



Helping Others Succeed

2020 FINANCIAL SUMMARY



Lafayette Life
Insurance Company

A member of Western & Southern Financial Group

We Succeed By Helping Others Succeed

The President's Message



John H. Bultema III

President and Chief Executive Officer
The Lafayette Life Insurance Company

Through the efforts of our associates and approximately 8,300 appointed independent producers, our solutions help provide protection and peace of mind for Lafayette Life policyowners and their families.

Unparalleled challenges were the norm in 2020. The Lafayette Life Insurance Company met these challenges and continued to deliver life insurance, annuity, retirement and business-planning solutions to individuals and businesses.

Despite the year's adversities, our GAAP operating income from our life insurance and annuity business reached a record \$61.4 million in 2020. Annualized sales in life premiums grew 30% and new life policies increased 45% over 2019. In keeping with our tradition of paying dividends on our whole life products since our founding in 1905, we expensed record dividends of \$73.3 million in 2020 while anticipating the same dividend rate in 2021.*

To better serve current and future customers, we expanded and enhanced our retirement services operations over the course of the year. For more than three decades, we have served the growing pension and planning needs of small businesses. Our clients value the advantages of partnering with a convenient, single resource for plan design, document services, administrative services, funding options and distribution planning.

During 2020, we expanded service through digital technology solutions by enhancing our customer website. Our policyowners now can take advantage of anytime access to make convenient and secure payments online. In addition, whole life annual statements for policies issued since 2005 were enhanced for greater clarity and ease of use.

In 2020, we marked the 15th anniversary of Lafayette Life joining Western & Southern. Backed by one of the strongest life insurance groups in the world, we remain committed to supporting both policyowners and producers as a financially sound, quality-driven, growth-oriented company helping to safeguard families and their futures.

* Dividends not guaranteed and may change at any time. Dividend expenses are reported on a statutory basis.

Thank you for your continued confidence in Lafayette Life. We look forward to working with our producers to continue serving our clients for years to come.



About Lafayette Life

Since our founding in 1905, The Lafayette Life Insurance Company has provided life insurance, annuity, retirement, and business-planning solutions to individuals and businesses. Our mission is to be a financially sound, quality-driven, growth-oriented company dedicated to meeting our customers' needs for a variety of financial products, services and solutions.

Lafayette Life's whole life products, indexed annuities and retirement services are offered to emerging affluent and affluent Americans through 8,300 independent producers and independent marketing organizations. We pride ourselves on a highly personalized experience with client access to our team members whenever needed.

Lafayette Life Board of Directors

John F. Barrett

Chairman, President and CEO,
Western & Southern Financial Group

John H. Bultema III

President and CEO, The Lafayette Life Insurance Company;
President and CEO, Columbus Life Insurance Company

Jill T. McGruder

Senior Vice President and Enterprise Chief Marketing Officer,
Western & Southern Financial Group

Jonathan D. Niemeyer

Senior Vice President, Chief Administrative Officer
and General Counsel, Western & Southern Financial Group

Lafayette Life Senior Management

John H. Bultema III

President and Chief Executive Officer

Lawrence R. Silverstein

Senior Vice President and Chief Marketing Officer

Michael F. Donahue

Vice President, Marketing Services

Daniel E. Haneline

Vice President and Chief Financial Officer

Cheryl A. Jorgenson

Vice President, Retirement Services

Have a question? Need to contact us? Visit our website at www.llic.com or call our home office toll-free at 800.243.6631. Lafayette Life is an Equal Opportunity Employer.



**Lafayette Life
Insurance Company**

A member of Western & Southern Financial Group

The Lafayette Life Insurance Company
400 Broadway • Cincinnati, OH 45202-3341
www.llic.com

The Lafayette Life Insurance Company

Consolidated and Condensed GAAP Balance Sheet

\$ Thousands | December 31, 2020

Assets

Debt securities	\$4,342,387
Equity securities	144,958
Other invested assets	1,757,555
Total invested assets	6,244,900
Other assets	265,762
Total assets	\$6,510,662

Liabilities and equity

Future policy benefits and claims	\$5,350,238
Notes payable	0
Other liabilities	277,555
Total liabilities	5,627,793
Total equity	882,869
Total liabilities and equity	\$6,510,662

Consolidated and Condensed GAAP Income Statement

\$ Thousands | Year ended December 31, 2020

Revenue

Insurance premiums and product charges	\$ 468,746
Net investment income	225,592
Net realized investment gains (losses)	(12,437)
Commissions, fees and other income	112
Total revenue	682,013

Benefits and expenses

Policyholder benefits, interest credited and dividends to policyholders	548,863
Other operating expenses	109,537
Total benefits and expenses	658,400
Income before income tax expense	23,613
Income tax expense (benefit)	(11,049)
Net income	\$ 34,662

Western & Southern Financial Group

Consolidated and Condensed GAAP Balance Sheet

\$ Thousands | December 31, 2020

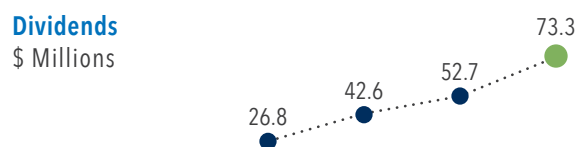
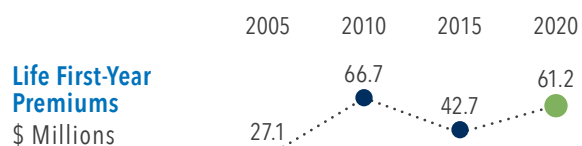
Assets

Debt securities	\$40,879,217
Equity securities	2,699,811
Other invested assets	12,683,637
Other general account assets	4,019,386
Assets held in separate accounts	2,611,428
Total assets	\$62,893,479

Liabilities and equity

Future policy benefits and claims	\$43,080,648
Notes payable	989,064
Other general account liabilities	3,808,666
Liabilities related to separate accounts	2,611,428
Total liabilities	50,489,806
Total equity	12,403,673
Total liabilities and equity	\$62,893,479

Lafayette Life 2020 Financial Highlights**



** Statutory accounting principles

Outstanding Strength

A+ SUPERIOR A.M. Best

Superior ability to meet ongoing insurance obligations (second highest of 13 ratings; held since June 2009)

AA- VERY STRONG Standard & Poor's

Very strong financial security characteristics (fourth highest of 21 ratings; rating held since August 2018)

AA VERY STRONG Fitch

Very strong capacity to meet policyholder and contract obligations on a timely basis (third highest of 21 ratings; rating held since June 2009)

96 OUT OF 100 Comdex

The Comdex Ranking is a composite of all the ratings a company has received from the major rating agencies. It ranks insurers on a scale of 1 to 100 (where 1 is the lowest) in an effort to reduce confusion over ratings because each rating agency uses a different scale.*

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The ratings are current as of June 1, 2021, and are subject to change. Ratings refer to the claims-paying ability of the insurance company and do not reflect the performance or safety of any investment product. The rating agencies listed above are independent of each other and use proprietary evaluation criteria and rating scales. *The Lafayette Life Insurance Company is not rated by Moody's.