

**Part B.**

**Universal VIA Generation Growth  
A variable individual flexible premium deferred annuity  
contract Issued through: Fortune VII Separate Account**

**Universal Life Insurance  
Company  
PO Box 2145  
San Juan PR 00922-2145**

**Statement of Additional Information  
May 1, 2026**

**Or**

**Metro Office Park  
Street 1, Lot 10  
Guaynabo, Puerto Rico 00968**

This Statement of Additional Information (“SAI”) is not a Prospectus. It should be read in conjunction with the related Universal VIA Generation Growth series (“Universal VIA Growth”) Prospectus, dated May 1, 2026, which describes individual flexible purchase payment deferred variable annuity contracts issued through Universal Life Fortune VII Separate Account (“the Separate Account” or “Fortune VII Separate Account”). The series consists of Universal VIA Generation Growth and Universal VIA Generation Growth ADV contracts. That Prospectus provides detailed information concerning the contracts and the variable investment options underlying the contracts. Each variable investment option is a subaccount of the Separate Account. Definitions of special terms used in the SAI are found in the Prospectus.

A copy of the Prospectus may be obtained free of charge by writing to our processing office at Metro Office Park, Street 1 Lot #10, Guaynabo, Puerto Rico 00968, by calling 787-706-7095, or by contacting your financial professional. The Prospectus and this SAI can also be obtained from the SEC’s website at [www.sec.gov](http://www.sec.gov).

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Statement of Additional Information

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## The Company

Universal Life Insurance Company (“Universal Life,” the “Company,” “we,” “our,” and “us”) is a stock life insurance company organized originally in 1993 as Eastern America Life Insurance Company under the laws of the Commonwealth of Puerto Rico, with its home office at Metro Office Park Street 1, Lot 10, Guaynabo, PR 00968. Universal Life is a provider of several insurance products: individual, group life, group disability, credit life, annuities & IRAs. It is admitted to do business for life, disability and variable insurance by the Office of Commissioner of Insurance in the Commonwealth of Puerto Rico.

Universal Life is a member of the Universal Group of companies that operate in Puerto Rico and the United States. Universal Life is a wholly-owned subsidiary of Universal Insurance Company, Inc. (“Universal”).

The Company established Fortune VII Separate Account on September 27, 2021, under applicable provisions of the Puerto Rico Insurance Code. We are the legal owner of all of the assets in the Separate Account and may withdraw any amounts that exceed our reserves and other liabilities with respect to variable investment options under our contracts. The Separate Account is registered under the Investment Company Act of 1940 as a unit investment trust and is divided into sub-accounts. Each sub-account invests in shares of an underlying mutual fund portfolio.

## Unit Values

Unit values are determined at the end of each valuation period for each of the annuity investment options. We may offer other annuity contracts and certificates which will have their own unit values for the annuity investment options. They may be different from the unit values for Universal VIA Growth®.

The unit value for an annuity investment option for any valuation period is equal to: (i) the unit value for the preceding valuation period multiplied by (ii) the net investment factor for that option for that valuation period. A valuation period is each business day together with any preceding non-business days. The net investment factor is:

$$\left( \frac{a}{b} \right) - c$$

- (a) is the value of the annuity investment option’s shares of the corresponding portfolio at the end of the valuation period. Any amounts allocated to or withdrawn from the option for the valuation period are not taken into account. For this purpose, we use the share value reported to us by the Trusts (as described in the Prospectus), as applicable.
- (b) is the value of the annuity investment option’s shares of the corresponding portfolio at the end of the preceding valuation period. (Any amounts allocated or withdrawn for that valuation period are taken into account.)
- (c) is the daily separate account charge relating to the contracts, multiplied by the number of calendar days in the valuation period.

## Independent Registered Public Accounting Firm

The statutory basis financial statements for Universal Life Insurance Company as of December 31, 2025 and 2024, and the results of its operations for the years ended 2025, 2024, and 2023, and the financial statements of Fortune VII Separate Account as of December 31, 2025 and for the year then ended, and the financial highlights as of December 31, 2025, 2024 and for the period from February 21, 2023 to December 31, 2023, respectively, are included in the SAI in reliance on the reports of Grant Thornton Puerto Rico LLP, formerly known as Kevane Grant Thornton LLP, independent registered public accounting firm. Grant Thornton Puerto Rico LLP, provides independent audit services to Universal Life Insurance Company. Grant Thornton Puerto Rico LLP’s principal business address is 33 Calle Bolivia, Suite 400, San Juan, PR 00917, since their appointment on December 28, 2023.

**Distribution of the Contracts**

The contracts are distributed by Universal Financial Services, Inc. (“UFS” or “Distributor”). The Distributor serves as principal underwriter of Fortune VII Separate Account. The offering of the contracts is intended to be continuous.

UFS is an affiliate of the Company. The Distributor is under the common control of Universal Life Insurance Company. The Distributor’s principal business address is Metro Office Park, Street 1 Lot 10, Guaynabo, Puerto Rico 000968. The Distributor is registered with the SEC as an Investment Adviser and as a Broker Dealer and is a member of the Financial Industry Regulatory Authority, Inc. (“FINRA”). UFS also acts as the distributor for other life and annuity products we issue.

Fortune VII Separate Account does not pay commissions to the Distributor.

**Financial Statements**

The financial statements of Fortune VII Separate Account are included herein. Additionally, the statutory basis financial statements of the Company, Universal Life Insurance Company, are also included herein and should be considered only as bearing upon the ability of the Company to meet its obligations under the contracts.



Statutory-Basis Financial Statements with  
Report of Independent Certified Public Accountants

**Universal Life Insurance Company**

December 31, 2025 and 2024

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## Universal Life Insurance Company

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**Report of Independent Certified Public Accountants**

**To the Board of Directors of  
Universal Life Insurance Company:**

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(formerly Kevane Grant Thornton LLP)  
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**Opinion**

We have audited the statutory-basis financial statements of **Universal Life Insurance Company**, which comprise the statements of admitted assets, liabilities, capital and surplus and other funds as of December 31, 2025 and 2024, and the related statements of operations, changes in capital and surplus and other funds for the years ended December 31, 2025, 2024 and 2023, and cash flows for the years ended December 31, 2025 and 2024, and the related notes to the statutory-basis financial statements.

**Unmodified Opinion on Statutory-Basis of Accounting**

In our opinion, the accompanying statutory-basis financial statements present fairly, in all material respects, the financial position of **Universal Life Insurance Company** as of December 31, 2025 and 2024, and the results of its operations and its cash flows for the years then ended on the basis of accounting described in Note (1)(b).

**Adverse Opinion on U.S. Generally Accepted Accounting Principles**

In our opinion, because of the significance of the matter described in the Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles section of our report, the statutory-basis financial statements do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of **Universal Life Insurance Company** as of December 31, 2025 and 2024, or the results of its operations or its cash flows for the years then ended.

**Basis for Opinion**

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

**Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles**

As described in Note (1)(b) to the statutory-basis financial statements, **Universal Life Insurance Company** prepared these statutory-basis financial statements using accounting practices prescribed or permitted by the Office of the Commissioner of Insurance of Puerto Rico, which is a basis of accounting other than accounting principles generally accepted in the United States of America. The effects on the statutory-basis financial statements of the variances between these statutory accounting practices described in Note (1)(b) and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material and pervasive.

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**Responsibilities of Management for the Statutory-Basis Financial Statements**

Management is responsible for the preparation and fair presentation of the statutory-basis financial statements in accordance with the accounting practices prescribed or permitted by the Office of the Commissioner of Insurance of the Commonwealth of Puerto Rico. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of statutory-basis financial statements that are free from material misstatement, whether due to fraud or error.

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

**Auditor's Responsibilities for the Audit of Statutory-Basis Financial Statements**

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

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the statutory-basis financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the statutory-basis financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the **Universal Life Insurance Company's** internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the statutory-basis financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the **Universal Life Insurance Company's** ability to continue as a going concern for a reasonable period of time.

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

/s/ Grant Thornton Puerto Rico LLP  
San Juan, Puerto Rico,  
April 20, 2026.

## Universal Life Insurance Company

### Statutory-Basis Statements of Admitted Assets, Liabilities, Capital and Surplus and Other Funds As of December 31, 2025 and 2024

	<u>2025</u>	<u>2024</u>
<b>Admitted assets</b>		
Cash and invested assets:		
Debt securities	\$1,424,434,706	\$1,403,227,738
Equity securities	204,836,874	203,055,544
Restricted investments	-	1,299,602
Cash and short-term investments	180,884,494	166,516,294
Receivable for securities	48,119	19,620
Other invested assets	27,315,159	34,318,831
Total cash and invested assets	<u>1,837,519,352</u>	<u>1,808,437,629</u>
Premiums due and unpaid	3,484,004	3,505,434
Accrued investment income	14,242,718	14,400,673
Reinsurance recoverable on paid losses and other	14,114,747	10,252,214
Receivable from parent, subsidiaries, and affiliates	100,001,623	52,582,023
Accounts receivable – other	188,533	219,801
Current federal and foreign income tax	864,842	909,997
Deferred income tax asset	244,751	541,273
Electronic data processing equipment and software:		
Net of accumulated depreciation of \$9,635,070 and \$6,205,923 as of December 31, 2025 and 2024, respectively	1,262,654	2,335,124
Aggregate write-ins for other than invested assets	330,571,753	295,381,752
Separate account assets	<u>371,067,344</u>	<u>357,792,825</u>
Total admitted assets	<u>\$2,673,562,321</u>	<u>\$2,546,358,745</u>

*Continued*

The accompanying notes are an integral part of these statutory-basis statements.

## Universal Life Insurance Company

### Statutory-Basis Statements of Admitted Assets, Liabilities, Capital and Surplus and Other Funds As of December 31, 2025 and 2024

	2025	2024
<b>Liabilities, capital and surplus and other funds</b>		
<b>Liabilities:</b>		
Policy liabilities:		
Aggregate reserves for life, annuities, and accident and health policies and contracts	\$ 982,540,742	\$ 844,892,798
Unpaid policy and contract claims:		
Life	3,385,392	3,682,935
Accident and health	1,347,849	1,300,288
Total policy liabilities	987,273,983	849,876,021
Reinsurance payable	26,855,592	27,061,573
Commissions due	1,511,565	1,387,100
Accrued expenses and other liabilities – net of expense allowances recognized in reserves of \$(1,551,316) and \$(1,622,728) as of December 31, 2025 and 2024, respectively	10,511,460	5,829,033
Payable to affiliates	1,250	1,981,576
Separate account liabilities	370,703,405	357,465,737
Funds held under reinsurance treaties	854,757,680	921,891,665
Borrowed money and interest	57,169,997	80,924,777
Payable for securities	4,724	5,004,052
Asset valuation reserve	25,829,345	26,972,927
Aggregate write-ins for liabilities	132,643,681	68,088,139
Total liabilities	<u>2,467,262,682</u>	<u>2,346,482,600</u>
<b>Capital and surplus and other funds:</b>		
Common stock, \$100 par value – authorized, 100,000 shares; issued and outstanding, 25,000 shares	2,500,000	2,500,000
Gross paid-in and contributed surplus	47,391,608	47,391,608
Unassigned funds – surplus	156,408,031	149,984,537
Total capital and surplus and other funds	<u>206,299,639</u>	<u>199,876,145</u>
Total liabilities, capital and surplus and other funds	<u>\$2,673,562,321</u>	<u>\$2,546,358,745</u>

The accompanying notes are an integral part of these statutory-basis statements.

## Universal Life Insurance Company

### Statutory-Basis Statements of Operations Years Ended December 31, 2025, 2024 and 2023

	2025	2024	2023
<b>Revenues:</b>			
Premiums and annuities considerations earned:			
Premiums and annuities considerations written	\$ 634,376,385	\$ 622,266,861	\$ 505,162,303
Premiums and annuities considerations assumed	435,335	400,750	333,114
Premiums and annuities considerations ceded	(449,067,527)	(450,313,478)	(351,804,293)
Net premiums and annuities considerations earned	185,744,193	172,354,133	153,691,124
Net investment income	88,184,700	90,746,193	85,389,883
Income from fees associated with investment management and administration of separate accounts	2,872,858	3,027,212	3,175,583
Commissions and expense allowance on reinsurance ceded	57,670,004	58,450,653	48,284,009
Other income	25,211,566	7,769,801	6,080,934
Total revenues	<u>359,683,321</u>	<u>332,347,992</u>	<u>296,621,533</u>
<b>Losses and expenses:</b>			
Death, disability, and other benefits	91,769,267	83,191,526	109,775,948
Net increase in aggregate reserves for life, accident, and health policies and contracts	141,295,526	128,971,765	78,406,787
Commission expense	32,696,458	33,714,408	28,220,604
Other underwriting expenses	34,709,352	32,993,872	30,902,465
Aggregate write-ins for deductions	48,554,850	56,153,974	56,503,092
Total losses and expenses	349,025,453	335,025,545	303,808,896
Reserve adjustment on reinsurance ceded	(10,862,456)	(27,841,959)	(27,435,310)
Net transfers to separate accounts	21,786,057	48,123,628	45,609,328
Income before income taxes and net realized capital gains (losses)	21,581,469	17,604,116	10,986,655
Income taxes	120,813	642,861	1,737,296
<b>Net realized capital (losses) gains</b> - net of capital gains (losses) transferred to IMR, net of tax	(11,078,686)	(8,491)	(78,342)
<b>Net income</b>	<u>\$ 10,381,970</u>	<u>\$ 16,952,764</u>	<u>\$ 9,171,017</u>

The accompanying notes are an integral part of these statutory-basis statements.

## Universal Life Insurance Company

### Statutory-Basis Statements of Changes in Capital and Surplus and Other Funds Years Ended December 31, 2025, 2024 and 2023

	Common Stock	Gross Paid-in and Contributed Surplus	Unassigned Funds – Surplus	Total
Balance – January 1, 2023	\$ 2,500,000	\$ 22,391,608	\$ 117,208,065	\$ 142,099,673
Net income	-	-	9,171,017	9,171,017
Changes in:				
Unrealized capital gains, net of tax	-	-	1,830,022	1,830,022
Nonadmitted assets	-	-	(29,085,094)	(29,085,094)
Changes in surplus in separate accounts	-	-	(50,964)	(50,964)
Asset valuation reserve	-	-	(3,124,560)	(3,124,560)
Paid in Surplus	-	25,000,000	-	25,000,000
Dividend to stockholder	-	-	(8,500,000)	(8,500,000)
Balance – December 31, 2023	<u>2,500,000</u>	<u>47,391,608</u>	<u>87,448,486</u>	<u>137,340,094</u>
Net income	-	-	16,952,764	16,952,764
Changes in:				
Unrealized capital gains, net of tax	-	-	982,471	982,471
Nonadmitted assets	-	-	41,372,544	41,372,544
Changes in surplus in separate accounts	-	-	228,372	228,372
Asset valuation reserve	-	-	8,999,900	8,999,900
Dividend to stockholder	-	-	(6,000,000)	(6,000,000)
Balance – December 31, 2024	<u>\$ 2,500,000</u>	<u>\$ 47,391,608</u>	<u>\$ 149,984,537</u>	<u>\$ 199,876,145</u>
Net income	-	-	10,381,970	10,381,970
Changes in:				
Unrealized capital gains, net of tax	-	-	1,186,091	1,186,091
Nonadmitted assets	-	-	(325,000)	(325,000)
Changes in surplus in separate accounts	-	-	36,850	36,850
Asset valuation reserve	-	-	1,143,583	1,143,583
Dividend to stockholder	-	-	(6,000,000)	(6,000,000)
Balance – December 31, 2025	<u>\$ 2,500,000</u>	<u>\$ 47,391,608</u>	<u>\$ 156,408,031</u>	<u>\$ 206,299,639</u>

The accompanying notes are an integral part of these statutory-basis statements.

## Universal Life Insurance Company

### Statutory-Basis Statements of Cash Flows Years Ended December 31, 2025 and 2024

	2025	2024
<b>Cash flows from operating activities:</b>		
Premiums and annuities considerations collected – net of reinsurance	\$ 244,477,322	\$ 163,770,695
Investment income received	83,354,807	86,999,235
Miscellaneous income received	85,664,690	69,267,950
Death, disability, and other benefits paid	(135,353,236)	(157,063,410)
Net transfers from separate accounts	22,624,942	48,383,618
Federal and foreign income taxes paid	(201,243)	(282,539)
Commissions and other underwriting expenses paid	(114,988,537)	(121,308,588)
Net cash provided by operating activities	<u>185,578,745</u>	<u>89,766,961</u>
<b>Cash flows from investing activities:</b>		
Proceeds from sales and redemptions of investments	228,199,542	281,152,746
Cost of investments acquired	(257,584,471)	(281,422,565)
Net cash used in investing activities	<u>(29,384,929)</u>	<u>(269,819)</u>
<b>Cash flows from financing and miscellaneous sources:</b>		
Borrowed funds paid	(23,754,780)	(14,614,226)
Net deposits on deposit-type contracts and other insurance liabilities	162,299	(105,117)
Dividends paid	(6,000,000)	(6,000,000)
Other cash used	(112,233,135)	(86,850,842)
Net cash used in financing and miscellaneous sources	<u>(141,825,616)</u>	<u>(107,570,185)</u>
<b>Net change in cash and short-term investments</b>	14,368,200	(18,073,043)
<b>Cash and short-term investments</b> – beginning of year	166,516,294	184,589,337
<b>Cash and short-term investments</b> – end of year	<u>\$ 180,884,494</u>	<u>\$ 166,516,294</u>

The accompanying notes are an integral part of these statutory-basis statements.

## Universal Life Insurance Company

### Notes of Statutory-Basis Financial Statements December 31, 2025 and 2024

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(1) **Organization and summary of significant accounting policies:**

(a) **Organization and operations** -

Universal Life Insurance Company (Universal Life or the Company) was incorporated on April 16, 1993, under the name of Eastern America Life Insurance Company and changed its name to Universal Life in 1997. During 2012, Universal Group, Inc. (UGI) transferred 100% of the Company's outstanding common stock to Universal Insurance Company (the Parent Company or Universal Insurance), which is a wholly owned subsidiary of UGI. This transfer was approved by the Office of the Commissioner of Insurance of the Commonwealth of Puerto Rico (the Commissioner) on June 27, 2012.

Universal Life is engaged in the life, annuity, and accident and health insurance business, generating the majority of its business from annuities and life policies. Universal Life operates under the provisions of the Puerto Rico Insurance Code (the PR Insurance Code) and is subject to the regulations issued by the Commissioner.

(b) **Basis of accounting** -

The accompanying statutory-basis financial statements have been prepared in conformity with accounting practices prescribed or permitted by the Commissioner, which vary in certain respects from U.S. generally accepted accounting principles (GAAP). Prescribed statutory accounting practices include National Association of Insurance Commissioners' statutory accounting practices (NAIC SAP) that do not conflict with the PR Insurance Code and administrative rules. Permitted statutory accounting practices encompass all accounting practices not so prescribed.

Accounting practices and procedures prescribed or permitted by the Commissioner comprise a comprehensive basis of accounting other than GAAP. The main significant differences with GAAP are as follows:

- (i) Under NAIC SAP, investments in debt securities are generally carried at amortized cost or at the lower of amortized cost or fair value depending on the NAIC rating designation, whereas under GAAP, they are carried at either amortized cost or fair value based on their classification according to the Company's ability and intent to hold or trade the securities.
- (ii) Investments in redeemable preferred stock are generally carried at amortized cost or at the lower of amortized cost or fair value depending on the NAIC rating designation, whereas under GAAP, these preferred stocks are reported at fair value.
- (iii) Acquisition costs, such as commissions and other costs related to acquiring new business are expensed as incurred, while under GAAP, they are deferred and amortized to income as premiums are earned or in relation to estimated gross profits.
- (iv) Statutory policy reserves are based on mortality and interest assumptions prescribed or permitted by statutes, without consideration of withdrawals. Statutory policy reserves generally differ from policy reserves under GAAP, which are based on the Company's estimates of mortality, interest, and withdrawals. The effect, if any, on reserves due to a change in valuation basis is recorded directly to unassigned surplus rather than included in the determination of net gain from operations under U.S. GAAP.

## Universal Life Insurance Company

### Notes of Statutory-Basis Financial Statements December 31, 2025 and 2024

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- (v) Asset valuation reserves (AVR) and interest maintenance reserves (IMR) are established in the statutory-basis financial statements only.
- (vi) Assets are reported under statutory accounting principles at “admitted-asset” value and “nonadmitted” assets are excluded through a charge against surplus, while under GAAP, “nonadmitted assets” are reinstated to the balance sheet, at their net realizable value.
- (vii) Under NAIC SAP, reinsurance recoverable on unpaid losses is reported as a reduction of policy benefits and other insurance reserves, while under GAAP, they are reported as an asset.
- (viii) The statement of cash flows is presented in accordance with guidelines established by the NAIC SAP which reconcile cash, cash equivalents and short-term investments with maturity dates of one year or less at the time of acquisition, while under GAAP the statement of cash flows reconciles the corresponding captions of cash and cash equivalents with maturities of three months or less. Also, GAAP requires that cash flows activity be reported under the captions of operating, investing, and financing activities.
- (ix) Under NAIC SAP, deferred taxes are provided for differences between the statutory and tax bases of assets and liabilities with certain limitations as to the amount of deferred tax assets that may be reported as “admitted assets”, and changes in deferred taxes are recognized as a separate component in surplus, whereas under GAAP, a provision is made for differences between the financial reporting and tax bases of assets and liabilities, and changes in deferred taxes are generally recognized through current operations.
- (x) Comprehensive income and its components are not presented in the statutory-basis financial statements.
- (xi) Under NAIC SAP loans made by a reporting entity to its parent or principal owner shall be admitted if approval for the transaction has been obtained from the domiciliary commissioner and the loan or advance is determined to be collectible based on the parent or principal owner’s independent payment ability. However, as prescribed by the PR Insurance Code, it allows insurance companies to recognize such transactions without the requirement of approval as long as they fall below a threshold consisting of 3% of the insurer’s admitted assets as of the 31<sup>st</sup> day of December next preceding, according to Chapter 44, Section 4406 a), (2), (A), (ii).
- (xii) Under NAIC SAP, life insurance premiums are generally recognized as revenue when due from policyholders; whereas under GAAP, premiums are not presented as revenue; instead, amounts are included in policyholder account balances or insurance reserves, and profit is recognized over the coverage period as insurance services are provided.

The Commissioner requires that insurance companies domiciled in Puerto Rico prepare their statutory-basis financial statements in accordance with SAP subject to any deviations prescribed or permitted by the Commissioner. There is no difference between the Company’s net income as reported in the accompanying statutory-basis financial statements and NAIC SAP.

The years “2025”, “2024” and “2023” refer to the years ended December 31, 2025, 2024 and 2023, respectively.

In 2025, 2024 and 2023, the Company was in compliance with the Risk Based Capital (RBC) requirements and would have been in such compliance if it had not used the above prescribed practice.

## Universal Life Insurance Company

### Notes of Statutory-Basis Financial Statements December 31, 2025 and 2024

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**(c) Use of estimates -**

The preparation of statutory-basis financial statements in conformity with accounting principles prescribed or permitted by the Commissioner requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the statutory-basis financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**(d) Investments -**

On January 1, 2025, the Company adopted revisions to SSAP No. 26 "Bond", to incorporate a principle-based bond definition. Revisions were also made to SSAP No. 43 "Asset Backed Securities" and SSAP No. 21 "Other Admitted Assets". The revised definition includes criteria that must be met in order for a debt instrument to be reported as a bond, classified as either an issuer credit obligation or asset-backed security. This shift aims to enhance the accuracy of bond classifications, ensuring they reflect the true nature of financial instruments held by insurers. The adoption of this guidance had no material impact to these statutory financial statements.

Issuer credit obligations are stated at amortized cost and any premium or discount is amortized to income using the effective interest method. Issuer credit obligations in or near default (NAIC designation 6) are stated at the lower of amortized cost or fair value.

Asset backed securities (ABS) are stated at amortized cost and any premium or discount is amortized to income using the effective interest method, including anticipated prepayments at the date of purchase. ABS in or near default (NAIC designation 6) are stated at the lower of amortized cost or fair value. Changes in prepayment speeds and estimated cash flows from the original purchase assumptions are evaluated quarterly. For high-credit quality ABS (those rated AA or above at the date of acquisition), projected future cash flows are updated quarterly, and the amortized cost and effective yield of the security are adjusted to reflect historical prepayment experience and changes in estimated future prepayments. The adjustments to amortized cost are recorded as a charge or credit to investment income in accordance with the retrospective method. The prospective-yield method is used for securities that are not of high-credit quality and for securities that have potential for loss of a portion of the original investments.

Unaffiliated common stocks are carried at fair value. The change in fair value is recorded as a change in net unrealized capital gains (losses), a component of unassigned funds-surplus. Redeemable preferred stocks are carried at cost, except for those rated NAIC designation 4 or lower which are carried at fair value. Perpetual preferred stock is stated at fair value.

Short-term investments include all investments whose maturities, at the time of acquisition, are one year or less and are stated at amortized cost, which approximates fair value.

Investment income consists primarily of interest and dividends. Interest is recognized on the accrual basis and dividends are recorded as earned at the ex-dividend date. Investment income is reduced for amounts which have been determined to be uncollectible. Realized capital gains and losses are determined on the specific identification basis and are recorded in earnings.

Declines in the fair value of invested assets below cost are evaluated for other-than-temporary impairment (OTTI) losses on a quarterly basis. Impairment losses for declines in fair value of debt and equity securities below cost attributable to issuer-specific events are based upon all relevant facts and circumstances for each investment and are recognized when appropriate in accordance with NAIC SAP and related guidance. For debt securities other than ABS with unrealized losses due to market conditions or industry-related events where the Company has the positive intent and ability to hold the investment for a period of time sufficient to allow a market recovery or to maturity, declines in fair value below amortized cost are assumed to be temporary.

## Universal Life Insurance Company

### Notes of Statutory-Basis Financial Statements December 31, 2025 and 2024

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When an issuer credit obligation, preferred stock, or common stock is deemed to be OTTI, the difference between the investments' amortized cost and its fair value is recognized as a net realized capital loss and reported in net income.

The new cost basis of an impaired security is not adjusted for subsequent increases in fair value. In periods subsequent to the recognition of an OTTI, the impaired security is accounted for as if it had been purchased on the measurement date of the impairment. Accordingly, the discount (or reduced premium) based on the new cost basis may be accreted into investment income in future periods based on the prospective changes in cash flow estimates to reflect adjustments to the effective yield.

An OTTI loss on ABS is recognized in net income when it is anticipated that the amortized cost will not be recovered. The entire difference between the ABS's amortized cost and its fair value is recognized in net income only when the Company (a) has the intent to sell the security or (b) it does not have the intent and ability to hold the security to recovery. If neither of these two conditions exists, a realized loss would be recognized in net income for the difference between the amortized cost basis of the security and the net present value of projected future cash flows expected to be collected. The net present value is calculated by discounting the Company's best estimate of projected future cash flows at the effective interest rate implicit in the ABS prior to impairment.

The determination of cash flow estimates in the net present value is subjective and methodologies will vary, depending on the type of security. The Company considers all information relevant to the collectability of the security, including past events, current conditions, and reasonably supportable assumptions and forecasts in developing the estimate of cash flows expected to be collected. This information generally includes, but may not be limited to, the remaining payment terms of the security, estimated prepayment speeds, defaults, and recoveries upon liquidation of the underlying collateral securing the notes, the financial condition of the issuer, credit enhancements, and other third-party guarantees. In addition, other information, such as industry analyst reports and forecasts, sector credit ratings, the financial condition of the issuer of fixed-income securities, and other market data relevant to the collectability may also be considered, as well as the expected timing of the receipt of insured payments, if any. The estimated fair value of the collateral may be used to estimate recovery value if the Company determines that the security is dependent on the liquidation of the collateral for recovery.

**(e) Separate accounts -**

The Company has established nonguaranteed separate accounts with varying investment objectives, which are segregated from the Company's general account and are maintained for the benefit of separate account contract holders. Separate account assets are invested in underlying mutual funds and are stated at fair value. The liability for nonguaranteed separate accounts represents contract holders' interest in the separate account assets, including accumulated net investment income and realized and unrealized gain and losses on those assets.

Purchase payments or transfers allocated to subaccounts are accounted for in accumulation unit values (AUV). AUV are determined by calculating the net investment factor for the underlying mutual funds in the applicable subaccount for the current valuation period and multiplying that result with the AUV determined on the previous valuation period. Universal Life uses the net investment factor as a way to calculate the investment performance of subaccounts from valuation period to valuation period. Gains and losses realized and unrealized are recorded as net investment income in the separate accounts' financial statements.

## Universal Life Insurance Company

### Notes of Statutory-Basis Financial Statements December 31, 2025 and 2024

Net transfers to separate accounts consist of funds received from policyholders, less surrenders and/or withdrawals, and the change in the expense allowance. The reserve adjustments on reinsurance ceded consists of the reinsurance effect of the funds received from policyholders, less surrenders, and/or withdrawals.

**(f) Premiums and annuities considerations and related commissions -**

Life premiums are recognized as income over the premium-paying period of the related policies. Accident and health premiums are earned ratably over the terms of the related insurance contracts or policies. Annuity considerations are recognized as premium income when received. Expenses incurred in connection with acquiring new insurance business, including acquisition costs, such as sales commissions, are charged to operations as incurred.

**(g) Aggregate reserves for life, annuities, and accident and health policies and contracts -**

The credit life aggregate reserve is computed using the following valuation tables and interests:

Effective Year	Valuation Table and Interest
2012-2013	120% 2001 CSO 3.75% ALB
2014	120% 2001 CSO 4.00% ALB
2015-2016	120% 2001 CSO 3.75% ALB
2017-2018	120% 2001 CSO 3.50% ALB
2019	120% 2001 CSO 3.75% ALB
2020	120% 2001 CSO 3.25% ALB
2021	120% 2001 CSO 3.00% ALB
2022	120% 2001 CSO 3.25% ALB
2023	120% 2001 CSO 4.25% ALB
2024-2025	120% 2001 CSO 4.50% ALB

The reserve for credit disability is calculated using the mean of the "pro rata" and the Rule of 78. Policy reserves for group life and accident and health insurance include claim reserves and unearned premiums.

For ordinary life products the aggregate reserves are computed using the following valuation tables and interests:

Valuation Table and Interest	
2006-2012	100% 2001 CSO (4.00% - 4.50%) ANB CRVM
2013-2020	100% 2001 CSO (3.50% - 3.75%) ANB CRVM
2021-2024	100% 2001 CSO (3.00% - 3.25%) ANB CRVM
2025	100% 2001 CSO (3.50% - 3.75%) ANB CRVM

Annuity reserves are based on statutory mortality, morbidity and interest requirements, without consideration of future withdrawals. Virtually all annuity reserves are calculated on the modified-reserve basis, which partially offsets the effect of immediately charging policy acquisition costs for commission expense. Annuity reserves are computed using assumed interest and valuation methods that will provide, in aggregate, reserves that are greater than the minimum valuation required by law and the guaranteed policy cash values.

## Universal Life Insurance Company

### Notes of Statutory-Basis Financial Statements December 31, 2025 and 2024

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Reserves for fixed and equity deferred annuities are based on the A2000 mortality table gender distinct and Commissioners' Annuity Reserve Valuation Method ("CARVM") with assumed interest rates ranging from 3.00% to 5.00%.

Reserves for group annuities are based on discounting the monthly benefits at prescribed interest rates ranging from 3.00% to 5.25% and applying the 1994 group annuity reserving mortality table which includes projection scale AA.

**(h) Reinsurance -**

Universal Life seeks to reduce the loss that may arise from catastrophic or other events that cause unfavorable underwriting results by reinsuring certain levels of risk in various areas of exposure with reinsurers. Amounts recoverable from reinsurance are estimated in a manner consistent with the claim liability associated with the reinsured policy. The Company is not relieved of its primary obligation to the policyholder in a reinsurance transaction.

**(i) Unpaid policy and contract claims -**

The liabilities for unpaid policy and contract claims are based on case-basis estimates for reported claims, and on estimates, based on experience, for incurred but not reported claims and claim expenses. Such liabilities are necessarily based on estimates and, while management believes that the amount is adequate, the ultimate liability may be in excess of or less than the amounts provided. Such estimates are periodically reevaluated and any adjustments, as subsequently determined, are reflected in the current period's operations.

**(j) Asset valuation reserve (AVR) and Interest maintenance reserve (IMR) -**

Universal Life established certain reserves as promulgated by the NAIC. The AVR is determined by formula and is based on Universal Life's holding of mortgages, investments in real estate, bonds, stocks, and other invested assets. This valuation reserve requires appropriation of surplus to provide for possible losses on these investments. Realized and unrealized capital gains and losses, other than those resulting from interest rate changes, are added, or charged to the AVR. The IMR is used to defer realized capital gains and losses, net of tax, on sales and calls of bonds and certain investments, which result from interest rate changes. These gains and losses are then amortized into investment income over what would have been the remaining years to maturity of the original investment.

**(k) Electronic data processing equipment and software -**

Electronic data processing equipment is carried at cost, less accumulated depreciation using the straight-line method over the estimated useful lives of the assets, which have been established at three years. Depreciation and amortization expense related to electronic data processing equipment and software amounted to \$3,429,147, \$1,222,173 and \$1,141,572 for the years ended December 31, 2025, 2024 and 2023, respectively, and are included within other underwriting expense in the accompanying statutory-basis statements of operations.

**(l) Guaranty fund assessments -**

Pursuant to the PR Insurance Code, Universal Life is a member of the Puerto Rico Insurance Guaranty Association for Life, Disability, and Health Insurance. As a member, Universal Life is required to provide funds for the settlement of claims and reimbursement of unearned premiums of insurance policies issued by insolvent insurance companies. Universal Life accrues guaranty fund assessments when it is probable that an assessment liability has been incurred and the amount of loss can be reasonably estimated. During 2025, 2024 and 2023 no assessments or accrual for possible future assessments were made.

## Universal Life Insurance Company

### Notes of Statutory-Basis Financial Statements December 31, 2025 and 2024

**(m) Fair values of financial instruments -**

The following methods and assumptions were used by Universal Life in estimating the fair values of financial instruments:

*Debt and Equity Securities* – The fair values for debt and equity securities are obtained using the NAIC Purposes and Procedures Securities Valuation Office Manual, and the designation assigned in the NAIC Valuation of Securities product prepared by the NAIC Securities Valuation Office (SVO). For debt and equity securities not valued by the NAIC SVO, fair values are based upon quoted prices, if available. If quoted prices are not available, fair values are measured using independent pricing models or other model-based valuation techniques, such as discounted cash flow methodologies, adjusted for the security's credit rating, prepayment assumptions, and other factors, such as credit loss assumptions.

*Restricted Investment and Cash and Short-Term Investments* – The carrying amounts for these instruments approximate their fair values given their short-term maturity.

*Securities Sold under Agreements to Repurchase* – The carrying amounts of these instruments approximate their fair values due to their short-term nature and type of collateral structure provided as part of the agreement.

**(2) Investment securities:**

The amortized cost, gross unrealized gains, gross unrealized losses, and fair value of investment securities as of December 31, 2025 and 2024 are as follows:

Description of securities	2025			Fair Value
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	
<b>Debt securities – bonds and notes:</b>				
Issuer credit obligations	\$ 867,483,126	\$ 6,307,992	\$ 63,353,435	\$ 810,437,683
Asset-backed securities	561,084,011	4,800,414	57,057,286	508,827,139
Total debt securities	<u>1,428,567,137</u>	<u>11,108,406</u>	<u>120,410,721</u>	<u>1,319,264,822</u>
<b>Equity securities:</b>				
Mutual funds	9,547,101	406,832	352,763	9,601,170
Common stocks	10,074,285	7,038,116	284,054	16,828,347
Preferred stocks	191,977,249	1,233,878	14,825,971	178,385,156
Total equity securities	<u>211,598,635</u>	<u>8,678,826</u>	<u>15,462,788</u>	<u>204,814,673</u>
Total	<u>\$1,640,165,772</u>	<u>\$ 19,787,232</u>	<u>\$ 135,873,509</u>	<u>\$1,524,079,495</u>

## Universal Life Insurance Company

### Notes of Statutory-Basis Financial Statements December 31, 2025 and 2024

Description of securities	2024			
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
<b>Debt securities – bonds and notes:</b>				
Issuer credit obligations	\$ 787,676,539	\$ 1,801,027	\$ 79,032,069	\$ 710,445,497
Asset-backed securities	620,171,413	1,780,193	68,844,426	553,107,180
Total debt securities	1,407,847,952	3,581,220	147,876,495	1,263,552,677
<b>Equity securities:</b>				
Mutual funds	6,910,837	174	627,206	6,283,805
Common stocks	6,699,582	5,761,185	31,351	12,429,416
Preferred stocks	198,755,689	1,222,112	15,793,784	184,184,017
Total equity securities	212,366,108	6,983,471	16,452,341	202,897,238
Total	\$1,620,214,060	\$ 10,564,691	\$ 164,328,836	\$1,466,449,915

The fair value and gross unrealized losses aggregated by investment category and length of time that individual securities have been in a continuous unrealized loss position, as of December 31, 2025 and 2024 are as follows:

Description of Securities	2025					
	Less than 12 Months		12 Months or Greater		Total	
	Fair Value	Gross Unrealized Losses	Fair Value	Gross Unrealized Losses	Fair Value	Gross Unrealized Losses
<b>Debt securities – bonds and notes:</b>						
Issuer credit obligations	\$ 114,119,018	\$ 2,202,946	\$ 414,421,293	\$ 61,150,489	\$ 528,540,311	\$ 63,353,435
Asset-backed securities	35,503,655	866,616	265,595,603	56,190,670	301,099,258	57,057,286
Total debt securities	149,622,673	3,069,562	680,016,896	117,341,159	829,639,569	120,410,721
Equity securities – mutual funds	3,435,913	95,099	770,903	257,664	4,206,816	352,763
Equity securities – common stocks	1,190,419	284,054	-	-	1,190,419	284,054
Equity securities – preferred stocks	37,955,492	1,013,114	108,116,519	13,812,857	146,072,011	14,825,971
Total	\$ 192,204,497	\$ 4,461,829	\$ 788,904,318	\$ 131,411,680	\$ 981,108,815	\$ 135,873,509

## Universal Life Insurance Company

### Notes of Statutory-Basis Financial Statements December 31, 2025 and 2024

Description of Securities	2024					
	Less than 12 Months		12 Months or Greater		Total	
	Fair Value	Gross Unrealized Losses	Fair Value	Gross Unrealized Losses	Fair Value	Gross Unrealized Losses
Debt securities – bonds and notes:						
Issuer credit obligations	\$ 147,057,976	\$ 4,279,640	\$ 465,389,529	\$ 74,752,429	\$ 612,447,505	\$ 79,032,069
Asset-backed securities	119,310,339	2,233,005	295,205,637	66,611,421	414,515,976	68,844,426
Total debt securities	266,368,315	6,512,645	760,595,166	141,363,850	1,026,963,481	147,876,495
Equity securities – mutual funds	2,693,115	80,163	3,246,702	547,043	5,939,817	627,206
Equity securities – common stocks	318,233	31,351	-	-	318,233	31,351
Equity securities – preferred stocks	26,931,815	931,755	122,022,269	14,862,029	148,954,084	15,793,784
Total	\$ 296,311,478	\$ 7,555,914	\$ 885,864,137	\$ 156,772,922	\$ 1,182,175,615	\$ 164,328,836

The number of individual securities that have been in a continuous loss position, by investment category and by length of time, as of December 31, 2025 and 2024, are as follows:

Description of Securities	2025			2024		
	Less than 12 Months	12 Months or Greater	Total	Less than 12 Months	12 Months or Greater	Total
Debt securities – bonds and notes:						
U.S. government and its agencies and authorities	7	41	48	21	79	100
States, municipalities, and political subdivisions	59	250	309	65	279	344
Industrial and miscellaneous	34	211	245	67	238	305
Asset-backed securities	18	200	218	56	214	270
Total debt securities	118	702	820	209	810	1,019
Equity securities – mutual funds	25	3	28	24	23	47
Equity securities – common stocks	6	0	6	1	0	1
Equity securities – preferred stocks	14	87	101	9	95	104
Total	163	792	955	243	928	1,171

In accordance with the Company's impairment policy, the Company performed quantitative and qualitative analysis to determine if the decline was temporary. For those securities where the decline was considered temporary, the Company did not recognize an impairment since it has the ability and intent to hold these investments until recovery.

The Company recorded OTTI losses on equity securities amounting to \$39,750 and \$39,300 during 2024, and 2023, respectively.

The Company recorded OTTI losses on debt securities amounting to \$34,753 and \$535,390 during 2024 and 2023, respectively. There was no OTTI on debt and equity securities recorded during the year ended December 31, 2025.

## Universal Life Insurance Company

### Notes of Statutory-Basis Financial Statements December 31, 2025 and 2024

The Company invested funds in certain collateralized notes receivable and surplus notes, which are recorded at carrying value and presented within other invested assets in the accompanying statement of admitted assets, liabilities, capital and surplus and other funds. During 2025, the Company recorded OTTI losses on other invested assets amounting to \$11,551,727, presented in net realized capital gains and losses in the statutory statements of operations. There were no OTTI losses recorded on 2024 or 2023.

The table below presents a rollforward of the cumulative credit loss component of the OTTI loss recognized in earnings on investments and other invested assets still held by the Company at December 31, 2025, 2024 and 2023:

	<u>2025</u>	<u>2024</u>	<u>2023</u>
Balance – beginning of year	\$ 764,349	\$ 689,846	\$ 115,156
Impairment – OTTI recognized on securities not previously impaired	11,551,727	-	535,390
Additional impairment – OTTI recognized on securities previously impaired	-	74,503	39,300
Reduction – due to sales (or maturities, pay downs, or prepayments) during the period of securities previously OTTI	(764,349)	-	-
Balance – end of year	<u>\$ 11,551,727</u>	<u>\$ 764,349</u>	<u>\$ 689,846</u>

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

<b>Investments Maturing Within</b>	<b>Amortized Cost</b>	<b>Fair Value</b>
One year	\$ 58,957,722	\$ 58,811,492
After one to five years	206,562,504	204,417,607
After five to ten years	184,483,756	181,079,326
Ten years and over	415,028,626	364,079,807
No maturity	2,450,518	2,049,451
Asset-backed securities	561,084,011	508,827,139
Total	<u>\$1,428,567,137</u>	<u>\$1,319,264,822</u>

## Universal Life Insurance Company

### Notes of Statutory-Basis Financial Statements December 31, 2025 and 2024

Net investment income for the years ended December 31, 2025, 2024 and 2023 is summarized as follows:

	<u>2025</u>	<u>2024</u>	<u>2023</u>
Debt securities	\$ 71,619,705	\$ 73,376,102	\$ 68,290,533
Equity securities	10,416,439	13,202,904	14,140,797
Other invested assets	1,467,252	1,080,632	171,550
Interest-bearing deposits	32,650	1,656	26,143
IMR amortization	(98,757)	(245,590)	(45,924)
Investment income recognized as a result of prepayment penalties	13,363	131,738	-
Other	4,734,048	3,198,751	2,806,784
Total	<u>\$ 88,184,700</u>	<u>\$ 90,746,193</u>	<u>\$ 85,389,883</u>

Proceeds from the sale of investments and realized capital gains and losses - net of capital gains tax and transfers to IMR for the years ended December 31, 2025, 2024 and 2023 were as follows:

	<u>2025</u>	<u>2024</u>	<u>2023</u>
Proceeds from sales	<u>\$ 113,068,699</u>	<u>\$ 287,193,505</u>	<u>\$ 139,275,742</u>
Gross realized capital gains	\$ 1,455,464	\$ 484,942	\$ 30,580,545
Gross realized capital losses	(2,080,138)	(5,986,721)	(5,932,471)
OTTI	(11,551,727)	(74,503)	(574,690)
AVR gains (losses) ceded to reinsurer	1,319,395	5,305,642	(24,540,582)
Transfer to IMR	(96,692)	290,324	426,799
Net realized capital gains (losses)	<u>(10,953,698)</u>	<u>19,684</u>	<u>(40,399)</u>
Less capital gains tax:			
Provision for capital losses income taxes	(119,553)	(1,089,871)	(1,106,721)
Capital gains tax transferred to IMR	244,541	1,118,046	1,144,664
Capital gains tax – net	124,988	28,175	37,943
Net realized capital losses – net of capital gains tax	<u>\$ (11,078,686)</u>	<u>\$ (8,491)</u>	<u>\$ (78,342)</u>

As of December 31, 2025 and 2024, the Company's restricted assets were as follows:

<b>Description of Securities</b>	<u>2025</u>	<u>2024</u>
Debt securities:		
Short-term investments – deposited with the Commissioner	\$ 1,594,460	\$ 1,594,460
Funds withheld under reinsurance contracts	<u>\$ 854,757,680</u>	<u>\$ 921,891,665</u>
Separate accounts assets held under modified coinsurance contracts	<u>\$ 371,067,344</u>	<u>\$ 357,792,825</u>

The Company's restricted assets in short-term investments are restricted under the provision of the PR Insurance Code and are deposited with the Commissioner.

## Universal Life Insurance Company

### Notes of Statutory-Basis Financial Statements December 31, 2025 and 2024

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**(3) Borrowed money and interest:**

The Company uses margin accounts to enhance investment portfolio income through leverage strategies and to access short-term funding. The margin account balance amounted to \$0 as of December 31, 2025 and 2024, respectively. This account was used to fund intercompany short-term notes. Funding cost of the margin account was 4.88%, 6.04% and 6.06% during 2025, 2024 and 2023, respectively, which was calculated on the daily balance.

On December 9, 2022, the Company entered into a \$30,000,000 revolving credit facility with an original maturity date of November 1, 2023. The credit facility has been continuously amended for additional extension of maturity date, with the latest current maturity of May 16, 2026. Under the revolving credit facility, interest is payable in arrears on a monthly basis, calculated based on the Secured Overnight Financing Rate (SOFR) in effect on the first day of each calendar month plus 2.5% on the basis of a year of 360 days and for the number of actual days elapsed. The Company had an outstanding balance under this revolving credit facility of \$29,842,000 and \$22,930,000 as of December 31, 2025 and 2024, respectively. The credit facility was collateralized by investment securities in the amount of \$43,807,113 and \$45,765,472 as of December 31, 2025 and 2024, respectively. The credit facility contains various affirmative and negative covenants, including financial and nonfinancial covenants. At December 31, 2025 and 2024, the Company was in compliance with financial covenants. Total interest incurred related to this revolving credit facility for the years ended December 31, 2025, 2024 and 2023 amounted to \$1,382,641, \$1,700,667 and \$1,541,527, respectively.

**(4) Securities sold under agreements to repurchase:**

The Company entered into bilateral repurchase agreements whereby the Company sells securities and simultaneously agrees to repurchase the same or substantially the same securities. These repurchase agreements are accounted for as collateralized borrowings with the proceeds from the sale of the securities recorded as a liability and the underlying securities continue to be recorded as an investment by the Company. Earnings on these investments are recorded as investment income and the difference between the proceeds and the amount at which the securities will be subsequently reacquired is amortized as interest expense. Repurchase agreements are used as a tool for the overall portfolio management to help ensure the Company maintains adequate assets in order to provide yield, spread and duration to support liabilities and other corporate needs.

The Company provides collateral, as dictated by the repurchase agreements, to the counterparty in exchange for a loan. If the fair value of the securities sold becomes less than the loan, the counterparty may require additional collateral.

Securities sold under agreements to repurchase (repurchase agreements) amounted to \$27,300,000 and \$57,908,388 as of December 31, 2025 and 2024, respectively. The borrowings bear interest at a range from 3.95% to 4.88% and 4.75% to 5.88% in 2025 and 2024, respectively. These borrowings generally mature within 30 days to 90 days from the transaction date. These amounts are included within borrowed money and interest in the accompanying statutory-basis statements of admitted assets, liabilities, capital and surplus and other funds.

## Universal Life Insurance Company

### Notes of Statutory-Basis Financial Statements December 31, 2025 and 2024

Additional information related to repurchase agreements as of December 31, 2025 and 2024, were as follows:

	<u>2025</u>	<u>2024</u>
Maximum aggregate balance of repurchase agreements outstanding during the year	\$ 67,181,965	\$ 57,908,388
Repurchase agreement balance at year end	\$ 27,300,000	\$ 57,908,388
Securities underlying repurchase agreements:		
U.S. Government and its agencies and authorities carrying value of underlying collateral	\$ 28,115,387	\$ 62,182,879
Fair value of underlying collateral	\$ 27,940,822	\$ 60,607,121

Accrued interest as of December 31, 2025 and 2024 amounted to \$27,997 and \$86,389, respectively.

Universal Life may be required to provide additional collateral based on the fair value of the underlying securities.

#### (5) Related-party transactions:

The Company is a member of a group of affiliated companies. The Company has significant transactions with members of the affiliated group at terms arranged by management of the affiliated group, and accordingly, the statutory basis financial statements may not necessarily be indicative of the condition that would have existed or the results of operations if the Company had been operated as an unaffiliated company.

In the normal course of business, related entities provide management and other services to Universal Life. Universal Life also reimburses related entities for expenses incurred on its behalf. The following are the transactions with related parties:

On March 1, 2007, the Company entered into an agreement with Universal Financial Services, Inc. (UFS) to provide the following services:

- Investment advisory services: Fees for investment advisory services provided by UFS during the years ended December 31, 2025, 2024 and 2023 amounted to \$333,168, \$353,864 and \$382,706, respectively.
- Sale of variable annuity products: Commission expenses charged by UFS for the sale of variable annuity products during the years ended December 31, 2025, 2024 and 2023, amounted to \$14,702, \$15,996 and \$28,734, respectively.

Annually, the Company enters into an administrative services agreement with UFS. During 2025, 2024 and 2023, the Company charged fees to UFS for these services amounted to \$174,957, \$166,076 and \$215,400.

The Company issued short-term notes receivable from UGI and Universal Finance, Inc., bearing interest based on the Secured Overnight Financing Rate (SOFR) plus 2.5% on the basis of a year of 360 days and for the number of actual days elapsed, plus servicing fees of 0.125%. Interest rates as of December 31, 2025 and 2024 were 3.69% and 4.33%, respectively. These short-term notes receivable mature between April and December 2026 and are presented within receivable from parent, subsidiaries, and affiliates within the accompanying statutory-basis statement of admitted assets, liabilities, capital and surplus and other funds. Total interests earned during the year ended December 31, 2025, 2024, and 2023 amounted to \$1,118,505, \$951,599 and \$1,133,939, respectively.

## Universal Life Insurance Company

### Notes of Statutory-Basis Financial Statements December 31, 2025 and 2024

These transactions did not exceed the threshold established in Chapter 44, Section 4406 a), (2), (A), (ii) of the PR Insurance Code.

The amounts due to and from related entities as of December 31, 2025 and 2024 were as follows:

	<u>2025</u>	<u>2024</u>
Due from:		
Universal Finance, Inc.	\$ 31,110,779	\$ 5,193,535
Universal Insurance Company	1,255,888	-
Point Guard Insurance Company, Inc.	726	726
Universal Financial Services, Inc.	13,233	-
Universal Group, Inc.	67,620,997	47,387,762
Total	<u>\$ 100,001,623</u>	<u>\$ 52,582,023</u>
Due to:		
Universal Finance, Inc.	\$ 1,250	\$ -
Universal Insurance Company	-	1,684,288
Universal Financial Services, Inc.	-	7,145
Universal Group, Inc.	-	290,143
Total	<u>\$ 1,250</u>	<u>\$ 1,981,576</u>

#### (6) Reinsurance:

Universal Life cedes risks to reinsurers under various agreements, which cover mostly annuities, life, accident, and health insurance risks. The Company does not carry reinsurance for its credit life business. These reinsurance arrangements provide greater diversification of business and minimize the Company's exposure arising from large or volume-related risks, although they do not discharge the primary liability of Universal Life as direct insurer of the ceded risks. Universal Life evaluates the financial strength of reinsurers and continually monitors the financial condition of reinsurers. At December 31, 2025 and 2024, reinsurance recoverable on paid losses associated with the largest single reinsurer amounted to approximately \$199,750 and \$163,000, respectively.

Effective January 1, 2006, the Company entered into an agreement to reinsure individual term-life coverage. The form of reinsurance is on an excess of loss basis with retention of the first \$50,000 and ceded up to \$500,000.

Effective March 1, 2007, the Company entered into an agreement to reinsure 60% of the variable deferred annuities. The form of reinsurance is on a modified coinsurance basis.

Effective March 1, 2008, the Company entered into an agreement to reinsure group life and group accidental death and dismemberment coverage. The form of reinsurance is on an excess of loss basis with retention of the first \$25,000 and ceded up to \$500,000 on an automatic basis. Effective May 1, 2020, the Company amended the reinsurance agreement to increase retention amount to \$50,000 and ceded up to \$950,000 on an automatic basis. In May 2025, the contract was terminated and the reinsured business was transferred to new reinsurer. No gain or loss resulted from this transaction.

Effective April 13, 2009, the Company entered into an agreement to reinsure individual simplified issue term-life coverage. The form of reinsurance is on an excess of loss basis with retention of the first \$50,000 and ceded up to \$250,000 on an automatic basis and a minimum ceded amount of \$5,000.

## Universal Life Insurance Company

### Notes of Statutory-Basis Financial Statements December 31, 2025 and 2024

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Effective August 1, 2013, the Company entered into a catastrophe coverage reinsurance agreement. The form of reinsurance is on an excess of loss basis with retention of the first \$200,000 per loss occurrence and ceded up to a maximum of \$100,000 per covered life and \$2,500,000 per catastrophe.

Effective January 1, 2015, the Company entered into an agreement to reinsure new business of individual term-life coverage. The form of reinsurance is on a coinsurance basis with retention of the first \$50,000 and ceded up to \$500,000. Effective January 1, 2016, the Company amended the reinsurance agreement to increase retention amount to \$100,000.

Effective January 1, 2015, the Company entered into an agreement to reinsure new business of individual simplified issue term-life coverage. The form of reinsurance is on a coinsurance basis with retention of the first \$50,000 and ceded up to \$250,000 on an automatic basis and a minimum exceeded amount of \$5,000. Effective January 1, 2016, the Company amended the reinsurance agreement to increase retention amount to \$100,000.

Effective April 1, 2017, the Company entered into a coinsurance agreement to reinsure fixed income deferred annuities. The form of reinsurance is quota share basis with retention of 25% of all policies in-force and new business since the effective date of the reinsurance contract. As part of this agreement, the Company transferred approximately \$491 million of assets related to the preexisting in-force block of business to a Reserve Credit Trust and an additional \$37 million of funds related to new business. The cash surrender value of the in-force block reinsured at April 1, 2017 amounted to \$491,982,971. The coinsurance agreement contained a one-time fee payable by the reinsurer to the Company which was initially recorded as direct write-in to surplus and amortized to operations as earnings emerged from the business reinsured. At December 31, 2021 the one-time fee was fully amortized.

The reinsurance company that is party to this coinsurance agreement is an unauthorized reinsurer as defined in Rule 98 of the Insurance Code of Puerto Rico, whereby the reinsurer will be required to maintain, as collateral, qualified investments in compliance with the investments guidance as set forth in the reinsurance contract. In accordance to these requirements, the parties entered into a Reinsurance Trust and Custodian Agreements for the benefit of the Company. At December 31, 2025 and 2024, the assets held in the trusts and/or the amounts contractually owed to the reinsurer exceeded statutory reserve requirements, which allowed the Company to receive reinsurance credit. The reinsurance contract provides for a five (5%) requirement of assets in excess statutory reserves to protect the Company from unforeseen declines in value of the assets held in the trusts.

Effective May 31, 2019, the Company stopped ceding new business under this reinsurance agreement, as the reinsurer is in default of its reinsurance obligations. Total reserves ceded by the Company under this reinsurance agreement as of December 31, 2025 and 2024 amounted to \$276,098,761 and \$311,143,692, respectively. Refer to Note (18) for further details.

Effective October 1, 2018, the Company entered into an agreement to reinsure 75% of the principal and 100% of the interest payment portion of the equity-indexed deferred annuities. The form of reinsurance is a coinsurance agreement with a funds withheld structure. As part of this agreement, the Company transferred approximately \$453 million of assets related to the preexisting in-force block of business to a Reserve Credit Trust. The cash surrender value of the in-force block reinsured at October 1, 2018 amounted to \$453,323,304. The coinsurance agreement contained a one-time fee payable by the reinsurer to the Company which was initially recorded as direct write-in to surplus and amortized to operations as earnings emerged from the business reinsured. At December 31, 2019, the one-time fee was fully amortized.

The reinsurance company that is party to this coinsurance agreement is an unauthorized reinsurer in compliance with Rule 98 of the Insurance Code of Puerto Rico, whereby the reinsurer will be required to maintain, as collateral, qualified investments in compliance with the investments guidance as set forth in the reinsurance contract. In accordance to these requirements, the parties entered into a Reinsurance Trust and Custodian Agreements for the benefit of the Company. At December 31, 2025 and 2024 the assets held in the trusts and/or the amounts contractually owed to the reinsurer exceeded statutory reserve requirements, which allowed the Company to receive reinsurance credit. The reinsurance contract provides for a five (5%) requirement of assets in excess statutory reserves to protect the Company from unforeseen declines in value of the assets held in the trusts.

## Universal Life Insurance Company

### Notes of Statutory-Basis Financial Statements December 31, 2025 and 2024

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Effective January 1, 2018, the Company entered into a reinsurance agreement to assume business of group life coverage. The form of reinsurance is on a coinsurance basis with 50% quota share to a maximum of \$30,000 retention by the cedant company.

Effective August 1, 2019, the Company entered into an agreement to reinsure long-term disability and short-term disability coverage. The form of reinsurance is on a quota-share basis with retention of 25% of the contractual liability and 75% ceded, as amended, a new quota share is effective with retention of 40% of the contractual liability and 60% ceded for all short-term disability coverage.

Effective January 1, 2020, the Company entered into a coinsurance agreement to reinsure fixed income deferred annuities. The form of reinsurance is quota share basis with retention of 25% of all new business since the effective date of the reinsurance contract.

Effective January 1, 2022, the Company entered into an agreement to reinsure 75% of the principal and 100% of the interest payment portion of the equity-indexed deferred annuities. The form of reinsurance is a coinsurance agreement.

The reinsurance company that is party to this coinsurance agreement is an unauthorized reinsurer as defined in Rule 98 of the Insurance Code of Puerto Rico, whereby the reinsurer will be required to maintain, as collateral, qualified investments in compliance with the investments guidance as set forth in the reinsurance contract. In accordance to these requirements, the parties entered into a Reinsurance Trust and Custodian Agreements for the benefit of the Company. At December 31, 2025 and 2024, the assets held in the trusts and/or the amounts contractually owed to the reinsurer exceeded statutory reserve requirements, which allowed the Company to receive reinsurance credit. The reinsurance contract provides for a two (2%) requirement of assets in excess statutory reserves to protect the Company from unforeseen declines in value of the assets held in the trusts.

Effective January 1, 2023, the Company entered into an agreement to reinsure 70% of the variable generation growth investment annuities. The form of reinsurance is a modified coinsurance agreement.

Effective May 1, 2025, the Company entered into an agreement to reinsure group life and group accidental death and dismemberment coverage. The form of reinsurance is on an excess of loss basis with retention of the first \$50,000 and ceded up to \$950,000 on an automatic basis.

Amounts recoverable from reinsurers are estimated based upon assumptions consistent with those used in establishing the liabilities related to the underlying reinsured contracts. Management believes the recoverable are appropriately established.

## Universal Life Insurance Company

### Notes of Statutory-Basis Financial Statements December 31, 2025 and 2024

The Company's reinsurance ceded amounts reduced certain items in the accompanying statutory-basis financial statements by the following amounts:

	2025	2024	2023
<b>Statutory-basis statements of admitted assets, liabilities, and capital and surplus:</b>			
Reinsurance recoverable on paid losses and other	\$ 14,114,747	\$ 10,252,214	\$ 151,917,856
Aggregate reserves ceded	\$2,939,573,349	\$2,567,778,155	\$2,178,301,172
Unpaid policy and contract claims ceded	\$ 3,236,864	\$ 3,246,232	\$ 3,325,213
Reinsurance payable	\$ 26,855,592	\$ 27,061,573	\$ 29,610,284
Funds withheld from reinsurer	\$ 854,757,680	\$ 921,891,665	\$1,004,250,005
<b>Statutory-basis statements of income:</b>			
Premiums ceded	\$ 449,067,527	\$ 450,313,478	\$ 351,804,293
Death, disability, and other benefits ceded	\$ 2,882,760	\$ 2,130,159	\$ 3,858,119
Commissions and expense allowances on reinsurance ceded	\$ 57,670,004	\$ 58,450,653	\$ 48,284,009
Change in expense allowance ceded	\$ 203,934	\$ (434,996)	\$ (776,394)
Reserve adjustment on reinsurance ceded	\$ 10,862,456	\$ 27,841,959	\$ (27,435,310)
Aggregate write ins for deductions	\$ 48,554,850	\$ 56,153,974	\$ 56,503,092

#### (7) **Policy liabilities:**

Aggregate reserves for life, annuities, and accident and health policies and contracts and related insurance in force as of December 31, 2025 and 2024 are summarized as follows:

	<b>Aggregate Reserves</b>		<b>Life Insurance In-force</b>	
	2025	2024	2025	2024
Life insurance	\$ 15,155,503	\$ 15,300,302	\$4,221,342,997	\$4,012,799,992
Annuities subject to discretionary withdrawal	945,019,098	821,545,864		
Annuities not subject to discretionary withdrawal	20,987,589	6,688,161		
Accident and health policies	1,378,552	1,358,471		
<b>Total</b>	<b>\$ 982,540,742</b>	<b>\$ 844,892,798</b>		

## Universal Life Insurance Company

### Notes of Statutory-Basis Financial Statements December 31, 2025 and 2024

The Company's annuity reserves as of December 31, 2025 and 2024 are summarized as follows:

	<b>2025</b>		
	<b>Gross</b>	<b>Ceded</b>	<b>Net</b>
Type of annuity:			
Fixed annuities	\$ 1,502,228,809	\$ 1,116,756,703	\$ 385,472,106
Equity-indexed annuities	2,341,978,751	1,782,341,759	559,636,992
Immediate group annuities	54,584,930	33,749,379	20,835,551
Payout group annuities	608,151	456,113	152,038
Guarantees on variable annuities	131,125	131,125	-
Total aggregate reserve for annuities	<u>3,899,531,766</u>	<u>2,933,435,079</u>	<u>966,096,687</u>
Variable annuities actuarial reserve	<u>365,521,582</u>	<u>218,501,173</u>	<u>147,020,409</u>
Total	<u>\$4,265,053,348</u>	<u>\$3,151,936,252</u>	<u>\$1,113,117,096</u>
	<b>2024</b>		
	<b>Gross</b>	<b>Ceded</b>	<b>Net</b>
Type of annuity:			
Fixed annuities	\$ 1,213,656,851	\$ 903,328,620	\$ 310,328,231
Equity-indexed annuities	2,149,692,908	1,638,475,275	511,217,633
Immediate group annuities	26,752,645	20,064,484	6,688,161
Guarantees on variable annuities	198,343	198,343	-
Total aggregate reserve for annuities	<u>3,390,300,747</u>	<u>2,562,066,722</u>	<u>828,234,025</u>
Variable annuities actuarial reserve	<u>352,428,654</u>	<u>208,348,340</u>	<u>144,080,314</u>
Total	<u>\$3,742,729,401</u>	<u>\$2,770,415,062</u>	<u>\$ 972,314,339</u>

## Universal Life Insurance Company

### Notes of Statutory-Basis Financial Statements December 31, 2025 and 2024

The Company's annuity reserves that are subject to discretionary withdrawal (with or without adjustment) as of December 31, 2025 and 2024 are summarized as follows:

	2025		
	General Account	Separate Account Nonguaranteed	Total
Subject to discretionary withdrawal:			
At book value less current surrender charge	\$ 2,417,532,611	\$ -	\$ 2,417,532,611
At fair value	131,125	365,521,582	365,652,707
Subtotal	2,417,663,736	365,521,582	2,783,185,318
At book value without adjustment	1,423,535,249	-	1,423,535,249
Not subject to discretionary withdrawal	55,193,081	-	55,193,081
Total gross	3,896,392,066	365,521,582	4,261,913,648
Less reinsurance ceded	(2,930,385,379)	(218,501,173)	(3,148,886,552)
Total net annuity reserves	\$ 966,006,687	\$ 147,020,409	\$ 1,113,027,096
Reconciliation to Exhibit 5 and Exhibit 7 of the Company's annual statement:			
Annuities – total, net			\$ 964,960,120
Deposit-Type contracts – total, net			1,046,567
General account subtotal			966,006,687
Separate accounts annual statement:			
Annuities – total net			365,521,582
Reserve ceded, net			(218,501,173)
Separate account subtotal			147,020,409
Total			\$ 1,113,027,096

## Universal Life Insurance Company

### Notes of Statutory-Basis Financial Statements December 31, 2025 and 2024

	2024		
	General Account	Separate Account Nonguaranteed	Total
Subject to discretionary withdrawal:			
At book value less current surrender charge	\$ 2,251,079,832	\$ -	\$ 2,251,079,832
At fair value	198,343	352,428,654	352,626,997
Subtotal	2,251,278,175	352,428,654	2,603,706,829
At book value without adjustment	1,112,269,927	-	1,112,269,927
Not subject to discretionary withdrawal	26,752,645	-	26,752,645
Total gross	3,390,300,747	352,428,654	3,742,729,401
Less reinsurance ceded	(2,562,066,722)	(208,348,340)	(2,770,415,062)
Total net annuity reserves	<u>\$ 828,234,025</u>	<u>\$ 144,080,314</u>	<u>\$ 972,314,339</u>
Reconciliation to Exhibit 5 and Exhibit 7 of the Company's annual statement:			
Annuities – total, net			\$ 827,349,757
Deposit-Type contracts – total, net			884,268
General account subtotal			<u>828,234,025</u>
Separate accounts annual statement:			
Annuities – total net			352,428,654
Reserve ceded, net			(208,348,340)
Separate account subtotal			<u>144,080,314</u>
Total			<u>\$ 972,314,339</u>

## Universal Life Insurance Company

### Notes of Statutory-Basis Financial Statements December 31, 2025 and 2024

Unpaid policy and contract claims as of December 31, 2025 and 2024 consisted of:

	<b>2025</b>	<b>2024</b>
Life policies	\$ 3,385,392	\$ 3,682,935
Accident and health policies	1,347,849	1,300,288
<b>Total</b>	<b>\$ 4,733,241</b>	<b>\$ 4,983,223</b>

The activity in the policy and contract claims reserve for the accident and health business as of December 31, 2025 and 2024 is as follows:

	<b>2025</b>	<b>2024</b>
Balance – at beginning of year – net of reinsurance recoverables of \$1,157,152 in 2025 and \$1,204,910 in 2024	\$ 1,300,288	\$ 1,428,837
Incurred related to:		
Current year	2,148,005	1,795,712
Prior years	(14,604)	(72,885)
<b>Total incurred</b>	<b>2,133,401</b>	<b>1,722,827</b>
Paid related to:		
Current year	1,235,359	961,010
Prior years	850,481	890,366
<b>Total paid</b>	<b>2,085,840</b>	<b>1,851,376</b>
Balance – at end of year – net of reinsurance recoverable of \$1,239,459 in 2025 and \$1,157,152 in 2024	<b>\$ 1,347,849</b>	<b>\$ 1,300,288</b>

Because the liabilities for unpaid policy and contract claims include various actuarially developed estimates, the Company's actual benefits expenses may be more or less than the Company's previously developed estimates. As a result of change in estimates of insured events in prior years, the incurred benefits for prior year insured events during the years ended 2025, 2024 and 2023 were lower, with exception of 2023, due to a favorable development of claims that is attributed to the accident and health line of business. Management believes that the amount of unpaid policy and contract claims is reasonable and adequate to cover the Company's liability for unpaid policy and contract claims incurred, but not yet reported as of December 31, 2025 and 2024.

Deferred and uncollected life insurance premiums and annuity considerations as of December 31, 2025 were as follows:

<b>Type</b>	<b>Gross</b>	<b>Net of Loading</b>
Ordinary new business	\$ 1,114	\$ 1,114
Ordinary renewal	27,760	27,760
Credit life	253,598	253,598
Group life	722,283	722,283
<b>Total</b>	<b>\$ 1,004,755</b>	<b>\$ 1,004,755</b>

## Universal Life Insurance Company

### Notes of Statutory-Basis Financial Statements December 31, 2025 and 2024

#### (8) Taxes:

As a qualified domestic life insurance company, the Company is only subject to Puerto Rico taxes on capital gains and alternative minimum tax. The main difference between income tax expense calculated at the statutory tax rate of 18.5% and the actual effective tax rate for 2025 is due to the Company's taxable income from Puerto Rico being limited to the Company's capital gains taxed at the rate of 20%.

Provision for income taxes as of December 31, 2025, 2024 and 2023 consisted of:

	<b>2025</b>	<b>2024</b>	<b>2023</b>
Alternative minimum tax	\$ (100,756)	\$ 601,962	\$ 1,618,838
Foreign income tax	221,569	40,899	118,458
Total income taxes	120,813	642,861	1,737,296
Provision for realized capital gains	(119,553)	(1,089,871)	(1,106,721)
Provision for realized capital gains transferred to IMR	244,541	1,118,046	1,144,664
Total provision for income taxes	<u>\$ 245,801</u>	<u>\$ 671,036</u>	<u>\$ 1,775,239</u>

The components of the net deferred income tax asset recognized in the accompanying statement of admitted assets, liabilities, capital and surplus and other funds as of December 31, 2025, 2024 and 2023 are as follows:

	<b>2025</b>	<b>2024</b>	<b>Change (2025 vs 2024)</b>	<b>2023</b>	<b>Change (2024 vs 2023)</b>
Capital:					
Gross deferred income tax assets	\$ 244,751	\$ 541,273	\$ (296,522)	\$ 785,592	\$ (244,319)
Statutory valuation allowance adjustments	-	-	-	-	-
Adjusted gross deferred income tax assets	244,751	541,273	(296,522)	785,592	(244,319)
Deferred income tax assets nonadmitted	-	-	-	-	-
Subtotal net admitted deferred income tax assets	244,751	541,273	(296,522)	785,592	(244,319)
Deferred income tax liabilities	-	-	-	-	-
Net admitted deferred income tax assets (liabilities)	<u>\$ 244,751</u>	<u>\$ 541,273</u>	<u>\$ (296,522)</u>	<u>\$ 785,592</u>	<u>\$ (244,319)</u>

## Universal Life Insurance Company

### Notes of Statutory-Basis Financial Statements December 31, 2025 and 2024

Admission calculation components – SSAP No. 101, paragraph 11:

	2025	2024	Change
a. Federal income taxes paid in prior years recoverable through loss carrybacks	\$ -	\$ -	\$ -
b. Adjusted gross deferred tax assets expected to be realized (excluding the amount of deferred income tax assets from a. above) after application of the threshold limitation (see computation below)	244,751	541,273	(296,522)
c. Adjusted gross deferred income tax assets (excluding the amount of deferred income tax assets from a. and b. above) offset by gross deferred income tax liabilities	-	-	-
Deferred income tax assets admitted as a result of application of SSAP No. 101	<u>\$ 244,751</u>	<u>\$ 541,273</u>	<u>\$ (296,522)</u>
Computation of adjusted gross deferred tax assets expected to be realized (excluding the amount of deferred income tax assets from a. above) after application of the threshold limitation (the lesser of b.i. and b.ii. below):			
b. i. Adjusted gross deferred income tax assets expected to be realized following the balance sheet date	<u>\$ 244,751</u>	<u>\$ 541,273</u>	<u>\$ (296,522)</u>
b. ii. Adjusted gross deferred income tax assets allowed per limitation threshold	<u>\$30,718,835</u>	<u>\$29,549,962</u>	<u>\$ 1,168,873</u>

The Company's deferred income tax asset is admissible pursuant to paragraph 11.b.i of SSAP No. 101. The Company expects to realize the tax benefit of the OTTI charge through the future sale of such investments.

Other admissibility criteria to determine recovery period and threshold limitation as of December 31, 2025 and 2024 are as follows:

	2025	2024
Ratio percentage used to determine recovery period and threshold limitation amount	1056%	1115%
Amount of adjusted capital and surplus to determine recovery period and threshold limitations	<u>\$ 204,792,233</u>	<u>\$ 196,999,748</u>

The tax effects of temporary differences that give rise to the deferred income tax asset as of December 31, 2025 and 2024 are as follows:

	2025	2024	Change
Capital:			
Deferred income tax asset:			
Capital loss carryforward	\$ 101,577	\$ 101,577	\$ -
Unrealized net loss on valuation of securities	143,174	439,696	(296,522)
Net admitted deferred income tax asset	<u>\$ 244,751</u>	<u>\$ 541,273</u>	<u>\$ (296,522)</u>

## Universal Life Insurance Company

### Notes of Statutory-Basis Financial Statements December 31, 2025 and 2024

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For the years ended December 31, 2025, 2024 and 2023, the net change in deferred income taxes related to the unrealized gains or losses on valuation of equity and fixed securities amounting to (\$296,522), (\$244,319), and (\$457,505), respectively, was presented as part of the change in unrealized capital gains or losses in the accompanying statutory-basis statements of changes in capital and surplus and other funds.

Pursuant to Section 1018A of the Puerto Rico Internal Revenue Code, the Company annually withholds, on behalf of the contract holders of the separate accounts, a special tax of 0.10% of their corresponding net asset value and remits them to the Puerto Rico Treasury Department. The payments made during the years ended December 31, 2025, 2024 and 2023 amounted to \$369,679, \$355,572 and \$375,632, respectively.

#### **(9) Net statutory income and capital stock and surplus:**

The net assets of Universal Life available for transfer to its stockholder are limited to the amount that its surplus, as determined in accordance with statutory accounting practices, exceeds minimum statutory capital requirements.

During the year ended December 31, 2025, 2024 and 2023, the Company declared and paid ordinary dividends of \$6,000,000, \$6,000,000 and \$8,500,000, respectively.

On March 18, 2008, the Commonwealth of Puerto Rico enacted Law No. 32 (the Law) to adopt Chapter 45, Risk-Based Capital (RBC), into the Insurance Code of Puerto Rico. RBC provides for targeted surplus levels based on formulas, which specify various weighting factors that are applied to financial balances or various levels of activity based on the perceived degree of risk and are set forth in the RBC requirements. Such formulas focus on four general types of risk, which includes the risk with respect to the Company's assets (asset or default risk), the risk of adverse insurance experience with respect to the Company's liabilities and obligations (insurance or underwriting risk), the interest rate risk with respect to the Company's business (asset/liability matching), and all other business risks (management, regulatory action, and contingencies). The amount determined under such formulas is called the authorized control level RBC (ACLCL).

The Law requires, among other things, that all insurance companies, including all health insurance organizations, authorized to conduct business in Puerto Rico comply with the RBC requirements as adopted by the NAIC, to annually file a RBC report with the NAIC and the Commissioner of Insurance on or before March 31 and maintain a minimum RBC level of 250% of the ACLCL. The Law states that the Commissioner of Insurance will provide a ruling whereby a RBC compliance transition period of five years will be established. On January 5, 2010, Rule 92, Standards for Implementing the Provisions Related to Risk-Based Capital (Rule 92 or the Rule), was approved by the Commissioner of Insurance to establish the requirements to implement the Law. Rule 92 established a phased transition period of five years to comply with the minimum 250% RBC level requirement depending on the RBC of the Company at the Rule's effective date. The Company's minimum RBC requirement at December 31, 2025, 2024 and 2023 was 250% of the ACLCL. At December 31, 2025, 2024 and 2023, the actual RBC of the Company was 1,057%, 1,117% and 999%, respectively.

As of December 31, 2023, the Company reported a capital contribution from Parent Company amounting to \$25,000,000 made pursuant to SSAP No. 72 and treated as a Type I subsequent event under SSAP No. 9. The Office of the Commissioner of Insurance of Puerto Rico approved the transaction on March 27, 2024 pursuant to SSAP No. 72. This amount was collected on March 26, 2024.

## Universal Life Insurance Company

### Notes of Statutory-Basis Financial Statements December 31, 2025 and 2024

#### (10) Nonadmitted assets:

As described in Note (1), certain assets are excluded from the statutory-basis statements of admitted assets, liabilities, capital and surplus and other funds by a charge to unassigned funds-surplus. Nonadmitted assets as of December 31, 2025 and 2024 consisted of:

	<b>2025</b>	<b>2024</b>
Uncollected premiums and agent's balance in the course of collection	\$ 560,607	\$ 99,475
Amounts recoverable from reinsurers	20,000	100,000
Furniture and equipment	99,646	139,399
Negative IMR	1,502,775	1,678,885
Other receivables, supplies, stationery, and printer materials	469,135	309,404
Total nonadmitted assets	<u>\$ 2,652,163</u>	<u>\$ 2,327,163</u>

#### (11) Separate accounts:

Universal Life utilizes separate accounts to record and account for assets and liabilities for particular lines of business and/or transactions. For the current reporting year, the Company reported assets and liabilities from the following product lines/transactions into a separate account:

- Universal Variable Investment Annuity
- Universal Variable Generation Growth

In accordance with the products/transactions recorded within the separate account, all assets are considered legally insulated whereas others are not legally insulated from the Company's general account. The legal insulation of the separate account products prevents assets other than seed money or amounts in a supplemental account from being generally available to satisfy claims resulting from the general account of the Company.

The Company maintains nonguaranteed separate accounts with assets and liabilities of approximately \$371.1 million and \$357.8 million at December 31, 2025 and 2024, respectively, which are invested in mutual funds and are segregated from the Company's general account. Charges assessed against the separate account contract holders for mortality, administrative, and other services are included as part of revenues in the accompanying statutory-basis statements of operations.

Information regarding separate accounts of the Company as of and for the years ended December 31, 2025 and 2024 is as follows:

	<b>2025</b>	<b>2024</b>
Premiums and annuity considerations	<u>\$ 30,606,954</u>	<u>\$ 18,184,663</u>
Reserves:		
Total reserves for accounts with assets – at market value	<u>\$ 365,521,582</u>	<u>\$ 352,428,654</u>
Total reserves by withdrawal characteristics – at market value	<u>\$ 365,521,582</u>	<u>\$ 352,428,654</u>

## Universal Life Insurance Company

### Notes of Statutory-Basis Financial Statements December 31, 2025 and 2024

A reconciliation of the net transfers to separate accounts for the years ended December 31, 2025, 2024 and 2023 is as follows:

	2025	2024	2023
1. Transfers as reported in the summary of operations of the separate account statement:			
a. Transfers to separate accounts	\$ 71,136,834	\$ 29,468,292	\$ 12,080,016
b. Transfers from separate accounts	(93,126,825)	(77,156,924)	(56,912,950)
Net transfer to or (from) separate accounts	<u>\$ (21,989,991)</u>	<u>\$ (47,688,632)</u>	<u>\$ (44,832,934)</u>
2. Reconciling adjustments:			
a. Change in expense allowance ceded	<u>\$ 203,934</u>	<u>\$ (434,996)</u>	<u>\$ (776,394)</u>
3. Net transfer as reported in the summary of operations of the life, accident, and health annual statement:			
a. Net transfer to or (from) separate accounts net of reinsurance	<u>\$ (21,786,057)</u>	<u>\$ (48,123,628)</u>	<u>\$ (45,609,328)</u>

To compensate the general account for the risk taken, the separate account has paid \$23,505, \$24,484 and \$27,060 in risk charges for the years ending December 31, 2025, 2024 and 2023 respectively.

#### (12) Aggregate write ins for other than invested assets:

In connection with the Private Bankers and Annuity Co., Ltd. (PBLA) case, disclosed in Note (18), a settlement agreement with regards to reinsurance recoverable from PBLA was executed on December 30, 2022. As part of this agreement, the Company was transferred the rights, title and interests in AAPC Holdings LLC (AAPC) preferred stocks (195,500,000 units) and accrued returns as a guaranty of a cash settlement due by December 31, 2023. No such settlement occurred, and as a result, the Company executed its rights and interests over AAPC preferred stocks and accrued returns. These preferred stocks have a liquidation preference of \$1 per unit, plus accrued preferred return, which accrues at 18%. The estimated fair value of the collateral received amounts to approximately \$330.6 million and \$295.4 million as of December 31, 2025 and 2024, respectively.

As a result from this transaction, the Company recognized \$331 million and \$295.4 million as of December 31, 2025 and 2024, respectively, in aggregate write-ins for other than invested assets as an admitted asset in the statutory statement of admitted assets, liabilities and capital and surplus and other funds. Also, the excess of the fair value of the asset over the reinsurance recoverable which amounted to approximately \$133 million and \$68 million as of December 31, 2025 and 2024, respectively, is recorded in aggregate write-ins for other liabilities.

#### (13) Employee benefit plans:

Universal Life has a qualified noncontributory profit-sharing plan, which provides retirement benefits to eligible employees. The plan calls for a voluntary contribution by Universal Life of no less than 1% of the annual participant's compensation, as defined, plus a portion of the administrative expenses of the plan during the first 10 years. Universal Life's contributions to the profit-sharing plan for the years ended December 31, 2025, 2024 and 2023 amounted to \$183,910, \$153,996 and \$117,958, respectively.

Universal Life's employees participate in a qualified defined-contribution savings plan. Universal Life matching contributions are set at 50% of the participants' pretax contributions up to the first 6% of each participant's contribution. Universal Life's contributions to the savings plan for the years ended December 31, 2025, 2024 and 2023 amounted to \$72,657, \$69,818 and \$55,672, respectively.

## Universal Life Insurance Company

### Notes of Statutory-Basis Financial Statements December 31, 2025 and 2024

#### (14) Significant concentrations of risk:

Because Universal Life's business is written in Puerto Rico, Universal Life's insurance risk is not as diversified as the risks of a carrier that covers a broader geographical area. A natural catastrophe could cause damage to a large number of Universal Life's policyholders, which would result in significantly increased losses to Universal Life. Management believes, however, that Universal Life's reinsurance program will reduce to a manageable level its net exposure in any such catastrophe.

A significant portion of Universal Life's business derives from the sale of fixed, indexed and variable annuities. As such, the Company is subject to business concentration risks. Regulatory changes, interest rates environments, and market volatility affecting these products could result in reduced demand or changes to products offerings. Management continually monitors these risks and evaluates opportunities to diversify product offerings. However, no assurances can be given that such efforts will mitigate all concentration risks inherent to the Company's business model.

Certain short-term certificates of deposits are placed with local financial institutions. Such credit risk is mitigated by depositing the funds with federally insured financial institutions and limiting the amount of credit exposure in any financial institution.

#### (15) Fair value measurements:

The approximate statement value and estimated fair value of financial instruments as of December 31, 2025 and 2024 were as follows (in thousands):

Financial Assets	2025		2024	
	Statement Value	Fair Value	Statement Value	Fair Value
Debt securities	\$ 1,424,435	\$ 1,319,265	\$ 1,403,228	\$ 1,263,553
Preferred stocks	\$ 178,407	\$ 178,385	\$ 184,342	\$ 184,184
Common stock and other equity securities	\$ 26,430	\$ 26,430	\$ 18,713	\$ 18,713
Other invested assets	\$ 27,315	\$ 24,819	\$ 34,319	\$ 30,967
Restricted investment	\$ -	\$ -	\$ 1,300	\$ 1,300
Cash and short-term investments	\$ 180,885	\$ 180,912	\$ 166,516	\$ 166,522
Aggregate write-ins for other than invested assets	\$ 330,572	\$ 330,572	\$ 295,382	\$ 295,382
Separate account assets	\$ 371,067	\$ 371,067	\$ 357,793	\$ 357,793

The Company's financial instruments carried at fair value have been classified, for disclosure purposes, based on a hierarchy defined by SSAP No. 100, Fair Value Measurements. SSAP No. 100 defines fair value as the price that would be received to sell or paid to transfer a liability in an orderly transaction between market participants at the measurement date. A fair value measurement is for a particular asset or liability. Therefore, the measurement should consider attributes specific to the asset or liability. The asset or liability might be a stand-alone asset or liability or a group of assets and/or liabilities.

An orderly transaction is a transaction that assumes exposure to the market for a period prior to the measurement date to allow for marketing activities that are usual and customary for transactions involving such assets or liabilities. Therefore, the objective of a fair value measurement is to determine the price that would be received to sell the asset or paid to transfer the liability at the measurement date.

## Universal Life Insurance Company

### Notes of Statutory-Basis Financial Statements December 31, 2025 and 2024

A fair value measurement assumes that the transaction to sell the asset or transfer the liability occurs in the principal market for the asset or liability or, in the absence of a principal market, the most advantageous market for the asset or liability. The principal market is the market in which the reporting entity would sell the asset or transfer the liability with the greatest volume and level of activity for the asset or liability. The most advantageous market is the market in which the reporting entity would sell the asset or transfer the liability with the price that maximizes the amount that would be received for the asset or minimizes the amount that would be paid to transfer the liability.

Hierarchical levels defined by SSAP No. 100 and directly related to the amount of subjectivity associated with the inputs to fair valuation of financial instruments are as follows:

- Level 1 – Values are unadjusted quoted prices in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date.
- Level 2 – Inputs include quoted prices for similar assets or liabilities in active markets, quoted prices for identical assets or liabilities in markets that are not active, that is, markets in which there are few transactions for the asset or liability, the prices are not current, or the price quotations vary substantially either over time or among market makers, or in which little information is released publicly.
- Level 3 – Certain inputs are unobservable and significant to the fair value measurement. Unobservable inputs reflect the Company's best estimate of what hypothetical market participants would use to determine a transaction price for the asset or liability at the reporting date.

#### Recurring fair value measurements

As of December 31, 2025 and 2024, the Company's assets and liabilities that are measured at fair value on a recurring basis and recognized as such within the statutory-basis statements of admitted assets, liabilities, capital and surplus and other funds were as follows (in thousands):

	2025			Total
	Level 1	Level 2	Level 3	
<b>Invested assets:</b>				
Issuer credit obligations	\$ 1,727	\$ -	\$ -	\$ 1,727
Asset-backed securities	-	1,847	-	1,847
Preferred stocks	169,710	-	1,598	171,308
Mutual funds	9,048	-	553	9,601
Common stocks	16,829	-	-	16,829
Cash equivalents	7,924	-	-	7,924
Other invested assets	-	-	732	732
<b>Total invested assets</b>	<b>\$ 205,238</b>	<b>\$ 1,847</b>	<b>\$ 2,883</b>	<b>\$ 209,968</b>
Aggregate write-ins for other than invested assets	\$ -	\$ -	\$ 330,572	\$ 330,572
Separate account assets	\$ 371,067	\$ -	\$ -	\$ 371,067
Separate account liabilities	\$ 370,703	\$ -	\$ -	\$ 370,703

## Universal Life Insurance Company

### Notes of Statutory-Basis Financial Statements December 31, 2025 and 2024

	2024			
	Level 1	Level 2	Level 3	Total
<b>Invested assets:</b>				
Issuer credit obligations	\$ 3,890	\$ -	\$ -	\$ 3,890
Asset-backed securities	-	1,155	-	1,155
Preferred stocks	177,281	-	-	177,281
Mutual funds	5,949	-	334	6,283
Common stocks	12,430	-	-	12,430
Cash equivalents	1,691	-	-	1,691
Other invested assets	-	-	1,156	1,156
<b>Total invested assets</b>	<b>\$ 201,241</b>	<b>\$ 1,155</b>	<b>\$ 1,490</b>	<b>\$ 203,886</b>
Aggregate write-ins for other than invested assets	\$ -	\$ -	\$ 295,382	\$ 295,382
Separate account assets	\$ 357,793	\$ -	\$ -	\$ 357,793
Separate account liabilities	\$ 357,466	\$ -	\$ -	\$ 357,466

At the end of each reporting period, the Company evaluates whether or not any event has occurred or circumstances have changed that would cause an instrument to be transferred between Levels 1 and 2. This policy also applies to transfers into or out of Level 3.

The following table presents the reconciliation for all assets and liabilities measured at fair value on a recurring basis using significant unobservable inputs (Level 3) for the periods ended on December 31, 2025, 2024 and 2023, respectively:

	Balance – January 1, 2025	Transfer in and/or out of Level 3	Net Gains (Losses) Included in				Purchases, Issuances, and Settlements	Other	Balance – December 31, 2025
			Net Income	Unassigned Funds – Surplus	Other Temporary Impairment				
Preferred stocks	\$ -	\$ 1,597,500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,597,500	
Equity securities – mutual funds	333,750	-	-	106,696	-	112,502	-	552,948	
Other invested assets	1,155,961	-	-	-	-	(424,427)	-	731,534	
Aggregate write-ins for other than invested assets	295,381,752	-	-	-	-	-	35,190,001	330,571,753	
	<u>\$ 296,871,463</u>	<u>\$ 1,597,500</u>	<u>\$ -</u>	<u>\$ 106,696</u>	<u>\$ -</u>	<u>\$ (311,925)</u>	<u>\$ 35,190,001</u>	<u>\$ 333,453,735</u>	

	Balance – January 1, 2024	Transfer in and/or out of Level 3	Net Gains (Losses) Included in				Purchases, Issuances, and Settlements	Other	Balance – December 31, 2024
			Net Income	Unassigned Funds – Surplus	Other Temporary Impairment				
Equity securities – mutual funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 333,750	\$ -	\$ 333,750	
Other invested assets	-	-	-	-	-	1,155,961	-	1,155,961	
Aggregate write-ins for other than invested assets	-	-	-	-	-	295,381,752	-	295,381,752	
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 296,871,463</u>	<u>\$ -</u>	<u>\$ 296,871,463</u>	

	Balance – January 1, 2023	Transfer in and/or out of Level 3	Net Gains (Losses) Included in				Purchases, Issuances, and Settlements	Other	Balance – December 31, 2023
			Net Income	Unassigned Funds – Surplus	Other Temporary Impairment				
Equity securities – mutual funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	

## Universal Life Insurance Company

### Notes of Statutory-Basis Financial Statements December 31, 2025 and 2024

#### Fair value of all financial instruments by Levels 1, 2, and 3

The tables below reflect the fair value and admitted values of all admitted assets and liabilities that are financial instruments, as of December 31, 2025 and 2024. The fair values are also categorized into the three-level fair value hierarchy.

	2025					
	Fair Value	Admitted Value	Level 1	Level 2	Level 3	Not Practicable
	(In thousands)					
Debt securities:						
Issuer credit obligations	\$ 810,437	\$ 867,082	\$ 2,049	\$ 741,886	\$ 66,502	\$ -
Asset-backed securities	508,827	557,353	-	503,818	5,009	-
Equity securities:						
Preferred stock	178,385	178,407	174,670	69	3,646	-
Common Stocks	26,430	26,430	25,877	-	553	-
Cash and short-term investments	180,911	180,884	74,176	106,735	-	-
Other invested assets	24,819	27,315	-	18,949	732	5,138
Aggregate write-ins for other than invested assets	330,572	330,572	-	-	330,572	-
Separate account assets	371,067	371,067	371,067	-	-	-
Total assets	<u>\$2,431,448</u>	<u>\$2,539,110</u>	<u>\$ 647,839</u>	<u>\$1,371,457</u>	<u>\$ 407,014</u>	<u>\$ 5,138</u>

	2024					
	Fair Value	Admitted Value	Level 1	Level 2	Level 3	Not Practicable
	(In thousands)					
Debt securities						
Issuer credit obligations	\$ 709,916	\$ 787,014	\$ 11,623	\$ 698,293		\$ -
Asset-backed securities	553,107	616,214		552,917	\$ 190	
Equity securities:						
Preferred stock	184,184	184,342	184,111	73	-	-
Common Stocks	18,714	18,714	18,380	-	334	-
Restricted investment	1,300	1,300	1,300	-	-	-
Cash and short-term investments	166,522	166,516	54,766	111,756	-	-
Other invested assets	30,967	34,319	-	13,221	1,156	16,590
Aggregate write-ins for other than invested assets	295,382	295,382	-	-	295,382	-
Separate account assets	357,793	357,793	357,793	-	-	-
Total assets	<u>\$2,317,885</u>	<u>\$2,461,594</u>	<u>\$ 627,973</u>	<u>\$1,376,260</u>	<u>\$ 297,062</u>	<u>\$ 16,590</u>

#### Valuation Methodologies

The following is a description of the valuation methodologies used for instruments measured at fair value on a recurring basis:

**Debt Securities** – Fair value measurements are based upon quoted prices, if available. If quoted prices are not available, fair values are measured using independent pricing models or other model-based valuation techniques, such as discounted cash flow methodologies, adjusted for the security's credit rating, prepayment assumptions, and other factors, such as credit loss assumptions. Level 1 debt securities include those identical securities traded in active markets, such as exchange-traded mutual funds. Level 2 debt securities primarily include those issued by U.S. government (Treasuries), U.S. agencies, U.S. state and municipalities, U.S. agency asset-backed (ABS) and mortgage-backed securities, collateralized mortgage obligations (CMOs) and corporate debt securities.

## Universal Life Insurance Company

### Notes of Statutory-Basis Financial Statements December 31, 2025 and 2024

The fair value of U.S. Treasury notes are based on yields that are interpolated from the constant maturity treasury curve. US agency securities fair value is based on an active exchange market and on quote market prices for similar securities. For states and municipalities market inputs are used in the evaluation process include all or some of the following; trades, bid price or spread, two sided markets, and benchmark curves such as the Treasury curve. Asset-backed securities are priced based on values derived from similar bonds defined by credit quality and market sector. Collateralized mortgage obligations are priced on a bond's theoretical value derived from similar bonds defined by credit quality and market sector and for which fair value incorporates an option adjusted spread. Corporate debt securities are also considered Level 2 given that quoted prices are given based on similar instruments. Other ABS with limited liquidity, are classified as Level 3 due to the insufficiency of inputs, such as executed trades, credit information and cash flows. Other corporate debt securities are classified as Level 3 since their fair value is determined by using a third-party cash flow models, loan-to-value and asset coverage analysis and other relevant data using unobservable inputs.

**Equity Securities** – Equity securities include common and preferred stocks and are classified as Level 1, since the valuation is based on identical securities traded in active markets.

**Aggregate write-ins for other than invested assets** – Preferred stocks recognized within Aggregate write-ins for other than invested assets are classified as Level 3 since the valuation was determined using unobservable inputs. The fair value of \$331 million and \$295.4 million as of December 31, 2025 and 2024, respectively, was determined using a combination of income and market approaches, applying market multiple of 20 derived from a set of comparable entities in the market sector and the preferred stock accrued preferred returns.

**Separate Account Assets** – The fair value of separate account assets is based on quoted prices of the underlying investments in the subaccounts. The subaccounts invest in open-ended mutual funds with readily available fair value.

#### (16) Supplemental disclosure of cash flows information:

Additional information concerning the components of cash flows from investing activities as of December 31, 2025 and 2024 is as follows:

	2025	2024
Cash flows from investing activities:		
Proceeds from sales and redemptions of investments:		
Debt securities	\$ 218,852,338	\$ 188,221,264
Equity securities	8,922,776	92,682,168
Other invested assets	424,427	249,314
Miscellaneous proceeds	1	-
Total proceeds from sales and redemptions of investments	<u>228,199,542</u>	<u>281,152,746</u>
Cost of investments acquired:		
Debt securities	240,086,992	234,410,782
Equity securities	7,369,650	6,085,339
Other invested assets	5,100,000	1,200,000
Payable for securities	5,027,829	39,726,444
Total cost of investments acquired	<u>257,584,471</u>	<u>281,422,565</u>
Net cash used in investing activities	<u>\$ (29,384,929)</u>	<u>\$ (269,819)</u>

## Universal Life Insurance Company

### Notes of Statutory-Basis Financial Statements December 31, 2025 and 2024

Additional information concerning the components of cash flows from financing and miscellaneous sources as of December 31, 2025 and 2024 is as follows:

	<u>2025</u>	<u>2024</u>
Cash flows from financing and miscellaneous sources – other cash provided (applied):		
Borrowed funds	\$ (23,754,780)	\$ (14,614,226)
Dividends paid	(6,000,000)	(6,000,000)
Funds held under reinsurance treaties	(67,133,985)	(82,358,340)
Receivable from parent, subsidiaries and affiliates	(47,419,600)	(98,003)
Other components	2,482,749	(4,499,616)
Net cash used in financing and miscellaneous	<u>\$ (141,825,616)</u>	<u>\$ (107,570,185)</u>

The following schedule summarizes non-cash activities for the year ended December 31, 2025 and 2024:

	<u>2025</u>	<u>2024</u>
Collateral aggregate received:		
Aggregate write-ins for other than invested assets	\$ (35,190,000)	\$ (295,381,752)
Aggregate write-ins for liabilities	<u>\$ 64,555,542</u>	<u>\$ 68,088,139</u>
Reinsurance recoverable	<u>\$ (33,055,892)</u>	<u>\$ 227,293,613</u>

#### (17) Contingencies:

The Company has been named as defendant in litigation and has filed counterclaims, related to the sale of the individual accident and health insurance block of business. The Company is contesting this case vigorously and believes it has meritorious defenses against this lawsuit and the ultimate outcome of such proceedings is not expected to have a material adverse effect on the Company's financial position or results of operations.

The Company is also named as defendant in other legal actions arising primarily from claims filed under insurance policies it has underwritten and other claims incidental to its normal business activities. In the opinion of management, the ultimate outcome of such proceedings is not expected to have a material adverse effect on the Company's financial position or results of operations.

#### (18) Risks and uncertainties:

##### Market risk

The market value of the portfolio has shown improvement, as interest rates seem to stabilize. Universal Life continues to strengthen its credit risk by allocating the reinvestments into governments, municipalities and high credit mortgage agencies. Universal Life maintains a portfolio with an average duration of 4 years, which benefits the Company as the book and market value converge to par as maturity approaches. Market prices of securities and other assets could also be impacted by events or conditions that affect particular sectors, industries or issuers. Adverse market conditions may be prolonged and may not have the same impact on all types of securities or other assets. Also, recently approved "One Big Beautiful Bill Act" which implemented several tax, healthcare, military, law enforcement and budget changes could also impact the market value of all or certain asset segments.

## Universal Life Insurance Company

### Notes of Statutory-Basis Financial Statements December 31, 2025 and 2024

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#### Other contingencies

In January 2020, Universal Life demanded arbitration against Private Bankers and Annuity Co., Ltd. (PBLA) under the reinsurance agreement and an arbitration panel (the "Panel") was duly constituted. Universal Life requested the Arbitration Panel to order PBLA to deposit cash or equivalents totaling approximately \$524,000,000 constituting the Statutory Reserves as of December 31, 2019 for the fixed annuity inforce portfolio, less cash. In June 2, 2020, the Panel granted an arbitration award (the "Award") to Universal Life for \$524,000,000 and required PBLA to pay such funds by June 16, 2020, after which interest shall accrue at 6% per annum.

Shortly thereafter, on June 4, 2020, Universal Life filed a motion at the United States District Court, Southern District of New York, to confirm the Award directing that judgment be entered thereon and granting such other relief as the Court may deem just and proper. The Court granted Universal Life's motion by entering a final judgment on August 11, 2020 confirming the arbitration award.

Pending to receive the award, Universal Life has notified PBLA's ultimate owner (the "Owner") its intention to execute the unconditional personal guaranty issued with the reinsurance agreement to secure failure from PBLA to pay its obligations. In addition, on June 18, 2020, Universal Life filed a complaint in the appropriate North Carolina court to seek confirmation that PBLA's ultimate owner is obligated to satisfy the Award owed by PBLA, plus interests.

On July 30, 2020, the NY District Court issued the Award as presented. Despite the opposition by PBLA, the NY District Court issued a final judgment confirming such Award on August 11, 2020, complementing parallel legal proceedings and strategy followed in the North Carolina court to execute the Owner's personal guaranty. Such legal proceeding have promoted transactional conversations with the Owner to comply with the Award and accelerate the recapture of the in-force portfolio.

On September 2020, the Supreme Court of Bermuda appointed Deloitte LTD, Bermuda (Deloitte) as provisional receiver for the PBLA operations in order to replace its management team and continue conducting business affairs in compliance with Bermuda laws and regulations, as well as its other general and contractual obligations. Among the empowered functions, Deloitte was instructed to preserve the value of PBLA, comply with laws and regulations, and make all necessary efforts to conduct regular business matters.

Universal Life has been working closely and diligently with Deloitte in order to adequately serve provisions under the reinsurance agreement and continue operations until Portfolio is recaptured. As previously disclosed, the Portfolio is constituted of assets backing the statutory liabilities and are held in a trust for the benefit of Universal Life.

Universal Life has been collaborating with Deloitte since 2021 in order to perform key endeavors ultimately connected to the monetization and eventual recapture. Assets held in the trust were identified to start the process of monetization in order to manage future probable liquidity needs. In addition to the assets held in the trust, Universal Life has access to assets held in PBLA's general account plus other internal sources, including Universal Insurance Company's surplus notes and related facility up to \$100 million and other internal liquidity and funding sources.

In July of 2021, the United States District Court for the Middle District of North Carolina ("US DC North Carolina") issued an Order on Universal Life's Motion for Prejudgment Attachment and directed the parties to meet and confer to determine the specific property subject to attachment. The Prejudgment Attachment Order shall secure PBLA's ultimate owner assets ("the Owner") in case they are needed to satisfy any uncovered amount due to Universal Life. Upon resolution of pending appeal motion from PBLA, in October 30, 2021, the Company filed a summary judgment, which, once obtained, would allow Universal Life to immediately perform all necessary proceedings to collect judgment from the Owner's assets. Subsequent to year-end, the US DC North Carolina confirmed the judgment against the Owner on May 3, 2022 (the "May 3rd Final Judgment") allowing Universal Life to collect the Award plus applicable interests under his personal guaranty.

## Universal Life Insurance Company

### Notes of Statutory-Basis Financial Statements December 31, 2025 and 2024

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Subsequent to the May 3rd judgment, the North Carolina courts have been very active receiving, considering and granting motions from and to all parties, including the Durham County Superior Court's determination on August 9th granting Universal Life's motion to enforce the May 3rd Final Judgment against PBLA's ultimate owner and determination to hear arguments on and rule on Universal Life's Motion for a Charging Order against several hundreds of PBLA's ultimate owner North Carolina Limited Liability Companies during a hearing scheduled for August 29th. As a result of such increased judicial activity arising from Universal Life's collective efforts to enforce and domesticate the May 3rd Final Judgment by the Middle District in multiple jurisdictions, as well as Universal Life's Motion for Charging Order against PBLA's ultimate owner hundreds of LLC's charging PBLA's ultimate owner interests with payment of the May 3rd Final Judgment, settlement discussions between the Owner, Deloitte and the Company have initiated. Constructive conversations have been taking place and the parties have been conducting preliminary meetings with a potential mediator in order to pursue possible extrajudicial solutions, which are ongoing to date.

On August 9, a North Carolina Court granted Universal Life's motion to enforce the judgments against the Owner on the personal guaranty enforcement. The Court ordered, among other matters, for the Owner to turn over documentation related to accounting records and all economic interests.

On September 19, 2022, the Durham County Superior Court ordered a mediation process among all parties in controversy, the Bermuda companies, the North Carolina rehabilitator and the Owner and his entities. Judge, Gerald E. Rosen, was subsequently appointed as mediator. The mediation's main objective was to reach a global settlement attending claims from all the Owner's creditors, including Universal Life and PBLA. Settlement discussions started on November 2, 2022, and continue to date. Notwithstanding, on December 30, 2022, Universal Life received a partial payment of \$25 million. In addition, an agreement was reached between the parties for Universal Life to receive as assignee the economic benefits of preferred stocks, plus accrued preferred returns of AAPC Holdings, LLC. (AAPC), a subsidiary of Global Growth Holdings, Inc. currently held in an independent trust, for approximately \$260 million, to serve as additional collateral for the PBLA Annuity Contracts.

In addition, the US DC North Carolina held bond hearings on March 7 and 8, 2023 related to Universal Life's claim against the Owner's personal guaranty, also pursuing settlement arrangements with Universal Life but no global resolution was reached. In the meantime, Universal Life appointed an intermediary to evaluate proposals to monetize all or a significant portion of the AAPC preferred shares, and its accrued return, assigned as collateral. During 2023, Universal Life received additional cash amounting to approximately \$11.1 million as part of the monetization efforts.

On July 15, 2024, the Durham County Superior Court granted Universal Life a charging order of the Owner's economic interests in Global Growth Holdings LLC (GGH). Accordingly, any dividends or distributions that would have been or will be paid to the Owner, shall be paid to Universal Life.

Additionally, the Court appointed a Limited Receivership over GGH which purpose is to impose additional restraints to the Owner and GGH actions in order to further protect and preserve its financial assets and operating companies. On July 9, 2024, Universal Life filed a complaint on the Superior Court of Wake County to appoint a General Receiver over the Owner's assets. Shortly thereafter, on August 9, 2024, the Court granted Universal Life's motion and the Limited Receiver previously appointed will act as General Receiver with the authority to carry Universal Life's judgment of approximately \$524 million into effect.

On November 1<sup>st</sup>, 2024, the Owner and the United States Department of Justice entered into a plea agreement whereby the Owner agreed to pay a full restitution to several insurance companies, including Universal Life.

## Universal Life Insurance Company

### Notes of Statutory-Basis Financial Statements December 31, 2025 and 2024

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On January 23, 2025, the United States District Court Western District of North Carolina issued an order appointing an attorney to serve as Special Master (SM) and a Financial Advisor (FA) to identify, receive, track and distribute monies from assets ultimately pertaining to the Owner towards the full restitution to certain parties, Universal Life included. As part of this order, AAPC was identified amongst the assets to be transferred to and controlled by the SM. Consequently, an assignment agreement was executed whereby the Owner transferred and assigned his rights, title and interests in AAPC to the SM to formally begin with the sale of operating assets and the restitution process.

Meanwhile, Universal Life continues collaborating with interested parties and stakeholders, including the SM and FA, on the sale of specific assets, which are projected to be sufficient to satisfy the total amount due to Universal Life. Consequently, Universal Life received approximately \$83 million from the sale of an operating entity in September 2025. The SM and all interested parties continue the process of monetizing remaining other available assets towards the full restitution of impacted parties including, Universal Life.

As of the statement date, no impairment is foreseen as of the date these financial statements are issued.

**(19) Subsequent events:**

The Company has evaluated all subsequent events through April 20, 2026, the date the statutory-basis financial statements were issued.

**UNIVERSAL LIFE SEPARATE ACCOUNT FORTUNE VII**  
A SEPARATE ACCOUNT OF  
UNIVERSAL LIFE INSURANCE COMPANY

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**ANNUAL REPORT**

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December 31, 2025

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**UNIVERSAL LIFE SEPARATE ACCOUNT FORTUNE VII**

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**Report of Independent Registered Public Accounting Firm**

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**To the Contract Owners and Board of Directors of  
 Universal Life Separate Account Fortune VII:**

**Opinion on the financial statements**

We have audited the accompanying statements of assets and liabilities, including the schedule of investments, of each of the sub accounts (also deemed variable investment options) of **Universal Life Separate Account Fortune VII** (collectively, "Fortune VII") indicated in the table below as of December 31, 2025, and the related statements of operations, changes in net assets and the financial highlights for each of the periods indicated below, and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of each of the sub accounts (also deemed variable investment options) of **Universal Life Separate Account Fortune VII** as of December 31, 2025, the results of its operations and changes in net assets for the periods indicated in the table below, in conformity with accounting principles generally accepted in the United States of America.

1290 VT High Yield Bond Portfolio*	EQ/Invesco Global Portfolio*
1290 VT Micro Cap Portfolio***	EQ/Invesco Global Real Assets Portfolio*
1290 VT Natural Resources Portfolio*	EQ/Janus Enterprise Portfolio*
1290 VT Real Estate Portfolio*	EQ/JPMorgan Value Opportunities Portfolio*
1290 VT Small Cap Value Portfolio*	EQ/Large Cap Growth Index Portfolio*
1290 VT SmartBeta Equity ESG Portfolio*	EQ/Large Cap Value Index Portfolio*
1290 VT Socially Responsible Portfolio*	EQ/MFS International Growth Portfolio*
EQ/AB Dynamic Moderate Growth Portfolio*	EQ/MFS Technology Portfolio*
EQ/AB Short Duration Government Bond Portfolio*	EQ/MFS Utilities Series Portfolio*
EQ/AB Small Cap Growth Portfolio*	EQ/Mid Cap Index Portfolio*
EQ/Aggressive Allocation Portfolio*	EQ/Moderate Allocation Portfolio*
EQ/All Asset Growth Allocation Portfolio*	EQ/Moderate-Plus Allocation Portfolio*
EQ/American Century Mid Cap Value Portfolio*	EQ/Money Market Portfolio*
EQ/Conservative Allocation Portfolio*	EQ/PIMCO Global Real Return Portfolio*
EQ/Emerging Markets Equity PLUS Portfolio*	EQ/PIMCO Total Return ESG Portfolio*
EQ/Equity 500 Index Portfolio*	EQ/PIMCO Ultra Short Bond Portfolio*
EQ/Fidelity Institutional AM <sup>®</sup> Large Cap Portfolio*	EQ/Small Company Index Portfolio*
EQ/Franklin Rising Dividends Portfolio*	EQ/Sustainable US Thematic Portfolio**
EQ/Goldman Sachs Growth Allocation Portfolio*	EQ/T. Rowe Price Health Sciences Portfolio*
EQ/Goldman Sachs Moderate Growth Allocation Portfolio*	EQ/Wellington Energy Portfolio*
EQ/Intermediate Government Bond Portfolio*	Multimanager Technology Portfolio*
EQ/International Equity Index Portfolio*	

\* Statement of operations for the year ended December 31, 2025, the statement of changes in net assets for the years ended December 31, 2025 and 2024, and the financial highlights for the years ended December 31, 2025, 2024, and the period from February 21, 2023 (commencement of operations) through December 31, 2023

\*\* Statement of operations for the year ended December 31, 2025, the statement of changes in net assets for the years ended December 31, 2025 and 2024, and the financial highlights for the years ended December 31, 2025 and 2024. There were no units outstanding as of December 31, 2023.

\*\*\* Statement of operations for the year ended December 31, 2025, the statement of changes in net assets for the year ended December 31, 2025, and the financial highlights for the year ended December 31, 2025. There were no units outstanding as of December 31, 2024 and 2023.

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**Audit | Tax | Advisory | Outsourcing**

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**Basis for opinion**

These financial statements are the responsibility of Fortune VII's management. Our responsibility is to express an opinion on the financial statements of each of the sub accounts (also deemed variable investment options) of Fortune VII based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) ("PCAOB") and are required to be independent with respect to Fortune VII in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Fortune VII is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of Fortune VII's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our procedures included confirmation of securities owned as of December 31, 2025, by correspondence with the custodian. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

We have served as Fortune VII's auditor since 2023.

/s/ Grant Thornton Puerto Rico LLP  
San Juan, Puerto Rico  
April 29, 2026.

**UNIVERSAL LIFE SEPARATE ACCOUNT FORTUNE VII  
SCHEDULE OF INVESTMENTS  
AS OF DECEMBER 31, 2025**

The following table provides the Portfolio shares held by the Variable Investment Options of the Separate Account:

<b>Variable Investment Options</b>	<b>Share Class**</b>	<b>Portfolio Shares Held</b>
1290 VT High Yield Bond Portfolio	Class IB	102,197
1290 VT Micro Cap Portfolio	Class IB	436
1290 VT Natural Resources Portfolio	Class IB	6,103
1290 VT Real Estate Portfolio	Class IB	41,270
1290 VT Small Cap Value Portfolio	Class IB	14,001
1290 VT SmartBeta Equity ESG Portfolio	Class IB	6,616
1290 VT Socially Responsible Portfolio	Class IB	9,094
EQ/AB Dynamic Moderate Growth Portfolio	Class IB	6,653
EQ/AB Short Duration Government Bond Portfolio	Class IB	66,367
EQ/AB Small Cap Growth Portfolio	Class IB	13,874
EQ/Aggressive Allocation Portfolio	Class B	81,262
EQ/All Asset Growth Allocation Portfolio	Class IB	15,771
EQ/American Century Mid Cap Value Portfolio	Class IB	21,872
EQ/Conservative Allocation Portfolio	Class B	138,162
EQ/Emerging Markets Equity PLUS Portfolio	Class IB	11,311
EQ/Equity 500 Index Portfolio	Class IB	125,348
EQ/Fidelity Institutional AM® Large Cap Portfolio	Class IB	24,555
EQ/Franklin Rising Dividends Portfolio	Class IB	48,630
EQ/Goldman Sachs Growth Allocation Portfolio	Class IB	16,753
EQ/Goldman Sachs Moderate Growth Allocation Portfolio	Class IB	12,782
EQ/Intermediate Government Bond Portfolio	Class IB	86,028
EQ/International Equity Index Portfolio	Class IB	45,936
EQ/Invesco Global Portfolio	Class IB	22,923
EQ/Invesco Global Real Assets Portfolio	Class IB	2,413
EQ/Janus Enterprise Portfolio	Class IB	51,339
EQ/JPMorgan Value Opportunities Portfolio	Class IB	7,785
EQ/Large Cap Growth Index Portfolio	Class IB	97,116
EQ/Large Cap Value Index Portfolio	Class IB	160,404
EQ/MFS International Growth Portfolio	Class IB	57,784
EQ/MFS Technology Portfolio	Class IB	14,597
EQ/MFS Utilities Series Portfolio	Class IB	23,638
EQ/Mid Cap Index Portfolio	Class IB	54,764
EQ/Moderate Allocation Portfolio	Class B	2,477
EQ/Moderate-Plus Allocation Portfolio	Class B	18,294
EQ/Money Market Portfolio	Class IB	7,779,944
EQ/PIMCO Global Real Return Portfolio	Class IB	5,714
EQ/PIMCO Total Return ESG Portfolio	Class IB	239,636
EQ/PIMCO Ultra Short Bond Portfolio	Class IB	34,481

**UNIVERSAL LIFE SEPARATE ACCOUNT FORTUNE VII  
SCHEDULE OF INVESTMENTS (Continued)  
AS OF DECEMBER 31, 2025**

<b>Variable Investment Options</b>	<b>Share Class**</b>	<b>Portfolio Shares Held</b>
EQ/Small Company Index Portfolio	Class IB	42,857
EQ/Sustainable US Thematic Portfolio	Class IB	7,168
EQ/T. Rowe Price Health Sciences Portfolio	Class IB	1,550
EQ/Wellington Energy Portfolio	Class IB	19,150
Multimanager Technology Portfolio	Class IB	11,134

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

\*\* Share class reflects the share class of the Portfolio in which the units of the Variable Investment Option are invested, as further described in Note 1 of these financial statements.

**UNIVERSAL LIFE SEPARATE ACCOUNT FORTUNE VII  
STATEMENTS OF ASSETS AND LIABILITIES  
AS OF DECEMBER 31, 2025**

	1290 VT High Yield Bond Portfolio	1290 VT Micro Cap Portfolio	1290 VT Natural Resources Portfolio	1290 VT Real Estate Portfolio	1290 VT Small Cap Value Portfolio	1290 VT SmartBeta Equity ESG Portfolio
<b>Assets:</b>						
Investments in shares of the Portfolio, at fair value	\$ 931,018	\$ 5,248	\$ 68,049	\$ 248,034	\$ 156,114	\$ 128,816
Receivable for shares of the Portfolio sold	960	5	70	256	161	133
Receivable for policy-related transactions	-	-	-	-	-	-
<b>Total assets</b>	<u>931,978</u>	<u>5,253</u>	<u>68,119</u>	<u>248,290</u>	<u>156,275</u>	<u>128,949</u>
<b>Liabilities:</b>						
Payable for shares of the Portfolio purchased	-	-	-	-	-	-
Payable for policy-related transactions	960	5	70	256	161	133
<b>Total liabilities</b>	<u>960</u>	<u>5</u>	<u>70</u>	<u>256</u>	<u>161</u>	<u>133</u>
<b>Net Assets</b>	<u>\$ 931,018</u>	<u>\$ 5,248</u>	<u>\$ 68,049</u>	<u>\$ 248,034</u>	<u>\$ 156,114</u>	<u>\$ 128,816</u>
<b>Net Assets:</b>						
Accumulation unit values	\$ 931,013	\$ 5,257	\$ 68,049	\$ 248,034	\$ 156,114	\$ 128,816
Retained (payable) by ULICO in the Separate Account	5	(9)	-	-	-	-
<b>Total Net Assets</b>	<u>\$ 931,018</u>	<u>\$ 5,248</u>	<u>\$ 68,049</u>	<u>\$ 248,034</u>	<u>\$ 156,114</u>	<u>\$ 128,816</u>
Investments in Shares of the Portfolio, at cost	\$ 943,092	\$ 5,253	\$ 61,561	\$ 244,470	\$ 163,018	\$ 127,666

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

**UNIVERSAL LIFE SEPARATE ACCOUNT FORTUNE VII  
STATEMENTS OF ASSETS AND LIABILITIES (Continued)  
AS OF DECEMBER 31, 2025**

	1290 VT Socially Responsible Portfolio	EQ/AB Dynamic Moderate Growth Portfolio	EQ/AB Short Duration Government Bond Portfolio	EQ/AB Small Cap Growth Portfolio	EQ/Aggressive Allocation Portfolio	EQ/All Asset Growth Allocation Portfolio
<b>Assets:</b>						
Investments in shares of the Portfolio, at fair value	\$ 224,428	\$ 86,759	\$ 652,383	\$ 205,342	\$ 859,747	\$ 322,356
Receivable for shares of the Portfolio sold	232	90	672	212	893	331
Receivable for policy-related transactions	-	-	-	-	-	-
<b>Total assets</b>	<u>224,660</u>	<u>86,849</u>	<u>653,055</u>	<u>205,554</u>	<u>860,640</u>	<u>322,687</u>
<b>Liabilities:</b>						
Payable for shares of the Portfolio purchased	-	-	-	-	-	-
Payable for policy-related transactions	232	90	672	212	893	331
<b>Total liabilities</b>	<u>232</u>	<u>90</u>	<u>672</u>	<u>212</u>	<u>893</u>	<u>331</u>
<b>Net Assets</b>	<u>\$ 224,428</u>	<u>\$ 86,759</u>	<u>\$ 652,383</u>	<u>\$ 205,342</u>	<u>\$ 859,747</u>	<u>\$ 322,356</u>
<b>Net Assets:</b>						
Accumulation unit values	\$ 224,428	\$ 86,759	\$ 652,383	\$ 205,351	\$ 859,747	\$ 322,356
Retained (payable) by ULICO in the Separate Account	-	-	-	(9)	-	-
<b>Total Net Assets</b>	<u>\$ 224,428</u>	<u>\$ 86,759</u>	<u>\$ 652,383</u>	<u>\$ 205,342</u>	<u>\$ 859,747</u>	<u>\$ 322,356</u>
Investments in Shares of the Portfolio, at cost	<u>\$ 206,848</u>	<u>\$ 83,774</u>	<u>\$ 661,998</u>	<u>\$ 207,607</u>	<u>\$ 838,809</u>	<u>\$ 305,970</u>

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

**UNIVERSAL LIFE SEPARATE ACCOUNT FORTUNE VII  
STATEMENTS OF ASSETS AND LIABILITIES (Continued)  
AS OF DECEMBER 31, 2025**

	EQ/American Century Mid Cap Value Portfolio	EQ/Conservative Allocation Portfolio	EQ/Emerging Markets Equity PLUS Portfolio	EQ/Equity 500 Index Portfolio	EQ/Fidelity Institutional AM <sup>®</sup> Large Cap Portfolio	EQ/Franklin Rising Dividends Portfolio
<b>Assets:</b>						
Investments in shares of the Portfolio, at fair value	\$ 473,970	\$ 1,145,362	\$ 132,226	\$ 11,988,304	\$ 1,619,150	\$ 2,492,275
Receivable for shares of the Portfolio sold	491	1,189	137	12,352	1,673	2,577
Receivable for policy-related transactions	-	-	-	-	-	-
<b>Total assets</b>	<u>474,461</u>	<u>1,146,551</u>	<u>132,363</u>	<u>12,000,656</u>	<u>1,620,823</u>	<u>2,494,852</u>
<b>Liabilities:</b>						
Payable for shares of the Portfolio purchased	-	-	-	-	-	-
Payable for policy-related transactions	491	1,189	137	12,350	1,673	2,577
<b>Total liabilities</b>	<u>491</u>	<u>1,189</u>	<u>137</u>	<u>12,350</u>	<u>1,673</u>	<u>2,577</u>
<b>Net Assets</b>	<u>\$ 473,970</u>	<u>\$ 1,145,362</u>	<u>\$ 132,226</u>	<u>\$ 11,988,306</u>	<u>\$ 1,619,150</u>	<u>\$ 2,492,275</u>
<b>Net Assets:</b>						
Accumulation unit values	\$ 473,967	\$ 1,145,363	\$ 132,225	\$ 11,988,065	\$ 1,619,152	\$ 2,492,275
Retained (payable) by ULICO in the Separate Account	3	(1)	1	241	(2)	-
<b>Total Net Assets</b>	<u>\$ 473,970</u>	<u>\$ 1,145,362</u>	<u>\$ 132,226</u>	<u>\$ 11,988,306</u>	<u>\$ 1,619,150</u>	<u>\$ 2,492,275</u>
Investments in Shares of the Portfolio, at cost	<u>\$ 478,468</u>	<u>\$ 1,177,286</u>	<u>\$ 117,798</u>	<u>\$ 10,939,127</u>	<u>\$ 1,536,015</u>	<u>\$ 2,403,184</u>

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

**UNIVERSAL LIFE SEPARATE ACCOUNT FORTUNE VII  
STATEMENTS OF ASSETS AND LIABILITIES (Continued)  
AS OF DECEMBER 31, 2025**

	<b>EQ/Goldman Sachs Growth Allocation Portfolio</b>	<b>EQ/Goldman Sachs Moderate Growth Allocation Portfolio</b>	<b>EQ/Intermediate Government Bond Portfolio</b>	<b>EQ/International Equity Index Portfolio</b>	<b>EQ/Invesco Global Portfolio</b>	<b>EQ/Invesco Global Real Assets Portfolio</b>
<b>Assets:</b>						
Investments in shares of the Portfolio, at fair value	\$ 214,940	\$ 149,933	\$ 830,170	\$ 625,193	\$ 677,137	\$ 38,532
Receivable for shares of the Portfolio sold	220	154	859	644	697	40
Receivable for policy-related transactions	-	-	-	-	-	-
<b>Total assets</b>	<b>215,160</b>	<b>150,087</b>	<b>831,029</b>	<b>625,837</b>	<b>677,834</b>	<b>38,572</b>
<b>Liabilities:</b>						
Payable for shares of the Portfolio purchased	-	-	-	-	-	-
Payable for policy-related transactions	220	154	859	644	697	40
<b>Total liabilities</b>	<b>220</b>	<b>154</b>	<b>859</b>	<b>644</b>	<b>697</b>	<b>40</b>
<b>Net Assets</b>	<b>\$ 214,940</b>	<b>\$ 149,933</b>	<b>\$ 830,170</b>	<b>\$ 625,193</b>	<b>\$ 677,137</b>	<b>\$ 38,532</b>
<b>Net Assets:</b>						
Accumulation unit values	\$ 214,930	149,933	830,150	625,098	677,133	38,532
Retained (payable) by ULICO in the Separate Account	10	-	20	95	4	-
<b>Total Net Assets</b>	<b>\$ 214,940</b>	<b>\$ 149,933</b>	<b>\$ 830,170</b>	<b>\$ 625,193</b>	<b>\$ 677,137</b>	<b>\$ 38,532</b>
Investments in Shares of the Portfolio, at cost	\$ 198,712	\$ 143,984	\$ 830,718	\$ 585,877	\$ 712,598	\$ 38,689

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

**UNIVERSAL LIFE SEPARATE ACCOUNT FORTUNE VII  
STATEMENTS OF ASSETS AND LIABILITIES (Continued)  
AS OF DECEMBER 31, 2025**

	<b>EQ/Janus Enterprise Portfolio</b>	<b>EQ/JPMorgan Value Opportunities Portfolio</b>	<b>EQ/Large Cap Growth Index Portfolio</b>	<b>EQ/Large Cap Value Index Portfolio</b>	<b>EQ/MFS International Growth Portfolio</b>	<b>EQ/MFS Technology Portfolio</b>
<b>Assets:</b>						
Investments in shares of the Portfolio, at fair value	\$ 1,071,435	\$ 158,726	\$ 2,770,716	\$ 1,818,982	\$ 472,670	\$ 603,741
Receivable for shares of the Portfolio sold	1,110	164	2,857	1,883	488	617
Receivable for policy-related transactions	-	-	-	-	-	-
<b>Total assets</b>	<u>1,072,545</u>	<u>158,890</u>	<u>2,773,573</u>	<u>1,820,865</u>	<u>473,158</u>	<u>604,358</u>
<b>Liabilities:</b>						
Payable for shares of the Portfolio purchased	-	-	-	-	-	-
Payable for policy-related transactions	1,110	164	2,855	1,883	488	617
<b>Total liabilities</b>	<u>1,110</u>	<u>164</u>	<u>2,855</u>	<u>1,883</u>	<u>488</u>	<u>617</u>
<b>Net Assets</b>	<u>\$ 1,071,435</u>	<u>\$ 158,726</u>	<u>\$ 2,770,718</u>	<u>\$ 1,818,982</u>	<u>\$ 472,670</u>	<u>\$ 603,741</u>
<b>Net Assets:</b>						
Accumulation unit values	\$ 1,071,433	158,714	2,770,515	1,818,969	472,662	603,746
Retained (payable) by ULICO in the Separate Account	2	12	203	13	8	(5)
<b>Total Net Assets</b>	<u>\$ 1,071,435</u>	<u>\$ 158,726</u>	<u>\$ 2,770,718</u>	<u>\$ 1,818,982</u>	<u>\$ 472,670</u>	<u>\$ 603,741</u>
Investments in Shares of the Portfolio, at cost	\$ 1,114,208	\$ 155,556	\$ 2,579,849	\$ 1,760,068	\$ 472,168	\$ 599,916

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

**UNIVERSAL LIFE SEPARATE ACCOUNT FORTUNE VII  
STATEMENTS OF ASSETS AND LIABILITIES (Continued)  
AS OF DECEMBER 31, 2025**

	EQ/MFS Utilities Series Portfolio	EQ/Mid Cap Index Portfolio	EQ/Moderate Allocation Portfolio	EQ/Moderate- Plus Allocation Portfolio	EQ/Money Market Portfolio	EQ/PIMCO Global Real Return Portfolio
<b>Assets:</b>						
Investments in shares of the Portfolio, at fair value	\$ 960,399	\$ 876,228	\$ 30,027	\$ 176,536	\$ 7,779,945	\$ 43,939
Receivable for shares of the Portfolio sold	997	903	31	177	-	46
Receivable for policy-related transactions	-	-	-	-	508,587	-
<b>Total assets</b>	<u>961,396</u>	<u>877,131</u>	<u>30,058</u>	<u>176,713</u>	<u>8,288,532</u>	<u>43,985</u>
<b>Liabilities:</b>						
Payable for shares of the Portfolio purchased	-	-	-	-	500,251	-
Payable for policy-related transactions	997	903	31	177	8,336	46
<b>Total liabilities</b>	<u>997</u>	<u>903</u>	<u>31</u>	<u>177</u>	<u>508,587</u>	<u>46</u>
<b>Net Assets</b>	<u>\$ 960,399</u>	<u>\$ 876,228</u>	<u>\$ 30,027</u>	<u>\$ 176,536</u>	<u>\$ 7,779,945</u>	<u>\$ 43,939</u>
<b>Net Assets:</b>						
Accumulation unit values	\$ 960,416	\$ 876,200	\$ 30,027	\$ 176,536	\$ 7,770,784	\$ 43,939
Retained (payable) by ULICO in the Separate Account	(17)	28	-	-	9,161	-
<b>Total Net Assets</b>	<u>\$ 960,399</u>	<u>\$ 876,228</u>	<u>\$ 30,027</u>	<u>\$ 176,536</u>	<u>\$ 7,779,945</u>	<u>\$ 43,939</u>
Investments in Shares of the Portfolio, at cost	\$ 890,798	\$ 883,351	\$ 30,149	\$ 177,071	\$ 7,779,945	\$ 43,915

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

**UNIVERSAL LIFE SEPARATE ACCOUNT FORTUNE VII  
STATEMENTS OF ASSETS AND LIABILITIES (Continued)  
AS OF DECEMBER 31, 2025**

	<b>EQ/PIMCO Total Return ESG Portfolio</b>	<b>EQ/PIMCO Ultra Short Bond Portfolio</b>	<b>EQ/Small Company Index Portfolio</b>	<b>EQ/Sustainable US Thematic Portfolio</b>	<b>EQ/T. Rowe Price Health Sciences Portfolio</b>	<b>EQ/Wellington Energy Portfolio</b>
<b>Assets:</b>						
Investments in shares of the Portfolio, at fair value	\$ 2,281,339	\$ 340,328	\$ 530,997	\$ 78,561	\$ 103,618	\$ 87,132
Receivable for shares of the Portfolio sold	2,347	347	545	80	107	90
Receivable for policy-related transactions	-	-	-	-	-	-
<b>Total assets</b>	<u>2,283,686</u>	<u>340,675</u>	<u>531,542</u>	<u>78,641</u>	<u>103,725</u>	<u>87,222</u>
<b>Liabilities:</b>						
Payable for shares of the Portfolio purchased	-	-	-	-	-	-
Payable for policy-related transactions	2,345	347	545	80	107	90
<b>Total liabilities</b>	<u>2,345</u>	<u>347</u>	<u>545</u>	<u>80</u>	<u>107</u>	<u>90</u>
<b>Net Assets</b>	<u>\$ 2,281,341</u>	<u>\$ 340,328</u>	<u>\$ 530,997</u>	<u>\$ 78,561</u>	<u>\$ 103,618</u>	<u>\$ 87,132</u>
<b>Net Assets:</b>						
Accumulation unit values	\$ 2,281,337	\$ 340,328	\$ 530,988	\$ 78,561	\$ 103,619	\$ 87,135
Retained (payable) by ULICO in the Separate Account	4	-	9	-	(1)	(3)
<b>Total Net Assets</b>	<u>\$ 2,281,341</u>	<u>\$ 340,328</u>	<u>\$ 530,997</u>	<u>\$ 78,561</u>	<u>\$ 103,618</u>	<u>\$ 87,132</u>
Investments in Shares of the Portfolio, at cost	<u>\$ 2,294,251</u>	<u>\$ 346,581</u>	<u>\$ 487,789</u>	<u>\$ 81,614</u>	<u>\$ 94,556</u>	<u>\$ 84,883</u>

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

**UNIVERSAL LIFE SEPARATE ACCOUNT FORTUNE VII  
STATEMENTS OF ASSETS AND LIABILITIES (Continued)  
AS OF DECEMBER 31, 2025**

	<b>Multimanager Technology Portfolio</b>
<b>Assets:</b>	
Investments in shares of the Portfolio, at fair value	\$ 456,609
Receivable for shares of the Portfolio sold	470
Receivable for policy-related transactions	-
Total assets	<u>457,079</u>
<b>Liabilities:</b>	
Payable for shares of the Portfolio purchased	-
Payable for policy-related transactions	470
Total liabilities	<u>470</u>
<b>Net Assets</b>	<u>\$ 456,609</u>
<b>Net Assets:</b>	
Accumulation unit values	\$ 456,580
Retained (payable) by ULICO in the Separate Account	29
<b>Total Net Assets</b>	<u>\$ 456,609</u>
Investments in Shares of the Portfolio, at cost	<u>\$ 445,276</u>

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

**UNIVERSAL LIFE SEPARATE ACCOUNT FORTUNE VII  
STATEMENTS OF ASSETS AND LIABILITIES (Continued)  
AS OF DECEMBER 31, 2025**

The following table provides units outstanding and unit values associated with the Variable Investment Options of the Separate Account and is further categorized by share class and contract charges:

<b>Variable Investment Options</b>	<b>Contract Charge*</b>	<b>Share Class**</b>	<b>Unit Value</b>	<b>Units Outstanding</b>
1290 VT High Yield Bond Portfolio	1.35%	Class IB	\$ 10.31	66,692
1290 VT High Yield Bond Portfolio	0.40%	Class IB	\$ 10.60	22,965
1290 VT Micro Cap Portfolio	0.40%	Class IB	\$ 12.03	437
1290 VT Natural Resources Portfolio	1.35%	Class IB	\$ 11.77	2,351
1290 VT Natural Resources Portfolio	0.40%	Class IB	\$ 12.10	3,337
1290 VT Real Estate Portfolio	1.35%	Class IB	\$ 6.31	32,052
1290 VT Real Estate Portfolio	0.40%	Class IB	\$ 6.49	7,039
1290 VT Small Cap Value Portfolio	1.35%	Class IB	\$ 14.45	9,827
1290 VT Small Cap Value Portfolio	0.40%	Class IB	\$ 14.85	950
1290 VT SmartBeta Equity ESG Portfolio	1.35%	Class IB	\$ 22.42	5,745
1290 VT Socially Responsible Portfolio	1.35%	Class IB	\$ 27.72	7,660
1290 VT Socially Responsible Portfolio	0.40%	Class IB	\$ 28.48	425
EQ/AB Dynamic Moderate Growth Portfolio	1.35%	Class IB	\$ 15.05	5,766
EQ/AB Short Duration Government Bond Portfolio	1.35%	Class IB	\$ 10.45	45,132
EQ/AB Short Duration Government Bond Portfolio	0.40%	Class IB	\$ 10.74	16,838
EQ/AB Small Cap Growth Portfolio	1.35%	Class IB	\$ 17.38	9,656
EQ/AB Small Cap Growth Portfolio	0.40%	Class IB	\$ 17.85	2,104
EQ/Aggressive Allocation Portfolio	1.35%	Class B	\$ 12.73	67,556
EQ/All Asset Growth Allocation Portfolio	1.35%	Class IB	\$ 23.04	8,169
EQ/All Asset Growth Allocation Portfolio	0.40%	Class IB	\$ 23.67	5,669
EQ/American Century Mid Cap Value Portfolio	1.35%	Class IB	\$ 25.83	18,351
EQ/Conservative Allocation Portfolio	1.35%	Class B	\$ 9.14	125,313
EQ/Emerging Markets Equity PLUS Portfolio	1.35%	Class IB	\$ 12.03	9,444
EQ/Emerging Markets Equity PLUS Portfolio	0.40%	Class IB	\$ 12.36	1,505
EQ/Equity 500 Index Portfolio	1.35%	Class IB	\$ 99.61	91,429
EQ/Equity 500 Index Portfolio	0.40%	Class IB	\$ 102.35	28,147
EQ/Fidelity Institutional AM <sup>®</sup> Large Cap Portfolio	1.35%	Class IB	\$ 74.58	19,765
EQ/Fidelity Institutional AM <sup>®</sup> Large Cap Portfolio	0.40%	Class IB	\$ 76.63	1,893
EQ/Franklin Rising Dividends Portfolio	1.35%	Class IB	\$ 54.37	38,826
EQ/Franklin Rising Dividends Portfolio	0.40%	Class IB	\$ 55.86	6,827
EQ/Goldman Sachs Growth Allocation Portfolio	1.35%	Class IB	\$ 14.07	14,308
EQ/Goldman Sachs Growth Allocation Portfolio	0.40%	Class IB	\$ 14.46	943
EQ/Goldman Sachs Moderate Growth Allocation Portfolio	1.35%	Class IB	\$ 12.26	7,023
EQ/Goldman Sachs Moderate Growth Allocation Portfolio	0.40%	Class IB	\$ 12.60	5,068
EQ/Intermediate Government Bond Portfolio	1.35%	Class IB	\$ 10.10	71,393
EQ/Intermediate Government Bond Portfolio	0.40%	Class IB	\$ 10.38	10,506
EQ/International Equity Index Portfolio	1.35%	Class IB	\$ 14.38	34,238
EQ/International Equity Index Portfolio	0.40%	Class IB	\$ 14.77	8,999
EQ/Invesco Global Portfolio	1.35%	Class IB	\$ 34.43	15,133
EQ/Invesco Global Portfolio	0.40%	Class IB	\$ 35.38	4,412

**UNIVERSAL LIFE SEPARATE ACCOUNT FORTUNE VII  
STATEMENTS OF ASSETS AND LIABILITIES (Continued)  
AS OF DECEMBER 31, 2025**

<b>Variable Investment Options</b>	<b>Contract Charge*</b>	<b>Share Class**</b>	<b>Unit Value</b>	<b>Units Outstanding</b>
EQ/Invesco Global Real Assets Portfolio	1.35%	Class IB	\$ 17.69	2,179
EQ/Janus Enterprise Portfolio	1.35%	Class IB	\$ 25.47	38,968
EQ/Janus Enterprise Portfolio	0.40%	Class IB	\$ 26.17	3,015
EQ/JPMorgan Value Opportunities Portfolio	1.35%	Class IB	\$ 26.01	6,101
EQ/Large Cap Growth Index Portfolio	1.35%	Class IB	\$ 33.28	69,507
EQ/Large Cap Growth Index Portfolio	0.40%	Class IB	\$ 34.19	13,384
EQ/Large Cap Value Index Portfolio	1.35%	Class IB	\$ 13.06	128,953
EQ/Large Cap Value Index Portfolio	0.40%	Class IB	\$ 13.42	10,013
EQ/MFS International Growth Portfolio	1.35%	Class IB	\$ 9.73	40,058
EQ/MFS International Growth Portfolio	0.40%	Class IB	\$ 9.99	8,313
EQ/MFS Technology Portfolio	1.35%	Class IB	\$ 48.38	9,358
EQ/MFS Technology Portfolio	0.40%	Class IB	\$ 49.71	3,037
EQ/MFS Utilities Series Portfolio	1.35%	Class IB	\$ 43.46	22,101
EQ/Mid Cap Index Portfolio	1.35%	Class IB	\$ 18.58	46,255
EQ/Mid Cap Index Portfolio	0.40%	Class IB	\$ 19.09	873
EQ/Moderate Allocation Portfolio	1.35%	Class B	\$ 14.11	2,129
EQ/Moderate-Plus Allocation Portfolio	1.35%	Class B	\$ 11.61	15,205
EQ/Money Market Portfolio	1.35%	Class IB	\$ 1.08	1,905,193
EQ/Money Market Portfolio	0.40%	Class IB	\$ 1.11	5,116,419
EQ/PIMCO Global Real Return Portfolio	1.35%	Class IB	\$ 7.70	5,710
EQ/PIMCO Total Return ESG Portfolio	1.35%	Class IB	\$ 10.25	162,387
EQ/PIMCO Total Return ESG Portfolio	0.40%	Class IB	\$ 10.54	58,463
EQ/PIMCO Ultra Short Bond Portfolio	1.35%	Class IB	\$ 10.80	9,311
EQ/PIMCO Ultra Short Bond Portfolio	0.40%	Class IB	\$ 11.09	21,615
EQ/Small Company Index Portfolio	1.35%	Class IB	\$ 13.91	35,944
EQ/Small Company Index Portfolio	0.40%	Class IB	\$ 14.30	2,161
EQ/Sustainable US Thematic Portfolio	1.35%	Class IB	\$ 11.55	5,577
EQ/Sustainable US Thematic Portfolio	0.40%	Class IB	\$ 11.87	1,192
EQ/T. Rowe Price Health Sciences Portfolio	1.35%	Class IB	\$ 70.91	1,415
EQ/T. Rowe Price Health Sciences Portfolio	0.40%	Class IB	\$ 72.86	45
EQ/Wellington Energy Portfolio	1.35%	Class IB	\$ 4.78	14,472
EQ/Wellington Energy Portfolio	0.40%	Class IB	\$ 4.91	3,669
Multimanager Technology Portfolio	1.35%	Class IB	\$ 52.15	6,363
Multimanager Technology Portfolio	0.40%	Class IB	\$ 53.58	2,329

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

\* Contract charges reflect the annual mortality and expense risk related to the Variable Investment Options.

\*\* Share class reflects the share class of the Portfolio in which the units of the Variable Investment Option are invested, as further described in Note 1 of these financial statements.

**UNIVERSAL LIFE SEPARATE ACCOUNT FORTUNE VII  
STATEMENTS OF OPERATIONS  
FOR THE YEAR ENDED DECEMBER 31, 2025**

	1290 VT High Yield Bond Portfolio	1290 VT Micro Cap Portfolio	1290 VT Natural Resources Portfolio	1290 VT Real Estate Portfolio	1290 VT Small Cap Value Portfolio	1290 VT SmartBeta Equity ESG Portfolio
<b>Income and Expenses:</b>						
Investment Income						
Dividends from the Portfolios	\$ 36,812	\$ 18	\$ 1,777	\$ 6,903	\$ 1,856	\$ 812
Expenses						
Asset-based charges	6,845	4	447	2,347	1,334	1,352
<b>Net Investment Income (Loss)</b>	<u>29,967</u>	<u>14</u>	<u>1,330</u>	<u>4,556</u>	<u>522</u>	<u>(540)</u>
<b>Net Realized and Unrealized Gain (Loss) on Investments:</b>						
Net realized gain (loss) on investments	9,075	576	1,122	5,988	1,973	2,382
Net realized gain distribution from the Portfolios	-	-	-	-	15,647	8,764
Net realized gain (loss)	<u>9,075</u>	<u>576</u>	<u>1,122</u>	<u>5,988</u>	<u>17,620</u>	<u>11,146</u>
Net change in unrealized appreciation (depreciation) of investments	<u>(164)</u>	<u>(5)</u>	<u>12,012</u>	<u>5,613</u>	<u>(10,350)</u>	<u>913</u>
<b>Net Realized and Unrealized Gain (Loss) on Investments</b>	<u>8,911</u>	<u>571</u>	<u>13,134</u>	<u>11,601</u>	<u>7,270</u>	<u>12,059</u>
<b>Net Increase (Decrease) in Net Assets Resulting from Operations</b>	<u>\$ 38,878</u>	<u>\$ 585</u>	<u>\$ 14,464</u>	<u>\$ 16,157</u>	<u>\$ 7,792</u>	<u>\$ 11,519</u>

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

**UNIVERSAL LIFE SEPARATE ACCOUNT FORTUNE VII  
STATEMENTS OF OPERATIONS (Continued)  
FOR THE YEAR ENDED DECEMBER 31, 2025**

	1290 VT Socially Responsible Portfolio	EQ/AB Dynamic Moderate Growth Portfolio	EQ/AB Short Duration Government Bond Portfolio	EQ/AB Small Cap Growth Portfolio	EQ/Aggressive Allocation Portfolio	EQ/All Asset Growth Allocation Portfolio
<b>Income and Expenses:</b>						
Investment Income						
Dividends from the Portfolios	\$ 778	\$ 1,080	\$ 24,117	\$ 295	\$ 11,808	\$ 6,778
Expenses						
Asset-based charges	1,920	1,026	5,766	1,681	5,817	2,617
<b>Net Investment Income (Loss)</b>	<u>(1,142)</u>	<u>54</u>	<u>18,351</u>	<u>(1,386)</u>	<u>5,991</u>	<u>4,161</u>
<b>Net Realized and Unrealized Gain (Loss) on Investments:</b>						
Net realized gain (loss) on investments	2,068	2,600	2,504	3,919	1,684	5,939
Net realized gain distribution from the Portfolios	16,076	6,708	-	18,829	49,064	15,939
Net realized gain (loss)	18,144	9,308	2,504	22,748	50,748	21,878
Net change in unrealized appreciation (depreciation) of investments	17,876	(188)	(3,915)	(5,743)	(1,442)	16,037
<b>Net Realized and Unrealized Gain (Loss) on Investments</b>	<u>36,020</u>	<u>9,120</u>	<u>(1,411)</u>	<u>17,005</u>	<u>49,306</u>	<u>37,915</u>
<b>Net Increase (Decrease) in Net Assets Resulting from Operations</b>	<u>\$ 34,878</u>	<u>\$ 9,174</u>	<u>\$ 16,940</u>	<u>\$ 15,619</u>	<u>\$ 55,297</u>	<u>\$ 42,076</u>

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

**UNIVERSAL LIFE SEPARATE ACCOUNT FORTUNE VII  
STATEMENTS OF OPERATIONS (Continued)  
FOR THE YEAR ENDED DECEMBER 31, 2025**

	<b>EQ/American Century Mid Cap Value Portfolio</b>	<b>EQ/Conservative Allocation Portfolio</b>	<b>EQ/Emerging Markets Equity PLUS Portfolio</b>	<b>EQ/Equity 500 Index Portfolio</b>	<b>EQ/Fidelity Institutional AM<sup>®</sup> Large Cap Portfolio</b>	<b>EQ/Franklin Rising Dividends Portfolio</b>
<b>Income and Expenses:</b>						
Investment Income						
Dividends from the Portfolios	\$ 6,958	\$ 34,517	\$ 2,613	\$ 80,112	\$ 4,831	\$ 18,183
Expenses						
Asset-based charges	4,570	5,982	1,196	92,577	12,887	23,931
<b>Net Investment Income (Loss)</b>	<u>2,388</u>	<u>28,535</u>	<u>1,417</u>	<u>(12,465)</u>	<u>(8,056)</u>	<u>(5,748)</u>
<b>Net Realized and Unrealized Gain (Loss) on Investments:</b>						
Net realized gain (loss) on investments	(486)	10,687	8,950	489,015	49,636	44,866
Net realized gain distribution from the Portfolios	32,812	8,383	-	292,846	91,963	92,581
Net realized gain (loss)	<u>32,326</u>	<u>19,070</u>	<u>8,950</u>	<u>781,861</u>	<u>141,599</u>	<u>137,447</u>
Net change in unrealized appreciation (depreciation) of investments	(92)	(29,097)	17,417	639,704	49,539	71,205
<b>Net Realized and Unrealized Gain (Loss) on Investments</b>	<u>32,234</u>	<u>(10,027)</u>	<u>26,367</u>	<u>1,421,565</u>	<u>191,138</u>	<u>208,652</u>
<b>Net Increase (Decrease) in Net Assets Resulting from Operations</b>	<u>\$ 34,622</u>	<u>\$ 18,508</u>	<u>\$ 27,784</u>	<u>\$ 1,409,100</u>	<u>\$ 183,082</u>	<u>\$ 202,904</u>

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

**UNIVERSAL LIFE SEPARATE ACCOUNT FORTUNE VII  
STATEMENTS OF OPERATIONS (Continued)  
FOR THE YEAR ENDED DECEMBER 31, 2025**

	<b>EQ/Goldman Sachs Growth Allocation Portfolio</b>	<b>EQ/Goldman Sachs Moderate Growth Allocation Portfolio</b>	<b>EQ/Intermediate Government Bond Portfolio</b>	<b>EQ/International Equity Index Portfolio</b>	<b>EQ/Invesco Global Portfolio</b>	<b>EQ/Invesco Global Real Assets Portfolio</b>
<b>Income and Expenses:</b>						
Investment Income						
Dividends from the Portfolios	\$ 4,492	\$ 2,919	\$ 24,891	\$ 20,236	\$ -	\$ 952
Expenses						
Asset-based charges	2,216	914	8,070	4,795	4,701	310
<b>Net Investment Income (Loss)</b>	<b>2,276</b>	<b>2,005</b>	<b>16,821</b>	<b>15,441</b>	<b>(4,701)</b>	<b>642</b>
<b>Net Realized and Unrealized Gain (Loss) on Investments:</b>						
Net realized gain (loss) on investments	4,398	983	2,599	41,756	13,799	491
Net realized gain distribution from the Portfolios	8,428	2,341	-	-	81,847	1,460
Net realized gain (loss)	12,826	3,324	2,599	41,756	95,646	1,951
Net change in unrealized appreciation (depreciation) of investments	4,678	5,126	7,830	37,702	(35,582)	103
<b>Net Realized and Unrealized Gain (Loss) on Investments</b>	<b>17,504</b>	<b>8,450</b>	<b>10,429</b>	<b>79,458</b>	<b>60,064</b>	<b>2,054</b>
<b>Net Increase (Decrease) in Net Assets Resulting from Operations</b>	<b>\$ 19,780</b>	<b>\$ 10,455</b>	<b>\$ 27,250</b>	<b>\$ 94,899</b>	<b>\$ 55,363</b>	<b>\$ 2,696</b>

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

**UNIVERSAL LIFE SEPARATE ACCOUNT FORTUNE VII  
STATEMENTS OF OPERATIONS (Continued)  
FOR THE YEAR ENDED DECEMBER 31, 2025**

	EQ/Janus Enterprise Portfolio	EQ/JPMorgan Value Opportunities Portfolio	EQ/Large Cap Growth Index Portfolio	EQ/Large Cap Value Index Portfolio	EQ/MFS International Growth Portfolio	EQ/MFS Technology Portfolio
<b>Income and Expenses:</b>						
Investment Income						
Dividends from the Portfolios	\$ -	\$ 1,603	\$ -	\$ 21,065	\$ 4,314	\$ -
Expenses						
Asset-based charges	10,185	1,641	23,302	17,878	4,167	4,128
<b>Net Investment Income (Loss)</b>	<u>(10,185)</u>	<u>(38)</u>	<u>(23,302)</u>	<u>3,187</u>	<u>147</u>	<u>(4,128)</u>
<b>Net Realized and Unrealized Gain (Loss) on Investments:</b>						
Net realized gain (loss) on investments	21,006	(1,989)	96,260	36,121	12,896	44,450
Net realized gain distribution from the Portfolios	91,501	12,608	215,285	99,975	36,835	51,876
Net realized gain (loss)	<u>112,507</u>	<u>10,619</u>	<u>311,545</u>	<u>136,096</u>	<u>49,731</u>	<u>96,326</u>
Net change in unrealized appreciation (depreciation) of investments	(39,841)	9,202	66,767	68,176	12,267	(23,429)
<b>Net Realized and Unrealized Gain (Loss) on Investments</b>	<u>72,666</u>	<u>19,821</u>	<u>378,312</u>	<u>204,272</u>	<u>61,998</u>	<u>72,897</u>
<b>Net Increase (Decrease) in Net Assets Resulting from Operations</b>	<u>\$ 62,481</u>	<u>\$ 19,783</u>	<u>\$ 355,010</u>	<u>\$ 207,459</u>	<u>\$ 62,145</u>	<u>\$ 68,769</u>

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

**UNIVERSAL LIFE SEPARATE ACCOUNT FORTUNE VII  
STATEMENTS OF OPERATIONS (Continued)  
FOR THE YEAR ENDED DECEMBER 31, 2025**

	<b>EQ/MFS Utilities Series Portfolio</b>	<b>EQ/Mid Cap Index Portfolio</b>	<b>EQ/Moderate Allocation Portfolio</b>	<b>EQ/Moderate- Plus Allocation Portfolio</b>	<b>EQ/Money Market Portfolio</b>	<b>EQ/PIMCO Global Real Return Portfolio</b>
<b>Income and Expenses:</b>						
Investment Income						
Dividends from the Portfolios	\$ 22,885	\$ 7,087	\$ 702	\$ 3,289	\$ 131,516	\$ 356
Expenses						
Asset-based charges	10,222	9,043	399	2,022	25,945	219
<b>Net Investment Income (Loss)</b>	<u>12,663</u>	<u>(1,956)</u>	<u>303</u>	<u>1,267</u>	<u>105,571</u>	<u>137</u>
<b>Net Realized and Unrealized Gain (Loss) on Investments:</b>						
Net realized gain (loss) on investments	19,450	13,313	(885)	1,411	(545)	417
Net realized gain distribution from the Portfolios	10,825	50,483	1,662	13,114	39	-
Net realized gain (loss)	<u>30,275</u>	<u>63,796</u>	<u>777</u>	<u>14,525</u>	<u>(506)</u>	<u>417</u>
Net change in unrealized appreciation (depreciation) of investments	52,894	(9,110)	1,364	(2)	101	(38)
<b>Net Realized and Unrealized Gain (Loss) on Investments</b>	<u>83,169</u>	<u>54,686</u>	<u>2,141</u>	<u>14,523</u>	<u>(405)</u>	<u>379</u>
<b>Net Increase (Decrease) in Net Assets Resulting from Operations</b>	<u>\$ 95,832</u>	<u>\$ 52,730</u>	<u>\$ 2,444</u>	<u>\$ 15,790</u>	<u>\$ 105,166</u>	<u>\$ 516</u>

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

**UNIVERSAL LIFE SEPARATE ACCOUNT FORTUNE VII  
STATEMENTS OF OPERATIONS (Continued)  
FOR THE YEAR ENDED DECEMBER 31, 2025**

	<b>EQ/PIMCO Total Return ESG Portfolio</b>	<b>EQ/PIMCO Ultra Short Bond Portfolio</b>	<b>EQ/Small Company Index Portfolio</b>	<b>EQ/Sustainable US Thematic Portfolio</b>	<b>EQ/T. Rowe Price Health Sciences Portfolio</b>	<b>EQ/Wellington Energy Portfolio</b>
<b>Income and Expenses:</b>						
Investment Income						
Dividends from the Portfolios	\$ 92,161	\$ 13,647	\$ 4,261	\$ 194	\$ -	\$ 2,208
Expenses						
Asset-based charges	16,661	2,073	4,995	832	1,129	553
<b>Net Investment Income (Loss)</b>	<b>75,500</b>	<b>11,574</b>	<b>(734)</b>	<b>(638)</b>	<b>(1,129)</b>	<b>1,655</b>
<b>Net Realized and Unrealized Gain (Loss) on Investments:</b>						
Net realized gain (loss) on investments	26,103	(13,020)	11,829	198	1,826	1,003
Net realized gain distribution from the Portfolios	-	-	17,269	6,417	1,679	-
Net realized gain (loss)	26,103	(13,020)	29,098	6,615	3,505	1,003
Net change in unrealized appreciation (depreciation) of investments	16,719	15,410	40,678	(2,687)	13,550	2,527
<b>Net Realized and Unrealized Gain (Loss) on Investments</b>	<b>42,822</b>	<b>2,390</b>	<b>69,776</b>	<b>3,928</b>	<b>17,055</b>	<b>3,530</b>
<b>Net Increase (Decrease) in Net Assets Resulting from Operations</b>	<b>\$ 118,322</b>	<b>\$ 13,964</b>	<b>\$ 69,042</b>	<b>\$ 3,290</b>	<b>\$ 15,926</b>	<b>\$ 5,185</b>

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

**UNIVERSAL LIFE SEPARATE ACCOUNT FORTUNE VII  
STATEMENTS OF OPERATIONS (Continued)  
FOR THE YEAR ENDED DECEMBER 31, 2025**

	<b>Multimanager Technology Portfolio</b>
<b>Income and Expenses:</b>	
Investment Income	
Dividends from the Portfolios	\$ -
Expenses	
Asset-based charges	3,371
<b>Net Investment Income (Loss)</b>	<u>(3,371)</u>
<b>Net Realized and Unrealized Gain (Loss) on Investments:</b>	
Net realized gain (loss) on investments	29,688
Net realized gain distribution from the Portfolios	47,230
Net realized gain (loss)	76,918
Net change in unrealized appreciation (depreciation) of investments	9,351
<b>Net Realized and Unrealized Gain (Loss) on Investments</b>	<u>86,269</u>
<b>Net Increase (Decrease) in Net Assets Resulting from Operations</b>	<u>\$ 82,898</u>

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

**UNIVERSAL LIFE SEPARATE ACCOUNT FORTUNE VII  
STATEMENTS OF CHANGES IN NET ASSETS  
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024**

	1290 VT High Yield Bond Portfolio		1290 VT Micro Cap Portfolio		1290 VT Natural Resources Portfolio		1290 VT Real Estate Portfolio		1290 VT Small Cap Value Portfolio		1290 VT SmartBeta Equity ESG Portfolio	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
<b>Increase (Decrease) in Net Assets</b>												
<b>From Operations:</b>												
Net investment income (loss)	\$ 29,967	\$ 21,823	\$ 14	\$ -	\$ 1,330	\$ 1,202	\$ 4,556	\$ 3,527	\$ 522	\$ 249	\$ (540)	\$ 74
Net realized gain (loss)	9,075	1,048	576	-	1,122	(213)	5,988	613	17,620	3,290	11,146	4,528
Net change in unrealized appreciation (depreciation) of investments	(164)	(12,305)	(5)	-	12,012	(4,209)	5,613	(6,595)	(10,350)	3,560	913	(721)
Net increase (decrease) in net assets resulting from operations	38,878	10,566	585	-	14,464	(3,220)	16,157	(2,455)	7,792	7,099	11,519	3,881
<b>From Contract Owners Transactions:</b>												
Payments received from contract owners	421,796	279,100	-	-	12,328	3,511	52,806	68,912	84,110	27,890	19,655	32,695
Transfers between Variable Investment Options including guaranteed interest account, net	63,787	53,645	5,183	-	(2,193)	17,357	29,260	22,840	1,170	21,279	23,999	23,415
Redemptions for contract benefits and terminations	(11,555)	(4,066)	(506)	-	(1,589)	(1,421)	(2,912)	(3,531)	(136)	(32)	-	(5)
Contract maintenance charges	(1,399)	(555)	(5)	-	(110)	(75)	(419)	(223)	(207)	(87)	(220)	(115)
Net increase (decrease) in net assets resulting from contract owners transactions	472,629	328,124	4,672	-	8,436	19,372	78,735	87,998	84,937	49,050	43,434	55,990
Net increase (decrease) in amount retained (payable) by ULICO in the Separate Account	823	(3,196)	(9)	-	(968)	978	1,042	(1,010)	(239)	230	8	(663)
<b>Net Increase (Decrease) in Net Assets</b>	512,330	335,494	5,248	-	21,932	17,130	95,934	84,533	92,490	56,379	54,961	59,208
<b>Net Assets — Beginning of Year or Period</b>	418,688	83,194	-	-	46,117	28,987	152,100	67,567	63,624	7,245	73,855	14,647
<b>Net Assets — End of Year or Period</b>	<u>\$ 931,018</u>	<u>\$ 418,688</u>	<u>\$ 5,248</u>	<u>\$ -</u>	<u>\$ 68,049</u>	<u>\$ 46,117</u>	<u>\$ 248,034</u>	<u>\$ 152,100</u>	<u>\$ 156,114</u>	<u>\$ 63,624</u>	<u>\$ 128,816</u>	<u>\$ 73,855</u>

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

**UNIVERSAL LIFE SEPARATE ACCOUNT FORTUNE VII  
STATEMENTS OF CHANGES IN NET ASSETS (Continued)  
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024**

	1290 VT Socially Responsible Portfolio		EQ/AB Dynamic Moderate Growth Portfolio		EQ/AB Short Duration Government Bond Portfolio		EQ/AB Small Cap Growth Portfolio		EQ/Aggressive Allocation Portfolio		EQ/All Asset Growth Allocation Portfolio	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
<b>Increase (Decrease) in Net Assets</b>												
<b>From Operations:</b>												
Net investment income (loss)	\$ (1,142)	\$ (22)	\$ 54	\$ 185	\$ 18,351	\$ 9,928	\$ (1,386)	\$ (828)	\$ 5,991	\$ 2,970	\$ 4,161	\$ 3,288
Net realized gain (loss)	18,144	1,562	9,308	3,790	2,504	226	22,748	11,719	50,748	16,520	21,878	5,283
Net change in unrealized appreciation (depreciation) of investments	17,876	(708)	(188)	978	(3,915)	(4,996)	(5,743)	(1,726)	(1,442)	8,965	16,037	(1,556)
Net increase (decrease) in net assets resulting from operations	34,878	832	9,174	4,953	16,940	5,158	15,619	9,165	55,297	28,455	42,076	7,015
<b>From Contract Owners Transactions:</b>												
Payments received from contract owners	141,251	33,696	29,941	21,063	359,403	192,463	64,092	58,913	497,677	70,138	66,743	155,179
Transfers between Variable Investment Options including guaranteed interest account, net	16,739	(211)	310	(45)	(11,420)	11,721	5,151	3,147	1,006	7,855	(199)	(241)
Redemptions for contract benefits and terminations	(5,442)	11	(13,982)	22	(17,738)	(5,226)	(2,920)	(3,026)	-	(364)	(2,033)	-
Contract maintenance charges	(251)	(42)	(201)	(157)	(812)	(414)	(312)	(163)	(1,156)	(456)	(792)	(475)
Net increase (decrease) in net assets resulting from contract owners transactions	152,297	33,454	16,068	20,883	329,433	198,544	66,011	58,871	497,527	77,173	63,719	154,463
Net increase (decrease) in amount retained (payable) by ULICO in the Separate Account	(3)	-	(29)	(92)	1,526	(1,504)	263	(505)	(1,208)	(5,207)	(136)	(1,431)
<b>Net Increase (Decrease) in Net Assets</b>	187,172	34,286	25,213	25,744	347,899	202,198	81,893	67,531	551,616	100,421	105,659	160,047
<b>Net Assets — Beginning of Year or Period</b>	37,256	2,970	61,546	35,802	304,484	102,286	123,449	55,918	308,131	207,710	216,697	56,650
<b>Net Assets — End of Year or Period</b>	<u>\$ 224,428</u>	<u>\$ 37,256</u>	<u>\$ 86,759</u>	<u>\$ 61,546</u>	<u>\$ 652,383</u>	<u>\$ 304,484</u>	<u>\$ 205,342</u>	<u>\$ 123,449</u>	<u>\$ 859,747</u>	<u>\$ 308,131</u>	<u>\$ 322,356</u>	<u>\$ 216,697</u>

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

**UNIVERSAL LIFE SEPARATE ACCOUNT FORTUNE VII  
STATEMENTS OF CHANGES IN NET ASSETS (Continued)  
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024**

	EQ/American Century Mid Cap Value Portfolio		EQ/Conservative Allocation Portfolio		EQ/Emerging Markets Equity PLUS Portfolio		EQ/Equity 500 Index Portfolio		EQ/Fidelity Institutional AM <sup>®</sup> Large Cap Portfolio		EQ/Franklin Rising Dividends Portfolio	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
<b>Increase (Decrease) in Net Assets</b>												
<b>From Operations:</b>												
Net investment income (loss)	\$ 2,388	\$ 1,092	\$ 28,535	\$ 4,306	\$ 1,417	\$ 1,071	\$ (12,465)	\$ 3,245	\$ (8,056)	\$ (3,159)	\$ (5,748)	\$ (2,052)
Net realized gain (loss)	32,326	7,068	19,070	4,070	8,950	70	781,861	134,971	141,599	56,458	137,447	45,124
Net change in unrealized appreciation (depreciation) of investments	(92)	(3,863)	(29,097)	(3,502)	17,417	(3,099)	639,704	319,034	49,539	19,284	71,205	6,028
Net increase (decrease) in net assets resulting from operations	34,622	4,297	18,508	4,874	27,784	(1,958)	1,409,100	457,250	183,082	72,583	202,904	49,100
<b>From Contract Owners Transactions:</b>												
Payments received from contract owners	327,098	55,333	918,864	152,664	49,721	60,828	5,112,926	3,326,776	701,557	420,599	956,060	1,001,076
Transfers between Variable Investment Options including guaranteed interest account, net	6,730	26,334	6,305	21,320	(7,678)	5,747	763,900	110,661	4,457	109,060	27,921	58,111
Redemptions for contract benefits and terminations	(13,496)	(5,171)	(5,284)	97	(6,914)	42	(265,020)	(74,057)	(88,606)	(12,943)	(88,393)	(17,434)
Contract maintenance charges	(552)	(182)	(1,288)	(340)	(284)	(138)	(15,469)	(6,238)	(2,026)	(856)	(2,887)	(1,550)
Net increase (decrease) in net assets resulting from contract owners transactions	319,780	76,314	918,597	173,741	34,845	66,479	5,596,337	3,357,142	615,382	515,860	892,701	1,040,203
Net increase (decrease) in amount retained (payable) by ULICO in the Separate Account	(251)	(1,278)	2,489	(2,587)	80	(67)	(2,424)	1,211	385	(622)	1,352	(1,640)
<b>Net Increase (Decrease) in Net Assets</b>	354,151	79,333	939,594	176,028	62,709	64,454	7,003,013	3,815,603	798,849	587,821	1,096,957	1,087,663
<b>Net Assets — Beginning of Year or Period</b>	119,819	40,486	205,768	29,740	69,517	5,063	4,985,293	1,169,690	820,301	232,480	1,395,318	307,655
<b>Net Assets — End of Year or Period</b>	<u>\$ 473,970</u>	<u>\$ 119,819</u>	<u>\$ 1,145,362</u>	<u>\$ 205,768</u>	<u>\$ 132,226</u>	<u>\$ 69,517</u>	<u>\$ 11,988,306</u>	<u>\$ 4,985,293</u>	<u>\$ 1,619,150</u>	<u>\$ 820,301</u>	<u>\$ 2,492,275</u>	<u>\$ 1,395,318</u>

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

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**UNIVERSAL LIFE SEPARATE ACCOUNT FORTUNE VII  
STATEMENTS OF CHANGES IN NET ASSETS (Continued)  
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024**

	EQ/Goldman Sachs Growth Allocation Portfolio		EQ/Goldman Sachs Moderate Growth Allocation Portfolio		EQ/Intermediate Government Bond Portfolio		EQ/International Equity Index Portfolio		EQ/Invesco Global Portfolio		EQ/Invesco Global Real Assets Portfolio	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
<b>Increase (Decrease) in Net Assets</b>												
<b>From Operations:</b>												
Net investment income (loss)	\$ 2,276	\$ 1,553	\$ 2,005	\$ 70	\$ 16,821	\$ 7,560	\$ 15,441	\$ 3,431	\$ (4,701)	\$ (1,487)	\$ 642	\$ 195
Net realized gain (loss)	12,826	5,129	3,324	35	2,599	236	41,756	138	95,646	13,723	1,951	133
Net change in unrealized appreciation (depreciation) of investments	4,678	5,907	5,126	425	7,830	(8,490)	37,702	(3,380)	(35,582)	(5,024)	103	(412)
Net increase (decrease) in net assets resulting from operations	19,780	12,589	10,455	530	27,250	(694)	94,899	189	55,363	7,212	2,696	(84)
<b>From Contract Owners Transactions:</b>												
Payments received from contract owners	47,417	61,335	144,131	-	466,247	172,877	349,409	93,360	370,686	159,413	21,359	14,059
Transfers between Variable Investment Options including guaranteed interest account, net	3,690	2,765	(10,957)	(128)	(11,319)	166,560	21,043	23,992	39,101	35,371	169	(1,115)
Redemptions for contract benefits and terminations	(2,615)	(5,003)	(613)	3	(20,256)	(1,134)	(8,708)	(210)	(38,845)	(5,081)	(588)	6
Contract maintenance charges	(568)	(248)	(189)	(46)	(1,179)	(478)	(838)	(211)	(775)	(270)	(70)	(38)
Net increase (decrease) in net assets resulting from contract owners transactions	47,924	58,849	132,372	(171)	433,493	337,825	360,906	116,931	370,167	189,433	20,870	12,912
Net increase (decrease) in amount retained (payable) by ULICO in the Separate Account	42	(87)	30	(36)	1,137	(971)	730	(678)	271	(323)	12	(17)
<b>Net Increase (Decrease) in Net Assets</b>	67,746	71,351	142,857	323	461,880	336,160	456,535	116,442	425,801	196,322	23,578	12,811
<b>Net Assets — Beginning of Year or Period</b>	147,194	75,843	7,076	6,753	368,290	32,130	168,658	52,216	251,336	55,014	14,954	2,143
<b>Net Assets — End of Year or Period</b>	<u>\$ 214,940</u>	<u>\$ 147,194</u>	<u>\$ 149,933</u>	<u>\$ 7,076</u>	<u>\$ 830,170</u>	<u>\$ 368,290</u>	<u>\$ 625,193</u>	<u>\$ 168,658</u>	<u>\$ 677,137</u>	<u>\$ 251,336</u>	<u>\$ 38,532</u>	<u>\$ 14,954</u>

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

**UNIVERSAL LIFE SEPARATE ACCOUNT FORTUNE VII  
STATEMENTS OF CHANGES IN NET ASSETS (Continued)  
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024**

	EQ/Janus Enterprise Portfolio		EQ/JPMorgan Value Opportunities Portfolio		EQ/Large Cap Growth Index Portfolio		EQ/Large Cap Value Index Portfolio		EQ/MFS International Growth Portfolio		EQ/MFS Technology Portfolio	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
<b>Increase (Decrease) in Net Assets</b>												
<b>From Operations:</b>												
Net investment income (loss)	\$ (10,185)	\$ (5,431)	\$ (38)	\$ 351	\$ (23,302)	\$ (10,200)	\$ 3,187	\$ 6,482	\$ 147	\$ (82)	\$ (4,128)	\$ (1,955)
Net realized gain (loss)	112,507	48,688	10,619	9,267	311,545	106,207	136,096	52,570	49,731	15,913	96,326	27,358
Net change in unrealized appreciation (depreciation) of investments	(39,841)	(5,276)	9,202	(6,295)	66,767	106,732	68,176	(11,821)	12,267	(12,060)	(23,429)	17,222
Net increase (decrease) in net assets resulting from operations	62,481	37,981	19,783	3,323	355,010	202,739	207,459	47,231	62,145	3,771	68,769	42,625
<b>From Contract Owners Transactions:</b>												
Payments received from contract owners	426,265	430,820	102,229	28,550	1,111,603	836,877	432,145	756,323	138,945	224,742	290,767	87,980
Transfers between Variable Investment Options including guaranteed interest account, net	(12,051)	3,150	(35,709)	37,686	(137,810)	217,155	189,651	76,100	(19,882)	15,762	18,891	34,530
Redemptions for contract benefits and terminations	(84,078)	(10,164)	(13,030)	(400)	(63,370)	(9,496)	(18,860)	(1,765)	(8,386)	(4,568)	(8,221)	(1,532)
Contract maintenance charges	(1,338)	(716)	(248)	(119)	(4,009)	(1,920)	(2,882)	(1,298)	(757)	(336)	(816)	(379)
Net increase (decrease) in net assets resulting from contract owners transactions	328,798	423,090	53,242	65,717	906,414	1,042,616	600,054	829,360	109,920	235,600	300,621	120,599
Net increase (decrease) in amount retained (payable) by ULICO in the Separate Account	(419)	142	(433)	426	(3,078)	718	(2,849)	(898)	(3,478)	2,843	(749)	(1,284)
<b>Net Increase (Decrease) in Net Assets</b>	390,860	461,213	72,592	69,466	1,258,346	1,246,073	804,664	875,693	168,587	242,214	368,641	161,940
<b>Net Assets — Beginning of Year or Period</b>	680,575	219,362	86,134	16,668	1,512,372	266,299	1,014,318	138,625	304,083	61,869	235,100	73,160
<b>Net Assets — End of Year or Period</b>	<u>\$ 1,071,435</u>	<u>\$ 680,575</u>	<u>\$ 158,726</u>	<u>\$ 86,134</u>	<u>\$ 2,770,718</u>	<u>\$ 1,512,372</u>	<u>\$ 1,818,982</u>	<u>\$ 1,014,318</u>	<u>\$ 472,670</u>	<u>\$ 304,083</u>	<u>\$ 603,741</u>	<u>\$ 235,100</u>

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

**UNIVERSAL LIFE SEPARATE ACCOUNT FORTUNE VII  
STATEMENTS OF CHANGES IN NET ASSETS (Continued)  
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024**

	EQ/MFS Utilities Series Portfolio		EQ/Mid Cap Index Portfolio		EQ/Moderate Allocation Portfolio		EQ/Moderate-Plus Allocation Portfolio		EQ/Money Market Portfolio		EQ/PIMCO Global Real Return Portfolio	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
<b>Increase (Decrease) in Net Assets</b>												
<b>From Operations:</b>												
Net investment income (loss)	\$ 12,663	\$ 3,326	\$ (1,956)	\$ (291)	\$ 303	\$ 673	\$ 1,267	\$ 1,371	\$ 105,571	\$ 38,716	\$ 137	\$ (18)
Net realized gain (loss)	30,275	7,607	63,796	31,930	777	1,383	14,525	8,924	(506)	3	417	1
Net change in unrealized appreciation (depreciation) of investments	52,894	22,011	(9,110)	(4,583)	1,364	(2,089)	(2)	(2,081)	101	(101)	(38)	(27)
Net increase (decrease) in net assets resulting from operations	95,832	32,944	52,730	27,056	2,444	(33)	15,790	8,214	105,166	38,618	516	(44)
<b>From Contract Owners Transactions:</b>												
Payments received from contract owners	319,115	377,518	312,368	337,543	162,906	49,417	39,325	87,253	12,084,411	5,211,335	39,332	2,166
Transfers between Variable Investment Options including guaranteed interest account, net	11,785	9,435	49,137	11,688	(176,628)	(21,604)	9,280	(6,660)	(1,118,150)	(2,008,768)	79	99
Redemptions for contract benefits and terminations	(43,035)	(10,834)	(14,915)	(14,368)	(43)	6	(237)	(11,727)	(3,901,308)	(2,810,342)	(9)	-
Contract maintenance charges	(1,267)	(662)	(1,317)	(623)	(90)	(100)	(484)	(316)	(7,963)	(693)	(70)	(10)
Net increase (decrease) in net assets resulting from contract owners transactions	286,598	375,457	345,273	334,240	(13,855)	27,719	47,884	68,550	7,056,990	391,532	39,332	2,255
Net increase (decrease) in amount retained (payable) by ULICO in the Separate Account	62	(704)	(1,432)	(216)	(219)	145	(773)	(902)	7,163	(648)	25	(27)
<b>Net Increase (Decrease) in Net Assets</b>	382,492	407,697	396,571	361,080	(11,630)	27,831	62,901	75,862	7,169,319	429,502	39,873	2,184
<b>Net Assets — Beginning of Year or Period</b>	577,907	170,210	479,657	118,577	41,657	13,826	113,635	37,773	610,626	181,124	4,066	1,882
<b>Net Assets — End of Year or Period</b>	\$ 960,399	\$ 577,907	\$ 876,228	\$ 479,657	\$ 30,027	\$ 41,657	\$ 176,536	\$ 113,635	\$ 7,779,945	\$ 610,626	\$ 43,939	\$ 4,066

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

**UNIVERSAL LIFE SEPARATE ACCOUNT FORTUNE VII  
STATEMENTS OF CHANGES IN NET ASSETS (Continued)  
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024**

	EQ/PIMCO Total Return ESG Portfolio		EQ/PIMCO Ultra Short Bond Portfolio		EQ/Small Company Index Portfolio		EQ/Sustainable US Thematic Portfolio		EQ/T. Rowe Price Health Sciences Portfolio		EQ/Wellington Energy Portfolio	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
<b>Increase (Decrease) in Net Assets</b>												
<b>From Operations:</b>												
Net investment income (loss)	\$ 75,500	\$ 44,534	\$ 11,574	\$ 34,435	\$ (734)	\$ 760	\$ (638)	\$ (256)	\$ (1,129)	\$ (784)	\$ 1,655	\$ 348
Net realized gain (loss)	26,103	105	(13,020)	156	29,098	17,417	6,615	126	3,505	4,062	1,003	37
Net change in unrealized appreciation (depreciation) of investments	16,719	(40,243)	15,410	(20,813)	40,678	(2,047)	(2,687)	(366)	13,550	(6,001)	2,527	(34)
Net increase (decrease) in net assets resulting from operations	118,322	4,396	13,964	13,778	69,042	16,130	3,290	(496)	15,926	(2,723)	5,185	351
<b>From Contract Owners Transactions:</b>												
Payments received from contract owners	765,859	643,150	220,177	118,655	226,483	173,694	1,601	36,504	3,595	48,895	47,686	19,720
Transfers between Variable Investment Options including guaranteed interest account, net	209,424	187,461	(22,373)	638,193	8,027	(1,071)	6,276	31,775	9,313	2,917	3,243	4,367
Redemptions for contract benefits and terminations	(89,869)	(19,048)	(667,412)	(619)	(3,355)	(105)	(136)	(32)	(1,191)	(580)	(925)	(5)
Contract maintenance charges	(3,269)	(1,526)	(361)	(804)	(795)	(323)	(139)	(82)	(228)	(113)	(133)	(73)
Net increase (decrease) in net assets resulting from contract owners transactions	882,145	810,037	(469,969)	755,425	230,360	172,195	7,602	68,165	11,489	51,119	49,871	24,009
Net increase (decrease) in amount retained (payable) by ULICO in the Separate Account	8,507	(10,783)	138	(681)	(640)	462	65	(65)	17	(51)	(117)	115
<b>Net Increase (Decrease) in Net Assets</b>	1,008,974	803,650	(455,867)	768,522	298,762	188,787	10,957	67,604	27,432	48,345	54,939	24,475
<b>Net Assets — Beginning of Year or Period</b>	1,272,367	468,717	796,195	27,673	232,235	43,448	67,604	-	76,186	27,841	32,193	7,718
<b>Net Assets — End of Year or Period</b>	<u>\$ 2,281,341</u>	<u>\$ 1,272,367</u>	<u>\$ 340,328</u>	<u>\$ 796,195</u>	<u>\$ 530,997</u>	<u>\$ 232,235</u>	<u>\$ 78,561</u>	<u>\$ 67,604</u>	<u>\$ 103,618</u>	<u>\$ 76,186</u>	<u>\$ 87,132</u>	<u>\$ 32,193</u>

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

**UNIVERSAL LIFE SEPARATE ACCOUNT FORTUNE VII  
STATEMENTS OF CHANGES IN NET ASSETS (Continued)  
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024**

	<b>Multimanager Technology Portfolio</b>	
	<b>2025</b>	<b>2024</b>
<b>Increase (Decrease) in Net Assets</b>		
<b>From Operations:</b>		
Net investment income (loss)	\$ (3,371)	\$ (1,232)
Net realized gain (loss)	76,918	23,450
Net change in unrealized appreciation (depreciation) of investments	9,351	(3,296)
Net increase (decrease) in net assets resulting from operations	<u>82,898</u>	<u>18,922</u>
<b>From Contract Owners Transactions:</b>		
Payments received from contract owners	125,795	89,778
Transfers between Variable Investment Options including guaranteed interest account, net	31,342	48,330
Redemptions for contract benefits and terminations	(1,871)	(1,014)
Contract maintenance charges	(671)	(351)
Net increase (decrease) in net assets resulting from contract owners transactions	<u>154,595</u>	<u>136,743</u>
Net increase (decrease) in amount retained (payable) by ULICO in the Separate Account	<u>(2,375)</u>	<u>(4,663)</u>
<b>Net Increase (Decrease) in Net Assets</b>	235,118	151,002
<b>Net Assets — Beginning of Year or Period</b>	221,491	70,489
<b>Net Assets — End of Year or Period</b>	<u>\$ 456,609</u>	<u>\$ 221,491</u>

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

**UNIVERSAL LIFE SEPARATE ACCOUNT FORTUNE VII  
STATEMENTS OF CHANGES IN NET ASSETS (Continued)  
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024**

The changes in units outstanding for the year ended December 31, 2025 and 2024 were as follows:

Variable Investment Options	Share Class**	12/31/2025			12/31/2024		
		Units Issued	Units Redeemed	Net Increase (Decrease)	Units Issued	Units Redeemed	Net Increase (Decrease)
1290 VT High Yield Bond Portfolio	Class IB	134,070	87,437	46,633	51,561	17,358	34,203
1290 VT Micro Cap Portfolio	Class IB	438	1	437	-	-	-
1290 VT Natural Resources Portfolio	Class IB	16,551	15,658	893	13,323	11,406	1,917
1290 VT Real Estate Portfolio	Class IB	55,837	42,917	12,920	36,498	21,815	14,683
1290 VT Small Cap Value Portfolio	Class IB	10,750	4,548	6,202	4,485	535	3,950
1290 VT SmartBeta Equity ESG Portfolio	Class IB	6,851	4,810	2,041	3,542	644	2,898
1290 VT Socially Responsible Portfolio	Class IB	8,053	1,521	6,532	1,556	150	1,406
EQ/AB Dynamic Moderate Growth Portfolio	Class IB	3,678	2,486	1,192	2,325	651	1,674
EQ/AB Short Duration Government Bond Portfolio	Class IB	99,892	67,741	32,151	62,422	42,902	19,520
EQ/AB Small Cap Growth Portfolio	Class IB	8,289	4,185	4,104	5,476	1,702	3,774
EQ/Aggressive Allocation Portfolio	Class B	44,111	3,419	40,692	9,057	1,962	7,095
EQ/All Asset Growth Allocation Portfolio	Class IB	6,198	3,156	3,042	7,940	177	7,763
EQ/American Century Mid Cap Value Portfolio	Class IB	14,403	1,017	13,386	4,112	875	3,237
EQ/Conservative Allocation Portfolio	Class B	204,369	103,225	101,144	89,281	68,663	20,618
EQ/Emerging Markets Equity PLUS Portfolio	Class IB	11,359	8,030	3,329	8,174	1,123	7,051
EQ/Equity 500 Index Portfolio	Class IB	108,322	46,400	61,922	64,558	23,495	41,063
EQ/Fidelity Institutional AM <sup>®</sup> Large Cap Portfolio	Class IB	15,225	6,381	8,844	9,067	719	8,348
EQ/Franklin Rising Dividends Portfolio	Class IB	33,852	16,538	17,314	24,139	2,617	21,522
EQ/Goldman Sachs Growth Allocation Portfolio	Class IB	32,837	29,159	3,678	18,636	13,663	4,973
EQ/Goldman Sachs Moderate Growth Allocation Portfolio	Class IB	30,755	19,293	11,462	253	269	(16)
EQ/Intermediate Government Bond Portfolio	Class IB	110,543	66,624	43,919	46,212	11,597	34,615
EQ/International Equity Index Portfolio	Class IB	43,622	15,664	27,958	17,385	6,977	10,408
EQ/Invesco Global Portfolio	Class IB	20,588	9,343	11,245	6,997	773	6,224
EQ/Invesco Global Real Assets Portfolio	Class IB	1,305	94	1,211	978	147	831
EQ/Janus Enterprise Portfolio	Class IB	23,901	10,360	13,541	21,043	2,926	18,117
EQ/JPMorgan Value Opportunities Portfolio	Class IB	6,894	4,543	2,351	4,156	1,236	2,920
EQ/Large Cap Growth Index Portfolio	Class IB	104,287	73,864	30,423	74,792	34,328	40,464
EQ/Large Cap Value Index Portfolio	Class IB	213,607	162,426	51,181	152,718	78,026	74,692
EQ/MFS International Growth Portfolio	Class IB	43,719	32,106	11,613	46,358	17,635	28,723
EQ/MFS Technology Portfolio	Class IB	13,281	6,405	6,876	3,980	725	3,255
EQ/MFS Utilities Series Portfolio	Class IB	11,107	4,052	7,055	11,881	1,680	10,201
EQ/Mid Cap Index Portfolio	Class IB	52,329	32,310	20,019	30,800	11,094	19,706
EQ/Moderate Allocation Portfolio	Class B	16,086	17,152	(1,066)	8,934	6,868	2,066
EQ/Moderate-Plus Allocation Portfolio	Class B	18,477	13,966	4,511	14,538	7,581	6,957
EQ/Money Market Portfolio	Class IB	11,714,913	5,264,865	6,450,048	5,162,650	4,764,639	398,011
EQ/PIMCO Global Real Return Portfolio	Class IB	5,391	235	5,156	483	179	304
EQ/PIMCO Total Return ESG Portfolio	Class IB	343,622	255,871	87,751	231,888	147,594	84,294
EQ/PIMCO Ultra Short Bond Portfolio	Class IB	48,714	92,539	(43,825)	73,134	1,069	72,065
EQ/Small Company Index Portfolio	Class IB	41,754	22,136	19,618	26,461	11,760	14,701
EQ/Sustainable US Thematic Portfolio	Class IB	11,544	10,850	694	6,084	10	6,074
EQ/T. Rowe Price Health Sciences Portfolio	Class IB	738	542	196	813	11	802
EQ/Wellington Energy Portfolio	Class IB	33,644	22,911	10,733	13,043	7,518	5,525
Multimanager Technology Portfolio	Class IB	9,134	5,634	3,500	3,413	101	3,312

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

\*\* Share class reflects the share class of the Portfolio in which the units of the Variable Investment Option are invested, as further described in Note 1 of these financial statements.

**Universal Life Separate Account Fortune VII  
Notes to Financial Statements  
December 31, 2025**

**1. Organization**

Universal Life Separate Account Fortune VII (“the Separate Account”) is a separate account of Universal Life Insurance Company (“ULICO”), a wholly-owned subsidiary of Universal Insurance Company (“UNICO”), which in turn is a wholly-owned subsidiary of Universal Group, Inc. (“UGI”). ULICO is domiciled in Puerto Rico and is operating under the provision of the Puerto Rico Insurance Code. The Separate Account is organized as a unit investment trust registered under the Investment Company Act of 1940, as amended (the “1940 Act”), starting operations on February 21, 2023.

The Separate Account offers Variable Investment Options (“VIOs”), also deemed Sub-accounts of the Separate Account, each of which invests in shares issued by the mutual funds portfolio of EQ Advisors Trust (“the Trust”). The Trust is a registered open-ended investment management company under the 1940 Act that sells shares of a portfolio (“Portfolio”) of mutual funds to separate accounts of insurance companies. The shares of the portfolios are registered under the Securities Act of 1933, as amended. The accompanying financial statements are those of the Variable Investment Options of the Separate Account. The Separate Account is used to fund benefits for variable annuities issued by ULICO for Universal VIA Generation Growth (the “Contract” or “Accumulator”) which provides for the accumulation of retirement savings. These annuities in the Accumulator Series, are offered with the same VIO as a nonqualified annuity for after-tax contributions only, or as an individual retirement annuity when used as an investment vehicle for certain qualified plans. Universal VIA Growth is offered under individual variable annuity forms.

The following VIOs are subaccounts of the Separate Account:

1290 VT High Yield Bond Portfolio	EQ/Invesco Global Portfolio
1290 VT Micro Cap Portfolio	EQ/Invesco Global Real Assets Portfolio
1290 VT Natural Resources Portfolio	EQ/Janus Enterprise Portfolio
1290 VT Real Estate Portfolio	EQ/JPMorgan Value Opportunities Portfolio
1290 VT Small Cap Value Portfolio	EQ/Large Cap Growth Index Portfolio
1290 VT SmartBeta Equity ESG Portfolio	EQ/Large Cap Value Index Portfolio
1290 VT Socially Responsible Portfolio	EQ/MFS International Growth Portfolio
EQ/AB Dynamic Moderate Growth Portfolio	EQ/MFS Technology Portfolio
EQ/AB Short Duration Government Bond Portfolio	EQ/MFS Utilities Series Portfolio
EQ/AB Small Cap Growth Portfolio	EQ/Mid Cap Index Portfolio
EQ/Aggressive Allocation Portfolio	EQ/Moderate Allocation Portfolio
EQ/All Asset Growth Allocation Portfolio	EQ/Moderate-Plus Allocation Portfolio
EQ/American Century Mid Cap Value Portfolio	EQ/Money Market Portfolio
EQ/Conservative Allocation Portfolio	EQ/PIMCO Global Real Return Portfolio
EQ/Emerging Markets Equity PLUS Portfolio	EQ/PIMCO Total Return ESG Portfolio
EQ/Equity 500 Index Portfolio	EQ/PIMCO Ultra Short Bond Portfolio
EQ/Fidelity Institutional AM <sup>®</sup> Large Cap Portfolio	EQ/Small Company Index Portfolio
EQ/Franklin Rising Dividends Portfolio	EQ/Sustainable US Thematic Portfolio
EQ/Goldman Sachs Growth Allocation Portfolio	EQ/T. Rowe Price Health Sciences Portfolio
EQ/Goldman Sachs Moderate Growth Allocation Portfolio	EQ/Wellington Energy Portfolio
EQ/Intermediate Government Bond Portfolio	Multimanager Technology Portfolio
EQ/International Equity Index Portfolio	

The assets in each VIO are invested in shares of a corresponding Portfolio of the Trust, which are offered by the Portfolios at net asset value and are categorized by the share class of each Portfolio. The Trust issues Class B and Class IB shares and are subject to fees for investment management, administration and other Portfolio expenses. The expenses related to each share class of the Portfolios are those borne by the specific unit classes of the VIOs.

**Universal Life Separate Account Fortune VII  
Notes to Financial Statements  
December 31, 2025**

**1. Organization (continued)**

Under the Puerto Rico Insurance Code, the assets within the Separate Account are legally insulated from ULICO assets. The only shareholders of the Separate Account are contract holders ("Contract Owner") of the Universal VIA Generation Growth annuity contract issued by ULICO. All Contracts are issued by ULICO and the assets of the Separate Account are the property of ULICO. However, the portion of the Separate Account's assets attributable to the Contracts will not be charged with liabilities arising out of any other business ULICO may conduct.

The amount retained by ULICO in the Separate Account arises primarily from (1) contributions from ULICO, and (2) the portion, determined ratably, of the Separate Account's investment results applicable to those assets in the Separate Account in excess of the net assets attributable to accumulation units. Amounts retained by ULICO are not subject to charges for mortality and expense risks, asset-based administration charges and distribution charges. Amounts retained by ULICO in the Separate Account may be transferred at any time by ULICO to its General Account ("General Account").

Each VIO of the Separate Account bears indirect exposure to the market, credit, and liquidity risks of the Portfolio in which it invests. In the normal course of business, ULICO may have agreements to indemnify another party under given circumstances. The maximum exposure under these arrangements is unknown as this would involve future claims that may be, but have not been, made against the VIOs of the Separate Account. Based on experience, the risk of material loss is expected to be remote.

**2. Significant Accounting Policies**

The financial statements of the Separate Account are prepared in conformity with the accounting principles generally accepted in the United States of America ("GAAP"). The Separate Account follows investment company accounting and reporting guidance in the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic 946 — Investment Companies.

**Use of Estimates:** In preparing the Separate Account's financial statements in accordance with GAAP, estimates or assumptions (which could differ from actual results) may be used that affect reported amounts and disclosures.

**Fiscal Year:** The Separate Account fiscal year ends on December 31<sup>st</sup> each year. All references to years in these notes to the Financial Statements represent the calendar year then ended, except for year 2023, which represent the period since inception date of February 21<sup>st</sup>, 2023.

**Investments in Shares of the Portfolios:** Investments are made in shares of the Portfolios and the fair values of investments are the reported net asset values per share of the respective Portfolios. The net asset value is determined by the Trust using the fair value of the underlying assets of the Portfolios less liabilities.

**Investment Transactions and Investment Income:** Investment transactions are recorded on the trade date. Dividend income and net realized gain distributions from the Portfolios are recorded on the ex-dividend date and automatically reinvested when paid.

Net realized gain (loss) on investments are gains and losses on redemptions of investments in the Portfolios (determined on the identified cost basis). For those redemptions resulting from VIO transfers, realized gains are automatically reinvested in the issued VIO option.

**Due to and Due from:** Receivable/payable for policy-related transactions represent amounts due to/from ULICO's General Account. These are primarily related to premiums, surrenders, death benefits and amounts transferred among various Portfolios by Contract Owners. Receivable/payable for shares of the Portfolios sold/purchased represent unsettled trades.

**Universal Life Separate Account Fortune VII  
Notes to Financial Statements  
December 31, 2025**

**2. Significant Accounting Policies (continued)**

**Contract Payments and Transfers:** Payments received from Contract Owners represent participant contributions under the Contracts reduced by deductions and charges, as applicable. Contract Owners may allocate amounts in their individual accounts to VIOs of the Separate Account.

Transfers between VIOs are amounts that participants have directed to be moved among Portfolios. The net assets of any VIO may not be less than the aggregate value of the Contract Owner accounts allocated to that VIO.

Redemptions for contract benefits and terminations represent payments to participants and beneficiaries made under the terms of the Contracts and amounts that participants have requested to be withdrawn and paid to them or applied to the purchase of annuities. Withdrawal charges, if any, are included in Redemptions for contract benefits and terminations to the extent that such charges apply to the contracts. Administrative charges, if any, are included in Contract maintenance charges to the extent that such charges apply to the Contracts.

**Segment Reporting:** Each Subaccount within the Separate Account represents a single operating segment pursuant to FASB Accounting Standards Update 2023-07, Segment Reporting (Topic 280) - Improvements to Reportable Segment Disclosures. The financial information in the form of the VIO's portfolio composition, total return, expense ratios and changes in net assets (i.e. changes in net assets resulting from operations, subscriptions and redemptions) is reviewed by the VIOs' chief operating decision maker (CODM) to assess the VIOs' performance in comparison to the VIOs' benchmarks and to make resource allocation decisions for the VIOs' single segment is consistent with the information presented in these financial statements. The Principal Executive Officer and the Portfolio Construction Manager act as the CODM of the VIO. Segment assets are reflected on the accompanying Statement of Assets and Liabilities as "total assets" and significant expenses are listed on the accompanying Statement of Operations

**Adopted accounting standards:** In March 2024, the FASB issued ASU 2024-02, Codification Improvements – Amendments to Remove References to Concepts Statements, to facilitate Accounting Standards Codification (the "Codification") updates for technical corrections such as conforming amendments, clarifications to guidance, simplifications to wording or structure of guidance, and other minor improvements. The amendments in this update are effective for annual periods beginning after December 15, 2025. Entities are permitted to early adopt these amendments. The Separate Account adopted this guidance as of December 31, 2025, which had no material impact to these financial statements.

**Corrections and reclassifications to comparative information:** Certain financial highlights for the periods ended December 31, 2024 and 2023 have been revised to correct errors related supplementary financial highlight information. During the preparation of the Separate Account's financial statements for the year ended December 31, 2025, the Separate Account identified errors in certain financial highlights previously presented for the periods ended December 31, 2024 and 2023. The errors mainly related to the allocation of capital distributions received from the VIOs at the unit level. The corrections resulted in changes to certain financial highlight metrics, including accumulation unit value, account value, total return, and investment income ratios, for certain VIOs. Additionally, certain reclassifications were made with respect to the bifurcation of dividends from the portfolios and net realized gain distributions from the portfolios which are recognized within net investment income (loss) and net realized gain (loss) in the statements of changes in net assets. These revisions and reclassifications affected only supplementary financial information included in the financial highlights and did not impact the Separate Account's net assets, net asset value, and the results of operations. Accordingly, the revisions did not require a restatement of the Separate Account's previously issued financial statements.

**Universal Life Separate Account Fortune VII**  
**Notes to Financial Statements**  
**December 31, 2025**

### 3. Investment Valuation

Under GAAP, fair value is the price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. GAAP also establishes a fair value hierarchy that requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value, and identifies three levels of inputs that may be used to measure fair value:

Level 1 — Quoted prices that are publicly available for identical assets in active markets. Level 1 fair values generally are supported by market transactions that occur with sufficient frequency and volume to provide pricing information on an ongoing basis.

Level 2 — Observable inputs other than Level 1 prices, such as quoted prices for similar assets, quoted prices in markets that are not active, and inputs to model-derived valuations that are directly observable or can be corroborated by observable market data.

Level 3 — Unobservable inputs supported by little or no market activity and often requiring significant judgment or estimation, such as an entity's own assumptions about the cash flows or other significant components of value that market participants would use in pricing the asset or liability.

VIOs of the Separate Account have been classified as Level 1 at December 31, 2025. There were no transfers to Level 3 during the year.

### 4. Purchases and Sales of Portfolios

The cost of purchases and proceeds from sales of Portfolio shares for the period for the year ended December 31, 2025 were as follows:

<b>Variable Investment Options</b>	<b>Purchases</b>	<b>Sales</b>
1290 VT High Yield Bond Portfolio	\$ 875,249	\$ 371,829
1290 VT Micro Cap Portfolio	\$ 17,965	\$ 13,288
1290 VT Natural Resources Portfolio	\$ 40,481	\$ 31,682
1290 VT Real Estate Portfolio	\$ 138,129	\$ 53,797
1290 VT Small Cap Value Portfolio	\$ 131,779	\$ 30,912
1290 VT SmartBeta Equity ESG Portfolio	\$ 66,832	\$ 15,166
1290 VT Socially Responsible Portfolio	\$ 185,957	\$ 18,728
EQ/AB Dynamic Moderate Growth Portfolio	\$ 39,758	\$ 16,957
EQ/AB Short Duration Government Bond Portfolio	\$ 497,645	\$ 148,334
EQ/AB Small Cap Growth Portfolio	\$ 109,871	\$ 26,152
EQ/Aggressive Allocation Portfolio	\$ 566,143	\$ 14,769
EQ/All Asset Growth Allocation Portfolio	\$ 127,140	\$ 43,456
EQ/American Century Mid Cap Value Portfolio	\$ 408,628	\$ 53,899
EQ/Conservative Allocation Portfolio	\$ 2,195,091	\$ 1,237,087
EQ/Emerging Markets Equity PLUS Portfolio	\$ 85,968	\$ 49,627
EQ/Equity 500 Index Portfolio	\$ 7,908,586	\$ 2,034,289
EQ/Fidelity Institutional AM <sup>®</sup> Large Cap Portfolio	\$ 987,121	\$ 287,443
EQ/Franklin Rising Dividends Portfolio	\$ 1,365,043	\$ 384,154
EQ/Goldman Sachs Growth Allocation Portfolio	\$ 82,640	\$ 23,970

**Universal Life Separate Account Fortune VII  
Notes to Financial Statements  
December 31, 2025**

**4. Purchases and Sales of Portfolios (continued)**

<b>Variable Investment Options</b>	<b>Purchases</b>	<b>Sales</b>
EQ/Goldman Sachs Moderate Growth Allocation Portfolio	\$ 157,867	\$ 21,119
EQ/Intermediate Government Bond Portfolio	\$ 667,044	\$ 215,594
EQ/International Equity Index Portfolio	\$ 606,741	\$ 229,665
EQ/Invesco Global Portfolio	\$ 680,846	\$ 233,263
EQ/Invesco Global Real Assets Portfolio	\$ 27,711	\$ 4,726
EQ/Janus Enterprise Portfolio	\$ 689,551	\$ 279,854
EQ/JPMorgan Value Opportunities Portfolio	\$ 160,281	\$ 94,902
EQ/Large Cap Growth Index Portfolio	\$ 1,617,973	\$ 522,655
EQ/Large Cap Value Index Portfolio	\$ 1,006,740	\$ 306,372
EQ/MFS International Growth Portfolio	\$ 242,304	\$ 98,880
EQ/MFS Technology Portfolio	\$ 515,477	\$ 167,857
EQ/MFS Utilities Series Portfolio	\$ 504,839	\$ 194,689
EQ/Mid Cap Index Portfolio	\$ 543,032	\$ 150,663
EQ/Moderate Allocation Portfolio	\$ 190,923	\$ 203,032
EQ/Moderate-Plus Allocation Portfolio	\$ 92,573	\$ 31,081
EQ/Money Market Portfolio	\$ 16,466,081	\$ 9,296,320
EQ/PIMCO Global Real Return Portfolio	\$ 79,013	\$ 39,518
EQ/PIMCO Total Return ESG Portfolio	\$ 1,531,333	\$ 565,182
EQ/PIMCO Ultra Short Bond Portfolio	\$ 370,269	\$ 828,527
EQ/Small Company Index Portfolio	\$ 403,898	\$ 157,644
EQ/Sustainable US Thematic Portfolio	\$ 15,135	\$ 1,689
EQ/T. Rowe Price Health Sciences Portfolio	\$ 32,851	\$ 20,795
EQ/Wellington Energy Portfolio	\$ 76,033	\$ 24,624
Multimanager Technology Portfolio	\$ 334,875	\$ 138,797

**5. Expenses and Related Party Transactions**

Certain officers of the Separate Account are also officers, or employees of UGI or its affiliates. None of the Separate Account's officers receive compensation from the Separate Account.

Certain charges made directly against the net assets of the Separate Account and are reflected daily in the computation of the unit values of the Contracts are charged by ULICO. These charges are included in "asset-based charges" in the accompanying statement of operations. Under the Contracts, ULICO charges the account for the following:

<b>Contracts</b>	<b>Mortality and expense charge</b>
VIA Generation Growth	1.35%
VIA Generation Growth ADV	0.40%

**Universal Life Separate Account Fortune VII  
Notes to Financial Statements  
December 31, 2025**

**6. Contract Maintenance Charges**

The following administrative charges are deducted from the Contract Owners' account value as a redemption of units and are included as contract maintenance charges in the statements of changes in net assets:

*Contract Maintenance Fee:*

Administrative expenses are assessed on each contract anniversary following the first contract date anniversary, provided the account value is less than \$100,000. If the contract is surrendered or annuitized or a death benefit is paid on any date other than the contract date anniversary, the charge will be the pro rata portion for that year. The administrative expense charge by classes are as follow:

	VIA Generation Growth	VIA Generation Growth ADV
Administrative Expenses (Annual Contract Maintenance Fee)	\$ 50	\$ 50

*Annual Tax Charge:*

ULICO deducts on an annual basis from each variable account a Puerto Rico tax equal to 0.10% of the asset value of the variable account as of December 31 of each calendar year. This tax is payable to the Puerto Rico Treasury Department by ULICO pursuant to Section 1023.01 of the Puerto Rico Internal Revenue Code of 2011, as amended (the "P.R. Code").

The annual tax charges are deducted as unit liquidation from account value and are included in the statement of changes in net assets as part of contract maintenance charges.

*Withdrawal charges:*

The percentage of the withdrawal charge that applies to each contribution depends on how long each contribution has been invested in the contract. While for VIA Generation Growth ADV class there is no withdrawal charge, the following table shows the withdrawal charge as a percentage contribution for the VIA Generation Growth class:

**Withdrawal charge as a % of contributions for each year following the contribution**

Year	1	2	3	4	5	6
VIA Generation Growth	7%	7%	6%	6%	5%	3%(1)

(1) Charge does not apply in the 7th and subsequent years following contribution.

The withdrawal charges are deducted as unit liquidation from account value and are included in the statement of changes in net assets as part of redemptions for contract benefits and terminations.

**7. Financial Highlights**

The ranges for the total return ratios and unit values correspond to the product groupings that produced the lowest and highest expense ratios. The lowest and the highest contract charge represents the contract expenses that consist of mortality and expense charges. This ratio includes only those expenses that result in direct reduction to unit value. Charges made directly to Contract Owner account through the redemption of units and expenses of the respective Portfolios have been excluded. The summary may not reflect the minimum and maximum contract charges offered by the Company as Contract Owners may not have selected all available and applicable contract options.

**Universal Life Separate Account Fortune VII  
Notes to Financial Statements  
December 31, 2025**

**7. Financial Highlights (continued)**

Contract charges and related unit values and total returns for the year ended on December 31, 2023, represent the annualized figures of the result of operations from the period of each VIO's inception to December 31, 2023.

		Unit Value	Units Outstanding	Accumulation Unit Values	Investment Income Ratio [A]	Total Return [B]
<b>1290 VT High Yield Bond Portfolio</b>						
2023	Highest contract charge 1.35% Class IB	\$ 9.16				10.10%
	All contract charges		8,821	\$ 80,814	12.10%	
2024	Lowest contract charge 0.40% Class IB	\$ 9.89				7.03%
	Highest contract charge 1.35% Class IB	\$ 9.72				6.11%
	All contract charges		43,024	\$ 419,505	11.60%	
2025	Lowest contract charge 0.40% Class IB	\$ 10.60				7.18%
	Highest contract charge 1.35% Class IB	\$ 10.31				6.07%
	All contract charges		89,656	\$ 931,013	5.58%	
<b>1290 VT Micro Cap Portfolio</b>						
2025	Lowest contract charge 0.40% Class IB	\$ 12.03				15.90%
	All contract charges		437	\$ 5,257	0.47%	
<b>1290 VT Natural Resources Portfolio</b>						
2023	Lowest contract charge 0.40% Class IB	\$ 10.08				0.80%
	Highest contract charge 1.35% Class IB	\$ 10.00				0.00%
	All contract charges		2,879	\$ 28,998	11.10%	
2024	Lowest contract charge 0.40% Class IB	\$ 9.49				-5.85%
	Highest contract charge 1.35% Class IB	\$ 9.32				-6.80%
	All contract charges		4,796	\$ 45,148	4.03%	
2025	Lowest contract charge 0.40% Class IB	\$ 12.10				27.50%
	Highest contract charge 1.35% Class IB	\$ 11.77				26.29%
	All contract charges		5,688	\$ 68,049	3.06%	
<b>1290 VT Real Estate Portfolio</b>						
2023	Lowest contract charge 0.40% Class IB	\$ 5.91				3.87%
	Highest contract charge 1.35% Class IB	\$ 5.87				3.16%
	All contract charges		11,488	\$ 67,598	5.62%	
2024	Lowest contract charge 0.40% Class IB	\$ 5.94				0.51%
	Highest contract charge 1.35% Class IB	\$ 5.83				-0.68%
	All contract charges		26,171	\$ 153,142	4.76%	
2025	Lowest contract charge 0.40% Class IB	\$ 6.49				9.26%
	Highest contract charge 1.35% Class IB	\$ 6.31				8.23%
	All contract charges		39,092	\$ 248,034	3.40%	
<b>1290 VT Small Cap Value Portfolio</b>						
2023	Highest contract charge 1.35% Class IB	\$ 11.58				1.85%
	All contract charges		625	\$ 7,236	1.98%	
2024	Lowest contract charge 0.40% Class IB	\$ 14.05				20.29%
	Highest contract charge 1.35% Class IB	\$ 13.81				19.26%
	All contract charges		4,575	\$ 63,385	2.14%	
2025	Lowest contract charge 0.40% Class IB	\$ 14.85				5.69%
	Highest contract charge 1.35% Class IB	\$ 14.45				4.63%
	All contract charges		10,777	\$ 156,114	1.67%	

**Universal Life Separate Account Fortune VII  
Notes to Financial Statements  
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**7. Financial Highlights (continued)**

		<u>Unit Value</u>	<u>Units Outstanding</u>	<u>Accumulation Unit Values</u>	<u>Investment Income Ratio [A]</u>	<u>Total Return [B]</u>
<u>1290 VT SmartBeta Equity ESG Portfolio</u>						
2023	Highest contract charge 1.35% Class IB	\$ 17.37				12.14%
	All contract charges		805	\$ 13,992	2.08%	
2024	Highest contract charge 1.35% Class IB	\$ 19.94				14.80%
	All contract charges		3,704	\$ 73,863	1.58%	
2025	Highest contract charge 1.35% Class IB	\$ 22.42				12.44%
	All contract charges		5,745	\$ 128,816	0.78%	
<u>1290 VT Socially Responsible Portfolio</u>						
2023	Highest contract charge 1.35% Class IB	\$ 19.97				20.08%
	All contract charges		149	\$ 2,967	0.99%	
2024	Highest contract charge 1.35% Class IB	\$ 23.97				20.03%
	All contract charges		1,554	\$ 37,252	1.18%	
2025	Lowest contract charge 0.40% Class IB	\$ 28.48				16.72%
	Highest contract charge 1.35% Class IB	\$ 27.72				15.64%
	All contract charges		8,086	\$ 224,428	0.53%	
<u>EQ/AB Dynamic Moderate Growth Portfolio</u>						
2023	Highest contract charge 1.35% Class IB	\$ 12.30				8.66%
	All contract charges		2,900	\$ 35,679	1.62%	
2024	Highest contract charge 1.35% Class IB	\$ 13.45				9.35%
	All contract charges		4,574	\$ 61,516	1.73%	
2025	Highest contract charge 1.35% Class IB	\$ 15.05				11.90%
	All contract charges		5,766	\$ 86,759	1.38%	
<u>EQ/AB Short Duration Government Bond Portfolio</u>						
2023	Lowest contract charge 0.40% Class IB	\$ 9.95				3.54%
	Highest contract charge 1.35% Class IB	\$ 9.87				2.71%
	All contract charges		10,299	\$ 102,309	8.16%	
2024	Lowest contract charge 0.40% Class IB	\$ 10.35				4.02%
	Highest contract charge 1.35% Class IB	\$ 10.17				3.04%
	All contract charges		29,819	\$ 306,010	7.26%	
2025	Lowest contract charge 0.40% Class IB	\$ 10.74				3.77%
	Highest contract charge 1.35% Class IB	\$ 10.45				2.75%
	All contract charges		61,970	\$ 652,383	4.35%	
<u>EQ/AB Small Cap Growth Portfolio</u>						
2023	Highest contract charge 1.35% Class IB	\$ 14.34				8.64%
	All contract charges		3,882	\$ 55,683	0.42%	
2024	Lowest contract charge 0.40% Class IB	\$ 16.41				13.49%
	Highest contract charge 1.35% Class IB	\$ 16.12				12.41%
	All contract charges		7,656	\$ 123,719	0.37%	
2025	Lowest contract charge 0.40% Class IB	\$ 17.85				8.78%
	Highest contract charge 1.35% Class IB	\$ 17.38				7.82%
	All contract charges		11,760	\$ 205,351	0.20%	

**Universal Life Separate Account Fortune VII  
Notes to Financial Statements  
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**7. Financial Highlights (continued)**

		Unit Value	Units Outstanding	Accumulation Unit Values	Investment Income Ratio [A]	Total Return [B]
<u>EQ/Aggressive Allocation Portfolio</u>						
2023	Highest contract charge 1.35% Class IB	\$ 10.18				11.38%
	All contract charges		19,769	\$ 201,296	4.42%	
2024	Highest contract charge 1.35% Class IB	\$ 11.43				12.28%
	All contract charges		26,864	\$ 306,923	2.50%	
2025	Highest contract charge 1.35% Class IB	\$ 12.73				11.37%
	All contract charges		67,556	\$ 859,747	2.55%	
<u>EQ/All Asset Growth Allocation Portfolio</u>						
2023	Highest contract charge 1.35% Class IB	\$ 18.17				9.00%
	All contract charges		3,032	\$ 55,082	9.84%	
2024	Lowest contract charge 0.40% Class IB	\$ 20.28				10.76%
	Highest contract charge 1.35% Class IB	\$ 19.92				9.63%
	All contract charges		10,796	\$ 216,560	4.00%	
2025	Lowest contract charge 0.40% Class IB	\$ 23.67				16.72%
	Highest contract charge 1.35% Class IB	\$ 23.04				15.66%
	All contract charges		13,838	\$ 322,356	2.46%	
<u>EQ/American Century Mid Cap Value Portfolio</u>						
2023	Highest contract charge 1.35% Class IB	\$ 22.53				0.85%
	All contract charges		1,729	\$ 38,953	3.08%	
2024	Highest contract charge 1.35% Class IB	\$ 24.08				6.88%
	All contract charges		4,966	\$ 119,564	2.79%	
2025	Highest contract charge 1.35% Class IB	\$ 25.83				7.27%
	All contract charges		18,351	\$ 473,967	2.07%	
<u>EQ/Conservative Allocation Portfolio</u>						
2023	Highest contract charge 1.35% Class IB	\$ 8.35				5.56%
	All contract charges		3,551	\$ 29,642	10.16%	
2024	Highest contract charge 1.35% Class IB	\$ 8.62				3.23%
	All contract charges		24,169	\$ 208,258	4.53%	
2025	Highest contract charge 1.35% Class IB	\$ 9.14				6.03%
	All contract charges		125,313	\$ 1,145,363	7.38%	
<u>EQ/Emerging Markets Equity PLUS Portfolio</u>						
2023	Highest contract charge 1.35% Class IB	\$ 8.90				5.20%
	All contract charges		570	\$ 5,075	6.61%	
2024	Highest contract charge 1.35% Class IB	\$ 9.13				2.58%
	All contract charges		7,620	\$ 69,596	5.12%	
2025	Lowest contract charge 0.40% Class IB	\$ 12.36				32.90%
	Highest contract charge 1.35% Class IB	\$ 12.03				31.76%
	All contract charges		10,949	\$ 132,225	2.67%	

**Universal Life Separate Account Fortune VII  
Notes to Financial Statements  
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**7. Financial Highlights (continued)**

		Unit Value	Units Outstanding	Accumulation Unit Values	Investment Income Ratio [A]	Total Return [B]
<u>EQ/Equity 500 Index Portfolio</u>						
2023	Lowest contract charge 0.40% Class IB	\$ 70.80				20.02%
	Highest contract charge 1.35% Class IB	\$ 70.23				19.05%
	All contract charges		16,591	\$ 1,168,232	2.62%	
2024	Lowest contract charge 0.40% Class IB	\$ 87.66				23.81%
	Highest contract charge 1.35% Class IB	\$ 86.13				22.64%
	All contract charges		57,654	\$ 4,982,622	1.35%	
2025	Lowest contract charge 0.40% Class IB	\$ 102.35				16.76%
	Highest contract charge 1.35% Class IB	\$ 99.61				15.65%
	All contract charges		119,576	\$ 11,988,065	0.97%	
<u>EQ/Fidelity Institutional AM<sup>®</sup> Large Cap Portfolio</u>						
2023	Highest contract charge 1.35% Class IB	\$ 52.00				22.09%
	All contract charges		4,466	\$ 232,241	0.91%	
2024	Lowest contract charge 0.40% Class IB	\$ 65.01				23.99%
	Highest contract charge 1.35% Class IB	\$ 63.88				22.85%
	All contract charges		12,814	\$ 820,685	0.62%	
2025	Lowest contract charge 0.40% Class IB	\$ 76.63				17.87%
	Highest contract charge 1.35% Class IB	\$ 74.58				16.75%
	All contract charges		21,658	\$ 1,619,152	0.44%	
<u>EQ/Franklin Rising Dividends Portfolio</u>						
2023	Highest contract charge 1.35% Class IB	\$ 45.09				9.90%
	All contract charges		6,817	\$ 307,364	2.20%	
2024	Lowest contract charge 0.40% Class IB	\$ 50.16				10.36%
	Highest contract charge 1.35% Class IB	\$ 49.28				9.29%
	All contract charges		28,339	\$ 1,396,668	1.23%	
2025	Lowest contract charge 0.40% Class IB	\$ 55.86				11.36%
	Highest contract charge 1.35% Class IB	\$ 54.37				10.33%
	All contract charges		45,653	\$ 2,492,275	0.95%	
<u>EQ/Goldman Sachs Growth Allocation Portfolio</u>						
2023	Highest contract charge 1.35% Class IB	\$ 11.48				11.13%
	All contract charges		6,600	\$ 75,787	2.95%	
2024	Highest contract charge 1.35% Class IB	\$ 12.72				10.80%
	All contract charges		11,573	\$ 147,225	2.67%	
2025	Lowest contract charge 0.40% Class IB	\$ 14.46				11.66%
	Highest contract charge 1.35% Class IB	\$ 14.07				10.61%
	All contract charges		15,251	\$ 214,930	2.53%	
<u>EQ/Goldman Sachs Moderate Growth Allocation Portfolio</u>						
2023	Highest contract charge 1.35% Class IB	\$ 10.46				8.84%
	All contract charges		645	\$ 6,746	4.27%	
2024	Highest contract charge 1.35% Class IB	\$ 11.30				8.03%
	All contract charges		629	\$ 7,105	2.43%	
2025	Lowest contract charge 0.40% Class IB	\$ 12.60				9.57%
	Highest contract charge 1.35% Class IB	\$ 12.26				8.50%
	All contract charges		12,091	\$ 149,933	2.86%	

**Universal Life Separate Account Fortune VII  
Notes to Financial Statements  
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**7. Financial Highlights (continued)**

		Unit Value	Units Outstanding	Accumulation Unit Values	Investment Income Ratio [A]	Total Return [B]
<b>EQ/Intermediate Government Bond Portfolio</b>						
2023	Highest contract charge 1.35% Class IB	\$ 9.59				2.90%
	All contract charges		3,364	\$ 32,275	8.70%	
2024	Lowest contract charge 0.40% Class IB	\$ 9.86				1.96%
	Highest contract charge 1.35% Class IB	\$ 9.69				1.04%
	All contract charges		37,979	\$ 369,407	6.72%	
2025	Lowest contract charge 0.40% Class IB	\$ 10.38				5.27%
	Highest contract charge 1.35% Class IB	\$ 10.10				4.23%
	All contract charges		81,899	\$ 830,150	3.68%	
<b>EQ/International Equity Index Portfolio</b>						
2023	Highest contract charge 1.35% Class IB	\$ 10.71				9.62%
	All contract charges		4,871	\$ 52,172	10.11%	
2024	Highest contract charge 1.35% Class IB	\$ 11.08				3.45%
	All contract charges		15,279	\$ 169,293	4.45%	
2025	Lowest contract charge 0.40% Class IB	\$ 14.77				30.94%
	Highest contract charge 1.35% Class IB	\$ 14.38				29.78%
	All contract charges		43,236	\$ 625,098	5.07%	
<b>EQ/Invesco Global Portfolio</b>						
2023	Highest contract charge 1.35% Class IB	\$ 26.47				23.98%
	All contract charges		2,076	\$ 54,956	0.00%	
2024	Lowest contract charge 0.40% Class IB	\$ 30.78				15.37%
	Highest contract charge 1.35% Class IB	\$ 30.24				14.24%
	All contract charges		8,300	\$ 251,602	0.00%	
2025	Lowest contract charge 0.40% Class IB	\$ 35.38				14.94%
	Highest contract charge 1.35% Class IB	\$ 34.43				13.86%
	All contract charges		19,545	\$ 677,133	0.00%	
<b>EQ/Invesco Global Real Assets Portfolio</b>						
2023	Highest contract charge 1.35% Class IB	\$ 15.63				2.90%
	All contract charges		137	\$ 2,138	12.77%	
2024	Highest contract charge 1.35% Class IB	\$ 15.46				-1.09%
	All contract charges		968	\$ 14,966	3.24%	
2025	Highest contract charge 1.35% Class IB	\$ 17.69				14.42%
	All contract charges		2,179	\$ 38,532	4.14%	
<b>EQ/Janus Enterprise Portfolio</b>						
2023	Highest contract charge 1.35% Class IB	\$ 21.22				6.47%
	All contract charges		10,326	\$ 219,082	0.07%	
2024	Lowest contract charge 0.40% Class IB	\$ 24.32				13.70%
	Highest contract charge 1.35% Class IB	\$ 23.89				12.58%
	All contract charges		28,442	\$ 680,152	0.02%	
2025	Lowest contract charge 0.40% Class IB	\$ 26.17				7.61%
	Highest contract charge 1.35% Class IB	\$ 25.47				6.61%
	All contract charges		41,983	\$ 1,071,433	0.00%	

**Universal Life Separate Account Fortune VII  
Notes to Financial Statements  
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**7. Financial Highlights (continued)**

		Unit Value	Units Outstanding	Accumulation Unit Values	Investment Income Ratio [A]	Total Return [B]
<u>EQ/JPMorgan Value Opportunities Portfolio</u>						
2023	Highest contract charge 1.35% Class IB	\$ 20.07				5.41%
	All contract charges		830	\$ 16,649	2.31%	
2024	Highest contract charge 1.35% Class IB	\$ 22.85				13.85%
	All contract charges		3,750	\$ 85,688	2.12%	
2025	Highest contract charge 1.35% Class IB	\$ 26.01				13.83%
	All contract charges		6,101	\$ 158,714	1.26%	
<u>EQ/Large Cap Growth Index Portfolio</u>						
2023	Lowest contract charge 0.40% Class IB	\$ 22.12				31.67%
	Highest contract charge 1.35% Class IB	\$ 21.94				30.60%
	All contract charges		12,003	\$ 263,734	0.57%	
2024	Lowest contract charge 0.40% Class IB	\$ 29.15				31.78%
	Highest contract charge 1.35% Class IB	\$ 28.64				30.54%
	All contract charges		52,467	\$ 1,509,089	0.05%	
2025	Lowest contract charge 0.40% Class IB	\$ 34.19				17.29%
	Highest contract charge 1.35% Class IB	\$ 33.28				16.20%
	All contract charges		82,891	\$ 2,770,515	0.00%	
<u>EQ/Large Cap Value Index Portfolio</u>						
2023	Lowest contract charge 0.40% Class IB	\$ 10.36				7.80%
	Highest contract charge 1.35% Class IB	\$ 10.28				6.97%
	All contract charges		13,092	\$ 134,862	3.89%	
2024	Lowest contract charge 0.40% Class IB	\$ 11.71				13.03%
	Highest contract charge 1.35% Class IB	\$ 11.51				11.96%
	All contract charges		87,784	\$ 1,011,454	2.40%	
2025	Lowest contract charge 0.40% Class IB	\$ 13.42				14.60%
	Highest contract charge 1.35% Class IB	\$ 13.06				13.47%
	All contract charges		138,966	\$ 1,818,969	1.46%	
<u>EQ/MFS International Growth Portfolio</u>						
2023	Lowest contract charge 0.40% Class IB	\$ 7.65				7.90%
	Highest contract charge 1.35% Class IB	\$ 7.59				7.05%
	All contract charges		8,036	\$ 61,225	2.75%	
2024	Lowest contract charge 0.40% Class IB	\$ 8.29				8.37%
	Highest contract charge 1.35% Class IB	\$ 8.15				7.38%
	All contract charges		36,758	\$ 300,596	1.15%	
2025	Lowest contract charge 0.40% Class IB	\$ 9.99				20.51%
	Highest contract charge 1.35% Class IB	\$ 9.73				19.39%
	All contract charges		48,371	\$ 472,662	1.16%	
<u>EQ/MFS Technology Portfolio</u>						
2023	Highest contract charge 1.35% Class IB	\$ 31.43				40.69%
	All contract charges		2,263	\$ 71,132	0.00%	
2024	Lowest contract charge 0.40% Class IB	\$ 42.94				35.50%
	Highest contract charge 1.35% Class IB	\$ 42.19				34.23%
	All contract charges		5,518	\$ 234,357	0.00%	
2025	Lowest contract charge 0.40% Class IB	\$ 49.71				15.77%
	Highest contract charge 1.35% Class IB	\$ 48.38				14.67%
	All contract charges		12,395	\$ 603,746	0.00%	

**Universal Life Separate Account Fortune VII  
Notes to Financial Statements  
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**7. Financial Highlights (continued)**

		Unit Value	Units Outstanding	Accumulation Unit Values	Investment Income Ratio [A]	Total Return [B]
<b>EQ/MFS Utilities Series Portfolio</b>						
2023	Highest contract charge 1.35% Class IB	\$ 35.01				-1.41%
	All contract charges		4,844	\$ 169,583	4.92%	
2024	Highest contract charge 1.35% Class IB	\$ 38.42				9.74%
	All contract charges		15,045	\$ 577,984	2.34%	
2025	Highest contract charge 1.35% Class IB	\$ 43.46				13.12%
	All contract charges		22,101	\$ 960,416	2.95%	
<b>EQ/Mid Cap Index Portfolio</b>						
2023	Highest contract charge 1.35% Class IB	\$ 15.79				6.83%
	All contract charges		7,403	\$ 116,900	1.93%	
2024	Lowest contract charge 0.40% Class IB	\$ 17.95				12.75%
	Highest contract charge 1.35% Class IB	\$ 17.63				11.65%
	All contract charges		27,109	\$ 478,196	1.30%	
2025	Lowest contract charge 0.40% Class IB	\$ 19.09				6.35%
	Highest contract charge 1.35% Class IB	\$ 18.58				5.39%
	All contract charges		47,127	\$ 876,200	1.01%	
<b>EQ/Moderate Allocation Portfolio</b>						
2023	Highest contract charge 1.35% Class IB	\$ 12.18				7.88%
	All contract charges		1,129	\$ 13,751	5.53%	
2024	Highest contract charge 1.35% Class IB	\$ 12.97				6.49%
	All contract charges		3,195	\$ 41,438	4.08%	
2025	Highest contract charge 1.35% Class IB	\$ 14.11				8.79%
	All contract charges		2,129	\$ 30,027	2.30%	
<b>EQ/Moderate-Plus Allocation Portfolio</b>						
2023	Highest contract charge 1.35% Class IB	\$ 9.66				9.65%
	All contract charges		3,738	\$ 36,098	2.73%	
2024	Highest contract charge 1.35% Class IB	\$ 10.55				9.21%
	All contract charges		10,695	\$ 112,862	2.83%	
2025	Highest contract charge 1.35% Class IB	\$ 11.61				10.05%
	All contract charges		15,205	\$ 176,536	2.11%	
<b>EQ/Money Market Portfolio</b>						
2023	Lowest contract charge 0.40% Class IB	\$ 1.04				4.00%
	Highest contract charge 1.35% Class IB	\$ 1.03				3.00%
	All contract charges		173,553	\$ 178,480	5.35%	
2024	Lowest contract charge 0.40% Class IB	\$ 1.08				3.85%
	Highest contract charge 1.35% Class IB	\$ 1.06				2.91%
	All contract charges		571,564	\$ 608,630	4.97%	
2025	Lowest contract charge 0.40% Class IB	\$ 1.11				2.78%
	Highest contract charge 1.35% Class IB	\$ 1.08				1.89%
	All contract charges		7,021,612	\$ 7,770,784	3.32%	
<b>EQ/PIMCO Global Real Return Portfolio</b>						
2023	Highest contract charge 1.35% Class IB	\$ 7.51				2.74%
	All contract charges		250	\$ 1,881	4.73%	
2024	Highest contract charge 1.35% Class IB	\$ 7.39				-1.60%
	All contract charges		554	\$ 4,092	0.75%	
2025	Highest contract charge 1.35% Class IB	\$ 7.70				4.19%
	All contract charges		5,710	\$ 43,939	2.07%	

**Universal Life Separate Account Fortune VII  
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**7. Financial Highlights (continued)**

		Unit Value	Units Outstanding	Accumulation Unit Values	Investment Income Ratio [A]	Total Return [B]
<b>EQ/PIMCO Total Return ESG Portfolio</b>						
2023	Lowest contract charge 0.40% Class IB	\$ 9.58				4.70%
	Highest contract charge 1.35% Class IB	\$ 9.51				3.93%
	All contract charges		48,804	\$ 466,434	7.45%	
2024	Lowest contract charge 0.40% Class IB	\$ 9.74				1.67%
	Highest contract charge 1.35% Class IB	\$ 9.57				0.63%
	All contract charges		133,097	\$ 1,280,868	6.56%	
2025	Lowest contract charge 0.40% Class IB	\$ 10.54				8.21%
	Highest contract charge 1.35% Class IB	\$ 10.25				7.11%
	All contract charges		220,849	\$ 2,281,337	5.54%	
<b>EQ/PIMCO Ultra Short Bond Portfolio</b>						
2023	Lowest contract charge 0.40% Class IB	\$ 10.11				4.23%
	Highest contract charge 1.35% Class IB	\$ 10.03				3.40%
	All contract charges		2,685	\$ 27,128	20.31%	
2024	Lowest contract charge 0.40% Class IB	\$ 10.66				5.44%
	Highest contract charge 1.35% Class IB	\$ 10.48				4.49%
	All contract charges		74,750	\$ 796,332	11.61%	
2025	Lowest contract charge 0.40% Class IB	\$ 11.09				4.03%
	Highest contract charge 1.35% Class IB	\$ 10.80				3.05%
	All contract charges		30,926	\$ 340,328	3.83%	
<b>EQ/Small Company Index Portfolio</b>						
2023	Highest contract charge 1.35% Class IB	\$ 11.43				7.63%
	All contract charges		3,786	\$ 43,261	2.70%	
2024	Highest contract charge 1.35% Class IB	\$ 12.53				9.62%
	All contract charges		18,487	\$ 231,586	1.92%	
2025	Lowest contract charge 0.40% Class IB	\$ 14.30				12.16%
	Highest contract charge 1.35% Class IB	\$ 13.91				11.01%
	All contract charges		38,105	\$ 530,988	1.08%	
<b>EQ/Sustainable US Thematic Portfolio</b>						
2024	Lowest contract charge 0.40% Class IB	\$ 11.30				9.92%
	Highest contract charge 1.35% Class IB	\$ 11.10				8.82%
	All contract charges		6,073	\$ 67,669	0.26%	
2025	Lowest contract charge 0.40% Class IB	\$ 11.87				5.04%
	Highest contract charge 1.35% Class IB	\$ 11.55				4.05%
	All contract charges		6,768	\$ 78,561	0.27%	
<b>EQ/T. Rowe Price Health Sciences Portfolio</b>						
2023	Highest contract charge 1.35% Class IB	\$ 60.16				5.27%
	All contract charges		462	\$ 27,807	0.00%	
2024	Highest contract charge 1.35% Class IB	\$ 60.28				0.20%
	All contract charges		1,264	\$ 76,204	0.00%	
2025	Lowest contract charge 0.40% Class IB	\$ 72.86				18.74%
	Highest contract charge 1.35% Class IB	\$ 70.91				17.63%
	All contract charges		1,460	\$ 103,619	0.00%	

**Universal Life Separate Account Fortune VII  
Notes to Financial Statements  
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**7. Financial Highlights (continued)**

		Unit Value	Units Outstanding	Accumulation Unit Values	Investment Income Ratio [A]	Total Return [B]
<b>EQ/Wellington Energy Portfolio</b>						
2023	Highest contract charge 1.35% Class IB	\$ 4.10				6.49%
	All contract charges		1,883	\$ 7,720	13.74%	
2024	Lowest contract charge 0.40% Class IB	\$ 4.39				6.30%
	Highest contract charge 1.35% Class IB	\$ 4.31				5.12%
	All contract charges		7,408	\$ 32,079	3.82%	
2025	Lowest contract charge 0.40% Class IB	\$ 4.91				11.85%
	Highest contract charge 1.35% Class IB	\$ 4.78				10.90%
	All contract charges		18,141	\$ 87,135	4.11%	
<b>Multimanager Technology Portfolio</b>						
2023	Highest contract charge 1.35% Class IB	\$ 33.76				34.45%
	All contract charges		1,879	\$ 63,422	0.00%	
2024	Lowest contract charge 0.40% Class IB	\$ 42.74				25.60%
	Highest contract charge 1.35% Class IB	\$ 41.99				24.38%
	All contract charges		5,191	\$ 219,087	0.00%	
2025	Lowest contract charge 0.40% Class IB	\$ 53.58				25.36%
	Highest contract charge 1.35% Class IB	\$ 52.15				24.20%
	All contract charges		8,691	\$ 456,580	0.00%	

**[A]** This ratio represents the dividends, excluding distributions from the Portfolio, divided by the average net assets. This ratio excludes those expenses, such as asset charges, that result in direct reductions in the unit values. The recognition of dividend income by the Variable Investment Option is affected by the timing of the declaration of dividends by the Portfolio in which the Variable Investment Option invests.

**[B]** This ratio represents the total return for the periods indicated, including changes in the value of the Portfolio, and expenses assessed through the reduction of unit value. This ratio does not include any expenses, such as premiums and withdrawal charges, as applicable, or expenses assessed through the redemption of units. The total return would have been lower had such expenses been included in the calculation.

**8. Taxes**

The operations of the Separate Account are included in the operations of ULICO. Based on the P.R. Code, ULICO does not incur any income tax on the earnings or realized capital gains attributable to the Separate Account. As a result, no charges are currently being deducted from the Separate Account for federal and Puerto Rico income tax purposes. The Separate Account concluded that there are no uncertain tax positions. Uncertain tax positions are recognized if it is "more likely than not" that the position will be sustained assuming an examination by the tax authorities.

Pursuant to Section 1023.01 of the P.R. Code, a special tax equal to 0.10% of the total asset value of the Separate Account as of December 31 of each calendar year is reported and fully paid by ULICO. As of December 31, 2025, the special tax due to ULICO resulting from the tax charged to each Contract Owner amounted to \$44,877 and is included in payable for policy-related transactions in the statement of assets and liabilities.

**9. Risk and Uncertainties**

Investing in the Separate Account involves certain key risks related to the Separate Account's trading activity. Please refer to the Separate Account prospectus for further discussion of the following risks, as well as other risks of investing in the Separate Account.

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**9. Risk and Uncertainties (continued)**

**Market risk:** The market values of the VIOs will fluctuate, sometimes sharply and unpredictably, due to changes in general market conditions, overall economic trends or events, governmental actions or interventions, actions taken by the U.S. Federal Reserve or foreign central banks, political developments, warfare conflicts, investor sentiment, public health emergencies such as a pandemic, and other factors that may or may not be related to the issuer of the security or other asset. The market prices of securities and other assets also may go down due to events or conditions that affect particular sectors, industries or issuers. Adverse market conditions may be prolonged and may not have the same impact on all types of securities or other assets.

Economies and financial markets throughout the world are increasingly interconnected. Economic, financial or political events, trading and tariff arrangements, public health events, terrorism, technology and data interruptions, natural disasters, and other circumstances in one or more countries or regions could be highly disruptive to, and have profound impacts on, global economies or markets. As a result, whether or not the Separate Account invests in securities of issuers located in or with significant exposure to the countries directly affected, the value and liquidity of a VIO may be affected adversely and negatively impact the Separate Account's performance.

Because ULICO's business is written in Puerto Rico, ULICO's insurance risk is not as diversified as the risk of a carrier that covers a broader geographical area. A natural catastrophe could cause damage to a large number of ULICO's Contract Owners, which would result in significantly increased losses to ULICO. Management believes, however, that ULICO's reinsurance program will reduce to a manageable level its net exposure in any such catastrophe.

**Other matters:** ULICO and its affiliates are parties to various legal proceedings that originated in the normal course of business. None of these proceedings would be likely to have a material adverse effect, if any, upon the Separate Account, our ability to meet our obligations under the contracts, or the distribution of the contracts.

**10. Subsequent Events**

The Company has evaluated all subsequent events through April 29, 2026, the date the accompanying financial statements were issued.

Subsequent to December 31, 2025, the Board of Trustees of EQ Advisors Trust approved the liquidation of EQ/Sustainable US Thematic Portfolio. As a result, the VIO will be liquidated effective April 24, 2026 and removed as an available investment option within the Separate Account. The liquidation will be executed at the mutual fund level by EQ Advisors Trust. Upon liquidation, the Separate Account will redeem its investment in the affected VIO at net asset value, and contract owner balances invested in the VIO will be reallocated or transferred in accordance with the terms of the underlying variable contracts and applicable plan provisions. The Separate Account will continue to operate and offer other VIOs as investment options.

Management has evaluated this event in accordance with ASC 855, Subsequent Events, and has determined that it represents a nonrecognized subsequent event. Accordingly, no amounts have been recognized or adjusted in the accompanying financial statements as of December 31, 2025.

No other events have occurred subsequent to December 31, 2025 that would require recognition or disclosure in the financial statements.