

REPORT OF  
FINANCIAL EXAMINATION  
**FIRST WYOMING LIFE INSURANCE COMPANY**

AS OF  
DECEMBER 31, 2012



STATE OF WYOMING  
DEPARTMENT OF INSURANCE  
CHEYENNE, WYOMING

# TABLE OF CONTENTS

SALUTATION .....	1
SCOPE OF EXAMINATION.....	2
DESCRIPTION OF THE COMPANY.....	2
Prior Examination Findings .....	2
Subsequent Events .....	2
History of the Company .....	2
Corporate Records .....	3
Management and Control.....	4
Holding Company Structure .....	6
Fidelity Bonds and Other Insurance.....	6
Territory and Plan of Operation .....	7
Growth of the Company.....	7
Business In Force by State .....	7
Mortality and Loss Experience .....	7
Reinsurance.....	7
Accounts and Records.....	8
Statutory Deposit.....	9
STATEMENT OF ASSETS, LIABILITIES, AND SURPLUS.....	10
STATEMENT OF OPERATIONS.....	11
RECONCILIATION OF CAPITAL AND SURPLUS .....	12
RECONCILIATION OF EXAMINATION CHANGES .....	13
NOTES TO FINANCIAL STATEMENTS .....	14
SUMMARY OF RECOMMENDATIONS .....	15
CONCLUSION.....	16

SALUTATION  
Cheyenne, Wyoming  
April 11, 2014

Honorable Tom C. Hirsig  
Insurance Commissioner  
State of Wyoming  
106 East 6<sup>th</sup> Avenue  
Cheyenne, WY 82002

Commissioner Hirsig:

Pursuant to your instructions and in compliance with the provisions of the Wyoming Insurance Code and the rules and regulations promulgated by the National Association of Insurance Commissioners, hereinafter called "NAIC," an examination was made as of December 31, 2012, of the financial condition, management, and affairs of:

**FIRST WYOMING LIFE INSURANCE COMPANY**

hereinafter referred to as the "Company," at its home office located at 205 Storey Boulevard, Suite 100, Cheyenne, Wyoming. The following report of the examination is herewith respectfully submitted.

## **SCOPE OF EXAMINATION**

The examination reported upon herein was undertaken as a routine examination as called for by Wyo. Stat. § 26-2-116. The last exam of First Wyoming Life Insurance Company was the start-up examination as of June 24, 2011. This examination covers the period of June 25, 2011 through December 31, 2012.

The following key activities were reviewed during the exam: investments, premiums, claims handling, claims reserving, reinsurance, other income and expenses, taxes, underwriting, and information technology.

We conducted our examination in accordance with the *NAIC Financial Condition Examiners Handbook*. The Handbook requires that we plan and perform the examination to evaluate the financial condition and identify prospective risks of the Company by obtaining information about the Company, including corporate governance, identifying and assessing inherent risks within the Company and evaluating system controls and procedures used to mitigate those risks. An examination also includes assessing the principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation, management's compliance with statutory accounting principles and annual statement instructions, when applicable to domestic state laws and regulations. All accounts and activities of the Company were considered in accordance with the risk-focused examination process.

## **DESCRIPTION OF THE COMPANY**

### **Prior Examination Findings:**

During the start-up examination there were no recommendations.

### **Subsequent Events:**

As of June 15, 2013, the Company is now using Midwest Holding, Inc. as its third party administrator. Midwest Holding, Inc. is the ultimate controlling entity of the Company.

The Company has had several changes in its management and board of directors subsequent to December 31, 2012. Les Meyer replaced Kerry Fernau as the President at the board meeting on February 19, 2014. In addition, John Perkins replaced Les Meyer as the Secretary on February 19, 2014. Marty Altenbern, Kerry Fernau and Wendy Greenough are no longer on the board. Lex Madden, Greg Smith, and Ken Decaria have been added to the board. In addition, Mark Myers was appointed as the Vice President of Financial Reporting on February 19, 2014.

### **History of the Company:**

The Company's initial Articles of Incorporation were approved by the Office of the Wyoming Attorney General on January 6, 2011, and the Wyoming Department of Insurance (Department) on

January 26, 2011. The Articles were filed with the Wyoming Secretary of State on February 2, 2011. The Company was licensed by the Department on June 24, 2011. The Company's home office is located at 205 Storey Boulevard, Suite 100, in Cheyenne, Wyoming. The primary purpose for which the Company is organized is to engage in the life insurance business.

### **Corporate Records:**

The Articles of Incorporation, bylaws, and minutes of the meetings of the Board of Directors, were reviewed in detail.

The Company appointed an audit committee at its board meeting on June 9, 2011. At the board meeting on June 26, 2012, all committees were eliminated. During the time that the audit committee was in place, there is no documentation to show that any meetings were held and there is no evidence showing the approval of the appointment of the independent CPA firm. In addition, the committee did not preapprove all audit and nonaudit services. Further, the board minutes did not include any documentation stating that the entire board was designated as the audit committee, after all of the committees were eliminated on June 26, 2012. There is no documentation regarding the appointment of the independent certified public accountant and the approval of the audit and nonaudit services to be provided for 2012.

Pursuant to W.S. § 26-3-302(a)(vi), the Company's entire board shall constitute the audit committee, if a committee is not designated.

The audit committee shall be directly responsible for the appointment, compensation and oversight of the work of any accountant pursuant to W.S. § 26-3-315(a).

For insurers with prior calendar year direct written premium and assumed premiums of five hundred million dollars or less the audit committee shall have a majority of members that are independent pursuant to W.S. § 26-3-315(h)(i).

All audit and nonaudit services provided to an insurer by the qualified independent certified public accountant of the insurer shall be preapproved by the audit committee pursuant to W.S. § 26-3-306(k).

**Recommendation 1:** It is recommended that the Company appoint an audit committee with a majority of its members being independent in accordance with W.S. § 26-3-315(h)(i). In addition, it is recommended that the audit committee appoint and oversee the work of the independent certified public accountant pursuant to W.S. § 26-3-315(a). Further, the audit committee shall preapprove all audit and nonaudit services in compliance with W.S. § 26-3-306(k). Compliance with these statutory requirements shall be documented in the Company's board and committee meeting minutes.

As of the exam fieldwork date, the Company's board of directors had not adopted an official anti-money laundering policy/program. However, the examiners were able to verify that the Company

did have documentation in the agents' files to show that each agent took a written test comprised of six true/false questions regarding money laundering and the requirements for anti-money laundering programs.

The USA Patriot Act of 2001 requires anti-money laundering programs for all financial institutions, including insurance companies that offer life insurance policies with any type of cash surrender value and any annuity contracts. The program must incorporate policies and procedures and internal controls based on the company's assessment of the money laundering and terrorist financing risks associated with its products. Also, the company must designate a compliance officer and must provide training for appropriate persons. Finally, the company must provide for independent testing of the program on a periodic basis to ensure that it complies with the rules and that the program functions as designed.

**Recommendation 2:** It is recommended that the Company's board of directors approve and adopt an anti-money laundering program that complies with the USA Patriot Act of 2001.

**Management and Control:**

All shares of the Company are owned by First Wyoming Capital Corporation with the exception of seven shares that are owned by the Board of Directors of the Company; one share per director as prescribed by W.S. § 26-24-121(c). There are 10,000,000 shares authorized and 1,170,003 shares outstanding.

The control and direction of the Company rests with its Board of Directors. As of December 31, 2012, the bylaws provided for not more than 15 and not less than 7 directors. Seven directors were actually in office as of December 31, 2012.

As of December 31, 2012, the following directors were holding office:

Name & address	Principal occupation	Date of first term
Mark Oliver Lincoln, NE	CEO, CFO for First Wyoming Life Insurance Company	6/28/12
John Perkins Cheyenne, WY	COO for First Wyoming Life Insurance Company	1/6/11
Les Meyer Greeley, CO	Secretary for First Wyoming Life Insurance Company	1/6/11
Marty Altenbern Cheyenne, WY	Insurance agent, Insurance & Investment Group	6/28/12
Kerry Fernau Cheyenne, WY	President, Chief Marketing Officer, First Wyoming Life Insurance Company	6/28/12

Name & address	Principal occupation	Date of first term
Rick Meyer Lincoln, NE	CEO, Midwest Holding, Inc.	6/28/12
Wendy Greenough Buffalo, WY	Regional Manager for First Wyoming Life Insurance Company	6/28/12

The Company's corporate governance practices are not in line with best practices in the industry. It is noted that the Company underwent significant changes in its management and board members during the exam period which caused some inconsistencies in the amount and quality of information that was recorded in the Company's board meeting minutes. Some of the board minutes were illegible, poorly written, and possibly incomplete. At times, it was difficult to determine the intent and activities of the board. During the review of the board meeting minutes, it was noted that the following items are not being documented in the minutes:

- Committee meeting minutes.
- Compensation/employment contract approvals.
- Conflict of Interest Declarations.
- Budget/strategic planning.
- Enterprise Risk Management reviews and/or discussion of risks.
- Approval of committee charters.
- Approval of affiliated agreements.
- Oversight of an internal control structure.
- Approval of the Ethics/Code of Conduct policy.
- Review of the reinsurance program and retention levels.
- Succession planning.

It is good business practice to follow basic corporate governance standards in order to properly manage an insurance company. W.S. § 26-3-132(b)(x) authorizes the Insurance Commissioner to require improvements to the Company's corporate governance.

**Recommendation 3:** It is recommended that the Company follow basic corporate governance practices which include, but are not limited to, the items listed in the *NAIC Financial Condition Examiners Handbook*. In addition, the Company should thoroughly document all of the board's actions in the minutes.

The Company's board did not approve investments during the board meeting held on October 18, 2012.

Wyoming Statute § 26-7-105 states that no insurer shall make any investment or loan unless authorized by the board of directors or by a committee authorized by the board charged with supervising investments or loans.

**Recommendation 4:** It is recommended that the Company's board approve the investments at its board meetings, document the investments, and document the approval in the meeting minutes.

The Company has a physical office in Cheyenne, Wyoming, however; it does not appear to be the Company's principal place of business. Two employees work in the Cheyenne office. Although there is a physical office in Wyoming, it is not where the CEO/CFO of the Company works and it is not where the significant day-to-day management decisions of the Company are made. During the initial licensing of the Company, the Company's CEO was located in Wyoming and the Department understood that the Company was going to use an out-of-state TPA during its first few years of operation. The Company represented that it would move its operations to Wyoming within a few years.

Wyoming Statute § 26-24-129 (a)(i) states that any domestic insurer shall have and maintain its principal place of business and home office in this state.

Barron's Dictionary of Insurance Terms (Fourth Edition) defines home office as the "central (main) office of an insurance company whose facilities usually include actuarial, claims, investment, legal, underwriting, agency, and marketing departments."

**Recommendation 5:** It is recommended that the Company move its principal place of business to its home office in Wyoming as required by W.S. § 26-24-129 (a).

#### **Holding Company Structure:**

Midwest Holding, Inc. is the ultimate controlling entity of the Company. Midwest owns 22.65 percent of First Wyoming Capital Corporation. First Wyoming Capital Corporation owns 99.9994 percent of the Company with the seven (7) Board of Directors owning one share each or 0.0006 percent pursuant to W.S. § 26-24-121(c). Midwest Holding, Inc. also owns several other capital corporations and insurance companies.

#### **Fidelity Bonds and Other Insurance:**

First Wyoming Capital Corporation maintains up to \$1 million in directors and officers liability insurance with North River Insurance Company. First Wyoming Capital Corporation has fidelity bond insurance on its employees in the amount of \$100,000 with Western Surety Company. This amount complies with the NAIC's suggested minimum amount of \$50,000 to \$75,000.

The Company is not listed as an additional insured on any of the insurance policies held by First Wyoming Capital Corporation.

**Recommendation 6:** It is recommended that the Company be added as an additional insured under First Wyoming Capital Corporation's insurance policies in order to protect the Company.

**Territory and Plan of Operation:**

The Company only operates in the state of Wyoming and is authorized to conduct life insurance business. Sales operations are conducted through captive agents.

**Growth of the Company:**

The Company just started selling policies in August 2012. The Company reported a net loss of \$109,185 in 2011 and a net loss of \$157,615 in 2012. The Company's reported surplus decreased six percent (6%) from \$2,716,196 as of December 31, 2011 to \$2,554,247 as of December 31, 2012.

**Business In Force by State:**

The Company only operates in the state of Wyoming and is authorized to conduct life insurance business.

**Direct Premiums for 2012:**

<u>Line of Business</u>	<u>Direct Business</u>
Ordinary Life Insurance	113,681
Total	113,681

**Mortality & Loss Experience:**

INS Consultants, Inc., actuarial consultants, were retained to review the Company's loss experience and reserving methods. The consulting actuary accepted the aggregate reserve for life contracts of \$48,361, the reserve for life contract claims of \$2,520 and the deferred premiums, agent's balances and installments booked but deferred and not yet due of \$10,980 as reported.

A copy of the consulting actuary's report has been given to the Company.

**Reinsurance:**

As of December 31, 2012, the Company had two reinsurance agreements in place with Optimum Re Insurance Company, an accredited reinsurer in the state of Wyoming. The reinsurance agreements cover both life insurance and accidental death and dismemberment (AD&D) policies. The Company retains the first \$40,000 of liability for the life insurance policies and is fully reinsured for the AD&D policies.

## **Accounts and Records:**

The Company's administrative, accounting, underwriting, policy administration, investment, and claims handling functions were performed by the Company's third party administrator, Investors Heritage Life Insurance Company.

The Company's accounts and records were reviewed in accordance with the *NAIC Financial Condition Examiners Handbook* and the Wyoming Insurance Code.

The Company does not have contracts with four consultants. Billings for these consultants do not state what services are being performed. Out of a sample of 60 expenditures, four transactions totaling \$22,500 did not have supporting documents. Two of these entities are related parties of the Company.

Pursuant to W.S. § 26-24-130, which states in part, "(a) No insurer shall make any disbursement of twenty-five dollars (\$25.00) or more, unless evidenced by a voucher or other document correctly describing the consideration for the payment and supported by a check or receipt endorsed or signed by or on behalf of the person receiving the money. (b) If the disbursement is for services and reimbursement, the voucher or other document, or some other provision referred to in the voucher or other document, shall describe the services and itemize the expenditures."

**Recommendation 7:** It is recommended that the Company obtain signed contracts for all consulting agreements. It is also recommended that the Company maintain supporting documentation to show what services are being provided in accordance with W.S. § 26-24-130.

The Company's investments include a foreign bond that exceeds one percent (1%) of admitted assets, which is not in compliance with the Company's investment policy and W.S. § 26-7-110(a).

Pursuant to W.S. § 26-7-110(a), which states in part, "An insurer may make loans or investments not otherwise expressly permitted under this chapter, in aggregate amounts not over five percent (5%) of the insurer's assets and not over one percent (1%) of those assets as to any one loan or investment, if the loan or investment fulfills the requirements of W.S. § 26-7-103 and otherwise qualifies as a sound investment."

**Recommendation 8:** It is recommended that the Company divest itself of the unqualified investment and ensure that its future investments comply with the Company's investment policy and Chapter 7 of the Wyoming Insurance Code.

The Company has investments in three companies that exceed five percent (5%) of admitted assets. In addition, one of the investments (money market fund) is not in compliance with the limitation in the Company's investment policy.

Pursuant to W.S. § 26-7-106(a)(i), which states, “No insurer shall have at any time any combination of investments in or loans upon the security of the obligations, property or securities of any one (1) person, institution, corporation or municipal corporation aggregating an amount exceeding five percent (5%) of the insurer's assets, except this does not apply to general obligations of the United States of America or of any state or include policy loans made under W.S. § 26-7-108;”

**Recommendation 9:** It is recommended that the Company divest itself of the non-qualifying investments and ensure that its future investments comply with the Company’s investment policy and Chapter 7 of the Wyoming Insurance Code.

The Company does not have at least \$1 million invested in cash and securities provided under W.S. § 26-7-107(a)(i)[government bonds] and W.S. § 26-7-107(a)(xii) [first liens on improved real property] as required by W.S. § 26-7-106(a)(iii).

Pursuant to W.S. § 26-7-106(a)(iii) , which states, “An insurer, other than a title insurer, shall invest and maintain invested funds not less in amount than the minimum paid in capital stock required under this code [title 26] of a domestic stock insurer transacting like kinds of insurance, only in cash and the securities provided under W.S. § 26-7-107(a)(i) and W.S. § 26-7-107(a)(xii);”

**Recommendation 10:** It is recommended that the Company make the required investments in order to comply with W.S. § 26-7-106(a)(iii).

The Company does not have its money market funds in the approved custodial account in Wyoming.

Wyoming Statute § 26-24-129(a) states in part, “Any domestic insurer shall: (iii) Have and maintain its assets in this state. . . .”

**Recommendation 11:** It is recommended that the Company add its money market funds to the approved custodial account in order to comply with W.S. § 26-24-129(a)(iii).

### **Statutory Deposit:**

The Company has a US Treasury Note with a fair value of \$211,922, on deposit in favor of the State of Wyoming for the protection of all policyholders and creditors.

**FIRST WYOMING LIFE INSURANCE COMPANY**  
**STATEMENT OF ASSETS, LIABILITIES, AND SURPLUS**

as of December 31, 2012

ASSETS	Assets	Nonadmitted Assets	Net Admitted Assets	Notes
Bonds	\$3,397,969		\$3,397,969	
Cash and short-term investments	583,253		583,253	
Subtotal - cash and invested assets	3,981,222		3,981,222	
Investment income due and accrued	37,315		37,315	
Deferred premiums	10,980		10,980	
Net deferred tax asset	46,069	46,069	0	
Health care and other amounts receivable	315	315	0	
Total assets	<u>\$4,075,901</u>	<u>\$46,384</u>	<u>\$4,029,517</u>	
<b>LIABILITIES</b>				
Aggregate reserve for life contracts			\$48,361	
Contract claims – life			2,520	
Other amounts payable on reinsurance			230	
Interest maintenance reserve			61,923	1
General expenses due or accrued			16,000	
Taxes, licenses and fees due or accrued, excluding federal income taxes			21,000	
Amounts held for agents' account			667	
Remittances and items not allocated			64,419	
Asset valuation reserve			8,639	
Payable to parent, subsidiaries and affiliates			102,562	
Total liabilities			<u>326,321</u>	
<b>CAPITAL &amp; SURPLUS</b>				
Common capital stock			1,170,003	
Gross paid in and contributed surplus			2,830,000	
Unassigned funds			(296,807)	1
Total surplus			<u>2,533,193</u>	
Total capital and surplus			<u>3,703,196</u>	
Total liabilities, capital and surplus			<u>\$4,029,517</u>	

**FIRST WYOMING LIFE INSURANCE COMPANY**  
**STATEMENT OF OPERATIONS**  
for the Year Ending December 31, 2012

	Current Year	Notes
Premiums and annuity consideration for life contracts	\$139,841	
Net investment income	124,787	
Amortization of interest maintenance reserve	4,827	<b>1</b>
Total revenues	269,455	
Death benefits	2,520	
Increase in aggregate reserves for life reserves	48,362	
Total benefits	50,882	
Commissions on premiums	66,712	
General insurance expenses	288,837	
Insurance taxes, licenses and fees, excluding federal income taxes	26,282	
Increase in loading on deferred and uncollected premiums	15,411	
Total expenses	448,124	
Net gain from operations before capital gains and federal income taxes	(178,669)	
Federal income taxes incurred	0	
Net realized capital gains or (losses)	0	<b>1</b>
Net income (loss)	\$(178,669)	
<b><u>CAPITAL AND SURPLUS ACCOUNT</u></b>		
Capital and surplus, December 31, 2011	\$3,886,195	
Net income (loss)	(178,669)	
Change in net deferred income tax	24,233	
Change in nonadmitted assets	(24,547)	
Change in asset valuation reserve	(4,020)	
Capital changes – Paid in	4	
Net change in capital and surplus for the year	(182,999)	
Capital and surplus, December 31, 2012	\$3,703,196	

**FIRST WYOMING LIFE INSURANCE COMPANY**  
**RECONCILIATION OF CAPITAL AND SURPLUS**

June 25, 2011 through December 31, 2012

	Per Annual Statements		Per Exam
	2011	2012	2012
Surplus, December 31, of prior year	\$0	\$3,886,195	\$3,886,195
Net income or (loss)	(109,185)	(157,615)	(178,669)
Change in net deferred income tax	21,837	24,233	24,233
Change in nonadmitted assets	(21,837)	(24,547)	(24,547)
Change in asset valuation reserve	(4,619)	(4,020)	(4,020)
Capital changes – Paid in	1,169,999	4	4
Surplus adjustment – Paid in	2,830,000	0	0
Net change in capital and surplus	3,886,195	(161,945)	(182,999)
Surplus, December 31, of current year	\$3,886,195	\$3,724,250	\$3,703,196

**FIRST WYOMING LIFE INSURANCE COMPANY**  
**RECONCILIATION OF EXAMINATION CHANGES**

June 25, 2011 through December 31, 2012

	Per Company	Per Examination	Surplus Increase (Decrease)	Note
<u>Liabilities</u>				
Interest maintenance reserve	\$40,869	\$61,923	<u>\$(21,054)</u>	<b>1</b>
Net decrease in surplus per examination			(21,054)	
Capital & surplus per Company, December 31, 2012			<u>3,724,250</u>	
Capital & surplus per Examination, December 31, 2012			<u>\$3,703,196</u>	

## **NOTES TO FINANCIAL STATEMENTS**

**Note 1:** The Company transferred capital gains to the interest maintenance reserve (IMR) net of taxes. However, the Company had negative income and did not owe any taxes. Capital gains should be transferred to the IMR net of income taxes only if income taxes are due.

As a result of the condition noted above, the IMR was understated by \$21,054, capital gains were overstated by \$22,696 and the amortization of the IMR was understated by \$1,642.

**Recommendation 12:** It is recommended that the Company transfer capital gains to the IMR net of income taxes only when income taxes are due.

## **SUMMARY OF RECOMMENDATIONS**

**Recommendation 1:** It is recommended that the Company appoint an audit committee with a majority of its members being independent in accordance with W.S. § 26-3-315(h)(i). In addition, it is recommended that the audit committee appoint and oversee the work of the independent certified public accountant pursuant to W.S. § 26-3-315(a). Further, the audit committee shall preapprove all audit and nonaudit services in compliance with W.S. §26-3-306(k). Compliance with these statutory requirements shall be documented in the Company's board and committee meeting minutes.

**Recommendation 2:** It is recommended that the Company's board of directors approve and adopt an anti-money laundering program that complies with the USA Patriot Act of 2001.

**Recommendation 3:** It is recommended that the Company follow basic corporate governance practices which include, but are not limited to, the items listed in the *NAIC Financial Condition Examiners Handbook*. In addition, the Company should thoroughly document all of the board's actions in the minutes.

**Recommendation 4:** It is recommended that the Company's board approve the investments at its board meetings, document the investments, and document the approval in the meeting minutes.

**Recommendation 5:** It is recommended that the Company move its principal place of business to its home office in Wyoming as required by W.S. § 26-24-129(a).

**Recommendation 6:** It is recommended that the Company be added as an additional insured under First Wyoming Capital Corporation's insurance policies in order to protect the Company.

**Recommendation 7:** It is recommended that the Company obtain signed contracts for all consulting agreements. It is also recommended that the Company maintain supporting documentation to show what services are being provided in accordance with W.S. § 26-24-130.

**Recommendation 8:** It is recommended that the Company divest itself of the unqualified investment and ensure that its future investments comply with the Company's investment policy and Chapter 7 of the Wyoming Insurance Code.

**Recommendation 9:** It is recommended that the Company divest itself of the non-qualifying investments and ensure that its future investments comply with the Company's investment policy and Chapter 7 of the Wyoming Insurance Code.

**Recommendation 10:** It is recommended that the Company make the required investments in order to comply with W.S. § 26-7-106(a)(iii).

**Recommendation 11:** It is recommended that the Company add its money market funds to the approved custodial account in order to comply with W.S. § 26-24-129(a)(iii).

**Recommendation 12:** It is recommended that the Company transfer capital gains to the IMR net of income taxes only when income taxes are due.

**CONCLUSION**

G. Douglas Melvin, Kathryn Cotton, and Jeff Braunschweig, examiners for the Wyoming Insurance Department, participated in the examination. Review of the Company's actuarial liabilities was conducted by Frank G. Edwards, Jr., ASA, MAAA, of INS Consultants, Inc. Review of premiums rates was conducted by Joseph C. Higgins, FSA, MAAA, of INS Consultants, Inc.

Appreciation is expressed for the cooperation and assistance extended by the officers and employees of the Company during the course of the examination.

I, the undersigned, hereby certify that an examination has been made of **FIRST WYOMING LIFE INSURANCE COMPANY**, and the preceding report is true and correct to the best of my knowledge and information.

Respectfully submitted,

\_\_\_\_\_  
G. Douglas Melvin, CPA, CFE  
Examiner In-Charge  
Senior Examiner  
Department of Insurance  
State of Wyoming

This report has been reviewed and is true and correct to the best of my knowledge and information.

\_\_\_\_\_  
Linda Johnson, CPA, CFE  
Chief Financial Examiner  
Department of Insurance  
State of Wyoming

The foregoing instrument was acknowledged under oath before me this \_\_\_\_\_ day of May 2014.

Witness my hand and official seal.

\_\_\_\_\_  
Notary Public

My Commission Expires: \_\_\_\_\_