

## To Our Associates:

The Manhattan Companies subscribe to A. M. Best for our financial strength rating. We are pleased to report that A.M. Best has re-affirmed our current B+ rating and indicated that the Manhattan Companies are secure and stable.

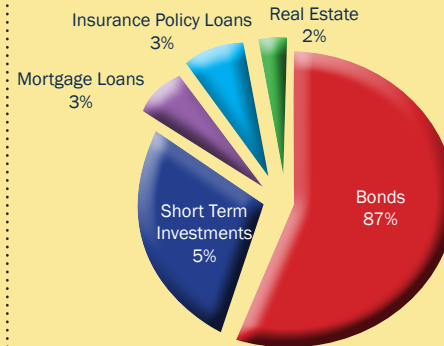
In this years report, A.M. Best recognized the Manhattan Companies ability to acquire and maintain profitable life and health business, its diversified business profile, and its dedication to expense management. Capital and surplus has increased due to net income increases reported at Manhattan Life and Central United. The Manhattan Companies have also expanded its U.S. distribution through new distribution agreements and within new geographic territories.

Even though financial ratings are important, no one should rely solely on letter ratings. The Manhattan companies are privately owned and operated with a conservative investment and management philosophy. All companies are profitable and have strong cash flow and significant cash balances to pay claims. And most importantly, we care about our policyowners, associates and employees. Please be assured that the Manhattan Companies are committed to providing you with excellent products and the financial stability to stand behind them.

Manhattan Insurance Group  
10777 Northwest Freeway  
Houston, Texas 77092  
800-669-9030



## Manhattan Insurance Group Consolidated Holdings



- 99% of the Bonds were NAIC 1 "High Quality" to NAIC 2 "High Quality"
- Cash invested in Government Fund Money Market
- Common stock is less than 1% of assets invested



# FINANCIAL SUMMARY 2016



## Standard Analytical Services, Inc

Independent Analyst for the Insurance Industry since 1932

### Factual Analysis of Significance

Standard Analytical Service, Inc. is independent of any insurance company or companies, and does not sell any kind of insurance. The financial reports and comparisons, reprints of which are paid for by the companies, are based on statutory financial statements on file with state insurance departments.

This report should not be interpreted as an analysis of the value of a capital stock company, nor is it intended to imply that the company featured will be as successful or is better than the companies making up the aggregate averages, nor is it a recommendation or analysis of the specific policy provisions, rates or claims practices of the organization featured. Its use for all companies, stock, mutual or fraternal, is intended to serve as a guide with respect to the current statutory financial statements on file with the state insurance departments where they are available for public inspection.

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*This report prepared by Standard Analytical Service, Inc. Analysts of the Insurance Industry Since 1932*

## FINANCIAL STABILITY

The financial condition of an insurance organization is an important element in public confidence. In this regard we believe the fundamental factors listed below are significant. The following is a COMPARATIVE ANALYSIS of these basic factors, comparing the Manhattan Companies with 25 of the largest insurers in the United States in Life Premiums earned. These 25 companies accumulate more than 100 years of experience in the life insurance industry and own a significant portion of the current assets and life insurance policies of all insurance companies, a favorable comparison of these factors may indicate financial stability.

### Basic Significant Factors – As of December 31, 2015 Derived from the Annual Statement

(The 25 Companies listed below are 25 of the largest in Accident and Health premiums earned.)

#### SOLVENCY

A wide margin of Assets over Liabilities can be a significant safety factor. This indicates financial soundness and a company's ability to meet all obligations as they become due.

#### Assets for each \$100 of Liabilities as of Dec. 31, 2015

AETNA LIFE INS. CO., CT	\$121.62
ALLSTATE LIFE INS. CO. IL	\$109.73
AMERICAN FAMILY LIFE ASS. CO., NE	\$112.52
AMERICAN GENERAL LIFE INS. CO., TX	\$105.64
AXA EQUITABLE LIFE INS. CO., NY	\$103.41
CONNECTICUT GENERAL LIFE INS CO, CT	\$126.42
GUARDIAN LIFE INS. CO. OF AMERICA, NY	\$114.49
HARTFORD LIFE INS. CO., CT	\$104.51
JACKSON NATL LIFE INS CO, MI	\$102.56
JOHN HANCOCK LIFE INS. CO, (USA), MI	\$102.45
LINCOLN NAT LIFE INS CO, IN	\$103.44
MASSACHUSETTS MUTUAL LIFE INS. CO., MA	\$107.67
METROPOLITAN LIFE INS CO, NY	\$103.85
MIDLAND NATIONAL LIFE INS. CO., SD	\$106.82
MINNESOTA LIFE INS. CO., MN	\$108.10
NATIONWIDE LIFE INS CO, OH	\$103.73
NEW YORK LIFE INS CO, NY	\$113.53
NORTHWESTERN MUTUAL LIFE INS. CO., WI	\$108.98
OHIO NATIONAL LIFE INS. CO., OH	\$104.10
PACIFIC LIFE INS CO, NE	\$107.36
PRINCIPAL LIFE INS CO, IA	\$102.93
PROTECTIVE LIFE INS CO, TN	\$109.95
PRUDENTIAL INS CO OF AMERICA, NJ	\$104.94
RIVERSOURCE LIFE INS CO., MN	\$103.77
STATE FARM LIFE INS CO, IL	\$116.79

**MANHATTAN COMPANIES \$139.66**

AVERAGE 25 LARGEST COMPANIES \$106.01

#### LIQUID ASSETS

Assets in Bonds, Stocks, Cash and Short-Term Investments for each \$100 of Liabilities: A high ratio may indicate a more liquid investment position to cover unforeseen emergency cash requirements that may arise.

**MANHATTAN COMPANIES \$107.81**

AVERAGE 25 LARGEST COMPANIES \$43.44

#### SURPLUS FUNDS PER \$1000 LIABILITIES ON CURRENT INSURANCE:

A substantial surplus ratio may indicate a company's additional stability and financial strength.

**MANHATTAN COMPANIES \$87.09**

AVERAGE 25 LARGEST COMPANIES \$ 9.79

#### FINANCIAL STATEMENT SUMMARY AS OF DECEMBER 31, 2015

Admitted Assets	\$2,066,650,000
Policy Reserves	\$1,648,905,000
Total Liabilities	\$1,820,285,000
Gross Surplus (Incl. Capital, if any)	\$246,365,000

**CONCLUSION:** Based on the financial results achieved in the year ended 2015, the analysis made of the above organization is favorable in comparison with the aggregate averages of 25 of the LARGEST COMPANIES.