

**Mutual. Strong. Trusted.**

*Partners for your future.*

**UNIFI**<sup>®</sup>  
Companies

2009  
ANNUAL REPORT



# { CONTENTS

Message to Our Members, Policyholders and Customers. . . . .	1
Company Structure and Ratings . . . . .	3
Consolidated Statistics . . . . .	4
Financial Summary	
Enterprise Overview. . . . .	5
Business Unit Overview . . . . .	6
UNIFI Companies At A Glance. . . . .	7
Financials*	
Consolidated Balance Sheets . . . . .	9
Consolidated Statements of Operations. . . . .	10
Insurance Operations Financial Strength Profile . . . . .	11
UNIFI Companies Leadership . . . . .	15
UNIFI Companies Contact Information . . . . .	16

## Annual Meeting

The annual members meeting of UNIFI Mutual Holding Company will be held at the mutual holding company administrative office in Lincoln, Nebraska, on such day and at such time of day as may be determined by the Board of Directors, but in no event later than June 30 of each year. The meeting in 2010 will be held at 9 a.m. central daylight time on Wednesday, May 5.

## UNIFI Companies Mission Statement

Mutual. Strong. Trusted. We protect and enhance the financial security and quality of life of our members and customers through insurance and financial products and services.

## Our Commitments

We operate using basic principles that are ingrained in some simple, timeless ideals. These commitments, or pledges, are:

- Operate in the best interest of our members
- Operate with integrity and the highest ethical standards
- Deliver value to our customers
- Earn trusted relationships with our distribution partners
- Ensure that all associates have meaningful work
- Act with financial discipline
- Maintain a presence in the communities where our companies are located
- Keep our promises

# { MESSAGE TO OUR MEMBERS, POLICYHOLDERS AND CUSTOMERS

We are proud to be a mutual organization. Mutual is more than a part of our name—it's how we choose to do business. It's the best way to ensure the shared interests of our customers and insurance and financial services businesses are clearly defined and closely aligned. It allows us to develop long-term strategies and ensures the best decisions are the ones that benefit our members, policyholders and customers for decades to come.

In 2009, total assets under management increased to \$31.9 billion, up \$2.4 billion, or 8 percent compared to 2008. The year ended with total equity at \$2 billion, an increase of \$400 million, or 25 percent compared to prior year. Pretax operating income for 2009 was \$115.3 million, excluding realized gains and nonrecurring expenses, up \$13.8 million, or 14 percent. Total revenues increased to \$1.7 billion, up \$406 million, or 31 percent compared to prior year.

UNIFI's new vision—"Mutual. Strong. Trusted. Partners for your future."—is all about the future. It conveys building long-term trusted relationships and keeping our promises. In addition, you can count on us to always strive to conduct ourselves in your best interests by acting with financial prudence and focusing on long-term growth.

To help deliver on our vision, we are moving forward with a proactive long-term strategic direction, which includes, at a future date, issuing all new New York insurance company policies in one New York company. This will have a positive effect on UNIFI's corporate structure and ability to grow.

The key reasons for UNIFI's new direction are to: 1) achieve greater market competitiveness by delivering products and services that meet the needs of our policyholders, customers and core distribution partners; 2) provide focus with a simplified, streamlined and more efficient operating structure; and 3) achieve capital efficiency by providing the ability to manage capital more effectively.

As we move forward to implement our new strategic direction, I am pleased to report our company is strong and well positioned for future growth. UNIFI's strength is reflected in strong group ratings from Standard and Poor's and A.M. Best Company and is illustrated in the financials reported on the following pages.

## **Diverse Business Operations**

UNIFI Companies' core business indicators remained strong throughout 2009. The strength of our businesses lies in the breadth and value of our diversified product offerings. The progress of our businesses and divisions is illustrated here:

- It was an extraordinary year in the individual insurance market. Sales were down across the industry due to the unfavorable market conditions. Overall, UNIFI's individual business sales were off by nearly 20 percent relative to 2008. The individual business



*JoAnn M. Martin, President and Chief Executive Officer*

results were down 18 percent in annuity sales, 6 percent in individual disability income insurance and 27 percent in life insurance sales compared to 2008. Life policy count issued was up slightly over 2008, but average life premium paid per policy dropped 27 percent from the prior year, which reflects consumers' reduced investable income throughout the year. The individual business experienced a strong fourth quarter sales cycle, which indicates the market is rebounding.

- UNIFI Retirement Plans Division introduced the newest product in its Advantage Series—Advantage Elite. This product enables the division to better penetrate the \$1-million-plus market segment. Advantage Elite provides plan sponsors with cost transparency, a key requirement for the division's future business success. The division completed a major business initiative with the conversion of all plans to a single recordkeeping system, enabling greater processing efficiencies.

Throughout 2009, the retirement plans division introduced a number of service upgrades to its plan sponsor clients. Upgrades included enhancements to the look, feel and content of the

employer's online plan reporting, introduction of 24 additional investment options to its product platform and a new process for automated online participant plan loan requests.

- Ameritas Group persistency outperformed the industry by several percentage points, retaining more than 87 percent of its policyholders in the aggregate and 90 percent on its own paper. The division increased new dental insurance sales by 6 percent, new eye care insurance sales by 14 percent and the number of covered employees by 5 percent. The number of PPO (participating provider organization) network dentists increased by 11.5 percent, giving plan members a choice from more than 114,000 provider access points nationwide. In addition, the division's claims contact center earned BenchmarkPortal's prestigious Center of Excellence certification for the third consecutive year while handling record claim volumes.
- Ameritas Investment Corp.<sup>SM</sup> (AIC) experienced significant growth within its investment advisory business, with total assets under management increasing 23 percent during the year and proprietary assets surpassing \$1 billion. AIC continued to provide quality income solutions to clients by selling \$1.1 billion in fixed income securities, an increase of 40 percent over the prior year.  
  
AIC's Public Finance Division forged a new record serving as Senior Managing Underwriter for bonds totaling more than \$941 million in volume on 266 individual issues. AIC continues to be the leading underwriter of bonds in the State of Nebraska in both par amount and number of issues.
- Calvert Group, Ltd. continued to skillfully navigate the turbulent markets while successfully expanding its in-house equity management capabilities and investment mandates. Calvert consolidated products, expanded core fixed income capabilities, strengthened its leadership in sustainable and responsible investing and enhanced its Web and marketing capabilities. These actions contributed to an increase of 9 percent in assets under management, industry awards for marketing excellence and a leaner, more experienced staff that leaves Calvert well positioned for the future.
- Summit Investment Partners was chosen to provide analysis and advice relating to the development of asset allocation models in individual and retirement plans products.
- Continuing the new retail client focus that began in 2008, Acacia Federal Savings Bank increased retail deposits by \$156 million, or 67 percent, and originated more than 1,300 new retail mortgage loans, representing \$360 million, an increase of 170 percent over 2008 mortgage production. This direction reduces the overall risk profile of the bank.

## Acknowledgements

Four independent members retired from the UNIFI Companies Board of Directors in 2009. William W. Cook Jr. served on the Ameritas board since 1983. James R. Knapp was an Ameritas board member since 1972. Paul C. Schorr III was elected to the Ameritas board in 1970. John M. Tew Jr. served on the Union Central board since 1985. Cook, Knapp and Schorr served on UNIFI Companies board since 1998, Tew served since 2006.

In addition, four board members completed their service in 2009. Michael A. Fisher was elected to the Union Central board in 2004. Francis V. Mastrianna served on the Union Central board since 1986. Myrtis H. Powell was a Union Central board member since 1996. Dudley S. Taft served on Union Central's board since 1977. Each served on the UNIFI Companies board since 2006.

We are grateful to all of these directors for their years of service and for their energy, wisdom and tireless dedication to UNIFI Companies.

Joining the UNIFI Companies Board of Directors in 2009 were Kim M. Robak, partner of Ruth Mueller Robak, LLC, Lincoln, Neb., and Paul C. "Chip" Schorr IV, senior managing director of The Blackstone Group, New York, N.Y.

On March 31, 2009, John H. Jacobs, UNIFI chairman and chief executive officer, retired. I was elected UNIFI president and chief executive officer.

## Looking to the Future

UNIFI's new vision – "Mutual. Strong. Trusted. Partners for your future." builds on our heritage and underscores our strengths. It also conveys building long-term trusted relationships and keeping our promises.

We are proud to provide strength, protection and reliability while serving individuals, families and businesses generation after generation. We appreciate the trust you place in us and look forward to working together towards a successful future.

Sincerely,



JoAnn M. Martin, CPA, FLMI  
President and Chief Executive Officer

# { COMPANY STRUCTURE AND RATINGS

## UNIFI Mutual Holding Company Structure

Within the mutual holding company structure, Ameritas Life, Acacia Life, Union Central Life and affiliated companies retain their individual identity while benefiting from combined financial strength and scale to realize new growth opportunities. Within the mutual holding company structure, UNIFI Mutual Holding Company is the parent company and owns Ameritas Holding Company. Ameritas Holding Company, in turn, owns 100 percent of the stock of Ameritas Life Insurance Corp. (Ameritas Life) and Summit Investment Advisors, Inc. Acacia Life Insurance Company and The Union Central Life Insurance Company are wholly owned subsidiaries of Ameritas Life.

UNIFI Companies—Ameritas Life, Acacia Life, Union Central Life and affiliated companies—offers a wide range of insurance and financial products and services to individuals, families and businesses. These products and services include life insurance; annuities; individual disability insurance; group dental, eye care and hearing care insurance; retirement plans; investments; mutual funds; banking and public finance.

For more information, see “UNIFI Companies At A Glance” on pages 9 and 10, or visit UNIFI Companies’ Web site at [www.UNIFLcompanies.com](http://www.UNIFLcompanies.com).

## UNIFI Mutual Holding Company

### Ameritas Holding Company

- Ameritas Life Insurance Corp.
  - Ameritas Investment Corp.
  - First Ameritas Life Insurance Corp. of New York
- Acacia Life Insurance Company
  - Calvert Group, Ltd.
  - Acacia Federal Savings Bank
- The Union Central Life Insurance Company
  - Summit Investment Partners, Inc.
  - PRB Administrators, Inc.
- Summit Investment Advisors, Inc.

## Ratings

The financial strength and operating performance of Ameritas Life Insurance Corp., Acacia Life Insurance Company, The Union Central Life Insurance Company and First Ameritas Life Insurance Corp. of New York are reflected in strong group ratings by independent rating agencies.

### Standard & Poor’s

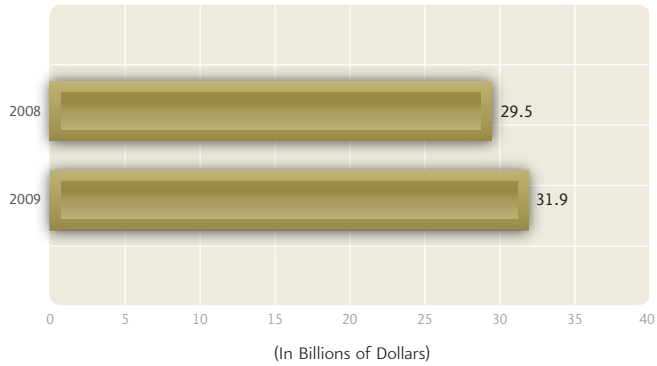
**A+ (Strong)** for insurer financial strength. This is the fifth highest of Standard & Poor’s 21 ratings.

### A.M. Best Company

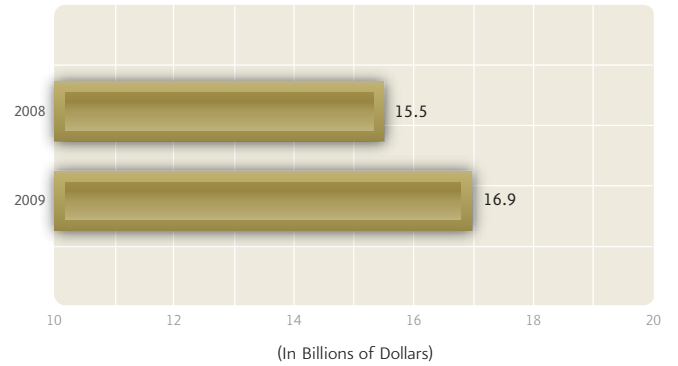
**A (Excellent)** for financial strength and operating performance. This is the third highest of A.M. Best’s 15 ratings.

# { CONSOLIDATED STATISTICS

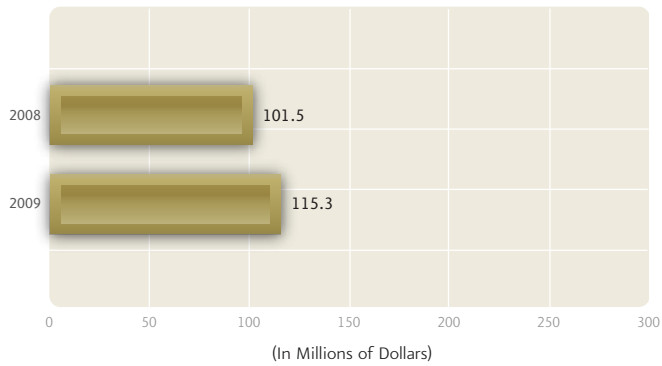
**TOTAL ASSETS UNDER MANAGEMENT**



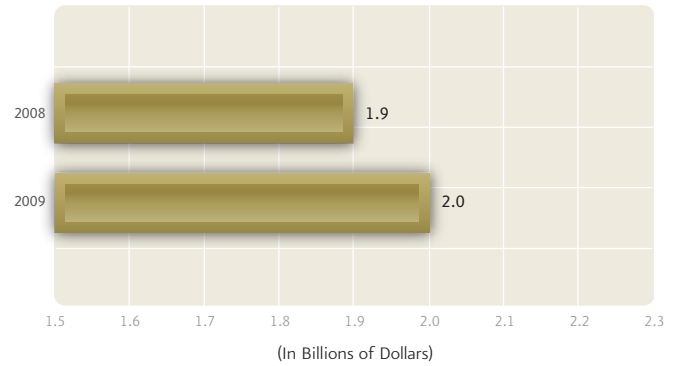
**GAAP ASSETS**



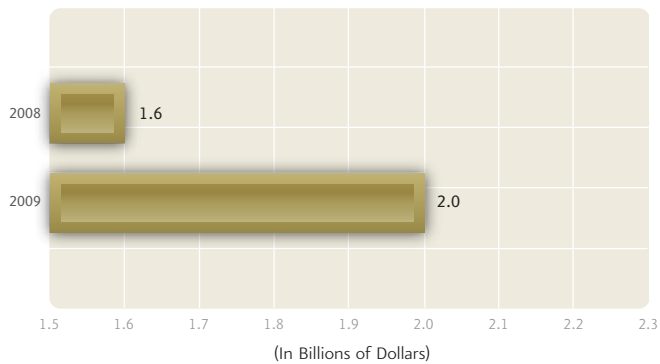
**PRETAX OPERATING NET INCOME**



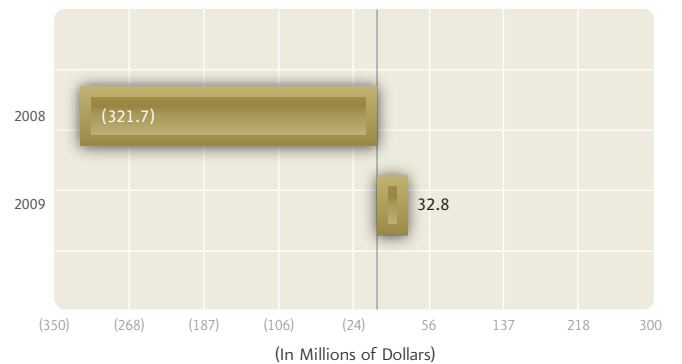
**REALIZED EQUITY**



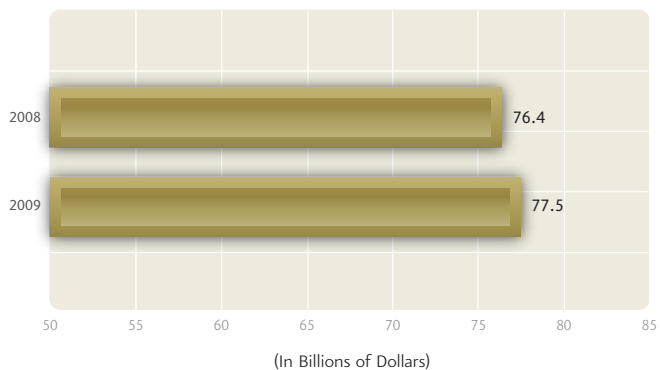
**GAAP EQUITY**



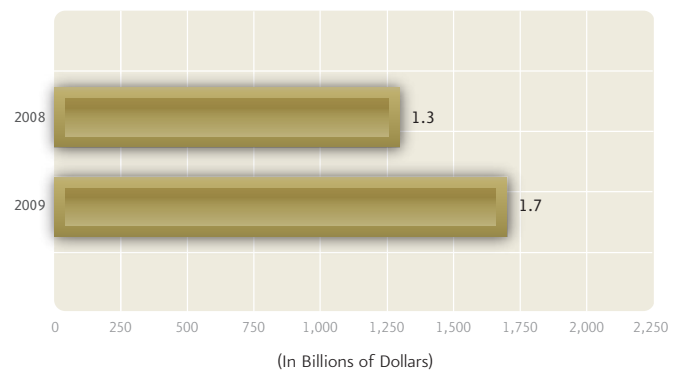
**GAAP PRETAX NET INCOME**



**LIFE INSURANCE IN FORCE**



**GAAP REVENUES**



# { FINANCIAL SUMMARY

## ENTERPRISE OVERVIEW

Pretax net income for our diversified insurance and financial businesses was \$32.8 million, a significant increase from the prior year. Excluding realized gains and other nonrecurring costs, pretax operating income was \$115.3 million, up 14 percent compared to the prior year. Total revenues were \$1.7 billion, up \$406 million, or 30.7 percent, compared to the same period in 2008.

Realized equity, as a percent of total assets, remained strong at 12 percent. This strong equity position represents the company's commitment and ability to fulfill future obligations and promises. Total equity was \$2.0 billion, up nearly 25 percent compared to December 31, 2008. This increase was primarily due to the current year's income and a decline on unrealized losses on available for sale fixed maturity securities portfolio.

Total combined assets were \$16.9 billion, an increase of \$1.4 billion, or 9.2 percent, compared to December 31, 2008.

As the major balance sheet asset of UNIFI Companies, the investment portfolios are well diversified with the largest component—the consolidated bond portfolio—having a solid weighted average quality of 'A.'

Claims payments to policyholders totaled \$1.9 billion. These payments consisted of death, disability, dental and eye care payments, as well as annuity and other contractual obligations.

## BUSINESS UNIT OVERVIEW

The individual business is comprised of life insurance, annuity products and disability income insurance. The division generated pretax operating income, excluding realized gains, of \$85.8 million. This represents a significant improvement compared to 2008 results due to a strong rebound in the equity market during the second half of 2009. The favorable impact of equity returns was partially offset by continued low interest rates and lower sales production.

The retirement plans business reported pretax operating income of \$5.5 million, a significant increase compared to 2008. The increase is attributed to an upswing in market returns, resulting in higher asset-based charges combined with efficiencies in expense management.

Ameritas Group Division (group dental, eye care and hearing care insurance) increased revenue by 6 percent over 2008 and earned pretax operating income of \$17.4 million. This growth can be attributed to excellent new business sales and high persistency. In new dental sales, the division posted 6.1 percent growth over 2008, while the most recently published industry average shows a 1.1 percent decline. Amidst the lingering recession and uncertainty surrounding health care reform, the benefits industry experienced a significant increase in dental claims as fears of layoffs and business closures loomed.

The financial line of business—Calvert Group, Ltd., Summit Investment Partners, Inc., Ameritas Investment Corp. and Acacia Federal Savings Bank—experienced a weaker year with total pretax operating income (excluding realized gains) of \$4.5 million, down 81 percent compared to the same period in 2008.

Calvert's results were driven by the fluctuation in the financial markets and the resulting economic uncertainty. Compared to December 31, 2008, assets under management increased by \$1.2 billion, or 9 percent, ending 2009 at \$14.3 billion. Pretax operating income declined 36 percent compared to 2008.

Acacia Federal Savings Bank results were impacted by continued difficulties in the residential mortgage and banking markets. The bank's total assets decreased 9.1 percent to \$1.4 billion. Acacia Federal reported an after-tax loss of \$16.2 million in 2009, as the bank added significantly to its loan loss allowance to address both realized and potential credit quality issues. Notwithstanding, the capital to assets ratio stood at 8.8 percent as of December 31, 2009.

# { UNIFI COMPANIES AT A GLANCE

	INDIVIDUAL BUSINESSES	RETIREMENT PLANS	GROUP BUSINESS
<b>Products and Services</b>	<ul style="list-style-type: none"> <li>• Universal life insurance</li> <li>• Survivor universal life insurance</li> <li>• Variable universal life insurance</li> <li>• Indexed universal life insurance</li> <li>• Whole life insurance</li> <li>• Term life insurance</li> <li>• Disability income insurance</li> <li>• Business overhead expense insurance</li> <li>• Traditional, variable and indexed annuities</li> <li>• Business, financial and estate planning</li> </ul>	<p>CORPORATE AND NOT-FOR-PROFIT BUSINESSES</p> <ul style="list-style-type: none"> <li>• 401(k) Plans</li> <li>• Safe Harbor 401(k) Plans</li> <li>• Sole Proprietor 401(k) Plans</li> <li>• Profit Sharing</li> <li>• Money Purchase Pension Plans</li> <li>• New Comparability Plans</li> <li>• Defined Benefit Plans</li> <li>• Cash Balance Plans</li> </ul> <p>GOVERNMENTAL EMPLOYERS</p> <ul style="list-style-type: none"> <li>• 414(h) Governmental Pick-up Plans</li> <li>• 457(b) Governmental Plans</li> </ul>	<p>DENTAL PLANS</p> <ul style="list-style-type: none"> <li>• Tailored Indemnity</li> <li>• Value Source®</li> <li>• EssentialDental®</li> <li>• Dental Rewards®</li> <li>• Voluntary</li> <li>• Managed Care/PPO Network</li> <li>• Small Group Trust</li> <li>• High/Low, Core/Buy-up</li> <li>• Dual Choice</li> <li>• Administrative Services Only</li> <li>• Individual Programs</li> <li>• Orthodontia, cosmetic</li> <li>• Sensible Choice®</li> </ul> <p>DENTAL AND EYE CARE COMBINED</p> <ul style="list-style-type: none"> <li>• FUSION: THE ULTIMATE CHOICE®</li> </ul> <p>EYE CARE PLANS</p> <ul style="list-style-type: none"> <li>• Vision Perfect®</li> <li>• Focus®</li> <li>• ViewPointe®</li> <li>• Voluntary</li> <li>• Exam or Materials Only</li> <li>• High/Low, Core/Buy-up</li> <li>• EyeChoice®</li> <li>• Vision Perfect Choice</li> <li>• Lasik Advantage®</li> <li>• Dual Choice</li> </ul> <p>HEARING CARE PLANS</p> <ul style="list-style-type: none"> <li>• SoundCareSM</li> </ul>
<b>Distribution</b>	<ul style="list-style-type: none"> <li>• General agencies</li> <li>• Independent representatives</li> <li>• Disability income centers</li> <li>• Brokerage general agencies</li> </ul>	<ul style="list-style-type: none"> <li>• General Agencies</li> <li>• Independent representatives</li> <li>• Strategic Alliances</li> <li>• Employee benefit specialists</li> <li>• Independent broker dealers</li> <li>• Third-party administrators</li> </ul>	<ul style="list-style-type: none"> <li>• Group representatives</li> <li>• National Accounts</li> <li>• Independent representatives</li> <li>• Brokers/producers</li> <li>• Third-party administrators</li> <li>• Strategic Alliances</li> <li>• Special Marketing Alliances</li> <li>• E-business</li> </ul>
<b>Companies, Divisions and Contact Information</b>	<ul style="list-style-type: none"> <li>• Ameritas Life Insurance Corp. ameritas.com 800-745-1112 variable.ameritas.com 800-634-8353</li> <li>• Acacia Life Insurance Company acaciagroup.com 800-444-1889</li> <li>• The Union Central Life Insurance Company www.unioncentral.com 800-825-1551</li> <li>• First Ameritas Life Insurance Corp. of New York newyork.ameritas.com 877-380-1586</li> </ul>	<p>UNIFI COMPANIES RETIREMENT PLANS</p> <ul style="list-style-type: none"> <li>• Ameritas Retirement Plans, a division of Ameritas Life Insurance Corp. retire.UNIFlcompanies.com 800-923-2732</li> <li>• Union Central Retirement Plans, a division of The Union Central Life Insurance Company retire.UNIFlcompanies.com 800-825-4546</li> </ul>	<ul style="list-style-type: none"> <li>• Ameritas Group, a division of Ameritas Life Insurance Corp. ameritasgroup.com 800-776-9446</li> <li>• First Ameritas Life Insurance Corp. of New York firstameritasgroup.com 800-201-8562</li> </ul>

\* Companies offering products and services are detailed at the bottom of page 15

## INVESTMENTS

- Stocks and ETFs
- Municipal and corporate bonds
- Fixed income securities
- Managed Accounts
- Asset management
- Variable universal life insurance
- Variable annuities
- Retirement plan products
- Mutual funds
- Corporate cash management
- Separate Account management
- College savings plans
- Financial planning
- Commercial loans
- Real estate
- Structured products
- Unit investment trusts
- Trust services
- Retirement income strategies
- Donor advised fund

- Broker dealers
- Registered representatives
- Investment advisor representatives
- Financial planners/consultants
- Bank/financial institution investment representatives

- Ameritas Investment Corp.  
aicinvest.com 800-335-9858
- Calvert Group, Ltd.  
calvert.com 800-327-2109
- Summit Investment Partners  
summitinvestmentpartners.com  
Cincinnati – 877-546-3863  
Lincoln – 877-731-3336

## MUTUAL FUNDS

- Equity, bond and money market funds, including sustainable and responsible strategies
- Asset allocation funds including target risk and lifestyle strategies
- Pension and retirement plan investment options
- Sub-advisory services
- Variable insurance portfolios

- Broker dealers
- Registered Investment Advisors
- Financial planners/consultants
- Defined contribution benefit plans
- Retirement alliances and platforms
- High net worth individuals, foundations, endowments
- Banks and financial institutions
- Insurance companies
- Fund supermarkets

- Calvert Group, Ltd.  
calvert.com 800-368-2748

## BANKING

- Checking and savings accounts
- Certificates of deposit
- Money Market accounts
- Health Savings Accounts
- Internet banking – retail and commercial
- Consumer loans
- Home mortgage loans
- Construction loans
- Commercial real estate loans
- Commercial business loans

- Acacia Federal Savings Bank representatives and loan officers
- Registered representatives/advisors
- Independent representatives

- Acacia Federal Savings Bank  
AcaciaFederal.com 800-950-0236

## PUBLIC FINANCE

- Financial advisory
- General obligation bonds
- Revenue bonds
- Tax anticipation notes
- Bond anticipation notes
- Construction notes
- Refunding bonds
- Lease-purchase obligation
- Investment of bond proceeds

- Ameritas Investment Corp. representatives

- Ameritas Investment Corp.,  
Public Finance Division  
aicinvest.com  
Lincoln – 877-523-6198  
Omaha – 800-700-2362

# { CONSOLIDATED BALANCE SHEETS

## UNIFI MUTUAL HOLDING COMPANY AND SUBSIDIARIES

### Consolidated Balance Sheets (unaudited, in thousands)

	December 31		December 31	
	2009	2008	2009	2008
<b>Assets</b>			<b>Liabilities and Equity</b>	
Investments:			Policy and contract liabilities	\$8,065,946
Fixed maturity securities	\$6,635,625	\$5,562,054	Savings deposits	961,460
Equity securities	191,479	206,595	Borrowings	294,656
Mortgage loans	2,244,515	2,492,425	Surplus notes payable	49,854
Loans on insurance policies	320,728	317,222	Other liabilities	465,139
Other investments	<u>297,562</u>	<u>296,505</u>	Separate accounts	<u>5,095,229</u>
Total investments	9,689,909	8,874,801	Total liabilities	<u>14,932,284</u>
Cash and cash equivalents	277,371	400,332	Retained earnings	2,026,883
Accrued investment income	108,348	106,967	Accumulated other comprehensive loss	<u>(36,871)</u>
Deferred policy acquisition costs	1,006,239	1,163,891	Total members' equity	1,990,012
Other assets	747,445	825,691	Noncontrolling interest	<u>2,245</u>
Separate accounts	<u>5,095,229</u>	<u>4,123,948</u>	Total equity	<u>1,992,257</u>
<b>Total assets</b>	<u>\$16,924,541</u>	<u>\$15,495,630</u>	<b>Total liabilities and equity</b>	<u>\$16,924,541</u>
				<u>\$15,495,630</u>

# { CONSOLIDATED STATEMENTS OF OPERATIONS

## UNIFI MUTUAL HOLDING COMPANY AND SUBSIDIARIES

### Consolidated Statements of Operations (unaudited, in thousands)

	December 31			December 31	
	2009	2008		2009	2008
<b>Income</b>			<b>Benefits and Expenses</b>		
Insurance revenues:			Policy benefits	\$959,110	\$974,979
Premiums	\$824,102	\$788,475	Sales and operating expenses	589,770	589,535
Contract charges	308,261	275,571	Interest expense	52,707	61,167
Reinsurance	(64,578)	(27,343)	Amortization of deferred policy acquisition costs	94,228	18,444
Mutual fund management and related fees	121,813	147,617		<u>1,695,815</u>	<u>1,644,125</u>
Broker dealer revenues	71,995	82,784	Income (loss) before income taxes	32,788	(321,683)
Net investment income	506,493	488,512	Total income tax benefit	<u>(23,335)</u>	<u>(47,775)</u>
Realized gains (losses), net	(83,617)	(478,902)	Net income loss	56,123	(273,908)
Other	44,134	45,728	Less net (loss) attributable to noncontrolling interest	<u>(90)</u>	<u>(72)</u>
	<u>1,728,603</u>	<u>1,322,442</u>			
			<b>Net income (loss) to members</b>	<u>\$56,213</u>	<u>\$(273,836)</u>

# { INSURANCE OPERATIONS FINANCIAL STRENGTH PROFILE

## Introduction

The consolidated balance sheets, consolidated statements of operations and financial summary (see pages 5-8) for UNIFI Mutual Holding Company are prepared in conformity with accounting principles generally accepted in the United States of America (GAAP). UNIFI Companies' core financial strength lies within its insurance companies. Insurance companies prepare financial statements for their regulators based on accounting practices prescribed or permitted by such regulators which comprise a comprehensive statutory basis of accounting (SAP). The information contained on pages 11-14 reflects combined SAP results for UNIFI's insurance operations.

## Capital Ratio

The capital ratio measures the cushion a company has against a decline in the value of its assets before its surplus is depleted. UNIFI insurance companies has a statutory capitalization base of \$1.3 billion, amounting to 14.9 percent of adjusted general account assets. This very strong position supports the company's operations and growth. It also provides a cushion to absorb the volatility of the financial markets.

% Capital*	
Top 100 Life Insurers	10.3%
Stock Companies	9.9%
Mutual Companies	11.4%

\*as of 9/30/09

Source: ALIRT Insurance Research

Relative to the life insurance industry, UNIFI's better-than-average consolidated capital ratio position is made possible by conservative investment and risk management practices.

## How does UNIFI compare?

% Capital*	
UNIFI Insurance Companies	14.9%

\*as of 12/31/09

## Debt/Equity Ratio

The debt to equity ratio measures the debt component of a company's capital structure. It is used to ascertain the soundness of a company's long-term financial policies. It is a measure of a company's financial leverage calculated by dividing its total debt by total capital. This indicates what portion of equity and debt a company is using to finance its business.

UNIFI's life insurance companies' very low debt/equity ratio of 3.9 percent demonstrates a strong equity position and is the result of a low amount of permanent debt. A high debt/equity ratio means a company uses more aggressive financing that includes debt. This can result in volatile earnings and less financial stability.

% Debt/Equity	
UNIFI Insurance Companies	3.9%
Top 100 Life Insurers	37.2%*

\*as of 9/30/09

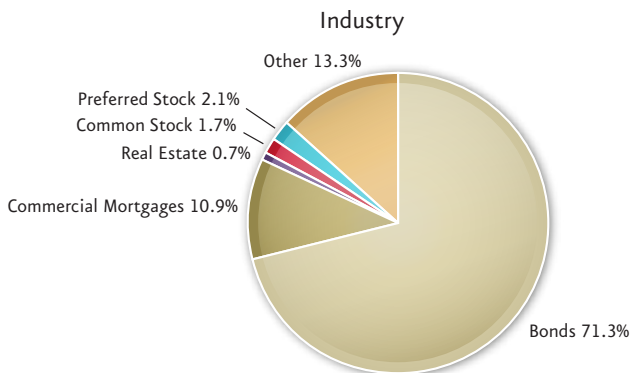
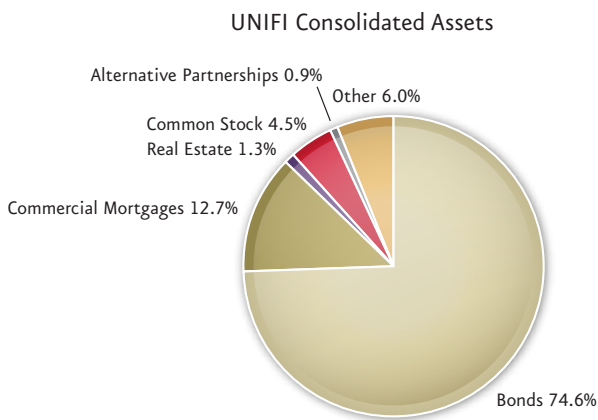
Source: ALIRT Insurance Research

## Invested Assets

As of December 31, 2009, UNIFI insurance companies General Account<sup>1</sup> invested assets base was \$8.6 billion. This represented approximately 96 percent of UNIFI's General Account admitted assets. The major asset classes within the portfolio include bonds at 74.6 percent, commercial mortgage loans at 12.7 percent, common stock at 4.5 percent, real estate at 1.3 percent, alternative partnerships at 0.9 percent and other invested assets at 6 percent.

Another way to look at the pie is to add together the bond and commercial mortgage loans sectors, which total about 87 percent of UNIFI's consolidated invested assets. It is these assets that are used to back the insurance products of our life insurance subsidiaries—life, annuity, disability and retirement plans. The remainder of the pie is made up of investments that back the surplus of UNIFI and are more total-return oriented as opposed to being mainly income oriented. Surplus investments are available to support liquidity, as well as provide a safety cushion during difficult economic periods. UNIFI has greater surplus or cushion than the industry average.

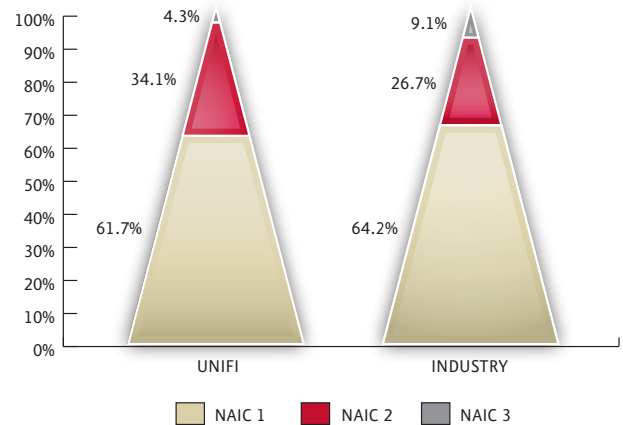
### Diversification of Invested Assets



Source: ACLI - 12/31/08

## Bonds

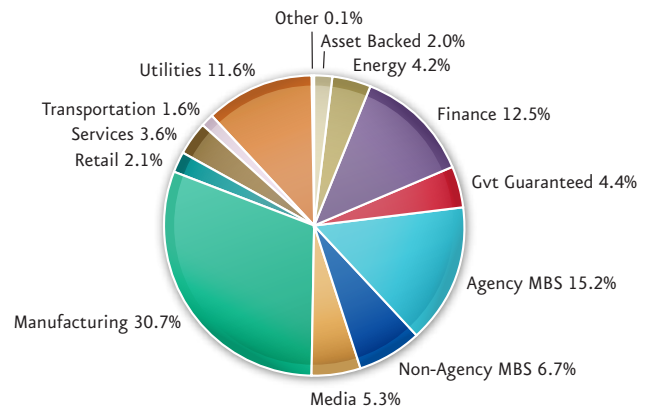
Bonds represent 74.6 percent of UNIFI's consolidated invested assets. The following chart breaks down the total bond portfolio by quality as of December 31, 2009, and shows that close to two-thirds of the bond portfolio is rated at least NAIC<sup>2</sup> 1 (very strong investment grade), approximately one-third of the portfolio is rated NAIC 2 (strong investment grade) and only 4.3 percent of the portfolio is high yield or higher risk bonds. On average, the total bond portfolio of the UNIFI General Account is rated NAIC 1, or strong investment grade. The high yield portfolio at 4.3 percent of bonds, compared to the industry at 9.1 percent, reflects UNIFI's focus on maintaining higher quality investment portfolios.



Source: ACLI - 9/30/09

The bond portfolio is constructed as a highly diversified portfolio by industry and by issuer. Investment policy limitations are very stringent and limit exposure to industries and issuers. The portfolio contains approximately 700 separate issues and the average position represents less than 1 percent of surplus.

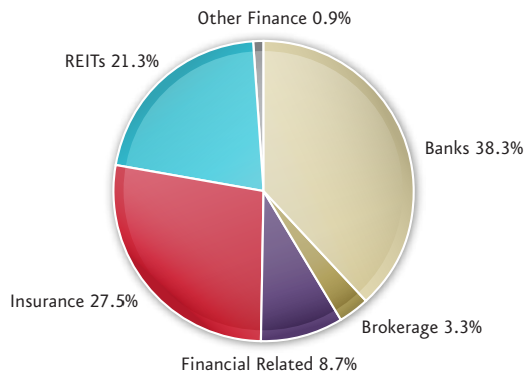
### UNIFI Bond Portfolio Industry Breakdown



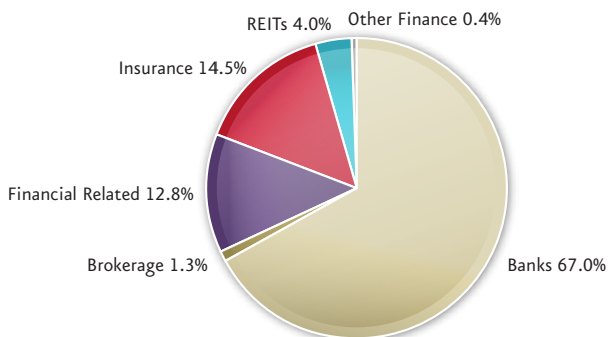
Another example of UNIFI's prudent investment discipline is its relatively low exposure to the financial sector, at only 12.5 percent of the total portfolio, or 17.4 percent of the corporate bond portfolio. The financial sector is a significant participant in the corporate debt market. This is illustrated by the exposure to the sector in Barclay's Capital Aggregate Index, a common benchmark used by the industry and a good representation of the bond market.

This benchmark's exposure to financials is one and a half times that of UNIFI's, at 29.1 percent of corporate bonds. Further, within the financial sector, as shown below, UNIFI maintains a greater degree of diversity than Barclay's Capital Aggregate Index and is underweight in bank credits. This diversification discipline has benefitted UNIFI, given the current stress being experienced in the financial sector.

**UNIFI Financial Sector Breakdown  
= 17.4% of Corporate Bond Portfolio**



**Financial Sector Breakdown of Barclay's  
Capital Aggregate Index  
= 29.1% of Corporate Bond Portfolio**



Source: Barclay's Capital Aggregate Index – 12/31/09

**Commercial Mortgage Loans**

Commercial mortgage loans are the second largest asset class within UNIFI's consolidated invested assets portfolio. As of December 31, 2009, commercial mortgage loans amounted to \$1.1 billion, or 12.7 percent of total consolidated invested assets.

UNIFI's commercial mortgage loans are fixed-rate loans made to property owners which are secured by a first lien on the underlying asset. Property types in the UNIFI commercial mortgage portfolio include office buildings, industrial warehouses, retail properties, apartments and hotels.

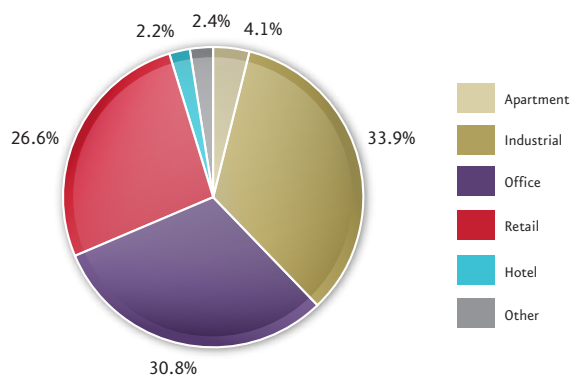
Over the past 10 years, 1,199 commercial loans totaling \$2.1 billion have been originated and only two experienced loss totaling only \$31,000. That is an enviable track record that is directly correlated to our stringent underwriting criteria, which include making only amortizing loans (no interest-only loans), making sure the borrower has money in the deal—typically at least 25 percent and often times more—physically inspecting each property and making sure the portfolio is well-diversified by property type and geography.

Top 10 Exposures by State		
	% Portfolio	(Millions)
California	11.7%	\$127.9
Ohio	7.7%	\$84.4
Texas	7.1%	\$77.2
Arizona	6.2%	\$68.2
Minnesota	5.9%	\$64.8
Florida	5.5%	\$59.7
Utah	5.3%	\$58.3
Oregon	4.8%	\$52.8
Michigan	4.8%	\$52.6
Oklahoma	3.1%	\$33.7

The commercial mortgage loan asset class has been a value-added asset class, which has enabled UNIFI to generate competitive yields to credit UNIFI's General Account, and has performed very well relative to the life insurance industry.

The excellent performance of this asset class can be attributed to UNIFI's consistent and conservative underwriting standards.

### Commercial Mortgage Loan Exposure by Property Type



### Liquidity

UNIFI has a solid liquidity profile with access to multiple avenues of funding. **Liquidity as a percentage of liabilities is strong at 78 percent.**

Multiple Avenues of Funding	(\$ millions)
	<b>UNIFI</b>
12-Month Cash Flow Forecast	\$681
Lines of Credit	15
Federal Home Loan Bank Advance Lines	60
Public Bonds*	4,030
Agency MBS	990
Unaffiliated Common Stock**	170
Cash	157
<b>Total</b>	<b>\$6,104</b>

\* Only includes bonds with market value greater than 95 percent of cost

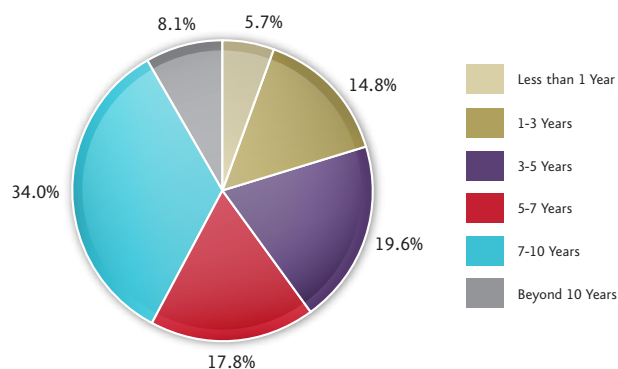
\*\* Only includes unaffiliated public common stock

Liquidity is enhanced by UNIFI's well-balanced maturity distribution within its consolidated bond portfolio.

Maturity	Statement Value (\$ millions)	Percent
Less than 1 Year*	369.3	5.7%
1-3 Years	965.9	14.8%
3-5 Years	1,280.7	19.6%
5-7 Years	1,165.2	17.8%
7-10 Years	2,220.1	34.0%
Beyond 10 Years	532.2	8.1%
<b>Total</b>	<b>6,533.5</b>	<b>100%</b>

ALIRT Insurance Research reported UNIFI's bond portfolio to have a 6.5 year weighted average maturity, 32 percent shorter than the ALIRT Life Composite at 9.6 years. This is very important in supporting the promises UNIFI and its companies have each made to their many and diverse customers.

### Bond Portfolio Maturity Distribution



\*Includes cash equivalent short-term investments amounting to \$150 million.

<sup>1</sup> "General Account" refers to the general accounts of the life insurance subsidiaries of UNIFI on a combined basis, which combination is for accounting purposes only.

<sup>2</sup> National Association of Insurance Commissioners

# { UNIFI COMPANIES LEADERSHIP

## BOARD OF DIRECTORS

James P. Abel  
James M. Anderson  
Michael S. Cambron  
Bert A. Getz  
JoAnn M. Martin  
Patricia A. McGuire  
Tonn M. Ostergard  
Edward J. Quinn Jr.  
Kim M. Robak  
Paul C. Schorr IV  
D. Wayne Silby  
Winston J. Wade  
Robert M. Willis

## UNIFI SENIOR OFFICERS

**JoAnn M. Martin, CPA, FLMI**  
President and Chief Executive Officer

**William W. Lester, CFA, FLMI**  
Executive Vice President  
Investments/Finance and Corporate Treasurer

**Robert C. Barth, CPA, FLMI**  
Senior Vice President and Chief Financial Officer

**Jan M. Connolly, CLU, FLMI**  
Senior Vice President and Corporate Secretary

**Nancy A. Dalessio**  
Senior Vice President and Chief Information Officer

**Dale D. Johnson, FSA, MAAA**  
Senior Vice President and Chief Actuary

**Robert-John H. Sands, CLU, ChFC**  
Senior Vice President and General Counsel

**Janet L. Schmidt**  
Senior Vice President – Director of  
Human Resources

## UNIFI BUSINESS HEADS

**James B. Barber**  
Chairman and Chief Executive Officer –  
Acacia Federal Savings Bank

**Salene Hitchcock-Gear**  
President and Chief Executive Officer –  
Ameritas Investment Corp.

**Robert P. Kocher**  
Senior Vice President – Retirement Income  
and Business Development

**Barbara J. Krumsiek**  
Chair, President and Chief Executive Officer –  
Calvert Group, Ltd.

**Steven J. Valerius**  
President – Individual Division

**Kenneth L. VanCleave, LLIF**  
President – Group Division

Individual life insurance products are offered through Ameritas Life Insurance Corp., Acacia Life Insurance Company, The Union Central Life Insurance Company and First Ameritas Life Insurance Corp. of New York. Group annuity plans are offered through Ameritas Life Insurance Corp. and The Union Central Life Insurance Company. Variable life insurance and annuity products are issued by Ameritas Life Insurance Corp. and The Union Central Life Insurance Company and underwritten by affiliate Ameritas Investment Corp. Each UNIFI company is solely responsible for its own financial condition and contractual obligations.

UNIFI Companies Retirement Plans is an affiliation of Ameritas Life Insurance Corp. and The Union Central Life Insurance Company's retirement plans divisions. These companies represent the retirement plans products and services of UNIFI Companies.

Calvert mutual funds and Summit mutual funds are underwritten and distributed by Calvert Distributors, Inc., member FINRA, a subsidiary of Calvert Group, Ltd. Banking products are offered through Acacia Federal Savings Bank, member FDIC, an equal housing lender. Investment advisory services are offered through Summit Investment Advisors, Inc. Municipal bond underwriting and investment advisory services are provided by Ameritas Investment Corp.

Summit Investment Advisors, Inc.<sup>SM</sup> and Ameritas Investment Corp.<sup>SM</sup> are service marks of Ameritas Life Insurance Corp. First Ameritas Life Insurance Corp. of New York is a registered service mark owned by First Ameritas Life Insurance Corp. of New York. Acacia Financial Corporation and Acacia Realty Corp. are service marks of Acacia Life Insurance Company. The Calvert Group is a service mark of The Calvert Group, Ltd., an indirect wholly owned subsidiary of Acacia Life Insurance Company. Acacia Federal Savings Bank is a service mark of Acacia Federal Savings Bank, an indirect wholly owned subsidiary of Acacia Life Insurance Company.

# { UNIFI COMPANIES CONTACT INFORMATION

## UNIFI MUTUAL HOLDING COMPANY

### UNIFI Companies

P.O. Box 82534  
Lincoln, NE 68501-2534  
402-467-1122

[UNIFlcompanies.com](http://UNIFlcompanies.com)

## INDIVIDUAL BUSINESS

### Ameritas Life Insurance Corp.

5900 O Street  
Lincoln, NE 68510  
800-745-1112

[ameritas.com](http://ameritas.com)

[variable.ameritas.com](http://variable.ameritas.com)

### Acacia Life Insurance Company

7315 Wisconsin Avenue  
Bethesda, MD 20814  
800-444-1889

[acaciagroup.com](http://acaciagroup.com)

### The Union Central Life Insurance Company

1876 Waycross Road  
Cincinnati, Ohio 45240  
800-825-1551

[unioncentral.com](http://unioncentral.com)

### First Ameritas Life Insurance Corp. of New York

400 Rella Blvd., Suite 304  
Suffern, NY 10901  
800-222-6968

[newyork.ameritas.com](http://newyork.ameritas.com)

## RETIREMENT PLANS

### UNIFI Companies Retirement Plans

#### Ameritas Retirement Plans,

*a division of Ameritas Life*

5900 O Street  
Lincoln, NE 68510  
800-923-2732

[retire.UNIFlcompanies.com](http://retire.UNIFlcompanies.com)

#### Union Central Retirement Plans,

*a division of Union Central Life*

1876 Waycross Road  
Cincinnati, Ohio 45240  
800-825-4546

[retire.UNIFlcompanies.com](http://retire.UNIFlcompanies.com)

## GROUP BUSINESS

### Ameritas Group,

*a division of Ameritas Life*

475 Fallbrook Blvd.  
Lincoln, NE 68521

800-776-9446

[ameritasgroup.com](http://ameritasgroup.com)

### First Ameritas Life Insurance Corp. of New York

400 Rella Blvd., Suite 304  
Suffern, NY 10901

800-201-8562

[firstameritasgroup.com](http://firstameritasgroup.com)

## INVESTMENTS

### Ameritas Investment Corp.

5900 O Street  
Lincoln, NE 68510

800-335-9858

[aicinvest.com](http://aicinvest.com)

### Calvert Group, Ltd.

4550 Montgomery Ave., Suite 1000N  
Bethesda, MD 20814

800-327-2109

[calvert.com](http://calvert.com)

### Summit Investment Partners

390 N. Cotner Blvd.  
Lincoln, NE 68505

877-731-3336

312 Walnut Street, Suite 2500

Cincinnati, Ohio 45202

877-546-3863

[summitinvestmentpartners.com](http://summitinvestmentpartners.com)

## BANKING

### Acacia Federal Savings Bank

7600 Leesburg Pike, East Building, Suite 200  
Falls Church, VA 22043

800-950-0270

[afsonline.com](http://afsonline.com)

## MUTUAL FUNDS

### Calvert Group, Ltd.

4550 Montgomery Ave., Suite 1000N  
Bethesda, MD 20814

800-368-2748

[calvert.com](http://calvert.com)

## PUBLIC FINANCE

### Ameritas Investment Corp., Public Finance Division

5900 O Street  
Lincoln, NE 68510

877-523-6198 – Lincoln

800-700-2362 – Omaha

[aicinvest.com](http://aicinvest.com)

# UNIFI<sup>®</sup>

*Companies*

Ameritas Life, Acacia Life, Union Central Life  
and affiliated companies

[UNIFCompanies.com](http://UNIFCompanies.com)

Ameritas Life Insurance Corp.  
5900 O Street  
Lincoln, Nebraska 68510  
402-467-1122  
Toll Free: 800-745-1112

Acacia Life Insurance Company  
7315 Wisconsin Avenue  
Bethesda, Maryland 20814  
301-280-1000  
Toll Free: 800-444-1889

The Union Central Life Insurance Company  
1876 Waycross Road  
Cincinnati, Ohio 45240  
513-595-2200  
Toll Free: 800-825-1551

Approved for client use.