Assumptions Certification required by Actuarial Guideline XXXVI [Document Identifier 448]   
1 5 4 7 3 2 0 1 6 4 4 8 0 0 0 0 0
- 25. C-3 RBC Certifications Required Under C-3 Phase I [Document Identifier 450]   
1 5 4 7 3 2 0 1 6 4 5 0 0 0 0 0 0
- 26. C-3 RBC Certifications Required Under C-3 Phase II [Document Identifier 451]   
1 5 4 7 3 2 0 1 6 4 5 1 0 0 0 0 0
- 27. Actuarial Certifications Related to Annuity Nonforfeiture Ongoing Compliance for Equity Indexed Annuities [Document Identifier 452]   
1 5 4 7 3 2 0 1 6 4 5 2 0 0 0 0 0
- 28. Modified Guaranteed Annuity Model Regulation [Document Identifier 453]   
1 5 4 7 3 2 0 1 6 4 5 3 0 0 0 0 0
- 29. Actuarial Certifications Related to Hedging required by Actuarial Guideline XLIII [Document Identifier 436]   
1 5 4 7 3 2 0 1 6 4 3 6 0 0 0 0 0
- 30. Financial Officer Certification Related to Clearly Defined Hedging Strategy required by Actuarial Guideline XLIII [Document Identifier 437]   
1 5 4 7 3 2 0 1 6 4 3 7 0 0 0 0 0
- 31. Management Certification That the Valuation Reflects Management's Intent required by Actuarial Guideline XLIII [Document Identifier 438]   
1 5 4 7 3 2 0 1 6 4 3 8 0 0 0 0 0
- 32. Actuarial Certification Related to the Reserves required by Actuarial Guideline XLIII [Document Identifier 439]   
1 5 4 7 3 2 0 1 6 4 3 9 0 0 0 0 0
- 34. Workers' Compensation Carve-Out Supplement [Document Identifier 495]   
1 5 4 7 3 2 0 1 6 4 9 5 0 0 0 0 0
- 35. Supplemental Schedule O [Document Identifier 465]   
1 5 4 7 3 2 0 1 6 4 6 5 0 0 0 0 0
- 36. Medicare Part D Coverage Supplement [Document Identifier 365]   
1 5 4 7 3 2 0 1 6 3 6 5 0 0 0 0 0
- 37. Relief from the five-year rotation requirement for lead audit partner [Document Identifier 224]   
1 5 4 7 3 2 0 1 6 2 2 4 0 0 0 0 0
- 38. Relief from the one-year cooling off period for independent CPA [Document Identifier 225]   
1 5 4 7 3 2 0 1 6 2 2 5 0 0 0 0 0
- 39. Relief from the Requirements for Audit Committees [Document Identifier 226]   
1 5 4 7 3 2 0 1 6 2 2 6 0 0 0 0 0
- 42. Long-Term Care Experience Reporting Forms [Document Identifier 306]   
1 5 4 7 3 2 0 1 6 3 0 6 0 0 0 0 0
- 43. Credit Insurance Experience Exhibit [Document Identifier 230]   
1 5 4 7 3 2 0 1 6 2 3 0 0 0 0 0 0
- 44. Accident and Health Policy Experience Exhibit [Document Identifier 210]   
1 5 4 7 3 2 0 1 6 2 1 0 0 0 0 0 0
- 45. Supplemental Health Care Exhibit (Parts 1, 2 and 3) [Document Identifier 216]   
1 5 4 7 3 2 0 1 6 2 1 6 0 0 0 0 0
- 46. Supplemental Health Care Exhibit's Expense Allocation Report [Document Identifier 217]   
1 5 4 7 3 2 0 1 6 2 1 7 0 0 0 0 0
- 47. Actuarial Memorandum Required by Actuarial Guideline XXXVIII 8D [Document Identifier 435]   
1 5 4 7 3 2 0 1 6 4 3 5 0 0 0 0 0
- 49. Variable Annuities Supplement [Document Identifier 286] 

**OVERFLOW PAGE FOR WRITE-INS**

**SUMMARY INVESTMENT SCHEDULE**

Investment Categories	Gross Investment Holdings		Admitted Assets as Reported in the Annual Statement			
	1 Amount	2 Percentage of Column 1 Line 13	3 Amount	4 Securities Lending Reinvested Collateral Amount	5 Total (Col. 3 + 4) Amount	6 Percentage of Column 5 Line 13
1. Long-Term Bonds (Schedule D, Part 1):						
1.01 U.S. governments .....		0.000				0.000
1.02 All other governments .....	1,118,549	0.693	1,118,549		1,118,549	0.693
1.03 U.S. states, territories and possessions, etc. guaranteed .....	2,159,442	1.337	2,159,442		2,159,442	1.337
1.04 U.S. political subdivisions of states, territories, and possessions, guaranteed .....	2,496,829	1.546	2,496,829		2,496,829	1.546
1.05 U.S. special revenue and special assessment obligations, etc. non-guaranteed .....	12,996,882	8.049	12,996,882		12,996,882	8.049
1.06 Industrial and miscellaneous .....	114,104,461	70.665	114,104,461		114,104,461	70.665
1.07 Hybrid securities .....		0.000				0.000
1.08 Parent, subsidiaries and affiliates .....		0.000				0.000
1.09 SVO identified funds .....		0.000				0.000
1.10 Unaffiliated Bank loans .....		0.000				0.000
1.11 Total long-term bonds .....	132,876,163	82.291	132,876,163		132,876,163	82.291
2. Preferred stocks (Schedule D, Part 2, Section 1):						
2.01 Industrial and miscellaneous (Unaffiliated) .....		0.000				0.000
2.02 Parent, subsidiaries and affiliates .....		0.000				0.000
2.03 Total preferred stocks .....		0.000				0.000
3. Common stocks (Schedule D, Part 2, Section 2):						
3.01 Industrial and miscellaneous Publicly traded (Unaffiliated) .....		0.000				0.000
3.02 Industrial and miscellaneous Other (Unaffiliated) .....		0.000				0.000
3.03 Parent, subsidiaries and affiliates Publicly traded .....		0.000				0.000
3.04 Parent, subsidiaries and affiliates Other .....		0.000				0.000
3.05 Mutual funds .....		0.000				0.000
3.06 Unit investment trusts .....		0.000				0.000
3.07 Closed-end funds .....		0.000				0.000
3.08 Total common stocks .....		0.000				0.000
4. Mortgage loans (Schedule B):						
4.01 Farm mortgages .....		0.000				0.000
4.02 Residential mortgages .....		0.000				0.000
4.03 Commercial mortgages .....		0.000				0.000
4.04 Mezzanine real estate loans .....		0.000				0.000
4.05 Total mortgage loans .....		0.000				0.000
5. Real estate (Schedule A):						
5.01 Properties occupied by company .....		0.000				0.000
5.02 Properties held for production of income .....		0.000				0.000
5.03 Properties held for sale .....		0.000				0.000
5.04 Total real estate .....		0.000				0.000
6. Cash, cash equivalents and short-term investments:						
6.01 Cash (Schedule E, Part 1) .....		0.000				0.000
6.02 Cash equivalents (Schedule E, Part 2) .....	8,088,047	5.009	8,088,047		8,088,047	5.009
6.03 Short-term investments (Schedule DA) .....	821,895	0.509	821,895		821,895	0.509
6.04 Total cash, cash equivalents and short-term investments .....	8,909,942	5.518	8,909,942		8,909,942	5.518
7. Contract loans .....	19,685,881	12.192	19,685,881		19,685,881	12.192
8. Derivatives (Schedule DB) .....		0.000				0.000
9. Other invested assets (Schedule BA) .....		0.000				0.000
10. Receivables for securities .....		0.000				0.000
11. Securities Lending (Schedule DL, Part 1) .....		0.000		XXX	XXX	XXX
12. Other invested assets (Page 2, Line 11) .....		0.000				0.000
13. Total invested assets	161,471,986	100.000	161,471,986		161,471,986	100.000



Schedule A - Verification - Real Estate

**NONE**

Schedule B - Verification - Mortgage Loans

**NONE**

ANNUAL STATEMENT FOR THE YEAR 2019 OF THE Cape Verity III, Inc.  
**SCHEDULE BA - VERIFICATION BETWEEN YEARS**  
 Other Long-Term Invested Assets

1.	Book/adjusted carrying value, December 31 of prior year .....	
2.	Cost of acquired:	
	2.1 Actual cost at time of acquisition (Part 2, Column 8) .....	
	2.2 Additional investment made after acquisition (Part 2, Column 9) .....	
3.	Capitalized deferred interest and other:	
	3.1 Totals, Part 1, Column 16 .....	
	3.2 Totals, Part 3, Column 12 .....	
4.	Accrual of discount .....	
5.	Unrealized valuation increase (decrease):	
	5.1 Totals, Part 1, Column 13 .....	
	5.2 Totals, Part 3, Column 9 .....	
6.	Total gain (loss) on disposals, Part 3, Column 19 .....	
7.	Deduct amounts received on disposals, Part 3, Column 18 .....	
8.	Deduct amortization of premium and depreciation .....	
9.	Total foreign exchange change in book/adjusted carrying value:	
	9.1 Totals, Part 1, Column 17 .....	
	9.2 Totals, Part 3, Column 14 .....	
10.	Deduct current year's other than temporary impairment recognized:	
	10.1 Totals, Part 1, Column 15 .....	
	10.2 Totals, Part 3, Column 11 .....	
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 BETWEEN YEARS**  
 Bonds and Stocks

1.	Book/adjusted carrying value, December 31 of prior year .....	27,607,779
2.	Cost of bonds and stocks acquired, Part 3, Column 7 .....	158,216,717
3.	Accrual of discount .....	40,262
4.	Unrealized valuation increase (decrease):	
	4.1. Part 1, Column 12 .....	
	4.2. Part 2, Section 1, Column 15 .....	
	4.3. Part 2, Section 2, Column 13 .....	
	4.4. Part 4, Column 11 .....	
5.	Total gain (loss) on disposals, Part 4, Column 19 .....	1,773,369
6.	Deduction consideration for bonds and stocks disposed of, Part 4, Column 7 .....	54,906,717
7.	Deduct amortization of premium .....	310,077
8.	Total foreign exchange change in book/adjusted carrying value:	
	8.1. Part 1, Column 15 .....	
	8.2. Part 2, Section 1, Column 19 .....	
	8.3. Part 2, Section 2, Column 16 .....	
	8.4. Part 4, Column 15 .....	
9.	Deduct current year's other than temporary impairment recognized:	
	9.1. Part 1, Column 14 .....	
	9.2. Part 2, Section 1, Column 17 .....	
	9.3. Part 2, Section 2, Column 14 .....	
	9.4. Part 4, Column 13 .....	
10.	Total investment income recognized as a result of prepayment penalties and/or acceleration fees, Note 5Q, Line 2 .....	454,830
11.	Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9+10) .....	132,876,163
12.	Deduct total nonadmitted amounts .....	
13.	Statement value at end of current period (Line 11 minus Line 12) .....	132,876,163

ANNUAL STATEMENT FOR THE YEAR 2019 OF THE Cape Verity III, Inc.

**SCHEDULE D - SUMMARY BY COUNTRY**

Long-Term Bonds and Stocks OWNED December 31 of Current Year

Description		1 Book/Adjusted Carrying Value	2 Fair Value	3 Actual Cost	4 Par Value of Bonds
<b>BONDS</b>					
Governments (Including all obligations guaranteed by governments)	1. United States .....				
	2. Canada .....				
	3. Other Countries	1,118,549	1,262,888	1,118,744	1,100,000
	4. Totals	1,118,549	1,262,888	1,118,744	1,100,000
U.S. States, Territories and Possessions (Direct and guaranteed)	5. Totals	2,159,442	2,310,994	2,175,264	1,400,000
U.S. Political Subdivisions of States, Territories and Possessions (Direct and guaranteed)	6. Totals	2,496,829	2,757,528	2,508,021	1,720,000
U.S. Special Revenue and Special Assessment Obligations and all Non- Guaranteed Obligations of Agencies and Authorities of Governments and their Political Subdivisions	7. Totals	12,996,882	13,873,755	13,051,461	11,062,000
Industrial and Miscellaneous, SVO Identified Funds, Unaffiliated Bank Loans and Hybrid Securities (unaffiliated)	8. United States .....	102,620,096	114,693,382	102,770,705	95,700,091
	9. Canada .....	2,369,212	2,487,886	2,489,741	2,056,636
	10. Other Countries	9,115,153	10,283,346	9,141,114	7,986,000
	11. Totals	114,104,461	127,464,614	114,401,560	105,742,727
Parent, Subsidiaries and Affiliates	12. Totals				
	13. Total Bonds	132,876,163	147,669,779	133,255,050	121,024,727
<b>PREFERRED STOCKS</b>					
Industrial and Miscellaneous (unaffiliated)	14. United States .....				
	15. Canada .....				
	16. Other Countries				
	17. Totals				
Parent, Subsidiaries and Affiliates	18. Totals				
	19. Total Preferred Stocks				
<b>COMMON STOCKS</b>					
Industrial and Miscellaneous (unaffiliated)	20. United States .....				
	21. Canada .....				
	22. Other Countries				
	23. Totals				
Parent, Subsidiaries and Affiliates	24. Totals				
	25. Total Common Stocks				
	26. Total Stocks				
	27. Total Bonds and Stocks	132,876,163	147,669,779	133,255,050	

ANNUAL STATEMENT FOR THE YEAR 2019 OF THE Cape Verity III, Inc.

**SCHEDULE D - PART 1A - SECTION 1**

Quality and Maturity Distribution of All Bonds Owned December 31, at Book/Adjusted Carrying Values by Major Types of Issues and NAIC Designations

NAIC Designation	1 1 Year or Less	2 Over 1 Year Through 5 Years	3 Over 5 Years Through 10 Years	4 Over 10 Years Through 20 Years	5 Over 20 Years	6 No Maturity Date	7 Total Current Year	8 Col. 7 as a % of Line 11.7	9 Total from Col. 7 Prior Year	10 % From Col. 8 Prior Year	11 Total Publicly Traded	12 Total Privately Placed (a)
1. U.S. Governments												
1.1 NAIC 1	3,820,801					XXX	3,820,801	2.8	9,221,734	25.7	3,820,801	
1.2 NAIC 2						XXX						
1.3 NAIC 3						XXX						
1.4 NAIC 4						XXX						
1.5 NAIC 5						XXX						
1.6 NAIC 6						XXX						
1.7 Totals	3,820,801					XXX	3,820,801	2.8	9,221,734	25.7	3,820,801	
2. All Other Governments												
2.1 NAIC 1					1,118,549	XXX	1,118,549	0.8				1,118,549
2.2 NAIC 2						XXX						
2.3 NAIC 3						XXX						
2.4 NAIC 4						XXX						
2.5 NAIC 5						XXX						
2.6 NAIC 6						XXX						
2.7 Totals					1,118,549	XXX	1,118,549	0.8				1,118,549
3. U.S. States, Territories and Possessions etc., Guaranteed												
3.1 NAIC 1					2,159,442	XXX	2,159,442	1.6			2,159,442	
3.2 NAIC 2						XXX						
3.3 NAIC 3						XXX						
3.4 NAIC 4						XXX						
3.5 NAIC 5						XXX						
3.6 NAIC 6						XXX						
3.7 Totals					2,159,442	XXX	2,159,442	1.6			2,159,442	
4. U.S. Political Subdivisions of States, Territories and Possessions, Guaranteed												
4.1 NAIC 1				151,881	2,344,949	XXX	2,496,830	1.8			2,496,830	
4.2 NAIC 2						XXX						
4.3 NAIC 3						XXX						
4.4 NAIC 4						XXX						
4.5 NAIC 5						XXX						
4.6 NAIC 6						XXX						
4.7 Totals				151,881	2,344,949	XXX	2,496,830	1.8			2,496,830	
5. U.S. Special Revenue & Special Assessment Obligations, etc., Non-Guaranteed												
5.1 NAIC 1				244,975	10,201,464	XXX	10,446,439	7.6	1,549,805	4.3	10,446,439	
5.2 NAIC 2				1,417,000	1,133,442	XXX	2,550,442	1.9	239,174	0.7	2,550,442	
5.3 NAIC 3						XXX						
5.4 NAIC 4						XXX						
5.5 NAIC 5						XXX						
5.6 NAIC 6						XXX						
5.7 Totals				1,661,975	11,334,906	XXX	12,996,881	9.5	1,788,979	5.0	12,996,881	

ANNUAL STATEMENT FOR THE YEAR 2019 OF THE Cape Verity III, Inc.

**SCHEDULE D - PART 1A - SECTION 1 (Continued)**

Quality and Maturity Distribution of All Bonds Owned December 31, at Book/Adjusted Carrying Values by Major Types of Issues and NAIC Designations

NAIC Designation	1 1 Year or Less	2 Over 1 Year Through 5 Years	3 Over 5 Years Through 10 Years	4 Over 10 Years Through 20 Years	5 Over 20 Years	6 No Maturity Date	7 Total Current Year	8 Col. 7 as a % of Line 11.7	9 Total from Col. 7 Prior Year	10 % From Col. 8 Prior Year	11 Total Publicly Traded	12 Total Privately Placed (a)
<b>6. Industrial &amp; Miscellaneous (Unaffiliated)</b>												
6.1 NAIC 1	202,498	925,623	1,820,209	12,159,849	26,010,612	XXX	41,118,791	30.1	16,121,706	45.0	35,548,393	5,570,398
6.2 NAIC 2		750,063	2,506,640	10,999,937	58,729,031	XXX	72,985,671	53.4	8,719,934	24.3	69,445,598	3,540,073
6.3 NAIC 3						XXX						
6.4 NAIC 4						XXX						
6.5 NAIC 5						XXX						
6.6 NAIC 6						XXX						
6.7 Totals	202,498	1,675,686	4,326,849	23,159,786	84,739,643	XXX	114,104,462	83.5	24,841,640	69.3	104,993,991	9,110,471
<b>7. Hybrid Securities</b>												
7.1 NAIC 1						XXX						
7.2 NAIC 2						XXX						
7.3 NAIC 3						XXX						
7.4 NAIC 4						XXX						
7.5 NAIC 5						XXX						
7.6 NAIC 6						XXX						
7.7 Totals						XXX						
<b>8. Parent, Subsidiaries and Affiliates</b>												
8.1 NAIC 1						XXX						
8.2 NAIC 2						XXX						
8.3 NAIC 3						XXX						
8.4 NAIC 4						XXX						
8.5 NAIC 5						XXX						
8.6 NAIC 6						XXX						
8.7 Totals						XXX						
<b>9. SVO Identified Funds</b>												
9.1 NAIC 1	XXX	XXX	XXX	XXX	XXX							
9.2 NAIC 2	XXX	XXX	XXX	XXX	XXX							
9.3 NAIC 3	XXX	XXX	XXX	XXX	XXX							
9.4 NAIC 4	XXX	XXX	XXX	XXX	XXX							
9.5 NAIC 5	XXX	XXX	XXX	XXX	XXX							
9.6 NAIC 6	XXX	XXX	XXX	XXX	XXX							
9.7 Totals	XXX	XXX	XXX	XXX	XXX							
<b>10. Unaffiliated Bank Loans</b>												
10.1 NAIC 1						XXX						
10.2 NAIC 2						XXX						
10.3 NAIC 3						XXX						
10.4 NAIC 4						XXX						
10.5 NAIC 5						XXX						
10.6 NAIC 6						XXX						
10.7 Totals						XXX						

ANNUAL STATEMENT FOR THE YEAR 2019 OF THE Cape Verity III, Inc.

**SCHEDULE D - PART 1A - SECTION 1 (Continued)**

Quality and Maturity Distribution of All Bonds Owned December 31, at Book/Adjusted Carrying Values by Major Types of Issues and NAIC Designations

NAIC Designation	1 1 Year or Less	2 Over 1 Year Through 5 Years	3 Over 5 Years Through 10 Years	4 Over 10 Years Through 20 Years	5 Over 20 Years	6 No Maturity Date	7 Total Current Year	8 Col. 7 as a % of Line 11.7	9 Total from Col. 7 Prior Year	10 % From Col. 8 Prior Year	11 Total Publicly Traded	12 Total Privately Placed (a)
<b>11. Total Bonds Current Year</b>												
11.1 NAIC 1	(d) 4,023,299	925,623	1,820,209	12,556,705	41,835,016		61,160,852	44.7	XXX	XXX	54,471,905	6,688,947
11.2 NAIC 2	(d) 750,063		2,506,640	12,416,937	59,862,473		75,536,113	55.3	XXX	XXX	71,996,040	3,540,073
11.3 NAIC 3	(d)								XXX	XXX		
11.4 NAIC 4	(d)								XXX	XXX		
11.5 NAIC 5	(d)								XXX	XXX		
11.6 NAIC 6	(d)						(c)		XXX	XXX		
11.7 Totals	4,023,299	1,675,686	4,326,849	24,973,642	101,697,489		(b) 136,696,965	100.0	XXX	XXX	126,467,945	10,229,020
11.8 Line 11.7 as a % of Col. 7	2.9	1.2	3.2	18.3	74.4		100.0	XXX	XXX	XXX	92.5	7.5
<b>12. Total Bonds Prior Year</b>												
12.1 NAIC 1	12,330,389	4,929,699	1,955,966	629,761	7,047,430		XXX	XXX	26,893,245	75.0	24,047,696	2,845,549
12.2 NAIC 2	1,103,774	538,205	3,016,982	555,036	3,745,111		XXX	XXX	8,959,108	25.0	7,683,829	1,275,279
12.3 NAIC 3							XXX	XXX				
12.4 NAIC 4							XXX	XXX				
12.5 NAIC 5							XXX	XXX	(c)			
12.6 NAIC 6							XXX	XXX	(c)			
12.7 Totals	13,434,163	5,467,904	4,972,948	1,184,797	10,792,541		XXX	XXX	(b) 35,852,353	100.0	31,731,525	4,120,828
12.8 Line 12.7 as a % of Col. 9	37.5	15.3	13.9	3.3	30.1		XXX	XXX	100.0	XXX	88.5	11.5
<b>13. Total Publicly Traded Bonds</b>												
13.1 NAIC 1	3,820,801		498,602	11,029,025	39,123,476		54,471,904	39.8	24,047,696	67.1	54,471,904	XXX
13.2 NAIC 2		750,063	2,506,640	12,416,937	56,322,401		71,996,041	52.7	7,683,829	21.4	71,996,041	XXX
13.3 NAIC 3												XXX
13.4 NAIC 4												XXX
13.5 NAIC 5												XXX
13.6 NAIC 6												XXX
13.7 Totals	3,820,801	750,063	3,005,242	23,445,962	95,445,877		126,467,945	92.5	31,731,525	88.5	126,467,945	XXX
13.8 Line 13.7 as a % of Col. 7	3.0	0.6	2.4	18.5	75.5		100.0	XXX	XXX	XXX	100.0	XXX
13.9 Line 13.7 as a % of Line 11.7, Col. 7, Section 11	2.8	0.5	2.2	17.2	69.8		92.5	XXX	XXX	XXX	92.5	XXX
<b>14. Total Privately Placed Bonds</b>												
14.1 NAIC 1	202,498	925,623	1,321,607	1,527,680	2,711,540		6,688,948	4.9	2,845,549	7.9	XXX	6,688,948
14.2 NAIC 2					3,540,072		3,540,072	2.6	1,275,279	3.6	XXX	3,540,072
14.3 NAIC 3												XXX
14.4 NAIC 4												XXX
14.5 NAIC 5												XXX
14.6 NAIC 6												XXX
14.7 Totals	202,498	925,623	1,321,607	1,527,680	6,251,612		10,229,020	7.5	4,120,828	11.5	XXX	10,229,020
14.8 Line 14.7 as a % of Col. 7	2.0	9.0	12.9	14.9	61.1		100.0	XXX	XXX	XXX	XXX	100.0
14.9 Line 14.7 as a % of Line 11.7, Col. 7, Section 11	0.1	0.7	1.0	1.1	4.6		7.5	XXX	XXX	XXX	XXX	7.5

(a) Includes \$ 10,229,020 freely tradable under SEC Rule 144 or qualified for resale under SEC Rule 144A.

(b) Includes \$ current year of bonds with Z designations and \$ prior year of bonds with Z designations. The letter "Z" means the NAIC designation was not assigned by the Securities Valuation Office (SVO) at the date of the statement.

(c) Includes \$ current year, \$ prior year of bonds with 5GI designations and \$ current year, \$ prior year of bonds with 6\* designations. "5GI" means the NAIC designation was assigned by the (SVO) in reliance on the insurer's certification that the issuer is current in all principal and interest payments. "6\*" means the NAIC designation was assigned by the SVO due to inadequate certification of principal and interest payments.

(d) Includes the following amount of short-term and cash equivalent bonds by NAIC designation: NAIC 1 \$ 3,820,802 ; NAIC 2 \$ ; NAIC 3 \$ ; NAIC 4 \$ ; NAIC 5 \$ ; NAIC 6 \$

ANNUAL STATEMENT FOR THE YEAR 2019 OF THE Cape Verity III, Inc.

**SCHEDULE D - PART 1A - SECTION 2**

Maturity Distribution of All Bonds Owned December 31, at Book/Adjusted Carrying Values by Major Type and Subtype of Issues

Distribution by Type	1 1 Year or Less	2 Over 1 Year Through 5 Years	3 Over 5 Years Through 10 Years	4 Over 10 Years Through 20 Years	5 Over 20 Years	6 No Maturity Date	7 Total Current Year	8 Col. 7 as a % of Line 11.08	9 Total from Col. 7 Prior Year	10 % From Col. 8 Prior Year	11 Total Publicly Traded	12 Total Privately Placed
<b>1. U.S. Governments</b>												
1.01 Issuer Obligations .....	3,820,801					XXX	3,820,801	2.8	9,221,734	25.7	3,820,801	
1.02 Residential Mortgage-Backed Securities .....						XXX						
1.03 Commercial Mortgage-Backed Securities .....						XXX						
1.04 Other Loan-Backed and Structured Securities .....						XXX						
1.05 Totals	3,820,801					XXX	3,820,801	2.8	9,221,734	25.7	3,820,801	
<b>2. All Other Governments</b>												
2.01 Issuer Obligations .....					1,118,549	XXX	1,118,549	0.8				1,118,549
2.02 Residential Mortgage-Backed Securities .....						XXX						
2.03 Commercial Mortgage-Backed Securities .....						XXX						
2.04 Other Loan-Backed and Structured Securities .....						XXX						
2.05 Totals					1,118,549	XXX	1,118,549	0.8				1,118,549
<b>3. U.S. States, Territories and Possessions, Guaranteed</b>												
3.01 Issuer Obligations .....					2,159,442	XXX	2,159,442	1.6			2,159,442	
3.02 Residential Mortgage-Backed Securities .....						XXX						
3.03 Commercial Mortgage-Backed Securities .....						XXX						
3.04 Other Loan-Backed and Structured Securities .....						XXX						
3.05 Totals					2,159,442	XXX	2,159,442	1.6			2,159,442	
<b>4. U.S. Political Subdivisions of States, Territories and Possessions, Guaranteed</b>												
4.01 Issuer Obligations .....				151,881	2,344,949	XXX	2,496,830	1.8			2,496,830	
4.02 Residential Mortgage-Backed Securities .....						XXX						
4.03 Commercial Mortgage-Backed Securities .....						XXX						
4.04 Other Loan-Backed and Structured Securities .....						XXX						
4.05 Totals				151,881	2,344,949	XXX	2,496,830	1.8			2,496,830	
<b>5. U.S. Special Revenue &amp; Special Assessment Obligations etc., Non-Guaranteed</b>												
5.01 Issuer Obligations .....				1,661,975	11,334,906	XXX	12,996,881	9.5	1,788,978	5.0	12,996,881	
5.02 Residential Mortgage-Backed Securities .....						XXX						
5.03 Commercial Mortgage-Backed Securities .....						XXX						
5.04 Other Loan-Backed and Structured Securities .....						XXX						
5.05 Totals				1,661,975	11,334,906	XXX	12,996,881	9.5	1,788,978	5.0	12,996,881	
<b>6. Industrial and Miscellaneous</b>												
6.01 Issuer Obligations .....	202,498	1,675,686	4,326,849	23,159,786	84,198,584	XXX	113,563,403	83.1	24,841,641	69.3	104,452,932	9,110,471
6.02 Residential Mortgage-Backed Securities .....						XXX						
6.03 Commercial Mortgage-Backed Securities .....					541,059	XXX	541,059	0.4			541,059	
6.04 Other Loan-Backed and Structured Securities .....						XXX						
6.05 Totals	202,498	1,675,686	4,326,849	23,159,786	84,739,643	XXX	114,104,462	83.5	24,841,641	69.3	104,993,991	9,110,471
<b>7. Hybrid Securities</b>												
7.01 Issuer Obligations .....						XXX						
7.02 Residential Mortgage-Backed Securities .....						XXX						
7.03 Commercial Mortgage-Backed Securities .....						XXX						
7.04 Other Loan-Backed and Structured Securities .....						XXX						
7.05 Totals						XXX						
<b>8. Parent, Subsidiaries and Affiliates</b>												
8.01 Issuer Obligations .....						XXX						
8.02 Residential Mortgage-Backed Securities .....						XXX						
8.03 Commercial Mortgage-Backed Securities .....						XXX						
8.04 Other Loan-Backed and Structured Securities .....						XXX						
8.05 Affiliated Bank Loans - Issued .....						XXX						
8.06 Affiliated Bank Loans - Acquired .....						XXX						
8.07 Totals						XXX						

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ANNUAL STATEMENT FOR THE YEAR 2019 OF THE Cape Verity III, Inc.

**SCHEDULE D - PART 1A - SECTION 2 (Continued)**

Maturity Distribution of All Bonds Owned December 31, at Book/Adjusted Carrying Values by Major Type and Subtype of Issues

Distribution by Type	1 1 Year or Less	2 Over 1 Year Through 5 Years	3 Over 5 Years Through 10 Years	4 Over 10 Years Through 20 Years	5 Over 20 Years	6 No Maturity Date	7 Total Current Year	8 Col. 7 as a % of Line 11.08	9 Total from Col. 7 Prior Year	10 % From Col. 8 Prior Year	11 Total Publicly Traded	12 Total Privately Placed
<b>9. SVO Identified Funds</b>												
9.01 Exchange Traded Funds Identified by the SVO	XXX	XXX	XXX	XXX	XXX							
9.02 Bond Mutual Funds Identified by the SVO	XXX	XXX	XXX	XXX	XXX							
9.03 Totals	XXX	XXX	XXX	XXX	XXX							
<b>10. Unaffiliated Bank Loans</b>												
10.01 Unaffiliated Bank Loans - Issued						XXX						
10.02 Unaffiliated Bank Loans - Acquired						XXX						
10.03 Totals						XXX						
<b>11. Total Bonds Current Year</b>												
11.01 Issuer Obligations	4,023,299	1,675,686	4,326,849	24,973,642	101,156,430	XXX	136,155,906	99.6	XXX	XXX	125,926,886	10,229,020
11.02 Residential Mortgage-Backed Securities						XXX			XXX	XXX		
11.03 Commercial Mortgage-Backed Securities					541,059	XXX	541,059	0.4	XXX	XXX	541,059	
11.04 Other Loan-Backed and Structured Securities						XXX			XXX	XXX		
11.05 SVO Identified Funds	XXX	XXX	XXX	XXX	XXX				XXX	XXX		
11.06 Affiliated Bank Loans						XXX			XXX	XXX		
11.07 Unaffiliated Bank Loans						XXX			XXX	XXX		
11.08 Totals	4,023,299	1,675,686	4,326,849	24,973,642	101,697,489		136,696,965	100.0	XXX	XXX	126,467,945	10,229,020
11.09 Line 11.08 as a % of Col. 7	2.9	1.2	3.2	18.3	74.4		100.0	XXX	XXX	XXX	92.5	7.5
<b>12. Total Bonds Prior Year</b>												
12.01 Issuer Obligations	13,434,163	5,467,905	4,972,948	1,184,797	10,792,540	XXX	XXX	XXX	35,852,353	100.0	31,731,528	4,120,825
12.02 Residential Mortgage-Backed Securities						XXX	XXX	XXX				
12.03 Commercial Mortgage-Backed Securities						XXX	XXX	XXX				
12.04 Other Loan-Backed and Structured Securities						XXX	XXX	XXX				
12.05 SVO Identified Funds	XXX	XXX	XXX	XXX	XXX		XXX	XXX				
12.06 Affiliated Bank Loans						XXX	XXX	XXX				
12.07 Unaffiliated Bank Loans						XXX	XXX	XXX				
12.08 Totals	13,434,163	5,467,905	4,972,948	1,184,797	10,792,540		XXX	XXX	35,852,353	100.0	31,731,528	4,120,825
12.09 Line 12.08 as a % of Col. 9	37.5	15.3	13.9	3.3	30.1		XXX	XXX	100	XXX	88.5	11.5
<b>13. Total Publicly Traded Bonds</b>												
13.01 Issuer Obligations	3,820,801	750,063	3,005,242	23,445,962	94,904,818	XXX	125,926,886	92.1	31,731,528	88.5	125,926,886	XXX
13.02 Residential Mortgage-Backed Securities						XXX						XXX
13.03 Commercial Mortgage-Backed Securities					541,059	XXX	541,059	0.4			541,059	XXX
13.04 Other Loan-Backed and Structured Securities						XXX						XXX
13.05 SVO Identified Funds	XXX	XXX	XXX	XXX	XXX							XXX
13.06 Affiliated Bank Loans						XXX						XXX
13.07 Unaffiliated Bank Loans						XXX						XXX
13.08 Totals	3,820,801	750,063	3,005,242	23,445,962	95,445,877		126,467,945	92.5	31,731,528	88.5	126,467,945	XXX
13.09 Line 13.08 as a % of Col. 7	3.0	0.6	2.4	18.5	75.5		100.0	XXX	XXX	XXX	100.0	XXX
13.10 Line 13.08 as a % of Line 11.08, Col. 7, Section 11	2.8	0.5	2.2	17.2	69.8		92.5	XXX	XXX	XXX	92.5	XXX
<b>14. Total Privately Placed Bonds</b>												
14.01 Issuer Obligations	202,498	925,623	1,321,607	1,527,680	6,251,612	XXX	10,229,020	7.5	4,120,825	11.5	XXX	10,229,020
14.02 Residential Mortgage-Backed Securities						XXX					XXX	
14.03 Commercial Mortgage-Backed Securities						XXX					XXX	
14.04 Other Loan-Backed and Structured Securities						XXX					XXX	
14.05 SVO Identified Funds	XXX	XXX	XXX	XXX	XXX						XXX	
14.06 Affiliated Bank Loans						XXX					XXX	
14.07 Unaffiliated Bank Loans						XXX					XXX	
14.08 Totals	202,498	925,623	1,321,607	1,527,680	6,251,612		10,229,020	7.5	4,120,825	11.5	XXX	10,229,020
14.09 Line 14.08 as a % of Col. 7	2.0	9.0	12.9	14.9	61.1		100.0	XXX	XXX	XXX	XXX	100.0
14.10 Line 14.08 as a % of Line 11.08, Col. 7, Section 11	0.1	0.7	1.0	1.1	4.6		7.5	XXX	XXX	XXX	XXX	7.5



ANNUAL STATEMENT FOR THE YEAR 2019 OF THE Cape Verity III, Inc.  
**SCHEDULE DA - VERIFICATION BETWEEN YEARS**

Short-Term Investments

	1 Total	2 Bonds	3 Mortgage Loans	4 Other Short-term Investment Assets (a)	5 Investments in Parent, Subsidiaries and Affiliates
1. Book/adjusted carrying value, December 31 of prior year .....	7,895,408	7,895,408			
2. Cost of short-term investments acquired .....	1,622,104	1,622,104			
3. Accrual of discount .....	70,775	70,775			
4. Unrealized valuation increase (decrease) .....					
5. Total gain (loss) on disposals .....	1,264	1,264			
6. Deduct consideration received on disposals .....	8,767,656	8,767,656			
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) .....	821,895	821,895			
11. Deduct total nonadmitted amounts .....					
12. Statement value at end of current period (Line 10 minus Line 11)	821,895	821,895			

(a) Indicate the category of such assets, for example, joint ventures, transportation equipment:

Schedule DB - Part A - Verification - Options, Caps, Floors, Collars, Swaps and Forwards

**NONE**

Schedule DB - Part B - Verification - Futures Contracts

**NONE**

Schedule DB - Part C - Section 1 - Replication (Synthetic Asset) Transactions (RSATs) Open

**NONE**

Schedule DB-Part C-Section 2-Reconciliation of Replication (Synthetic Asset) Transactions Open

**NONE**

Schedule DB - Verification - Book/Adjusted Carrying Value, Fair Value and Potential Exposure of  
Derivatives

**NONE**

**SCHEDULE E - PART 2 - VERIFICATION BETWEEN YEARS**

(Cash Equivalents)

	1	2	3	4
	Total	Bonds	Money Market Mutual funds	Other (a)
1. Book/adjusted carrying value, December 31 of prior year .....	1,078,626	349,166	729,460	
2. Cost of cash equivalents acquired .....	48,923,547	3,808,553	45,114,994	
3. Accrual of discount .....	16,187	16,187		
4. Unrealized valuation increase (decrease) .....				
5. Total gain (loss) on disposals .....				
6. Deduct consideration received on disposals .....	41,930,313	1,175,001	40,755,312	
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) .....	8,088,047	2,998,905	5,089,142	
11. Deduct total nonadmitted amounts .....				
12. Statement value at end of current period (Line 10 minus Line 11)	8,088,047	2,998,905	5,089,142	

(a) Indicate the category of such investments, for example, joint ventures, transportation equipment:

Schedule A - Part 1 - Real Estate Owned

**NONE**

Schedule A - Part 2 - Real Estate Acquired and Additions Made

**NONE**

Schedule A - Part 3 - Real Estate Disposed

**NONE**

Schedule B - Part 1 - Mortgage Loans Owned

**NONE**

Schedule B - Part 2 - Mortgage Loans Acquired and Additions Made

**NONE**

Schedule B - Part 3 - Mortgage Loans Disposed, Transferred or Repaid

**NONE**

Schedule BA - Part 1 - Other Long-Term Invested Assets Owned

**NONE**

Schedule BA - Part 2 - Other Long-Term Invested Assets Acquired and Additions Made

**NONE**

Schedule BA - Part 3 - Other Long-Term Invested Assets Disposed, Transferred or Repaid

**NONE**





ANNUAL STATEMENT FOR THE YEAR 2019 OF THE Cape Verity III, Inc.

**SCHEDULE D - PART 1**

Showing All Long-Term BONDS Owned December 31 of Current Year

1	2	Codes			6	7	Fair Value		10	11	Change in Book/Adjusted Carrying Value				Interest					Dates	
		3	4	5			8	9			12	13	14	15	16	17	18	19	20	21	22
CUSIP Identification	Description	C o d e	F o r e i g n	B o n d C h a r	NAIC Designation and Administrative Symbol	Actual Cost	Rate Used to Obtain Fair Value	Fair Value	Par Value	Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization) Accretion	Current Year's Other-Than-Temporary Impairment Recognized	Total Foreign Exchange Change in Book/ Adjusted Carrying Value	Rate of	Effective Rate of	When Paid	Admitted Amount Due and Accrued	Amount Received During Year	Acquired	Stated Contractual Maturity Date
98389B-AN-0	XCEL ENERGY INC XCEL ENERGY INC			1	2FE	2,421,753	112.8530	2,620,447	2,322,000	2,420,038		(1,715)			4.800	4.489	MS	32,818	55,728	05/01/2019	09/15/2041
98419M-AK-6	XYLEM INC INDIANA SENIOR CORP BND			1	2FE	2,070,850	109.0210	2,262,186	2,075,000	2,070,903		53			4.375	4.388	MN	15,130	45,391	05/01/2019	11/01/2046
136055-AA-8	CANADIAN IMPERIAL BANK BD 144A	A		1	1FE	2,489,741	120.9690	2,487,886	2,056,636	2,369,212		(17,727)			7.262	4.317	AO	33,604	74,676	10/30/2013	04/10/2032
05523R-AC-1	BAE SYSTEMS PLC SENIOR CORP BND 144A	D		1	2FE	1,167,000	129.2870	1,292,870	1,000,000	1,164,130		(2,870)			5.800	4.599	AO	12,889	29,000	05/01/2019	10/11/2041
21685W-CJ-4	COOPERATIVE RABOBANK UA CORP BND MTN	D		1	1FE	1,210,670	136.7000	1,367,000	1,000,000	1,206,570		(4,100)			5.250	3.827	MN	5,396	52,500	05/01/2019	05/24/2041
35177P-AX-5	ORANGE SA SENIOR CORP BND	D		1	2FE	2,075,379	128.8150	2,336,704	1,814,000	2,070,918		(4,461)			5.375	4.368	JJ	45,501	48,751	05/01/2019	01/13/2042
36164Q-NA-2	GE CAPITAL INTERNATIONAL FUNDI SENIOR CO	D		1	2FE	662,348	106.9730	772,345	722,000	663,923		1,575			4.418	5.167	MN	4,076	31,898	05/01/2019	11/15/2035
404280-AF-6	HSBC HOLDINGS PLC CORP BND	D		1	1FE	1,324,920	139.2260	1,392,260	1,000,000	1,312,364		(12,556)			7.625	4.337	MN	9,319	76,250	05/01/2019	05/17/2032
404280-AQ-2	HSBC HOLDINGS PLC SUB CORP BND	D		1	1FE	526,414	126.4930	600,842	475,000	525,676		(738)			5.250	4.520	MS	7,412	12,469	05/01/2019	03/14/2044
50247V-AC-3	LYB INTERNATIONAL FINANCE BV SENIOR CORP	D		1	2FE	248,325	112.6800	281,700	250,000	248,362		37			4.875	4.922	MS	3,589	6,094	05/01/2019	03/15/2044
685218-AB-5	ORANGE SA SENIOR CORP BND	D		1	2FE	586,655	132.7620	663,810	500,000	585,317		(1,338)			5.500	4.338	FA	11,076	13,750	05/01/2019	02/06/2044
853254-AN-0	STANDARD CHARTERED PLC SUB CORP BND 144A	D		1	2FE	1,339,403	128.6380	1,575,816	1,225,000	1,337,892		(1,510)			5.700	5.037	MS	18,426	34,913	05/01/2019	03/26/2044
3299999	Subtotal - Bonds - Industrial and Miscellaneous (Unaffiliated) - Issuer Obligations					113,860,848	XXX	126,859,210	105,177,727	113,563,400		(186,160)			XXX	XXX	XXX	1,447,376	3,497,265	XXX	XXX
313747-AV-9	FEDERAL REALTY INVESTMENT TRUS SENIOR CO			1	1FE	67,617	115.4520	75,044	65,000	67,579		(38)			4.500	4.238	JD	244	2,925	05/01/2019	12/01/2044
49446R-AM-1	KIMCO REALTY CORPORATION SENIOR CORP BND			1	2FE	473,095	106.0720	530,360	500,000	473,482		385			4.250	4.608	AO	5,313	10,625	05/01/2019	04/01/2045
3499999	Subtotal - Bonds - Industrial and Miscellaneous (Unaffiliated) - Commercial Mortgage-Backed Securities					540,712	XXX	605,404	565,000	541,061		347			XXX	XXX	XXX	5,557	13,550	XXX	XXX
3899999	Total - Industrial and Miscellaneous (Unaffiliated) Bonds					114,401,560	XXX	127,464,614	105,742,727	114,104,461		(185,813)			XXX	XXX	XXX	1,452,933	3,510,815	XXX	XXX
4899999	Total - Hybrid Securities						XXX								XXX	XXX	XXX			XXX	XXX
5599999	Total - Parent, Subsidiaries and Affiliates Bonds						XXX								XXX	XXX	XXX			XXX	XXX
6099999	Subtotal - SVO Identified Funds						XXX								XXX	XXX	XXX			XXX	XXX
6599999	Subtotal - Unaffiliated Bank Loans						XXX								XXX	XXX	XXX			XXX	XXX
7699999	Total - Issuer Obligations					132,714,338	XXX	147,064,375	120,459,727	132,335,102		(248,808)			XXX	XXX	XXX	1,701,700	4,041,772	XXX	XXX
7799999	Total - Residential Mortgage-Backed Securities						XXX								XXX	XXX	XXX			XXX	XXX
7899999	Total - Commercial Mortgage-Backed Securities					540,712	XXX	605,404	565,000	541,061		347			XXX	XXX	XXX	5,557	13,550	XXX	XXX
7999999	Total - Other Loan-Backed and Structured Securities						XXX								XXX	XXX	XXX			XXX	XXX
8099999	Total - SVO Identified Funds						XXX								XXX	XXX	XXX			XXX	XXX
8199999	Total - Affiliated Bank Loans						XXX								XXX	XXX	XXX			XXX	XXX
8299999	Total - Unaffiliated Bank Loans						XXX								XXX	XXX	XXX			XXX	XXX
8399999	Total Bonds					133,255,050	XXX	147,669,779	121,024,727	132,876,163		(248,461)			XXX	XXX	XXX	1,707,257	4,055,322	XXX	XXX

Schedule D - Part 2 - Section 1 - Preferred Stocks Owned

**N O N E**

Schedule D - Part 2 - Section 2 - Common Stocks Owned

**N O N E**



ANNUAL STATEMENT FOR THE YEAR 2019 OF THE Cape Verity III, Inc.

**SCHEDULE D - PART 3**

Showing All Long-Term Bonds and Stocks ACQUIRED During Current Year

1	2	3	4	5	6	7	8	9
CUSIP Identification	Description	Foreign	Date Acquired	Name of Vendor	Number of Shares of Stock	Actual Cost	Par Value	Paid for Accrued Interest and Dividends
268317-AK-0	ELECTRICITE DE FRANCE SA SENIOR CORP BND	D	05/01/2019	Cape Verity II		1,118,744	1,100,000	14,747
<b>1099999. Subtotal - Bonds - All Other Governments</b>						1,118,744	1,100,000	14,747
130638-JC-7	CALIFORNIA STATE OF MUNI BND GO		05/01/2019	Cape Verity II		2,175,264	1,400,000	
<b>1799999. Subtotal - Bonds - U.S. States, Territories and Possessions</b>						2,175,264	1,400,000	
54438C-NZ-1	LOS ANGELES CALIF CMNTY COLLEG MUNI BND		05/01/2019	Cape Verity II		889,818	630,000	10,395
54438C-PA-4	LOS ANGELES CALIF CMNTY COLLEG LOS ANGEL		05/01/2019	Cape Verity II		1,618,203	1,090,000	18,394
<b>2499999. Subtotal - Bonds - U.S. Political Subdivisions of States, Territories and Possessions</b>						2,508,021	1,720,000	28,789
072024-NW-0	BAY AREA TOLL AUTHORITY MUNITAX BND REV		05/01/2019	Cape Verity II		1,056,503	700,000	4,108
072024-PY-2	BAY AREA TOLL AUTHORITY MUNITAX BND REV		05/01/2019	Cape Verity II		919,843	610,000	3,511
235036-4X-5	DALLAS FORT WORTH TEX INTL ARP MUNITAX		08/08/2019	J.P. MORGAN SECURITIES INC		725,000	725,000	
574300-HZ-5	MARYLAND ST TRANSN AUTH MARYLAND ST TRAN		05/01/2019	Cape Verity II		882,693	700,000	13,739
646136-IV-9	NEW JERSEY ST TRANSN TR FD AUT MUNI BND		05/01/2019	Cape Verity II		1,422,654	1,417,000	36,803
646136-XR-7	NEW JERSEY ST TRANSN TR FD AUT MUNI BND		05/01/2019	Cape Verity II		898,760	695,000	17,226
73358W-3L-6	PORT AUTH NY & NJ MUNITAX BND		08/08/2019	SIEBERT, BRANFORD, SHANK		1,500,000	1,500,000	
73358W-XQ-2	PORT AUTH NY & NJ MUNITAX BND REV		05/01/2019	Cape Verity II		1,621,392	1,385,000	2,961
93976A-AH-5	WASHINGTON ST CONW CENTER PUBL MUNITAX B		05/01/2019	Cape Verity II		2,216,495	1,720,000	38,929
<b>3199999. Subtotal - Bonds - U.S. Special Revenues</b>						11,243,340	9,452,000	117,277
00206R-CU-4	AT&T INC SENIOR CORP BND		05/01/2019	Cape Verity II		892,600	800,000	9,542
00817Y-AZ-1	AETNA INC SENIOR CORP BND		05/01/2019	Cape Verity II		842,920	1,000,000	8,181
012725-AD-9	ALBEMARLE CORP SENIOR CORP BND		05/01/2019	Cape Verity II		1,324,128	1,300,000	29,521
02209S-AV-5	ALTRIA GROUP INC SENIOR CORP BND		05/01/2019	Cape Verity II		997,308	1,200,000	5,813
023135-AQ-9	AMAZON.COM INC SENIOR CORP BND		05/01/2019	Cape Verity II		1,177,660	1,000,000	20,075
031162-BE-9	AMGEN INC SENIOR CORP BND		05/01/2019	Cape Verity II		1,046,030	1,000,000	4,125
031162-BZ-2	AMGEN INC SENIOR CORP BND		05/01/2019	Cape Verity II		1,226,275	1,250,000	
03522A-AJ-9	ANHEUSER-BUSCH COMPANIES LLC CORP BND		05/15/2019	Tax Free Exchange		1,800,949	1,800,000	25,480
035240-AG-5	ANHEUSER-BUSCH INBEV WORLDWIDE SENIOR CO		05/01/2019	Cape Verity II		764,325	750,000	10,931
037833-BX-7	APPLE INC SENIOR CORP BND		05/01/2019	Cape Verity II		1,105,550	1,000,000	8,783
039483-BC-5	ARCHER DANIELS MIDLAND CO CORP BND		05/01/2019	Cape Verity II		2,615,907	2,100,000	20,178
05523U-AL-4	BAE SYSTEMS HOLDINGS INC SENIOR CORP BND		05/01/2019	Cape Verity II		262,898	250,000	792
06051G-HA-0	BANK OF AMERICA CORP SENIOR CORP BND MT		05/01/2019	Cape Verity II		1,273,038	1,300,000	13,964
06849R-AC-6	BARRICK NORTH AMERICA FINANCE CORP BND		05/01/2019	Cape Verity II		1,521,480	1,200,000	11,500
075887-AV-1	BECTON DICKINSON AND COMPANY CORP BND		05/01/2019	Cape Verity II		1,084,276	956,000	26,449
110122-BU-1	BRISTOL-MYERS SQUIBB CO SENIOR CORP BND		11/22/2019	Tax Free Exchange		538,926	500,000	6,736
124857-AN-3	CBS CORP SENIOR CORP BND		05/01/2019	Cape Verity II		961,620	1,000,000	13,544
125896-BL-3	CHS ENERGY CORPORATION SENIOR CORP BND		05/01/2019	Cape Verity II		2,057,520	2,000,000	8,094
12626P-AN-3	CPH AMERICA INC SENIOR CORP BND 144A		05/01/2019	Cape Verity II		775,333	775,000	17,984
126650-CN-8	CVS PASSTHROUGH TRUST SENIOR CORP BND		05/01/2019	Cape Verity II		989,240	1,000,000	14,378
172967-HS-3	CITIGROUP INC - LT GTD SUB CORP BND		05/01/2019	Cape Verity II		1,730,033	1,550,000	39,934
185508-AE-8	CLECO POWER LLC CORP BND		05/01/2019	Cape Verity II		2,502,155	2,099,000	56,848
207597-DV-4	CONNECTICUT LIGHT AND POWER CO CONNECTIC		05/01/2019	Cape Verity II		1,286,790	1,000,000	26,458
209111-FV-0	CONSOLIDATED EDISON CO OF NEW SENIOR COR		05/06/2019	J.P. MORGAN SECURITIES INC		999,650	1,000,000	
254687-DV-5	WALT DISNEY CO SENIOR CORP BND		11/26/2019	Tax Free Exchange		1,298,891	1,000,000	12,918
26442C-AB-0	DUKE ENERGY CAROLINAS LLC SECURED CORP B		05/01/2019	Cape Verity II		1,272,790	1,000,000	17,667
277432-AP-5	EASTMAN CHEMICAL COMPANY SENIOR CORP BND		05/01/2019	Cape Verity II		246,370	250,000	517
278865-AM-2	ECOLAB INC SENIOR CORP BND		05/01/2019	Cape Verity II		247,258	204,000	4,457
28336L-BH-1	EL PASO LLC EL PASO CORPORATION		05/01/2019	Cape Verity II		1,630,944	1,400,000	21,930
28370T-AF-6	EL PASO PIPELINE PARTNERS OPER SENIOR CO		05/01/2019	Cape Verity II		869,373	900,000	
30161N-AV-3	EXELON CORPORATION SENIOR CORP BND		05/01/2019	Cape Verity II		437,215	425,000	841
313747-AV-9	FEDERAL REALTY INVESTMENT TRUS SENIOR CO		05/01/2019	Cape Verity II		67,617	65,000	1,219
31428X-BE-5	FEDEX CORP SENIOR CORP BND		05/01/2019	Cape Verity II		991,250	1,000,000	21,903
316773-CH-1	FIFTH THIRD BANCORP CORP BND		05/01/2019	Cape Verity II		1,399,520	1,000,000	13,750
33616C-AB-6	FIRST REPUBLIC BANK SUB CORP BND		05/01/2019	Cape Verity II		935,318	975,000	10,664
33616C-AC-4	FIRST REPUBLIC BANK SUB CORP BND		05/01/2019	Cape Verity II		349,836	350,000	3,507
36962G-AB-7	GENERAL ELECTRIC CO CORP BND MTN		05/01/2019	Cape Verity II		236,753	203,000	4,303
375558-BA-0	GILEAD SCIENCES INC SENIOR CORP BND		05/01/2019	Cape Verity II		999,700	1,000,000	11,250
406216-AY-7	HALLIBURTON COMPANY CORP BND		05/01/2019	Cape Verity II		932,561	700,000	6,664
413875-AT-2	HARRIS CORPORATION SENIOR CORP BND		05/01/2019	Cape Verity II		4,028,039	3,651,000	2,050
460146-CO-4	INTERNATIONAL PAPER CO SENIOR CORP BND		05/01/2019	Cape Verity II		921,410	1,000,000	9,289
461070-AN-4	INTERSTATE POWER AND LIGHT CO SENIOR COR		05/01/2019	Cape Verity II		321,174	350,000	1,655
46625H-HF-0	JPMORGAN CHASE & CO CORP BND		05/01/2019	Cape Verity II		651,775	500,000	14,756
46625H-LL-2	JPMORGAN CHASE & CO SUB CORP BND		05/01/2019	Cape Verity II		2,336,586	2,100,000	43,313
478045-AA-5	JOHN SEVIER COMBINED CYCLE GEN COPR BND		05/01/2019	Cape Verity II		2,971,246	2,667,091	36,328
485134-BS-8	KANSAS CITY POWER & LIGHT COMP SECURED C		05/01/2019	Cape Verity II		1,228,436	1,200,000	4,675
487836-BQ-0	KELLOGG COMPANY SENIOR CORP BND		05/01/2019	Cape Verity II		950,540	1,000,000	3,750

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ANNUAL STATEMENT FOR THE YEAR 2019 OF THE Cape Verity III, Inc.

**SCHEDULE D - PART 3**

Showing All Long-Term Bonds and Stocks ACQUIRED During Current Year

1	2	3	4	5	6	7	8	9
CUSIP Identification	Description	Foreign	Date Acquired	Name of Vendor	Number of Shares of Stock	Actual Cost	Par Value	Paid for Accrued Interest and Dividends
49446R-AM-1	KIMCO REALTY CORPORATION SENIOR CORP BND		05/01/2019	Cape Verity II		473,095	500,000	1,771
50540R-AS-1	LABORATORY CORP OF AMER HLDGS LABORATORY		05/01/2019	Cape Verity II		879,120	900,000	10,575
575634-AT-7	MASSACHUSETTS ELECTRIC COMPANY SENIOR CO		05/01/2019	Cape Verity II		1,053,470	1,100,000	9,298
58013M-FA-7	McDONALDS CORPORATION SENIOR CORP BND		05/01/2019	Cape Verity II		887,098	825,000	15,864
59022C-AJ-2	BANK OF AMERICA CORP CORP BND		05/01/2019	Cape Verity II		418,275	350,000	5,465
61747Y-DY-8	MORGAN STANLEY SENIOR CORP BND		05/01/2019	Cape Verity II		1,019,770	1,000,000	11,228
63946B-AG-5	NBCUNIVERSAL MEDIA LLC SENIOR CORP BND		05/01/2019	Cape Verity II		1,229,900	1,000,000	4,958
654730-BF-9	NISOURCE INC SENIOR CORP BND		05/01/2019	Cape Verity II		1,018,820	1,000,000	20,174
654730-BG-7	NISOURCE INC SENIORCORPBND		05/01/2019	Cape Verity II		379,724	400,000	1,361
655844-AF-5	NORFOLK SOUTHERN CORPORATION SENIOR CORP		05/01/2019	Cape Verity II		654,175	490,000	
665772-CA-5	NORTHERN STATES POWER COMPANY CORP BND		05/01/2019	Cape Verity II		2,185,248	1,950,000	30,144
666807-BH-4	NORTHROP GRUMMAN CORP SENIORCORPBND		05/01/2019	Cape Verity II		431,904	400,000	7,917
68268N-AM-5	ONEOK PARTNERS LP SENIOR CORP BND		05/01/2019	Various		4,845,969	4,275,000	33,868
718172-AC-3	PHILIP MORRIS INTERNATIONAL IN CORP BND		05/01/2019	Cape Verity II		1,244,400	1,000,000	29,219
731020-AA-4	POLAR TANKERS INC SENIOR CORP BND 144A		05/01/2019	Cape Verity II		1,403,736	1,200,000	33,921
761713-BB-1	REYNOLDS AMERICAN INC SENIOR CORP BND		05/01/2019	Cape Verity II		821,568	800,000	9,880
832696-AP-3	J M SMUCKER CO SENIOR CORP BND		05/01/2019	Cape Verity II		812,609	864,000	4,830
842400-EV-1	SOUTHERN CALIFORNIA EDISON CO. SOUTHERN		05/01/2019	Cape Verity II		1,120,550	1,000,000	4,792
842587-CX-3	SOUTHERN COMPANY THE SENIOR CORP BND		05/01/2019	Cape Verity II		999,550	1,000,000	14,667
84758N-AE-9	SPECTRA ENERGY PARTNERS LP SENIOR CORP B		05/01/2019	Cape Verity II		2,530,701	2,150,000	12,793
855244-AT-6	STARBUCKS CORPORATION SENIOR CORP BND		05/02/2019	CITICORP SECURITIES MARKETS		1,097,514	1,100,000	
863667-AJ-0	STRYKER CORPORATION SENIOR CORP BND		05/01/2019	Cape Verity II		213,084	200,000	1,182
871829-AY-3	SYSCO CORPORATION SENIOR CORP BND		05/01/2019	Cape Verity II		1,865,553	1,750,000	7,073
871829-BD-8	SYSCO CORPORATION SENIOR CORP BND		05/01/2019	Cape Verity II		1,213,416	1,200,000	4,500
902494-BD-4	TYSON FOODS INC SENIOR CORP BND		05/01/2019	Cape Verity II		961,040	1,000,000	18,832
913017-BT-5	UNITED TECHNOLOGIES CORPORATN SENIOR COR		05/01/2019	Cape Verity II		1,354,028	1,300,000	24,375
91324P-DF-6	UNITEDHEALTH GROUP INC SENIORCORPBND		05/01/2019	Cape Verity II		1,184,013	1,250,000	2,083
92343V-CX-8	VERIZON COMMUNICATIONS INC SENIOR CORP B		05/01/2019	Cape Verity II		438,012	400,000	3,782
927804-FW-9	VIRGINIA ELECTRIC AND POWER CO SENIOR CO		05/01/2019	Cape Verity II		1,541,510	1,564,000	28,847
94974B-GQ-7	WELLS FARGO & COMPANY SUB CORP BND		05/01/2019	Cape Verity II		1,923,300	1,800,000	40,180
98389B-AN-0	XOEL ENERGY INC XOEL ENERGY INC		05/01/2019	Cape Verity II		2,421,753	2,322,000	14,242
98419M-AK-6	XYLEM INC INDIANA SENIOR CORP BND		05/01/2019	Cape Verity II		2,070,850	2,075,000	
136055-AA-8	CANADIAN IMPERIAL BANK BD 144A	A	05/01/2019	Cape Verity II		2,386,940	2,056,636	8,712
05523R-AC-1	BAE SYSTEMS PLC SENIOR CORP BND 144A	D	05/01/2019	Cape Verity II		1,167,000	1,000,000	3,222
21683W-CJ-4	COOPERATIVE RABOBANK UA CORP BND MTN	D	05/01/2019	Cape Verity II		1,210,670	1,000,000	22,896
35177P-AX-5	ORANGE SA SENIOR CORP BND	D	05/01/2019	Cape Verity II		2,075,379	1,814,000	29,251
36164Q-NA-2	GE CAPITAL INTERNATIONAL FUNDI SENIOR CO	D	05/01/2019	Cape Verity II		662,348	722,000	14,709
404280-AF-6	HSBC HOLDINGS PLC CORP BND	D	05/01/2019	Cape Verity II		1,324,920	1,000,000	34,796
404280-AQ-2	HSBC HOLDINGS PLC SUB CORP BND	D	05/01/2019	Cape Verity II		526,414	475,000	3,256
50247V-AC-3	LYB INTERNATIONAL FINANCE BV SENIOR CORP	D	05/01/2019	Cape Verity II		248,325	250,000	1,557
685218-AB-5	ORANGE SA SENIOR CORP BND	D	05/01/2019	Cape Verity II		586,655	500,000	6,493
853254-AN-0	STANDARD CHARTERED PLC SUB CORP BND 144A	D	05/01/2019	Cape Verity II		1,339,403	1,225,000	6,789
3899999	Subtotal - Bonds - Industrial and Miscellaneous (Unaffiliated)					107,321,022	98,977,727	1,166,158
8399997	Total - Bonds - Part 3					124,366,391	112,649,727	1,326,971
8399998	Total - Bonds - Part 5					33,850,326	32,541,138	430,765
8399999	Total - Bonds					158,216,717	145,190,865	1,757,736
8999997	Total - Preferred Stocks - Part 3						XXX	
8999998	Total - Preferred Stocks - Part 5						XXX	
8999999	Total - Preferred Stocks						XXX	
9799997	Total - Common Stocks - Part 3						XXX	
9799998	Total - Common Stocks - Part 5						XXX	
9799999	Total - Common Stocks						XXX	
9899999	Total - Preferred and Common Stocks						XXX	
9999999	Totals					158,216,717	XXX	1,757,736

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ANNUAL STATEMENT FOR THE YEAR 2019 OF THE Cape Verity III, Inc.

## SCHEDULE D - PART 4

Showing All Long-Term Bonds and Stocks SOLD, REDEEMED or Otherwise DISPOSED OF During Current Year

1	2	3	4	5	6	7	8	9	10	Change In Book/Adjusted Carrying Value					16	17	18	19	20	21	
										11	12	13	14	15							
CUSIP Identification	Description	Foreign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase/Decrease	Current Year's (Amortization)/Accretion	Current Year's Other-Than-Temporary Impairment Recognized	Total Change in Book/Adjusted Carrying Value (11+12-13)	Total Foreign Exchange Change in Book/Adjusted Carrying Value	Book/Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/Stock Dividends Received During Year	Stated Contractual Maturity Date	
912796-FM-3	UNITED STATES TREASURY TBILLCASH		05/08/2019	Accordia		986,464	1,000,000	973,256	977,159		9,379		9,379		986,538			(74)	(74)		11/07/2019
<b>0599999</b>	<b>Subtotal - Bonds - U.S. Governments</b>					986,464	1,000,000	973,256	977,159		9,379		9,379		986,538			(74)	(74)		XXX
00912X-AV-6	AIR LEASE CORPORATION SENIOR CORP BND		02/07/2019	Accordia		91,246	100,000	98,241	98,513		.15		.15		98,528			(7,282)	(7,282)	1,269	04/01/2027
023135-BC-9	AMAZON.COM INC SENIOR CORP BND 144A		02/07/2019	Accordia		248,320	250,000	249,583	249,613		.4		.4		249,616			(1,296)	(1,296)	3,609	08/22/2027
03522A-AF-7	ANHEUSER-BUSCH INBEV FINANCE I SENIOR CO		05/15/2019	Tax Free Exchange		283,069	300,000	282,899	282,952		.117		.117		283,069					11,597	02/01/2046
037833-AK-6	APPLE INC CORP BND 2.400% 05/03/23		02/07/2019	Accordia		294,459	300,000	271,308	285,499		.310		.310		285,809			8,650	8,650	1,880	05/03/2023
05531F-AS-2	BB&T CORP SENIOR CORP BND		02/07/2019	Accordia		298,767	300,000	304,716	300,986		(104)		(104)		300,882			(2,115)	(2,115)	4,124	01/15/2020
07274E-AD-5	BAYER US FINANCE LLC SENIOR CORP BND 144		02/07/2019	Accordia		496,480	500,000	509,535	501,709		(221)		(221)		501,488			(5,008)	(5,008)	3,925	10/08/2019
11134L-AH-2	BROADCOM CORPORATION SENIOR CORP BND 144		08/06/2019	MARKETS		244,570	250,000	250,264	250,249		(16)		(16)		250,233			(5,663)	(5,663)	10,306	01/15/2027
115637-AP-5	BROWN-FORMAN CORPORATION SENIOR CORP BND		03/12/2019	BNP PARIBAS		1,333,088	1,250,000	1,324,613	1,323,981		(324)		(324)		1,333,657			9,431	9,431	37,344	07/15/2045
115637-AP-5	BROWN-FORMAN CORPORATION SENIOR CORP BND		05/08/2019	Accordia		2,429,284	2,200,000	2,331,318	2,330,206		(1,003)		(1,003)		2,329,203			100,081	100,081	80,575	07/15/2045
141781-AC-8	CARGILL INC SENIOR CORP BND 144A		02/07/2019	Accordia		359,826	300,000	372,480	359,302		(766)		(766)		359,535			1,291	1,291	7,744	10/01/2025
14912L-6F-3	CATERPILLAR FINANCIAL SERVICES UNSEC COR		02/07/2019	Accordia		746,970	750,000	762,570	752,564		(278)		(278)		752,286			(5,316)	(5,316)	3,094	12/01/2019
20271R-AH-3	COMMONWEALTH BANK OF AUSTRALIA SENIOR CO		02/07/2019	Accordia		747,870	750,000	761,400	751,820		(266)		(266)		751,554			(3,684)	(3,684)	7,235	09/06/2019
22822V-AH-4	CROWN CASTLE INTL CORP SENIOR CORP BND		08/06/2019	BARCLAYS CAPITAL		314,115	300,000	299,790	299,823		.11		.11		299,934			14,281	14,281	10,250	09/01/2027
233851-BR-4	DAIMLER FINANCE NORTH AMERICA SENIOR COR		02/07/2019	Accordia		593,646	600,000	604,038	601,006		(85)		(85)		600,921			(7,275)	(7,275)	5,813	03/02/2020
260003-AG-3	DOVER CORP CORP BND 6.600% 03/15/38		02/07/2019	Accordia		241,134	200,000	250,091	243,654		(138)		(138)		243,516			(2,382)	(2,382)	5,207	03/15/2038
278865-BA-7	ECOLAB INC SENIORCORPBND144A		08/01/2019	Accordia		541,735	500,000	458,555	458,642		420		420		459,062			82,673	82,673	13,222	12/01/2047
369626-5J-9	GENERAL ELECTRIC CO SENIOR CORP BND		08/06/2019	MARKETS		522,685	500,000	573,575	538,205		(8,079)		(8,079)		530,127			(7,442)	(7,442)	18,794	10/17/2021
46625H-NX-4	JPMORGAN CHASE & CO SENIOR CORP BND		02/07/2019	Accordia		496,280	500,000	508,195	503,300		(186)		(186)		503,115			(6,835)	(6,835)	3,471	10/29/2020
49327M-2F-0	KEYBANK NATIONAL ASSOCIATION SENIOR CORP		02/07/2019	Accordia		548,312	550,000	562,265	552,605		(271)		(271)		552,334			(4,022)	(4,022)	1,986	12/15/2019
50540R-AU-6	LABORATORY CORP OF AMER HLDGS SENIOR COR		08/06/2019	BOSTON COR		262,338	250,000	249,623	249,668		.20		.20		249,688			12,650	12,650	8,425	09/01/2027
532457-BF-4	ELI LILLY AND COMPANY SENIOR CORP BND		02/07/2019	Accordia		749,235	750,000	762,698	750,680		(331)		(331)		750,349			(1,114)	(1,114)	5,769	03/15/2019
534187-AR-0	LINCOLN NATIONAL CORPORATION CORP BND		02/07/2019	Accordia		323,994	280,000	316,605	311,382		(113)		(113)		311,269			12,725	12,725	5,740	04/07/2036
579780-AN-7	MCCORMICK & COMPANY INCORPORAT SENIOR CO		02/07/2019	Accordia		166,185	175,000	175,611	175,534		(6)		(6)		175,528			(9,342)	(9,342)	2,843	08/15/2027
58933Y-AA-3	MERCK & CO INC SENIOR CORP BND		02/07/2019	Accordia		306,327	300,000	326,739	308,993		(494)		(494)		308,500			(2,173)	(2,173)	6,523	01/15/2021
61761J-B3-2	MORGAN STANLEY SENIOR CORP BND		02/07/2019	Accordia		498,530	500,000	511,340	504,081		(277)		(277)		503,804			(5,274)	(5,274)	1,983	06/16/2020
641062-AN-4	NESTLE HOLDINGS INC SENIORCORPBND144A		08/01/2019	Accordia		611,028	550,000	521,263	521,325		.301		.301		521,626			89,402	89,402	18,822	09/24/2048
68389X-AP-0	ORACLE CORPORATION SENIOR CORP BND		02/07/2019	Accordia		305,083	310,000	307,312	308,131		.47		.47		308,178			(3,095)	(3,095)	2,411	10/15/2022
842400-FR-9	SOUTHERN CALIFORNIA EDISON CO. SECURED C		05/08/2019	Accordia		506,360	500,000	549,270	518,808		(3,026)		(3,026)		515,782			(9,422)	(9,422)	8,450	06/01/2021
871658-AB-9	SYNCHRONY FINANCIAL SENIOR CORP BND		02/07/2019	Accordia		599,508	600,000	615,606	602,065		(379)		(379)		601,687			(2,179)	(2,179)	8,600	08/15/2019
883556-BX-9	THERMO FISHER SCIENTIFIC INC SENIOR CORP		08/06/2019	CREDIT SUISSE FIRST		415,964	400,000	397,052	397,404		.159		.159		397,563			18,401	18,401	12,551	08/15/2027
88579Y-BC-4	3M CO SENIORCORPBND 3.625% 09/14/28		02/07/2019	Accordia		512,035	500,000	498,835	498,853		.16		.16		498,869			13,166	13,166	7,200	09/14/2028
94974B-GG-7	WELLS FARGO & COMPANY SUB CORP BND		02/07/2019	Accordia		415,580	400,000	400,420	400,415		(.1)		(.1)		400,414			15,166	15,166	4,356	11/17/2045
22535W-AA-5	CREDIT AGRICOLE SA LONDON SENIORCORPBND1	D.	02/07/2019	Accordia		297,597	300,000	299,862	299,897		.3		.3		299,900			(2,303)	(2,303)	5,822	01/10/2022
25158P-BB-8	DEUTSCHE TELEKOM INTERNATIONAL SENIORCOR	D.	02/07/2019	Accordia		505,815	500,000	490,510	490,618		.80		.80		490,698			15,117	15,117	2,795	06/21/2028
60687Y-AB-5	MIZUHO FINANCIAL GROUP INC SENIOR CORP B	D.	02/07/2019	Accordia		295,473	300,000	300,000	300,000						300,000			(4,527)	(4,527)	2,522	04/12/2021
8672EM-AD-6	SUNORP METWAY LTD SENIOR CORP BND 144A	D.	02/07/2019	Accordia		544,473	550,000	549,637	549,900		.7		.7		549,907			(5,435)	(5,435)	3,590	04/27/2020
<b>8399999</b>	<b>Subtotal - Bonds - Industrial and Miscellaneous (Unaffiliated)</b>					18,147,381	17,565,000	18,047,819	17,872,383		(14,854)		(14,854)		17,857,531			289,850	289,850	339,847	XXX
<b>8399997</b>	<b>Total - Bonds - Part 4</b>					19,133,845	18,565,000	19,021,075	18,849,542		(5,475)		(5,475)		18,844,069			289,776	289,776	339,847	XXX
<b>8399998</b>	<b>Total - Bonds - Part 5</b>					35,772,872	32,541,138	33,850,326			(15,881)		(15,881)		33,834,446			1,483,593	1,483,593	1,340,015	XXX
<b>8399999</b>	<b>Total - Bonds</b>					54,906,717	51,106,138	52,871,401	18,849,542		(21,356)		(21,356)		52,678,515			1,773,369	1,773,369	1,679,862	XXX
<b>8999997</b>	<b>Total - Preferred Stocks - Part 4</b>						XXX														XXX
<b>8999998</b>	<b>Total - Preferred Stocks - Part 5</b>						XXX														XXX
<b>8999999</b>	<b>Total - Preferred Stocks</b>						XXX														XXX
<b>9799997</b>	<b>Total - Common Stocks - Part 4</b>						XXX														XXX
<b>9799998</b>	<b>Total - Common Stocks - Part 5</b>						XXX														XXX
<b>9799999</b>	<b>Total - Common Stocks</b>						XXX														XXX
<b>9899999</b>	<b>Total - Preferred and Common Stocks</b>						XXX														XXX
<b>9999999</b>	<b>Totals</b>					54,906,717	XXX	52,871,401	18,849,542		(21,356)		(21,356)		52,678,515			1,773,369	1,773,369	1,679,862	XXX

ANNUAL STATEMENT FOR THE YEAR 2019 OF THE Cape Verity III, Inc.

**SCHEDULE D - PART 5**

Showing All Long-Term Bonds and Stocks ACQUIRED During Year and Fully DISPOSED OF During Current Year

1	2	3	4	5	6	7	8	9	10	11	Change in Book/Adjusted Carrying Value					17	18	19	20	21	
											12	13	14	15	16						
CUSIP Identification	Description	Foreign	Date Acquired	Name of Vendor	Disposal Date	Name of Purchaser	Par Value (Bonds) or Number of Shares (Stock)	Actual Cost	Consideration	Book/ Adjusted Carrying Value at Disposal	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other-Than-Temporary Impairment Recognized	Total Change in Book/ Adjusted Carrying Value (12 + 13 - 14)	Total Foreign Exchange Change in Book/ Adjusted Carrying Value	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Interest and Dividends Received During Year	Paid for Accrued Interest and Dividends	
002824-BH-2	ABBOTT LABORATORIES SENIOR CORP BND		05/01/2019	Cape Verity II	08/01/2019	Accordia	975,000	1,116,609	1,212,695	1,115,898				(711)			96,797	96,797	32,115	20,039	
00287Y-AS-8	ABBYIE INC SENIOR CORP BND		05/01/2019	Cape Verity II	06/21/2019	BA SECURITIES	1,250,000	1,197,175	1,275,900	1,197,351		176		176			78,549	78,549	36,066	27,253	
021345-AA-1	ALTA WIND HOLDINGS LLC CORP BND 144A		05/01/2019	Cape Verity II	10/01/2019	SEAPORT GROUP Redemption 100.0000	1,217,690	1,295,769	1,372,946	1,298,509		2,740		2,740			74,437	74,437	64,639	28,650	
021345-AA-1	ALTA WIND HOLDINGS LLC CORP BND 144A ANHEUSER-BUSCH INBEV FINANCE I SENIOR CO		05/01/2019	Cape Verity II	06/30/2019		95,696	101,832	95,696	101,740		(92)		(92)			(6,044)	(6,044)	3,349	2,252	
03522A-AF-7			05/01/2019	Cape Verity II	05/15/2019	Tax Free Exchange	1,500,000	1,517,880	1,517,880	1,517,880									21,233	18,375	
038222-AM-7	APPLIED MATERIALS INC SENIOR CORP BND BURLINGTON NORTHERN SANTA FE L SENIOR CO		05/01/2019	Cape Verity II	08/01/2019	Accordia	1,000,000	1,043,060	1,145,050	1,042,860		(200)		(200)			102,190	102,190	14,621	3,625	
12189L-AW-1			05/01/2019	Cape Verity II	08/01/2019	Accordia	1,000,000	1,033,880	1,108,650	1,033,698		(182)		(182)			74,952	74,952	13,949	3,458	
126408-HF-3	CSX CORP SENIOR CORP BND		05/01/2019	Cape Verity II	08/01/2019	Accordia	1,500,000	1,415,025	1,523,355	1,415,451		426		426			107,904	107,904	14,408		
151020-AU-8	CELGENE CORPORATION SENIOR CORP BND		05/01/2019	Cape Verity II	11/22/2019	Tax Free Exchange	500,000	539,355	538,926	538,926		(429)		(429)					19,736	5,278	
254687-DU-7	WALT DISNEY CO SENIOR CORP BND 144A		05/01/2019	Cape Verity II	11/26/2019	Tax Free Exchange	1,000,000	1,308,700	1,298,891	1,298,891		(9,809)		(9,809)					44,758	7,460	
278865-BA-7	ECLAB INC SENIORCORPBND144A ENLINK MIDSTREAM PARTNERS LP SENIOR CORP		05/01/2019	Cape Verity II	08/01/2019	Accordia	1,664,000	1,691,722	1,802,894	1,691,625		(97)		(97)			111,269	111,269	44,001	27,387	
29336U-AC-1			05/01/2019	Cape Verity II	12/17/2019	Various	700,000	630,875	588,750	631,409		534		534			(42,659)	(42,659)	20,183	3,267	
345370-CS-7	FORD MOTOR COMPANY SENIOR CORP BND		05/01/2019	Cape Verity II	07/30/2019	BA SECURITIES	3,000,000	2,749,590	2,737,800	2,750,705		1,115		1,115			(12,905)	(12,905)	102,734	63,051	
384802-AC-8	HW GRAINGER INC SENIOR CORP BND		05/01/2019	Cape Verity II	08/01/2019	Accordia	600,000	551,724	592,020	551,977		253		253			40,043	40,043	16,063	10,375	
437076-BH-4	HOME DEPOT INC SENIOR CORP BND		03/20/2019	MORGAN STANLEY & CO. INC	08/01/2019	Accordia	375,000	385,834	424,500	385,754		(80)		(80)			38,746	38,746	13,326	7,570	
458140-BG-4	INTEL CORPORATION 3.734% 12/08/47		05/01/2019	Cape Verity II	08/01/2019	Accordia	980,000	955,382	1,037,673	955,532		149		149			82,141	82,141	23,786	14,536	
459200-AP-6	INTERNATIONAL BUSINESS MACHINE JOHN SEVIER COMBINED CYCLE GEN CORP BND		05/01/2019	Cape Verity II	08/01/2019	Accordia Redemption 100.0000	420,000	546,710	616,237	546,698		(12)		(12)			69,539	69,539	20,033	12,469	
478045-AA-5	SC JOHNSON & SON INC SENIOR CORP BND 144		05/01/2019	Cape Verity II	07/15/2019		25,861	28,810	25,861	28,795		(15)		(15)			(2,934)	(2,934)	598	352	
478165-AH-6			05/01/2019	Cape Verity II	08/01/2019	Accordia	750,000	824,190	897,120	823,814		(376)		(376)			73,306	73,306	10,589	1,583	
500760-AR-7	KRAFT HEINZ FOODS CO SENIOR CORP BND		05/01/2019	Cape Verity II	08/13/2019	WELLS FARGO SECURITIES	150,000	172,343	180,735	172,178		(164)		(164)			8,557	8,557	5,696	2,721	
50077L-AB-2	KRAFT HEINZ FOODS CO SENIOR CORP BND		05/01/2019	Cape Verity II	08/09/2019	WELLS FARGO SECURITIES	300,000	264,483	281,949	264,668		185		185			17,281	17,281	9,188	5,469	
50077L-AM-8	KRAFT HEINZ FOODS CO SENIOR CORP BND		05/01/2019	Cape Verity II	08/12/2019	WELLS FARGO SECURITIES	300,000	295,116	309,330	295,166		50		50			14,164	14,164	9,057	4,593	
532457-BT-4	ELI LILLY AND COMPANY SENIOR CORP BND LOCKHEED MARTIN CORPORATION SENIOR CORP		03/20/2019	WELLS FARGO SECURITIES	08/01/2019	Accordia	400,000	396,080	435,748	396,121		41		41			39,627	39,627	7,022	1,317	
539830-BL-2	MARRIOTT INTERNATIONAL INC SENIORCORPBND		05/01/2019	Cape Verity II	08/01/2019	Accordia J.P. MORGAN SECURITIES	675,000	755,939	817,034	755,508		(431)		(431)			61,525	61,525	22,648	14,629	
571903-BB-8			05/01/2019	Cape Verity II	08/06/2019	INC	2,225,000	2,365,843	2,502,235	2,362,417		(3,426)		(3,426)			139,818	139,818	75,298	47,420	
594918-BM-5	MICROSOFT CORPORATION SENIOR CORP BND		05/01/2019	Cape Verity II	08/01/2019	Accordia	500,000	586,720	639,125	586,435		(285)		(285)			52,690	52,690	17,747	11,743	
594918-CA-0	MICROSOFT CORPORATION SENIOR CORP BND NEUBERGER BERMAN GROUP LLC/NEU SENIOR CO		05/01/2019	Cape Verity II	08/01/2019	Accordia J.P. MORGAN SECURITIES	1,000,000	1,092,740	1,179,610	1,092,284		(456)		(456)			87,326	87,326	20,778	10,035	
64128X-AE-0			05/01/2019	Cape Verity II	06/21/2019	INC	250,000	225,105	234,930	225,173		68		68			9,757	9,757	2,370	542	
68268N-AM-5	ONEOK PARTNERS LP SENIOR CORP BND ROCKWELL AUTOMATION INC SENIOR CORP BND		05/01/2019	Accordia	11/13/2019	BA SECURITIES	1,500,000	1,700,340	1,781,865	1,698,115		(2,225)		(2,225)			83,750	83,750	62,000	11,883	
773903-AJ-8			03/15/2019	JAINNEY MONTGOMERY SCOTT	08/01/2019	Accordia	500,000	510,655	568,670	510,592		(63)		(63)			58,078	58,078	8,808	1,050	
816851-BJ-7	SEMPRA ENERGY SENIORCORPBND		05/01/2019	Cape Verity II	07/16/2019	BARCLAYS CAPITAL	250,000	229,545	246,035	229,632		87		87			16,403	16,403	4,639	2,500	
854502-AJ-0			05/01/2019	Cape Verity II	08/01/2019	Accordia	550,000	610,951	655,347	610,685		(266)		(266)			44,662	44,662	19,710	12,967	
855244-AT-6	STARBUCKS CORPORATION SENIOR CORP BND THERMO FISHER SCIENTIFIC INC SENIOR CORP		05/02/2019	CITICORP SECURITIES MARKETS	08/19/2019	JANE STREET CAPITAL CREDIT SUISSE FIRST	900,000	897,966	971,352	897,972		6		6			73,380	73,380	8,698		
883556-BX-9			05/01/2019	Cape Verity II	08/06/2019	BOSTON COR	1,000,000	977,900	1,039,910	978,554		654		654			61,356	61,356	15,378	6,756	
883556-BY-7	THERMO FISHER SCIENTIFIC INC SENIOR CORP		05/01/2019	Cape Verity II	08/01/2019	Accordia	500,000	489,385	536,285	489,458		73		73			46,827	46,827	9,510	4,328	
907818-EM-6	UNION PACIFIC CORPORATION SENIOR CORP BN		05/01/2019	Cape Verity II	08/01/2019	Accordia	1,000,000	934,400	1,007,490	934,662		262		262			72,828	72,828	12,769	3,166	
92343V-DV-3	VERIZON COMMUNICATIONS INC SENIOR CORP B		05/01/2019	Cape Verity II	08/01/2019	Accordia Redemption 100.0000	500,000	594,135	629,655	593,707		(428)		(428)			35,948	35,948	10,389	3,438	
136055-AA-8	CANADIAN IMPERIAL BANK BD 144A	A	05/01/2019	Cape Verity II	10/10/2019		87,891	102,006	87,891	101,137		(870)		(870)			(13,246)	(13,246)	3,191	372	
29267H-AA-7	ENDURANCE SPECIALTY HLDGS LTD. ENDURANCE	D	05/01/2019	Cape Verity II	06/27/2019	Call 132.4880	1,400,000	1,714,552	1,854,832	1,712,469		(2,083)		(2,083)			(312,469)	(312,469)	498,932	28,856	
3899999	Subtotal - Bonds - Industrial and Miscellaneous (Unaffiliated)							32,541,138	33,850,326	35,772,872	33,834,446		(15,881)		(15,881)			1,483,593	1,483,593	1,340,015	430,765

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ANNUAL STATEMENT FOR THE YEAR 2019 OF THE Cape Verity III, Inc.

**SCHEDULE D - PART 5**

Showing All Long-Term Bonds and Stocks ACQUIRED During Year and Fully DISPOSED OF During Current Year

1 CUSIP Identi- fication	2 Description	3 For- eign	4 Date Acquired	5 Name of Vendor	6 Disposal Date	7 Name of Purchaser	8 Par Value (Bonds) or Number of Shares (Stock)	9 Actual Cost	10 Consid- eration	11 Book/ Adjusted Carrying Value at Disposal	Change in Book/Adjusted Carrying Value					17 Foreign Exchange Gain (Loss) on Disposal	18 Realized Gain (Loss) on Disposal	19 Total Gain (Loss) on Disposal	20 Interest and Dividends Received During Year	21 Paid for Accrued Interest and Dividends
											12 Unrealized Valuation Increase/ (Decrease)	13 Current Year's (Amort- ization)/ Accretion	14 Current Year's Other- Than- Temporary Impairment Recognized	15 Total Change in Book/ Adjusted Carrying Valu (12 + 13 - 14)	16 Total Foreign Exchange Change in Book/ Adjusted Carrying Value					
8399998. Total - Bonds							32,541,138	33,850,326	35,772,872	33,834,446			(15,881)		(15,881)		1,483,593	1,483,593	1,340,015	430,765
8999998. Total - Preferred Stocks																				
9799998. Total - Common Stocks																				
9899999. Total - Preferred and Common Stocks																				
9999999 - Totals								33,850,326	35,772,872	33,834,446			(15,881)		(15,881)		1,483,593	1,483,593	1,340,015	430,765

Schedule D-Part 6-Section 1-Valuation of Shares of Subsidiary, Controlled or Affiliated Companies

**N O N E**

Schedule D - Part 6 - Section 2

**N O N E**

ANNUAL STATEMENT FOR THE YEAR 2019 OF THE Cape Verity III, Inc.

**SCHEDULE DA - PART 1**

Showing All SHORT-TERM INVESTMENTS Owned December 31 of Current Year

1	Codes		4	5	6	7	Change in Book/Adjusted Carrying Value				12	13	Interest					20	
	2	3					8	9	10	11			14	15	16	17	18		19
Description	Code	For- eign	Date Acquired	Name of Vendor	Maturity Date	Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amor- tization)/ Accretion	Current Year's Other- Than- Temporary Impairment Recognized	Total Foreign Exchange Change in Book/ Adjusted Carrying Value	Par Value	Actual Cost	Amount Due and Accrued Dec. 31 of Current Year on Bond Not in Default	Non- Admitted Due and Accrued	Rate of	Effective Rate of	When Paid	Amount Received During Year	Paid for Accrued Interest
UNITED STATES TREASURY TBILLCASH			03/25/2019	MERRILL LYNCH & CO.	02/27/2020	821,895		15,071			825,000	806,824			2.347	2.419	MAT		
0199999. Subtotal - Bonds - U.S. Governments - Issuer Obligations						821,895		15,071			825,000	806,824			XXX	XXX	XXX		
0599999. Total - U.S. Government Bonds						821,895		15,071			825,000	806,824			XXX	XXX	XXX		
1099999. Total - All Other Government Bonds															XXX	XXX	XXX		
1799999. Total - U.S. States, Territories and Possessions Bonds															XXX	XXX	XXX		
2499999. Total - U.S. Political Subdivisions Bonds															XXX	XXX	XXX		
3199999. Total - U.S. Special Revenues Bonds															XXX	XXX	XXX		
3899999. Total - Industrial and Miscellaneous (Unaffiliated) Bonds															XXX	XXX	XXX		
4899999. Total - Hybrid Securities															XXX	XXX	XXX		
5599999. Total - Parent, Subsidiaries and Affiliates Bonds															XXX	XXX	XXX		
6099999. Subtotal - SVO Identified Funds															XXX	XXX	XXX		
6599999. Subtotal - Unaffiliated Bank Loans															XXX	XXX	XXX		
7699999. Total - Issuer Obligations						821,895		15,071			825,000	806,824			XXX	XXX	XXX		
7799999. Total - Residential Mortgage-Backed Securities															XXX	XXX	XXX		
7899999. Total - Commercial Mortgage-Backed Securities															XXX	XXX	XXX		
7999999. Total - Other Loan-Backed and Structured Securities															XXX	XXX	XXX		
8099999. Total - SVO Identified Funds															XXX	XXX	XXX		
8199999. Total - Affiliated Bank Loans															XXX	XXX	XXX		
8299999. Total - Unaffiliated Bank Loans															XXX	XXX	XXX		
8399999. Total Bonds						821,895		15,071			825,000	806,824			XXX	XXX	XXX		
8699999. Total - Parent, Subsidiaries and Affiliates											XXX				XXX	XXX	XXX		
9199999 - Totals						821,895		15,071			XXX	806,824			XXX	XXX	XXX		

E17

Schedule DB - Part A - Section 1 - Options, Caps, Floors, Collars, Swaps and Forwards Open

**NONE**

Schedule DB - Part A - Section 2 - Options, Caps, Floors, Collars, Swaps and Forwards Terminated

**NONE**

Schedule DB - Part B - Section 1 - Futures Contracts Open

**NONE**

Schedule DB - Part B - Section 1B - Brokers with whom cash deposits have been made

**NONE**

Schedule DB - Part B - Section 2 - Futures Contracts Terminated

**NONE**

Schedule DB - Part D - Section 1 - Counterparty Exposure for Derivative Instruments Open

**NONE**

Schedule DB - Part D-Section 2 - Collateral for Derivative Instruments Open - Pledged By

**NONE**

Schedule DB - Part D-Section 2 - Collateral for Derivative Instruments Open - Pledged To

**NONE**

Schedule DB - Part E - Derivatives Hedging Variable Annuity Guarantees as of December 31 of  
Current Year

**NONE**

Schedule DL - Part 1 - Reinvested Collateral Assets Owned

**NONE**

Schedule DL - Part 2 - Reinvested Collateral Assets Owned

**NONE**

Schedule E - Part 1 - Month End Depository Balances

**NONE**





**SCHEDULE E - PART 3 - SPECIAL DEPOSITS**

States, Etc.	1 Type of Deposit	2 Purpose of Deposit	Deposits For the Benefit of All Policyholders		All Other Special Deposits	
			3 Book/Adjusted Carrying Value	4 Fair Value	5 Book/Adjusted Carrying Value	6 Fair Value
1. Alabama	AL					
2. Alaska	AK					
3. Arizona	AZ					
4. Arkansas	AR					
5. California	CA					
6. Colorado	CO					
7. Connecticut	CT					
8. Delaware	DE					
9. District of Columbia	DC					
10. Florida	FL					
11. Georgia	GA					
12. Hawaii	HI					
13. Idaho	ID					
14. Illinois	IL					
15. Indiana	IN					
16. Iowa	IA					
17. Kansas	KS					
18. Kentucky	KY					
19. Louisiana	LA					
20. Maine	ME					
21. Maryland	MD					
22. Massachusetts	MA					
23. Michigan	MI					
24. Minnesota	MN					
25. Mississippi	MS					
26. Missouri	MO					
27. Montana	MT					
28. Nebraska	NE					
29. Nevada	NV					
30. New Hampshire	NH					
31. New Jersey	NJ					
32. New Mexico	NM					
33. New York	NY					
34. North Carolina	NC					
35. North Dakota	ND					
36. Ohio	OH					
37. Oklahoma	OK					
38. Oregon	OR					
39. Pennsylvania	PA					
40. Rhode Island	RI					
41. South Carolina	SC					
42. South Dakota	SD					
43. Tennessee	TN					
44. Texas	TX					
45. Utah	UT					
46. Vermont	VT					
47. Virginia	VA					
48. Washington	WA					
49. West Virginia	WV					
50. Wisconsin	WI					
51. Wyoming	WY					
52. American Samoa	AS					
53. Guam	GU					
54. Puerto Rico	PR					
55. U.S. Virgin Islands	VI					
56. Northern Mariana Islands	MP					
57. Canada	CAN					
58. Aggregate Alien and Other	OT	XXX	XXX			
59. Subtotal		XXX	XXX			
DETAILS OF WRITE-INS						
5801.						
5802.						
5803.						
5898. Summary of remaining write-ins for Line 58 from overflow page		XXX	XXX			
5899. Totals (Lines 5801 thru 5803 plus 5898)(Line 58 above)		XXX	XXX			

**NONE**

**CAPE VERITY III, INC.  
EXHIBIT 5 INTERROGATORIES  
DECEMBER 31, 2019**

**Interrogatory 3 – Non-guaranteed Elements**

**DETERMINATION PROCEDURES:**

Generally, our policy for determining non-guaranteed elements (current gross premium rates, current interest rates, current cost of insurance charges and current expense charges) is to adjust the non-guaranteed elements whenever a material change in the anticipated experience factors has occurred. However, for term insurance there is no intention of changing gross premium rates. The anticipated experience factors are based on current investment, claim, expense and tax experience except when there is a discontinuity between current and anticipated experience.

We reserve the right to change the current gross premium rates, the current interest rates, the current cost of insurance charges and the current expense charges at any time except:

1. Changes will only occur on every policy that belongs to a given contract class, where a contract class consists of all contracts that:
  - A. are of a similar type,
  - B. have the same structure of guaranteed and non-guaranteed charges or benefits,
  - C. are based on the same set(s) of anticipated experience factors,
  - D. are issued over a continuous time period,
  - E. have similar marketing objectives, and
  - F. have the same underwriting class and rules.
2. We are bound by the guaranteed maximum premium rates, the guaranteed minimum interest rates, the guaranteed maximum cost of insurance charges and the guaranteed maximum expense charges whenever stated in the policy forms.

The general methods and procedures that we use to determine the non-guaranteed elements are:

- A. periodic computation of our current investment, claim, expense and tax experience,
- B. utilizing current industry experience whenever we are lacking a significant volume of our own experience,
- C. searching for any discontinuities between current and anticipated experience, and
- D. adjusting the non-guaranteed elements according to the information obtained from the above three steps via maintaining margins that were determined when pricing was last performed or by repricing our products in order to determine the current values of the non-guaranteed elements.

**ACTUARIAL INTERROGATORIES:**

- I. Since this statement was last filed, have there been any changes in the values of non-guaranteed elements on new or existing business authorized for illustration by the Company? If yes, describe the changes that were made.

ANSWER: Universal Life: Yes.

Credited interest rates were changed on several products in accordance with the Company's policy. Fixed indexed life product rates (participation rates and caps) were changed on several products in accordance with the Company's policy. More detailed information is available on request.

ANSWER: Indeterminate premium contracts:

No changes were made to the premiums on in-force policies.

- II. Since this statement was last filed, have there been any changes in the values of non-guaranteed elements actually charged or credited? If yes, describe the changes that were made.

ANSWER:

There were no changes other than those mentioned above.

- III. Indicate to what extent any changes described in 1 or 2 vary from policy and/or general methods and procedures last reported for the affected contracts.

ANSWER:

There were no variances from the policy and/or general methods and procedures last reported.

- IV. Are the anticipated experience factors underlying any non-guaranteed elements different from current experience? If yes, describe in general terms the ways in which future experience is anticipated to differ from current experience and the non-guaranteed element factors which are affected by such anticipation.

ANSWER: Yes.

Investment experience has been impacted by the volatile market and credit environment. Interest rate fluctuations, competitive considerations and administrative requirements make it difficult to maintain a constant spread between interest rates earned and those credited to the products. The Company continues to strive to maintain the interest rate spread established for each product by making modest changes as required.

- V. State whether anticipated investment income experience factors are based on (a) a portfolio average approach, (b) an investment generation method, or (c) other. If (b) or (c), describe the general basis used, including investment generation groupings.

ANSWER: Universal Life and Fixed Indexed Life contracts:

Anticipated investment income experience is based on a portfolio average approach.

ANSWER: Indeterminate premium contracts:

Anticipated investment income experience is based on a portfolio average approach.

- VI. Describe how the company allocates anticipated experience among its various classes of business.

ANSWER:

The products covered by this report were originally developed by the former Central Life Assurance Company, Indianapolis Life Insurance Company, Aviva Life Insurance Company, American Investors Life Insurance Company or the former American Mutual Life Insurance Company or by the combined company following the respective mergers. Differences in the experience factors may exist due to differences in the practices and philosophies of the various companies at the time the non-guaranteed elements were originally determined.

**INVESTMENT INCOME FACTORS:** Rates of interest currently being earned are used in the determination of non-guaranteed elements for these contracts. Crediting strategies and assumed spreads are established at the time of initial product design between the interest rate earned and those credited to the policy for each plan. These strategies may be adjusted to maintain the Company's competitive position.

**CLAIMS FACTORS:** Most policies are in the same experience factor class with respect to

claims. Some issues assume more favorable mortality due to improved underwriting techniques and distinct product features. The impact of reinsurance is also reflected in the determination of experience claim factors.

EXPENSE FACTORS: Acquisition expenses are determined by line of business and reflect the expenses incurred at time of issue. Other expenses reflect present-day expenses.

Federal income taxes are reflected directly. State premium taxes are charged as a separate part of the expenses actually experienced, being a constant percentage of the policy's premium.

TERMINATION FACTORS: Termination rates vary by line of business and by product category, such as term and permanent insurance. The rates also vary by issue age and policy year.

- VII. Does the undersigned believe there is a substantial probability that illustrations authorized by the Company to be presented on new and existing business cannot be supported by currently anticipated experience? If yes, indicate which classes and explain.

ANSWER: Yes.

The declared level of current interest rates or fixed indexed rates may need to be reduced as a result of a reduction in the rate of return on the investment portfolios supporting these products.

- VIII. Describe any aspects of the determination of non-guaranteed elements not covered above that involve material departures from the actuarial principles and practices of the American Academy of Actuaries applicable to the determination of non-guaranteed elements.

ANSWER: None.

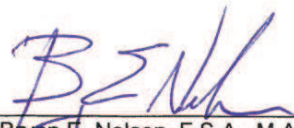
**ACTUARIAL OPINION:**

I, Bryan E. Nelson, F.S.A., M.A.A.A., am Vice President and Appointed Actuary of Cape Verity III, Inc. and a member of the American Academy of Actuaries and meet the general Qualification Standards for Statements of Actuarial Opinion. I have examined the actuarial assumptions and methods used in determining non-guaranteed elements for the individual life insurance policies of the Company issued for delivery in the United States.

The non-guaranteed elements included are those:

- i. paid, credited, charged or determined in 2019; and
- ii. authorized by the Company to be illustrated on new and existing business during 2019.

My examination included such review of the actuarial assumptions and methods of the underlying basic records and such tests of the actuarial calculations, as I considered necessary. I have relied on information provided by other employees and on the information contained in prior years' Interrogatories and Disclosure of Dividend Practices. To the best of my knowledge and belief the information relied on and contained herein is complete and accurate. In my opinion, the non-guaranteed elements described above have been determined in accordance with generally accepted actuarial principles and practices applicable to the determination of non-guaranteed elements, except as described above (no exceptions).

By:   
Bryan E. Nelson, F.S.A., M.A.A.A.  
Vice President and Appointed Actuary  
Cape Verity III, Inc.

Date: February 20, 2020

**CAPE VERITY III**  
**Statement of Actuarial Opinion**  
**December 31, 2019**

**Identification Section (Check one box only)**

- Prescribed Wording Only
- Prescribed Wording with Additional Wording
- Revised Wording

**Scope Section (Check one box only)**

- Prescribed Wording Only
- Prescribed Wording with Additional Wording
- Revised Wording

**Reliance Section (Check one box only)**

- Prescribed Wording Only
- Prescribed Wording with Additional Wording
- Revised Wording

**Opinion Section (Check one box only)**

- Prescribed Wording Only
- Prescribed Wording with Additional Wording
- Revised Wording

**Actuarial Memorandum Section (Check one box only)**

- The Actuarial Memorandum includes  
“Deviation from Standard” wording regarding  
conformity with an Actuarial Standard of Practice

- The Actuarial Memorandum does not include  
“Deviation from Standard” wording regarding  
conformity with an Actuarial Standard of Practice

**Relevant Comments Section (Check one box only)**

- Comments are included
- Comments are not included

**Category of Opinion**

- Unqualified
- Adverse
- Qualified
- Inconclusive

I, Bryan E. Nelson, F.S.A., M.A.A.A., Vice President and Appointed Actuary, am an employee of Cape Verity III and a member of the American Academy of Actuaries. I was appointed on April 12, 2019 in accordance with the requirements of the *Valuation Manual*. I meet the Academy qualification standards for rendering the opinion.

I have examined the actuarial assumptions and methods used in determining reserves and related actuarial items listed below, as shown in the Annual Statement of the company, as prepared for filing with state regulatory officials, as of December 31, 2019. Tabulated below are those reserves and related actuarial items which have been subjected to asset adequacy analysis.

Statement Item	Asset Adequacy Tested Amounts -- Reserves and Related Actuarial Items					
	Formula Reserves	Principle-Based Reserves	Additional Reserves	Analysis Method (1)	Not Tested	Total Amount
<b>Exhibit 5</b>						
A Life Insurance	3,914,719,511	-	-	CFT	1,725,977	3,916,445,488
B Annuities	-	-	-		-	-
C Supp. Contracts Involving	-	-	-		-	-
D Accidental Death Benefits	-	-	-		-	-
E Disability - Active Lives	-	-	-		-	-
F Disability - Disabled Lives	-	-	-		-	-
G Miscellaneous	196,480,180	-	-	CFT	-	196,480,180
Total Exhibit 5 (page 3, item 1)	4,111,199,691	-	-		1,725,977	4,112,925,668
<b>Exhibit 6</b>						
A Active Life Reserve	-	-	-		-	-
B Claim Reserve	-	-	-		-	-
Total Exhibit 6 (page 3, item 2)	-	-	-		-	-
<b>Exhibit 7</b>						
Premium & Other Deposit Funds	-	-	-		-	-
Guaranteed Interest Contracts	-	-	-		-	-
Supplemental Contracts	-	-	-		-	-
Annuities Certain	-	-	-		-	-
Dividend Accumulations or Refunds	-	-	-		-	-
Total Exhibit 7	-	-	-		-	-
<b>Exhibit 8, Part 1</b>						
1 Life (page 3, line 4.1)	-	-	-		-	-
2 Health (page 3, line 4.2)	-	-	-		-	-
Total (Exhibit 8, part 1)	-	-	-		-	-
Separate Account Reserves (page 3, line 27)	-	-	-		-	-
<b>Other Reserves and Related Actuarial Items Tested</b>						
IMR (page 3, line 9.4)	12,014,389	-	-	CFT	-	12,014,389
<b>TOTAL RESERVES</b>	<b>4,123,214,080</b>	<b>-</b>	<b>-</b>		<b>1,725,977</b>	<b>4,124,940,057</b>
<b>IMR</b>						
(General Account, Page 3, line 9.4)	12,014,389					
(Separate Accounts)	N/A					
AVR (page 3, line 24.01)	344,692					
Net Deferred and Uncollected Premium	7,478,996					
(1) CFT = Cash Flow Testing						

In forming my opinion on reserves and related actuarial items, I have relied upon data, assumptions, projections or analysis prepared by Hoi Wong, Senior Vice President of Global Atlantic Financial Group, Brian Salvi, Vice President, Investment Accounting for Global Atlantic Financial Group, Leah Hoppe, Senior Vice President, Life Operations for Accordia Life and Annuity company, Peter Feng, Assistant Vice President, Life Actuarial Financial Reporting for Accordia Life and Annuity Company, Russ Leuthold, Assistant Vice President, Life Valuation for Accordia Life and Annuity Company, and Doug Anderson, Assistant Vice President, Life Actuarial Financial Reporting for Accordia Life and Annuity Company as certified in the attached statements. I evaluated that data, assumptions, projections or analysis for reasonableness and consistency. I also reconciled data to the extent applicable to Exhibit 5, 6, 7, and 8, and the dividend liability and IMR on page 3 of the company's current annual statement. In other respects, my examination included review of the assumptions projections, and analysis used and tests of the assumptions, projections and analysis I considered necessary. I have received documentation from the experts listed above that supports the data, assumptions, projections and analysis.

In my opinion, the reserves and related actuarial values concerning the statement items identified above:

- a. Are computed in accordance with presently accepted ASOP consistently applied and are fairly stated, in accordance with sound actuarial principles.
- b. Are based on assumptions and methods that produce reserves at least as great as those called for in any contract provision as to reserve basis and method, and are in accordance with all other contract provisions.
- c. Meet the requirements of the insurance laws and regulations of the state of Iowa; and are at least as great as the minimum aggregate amounts required by any state in which this statement is licensed.
- d. Are computed on the basis of assumptions and methods consistent with those used in computing the corresponding items in the annual statement of the preceding year-end.
- e. Include provision for all reserves and related actuarial items that ought to be established.

The reserves and related items, when considered in light of the assets held by the company with respect to such reserves and related actuarial items including, but not limited to, the investment earnings on such assets, and the considerations anticipated to be received and retained under the policies and contracts, make adequate provision, according to presently accepted ASOP, for the anticipated cash flows required by the contractual obligations and related expenses of the company.

The methods, considerations and analyses used in forming my opinion conform to the appropriate ASOP as promulgated by the Actuarial Standards Board, which form the basis of this statement of opinion.



This opinion is updated annually as required by statute. To the best of my knowledge, there have been no material changes from the applicable date of the annual statement to the date of the rendering of this opinion which should be considered in reviewing this opinion.

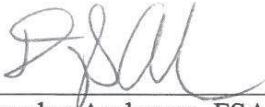
The impact of unanticipated events subsequent to the date of this opinion is beyond the scope of this opinion. The analysis of asset adequacy portion of this opinion should be viewed recognizing that the company's future experience may not follow all the assumptions used in the analysis.

By:   
\_\_\_\_\_  
Bryan E. Nelson, F.S.A., M.A.A.A.  
Accordia Life and Annuity Company  
215 10<sup>th</sup> Street, Suite 1100  
Des Moines, Iowa 50309  
(515) 393-3747  
bryan.nelson@gafg.com

Date: February 20, 2020

**Reliance Statement from Life Valuation Officer**

I, Douglas Anderson, Assistant Vice President of Valuation for Accordia Life and Annuity Company, hereby affirm that I have prepared for and submitted to Bryan E. Nelson, the actuarial assumptions and methods used in determining reserves and related actuarial items for Accordia Life and Annuity Company as shown in the Financial Statement of the Company, and filed with state regulatory officials, as of December 31, 2019. These actuarial items were prepared under my direction and, to the best of my knowledge and belief, are substantially accurate and complete.



\_\_\_\_\_  
Douglas Anderson, FSA  
Assistant Vice President, Valuation

2/10/20

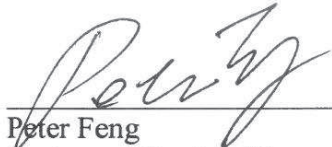
\_\_\_\_\_  
Date

Accordia Life and Annuity  
Davis Brown Tower  
215 10<sup>th</sup> St., 11<sup>th</sup> Floor  
Des Moines, Iowa 50309  
Douglas.Anderson@gafg.com

(515) 393-3748

**Reliance Statement from Financial Forecasting**

I, Peter Feng, Assistant Vice President, Life Actuary Financial Reporting of Accordia Life and Annuity, hereby affirm that the MG-ALFA models used to perform cash flow testing in support of the Actuarial Opinion of reserve adequacy prepared by Bryan Nelson, for Accordia Life and Annuity Company for the year ended December 31, 2019, were prepared under my direction and, to the best of my knowledge and belief, are substantially accurate and complete.

  
\_\_\_\_\_  
Peter Feng  
Assistant Vice President,  
Life Actuary Financial Reporting

2/9/2020  
Date

Accordia Life and Annuity  
215 10<sup>th</sup> Street, Suite 1100  
Des Moines, Iowa 50309  
**Address**

(515) 393-3894  
**Telephone Number**

**Reliance Statement from Financial Forecasting**

I, Russ Leuthold, Assistant Vice President, Valuation of Accordia Life and Annuity, hereby affirm that the data, reports and projections generated from MG-ALFA software in support of the Actuarial Opinion of reserve adequacy prepared by Bryan E. Nelson for Acoordia Life and Annuity Company for the year ended December 31, 2019, were prepared under my direction, and, to the best of my knowledge and belief, are substantially accurate and complete.



Russ Leuthold  
Assistant Vice President, Valuation

2/14/20

Date

Accordia Life and Annuity  
215 10<sup>th</sup> Street, Suite 1100  
Des Moines, Iowa 50309

(515) 393-3743

**Reliance Statement from Investment Accounting Officer**

I, Brian R. Salvi, Vice President – Investment Accounting Global Atlantic Financial Group, hereby affirm that the listings and summaries relating to data prepared for and submitted to Bryan E. Nelson in support of the asset-oriented aspects of the Actuarial Opinion and Memorandum for Accordia Life and Annuity Company for the year ended December 31, 2019, were prepared under my direction and, to the best of my knowledge and belief, are substantially accurate and complete.



\_\_\_\_\_  
Brian R. Salvi  
Vice President – Investment Accounting

2/14/20

\_\_\_\_\_  
Date

Global Atlantic Financial Group  
20 Guest Street  
Brighton, MA 02135  
[Brian.salvi@gafg.com](mailto:Brian.salvi@gafg.com)

Ph: (508) 460-2539

**Reliance Statement from Investment Officer**

I, Hoi Wong, Senior Vice President of Global Atlantic Financial Group of New York, New York, hereby affirm that the asset data and asset projections prepared for and submitted to Bryan Nelson in support of the Actuarial Opinion and Memorandum for Accordia Life and Annuity Company for the year ended December 31, 2019, were prepared under my direction and, to the best of my knowledge and belief, are substantially accurate and complete.

  
\_\_\_\_\_  
Hoi Wong  
Senior Vice President

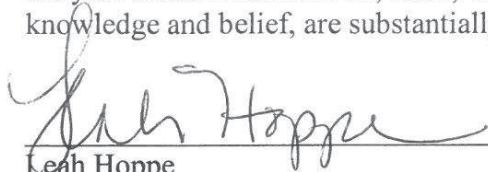
2/14/20  
Date

Global Atlantic Financial Group  
4 World Trade Center, 51<sup>st</sup> Floor  
150 Greenwich Street  
New York, NY 10007  
[Hoi.wong@gafg.com](mailto:Hoi.wong@gafg.com)

Ph (212) 389-2275

**Reliance Statement from Administration**

I, Leah Hoppe, Senior Vice President, Life Operations for Accordia Life and Annuity Company, hereby affirm that the computer databases providing inventories of current liabilities listings and summaries of policies and contracts in force for Accordia Life and Annuity Company prepared for and submitted to Bryan E. Nelson in support of the Actuarial Opinion and Memorandum for the year ended December 31, 2019, were prepared under my direction and, to the best of my knowledge and belief, are substantially accurate and complete.



Leah Hoppe  
Senior Vice President, Life Operations

2.18.20

Date

Accordia Life and Annuity Company  
215 10th Street, Suite 1000  
Des Moines, IA 50309  
Email: leah.hoppe@gafg.com  
Ph: 515-393-3673

**CAPE VERITY III, INC.  
ACTUARIAL CERTIFICATION**

**Compliance of Mortality Rates resulting from the Application of X Factors  
With the National Association of Insurance Commissioners  
Valuation of Life Insurance Policies Model Regulation  
Policies Issued on or after January 1, 2000**

**December 31, 2019**

I, Bryan Nelson, am Vice President and Appointed Actuary of Cape Verity III, Inc. and a member of the American Academy of Actuaries. I was appointed by the Board of Directors of the company to render the certification as stated in the attached letter to the Commissioner dated April 12, 2019. I meet the Academy qualification standards for rendering the certification, and I am familiar with the National Association of Insurance Commissioners Valuation of Life Insurance Policies Model Regulation (the Model Regulation) and Actuarial Standard of Practice No. 40, Compliance with the NAIC Valuation of Life Insurance Model Regulation with Respect to Deficiency Reserve Mortality, adopted by the Actuarial Standards Board ("the ASOP").

The Model Regulation prescribes the statutory valuation requirements for most life insurance policies issued on or after January 1, 2000. The Model Regulation provides the option to use a mortality assumption in the calculation of deficiency reserves that is expressed as a percentage of the select mortality factors included in the Appendix to the Model Regulation, as applied to the 1980 CSO or 2001 CSO male/female, non-smoker/smoker valuation mortality table. These percentages are commonly referred to as *X factors*.

My certification is limited to the issue of whether or not the applicable schedules of X factors, as applied to Cape Verity III Inc.'s Term and Universal Life products issued on or after January 1, 2000, meet the requirements of the Model Regulation.

I hereby certify that the X factors meet the requirements of Section 5.B.(3) of the Model Regulation in that they:

- (i) Vary by some or all of the policy factors expected to affect mortality experience;
- (ii) Are such that, when using the valuation interest rate used for the calculation of basic reserves, Item A. is greater than or equal to Item B., where:
  - A. The actuarial present value of future death benefits using the mortality rates resulting from the application of the X factors;
  - B. The actuarial present value of future death benefits using anticipated mortality experience without recognition of mortality improvement beyond the valuation date;
- (iii) Are such that the mortality rates resulting from their application to the 1980 CSO or 2001 CSO male/female, nonsmoker/smoker valuation mortality tables are at least as great as the anticipated mortality experience, without recognition of mortality improvement beyond the valuation date, in each of the next five years;
- (iv) Specifically take into account the adverse effect on expected mortality and lapsation of any anticipated or actual increase in gross premium.



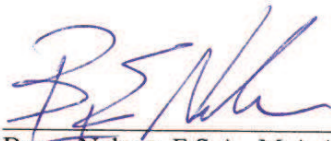
This certification is prepared for, and only to be relied upon by, Cape Verity III Inc. and insurance regulators of this company for purposes set forth in the Model Regulation and Actuarial Standard of Practice No. 40. This document is not intended for use by any other party; and, I take no responsibility for the use of this document for any purpose other than for which it was intended.

This certification is intended to be reviewed as a whole, and no part of it should be separately considered or relied upon. This opinion is the product of professional expertise, and should not be reviewed or relied upon without the benefit of advice of a qualified actuary.

The purpose of this certification is to comply with the Model Regulation, as in effect in the state in which the annual statement to which it is appended is filed, and for no other purpose whatever. It is addressed to the regulatory authority in each state, and is intended solely for the use of that authority. It is not addressed to, and should not be used by, any other person or entity for any other purpose whatsoever. Any such use would be unauthorized and entirely at the risk of such user.

This certification is updated annually as required by statute. To the best of my knowledge, there have been no material changes from the applicable date of the annual statement to the date of the rendering of this certification, which should be considered in reviewing this certification.

The impact of unanticipated events subsequent to the date of this opinion is beyond the scope of this Actuarial Certification. The analysis of X factors and anticipated mortality rates as described in this certification should be viewed, recognizing that the company's future experience may not follow all the assumptions used in the analysis.



---

Bryan Nelson, F.S.A., M.A.A.A.  
Vice President and Appointed Actuary  
Cape Verity III, Inc.  
215 10<sup>th</sup> Street, Suite 1100  
Des Moines, IA 50309

Telephone: (515) 393-3747

February 20, 2020

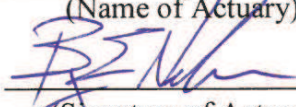
**Reasonableness and Consistency of Assumptions Certification  
For Commissioners Reserve Valuation Method with Updated Market Values**

I, Bryan E. Nelson, F.S.A., M.A.A.A., am the Appointed Actuary for Cape Verity III. I have reviewed the assumptions underlying the values assigned to all index equity options used in the determination of statutory reserves using a Type 2 computational method for all equity indexed universal life insurance policies reinsured by Cape Verity III and reported in the statutory financial statement as of December 31, 2019. The assumptions used to determine such option market values are:

1. reasonable in light of current relevant economic conditions as of the date of valuation; and
2. are consistent with the comparable assumptions used to determine the statement value of any derivative instruments as of the valuation date used to hedge the equity indexed-based obligations embedded in the equity indexed life policies subject to this certification.

Bryan E. Nelson

\_\_\_\_\_  
(Name of Actuary)

  
\_\_\_\_\_  
(Signature of Actuary)

February 14, 2020

\_\_\_\_\_  
(Date of Certification)

**CAPE VERITY III, INC.  
ACTUARIAL CERTIFICATION**

**Compliance of Mortality resulting from the Application and  
Recognition of the 2001 CSO Preferred Mortality Tables in  
Determining Minimum Reserve Liabilities  
With the National Association of Insurance Commissioners  
Valuation of Life Insurance Policies Model Regulation  
Policies Issued on or after January 1, 2007**

**December 31, 2019**

I, Bryan Nelson, am Vice President and Appointed Actuary of Cape Verity III, Inc. and a member of the American Academy of Actuaries. I was appointed by the Board of Directors of the company to render the certification as stated in the attached letter to the Commissioner dated April 12, 2019. I meet the Academy qualification standards for rendering the certification and I am familiar with the National Association of Insurance Commissioners Valuation Insurance Policies Model Regulation 815, and Actuarial Guideline XLII, The Application of the Model Regulation Permitting the Recognition of Preferred Mortality Tables For Use in Determining Minimum Reserve Liabilities (“AG XLII”).

Model Regulation 815 prescribes the statutory valuation requirements for life insurance policies valued using the 2001 CSO Basic and Preferred Mortality Tables. My certification is limited to the issue of whether or not plans using the 2001 CSO Preferred mortality table for the calculation of minimum reserve liabilities meet the requirements of Model Regulation 815.

I hereby certify that the anticipated mortality assumption for plans valued using the 2001 CSO Preferred mortality table meet the requirements of Sections 4 and 5 of Model Regulation 815:

Section 4 – No such election shall be made until the company demonstrates at least 20% of the business to be valued on this table is in one or more of the preferred classes.

Section 5 (parts A and B)

1. For each class, the present value of death benefits over the next ten years after the valuation date using the anticipated mortality experience without recognition of mortality improvement beyond the valuation date for each class is less than the present value of death benefits using the valuation basic table corresponding to the valuation table being used for that class.
2. For each class, the present value of death benefits over the future life of the contracts using anticipated mortality experience without recognition of mortality improvement beyond the valuation date for each class is less than the present value of death benefits using the valuation basic table corresponding to the valuation table being used for that class.

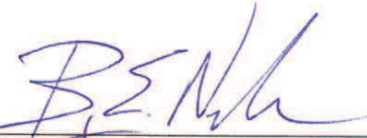
This certification is prepared for, and only to be relied upon by, Cape Verity III, Inc. and insurance regulators of this company for purposes set forth in the Model Regulation 815 and AG XLII. This document is not intended for use by any other party; and, I take no responsibility for the use of this document for any purpose other than for which they were intended.

This certification is intended to be reviewed as a whole, and no part of it should be separately considered or relied upon. This opinion is the product of professional expertise, and should not be reviewed or relied upon without the benefit of advice of a qualified actuary.

The purpose of this certification is to comply with the Model Regulation, as in effect in the state in which the annual statement to which it is appended is filed, and for no other purpose whatever. It is addressed to the regulatory authority in each state, and is intended solely for the use of that authority. It is not addressed to, and should not be used by, any other person or entity for any other purpose whatsoever. Any such use would be unauthorized and entirely at the risk of such user.

This certification is updated annually as required by statute. To the best of my knowledge, there have been no material changes from the applicable date of the annual statement to the date of the rendering of this certification, which should be considered in reviewing this certification.

The impact of unanticipated events subsequent to the date of this opinion is beyond the scope of this Actuarial Certification. The analysis of anticipated mortality rates as described in this certification should be viewed, recognizing that the company's future experience may not follow all the assumptions used in the analysis.



---

Bryan Nelson, F.S.A., M.A.A.A.  
Vice President and Appointed Actuary  
Cape Verity III, Inc.  
215 10<sup>th</sup> Street, Suite 1100  
Des Moines, IA 50309

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February 20, 2020

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