



Dear Fellow Shareholder:

2021 continues to be a year of progress, growth and challenging times.

We are pleased to report our premium income increase for the first and second quarter was an increase of 25% or \$1,268,320 over 2020. Our investment income increased from \$1,256,011 to \$2,631,532 as a result of the additional assets and the investment in real estate mortgages, private credits and single family rehabs. Make no mistake though, the low interest rates continue to pummel our industry and profitability.

We also experienced significant improvement in the results of the first six months of 2021 compared to the first six months of 2020. In the first quarter of 2020, we had a loss of \$0.35 per share. Our loss in the first quarter of 2021 was \$0.04 per share. For the six month period, our loss in 2020 was \$0.40 per share and our loss in the first six months of 2021 is \$0.02 per share.

Here is a summary of our results:

#### US Alliance Corporation

	Six Months Ended June 30,	
	2021	2020
Income:	(unaudited)	
Premium income	\$ 6,352,098	\$ 5,083,778
Net investment income	2,631,572	1,256,011
Net investment gains (losses)	73,790	(1,359,105)
Other income	157,402	27,708
<b>Total income</b>	<b>9,214,862</b>	<b>5,008,392</b>
Expenses:		
Increase in policyholder reserves	2,332,241	1,612,693
Other policy-related expenses*	5,525,120	4,699,454
Operating expenses	1,479,015	1,825,988
<b>Total expense</b>	<b>9,336,376</b>	<b>8,138,135</b>
<b>Net Income (loss)</b>	<b>\$ (121,514)</b>	<b>\$ (3,129,743)</b>
<b>Net income (loss) per common share, basic and diluted</b>	<b>\$ (0.02)</b>	<b>\$ (0.40)</b>

\* Other policy-related expenses include death benefits, other benefits paid to policyholders commissions and amortization of deferred acquisition expenses

You may access our full financial results by clicking on the "Securities and Exchange Commission Filings" link on our web-site

Please click [here](#) for a more detailed 2nd quarter financial report.

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US Alliance Life & Security Company & Dakota Capital Life Insurance Company are members of the Better Business Bureau.



As of December 31, 2020, our assets were \$115,387,096. As of June 30, 2021, our assets have grown to \$118,435,793. Our asset growth continues.

TOTAL ASSETS	
June 30, 2016 - \$18,390,582	June 30, 2017 - \$20,925,277
June 30, 2018 - \$40,843,182	June 30, 2019 - \$50,308,241
June 30, 2020 - \$106,873,101	June 30, 2021 - \$118,435,793

Even with more assets, accounting rules require us to take unrealized gains and losses through the income statement, which resulted in a 2020 net investment loss of \$1,359,105 and a net investment gain for the first six months of 2021 of \$73,790.

This quarter we are releasing our new website. Take a look. Tell us what you think. Click here or [www.usalliancelife.com](http://www.usalliancelife.com). We are not standing still.

Additionally, we are proud to announce that a 12-year consultant with US Alliance, Jared Huske, has become our Corporate Communication and Conservation Team Leader and Mike Wederski, who has been a part of our team for 10 years, is now our Distribution and Strategy Team Leader. We are grateful for their past efforts and look forward to great success in their expanded roles.

We are launching an internet and phone-based product distribution capability, and as we continue to evaluate this new “relationship” based strategy we are hopeful. We are proud to count GenRe and Unified Life Insurance Company as partners with us.

Our consultants remain committed to build and maintain relationships with our 725 licensed, contracted producers, but it is a sea change in the way we have done business. We prefer the firm handshake, the warm smile, and being face-to-face. But that is not always the reality of today.

With the increased assets, the hard work of our service team, our consultants, and our producers, we will not just survive, but thrive! During the last 11 years, a time when we and you think we have seen everything, please be reassured we have not wavered from our principal tenets of Fair, Measurable, and Objective. Our core values of integrity, excellence, inclusion, teamwork, and accountability are in our DNA.

You can help us – please think of those whom you might know who might be interested in our suite of products. Please review the list of our products.

On behalf of our directors, service team and sales force, we thank you for your investment, your patience, and your support.

With every good wish.

Cordially,



Jack H. Brier  
Chairman & Co-Founder  
US Alliance Group of Companies