

ANNUAL STATEMENT

OF THE

Cape Verity III, Inc.

TO THE

Insurance Department

OF THE

STATE OF

Iowa

FOR THE YEAR ENDED
DECEMBER 31, 2015

LIFE AND ACCIDENT AND HEALTH

2015



LIFE AND ACCIDENT AND HEALTH COMPANIES - ASSOCIATION EDITION

ANNUAL STATEMENT

FOR THE YEAR ENDED DECEMBER 31, 2015
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		Iowa	
Country of Domicile	United States of America					
Incorporated/Organized	08/23/2013		Commenced Business		08/23/2013	
Statutory Home Office	215 10th Street Suite 1100 (Street and Number)		Des Moines, IA, US 50309 (City or Town, State, Country and Zip Code)			
Main Administrative Office	215 10th Street Suite 1100 (Street and Number)		Des Moines, IA, US 50309 (City or Town, State, Country and Zip Code)			
	Des Moines, IA, US 50309 (City or Town, State, Country and Zip Code)		855-887-4487 (Area Code) (Telephone Number)			
Mail Address	215 10th Street Suite 1100 (Street and Number or P.O. Box)		Des Moines, IA, US 50309 (City or Town, State, Country and Zip Code)			
Primary Location of Books and Records	215 10th Street Suite 1100 (Street and Number)		Des Moines, IA, US 50309 (City or Town, State, Country and Zip Code)			
	Des Moines, IA, US 50309 (City or Town, State, Country and Zip Code)		855-887-4487 (Area Code) (Telephone Number)			
Internet Website Address	N/A					
Statutory Statement Contact	Tonya Rachelle Maxwell (Name)		515-393-3725 (Area Code) (Telephone Number)			
	tonya.maxwell@gafg.com (E-mail Address)		(FAX Number)			

OFFICERS

Chief Executive Officer	Nicholas Helmuth von Moltke	Vice President, Chief Actuary, Appointed Actuary, and Valuation Actuary	David Eberhart Neve
President	Michael Hoyt Miller	Chief Financial Officer and Treasurer	John Joseph Fowler

OTHER

Philip William Sherrill, Senior Vice President	Gary Phillip Silber, Vice President and Secretary	Scott Douglas Silverman, Assistant Secretary
Maureen Helen Henderson, Assistant Secretary		

DIRECTORS OR TRUSTEES

Nicholas Helmuth von Moltke	Hanben Kim Lee	Gilles Maurice Dellaert
Michael Hoyt Miller		

State of Iowa SS:
County of Polk

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.

Michael Hoyt Miller President	Gary Phillip Silber Vice President and Secretary	John Joseph Fowler Chief Financial Officer and Treasurer

Subscribed and sworn to before me this 22nd day of February, 2016

Heidi L. Palmer

October 14, 2016

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



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)	20,613,090		20,613,090	30,969,499
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 (\$0 , Schedule E - Part 1), cash equivalents (\$, Schedule E - Part 2) and short-term investments (\$505,927 , Schedule DA)	505,927		505,927	2,218,025
6. Contract loans (including \$ premium notes)	3,157,089		3,157,089	2,719,449
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)	24,276,106		24,276,106	35,906,973
13. Title plants less \$ charged off (for Title insurers only)				
14. Investment income due and accrued	182,212		182,212	295,794
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)	4,701,519		4,701,519	3,804,806
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	464,919,190		464,919,190	425,103,619
16.3 Other amounts receivable under reinsurance contracts	14,193,388		14,193,388	21,183,611
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	54,681,105	54,681,105		
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				141,469
24. Health care (\$) and other amounts receivable				
25. Aggregate write-ins for other than invested assets	239,033,500	17,153	239,016,347	222,505,463
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	801,987,020	54,698,258	747,288,762	708,941,735
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts				
28. Total (Lines 26 and 27)	801,987,020	54,698,258	747,288,762	708,941,735
DETAILS OF WRITE-INS				
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	239,016,347		239,016,347	222,505,463
2502. Accounts Recivable- Miscellaneous	17,153	17,153		
2503.				
2598. Summary of remaining write-ins for Line 25 from overflow page				
2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above)	239,033,500	17,153	239,016,347	222,505,463

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Year	2 Prior Year
1. Aggregate reserve for life contracts \$ 664,218,692 (Exh. 5, Line 9999999) less \$ included in Line 6.3 (including \$ Modco Reserve)	664,218,692	610,386,095
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 \$ and coupons \$ due and unpaid (Exhibit 4, Line 10)		
6. Provision for policyholders' dividends and coupons payable in following calendar year - estimated amounts:		
6.1 Dividends apportioned for payment (including \$ Modco)		
6.2 Dividends 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 \$ 7,398,868 assumed and \$ ceded	7,398,868	28,650,460
9.4 Interest maintenance reserve (IMR, Line 6)	13,759,358	13,975,457
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	990,759	2,078,581
12. General expenses due or accrued (Exhibit 2, Line 12, Col. 6)		
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. 5)		
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 company as agent or trustee		
18. Amounts held for agents' account, including \$ agents' credit balances		
19. Remittances and items not allocated		416
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)	81,535	59,334
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		
24.05 Drafts outstanding		
24.06 Liability for amounts held under uninsured plans		
24.07 Funds held under coinsurance		
24.08 Derivatives		
24.09 Payable for securities		
24.10 Payable for securities lending		
24.11 Capital notes \$ and interest thereon \$		
25. Aggregate write-ins for liabilities		
26. Total liabilities excluding Separate Accounts business (Lines 1 to 25)	686,449,212	655,150,343
27. From Separate Accounts Statement		
28. Total liabilities (Lines 26 and 27)	686,449,212	655,150,343
29. Common capital stock	2,500,000	2,500,000
30. Preferred capital stock		
31. Aggregate write-ins for other than special surplus funds	239,016,348	222,505,463
32. Surplus notes		
33. Gross paid in and contributed surplus (Page 3, Line 33, Col. 2 plus Page 4, Line 51.1, Col. 1)	21,500,000	21,500,000
34. Aggregate write-ins for special surplus funds		
35. Unassigned funds (surplus)	(202,176,798)	(192,714,071)
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)	58,339,550	51,291,392
38. Totals of Lines 29, 30 and 37 (Page 4, Line 55)	60,839,550	53,791,392
39. Totals of Lines 28 and 38 (Page 2, Line 28, Col. 3)	747,288,762	708,941,735
DETAILS OF WRITE-INS		
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. Cont ingent Note	239,016,348	222,505,463
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)	239,016,348	222,505,463
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)	37,917,949	48,029,192
2. Considerations for supplementary contracts with life contingencies		
3. Net investment income (Exhibit of Net Investment Income, Line 17)	749,721	964,683
4. Amortization of Interest Maintenance Reserve (IMR, Line 5)	1,072,265	1,115,443
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	25,599,028	31,254,856
9. Total (Lines 1 to 8.3)	65,338,963	81,364,174
10. Death benefits	13,170,269	7,807,075
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	3,878,898	3,109,643
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	53,832,596	127,016,027
20. Totals (Lines 10 to 19)	70,881,763	137,932,745
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)	4,332,741	4,340,530
23. General insurance expenses (Exhibit 2, Line 10, Cols. 1, 2, 3 and 4)	8,220	3,665
24. Insurance taxes, licenses and fees, excluding federal income taxes (Exhibit 3, Line 7, Cols. 1 + 2 + 3)	625	900
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)	75,223,349	142,277,840
29. Net gain from operations before dividends to policyholders and federal income taxes (Line 9 minus Line 28)	(9,884,386)	(60,913,666)
30. Dividends to policyholders		
31. Net gain from operations after dividends to policyholders and before federal income taxes (Line 29 minus Line 30)	(9,884,386)	(60,913,666)
32. Federal and foreign income taxes incurred (excluding tax on capital gains)	(4,197,905)	(11,435,384)
33. Net gain from operations after dividends to policyholders and federal income taxes and before realized capital gains or (losses) (Line 31 minus Line 32)	(5,686,481)	(49,478,282)
34. Net realized capital gains (losses) (excluding gains (losses) transferred to the IMR) less capital gains tax of \$(259,769) (excluding taxes of \$461,012 transferred to the IMR)	259,769	18,190
35. Net income (Line 33 plus Line 34)	(5,426,712)	(49,460,092)
CAPITAL AND SURPLUS ACCOUNT		
36. Capital and surplus, December 31, prior year (Page 3, Line 38, Col. 2)	53,791,392	50,521,897
37. Net income (Line 35)	(5,426,712)	(49,460,092)
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	(616,844)	4,817,552
41. Change in nonadmitted assets	599,691	(4,817,552)
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	(22,200)	(25,471)
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		
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	12,514,223	52,755,059
54. Net change in capital and surplus for the year (Lines 37 through 53)	7,048,158	3,269,495
55. Capital and surplus, December 31, current year (Lines 36 + 54) (Page 3, Line 38)	60,839,550	53,791,392
DETAILS OF WRITE-INS		
08.301. Funds Withheld Miscellaneous Income	25,599,028	31,254,856
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)	25,599,028	31,254,856
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	16,510,885	64,205,463
5302. Tax Sharing Agreement	(3,996,662)	(11,450,404)
5303.		
5398. Summary of remaining write-ins for Line 53 from overflow page		
5399. Totals (Lines 5301 thru 5303 plus 5398)(Line 53 above)	12,514,223	52,755,059

CASH FLOW

	1	2
	Current Year	Prior Year
Cash from Operations		
1. Premiums collected net of reinsurance	18,267,169	48,029,192
2. Net investment income	983,474	935,287
3. Miscellaneous income	(4,668,523)	(53,743,691)
4. Total (Lines 1 through 3)	14,582,120	(4,779,212)
5. Benefit and loss related payments	26,913,605	(16,322,470)
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts		
7. Commissions, expenses paid and aggregate write-ins for deductions	2,936,266	2,266,514
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)	29,849,871	(14,055,956)
11. Net cash from operations (Line 4 minus Line 10)	(15,267,751)	9,276,744
Cash from Investments		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds	41,084,980	22,522,557
12.2 Stocks		
12.3 Mortgage loans		
12.4 Real estate		
12.5 Other invested assets		
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments		
12.7 Miscellaneous proceeds		2,131
12.8 Total investment proceeds (Lines 12.1 to 12.7)	41,084,980	22,524,688
13. Cost of investments acquired (long-term only):		
13.1 Bonds	26,318,874	29,807,981
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)	26,318,874	29,807,981
14. Net increase (decrease) in contract loans and premium notes	437,640	497,899
15. Net cash from investments (Line 12.8 minus Line 13.7 minus Line 14)	14,328,466	(7,781,192)
Cash from Financing and Miscellaneous Sources		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes		
16.2 Capital and paid in surplus, less treasury stock		
16.3 Borrowed funds		
16.4 Net deposits on deposit-type contracts and other insurance liabilities		
16.5 Dividends to stockholders		
16.6 Other cash provided (applied)	(772,813)	288,711
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6)	(772,813)	288,711
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS		
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17)	(1,712,098)	1,784,263
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year	2,218,025	433,762
19.2 End of year (Line 18 plus Line 19.1)	505,927	2,218,025

Note: Supplemental disclosures of cash flow information for non-cash transactions:

20.0001. Remitted bonds to settle assumed reinsurance obligations	3,212,688	
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ANNUAL STATEMENT FOR THE YEAR 2015 OF THE Cape Verity III, Inc.

ANALYSIS OF OPERATIONS BY LINES OF BUSINESS

	1	2	Ordinary			6	Group		Accident and Health			12
			3	4	5		7	8	9	10	11	
	Total	Industrial Life	Life Insurance	Individual Annuities	Supplementary Contracts	Credit Life (Group and Individual)	Life Insurance (a)	Annuities	Group	Credit (Group and Individual)	Other	Aggregate of All Other Lines of Business
1. Premiums and annuity considerations for life and accident and health contracts	37,917,949		37,917,949									
2. Considerations for supplementary contracts with life contingencies												
3. Net investment income	749,721		749,721									
4. Amortization of Interest Maintenance Reserve (IMR)	1,072,265		1,072,265									
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 Fees associated with income from 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	25,599,028		25,599,028									
9. Totals (Lines 1 to 8.3)	65,338,963		65,338,963									
10. Death benefits	13,170,269		13,170,269									
11. Matured endowments (excluding guaranteed annual pure endowments)												
12. Annuity benefits												
13. Disability benefits and benefits under accident and health contracts												
14. Coupons, guaranteed annual pure endowments and similar benefits												
15. Surrender benefits and withdrawals for life contracts	3,878,898		3,878,898									
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	53,832,596		53,832,596									
20. Totals (Lines 10 to 19)	70,881,763		70,881,763									
21. Commissions on premiums, annuity considerations and deposit-type contract funds (direct business only)												
22. Commissions and expense allowances on reinsurance assumed	4,332,741		4,332,741									
23. General insurance expenses	8,220		8,220									
24. Insurance taxes, licenses and fees, excluding federal income taxes	625		625									
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)	75,223,349		75,223,349									
29. Net gain from operations before dividends to policyholders and federal income taxes (Line 9 minus Line 28)	(9,884,386)		(9,884,386)									
30. Dividends to policyholders												
31. Net gain from operations after dividends to policyholders and before federal income taxes (Line 29 minus Line 30)	(9,884,386)		(9,884,386)									
32. Federal income taxes incurred (excluding tax on capital gains)	(4,197,905)		(4,197,905)									
33. Net gain from operations after dividends to policyholders and federal income taxes and before realized capital gains or (losses) (Line 31 minus Line 32)	(5,686,481)		(5,686,481)									
DETAILS OF WRITE-INS												
08.301. Funds Withheld Miscellaneous Income	25,599,028		25,599,028									
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)	25,599,028		25,599,028									
2701. Miscellaneous												
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) Includes the following amounts for FEGLI/SGLI: Line 1 , Line 10 , Line 16 , Line 23 , Line 24

ANNUAL STATEMENT FOR THE YEAR 2015 OF THE Cape Verity III, Inc.

ANALYSIS OF INCREASE IN RESERVES DURING THE YEAR

	1 Total	2 Industrial Life	Ordinary			6 Credit Life (Group and Individual)	Group	
			3 Life Insurance	4 Individual Annuities	5 Supplementary Contracts		7 Life Insurance	8 Annuities
Involving Life or Disability Contingencies (Reserves)								
(Net of Reinsurance Ceded)								
1. Reserve December 31, prior year	610,386,095		610,386,095					
2. Tabular net premiums or considerations	37,917,949		37,917,949					
3. Present value of disability claims incurred					XXX			
4. Tabular interest	25,712,770		25,712,770					
5. Tabular less actual reserve released								
6. Increase in reserve on account of change in valuation basis								
7. Other increases (net)	28,518,456		28,518,456					
8. Totals (Lines 1 to 7)	702,535,270		702,535,270					
9. Tabular cost	21,267,411		21,267,411		XXX			
10. Reserves released by death	13,170,269		13,170,269	XXX	XXX			XXX
11. Reserves released by other terminations (net)	3,878,898		3,878,898					
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)	38,316,578		38,316,578					
15. Reserve December 31, current year	664,218,692		664,218,692					

ANNUAL STATEMENT FOR THE YEAR 2015 OF THE Cape Verity III, Inc.

EXHIBIT OF NET INVESTMENT INCOME

		1	2
		Collected During Year	Earned During Year
1.	U.S. Government bonds	(a) 8,913	..... 8,913
1.1	Bonds exempt from U.S. tax	(a) .....	.....
1.2	Other bonds (unaffiliated)	(a) 853,168	..... 739,584
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) 1,224	..... 1,224
7	Derivative instruments	(f) .....	.....
8.	Other invested assets .....	.....	.....
9.	Aggregate write-ins for investment income .....	.....	.....
10.	Total gross investment income	863,305	749,721
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)	749,721	
DETAILS OF WRITE-INS			
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 \$13,861 accrual of discount less \$134,032 amortization of premium and less \$92,128 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	2,089	.....	2,089	.....	.....
1.1	Bonds exempt from U.S. tax .....	.....	.....	.....	.....	.....
1.2	Other bonds (unaffiliated)	1,315,091	.....	1,315,091	.....	.....
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 .....	.....	.....	.....	.....	.....
7.	Derivative instruments .....	.....	.....	.....	.....	.....
8.	Other invested assets .....	.....	.....	.....	.....	.....
9.	Aggregate write-ins for capital gains (losses) .....	.....	.....	.....	.....	.....
10.	Total capital gains (losses)	1,317,180	.....	1,317,180	.....	.....
DETAILS OF WRITE-INS						
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) .....	.....	.....	.....	.....	.....

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

	1	2	Ordinary		5	Group		Accident and Health			11
			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
FIRST YEAR (other than single)											
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)											
SINGLE											
10. Single premiums and considerations:											
10.1 Direct											
10.2 Reinsurance assumed											
10.3 Reinsurance ceded											
10.4 Net											
RENEWAL											
11. Uncollected											
12. Deferred and accrued	4,701,519		4,701,519								
13. Deferred, accrued and uncollected:											
13.1 Direct											
13.2 Reinsurance assumed	4,701,519		4,701,519								
13.3 Reinsurance ceded											
13.4 Net (Line 11 + Line 12)	4,701,519		4,701,519								
14. Advance											
15. Line 13.4 - Line 14	4,701,519		4,701,519								
16. Collected during year:											
16.1 Direct											
16.2 Reinsurance assumed	37,021,236		37,021,236								
16.3 Reinsurance ceded											
16.4 Net	37,021,236		37,021,236								
17. Line 15 + Line 16.4	41,722,755		41,722,755								
18. Prior year (uncollected + deferred and accrued - advance)	3,804,806		3,804,806								
19. Renewal premiums and considerations:											
19.1 Direct											
19.2 Reinsurance assumed	37,917,949		37,917,949								
19.3 Reinsurance ceded											
19.4 Net (Line 17 - Line 18)	37,917,949		37,917,949								
TOTAL											
20. Total premiums and annuity considerations:											
20.1 Direct											
20.2 Reinsurance assumed	37,917,949		37,917,949								
20.3 Reinsurance ceded											
20.4 Net (Lines 9.4 + 10.4 + 19.4)	37,917,949		37,917,949								

EXHIBIT - 1 PART 2 - DIVIDENDS AND COUPONS APPLIED, REINSURANCE COMMISSIONS AND EXPENSE ALLOWANCES AND COMMISSIONS INCURRED (Direct Business Only)

	1	2	Ordinary		5	Group		Accident and Health			11
			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
DIVIDENDS AND COUPONS APPLIED (included in Part 1)											
21. To pay renewal premiums											
22. All other											
REINSURANCE COMMISSIONS AND EXPENSE ALLOWANCES INCURRED											
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	4,332,741		4,332,741								
25.3 Net ceded less assumed	(4,332,741)		(4,332,741)								
26. Totals:											
26.1 Reinsurance ceded (Page 6, Line 6)											
26.2 Reinsurance assumed (Page 6, Line 22)	4,332,741		4,332,741								
26.3 Net ceded less assumed	(4,332,741)		(4,332,741)								
COMMISSIONS INCURRED (direct business only)											
27. First year (other than single)											
28. Single											
29. Renewal											
30. Deposit-type contract funds											
31. Totals (to agree with Page 6, Line 21)											

ANNUAL STATEMENT FOR THE YEAR 2015 OF THE Cape Verity III, Inc.

EXHIBIT 2 - GENERAL EXPENSES

	Insurance				5	6
	1	Accident and Health		4		
		2	3			
	Life	Cost Containment	All Other	All Other Lines of Business	Investment	Total
1. Rent						
2. Salaries and wages						
3.11 Contributions for benefit plans for employees						
3.12 Contributions for benefit plans for agents						
3.21 Payments to employees under non-funded benefit plans						
3.22 Payments to agents under non-funded benefit plans						
3.31 Other employee welfare						
3.32 Other agent welfare						
4.1 Legal fees and expenses						
4.2 Medical examination fees						
4.3 Inspection report fees						
4.4 Fees of public accountants and consulting actuaries						
4.5 Expense of investigation and settlement of policy claims						
5.1 Traveling expenses						
5.2 Advertising						
5.3 Postage, express, telegraph and telephone						
5.4 Printing and stationery						
5.5 Cost or depreciation of furniture and equipment						
5.6 Rental of equipment						
5.7 Cost or depreciation of EDP equipment and software						
6.1 Books and periodicals						
6.2 Bureau and association fees	8,220					8,220
6.3 Insurance, except on real estate						
6.4 Miscellaneous losses						
6.5 Collection and bank service charges						
6.6 Sundry general expenses						
6.7 Group service and administration fees						
6.8 Reimbursements by uninsured plans						
7.1 Agency expense allowance						
7.2 Agents' balances charged off (less \$ recovered)						
7.3 Agency conferences other than local meetings						
9.1 Real estate expenses						
9.2 Investment expenses not included elsewhere						
9.3 Aggregate write-ins for expenses						
10. General expenses incurred	8,220					(a) 8,220
11. General expenses unpaid December 31, prior year						
12. General expenses unpaid December 31, current year						
13. Amounts receivable relating to uninsured plans, prior year						
14. Amounts receivable relating to uninsured plans, current year						
15. General expenses paid during year (Lines 10+11-12-13+14)	8,220					8,220
DETAILS OF WRITE-INS						
09.301.						
09.302.						
09.303.						
09.398. Summary of remaining write-ins for Line 9.3 from overflow page						
09.399. Totals (Lines 09.301 thru 09.303 plus 09.398) (Line 9.3 above)						

(a) Includes management fees of \$ to affiliates and \$ to non-affiliates.

EXHIBIT 3 - TAXES, LICENSES AND FEES (EXCLUDING FEDERAL INCOME TAXES)

	Insurance			4 Investment	5 Total
	1 Life	2 Accident and Health	3 All Other Lines of Business		
1. Real estate taxes					
2. State insurance department licenses and fees	625				625
3. State taxes on premiums					
4. Other state taxes, including \$ for employee benefits					
5. U.S. Social Security taxes					
6. All other taxes					
7. Taxes, licenses and fees incurred	625				625
8. Taxes, licenses and fees unpaid December 31, prior year					
9. Taxes, licenses and fees unpaid December 31, current year					
10. Taxes, licenses and fees paid during year (Lines 7 + 8 - 9)	625				625

EXHIBIT 4 - DIVIDENDS OR REFUNDS

	1 Life	2 Accident and Health
1. Applied to pay renewal premiums		
2. Applied to shorten the endowment or premium-paying period		
3. Applied to provide paid-up additions		
4. Applied to provide paid-up annuities		
5. Total Lines 1 through 4		
6. Paid in cash		
7. Left on deposit		
8. Aggregate write-ins for dividend or refund options		
9. Total Lines 5 through 8		
10. Amount due and unpaid		
11. Provision for dividends or refunds payable in the following calendar year		
12. Terminal dividends		
13. Provision for deferred dividend contracts		
14. Amount provisionally held for deferred dividend contracts not included on Line 13		
15. Total Lines 10 through 14		
16. Total from prior year		
17. Total dividends or refunds (Lines 9 + 15 - 16)		
DETAILS OF WRITE-INS		
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)		

NONE

EXHIBIT 5 - AGGREGATE RESERVE FOR LIFE CONTRACTS

12

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?.....
If so, attach a statement that contains the determination procedures, answers to the interrogatories and an actuarial opinion as described in the instructions.

Yes [X] No []

4.

Has the reporting entity any assessment or stipulated premium contracts in force?
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\$

Yes [] No [X]

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?
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.

Yes [] No [X]

7.

Does the reporting entity have any Synthetic GIC contracts or agreements in effect as of December 31 of the current year?
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:

Yes [] No [X]

8.

Does the reporting entity have any Contingent Deferred Annuity contracts or agreements in effect as of December 31 of the current year?
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:

Yes [] No [X]

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?
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:

Yes [] No [X]

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

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

Exhibit 6 - Aggregate Reserves for Accident and Health Contracts

N O N E

Exhibit 7 - Deposit-Type Contracts

N O N E

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

N O N E

ANNUAL STATEMENT FOR THE YEAR 2015 OF THE Cape Verity III, Inc.

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	13,170,269		13,170,269								
1.3 Reinsurance ceded											
1.4 Net (d)	13,170,269		13,170,269								
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	13,170,269		13,170,269								
6.3 Reinsurance ceded											
6.4 Net	13,170,269		13,170,269								

(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 2015 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	54,681,105	55,297,949	616,844
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	17,153		(17,153)
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	54,698,258	55,297,949	599,691
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts			
28. Total (Lines 26 and 27)	54,698,258	55,297,949	599,691
DETAILS OF WRITE-INS			
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. Other assets	17,153		(17,153)
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)	17,153		(17,153)

NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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:

	State of Domicile	2015	2014
<u>NET INCOME</u>			
(1) The Company state basis (Page 4, Line 35, Columns 1 & 2)	low a	\$ (5,426,712)	(49,460,092)
(2) State Prescribed Practices that increase/(decrease) NAIC SAP	low a	-	-
(3) State Permitted Practices that increase/(decrease) NAIC SAP	low a	-	-
(4) NAIC SAP (1-2-3=4)	low a	\$ (5,426,712)	\$ (49,460,092)
<u>SURPLUS</u>			
(5) The Company state basis (Page 3, Line 38, Columns 1&2)	low a	\$ 60,839,550	53,791,391
(6) State Prescribed Practices that increase/(decrease) NAIC SAP Letter of Credit	low a	239,016,347	222,505,463
(7) State Permitted Practices that increase/(decrease) NAIC SAP	low a	-	-
(8) NAIC SAP (5-6-7=8)	low a	\$ (178,176,797)	\$ (168,714,072)

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 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 are stated at amortized cost.
- (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) The Company does not have any common stock.
- (4) The Company does not have any preferred stock.
- (5) The Company does not have any mortgage loans.
- (6) Loan-backed securities are stated at amortized cost or fair value, in accordance with the NAIC *Purposes and Procedures* Manual of the Capital Markets and Investment Analysis Office.
- (7) The Company does not have any investments in affiliates.
- (8) The Company does not have any investments in joint ventures.
- (9) The Company does not have any derivative instruments.
- (10) The Company has no accident and health business and therefore no premium deficiency calculation.
- (11) The Company has no accident and health business and therefore no unpaid losses or loss adjustment expenses.
- (12) The Company does not carry any fixed assets.

2. ACCOUNTING CHANGES AND CORRECTIONS OF ERRORS – Not Applicable

NOTES TO FINANCIAL STATEMENTS

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

The Company does not have any discontinued operations.

5. INVESTMENTS

- A. Mortgage Loans, including Mezzanine Real Estate Loans – Not Applicable
- B. Debt Restructuring – There were no debt restructures as of December 31, 2015, and December 31, 2014.
- C. Reverse Mortgages – Not Applicable
- D. Loan Backed Securities

Loan-backed and structured securities (“LBASS”) are valued and reported in accordance with Statement of Statutory Accounting Principles (“SSAP”) 43R – Loan-Backed and Structured Securities. Prepayment assumptions are primarily obtained from external sources or internal estimates. These assumptions are consistent with the current interest rate and economic environment. The prospective adjustment method is used on most non-agency LBASS. Fair values are based on independent pricing sources. The Company reviews securities at least quarterly for other-than-temporary impairments (“OTTI”) using current cash flow assumptions. The Company did not recognize any OTTI charges on loan-backed securities as of December 31, 2015.

- E. Repurchase Agreements and/or Securities Lending Transactions – There were no repurchase agreement and/or Securities Lending Transactions for the Company as of December 31, 2015, and December 31, 2014.
- F. Real Estate – Not Applicable
- G. Investments in Low Income Housing Tax Credits – Not Applicable

6. JOINT VENTURES, PARTNERSHIPS AND LIMITED LIABILITY COMPANIES

- A. The Company has no investments in joint venture, partnerships or limited liability companies that exceed 10% of its admitted assets as of December 31, 2015, and December 31, 2014.
- B. 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, 2015, and December 31, 2014.

7. INVESTMENT INCOME

The Company did not have any due and accrued income over 90 days past due that was excluded from surplus as of December 31, 2015, and December 31, 2014.

8. DERIVATIVE INSTRUMENTS – Not Applicable

9. INCOME TAXES

- A. The net deferred tax asset/(liability) at December 31, 2015, and the change from the prior year-end are comprised of the following components:

1.

12/31/2015		
(1)	(2)	(3)
Ordinary	Capital	(Col 1+2) Total
56,606,926	-	56,606,926
-	-	-
56,606,926	-	56,606,926
54,681,106	-	54,681,106
1,925,820	-	1,925,820
1,647,441	278,379	1,925,820
278,379	(278,379)	-
12/31/2014		
(4)	(5)	(6)
Ordinary	Capital	(Col 4+5) Total
55,324,463	-	55,324,463
-	-	-
55,324,463	-	55,324,463
55,297,949	-	55,297,949
26,514	-	26,514
8,683	17,831	26,514
17,831	(17,831)	-
Change		
(7)	(8)	(9)
Ordinary	Capital	(Col 7+8) Total
1,282,463	-	1,282,463
-	-	-
1,282,463	-	1,282,463
(616,843)	-	(616,843)
1,899,306	-	1,899,306
1,638,758	260,548	1,899,306
260,548	(260,548)	-

(a) Gross deferred tax assets

(b) Statutory valuation allowance adjustments

(c) Adjusted gross deferred tax assets

(d) Deferred tax assets non-admitted

(e) Subtotal net admitted deferred tax assets

(f) Gross deferred tax liabilities

(g) Net admitted deferred tax assets / (liabilities)

(a) Gross deferred tax assets

(b) Statutory valuation allowance adjustments

(c) Adjusted gross deferred tax assets

(d) Deferred tax assets non-admitted

(e) Subtotal net admitted deferred tax assets

(f) Gross deferred tax liabilities

(g) Net admitted deferred tax assets / (liabilities)

NOTES TO FINANCIAL STATEMENTS

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.

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

2. Admission Calculation Components SSAP No. 101

12/31/2015		
(1)	(2)	(3) (Col 1+2)
Ordinary	Capital	Total
(a) Federal Income Taxes Paid in Prior Years Recoverable Through Loss Carry-backs.	-	-
(b) Adjusted Gross Deferred Tax Assets Expected To Be Realized (Excluding The Threshold Limitation. (The 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 Allow ed per Limitation Threshold.	-	-
XXX	XXX	9,125,932
(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	1,647,441	278,379
(d) Deferred Tax Assets Admitted as the result of application of SSAP No. 101	1,647,441	1,925,820
12/31/2014		
(4)	(5)	(6) (Col 4+5)
Ordinary	Capital	Total
(a) Federal Income Taxes Paid in Prior Years Recoverable Through Loss Carry-backs.	-	-
(b) Adjusted Gross Deferred Tax Assets Expected To Be Realized (Excluding The Threshold Limitation. (The 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 Allow ed per Limitation Threshold.	-	-
XXX	XXX	8,068,709
(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	8,683	17,831
(d) Deferred Tax Assets Admitted as the result of application of SSAP No. 101	8,683	26,514
Change		
(7)	(8)	(9) (Col 7+8)
Ordinary	Capital	Total
(a) Federal Income Taxes Paid in Prior Years Recoverable Through Loss Carry-backs.	-	-
(b) Adjusted Gross Deferred Tax Assets Expected To Be Realized (Excluding The Threshold Limitation. (The 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 Allow ed per Limitation Threshold.	-	-
XXX	XXX	1,057,223
(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	1,638,758	260,548
(d) Deferred Tax Assets Admitted as the result of application of SSAP No. 101	1,638,758	1,899,306

3.

	12/31/2015	12/31/2014
(a) Ratio Percentage Used To Determine Recovery Period And Threshold Limitation Amount	1462%	1321%
(b) Amount of Adjusted Capital and Surplus Used to Determine Recovery Period and Threshold Limitation in 2(b)2 Above	60,839,550	53,791,391

4. Impact of Tax Planning Strategies

12/31/2015		
(1)	(2)	(3) (Col 1+2)
Ordinary	Capital	Total
(a) Determination of adjusted gross deferred tax assets and net admitted deferred tax assets, by tax character as a percentage.		
1 Adjusted Gross DTAs amount from Note 9A1(c)	56,606,926	-
2 Percentage of adjusted gross DTAs by tax character attributable to the impact of tax planning strategies.	0%	0%
3 Net Admitted Adjusted Gross DTAs amount from Note 9A1(e)	1,925,820	-
4 Percentage of net admitted adjusted gross DTAs by tax character admitted because of the impact of tax planning strategies.	0%	0%
12/31/2014		
(4)	(5)	(6) (Col 4+5)
Ordinary	Capital	Total
(a) Determination of adjusted gross deferred tax assets and net admitted deferred tax assets, by tax character as a percentage.		
1 Adjusted Gross DTAs amount from Note 9A1(c)	55,324,463	-
2 Percentage of adjusted gross DTAs by tax character attributable to the impact of tax planning strategies.	0%	0%
3 Net Admitted Adjusted Gross DTAs amount from Note 9A1(e)	26,514	-
4 Percentage of net admitted adjusted gross DTAs by tax character admitted because of the impact of tax planning strategies.	0%	0%
Change		
(7)	(8)	(9) (Col 7+8)
Ordinary	Capital	Total
(a) Determination of adjusted gross deferred tax assets and net admitted deferred tax assets, by tax character as a percentage.		
1 Adjusted Gross DTAs amount from Note 9A1(c)	1,282,463	-
2 Percentage of adjusted gross DTAs by tax character attributable to the impact of tax planning strategies.	0%	0%
3 Net Admitted Adjusted Gross DTAs amount from Note 9A1(e)	1,899,306	-
4 Percentage of net admitted adjusted gross DTAs by tax character admitted because of the impact of tax planning strategies.	0%	0%
(c) Does the Company's tax-planning strategies include the use of reinsurance?	Yes	No √

B. Unrecognized deferred tax liabilities

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

NOTES TO FINANCIAL STATEMENTS

C. Current income taxes incurred consist of the following major components:

	12/31/2015	12/31/2014	Change
1. Current Income Tax			
(a) Federal	(4,197,905)	(11,435,384)	7,237,479
(b) Foreign	-	-	-
(c) Subtotal	(4,197,905)	(11,435,384)	7,237,479
(d) Federal Income Tax on Net Capital Gains	201,243	(15,020)	216,263
(e) Utilization of Capital Loss Carry-Forwards	-	-	-
(f) Other	-	-	-
(g) Federal and Foreign Income Taxes Incurred	(3,996,662)	(11,450,404)	7,453,742
2. Deferred Tax Assets			
(a) Ordinary			
(1) Discounting of unpaid losses	-	-	-
(2) Unearned premium reserve	-	-	-
(3) Policyholder reserves	16,936,795	17,105,695	(168,900)
(4) Investments	-	-	-
(5) Deferred acquisition costs	54,928	24,713	30,215
(6) Policyholder dividends accrual	-	-	-
(7) Fixed assets	-	-	-
(8) Compensation and benefits accrual	-	-	-
(9) Pension accrual	-	-	-
(10) Receivables - nonadmitted	6,003	-	6,003
(11) Net operating loss carry-forward	-	-	-
(12) Tax credit carry-forward	-	-	-
Acquired Reserve Basis	39,609,200	38,194,055	1,415,145
Other	-	-	-
(13) Other (including items <5% of total ordinary tax assets)	39,609,200	38,194,055	1,415,145
(99) Subtotal	56,606,926	55,324,463	1,282,463
(b) Statutory valuation allowance adjustment	-	-	-
(c) Nonadmitted	54,681,106	55,297,949	(616,843)
(d) Admitted ordinary deferred tax assets (2a99 - 2b - 2c)	1,925,820	26,514	1,899,306
(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)	1,925,820	26,514	1,899,306
3. Deferred Tax Liabilities:			
(a) Ordinary			
(1) Investments	(1,909)	(8,683)	6,774
(2) Fixed assets	-	-	-
(3) Deferred and uncollected premium	(1,645,532)	-	(1,645,532)
(4) Policyholder reserves	-	-	-
(5) Other (including items <5% of total ordinary tax liabilities)	-	-	-
(99) Subtotal	(1,647,441)	(8,683)	(1,638,758)
(b) Capital			
(1) Investments	(278,379)	(17,831)	(260,548)
(2) Real Estate	-	-	-
(3) Other (including items <5% of total capital tax liabilities)	-	-	-
(99) Subtotal	(278,379)	(17,831)	(260,548)
(c) Deferred tax liabilities (3a99 +3b99)	(1,925,820)	(26,514)	(1,899,306)
4. Net deferred tax assets / liabilities (2i - 3c)	-	-	-

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

	12/31/2015			12/31/2014			Change
	Ordinary	Capital	Total	Ordinary	Capital	Total	
Total deferred tax assets (admitted and nonadmitted)	56,606,926	-	56,606,926	55,324,463	-	55,324,463	1,282,463
Total deferred tax liabilities	1,647,441	278,379	1,925,820	8,683	17,831	26,514	1,899,306
Net deferred tax asset/(liabilities)	54,959,485	(278,379)	54,681,106	55,315,780	(17,831)	55,297,949	(616,843)
Tax effect of unrealized (gains) / losses							-
Change in net deferred income tax							(616,843)

D. Reconciliation of Federal Income Tax Rate to Actual Effective Rate:

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

	Amount	Tax Effect	Effective Rate
Provision computed at statutory rate	(9,423,374)	(3,298,181)	35.00%
IMR	(216,099)	(75,635)	0.80%
Return to Provision True Up	0	0	0.00%
Tax on non-admitted assets	(17,151)	(6,003)	0.06%
Total	(9,656,624)	(3,379,819)	35.86%
Federal income taxes incurred		(3,996,662)	42.41%
Change in net deferred income taxes		616,843	-6.55%
Total statutory income tax expense/(benefit)		(3,379,819)	35.86%

E. Operating loss carry-forward

- (1) At December 31, 2015, the Company does not have any net operating loss carry-forwards, capital loss carry-forwards or foreign tax credits.
- (2) The Company does not have any federal income taxes available for recoupment in the event of future losses

NOTES TO FINANCIAL STATEMENTS

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 I Inc., Cape Verity II, Inc., Gotham Re, Inc., Forethought National Life Insurance Company, and Forethought Life Insurance Company for the period ending December 31, 2015. 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.

10. INFORMATION CONCERNING PARENT, SUBSIDIARIES AND AFFILIATES

A. Nature of Relationships:

Cape Verity III, Inc. was formed on August 23, 2013 and commenced business as limited purpose subsidiary 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 ½ of 1% of total admitted assets

The Company remitted \$3,996,662 and \$11,450,404 during 2015 and 2014, respectively, under the provisions of the supplemental tax sharing agreement described in Note 9. This amount was recorded as a surplus adjustment in the Summary of Operations.

C. Amounts of transactions and effects of any change in terms of intercompany arrangements – Not applicable

D. Amounts Due to or From Related Parties

As of December 31, 2015, the Company had no receivables or payables due to or from affiliates.

E. Guarantees or undertakings for the benefit of an affiliate or related party: 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 for the twelve months ended December 31, 2015 and December 31, 2014

G. Nature of Relationships that Could Affect Operations

The Company's various affiliated relationships and agreement/transactions are discussed above in Note 10. 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 Impairment of Investments in Subsidiary, Controlled or Affiliated Companies – Not Applicable

K. Investment in a Foreign Insurance Company – Not Applicable

L. Downstream Noninsurance Holding Company – Not Applicable

11. DEBT

A. Debt and Capital Notes – Not Applicable

B. Federal Home Loan Bank Agreements – Not Applicable

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

The Company does not participate in retirement plans, deferred compensation, post-employment benefits and compensated absences and other post-retirement benefits plans.

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, 2015 and December 31, 2014, 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.

NOTES TO FINANCIAL STATEMENTS

- (6) The unassigned surplus is held for the benefit of the Company's shareholder.
- (7) There were no unpaid advances to surplus.
- (8) 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) There portion of unassigned funds (surplus) represented or reduced by unrealized gains and (losses), net of capital gains tax, was \$0 at December 31, 2015 and December 31, 2014, respectively.
- (11) The Company issued a Variable Funding Surplus Note (surplus note) to on October 1, 2013, with an initial outstanding principal amount of \$0. As of December 31, 2015, the carrying value of the surplus note was \$0. There were no interest or principal payments made at December 31, 2015 and December 31, 2014.
- (12) There have not been any restatements due to quasi-reorganizations.
- (13) There have been no quasi-reorganizations.

14. CONTINGENCIES

- 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 – Not Applicable
- E. All Other Contingencies – Not Applicable

15. LEASES

- A. Lessee Leasing Arrangements – 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

The Company does not have any financial instruments with off-balance sheet risk or financial instruments with concentrations of credit risk.

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

- A. Transfers of Receivables Reported as Sale – Not Applicable
- B. Transfer 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

The Company does not have any direct premium written by managing general agents or third party administrators.

20. FAIR VALUE MEASUREMENT

- A. The Company did not carry assets or liabilities at fair value as of December 31, 2015 or December 21, 2014.
- B. No additional disclosures are required pertaining to fair value measurement.
- C. Aggregate fair value for all financial instruments at reporting date:

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	(Level 1)	(Level 2)	(Level 3)	Not Practicable (Carrying Value)
Assets at fair value						
Bonds	\$ 20,425,855	20,613,090	2,296,659	18,129,196	\$ -	\$ -
Short-term investments	\$ 505,927	505,927	505,927	-	-	-
Total Assets	\$ 20,931,782	\$ 21,119,016	\$ 2,802,586	\$ 18,129,196	\$ -	\$ -

- D. Not Practicable to estimate fair value

As of December 31, 2015 and December 31, 2014, the Company did not own any financial instruments that were not practicable to estimate fair value.

21. OTHER ITEMS

- A. Extraordinary Items

The Company had no reportable material extraordinary items.
- B. Troubled Debt Restructuring – Not Applicable

NOTES TO FINANCIAL STATEMENTS

C. Other Disclosures and Unusual Items

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, 2015 was \$239,016,347.

Effective October 1, 2014, the Company entered into an amendment to the retrocession agreement, originally made and entered into as of October 1, 2013 with Accordia Life and Annuity Company domiciled under the laws of the state of Iowa. The amendment covers individual Term and Indexed Universal Life with No-lapse guarantees issued during January 1, 2013 through December 31, 2014. Reserves of approximately \$50,000,000 were assumed.

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, 2015 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

D. The Company did not have any business interruption insurance recoveries as of December 31, 2015 or December 31, 2014.

E. State Transferable Tax Credits

The Company had no reportable state transferable tax credits.

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

As of December 31, 2015 there were no direct exposures through other investments.

(4) Underwriting Exposure to subprime risk – Not Applicable

G. Retained Assets – 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 19, 2016 for the statutory statement issued on March 1, 2016.

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) which is owned in excess of 10% or controlled directly or indirectly by an insured, a beneficiary, a creditor or an insured 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 Company 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 which, 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 not 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.

\$0

NOTES TO FINANCIAL STATEMENTS

- (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 which 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

24. RETROSPECTIVELY RATED CONTRACTS

The Company does not have any retrospectively rated contracts or contract subject to redetermination.

25. CHANGE IN INCURRED LOSSES AND LOSS ADJUSTMENT EXPENSES

The Company does not have any change in incurred loss adjustment expenses attributable to insured events of prior years.

26. INTERCOMPANY POOLING ARRANGEMENTS

The Company does not have any inter-company pooling arrangements.

27. STRUCTURED SETTLEMENTS

The company does not have any structured settlements.

28. HEALTH CARE RECEIVABLES

The Company does not have any Healthcare.

29. PARTICIPATING POLICIES

The Company does not have any participating policies.

30. PREMIUM DEFICIENCY RESERVES (ACCIDENT AND HEALTH)

The Company does not have any premium deficiency reserves.

31. RESERVES FOR LIFE CONTRACTS AND ANNUITY CONTRACTS

- (1) The Company has no product types for which the waiver of deferred fractional premiums is applicable and no product types in which the return of any portion of the final premium beyond the date of death is applicable.
- (2) Extra premium are not charged on substandard lives for Universal Life (UL) product types. UL CARVM reserves are based on appropriate multiples of standard rates of mortality.
- (3) As of December 31, 2015, the Company had no insurance in force for which the gross premiums are less than that net premiums according to the standard valuation set by the State of Iowa.
- (4) The tabular interest at December 31, 2015, (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 is calculated as the product of the mean fund balance and the average valuation interest rate.
- (6) There are no significant "Other Increases (net)" under Page 7, Line 7 or Exhibit 7, Line 4, as of December 31, 2015.

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

The Company does not have any reserves, deposit-type contracts funds or other liabilities without life contingencies.

33. PREMIUM AND ANNUITY CONSIDERATIONS DEFERRED AND UNCOLLECTED

- A. Deferred and uncollected life insurance premiums and annuity considerations as of December 31, 2014, were as follows:

Type	Gross	Net of Loading
(1) Industrial	\$ -	\$ -
(2) Ordinary New Business	\$ -	\$ -
(3) Ordinary Renewal	\$ 4,701,519	\$ 4,701,519
(4) Credit Life	\$ -	\$ -
(5) Group Life	\$ -	\$ -
(6) Group Annuity	\$ -	\$ -
(7) Total	\$ 4,701,519	\$ 4,701,519

34. SEPARATE ACCOUNTS

The Company does not have a separate account.

35. 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?
If yes, complete Schedule Y, Parts 1, 1A and 2

Yes [X] No []

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

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.

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).

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?
4.12 renewals?

Yes [] No [X]
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?
4.22 renewals?

Yes [] No [X]
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]

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	2	3
Name of Entity	NAIC Company Code	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 [] No [X]

7.2

If yes,
7.21 State the percentage of foreign control; %
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	2
Nationality	Type of Entity

ANNUAL STATEMENT FOR THE YEAR 2015 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?
David Neve, 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 [X]
- 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).

ANNUAL STATEMENT FOR THE YEAR 2015 OF THE Cape Verity III, Inc.

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 2015 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	2	3
Nature of Restriction	Description	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.

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	2
Name of Custodian(s)	Custodian's Address
US Bank N.A.	1025 Connecticut Avenue, NW Suite 517, Washington, DC 20036

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	2	3
Name(s)	Location(s)	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	2	3	4
Old Custodian	New Custodian	Date of Change	Reason

28.05 Identify all investment advisors, brokers/dealers or individuals acting on behalf of brokers/dealers that have access to the investment accounts, handle securities and have authority to make investments on behalf of the reporting entity:

1	2	3
Central Registration Depository Number(s)	Name	Address
107738	Goldman Sachs Asset Management, L.P.	200 Wall Street, New York, NY 10282

ANNUAL STATEMENT FOR THE YEAR 2015 OF THE Cape Verity III, Inc.

GENERAL INTERROGATORIES

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

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

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

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	2	3
	Statement (Admitted) Value	Fair Value	Excess of Statement over Fair Value (-), or Fair Value over Statement (+)
30.1 Bonds	21,119,017	20,931,785	(187,232)
30.2 Preferred stocks			
30.3 Totals	21,119,017	20,931,785	(187,232)

- 30.4 Describe the sources or methods utilized in determining the fair values:
Fair values are mainly determined by utilizing external pricing vendors. In limited instances, reliance is placed on broker quotes and/or internal 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:

ANNUAL STATEMENT FOR THE YEAR 2015 OF THE Cape Verity III, Inc.

GENERAL INTERROGATORIES

OTHER

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

33.2 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	2
Name	Amount Paid

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

34.2 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	2
Name	Amount Paid

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

35.2 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	2
Name	Amount Paid

ANNUAL STATEMENT FOR THE YEAR 2015 OF THE Cape Verity III, Inc.

GENERAL INTERROGATORIES

PART 2 - LIFE INTERROGATORIES

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

37,917,949

48,029,192

2.3

Premium Ratio (2.1/2.2)

0.000

0.000

2.4

Reserve Numerator

2.5

Reserve Denominator

664,218,692

610,386,095

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)"?

4.1

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 [X] No []

4.2

Net reimbursement of such expenses between reporting entities:

4.21

Paid

\$

4.22

Received

\$

5.1

Does the reporting entity write any guaranteed interest contracts?

Yes [] No [X]

5.2

If yes, what amount pertaining to these lines is included in:

5.21

Page 3, Line 1

\$

5.22

Page 4, Line 1

\$

6.

FOR STOCK REPORTING ENTITIES ONLY:

6.1

Total amount paid in by stockholders as surplus funds since organization of the reporting entity:

\$21,500,000

7.

Total dividends paid stockholders since organization of the reporting entity:

7.11

Cash

\$

7.12

Stock

\$

ANNUAL STATEMENT FOR THE YEAR 2015 OF THE Cape Verity III, Inc.

GENERAL INTERROGATORIES

8.1 Does the company 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.

8.2 If yes, has the reporting entity completed the Workers' Compensation Carve-Out Supplement to the Annual Statement? Yes [] No []

8.3 If 8.1 is yes, the amounts of earned premiums and claims incurred in this statement are:

	1 Reinsurance Assumed	2 Reinsurance Ceded	3 Net Retained
8.31 Earned premium			
8.32 Paid claims			
8.33 Claim liability and reserve (beginning of year)			
8.34 Claim liability and reserve (end of year)			
8.35 Incurred claims			

8.4 If reinsurance assumed included amounts with attachment points below \$1,000,000, the distribution of the amounts reported in Lines 8.31 and 8.34 for Column (1) are:

	Attachment Point	1 Earned Premium	2 Claim Liability and Reserve
8.41	<\$25,000		
8.42	\$25,000 - 99,999		
8.43	\$100,000 - 249,999		
8.44	\$250,000 - 999,999		
8.45	\$1,000,000 or more		

8.5 What portion of earned premium reported in 8.31, Column 1 was assumed from pools?\$

9.1 Does the company have variable annuities with guaranteed benefits? Yes [] No [X]

9.2 If 9.1 is yes, complete the following table for each type of guaranteed benefit.

Type		3	4	5	6	7	8	9
1	2	Waiting	Account Value	Total Related	Gross Amount	Location of	Portion	Reinsurance
Guaranteed	Guaranteed	Period	Related to Col. 3	Account Values	of Reserve	Reserve	Reinsured	Reserve Credit
Death Benefit	Living Benefit	Remaining						

10. 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:

10.1 Amount of loss reserves established by these annuities during the current year:\$

10.2 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	

11.1 Do you act as a custodian for health savings accounts? Yes [] No [X]

11.2 If yes, please provide the amount of custodial funds held as of the reporting date.\$

11.3 Do you act as an administrator for health savings accounts? Yes [] No [X]

11.4 If yes, please provide the balance of funds administered as of the reporting date.\$

ANNUAL STATEMENT FOR THE YEAR 2015 OF THE Cape Verity III, Inc.

GENERAL INTERROGATORIES

12.1 Are any of the captive affiliates reported on Schedule S, Part 3, authorized reinsurers? Yes [] No [] N/A [X]

12.2 If the answer to 12.1 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

13. Provide the following for individual ordinary life insurance* policies (U.S. business only) for the current year (prior to reinsurance assumed or ceded):

13.1 Direct Premium Written\$

13.2 Total Incurred Claims\$

13.3 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 gurantee)
Universal Life (with or without secondary gurantee)
Variable Universal Life (with or without secondary gurantee)

FIVE-YEAR HISTORICAL DATA

Show amounts in whole dollars only, no cents; show percentages to one decimal place, i.e. 17.6.
Show amounts of life insurance in this exhibit in thousands (OMIT \$000)

	1 2015	2 2014	3 2013	4 2012	5 2011
Life Insurance in Force (Exhibit of Life Insurance)					
1. Ordinary - whole life and endowment (Line 34, Col. 4)	3,866,110	4,000,295	3,232,197		
2. Ordinary - term (Line 21, Col. 4, less Line 34, Col. 4)	1,055,441	1,210,890	884,960		
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)	4,921,551	5,211,185	4,117,157		
New Business Issued (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)					
Premium Income - Lines of Business (Exhibit 1 - Part 1)					
14. Industrial life (Line 20.4, Col. 2)					
15.1 Ordinary-life insurance (Line 20.4, Col. 3)	37,917,949	48,029,192	361,297,154		
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	37,917,949	48,029,192	361,297,154		
Balance Sheet (Pages 2 & 3)					
21. Total admitted assets excluding Separate Accounts business (Page 2, Line 26, Col. 3)	747,288,762	708,941,735	550,424,686		
22. Total liabilities excluding Separate Accounts business (Page 3, Line 26)	686,449,212	655,150,343	499,902,789		
23. Aggregate life reserves (Page 3, Line 1)	664,218,692	610,386,095	483,370,068		
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)	81,535	59,334	33,863		
27. Capital (Page 3, Lines 29 and 30)	2,500,000	2,500,000	2,500,000		
28. Surplus (Page 3, Line 37)	58,339,550	51,291,392	48,021,897		
Cash Flow (Page 5)					
29. Net Cash from Operations (Line 11)	(15,267,751)	9,276,744	40,328		
Risk-Based Capital Analysis					
30. Total adjusted capital	60,921,085	53,850,726	50,555,760		
31. Authorized control level risk - based capital	4,168,324	4,077,625	3,487,117		
Percentage Distribution of Cash, Cash Equivalents and Invested Assets (Page 2, Col. 3) (Line No. /Page 2, Line 12, Col. 3) x 100.0					
32. Bonds (Line 1)	84.9	86.2	89.9		
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)	2.1	6.2	1.6		
37. Contract loans (Line 6)	13.0	7.6	8.4		
38. Derivatives (Page 2, Line 7)					
39. Other invested assets (Line 8)					
40. Receivables for securities (Line 9)			0.0		
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 2015	2 2014	3 2013	4 2012	5 2011
Investments in Parent, Subsidiaries and Affiliates					
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					
Total Nonadmitted and Admitted Assets					
52. Total nonadmitted assets (Page 2, Line 28, Col. 2)	54,698,258	55,297,949	50,480,397		
53. Total admitted assets (Page 2, Line 28, Col. 3)	747,288,762	708,941,735	550,424,686		
Investment Data					
54. Net investment income (Exhibit of Net Investment Income)	749,721	964,683	251,778		
55. Realized capital gains (losses) (Page 4, Line 34, Column 1)	259,769	18,190	12,376		
56. Unrealized capital gains (losses) (Page 4, Line 38, Column 1)					
57. Total of above Lines 54, 55 and 56	1,009,490	982,873	264,154		
Benefits and Reserve Increases (Page 6)					
58. Total contract benefits - life (Lines 10, 11, 12, 13, 14 and 15 Col. 1, minus Lines 10, 11,12, 13, 14 and 15 Cols. 9, 10 and 11)	17,049,167	10,916,718	1,998,198		
59. Total contract benefits - A & H (Lines 13 & 14, Cols. 9, 10 & 11)					
60. Increase in life reserves - other than group and annuities (Line 19, Cols. 2 and 3)	53,832,596	127,016,027	483,370,069		
61. Increase in A & H reserves (Line 19, Cols. 9, 10 & 11)					
62. Dividends to policyholders (Line 30, Col. 1)					
Operating Percentages					
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	11.4	9.0	0.3		
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	4.6	2.7	1.8		
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)					
A & H Claim Reserve Adequacy					
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)					
Net Gains From Operations After Federal Income Taxes by Lines of Business (Page 6, Line 33)					
72. Industrial life (Col. 2)					
73. Ordinary - life (Col. 3)	(5,686,481)	(49,478,282)	(130,820,277)		
74. Ordinary - individual annuities (Col. 4)					
75. Ordinary-supplementary contracts (Col. 5)					
76. Credit life (Col. 6)					
77. Group life (Col. 7)					
78. Group annuities (Col. 8)					
79. A & H-group (Col. 9)					
80. A & H-credit (Col. 10)					
81. A & H-other (Col. 11)					
82. Aggregate of all other lines of business (Col. 12)					
83. Total (Col. 1)	(5,686,481)	(49,478,282)	(130,820,277)		

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 2015 OF THE Cape Verity III, Inc.

DIRECT BUSINESS IN THE STATE OF Grand Total

NAIC Group Code 3891

LIFE INSURANCE

DURING THE YEAR 2015

NAIC Company Code 15473

DIRECT PREMIUMS AND ANNUITY CONSIDERATIONS	1 Ordinary	2 Credit Life (Group and Individual)	3 Group	4 Industrial	5 Total
1. Life insurance					
2. Annuity considerations					
3. Deposit-type contract funds		XXX		XXX	
4. Other considerations					
5. Totals (Sum of Lines 1 to 4)					
DIRECT DIVIDENDS TO POLICYHOLDERS					
Life insurance:					
6.1 Paid in cash or left on deposit					
6.2 Applied to pay renewal premiums					
6.3 Applied to provide paid-up additions or shorten the endowment or premium-paying period					
6.4 Other					
6.5 Totals (Sum of Lines 6.1 to 6.4)					
Annuities:					
7.1 Paid in cash or left on deposit					
7.2 Applied to provide paid-up annuities					
7.3 Other					
7.4 Totals (Sum of Lines 7.1 to 7.3)					
8. Grand Totals (Lines 6.5 plus 7.4)					
DIRECT CLAIMS AND BENEFITS PAID					
9. Death benefits					
10. Matured endowments					
11. Annuity benefits					
12. Surrender values and withdrawals for life contracts					
13. Aggregate write-ins for miscellaneous direct claims and benefits paid					
14. All other benefits, except accident and health					
15. Totals					
DETAILS OF WRITE-INS					
1301.					
1302.					
1303.					
1398. Summary of Line 13 from overflow page					
1399. Totals (Lines 1301 thru 1303 plus 1398) (Line 13 above)					

DIRECT DEATH BENEFITS AND MATURED ENDOWMENTS INCURRED	Ordinary		Credit Life (Group and Individual)		Group		Industrial		Total	
	1	2	3	4	5	6	7	8	9	10
	No.	Amount	No. of Ind.Pols. & Gr. Certifs.	Amount	No. of Certifs.	Amount	No.	Amount	No.	Amount
16. Unpaid December 31, prior year										
17. Incurred during current year Settled during current year:										
18.1 By payment in full										
18.2 By payment on compromised claims										
18.3 Totals paid										
18.4 Reduction by compromise										
18.5 Amount rejected										
18.6 Total settlements										
19. Unpaid Dec. 31, current year (16+17-18.6)										
POLICY EXHIBIT					No. of Policies					
20. In force December 31, prior year			(a)							
21. Issued during year										
22. Other changes to in force (Net)										
23. In force December 31 of current year			(a)							

(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

	1 Direct Premiums	2 Direct Premiums Earned	3 Dividends Paid Or Credited On Direct Business	4 Direct Losses Paid	5 Direct Losses Incurred
24. Group Policies (b)					
24.1 Federal Employees Health Benefits Plan premium (b)					
24.2 Credit (Group and Individual)					
24.3 Collectively renewable policies (b)					
24.4 Medicare Title XVIII exempt from state taxes or fees Other Individual Policies:					
25.1 Non-cancelable (b)					
25.2 Guaranteed renewable (b)					
25.3 Non-renewable for stated reasons only (b)					
25.4 Other accident only					
25.5 All other (b)					
25.6 Totals (sum of Lines 25.1 to 25.5)					
26. Totals (Lines 24 + 24.1 + 24.2 + 24.3 + 24.4 + 25.6)					

(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 2015 OF THE Cape Verity III, Inc.

EXHIBIT OF LIFE INSURANCE

	Industrial		Ordinary		Credit Life (Group and Individual)		Group			10 Total Amount of Insurance (a)
	1	2	3	4	5	6	Number of		9	
	Number of Policies	Amount of Insurance (a)	Number of Policies	Amount of Insurance (a)	Number of Individual Policies and Group Certificates	Amount of Insurance (a)	7 Policies	8 Certificates	Amount of Insurance (a)	
1. In force end of prior year			23,925	5,211,185						5,211,185
2. Issued during year										
3. Reinsurance assumed			18	2,425						2,425
4. Revived during year			14	2,983						2,983
5. Increased during year (net)				7,772						7,772
6. Subtotals, Lines 2 to 5			32	13,180						13,180
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)			23,957	5,224,365						5,224,365
Deductions during year:										
10. Death			55	11,777			XXX			11,777
11. Maturity							XXX			
12. Disability							XXX			
13. Expiry										
14. Surrender			264	76,060						76,060
15. Lapse			972	155,463						155,463
16. Conversion							XXX	XXX	XXX	
17. Decreased (net)				59,514						59,514
18. Reinsurance										
19. Aggregate write-ins for decreases										
20. Totals (Lines 10 to 19)			1,291	302,814						302,814
21. In force end of year (Line 9 minus Line 20)			22,666	4,921,551						4,921,551
22. Reinsurance ceded end of year	XXX		XXX		XXX		XXX	XXX		
23. Line 21 minus Line 22	XXX		XXX	4,921,551	XXX	(b)	XXX	XXX		4,921,551
DETAILS OF WRITE-INS										
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)										

(a) Amounts of life insurance in this exhibit shall be shown in thousands (omit 000)

(b) Group \$; Individual \$

EXHIBIT OF LIFE INSURANCE (Continued)

ADDITIONAL INFORMATION ON INSURANCE IN FORCE END OF YEAR

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

ADDITIONAL INFORMATION ON ORDINARY INSURANCE

	Issued During Year (Included in Line 2)		In Force End of Year (Included in Line 21)	
	1	2	3	4
Term Insurance Excluding Extended Term Insurance	Number of Policies	Amount of Insurance (a)	Number of Policies	Amount of Insurance (a)
27. Term policies - decreasing				
28. Term policies - other			7,716	1,055,441
29. Other term insurance - decreasing	XXX		XXX	
30. Other term insurance	XXX		XXX	
31. Totals (Lines 27 to 30)			7,716	1,055,441
Reconciliation to Lines 2 and 21:				
32. Term additions	XXX		XXX	
33. Totals, extended term insurance	XXX	XXX		
34. Totals, whole life and endowment			14,950	3,866,110
35. Totals (Lines 31 to 34)			22,666	4,921,551

CLASSIFICATION OF AMOUNT OF INSURANCE (a) BY PARTICIPATING STATUS

	Issued During Year (Included in Line 2)		In Force End of Year (Included in Line 21)	
	1	2	3	4
	Non-Participating	Participating	Non-Participating	Participating
36. Industrial				
37. Ordinary			4,921,551	
38. Credit Life (Group and Individual)				
39. Group				
40. Totals (Lines 36 to 39)			4,921,551	

ADDITIONAL INFORMATION ON CREDIT LIFE AND GROUP INSURANCE

	Credit Life		Group	
	1	2	3	4
	Number of Individual Policies and Group Certificates	Amount of Insurance (a)	Number of Certificates	Amount of Insurance (a)
41. Amount of insurance included in Line 2 ceded to other companies	XXX		XXX	
42. Number in force end of year if the number under shared groups 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				

ADDITIONAL ACCIDENTAL DEATH BENEFITS

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

BASIS OF CALCULATION OF ORDINARY TERM INSURANCE

47. State basis of calculation of (47.1) decreasing term insurance contained in Family Income, Mortgage Protection, etc., policies and riders and of (47.2) term insurance on wife and children under Family, Parent and Children, etc., policies and riders included above.
47.1 Amount of insurance in force on the policy anniversary in current year
47.2 Flat amount per unit for spouse and children

POLICIES WITH DISABILITY PROVISIONS

	Industrial		Ordinary		Credit		Group	
	1	2	3	4	5	6	7	8
Disability Provisions	Number of Policies	Amount of Insurance (a)	Number of Policies	Amount of Insurance (a)	Number of Policies	Amount of Insurance (a)	Number of Certificates	Amount of Insurance (a)
48. Waiver of Premium			1,867	311,394				
49. Disability Income								
50. Extended Benefits			XXX	XXX				
51. Other								
52. Total		(b)	1,867	(b) 311,394		(b)		(b)

(a) Amounts of life insurance in this exhibit shall be shown in thousands (omit 000)
(b) See Paragraph 9 of the Annual Audited Financial Reports in the General section of the annual statement instructions

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

N O N E

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

N O N E

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

N O N E

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

N O N E

ANNUAL STATEMENT FOR THE YEAR 2015 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		13,975,457
2. Current year's realized pre-tax capital gains/(losses) of \$1,317,178 transferred into the reserve net of taxes of \$461,012		856,166
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)		14,831,623
5. Current year's amortization released to Summary of Operations (Amortization, Line 1, Column 4)		1,072,265
6. Reserve as of December 31, current year (Line 4 minus Line 5)		13,759,358

AMORTIZATION				
Year of Amortization	1 Reserve as of December 31, Prior Year	2 Current Year's Realized Capital Gains/(Losses) Transferred into the Reserve Net of Taxes	3 Adjustment for Current Year's Liability Gains/(Losses) Released From the Reserve	4 Balance Before Reduction for Current Year's Amortization (Cols. 1 + 2 + 3)
1. 2015	1,054,409	17,856		1,072,265
2. 2016	953,923	34,582		988,505
3. 2017	836,022	33,821		869,842
4. 2018	728,688	32,207		760,895
5. 2019	667,556	29,937		697,493
6. 2020	641,394	28,131		669,526
7. 2021	615,774	27,781		643,555
8. 2022	590,384	29,439		619,823
9. 2023	570,650	31,103		601,753
10. 2024	552,252	32,623		584,875
11. 2025	546,110	34,719		580,829
12. 2026	542,200	36,209		578,409
13. 2027	541,169	37,256		578,425
14. 2028	532,458	38,466		570,924
15. 2029	527,567	40,231		567,798
16. 2030	508,325	40,775		549,100
17. 2031	492,660	41,308		533,968
18. 2032	478,592	39,256		517,848
19. 2033	463,689	37,752		501,441
20. 2034	437,959	36,077		474,036
21. 2035	396,353	34,145		430,498
22. 2036	348,147	31,307		379,453
23. 2037	295,168	27,164		322,332
24. 2038	225,642	22,644		248,286
25. 2039	166,822	18,509		185,331
26. 2040	124,338	13,612		137,950
27. 2041	81,923	10,201		92,124
28. 2042	43,812	8,084		51,896
29. 2043	11,471	5,967		17,438
30. 2044		3,849		3,849
31. 2045 and Later		1,155		1,155
32. Total (Lines 1 to 31)	13,975,457	856,166		14,831,623

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	59,335		59,335				59,335
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	22,841		22,841				22,841
8. Accumulated balances (Lines 1 through 5 - 6 + 7)	82,176		82,176				82,176
9. Maximum reserve	114,443		114,443				114,443
10. Reserve objective	78,972		78,972				78,972
11. 20% of (Line 10 - Line 8)	(641)		(641)				(641)
12. Balance before transfers (Lines 8 + 11)	81,535		81,535				81,535
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)	81,535		81,535				81,535

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

Line Num- ber	NAIC Desig- nation	Description	1	2	3	4	Basic Contribution		Reserve Objective		Maximum Reserve	
			Book/Adjusted Carrying Value	Reclassify Related Party Encumbrances	Add Third Party Encumbrances	Balance for AVR Reserve Calculations (Cols. 1 + 2 + 3)	5	6	7	8	9	10
							Factor	Amount (Cols.4 x 5)	Factor	Amount (Cols. 4 x 7)	Factor	Amount (Cols. 4 x 9)
LONG-TERM BONDS												
1.		Exempt Obligations	2,296,659	XXX	XXX	2,296,659	0.0000		0.0000		0.0000	
2.	1	Highest Quality	11,617,908	XXX	XXX	11,617,908	0.0004	4,647	0.0023	26,721	0.0030	34,854
3.	2	High Quality	5,987,124	XXX	XXX	5,987,124	0.0019	11,376	0.0058	34,725	0.0090	53,884
4.	3	Medium Quality	711,399	XXX	XXX	711,399	0.0093	6,616	0.0230	16,362	0.0340	24,188
5.	4	Low Quality		XXX	XXX		0.0213		0.0530		0.0750	
6.	5	Lower Quality		XXX	XXX		0.0432		0.1100		0.1700	
7.	6	In or Near Default		XXX	XXX		0.0000		0.2000		0.2000	
8.		Total Unrated Multi-class Securities Acquired by Conversion		XXX	XXX		XXX		XXX		XXX	
9.		Total Bonds (Sum of Lines 1 through 8)	20,613,090	XXX	XXX	20,613,090	XXX	22,639	XXX	77,809	XXX	112,925
PREFERRED STOCK												
10.	1	Highest Quality		XXX	XXX		0.0004		0.0023		0.0030	
11.	2	High Quality		XXX	XXX		0.0019		0.0058		0.0090	
12.	3	Medium Quality		XXX	XXX		0.0093		0.0230		0.0340	
13.	4	Low Quality		XXX	XXX		0.0213		0.0530		0.0750	
14.	5	Lower Quality		XXX	XXX		0.0432		0.1100		0.1700	
15.	6	In or Near Default		XXX	XXX		0.0000		0.2000		0.2000	
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	
SHORT - TERM BONDS												
18.		Exempt Obligations		XXX	XXX		0.0000		0.0000		0.0000	
19.	1	Highest Quality	505,927	XXX	XXX	505,927	0.0004	202	0.0023	1,164	0.0030	1,518
20.	2	High Quality		XXX	XXX		0.0019		0.0058		0.0090	
21.	3	Medium Quality		XXX	XXX		0.0093		0.0230		0.0340	
22.	4	Low Quality		XXX	XXX		0.0213		0.0530		0.0750	
23.	5	Lower Quality		XXX	XXX		0.0432		0.1100		0.1700	
24.	6	In or Near Default		XXX	XXX		0.0000		0.2000		0.2000	
25.		Total Short - Term Bonds (Sum of Lines 18 through 24)	505,927	XXX	XXX	505,927	XXX	202	XXX	1,164	XXX	1,518
DERIVATIVE INSTRUMENTS												
26.		Exchange Traded		XXX	XXX		0.0004		0.0023		0.0030	
27.	1	Highest Quality		XXX	XXX		0.0004		0.0023		0.0030	
28.	2	High Quality		XXX	XXX		0.0019		0.0058		0.0090	
29.	3	Medium Quality		XXX	XXX		0.0093		0.0230		0.0340	
30.	4	Low Quality		XXX	XXX		0.0213		0.0530		0.0750	
31.	5	Lower Quality		XXX	XXX		0.0432		0.1100		0.1700	
32.	6	In or Near Default		XXX	XXX		0.0000		0.2000		0.2000	
33.		Total Derivative Instruments		XXX	XXX		XXX		XXX		XXX	
34.		Total (Lines 9 + 17 + 25 + 33)	21,119,017	XXX	XXX	21,119,017	XXX	22,841	XXX	78,972	XXX	114,443

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

Line Num- ber	NAIC Desig- nation	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		0.0010		0.0050		0.0065	
36.		Farm Mortgages - CM2 - High Quality			XXX		0.0035		0.0100		0.0130	
37.		Farm Mortgages - CM3 - Medium Quality			XXX		0.0060		0.0175		0.0225	
38.		Farm Mortgages - CM4 - Low Medium Quality			XXX		0.0105		0.0300		0.0375	
39.		Farm Mortgages - CM5 - Low Quality			XXX		0.0160		0.0425		0.0550	
40.		Residential Mortgages - Insured or Guaranteed			XXX		0.0003		0.0006		0.0010	
41.		Residential Mortgages - All Other			XXX		0.0013		0.0030		0.0040	
42.		Commercial Mortgages - Insured or Guaranteed			XXX		0.0003		0.0006		0.0010	
43.		Commercial Mortgages - All Other - CM1 - Highest Quality			XXX		0.0010		0.0050		0.0065	
44.		Commercial Mortgages - All Other - CM2 - High Quality			XXX		0.0035		0.0100		0.0130	
45.		Commercial Mortgages - All Other - CM3 - Medium Quality			XXX		0.0060		0.0175		0.0225	
46.		Commercial Mortgages - All Other - CM4 - Low Medium Quality			XXX		0.0105		0.0300		0.0375	
47.		Commercial Mortgages - All Other - CM5 - Low Quality			XXX		0.0160		0.0425		0.0550	
		Overdue, Not in Process:										
48.		Farm Mortgages			XXX		0.0420		0.0760		0.1200	
49.		Residential Mortgages - Insured or Guaranteed			XXX		0.0005		0.0012		0.0020	
50.		Residential Mortgages - All Other			XXX		0.0025		0.0058		0.0090	
51.		Commercial Mortgages - Insured or Guaranteed			XXX		0.0005		0.0012		0.0020	
52.		Commercial Mortgages - All Other			XXX		0.0420		0.0760		0.1200	
		In Process of Foreclosure:										
53.		Farm Mortgages			XXX		0.0000		0.1700		0.1700	
54.		Residential Mortgages - Insured or Guaranteed			XXX		0.0000		0.0040		0.0040	
55.		Residential Mortgages - All Other			XXX		0.0000		0.0130		0.0130	
56.		Commercial Mortgages - Insured or Guaranteed			XXX		0.0000		0.0040		0.0040	
57.		Commercial Mortgages - All Other			XXX		0.0000		0.1700		0.1700	
58.		Total Schedule B Mortgages (Sum of Lines 35 through 57)			XXX		XXX		XXX		XXX	
59.		Schedule DA Mortgages			XXX		0.0030		0.0100		0.0130	
60.		Total Mortgage Loans on Real Estate (Lines 58 + 59)			XXX		XXX		XXX		XXX	

Asset Valuation Reserve - Equity Component
N O N E

Asset Valuation Reserve Replications (Synthetic) Assets
N O N E

Schedule F - Claims
N O N E

Schedule H - Part 1 - Analysis of Underwriting Operations
N O N E

Schedule H - Part 2 - Reserves and Liabilities
N O N E

Schedule H - Part 3 - Prior Year's Claim Reserves and Liabilities
N O N E

Schedule H - Part 4 - Reinsurance
N O N E

Schedule H - Part 5 - Health Claims
N O N E

ANNUAL STATEMENT FOR THE YEAR 2015 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 Amount of In Force at End of Year	8 Reserve	9 Premiums	10 Reinsurance Payable on Paid and Unpaid Losses	11 Modified Coinsurance Reserve	12 Funds Withheld Under Coinsurance
62200	95-2496321	10/01/2013	Accodia Life and Annuity Company	IA	COFW/I	4,921,550,845	664,218,692	37,917,949			464,919,190
0299999. General Account - U.S. Affiliates - Other						4,921,550,845	664,218,692	37,917,949			464,919,190
0399999. Total General Account - U.S. Affiliates						4,921,550,845	664,218,692	37,917,949			464,919,190
0699999. Total General Account - Non-U.S. Affiliates											
0799999. Total General Account - Affiliates						4,921,550,845	664,218,692	37,917,949			464,919,190
1099999. Total General Account - Non-Affiliates											
1199999. Total General Account						4,921,550,845	664,218,692	37,917,949			464,919,190
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)						4,921,550,845	664,218,692	37,917,949			464,919,190
2499999. Total Non-U.S. (Sum of 0699999, 0999999, 1799999 and 2099999)											
9999999 - Totals						4,921,550,845	664,218,692	37,917,949			464,919,190

Schedule S - Part 1 - Section 2
N O N E

Schedule S - Part 2
N O N E

Schedule S - Part 3 - Section 1
N O N E

Schedule S - Part 3 - Section 2
N O N E

Schedule S - Part 4
N O N E

Schedule S - Part 4 - Bank Footnote
N O N E

Schedule S - Part 5
N O N E

Schedule S - Part 5 - Bank Footnote
N O N E

Schedule S - Part 6
N O N E

Schedule S - Part 7
N O N E

ANNUAL STATEMENT FOR THE YEAR 2015 OF THE Cape Verity III, Inc.

SCHEDULE T - PREMIUMS AND ANNUITY CONSIDERATIONS

Allocated by States and Territories

States, Etc.			Direct Business Only					
			Life Contracts		4 Accident and Health Insurance Premiums, Including Policy, Membership and Other Fees	5 Other Considerations	6 Total Columns 2 through 5	7 Deposit-Type Contracts
			2 Life Insurance Premiums	3 Annuity Considerations				
Active Status								
1.	Alabama	AL	N					
2.	Alaska	AK	N					
3.	Arizona	AZ	N					
4.	Arkansas	AR	N					
5.	California	CA	N					
6.	Colorado	CO	N					
7.	Connecticut	CT	N					
8.	Delaware	DE	N					
9.	District of Columbia	DC	N					
10.	Florida	FL	N					
11.	Georgia	GA	N					
12.	Hawaii	HI	N					
13.	Idaho	ID	N					
14.	Illinois	IL	N					
15.	Indiana	IN	N					
16.	Iowa	IA	N					
17.	Kansas	KS	N					
18.	Kentucky	KY	N					
19.	Louisiana	LA	N					
20.	Maine	ME	N					
21.	Maryland	MD	N					
22.	Massachusetts	MA	N					
23.	Michigan	MI	N					
24.	Minnesota	MN	N					
25.	Mississippi	MS	N					
26.	Missouri	MO	N					
27.	Montana	MT	N					
28.	Nebraska	NE	N					
29.	Nevada	NV	N					
30.	New Hampshire	NH	N					
31.	New Jersey	NJ	N					
32.	New Mexico	NM	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	(a)	1					
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	37,917,949				37,917,949	
97.	Totals (All Business)	XXX	37,917,949				37,917,949	
98.	Less reinsurance ceded	XXX						
99.	Totals (All Business) less Reinsurance Ceded	XXX	37,917,949		(b)		37,917,949	
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						

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

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

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

(b) 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.

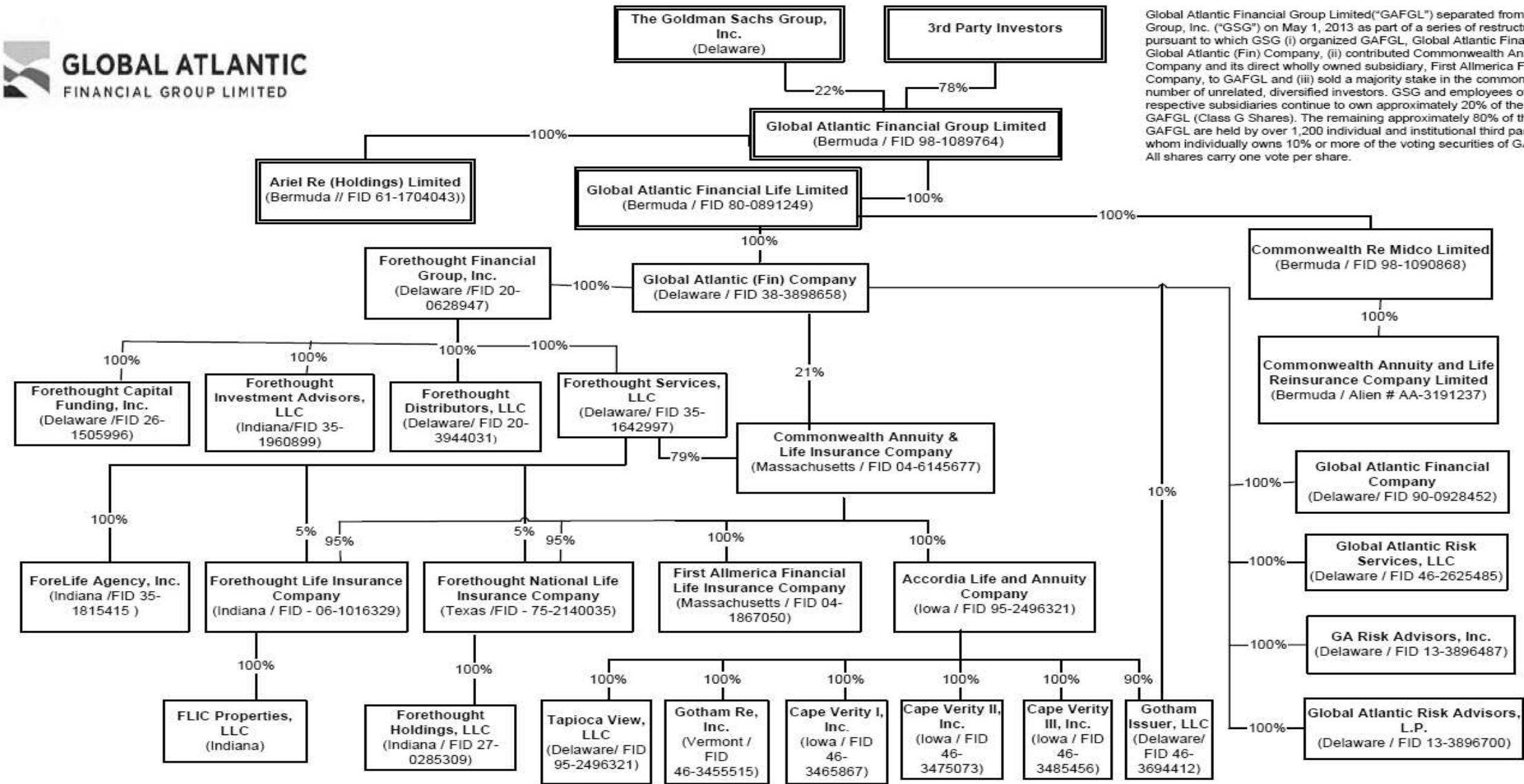
SCHEDULE T - PART 2
INTERSTATE COMPACT - EXHIBIT OF PREMIUMS WRITTEN

Allocated by States and Territories

States, Etc.		Direct Business Only				
		1	2	3	4	6
		Life (Group and Individual)	Annuities (Group and Individual)	Disability Income (Group and Individual)	Long-Term Care (Group and Individual)	Totals
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.

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
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	Domi-ciliary Loca-tion	Relation-ship 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)	*
			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 Life Limited	Ownership	100.000	GLOBAL ATLANTIC FINANCIAL GROUP LIMITED	
			98-1090868				Commonwealth Re Midco Limited	BMJ	NIA	Global Atlantic Financial Life Limited	Ownership	100.000	GLOBAL ATLANTIC FINANCIAL GROUP LIMITED	
			98-1090854				Commonwealth Annuity and Life Reinsurance Company Limited	BMJ	IA	Commonwealth Re Midco Limited	Ownership	100.000	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	
			46-2625485				Global Atlantic Risk Services, LLC	DE	NIA	Global Atlantic (Fin) Company	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	
			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	22.000	THE GOLDMAN SACHS GROUP, INC.	
			98-1089764	4520225			GLOBAL ATLANTIC FINANCIAL GROUP LIMITED	BMJ	NIA	Third Party Investors	Ownership	78.000	Third Party Investors	
3891	Goldman Sachs Grp	69140	04-1867050	2578101	793699		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	84824	04-6145677	3958278	1086664		Commonwealth Annuity and Life Insurance Company	MA	IA	Global Atlantic (Fin) Company	Ownership	21.000	GLOBAL ATLANTIC FINANCIAL GROUP LIMITED	
3891	Goldman Sachs Grp	84824	04-6145677	3958278	1086664		Commonwealth Annuity and Life Insurance Company	MA	IA	Forethought Services, LLC	Ownership	79.000	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	15472	46-3475073				Cape Verity II, 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	IA	Accordia Life and Annuity Company	Ownership	100.000	GLOBAL ATLANTIC FINANCIAL GROUP LIMITED	
			20-0628947				Forethought Financial Group, Inc	DE	NIA	Global Atlantic (Fin) Company	Ownership	100.000	GLOBAL ATLANTIC FINANCIAL GROUP LIMITED	
			26-1505996				Forethought Capital Funding, Inc	DE	IA	Forethought Financial Group, Inc	Ownership	100.000	GLOBAL ATLANTIC FINANCIAL GROUP LIMITED	
			35-1960899				Forethought Investment Advisors, LLC	IN	IA	Forethought Financial Group, Inc	Ownership	100.000	GLOBAL ATLANTIC FINANCIAL GROUP LIMITED	
			20-3944031				Forethought Distributors, LLC	DE	IA	Forethought Financial Group, Inc	Ownership	100.000	GLOBAL ATLANTIC FINANCIAL GROUP LIMITED	

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
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	Domi-ciliary Loca-tion	Relation-ship to Reporting Entity	Directly Controlled by (Name of Entity/Person)	Type of Control (Ownership, Board, Management, Attorney-in-Fact, Influence, Other)	If Control is Owner-ship Provide Percen-tage	Ultimate Controlling Entity(ies)/Person(s)	*
			35-1642997				Forethought Services, LLC	DE	IA	Forethought Financial Group, Inc	Ownership	100.000	GLOBAL ATLANTIC FINANCIAL GROUP LIMITED	
			35-1815415				ForeLife Agency, Inc	IN	IA	Forethought Services, LLC	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	95.000	GLOBAL ATLANTIC FINANCIAL GROUP LIMITED	
3891	Goldman Sachs Grp	91642	06-1016329				Forethought Life Insurance Company	IN	IA	Forethought Services, LLC	Ownership	5.000	GLOBAL ATLANTIC FINANCIAL GROUP LIMITED	
3891	Goldman Sachs Grp	77127	75-2140035				Forethought National :Life Insurance Company	TX	IA	Forethought Services, LLC	Ownership	5.000	GLOBAL ATLANTIC FINANCIAL GROUP LIMITED	
3891	Goldman Sachs Grp	77127	75-2140035				Forethought National :Life Insurance Company	TX	IA	Commonwealth Annuity and Life Insurance Company	Ownership	95.000	GLOBAL ATLANTIC FINANCIAL GROUP LIMITED	
			06-1016329				FLIC Properties, LLC	IN	IA	Forethought Life Insurance Company	Ownership	100.000	GLOBAL ATLANTIC FINANCIAL GROUP LIMITED	
			75-2140035				Forethought Holdings, LLC	IN	IA	Forethought National :Life Insurance Company	Ownership	100.000	GLOBAL ATLANTIC FINANCIAL GROUP LIMITED	

Asterisk	
	Explanation

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)
	98-1089764	Global Atlantic Financial Group Limited	12,000,000	(32,000,000)					0		(20,000,000)	
	80-0891249	Global Atlantic Financial Life Limited		(148,000,000)			(3,257,255)		0	12,129,176	(139,128,079)	
	38-3898658	Global Atlantic (Fin) Company		(145,000,000)			697,925		0	54,616,393	(89,685,682)	
	98-1090868	Commonwealth Re Midco Limited							0			
84824	04-6145677	Commonwealth Annuity & Life Ins. Co		(5,700,000)	(40,866,676)		56,868,638	(101,298,206)	0	(55,149,125)	(146,145,369)	4,563,407,515
	98-1090854	Commonwealth Annuity and Life Reinsurance Company Limited						108,586,853	0		108,586,853	(5,403,160,206)
69140	04-1867050	First Allmerica Financial Life Insurance Co.					(14,726,250)	10,744,236	0		(3,982,014)	1,045,699,563
62200	95-2496321	Accordia Life and Annuity Company		(25,786,669)	(69,840,270)		(132,058,777)	(18,692,096)	0		(246,377,812)	3,828,403,386
	61-1704043	Ariel Re (Holdings) Limited	(12,000,000)						0	6,278,131	(5,721,869)	
	46-2625485	Global Atlantic Risk Services, LLC							0			
	13-3896700	Global Atlantic Risk Advisors, L.P.							0			
	13-3896487	GA Risk Advisors, Inc.							0			
	90-0928452	Global Atlantic Financial Company					223,671,993		0	(17,874,575)	205,797,417	
		Gotham Issuer, LLC							0			
15333	46-3455515	Gotham Re, Inc.		5,786,669				(18,028,130)	0		(12,241,461)	
		Tapioca View, LLC							0			
15475	46-3465867	Cape Verity I, Inc.		20,000,000	3,005,054			17,403,231	0		40,408,285	(1,142,393,937)
15472	46-3475073	Cape Verity II, Inc.							0			(2,375,714,601)
15473	46-3485456	Cape Verity III, Inc.			3,220,943			1,284,112	0		4,505,055	(664,218,691)
	20-0628947	Forethought Financial Group, Inc					4,973,242		0		4,973,242	
	26-1505996	Forethought Capital Funding, Inc					(316,859)		0		(316,859)	
	35-1960899	Forethought Investment Advisors, LLC					191,956		0		191,956	
	20-3944031	Forethought Distributors, LLC					(395,270)		0		(395,270)	
	35-1642997	Forethought Services, LLC		(300,000)			(72,228)		0		(372,228)	
	35-1815415	ForeLife Agency, Inc							0			
91642	06-1016329	Forethought Life Insurance Company		325,000,000	104,480,949		(154,668,909)		0		274,812,040	147,976,971
77127	75-2140035	Forethought National Life Insurance Company					(2,211,337)		0		(2,211,337)	
	06-1016329	FLIC Properties, LLC					(260,803)		0		(260,803)	
	75-2140035	Forethought Holdings, LLC		6,000,000			2,007,830		0		8,007,830	
	13-3575636	Goldman Sachs Asset Management, L.P. (GSAM fees)					19,556,104		0		19,556,104	
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.

	Responses
MARCH FILING	
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
APRIL FILING	
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?	WAIVED
7. Will the Adjustment Form (if required) be filed with the state of domicile and the NAIC by April 1?	WAIVED
8. Will the Supplemental Investment Risks Interrogatories be filed by April 1?	YES
JUNE FILING	
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
AUGUST FILING	
11. Will Communication of Internal Control Related Matters Noted in Audit be filed with the state of domicile by August 1?	YES

The following supplemental reports are required to be filed as part of your annual statement filing. 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.



MARCH FILING	
12. Will Schedule SIS (Stockholder Information Supplement) be filed with the state of domicile by March 1?	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?	YES
17. Will the actuarial opinion on X-Factors be filed with the state of domicile and electronically with the NAIC by March 1?	YES
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?	YES
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

ANNUAL STATEMENT FOR THE YEAR 2015 OF THE Cape Verity III, Inc.

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?	YES
34.	Will the Worker's Compensation Carve-Out Supplement be filed by March 1?	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 confidential Regulatory Asset Adequacy Issues Summary (RAAIS) required by Actuarial Opinion and Memorandum Regulation (Model 822), Section 7A(5) be filed with the state of domicile by March 15?	YES
APRIL FILING		
41.	Will the Long-Term Care Experience Reporting Forms be filed with the state of domicile and the NAIC by April 1?	NO
42.	Will the Interest-Sensitive Life Insurance Products Report Forms be filed with the state of domicile and the NAIC by April 1?	YES
43.	Will the Credit Insurance Experience Exhibit be filed with the state of domicile and the NAIC by April 1?	NO
44.	Will the Accident and Health Policy Experience Exhibit be filed by April 1?	NO
45.	Will the Analysis of Annuity Operations by Lines of Business be filed with the state of domicile and the NAIC by April 1?	NO
46.	Will the Analysis of Increase in Annuity Reserves During the Year be filed with the state of domicile and the NAIC by April 1?	NO
47.	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
48.	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
49.	Will the confidential Actuarial Memorandum required by Actuarial Guideline XXXVIII 8D be filed with the state of domicile by April 30?	NO
50.	Will the Supplemental XXX/AXXX Reinsurance Exhibit be filed with the state of domicile and the NAIC by April 1?	YES
AUGUST FILING		
51.	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	
18.	The Company has no Separate Accounts Funding Guaranteed Minimum Benefit	
19.	The Company has no Synthetic GIC contracts	
20.	The Reasonableness and Consistency of Assumption Certificate (updated Market Value) 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	
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 annuity contracts	
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	
34.	The Company has no Workers Compensation business	
35.	The Company has not 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	
41.	The Company has no long-term business	
43.	The Company has no credit insurance business	
44.	The Company has not Accident and Health business	
45.	The Company has no Annuity business	
46.	The Company has no Annuity business	
47.	The Company has no health business	
48.	The Company has no health business	
49.	We are exempted from the requirements of section 8D of AG38	
Bar Codes:		
6.	Life, Health & Annuity Guaranty Association Model Act Assessment Base Reconciliation Exhibit [Document Identifier 290]	 1 5 4 7 3 2 0 1 5 2 9 0 0 0 0 0 0
7.	Adjustment Form [Document Identifier 300]	 1 5 4 7 3 2 0 1 5 3 0 0 0 0 0 0 0
12.	SIS Stockholder Information Supplement [Document Identifier 420]	 1 5 4 7 3 2 0 1 5 4 2 0 0 0 0 0 0
13.	Medicare Supplement Insurance Experience Exhibit [Document Identifier 360]	 1 5 4 7 3 2 0 1 5 3 6 0 0 0 0 0 0
14.	Trusteed Surplus Statement [Document Identifier 490]	 1 5 4 7 3 2 0 1 5 4 9 0 0 0 0 0 0
15.	Participating Opinion for Exhibit 5 [Document Identifier 371]	 1 5 4 7 3 2 0 1 5 3 7 1 0 0 0 0 0

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

18.	Actuarial Opinion on Separate Accounts Funding Guaranteed Minimum Benefit [Document Identifier 443]	 1 5 4 7 3 2 0 1 5 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 5 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 5 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 5 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 5 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 5 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 5 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 5 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 5 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 5 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 5 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 5 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 5 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 5 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 5 4 9 5 0 0 0 0 0
35.	Supplemental Schedule O [Document Identifier 465]	 1 5 4 7 3 2 0 1 5 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 5 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 5 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 5 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 5 2 2 6 0 0 0 0 0
41.	Long-Term Care Experience Reporting Forms [Document Identifier 306]	 1 5 4 7 3 2 0 1 5 3 0 6 0 0 0 0 0
43.	Credit Insurance Experience Exhibit [Document Identifier 230]	 1 5 4 7 3 2 0 1 5 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 5 2 1 0 0 0 0 0 0
45.	Analysis of Annuity Operations by Lines of Business [Document Identifier 510]	 1 5 4 7 3 2 0 1 5 5 1 0 0 0 0 0 0
46.	Analysis of Increase in Annuity Reserves During the Year [Document Identifier 515]	 1 5 4 7 3 2 0 1 5 5 1 5 0 0 0 0 0
47.	Supplemental Health Care Exhibit (Parts 1, 2 and 3) [Document Identifier 216]	 1 5 4 7 3 2 0 1 5 2 1 6 0 0 0 0 0
48.	Supplemental Health Care Exhibit's Expense Allocation Report [Document Identifier 217]	 1 5 4 7 3 2 0 1 5 2 1 7 0 0 0 0 0
49.	Actuarial Memorandum Required by Actuarial Guideline XXXVIII 8D [Document Identifier 435]	 1 5 4 7 3 2 0 1 5 4 3 5 0 0 0 0 0

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SUMMARY INVESTMENT SCHEDULE

Investment Categories	Gross Investment Holdings		Admitted Assets as Reported in the Annual Statement			
	1	2	3	4	5	6
	Amount	Percentage	Amount	Securities Lending Reinvested Collateral Amount	Total (Col. 3 + 4) Amount	Percentage
1. Bonds:						
1.1 U.S. treasury securities	2,296,659	9.461	2,296,659		2,296,659	9.461
1.2 U.S. government agency obligations (excluding mortgage-backed securities):						
1.21 Issued by U.S. government agencies		0.000				0.000
1.22 Issued by U.S. government sponsored agencies		0.000				0.000
1.3 Non-U.S. government (including Canada, excluding mortgaged-backed securities)		0.000				0.000
1.4 Securities issued by states, territories, and possessions and political subdivisions in the U.S. :						
1.41 States, territories and possessions general obligations		0.000				0.000
1.42 Political subdivisions of states, territories and possessions and political subdivisions general obligations		0.000				0.000
1.43 Revenue and assessment obligations	1,800,638	7.417	1,800,638		1,800,638	7.417
1.44 Industrial development and similar obligations		0.000				0.000
1.5 Mortgage-backed securities (includes residential and commercial MBS):						
1.51 Pass-through securities:						
1.511 Issued or guaranteed by GNMA		0.000				0.000
1.512 Issued or guaranteed by FNMA and FHLMC		0.000				0.000
1.513 All other		0.000				0.000
1.52 CMOs and REMICs:						
1.521 Issued or guaranteed by GNMA, FNMA, FHLMC or VA		0.000				0.000
1.522 Issued by non-U.S. Government issuers and collateralized by mortgage-backed securities issued or guaranteed by agencies shown in Line 1.521		0.000				0.000
1.523 All other		0.000				0.000
2. Other debt and other fixed income securities (excluding short-term):						
2.1 Unaffiliated domestic securities (includes credit tenant loans and hybrid securities)	13,798,746	56.841	13,798,746		13,798,746	56.841
2.2 Unaffiliated non-U.S. securities (including Canada)	2,717,046	11.192	2,717,046		2,717,046	11.192
2.3 Affiliated securities		0.000				0.000
3. Equity interests:						
3.1 Investments in mutual funds		0.000				0.000
3.2 Preferred stocks:						
3.21 Affiliated		0.000				0.000
3.22 Unaffiliated		0.000				0.000
3.3 Publicly traded equity securities (excluding preferred stocks):						
3.31 Affiliated		0.000				0.000
3.32 Unaffiliated		0.000				0.000
3.4 Other equity securities:						
3.41 Affiliated		0.000				0.000
3.42 Unaffiliated		0.000				0.000
3.5 Other equity interests including tangible personal property under lease:						
3.51 Affiliated		0.000				0.000
3.52 Unaffiliated		0.000				0.000
4. Mortgage loans:						
4.1 Construction and land development		0.000				0.000
4.2 Agricultural		0.000				0.000
4.3 Single family residential properties		0.000				0.000
4.4 Multifamily residential properties		0.000				0.000
4.5 Commercial loans		0.000				0.000
4.6 Mezzanine real estate loans		0.000				0.000
5. Real estate investments:						
5.1 Property occupied by company		0.000				0.000
5.2 Property held for production of income (including \$ of property acquired in satisfaction of debt)		0.000				0.000
5.3 Property held for sale (including \$ property acquired in satisfaction of debt)		0.000				0.000
6. Contract loans	3,157,088	13.005	3,157,089		3,157,089	13.005
7. Derivatives		0.000				0.000
8. Receivables for securities		0.000				0.000
9. Securities Lending (Line 10, Asset Page reinvested collateral)		0.000		XXX	XXX	XXX
10. Cash, cash equivalents and short-term investments	505,927	2.084	505,927		505,927	2.084
11. Other invested assets		0.000				0.000
12. Total invested assets	24,276,104	100.000	24,276,105		24,276,105	100.000

Schedule A - Verification - Real Estate
N O N E

Schedule B - Verification - Mortgage Loans
N O N E

ANNUAL STATEMENT FOR THE YEAR 2015 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 16	
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)	

SCHEDULE D - VERIFICATION BETWEEN YEARS

Bonds and Stocks

1.	Book/adjusted carrying value, December 31 of prior year	30,969,499
2.	Cost of bonds and stocks acquired, Part 3, Column 7	26,318,874
3.	Accrual of discount	13,861
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	1,317,180
6.	Deduction consideration for bonds and stocks disposed of, Part 4, Column 7	37,872,292
7.	Deduct amortization of premium	134,032
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.	Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9)	20,613,090
11.	Deduct total nonadmitted amounts	
12.	Statement value at end of current period (Line 10 minus Line 11)	20,613,090

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
BONDS	1. United States	2,296,660	2,296,660	2,293,719	2,300,000
Governments (Including all obligations guaranteed by governments)	2. Canada				
	3. Other Countries				
	4. Totals	2,296,660	2,296,660	2,293,719	2,300,000
U.S. States, Territories and Possessions (Direct and guaranteed)	5. Totals				
U.S. Political Subdivisions of States, Territories and Possessions (Direct and guaranteed)	6. Totals				
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	1,800,639	1,983,875	1,808,121	1,610,000
Industrial and Miscellaneous and Hybrid Securities (unaffiliated)	8. United States	13,039,174	12,865,294	13,105,606	12,528,000
	9. Canada	686,451	537,813	689,446	655,000
	10. Other Countries	2,790,166	2,742,216	2,816,829	2,650,000
	11. Totals	16,515,791	16,145,323	16,611,881	15,833,000
Parent, Subsidiaries and Affiliates	12. Totals				
	13. Total Bonds	20,613,090	20,425,858	20,713,721	19,743,000
PREFERRED STOCKS Industrial and Miscellaneous (unaffiliated)	14. United States				
	15. Canada				
	16. Other Countries				
	17. Totals				
Parent, Subsidiaries and Affiliates	18. Totals				
	19. Total Preferred Stocks				
COMMON STOCKS 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	20,613,090	20,425,858	20,713,721	

ANNUAL STATEMENT FOR THE YEAR 2015 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 Total Current Year	7 Col. 6 as a % of Line 9.7	8 Total from Col. 6 Prior Year	9 % From Col. 7 Prior Year	10 Total Publicly Traded	11 Total Privately Placed (a)
1. U.S. Governments											
1.1 NAIC 1	2,296,659					2,296,659	10.9	7,993,621	24.1	2,296,659	
1.2 NAIC 2											
1.3 NAIC 3											
1.4 NAIC 4											
1.5 NAIC 5											
1.6 NAIC 6											
1.7 Totals	2,296,659					2,296,659	10.9	7,993,621	24.1	2,296,659	
2. All Other Governments											
2.1 NAIC 1											
2.2 NAIC 2											
2.3 NAIC 3											
2.4 NAIC 4											
2.5 NAIC 5											
2.6 NAIC 6											
2.7 Totals											
3. U.S. States, Territories and Possessions etc., Guaranteed											
3.1 NAIC 1											
3.2 NAIC 2											
3.3 NAIC 3											
3.4 NAIC 4											
3.5 NAIC 5											
3.6 NAIC 6											
3.7 Totals											
4. U.S. Political Subdivisions of States, Territories and Possessions , Guaranteed											
4.1 NAIC 1											
4.2 NAIC 2											
4.3 NAIC 3											
4.4 NAIC 4											
4.5 NAIC 5											
4.6 NAIC 6											
4.7 Totals											
5. U.S. Special Revenue & Special Assessment Obligations, etc., Non-Guaranteed											
5.1 NAIC 1				74,360	1,726,279	1,800,639	8.5	3,484,868	10.5	1,800,639	
5.2 NAIC 2											
5.3 NAIC 3											
5.4 NAIC 4											
5.5 NAIC 5											
5.6 NAIC 6											
5.7 Totals				74,360	1,726,279	1,800,639	8.5	3,484,868	10.5	1,800,639	

ANNUAL STATEMENT FOR THE YEAR 2015 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

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ANNUAL STATEMENT FOR THE YEAR 2015 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 Total Current Year	7 Col. 6 as a % of Line 9.7	8 Total from Col. 6 Prior Year	9 % From Col. 7 Prior Year	10 Total Publicly Traded	11 Total Privately Placed (a)
9. Total Bonds Current Year											
9.1 NAIC 1	(d) .....2,802,586	7,086,662	1,570,328	586,690	2,374,228	14,420,494	68.3	XXX	XXX	11,943,974	2,476,520
9.2 NAIC 2	(d) .....2,573,646	2,573,646	1,068,788	1,277,689	1,067,001	5,987,124	28.3	XXX	XXX	4,257,834	1,729,290
9.3 NAIC 3	(d)		346,705		364,694	711,399	3.4	XXX	XXX	711,399	
9.4 NAIC 4	(d)							XXX	XXX		
9.5 NAIC 5	(d)							XXX	XXX		
9.6 NAIC 6	(d)							XXX	XXX		
9.7 Totals	2,802,586	9,660,308	2,639,116	2,211,084	3,805,923	21,119,017	100.0	XXX	XXX	16,913,207	4,205,810
9.8 Line 9.7 as a % of Col. 6	13.3	45.7	12.5	10.5	18.0	100.0	XXX	XXX	XXX	80.1	19.9
10. Total Bonds Prior Year											
10.1 NAIC 1	10,486,431	603,727	323,245	2,010,449	14,853,581	XXX	XXX	28,277,433	85.2	25,968,161	2,309,272
10.2 NAIC 2				2,231,300	2,330,120	XXX	XXX	4,561,420	13.7	4,240,635	320,785
10.3 NAIC 3				348,671		XXX	XXX	348,671	1.1	348,671	
10.4 NAIC 4						XXX	XXX				
10.5 NAIC 5						XXX	XXX				
10.6 NAIC 6						XXX	XXX				
10.7 Totals	10,486,431	603,727	323,245	4,590,420	17,183,701	XXX	XXX	33,187,524	100.0	30,557,467	2,630,057
10.8 Line 10.7 as a % of Col. 8	31.6	1.8	1.0	13.8	51.8	XXX	XXX	100.0	XXX	92.1	7.9
11. Total Publicly Traded Bonds											
11.1 NAIC 1	2,802,586	4,824,771	1,570,328	372,060	2,374,228	11,943,973	56.6	25,968,161	78.2	11,943,973	XXX
11.2 NAIC 2		1,443,574	751,003	1,277,689	785,567	4,257,833	20.2	4,240,635	12.8	4,257,833	XXX
11.3 NAIC 3				346,705	364,694	711,399	3.4	348,671	1.1	711,399	XXX
11.4 NAIC 4											XXX
11.5 NAIC 5											XXX
11.6 NAIC 6											XXX
11.7 Totals	2,802,586	6,268,345	2,321,331	1,996,454	3,524,489	16,913,205	80.1	30,557,467	92.1	16,913,205	XXX
11.8 Line 11.7 as a % of Col. 6	16.6	37.1	13.7	11.8	20.8	100.0	XXX	XXX	XXX	100.0	XXX
11.9 Line 11.7 as a % of Line 9.7, Col. 6, Section 9	13.3	29.7	11.0	9.5	16.7	80.1	XXX	XXX	XXX	80.1	XXX
12. Total Privately Placed Bonds											
12.1 NAIC 1		2,261,891		214,630		2,476,521	11.7	2,309,272	7.0	XXX	2,476,521
12.2 NAIC 2		1,130,072	317,785		281,434	1,729,291	8.2	320,785	1.0	XXX	1,729,291
12.3 NAIC 3										XXX	
12.4 NAIC 4										XXX	
12.5 NAIC 5										XXX	
12.6 NAIC 6										XXX	
12.7 Totals		3,391,963	317,785	214,630	281,434	4,205,812	19.9	2,630,057	7.9	XXX	4,205,812
12.8 Line 12.7 as a % of Col. 6		80.6	7.6	5.1	6.7	100.0	XXX	XXX	XXX	XXX	100.0
12.9 Line 12.7 as a % of Line 9.7, Col. 6, Section 9		16.1	1.5	1.0	1.3	19.9	XXX	XXX	XXX	XXX	19.9

(a) Includes \$4,205,812 freely tradable under SEC Rule 144 or qualified for resale under SEC Rule 144A.

(b) Includes \$ current year, \$ prior year of bonds with Z designations and \$, current year \$ 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. "Z*" means the SVO could not evaluate the obligation because valuation procedures for the security class are under regulatory review.

(c) Includes \$ current year, \$ prior year of bonds with 5* designations and \$, current year \$ prior year of bonds with 6* designations. "5*" 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 non-rated short-term and cash equivalent bonds by NAIC designation: NAIC 1 \$505,927 ; NAIC 2 \$; NAIC 3 \$; NAIC 4 \$; NAIC 5 \$; NAIC 6 \$

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ANNUAL STATEMENT FOR THE YEAR 2015 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 Total Current Year	7 Col. 6 as a % of Line 9.5	8 Total from Col. 6 Prior Year	9 % From Col. 7 Prior Year	10 Total Publicly Traded	11 Total Privately Placed
9. Total Bonds Current Year											
9.1 Issuer Obligations	2,802,586	9,660,308	2,639,116	2,211,084	3,805,923	21,119,017	100.0	XXX	XXX	16,913,206	4,205,811
9.2 Residential Mortgage-Backed Securities								XXX	XXX		
9.3 Commercial Mortgage-Backed Securities								XXX	XXX		
9.4 Other Loan-Backed and Structured Securities								XXX	XXX		
9.5 Totals	2,802,586	9,660,308	2,639,116	2,211,084	3,805,923	21,119,017	100.0	XXX	XXX	16,913,206	4,205,811
9.6 Line 9.5 as a % of Col. 6	13.3	45.7	12.5	10.5	18.0	100.0	XXX	XXX	XXX	80.1	19.9
10. Total Bonds Prior Year											
10.1 Issuer Obligations	10,211,646		310,263	4,590,420	17,183,701	XXX	XXX	32,296,030	97.3	29,665,974	2,630,056
10.2 Residential Mortgage-Backed Securities		484,409	12,982			XXX	XXX	497,391	1.5	497,391	
10.3 Commercial Mortgage-Backed Securities	274,785	119,318				XXX	XXX	394,103	1.2	394,103	
10.4 Other Loan-Backed and Structured Securities						XXX	XXX				
10.5 Totals	10,486,431	603,727	323,245	4,590,420	17,183,701	XXX	XXX	33,187,524	100.0	30,557,468	2,630,056
10.6 Line 10.5 as a % of Col. 8	31.6	1.8	1.0	13.8	51.8	XXX	XXX	100.0	XXX	92.1	7.9
11. Total Publicly Traded Bonds											
11.1 Issuer Obligations	2,802,586	6,268,345	2,321,332	1,996,454	3,524,489	16,913,206	80.1	29,665,974	89.4	16,913,206	XXX
11.2 Residential Mortgage-Backed Securities								497,391	1.5		XXX
11.3 Commercial Mortgage-Backed Securities								394,103	1.2		XXX
11.4 Other Loan-Backed and Structured Securities											XXX
11.5 Totals	2,802,586	6,268,345	2,321,332	1,996,454	3,524,489	16,913,206	80.1	30,557,468	92.1	16,913,206	XXX
11.6 Line 11.5 as a % of Col. 6	16.6	37.1	13.7	11.8	20.8	100.0	XXX	XXX	XXX	100.0	XXX
11.7 Line 11.5 as a % of Line 9.5, Col. 6, Section 9	13.3	29.7	11.0	9.5	16.7	80.1	XXX	XXX	XXX	80.1	XXX
12. Total Privately Placed Bonds											
12.1 Issuer Obligations		3,391,963	317,784	214,630	281,434	4,205,811	19.9	2,630,056	7.9	XXX	4,205,811
12.2 Residential Mortgage-Backed Securities										XXX	
12.3 Commercial Mortgage-Backed Securities										XXX	
12.4 Other Loan-Backed and Structured Securities										XXX	
12.5 Totals		3,391,963	317,784	214,630	281,434	4,205,811	19.9	2,630,056	7.9	XXX	4,205,811
12.6 Line 12.5 as a % of Col. 6		80.6	7.6	5.1	6.7	100.0	XXX	XXX	XXX	XXX	100.0
12.7 Line 12.5 as a % of Line 9.5, Col. 6, Section 9		16.1	1.5	1.0	1.3	19.9	XXX	XXX	XXX	XXX	19.9

ANNUAL STATEMENT FOR THE YEAR 2015 OF THE Cape Verity III, Inc.

SCHEDULE DA - VERIFICATION BETWEEN YEARS

	Short-Term Investments				
	1	2	3	4	5
	Total	Bonds	Mortgage Loans	Other Short-term Investment Assets (a)	Investments in Parent, Subsidiaries and Affiliates
1. Book/adjusted carrying value, December 31 of prior year	2,218,025	2,218,025			
2. Cost of short-term investments acquired	19,196,315	19,196,315			
3. Accrual of discount					
4. Unrealized valuation increase (decrease)					
5. Total gain (loss) on disposals					
6. Deduct consideration received on disposals	20,908,413	20,908,413			
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)	505,927	505,927			
11. Deduct total nonadmitted amounts					
12. Statement value at end of current period (Line 10 minus Line 11)	505,927	505,927			

(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

N O N E

Schedule DB - Part B - Verification - Futures Contracts

N O N E

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

N O N E

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

N O N E

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

N O N E

Schedule E - Verification - Cash Equivalents

N O N E

Schedule A - Part 1 - Real Estate Owned

N O N E

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

N O N E

Schedule A - Part 3 - Real Estate Disposed

N O N E

Schedule B - Part 1 - Mortgage Loans Owned

N O N E

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

N O N E

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

N O N E

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

N O N E

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

N O N E

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

N O N E

ANNUAL STATEMENT FOR THE YEAR 2015 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	Bond Char	NAIC Des.	Actual Cost	Rate Used to Obtain Fair Value	Fair Value	Par Value	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	Rate of	Effective Rate of	When Paid	Admitted Amount Due and Accrued	Amount Received During Year	Acquired	Stated Contractual Maturity Date
912796-FZ-7	UNITED STATES TREASURY BILL				1	798,239	99.9596	799,677	800,000	799,677		1,438			0.234	0.238	MAT			03/30/2015	03/03/2016
912796-HH-2	UNITED STATES TREASURY BILL				1	498,752	99.7755	498,878	500,000	498,878		126			0.505	0.513	MAT			12/11/2015	06/09/2016
912796-GW-3	UNITED STATES TREASURY BILL				1	996,728	99.8105	998,105	1,000,000	998,105		1,377			0.337	0.343	MAT			08/06/2015	07/21/2016
0199999. Subtotal - Bonds - U.S. Governments - Issuer Obligations						2,293,719	XXX	2,296,660	2,300,000	2,296,660		2,941			XXX	XXX	XXX			XXX	XXX
0599999. Total - U.S. Government Bonds						2,293,719	XXX	2,296,660	2,300,000	2,296,660		2,941			XXX	XXX	XXX			XXX	XXX
1099999. Total - All Other Government Bonds							XXX								XXX	XXX	XXX			XXX	XXX
1799999. Total - U.S. States, Territories and Possessions Bonds							XXX								XXX	XXX	XXX			XXX	XXX
2499999. Total - U.S. Political Subdivisions Bonds							XXX								XXX	XXX	XXX			XXX	XXX
913366-DF-4	UNIVERSITY CALIF REGTS MED CTR MUNI BND			2	1FE	327,796	129.1930	361,740	280,000	325,776		(1,472)			6.583	5.361	MN	2,355	18,432	09/30/2013	05/15/2049
California Total						327,796	XXX	361,740	280,000	325,776		(1,472)			XXX	XXX	XXX	2,355	18,432	XXX	XXX
646136-XR-7	NEW JERSEY ST TRANS TR FD AUT MUNI BND				1FE	242,325	106.1640	222,944	210,000	241,096		(575)			6.561	5.467	JD	612	13,778	09/30/2013	12/15/2040
New Jersey Total						242,325	XXX	222,944	210,000	241,096		(575)			XXX	XXX	XXX	612	13,778	XXX	XXX
64972F-K8-8	NEW YORK NY CITY MUN WTR FIN MUNI BND RE			2	1FE	636,854	130.2360	729,322	560,000	634,030		(1,316)			5.952	5.042	JD	1,481	33,331	09/30/2013	06/15/2042
New York Total						636,854	XXX	729,322	560,000	634,030		(1,316)			XXX	XXX	XXX	1,481	33,331	XXX	XXX
02765U-CR-3	AMERICAN MUN PIWR-OHIO INC AMERICAN MUN P				1FE	290,906	116.8260	327,113	280,000	290,583		(159)			6.053	5.775	FA	6,403	16,948	09/30/2013	02/15/2043
Ohio Total						290,906	XXX	327,113	280,000	290,583		(159)			XXX	XXX	XXX	6,403	16,948	XXX	XXX
93976A-AH-5	WASHINGTON ST CONV CENTER PUBL MUNITAX B			2	1FE	310,240	122.4130	342,756	280,000	309,154		123			6.790	5.975	JJ	9,506	19,012	09/30/2013	07/01/2040
Washington Total						310,240	XXX	342,756	280,000	309,154		123			XXX	XXX	XXX	9,506	19,012	XXX	XXX
United States Total						1,808,121	XXX	1,983,875	1,610,000	1,800,639		(3,399)			XXX	XXX	XXX	20,357	101,501	XXX	XXX
2599999. Subtotal - Bonds - U.S. Special Revenues - Issuer Obligations						1,808,121	XXX	1,983,875	1,610,000	1,800,639		(3,399)			XXX	XXX	XXX	20,357	101,501	XXX	XXX
3199999. Total - U.S. Special Revenues Bonds						1,808,121	XXX	1,983,875	1,610,000	1,800,639		(3,399)			XXX	XXX	XXX	20,357	101,501	XXX	XXX
0010EP-AF-5	AEP TEXAS CENTRAL CO CORP BND				2FE	318,367	121.8890	341,289	280,000	315,705		(1,232)			6.650	5.492	FA	7,034	18,620	09/30/2013	02/15/2033
002824-AZ-3	ABBOTT LABORATORIES SENIOR CORP BND				1FE	326,713	99.6660	323,915	325,000	326,465		(248)			2.000	1.888	MS	1,914	3,340	03/27/2015	03/15/2020
025816-BD-0	AMERICAN EXPRESS COMPANY SENIOR CORP BND				1FE	750,143	96.8770	726,578	750,000	750,141		(1)			2.650	2.647	JD	1,601	19,875	04/02/2015	12/02/2022
037833-AK-6	APPLE INC CORP BND				1FE	271,308	97.4370	292,311	300,000	276,709		2,726			2.400	3.614	MN	1,160	7,200	12/20/2013	05/03/2023
05531F-AS-2	BB&T CORP SENIOR CORP BND			1	1FE	304,716	100.6700	302,010	300,000	304,000		(716)			2.450	2.096	JJ	3,389	4,430	03/27/2015	01/15/2020
07274E-AD-5	BAYER US FINANCE LLC SENIOR CORP BND 144				1FE	509,535	100.0630	500,315	500,000	508,140		(1,395)			2.375	1.925	AO	2,738	5,938	03/27/2015	01/15/2020
126408-BP-7	CSX CORPORATION CSX CORPORATION				2FE	338,528	121.5890	340,449	280,000	331,379		(3,280)			7.250	5.098	MN	3,383	20,300	09/30/2013	05/01/2027
14912L-6F-3	CATERPILLAR INC UNSEC CORP BND				1FE	762,570	100.2660	751,995	750,000	760,659		(1,911)			2.250	1.872	JD	1,406	16,875	03/31/2015	12/01/2019
233851-BR-4	DAIMLER FINANCE NORTH AMERICA SENIOR COR				1FE	604,038	97.7570	586,542	600,000	603,478		(560)			2.250	2.104	MS	4,463	6,750	04/09/2015	03/02/2020
24422E-QV-4	JOHN DEERE CAPITAL CORP SENIOR CORP BND				1FE	742,963	110.0470	715,306	650,000	723,383		(19,580)			5.750	1.457	MS	11,732	18,688	03/31/2015	09/10/2018
260003-AG-3	DOVER CORP CORP BND				1FE	250,091	129.1010	258,202	200,000	247,529		(1,173)			6.600	4.842	MS	3,887	13,200	09/30/2013	03/15/2038
26884T-AN-2	ERAC USA FINANCE LLC SENIOR CORP BND 144			1	2FE	281,418	92.9910	278,973	300,000	281,434		16			4.500	4.901	FA	5,100		12/14/2015	02/15/2045
402740-AB-0	GULFSTREAM NATURAL GAS SYSTEM CORP BND 1				2FE	324,350	106.0890	297,049	280,000	317,785		(3,000)			6.190	4.478	MN	2,889	17,332	09/30/2013	11/01/2025
40414L-AH-2	HCP INC SENIOR CORP BND			1	2FE	755,122	98.4590	738,443	750,000	754,355		(767)			2.625	2.466	FA	8,203	9,844	04/02/2015	02/01/2020
485134-BH-2	KANSAS CITY POWER & LIGHT COMP KANSAS CI				2FE	310,602	120.8580	338,402	280,000	308,848		(813)			6.050	5.211	MN	2,165	16,940	09/30/2013	11/15/2035
49327M-2F-0	KEY BANK NATIONAL ASSOCIATION SENIOR COR				1FE	562,265	100.1390	550,765	550,000	560,471		(1,794)			2.500	1.997	JD	611	14,552	04/09/2015	12/15/2019
50540R-AM-4	LABORATORY CORP OF AMER HLDGS SENIOR COR				2FE	76,442	100.2500	75,188	75,000	76,148		(293)			2.500	1.942	MN	313	1,875	03/27/2015	11/01/2018
532457-BF-4	ELI LILLY AND COMPANY SENIOR CORP BND				1FE	762,698	100.8600	756,450	750,000	760,384		(2,314)			1.950	1.506	MS	4,306	7,313	03/27/2015	11/01/2018
534187-AR-0	LINCOLN NATIONAL CORPORATION CORP BND				2FE	316,605	114.6780	321,098	280,000	314,536		(949)			6.150	5.161	AO	4,018	17,220	09/30/2013	04/07/2036
58933Y-AA-3	MERCK & CO INC SENIOR CORP BND			1	1FE	326,739	107.2060	321,618	300,000	323,308		(3,431)			3.875	2.159	JJ	5,360	5,813	03/27/2015	01/15/2021
594457-BT-9	DTE GAS CO CORP BND				1FE	299,064	113.1750	316,890	280,000	297,700		(628)			5.700	5.142	MN	4,699	15,960	09/30/2013	03/15/2033
761713-AX-4	REYNOLDS AMERICAN INC SENIOR CORP BND				2FE	751,088	98.8770	741,578	750,000	751,003		(84)			3.250	3.228	MN	4,063	24,375	04/02/2015	11/01/2022
842400-FR-9	SOUTHERN CALIFORNIA EDISON CO. SECURED C			1	1FE	549,270	105.7990	528,995	500,000	543,478		(5,792)			3.875	2.091	JD	1,615	19,375	04/01/2015	06/01/2021
87165B-AB-9	SYNCHRONY FINANCIAL SENIOR CORP BND			1	2FE	615,606	99.8610	599,166	600,000	613,071		(2,535)			3.000	2.355	FA	6,800	9,000	04/07/2015	08/15/2019
887317-AL-9	TIME WARNER INC SENIOR CORP BND				2FE	281,600	111.0570	277,643	250,000	281,580		(20)			6.250	5.333	MS	3,993		12/14/2015	03/29/2041
90521A-PJ-1	MUFJ UNION BANK NA SENIOR CORP BND			1	1FE	308,325	100.9600	302,880	300,000	306,530		(1,795)			2.625	1.780	MS	2,078	3,938	03/27/2015	09/26/2018
92343V-QK-8	VERIZON COMMUNICATIONS INC SENIOR CORP B				2FE	189,442	94.6730	189,346	200,000	189,451		9			4.862	5.208	FA	3,511		03/27/2015	09/26/2018
928668-AK-8	VOLKSWAGEN GROUP OF AMERICA FI SENIOR CO				2FE	249,688	96.0160	240,040	250,000	249,750		62			1.650	1.693	MN	447	2,063	05/19/2015	05/22/2018
94974B-GQ-7	WELLS FARGO & COMPANY SUB CORP BND				1FE	400,420	100.8920	403,568	400,000	400,420					4.900	4.893	MN	2,450		12/14/2015	11/17/2045
957576-AA-9	WESTERN SOUTHERN WESTERN & SOUTHERN FINA				1FE	214,943	110.1110	231,233	210,000	214,630		(153)			5.750	5.552	JJ	5,568	12,075	09/30/2013	07/15/2033
969457-BM-1	WILLIAMS COS INC CORP BND				3FE	350,947	75.3670	217,057	288,000	346,705		(1,966)			8.750	6.673	MS	7,420	25,200	09/30/2013	03/15/2032
012873-AK-1	ALBERTA ENERGY CO LTD SENIOR CORP BND			A	2FE	325,128	91.2440	255,483	280,000	321,757		(1,560)			7.375	5.912	MN	3,442	20,650	09/30/2013	11/01/2031

ANNUAL STATEMENT FOR THE YEAR 2015 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	Bond Char	NAIC Des.	Actual Cost	Rate Used to Obtain Fair Value	Fair Value	Par Value	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	Rate of	Effective Rate of	When Paid	Admitted Amount Due and Accrued	Amount Received During Year	Acquired	Stated Contractual Maturity Date
89346D-AE-7	TRANSALTA CORP CORP BND	A			3FE	364,318	75.2880	282,330	375,000	364,694		167			6.500	6.732	MS	7,177	24,375	09/30/2013	03/15/2040
064255-BL-5	BANK OF TOKYO-MITSUBISHI UFJ L SENIOR CO	F			1FE	600,774	99.1680	595,008	600,000	600,589		(185)			1.700	1.654	MS	3,287	5,100	04/09/2015	03/05/2018
20271R-AH-3	COMMONWEALTH BANK AUSTRALIA SENIOR CORP	F			1FE	761,400	99.7630	748,223	750,000	759,571		(1,829)			2.300	1.939	MS	5,415	8,625	03/31/2015	09/06/2019
55608J-AB-4	MACQUARIE GROUP LTD SENIOR CORP BND 144A	F			2FE	905,018	114.5180	858,885	750,000	880,322		(24,695)			7.625	2.563	FA	21,922	28,594	04/07/2015	08/13/2019
8672EM-AD-6	SUNCORP METWAY LTD SENIOR CORP BND 144A	F			1FE	549,637	98.2000	540,100	550,000	549,683		47			2.350	2.364	AO	2,298	6,463	04/21/2015	04/27/2020
3299999. Subtotal - Bonds - Industrial and Miscellaneous (Unaffiliated) - Issuer Obligations						16,611,881	XXX	16,145,323	15,833,000	16,515,791		(81,672)			XXX	XXX	XXX	161,857	431,898	XXX	XXX
3899999. Total - Industrial and Miscellaneous (Unaffiliated) Bonds						16,611,881	XXX	16,145,323	15,833,000	16,515,791		(81,672)			XXX	XXX	XXX	161,857	431,898	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
7799999. Total - Issuer Obligations						20,713,721	XXX	20,425,858	19,743,000	20,613,090		(82,130)			XXX	XXX	XXX	182,214	533,399	XXX	XXX
7899999. Total - Residential Mortgage-Backed Securities							XXX								XXX	XXX	XXX			XXX	XXX
7999999. Total - Commercial Mortgage-Backed Securities							XXX								XXX	XXX	XXX			XXX	XXX
8099999. Total - Other Loan-Backed and Structured Securities							XXX								XXX	XXX	XXX			XXX	XXX
8399999 - Total Bonds						20,713,721	XXX	20,425,858	19,743,000	20,613,090		(82,130)			XXX	XXX	XXX	182,214	533,399	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 2015 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
912796-FZ-7	UNITED STATES TREASURY BILL		03/30/2015	SALOMON SMITH BARNEY INC		798,239	800,000	
912796-HH-2	UNITED STATES TREASURY BILL		12/11/2015	J.P. MORGAN SECURITIES INC		498,752	500,000	
912796-GH-3	UNITED STATES TREASURY BILL		08/06/2015	J.P. MORGAN SECURITIES INC		996,728	1,000,000	
0599999. Subtotal - Bonds - U.S. Governments						2,293,719	2,300,000	
002824-AZ-3	ABBOTT LABORATORIES SENIOR CORP BND		03/27/2015	J.P. MORGAN SECURITIES INC		326,706	325,000	379
025816-BD-0	AMERICAN EXPRESS COMPANY SENIOR CORP BND		04/02/2015	BANK OF AMERICA		750,143	750,000	6,956
05531F-AS-2	BB&T CORP SENIOR CORP BND		03/27/2015	BANK OF AMERICA		304,716	300,000	2,307
07274E-AD-5	BAYER US FINANCE LLC SENIOR CORP BND 144		04/23/2015	BNP PARIBAS		509,535	500,000	660
14912L-6F-3	CATERPILLAR INC UNSEC CORP BND		03/31/2015	DIRECT		762,570	750,000	5,859
233851-BR-4	DAIMLER FINANCE NORTH AMERICA SENIOR COR		04/09/2015	SANTANDER INVESTMENT		604,038	600,000	1,575
24422E-QV-4	JOHN DEERE CAPITAL CORP SENIOR CORP BND		03/31/2015	Westpac Banking Corp		742,963	650,000	2,907
26884T-AN-2	ERAC USA FINANCE LLC SENIOR CORP BND 144		12/14/2015	US BANCORP		281,418	300,000	4,575
40414L-AH-2	HCP INC SENIOR CORP BND		04/02/2015	Various		755,122	750,000	3,664
49327M-ZF-0	KEY BANK NATIONAL ASSOCIATION SENIOR COR		04/09/2015	SUNTRUST ROBINSON HUMP		562,265	550,000	5,347
50540R-AM-4	LABORATORY CORP OF AMER HLDGS SENIOR COR		03/27/2015	Westpac Banking Corp		76,442	75,000	781
532457-BF-4	ELI LILLY AND COMPANY SENIOR CORP BND		03/31/2015	BANK OF AMERICA		762,698	750,000	853
58933Y-AA-3	MERCK & CO INC SENIOR CORP BND		03/27/2015	SALOMON SMITH BARNEY INC		326,739	300,000	2,454
761713-AX-4	REYNOLDS AMERICAN INC SENIOR CORP BND		04/02/2015	BANK OF AMERICA		751,088	750,000	10,630
842400-FR-9	SOUTHERN CALIFORNIA EDISON CO. SECURED C		04/01/2015	CANTOR FITZGERALD EUR		549,270	500,000	6,781
87165B-AB-9	SYNCHRONY FINANCIAL SENIOR CORP BND		04/07/2015	SALOMON SMITH BARNEY INC		615,606	600,000	2,750
887317-AL-9	TIME WARNER INC SENIOR CORP BND		12/14/2015	CITIGROUP GLOBAL MKT INC		261,600	250,000	3,385
90521A-PJ-1	MUFG UNION BANK NA SENIOR CORP BND		03/27/2015	US BANK		308,325	300,000	109
92343V-CK-8	VERIZON COMMUNICATIONS INC SENIOR CORP B		12/14/2015	WELLS FARGO SECURITIES		189,442	200,000	3,133
928668-AK-8	VOLKSWAGEN GROUP OF AMERICA F1 SENIOR CO		05/19/2015	MORGAN STANLEY & CO. INC		249,688	250,000	
94974B-GQ-7	WELLS FARGO & COMPANY SUB CORP BND		12/14/2015	WELLS FARGO SECURITIES		400,420	400,000	1,633
064255-BL-5	BANK OF TOKYO-MITSUBISHI UFJ L SENIOR CO	F.	04/09/2015	Westpac Banking Corp		600,774	600,000	1,105
20271R-AH-3	COMMONWEALTH BANK AUSTRALIA SENIOR CORP	F.	03/31/2015	Westpac Banking Corp		761,400	750,000	1,438
55608J-AB-4	MACQUARIE GROUP LTD SENIOR CORP BND 144A	F.	04/07/2015	BANK OF AMERICA		905,018	750,000	9,055
8672EM-AD-6	SUNCORP METWAY LTD SENIOR CORP BND 144A	F.	04/21/2015	SALOMON SMITH BARNEY INC		549,637	550,000	
3899999. Subtotal - Bonds - Industrial and Miscellaneous (Unaffiliated)						12,927,623	12,500,000	78,336
8399997. Total - Bonds - Part 3						15,221,342	14,800,000	78,336
8399998. Total - Bonds - Part 5						11,097,532	11,100,000	13,792
8399999. Total - Bonds						26,318,874	25,900,000	92,128
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						26,318,874	XXX	92,128

ANNUAL STATEMENT FOR THE YEAR 2015 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-FB-0	UNITED STATES TREASURY BILL		04/02/2015	VARIOUS		7,995,236	8,000,000	7,992,000	7,993,621		1,875		1,875		7,995,496		(261)	(261)		10/15/2015
0599999	Subtotal - Bonds - U.S. Governments					7,995,236	8,000,000	7,992,000	7,993,621		1,875		1,875		7,995,496		(261)	(261)		XXX
836753-J6-9	SOUTH BROWARD HOSP DIST FLA SOUTH BROWAR		01/30/2015	ACCORDIA		1,152,710	1,000,000	1,092,720	1,091,544		(18,515)		(18,515)		1,073,029		79,681	79,681	17,993	05/01/2044
Florida Total						1,152,710	1,000,000	1,092,720	1,091,544		(18,515)		(18,515)		1,073,029		79,681	79,681	17,993	XXX
796253-T9-3	SAN ANTONIO TX SAN ANTONIO TEX ELEC & GA		01/30/2015	ACCORDIA		292,694	210,000	244,810	243,914		(60)		(60)		243,854		48,839	48,839	6,249	02/01/2039
Texas Total						292,694	210,000	244,810	243,914		(60)		(60)		243,854		48,839	48,839	6,249	XXX
915217-RY-1	UNIVERSITY VA MUNI BND REV TAX		12/11/2015	WELLS FARGO SECURITIES		389,018	280,000	347,108	345,372		(1,406)		(1,406)		343,966		45,052	45,052	22,423	09/01/2039
Virginia Total						389,018	280,000	347,108	345,372		(1,406)		(1,406)		343,966		45,052	45,052	22,423	XXX
United States Total						1,834,422	1,490,000	1,684,638	1,680,830		(19,981)		(19,981)		1,660,849		173,572	173,572	46,665	XXX
3199999	Subtotal - Bonds - U.S. Special Revenues					1,834,422	1,490,000	1,684,638	1,680,830		(19,981)		(19,981)		1,660,849		173,572	173,572	46,665	XXX
020002-AS-0	ALLSTATE CORPORATION CORP BND		03/26/2015	Various		569,318	450,000	498,840	497,177		(348)		(348)		496,829		72,488	72,488	9,851	05/09/2035
035229-DC-4	ANHEUSER-BUSCH COMPANIES LLC CORP BND		12/16/2015	ACCORDIA		1,034,474	870,000	1,131,577	1,127,395		(6,537)		(6,537)		1,120,858		72,482	(86,385)	72,482	09/01/2037
057224-AZ-0	BAKER HUGHES INC CORP BND		03/26/2015	Westpac Banking Corp		354,967	315,000	335,770	335,277		(103)		(103)		335,175		19,792	19,792	8,789	09/15/2040
075887-AQ-2	BECTON DICKINSON AND COMPANY CORP BND		12/16/2015	ACCORDIA		345,948	280,000	340,056	336,443		(2,927)		(2,927)		333,516		12,432	12,432	25,795	08/01/2028
092568-AG-2	BLACKSTONE HOLDINGS FINANCE CO SENIOR CO		03/26/2015	INC		2,163,560	2,000,000	2,094,674	2,094,489		(378)		(378)		2,094,111		69,449	69,449	29,444	06/15/2044
126408-GS-6	CSX CORPORATION CORP BND		03/26/2015	BARCLAYS CAPITAL		270,432	200,000	229,472	228,809		(138)		(138)		228,672		5,183	41,761	5,183	04/30/2040
149123-CE-9	CATERPILLAR INC SENIOR CORP BND		01/30/2015	ACCORDIA		1,681,265	1,500,000	1,596,658	1,596,588		(44)		(44)		1,596,543		84,722	84,722	14,844	05/15/2064
208251-AE-8	CONOCO INC CORP BND 6.950% 04/15/29		03/26/2015	BARCLAYS CAPITAL		380,943	280,000	356,754	352,336		(908)		(908)		351,428		29,515	29,515	8,973	04/15/2029
225450-AD-9	CREDIT SUISSE MORTGAGE CAPITAL SENIOR CM		01/01/2015	Paydown		510	510	556	536		(26)		(26)		510		2	2	2	06/15/2038
225450-AD-9	CREDIT SUISSE MORTGAGE CAPITAL SENIOR CM		01/01/2015	ACCORDIA		392,319	374,627	408,402	393,567		(2,105)		(2,105)		391,463		857	857	3,565	06/15/2038
263534-BG-3	EI DU PONT DE NEMOURS & CO CORP BND		12/16/2015	ACCORDIA		335,546	280,000	334,661	331,187		(2,815)		(2,815)		328,372		7,174	7,174	25,834	01/15/2028
294429-AG-0	EQUIFAX INC CORP BND 7.000% 07/01/37		12/16/2015	ACCORDIA		303,724	280,000	318,604	317,661		(799)		(799)		316,862		(13,138)	(13,138)	28,583	07/01/2037
341081-ER-4	FLORIDA POWER AND LIGHT CO FLORIDA POWER		01/30/2015	ACCORDIA		380,975	280,000	331,468	329,420		(135)		(135)		329,284		51,691	51,691	5,507	10/01/2033
42217K-BB-1	HEALTH CARE REIT INC HEALTH CARE REIT IN		12/16/2015	ACCORDIA		251,740	250,000	235,940	236,166		204		204		236,369		15,371	15,371	16,051	03/15/2043
438516-AT-3	HONEYWELL INTERNATIONAL INC CORP BND		03/27/2015	INC		363,824	280,000	322,964	321,652		(271)		(271)		321,381		42,443	42,443	8,689	03/15/2037
575718-AA-9	MA INSTITUTE OF TECH MASSACHUSETTS INSTI		01/30/2015	ACCORDIA		402,216	280,000	327,452	327,446		(2)		(2)		327,445		74,772	74,772	9,103	07/01/2111
66987W-AR-8	NOVASTAR HOME EQUITY LOAN NHEL NHEL 03-2		01/30/2015	ACCORDIA		500,393	549,353	474,100	497,391		1,578		1,578		498,969		1,424	1,424	691	09/25/2033
699627-AY-7	DUKE ENERGY INDIANA INC CORP BND		05/21/2015	ACCORDIA		1,460,480	1,210,000	1,306,519	1,303,606		(955)		(955)		1,302,650		157,830	157,830	44,431	10/15/2035
695114-CJ-5	PACIFICORP PACIFICORP 6.350% 07/15/38		01/30/2015	ACCORDIA		2,168,401	1,500,000	1,995,623	1,993,650		(985)		(985)		1,992,665		175,737	175,737	51,594	07/15/2038
718172-AC-3	PHILIP MORRIS INTERNATIONAL IN CORP BND		03/26/2015	Westpac Banking Corp		358,295	269,000	315,034	313,839		(252)		(252)		313,588		44,707	44,707	6,431	05/16/2038
884903-BH-7	THOMSON REUTERS CORPORATION THOMSON REUT	G	01/30/2015	ACCORDIA		347,956	280,000	294,344	294,038		(21)		(21)		294,017		53,939	53,939	4,778	04/15/2040
912920-AL-9	QWEST CORP QWEST CORPORATION		01/30/2015	ACCORDIA		281,400	280,000	282,100	282,000		(1,344)		(1,344)		280,656		744	744	4,480	11/10/2026
91324P-AR-3	UNITEDHEALTH GROUP INCORPORATE CORP BND		03/27/2015	Westpac Banking Corp		358,268	280,000	311,981	310,976		(208)		(208)		310,768		47,501	47,501	8,842	03/15/2036
91913Y-AE-0	VALERO ENERGY CORPORATION CORP BND		12/16/2015	ACCORDIA		310,881	280,000	326,891	325,089		(1,479)		(1,479)		323,611		(12,730)	(12,730)	24,558	04/15/2032
92277G-AB-3	VENTAS REALTY LP/CAP CRP SENIOR CORP BND		01/30/2015	ACCORDIA		315,542	250,000	263,950	263,773		(24)		(24)		263,749		51,794	51,794	4,750	09/30/2043
931142-OK-7	WAL-MART STORES INC CORP BND		03/26/2015	MARKETAXESS CORPORATI		588,575	420,000	517,927	515,119		(587)		(587)		514,532		74,043	74,043	17,138	08/15/2037
73755L-AD-9	POTASH CORP OF SASKATCHEWAN IN CORP BND	A	03/27/2015	INC		350,515	280,000	301,261	300,674		(127)		(127)		300,547		49,968	49,968	5,483	12/01/2036
046353-AD-0	ASTRAZENECA PLC CORP BND	F	03/26/2015	US BANK		302,276	220,000	267,711	266,354		(281)		(281)		266,073		36,203	36,203	7,726	09/15/2037
35177P-AL-1	FRANCE TELECOM CORP BND	F	01/30/2015	ACCORDIA		388,572	250,000	331,760	328,513		(234)		(234)		328,279		60,298	60,298	9,313	03/01/2031
3899999	Subtotal - Bonds - Industrial and Miscellaneous (Unaffiliated)					16,963,320	13,988,490	15,853,049	15,821,171		(22,251)		(22,251)		15,798,922		1,164,402	1,164,402	462,910	XXX
8399997	Total - Bonds - Part 4					26,792,978	23,478,490	25,529,687	25,495,622		(40,357)		(40,357)		25,455,267		1,337,713	1,337,713	509,575	XXX
8399998	Total - Bonds - Part 5					11,079,314	11,100,000	11,097,532			2,316		2,316		11,099,847		(20,533)	(20,533)	31,406	XXX
8399999	Total - Bonds					37,872,292	34,578,490	36,627,219	25,495,622		(38,041)		(38,041)		36,555,114		1,317,180	1,317,180	540,981	XXX
8999997	Total - Preferred Stocks - Part 4						XXX													XXX
8999998	Total - Preferred Stocks - Part 5						XXX													XXX
8999999	Total - Preferred Stocks						XXX													XXX
9799997	Total - Common Stocks - Part 4						XXX													XXX
9799998	Total - Common Stocks - Part 5						XXX													XXX
9799999	Total - Common Stocks						XXX													XXX

ANNUAL STATEMENT FOR THE YEAR 2015 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 Identi- fication	Description	For- eign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Con- sideration	Par Value	Actual Cost	Prior Year Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ Decrease	Current Year's (Amor- tization)/ 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 Con- tractual Maturity Date
9899999. Total - Preferred and Common Stocks							XXX													XXX
9999999 - Totals						37,872,292	XXX	36,627,219	25,495,622		(38,041)		(38,041)		36,555,114		1,317,180	1,317,180	540,981	XXX

SCHEDULE D - PART 5

[illegible]

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 2015 OF THE Cape Verity III, Inc.

SCHEDULE DA - PART 1

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

1	2	Codes		5	6	7	8	Change in Book/Adjusted Carrying Value				13	14	Interest						21
		3	4					9	10	11	12			15	16	17	18	19	20	
CUSIP Identi- fication	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 Bonds not in Default	Non- Admitted Due and Accrued	Rate of	Effective Rate of	When Paid	Amount Received During Year	Paid for Accrued Interest
0599999. Total - U.S. Government Bonds																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		
7799999. Total - Issuer Obligations																XXX	XXX	XXX		
7899999. Total - Residential Mortgage-Backed Securities																XXX	XXX	XXX		
7999999. Total - Commercial Mortgage-Backed Securities																XXX	XXX	XXX		
8099999. Total - Other Loan-Backed and Structured Securities																XXX	XXX	XXX		
8399999. Total Bonds																XXX	XXX	XXX		
8699999. Total - Parent, Subsidiaries and Affiliates												XXX				XXX	XXX	XXX		
38141W-36-4	GOLDMAN SACHS FINANCIAL SQ PRIME			12/16/2015	Various	XXX	505,927						505,927			0.000	0.010	MAT	1,120	
8999999. Subtotal - Class One Money Market Mutual Funds							505,927					XXX	505,927			XXX	XXX	XXX	1,120	
9199999 - Totals							505,927					XXX	505,927			XXX	XXX	XXX	1,120	

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

N O N E

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

N O N E

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

N O N E

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

N O N E

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

N O N E

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

N O N E

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

N O N E

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

N O N E

Schedule DL - Part 1 - Reinvested Collateral Assets Owned

N O N E

Schedule DL - Part 2 - Reinvested Collateral Assets Owned

N O N E

Schedule E - Part 1 - Month End Depository Balances

N O N E

Schedule E - Part 2 - Cash Equivalents Owned

N O N E

Schedule E - Part 3 - Special Deposits

N O N E

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