



MISSISSIPPI INSURANCE DEPARTMENT

501 N. WEST STREET, SUITE 1001
WOOLFOLK BUILDING
JACKSON, MISSISSIPPI 39201
www.mid.ms.gov

March 21, 2022

MAILING ADDRESS
Post Office Box 79
Jackson, Mississippi 39205-0079
TELEPHONE: (601) 359-3569
FAX: (601) 359-2474

MIKE CHANEY
Commissioner of Insurance
State Fire Marshal

MARK HAIRE
Deputy Commissioner of Insurance

RICKY DAVIS
State Chief Deputy Fire Marshal

**CERTIFIED MAIL
RETURN RECEIPT REQUESTED**

Mr. Jason Overbaugh, President
Southern Security Life Insurance Company, Inc.
433 Ascension Way, Suite 600
Salt Lake City, UT 84123

RE: Report of Examination as of December 31, 2020

Dear Mr. Overbaugh:

In accordance with Miss. Code Ann. § 83-5-201 et seq. (Rev. 2011), an examination of your Company has been completed. Enclosed herewith is the Order adopting the report and a copy of the final report as adopted.

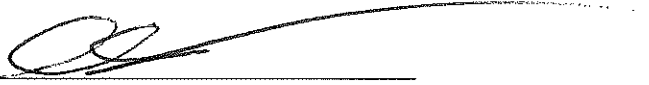
Pursuant to Miss. Code Ann. § 83-5-209(6)(a) (Rev. 2011), the Mississippi Department of Insurance shall continue to hold the content of said report as private and confidential for a period of ten (10) days from the date of the Order. After the expiration of the aforementioned 10-day period, the Department will open the report for public inspection.

If you have any questions or comments, please feel free to contact me.

Sincerely,

MIKE CHANEY
COMMISSIONER OF INSURANCE

BY


Christina J. Kelsey
General Counsel

MC/CJK/bs
Encls. Order w/exhibit

**BEFORE THE COMMISSIONER OF INSURANCE
OF THE STATE OF MISSISSIPPI**

**IN RE: REPORT OF EXAMINATION OF SOUTHERN
 SECURITY LIFE INSURANCE COMPANY, INC.**

CAUSE NO. 22-7683

ORDER

THIS CAUSE came on for consideration before the Commissioner of Insurance of the State of Mississippi ("Commissioner"), or his designated appointee, in the Offices of the Commissioner, 1001 Woolfolk Building, 501 North West Street, 10th Floor, Jackson, Hinds County, Mississippi, pursuant to Miss. Code Ann. § 83-5-201 et seq. (Rev. 2011). The Commissioner, having fully considered and reviewed the Report of Examination together with any submissions or rebuttals and any relevant portions of the examiner's work papers, makes the following findings of fact and conclusions of law, to-wit:

JURISDICTION

I.

That the Commissioner has jurisdiction over this matter pursuant to the provisions of Miss. Code Ann. § 83-5-201 et seq. (Rev. 2011).

II.

That Southern Security Life Insurance Company, Inc. is a Mississippi-domiciled Company licensed to write Industrial Life, Industrial Accident and Health; Life and Life (Burial) coverages.

FINDINGS OF FACT

III.

That the Commissioner, or his appointee, pursuant to Miss. Code Ann. § 83-5-201 et seq. (Rev. 2011), called for an examination of Southern Security Life Insurance Company, Inc. and appointed Barry W. Lupus, Examiner-In-Charge, to conduct said examination.

IV.

That on or about March 1, 2022, the draft Report of Examination concerning Southern Security Life Insurance Company, Inc. for the period of January 1, 2018 through December 31, 2020, was submitted to the Department by the Examiner-In-Charge, Barry W. Lupus.

V.

That on or about March 2, 2022, pursuant to Miss. Code Ann. § 83-5-209(2) (Rev. 2011), the Department forwarded to the Company a copy of the draft report and allowed the Company a 15-day period to submit any rebuttal to the draft report. On or about March 16, 2022, the Company responded by email.

CONCLUSIONS OF LAW

VI.

The Commissioner, pursuant to Miss. Code Ann. § 83-5-209(3) (Rev. 2011), must consider and review the report along with any submissions or rebuttals and all relevant portions of examiner work papers and enter an Order: (1) adopting the Report of Examination as final or with modifications or corrections; (2) rejecting the Report of Examination with directions to reopen; or (3) calling for an investigatory hearing.

IT IS, THEREFORE, ORDERED, after reviewing the Report of Examination, all relevant examiner work papers and the Company's rebuttal, that the Report of Examination of Southern Security Life Insurance Company, Inc. attached hereto as Exhibit "A", should be and same is hereby adopted as final.

IT IS FURTHER ORDERED that a copy of the adopted Report of Examination, accompanied with this Order, shall be served upon the Company by certified mail, postage pre-paid, return receipt requested.

IT IS FURTHER ORDERED that the Mississippi Department of Insurance shall continue to hold the content of this report as private and confidential for a period of ten (10) days from the date of this Order, pursuant to Miss. Code Ann. § 83-5-209(6)(a) (Rev. 2011).

IT IS FURTHER ORDERED, pursuant to Miss. Code Ann. § 83-5-209(4) (Rev. 2011), that within thirty (30) days of the issuance of the adopted report, Southern Security Life Insurance Company, Inc. shall file affidavits executed by each of its directors stating under oath that they have received a copy of the adopted report and related orders.

IT IS FURTHER ORDERED that Southern Security Life Insurance Company, Inc. take the necessary actions and implement the necessary procedures to ensure that all recommendations contained in the Report of Examination are properly and promptly complied with.

SO ORDERED, this the 21st day of March 2022.




J. MARK HAIRE
DEPUTY COMMISSIONER OF INSURANCE

CERTIFICATE OF MAILING

I hereby certify that a true and correct copy of the above and foregoing Order and a copy of the final Report of Examination, as adopted by the Mississippi Department of Insurance, was sent by certified mail, postage pre-paid, return receipt requested, on this the 21st day of March 2022, to:

**Mr. Jason Overbaugh, President
Southern Security Life Insurance Company, Inc.
433 Ascension Way, Suite 600
Salt Lake City, UT 84123**



Christina J. Kelsey
General Counsel

Christina J. Kelsey
General Counsel
Counsel for the Mississippi Department of Insurance
Post Office Box 79
Jackson, MS 39205-0079
(601) 359-3577
Miss. Bar No. 9853



Mississippi Insurance Department

**Report of Examination of
SOUTHERN SECURITY LIFE INSURANCE
COMPANY, INC.**

as of

December 31, 2020

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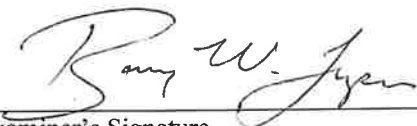
State of Connecticut,

County of Hartford,

Barry Lupus, being duly sworn, states as follows:

1. I have authority to represent Mississippi Insurance Department in the examination of Southern Security Life Insurance Company, Inc.
2. Mississippi is accredited under the National Association of Insurance Commissioners Financial Regulation Standards and Accreditation.
3. I have reviewed the examination work papers and examination report, and the examination of Southern Security Life Insurance Company, Inc. was performed in a manner consistent with the standards and procedures required by Mississippi.

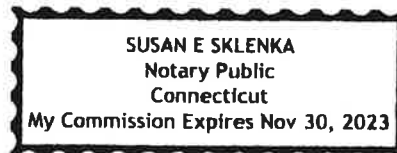
The affiant says nothing further.


Examiner's Signature

Subscribed and sworn before me by Susan Sklenka on this Tenth day of March, 2022.

(SEAL)


Notary Public



My commission expires November 30, 2023 [date].



MIKE CHANEY
Commissioner of Insurance
State Fire Marshal

MARK HAIRE
Deputy Commissioner of
Insurance

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SALUTATION

February 22, 2022

Honorable Mike Chaney
Commissioner of Insurance
Mississippi Insurance Department
1001 Woolfolk Building
501 North West Street
Jackson, Mississippi 39201

Dear Commissioner Chaney:

Pursuant to your instructions and authorization and in compliance with statutory provisions, an examination has been conducted, as of December 31, 2020, of the affairs and financial condition of:

SOUTHERN SECURITY LIFE INSURANCE COMPANY, INC.

1044-B River Oaks Drive
Flowood, MS 39232

License #	NAIC Group #	NAIC #	FEETS#	Group Exam#	MATS#
7701317	0454	75531	75531-MS-2020-2	454-2020-1	MS-MS099-36

This examination was commenced in accordance with Miss. Code Ann. § 83-5-201 et seq. and was performed in Salt Lake City, Utah, at the main administrative office of the Company. The report of examination is herewith submitted.

SCOPE OF EXAMINATION

We have performed a full-scope, single state examination of Southern Security Life Insurance Company, Inc. ("Company" or "SSLIC") as part of a coordinated examination on the part of the lead state of Utah and in conjunction with other jurisdictions (including Mississippi, Louisiana, Utah and Texas). The last examination covered the period of January 1, 2014 through December 31, 2017. This examination covers the period of January 1, 2018 through December 31, 2020, including any material transactions or events occurring subsequent to the examination date and noted during the course of the examination.

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, 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 identifying and evaluating significant risks that could cause an insurer's surplus to be materially misstated both currently and prospectively.

All accounts and activities of the Company were considered in accordance with the risk-focused examination process. This may include assessing significant estimates made by management and evaluating 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 and adjustment is identified, the impact of such adjustment will be documented separately following the Company's financial statements.

This examination report includes significant findings of fact, in accordance with Miss. Code Ann. § 83-5-209, and general information about the insurer 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 separately communicated to other regulators and/or the Company.

COMMENTS AND RECOMMENDATIONS OF PREVIOUS EXAMINATION

All previous examination findings appeared to have been appropriately addressed during the period since the last examination.

HISTORY OF THE COMPANY

The Company was incorporated on January 23, 1973, as Southern Security Insurance Company, Inc., under the laws of the State of Mississippi, as a burial company. An amendment to the Articles of Incorporation approved by the stockholders at a meeting held May 5, 1976, provided for the corporate name be changed to Southern Security Life Insurance Company, Inc.

On December 18, 2008, the Company completed a stock purchase transaction with Security National Life Insurance Company ("SNLIC"); a Utah domiciled insurance company, whereby SNLIC agreed to purchase all of the outstanding shares of the Company from its shareholders. Under the terms of the agreement, SNLIC paid purchase consideration equal to \$1,352,134, representing the capital and surplus, interest

maintenance reserve and asset valuation reserve of the Company as of September 1, 2008, the date SNLIC assumed administrative control over the Company.

As a result of the transaction, on August 13, 2008, the Company entered into a reinsurance agreement with SNLIC. Under the agreement, SNLIC assumes 100% of the Company’s premiums. The Company pays SNLIC a reinsurance premium on all policies in effect from time to time in an amount equal to the gross premium earned by the Company. The premium paid to SNLIC is paid as it is collected by the Company. As of December 31, 2020, the Company’s authorized lines of insurance were Life, Industrial Life, Industrial Accident and Health, and Life (Burial). The Company continues to collect premiums on business previously written, but no longer writes any new business.

CORPORATE RECORDS

The Articles of Incorporation, Bylaws and amendments thereto were reviewed and duly applied in other sections of this report where appropriate. Minutes of the meetings of the Shareholder, Board of Directors, and various committees, as recorded during the period covered by this examination, were reviewed and appeared to be complete and in order with regard to actions discussed at the meetings for appropriate action, which included the approval and support of the Company’s transactions, as well as review of the audit and examination report.

MANAGEMENT AND CONTROL

STOCKHOLDERS

As of December 31, 2020, the Company had issued and outstanding 50,000 shares of its 100,000 authorized Class A common capital stock with a par value of \$11 per share and 450,000 shares of Class B (non-voting) shares. The common capital stock was 100% owned by Security National Life Insurance Company. The Company did not pay or declare dividends, and did not pay or receive capital contributions during the period under examination.

BOARD OF DIRECTORS

The Articles of Incorporation and Bylaws vest the management and control of the Company’s business affairs with the Board of Directors (“Board”). The members of the duly elected Board, along with their place of residence and principal occupation, at December 31, 2020, were as follows:

Name and Location	Principal Occupation
Scott Milton Quist <i>Sandy, UT</i>	Chairman of the Board, President, CEO <i>Security National Financial Corporation</i>
Jason Gary Overbaugh <i>Draper, UT</i>	Vice President, National Marketing Director <i>Security National Financial Corporation</i>
Scott Andrew Quist <i>Draper, UT</i>	Vice President, General Counsel <i>Security National Financial Corporation</i>
Howard Craig Moody <i>Sandy, UT</i>	Owner <i>Moody & Associates</i>
Robert Gail Hunter, M.D. <i>Sandy, UT</i>	Doctor, Head of Otolaryngology <i>Intermountain Medical Center</i>
Norman Gilbert Wilbur	Retired

Name and Location	Principal Occupation
<i>Mead, CO</i>	<i>JC Penny's</i>
Gilbert Amos Fuller <i>Sandy, UT</i>	Retired <i>USANA Health Sciences, Inc.</i>
John Lester Cook <i>Sandy, UT</i>	Co-Owner and Operator <i>Cook Brothers Painting, Inc.</i>

COMMITTEES

As of December 31, 2020, the Board of Directors had the following committees in place: Executive Committee, Audit Committee, Compensation Committee, and Nominating and Corporate Governance Committee with membership as indicated below:

Executive Committee	Audit Committee
Scott Milton Quist (Chair)	Norman Gilbert Wilbur (Chair)
Howard Craig Moody	John Lester Cook
Gilbert Amos Fuller	Gilbert Amos Fuller
Scott Andrew Quist	Howard Craig Moody

Compensation Committee	Nomination and Corporate Governance Committee
Norman Gilbert Wilbur (Chair)	Howard Craig Moody (Chair)
John Lester Cook	John Lester Cook
Gilbert Amos Fuller	Gilbert Amos Fuller
Robert Gail Hunter, M.D.	Norman Gilbert Wilbur
Howard Craig Moody	Robert Gail Hunter, M.D.

OFFICERS

At each annual meeting of the Board of Directors, the Board is to elect the officers of the Company in accordance with the Bylaws. Officers as of December 31, 2020 were as follows:

Name	Title
Scott Milton Quist	CEO
Garrett Stephen Sill	Treasurer, CFO
Jeffrey Russell Stephens	Secretary, Senior General Counsel
Joshua Michael Keddington	Vice President - IT Operations
Diana Carroll Olson	Vice President, Controller
Jason Gary Overbaugh	President
Adam George Quist	Vice President, Assistant Secretary, General Counsel
Scott Andrew Quist	Vice President, General Counsel
Aaron Dee Searle	Vice President - IT Application Development
Stephen Williams Turner	Vice President, Assistant Treasurer
John Wayne Van Valkenburg	Vice President - Actuarial Services & Product Development

CONFLICT OF INTEREST

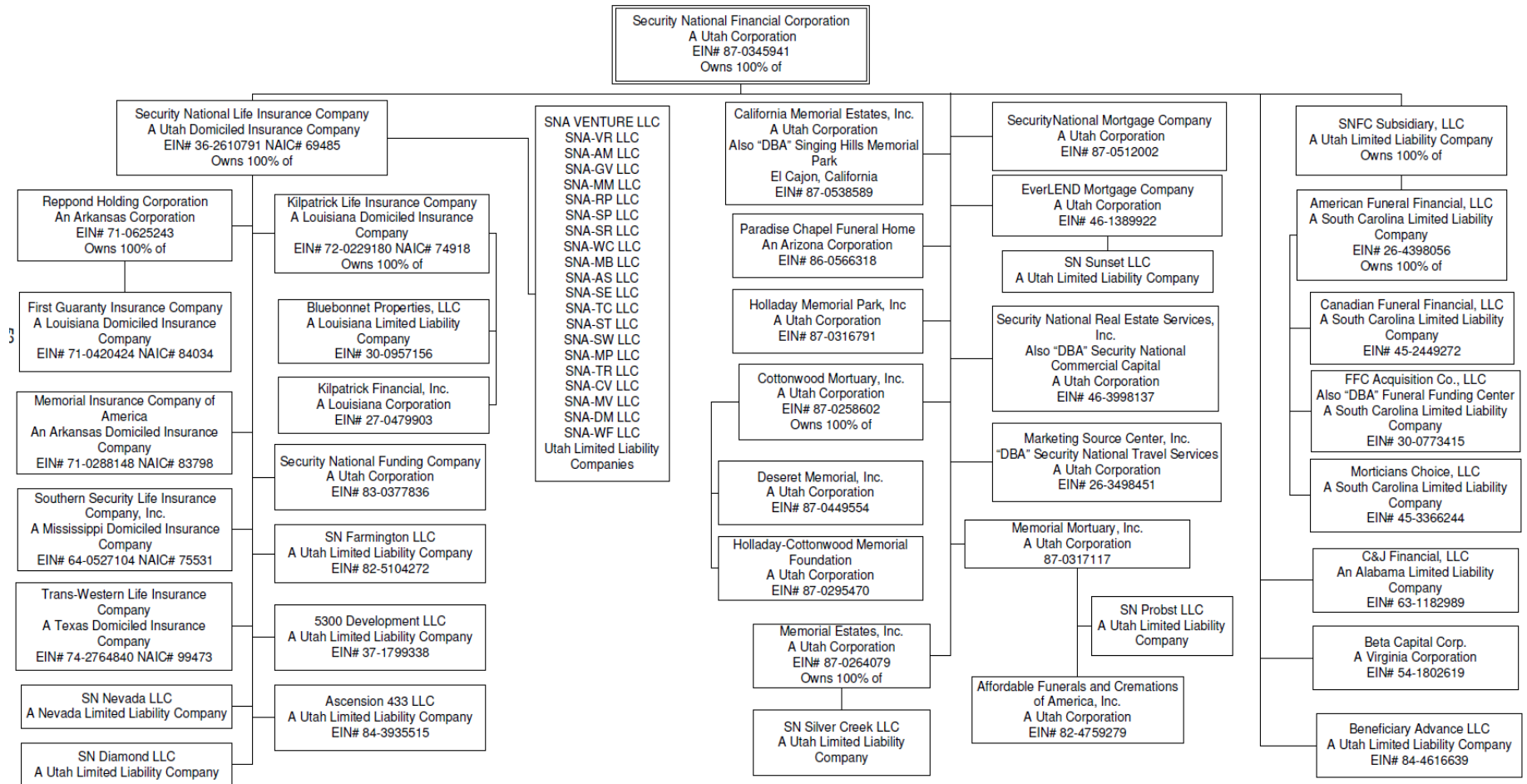
The Company has an established policy whereby each officer and director completes a conflict of interest questionnaire each year disclosing any potential or conceivable conflict with the director's or officer's responsibilities within or for the Company. The conflict of interest questionnaires were completed by all the directors and officers of the Company for the calendar years 2018, 2019, and 2020. A review of the calendar year 2020 disclosures made by the officers and directors did not reveal any material exceptions to the Company's established policies.

HOLDING COMPANY STRUCTURE

The Company was a member of an insurance holding company system as defined in Miss. Code Ann. § 83-6-1. The Company was required to file with the MID, Holding Company Registration Statements in accordance with Miss. Code Ann. §§ 83-6-5 and 83-6-9. These filings set forth material changes in structure, identity or relationships of affiliates and any material transactions by and between the Company and its affiliates.

HOLDING COMPANY ORGANIZATIONAL CHART

The organizational chart below reflects ownership of the Company as of December 31, 2020:



PARENT AND AFFILIATED COMPANIES

HOLDING COMPANY

The ultimate parent, SNFC, is registered with the Securities and Exchange Commission. SNFC operates in three main business segments: insurance, cemetery and mortuary, and mortgage loans, (collectively the “Holding Company”). The insurance segment is engaged in the business of selling and servicing selected lines of life insurance, annuity products, and accident and health insurance. These products are marketed in 40 states through a commissioned sales force of direct agents, brokers and independent licensed insurance agents. The insurance segment is administered through the insurance companies within the holding company system, which consist of all insurance companies under this exam and Memorial Insurance Company of America (“MICA”). The cemetery and mortuary segment consists of five cemeteries in Utah and one cemetery in California, and eight mortuaries in Utah. SNFC also engages in pre-need selling of funeral, cemetery, mortuary and cremation services through its Utah and California operations. The mortgage loan segment originates and underwrites or otherwise purchases residential and commercial loans for new construction, existing homes and real estate projects. This segment operates through 98 retail offices in 23 states, and is an approved mortgage lender in several other states.

INSURANCE ENTITIES

The Companies prepare their statutory financial statements in conformity with accounting practices prescribed or permitted by the respective domiciliary insurance department. Prescribed statutory accounting practices include a variety of publications of the NAIC, as well as state laws, regulations and general administrative rules. Permitted statutory accounting practices encompass all accounting practices not so prescribed.

Statutory financial highlights of the Companies are as follows:

Name of Company	Capital & Surplus	RBC %	Net Income
Security National Life Insurance Company	53,426,628	363	6,054,762
Kilpatrick Life Insurance Company	15,177,996	816	1,574,129
First Guaranty Insurance Company	7,045,644	1062	790,221
Southern Security Life Insurance Company, Inc.	1,581,648	2096	183
Trans-Western Life Insurance Company	510,636	1326	(1,527)

Security National Life Insurance Company

On January 31, 1967, the Company was organized as Tower Life and Accident Insurance Company, domiciled in Illinois. The Company changed its state of domicile to Florida on August 29, 1989, redomesticated to Utah in December of 1994, and received a Certificate of Authority from the Department on December 29, 1994. The Company has grown both organically and through acquisitions which have taken several forms including purchasing and merging or liquidating into the Company, purchasing a company that remains a standalone legal entity, and by 100% assumption reinsurance agreements. There

have been 17 major acquisitions over the past 27 years, including the insurers under the scope of this coordinated examination. The Company wholly owns all of its insurance company subsidiaries.

SNLIC is a stock life insurance company domiciled in Utah and wholly owned by SNFC. The Company is licensed to sell life insurance and annuity products in 38 states. The majority of business is written in Texas, Mississippi, and California. SNLIC primarily writes business in the pre-need funeral market with small face value life insurance policies that generally have a face amount of up to \$25,000.

Kilpatrick Life Insurance Company

KLIC was established in 1932 and incorporated as an industrial life insurer under the laws of Louisiana on August 14, 1936. KLIC changed its name from Kilpatrick Life Insurance Company of Louisiana to Kilpatrick Life Insurance Company in 1991. KLIC became licensed to write life and accident and health business in Louisiana on December 6, 1991, and to write annuities in Louisiana in August 2003.

On October 11, 2019, SNLIC entered into a stock purchase agreement with KLIC to purchase all outstanding stock of KLIC. This transaction was finalized on December 31, 2019. See Significant Current Events section below for more detail.

First Guaranty Insurance Company

FGIC was organized as Howard Burial and Life Insurance Company of Blytheville, Arkansas, in Louisiana, on January 2, 1959, as a stipulated premium life insurance company. On August 31, 1985, FGIC converted to a legal reserve, stock life insurance company. Effective December 31, 1997, it changed its name to First Guaranty Insurance Company.

On July 11, 2016, SNLIC completed a stock purchase transaction with the shareholders of Reppond Holding Corporation (“Reppond”), the sole shareholder of FGIC, to purchase all outstanding shares of common stock of Reppond. FGIC was then in run-off until 2019, then began writing new business in Louisiana and Florida.

Southern Security Life Insurance Company, Inc.

SSLIC commenced business in 1973 and is domiciled and licensed in Mississippi. SSLIC’s products included funeral plans, as well as other traditional life and accident and health insurance products.

On August 29, 2008, SNLIC and SSLIC entered into a reinsurance agreement to reinsure the majority of SSLIC's in-force business. On December 18, 2008, SSLIC completed a stock purchase transaction, whereby SNLIC agreed to purchase all of the outstanding shares of SSLIC from its shareholders. Certain insurance business and operations were transferred to the Company, including all policies in-force as of the administrative control date. All future SSLIC business would be covered by this reinsurance agreement but no new business is being written.

Trans-Western Life Insurance Company

On January 20, 1983, TWLIC was organized as Trans-Western Life Insurance Company, Inc., domiciled in Texas. The Company received a Certificate of Authority from the Texas Insurance Department on March 21, 1983, as a stipulated premium life insurance company. TWLIC ceased writing new business in April 2008.

Effective December 1, 2010, the Company entered into a coinsurance agreement with North America Life Insurance Company ("North America Life"), the sole shareholder of TWLIC, to cede the TWLIC paid-up policies previously assumed by North America Life under a separate reinsurance agreement.

On August 31, 2011, SNLIC entered into a stock purchase agreement with North America Life to purchase all outstanding shares of common stock of TWLIC. All of TWLIC's insurance business was ceded to North America Life, of which approximately 47% had been assumed by SNLIC under the existing coinsurance agreement. All TWLIC policies have been recaptured by the Company and the reinsurance agreement between TWLIC and North America Life was terminated in February 2014.

AFFILIATED AND RELATED PARTY TRANSACTIONS

The Company's transactions with related parties were reviewed and the following items were considered notable for purposes of this report:

Services and Cost Sharing Agreement

On March 1, 2015, the Company entered into a Services and Cost Sharing Agreement with its ultimate parent (SNFC) and certain other affiliates and subsidiaries. Under the terms of the agreement, SNLIC agreed to provide certain accounting, policy administration, marketing, data processing, other services and office space to its affiliates and subsidiaries in consideration for the reimbursement of costs by the affiliates and subsidiaries to SNLIC for the use of services and office space. The agreement is periodically amended to incorporate newly acquired entities with the most recent amendment effective on June 25, 2018.

For personnel services, SNLIC calculates (monthly) the total cost of wages and benefits for all companies' party to the agreement. This sum is then divided by the total number of employees to arrive at an average cost per employee. The average is multiplied by the number of employees who worked for each entity during the month to determine the cost of personnel services.

For leased office space, the amount charged to affiliates is based on a sample of prevailing market rates of similar commercial properties in the market area where the office buildings are located. The sampling is done by means of market reports prepared by independent third party brokerage firms and by surveys to obtain rental rates conducted by Security National Real Estate Services, Inc., a wholly owned subsidiary.

For the twelve months ended December 31, 2020 and 2019, the Company paid SNLIC \$31,900 and \$42,800, respectively under this agreement.

TERRITORY AND PLAN OF OPERATION

As of December 31, 2020, the Company's authorized lines of insurance were Life, Industrial Life, Industrial Accident and Health and Life (Burial). The Company continues to collect premiums on business previously written, but no longer writes any new business.

REINSURANCE

The Company cedes a small portion of its business to Optimum Re and then cedes 100% of its remaining business to SNLIC under the terms of reinsurance agreements. The Company entered into a facultative reinsurance agreement with Business Men's Assurance Company of America (BMA) on June 1, 1993, that was later transferred by BMA to Optimum Re. The business ceded to Optimum Re relates to policies issued prior to the Company's acquisition by SNLIC.

The Company entered into a reinsurance agreement with SNLIC at the time of acquisition by SNLIC. The effective date of the agreement was August 28, 2008. The agreement requires SNLIC to reinsure all of the in force and future insurance liabilities of the Company. SNLIC also assumed complete administrative control of all insurance related business operations of the Company.

FINANCIAL STATEMENTS

The following financial statements are based on the statutory financial statements filed by the company with the Mississippi Insurance Department (MID) and present the financial condition of the company for the year ending December 31, 2020. The accompanying comments on financial statements reflect no adjustments to the amounts reported in the annual statement and should be considered an integral part of the financial statements.

STATEMENT OF ASSETS, LIABILITIES, SURPLUS AND OTHER FUNDS

DECEMBER 31, 2020

ASSETS

	Per Company	Examination Adjustments	Per Examination
Bonds	\$ 735,274	\$ -	\$ 735,274
Preferred stocks	0	0	0
Common stocks	92,362	0	92,362
Cash, cash equivalents and short-term investments	619,107	0	619,107
Subtotals, cash and invested assets	1,446,743	0	1,446,743
Investment income due and accrued	5,195	0	5,195
Other amounts receivable under reinsurance contracts	174,732	0	174,732
Total Net Admitted Assets	\$ 1,626,670	\$ -	\$ 1,626,670

LIABILITIES, SURPLUS AND OTHER FUNDS

	Per Company	Examination Adjustments	Per Examination
Net deferred tax liability	\$ 5,683		\$ 5,683
Amounts held for agents' account, including agents' credit balances	12,250		12,250
Remittances and items not allocated	1,538		1,538
Asset Valuation Reserve (AVR)	20,851		20,851
Payable to parent, subsidiaries and affiliates	4,700		4,700
Total Liabilities	45,022	-	45,022
Common capital stock	550,000		\$ 550,000
Gross paid in and contributed surplus	1,618,879		1,618,879
Unassigned funds (surplus)	(587,231)		(587,231)
Surplus	1,031,648	-	1,031,648
Total Capital and Surplus	1,581,648		1,581,648
Total Liabilities, Surplus and Other Funds	\$ 1,626,670		\$ 1,626,670

SUMMARY OF OPERATIONS
FOR YEAR ENDED DECEMBER 31, 2020

	Per Company	Examination Adjustments	Per Examination
Premiums and annuity considerations for life and accident and health contracts	\$ -	\$ -	\$ -
Net investment income	38,683		38,683
Amortization of Interest Maintenance Reserve (IMR)	93		93
Commissions and expense allowances on reinsurance ceded	64,911		64,911
Aggregate write-ins for miscellaneous income	59		59
Total premiums and revenues	103,746		103,746
Commissions on premiums, annuity considerations and deposit-type contract funds	64,911		64,911
General insurance expenses and fraternal expenses	39,881		39,881
Total benefits and expenses	104,792		104,792
Net gain from operations before dividends to policyholders, refunds to members and federal income taxes	(1,046)		(1,046)
Dividends to policyholders and refunds to members	-		-
Net gain from operations after dividends to policyholders, refunds to members and before federal income taxes	(1,046)		(1,046)
Federal and foreign income taxes incurred	(278)		(278)
Net gain from operations after dividends to policyholders, refunds to members and federal income taxes and before realized capital gains or (losses)	(768)		(768)
Net realized capital gains (losses)	951		951
Net Income	\$ 183		183

CAPITAL AND SURPLUS ACCOUNT

Capital and surplus, December 31, prior year	\$ 1,588,396	\$ 1,588,396
Net Income (Loss)	183	183
Change in unrealized capital gains (losses)	4,014	4,014
Change in net deferred income tax	(4,616)	(4,616)
Change in asset valuation reserve	(6,330)	(6,330)
Net change in capital and surplus for the year	(6,749)	(6,749)
Capital and surplus, December 31, current year	\$ 1,581,648	\$ 1,581,648

RECONCILIATION OF CAPITAL AND SURPLUS
FOR EXAMINATION PERIOD ENDED DECEMBER 31, 2020

	2018	2019	2020
Capital and surplus, prior year	\$1,591,070	\$1,586,915	\$ 1,588,396
Net Income (Loss)	67	87	183
Change in net unrealized capital gains	(4,802)	6,789	4,015
Change in net deferred income tax	179	289	(4,616)
Change in nonadmitted assets	(1,229)	1,516	-
Change in asset valuation reserve	1,630	(7,200)	(6,330)
Net Change in Capital & Surplus	(4,155)	1,481	(6,748)
Capital and surplus, current year	\$1,586,915	\$1,588,396	\$1,581,648

RECONCILIATION OF EXAMINATION ADJUSTMENTS TO SURPLUS
DECEMBER 31, 2020

There were no changes made to the assets, liabilities or capital and surplus reported by the Company for the year ended December 31, 2020. The capital and surplus, which totaled \$1,581,648 as of the examination date, was determined to be reasonably stated and in compliance with Miss. Code Ann. §83-19-31.

COMMENTS ON FINANCIAL STATEMENT ITEMS

Assets

There were no adjustments to assets during this examination.

Liabilities

There were no adjustments to liabilities during this examination.

Capital and Surplus

The amount of capital and surplus reported by the Company of \$1,581,648 has been accepted for the purposes of this examination. Thus, there has been no change to the Company's Risk-Based Capital ratio as of December 31, 2020.

Risk-Based Capital

During the period under examination, the Company reported its Risk-Based Capital ("RBC") ratio at a more than adequate level. The Company's RBC ratios, defined as total adjusted capital divided by authorized control level RBC, for the period under examination are as follows:

2018	2,187.4%
2019	2,251.7%
2020	2,095.9%

MARKET CONDUCT ACTIVITIES

A full scope market conduct examination was not performed, however, specific areas of the Company's market conduct activities were reviewed. The specific areas reviewed include those items indicated below. No significant exceptions with regard to the limited procedures performed were noted.

OPERATIONS MANAGEMENT/PRIVACY

The Company appeared to have appropriate policies and procedures in place to protect the privacy of its customers, consumers and consumers that are not customers.

PRODUCER LICENSING

The Company appeared to have the appropriate licensure to issue its products and agents appeared to have been properly licensed and appointed.

COMPLAINT HANDLING

The Company appeared to maintain adequate complaint handling procedures.

UNDERWRITING AND RATING

The Company appeared to have adequate procedures in place relating to cancellations/nonrenewals.

CLAIMS

The Company appeared to have adequate procedures in place for claim handling.

MISSISSIPPI INSURANCE DATA SECURITY LAW

The Company is in compliance with the Mississippi Insurance Data Security Law (the "Cybersecurity Law"), Miss. Code Ann. §83-5-801 through §83-5-825, effective July 1, 2019.

COMMITMENTS AND CONTINGENT LIABILITIES

During and subsequent to the examination period, the Company was not involved in litigation outside the normal course of business.

SUBSEQUENT EVENTS

There were no events, subsequent to the examination date and noted during the course of the examination, which require disclosure in this report.

COMMENTS AND RECOMMENDATIONS

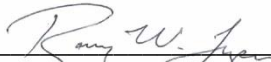
There were no issues which require disclosure in this report.

ACKNOWLEDGMENT

The examiners representing the Mississippi Insurance Department and participating in this examination were:


Examiner In Charge:

Examiners



Barry W. Lupus, CFE, CPA, CFE (Fraud)

Supervising Examiner




John B. Humphries, ASA, MAAA, CFE, AES,
MCM, CISA

Actuary



Mike Presley, FSA, MAAA

Department Designee:



Mark Cooley, CFE

The courteous cooperation of the officers and employees responsible for assisting in the examination is hereby acknowledged and appreciated.

Respectfully submitted,

Southern Security Life Insurance Company, Inc.
MID Examination as of December 31, 2020