

# STATE OF MISSOURI



## DEPARTMENT OF COMMERCE & INSURANCE

P.O. Box 690, Jefferson City, Mo. 65102-0690

### ORDER

After full consideration and review of the report of the financial examination of Lower Life Insurance Company for the period ended December 31, 2020, together with any written submissions or rebuttals and any relevant portions of the examiner's workpapers, I, Chlora Lindley-Myers, Director of the Missouri Department of Commerce and Insurance pursuant to section 374.205.3(3)(a), RSMo, adopt such examination report. After my consideration and review of such report, workpapers, and written submissions or rebuttals, I hereby incorporate by reference and deem the following parts of such report to be my findings and conclusions to accompany this order pursuant to section 374.205.3(4), RSMo: summary of significant finding, company history, management and control, territory and plan of operation, growth of company and loss experience, reinsurance, accounts and records, financial statements, comments on financial statement items, financial statement changes resulting from examination, and summary of recommendations.

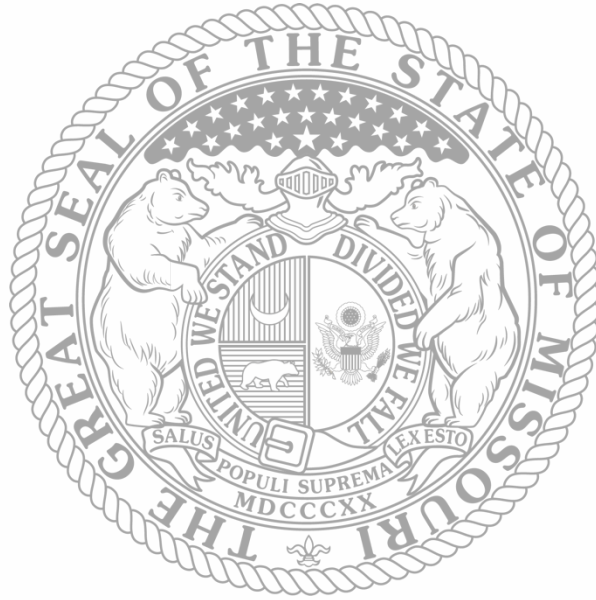
Based on such findings and conclusions, I hereby ORDER that the report of the financial examination of Lower Life Insurance Company as of December 31, 2020 be and is hereby ADOPTED as filed and for Lower Life Insurance Company to take the following action or actions, which I consider necessary to cure any violation of law, regulation or prior order of the Director revealed by such report: (1) account for its financial condition and affairs in a manner consistent with the Director's findings and conclusions.

So ordered, signed and official seal affixed this 28<sup>th</sup> day of June, 2022.



*Chlora Lindley-Myers*

Chlora Lindley-Myers, Director  
Department of Commerce and Insurance



REPORT OF  
FINANCIAL EXAMINATION OF

# LEWER LIFE INSURANCE COMPANY

AS OF  
DECEMBER 31, 2020

STATE OF MISSOURI  
DEPARTMENT OF COMMERCE & INSURANCE

JEFFERSON CITY, MISSOURI

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Kansas City, MO  
June 13, 2022

Honorable Chlora Lindley-Myers, Director  
Missouri Department of Commerce and Insurance  
301 West High Street, Room 530  
Jefferson City, Missouri 65101

Director Lindley-Myers:

In accordance with your financial examination warrant, a full-scope financial examination has been made of the records, affairs, and financial condition of

**Lewer Life Insurance Company (NAIC #71595)**

hereinafter referred to as such, as Lewer Life, or as the Company. Its administrative office is located at 9900 W. 109<sup>th</sup> Street, Suite 200, Overland Park, Kansas, 66210, telephone number 816-360-7907. The fieldwork for this examination began on October 7, 2021, and concluded on the above date.

**SCOPE OF EXAMINATION**

**Period Covered**

The Missouri Department of Commerce and Insurance (Department) has performed a multi-state financial examination of Lewer Life Insurance Company. The last examination of the Company by the Department covered the period of January 1, 2011 through December 31, 2015. The current examination covers the period of January 1, 2016 through December 31, 2020, as well as a review of any material transactions and events occurring subsequent to the examination period through the date of this report.

**Procedures**

We conducted our examination in accordance with the National Association of Insurance Commissioners (NAIC) *Financial Condition Examiners Handbook (Handbook)*, except where practices, procedures, and applicable regulations of the Department or statutes of the state of Missouri prevailed. The *Handbook* requires that we plan and perform the examination to evaluate the financial condition, assess corporate governance, identify current and prospective risks of the Company, and evaluate system controls and procedures used to mitigate those risks. An examination also includes the identification and evaluation of significant risks that could cause the Company's surplus to be materially misstated, both on a current and prospective basis.

This examination also included a review of significant estimates made by management and evaluation of management's compliance with Statutory Accounting Principles. The examination does not attest to the fair presentation of the financial statements included herein. If, during the course of the examination an adjustment is identified, the impact of such adjustment will be documented separately following the Company's financial statements.

All accounts and activities of the Company were considered in accordance with the risk-focused examination process. Those activities considered in the examination as key to Lewer Life included investments, premium and underwriting, claims handling and reserving, reinsurance, and related parties. The examination also included a review and evaluation of information technology general controls.

This examination report includes significant findings of fact, as mentioned in Section 374.205 RSMo (Examination, director may conduct, when...) and general information about the Company and its financial condition. There may be other items identified during the examination that, due to their nature (e.g., subjective conclusions, proprietary information, etc.), are not included within the examination report but are separately communicated to other regulators and/or the Company.

### **SUMMARY OF SIGNIFICANT FINDINGS**

There were no material adverse findings, significant non-compliance issues, or material changes to the financial statements noted during the examination.

### **COMPANY HISTORY**

#### **General**

The Company was incorporated on June 24, 1987, and commenced business on October 1, 1987, as a stock life and health insurer under the insurance laws of Chapter 376 RSMo (Life, health and accident insurance). On September 30, 1987, Presidential Life Insurance Company of America merged into the newly organized Lewer Life Insurance Company, with Lewer Life being the surviving entity. All 600,000 authorized shares of Lewer Life were then issued to Dorvon C. "D.C." Lewer on October 1, 1987. The number of authorized shares was increased to 1,200,000 on December 31, 1991, and on December 21, 2004, Lewer Life amended its charter to authorize 12,000 shares of voting stock and 1,188,000 shares of non-voting common stock, all of which were issued to D.C. Lewer. D.C. Lewer then gifted one-half of the voting shares of stock (6,000) and one-half of the non-voting shares (594,000) to his wife, Mary L. Lewer. D.C. and Mary L. Lewer then each gifted one-third of the voting stock (2,000 shares each) to their son, Michael D. Lewer. All of the shares of non-voting stock were then transferred to Lewer Financial Services, L.P. (LFS). Following these transactions, Lewer Life was equally owned by the Michael D. Lewer Revocable Trust (Michael D. Trust), the Dorvon C. Lewer Revocable Trust (D.C. Trust), and the Mary L. Lewer Revocable Trust (Mary L. Trust) as voting shareholders, and by LFS as the sole shareholder of non-voting common stock.

#### **Mergers, Acquisitions, and Major Corporate Events**

During the examination period, in August of 2019, D.C. Lewer passed away and upon his passing, Mary L. Lewer and Cindy A. McClannahan (an attorney for the Lewer family) were appointed Co-Trustees. In 2020, the voting shares held by the D.C. Trust and the Mary L. Trust were redeemed by the Company and then canceled, which left the 4,000 shares held by the Michael D. Trust as the only outstanding voting shares. Michael D. Lewer then transferred one-third of the voting shares to Michael N. "Nik" Lewer and Matthew J. Lewer, who each received 1,333 voting shares, while Michael D. Lewer retained 1,334 voting shares. LFS remains the sole owner of non-voting shares. There were no other major corporate events during the examination period.

**Dividends and Capital Contributions**

The following ordinary dividends were paid to Lewer Life's direct parent, Lewer Financial Services, L.P., during the exam period:

<b>Year</b>	<b>Amount</b>
2016	\$ -
2017	201,942
2018	548,813
2019	681,418
2020	237,887
<b>Total</b>	<b>\$ 1,670,060</b>

There were no capital contributions during the exam period.

**Surplus Notes**

There were no surplus notes issued or outstanding during the examination period.

**MANAGEMENT AND CONTROL****Board of Directors**

The management of the Company is vested in a Board of Directors that is elected by the stockholders. The Company's Articles of Incorporation specify that there shall be nine Board members. The Board of Directors elected and serving as of December 31, 2020, was as follows:

<b><u>Name and Address</u></b>	<b><u>Principal Occupation and Business Affiliation</u></b>
Michael D. Lewer Leawood, Kansas	President and Chief Executive Officer Lewer Life Insurance Company
Gregory P. Lewer Kansas City, Missouri	General Manager Lewer Properties, L.P.
Darrel G. Gable St. Louis, Missouri	Vice President, Employee Benefits USI Insurance Services-Midwest
Michael N. Lewer Kansas City, Missouri	Senior Vice President The Lewer Agency
Jacquelynne N. Lewer-Holst St. Louis, Missouri	Vice President Legal Affairs and Associate General Counsel Hospital Sisters Health System
Mark J. Van Dyke Lee's Summit, Missouri	Retired Partner BKD, LLP
Mark K. Fendler St. Louis, Missouri	Executive Vice President Tria Health
Sarah C. Osborne Kansas City, Missouri	Chief Actuary and Analytics Officer Government Employees Health Association

The ninth board position was filled in July 2021 with the addition of Ian Z. Chuang, Chief Medical Officer, Elsevier.

**Senior Officers**

The officers elected and serving, as of December 31, 2020, were as follows:

<b><u>Name</u></b>	<b><u>Office</u></b>
Michael D. Lewer	Chairman, President and Chief Executive Officer
Robert V. Stompoly	Secretary, General Counsel
Scott L. Mylin	Treasurer, Senior Vice President Finance

**Principal Committees**

The Lewer Life's Bylaws allow the Board of Directors to establish committees, with each committee consisting of three or more directors of the Company. As of December 31, 2020, the committees were as follows:

**Executive Investment Committee**

Michael D. Lewer, Chair  
Darrel G. Gable  
Michael N. Lewer  
Mark J. Van Dyke

**Audit Committee**

Michael D. Lewer, Chair  
Darrell G. Gable  
Mark J. Van Dyke

**Corporate Records**

The Company's Articles of Incorporation and Bylaws were reviewed. There were no revisions to either document during the examination period. The minutes of the Board, shareholder and committees were reviewed for the period under examination.

**Holding Company, Subsidiaries, and Affiliates**

Lewer Life is a member of an Insurance Holding Company System, as defined by Section 382.010 RSMo (Definitions). Lewer Life is owned by members of the Lewer family, either directly through ownership of voting shares of stock or indirectly through control over the non-voting shares of stock. As noted in the Company History section of this report, ownership of Lewer Life's voting shares is split between Michael D. Lewer (1,334 voting shares), Nik Lewer (1,333 voting shares), and Matthew J. Lewer (1,333 voting shares). Lewer Life's non-voting shares are owned by LFS. Michael D. Lewer is considered the ultimate controlling person of Lewer Life, via his ownership of voting shares and role as Managing General Partner of LFS.

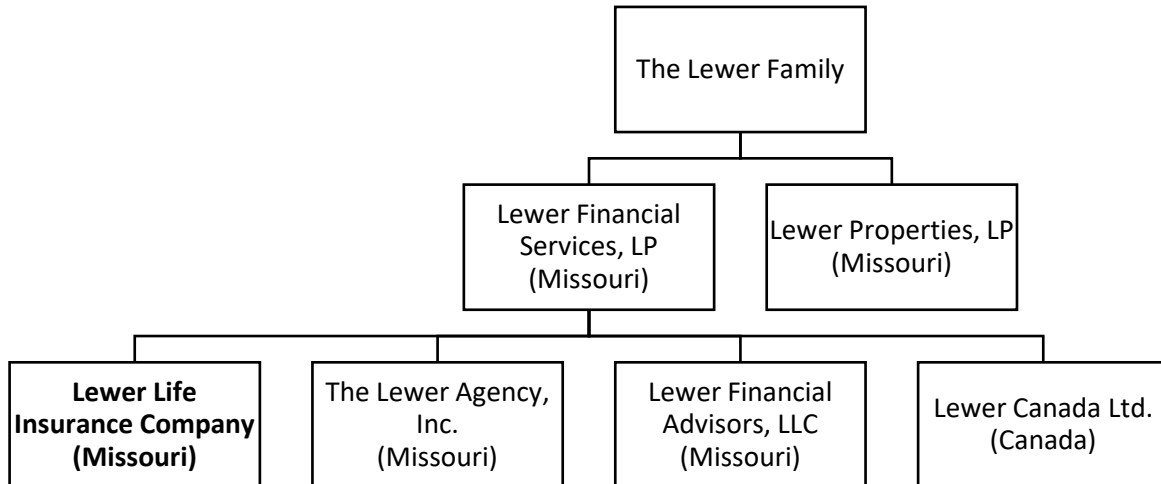
LFS is the holding company for Lewer Life, The Lewer Agency, Inc. (TLA), Lewer Financial Advisors, LLC (LFA), and Lewer Canada Ltd (Lewer Canada). TLA is a nationally licensed managing general agency that, through a primarily captive agency sales force, assists educational institutions with international student health insurance plans, and small business owners, independent marketers, and corporate executives with employee benefit solutions. LFA is a registered investment advisor focused on advising clients concerning wealth accumulation and preservation and retirement planning. Lewer Canada is a Canadian insurance sales and marketing entity located in Laval, Quebec.

Lewer Life is also affiliated with Lewer Properties, L.P., a property rental company owned by various Lewer family members.



**Organizational Chart**

The following organizational chart depicts the applicable portion of the holding company group as of December 31, 2020. All subsidiaries are wholly-owned unless otherwise noted.



**Intercompany Transactions**

The following agreements represent significant contracts executed with affiliated entities that were in effect as of December 31, 2020:

**Expense Allocation Agreement:** Effective March 1, 2013, Lewer Life, LFA, and TLA entered into an Expense Allocation Agreement under which the parties agreed to share expenses for equipment, employment services, and office space.

**Third Party Administrator Agreement:** Effective January 1, 2002, TLA agrees to perform underwriting, maintenance of policy records, claims adjudication, premium billing and collection, and other services for the group benefit policies sold by Lewer Life.

Additionally, TLA is party to several Administrative Services Agreements with insurers from whom Lewer Life assumes business on a quota share basis, which results in Lewer Life paying the direct writer a percentage of the administrative expense charged by TLA.

**TERRITORY AND PLAN OF OPERATION**

Lewer Life is licensed by the Department under Chapter 376 RSMo (Life, health and accident insurance) to write life, annuities and endowments, and accident and health (A&H) insurance. The Company is also licensed in the following nine additional states: Arizona, Illinois, Kansas, Louisiana, Mississippi, Oklahoma, Oregon, South Dakota, and Texas.

Lewer Life is primarily a reinsurer, with direct written life and annuity business accounting for less than a tenth of a percent (0.10%) of net premiums written for each year during the period under examination. Group A&H represented 96.9% of 2020 net earned premiums, with international student health insurance business accounting for the majority of the 2020 premium. The primary

student health insurance product covers foreign college students studying in the United States, but the student health insurance line also includes a product that insures elementary and high school students.

Lewer Life's direct and assumed business is produced by Lewer Life's affiliate, TLA, which also serves as a third-party administrator for the majority of the policies written or assumed by Lewer Life.

### GROWTH OF COMPANY AND LOSS EXPERIENCE

The Company's net premiums, loss payments, and net income remained steady for the examination period until 2020 when the Company's net premiums and net income decreased due to the COVID-19 pandemic and related restrictions on international travel.

The table below summarizes the Company's growth and loss experience for the period under examination:

*(\$000s omitted)*

Year	Net Premiums	Change in Net Premiums	Benefits and Losses	Capital and Surplus	Ratio of Net Premiums to Surplus	Net Income (Loss)
2016	\$ 11,380	12.5%	\$ 8,649	\$ 10,145	1.12	\$ 879
2017	11,459	0.7%	6,917	12,152	0.94	1,897
2018	11,404	(0.5%)	6,595	12,655	0.90	2,170
2019	12,844	12.6%	8,313	14,314	0.90	1,292
2020	10,307	(19.7%)	7,067	14,323	0.72	311

### REINSURANCE

#### General

The Company's premium activity on a direct written, assumed, and ceded basis for the period under examination is detailed below:

*(\$000s omitted)*

Premium Type	2016	2017	2018	2019	2020
Direct Premiums Written	\$ 7	\$ 9	\$ 8	\$ 8	\$ 6
Reinsurance Assumed:					
Non-Affiliates	12,929	11,580	11,517	12,975	10,505
Reinsurance Ceded:					
Non-Affiliates	1,556	131	121	139	204
<b>Net Premiums Written</b>	<b>\$ 11,380</b>	<b>\$ 11,459</b>	<b>\$ 11,404</b>	<b>\$ 12,844</b>	<b>\$ 10,307</b>

#### Assumed Reinsurance

Since June 1, 2016, Lewer Life has been party to a Medical Quota Share Reinsurance Agreement with Sirius International Insurance Corporation under which Lewer Life assumes 60% of student health insurance business covering international students studying at higher education institutions in the United States (US). Premiums assumed under this agreement were approximately \$8.3 million in 2019 and \$6.3 million in 2020.

Also in 2016, Lewer Life entered into a retrocession agreement with GBG Insurance Limited (GIL), under which Lewer Life assumes 45.45% of student health insurance business covering international students studying at higher institutions in the United States, primarily in Washington and Alaska. This business is underwritten by Global Benefits Group, Inc. (GBG), affiliate of GIL, and then ceded to United States Fire Insurance Company (US Fire). US Fire then retrocedes the business to GIL, who then retrocedes the business to Lewer Life. The retrocession agreement with GIL was amended in March of 2017 to increase the amount retroceded to Lewer Life to 62.5% of the business. The retrocession agreement with GIL was not renewed for the 2020-2021 school year.

Although the retrocession agreement with GIL was not renewed in 2020, Lewer Life continues to offer medical insurance for international students attending higher education institutions in the state of Washington and Alaska under an arrangement between TLA and Lewer Life and Crum & Forster SPC (C&F) and US Fire. The business is written on a direct basis by US Fire and then coinsured by Lewer Life on a 60% basis under a Quota Share Reinsurance Agreement, effective March 1, 2020. Premiums assumed under this agreement were approximately \$842 thousand in 2020.

During the examination period, Lewer Life and GIL were also party to a quota-share reinsurance agreement, under which Lewer Life reinsured business underwritten by GIL. The products/policies covered and quota share percentages were amended multiple times over the examination period, as summarized below:

- Study Abroad: From 2016 to 2019, the reinsurance agreement included an individual and group study abroad product that provided medical insurance for high school and college students from the US who were studying overseas. Lewer Life coinsured 40% of this “study abroad” business until policy year-end 2019, when it was discontinued. Premiums assumed under this agreement in 2019 were approximately \$18 thousand.
- Inbound K12: Also included in the reinsurance agreement is a student health insurance product that provides medical coverage to international students obtaining a kindergarten through high school education (Inbound K12) in the US. Lewer Life coinsures the Inbound K12 business at 60%. Premiums assumed for the Inbound K12 business were approximately \$417 thousand in 2019 and \$258 thousand in 2020.
- Inbound Collegiate: Effective for the 2019-2020 policy year, coverage was expanded to include international students studying at higher education institutions in the US (currently limited to California). Lewer Life coinsures this business at 50%. Premiums for the Inbound Collegiate business were approximately \$37 thousand in 2019 and \$454 thousand in 2020.

As with the retrocession agreement, the quota share reinsurance agreement with GIL was not renewed for the 2020-2021 school year.

Since its inception, Lewer Life has reinsured various closed blocks of life and annuity products, of which several remain with business in force (\$17.0 million in force at year-end 2020). Lewer Life assumes 50% risk on decreasing ordinary life insurance products and both qualified and non-qualified annuity products through American General Life Insurance Company and Voya (previously Reliastar Life Insurance Company), and a whole life product through Fidelity Security Life Insurance Company. In addition, Lewer Life has a longstanding relationship with Kansas City Life Insurance Company (KC Life) through which the two companies developed proprietary universal life insurance products with annuity riders. Lewer Life reinsures a 50% share of the risk on the KC Life business.

**Ceded Reinsurance**

Effective August 1, 2013, Lewer Life entered into an Excess Medical Reinsurance Agreement with RGA Reinsurance Company (RGA). Under the agreement, RGA provides 100% coinsurance on the excess liability which may accrue to Lewer Life under its assumed international student health insurance business. Lewer Life's retention for the 2020-2021 school year was \$175,000 per member.

Lewer Life cedes and retrocedes risks above \$25,000 per insured on all direct and assumed life policies. The majority of these cessions relate to premiums assumed from Kansas City Life Insurance Company under the agreement described in the Assumed Reinsurance section above.

The Company is contingently liable for all reinsurance losses ceded to others. This contingent liability would become an actual liability in the event that an assuming reinsurer fails to perform its obligations under the reinsurance contract.

**ACCOUNTS AND RECORDS**

**Independent Auditor**

The certified public accounting (CPA) firm, BKD, LLP, of Kansas City, Missouri, performed the statutory audit of the Company for the years 2016 through 2020. Reliance was placed upon the CPA workpapers as deemed appropriate. Such reliance included, but was not limited to, identification of key processes and controls and substantive testing procedures.

**Actuarial Opinion**

The Company's actuarial opinion regarding reserves and other actuarial items was issued by Nathan Campbell, FSA, MAAA, for the years of 2018 through 2020. Mr. Campbell is employed by Actuarial Resources Corporation, located in Overland Park, Kansas. The actuarial opinion for the years of 2016 and 2017 was issued by Christopher Hause, FSA, MAAA, of Hause Actuarial Solutions, Inc., located in Overland Park, Kansas.

**Consulting Actuary**

Pursuant to a contract with the Department, Jennifer Thelen, FSA, MAAA of The INS Companies, reviewed the underlying actuarial assumptions and methodologies used by Lewer Life to determine the adequacy of reserves and other actuarial items. Ms. Thelen determined that the Company made a reasonable provision for the reserves and other actuarial items that were reported in the statutory financial statements, as of December 31, 2020.

**Information Systems**

In conjunction with this examination, Kimberly Dobbs, CFE, AES, CISA, Information Systems Financial Examiner with the Department, conducted a review of the Company's information systems.

## FINANCIAL STATEMENTS

The following financial statements are based on the statutory financial statements filed by the Company with the Department and present the financial condition of Lewer Life Insurance Company for the period ending December 31, 2020. The accompanying comments on financial statements reflect any examination adjustments to the amounts reported in the financial statements and should be considered an integral part of the financial statements. The failure of any column of numbers to add to its respective total is due to rounding or truncation.

There may have been additional differences found in the course of this examination, which are not shown in the “Comments on Financial Statement Items.” These differences were determined to be immaterial concerning their effect on the financial statements, and therefore were only communicated to the Company and noted in the workpapers for each individual key activity.

### ASSETS

As of December 31, 2020

	Assets	Nonadmitted Assets	Net Admitted Assets
Bonds	\$ 22,815,687	\$ -	\$ 22,815,687
Stocks:			
Common Stocks	6,282,591	-	6,282,591
Cash, Cash Equivalents, and Short-Term Investments	1,717,405	-	1,717,405
Contract Loans	210,666	-	210,666
Other Invested Assets	361,044	361,044	-
Investment Income Due and Accrued	211,903	-	211,903
Premiums and Considerations:			
Uncollected Premiums and Agents' Balances in the Course of Collection	1,909,184	179,026	1,730,158
Deferred Premiums, Agents' Balances and Installments Booked but Deferred and Not Yet Due	9,434	-	9,434
Current Federal and Foreign Income Tax Recoverable and Interest Thereon	49,574	-	49,574
Net Deferred Tax Asset	281,177	110,291	170,886
Furniture and Equipment, Including Health Care Delivery Assets	861	861	-
<b>TOTAL ASSETS</b>	<b>\$ 33,849,526</b>	<b>\$ 651,222</b>	<b>\$ 33,198,304</b>

**LIABILITIES, SURPLUS AND OTHER FUNDS**

As of December 31, 2020

Aggregate Reserve for Life Contracts	\$ 15,131,096
Aggregate Reserve for Accident and Health Contracts	572,732
Contract Claims:	
Life	29,589
Accident and Health	1,571,927
Premiums and Annuity Considerations for Life and Accident and Health	
Contracts Received in Advance	62,136
Contract Liabilities Not Included Elsewhere:	
Surrender Values on Canceled Contracts	39,029
Interest Maintenance Reserve	230,099
Commissions to Agents Due or Accrued	303
Commissions and Expense Allowances Payable on Reinsurance Assumed	345,847
General Expenses Due or Accrued	14,855
Taxes, Licenses, and Fees Due or Accrued, Excluding Federal Income	
Taxes	576
Unearned Investment Income	895
Amounts Held for Agents' Account	166
Remittances and Items Not Allocated	353
Miscellaneous Liabilities:	
Asset Valuation Reserve	826,874
Payable to Parent, Subsidiaries, and Affiliates	48,722
<b>TOTAL LIABILITIES</b>	<b>\$ 18,875,200</b>
Common Capital Stock	1,192,000
Gross Paid In and Contributed Surplus	683,163
Unassigned Funds (Surplus)	12,447,941
<b>TOTAL CAPITAL AND SURPLUS</b>	<b>\$ 14,323,104</b>
<b>TOTAL LIABILITIES AND SURPLUS</b>	<b>\$ 33,198,304</b>

**SUMMARY OF OPERATIONS**

For the Year Ended December 31, 2020

Premiums and Annuity Considerations for Life and Accident and Health Contracts	\$ 10,307,423
Net Investment Income	966,177
Amortization of Interest Maintenance Reserve	51,371
Commissions and Expense Allowances on Reinsurance Ceded	15,345
Miscellaneous Income:	
Aggregate Write-Ins for Miscellaneous Income	57
<b>Total Revenue</b>	<b>\$ 11,340,373</b>
Death Benefits	137,756
Matured Endowments	9,417
Annuity Benefits	31,176
Disability Benefits and Benefits Under Accident and Health Contracts	6,133,076
Surrender Benefits and Withdrawals for Life Contracts	614,073
Increase in Aggregate Reserves for Life and Accident and Health Contracts	141,619
Commissions on Premiums, Annuity Considerations, and Deposit-Type Contract Funds	511
Commissions and Expense Allowances on Reinsurance Assumed	2,351,048
General Insurance Expenses	964,131
Insurance Taxes, License, and Fees, Excluding Federal Income Taxes	191,477
Increase in Loading on Deferred and Uncollected Premiums	(888)
<b>Total Underwriting Deductions</b>	<b>\$ 10,573,395</b>
<b>Net Gain (Loss) From Operations Before Dividends to Policyholders and Federal Income Taxes</b>	<b>\$ 766,978</b>
Federal and Foreign Income Taxes Incurred	286,475
Net Realized Capital Gains (Losses)	(169,264)
<b>NET INCOME (LOSS)</b>	<b>\$ 311,239</b>

**RECONCILIATION OF CAPITAL AND SURPLUS**  
Changes from January 1, 2016 to December 31, 2020

(\$000's omitted)

	2016	2017	2018	2019	2020
Capital and Surplus, Beginning of Year	\$ 9,109	\$ 10,145	\$ 12,152	\$ 12,655	\$ 14,314
Net Income (Loss)	879	1,897	2,170	1,292	311
Change in Net Unrealized Capital Gains (Losses)					
Less Capital Gains Tax	151	208	(412)	690	305
Change in Net Deferred Income Tax	55	(132)	(254)	(42)	240
Change in Nonadmitted Assets	58	423	(343)	463	(593)
Change in Asset Valuation Reserve	(99)	(188)	(109)	(63)	50
Capital Changes: Paid In	-	-	-	-	(8)
Surplus Adjustments: Paid In	-	-	-	-	(58)
Dividends to Stockholders	-	(202)	(549)	(681)	(238)
Aggregate Write-Ins for Gains and Losses in Surplus	(8)	1	1	1	-
Net Change in Capital and Surplus	\$ 1,037	\$ 2,007	\$ 503	\$ 1,659	\$ 9
<b>Capital and Surplus, End of Year</b>	<b>\$ 10,145</b>	<b>\$ 12,152</b>	<b>\$ 12,655</b>	<b>\$ 14,314</b>	<b>\$ 14,323</b>



**COMMENTS ON FINANCIAL STATEMENT ITEMS**

None.

**FINANCIAL STATEMENT CHANGES RESULTING FROM EXAMINATION**

None.

**SUMMARY OF RECOMMENDATIONS**

None.

**SUBSEQUENT EVENTS**

The COVID-19 pandemic has continued to develop, with significant uncertainty remaining regarding the full effect of COVID-19 on the U.S. and global insurance and reinsurance industry. The Department has been in communication with the Company regarding the impact of COVID-19 on its business operations and financial position. The Department continues to closely monitor the impact of the pandemic on the Company and will take necessary action if a solvency concern arises.


**ACKNOWLEDGMENT**

The assistance and cooperation extended by the officers and the employees of Lewer Life Insurance Company during the course of this examination is hereby acknowledged and appreciated. In addition to the undersigned, Kim Dobbs, CFE, AES, CISA, Alicia Galm, CFE, and Adrienne Lewis, examiners for the Missouri Department of Commerce and Insurance, also participated in this examination.


**VERIFICATION**

State of Missouri            )  
  )  
County of Jackson         )    ss

I, Laura Church, CPA, CFE, on my oath swear that to the best of my knowledge and belief the above examination report is true and accurate and is comprised of only facts appearing upon the books, records, or other documents of Lewer Life Insurance Company, its agents or other persons examined, or as ascertained from the testimony of its officers or agents or other persons examined concerning its affairs, and such conclusions and recommendations as the examiners find reasonably warranted from the facts.

  
\_\_\_\_\_  
Laura Church, CPA, CFE  
Examiner-In-Charge  
Missouri Department of Commerce and  
Insurance

Sworn to and subscribed before me this 10<sup>th</sup> day of June, 2022.

My commission expires: July 22, 2023   
Notary Public



M. RIDENHOUR  
My Commission Expires  
July 22, 2023  
Platte County  
Commission #19603483



**SUPERVISION**

The examination process has been monitored and supervised by the undersigned. The examination report and supporting workpapers have been reviewed and approved. Compliance with NAIC procedures and guidelines as contained in the *Financial Condition Examiners Handbook* has been confirmed, except where practices, procedures, and applicable regulations of the Missouri Department of Commerce and Insurance and statutes of the state of Missouri prevailed.



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Sara McNeely, CFE  
Assistant Chief Financial Examiner  
Missouri Department of Commerce and  
Insurance