AMERITAS MUTUAL HOLDING COMPANY AND SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS

AS OF DECEMBER 31, 2025 AND FOR

THE YEAR ENDED DECEMBER 31, 2025

AND INDEPENDENT AUDITOR'S REPORT

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Ameritas Mutual Holding Company
Lincoln, Nebraska

Opinion

We have audited the consolidated financial statements of Ameritas Mutual Holding Company and subsidiaries (the "Company"), which comprise the consolidated balance sheet as of December 31, 2025, and the related consolidated statements of operations, comprehensive income (loss), equity, and cash flows for the year ended December 31, 2025, and the related notes to the consolidated financial statements (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2025, and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter

As discussed in Note 1 to the financial statements, in 2025, the Company adopted new accounting guidance Targeted Improvements to the Accounting for Long-Duration Contracts. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Deloitte & Touche LLP

June 24, 2026
Omaha, Nebraska

AMERITAS MUTUAL HOLDING COMPANY AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEET
(in thousands)

	December 31 2025
ASSETS	
Investments:	
Fixed maturity securities	$ 13,422,351
Equity securities	543,900
Mortgage loans on real estate, net	2,608,995
Loans on insurance policies	925,130
Real estate, less accumulated depreciation	28,758
Other investments	1,567,605
Total investments	19,096,739
Cash and cash equivalents	434,469
Accrued investment income	166,699
Deferred acquisition costs (DAC) and identifiable intangibles	1,562,766
Property and equipment, less accumulated depreciation	111,917
Current income taxes	5,960
Deferred income taxes	60,516
Reinsurance receivables	847,513
Goodwill	125,359
Market risk benefit asset	38,353
Other assets	297,086
Separate accounts	11,560,620
Total assets	$ 34,307,997
LIABILITIES AND EQUITY	
Policy and contract liabilities	$ 4,549,336
Market risk benefit liability	179,445
Policyholder account balances	12,546,403
Deposit liability	802,496
Borrowings	49,967
Other liabilities	841,175
Separate accounts	11,560,620
Total liabilities	30,529,442
COMMITMENTS AND CONTINGENCIES (Note 15)	
Retained earnings	4,341,252
Accumulated other comprehensive income (loss) (AOCI)	(562,697)
Total members' equity	3,778,555
Total liabilities and equity	$ 34,307,997

The accompanying notes to the consolidated financial statements are an integral part of these statements.

AMERITAS MUTUAL HOLDING COMPANY AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF OPERATIONS
(in thousands)

	Year Ended December 31 2025
INCOME	
Insurance revenues	
Premium income	$ 1,980,172
Contract charges	409,435
Reinsurance, net	(189,222)
Broker dealer and investment advisor revenues	161,233
Other income	130,248
Net investment income	1,025,488
Realized gains and (losses)	
Total other-than-temporary-impairment losses and provision for credit losses	(12,207)
Sales, other realized gains and fair value adjustments, net	71,124
Total realized gains, net	58,917
	3,576,271
BENEFITS AND EXPENSES	
Policy benefits	1,600,771
Interest credited to policyholder account balances	512,185
Sales and operating expenses	1,040,665
Policyholder liability remeasurement losses	9,464
Market risk benefit remeasurement gains	(1,073)
Interest expense	27,578
Amortization of DAC and identifiable intangibles	129,421
	3,319,011
Income before income taxes	257,260
Income tax expense	43,126
Net income attributable to members	$ 214,134

The accompanying notes to the consolidated financial statements are an integral part of these statements.

AMERITAS MUTUAL HOLDING COMPANY AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (LOSS)
(in thousands)

	Year Ended December 31 2025
Net income attributable to members	$ 214,134
Other comprehensive income, before tax	
Change in unrealized gains (losses) on securities	
Unrealized holding gains arising during the period	417,981
Reclassification adjustments to AOCI	(95,721)
Allocation of unrealized losses to policy and contract liabilities	(3,647)
Policyholder liability discount rate remeasurement losses	(6,742)
Market risk benefit credit risk remeasurement gains	6,137
Change in unrealized gains (losses) on defined benefit plan obligations	
Unrecognized defined benefit plans obligation	1,463
Reclassification adjustments to AOCI	(615)
Other comprehensive income	318,856
Income tax expense related to items of other comprehensive income (Note 18)	(67,198)
Other comprehensive income, net of tax	251,658
Comprehensive income attributable to members	$ 465,792

The accompanying notes to the consolidated financial statements are an integral part of these statements.

AMERITAS MUTUAL HOLDING COMPANY AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF EQUITY
(in thousands)

	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Total Members' Equity
BALANCE, December 31, 2024	$ 4,040,087	$ (776,928)	$ 3,263,159
Cumulative effect of adoption of accounting changes, net of taxes (Note 1)	87,031	(37,427)	49,604
BALANCE, January 1, 2025	4,127,118	(814,355)	3,312,763
Net income attributable to members	214,134	—	214,134
Other comprehensive income	—	251,658	251,658
BALANCE, December 31, 2025	$ 4,341,252	$ (562,697)	$ 3,778,555

The accompanying notes to the consolidated financial statements are an integral part of these statements.

AMERITAS MUTUAL HOLDING COMPANY AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF CASH FLOWS
(in thousands)

	Year Ended December 31, 2025
OPERATING ACTIVITIES:	
Net income attributable to members	$ 214,134
Adjustments to reconcile net income attributable to members to net cash provided by operating activities:	
Depreciation and amortization	18,846
Amortization of DAC and identifiable intangibles	129,421
Acquisition costs deferred	(209,899)
Interest credited to policyholder account balances	512,185
Policy charges and fee income on policyholder account balances	(419,142)
Interest expense on deposit liability	23,180
Amortization of discounts or premiums, net	(3,840)
Net realized gains on investment transactions	(58,917)
Unrealized gains on other investments	(79,062)
Deferred income taxes	(4,625)
Change in assets and liabilities:	
Fixed maturity securities trading	51,302
Accrued investment income	(5,815)
Market risk benefits, net	27,771
Current income taxes	41,635
Reinsurance receivables	(15,266)
Other assets	2,188
Policy and contract liabilities	265,363
Other liabilities	102,949
Net cash from operating activities	592,408
INVESTING ACTIVITIES:	
Purchase of investments:	
Fixed maturity securities	(2,745,739)
Equity securities	(99,736)
Mortgage loans on real estate	(470,625)
Real estate	(3,624)
Other investments	(541,854)
Proceeds from sales, maturities or repayment of investments:	
Fixed maturity securities	1,940,378
Equity securities	186,295
Mortgage loans on real estate	333,389
Real estate	1,173
Other investments	430,138

The accompanying notes to the consolidated financial statements are an integral part of these statements.

AMERITAS MUTUAL HOLDING COMPANY AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands)

	Year Ended December 31, 2025
INVESTING ACTIVITIES (continued):	
Purchase of property and equipment	(32,874)
Net change in loans on insurance policies	(124,703)
Net cash used in investing activities	(1,127,782)
FINANCING ACTIVITIES:	
Deposits credited to policyholder account balances	2,713,162
Withdrawals from policyholder account balances	(1,505,095)
Net transfers to separate accounts	(454,001)
Proceeds from borrowings	263,406
Repayment of borrowings	(274,804)
Proceeds from deposit liability	25,131
Repayment of deposit liability	(81,859)
Net cash from financing activities	685,940
CHANGE IN CASH AND CASH EQUIVALENTS	150,566
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	283,903
CASH AND CASH EQUIVALENTS AT END OF PERIOD	$ 434,469
Supplemental cash flow information:	
Cash paid for income taxes, net	$ 6,128
Cash paid for interest	$ 4,458
Non-cash transactions:	
Conversion of mortgage loans to real estate	$ 15,700
Low-income housing tax credit amortization	$ 9,608

The accompanying notes to the consolidated financial statements are an integral part of these statements.

AMERITAS MUTUAL HOLDING COMPANY AND SUBSIDIARIES
Notes to the Consolidated Financial Statements
For The Year Ended December 31, 2025
(in thousands)

NOTE 1 - BASIS OF PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying consolidated financial statements of the Company have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) and include the accounts of Ameritas Mutual Holding Company (AMHC), a mutual insurance holding company and its subsidiaries (the Company). AMHC's wholly-owned holding company, Ameritas Holding Company (AHC), owns Ameritas Life Insurance Corp. (Ameritas Life), a stock company, and Ameritas Investment Partners, Inc. (AIP), an advisor providing investment management services. Primary subsidiaries of Ameritas Life are Ameritas Life Insurance Corp. of New York (Ameritas-NY), a New York domiciled life insurance subsidiary, and Ameritas Investment Company LLC (AIC), a broker dealer. Ameritas Life and its insurance subsidiary operate in all 50 states and the District of Columbia.

The consolidated financial statements include the accounts of AMHC and its majority owned subsidiaries and all variable interest entities (VIEs) for which the Company is the primary beneficiary, but exclude the effects of all intercompany transactions as these amounts have been eliminated in consolidation.

Nature of Operations

The Company provides life and health insurance and annuities to individual customers and health insurance and annuity contracts to group customers. Owners of designated policies issued by Ameritas Life and Ameritas-NY have membership interests in AMHC, while contractual rights remain with each respective insurance company.

Use of Estimates

The preparation of consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Material estimates susceptible to significant change include investment valuations, goodwill and intangible assets and related impairments, unearned revenue, pension plan liabilities, policy and contract liabilities, market risk benefits, and income taxes.

Risks and Uncertainties

The Company operates in a business environment which is subject to various risks and uncertainties. Such risks and uncertainties include, but are not limited to, interest rate risk, market risk, credit risk and legal and regulatory changes, including regulatory policies and related impacts from pandemics or other public health issues.

Interest rate risk is the potential for interest rates to change, which may result in fluctuations in the value of investments, policy and contract liabilities, net periodic benefit costs and the carrying amount of deferred acquisition costs. Market risk is the potential for market values to change, which can cause fluctuations in certain policy and contract liabilities including future policy benefits and contract charges. Credit risk is the risk that issuers of investments owned by the Company may default or that other parties may not be able to pay amounts due to the Company. The Company is also subject to oversight by various state and federal regulatory authorities. The potential exists for changes in regulatory initiatives, which can result in additional, unanticipated impacts to the Company. Pandemics and other public health issues may result in stress and disruption in the economy and financial markets, and may impact results of operations, financial condition and cash flows.

Subsequent Events

The Company has evaluated events subsequent to December 31, 2025 and through June 24, 2026, the date the consolidated financial statements were available to be issued. No subsequent events were noted.

Investments

Available for sale fixed maturity securities are carried at fair value on the consolidated balance sheets with unrealized gains and losses excluded from operations and reported as a component of AOCI, net of related policy and contract liabilities, and income tax effects.

NOTE 1 - BASIS OF PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The Company regularly reviews its securities in an unrealized loss position for impairment. The assessment of whether impairments have occurred is based on management's case-by-case evaluation of the underlying reasons for the decline in estimated fair value as described in Note 4. For securities in an unrealized loss position, a credit loss is recognized in earnings within realized gains and (losses) when it is anticipated that the amortized cost will not be recovered. When the Company has the intent to sell the security or it is more likely than not that the Company will be required to sell the security before recovery, the reduction of amortized cost and the loss recognized in earnings is the entire difference between the security's amortized cost and estimated fair value. If neither of these conditions exists, the difference between the amortized cost of the security and the present value of projected future cash flows expected to be collected is recognized as a credit loss by establishing an allowance for credit loss with a corresponding charge to earnings in realized gains and (losses). However, the allowance is limited by the amount the fair value is less than the amortized cost. If the estimated fair value is less than the present value of projected future cash flows expected to be collected, this portion of the decline in value related to non-credit factors is recorded in accumulated other comprehensive income.

For residential and commercial mortgage-backed and asset-backed securities, the Company recognizes income using a constant effective yield based on anticipated prepayments and the estimated economic life of the securities. When estimates of prepayments change, the effective yield is recalculated to reflect actual payments to date and anticipated future payments and any resulting adjustment is included in net investment income.

Equity securities are carried at fair value with changes in unrealized gains and losses recognized in sales, other realized gains and fair value adjustments, net on the consolidated statements of operations.

Mortgage loans on real estate are carried at amortized cost less an allowance based on expected lifetime credit loss using a probability of default and loss given default model, or alternatively, the fair value of the collateral when the Company determines foreclosure is probable. The allowance for loan losses is established through the provision for loan losses included in sales and other realized gains and fair value adjustments, net on the consolidated statements of operations. Loan losses are charged against the allowance for loan losses when the uncollectibility of a loan balance is confirmed. Interest income is accrued on the unpaid principal balance of mortgage loans. Loan origination fees, net of direct origination costs, are deferred and recognized as an adjustment of the related loan yield using the interest or straight-line methods. The accrual of interest on mortgage loans is placed on nonaccrual status when collection of principal and interest is considered doubtful. Interest received on nonaccrual loans is accounted for on the cash basis or cost-recovery method until returned to accrual status. Mortgage loans are returned to accrual status when collectability of past due and future payments is reasonably assured.

Realized investment gains and losses on sales of securities are determined on the specific identification method.

Loans on insurance policies are recorded at the unpaid principal balance.

Real estate is carried at cost less accumulated depreciation of $42,481 at December 31, 2025.

Other investments were as follows:

		December 31
		2025
Equity method investments	$	903,373
Derivatives		525,914
Miscellaneous		138,318
Total	$	1,567,605

NOTE 1 - BASIS OF PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Equity method investments include venture capital partnerships and real estate limited liability companies. The carrying value of these equity method investments is determined using a one-month or one-quarter lag adjusted for capital contributions, distributions, and impairment charges for the most recent quarter. Equity in earnings for venture capital partnerships and real estate limited liability companies are included in net investment income in the consolidated statements of operations. The limited partnership agreements restrict investment redemptions prior to the termination of the partnership. Derivatives include call options and foreign currency swaps carried at fair value. Miscellaneous primarily includes low-income housing partnerships and Federal Home Loan Bank (FHLB) stock.

Under agreements with the FHLBs of Topeka and New York, the Company pledges certain assets as collateral in exchange for extensions of credit. At December 31, 2025, the Company pledged fixed maturity securities of $491,735, and mortgage loans of $1,095,127. As of December 31, 2025, the Company had $900,000 of funding agreements outstanding with the FHLB of Topeka, and $30,000 with the FHLB of New York, which are reported in policyholder account balances on the consolidated balance sheets. Information on FHLB borrowings is disclosed in Note 15 (Commitments and Contingencies).

Variable Interest Entities (VIE)

The Company invests through normal investment activities in entities that are considered VIEs. The Company determines whether it is the primary beneficiary of its VIEs upon its initial involvement with the VIE and performs an ongoing assessment to identify the primary beneficiary of its VIEs. The primary beneficiary of a VIE is required to consolidate the VIE on its consolidated financial statements when it holds both the power to direct the activities of a VIE that most significantly impact the entity's economic performance and the obligation to absorb losses of the entity or the right to receive benefits from the entity that could potentially be significant to the VIE.

Consolidated VIEs

The Company consolidates four grantor trusts for reinsurance transactions which were determined to be VIEs. The VIEs were formed to provide a security interest in the grantor trusts' assets to ceding entities which were a party to the reinsurance transactions. The Company is the investment manager of each VIE's assets and receives all investment income and gains and losses on these assets. As the Company has both the power to direct the activities of the VIEs that most significantly impact the economic performance of the VIEs and the obligation to absorb losses, or the right to receive benefits that could potentially be significant to the VIEs, the Company determined it was the primary beneficiary of the VIEs.

The following table presents total assets held by type for the Company's consolidated VIEs:

		December 31, 2025
Fixed maturity securities	$	808,712
Cash and cash equivalents		23,603
Accrued investment income		10,469

Nonconsolidated VIEs

The Company passively invests in structured securities issued by VIEs for which the Company is not the manager. The securities are included in residential mortgage-backed securities, commercial mortgage-backed securities, asset-backed securities and collateralized debt obligations included in fixed maturities in Note 4. The Company determined that it is not the primary beneficiary of these investments after considering the relative size of the Company's investment in comparison to the principal amount of the structured securities issued by the VIEs and the Company's inability to direct the activities that most significantly impact the economic performance of the VIEs. The Company's maximum exposure to loss on these investments is limited to the amount of the Company's investment.

At December 31, 2025, the Company held $624,194 in certain limited partnerships, which the Company has determined to be non consolidated VIEs. Based on an analysis of the investments, the Company is not the primary beneficiary of the VIEs as the Company lacks the power to direct the activities that most significantly impact the economic performance of the VIEs. The Company determined its maximum exposure to loss was limited to $818,264, the equivalent to the carrying value of the investment plus any unfunded commitments.

NOTE 1 - BASIS OF PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Cash Equivalents
The Company considers all highly liquid debt securities purchased with a maturity of less than three months to be cash equivalents.

Deferred Acquisition Costs and Identifiable Intangibles
The direct costs of acquiring new insurance contracts are deferred to the extent they relate to successful acquisitions. Such costs include commissions, certain costs of policy issuance and underwriting, and certain agency expenses. All other indirect costs, including those related to general advertising and solicitation, market research, agent training, product development, unsuccessful sales and underwriting efforts are expensed as incurred.

The Company amortizes DAC for all contracts on a constant level basis over the expected term of the related contracts using assumptions and groupings consistent with those used in estimating the related liability for future policy benefits, or any other related balances, for those corresponding contracts, as applicable. The amortization is performed on a grouped basis which approximates straight-line amortization on an individual contract basis. Capitalized expenses are only included in DAC amortization as expenses are incurred. For life insurance contracts, amortization is based on insurance face amount, while cumulative deposits are used for indexed annuity contracts, variable annuity contracts, fixed annuity contracts, and initial deposits are used for retirement plan products. Monthly benefits are used for payout annuity contracts and disability income products. Changes in future assumptions are applied by adjusting the amortization rate prospectively.

Identifiable intangible assets primarily consist of the amortized value of customer relationships acquired (VOCRA), trade name and provider network values acquired, and internal-use software licenses. The VOCRA is amortized in relation to customer persistency. If customer persistency differs from the expected experience, the amortization of intangible assets will be adjusted accordingly. Internally developed software and software licenses acquired are amortized over a useful life determined at acquisition and periodically reassessed.

Property and Equipment
Property and equipment are carried at cost of $255,648 less accumulated depreciation of $143,731 at December 31, 2025. Property and equipment (net) primarily includes properties occupied by the Company of $31,644 at December 31, 2025 and also includes electronic data processing equipment, software, furniture and equipment, and right-of-use (ROU) leased assets. The Company provides for depreciation of property and equipment using straight-line methods over the estimated useful lives of the assets. Depreciation expense for property and equipment included in sales and operating expenses on the consolidated statement of operations was $16,671 in 2025.

Reinsurance Receivables
Reinsurance receivables include amounts due from reinsurers relating to paid and unpaid losses, reinsurance ceded reserves and the unexpired or unearned portion of reinsured policies. Amounts due from reinsurers are evaluated for expected losses on a quarterly basis based on the credit quality of the reinsurance counterparty and are generally determined based on the probability of default. An allowance is established based on the expected lifetime credit loss. Losses are charged against the allowance when the uncollectability of amounts recoverable from reinsurers is confirmed.

Goodwill
Goodwill is the excess of cost over the fair value of net assets acquired in a merger or acquisition transaction and is not amortized. Goodwill is tested for impairment on an annual basis, or more frequently if events or changes in circumstances indicate that the asset might be impaired. The Company tests goodwill annually by performing a qualitative analysis to determine whether it is more likely than not that the fair value of net assets acquired is less than the carrying amount of those assets, or if the qualitative analysis is bypassed, impairment testing will be performed using the fair value approach, which requires the use of estimates and judgment. At December 31, 2025, there was no impairment indicated for goodwill.

Other Assets
Other assets include cash surrender value on a Company-owned life insurance policy, unearned commissions, receivables for uncollected premium income, prepaid expenses, and other miscellaneous receivables.

Separate Accounts
The Company operates separate accounts on which the earnings or losses accrue exclusively to policyholders. The assets (principally investments) and liabilities of each account are segregated from other assets and liabilities of the Company. Separate accounts are stated at fair value based on the underlying assets of the portfolios of each individual separate account.

NOTE 1 - BASIS OF PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Insurance Revenues and Expense Recognition
Premiums from participating and term life products, certain annuities with life contingencies (immediate annuities) and disability income products are recognized as premium income when due. Accident and health insurance premiums are recognized on a pro rata basis over the applicable contract term. Benefits and expenses are associated with earned premiums so as to result in recognition of profits over the premium-paying period of the contracts. Deposits related to universal life and investment-type products are credited to policyholder account balances. Revenues from such contracts consist of fees for mortality, policy administration and surrender charges and are recorded in contract charges in the period in which services are provided. Amounts that are charged to earnings include interest credited and benefit claims incurred in excess of related policyholder account balances.

Contracts that do not subject the Company to significant risks arising from policyholder mortality or morbidity are referred to as investment contracts and include deposit administration plans and certain deferred annuities, including funding agreements. Payments received for such contracts are reflected as deposits in policyholder account balances and are not reported as premium revenues. Revenues for investment contracts consist of investment income and policy administration charges. Contract benefits charged to expense include benefit claims incurred in the period in excess of related contract balances and interest credited to contract balances.

Reinsurance, net
Reinsurance premiums are reflected in income in a manner consistent with the recognition of premiums on the reinsured contracts.

Broker Dealer and Investment Advisor Revenues
Broker dealer revenues consist of commissions, underwriting income and service and investment advisory fees. Commissions are based on set rates. Fixed amounts are recognized on the trade date and variable amounts are recognized to the extent it is probable a significant revenue reversal will not occur once the uncertainty is resolved. Underwriting income is recognized on the date on which the Company purchases the securities from the issuer as there are no significant actions which the Company needs to take subsequent to this date and the issuer obtains the control and benefit of the capital markets offering at that point. Fees for general financial services and personal investment advisory services are recognized as they are earned.

Other Income
Other income includes administrative and claims service fees, mutual fund management fees, revenue sharing income and other miscellaneous income.

Policy and Contract Liabilities
Liabilities for future policy and contract benefits for participating whole life and additional coverages offered under policy riders are calculated using the net level premium method and assumptions as to investment yields, and mortality or morbidity. Interest assumptions for participating traditional life reserves for all policies ranged from 2.0% to 6.0% for the years ended December 31, 2025.

Estimates are reviewed and adjusted as experience develops or new information becomes known and such adjustments are included in current operations.

Liability for Policyholder Benefits (LFPB)
LFPB primarily include reserves for traditional life, disability income, and payout annuity contracts, which represent an estimate of the present value of future benefits less the present value of future net premiums. For traditional and limited pay long-duration products, benefit reserves are accrued and benefit expense is recognized using a net premium ratio (NPR) methodology for each annual cohort of business. This NPR method incorporates periodic retrospective revisions to the NPR to reflect updated actuarial assumptions and variances in actual versus expected experience. The LFPB is determined by multiplying the gross premium recognized in each period by the NPR. The net premium is equal to the portion of the gross premium required to provide for all benefits and certain expenses and may not exceed 100%. Benefits in excess of premiums are expensed immediately through policyholder benefits.

The current discount rate assumption for LFPB is derived from market observable yields on upper-medium-grade fixed income instruments. The current discount rate assumption is updated quarterly and used to remeasure the liability at the reporting date, with the resulting change in LFPB from changes in discount rates reflected in OCI.

NOTE 1 - BASIS OF PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The discount rate established at contract inception is derived from market observable yields on upper-medium-grade fixed income instruments in the year of issue. The applicable interest accretion is reflected in policy benefits in the consolidated statement of operations. For business inforce at the January 1, 2025 transition date, discount rates at inception were impacted by factors such as product characteristics and the expected timing of cash flows.

Insurance contracts are aggregated into annual cohorts for the purposes of determining the LFPB. These annual cohorts are further segregated based on product characteristics. The assumptions used to calculate the future policy benefits include discount rates, persistency and morbidity and mortality rates reflecting the Company's experience.

Unearned Revenue Liabilities
Unearned revenue liabilities relate to universal life-type products and represent front-loaded policy charges. The charges are deferred as unearned revenue and are recorded in policy and contract liabilities on the consolidated balance sheets and are amortized using the same basis as DAC. Such amortization is recorded in contract charges on the consolidated statement of operations.

Additional Liability for Insurance Benefits
Additional liabilities are accrued for contracts or contract features that provide potential benefits in addition to the account balances that accrue to the benefit of the policyholder that do not meet the criteria of market risk benefits (MRBs) and embedded derivatives.

For contracts with death or other insurance benefits, if amounts assessed against the contract holder each period for an insurance benefit feature are assessed in a manner that is expected to result in profits in earlier years and losses in later years from the insurance benefit function, an insurer is required to establish an additional liability. The liability represents the portion of assessments that compensates the insurer for benefits to be provided in future periods.

Policyholder Account Balances
Liabilities for future policy and contract benefits on universal life-type and investment contracts equal the policy account balance. Policy account balances represent an accumulation of gross premium payments plus credited interest or other investment credits less withdrawals, fees for mortality, other benefit fees, and policy administration charges. Policyholder account balances also include amounts representing the fair value of embedded derivative instruments associated with index-linked features of certain universal life and annuity products, the MRB host contract transition adjustment, and dividend accumulation.

Market Risk Benefits
A market risk benefit is an amount a policyholder would receive in addition to the account balance upon the occurrence of a specific event or circumstance, such as death, annuitization, or periodic withdrawal. For a contract or contract feature to meet the criteria to be classified as a MRB, it must both provide protection to the contract holder from other-than-nominal capital market risk and expose the Company to other-than-nominal capital market risk. Contracts or contract features that are determined to be MRBs are reported at fair value. Adjustments in the fair value measurement are recognized within market risk benefit remeasurement gains, except for the portion of the change attributable to changes in the Company's own credit risk, which is recognized in other comprehensive income. The valuation of MRB may result in an asset or liability, which are separately presented as there is no legal right of offset between contracts. Assumptions used to determine the MRB include mortality, surrender, withdrawal and utilization based on actual experience, as well as capital market assumptions. Certain guarantees related to the variable and indexed annuity death and withdrawal benefits are considered to be MRBs, which represents the expected value of benefits in excess of the projected account value, with the excess (excluding changes in our own credit risk) recognized at fair value through market risk benefit remeasurement gains in the consolidated statement of operations.

NOTE 1 - BASIS OF PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Deposit Liability
If the Company determines that a reinsurance agreement does not expose the reinsurer to a reasonable possibility of a significant loss from insurance risk, the Company records the agreement using the deposit method of accounting. Under deposit accounting, a deposit liability is recorded based on the consideration received. The amount of deposit liability is adjusted at subsequent reporting dates by calculating the effective yield on the deposit to reflect actual payments to date and expected future payments with a corresponding credit or charge to interest income or expense.

Dividends Payable To Policyholders
A portion of the Company's business has been issued on a participating basis, which is 16.7% of in force at December 31, 2025. The amount of policyholders' dividends to be paid is determined annually by the respective insurance subsidiaries' Board of Directors.

Income Taxes
The provision for income taxes includes amounts currently paid and accrued and deferred income taxes. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years the temporary differences are expected to reverse. The principal assets and liabilities giving rise to such differences are unrealized gains and losses on certain investments, policy and contract liabilities, deferred acquisition costs and employee benefits. A deferred tax asset valuation allowance is established when there is uncertainty that such assets will be realized. The Company reports a liability for unrecognized tax benefits resulting from uncertain tax positions taken or expected to be taken in a tax return. Uncertain tax positions are evaluated based upon the facts and circumstances that exist at each reporting measurement. Adjustments may result from new information, resolution of an issue with the taxing authorities, or changes in laws or regulations. The Company files a life/non-life consolidated federal income tax return with its eligible affiliates. For the tax year 2025, AMHC AHC, and Ameritas Life and affiliates were included in the consolidated federal tax return. The Company's income tax allocation is based upon a written agreement which uses a modified separate return method, which adjusts the separate return method so that the net operating losses are characterized as realized by subsidiaries when those attributes are realized (or realizable) by the consolidated group.

Other Liabilities
Other liabilities include benefit plan and deferred compensation liabilities, general expense and payroll accruals, negative cash reclassifications, investment commitments, suspense items, written call options and foreign currency swaps carried at fair value, operating lease liability, and other miscellaneous payables.

NOTE 1 - BASIS OF PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Accounting Pronouncements

Targeted Improvements to the Accounting for Long-Duration Contracts (LDTI)

In August 2018, the FASB issued new guidance on long-duration insurance contracts. The new guidance (i) prescribes the discount rate to be used in measuring the liability for future policy benefits for traditional and limited payment long-duration contracts, and requires assumptions for those liability valuations to be updated at least annually after contract inception, (ii) requires more market-based product guarantees on certain separate account and other account balance long-duration contracts to be accounted for at fair value, (iii) changes the amortization of DAC and DAC-like balances for virtually all long-duration contracts, and (iv) introduces certain financial statement presentation requirements, as well as significant additional quantitative and qualitative disclosures. The Company adopted this guidance, effective January 1, 2025, using the modified retrospective transition method, where permitted, and the full retrospective transition method, as required, for MRBs. The following presents the impacts of the adoption of LDTI, as of January 1, 2025, on the Company's previously reported Consolidated Balance Sheet:

IMPACTED LINES ONLY	*As Previously Reported December 31, 2024*	*LDTI Adjustments January 1, 2025*	*Balances as of January 1, 2025*
ASSETS			
Deferred acquisition costs (DAC) and identifiable intangibles	$ 1,744,301	$ (262,013)	$ 1,482,288
Deferred income taxes	136,275	(13,186)	123,089
Reinsurance receivables	887,345	(55,098)	832,247
Market risk benefit asset	—	34,910	34,910
Total assets	$ 32,382,815	$ (295,387)	$ 32,087,428
LIABILITIES AND EQUITY			
Policy and contract liabilities	4,760,426	(486,841)	4,273,585
Market risk benefit liability	—	154,368	154,368
Policyholder account balances	11,704,603	(5,309)	11,699,294
Other liabilities	746,942	(7,209)	739,733
Total liabilities	29,119,656	(344,991)	28,774,665
Retained earnings	4,040,087	87,031	4,127,118
Accumulated other comprehensive income (loss) (AOCI)	(776,928)	(37,427)	(814,355)
Total members' equity	3,263,159	49,604	3,312,763
Total liabilities and equity	$ 32,382,815	$ (295,387)	$ 32,087,428

The following tables present detail of the January 1, 2025 transition adjustments by providing a rollforward of the ending reported balances as of December 31, 2024 to the opening balances as of January 1, 2025 for the impacted insurance-related balances.

	Deferred acquisition costs						
	Annuities	*Disability Income*	*Term Life*	*Universal Life & Other*	*Whole Life*	*Retirement Plans*	*Total*
Balance, December 31, 2024, pre-adoption	$ 373,620	$ 163,604	$ 149,951	$ 627,793	$ 344,308	$ 42,125	$ 1,701,401
Removal of related amounts in AOCI	(40,057)	—	—	(166,761)	(44,315)	(10,880)	(262,013)
Balance, January 1, 2025, post adoption	$ 333,563	$ 163,604	$ 149,951	$ 461,032	$ 299,993	$ 31,245	$ 1,439,388

NOTE 1 - BASIS OF PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

	Reinsurance receivables		
	Disability Income	*Term Life*	*Total*
Balance, December 31, 2024	$ 345,801	$ 313,256	$ 659,057
Adjustment for loss contracts under the modified retrospective approach	(118)	269	151
Effect of the remeasurement of the liability at current discount rate	(37,893)	(17,356)	(55,249)
Balance, January 1, 2025	$ 307,790	$ 296,169	$ 603,959

	Market Risk Benefits
	Annuities
Balance, December 31, 2024	$ —
Reclassification of balances now accounted for as market risk benefits	106,434
Removal of related amounts in AOCI	76,092
Cumulative effect of change in credit risk in AOCI	36,989
Adjustments for the remaining difference between carrying amount and fair value measurement of MRB	(100,057)
Balance, January 1, 2025	$ 119,458

	Liabilities for future policyholder benefits			
	Annuities	*Disability Income*	*Term Life*	*Total*
Balance, December 31, 2024	$ 106,962	$ 936,876	$ 475,863	$ 1,519,701
Adjustment for loss contracts under the modified retrospective approach	1,607	459	420	2,486
Other balance sheet reclassifications upon adoption of LDTI	(7,644)	7,209	—	(435)
Effect of the remeasurement of the liability at current discount rate	(8,928)	(129,613)	(59,699)	(198,240)
Balance, January 1, 2025	$ 91,997	$ 814,931	$ 416,584	$ 1,323,512

	Additional liabilities for insurance benefits		
	Annuities	*Universal Life & Other*	*Total*
Balance, December 31, 2024	$ 106,434	$ 295,315	$ 401,749
Other adjustments upon adoption of LDTI	—	(10,684)	(10,684)
Removal of profits followed by losses reserve	—	(23,409)	(23,409)
Removal of balances now accounted for as market risk benefits	(106,434)	—	(106,434)
Balance, January 1, 2025	$ —	$ 261,222	$ 261,222

	Unearned revenue liability
	Universal Life & Other
Balance, December 31, 2024	$ 435,034
Removal of related amounts in AOCI	(157,769)
Balance, January 1, 2025	$ 277,265

Transition adjustments to policyholder account balances of $(73,460) and $68,151 included adjustments to the host contract under the full retrospective adoption method for market risk benefits and adjustments to the embedded derivative for changes in actuarial modeling in connection with the adoption of LDTI, respectively.

NOTE 1 - BASIS OF PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

A reconciliation of the impacts above to the cumulative effect of adoption of LDTI presented on the Statements of Equity is as follows:

	Retained Earnings	*AOCI*
DAC	$ —	$ (262,013)
Reinsurance receivables	151	(55,249)
Market risk benefits	(6,377)	(113,081)
Liabilities for future policyholder benefits	(2,486)	198,240
Additional liabilities for insurance benefits	113,569	26,958
Unearned revenue liability	—	157,769
Policyholder account balances	5,309	—
Deferred income taxes	(23,135)	9,949
	$ 87,031	$ (37,427)

Improvements to Income Tax Disclosures
In December 2023, the FASB amended guidance to enhance transparency and decision usefulness of income tax disclosures. The guidance is effective for fiscal years beginning after December 15, 2025, with early adoption permitted. The guidance impacts disclosures only and will not have a material impact on the Company's consolidated financial statements.

Targeted Improvements to the Accounting for Internal-Use Software
In September 2025, the FASB amended guidance to modernize the accounting for software costs accounted for under Subtopic 350-40, Intangibles-Goodwill and Other-Internal-Use Software, by removing all references to software development project stages so the guidance is neutral to different software development methods, including methods entities may use to develop software in the future. The guidance is effective for fiscal years beginning after December 15, 2027 with early adoption permitted. The Company is currently evaluating the impact of this guidance on its consolidated financial statements.

NOTE 2 - FAIR VALUE HEDGING INSTRUMENTS

Derivative contracts are carried at fair value. Over-the-counter (OTC) derivatives are adjusted for the effects, if any, of enforceable master netting agreements (MNAs) and are presented on a net basis, by counterparty agreement, in the consolidated balance sheets.

The Company purchases and sells call options (OTC index call options) to hedge insurance contracts whose credited interest is linked to returns on multiple equity indices based on a formula which applies participation rates and/or cap rates to the returns in the indices. The OTC index call options expire monthly until December 23, 2027. The purchased OTC index call options are carried at fair value.

The Company purchases and sells exchange traded index call options based on multiple equity indices to hedge fixed index annuity and index universal life contracts. The Company has purchased and written exchange traded index call options that expire through June 17, 2027. The purchased Exchange traded index call options are carried at fair value.

The Company purchases and sells exchange traded put options (equity put options) based on multiple equity indices to hedge variable annuity contracts with a guaranteed lifetime withdrawal benefit rider attached. The Company had no outstanding equity put options as of December 31, 2025. Purchased equity put options are carried at fair value.

NOTE 2 - FAIR VALUE HEDGING INSTRUMENTS (continued)

The Company paid and received initial fees (the option premium) to enter the option contracts. The purchased OTC index call options and exchange traded index call options give the Company the right to receive cash at settlement if the closing index value is above the strike price, while the written OTC index call options and exchange traded index call options require the Company to pay cash at settlement if the closing index value is above the strike price. If the closing index value is below the strike price, the OTC index call options and exchange traded index call options expire without value. Purchased equity put options give the Company the right to receive cash at settlement if the closing index value is below the strike price, while the written equity put options require the Company to pay cash at settlement if the closing index value is below the strike price. If the closing index value is above the strike price, the equity put options expire without value.

The Company uses OTC foreign currency swaps to reduce the risk from fluctuations in foreign currency exchange rates associated with holding foreign currency denominated investments. The notional amount of each currency is exchanged at inception and upon termination of the currency swap by each party. When the currency swaps meet specific criteria, they may be designated as accounting hedges and accounted for as foreign currency fair value hedges. In its hedge documentation, the Company sets forth how the hedging instrument is expected to hedge the designated risks related to the hedged item and sets forth the method that will be used to retrospectively and prospectively assess the hedging instrument's effectiveness. A derivative designated as a hedging instrument must be assessed as being highly effective in offsetting the designated risk of the hedged item. Hedge effectiveness is formally assessed at inception and qualitatively assessed, at least quarterly, throughout the life of the designated hedging relationship.

The Company designates and accounts for foreign currency swaps to hedge the foreign currency fair value exposure of foreign currency denominated assets and liabilities when they have met the requirements of fair value hedging. The carrying amount of the items designated and qualifying as hedged items in fair value hedges at December 31, 2025 was $297,539, which is included in fixed maturity securities on the consolidated balance sheet.

The Company is exposed to credit-related losses in the event of nonperformance by counter-parties on its OTC derivative positions. The Company manages its exposure to credit risk by utilizing highly rated counterparties and uses MNAs which permit either party to net payments due to exposure. Collateral is either pledged or received when certain predetermined exposure limits are exceeded. The Company had collateral pledged from counterparties of $30,000, which is included in other liabilities on the consolidated balance sheet as of December 31, 2025. The Company had $1,991 of collateral pledged to counterparties included in fixed maturity securities available for sale on the consolidated balance sheets as of December 31, 2025, respectively. There are no losses on derivative financial instruments due to counterparty nonperformance.

Counterparty credit exposure represents the Company's potential loss if all of the counterparties concurrently fail to perform under the contractual terms of the contract and all collateral, if any, becomes worthless.

NOTE 2 - FAIR VALUE HEDGING INSTRUMENTS (continued)

The credit exposure was limited to value of the options and foreign currency swaps. The notional and fair value amounts of the Company's derivative instruments are as follows:

	Fair Values of Derivative Instruments		
	Asset Derivatives		
	Consolidated Balance Sheets Location	*Notional Amount 2025*	*Fair Value 2025*
Derivatives Not Designated as Hedging Instruments[1]:			
OTC equity call option contracts owned - gross asset	Other investments	$ 4,226,896	$ 332,848
OTC equity call option contracts written - gross liability	Other investments	1,950,496	(152,405)
Exchange traded equity call option contracts owned	Other investments	2,211,613	336,730
Fixed index annuity with guaranteed benefits	Market risk benefits	—	20,509
Variable annuity with guaranteed benefits	Market risk benefits	—	17,844
Derivatives Designated as Hedging Instruments[1]:			
Foreign currency swaps - gross asset	Other investments	49,568	11,565
Foreign currency swaps - gross liability	Other investments	44,198	(2,824)

[1] These asset and liability balances are presented on a gross basis. Amounts are reported in other investments on the consolidated balance sheets after the evaluation for right of offset, subject to MNAs.

The liabilities listed on the balance sheet are adjusted based on the fair value of the related derivatives and were as follows:

	Fair Values of Derivative Instruments		
	Liability Derivatives		
	Consolidated Balance Sheets Location	*Notional Amount 2025*	*Fair Value 2025*
Derivatives Not Designated as Hedging Instruments:			
Fixed index universal life	Policyholder account balances	$ —	$ 62,316
Fixed index annuities	Policyholder account balances	—	817,633
Fixed index annuity with guaranteed benefits	Market risk benefits	—	161,002
Variable annuity with guaranteed benefits	Market risk benefits	—	18,443
Exchange traded equity call options written	Other liabilities	2,115,313	185,941
Derivatives Designated as Hedging Instruments:			
Fair value hedges:			
Foreign currency swaps-gross assets	Other liabilities	79,717	(6,407)
Foreign currency swaps-gross liability	Other liabilities	112,851	9,789

Information on derivatives is also disclosed in Note 16 (Fair Value Measurements).

The Company purchases and sells futures contracts to hedge against principal losses on variable annuity contracts with a guaranteed lifetime withdrawal benefit rider attached. The gains and losses of futures contracts are derived from the daily movement of the underlying markets and are settled in cash through a daily margin. The Company sells futures contracts on certain equity indices with expiration dates of less than 6 months as well as buys and sells futures contracts on certain Treasury notes and bonds, ranging in maturities between 1 and 30 years, with expiration dates of less than 6 months. The Company does not receive cash on the initial purchase or sale of futures contracts, but will receive or pay cash daily based on the movement of the underlying indices or Treasury notes. At December 31, 2025, the notional amount of the Equity and Treasury futures contracts bought by the Company was $123,000, and the notional amount of the Equity and Treasury futures contracts sold was $118,915.

NOTE 2 - FAIR VALUE HEDGING INSTRUMENTS (continued)

The Company is required to post collateral to ensure performance of its obligations under the futures contracts. To comply with this requirement, the Company posts short-term Treasury bills. Collateral of $16,973 is included in fixed maturity securities available for sale on the consolidated balance sheet as of December 31, 2025. The futures contracts are not considered an effective hedge and the total variation margin on open and closed contracts is reflected in net investment income on the consolidated statements of operations.

The gain (loss) on call and put options, futures and foreign currency swaps included in net investment income in the consolidated statement of operations was as follows:

	Amount Recognized in Income	
	2025	
Derivatives Not Designated as Hedging Instruments:		
Call and put option contracts - open	$	51,240
Call and put option contracts - closed		80,841
Futures contracts - open		47
Futures contracts - closed		(7,146)
Derivatives Designated as Fair Value Hedges:		
Foreign currency swap contracts - open		22,088
Total	$	147,070

NOTE 3 - CLOSED BLOCKS

The Company has established three Closed Blocks of policies: (a) the first on October 1, 1998, in connection with the reorganization of Ameritas Life from a mutual company to a stock company, (b) the second on July 1, 2005, in connection with the reorganization of The Union Central Life Insurance Company from a mutual company to a stock company, and (c) the third on July 1, 2007, in connection with the reorganization of Acacia Life Insurance Company that occurred in 1999 from a mutual company to a stock company (collectively, the Closed Blocks). The Company formed these closed blocks of policies, under arrangements approved by the Insurance Departments of the State of Nebraska, Ohio or the District of Columbia, as appropriate, to provide for dividends on policies that were in force on each respective effective date and which were within the classes of individual policies, for which the Company had a dividend scale in effect at those dates. The Closed Blocks were designed to give reasonable assurance to owners of affected policies that the assets will be available to support such policies, including maintaining dividend scales in effect at the effective dates, if the experience underlying such scales continues. The assets, including income thereon, will accrue solely to the benefit of the owners of policies included in each block until the respective block is no longer in effect.

The financial results of the Closed Blocks reflect the provisions set forth by the approved Closed Block memorandums. While prepared in accordance with GAAP, they do not represent the actual results of operations or the financial position associated with the administration of the policies and products within the Closed Block. The Closed Block memorandums define the methodology for charging specific expenses to the Closed Blocks. The actual expenses incurred by the company in administering these policies are not reflected in the financial results of the Closed Block.

NOTE 3 - CLOSED BLOCKS (continued)

Summarized financial information for the Closed Blocks included in the consolidated financial statements was as follows:

	December 31	
	2025	
Liabilities:		
Policy and contract liabilities	$	616,443
Policyholder account balances		34,207
Dividends payable to policyholders		5,492
Other Liabilities		6,520
Total Closed Block liabilities		662,662
Assets:		
Fixed maturity securities		376,036
Mortgage loans on real estate		90,348
Loans on insurance policies, net		54,316
Cash and cash equivalents		7,941
Accrued investment income		6,448
Other assets		33,384
Total Closed Block assets		568,473
Excess of reported Closed Block liabilities over Closed Block assets		94,189
Amounts included in accumulated other comprehensive income:		
Unrealized investment losses, net of tax		(29,092)
Maximum future earnings to be recognized from Closed Block assets and liabilities	$	65,097

Fixed maturity securities include securities classified as available for sale with a fair value of $376,036 and an amortized cost of $412,861 at December 31, 2025.

	Year ended December 31	
	2025	
Change in policyholder dividend obligation:		
Balance at end of period	$	—
Income:		
Premiums	$	17,800
Net investment income		25,215
Total Closed Block income		43,015
Benefits and expenses:		
Policy benefits		31,968
Policyholder dividends		6,944
Sales and operating expenses		1,960
Total Closed Block benefits and expenses		40,872
Closed Block income before income taxes		2,143
Income taxes		450
Closed Block net income	$	1,693

NOTE 4 - INVESTMENTS

Investment income summarized by type of investment was as follows:

		Year Ended December 31
		2025
Fixed maturity securities	$	650,170
Equity securities		15,267
Mortgage loans on real estate, net		129,735
Loans on insurance policies		40,031
Real estate		6,879
Equity Method Investments		51,147
Derivatives		147,070
Miscellaneous Other Investments and Cash and Cash Equivalents		35,397
Gross investment income		1,075,696
Investment expenses		50,208
Net investment income	$	1,025,488

Realized gains (losses), net were as follows:

	Year Ended December 31
	2025
Net gains (losses) on disposals, calls and fair value adjustments	
Fixed maturity securities	$ (5,792)
Equity securities	63,289
Mortgage loans on real estate, net	33
Real estate	—
Real estate held for sale	(27)
Other investments	13,630
Property and equipment	(9)
Net gains (losses) on writedowns and changes in credit allowances	
Fixed maturity securities	(5,246)
Mortgage loans on real estate, net	(341)
Real estate	(1,447)
Other investments	(338)
Property and equipment	(4,835)
Total realized gains (losses), net	$ 58,917

The Company sold their fixed maturity securities trading portfolio during 2025. The net gains (losses) recognized during 2025 on equity securities held at December 31, 2025 was $54,629.

Proceeds from sales of fixed maturity securities and gross gains and (losses) realized on those sales were as follows:

		Year Ended December 31
		2025
Proceeds	$	720,360
Gains		7,063
Losses		(16,480)

NOTE 4 - INVESTMENTS (continued)

The cost/amortized cost and fair value of fixed maturity securities by type of investment were as follows:

	December 31, 2025			
	Cost/ Amortized Cost	Gross Unrealized		Fair Value
		Gains	Losses	
Fixed maturity securities available for sale				
U.S. Treasury securities and obligations of U.S. government agencies	$ 37,696	$ 110	$ (82)	$ 37,724
Debt securities issued by state of the U.S. and political subdivisions of the states	126,262	869	(3,340)	123,791
Foreign government securities	67,530	1,794	(394)	68,930
U.S. corporate securities	7,952,570	70,967	(747,300)	7,276,237
Residential mortgage-backed securities	504,361	3,944	(37,710)	470,595
Commercial mortgage-backed securities	387,350	3,468	(7,193)	383,625
Asset-backed securities	1,274,155	6,813	(38,378)	1,242,590
Collateralized debt obligations	1,557,584	5,236	(10,459)	1,552,361
Foreign corporate securities	2,330,571	54,177	(118,250)	2,266,498
Total fixed maturity securities available for sale	$ 14,238,079	$ 147,378	$ (963,106)	$ 13,422,351

At December 31, 2025 the Company recorded an allowance of $3,240 for expected credit loss on fixed maturity securities available for sale. At December 31, 2025 the Company had fixed maturity securities with a carrying amount of $119,572 and cash of $1,899, on deposit with various state insurance departments. Deposits with states include fixed maturity securities with a carrying value of $111,292 at December 31, 2025, that the Company placed into a Regulation 109 deposit account with the State of New York.

An aging of unrealized losses on the Company's fixed maturity securities and cost method investments were as follows:

	December 31, 2025					
	Less than 12 months		12 months or more		Total	
	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses
Fixed maturity securities:						
U.S. Treasury securities and obligations of U.S. government agencies	$ 6,076	$ (2)	$ 4,906	$ (80)	$ 10,982	$ (82)
Debt securities issued by state of the U.S. and political subdivisions of the states	44,610	(80)	64,811	(3,260)	109,421	(3,340)
Foreign government securities	34,373	(64)	25,775	(330)	60,148	(394)
U.S. corporate securities	1,723,009	(78,237)	4,761,260	(669,063)	6,484,269	(747,300)
Residential mortgage-backed securities	157,323	(768)	298,570	(36,942)	455,893	(37,710)
Commercial mortgage-backed securities	307,492	(5,230)	30,969	(1,963)	338,461	(7,193)
Asset-backed securities	374,135	(6,539)	570,027	(31,839)	944,162	(38,378)
Collateralized debt obligations	833,246	(622)	313,065	(9,837)	1,146,311	(10,459)
Foreign corporate securities	748,515	(7,551)	1,254,898	(110,699)	2,003,413	(118,250)
Total	$ 4,228,779	$ (99,093)	$ 7,324,281	$ (864,013)	$11,553,060	$ (963,106)

Of the $963,106 of total unrealized losses on fixed maturity securities as of December 31, 2025, approximately $935,878 was related to unrealized losses on investment grade fixed maturity securities. Of the $864,013 of unrealized losses of 12 months or more as of December 31, 2025, approximately $843,614 was related to unrealized losses on investment grade securities.

NOTE 4 - INVESTMENTS (continued)

The Company does not intend to sell fixed maturity securities, and it is not more-likely-than-not the Company will be required to sell the fixed maturity securities with unrealized losses before recovery of the amortized cost. The Company has the intent and ability to hold the cost method investments with unrealized losses for a period of time sufficient for them to recover.

The amortized cost and fair value of fixed maturity securities by contractual maturity at December 31, 2025, are shown below. Expected maturities may differ from contractual maturities because borrowers may have the right to call or prepay obligations with or without call or prepayment penalties.

	Amortized Cost	*Fair Value*
Due in one year or less	$ 370,781	$ 369,716
Due after one year through five years	1,469,211	1,446,194
Due after five years through ten years	2,418,918	2,368,323
Due after ten years	6,255,719	5,588,947
Mortgage-backed and asset-backed securities	3,723,450	3,649,171
Total	$ 14,238,079	$ 13,422,351

Mortgage loans on real estate were as follows:

	December 31 2025
Commercial real estate loans, gross	$ 2,616,782
Allowance for credit losses	(7,787)
Mortgage loans on real estate, net	$ 2,608,995

The allowance for credit losses in our mortgage loan portfolio is calculated using probability of default and loss given default assumptions to estimate expected credit losses for pooled loans with similar risk characteristics as well as unfunded commitments. Probability of default and loss given default assumptions are derived from debt service coverage ratios (DSCR) and loan to values, adjusted for current and forecasted economic conditions impacting each pool of loans. Other key loan characteristics impacting the allowance for credit losses in the mortgage loan portfolios include the current state of the borrower's credit quality, delinquency status, and underlying collateral value when evaluated on an individual basis.

Management regularly reviews credit quality indicators including the composition of the loan portfolio, net charge-offs, nonperforming loans, performance of loans modified for borrowers experiencing financial difficulties, and general economic conditions in its market. This review process is assisted by frequent internal reporting of loan production, loan quality, concentrations of credit, loan delinquencies and nonperforming and potential problem loans.

The Company considers a loan impaired when it is probable that it will be unable to collect all amounts due according to the contractual terms of the note agreement, including principal and interest. Loans on nonaccrual status and that have been modified for borrowers experiencing financial difficulties are considered impaired. Loans that experience insignificant payment delays and payment shortfalls are generally not classified as impaired. Management determines the significance of payment delays and shortfalls on a case-by-case basis, taking into consideration all of the circumstances surrounding the loan and the borrower, including the length of the delay, the reasons for the delay, the borrower's prior payment record, and the amount of shortfall in relation to the principal and interest owed. When a loan is impaired or nonperforming, a specific credit loss allowance is established for the excess carrying value of the loan over its estimated value. The loan's estimated value is based on the fair value of the loan's collateral, the present value of expected future cash flows discounted at the loan's effective interest rate, or the loan's observable market price.

For commercial real estate mortgages, the Company requires collateral on original loans with a loan-to-value ratio of no greater than 75% at the time of origination. The amount of collateral on non-real estate loans is based on management's credit assessment of the customer.

NOTE 4 - INVESTMENTS (continued)

The Company's key credit quality indicators as discussed below for its loans were as follows:

		December 31
		2025
Debt service coverage ratio grade	$	2,606,557
Loan to value grade		10,225
Total loans - gross	$	2,616,782

For the commercial mortgage loans, DSCR is considered a key credit quality indicator for loans that are income dependent while loan to value and borrower financial strength are considered key credit quality indicators for borrower-occupied loans. DSCRs compare a property's net operating income to the borrower's principal and interest payments. Loan to value and DSCRs are updated annually or as warranted by economic conditions or impairment considerations.

Of the Company's total gross mortgage loans held at December 31, 2025, the Company had one nonperforming commercial mortgage loan carried at $1,238 that was 90 days and greater past due. The Company foreclosed on seven commercial real estate properties during 2025.

Debt service coverage ratios for income dependent loans on commercial real estate were as follows:

		December 31
		2025
DSCR Distribution		
Below 1.0	$	83,695
1.0 - 1.2		114,517
1.2 - 1.5		380,405
Greater than 1.5		2,027,940
Total	$	2,606,557

Mortgage loans with a debt service coverage ratio below 1.0 that are not considered impaired primarily relate to instances where the borrower has the financial capacity to fund the revenue shortfalls from the properties for the foreseeable future, the decrease in cash flows is considered temporary, or there are other risk-mitigating factors.

Loan to value for borrower-occupied commercial loans was summarized as follows:

		December 31
		2025
Loan to Value		
Below 60%	$	10,225
60-75%		—
Total	$	10,225

All mortgage loan assets are reviewed as appropriate to their size and presentation of risk. In general, large, individual loans which represent a greater element of risk are reviewed quarterly. Any mortgage loan asset not reviewed in detail as a single item is reviewed as part of an asset class.

The activity in the mortgage loan allowance for credit losses was summarized as follows:

December 31, 2025		*Commercial Real Estate*
Balance at January 1	$	8,405
Provisions		(618)
Balance at December 31	$	7,787

NOTE 5 - INCOME TAXES

The items that gave rise to deferred tax assets and liabilities relate to the following:

	December 31	
	2025	
Deposit liability	$	90,344
Net unrealized investment losses		71,096
Future policy and contract liabilities		54,384
Pension and post-retirement benefits		41,600
Market risk benefit liability		37,683
Incentive compensation		5,170
Provision for credit losses		1,635
Net operating/capital losses and credits		190
Other		1,171
Gross deferred tax asset		303,273
Deferred acquisition costs		207,292
Other		35,465
Gross deferred tax liability		242,757
Net deferred tax asset (liability)	$	60,516

The difference between the U.S. federal income tax rate and the consolidated tax provision rate was summarized as follows:

	December 31
	2025
Federal statutory tax rate	21.00 %
Dividend received deduction	(1.95)
Tax credits	(1.68)
Other	(0.61)
Effective tax rate	16.76 %

Ameritas Life has $907 net operating loss (NOL) carryforwards as of December 31, 2025. The 2025 NOL carryforwards will expire in 2036. A valuation allowance is established to reduce the deferred tax asset to the amount more likely than not to be realized. The Company has no valuation allowance as of December 31, 2025.

The Company recognizes interest accrued related to unrecognized tax benefits and penalties as income tax expense. At December 31, 2025, the Company had no accrual for the payments of interest and penalties on the consolidated balance sheet and no expense recognized for the year ended December 31, 2025, for interest and penalties on the consolidated statement of operations.

The Company recorded income tax expense (benefit) as follows:

	December 31	
	2025	
Current income tax expense	$	47,751
Deferred income tax expense (benefit)		(4,625)
Income tax expense (benefit)	$	43,126

The Company is subject to taxation in the United States and various states. The Company is no longer subject to examinations by tax authorities for years before 2022.

NOTE 6 - EMPLOYEE AND AGENT BENEFIT PLANS

Defined Benefit Plans

AHC and certain of its subsidiaries (the Sponsors) are sponsors and/or administrators of non-contributory qualified and non-qualified defined benefit plans (collectively the Plans) covering eligible employees. Benefits vary depending on the Plan and are based on either the employees' five highest consecutive compensation years during their last ten years of credited service, a career average calculation, or a final average calculation. The Sponsors use a December 31 measurement date for the Plans.

Obligations and Funded Status at December 31:

		2025
Projected benefit obligation	$	251,792
Fair value of plan assets		231,044
Funded status		(20,748)
Benefit payments		26,749
Accumulated benefit obligation		247,834
Net periodic benefit cost[1]		1,261
Amounts recognized in the balance sheet consist of:		
Other assets	$	5,357
Other liabilities		26,105
Amounts recognized as net periodic benefit cost, net of tax, consist of:		
Service costs	$	1,494
Interest costs		10,834
Expected return on plan assets		(9,984)
Amount of recognized losses		(1,394)
Amounts recognized in other comprehensive income, net of tax, arising during the period consist of :		
Net gain (loss)	$	607
Amounts recognized in accumulated other comprehensive income, net of tax, not yet recognized in net periodic benefit cost consist of:		
Net loss	$	(15,632)
Information for pension plans with an accumulated benefit obligation in excess of plan assets[2]:		
Projected benefit obligation	$	26,106
Accumulated benefit obligation		26,106

[1]Net periodic benefit costs are included with sales and operating expenses on the consolidated statements of operations.

[2]The qualified pension plan with an accumulated benefit obligation of $221,729 is not included above for December 31, 2025, as the fair value of plan assets of $231,044 are in excess of the benefit obligation. The projected benefit obligation for this qualified pension plan is $225,686 at December 31, 2025. There are no pension plan assets expected to be returned to the Company during the twelve month period ending December 31, 2026.

Investment Policies and Strategies

The current investment objective of the Plans is to align the Plans' assets to the Plans' duration characteristics while generating a positive real rate of return. The current asset allocation mix between equity and fixed income asset classes is targeted at 10% equity and 90% fixed income. Except where prudence dictates otherwise, the assets of the Plans will be reviewed monthly and will be rebalanced when appropriate.

All assets of the Plans may be allocated to and invested in any one or more of these basic forms of investment:

- Fixed income securities, including, but not limited to, fixed income or general account options under an insurance company contract.
- Equity issues, including but not limited to, common stocks or units of beneficial interest in one or more pooled separate accounts of an insurance company.
- Cash or cash equivalents, including but not limited to, units of beneficial interest in one or more pooled separate accounts of an insurance company.

NOTE 6 - EMPLOYEE AND AGENT BENEFIT PLANS (continued)

Fair Value Measurements of Plan Assets

The following is a description of the valuation methodologies used for plan assets measured at fair value in accordance with fair value measurement guidance (see Note 16), including the general classification of such instruments pursuant to the valuation hierarchy.

Pooled Separate Accounts

Pooled separate accounts are measured at fair value using net asset value (NAV) as a practical expedient. The funds in the separate accounts are considered open-end mutual funds, meaning that the fund is ready to redeem its shares at any time and offers its shares for sale to the public, either through retail outlets or through institutional investors continuously. For institutional funds, NAVs are received daily from fund managers, and the managers stand ready to transact at these quoted amounts. The Plans' custodian transacts in these funds on a daily basis as part of the separate account trading activity. The calculation of the NAV for funds composed of other funds (e.g., retirement target date funds) is essentially the same as the calculation of the NAV for other funds: the total fair value of assets in the underlying funds less liabilities is divided by outstanding shares. The Plan does not have any unfunded commitments.

The pooled separate accounts carried at fair value in the Plans are $231,044 at December 31, 2025. The defined contribution plans' assets include investments in deposit administration contracts which include underlying investments in separate accounts of Ameritas Life.

The long-term expected return for the Plans' assets is 5.7% for 2025. The expected return is based on historical equity and fixed income benchmarks, current market valuations and forecasted market returns.

The allocation strategy is designed to provide consistent expected return, limiting risk and covering the Plans' benefit obligation considering the size, duration, and nature of the Plans' obligations. The asset all allocation ratio at December 31 was:

	2025
Equities - unaffiliated	10.0 %
Fixed income - unaffiliated	90.0 %

Contributions

There were no contributions to the qualified plan in 2025. The qualified plan is subject to the minimum funding requirements of ERISA.

Estimated Future Benefit Payments

The following benefit payments, which reflect expected future service, as appropriate, are expected to be paid by the Plans:

Fiscal Year	*Amount*
2025	$ 25,501
2026	24,334
2027	24,417
2028	24,636
2029	23,609
2030 - 2034	102,708

Assumptions

Weighted-average assumptions used to determine benefit obligations and net periodic pension cost at December 31:

	2025
Discount rate for benefit obligation	5.53 %
Discount rate for net periodic pension cost	5.70
Rate of compensation increase for benefit obligation	3.00
Rate of compensation increase for net periodic pension cost	3.00
Expected long-term rate of return on assets for next year	5.68
Expected long-term rate of return on assets for net periodic pension cost	5.82

NOTE 6 - EMPLOYEE AND AGENT BENEFIT PLANS (continued)

Defined Contribution Plans

Substantially all full-time employees and agents participate in defined contribution plans sponsored by AHC. In addition, certain of the Company's employees participate in an unfunded, non-qualified defined contribution plan sponsored by AHC. Company matching contributions under the defined contribution plan ranged from 0.50% to 3.0% in 2025. In addition, for eligible employees who do not participate in the Plans, the Company makes an additional contribution of 6.0% of the participants' eligible compensation on a quarterly basis for those hired prior to January 1, 2006, and 5.0% for those hired after January 1, 2006. Contributions by the Company to defined contribution plans were $18,857 in 2025.

Postretirement Benefit Plans

The Company provides certain health care and life insurance benefits for eligible retired employees. Substantially all employees who had been employees of a previously un-merged subsidiary may become eligible for these benefits if they reach normal retirement age while employed by the Company. Benefits for all other eligible employees are limited to those employees hired before January 1, 2005. Employer contributions for all pre-65 age retirees are capped and post-65 age retirees receive a fixed subsidy amount; therefore, these amounts are not impacted by changes in health care costs. The Sponsors used a December 31 measurement date for the plans.

Obligations and Funded Status at December 31:

		2025
Projected benefit obligation	$	11,075
Fair value of plan assets		16,639
Funded status		5,564
Participant contributions		501
Benefit payments		1,614
Net periodic benefit cost[1]		(87)
Amounts recognized in the balance sheet consist of:		
Other assets	$	5,564
Amounts amortizing into net periodic benefit cost, net of tax, consist of:		
Net gain		467
Amounts recognized as net periodic benefit cost, net of tax, consist of:		
Service costs	$	253
Interest costs		456
Expected return on plan assets		(775)
Amounts recognized in other comprehensive income, net of tax, arising during the period consist of :		
Net gain (loss)	$	481
Amounts recognized in accumulated other comprehensive income, net of tax, consist of:		
Net gain	$	4,705

[1]Net periodic benefit costs are included with sales and operating expenses on the consolidated statements of operations.

Investment Policies and Strategies

The investment objective of the Postretirement Plan is to provide sufficient assets and liquidity to meet the distribution requirements of the Postretirement Plan through capital appreciation of assets. The current asset allocation is targeted at 60% equity and 40% cash and short-term fixed income investments.

All assets of the Postretirement Plan may be allocated to and invested in any one or more of these basic forms of investments:

- Unallocated insurance contracts
- Common stocks listed on U.S. exchanges
- Indexed mutual funds
- Cash or cash equivalents

NOTE 6 - EMPLOYEE AND AGENT BENEFIT PLANS (continued)

Fair Value Measurements of Plan Assets

The following is a description of the valuation methodologies used for instruments measured at fair value in accordance with fair value measurement guidance (see Note 14), including the general classification of such instruments pursuant to the valuation hierarchy.

Money Market Funds

Money market funds are classified in Level 1 of the fair value hierarchy as fair value is based on quoted prices in active markets for identical securities.

Common Stocks

Common stocks are valued based on quoted prices in active markets for publicly traded securities at year-end and are classified in Level 1. These assets can be redeemed at any time and their shares are offered for sale to the public.

The following table presents the financial instruments carried at fair value in the Postretirement Plan by the fair value measurement valuation hierarchy:

	December 31, 2025			
	Level 1	*Level 2*	*Level 3*	*Total*
Money market funds	$ 3,964	$ —	$ —	$ 3,964
Common stocks	9,929	—	—	9,929
Total assets at fair value	$ 13,893	$ —	$ —	$ 13,893

The actual asset allocation ratio at December 31 was:

	2025
Equities - unaffiliated	59.7 %
Fixed income - unaffiliated	16.5 %
Cash equivalents	23.8 %

The Sponsors do not expect to contribute to the Postretirement Plan during 2026.

Estimated Future Benefit Payments

The following benefit payments are expected to be paid by the Postretirement Plan:

Fiscal Year	*Amount*
2025	$ 1,270
2026	1,202
2027	1,151
2028	1,097
2029	1,037
2030 - 2034	4,321

Assumptions

Weighted-average assumptions used to determine postretirement benefit obligations at December 31:

	2025
Discount rate - postretirement benefit obligation	5.37 %
Discount rate - net periodic postretirement benefit cost	5.64 %
Expected long-term rate of return on assets for next year	6.17 %
Expected long-term rate of return on assets - net periodic postretirement benefit cost	6.53 %

Risk Management Practices

On a quarterly basis, the Trustees for the Defined Benefit and Postretirement plans, who are certain officers of the Company, review the performance of the assets in the plans relative to expectations in order to determine if the plans' investment goals and overall investment objectives are being met.

NOTE 7 - DEFERRED ACQUISITION COSTS AND INTANGIBLE ASSETS

The following table presents a rollforward of deferred acquisition costs related to long-duration contracts:

	December 31, 2025						
	Deferred Acquisition Costs						
	Annuities	*Disability Income*	*Term Life*	*Universal Life & Other*	*Whole Life*	*Retirement Plans*	*Total*
Beginning balance	$ 333,563	$ 163,604	$ 149,951	$ 461,032	$ 299,993	$ 31,245	$ 1,439,388
Capitalizations	52,113	30,952	33,401	54,924	36,565	1,944	209,899
Amortization expense	(32,318)	(12,561)	(16,618)	(30,820)	(23,069)	(5,952)	(121,338)
Ending balance	$ 353,358	$ 181,995	$ 166,734	$ 485,136	$ 313,489	$ 27,237	$ 1,527,949

The identifiable amortized intangible assets was as follows:

	December 31, 2025		
	Gross Carrying Amount	*Accumulated Amortization*	*Net Book Value*
Value of customer relationships acquired	$ 101,301	$ (68,926)	$ 32,375
Trade name and provider networks	4,700	(2,663)	2,037
Internally developed software	5,190	(4,785)	405
Ending balance	$ 111,191	$ (76,374)	$ 34,817

The following presents a reconciliation to deferred acquisition costs and identifiable intangibles on the consolidated balance sheet:

	December 31, 2025
	DAC & identifiable intangibles
Deferred Acquisition Costs	$ 1,527,949
Value of customer relationships acquired and other intangibles	34,817
Total	$ 1,562,766

Amortization expense for other intangible assets included in sales and operating expenses is $8,023 for the years ended December 31, 2025. The Company has no intangible assets with indefinite lives.

Future amortization of the intangible assets was estimated to be recognized as follows:

	December 31
2026	$ 7,112
2027	6,197
2028	5,737
2029	5,320
2030	4,629
2031 and thereafter	5,822

NOTE 8 - REGULATORY MATTERS

The Company and its subsidiaries are regulated primarily by, but not limited to, the various domiciliary state insurance or financial services departments as indicated below, the Securities and Exchange Commission (SEC), the Financial Industry Regulatory Authority (FINRA), and various other governmental authorities.

NOTE 8 - REGULATORY MATTERS (continued)

Combined net income (loss) of the Company's insurance subsidiaries, as determined in accordance with statutory accounting practices prescribed by the NAIC or permitted by the Insurance Departments of the states of Nebraska and New York, as applicable, was $216,933 for 2025, and combined statutory capital and surplus was $2,168,245 at December 31, 2025. Insurance companies are required to maintain a certain level of surplus to be in compliance with state laws and regulations.

Surplus is monitored by state regulators to ensure compliance with risk based capital (RBC) requirements. All state insurance regulators have adopted RBC requirements developed by the NAIC. Under those requirements, the amount of capital and surplus maintained by a life and health company is to be determined based on various risk factors related to it. At December 31, 2025, the Company's insurance subsidiaries exceed the minimum RBC requirements.

Ameritas Life is subject to regulation by the Insurance Department of the State of Nebraska (DOI-NE), which restricts the advancement of funds to parent and affiliated companies as well as the amount of dividends that may be paid without prior approval. Dividend payments by Ameritas Life, when aggregated with all other dividends in the preceding 12 months, cannot exceed the greater of 10% of surplus as of the preceding year-end or the statutory net gain from operations for the previous calendar year, without prior approval from the DOI-NE. Based on this limitation, Ameritas Life would be able to pay $216,574 in dividends in 2026 without prior approval. No dividends to AHC were paid in 2025.

Ameritas-NY is subject to regulation by the New York Department of Financial Services (NY-DFS), which restricts the advancement of funds to parent and affiliated companies as well as the amount of dividends that may be paid without prior approval. Dividend payments by Ameritas-NY cannot exceed the lesser of 10% of surplus as of the preceding year-end or the statutory net gain from operations for the previous calendar year, without prior approval from the NY-DFS. Based on this limitation, Ameritas-NY would be able to pay $11,256 in dividends in 2026 without prior approval. No dividends to Ameritas Life were paid in 2025.

NOTE 9 - REINSURANCE

In the ordinary course of business, the Company assumes and cedes reinsurance with other insurers and reinsurers. These arrangements provide greater diversification of business and limit the maximum net loss potential on large or hazardous risks.

Reinsurance ceded contracts do not relieve the Company from its obligations to policyholders. The Company remains liable to its policyholders for the portion reinsured to the extent that any reinsurer does not meet its obligations for reinsurance ceded to it under the reinsurance agreements. Failure of reinsurers to honor their obligations could result in losses to the Company; consequently, allowances would be established for amounts deemed or estimated to be uncollectible.

To minimize its exposure to significant losses from reinsurance insolvencies, the Company evaluates the financial condition of its reinsurers and monitors concentrations of credit risk arising from similar geographic regions, activities, or economic characteristics of the reinsurers. The Company recaptured the reinsurance from a reinsurer who was previously under an order of rehabilitation, due to a liquidation order effective September 30, 2023. At December 31, 2025, a receivable of $6,821 was included in reinsurance receivables on the consolidated balance sheets related to amounts expected as settlement from the reinsurer's estate.

Reinsurance premium transactions with other insurance companies were as follows:

	December 31
Premiums:	*2025*
Assumed	$ 83,986
Ceded	(273,208)
Reinsurance, net	$ (189,222)

The Company has two coinsurance treaties where the treaties do not result in the transfer of a reasonable possibility of significant loss from insurance risk. As such, the treaties are accounted for under the deposit method of accounting. Deposit liabilities of $802,496 were included on the consolidated balance sheet at December 31, 2025.

NOTE 9 - REINSURANCE (continued)

On December 31, 2025, the Company amended certain reinsurance agreements with a single reinsurer under which all previously ceded business was recaptured in exchange for a one-time recapture payment of $12,300. As a result of the recapture payment, the Company recognized a gain of $9,483, which is included in DAC and identifiable intangibles on the consolidated balance sheet and will be deferred and amortized in future reporting periods using the same basis as DAC.

NOTE 10 - POLICY AND CONTRACT LIABILITIES

The Company's policy and contract liabilities in the consolidated balance sheet were as follows:

		December 31, 2025
Participating contract liabilities	$	2,220,350
Liability for future policyholder benefits		1,407,225
Unearned revenue liability		347,240
Additional liabilities for insurance benefits		275,528
Claim liabilities		240,172
Other		58,821
Total policy and contract liabilities	$	4,549,336

NOTE 10 - POLICY AND CONTRACT LIABILITIES (continued)

The following tables provide the balances and changes in the liability for future policy benefits:

	December 31, 2025			
	Annuities	*Disability Income*	*Term Life*	*Total*
Present Value of Expected Future Net Premiums				
Balance, January 1	$ —	$ 628,445	$ 638,141	$ 1,266,586
Effect of cumulative changes in discount rate assumptions	—	65,045	59,696	124,741
Balance at original discount rate, January 1	—	693,490	697,837	1,391,327
Effect of changes in cash flow assumptions	—	28,202	(63,773)	(35,571)
Effect of actual variances from expected experience	(140)	24,524	(22,264)	2,120
Adjusted balance, January 1	(140)	746,216	611,800	1,357,876
Issuances	5,517	88,912	128,671	223,100
Interest accrual	22	32,532	28,294	60,848
Net premiums collected	(5,399)	(72,632)	(87,525)	(165,556)
Ending balance at original discount rate	—	795,028	681,240	1,476,268
Effect of changes in discount rate assumptions	—	(50,005)	(36,040)	(86,045)
Ending balance	$ —	$ 745,023	$ 645,200	$ 1,390,223
Present Value of Expected Future Contract Benefits				
Balance, January 1	91,996	1,435,185	1,054,716	2,581,897
Effect of cumulative changes in discount rate assumptions	8,928	202,847	119,404	331,179
Balance at original discount rate, January 1	100,924	1,638,032	1,174,120	2,913,076
Effect of changes in cash flow assumptions	37	40,405	(68,271)	(27,829)
Effect of actual variances from expected experience	(740)	26,851	(22,184)	3,927
Adjusted balance, January 1	100,221	1,705,288	1,083,665	2,889,174
Issuances	6,226	88,825	128,522	223,573
Interest accrual	3,901	74,251	49,739	127,891
Benefit payments	(12,656)	(76,848)	(94,123)	(183,627)
Ending balance at original discount rate	97,692	1,791,516	1,167,803	3,057,011
Effect of changes in discount rate assumptions	(5,963)	(176,681)	(77,884)	(260,528)
Ending balance	$ 91,729	$ 1,614,835	$ 1,089,919	$ 2,796,483
Other	—	—	965	965
Net liability for future contract benefits	91,729	869,812	445,684	1,407,225
Less: Reinsurance receivables	—	(325,656)	(296,974)	(622,630)
Net liability for future policy benefits, after reinsurance recoverable	$ 91,729	$ 544,156	$ 148,710	$ 784,595
Weighted-average duration of future policyholder benefit liability (years)	6	14	10	12

NOTE 10 - POLICY AND CONTRACT LIABILITIES (continued)

In 2025, the Company recognized an unfavorable impact to net income attributable to its annual reviews and update of assumptions and other refinements for the liability for future policy benefits, primarily driven by morbidity assumption updates on disability income insurance.

The following table provides supplemental information related to the balances and changes in liability for future policy benefits included in the disaggregated tables above, on a gross basis:

	December 31, 2025			
	Annuities	*Disability*	*Term Life*	*Total*
Expected future undiscounted benefit payments	142,813	3,474,328	1,822,205	5,439,346
Expected future undiscounted gross premiums	—	3,150,581	2,020,224	5,170,805
Gross premiums collected	5,742	222,907	181,258	409,907
Interest accretion expensed	3,879	41,719	21,444	67,042
Interest accretion rate	4.0%	4.4%	4.6%	4.4%
Current discount rate	5.3%	5.8%	5.5%	5.7%

An unearned revenue liability is established when fees and other policyholder assessments are collected for services to be provided in future periods. These unearned upfront fees are deferred and amortized using an approach consistent with DAC. The following table presents the balances and changes in the unearned revenue liability:

	December 31, 2025	
		Universal Life & Other
Balance, January 1	$	277,265
Capitalizations		90,220
Amortization expense		(20,245)
Ending balance	$	347,240

The Company's additional liabilities primarily consist of universal life policies with secondary guarantees. For universal life policies with secondary guarantees, as well as other universal life policies for which profits followed by losses are expected at contract inception, the additional liability at the balance sheet date will be equal to (a) the current benefit ratio multiplied by the cumulative assessments (b) less the cumulative excess payments (including amounts reflected in claims payable liabilities) (c) plus accreted interest.

The following table presents the balances and changes in the additional liability for insurance benefits:

	December 31, 2025	
		Universal Life & Other
Balance, January 1	$	261,222
Effect of changes in assumptions		925
Effect of actual variances from expected experience		(2,264)
Adjusted balance, January 1		259,883
Issuances		193
Interest accrual		14,314
Net assessments collected		17,272
Benefit payments		(19,781)
Changes related to shadow accounting		3,647
Ending balance	$	275,528

Weighted-average duration of additional liability (years)	18

NOTE 10 - POLICY AND CONTRACT LIABILITIES (continued)

In 2025, the Company recognized an unfavorable impact to net income attributable to its annual reviews and update of assumptions and other refinements for the additional liability for insurance benefits, primarily driven by policyholder behavior and mortality assumption updates.

The gross assessments and interest accretion recognized in the statement of operations during 2025 in relation to the additional liability for insurance benefit were $109,081 and $14,314, respectively. The weighted average interest rate as of December 31, 2025 was 5.00%.

NOTE 11 - LIABILITIES FOR UNPAID CLAIMS AND CLAIMS ADJUSTMENT EXPENSES

The following tables present information about incurred and paid claims development as of December 31, 2025, net of reinsurance, the total incurred but not reported (IBNR) liabilities and expected development on reported claims included within the net incurred claims amounts. These development tables are presented for dental business, which represents the Company's significant short-duration product liability. The information about incurred and paid claims development prior to 2025 is presented as supplementary information.

Incurred Claim Development

	December 31		*December 31, 2025*	
Accident Year	*2024*	*2025*	*Total IBNR Liabilities Plus Expected Development on Reported Claims*	*Cumulative Number of Reported Claims*
2024	$ 814,633	$ 796,345	$ —	5,724
2025		834,151	47,812	5,409
Total		1,630,496	$ 47,812	
Cumulative paid claims and paid allocated claim adjustment expenses, net of reinsurance		(1,582,684)		
Total unpaid claims and claim adjustment expenses, net of reinsurance		$ 47,812		

Paid Claim Development

	December 31	
Accident Year	*2024*	*2025*
2024	$ 766,592	$ 796,345
2025		786,339
Total cumulative paid claims and paid claim adjustment expenses, net of reinsurance		$ 1,582,684

The Company develops the estimate of reserve using actuarial principles and assumptions that consider numerous factors. Of those factors, the Company considers the analysis of historical and projected claim payment patterns (including claims submission and processing patterns) to be the most critical assumptions. In developing the estimate of reserve, the Company consistently applies these actuarial principles and assumptions each period, with consideration to the variability of related factors. The reserve for unpaid claims for group and individual dental insurance includes claims in course of settlement and incurred but not reported claims. The cumulative number of reported claims represents the total number of claims submitted for the accident year. There have been no significant changes to the methodologies or assumptions used to calculate the reserve in 2025.

NOTE 11 - LIABILITIES FOR UNPAID CLAIMS AND CLAIMS ADJUSTMENT EXPENSES (continued)

The following table provides a reconciliation of the net incurred and paid claims development tables to the gross liability for unpaid accident and health claims and claims adjustment expenses which is reported within policy and contract liabilities on the consolidated balance sheet. Other short-duration insurance lines include vision, hearing, student accident, and group health.

		December 31, 2025
Net outstanding liabilities		
Dental	$	47,812
Other short-duration insurance lines		19,648
Liabilities for unpaid claims and claim adjustment expenses, net of reinsurance		67,460
Reinsurance recoverable on unpaid claims		
Other short-duration insurance lines		3,421
Total gross liability for unpaid claims and claims adjustment expenses	$	70,881

The following table provides an analysis of the activity in the liability for unpaid accident and health claims and claim adjustment expenses, which are reported within policy and contract liabilities on the consolidated balance sheet.

		December 31
		2025
Balance at January 1	$	70,584
Less reinsurance recoverables		(3,580)
Net balance at January 1		67,004
Incurred related to:		
Current year		960,687
Prior year		(13,929)
Total incurred		946,758
Paid related to:		
Current year		893,222
Prior year		53,080
Total paid		946,302
Net balance at December 31		67,460
Plus reinsurance recoverables		3,421
Total reserve for unpaid claims	$	70,881

During 2025, incurred claims related to prior year were negative due to favorable claim runout for group dental products.

NOTE 12 - MARKET RISK BENEFITS

The Company offers various guarantees to variable annuity (VA) and fixed index annuity (FIA) contract holders. Guarantees include benefits that are payable in the event of death or as guaranteed periodic withdrawals. Depending on the product, guarantees may be based on a combination of the following: account values, prior cash flows including premiums and withdrawals, a specified percentage of gains, and the age and gender of the policyholder. The Company currently reinsures certain guaranteed minimum death benefits (GMDB) greater than the sum of all premium payments less prior withdrawals.

Withdrawal benefits are provided through activated guaranteed lifetime withdrawal benefit (GLWB) riders. Prior to the start of the periodic withdrawals, various minimum return guarantees are tracked. At the start of the periodic withdrawals, a benefit base is determined such that it is the greatest of the tracked minimum return guarantees. The guaranteed periodic withdrawal amount is a percentage of the benefit base at the time periodic withdrawals begin. Once periodic withdrawals begin, the benefit base is increased by premium payments; the benefit base can be reset on an annual basis to the anniversary account value, if it is greater, and will be reduced for any withdrawals in excess of the guaranteed periodic withdrawal, but the percentage applied to the base benefit will not change.

NOTE 12 - MARKET RISK BENEFITS (continued)

The following table presents the balances and changes in net market risk benefits associated with variable and fixed index annuities:

	December 31, 2025	
	Annuities	
Balance, January 1	$	119,458
Effect of changes in the instrument-specific credit risk		(36,989)
Balance before effect of changes in the instrument-specific credit risk, January 1		82,469
Effect of changes in future expected assumptions		(16,117)
Actual policyholder behavior different from expected behavior		11,007
Benefit payments		(216)
Attributed fees collected		35,214
Interest accrual		5,114
Effect of changes in equity markets		(41,842)
Effect of changes in interest rates		1,262
Effect of changes in scenario returns and volatility		18,463
Issuances		14,886
Ending balance before effect of changes in the instrument-specific credit risk		110,240
Effect of changes in the instrument-specific credit risk		30,852
Ending balance	$	141,092
Weighted-average age of policyholders (years)		75
Net amount at risk	$	17,209

The following is a reconciliation of market risk benefits by amounts in an asset position and liability position to the market risk benefits amount in the consolidated balance sheet:

	December 31, 2025	
	Annuities	
Asset	$	38,353
Liability		179,445
Net market risk benefits liability	$	141,092

In 2025, the Company recognized a favorable impact to net income attributable to the actuarial assumption update for MRBs, primarily due to updates to policyholder behavior assumptions. Information on significant inputs for MRBs is disclosed in Note 16 (Fair Value Measurements).

NOTE 13 - POLICYHOLDER ACCOUNT BALANCES

The balances and changes in policyholders account balances reflected on the consolidated balance sheet were as follows:

	December 31, 2025				
	Annuities	*Universal Life & Other*	*Retirement Plans*	*Funding Agreements*	*Total*
Balance, January 1	$ 6,083,832	$ 3,788,519	$ 934,699	$ 732,774	$ 11,539,824
Premiums and deposits	784,318	485,932	330,737	210,000	1,810,987
Policy charges	(40,310)	(334,370)	—	—	(374,680)
Surrenders and withdrawals	(762,921)	(161,543)	(304,212)	(43,638)	(1,272,314)
Net transfers from (to) separate account	(1,186)	6,489	93,638	—	98,941
Interest credited	235,393	202,851	34,881	34,119	507,244
Other	1,757	(158)	(66)	—	1,533
Balance, December 31	$ 6,300,883	$ 3,987,720	$ 1,089,677	$ 933,255	$ 12,311,535
Embedded derivative liability					258,696
MRB host contract adjustment					(68,286)
Dividend accumulation liability					34,173
Other					10,285
Total policyholder account balances					$ 12,546,403

	Annuities	*Universal Life & Other*	*Retirement Plans*	*Funding Agreements*	*Total*
Weighted-average crediting rate	3.8 %	5.2 %	3.4 %	4.1 %	4.3 %
Cash surrender value	$ 5,666,771	$ 3,570,488	$ 1,089,650	N/A	$ 10,326,909

For information related to net amount at risk, refer to the table that presents the balances of and changes in MRBs in Note 12.

NOTE 13 - POLICYHOLDER ACCOUNT BALANCES (continued)

The following table provides the balance of account values by range of guaranteed minimum crediting rates and the related range of the difference, in basis points, between rates being credited to policyholders and the respective guaranteed minimums:

	As of December 31, 2025				
Range of Guaranteed Minimum Crediting Rate	*At Guaranteed Minimum*	*1 Basis Point-50 Basis Points Above*	*51 Basis Points-100 Basis Points Above*	*Greater Than 150 Basis Points Above*	*Total*
Annuities					
0.00%-0.99%	$ —	$ —	$ 3,685	$ 51,883	$ 55,568
1.00%-1.99%	332	2,895	36,789	114,343	154,359
2.00%-2.99%	4,024	4,751	51,773	686,705	747,254
3.00%-3.99%	420,192	23,901	6,631	—	450,724
4.00%-4.99%	486,443	7	—	—	486,449
5.00% or Greater	—	—	—	—	—
Total	$ 910,991	$ 31,554	$ 98,878	$ 852,931	$ 1,894,354
Universal Life & Other					
0.00%-0.99%	$ —	$ —	$ —	$ —	$ —
1.00%-1.99%	—	—	—	36,157	36,157
2.00%-2.99%	—	—	—	56,791	56,791
3.00%-3.99%	218,836	33,149	492,810	—	744,796
4.00%-4.99%	950,706	23,120	—	—	973,826
5.00% or Greater	142,488	44	4	—	142,536
Total	$ 1,312,030	$ 56,313	$ 492,814	$ 92,948	$ 1,954,105
Retirement Plans					
0.00%-0.99%	$ —	$ —	$ —	$ 27,275	$ 27,275
1.00%-1.99%	391	2,457	135,503	471,082	609,433
2.00%-2.99%	—	—	—	—	—
3.00%-3.99%	12,633	181,439	237,303	21,594	452,969
4.00%-4.99%	—	—	—	—	—
5.00% or Greater	—	—	—	—	—
Total	$ 13,024	$ 183,895	$ 372,806	$ 519,952	$ 1,089,677

*Excludes contracts without minimum guaranteed crediting rates, such as funds with indexed-linked crediting options and funding agreements.

NOTE 14 - SEPARATE ACCOUNTS

The Company reported assets and liabilities from variable annuities, variable universal life, and retirement plan product lines in a separate account as of December 31, 2025. Variable annuities provide an incidental death benefit of the greater of account value or premium paid. The Company offers variable annuity (VA) contracts with guaranteed minimum death benefit and guaranteed lifetime withdrawal benefit features. The Company also offers secondary guarantees on some variable universal life (VUL) policies which guarantees the policy will stay in force if certain premium requirements are met. The reserves for these VA and VUL guarantees are held in the policy and contract liabilities or market risk benefit line of the consolidated balance sheet.

NOTE 14 - SEPARATE ACCOUNTS (continued)

The following table provides the balances and changes in separate account liabilities:

	December 31, 2025			
	Annuities	*Universal Life & Other*	*Retirement Plans*	*Total*
Balance, January 1	$ 2,213,889	$ 1,194,360	$ 7,601,445	$ 11,009,694
Premiums and deposits	18,651	42,632	836,499	897,782
Policy charges	(7,682)	(37,103)	318	(44,467)
Surrenders and withdrawals	(270,833)	(54,235)	(1,385,642)	(1,710,710)
Benefit payments	(28,113)	(17,176)	—	(45,289)
Investment performance	289,978	186,575	1,148,885	1,625,438
Net transfers from (to) general account	1,274	(6,683)	(93,638)	(99,047)
Other activity	(18,558)	(4,989)	(49,234)	(72,781)
Balance, December 31	$ 2,198,606	$ 1,303,381	$ 8,058,633	$ 11,560,620
Cash surrender value	$ 2,193,757	$ 1,297,411	$ 8,058,413	$ 11,549,581

The aggregate fair value of assets, by major investment asset category, supporting separate accounts are as follows:

	December 31, 2025
Equity securities	$ 10,293,446
Fixed maturity securities	779,321
Cash and cash equivalents	367,187
Other investments	120,666
Total	$ 11,560,620

NOTE 15 - COMMITMENTS AND CONTINGENCIES

Borrowings

As of December 31, 2025, the Company has FHLB lines of credit available up to $275,525 if an immediate liquidity need would arise. The Company had no outstanding balances as of December 31, 2025 related to these lines of credit. Additionally, Ameritas Life has an unsecured line of credit available in the amount of $150,000 with an unaffiliated bank. No balance was outstanding at any time during 2025. The unsecured line of credit includes covenants requiring the Company to maintain a certain debt to capitalization ratio and a minimum Statutory Surplus.

In 2015, Ameritas Life entered into a ten-year, 4.00% non-recourse loan of $15,500 on a real estate property that matured and was fully repaid in 2025.

On November 1, 1996, Ameritas Life issued $50,000 of 8.20% Surplus Notes (Notes). The Notes mature on November 1, 2026, and may not be redeemed prior to maturity. The Notes are unsecured and subordinated to all present and future policy claims, prior claims and senior indebtedness. Subject to prior written approval of the Commissioner of the DOI-NE, these Notes pay interest semi-annually on May 1 and November 1. Interest expense of $4,100 was incurred in 2025 and was recorded in interest expense on the consolidated statement of operations.

Off Balance Sheet Instruments

Commitments on financial instruments were as follows:

	December 31
	2025
Securities commitments	$ 459,830
Loan and real estate commitments	207,833

NOTE 15 - COMMITMENTS AND CONTINGENCIES (continued)

Securities commitments of $139,625 and loan and real estate commitments of $54,745 at December 31, 2025 were related to non-consolidated VIEs. These commitments have been made in the normal course of business. The Company's exposure to credit loss is represented by the contractual amount of these instruments. The Company uses the same credit policies and collateral requirements in making commitments and conditional obligations as it does for on-balance sheet instruments.

Commitments to extend credit are agreements to lend to a customer based upon the customer's fulfilling certain conditions as established in the loan agreement. These conditions are dependent on the type of loan. Commitments to extend credit under consumer lines of credit are generally dependent upon payments in accordance with the loan agreement. Adherence to the loan agreement as to prompt payment is also required for commercial and construction lines of credit. In addition, most of these credit lines require that collateral be identified and evaluated according to the terms of the loan agreement in order for additional amounts to be advanced. Commitments generally have fixed expiration dates or other termination clauses and may require payment of a fee. Commitments for lines of credit may expire without being drawn upon. Therefore, the total commitment amounts do not necessarily represent future cash requirements.

In the normal course of business the Company's brokerage activities involve, principally through its clearing firm, various securities transactions. These activities may expose the Company to off balance sheet risk in the event the customer or clearing firm is unable to fulfill its contractual obligations.

Low Income Housing Partnerships
As of December 31, 2025, the Company has made unconditional commitments to provide additional capital contributions in low-income housing partnerships of $11,410, $898, and $117 in 2026, 2027 and 2028, respectively, and $1,720 through 2040, which were included in other liabilities on the consolidated balance sheets.

Litigation and Regulatory Examination
From time to time, the Company and its subsidiaries are subject to litigation and regulatory examination in the normal course of business. Management does not believe the Company is party to any such pending litigation or examination which would have a material adverse effect on its financial condition or results of its operations.

NOTE 16 - FAIR VALUE MEASUREMENTS

Fair value measurement guidance requires financial and nonfinancial assets and liabilities carried at fair value in the financial statements be included in a fair value hierarchy for disclosure purposes. The guidance defines fair value as "the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date."

In determining fair value of financial assets and liabilities, the Company utilizes market data, evaluated pricing models, cash flow, and loan performance data as available. The degree of judgment used in measuring fair value of financial instruments generally correlates with the level of pricing observability. That is, financial instruments with quoted prices in active markets have more pricing observability and therefore less judgment is used in measuring fair value. Conversely, financial instruments traded in other than active markets or that do not have quoted prices have less observability and are measured at fair value using the valuation models or other pricing techniques that require more judgment. The Company uses valuation techniques that maximize the use of observable inputs and minimize the use of unobservable techniques.

Fair values are monitored by a working group (the Working Group) comprised of investment, operations and accounting professionals on a monthly basis. Prices from third-party pricing services are validated through comparison to internal pricing information and economic indicators including observed interest rates, credit spreads and market events as well as back testing and tolerance reviews. Non-binding broker quotes are reviewed for reasonableness based on the Company's understanding of the market, and are generally considered unobservable inputs. Under certain conditions, the Company may conclude the prices received from independent third-party pricing services or brokers are not reasonable or reflective of market activity. In those instances, the Company may choose to apply internally developed values to the related assets or liabilities. Overrides of third-party pricing information and the rationale for the overrides are approved by the Working Group. The Company challenges third-party vendor prices for certain securities and requests additional information as appropriate.

NOTE 16 - FAIR VALUE MEASUREMENTS (continued)

The Company categorizes financial instruments into a three-level hierarchy based on the priority of the inputs to the valuation technique. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets (Level 1) and the lowest priority to unobservable inputs (Level 3). If the inputs used to measure fair value fall within different levels of the hierarchy, the category level disclosed is based on the lowest priority level input that is significant to the fair value measurement of the instrument in its entirety.

- Level 1 – Quoted prices in active markets for identical assets/liabilities. The Company's Level 1 assets include: Equity securities, exchange traded call and put options, and money market funds.

- Level 2 – Includes prices based on other observable inputs, including quoted prices for similar assets/liabilities. The Company's Level 2 assets include the following fixed maturity securities: U.S. Treasury securities and obligations of U.S. government agencies (other than residential and commercial mortgage-backed securities and asset-backed securities), fixed maturity securities issued by states and political subdivisions of the U.S., residential and commercial mortgage-backed and asset-backed securities, collateralized debt obligations, and U.S. and foreign public corporate securities. Level 2 assets also include over-the-counter call and put options and foreign currency swaps.

- Level 3 – Includes unobservable inputs and may include the entity's own assumptions about market participant assumptions. The Company's Level 3 assets include: residential mortgage-backed and asset-backed fixed maturity securities, private U.S. and foreign corporate fixed maturity and private equity securities, certain public U.S. and foreign corporate fixed maturity securities, collateralized debt obligations, municipal warrants, and assets and liabilities for products with embedded derivatives.

The following table summarizes financial assets and liabilities measured at fair value on a recurring basis by input level as of December 31, 2025:

	Level 1	*Level 2*	*Level 3*	*Total*
Financial Assets:				
Fixed maturity securities available for sale:				
U.S. Treasury securities and obligations of U.S. government agencies	$ 18,964	$ 18,760	$ —	$ 37,724
Debt securities issued by states of the United States and political subdivisions of the states	—	123,791	—	123,791
Foreign government securities	—	68,930	—	68,930
U.S. corporate securities	—	5,535,498	1,740,739	7,276,237
Residential mortgage-backed securities	—	470,000	595	470,595
Commercial mortgage-backed securities	—	383,625	—	383,625
Asset-backed securities	—	1,178,479	64,111	1,242,590
Collateralized debt obligations	—	1,235,595	316,766	1,552,361
Foreign corporate securities	—	1,385,149	881,349	2,266,498
Equity securities	543,900	—	—	543,900
Other investments:				
Exchange traded call and put options	336,730	—	—	336,730
Over the counter index call options	—	180,443	—	180,443
Foreign currency swaps	—	8,741	—	8,741
Municipal warrants	—	—	1,353	1,353
Private equity securities	—	—	1,842	1,842
Cash equivalents	390,229	—	—	390,229
Market risk benefits	—	—	38,353	38,353
Subtotal excluding assets related to separate accounts	1,289,823	10,589,011	3,045,108	14,923,942
Assets related to separate accounts[1]	—	—	—	11,560,620
Total	$ 1,289,823	$ 10,589,011	$ 3,045,108	$ 26,484,562

NOTE 16 - FAIR VALUE MEASUREMENTS (continued)

	Level 1	*Level 2*	*Level 3*	*Total*
Financial Liabilities:				
Exchange traded call and put options written	$ 185,941	$ —	$ —	$ 185,941
Foreign currency swaps	—	3,382	—	3,382
Market risk benefits	—	—	179,445	179,445
Liabilities for fixed indexed products with embedded derivatives	—	—	879,949	879,949
Total	$ 185,941	$ 3,382	$ 1,059,394	$ 1,248,717

[1] Certain investments measured at fair value using the net asset value per share (or its equivalent) practical expedient have not been classified by input level. The input levels presented in this table are intended to permit reconciliation to the amounts presented in the consolidated balance sheets.

The market approach is utilized for the majority of the Company's fair value measurements; however, certain Level 2 and Level 3 measurements utilize a combination of the market and income approaches. The valuation techniques used to measure the fair values by type of investment and liabilities in the above table follow:

Fixed maturity securities:

- *U.S. Treasury securities and obligations of U.S. government agencies:* The primary inputs to valuation include reported trades, benchmark yields and credit spreads. The fair values of the agency securities are generally classified as Level 2 as the prices are based on observable market data.

- *Commercial and residential mortgage-backed and asset-backed securities:* The primary inputs to valuation include reported trades, bids, benchmark yields, credit spreads, estimated cash flows, prepayment speeds and collateral performance. Collateral performance is analyzed for each security and includes delinquency rates, loss severity rates and prepayment speeds. U.S. government agency securities are classified as Level 2 as the prices are based on observable market data. Non-agency commercial and residential mortgage-backed and asset-backed securities are classified as Level 2 if the prices are based on observable market data. If sufficient observable market data does not exist, such securities are classified as Level 3.

- *All other fixed maturity securities:* The primary inputs to valuation include reported trades, bids, benchmark yields, observations of credit default swap curves and credit spreads. A pricing matrix is used to price non-public fixed maturity securities. Fixed maturity securities are generally classified as Level 2 as the fair values are based on observable market data. Fixed maturity securities with a fair value based only on uncorroborated dealer quotes, partnership valuations or internal valuations are assigned to Level 3.

Equity securities and assets related to separate accounts:

- *Public equity securities and retail and institutional mutual funds:* Classified as Level 1 as the fair values are based on quoted prices in active markets for identical securities for public equity securities and retail mutual funds, while fair values for institutional mutual funds represent NAV as a practical expedient received from fund managers who stand ready to transact at the quoted values.

Other investments:

- *Exchange traded call and put options:* Valuation is based on quoted net asset values in active markets for identical securities. Exchange traded call options and equity put options are classified as Level 1.

- *Over the counter index call options:* The primary inputs to valuation include broker quotes that utilize inputs tailored to the remaining term of each call option. Over the counter index call options are classified as Level 2.

- *Foreign currency swaps:* Valuation is based on models that rely on inputs such as basis curves and currency spot rates that are observable for substantially the full term of the contract. The valuation techniques underlying the models are widely accepted in the financial services industry and do not involve significant judgment. Over the counter foreign currency swaps are classified as Level 2.

- *Municipal warrants:* Municipal warrants are categorized as Level 3 as internal valuations are used to value the Company's municipal warrants investments and significant inputs are unobservable.

NOTE 16 - FAIR VALUE MEASUREMENTS (continued)

Other investments (continued):

- *Private equity securities:* The primary inputs to valuation include widely accepted valuation techniques as detailed in the Level 3 fair value measurement unobservable input table. Private equity securities are categorized as Level 3 as internal valuations are required to value the securities.

Cash equivalents:

- *Money market funds:* Classified primarily as Level 1 as the valuation is based on quoted net asset values in active markets for identical securities.

Market risk benefits:

- *Market risk benefit assets and liabilities:* The company has two products with market risk benefits: fixed index annuities with guaranteed benefits and variable annuities with guaranteed benefits. These liabilities are classified as Level 3 as they are measured at fair value using valuation models that incorporate both observable market data and significant unobservable inputs, including assumptions about future market performance, policyholder behavior, and discount rates.

Financial Liabilities:

- *Exchange traded call and put options:* Valuation is based on quoted net asset values in active markets for identical securities. Written exchange traded call options and written equity put options are classified as Level 1.

- *Foreign currency swaps:* Valuation is based on models that rely on inputs such as basis curves and currency spot rates that are observable for substantially the full term of the contract. The valuation techniques underlying the models are widely accepted in the financial services industry and do not involve significant judgment. Over the counter foreign currency swaps are classified as Level 2.

- *Liabilities for fixed indexed products with embedded derivatives:* The company has two products with embedded derivatives: fixed index annuities and fixed index universal life. These liabilities are classified as Level 3 as observable market prices are not available and actuarial methods are used to estimate the fair values.

The following summarizes changes to financial instruments for 2025 carried at fair value for which the Company used significant unobservable inputs (Level 3) to determine fair value measurements:

	Purchases and (Issuances)	*Transfers into Level 3*	*Transfers out of Level 3*
Fixed maturity securities:			
Debt securities issued by states of the United States and political subdivisions of the states	$ —	$ —	$ (1,250)
U.S. corporate securities	322,911	—	(7,491)
Residential mortgage-backed securities	—	—	(14,093)
Asset-backed securities	30,967	—	(286,489)
Collateralized debt obligations	149,903	—	(1,107,451)
Foreign corporate securities	62,449	—	—
Other investments	973	—	—
Net MRB and embedded derivatives	(108,371)	—	—
Total	$ 458,832	$ —	$ (1,416,774)

Transfers into and out of Level 3 typically occur due to changes in the valuation source and the availability of observable market inputs. Transfers out of Level 3 in 2025 included situations where a fair value quote based on observable market inputs was available and the price had been based in the prior period on a broker quote or other valuation source that could not be corroborated to observable market inputs.

NOTE 16 - FAIR VALUE MEASUREMENTS (continued)

The following table presents information about significant unobservable inputs used in Level 3 fair value measurements at December 31, 2025:

Assets accounted for at Fair Value on a recurring basis	*Fair Value*	*Predominant Valuation Method*	*Significant Unobservable Input*	*Range of Values - Unobservable Inputs (Weighted Average)* [1]	*Impact of Increase in Input on Fair Value* [2]
U.S. corporate securities[3]	$ 380,370	Vendor price	Price	95 - 100 (100)	Increase
	1,360,369	Discounted cash flows	Credit spread	25 - 241 (81)	Decrease
			Liquidity premium	51 -176 (53)	Decrease
Residential mortgage-backed securities[4]	$ 557	Discounted cash flows	Spread	112 - 129 (121)	Decrease
	38	Vendor price	Price	74 - 100 (87)	Increase
Asset-backed securities[5]	$ 54,120	Broker quote	Price	91 - 102 (99)	Increase
	3,253	Vendor price	Price	100 - 100 (100)	Increase
	6,738	Discounted cash flows	Spread	195 - 245 (220)	Decrease
Collateralized debt obligation	$ 48,000	Vendor price	Price	100 -100 (100)	Increase
securities[6]	12,981	Discounted cash flows	Spread	126 - 245 (186)	Decrease
	255,785	Broker quote	Price	95 - 104 (100)	Increase
Foreign corporate securities[7]	$ 881,349	Discounted cash flows	Credit spread	22 - 205 (75)	Decrease
			Liquidity premium	51 - 238 (57)	Decrease
Municipal warrants	$ 1,353	Broker quote	Price	100	Increase
Private equity securities	$ 1,842	Vendor price	Price	1 - 356 (179)	Increase
Net market risk benefits for variable annuities	$ 599	Stochastic Cash Flow Model	Mortality	104% -105% of 2012 IAM Basic with scale G2 improvement (104%)	Decrease
			Base Surrenders	0.6% - 20.6% (5.5%)	Decrease
			Delay Prior to Withdrawals	0 - 14 years (0.6)	Increase
			Volatility	1.0% - 28.4% (16.1%)	Increase
			Nonperformance Risk Spread	0.6% - 0.8% (0.7%)	Decrease
Liabilities for fixed index universal life products with embedded derivatives	$ 62,316	Market Value of Hedge Assets less Unamortized Cost	Unamortized Cost	12-24 months straight-line amortization (12.5)	Decrease
Liabilities for fixed index annuity products with embedded derivatives	$ 817,633	Option Budget Method	Projected Option Cost	2.5% - 4.8% (3.9%)	Increase
Net market risk benefits for index annuities	$ 140,493	Stochastic Cash Flow Model	Base Withdrawals	0.3% - 31.4% (4.0%)	Decrease
			Partial Withdrawals (Non-GLWB)	0.8% - 3.4% (2.7%)	Decrease
			Mortality (Non-GLWB)	81% -130% of 1994 GAM with scale G2 improvement (103%)	Decrease
			Mortality (GLWB)	104% -105% of 2012 IAM Basic with scale G2 improvement (104%)	Decrease
			Nonperformance Risk Spread	0.6% - 0.8% (0.7%)	Decrease

[1]The weighted average is determined based on the fair value of the securities.

[2]Conversely, the impact of a decrease in input would have the opposite impact to the fair value as that presented in the table above.

[3]Includes $1,362,500 of privately placed securities and $1,713,259 of investment grade securities based on NAIC rating.

[4]Primarily subordinated tranches of non-agency residential mortgage-backed securities and includes $557 of investment grade securities based on NAIC rating.

[5]Securities are diversified by asset class and include $63,358 of investment grade securities based on NAIC rating.

[6]Includes $312,673 of investment grade securities based on NAIC rating.

[7]Includes $881,349 of privately placed securities and $876,870 of investment grade securities based on NAIC rating.

NOTE 16 - FAIR VALUE MEASUREMENTS (continued)

Nonrecurring Fair Value Measurements

The Company may be required to measure certain other financial assets at fair value on a nonrecurring basis. These adjustments to fair value usually result from the write-downs of individual assets, primarily impaired assets for the Company. There were no material fair value measurements on a nonrecurring basis at December 31, 2025.

The Company considers a loan impaired when it is probable that it will be unable to collect all amounts due according to the contractual terms of the note agreement, including principal and interest. Impairment of loans on nonaccrual status or those with restructured terms is based on observable market prices, the estimated fair value of the collateral for collateral-dependent loans, or the present value of the expected future cash flows discounted at the loan's effective interest rate. Appraised values, adjusted for management's assumptions, are generally used on real estate collateral-dependent impaired loans, which the Company classifies as a Level 3 nonrecurring fair value measurement.

The Company may also be required to measure certain other nonfinancial assets at fair value on a nonrecurring basis. These fair value measurements are typically related to intangible assets acquired or goodwill which has been impaired to fair value after initial recognition. There were no nonfinancial assets at fair value on a nonrecurring basis after initial recognition at December 31, 2025.

NOTE 17 - FAIR VALUE OF FINANCIAL INSTRUMENTS

Where quoted market prices are not available, fair values are based on estimates using present value or other valuation techniques which are based on management estimates, including the discount rate and estimates of future cash flows. Derived fair value estimates may not be realized on immediate settlement of the instrument. All nonfinancial instruments are excluded from disclosure requirements. Accordingly, the aggregate fair value amounts presented do not represent the underlying value of the Company.

Fair value estimates presented herein are based on pertinent information available to management as of December 31, 2025. Although management is not aware of any factors that would significantly affect the estimated fair value amounts, such amounts have not been comprehensively revalued for purposes of these financial statements since that date; therefore, current estimates of fair value may differ significantly from the amounts presented herein.

The following methods and assumptions were used by the Company in estimating its fair value disclosures for each class of financial instrument for which it is practicable to estimate a value:

Mortgage loans on real estate, net – The fair value of commercial mortgage loans is primarily determined by estimating expected future cash flows and discounting the cash flows using current interest rates for similar mortgage loans with similar credit risk. The valuation techniques used to measure the fair value of impaired loans are described in Note 16.

Loans on insurance policies – The fair values for loans on insurance policies are estimated using discounted cash flow analysis at interest rates currently offered for similar loans. Loans on insurance policies with similar characteristics are aggregated for purposes of the calculations.

Other investments – The fair value of venture capital limited partnerships carried at cost is based on the underlying net asset value of the partnerships, adjusted for significant market events if the net asset value was not calculated as of December 31, 2025. The fair value for private equity securities is determined based on internal valuations. Venture capital partnerships and real estate partnerships that are carried on the equity method are excluded from the fair value disclosure.

Cash and accrued investment income - The carrying amounts approximate fair value.

Policyholder account balances – Only contracts defined as investment contracts where there is no risk arising from policyholder mortality or morbidity are included in the fair value disclosure. Funds on deposit with a fixed maturity are valued at discounted present value using market interest rates. Funds on deposit which do not have fixed maturities are carried at the amount payable on demand at the reporting date, which approximates fair value.

Borrowings - Fair value for the Company's borrowed money was estimated using discounted cash flow calculations based on current interest rates consistent with the maturity of the obligation.

NOTE 17 - FAIR VALUE OF FINANCIAL INSTRUMENTS (continued)

Separate account liabilities - Separate account liabilities are carried at the fair value of the underlying assets. Fair value is determined as described in Note 16.

Assets or liabilities where carrying amount equals fair value are previously disclosed in Note 16. Estimated fair values of assets or liabilities not carried at fair value were as follows:

	December 31, 2025	
	Carrying Amount	*Fair Value*
Financial assets:		
Mortgage loans on real estate, net	$ 2,608,995	$ 2,534,628
Loans on insurance policies	925,130	867,761
Other investments	36,084	36,084
Cash	44,240	44,240
Accrued investment income	166,699	166,699
Financial liabilities:		
Policyholder account balances	1,370,268	1,367,694
Borrowings	49,967	51,291
Liabilities related to separate accounts	11,560,620	11,560,620

NOTE 18 – OTHER COMPREHENSIVE INCOME ACTIVITY AND BALANCES

The following table presents information about the tax effects allocated to each component of other comprehensive income:

	Before-tax	*Tax (Expense) Benefit*	*Net-of-Tax*
December 31, 2025			
Change in unrealized gains (losses) on securities:			
Unrealized holding gains arising during the period	$ 417,981	$ (87,971)	$ 330,010
Reclassification adjustments to AOCI	(95,721)	20,107	(75,614)
Allocation of unrealized losses to policy and contract liabilities	(3,647)	766	(2,881)
Policyholder liability discount rate remeasurement gains	(6,742)	1,416	(5,326)
Market risk benefit credit risk remeasurement gains	6,137	(1,289)	4,848
Change in unrealized gains (losses) on defined benefit plan obligation:			
Unrecognized defined benefit plans obligation	1,463	(375)	1,088
Reclassification adjustments from AOCI	(615)	148	(467)
Other Comprehensive Income	$ 318,856	$ (67,198)	$ 251,658

The following table presents information about the changes in the balances for each component of accumulated other comprehensive income:

	Net Unrealized Gains/(Losses) on Available for Sale Securities	*Policyholder liability discount rate remeasurement gains (losses)*	*Market risk benefit credit risk remeasurement gains (losses)*	*Unrealized gains (losses) on Defined Benefit Plan Obligations*	*Total Accumulated Other Comprehensive Income (Loss)*
Balance, December 31, 2024	$ (765,380)	$ —	$ —	$ (11,548)	$ (776,928)
Cumulative effects of changes in accounting principle, net of tax	(121,168)	112,963	(29,222)	—	(37,427)
Balance, January 1, 2025	(886,548)	112,963	(29,222)	(11,548)	(814,355)
Other comprehensive income (loss) before reclassifications, net of tax	327,129	(5,326)	4,848	1,088	327,739
Amounts reclassified from AOCI, net of tax	(75,614)	—	—	(467)	(76,081)
Balance, December 31, 2025	$ (635,033)	$ 107,637	$ (24,374)	$ (10,927)	$ (562,697)