EXHIBIT A

STATE OF TENNESSEE

DEPARTMENT OF COMMERCE AND INSURANCE

REPORT ON EXAMINATION

OF

PROVIDENT LIFE AND CASUALTY INSURANCE COMPANY

(NAIC # 68209)
(NAIC Group # 565)

CHATTANOOGA, TENNESSEE

AS OF

DECEMBER 31, 2015

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Chattanooga, Tennessee
March 31, 2017

Honorable Julie Mix McPeak
Commissioner
Tennessee Department of Commerce and Insurance
500 James Robertson Parkway
Nashville, Tennessee 37243

Dear Commissioner:

Pursuant to your instructions and in accordance with the Tennessee Code Annotated ("Tenn. Code Ann.") § 56-1-408, regulations, and resolutions adopted by the National Association of Insurance Commissioners (NAIC), a full-scope financial examination and market conduct review, as of December 31, 2015, has been made of the conditions and affairs of:

PROVIDENT LIFE AND CASUALTY INSURANCE COMPANY
NAIC # 68209
NAIC Group # 565
1 Fountain Square
Chattanooga, TN 37402

hereinafter generally referred to as the "Company" or "PLC" and a report thereon is submitted as follows:

INTRODUCTION

This examination was arranged by the Tennessee Department of Commerce and Insurance (TDCI or "Department") under rules promulgated by the NAIC. The examination commenced on May 23, 2016, and was conducted by duly authorized representatives of the TDCI. This examination was called through the NAIC's Financial Examination Electronic Tracking System (FEETS). This examination was not coordinated with any other states which had domiciled companies within the Unum Group ("Unum"). Further description of the coordination effort between the states is discussed below under the heading "Scope of Examination." This examination was made simultaneously with the Company's affiliate, Provident Life and Accident Insurance Company (PLA).

SCOPE OF EXAMINATION

The last examination of the Company was made as of December 31, 2010. This examination covers the period January 1, 2011, through December 31, 2015, and includes any material transactions and/or events occurring subsequent to the examination date which were noted during the course of examination.

The Company is a member of Unum. The following are all of the insurance companies and their respective domiciliary states within the group as of December 31, 2015:

Unum Life Insurance Company of America (Maine),
Unum Insurance Company (Maine),
The Paul Revere Life Insurance Company (Massachusetts),
First Unum Life Insurance Company (New York),
Provident Life and Accident Insurance Company (Tennessee),
Provident Life and Casualty Insurance Company (Tennessee),
Colonial Life & Accident Insurance Company (South Carolina),
Northwind Reinsurance Company (Vermont), and
Fairwind Insurance Company (Vermont).

Maine is the lead state in the group. Non-lead states are Massachusetts, New York, Tennessee, South Carolina, and Vermont. Maine, Massachusetts and New York performed a coordinated examination two (2) years prior, as of December 31, 2013. Vermont performed an examination of Northwind Reinsurance Company as of December 31, 2013. South Carolina performed an examination of Colonial Life & Accident Insurance Company as of December 31, 2014.

The examination was conducted in accordance with rules and procedures as prescribed by the statutes of the State of Tennessee, and in accordance with the NAIC *Financial Condition Examiners Handbook* ("Handbook"), as deemed appropriate. The examination was planned and performed to evaluate the financial condition of the Company as of December 31, 2015. The examination sought to identify prospective risks by obtaining information about the Company, including its corporate governance, by identifying and assessing inherent risks within the Company, and by evaluating system controls and procedures used to mitigate those risks. The examination also included assessing the principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation and management's compliance with statutory accounting principles and annual statement instructions.

During planning, all accounts and balances were considered to determine which key activities and accounts would be examined. The key activities included: Investments;

Pricing/Underwriting; Reserving/Claims; Reinsurance Ceded; Related Party; and Capital and Surplus.

The Company's 2015 Annual Statement was compared with or reconciled to the corresponding general ledger account balances.

An examination of the Company's information technology general controls (ITGC) was conducted. The examination included a review of management and organizational controls, logical and physical security controls, system and program development controls, contingency planning controls, service provider controls, operations controls, processing controls, e-commerce controls, and network and internet controls.

A separate market conduct review was also performed concurrently with the financial examination. See "Market Conduct Activities".

The Company's parent, Unum, maintains an Internal Audit (IA) Department, which is charged with performing the IA function for all companies within the holding company system. IA activities focus almost entirely on Sarbanes-Oxley (SOX) compliance testing. The scope of SOX testing included the Company's internal controls over financial reporting. The examiners reviewed the processes tested and requested the workpapers for specific processes which had been identified as significant to the key activities and sub-activities being examined. The workpapers were provided and were utilized, where appropriate.

The actuarial firm of Lewis & Ellis, Inc. was utilized in the examination review of the Company's loss reserves.

Independent information technology, reinsurance and investment specialist services, provided by Noble Consulting Services, Inc., were utilized in the examination review of the Company's information technology, reinsurance and investment areas.

Ernst and Young LLP (EY) was the Certified Public Accountant (CPA) and independent auditor for the Company for all years under examination. The CPA's workpapers were reviewed for the 2015 audit and copies were incorporated into the examination, as deemed appropriate.

The Company provided a letter of representation certifying that management has disclosed all significant matters and records.

COMPLIANCE WITH PREVIOUS EXAMINATION FINDINGS

There were no comments or recommendations in the prior report.

COMPANY HISTORY

The Company was incorporated on October 17, 1951, under the statutes of the State of Tennessee. Initial capital was $350,000 and consisted of three thousand five hundred (3,500) shares of common stock with a par value of $100 per share. Subsequently, the charter has been amended at various times to increase the authorized capital and to increase or decrease the par value of individual shares. The Company was organized originally for the purpose of writing business in the State of New York, although its operations have since been extended to other jurisdictions. The Company is authorized to write life and disability insurance.

On December 22, 1995, the Company's parent, Provident Life and Accident Insurance Company (PLA), contributed all of the stock of the Company to Provident Life Capital Corporation as an extraordinary dividend. In March 1996, Provident Life Capital Corporation was dissolved and its assets and liabilities were distributed to and assumed by Provident Companies, Inc.

On June 30, 1999, Unum Corporation merged with and into the Company's parent, Provident Companies, Inc., in an exchange of stock. Following the merger of Unum Corporation and Provident Companies, Inc., resulting in the company known as UnumProvident Corporation, in June, 1999, the Company became an operating subsidiary of UnumProvident Corporation. UnumProvident Corporation changed its name effective February 27, 2007, to Unum Group. The Company now operates as a subsidiary of Unum, a non-insurance holding company incorporated in Delaware.

The Company is a stock for-profit life insurance company licensed to transact business in the District of Columbia and thirty-one (31) states. The Company is a New York marketing arm of its parent, Unum, which traditionally has focused its activities in the individual disability income market and offers the same products as an affiliate, PLA. The Company's key product is individual disability insurance marketed primarily to employers and multi-life employee groups by the Company's sales force, working in conjunction with independent brokers and consultants.

At December 31, 2015, the Company had authorized capital stock of twelve thousand (12,000) shares of common stock with a par value of $150 per share, of which twelve thousand (12,000) shares were issued and outstanding for a capital paid up of

$1,800,000. Unum is the ultimate parent of the Company, as it holds all of the outstanding shares. Unum's stock (UNM) is publicly traded on the New York Stock Exchange.

MANAGEMENT AND CONTROL

MANAGEMENT

Directors

The Company's Bylaws state that the business and affairs of the corporation shall be managed by the Board of Directors ("Board"), who shall be elected at the annual meeting of the shareholders. Directors need not be residents of the State of Tennessee or shareholders of the corporation.

The Bylaws state that the number of directors shall consist of not less than one (1) nor more than eighteen (18) directors as set forth from time to time by resolution of the Board. A majority of directors constitutes a quorum. Directors serve until the next annual meeting of the shareholders, and thereafter, until a successor has been elected.

The following persons were duly elected by the shareholders on June 10, 2015, and were serving as members of the Board, as of December 31, 2015:

Name	Principal Occupation
Richard P. McKenney	Chairman
Michael Q. Simonds	President and Chief Executive Officer
Lisa G. Iglesias	Executive Vice President, General Counsel
Christopher J. Jerome	Executive Vice President, Global Services
John F. McGarry	Executive Vice President, Finance

The Bylaws require that an annual meeting of the shareholders be held for the purpose of electing directors and for such other business.

The Bylaws allow any action required or permitted to be taken at a meeting of the Board, or of any committee thereof, to be taken without a meeting, if, prior to such action, a written consent thereto is signed by all Board or committee members, and such written consent is filed with the minutes of the proceedings. Such consent shall have the same force and effect as a vote at a meeting. Any or all of the directors, or committee members may participate in meetings by means of conference telephone or similar communication equipment.

Officers

The Bylaws provide that the officers of the Company shall be a President and a Secretary, and such other officers as the Board may determine. The same individual may simultaneously hold more than one office in the corporation, except the offices of President and Secretary, as provided by the Bylaws.

The following officers were duly elected by the Board on June 10, 2015, and were serving as officers of the Company, as of December 31, 2015:

Name	Title
Richard P. McKenney	Chairman
Michael Q. Simonds	President and Chief Executive Officer
Lisa G. Iglesias	Executive Vice President, General Counsel
Christopher J. Jerome	Executive Vice President, Global Services
John F. McGarry	Executive Vice President, Finance
Kevin A. McMahon	Senior Vice President, Treasurer
J. Paul Jullienne	Vice President, Managing Counsel, and Corporate Secretary
Stephen J. Mitchell	Senior Vice President, Chief Financial Officer
Vicki W. Corbett	Senior Vice President, Controller
Albert A. Riggieri, Jr.	Senior Vice President, Chief Actuary
Joseph R. Foley	Senior Vice President, Corporate Marketing, and Public Relations

Committees

The Board may designate, establish, and charter any committees as it deems necessary. The Company's Board designated two (2) committees during the period of examination: the Executive Committee and the Investment Committee.

Members of the Executive Committee as of December 31, 2015, were:

Richard P. McKenney, Chair
Lisa G. Iglesias
John F. McGarry

Members of the Investment Committee as of December 31, 2015, were:

Breege A. Farrell, Chair	
Kevin A. McMahon	Bill R. Stutts
Ben S. Miller	Ben B. Vance
Stephen J. Mitchell	Thomas A. H. White
J. Matthew Royal	Steven A. Zabel

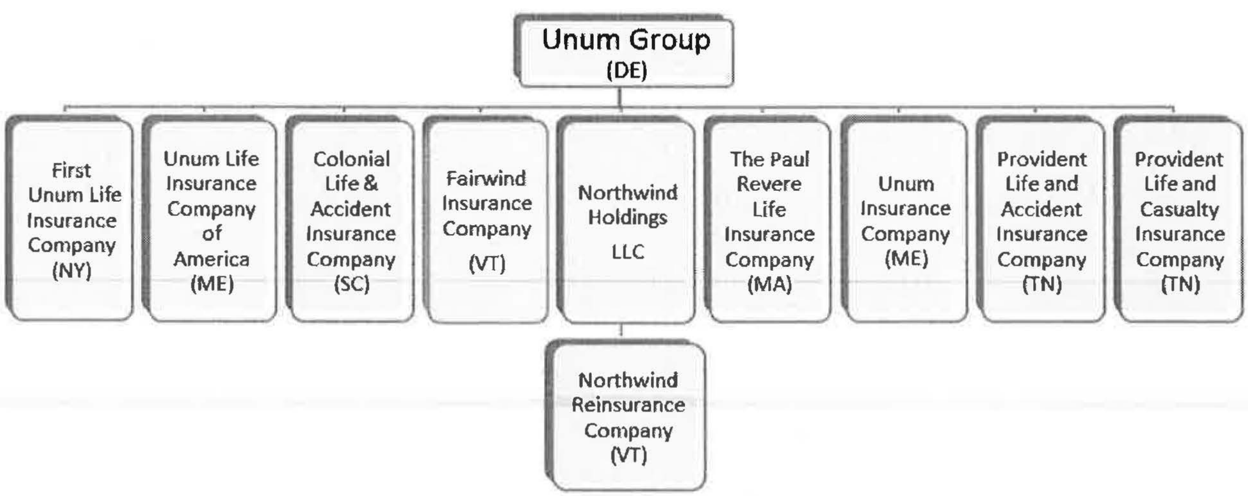
The administrative and executive functions of the Company are performed by staff employed through its parent, Unum, and provided to the Company under the recitals of an administrative agreement between the Company and Unum, as described in this report under the heading "Agreements with Parent and Affiliates."

CONTROL

The Company is a member of an insurance holding company system as defined by Tenn. Code Ann. § 56-11-101(7), and as such, is subject to the Insurance Holding Company System Act of 1986, set forth in Tenn. Code Ann. §§ 56-11-101, *et seq.* Unum is the ultimate parent of the Company. Unum files a holding company registration statement annually, as required by Tenn. Code Ann. § 56-11-105.

The following abbreviated organizational chart shows all of the insurance companies and their respective domiciliary states within the Unum Holding Company Group:

Abbreviated Organizational Chart



CONFLICTS OF INTEREST AND PECUNIARY INTERESTS

The Company is required to comply with Tenn. Code Ann. § 56-3-103 prohibiting officers and directors of insurance companies from having a pecuniary interest in the investment or disposition of funds of a domestic insurance company. Unum and all its subsidiaries have adopted a Code of Conduct Policy which requires compliance with laws and regulations applicable to its business. The policy requires all directors and employees to conduct business of the Company on the highest standards of ethics and personal conduct and to be free from both real and perceived conflicting interests and relationships. The policy further requires that all directors and management employees annually report all information required to be reported herein and such other information as may be relevant to determine the existence or likely development of a significant conflict of interest.

The annual conflict of interest disclosure statements filed by the Company's directors, officers, and responsible employees in each year of the examination period were reviewed.

DIVIDENDS

During the period of examination, the Company declared and paid ordinary dividends to its shareholder. The Company complied with the requirements of Tenn. Code Ann. §§ 56-11-105(e) and 56-11-106(b) by notifying the TDCI of declaration of said dividends.

The following table lists each dividend amount and the date the Company notified the TDCI of the dividend.

Year	Ordinary (O) or Extraordinary (E)	Notification Date	Dividend Amount
2015	O	11/12/2015	$13,000,000
2014	O	02/26/2014	5,000,000
2014	O	11/19/2014	13,000,000
2013	O	03/01/2013	3,000,000
2013	O	11/08/2013	12,000,000
2012	O	11/15/2012	14,000,000
2011	O	11/11/2011	14,000,000
Total paid during period of Exam			$74,000,000

CORPORATE RECORDS

The minutes of meetings of the Company's shareholders, Board, and committees were reviewed for the period under examination. They were complete as to necessary detail and appear to adequately reflect the acts of the respective bodies. The review of the minutes indicates that all investment transactions were approved by the Board pursuant to Tenn. Code Ann. § 56-3-408(b)(1).

Charter

The original Charter of the Company was filed with the Tennessee Secretary of State on October 16, 1951. The Charter in effect at December 31, 2015, is the Company's Amended and Restated Charter that was adopted by the Board on September 27, 2005, filed with the Tennessee Secretary of State on November 14, 2005, and filed with the

TDCI on April 28, 2006. This restatement of the Charter changed the address of the principal office of the Company, added a registered agent, stated the Company is for-profit, and stated its purpose.

An amendment of the Charter adopted by the Board on September 27, 2010, and approved by the TDCI on November 28, 2011, was non-substantive and deleted references to the parent company's former name, UnumProvident Corporation.

Bylaws

The Bylaws of the Company in effect at December 31, 2015, are the Company's Amended and Restated Bylaws that were adopted by the Board on September 9, 2010. There were only minor changes made to the Company's Bylaws from the version previously in effect since September 27, 2005.

The Bylaws provide for an annual shareholders' meeting at which a Board is elected. Officers are elected by the Board. The Bylaws are such as generally found in corporations of this type and contain no unusual provisions. They provide for the regulation of the business and for the conduct of the affairs of the Company, the Board and its shareholders.

AGREEMENTS WITH PARENT AND AFFILIATES

The Company had three (3) agreements with its parent and affiliated companies in effect, as of December 31, 2015. The following are summaries of the agreements in effect as of the examination date:

General Services Agreement with Unum

Effective April 11, 1998, the Company entered into a General Services Agreement with its parent, Provident Companies, Inc., now known as Unum. According to the terms and provisions of the Agreement, Unum agrees to provide the Company with certain administrative services for its internal operations and processing of its insurance business. Such services include managerial and administrative support, equipment, office space, marketing, product support, and such other services as may be required.

The Company has no employees of its own. All services necessary to its business are provided by Unum pursuant to the Agreement. The compensation paid by the Company to Unum is subject to a quarterly service fee and the actual costs of services provided, based on various allocation factors as specified in the Agreement.

The Agreement was determined to satisfy the requirements of Tenn. Code Ann. § 56-11-106(a)(1). The Company filed this Agreement for approval by the Commissioner as required by Tenn. Code Ann. § 56-11-106(a)(2) on December 22, 1997. TDCI approved this Agreement on January 5, 1998.

Investment Services Agreement with Affiliate

Effective April 15, 2004, the Company entered into an Investment Management Agreement with an affiliate, Provident Investment Management, LLC.

According to the terms and provisions of the Agreement, the Company is provided investment advisory and management services subject to the guidelines as specified in the agreement. In consideration of the services provided, the Company compensates the investment manager quarterly in the amount of fifteen (15) basis points per annum, based on the average market value of the portfolio as of the last business day of the calendar month in the quarter.

The Agreement was determined to satisfy the requirements of Tenn. Code Ann. § 56-11-106(a)(1). The Company filed this Agreement for approval by the Commissioner as required by Tenn. Code Ann. § 56-11-106(a)(2) on May 11, 2004. TDCI approved this Agreement on June 30, 2004.

Tax Allocation Agreement with Unum and Affiliates

Effective January 1, 2007, the Company entered into a Tax Allocation Agreement with its parent, Unum, and other affiliated companies. The Agreement states the Company has elected through the provisions of the Internal Revenue Code to be included in its parent's consolidated tax return.

The Agreement states the Consolidated Group elects to file their federal income tax return pursuant to elections under Sections 1502 and 1504(c)(2) of the Internal Revenue Code of 1986. The consolidated tax liability is allocated to each member of the consolidated group based upon the percentage of each member's tax computed on a separate return basis to the total tax so computed for all members. In lieu of actual payments, adjustments to intercompany payables and receivables are made, if such exist on the Company's books.

The Agreement was determined to satisfy the requirements of Tenn. Code Ann. § 56-11-106(a)(1). The Company filed this Agreement for approval by the Commissioner as required by Tenn. Code Ann. § 56-11-106(a)(2) on July 13, 2007. TDCI approved this Agreement on August 13, 2007.

FIDELITY BOND AND OTHER INSURANCE

The Company is listed as a named insured on a financial institution bond carried by its parent, Unum, and its subsidiaries. Other insurance policies were reviewed and the Company is listed as a named insured on the following insurance coverages maintained by the Company, as of December 31, 2015:

Fidelity Bond	Foreign Liability
Umbrella Excess	Aviation Insurance
Cyber Coverage	Blended Professional All Carriers
Fine Arts Insurance	Property

The Company's fidelity coverage exceeds the minimum amount suggested in the NAIC Handbook. The bonds and policy coverages were inspected and appear to be in-force as of the date of this examination. All of the above policies were issued by companies licensed to transact business in the State of Tennessee or by authorized surplus lines insurers.

EMPLOYEE BENEFITS AND PENSION PLANS

The Company has no employees. All business functions are performed by Unum under service agreements discussed under the caption, "Agreements with Parent and Affiliates". Unum provides its employees with life insurance, medical insurance, disability insurance, dental insurance, 401(k), and pension plans.

TERRITORY AND PLAN OF OPERATION

Territory

The Company is a stock for-profit life insurer domiciled in Tennessee and licensed to transact business in the District of Columbia and thirty-one (31) states. Certificates of Authority granted by the licensed states were reviewed and found to be in force at December 31, 2015.

Premium tax records were reviewed for Tennessee, and no exceptions were noted.

SCHEDULE T – PREMIUMS AND ANNUITY CONSIDERATIONS

State or District	Life Insurance Premiums	Annuity Considerations	A&H Insurance Premiums	Deposit Type Contracts
Alabama			$62,740	
Alaska			12,571	
Arizona	$3,170		286,178	
Arkansas	101		23,889	
California	27,215		1,254,056	
Colorado	155		300,237	
Connecticut	14,448		3,766,011	
Delaware	346		82,483	
District of Columbia			532,651	
Florida	19,834		1,898,909	
Georgia	4,617		1,184,213	
Hawaii			22,780	
Idaho			14,704	
Illinois	3,108		2,039,696	
Indiana	520		129,943	
Iowa			48,190	
Kansas			80,664	
Kentucky	896		84,213	
Louisiana	496		94,208	
Maine	1,345		46,937	
Maryland	1,441		1,166,692	
Massachusetts	3,064		1,470,622	
Michigan	127		381,348	
Minnesota	284		469,697	
Mississippi			32,419	
Missouri	144		214,626	
Montana			9,500	
Nebraska	273		24,299	
Nevada	1,794		103,520	
New Hampshire	2,343		142,441	
New Jersey	107,333		8,140,593	
New Mexico	627		27,991	
New York	2,042,708		49,073,696	
North Carolina	10,636		611,961	
North Dakota			2,205	
Ohio	714		711,288	
Oklahoma	131		83,353	
Oregon			80,787	

Pennsylvania	32,888		1,342,343	
Rhode Island	520		96,033	
South Carolina	4,045		156,942	
South Dakota			16,777	
Tennessee	40,614		215,647	
Texas	7,149		2,156,844	
Utah			140,629	
Vermont	764		17,436	
Virginia	1,249		1,618,324	
Washington	1,444		297,799	
West Virginia	849		31,375	
Wisconsin	353		111,996	
Wyoming	1,878		5,900	
Guam			3,078	
Puerto Rico	512		14,597	
U. S. Virgin Islands				
Northern Mariana Islands				
Canada	370		31,977	
Aggregate Other Alien			376,019	
Totals	$2,340,506	$0	$81,346,030	$0

Plan of Operations

The Company offers and distributes products that enhance the financial security of its policyholders, primarily in the State of New York. Its product offerings include:

- Individual disability
- Group disability
- Individual life
- Group life
- Individual accident and health

These products are sold through an employed group of sales representatives marketing products to independent brokers. The brokers are independent of the Company and are free to market and sell products from other insurance providers. Products sold through the independent producer channel include group-based products (paid for by the employer), individual-based products (paid for by the individual or by the employer as an executive benefit), and employee-paid voluntary benefit products.

The Company's operations are managed by line of business: Individual Disability, Group Disability, Individual Life, Individual Accident and Health, and Group Life.

GROWTH OF COMPANY

The following exhibit depicts certain aspects of the growth and financial history of the Company for the period subject to this examination, according to its annual statements as filed with the TDCI:

Year	Admitted Assets	Liabilities	Capital and Surplus	Premiums and Annuity Considerations
2015	$755,838,141	$608,632,412	$147,205,729	$86,964,186
2014	$767,159,218	$627,730,902	$139,428,316	$84,471,752
2013	$764,107,456	$613,217,451	$150,890,004	$86,162,383
2012	$777,626,926	$631,734,732	$145,892,194	$87,791,084
2011	$768,323,597	$626,372,467	$141,951,131	$85,313,989

MORTALITY AND LOSS EXPERIENCE

LIFE

The mortality experience on ordinary and group life, including related benefits, as developed from applicable amounts included in the Company's annual statements filed with the TDCI for the years indicated were as follows:

Ordinary Life	2015	2014	2013	2012	2011
Net death benefits incurred	381,786	663,698	272,760	444,898	478,244
Less – reserves released	82,197	60,172	39,390	40,553	59,614
Actual death benefits incurred	299,589	603,526	233,370	404,345	418,630
Expected mortality	1,015,213	1,049,524	1,077,651	1,123,814	1,105,424
Mortality experience ratio	29.51%	57.50%	21.66%	35.98%	37.87%

Group Life	2015	2014	2013	2012	2011
Net death benefits incurred	(703,269)	284,951	1,030,149	678,442	1,976,397
Less – reserves released	1,103	0	3,988	0	0
Actual death benefits incurred	(704,372)	284,951	1,026,161	678,442	1,976,397
Expected mortality	259	22	314	317	7,126
Mortality experience ratio	(271,958%)	1,295,232%	326,803%	214,020%	27,735%

A&H

The loss ratios on the Company's group, non-cancelable, and guaranteed renewable business for the years indicated were as follows:

Group A&H	2015	2014	2013	2012	2011
Net incurred claims	2,359,849	1,603,233	1,435,596	2,200,236	3,462,109
Net premiums earned	152,246	213,799	249,750	252,352	252,829
Loss experience ratio	1,550.02%	749.88%	574.81%	871.89%	1,369.35%

Non-cancelable A&H	2015	2014	2013	2012	2011
Net incurred claims	68,289,401	89,949,907	72,206,989	78,291,934	71,736,742
Net premiums earned	82,585,199	79,483,008	80,419,875	81,370,367	78,142,501
Loss experience ratio	82.69%	113.17%	89.79%	96.22%	91.80%

Guaranteed Renewable A&H	2015	2014	2013	2012	2011
Net incurred claims	756,603	465,649	3,181,077	960,624	3,306,100
Net premiums earned	2,251,146	2,388,103	2,558,176	2,737,374	2,850,799
Loss experience ratio	33.61%	19.50%	124.35%	35.09%	115.97%

REINSURANCE AGREEMENTS

Assumed Reinsurance

Reinsurance assumed was determined to not represent a core business activity of the Company. The only significant assumed reinsurance balances involves two (2) blocks acquired in the early 1990's. The first of these is a block of accident and health business acquired from Nationwide Insurance Company in 1991. At December 31, 2015, the block of business accounted for assumed reserves totaling approximately $26 million. The second block of business also involves accident and health business, acquired from John Hancock Life Insurance Company of New York in 1992.

The Company has performed all significant administrative functions associated with these blocks of business since the date of acquisition. Taken together, the blocks represent one hundred percent (100%) of total assumed reinsurance reserves.

Ceded Reinsurance

The Company has reinsurance agreements in effect with numerous external insurance companies for the purpose of diversifying risk and limiting exposure on larger mortality risks. The Company actively monitors the financial condition and industry ratings of its primary reinsurance partners and, where considered necessary, arranges and maintains collateral arrangements to secure ceded reserve credits. At December 31, 2015, substantially all of the Company's financially significant reinsurers were rated "A-" or better, by A.M. Best, an industry recognized rating agency.

Individual and Group Catastrophe Reinsurance

The most significant current reinsurance coverage maintained by the Company involves a series of catastrophic excess of loss agreements covering group and individual life, group and individual accidental death and dismemberment, personal accident, group and individual disability, and long-term care business products currently marketed by the Company. Under the terms of this arrangement, the Company, together with its affiliate, PLA, reinsures up to $400 million in excess of event retention of $50 million, through a series of four (4) layers of coverage. Thereafter, the parties also reinsure forty percent (40%) of the next $300 million in ultimate losses through additional layers of reinsurance.

Legacy Contracts

The Company also has in effect reinsurance ceded arrangements primarily covering strategic exits from various product lines of business written in prior periods. The most significant of these "legacy" arrangements are briefly discussed below.

Life Business

In July 2000, the Company sold one hundred percent (100%) of its individual and corporate life risks to Jackson National Life Insurance. The transaction was structured as a one hundred percent (100%) coinsurance transaction. At December 31, 2015, this contract accounts for ceded reserves totaling $26.4 million. Since the date of sale, Jackson National has performed all administration of this business and provides the Company all information necessary to populate financial reporting as a reinsurance transaction.

Disability Business

The Company has two (2) reinsurance arrangements with Swiss Re Life & Health, effective in 1984 and 1994, respectively, covering various disability income products written by the Company. These contracts have each been closed to new business cessions for an extended period of time and are essentially in run-off. Collectively, these contracts account for ceded reserve credits totaling $19 million, at December 31, 2015.

The Company also maintains a modified co-insurance arrangement with M-Life Insurance Company covering a ten percent (10%) share of its individual disability risks issued prior to 2002. At December 31, 2015, this treaty accounts for modified co-insurance reserves totaling $4.5 million.

Other Considerations

All of the Company's significant reinsurance agreements were found to contain such language as recommended by the NAIC and as required for reinsurance credit pursuant to Tenn. Code Ann. § 56-2-207(a)(2). All agreements also appear to effectuate proper transfer of risk in accordance with SSAP No. 61 and NAIC guidelines.

LITIGATION AND CONTINGENT LIABILITIES

During the period of examination, and as of December 31, 2015, the Company is party to various pending legal proceedings arising in the ordinary course of business. Based upon the opinion of its counsel as to the ultimate disposition of such lawsuits and claims, Company management believes that the liability, if any, resulting from the disposition of such proceedings will not be material to the Company's financial condition or results of operations.

During the period of examination, and as of December 31, 2015, the Company entered into a number of contingent commitments and guarantees. The Company's 2015 Annual Statement, Notes to Financial Statements, Note 14 provides a description of the contingent commitments and guarantees the Company entered into as of December 31, 2015. A review of these notes did not disclose anything that would have an adverse effect upon the Company.

STATUTORY DEPOSITS

In compliance with statutory and other requirements, the Company maintained deposits with the jurisdictions or custodians named below, as of December 31, 2015.

The following are deposits with states where special deposits are for the benefit of all policyholders, claimants, and creditors of the Company:

Jurisdiction	Description of Security	Book/Adjusted Carrying Value	Fair Value	Par Value (Dollars)
Tennessee Department of Commerce and Insurance	US TREASURY NOTES 4.625%, Due 11-15-20 CUSIP# 912828FY1	$459,434	$475,076	$460,000
	US TREASURY BOND 8.750%, Due 8-15-20 CUSIP# 912810EG9	865,587	1,113,330	850,000
	US TREASURY BOND 7.625%, Due 11-15-22 CUSIP# 912810EN4	252,673	339,225	250,000
Subtotal		1,577,694	1,927,631	1,560,000

The following are deposits with jurisdictions where special deposits are **not** for the benefit of all policyholders, claimants, and creditors of the Company:

Jurisdiction	Description of Security	Book/Adjusted Carrying Value	Fair Value	Par Value (Dollars)
Georgia Department of Insurance	US TREASURY BOND 7.125%, Due 02-15-23 CUSIP# 912810EP9	$155,634	$200,205	$150,000
New Mexico Department of Insurance	US TREASURY BOND 7.125%, Due 02-15-23 CUSIP# 912810EP9	125,547	166,837	125,000
North Carolina Department of Insurance	US TREASURY BOND 8.750%, Due 08-15-20 CUSIP# 912810EG9	229,126	294,705	225,000
North Carolina Department of Insurance	US TREASURY BOND 4.625%, Due 11-15-16 CUSIP# 912828FY1	154,809	160,080	155,000

Jurisdiction	Description of Security	Book/Adjusted Carrying Value	Fair Value	Par Value (Dollars)
North Carolina Department of Insurance	US TREASURY BOND 8.750%, Due 8-15-20 CUSIP# 912810EG9	26,763	32,745	25,000
Subtotal		691,879	854,572	680,000
Grand Total		**$2,269,573**	**$2,782,203**	**$2,240,000**

Deposits with said jurisdictions or custodians were verified by direct correspondence with the custodians of such deposits.

ACCOUNTS AND RECORDS

Tenn. Comp. R. & Regs. 0780-01-65-.08(4), states that no partner or other person responsible for rendering a report by a certified public accounting firm may act in that capacity for more than five (5) consecutive years. The Company is audited annually by EY, and is in compliance with this regulation.

During the course of the examination, certain balances were tested and amounts were traced from the Company's trial balance to the annual statement. All of the Company's investment securities were confirmed with the custodian of such securities as of the date of this examination. All annual statements for the period under examination were reviewed for completeness and adequacy of disclosure. The Company's risk-based capital filings were reviewed. These test checks and reviews revealed no material discrepancies.

The Company's books and records are located in Chattanooga, Tennessee.

MARKET CONDUCT ACTIVITIES

A market conduct review was made of the Company, as of December 31, 2015, in conjunction with this examination. The following market conduct areas were reviewed:

Operations and Management Standards

Company antifraud initiatives were examined to determine if they are reasonably calculated to prevent, detect, or mitigate fraudulent insurance acts. Company procedures and policies relating to privacy were reviewed to determine compliance with applicable statutes, rules, and regulations. No issues were noted.

Complaint Handling Standards

The Company maintains a complaint register, as required by various state Unfair Trade Practices Acts, and the register and the accompanying files are maintained for a minimum of five (5) years in accordance with statutory requirements. The Company's complaint procedures and complaint register were examined in accordance with requirements of Tenn. Code Ann. § 56-8-104(11) and the NAIC 2015 *Market Regulation Handbook,* and were found to be in full compliance.

Marketing and Sales Standards

Advertising items were selected for examination including print, internet materials, and power point presentations issued by the Company to target consumers, agents, brokers, and financial institutions. Advertising items were examined in accordance with Tenn. Code Ann. § 56-8-104(1) and the NAIC *Market Regulation Handbook* (Chapter 16 – Marketing and Sales) and were found to be in compliance.

The Company was found to have strong controls in place for the production and use of all advertising materials, with only company approved materials authorized for use. In the examination of the Company's Advertising Log, the log was found to have identified all of the advertising used during the period of examination with each record showing when each version of each advertisement was first used, when each was discontinued, and in which markets each advertisement was used.

Producer Licensing Standards

Tenn. Code Ann. §§ 56-6-101, *et seq.*, requires the Company sell their products and services through producers who are properly licensed and appointed by the Company. In the examination of producer licensing, a random sample of producers were selected and their state issued licensure and appointment by the Company was verified. As a result of examination, no issues or concerns were identified.

Underwriting and Rating Standards

In the examination of the Company's underwriting procedures and policy administration, policy files for open and closed policies for both life and annuity contracts were reviewed in accordance with Tenn. Code Ann. § 56-8-104, Tenn. Comp. R. & Regs. 0780-01-34, and established Company guidelines. In the examination of these contracts, there were no instances of unfair methods of competition or unfair or deceptive acts found. Underwriting procedures and policy administration conducted by the Company appear to be in compliance with established Company guidelines.

The examiners reviewed a sample of the policy forms that were used by the Company during the period of examination. All forms were noted, without exception, as having been filed with the TDCI prior to their use in accordance with Tenn. Code Ann. § 56-7-2311(a). The filings are consistent in form and included appropriate documents.

Claims Review

In the examination of claims handling practices, the Company's efficiency of handling, accuracy of payment, adherence to contract provisions, and compliance with applicable statutes and rules were examined. In conducting the examination, random samples were selected from claims with benefits payments and claims denied by the Company. The Company's claims were properly documented and handled in accordance with the Company's policy provisions and applicable statutes and rules. No issues or concerns were identified.

SUBSEQUENT EVENTS

During the examination, a review of subsequent events was performed. No events were noted that required additional disclosure in this examination report. Our review confirmed the Company's disclosures in its 2015 Annual Statement and in its Letter of Representation. Management stated in its Letter of Representation that they were not aware of any events subsequent to December 31, 2015, that could have a material effect on the Company's financial condition.

FINANCIAL STATEMENTS

There follows a statement of assets, liabilities, and a summary of operations as of December 31, 2015, together with a reconciliation of capital and surplus for the period under review, as reported by the Company in its 2015 Annual Statement.

ASSETS

	Assets	Non-Admitted Assets	Net Admitted Assets
Bonds	$702,654,699		$702,654,699
Preferred stocks			
Common stocks			
Mortgage loans on real estate	26,077,105		26,077,105
Real estate:			
Properties occupied by company			
Properties held for income production			
Cash and short-term investments	(244,161)		(244,161)
Contract loans	1,258,095		1,258,095
Derivatives			
Other invested assets	4,968,812		4,968,812
Receivables for securities			
Securities lending reinvested collateral assets	11,970		11,970
Investment income due or accrued	10,313,024		10,313,024
Premiums and considerations:			
Uncollected premiums and agents balances in the course of collection	2,186,020	$599,782	1,586,238
Deferred premiums not yet due	2,488		2,488
Accrued retrospective premium			
Amounts recoverable from reinsurers	467,590		467,590
Other amounts receivable under reinsurance contracts	533,696		533,696
Amounts receivable uninsured plans	9,180		9,180
Current federal income tax recoverable	751,678		751,678
Net deferred tax asset	14,959,272	7,675,109	7,284,163
Guaranty funds receivable	50,970		50,970
Furniture and equipment			
Healthcare and other receivable	423,790	423,790	
Aggregate write-ins for other assets	112,594		112,594
Totals	$764,536,822	$8,698,681	$755,838,141

LIABILITIES, SURPLUS, AND OTHER FUNDS

Aggregate reserve for life contracts		$15,121,593
Aggregate reserve for accident and health contracts		570,553,426
Liability for deposit-type contracts		248,906
Contract claims:		
Life		99,890
Accident and Health		3,286,633
Premiums and annuity considerations for life and accident and health contracts received in advance		1,642,452
Contract liabilities not included elsewhere:		
Other amounts payable on reinsurance		157,424
Interest maintenance reserve (IMR)		6,548,100
Commissions to agents due or accrued		498,517
Commissions and expense allowances payable on reinsurance assumed		500
Taxes, licenses and fees due or accrued		14,490
Remittances and items not allocated		501,524
Miscellaneous liabilities:		
Asset valuation reserve (AVR)		7,763,370
Reinsurance in unauthorized companies		229,827
Payable to parent, subsidiaries and affiliates		1,727,627
Payable for securities lending		11,970
Aggregate write-ins for liabilities		226,163
Total Liabilities		608,632,412
Common capital stock	$1,800,000	
Aggregate write-ins: deferred gain on reinsurance transactions	301,508	
Gross paid in and contributed surplus	51,600,000	
Unassigned funds (surplus)	93,504,221	
Total Capital and Surplus		147,205,729
Totals		$755,838,141

SUMMARY OF OPERATIONS

Premiums and annuity considerations for life and A&H	$86,964,186	
Net investment income	45,438,580	
Amortization of interest maintenance reserve (IMR)	601,539	
Commissions and allowances on reinsurance ceded	1,412,730	
Reserve adjustments on reinsurance ceded	495,845	
Aggregate write-ins for miscellaneous income	1,279,398	
Total Income		$136,192,278
Death benefits	(321,483)	
Disability benefits and benefits under A&H contracts	76,998,877	
Surrender benefits and withdrawals for life contracts	649,542	
Interest and adjustments on contract funds	3,414	
Increase in aggregate reserves for life and A&H	(7,004,649)	
Total Benefits		70,325,701
Commissions on premiums and annuity considerations	15,375,642	
Commissions and allowances on reinsurance assumed	168,656	
General insurance expenses	15,504,828	
Taxes, licenses and fees, excluding federal income taxes	1,968,474	
Increase in loading on deferred, uncollected premiums	85	
Aggregate write-ins for deductions	183,599	
Total Expenses		33,201,286
Net gain from operations before dividends to policyholders and federal income taxes		32,665,292
Dividends to policyholders		0
Net gain from operations after dividends to policyholders and before federal income taxes		32,665,292
Federal and foreign income taxes incurred		11,323,213
Net gain from operations after dividends and income taxes and before realized capital gains or (losses)		21,342,079
Net realized capital gains or (losses) less capital gain tax		(2,715)
Net Income		$21,339,364

CAPITAL AND SURPLUS ACCOUNT

	2015	2014	2013	2012	2011
Capital and Surplus December 31, previous year	$139,428,316	$150,890,004	$145,892,194	$141,951,131	$142,575,623
Net income or (loss)	21,339,364	6,753,772	18,348,013	17,839,052	14,475,309
Change in net deferred income tax	375,266	354,101	268,790	(1,597,613)	262,901
Change in non-admitted assets	(1,071,834)	(1,101,671)	971,078	1,487,772	(206,310)
Change in liability for reinsurance in unauthorized companies	(229,827)	161,679	19,269	(180,948)	
Change in reserve on account of change in valuation basis				2,025,221	
Change in asset valuation reserve	450,560	170,098	522,410	(713,991)	(1,323,884)
Cumulative effect of change in accounting principles		307,286		(760,868)	
Change in surplus as result reinsurance	(86,116)	(106,953)	(131,750)	(157,562)	(184,752)
Dividends to stockholders	(13,000,000)	(18,000,000)	(15,000,000)	(14,000,000)	(14,000,000)
Aggregate write-ins: gains and losses in surplus					352,244
Net change in capital and surplus for the year	7,777,413	(11,461,688)	4,997,810	3,941,063	(624,492)
Capital and Surplus December 31, current year	$147,205,729	$139,428,316	$150,890,004	$145,892,194	$141,951,131

ANALYSIS OF CHANGES IN FINANCIAL STATEMENTS

Total Capital and Surplus $147,205,729

Total capital and surplus, as established by this examination, is the same as what was reported by the Company in its 2015 Annual Statement. There were no changes made to any asset or liability items as a result of our examination performed as of December 31, 2015.

COMMENTS AND RECOMMENDATIONS

The following list presents a summary of comments and recommendations noted in this report:

Comments

There were no comments noted during the completion of this examination.

Recommendations

There were no recommendations noted during the completion of this examination.

CONCLUSION

The customary insurance examination practices and procedures, as promulgated by the National Association of Insurance Commissioners, have been followed in connection with the verification and valuation of assets and the determination of liabilities of Provident Life and Casualty Insurance Company.

In such manner, it was found that as of December 31, 2015, the Company had admitted assets of $755,838,141 and liabilities, exclusive of capital and surplus, of $608,632,412. Thus, there existed for the additional protection of the policyholders, the amount of $147,205,729 in the form of common capital stock, aggregate write-ins for other than special surplus funds, gross paid in and contributed surplus, and unassigned funds.

Tenn. Code Ann. §§ 56-2-114 and 56-2-115 require an insurer of this Company's type to maintain a minimum capital and surplus of $2,000,000, collectively. Therefore, the Company as of December 31, 2015, for this examination maintains capital and surplus in excess of the amounts required pursuant to Tenn. Code Ann. §§ 56-2-114 and 56-2-115.

The courteous cooperation of the officers and employees of the Company, extended during the course of the examination, is hereby acknowledged.

In addition to the undersigned, Leah Thomas, CFE, MCM, Alisha Pruitt and James Pearce, Insurance Examiners, and Bryant Cummings, CFE, MCM, Assistant Chief Examiner from the State of Tennessee; Mike Mayberry, FSA, MAAA of the actuarial firm Lewis & Ellis, Inc., Richardson, Texas; Jim Ryan, CFE, CPA, ARA, Are; Greg Hahn, CFA; Brad Myers CISA, CISM, CISSP; and Victoria Chi, CISA, CISM, CRISC, CGEIT, CRMA of the contracting firm Noble Consulting Services, Indianapolis, Indiana participated in the work of this examination.

Respectfully submitted,

A. Jay Uselton, CFE
Examiner-in-Charge
State of Tennessee

AFFIDAVIT

The undersigned deposes and says that he has duly executed the attached examination report of Provident Life and Casualty Insurance Company located in Chattanooga, Tennessee, dated March 31, 2017, and made as of December 31, 2015, on behalf of the Tennessee Department of Commerce and Insurance. Deponent further says he is familiar with such instrument and the contents thereof, and the facts therein set forth are true to the best of his knowledge, information and belief.

A. Jay Uselton, CFE
Examiner-in-Charge
State of Tennessee

State Tennessee

County Davidson

Subscribed to and sworn before me

this 20th day of June, 2017

Mindy C. Walker
(NOTARY)

My Commission Expires: 7-6-2020

MINDY C. WALKER
STATE OF TENNESSEE
NOTARY
PUBLIC
DAVIDSON COUNTY
MY COMMISSION EXPIRES 7-6-2020

EXHIBIT B

unum

June 20, 2017

E. Joy Little
Director of Financial Examinations/Chief Examiner
Tennessee Department of Commerce and Insurance
500 James Robertson Parkway
Nashville, TN 37243-1135

RE: Report of Examination
Provident Life and Casualty Insurance Company as of December 31, 2015

Dear Ms. Little:

Please be advised that we acknowledge receipt of the final Report of Examination for Provident Life and Casualty Insurance Company as of December 31, 2015. By signing below, we indicate acceptance of the report, as transmitted, and without rebuttal.

The Company would like to thank you and your examination team again for the courtesy the Department and examiners extended to us during the course of the examination and the finalizing of the Report.

If you have any questions, please feel free to contact me directly at (803) 678-6435.

Sincerely,

Wendy Nesmith

Wendy Nesmith, MCM
Assistant Vice President
Market Conduct, Complaints and Regulatory Affairs