

# STATEMENT OF FINANCIAL AND FRATERNAL POSITION

*By Julie Jagoda, National Treasurer*

Our mission at Woman's Life Insurance Society is to prepare women for a secure financial future through the sale of life insurance and annuity products and to support their community outreach. This mission has been expressed in different ways over the years, but the goal has remained the same. Woman's Life's part in securing the financial future of our members begins with the sale of our financial products and is ultimately fulfilled through the payment of certificate benefits. Woman's Life is proud to have paid benefits of over \$11.9 million last year alone. Additionally, our active members, through their Woman's Life chapters, contributed \$685,026 and devoted 51,321 hours to causes — whether national or local — that they are passionate about.

It has only been through the continued financial strength of the Society that we have been able to partner with our members in these ways. It is the Society's financial strength that provides assurance to members at the time of their purchase of a life insurance or annuity product that we will be here to pay the proceeds and provide financial security when the time comes. The sale of these financial products enables the Society to provide the financial support programs that are available to Woman's Life Chapters to support their community outreach.



Woman's Life Chapter 821 Marine City

**“IT IS THE SOCIETY’S FINANCIAL STRENGTH THAT PROVIDES ASSURANCE TO MEMBERS AT THE TIME OF THEIR PURCHASE OF A LIFE INSURANCE OR ANNUITY PRODUCT THAT WE WILL BE HERE TO PAY THE PROCEEDS AND PROVIDE FINANCIAL SECURITY WHEN THE TIME COMES.”**

*Julie Jagoda*



Woman's Life Chapter 867 Sanilac County

Society assets of \$203,458,913 in 2019 are largely made up of bonds. The Society reported bonds of \$191,915,214 at year-end, which were 94.3% of total assets. Woman's Life continues its history of maintaining a conservative portfolio, with 99.1% of the bonds rated as investment grade. The Society maintains these conservative investment practices for the protection of its members. The second largest asset held by the Society at year end was contract loans. Contract loans were reported at \$5,057,452 and made up approximately 2.5% of the total assets at year-end.

Liabilities as of December 31, 2019, were \$187,697,692. These liabilities are largely made up of the reserves being held to pay future policyholder

claims. These reserves are established when a member purchases a financial product and are adjusted annually based on mortality tables and the present value of the expected future payments based on the contracts. The established reserves were \$172,166,954 at the end of the year and made up 91.7% of total liabilities.

The Society reported a net loss of \$2,304,605 for 2019. A decline in interest rates impacted the Society's loss as \$1,000,000 of additional reserves were established to offset the decline in interest rates. Another factor in the loss for the year was an increase in expenses required to develop new life insurance products. On the revenue side, the Society saw a decrease in premiums of about 23.4% in 2019. While annuity premiums declined 34%, there was a 1% increase of life premiums. The increasing life premiums marks a turning point for Woman's Life following the 2019 focus on increasing life revenue. The combination of these factors resulted in the overall loss for the year.

The Society's surplus was reduced by \$4,212,112 due to the reported net loss and adjustments to the liabilities for the Society's employee and retiree health and welfare



plans. The \$1,979,052 increase in those liabilities were mainly the result of the decline in interest rates.

Even with the net loss and reduction in surplus, Woman's Life's financial position remains strong when compared to our peers and other leading life insurance companies. The surplus of the Society represents the amount of assets in excess of liabilities as of the balance sheet date. As of December 31, 2019, the Society reported total surplus of \$15,761,222. That number by itself may not mean much, but the Society's position of strength is more clearly demonstrated when using key ratios to compare its financials to the average of 25 of the leading life insurance companies. For example, the Society's solvency ratio, which represents the amount of assets for each \$100 of liabilities, as of December 31, 2019, was \$108.40. Compare this to the average for those 25 leading companies for 2018 of \$106.41.

Overall, Woman's Life is proud of its history of both financial stability and supporting causes in local communities through active members. As we reflect on the past, we are encouraged by what was accomplished, and we look forward to what can be accomplished in the future.



## MUCH TO BE PROUD OF

- Solvency ratio of

**\$108.40**

remains above the average of 25 leading insurance companies

- Chapter members contributed

**\$685,026**

to worthy causes and devoted more than 51,321 hours to community service

- Society paid

**\$11.9 million**

in certificate benefits

## Statement of Financial Position

As of December 31, 2019 and 2018

<b>ASSETS:</b>	<b>2019</b>	<b>2018</b>
Bonds . . . . .	\$ 191,915,214	\$ 192,788,299
Real estate . . . . .	225,311	256,022
Certificate loans . . . . .	5,057,452	5,316,346
Cash and short-term investments . . . . .	2,110,982	1,964,978
Other assets . . . . .	4,149,954	4,236,212
<b>TOTAL ASSETS</b> . . . . .	<b>\$ 203,458,913</b>	<b>\$ 204,561,857</b>
<b>LIABILITIES:</b>		
Certificate reserves . . . . .	\$ 172,166,954	\$ 171,237,142
Liability for deposit-type contracts . . . . .	3,844,053	3,706,439
Claims in process of payment . . . . .	1,418,469	1,152,228
Dividends payable next year . . . . .	331,054	318,867
Interest maintenance reserve . . . . .	1,582,459	1,748,572
General expenses due or accrued . . . . .	299,326	247,468
Asset valuation reserve . . . . .	1,044,427	982,490
Other liabilities . . . . .	7,010,950	5,195,318
<b>TOTAL LIABILITIES</b> . . . . .	<b>\$ 187,697,692</b>	<b>\$ 184,588,524</b>
<b>SURPLUS:</b>		
Unassigned funds . . . . .	15,761,222	19,973,334
<b>TOTAL SURPLUS</b> . . . . .	<b>\$ 15,761,222</b>	<b>\$ 19,973,334</b>
<b>TOTAL LIABILITIES AND SURPLUS</b> . . . . .	<b>\$ 203,458,914</b>	<b>\$ 204,561,858</b>

Securities are valued in accordance with the rules and regulations of the National Association of Insurance Commissioners.

## Summary of Operations

For the years ended December 31, 2019 and 2018

<b>REVENUES:</b>	<b>2019</b>	<b>2018</b>
Premiums . . . . .	\$ 7,639,053	\$ 9,970,232
Net investment income . . . . .	9,187,325	9,562,695
Other income . . . . .	361,035	348,568
<b>TOTAL REVENUES</b> . . . . .	<b>\$ 17,187,413</b>	<b>\$ 19,881,495</b>
<b>BENEFITS AND EXPENSES:</b>		
Death benefits . . . . .	\$ 3,284,361	\$ 3,734,403
Annuity benefits . . . . .	2,311,755	3,243,209
Other insurance benefits . . . . .	6,492,546	7,840,140
Increase (Decrease) in certificate reserves . . . . .	929,811	(46,030)
Insurance expenses and taxes . . . . .	4,812,959	4,782,795
Fraternal expenses . . . . .	1,282,384	1,272,294
<b>TOTAL BENEFITS AND EXPENSES</b> . . . . .	<b>\$ 19,113,816</b>	<b>\$ 20,826,811</b>
<b>NET GAIN FROM OPERATIONS BEFORE DIVIDENDS TO MEMBERS</b> . . . . .	<b>(\$ 1,926,404)</b>	<b>(\$ 945,315)</b>
Dividends to members . . . . .	336,376	316,533
<b>NET GAIN FROM OPERATIONS BEFORE NET REALIZED CAPITAL GAINS (LOSSES)</b> . . . . .	<b>(\$ 2,262,780)</b>	<b>(\$ 1,261,848)</b>
<b>NET REALIZED CAPITAL GAINS (LOSSES)</b> . . . . .	<b>(\$ 41,826)</b>	<b>\$ 140</b>
<b>NET GAIN (LOSS)</b> . . . . .	<b>(\$ 2,304,605)</b>	<b>(\$ 1,261,708)</b>



# Valuation Report

As of December 31, 2019 and 2018

ADMITTED ASSETS:	2019	2018
Assets available for payment of		
all legal liabilities . . . . .	\$ 187,697,691	\$ 184,588,523
Unassigned funds . . . . .	15,761,222	19,973,334
<b>TOTAL ADMITTED ASSETS</b> . . . . .	<b>\$203,458,913</b>	<b>\$ 204,561,857</b>
<b>LIABILITIES:</b>		
Certificate reserves for all benefits . . . . .	\$ 172,166,954	\$ 171,237,142
Claim reserves . . . . .	1,418,469	1,152,228
All other liabilities . . . . .	14,112,269	12,199,154
<b>TOTAL LIABILITIES</b> . . . . .	<b>\$ 187,697,692</b>	<b>\$ 184,588,524</b>
<b>RATIO OF SOLVENCY</b> . . . . .	<b>108%</b>	<b>111%</b>

## STATE OF MICHIGAN ) COUNTY OF ST. CLAIR)

Julie L. Jagoda, being duly sworn, deposes and says that she is the National Treasurer who prepared the foregoing financial statements concerning the financial condition of Woman's Life Insurance Society as of December 31, 2019 and 2018, and that the same is correct and true to the best of her information, knowledge and belief,

*Julie Jagoda*

Julie L. Jagoda

Subscribed and sworn to  
before me this 26th day of March, 2020

*Melissa M LaPrairie*

Melissa LaPrairie

Notary Public, St. Clair County

My commission expires September 20, 2023

## Privacy Notice

**W**oman's Life Insurance Society values your business. We also value the trust that you have placed in us. We strongly believe in protecting the confidentiality and the security of the information that we collect about you. The following is an outline of our privacy policy.

### WE DO NOT:

- Disclose personal, non-public information about you to anyone, except as permitted or required by law.
- Share medical information or motor vehicle reports for marketing purposes.
- Sell customer lists or information.

### WE DO:

- Restrict access to non-public personal information about you to employees who have a need for such information to provide products or service to you.
- Use physical, electronic, and procedural safeguards that comply with state and federal laws to protect all the private information we receive.

We collect information about a person who applies for or obtains products or services from us. We also collect this information to: help us

serve that person's financial needs; provide customer service; offer new products or services; and fulfill any legal and regulatory requirements we must meet.

The type of information we collect varies according to the products or services you request. It may include information that is:

- On your application for membership or a product or service and on any related forms (items such as your name, address, social security number, assets, and income).
- About your relationship with us (such as products or services that are purchased, account balances, and payment history).
- From non-affiliated third parties with which you have dealt (third parties such as other insurers).
- From other outside sources (such as consumer reports, motor vehicle reports, medical information, and demographic information).
- From visitors to the Woman's Life websites (such as information provided by you through email, online forms, and site visitor data).

We use this information for business purposes only. These purposes include: assessing requests that are made for insurance and other services we offer; the administration of our products; and the processing of transactions and claims.

Woman's Life makes disclosures to affiliated and non-affiliated third parties only as permitted by law. This includes disclosures that are needed to underwrite, issue, or maintain your policy or for customer service. We may make disclosures to other financial institutions with which we have joint marketing agreements. We do that in order to provide a better range of benefits to our members. We provide information regarding your membership status to your local Woman's Life chapter.

When non-public personal information is no longer required, under our record retention procedures, it is destroyed in a secure manner. This includes information in hard copy or electronic media format.

Our goal is to keep the information you have on file with us accurate and up-to-date. Please contact our home office should there be an address change or other information that requires revision.

Please refer to our website: **[www.womanslife.org/legal/privacy-policy/](http://www.womanslife.org/legal/privacy-policy/)** for further information and complete details including information relating to privacy notices required by law in specific states in which Woman's Life conducts business. Please review the online privacy policy routinely as it may change, at any time, at the sole discretion of Woman's Life.

(Effective date March 15, 2020)