

ASSETS

	Current Year			Prior Year
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1-2)	4 Net Admitted Assets
1. Bonds (Schedule D)	96,949,100		96,949,100	99,761,149
2. Stocks (Schedule D)				
2.1 Preferred stocks				
2.2 Common Stocks	544,389		544,389	401,535
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens	12,522,198	93,047	12,429,151	12,957,254
3.2 Other than first liens				
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$.....0 encumbrances)				
4.2 Properties held for the production of income (less \$.....0 encumbrances)				
4.3 Properties held for sale (less \$.....0 encumbrances)	46,437		46,437	46,437
5. Cash (\$.....1,138,250 Schedule E Part 1), cash equivalents (\$.....0 Schedule E Part 2) and short-term investments (\$.....5,773,542 Schedule DA)	6,911,791		6,911,791	12,305,969
6. Contract loans (including \$.....0 premium notes)	6,414,084	13,298	6,400,786	6,486,899
7. Derivatives				
8. Other invested assets (Schedule BA)	3,328,867	33,182	3,295,685	
9. Receivables for securities	15,007		15,007	214,866
10. Securities Lending Reinvested Collateral Assets				
11. Aggregate write-ins for invested assets				
12. Subtotals, cash and invested assets (Lines 1 to 11)	126,731,873	139,527	126,592,346	132,174,109
13. Title plants less \$.....0 charged off (for Title insurers only)				
14. Investment income due and accrued	1,466,327	39,457	1,426,870	1,523,055
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	671,482		671,482	1,214,228
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (Including \$.....0 earned but unbilled premiums)	2,144,136		2,144,136	2,411,008
15.3 Accrued retrospective premiums				
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers	665,277	142,538	522,739	1,404,569
16.2 Funds held by or deposited with reinsured companies	190,778		190,778	189,154
16.3 Other amounts receivable under reinsurance contracts	3,350,720	87,824	3,262,896	3,599,602
17. Amounts receivable relating to uninsured plans				
18.1 Current federal and foreign income tax recoverable and interest thereon				
18.2 Net deferred tax asset	462,309		462,309	
19. Guaranty funds receivable or on deposit				
20. Electronic data processing equipment and software	73,725	49,407	24,318	21,525
21. Furniture and equipment, including health care delivery assets (\$.....0)	2,837	2,837		
22. Net adjustment in assets and liabilities due to foreign exchange rates				
23. Receivables from parent, subsidiaries and affiliates	2,029,912		2,029,912	
24. Health care (\$.....0) and other amounts receivable				
25. Aggregate write-ins for other than invested assets	16,155,657	1,419,466	14,736,191	9,042,987
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	153,945,033	1,881,056	152,063,977	151,580,237
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts				
28. Total (Lines 26 and 27)	153,945,033	1,881,056	152,063,977	151,580,237
DETAILS OF WRITE-INS				
1101.				
1102.				
1103.				
1198. Summary of remaining write-ins for Line 11 from overflow page				
1199. TOTALS (Lines 1101 through 1103 plus 1198) (Line 11 above)				
2501. CSV OFFICERS INSURANCE	14,582,833		14,582,833	8,916,687
2502. ADVANCES TO AGENTS	259,818	259,818		
2503. PREPAID RENT / EXPENSES	174,565	174,565		
2598. Summary of remaining write-ins for Line 25 from overflow page	1,138,440	985,082	153,358	126,300
2599. TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above)	16,155,657	1,419,466	14,736,191	9,042,987

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Year	2 Prior Year
1. Aggregate reserve for life contracts \$.....126,259,686 (Exhibit 5, Line 9999999) less \$.....0 included in Line 6.3 (including \$.....28,071,141 Modco Reserve)	126,259,686	126,300,562
2. Aggregate reserve for accident and health contracts (Exhibit 6, Line 17, Column 1) (including \$.....0 Modco Reserve)	149,456	407,129
3. Liability for deposit-type contracts (Exhibit 7, Line 14, Col. 1) (including \$.....0 Modco Reserve)	2,575,311	2,698,176
4. Contract claims:		
4.1 Life (Exhibit 8, Part 1, Line 4.4, Column 1 less sum of Columns 9, 10, and 11)	3,891,245	3,805,782
4.2 Accident and health (Exhibit 8, Part 1, Line 4.4, sum of Columns 9, 10, and 11)	58,988	234,849
5. Policyholders' dividends \$.....0 and coupons \$.....0 due and unpaid (Exhibit 4, Line 10)		
6. Provision for policyholders' dividends and coupons payable in following calendar year - estimated amounts:		
6.1 Dividends apportioned for payment (including \$.....0 Modco)		
6.2 Dividends not yet apportioned (including \$.....0 Modco)		
6.3 Coupons and similar benefits (including \$.....0 Modco)		
7. Amount provisionally held for deferred dividend policies not included in Line 6		
8. Premiums and annuity considerations for life and accident and health contracts received in advance less \$.....0 discount; including \$.....8,399 accident and health premiums (Exhibit 1, Part 1, Column 1, sum of Lines 4 and 14)	177,705	221,248
9. Contract liabilities not included elsewhere:		
9.1 Surrender values on canceled contracts		
9.2 Provision for experience rating refunds, including \$.....0 A & H experience rating refunds		
9.3 Other amounts payable on reinsurance; including \$.....(147,611) assumed and \$.....0 ceded	(147,611)	(1,463)
9.4 Interest Maintenance Reserve (IMR, Line 6)	2,079,681	105,959
10. Commissions to agents due or accrued-life and annuity contracts \$.....0 accident and health \$.....0 and deposit-type contract funds \$.....0		
11. Commissions and expense allowances payable on reinsurance assumed	203,191	644,652
12. General expenses due or accrued (Exhibit 2, Line 12, Column 6)	370,618	461,233
13. Transfers to Separate Accounts due or accrued (net) (including \$.....0 accrued for expense allowances recognized in reserves, net of reinsured allowances)		
14. Taxes, licenses and fees due or accrued, excluding federal income taxes (Exhibit 3, Line 9, Col. 5)	69,484	78,726
15.1 Current federal and foreign income taxes, including \$.....0 on realized capital gains (losses)	16,462	
15.2 Net deferred tax liability		
16. Unearned investment income	1,010,924	1,150,936
17. Amounts withheld or retained by company as agent or trustee	(113,367)	17,508
18. Amounts held for agents' account, including \$.....0 agents' credit balances	65,967	(293,756)
19. Remittances and items not allocated	369,701	437,215
20. Net adjustment in assets and liabilities due to foreign exchange rates		
21. Liability for benefits for employees and agents if not included above	3,519,298	3,877,149
22. Borrowed money \$.....0 and interest thereon \$.....0		
23. Dividends to stockholders declared and unpaid		
24. Miscellaneous liabilities:		
24.01 Asset Valuation Reserve (AVR, Line 16, Column 7)	381,266	326,488
24.02 Reinsurance in unauthorized companies		16,359
24.03 Funds held under reinsurance treaties with unauthorized reinsurers		
24.04 Payable to parent, subsidiaries and affiliates		
24.05 Drafts outstanding	40,509	45,928
24.06 Liability for amounts held under uninsured plans		
24.07 Funds held under coinsurance	583,206	1,843,572
24.08 Derivatives		
24.09 Payable for securities		
24.10 Payable for securities lending		
24.11 Capital notes \$.....0 and interest thereon \$.....0		
25. Aggregate write-ins for liabilities	2,579,237	2,836,679
26. TOTAL Liabilities excluding Separate Accounts Business (Lines 1 to 25)	144,140,958	145,214,931
27. From Separate Accounts Statement		
28. TOTAL LIABILITIES (Lines 26 and 27)	144,140,958	145,214,931
29. Common capital stock		
30. Preferred capital stock		
31. Aggregate write-ins for other than special surplus funds		
32. Surplus Notes		
33. Gross paid in and contributed surplus (Page 3, Line 33, Column 2 plus Page 4, Line 51.1, Column 1)		
34. Aggregate write-ins for special surplus funds	7,144,565	7,279,633
35. Unassigned funds (surplus)	778,454	(914,327)
36. Less treasury stock, at cost:		
36.1 .....0 shares common (value included in Line 29 \$.....0)		
36.2 .....0 shares preferred (value included in Line 30 \$.....0)		
37. Surplus (Total Lines 31 + 32 + 33 + 34 + 35 - 36) (Including \$.....0 in Separate Accounts Statement)	7,923,019	6,365,306
38. TOTALS of Lines 29, 30 and 37 (Page 4, Line 55)	7,923,019	6,365,306
39. TOTALS of Lines 28 and 38 (Page 2, Line 28, Column 3)	152,063,977	151,580,237
DETAILS OF WRITE-INS		
2501. GROUP LIFE FUNDS HELD ON DEPOSIT	2,479,237	2,836,679
2502. CONTINGENCY RESERVE	100,000	
2503.		
2598. Summary of remaining write-ins for Line 25 from overflow page		
2599. TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above)	2,579,237	2,836,679
3101.		
3102.		
3103.		
3198. Summary of remaining write-ins for Line 31 from overflow page		
3199. TOTALS (Lines 3101 through 3103 plus 3198) (Line 31 above)		
3401. APPROPRIATION OF DESTRENGTHENED RESERVES	200,682	109,037
3402. SURPLUS FROM REINSURANCE	6,943,883	7,170,596
3403.		
3498. Summary of remaining write-ins for Line 34 from overflow page		
3499. TOTALS (Lines 3401 through 3403 plus 3498) (Line 34 above)	7,144,565	7,279,633

SUMMARY OF OPERATIONS

	1 Current Year	2 Prior Year
1. Premiums and annuity considerations for life and accident and health contracts (Exhibit 1, Part 1, Line 20.4, Col. 1, less Col.11)	21,518,928	26,707,858
2. Considerations for supplementary contracts with life contingencies		
3. Net investment income (Exhibit of Net Investment Income Line 17)	6,220,067	7,405,142
4. Amortization of Interest Maintenance Reserve (IMR, Line 5)	267,725	207,924
5. Separate Accounts net gain from operations excluding unrealized gains or losses		
6. Commissions and expense allowances on reinsurance ceded (Exhibit 1, Part 2, Line 26.1, Column 1)	5,178,882	5,789,008
7. Reserve adjustments on reinsurance ceded	(521,656)	(431,081)
8. Miscellaneous Income:		
8.1 Income from fees associated with investment management, administration and contract guarantees from Separate Accounts		
8.2 Charges and fees for deposit-type contracts		
8.3 Aggregate write-ins for miscellaneous income	1,596,844	(686,496)
9. TOTALS (Lines 1 to 8.3)	34,260,791	38,992,355
10. Death benefits	16,595,220	16,911,099
11. Matured endowments (excluding guaranteed annual pure endowments)	228,958	(233,291)
12. Annuity benefits (Exhibit 8, Part 2, Line 6.4, Columns 4 + 8)		
13. Disability benefits and benefits under accident and health contracts	153,742	843,836
14. Coupons, guaranteed annual pure endowments and similar benefits		
15. Surrender benefits and other fund withdrawals for life contracts	2,433,114	2,551,476
16. Group conversions	69,523	41,462
17. Interest and adjustments on contract or deposit-type contract funds	(50,286)	45,641
18. Payments on supplementary contracts with life contingencies	17,889	1,563
19. Increase in aggregate reserves for life and accident and health contracts	(298,548)	758,144
20. TOTALS (Lines 10 to 19)	19,149,612	20,919,930
21. Commissions on premiums, annuity considerations, and deposit type contract funds (direct business only) (Exhibit 1, Part 2, Line 31, Column 1)	1,899,363	2,292,619
22. Commissions and expense allowances on reinsurance assumed (Exhibit 1, Part 2, Line 26.2, Column 1)	929,579	1,158,696
23. General insurance expenses (Exhibit 2, Line 10, Columns 1, 2, 3 and 4)	11,474,042	13,541,905
24. Insurance taxes, licenses and fees, excluding federal income taxes (Exhibit 3, Line 7, Columns 1 + 2 + 3)	977,494	1,341,419
25. Increase in loading on deferred and uncollected premiums	(411,643)	723,576
26. Net transfers to or (from) Separate Accounts net of reinsurance		
27. Aggregate write-ins for deductions	(7,923)	54,775
28. TOTALS (Lines 20 to 27)	34,010,525	40,032,920
29. Net gain from operations before dividends to policyholders and federal income taxes (Line 9 minus Line 28)	250,266	(1,040,564)
30. Dividends to policyholders	3,049	(96,699)
31. Net gain from operations after dividends to policyholders and before federal income taxes (Line 29 minus Line 30)	247,217	(943,865)
32. Federal and foreign income taxes incurred (excluding tax on capital gains)	16,462	
33. Net gain from operations after dividends to policyholders and federal income taxes and before realized capital gains or (losses) (Line 31 minus Line 32)	230,755	(943,865)
34. Net realized capital gains (losses) (excluding gains (losses) transferred to the IMR) less capital gains tax of \$.....0 (excluding taxes of \$.....0 transferred to the IMR)	558,805	(1,561,796)
35. Net Income (Line 33 plus Line 34)	789,560	(2,505,661)
CAPITAL AND SURPLUS ACCOUNT		
36. Capital and surplus, December 31, prior year (Page 3, Line 38, Column 2)	6,365,306	9,495,052
37. Net Income (Line 35)	789,560	(2,505,661)
38. Change in net unrealized capital gains (losses) less capital gains tax of \$.....0	958,787	(600,331)
39. Change in net unrealized foreign exchange capital gain (loss)		
40. Change in net deferred income tax	(12,570,447)	813,317
41. Change in nonadmitted assets	13,223,745	(585,739)
42. Change in liability for reinsurance in unauthorized companies	16,359	(16,359)
43. Change in reserve on account of change in valuation basis, (increase) or decrease (Exhibit 5A, Line 9999999, Col. 4)		
44. Change in asset valuation reserve	(54,778)	281,882
45. Change in treasury stock (Page 3, Lines 36.1 and 36.2 Column 2 minus Column 1)		
46. Surplus (contributed to) withdrawn from Separate Accounts during period		
47. Other changes in surplus in Separate Accounts Statement		
48. Change in surplus notes		
49. Cumulative effect of changes in accounting principles		
50. Capital changes:		
50.1 Paid in		
50.2 Transferred from surplus (Stock Dividend)		
50.3 Transferred to surplus		
51. Surplus adjustment:		
51.1 Paid in		
51.2 Transferred to capital (Stock Dividend)		
51.3 Transferred from capital		
51.4 Change in surplus as a result of reinsurance	(226,713)	(234,438)
52. Dividends to stockholders		
53. Aggregate write-ins for gains and losses in surplus	(578,800)	(282,416)
54. Net change in capital and surplus for the year (Lines 37 through 53)	1,557,712	(3,129,745)
55. Capital and surplus, December 31, current year (Lines 36 + 54) (Page 3, Line 38)	7,923,019	6,365,306
DETAILS OF WRITE-INS		
08.301. DEPOSIT ACCOUNTING INCOME	970,008	104,300
08.302. MISCELLANEOUS INCOME	334,057	233,443
08.303. OI CHANGE IN CONVERSION POOL ASSETS-ASSUMED	287,124	(278,263)
08.398. Summary of remaining write-ins for Line 8.3 from overflow page	5,655	(745,976)
08.399. TOTALS (Lines 08.301 through 08.303 plus 08.398) (Line 8.3 above)	1,596,844	(686,496)
2701. DEFERRED COMP	316,587	341,637
2702. CONTINGENCY RESERVES	100,000	(49,666)
2703. INC (DEC) IN GRP FUNDS ON DEPOSIT	(103,910)	(237,196)
2798. Summary of remaining write-ins for Line 27 from overflow page	(320,600)	
2799. TOTALS (Lines 2701 through 2703 plus 2798) (Line 27 above)	(7,923)	54,775
5301. SURPLUS INC / DEC - OTHER PRIOR PERIOD ADJUSTMENTS	(441,676)	119,735
5302. SURPLUS INC / DEC - PRIOR PERIOD ADJUSTMENT - 2009 AUDIT ADJUSTMENTS	(137,124)	
5303. SURPLUS INC / DEC - PRIOR PERIOD ADJUSTMENT - 2008 AUDIT ADJUSTMENTS		(402,151)
5398. Summary of remaining write-ins for Line 53 from overflow page		
5399. TOTALS (Lines 5301 through 5303 plus 5398) (Line 53 above)	(578,800)	(282,416)

CASH FLOW

		1	2
		Current Year	Prior Year
Cash from Operations			
1.	Premiums collected net of reinsurance	22,948,100	28,182,194
2.	Net investment income	6,212,416	8,315,830
3.	Miscellaneous income	6,816,098	5,102,512
4.	Total (Lines 1 through 3)	35,976,613	41,600,536
5.	Benefit and loss related payments	19,467,071	24,762,830
6.	Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts		
7.	Commissions, expenses paid and aggregate write-ins for deductions	15,776,707	19,225,701
8.	Dividends paid to policyholders	3,049	452,647
9.	Federal and foreign income taxes paid (recovered) net of \$.....0 tax on capital gains (losses)		
10.	Total (Lines 5 through 9)	35,246,828	44,441,178
11.	Net cash from operations (Line 4 minus Line 10)	729,786	(2,840,641)
Cash from Investments			
12.	Proceeds from investments sold, matured or repaid:		
12.1	Bonds	50,857,190	40,859,082
12.2	Stocks	1,300,000	1,981,866
12.3	Mortgage loans	541,524	1,550,155
12.4	Real estate		207,917
12.5	Other invested assets		
12.6	Net gains or (losses) on cash, cash equivalents and short-term investments		
12.7	Miscellaneous proceeds	743,053	456,803
12.8	Total investment proceeds (Lines 12.1 to 12.7)	53,441,767	45,055,823
13.	Cost of investments acquired (long-term only):		
13.1	Bonds	46,310,076	38,543,337
13.2	Stocks		1,493,978
13.3	Mortgage loans		1,822,131
13.4	Real estate		182,759
13.5	Other invested assets	3,295,685	
13.6	Miscellaneous applications		
13.7	Total investments acquired (Lines 13.1 to 13.6)	49,605,761	42,042,205
14.	Net increase (decrease) in contract loans and premium notes	(97,447)	(88,514)
15.	Net cash from investments (Line 12.8 minus Line 13.7 minus Line 14)	3,933,453	3,102,132
Cash from Financing and Miscellaneous Sources			
16.	Cash provided (applied):		
16.1	Surplus notes, capital notes		
16.2	Capital and paid in surplus, less treasury stock		
16.3	Borrowed funds		
16.4	Net deposits on deposit-type contracts and other insurance liabilities	(122,865)	(27,429)
16.5	Dividends to stockholders		
16.6	Other cash provided (applied)	(9,934,552)	(98,754)
17.	Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6)	(10,057,417)	(126,183)
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS			
18.	Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17)	(5,394,178)	135,307
19.	Cash, cash equivalents and short-term investments:		
19.1	Beginning of year	12,305,969	12,170,662
19.2	End of year (Line 18 plus Line 19.1)	6,911,791	12,305,969

Note: Supplemental Disclosures of Cash Flow Information for Non-Cash Transactions:

20.0001		
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ANNUAL STATEMENT FOR THE YEAR **2010** OF THE **NORTH CAROLINA MUTUAL LIFE INSURANCE COMPANY**
ANALYSIS OF OPERATIONS BY LINES OF BUSINESS

	1 Total	2 Industrial Life	Ordinary			6 Credit Life (Group and Individual)	Group		Accident and Health			12 Aggregate of All Other Lines of Business
			3 Life Insurance	4 Individual Annuities	5 Supplementary Contracts		7 Life Insurance (a)	8 Annuities	9 Group	10 Credit (Group and Individual)	11 Other	
1. Premiums and annuity considerations for life and accident and health contracts	21,518,928	(1,913)	9,701,798	238,718			11,006,852		269,213		304,260	
2. Considerations for supplementary contracts with life contingencies												
3. Net investment income	6,220,067	28,831	5,960,210	121,211	3,687		105,460				668	
4. Amortization of Interest Maintenance Reserve (IMR)	267,727	1,294	256,398	5,187	169		4,679					
5. Separate Accounts net gain from operations excluding unrealized gains or losses												
6. Commissions and expense allowances on reinsurance ceded	5,178,882	1,208,728	3,376,831				477,032		116,291			
7. Reserve adjustments on reinsurance ceded	(521,656)		(521,656)									
8. Miscellaneous Income												
8.1 Fees associated with income from investment mngmt., admin., and contract guarantees (From S.A.)												
8.2 Charges and fees for deposit-type contracts												
8.3 Aggregate write-ins for miscellaneous income	1,596,844	(5,354)	158,547	(848)	0		1,258,082		187,264		(846)	
9. TOTALS (Lines 1 to 8.3)	34,260,793	1,231,586	18,932,128	364,268	3,856		12,852,105		572,768		304,082	
10. Death benefits	16,595,220	474,937	5,662,339				10,457,944					
11. Matured endowments (excluding guaranteed annual pure endowments)	228,958	110,705	118,253									
12. Annuity benefits												
13. Disability benefits and benefits under accident and health contracts	153,742								(71,401)		225,143	
14. Coupons, guaranteed annual pure endowments and similar benefits												
15. Surrender benefits and withdrawals for life contracts	2,433,114	15,584	2,159,902	257,628								
16. Group conversions	69,523						69,523					
17. Interest and adjustments on contract or deposit-type contract funds	(50,286)	(6)	(39,594)		(10,686)							
18. Payments on supplementary contracts with life contingencies	17,889				17,889							
19. Increase in aggregate reserves for life and accident and health contracts	(298,548)	(72,811)	(19,998)	65,312	(120)		(13,258)		(248,132)		(9,541)	
20. TOTALS (Lines 10 to 19)	19,149,612	528,409	7,880,902	322,940	7,083		10,514,209		(319,533)		215,602	
21. Commissions on premiums, annuity considerations, and deposit-type contract funds (direct business only)	1,899,363	2,346	1,749,843	10,547			13,857		121,218		1,551	
22. Commissions and expense allowances on reinsurance assumed	929,579		91,154				703,287		135,138			
23. General insurance expenses	11,474,042	1,098,078	8,100,030	240,871	1		829,864		964,139		241,058	
24. Insurance taxes, licenses and fees, excluding federal income taxes	977,494	78,773	694,444	25,101			96,201		56,633		26,341	
25. Increase in loading on deferred and uncollected premiums	(411,643)	(49,453)	(362,190)									
26. Net transfers to or (from) Separate Accounts net of reinsurance												
27. Aggregate write-ins for deductions	(7,923)	(450)	92,065	(113)			(104,121)		(161)		4,857	
28. TOTALS (Lines 20 to 27)	34,010,524	1,657,703	18,246,249	599,347	7,084		12,053,297		957,435		489,409	
29. Net gain from operations before dividends to policyholders and federal income taxes (Line 9 - Line 28)	250,269	(426,117)	685,879	(235,080)	(3,228)		798,808		(384,667)		(185,327)	
30. Dividends to policyholders	3,049	(75)	3,124									
31. Net gain from operations after dividends to policyholders and before federal income taxes (Line 29 - Line 30)	247,220	(426,042)	682,755	(235,080)	(3,228)		798,808		(384,667)		(185,327)	
32. Federal income taxes incurred (excluding tax on capital gains)	16,462	738	14,537	213			399		304		271	
33. Net gain from operations after dividends to policyholders and federal income taxes and before realized capital gains or (losses) (Line 31 minus Line 32)	230,758	(426,780)	668,218	(235,292)	(3,228)		798,409		(384,971)		(185,597)	
DETAILS OF WRITE-INS												
08.301. DEPOSIT ACCOUNTING INCOME	970,008				0		970,008					
08.302. MISCELLANEOUS INCOME	334,057	(5,354)	158,547	(848)			(4,705)		187,264		(846)	
08.303. OI CHANGE IN CONVERSION POOL ASSETS-ASSUMED	287,124						287,124					
08.398. Summary of remaining write-ins for Line 8.3 from overflow page	5,655						5,655					
08.399. TOTALS (Lines 08.301 through 08.303 plus 08.398) (Line 8.3 above)	1,596,844	(5,354)	158,547	(848)	0		1,258,082		187,264		(846)	
2701. DEFERRED COMP	316,587	15,811	278,725	3,956			7,422		5,640		5,033	
2702. CHANGE IN CONTIGENCY RESERVE	100,000		100,000									
2703. INC (DEC) IN GRP FUNDS ON DEPOSIT	(103,910)						(103,910)					
2798. Summary of remaining write-ins for Line 27 from overflow page	(320,600)	(16,262)	(286,659)	(4,069)			(7,633)		(5,801)		(176)	
2799. TOTALS (Lines 2701 through 2703 plus 2798) (Line 27 above)	(7,923)	(450)	92,065	(113)			(104,121)		(161)		4,857	

(a) Includes the following amounts for FEGLI/SGLI: Line 1 \$.....(9,166,176), Line 10 \$.....9,137,934, Line 16 \$.....64,913, Line 23 \$.....(37,171), Line 24 \$.....0.

ANALYSIS OF INCREASE IN RESERVES DURING THE YEAR

	1 Total	2 Industrial Life	Ordinary			6 Credit Life (Group and Individual)	Group	
			3 Life Insurance	4 Individual Annuities	5 Supplementary Contracts		7 Life Insurance	8 Annuities
Involving Life or Disability Contingencies (Reserves) (Net of Reinsurance Ceded)								
1. Reserve December 31, prior year	126,300,412	703,969	122,813,823	2,475,738	2,372		304,510	
2. Tabular net premiums or considerations	6,930,895	50,941	6,757,917	122,037				
3. Present value of disability claims incurred					X X X			
4. Tabular interest	4,545,699	26,818	4,386,277	69,071	88		63,445	
5. Tabular less actual reserve released	155				155			
6. Increase in reserve on account of change in valuation basis								
7. Other increases (net)								
8. Totals (Lines 1 to 7)	137,777,161	781,728	133,958,017	2,666,846	2,615		367,955	
9. Tabular cost	5,566,022	148,364	5,476,325	(58,667)	X X X			
10. Reserves released by death	3,199,361		3,199,361	X X X	X X X			X X X
11. Reserves released by other terminations (net)	2,675,026		2,490,562	184,464				
12. Annuity, supplementary contract, and disability payments involving life contingencies	77,066				363		76,703	
13. Net transfers to or (from) Separate Accounts								
14. Total deductions (Lines 9 to 13)	11,517,475	148,364	11,166,248	125,797	363		76,703	
15. Reserve December 31, current year	126,259,686	633,364	122,791,769	2,541,049	2,252		291,252	

EXHIBIT OF NET INVESTMENT INCOME

	1 Collected During Year	2 Earned During Year
1. U.S. Government bonds	(a) 1,380,493	1,302,962
1.1 Bonds exempt from U.S. tax	(a)	
1.2 Other bonds (unaffiliated)	(a) 4,074,704	4,147,596
1.3 Bonds of affiliates	(a)	
2.1 Preferred stocks (unaffiliated)	(b)	
2.11 Preferred stocks of affiliates	(b)	
2.2 Common stocks (unaffiliated)	24,793	24,793
2.21 Common stocks of affiliates		
3. Mortgage loans	(c) 772,931	731,282
4. Real estate	(d) 7,431	7,431
5. Contract loans	393,118	387,329
6. Cash, cash equivalents and short-term investments	(e) 4,376	4,376
7. Derivative instruments	(f)	
8. Other invested assets	6,611	6,611
9. Aggregate write-ins for investment income	44,402	44,402
10. Total gross investment income	6,708,859	6,656,782
11. Investment expenses		(g) 408,842
12. Investment taxes, licenses and fees, excluding federal income taxes		(g) 8,589
13. Interest expense		(h) 19,284
14. Depreciation on real estate and other invested assets		(i)
15. Aggregate write-ins for deductions from investment income		
16. Total deductions (Lines 11 through 15)		436,715
17. Net Investment income (Line 10 minus Line 16)		6,220,067
DETAILS OF WRITE-INS		
0901. SURRENDER CHARGES	8,190	8,190
0902. OTHER INVESTMENT INCOME	36,212	36,212
0903.		
0998. Summary of remaining write-ins for Line 9 from overflow page		
0999. TOTALS (Lines 0901 through 0903 plus 0998) (Line 9, above)	44,402	44,402
1501.		
1502.		
1503.		
1598. Summary of remaining write-ins for Line 15 from overflow page		
1599. TOTALS (Lines 1501 through 1503 plus 1598) (Line 15, above)		

- (a) Includes \$.....0 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued interest on purchases.
 (b) Includes \$.....0 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued dividends on purchases.
 (c) Includes \$.....0 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued interest on purchases.
 (d) Includes \$.....0 for company's occupancy of its own buildings; and excludes \$.....0 interest on encumbrances.
 (e) Includes \$.....0 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued interest on purchases.
 (f) Includes \$.....0 accrual of discount less \$.....0 amortization of premium.
 (g) Includes \$.....0 investment expenses and \$.....0 investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.
 (h) Includes \$.....0 interest on surplus notes and \$.....0 interest on capital notes.
 (i) Includes \$.....0 depreciation on real estate and \$.....0 depreciation on other invested assets.

EXHIBIT OF CAPITAL GAINS (LOSSES)

	1 Realized Gain (Loss) on Sales or Maturity	2 Other Realized Adjustments	3 Total Realized Capital Gain (Loss) (Columns 1 + 2)	4 Change in Unrealized Capital Gain (Loss)	5 Change in Unrealized Foreign Exchange Capital Gain (Loss)
1. U.S. Government bonds	1,867,825		1,867,825		
1.1 Bonds exempt from U.S. tax					
1.2 Other bonds (unaffiliated)	382,632		382,632		
1.3 Bonds of affiliates					
2.1 Preferred stocks (unaffiliated)					
2.11 Preferred stocks of affiliates					
2.2 Common stocks (unaffiliated)	549,797		549,797	893,057	
2.21 Common stocks of affiliates					
3. Mortgage loans					
4. Real estate					
5. Contract loans				65,730	
6. Cash, cash equivalents and short-term investments					
7. Derivative instruments					
8. Other invested assets					
9. Aggregate write-ins for capital gains (losses)					
10. Total capital gains (losses)	2,800,254		2,800,254	958,787	
DETAILS OF WRITE-INS					
0901.					
0902.					
0903.					
0998. Summary of remaining write-ins for Line 9 from overflow page					
0999. TOTALS (Lines 0901 through 0903 plus 0998) (Line 9, above)					

EXHIBIT 1 - PART 1 - PREMIUMS AND ANNUITY CONSIDERATIONS FOR LIFE AND ACCIDENT AND HEALTH POLICIES AND CONTRACTS

	1	2	Ordinary		5	Group		Accident and Health		11	
			3	4		6	7	8	9		10
	Total	Industrial Life	Life Insurance	Individual Annuities	Credit Life (Group and Individual)	Life Insurance	Annuities	Group	Credit (Group and Individual)	Other	Aggregate of All Other Lines of Business
FIRST YEAR (other than single)											
1.	Uncollected	7,037		7,037							
2.	Deferred and accrued	104,154		104,154							
3.	Deferred, accrued and uncollected:										
3.1	Direct	818,370		818,370							
3.2	Reinsurance assumed										
3.3	Reinsurance ceded	707,180		707,180							
3.4	Net (Line 1 + Line 2)	111,191		111,191							
4.	Advance	68		68							
5.	Line 3.4 - Line 4	111,123		111,123							
6.	Collected during year:										
6.1	Direct	1,962,153	1,800	1,904,316	56,037						
6.2	Reinsurance assumed	193,587		193,587							
6.3	Reinsurance ceded	1,522,093		1,522,093							
6.4	Net	633,647	1,800	575,810	56,037						
7.	Line 5 + Line 6.4	744,770	1,800	686,933	56,037						
8.	Prior year (uncollected + deferred and accrued - advance)	183,581		183,581							
9.	First year premiums and considerations:										
9.1	Direct	1,332,410	1,800	1,274,573	56,037						
9.2	Reinsurance assumed	193,400		193,400							
9.3	Reinsurance ceded	964,622		964,622							
9.4	Net (Line 7 - Line 8)	561,189	1,800	503,352	56,037						
SINGLE											
10.	Single premiums and considerations:										
10.1	Direct	149,078	34,758	114,320							
10.2	Reinsurance assumed										
10.3	Reinsurance ceded										
10.4	Net	149,078	34,758	114,320							
RENEWAL											
11.	Uncollected	824,729	5,434	151,883		664,052				3,360	
12.	Deferred and accrued	4,784,880	207,464	4,577,416							
13.	Deferred, accrued and uncollected:										
13.1	Direct	7,153,504	434,241	6,687,287		28,616				3,360	
13.2	Reinsurance assumed	3,066,892	8,637	262,502		2,795,753					
13.3	Reinsurance ceded	4,610,788	229,980	2,220,491		2,160,317					
13.4	Net (Line 11 + Line 12)	5,609,609	212,898	4,729,299		664,052				3,360	
14.	Advance	177,637	4,106	165,132						8,399	
15.	Line 13.4 - Line 14	5,431,972	208,792	4,564,167		664,052				(5,039)	
16.	Collected during year:										
16.1	Direct	16,117,894	726,649	13,582,168	182,681	474,135		850,660		301,601	
16.2	Reinsurance assumed	21,865,141	283,559	1,946,668		18,929,193		705,070		651	
16.3	Reinsurance ceded	16,213,389	999,156	5,900,997		8,496,766		816,470			
16.4	Net	21,769,646	11,052	9,627,839	182,681	10,906,562		739,260		302,252	
17.	Line 15 + Line 16.4	27,201,618	219,844	14,192,006	182,681	11,570,614		739,260		297,213	
18.	Prior year (uncollected + deferred and accrued - advance)	6,392,957	258,315	5,107,880		563,762		470,047		(7,047)	
19.	Renewal premiums and considerations:										
19.1	Direct	17,788,994	932,509	15,071,673	182,681	447,802		850,660		303,669	
19.2	Reinsurance assumed	19,688,629	19,791	286,562		19,146,662		235,023		591	
19.3	Reinsurance ceded	16,668,964	990,771	6,274,111		8,587,612		816,470			
19.4	Net (Line 17 - Line 18)	20,808,661	(38,471)	9,084,126	182,681	11,006,852		269,213		304,260	
TOTAL											
20.	TOTAL premiums and annuity considerations:										
20.1	Direct	19,270,482	969,067	16,460,566	238,718	447,802		850,660		303,669	
20.2	Reinsurance assumed	19,882,029	19,791	479,962		19,146,662		235,023		591	
20.3	Reinsurance ceded	17,633,586	990,771	7,238,733		8,587,612		816,470			
20.4	Net (Lines 9.4 + 10.4 + 19.4)	21,518,928	(1,913)	9,701,798	238,718	11,006,852		269,213		304,260	

EXHIBIT 1 - PART 2 - DIVIDENDS AND COUPONS APPLIED, REINSURANCE COMMISSIONS AND EXPENSE ALLOWANCES AND COMMISSIONS INCURRED (Direct Business Only)

	1	2	Ordinary		5	Group		Accident and Health			11
			3	4		6	7	8	9	10	
	Total	Industrial Life	Life Insurance	Individual Annuities	Credit Life (Group and Individual)	Life Insurance	Annuities	Group	Credit (Group and Individual)	Other	Aggregate of All Other Lines of Business
DIVIDENDS AND COUPONS APPLIED (included in Part 1)											
21.	To pay renewal premiums	447	447								
22.	All other	13	13								
REINSURANCE COMMISSIONS AND EXPENSE ALLOWANCES INCURRED											
23.	First year (other than single):										
23.1	Reinsurance ceded										
23.2	Reinsurance assumed										
23.3	Net ceded less assumed										
24.	Single:										
24.1	Reinsurance ceded										
24.2	Reinsurance assumed										
24.3	Net ceded less assumed										
25.	Renewal:										
25.1	Reinsurance ceded	5,178,882	1,208,728	3,376,831		477,032		116,291			
25.2	Reinsurance assumed	929,579		91,154		703,287		135,138			
25.3	Net ceded less assumed	4,249,303	1,208,728	3,285,677		(226,255)		(18,847)			
26.	TOTALS:										
26.1	Reinsurance ceded (Page 6, Line 6)	5,178,882	1,208,728	3,376,831		477,032		116,291			
26.2	Reinsurance assumed (Page 6, Line 22)	929,579		91,154		703,287		135,138			
26.3	Net ceded less assumed	4,249,303	1,208,728	3,285,677		(226,255)		(18,847)			
COMMISSIONS INCURRED (direct business only)											
27.	First year (other than single)	1,334,636	612	1,330,858	2,786					380	
28.	Single										
29.	Renewal	564,727	1,734	418,985	7,761	13,857		121,218		1,171	
30.	Deposit-type contract funds										
31.	TOTALS (to agree with Page 6, Line 21)	1,899,363	2,346	1,749,843	10,547	13,857		121,218		1,551	

EXHIBIT 2 - GENERAL EXPENSES

	Insurance				5 Investment	6 Total
	1 Life	Accident and Health		4 All Other Lines of Business		
		2 Cost Containment	3 All Other			
1. Rent	1,024,553		131,799		13,858	1,170,210
2. Salaries and wages	4,787,807		424,323		82,115	5,294,245
3.11 Contributions for benefit plans for employees	749,930		73,542		11,991	835,463
3.12 Contributions for benefit plans for agents						
3.21 Payments to employees under non-funded benefit plans						
3.22 Payments to agents under non-funded benefit plans						
3.31 Other employee welfare	66,209		6,539		144,704	217,452
3.32 Other agent welfare						
4.1 Legal fees and expenses	371,991		11,391		3,784	387,166
4.2 Medical examination fees	53,340					53,340
4.3 Inspection report fees						
4.4 Fees of public accountants and consulting actuaries	231,276		86,373			317,649
4.5 Expense of investigation and settlement of policy claims	40,229		362		43	40,634
5.1 Traveling expenses	204,767		17,900		2,961	225,628
5.2 Advertising	96,118		1,569		4	97,691
5.3 Postage, express, telegraph and telephone	386,703		18,714		9,937	415,354
5.4 Printing and stationery	112,095		4,106		573	116,774
5.5 Cost or depreciation of furniture and equipment	9,042		193		6	9,241
5.6 Rental of equipment	239,764		7,080		2,538	249,382
5.7 Cost or depreciation of EDP equipment and software	280,645		6,010			286,655
6.1 Books and periodicals	13,546		597			14,143
6.2 Bureau and association fees	28,885		2,187		53	31,125
6.3 Insurance, except on real estate	55,101		5,963		892	61,956
6.4 Miscellaneous losses	6,884		24,533			31,417
6.5 Collection and bank service charges	141,549		54,793		64,236	260,578
6.6 Sundry general expenses	961,265		31,129		35,992	1,028,386
6.7 Group service and administration fees	57,476		278,664			336,140
6.8 Reimbursements by uninsured plans						
7.1 Agency expense allowance						
7.2 Agents' balances charged off (less \$.....0 recovered)	188,703		1,785			190,488
7.3 Agency conferences other than local meetings	26,618		1,978		52	28,648
9.1 Real estate expenses	109,952		12,729		35,103	157,784
9.2 Investment expenses not included elsewhere	24,397		938			25,335
9.3 Aggregate write-ins for expenses						
10. General expenses incurred	10,268,845		1,205,197		408,842 (a)	11,882,884
11. General expenses unpaid December 31, prior year	101,649		364,251		(4,667)	461,233
12. General expenses unpaid December 31, current year	320,277		37,589		12,751	370,618
13. Amounts receivable relating to uninsured plans, prior year						
14. Amounts receivable relating to uninsured plans, current year						
15. General expenses paid during year (Lines 10 + 11 - 12 - 13 + 14)	10,050,217		1,531,859		391,424	11,973,499

DETAILS OF WRITE-INS

09.301.						
09.302.						
09.303.						
09.398.	Summary of remaining write-ins for Line 9.3 from overflow page					
09.399.	TOTALS (Lines 09.301 through 09.303 plus 09.398) (Line 9.3 above)					

(a) Includes management fees of \$.....0 to affiliates and \$.....0 to non-affiliates.

EXHIBIT 3 - TAXES, LICENSES AND FEES (EXCLUDING FEDERAL INCOME TAXES)

	Insurance			4 Investment	5 Total
	1 Life	Accident and Health			
		2 All Other Lines of Business	3 Investment		
1. Real estate taxes				2,434	2,434
2. State insurance department licenses and fees	78,631	30,171		24	108,825
3. State taxes on premiums	404,623	12,898			417,521
4. Other state taxes, incl. \$.....0 for employee benefits	3,753	(185)		90	3,658
5. U.S. Social Security taxes	374,628	36,873		6,010	417,511
6. All other taxes	32,886	3,217		31	36,134
7. Taxes, licenses and fees incurred	894,521	82,974		8,589	986,083
8. Taxes, licenses and fees unpaid December 31, prior year	8,735	69,891		100	78,726
9. Taxes, licenses and fees unpaid December 31, current year	63,032	5,847		605	69,484
10. Taxes, licenses and fees paid during year (Lines 7 + 8 - 9)	840,224	147,018		8,084	995,325

EXHIBIT 4 - DIVIDENDS OR REFUNDS

	1	2
	Life	Accident and Health
1. Applied to pay renewal premiums	447	
2. Applied to shorten the endowment or premium-paying period		
3. Applied to provide paid-up additions	13	
4. Applied to provide paid-up annuities		
5. Total (Lines 1 through 4)	460	
6. Paid-in cash	2,306	
7. Left on deposit	283	
8. Aggregate write-ins for dividend or refund options		
9. Total (Lines 5 through 8)	3,049	
10. Amount due and unpaid		
11. Provision for dividends or refunds payable in the following calendar year		
12. Terminal dividends		
13. Provision for deferred dividend contracts		
14. Amount provisionally held for deferred dividend contracts not included in line 13		
15. Total (Lines 10 through 14)		
16. Total from prior year		
17. Total dividends or refunds (Lines 9 + 15 - 16)	3,049	

DETAILS OF WRITE-INS

0801.		
0802.		
0803.		
0898.	Summary of remaining write-ins for Line 8 from overflow page	
0899.	TOTALS (Lines 0801 through 0803 plus 0898) (Line 8 above)	

EXHIBIT 5 - AGGREGATE RESERVE FOR LIFE CONTRACTS

1	2	3	4	5	6
Valuation Standard	Total	Industrial	Ordinary	Credit (Group and Individual)	Group
Life Insurance (Gross)					
1912STDI 3.50% CRVM	11,915		11,915		
1912STDILV3.50A					
1941 SI 3.00% CRVM					
1941 SI 3.00% NET					
1941 SI 3.50% CRVM					
1941 SI 3.50% NET					
1941CET 2.50% CRVM	390,700		390,700		
1941CET 3.00% CRVM	343,480		343,480		
1941CET 3.00% NET	123		123		
1941CET 3.50% CRVM	1,017		1,017		
1941CET 3.50% NET					
1941CIET 2.50% CRVM	298,960	298,960			
1941CIET 2.50% ILL. STD.	42,794	42,794			
1941CIET 2.50% NET	19,514	19,514			
1941CIET 3.00% CRVM	67,214	67,214			
1941CIET 3.00% FTP	4,836	4,836			
1941CIET 3.00% NET	24,392	24,392			
1941CIET 3.50% CRVM	218	218			
1941CIET 3.50% NET	8,870	8,870			
1941CSO 2.50% CRVM	3,174,410		3,174,410		
1941CSO 2.50% NET	33,935		33,935		
1941CSO 3.00% CRVM	3,651,525		3,651,525		
1941CSO 3.00% ILL. STD.	151,739		151,739		
1941CSO 3.00% NET	310,850		310,850		
1941CSO 3.50% CRVM	317,144		317,144		
1941CSO 4.00% CRVM	119,124		119,124		
1941CSO 5.00% CRVM					
1941SI 2.50% CRVM	2,222,995	2,211,403	11,592		
1941SI 2.50% ILL. STD.	250,744	250,744			
1941SI 2.50% NET	122,964	122,964			
1941SI 3.00% CRVM	1,179,475	1,172,251	7,224		
1941SI 3.00% FTP	58,094	58,094			
1941SI 3.00% NET	400,985	207,132	193,852		
1941SI 3.50% CRVM	6,125	1,194	4,931		
1941SI 3.50% NET	341,432	336,787	4,644		
1941SSI 2.50% CRVM	4,777,589	4,777,589			
1941SSI 2.50% NET	3,020,768	3,020,768			
1941SSI 3.00% CRVM	679,162	673,833	5,329		
1941SSI 3.00% FTP	4,536	4,536			
1941SSI 3.00% NET	90,499	88,604	1,894		
1941SSI 3.50% CRVM	1,505,123	1,503,649	1,473		
1941SSI 3.50% ILL. STD.					
1941SSI 3.50% ILL. STD.	1,155	1,155			
1941SSI 4.50% CRVM	3,207	3,207			
1941SSI 5.00% CRVM	4,806	4,806			
1941SSI 5.50% CRVM	425		425		
1941SSI3 2.50% CRVM	310,443	310,443			
1941SSI3 2.50% NET	28,945	28,945			
1941SSI3 3.00% CRVM	65,913	65,913			
1941SSI3 3.00% NET	465	465			
1941SSIT 2.50% CRVM					
1941SSIT 3.00% CRVM	8,729	8,729			
1941SSIT 3.50% CRVM	3,686	3,686			
1958CET 2.50% CRVM	1,817,571	3,294	1,814,277		
1958CET 2.50% MOD	175,298		175,298		
1958CET 3.00% CRVM	1,046,037		1,046,037		
1958CET 3.00% NET	19,351		19,351		
1958CET 3.50% CRVM	19,953		19,953		
1958CET 3.50% NET	9,425		9,425		
1958CET 4.00% CRVM	95,806		95,806		
1958CET 4.50% CRVM	737,114		737,114		
1958CET 5.50% CRVM	723		723		
1958CET 4.50% MOD	88,978		88,978		
1958CET3 2.50% MOD	3,286,095		3,286,095		
1958CET3 3.00% CRVM	260,094		260,094		
1958CET3 3.00% NET	64,993		64,993		
1958CET3 4.00% NET	31,402		31,402		
1958CETJ 4.00% CRVM	37,480		37,480		
1958CSO 2.50% CRVM	9,205,081		9,205,081		
1958CSO 2.50% MOD	824,756		824,756		
1958CSO 2.50% NET	35,849		35,849		
1958CSO 3.00% CRVM	11,263,579	808	11,262,771		
1958CSO 3.00% ILL. STD.	10,267		10,267		
1958CSO 3.00% NET	425,393		425,393		
1958CSO 3.50% CRVM	699,564		699,564		
1958CSO 3.50% NET	45,445		45,445		
1958CSO 4.00% CRVM	254,211		254,211		
1958CSO 4.50% CRVM	5,558,343	84,409	5,473,934		
1958CSO 4.50% MOD	842,767		842,767		
1958CSO 4.50% NET	1,514		1,514		
1958CSO 5.50% CRVM	7,775		7,775		
1958CSO3 2.50% MOD	13,472,426		13,472,426		
1958CSO3 3.00% NET	105,777		105,777		
1958CSO3 4.00% NET	270,724		270,724		
1958CSOJ 3.00% CRVM	2,493		2,493		
1958CSOJ 3.00% NET	479		479		
1958CSOJ 3.50% CRVM	55,373		55,373		
1958CSOJ 4.00% CRVM	233,510		233,510		
1958CSOL 3.50% CRVM	1,433,711		1,433,711		
1958CSOL 3.50% NET	560,278		560,278		
1961CIET 2.50% CRVM	111,137	111,137			
1961CIET 3.00% CRVM	3,986,837	3,982,029	4,809		
1961CIET 3.00% NET	85,942	85,942			
1961CIET 3.50% NET	84,453	84,453			
1961CIET 4.00% CRVM	12,019	12,019			
1961CSET 3.00% CRVM	14,302	14,302			
1961CSET 3.50% CRVM	176,299	176,299			
1961CSET 3.50% ILL. STD.					
1961CSET 4.00% CRVM	94,529	94,529			
1961CSET 5.00% CRVM	388	388			
1961CSET 5.50% CRVM	500	500			

EXHIBIT 5 - AGGREGATE RESERVE FOR LIFE CONTRACTS

1 Valuation Standard	2 Total	3 Industrial	4 Ordinary	5 Credit (Group and Individual)	6 Group
1961CSET 6.00% CRVM	4,583	4,583			
1961CSI 2.50% CRVM	310,210	310,210			
1961CSI 3.00% CRVM	10,698,841	10,689,232	9,609		
1961CSI 3.00% ILL. STD.	2,070		2,070		
1961CSI 3.00% NET	330,184	296,926	33,258		
1961CSI 3.50% CRVM	1,471,906	1,471,906			
1961CSI 3.50% ILL. STD.					
1961CSI 3.50% NET	325,208	325,208			
1961CSI 4.00% CRVM	1,013,819	1,013,819			
1961CSI 4.00% NET	31,961	31,961			
1961CSI 4.50% CRVM	10,032	10,032			
1961CSI 5.00% CRVM	4,414	4,414			
1961CSI 5.50% CRVM	11,094	11,094			
1961CSI 6.00% CRVM	72,727	72,727			
1961CSIT 3.00% CRVM	46,915	46,915			
1961CSIT 3.50% CRVM	3,562	3,562			
1961CSIT 4.00% CRVM	10,901	10,901			
1961CSIT 4.50% CRVM	1,779	1,779			
1961CSIT 5.00% CRVM	872	872			
1980CET 4.00% CRVM	367,107		367,107		
1980CET 4.50% CRVM	58,984		58,984		
1980CET 5.00% CRVM	1,638,094	807	1,637,287		
1980CET 5.50% CRVM	10,185		10,185		
1980CET 6.00% CRVM	3,204		3,204		
1980CET 5.50% NET	69,403		69,403		
1980CETB 4.75% CRVM	4,132		4,132		
1980CETL 4.00% CRVM	203,143		203,143		
1980CETL 4.50% CRVM	2,301,742		2,301,742		
1980CETL 5.00% CRVM	1,090,334		1,090,334		
1980CETL 5.50% CRVM	24,330		24,330		
1980CETN 4.00% CRVM	3,583		3,583		
1980CETN 4.50% CRVM	250,313		250,313		
1980CETP 4.00% CRVM	12,117		12,117		
1980CETP 4.50% CRVM	30,305		30,305		
1980CETP 5.50% CRVM	4,925		4,925		
1980CETS 4.50% CRVM	20,334		20,334		
1980CSJL 5.00% CRVM	3,215		3,215		
1980CSO 3.00% CRVM	21,930		21,930		
1980CSO 4.00% CRVM	1,632,857		1,632,857		
1980CSO 4.00% NET	629		629		
1980CSO 4.50% CRVM	652,830	4,064	648,766		
1980CSO 4.75% CRVM					
1980CSO 5.00% CRVM	10,361,281		10,361,281		
1980CSO 5.00% NET					
1980CSO 5.50% CRVM	118,014		118,014		
1980CSO 5.50% NET	481,346		481,346		
1980CSO 6.00% CRVM	22,159		22,159		
1980CSO 6.00% NET	727		727		
1980CSOB 4.75% CRVM	27,335		27,335		
1980CSOC 4.75% CRVM	1,259		1,259		
1980CSOJ 5.00% CRVM	5,558		5,558		
1980CSOL 3.00% CRVM	9,034		9,034		
1980CSOL 3.50% CRVM					
1980CSOL 4.00% CRVM	4,953,123		4,953,123		
1980CSOL 4.00% NET					
1980CSOL 4.50% CRVM	18,406,336		18,167,306		239,030
1980CSOL 4.50% MOD	892		892		
1980CSOL 5.00% CRVM	8,889,181		8,889,181		
1980CSOL 5.00% MOD	3,817		3,817		
1980CSOL 5.25% CRVM					
1980CSOL 5.50% CRVM	255,466		255,466		
1980CSON 4.00% CRVM	69,218		69,218		
1980CSON 4.50% CRVM	7,112,083		7,112,083		
1980CSON 5.00% CRVM	759		759		
1980CSOS 4.50% CRVM	498,481		498,481		
1980CSSN 4.50% CRVM	456,157		456,157		
A.E.C. 3.00% CRVM	4,385	4,385			
A.E.C. 3.50% CRVM	4,893	4,893			
A.E.C. 3.50% ILL. STD.					
A.E.C. 4.00% CRVM	112,803	112,803			
A.E.C. 3.00% FTP	229,703	229,703			
A.E.C. 3.00% ILL. STD.	5,151		5,151		
A.E.C. 3.00% NET	1,145,613	84,802	1,060,811		
A.E.C. 3.50% FTP	346,492	346,492			
A.E.C. 3.50% ILL. STD.	253,474	248,266	5,207		
A.E.C. 3.50% NET	390,957	149,389	241,569		
A.E.C. 4.00% NET	166,316	166,316			
SSI 3.50% FTP	4,171,020	4,171,020			
Unearned Premium					
Var Mort. Tables & Int rates					
0199997 Subtotal - Life Insurance (Gross)	162,884,869	39,802,886	122,842,953		239,030
0199998 Reinsurance Ceded	39,990,031	39,174,777	815,254		
0199999 Totals - (Net)	122,894,839	628,110	122,027,699		239,030
Annuities (excluding supplementary contracts with life contingencies (Gross))					
1937 SA 2.50%	44,523	X X X	44,523	X X X	
1971 IAM 4.50% CARVM	164,403	X X X	164,403	X X X	
1971 IAM 4.50% CARVM	235,282	X X X	235,282	X X X	
1971 IAM 4.75% CARVM	115,729	X X X	115,729	X X X	
1971 IAM 5.00% CARVM	150,164	X X X	150,164	X X X	
1971 IAM 5.25% CARVM	202,366	X X X	202,366	X X X	
1971 IAM 5.50% CARVM	402,881	X X X	402,881	X X X	
1971 IAM 5.75% CARVM	156,251	X X X	156,251	X X X	
1971 IAM 6.00% CARVM	23,504	X X X	23,504	X X X	
1971 IAM 6.25% CARVM	179,151	X X X	179,151	X X X	
1971 IAM 6.50% CARVM	189,842	X X X	189,842	X X X	
1971 IAM 6.75% CARVM	73,004	X X X	73,004	X X X	
1971 IAM 7.00% CARVM	101,051	X X X	101,051	X X X	
1971 IAM 7.25% CARVM	207,708	X X X	207,708	X X X	
1971 IAM 8.50% CARVM	295,190	X X X	295,190	X X X	

EXHIBIT 5 - AGGREGATE RESERVE FOR LIFE CONTRACTS

1 Valuation Standard	2 Total	3 Industrial	4 Ordinary	5 Credit (Group and Individual)	6 Group
0299997 Subtotal - Annuities (excluding supplementary contracts with life contingencies (Gross))	2,541,049	X X X	2,541,049	X X X	
0299998 Reinsurance Ceded		X X X		X X X	
0299999 Totals - (Net)	2,541,049	X X X	2,541,049	X X X	
Supplementary Contracts with Life Contingencies (Gross)					
1971 IAM 4.00%	2,252		2,252		
0399997 Subtotal - Supplementary Contracts with Life Contingencies (Gross)	2,252		2,252		
0399998 Reinsurance Ceded					
0399999 Totals - (Net)	2,252		2,252		
Accidental Death Benefits (Gross)					
1926-33 ICDI 1941 CSO 3.00%	1,228		1,228		
1959 ADB 1958 CSO 3.00%	234,090		234,090		
1959 ADB 1958 CSO 4.50%	30,485		30,485		
0499997 Subtotal - Accidental Death Benefits (Gross)	265,803		265,803		
0499998 Reinsurance Ceded	120,688		120,688		
0499999 Totals - (Net)	145,115		145,115		
Disability-Active Lives (Gross)					
1926 Class 3 Dis. 1941 CSO 3.00%	690		690		
1952 Dis. Study 1958 CSO 3.00%	166,641	3,439	163,202		
1980 CSO non-smoker 1980CSON 3.00%					
0599997 Subtotal - Disability-Active Lives (Gross)	167,331	3,439	163,892		
0599998 Reinsurance Ceded	14,239	3,439	10,800		
0599999 Totals - (Net)	153,092		153,092		
Disability-Disabled Lives (Gross)					
1926 Class 3 Dis. 2.50%	743		743		
1952 Dis. Study, Period 2 2.50%	334,090		334,090		
1958 CSO 2.50%	96,940		1,576		95,364
70 Mod Interco GLDV Tbl 3.50%					
70 Mod Interco GLDV Tbl 4.00%					
70 Mod Interco GLDV Tbl 4.50%					
70 Mod Interco GLDV Tbl 5.00%					
70 Mod Interco GLDV Tbl 5.50%					
70 Mod Interco GLDV Tbl 6.00%					
0699997 Subtotal - Disability-Disabled Lives (Gross)	431,773		336,409		95,364
0699998 Reinsurance Ceded	43,142				43,142
0699999 Totals - (Net)	388,631		336,409		52,222
Miscellaneous Reserves (Gross)					
For excess of valuation net premiums over corresponding gross premiums on respective policies policies computed according to the standard of valuation required by this state					
For non-deduction of deferred fractional premiums or return of premiums at the death of the insured	298,110	25,245	272,866		
For surrender values in excess of reserves otherwise required and carried in this schedule					
0799997 Subtotal - Miscellaneous Reserves (Gross)	298,110	25,245	272,866		
0799998 Reinsurance Ceded	163,401	22,198	141,204		
0799999 Totals - (Net)	134,709	3,047	131,662		
9999999 Totals - (Net) -Page 3, Line 1	126,259,686	631,157	125,337,278		291,252

EXHIBIT 5 - INTERROGATORIES

- | | |
|--|--------------|
| 1.1 Has the reporting entity ever issued both participating and non-participating contracts? | Yes[X] No[] |
| 1.2 If not, state which kind is issued. | |
| 2.1 Does the reporting entity at present issue both participating and non-participating contracts? | Yes[X] No[] |
| 2.2 If not, state which kind is issued. | |
| 3. Does the reporting entity at present issue or have in force contracts that contain non-guaranteed elements?
If so, attach a statement that contains the determination procedures, answers to the interrogatories and an actuarial opinion as described in the instructions. | Yes[X] No[] |
| 4. Has the reporting entity any assessment or stipulated premium contracts in force?
If so, state: | Yes[] No[X] |
| 4.1 Amount of insurance? | \$ 0 |
| 4.2 Amount of reserve? | \$ 0 |
| 4.3 Basis of reserve | |
| 4.4 Basis of regular assessments | |
| 4.5 Basis of special assessments | |
| 4.6 Assessments collected during the year | \$ 0 |
| 5. If the contract loan interest rate guaranteed in any one or more of its currently issued contracts is less than 5%, not in advance, state the contract loan rate guarantees on any such contracts | |
| 6. Does the reporting entity hold reserves for any annuity contracts that are less than the reserves that would be held on a standard basis? | Yes[] No[X] |
| 6.1 If so, state the amount of reserve on such contracts on the basis actually held: | \$ 0 |
| 6.2 That would have been held (on an exact or approximate basis) using the actual ages of the annuitants; the interest rate(s) used in 6.1, and the same mortality basis used by the reporting entity for the valuation of comparable annuity benefits issued to standard lives. If the reporting entity has no comparable annuity benefits for standard lives to be valued, the mortality basis shall be the table most recently approved by the state of domicile for valuing individual annuity benefits:
Attach statement of methods employed in their valuation. | \$ 0 |
| 7. Does the reporting entity have any Synthetic GIC contracts or agreements in effect as of December 31 of the current year? | Yes[] No[X] |
| 7.1 If yes, state the total dollar amount of assets covered by these contracts or agreements? | \$ 0 |
| 7.2 Specify the basis (fair value, amortized cost, etc.) for determining the amount | |
| 7.3 State the amount of reserves established for this business: | \$ 0 |
| 7.4 Identify where the reserves are reported in the blank | |

EXHIBIT 5A - CHANGES IN BASES OF VALUATION DURING THE YEAR

1 Description of Valuation Class	Valuation Basis		4 Increase in Actuarial Reserve Due to Change
	2 Changed From	3 Changed To	
9999999 Total (Column 4 Only)



Participating and Non-Participating Contracts

I. PROCESS OF DIVIDEND DETERMINATION

The Contribution Method with the Three Factor Formula has generally been used in determining dividends.

II. DESCRIPTION OF EXPERIENCE FACTORS

a. Investment Income Factors:

Interest earnings, reduced by investment expenses and net taxes, have been used as a basis for the Investment Income Factor. All participating business of the Company issued prior to 1989 has been treated as a single experience factor class with respect to investment income and a common numerical value has been used for all such business. A modified dividend distribution rate with minor variation by plan has been used for 1989 and later issues.

b. Claim Factors:

Issue age, duration since issue and year of issue have been used in defining a claims factor class. Years of Issue have been grouped into four classes, (i) policies issued prior to 1948, (ii) policies issued between 1948 and March 1965, (iii) policies issued March 1965 through December 1988 and (iv) policies issued after January 1, 1989.

c. Expense Factors:

For policies issued prior to March 1965, the expense factor reflects a constant percentage of the difference between the gross premium and the net premium. For policies issued after March 1965 through 1988, the expense factor reflects variations by plan, issue age and duration since issue. For policies issued in 1989 and later, the expense factor reflects variations by plan, issue age and duration since issue.

d. Termination Factor:

Not taken into account.

No changes have been made in the basis used to determine these factors since the last filing of this statement.

III. GENERAL INTERROGATORIES

1. Has the contribution principle been followed in determining dividends or refunds?
Yes.
2. Has any material change occurred with respect to the determination of contract factors?
No.
3. Have there been any changes in the scales of dividends on new or existing business authorized for illustration by the company?
No.
4. Have there been any changes in the scales of dividends apportioned for payment?
Yes. Effective 1/1/2010, NC Mutual has suspended the annual payment and accrual of dividends due to operating losses incurred over the last several years. In affect the expense factor of the contribution method is more negative than the investment and claims factors are positive.
5. For each major block of business, indicate when the dividend scale was last changed (including changes described in b. above) and indicate the extent of such change in terms of the percentage by which dividends or refunds payable under the new scale exceeded or were less than those that would have been paid in the year of change had the scale not been changed.

Dividends payable on Industrial life were eliminated in 2005.

Dividends were suspended December 3, 2009 with an effective date of 1/1/2010. Prior to this suspension, dividends payable on most Regular Ordinary plans of life insurance issued prior to 1989 were based on 120% of the scales used in 1996 for the same plans. Dividends payable on Ordinary life insurance issued between 1989 and 2001 were based on 50% of the same scales used in 2003. Dividends payable on Ordinary life insurance issued after 2008 were based on 80% of the same scales used in 2002.

Participating and Non-Participating Contracts

6. Does the dividend scale incorporate the use of projections or forecasts of experience factors for any period in excess of two years beyond the effective date of the scale?

No.

7. In the basis of determining investment income experience factors, state whether the company uses (a) a portfolio average, (b) an investment generation approach, or (c) a combination of the two approaches.

Portfolio Average Approach has been used.

8. With respect to policy loan provisions:

- a. Describe how differences in such provisions affect dividends.

In the past few years, the company has issued some plans of insurance with a loan interest rate of 8%. All other policies have a 6% loan interest rate. The 8% loan interest rate policies reflect the difference in lower premium scales and also in the use of higher investment experience factor.

- b. Does the dividend or refund scale contain any provision for varying the amount of dividend or refund in accordance with the extent to which an individual contract's loan provision is utilized?

No.

9. Does the reporting entity pay termination dividends on its policies?

No.

10. Does the reporting entity maintain separate participating and non-participating accounts?

No.

11. Are any transfers made from a participating account to another participating, non-participating, or shareholders' account?

No.

12. Does the undersigned believe there is a substantial probability that, because of expected deterioration of experience, the dividends or refunds illustrated on new or existing business cannot be maintained for at least two years?

Yes. Effective January 1, 2010 NC Mutual suspended dividends. NC Mutual may have a difficult time resuming dividends in the next two years. However, its intention is to resume dividends as soon as financially feasible while maintaining the integrity of the illustration process.

13. Describe any aspects of the determination of the dividend or refund scale not covered above that involve material departures from the actuarial principles of the American Academy of Actuaries applicable to the determination of dividends.

None.

14. Describe any material changes in the basis of determination of the dividend scale that are not covered above.

None.

IV. ACTUARIAL OPINION

I, Steven W Fickes, am the Consulting Actuary for North Carolina Mutual Life Insurance Company and a Member of the American Academy of Actuaries. I have examined the actuarial assumptions and methods used in determining dividends under the dividend scales of the individual participating life insurance policies of the company issued for delivery in the United States. The dividends encompassed by these scales are both:

- i) Apportioned for payment during 2011, and
- ii) In effect as of January 1, 2012 that are illustrated for payment on new or existing business in 2013 and later that are authorized for illustration by the company.

My examination included such review of the actuarial assumptions and methods, of the underlying basic records and such tests of the actuarial calculations as I considered necessary. In my opinion, these dividends have been determined in accordance with actuarial principles and practices of the American Academy of Actuaries applicable to the determination of dividends except as described above.

Participating and Non-Participating Contracts

Steven W. Fickes, FSA, MAAA
Consulting Actuary

February 24, 2011



Statement of Non-guaranteed Elements

I. DETERMINATION PROCEDURES FOR NON-GUARANTEED ELEMENTS

The Company currently issues and has in force Flexible Premium Annuity contracts that contain non-guaranteed interest elements. Small blocks of Universal Life policies that contain non-guaranteed interest elements are also in force. These contracts provide for fund accumulations at a minimum rate of interest specified in the policy or contract. Interest earnings in excess of the guaranteed rate are credited at a rate determined by the Company quarterly. The Company has appointed an investment committee consisting of the President/CEO, Senior Vice President/COO, Vice President of Accounting Services and Consulting Actuary to review market conditions, investment philosophy and projections of funds available for investment. This committee then recommends, on the basis of its analysis, the rate of interest to be credited in the following quarter on such funds to the Executive Committee of the Company's Board of Directors for final approval.

The Company's Universal Life policies also contain non-guaranteed cost of insurance rates and monthly expense charges. Maximum cost of insurance rates and expense charges are specified in the policy. Small closed blocks of 10 year term and 15 year term policies contain non-guaranteed premium rates. Maximum premium rates are specified in the policy. Changes will be determined according to procedures and standards on file with the Insurance Department. Changes will be made by class and will be based on changes in future expectations for such elements. Policy cost factors will be reviewed every one to five years.

II. INTERROGATORIES

1. Since this statement was last filed, have there been any changes in the values of non-guaranteed elements on new or existing business authorized for illustration by the company?

No. However, interest rates are reviewed quarterly based on a portfolio average report.

2. Since this statement was last filed, have there been any changes in the values of non-guaranteed elements actually charged or credited?

No. However, interest rates are reviewed quarterly based on a portfolio average report.

3. Indicate to what extent any changes described in 1 or 2 vary from the policy and/or general methods and procedures last reported for the affected contracts.

No change.

4. Are the anticipated experience factors underlying any non-guaranteed elements different from current experience?

No.

5. State whether anticipated investment income experience factors are based on (a) a portfolio average approach, (b) an investment generation approach, or (c) other.

Portfolio average.

6. Describe how the company allocates anticipated experience among its various classes of business.

Anticipated experience for major classes of the company's business will be analyzed separately.

7. Does the undersigned believe there is a substantial probability that illustrations authorized by the Company to be presented on new and existing business cannot be supported by currently anticipated experience?

No.

8. Describe any aspects of the determination of non-guaranteed elements not covered above that involve material departures from the actuarial principles and practices of the American Academy of Actuaries applicable to the determination of non-guaranteed elements.

None.

Statement of Non-guaranteed Elements

III. ACTUARIAL OPINION

I, Steven W. Fickes, am the Consulting Actuary for North Carolina Mutual Life Insurance Company and a Member of the American Academy of Actuaries. I have examined the actuarial assumptions and methods used in determining non-guaranteed elements for the individual life insurance and annuity policies of the company used for delivery in the United States. The non-guaranteed elements included are those:

- i) paid, credited, charged or determined in 2010, and
- ii) authorized by the Company to be illustrated on new and existing business during 2010.

My examination included such review of the actuarial assumptions and methods of the underlying basic records and such tests of the actuarial calculations as I considered necessary. In my opinion, the non-guaranteed elements described above have been determined in accordance with generally accepted actuarial principles and practices applicable to the determination of non-guaranteed elements, except as described above.

Steven W. Fickes., FSA, MAAA
Consulting Actuary

February 24, 2011

EXHIBIT 6 - AGGREGATE RESERVES FOR ACCIDENT AND HEALTH CONTRACTS

	1 Total	2 Group Accident and Health	3 Credit Accident and Health (Group and Individual)	4 Collectively Renewable	Other Individual Contracts				
					5 Non- Cancelable	6 Guaranteed Renewable	7 Non-Renewable for Stated Reasons Only	8 Other Accident Only	9 All Other
ACTIVE LIFE RESERVE									
1. Unearned premium reserves	13,377				168	2,399			10,810
2. Additional contract reserves (a)	58,141				9,733	46,951			1,457
3. Additional actuarial reserves - Asset/Liability analysis	25,000					25,000			
4. Reserve for future contingent benefits									
5. Reserve for rate credits									
6. Aggregate write-ins for reserves									
7. Totals (Gross)	96,518				9,901	74,350			12,267
8. Reinsurance ceded									
9. TOTALS (NET)	96,518				9,901	74,350			12,267
CLAIM RESERVE									
10. Present value of amounts not yet due on claims	52,938	15,194			10,870				26,874
11. Additional actuarial reserves - Asset/Liability analysis									
12. Reserve for future contingent benefits									
13. Aggregate write-ins for reserves									
14. TOTALS (Gross)	52,938	15,194			10,870				26,874
15. Reinsurance ceded									
16. TOTALS (Net)	52,938	15,194			10,870				26,874
17. TOTAL (Net)	149,456	15,194			20,771	74,350			39,141
18. TABULAR FUND INTEREST	6,848	4,178			295	1,154			1,221
DETAILS OF WRITE-INS									
0601.									
0602.									
0603.									
0698. Summary of remaining write-ins for Line 6 from overflow page									
0699. TOTALS (Lines 0601 through 0603 plus 0698) (Line 6 above)									
1301.									
1302.									
1303.									
1398. Summary of remaining write-ins for Line 13 from overflow page									
1399. TOTALS (Lines 1301 through 1303 plus 1398) (Line 13 above)									

(a) Attach statement as to valuation standard used in calculating this reserve, specifying reserve bases, interest rates and methods.:

EXHIBIT 7 - DEPOSIT-TYPE CONTRACTS

	1	2	3	4	5	6
	Total	Guaranteed Interest Contracts	Annuities Certain	Supplemental Contracts	Dividend Accumulations or Refunds	Premium and Other Deposit Funds
1. Balance at the beginning of the year before reinsurance	2,698,176			91,164	2,597,301	9,711
2. Deposits received during the year	77,704				77,689	15
3. Investment earnings credited to the account	47,120			12	47,108	
4. Other net change in reserves						
5. Fees and other charges assessed						
6. Surrender charges						
7. Net surrender or withdrawal payments	247,689			10,698	236,630	361
8. Other net transfers to or (from) Separate Accounts						
9. Balance at the end of current year before reinsurance (Lines 1 + 2 + 3 + 4 - 5 - 6 - 7 - 8)	2,575,311			80,478	2,485,468	9,365
10. Reinsurance balance at the beginning of the year						
11. Net change in reinsurance assumed						
12. Net change in reinsurance ceded						
13. Reinsurance balance at the end of the year (Lines 10 + 11 - 12)						
14. Net balance at the end of current year after reinsurance (Lines 9 + 13)	2,575,311			80,478	2,485,468	9,365

EXHIBIT 8 - CLAIMS FOR LIFE AND ACCIDENT AND HEALTH CONTRACTS

PART 1 - Liability End of Current Year

	1	2	Ordinary			6	Group		Accident and Health		
			3	4	5		7	8	9	10	11
	Total	Industrial Life	Life Insurance	Individual Annuities	Supplementary Contracts	Credit Life (Group and Individual)	Life Insurance	Annuities	Group	Credit (Group and Individual)	Other
1. Due and Unpaid:											
1.1 Direct	3,517,935	2,796,398	721,537								
1.2 Reinsurance assumed	2,201,323	1,557	88,134				2,111,632				
1.3 Reinsurance ceded	3,607,675	1,953,581	26,573				1,627,521				
1.4 Net	2,111,583	844,374	783,098				484,111				
2. In course of settlement:											
2.1 Resisted:											
2.11 Direct											
2.12 Reinsurance assumed											
2.13 Reinsurance ceded											
2.14 Net			(b)	(b)		(b)	(b)				
2.2 Other:											
2.21 Direct	1,729,809	215,858	1,370,797				124,600		4,696		13,858
2.22 Reinsurance assumed	1,952,751	1,062	66,429				1,885,260				
2.23 Reinsurance ceded	2,176,860	149,198	470,556				1,557,106				
2.24 Net	1,505,700	67,722	(b) 966,670	(b)		(b)	(b) 452,754		(b) 4,696	(b)	(b) 13,858
3. Incurred but unreported:											
3.1 Direct	505,072	80,893	221,619				143,751		26,250		32,559
3.2 Reinsurance assumed	1,337,719		12,092				1,325,627				
3.3 Reinsurance ceded	1,509,841	75,493	221,931				1,194,042		18,375		
3.4 Net	332,950	5,400	(b) 11,780	(b)		(b)	(b) 275,336		(b) 7,875	(b)	(b) 32,559
4. TOTALS:											
4.1 Direct	5,752,816	3,093,149	2,313,953				268,351		30,946		46,417
4.2 Reinsurance assumed	5,491,793	2,619	166,655				5,322,519				
4.3 Reinsurance ceded	7,294,376	2,178,272	719,060				4,378,669		18,375		
4.4 Net	3,950,233	(a) 917,496	(a) 1,761,548				(a) 1,212,201		12,571		46,417

(a) Including matured endowments (but not guaranteed annual pure endowments) unpaid amounting to \$.....0 in Column 2, \$.....0 in Column 3 and \$.....0 in Column 7.

(b) Include only portion of disability and accident and health claim liabilities applicable to assumed "accrued" benefits. Reserves (including reinsurance assumed and net of reinsurance ceded) for unaccrued benefits for Ordinary Life Insurance \$.....0, Individual Annuities \$.....0, Credit Life (Group and Individual) \$.....0, and Group Life \$.....0, are included in Page 3, Line 1, (See Exhibit 5, Section on Disability Disabled Lives); and for Group Accident and Health \$.....0, Credit (Group and Individual) Accident and Health \$.....0 and Other Accident and Health \$.....0 are included in Page 3, Line 2, (See Exhibit 6, Claim Reserve).

EXHIBIT 8 - CLAIMS FOR LIFE AND ACCIDENT AND HEALTH CONTRACTS

PART 2 - Incurred During the Year

	1 Total	2 Industrial Life (a)	Ordinary			6 Credit Life (Group and Individual)	Group		Accident and Health		
			3 Life Insurance (b)	4 Individual Annuities	5 Supplementary Contracts		7 Life Insurance (c)	8 Annuities	9 Group	10 Credit (Group and Individual)	11 Other
1. Settlements during the year:											
1.1 Direct	9,555,476	1,447,278	7,572,566				29,118		230,200		276,314
1.2 Reinsurance assumed	19,185,848	267,257	1,235,285				17,681,327				1,979
1.3 Reinsurance ceded	12,554,834	946,952	2,675,576				7,779,761		1,152,545		
1.4 Net (d)	16,186,490	767,583	6,132,275				9,930,684		(922,345)		278,293
2. Liability December 31, current year from Part 1:											
2.1 Direct	5,752,816	3,093,149	2,313,953				268,351		30,946		46,417
2.2 Reinsurance assumed	5,491,793	2,619	166,655				5,322,519				
2.3 Reinsurance ceded	7,294,376	2,178,272	719,060				4,378,669		18,375		
2.4 Net	3,950,233	917,496	1,761,548				1,212,201		12,571		46,417
3. Amounts recoverable from reinsurers December 31, current year	522,739	240,275	348,076						(65,612)		
4. Liability December 31, prior year:											
4.1 Direct	5,202,431	2,849,403	1,934,640				(4,755)		323,576		99,567
4.2 Reinsurance assumed	5,029,304	120,830	659,842				4,248,632				
4.3 Reinsurance ceded	6,191,103	1,847,226	682,099				3,473,485		188,293		
4.4 Net	4,040,632	1,123,007	1,912,383				770,392		135,283		99,567
5. Amounts recoverable from reinsurers December 31, prior year	1,404,568	263,841	147,233				85,450		908,044		
6. Incurred benefits:											
6.1 Direct	10,105,861	1,691,024	7,951,879				302,224		(62,430)		223,164
6.2 Reinsurance assumed	19,648,337	149,046	742,098				18,755,214				1,979
6.3 Reinsurance ceded	12,776,278	1,254,432	2,913,380				8,599,495		8,971		
6.4 Net	16,977,920	585,638	5,780,597				10,457,943		(71,401)		225,143

(a) Including matured endowments (but not guaranteed annual pure endowments) amounting to \$.....348,476 in Line 1.1, \$.....316,421 in Line 1.4, \$.....499,214 in Line 6.1 and \$.....110,705 in Line 6.4.

(b) Including matured endowments (but not guaranteed annual pure endowments) amounting to \$.....86,252 in Line 1.1, \$.....92,622 in Line 1.4, \$.....130,245 in Line 6.1 and \$.....118,253 in Line 6.4.

(c) Including matured endowments (but not guaranteed annual pure endowments) amounting to \$.....0 in Line 1.1, \$.....0 in Line 1.4, \$.....0 in Line 6.1 and \$.....0 in Line 6.4.

(d) Includes \$.....(143,824) premiums waived under total and permanent disability benefits.

EXHIBIT OF NONADMITTED ASSETS

	1	2	3
	Current Year Total Nonadmitted Assets	Prior Year Total Nonadmitted Assets	Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1. Bonds (Schedule D)			
2. Stocks (Schedule D):			
2.1 Preferred stocks			
2.2 Common stocks			
3. Mortgage loans on real estate (Schedule B):			
3.1 First liens	93,047	106,467	13,420
3.2 Other than first liens			
4. Real estate (Schedule A):			
4.1 Properties occupied by the company			
4.2 Properties held for the production of income			
4.3 Properties held for sale			
5. Cash (Schedule E-Part 1), cash equivalents (Schedule E-Part 2) and short-term investments (Schedule DA)			
6. Contract loans	13,298	24,632	11,334
7. Derivatives			
8. Other invested assets (Schedule BA)	33,182	33,182	
9. Receivables for securities			
10. Securities lending reinvested collateral assets			
11. Aggregate write-ins for invested assets			
12. Subtotals, cash and invested assets (Lines 1 to 11)	139,527	164,281	24,754
13. Title plants (for Title insurers only)			
14. Invested income due and accrued	39,457	20,287	(19,170)
15. Premium and considerations:			
15.1 Uncollected premiums and agents' balances in the course of collection			
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due			
15.3 Accrued retrospective premiums			
16. Reinsurance:			
16.1 Amounts recoverable from reinsurers	142,538		(142,538)
16.2 Funds held by or deposited with reinsured companies			
16.3 Other amounts receivable under reinsurance contracts	87,824	4,198	(83,626)
17. Amounts receivable relating to uninsured plans			
18.1 Current federal and foreign income tax recoverable and interest thereon		40,371	40,371
18.2 Net deferred tax asset		13,032,756	13,032,756
19. Guaranty funds receivable or on deposit			
20. Electronic data processing equipment and software	49,407	48,293	(1,114)
21. Furniture and equipment, including health care delivery assets	2,837	3,972	1,135
22. Net adjustment in assets and liabilities due to foreign exchange rates			
23. Receivables from parent, subsidiaries and affiliates			
24. Health care and other amounts receivable			
25. Aggregate write-ins for other than invested assets	1,419,465	1,790,642	371,177
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	1,881,055	15,104,800	13,223,745
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts			
28. Total (Lines 26 and 27)	1,881,055	15,104,800	13,223,745
DETAILS OF WRITE-INS			
1101.			
1102.			
1103.			
1198. Summary of remaining write-ins for Line 11 from overflow page			
1199. TOTALS (Lines 1101 through 1103 plus 1198) (Line 11 above)			
2501. ADVANCES TO AGENTS	259,818	615,608	355,790
2502. PREPAID RENT / EXPENSES	174,565	119,805	(54,760)
2503. A/R SE DURHAM DEVELOPMENT CORP	91,063	91,063	
2598. Summary of remaining write-ins for Line 25 from overflow page	894,019	964,167	70,148
2599. TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above)	1,419,465	1,790,642	371,177

Notes to Financial Statements

1. Summary of Significant Accounting Policies

A. Accounting Practices

The financial statements of North Carolina Mutual Life Insurance Company (“Company” or “NCM”) have been completed in accordance with the National Association of Insurance Commissioners (“NAIC”) Accounting Practices and Procedures Manual. The State of North Carolina Department of Insurance (“NCDOI”) recognizes only statutory accounting practices prescribed or permitted by the State of North Carolina for determining and reporting the financial condition and results of operations of an insurance company, for determining its solvency under North Carolina General Statutes. The NAIC Accounting Practices and Procedures manual has been adopted as a component of prescribed or permitted practices by the State of North Carolina.

B. Use of Estimates in the Preparation of the Financial Statements.

The preparation of the financial statements in conformity with Statements of Statutory Accounting Principles (SSAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities. It also requires disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates.

C. Accounting Policy

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

The amount of dividends to be paid to policyholders is determined annually by the Company’s Board of Directors. The aggregate amount of policyholders’ dividends is related to actual interest, mortality, morbidity and expense experience for the year and judgment as to the appropriate level of statutory surplus to be retained by the Company.

In addition, the Company uses the following accounting policies:

1. Short-term investments are stated at amortized cost.
2. Non-investment grade bonds and loan-backed and structured securities with a NAIC designation of “6” are reported at the lower of amortized cost or fair value; investment grade bonds are reported at amortized cost.
3. Common stocks are stated at market.
4. Preferred stocks are stated at cost, redeemable preferred stocks with NAIC designations 4 to 6 are reported at the lower of cost, amortized cost, or fair value and perpetual preferred stocks with a NAIC designation of 4 to 6 are reported at the lower of cost or fair value.
5. Mortgage loans on real estate are stated at the aggregate unpaid balance.
6. Loan-backed and structured securities are stated at amortized cost using the interest method including anticipated prepayments at the date of purchase, except for those with an NAIC designation of 6 which are reported at the lower of amortized cost or fair value.
7. On a quarterly basis, the Company reviews individual instances within its debt and equity portfolios for unrealized losses and makes a judgment whether the decline in fair value is deemed to be “other than temporary.”
8. The Company owns 100% of Signature Group Financial, LLC, a funeral home funding business. The security is recorded using the equity method as prescribed in SSAP No. 97.
9. The Company has no derivatives.
10. The investment income was not used as a factor in the premium deficiency calculation.
11. The triangle development method was used to estimate the liabilities including claim expenses for accident and health contracts.
12. Policy loans are stated at the aggregate unpaid balance.
13. The Company uses straight-line depreciation for all of its real estate holdings with lives varying depending upon the type of building.
14. Company occupied investment real estate and properties held for the production of income are stated at depreciated cost less encumbrances. Properties held for sale are reported at lower of cost or depreciated value.
15. The Company reports cash surrender value of life insurance on certain officers net of related policy loans. Policy loans were \$915,490 as of December 31, 2010 and \$5,417,513 as of December 31, 2009.

Notes to Financial Statements

2. Accounting Changes and Corrections of Errors

Not applicable.

3. Business Combinations and Goodwill

Not applicable.

4. Discontinued Operations

Not applicable.

5. Investments

A. Mortgage Loans

- (1) The maximum and minimum lending rates for mortgage loans established during 2010 were:
- | | |
|-------------|----------|
| Residential | No Loans |
| Commercial | No Loans |

- (2) During 2010, the Company had no reduction in the interest rates of outstanding loans.

- (3) The maximum percentage of any one loan to the value of the security at the time of the loan was 75%.

	<u>2010</u>	<u>2009</u>
(4) As of year end, the Company held mortgages with interest more than 180 days past due with a recorded investment, excluding accrued interest	\$ 333,543	\$ 246,526
a. Total interest due on mortgages with interest more than 180 days past due	\$ 39,457	\$ 20,287
(5) Taxes, assessments and any amounts advanced and not included in the mortgage loan total	\$ 0	\$ 0
(6) Current year impaired loans with a related allowance for credit losses	\$ 0	\$ 0
a. Related allowance for credit losses	\$ 0	\$ 0
(7) Impaired mortgage loans without an allowance for credit losses	\$ 555,422	\$ 246,526
(8) Average recorded investment in impaired loans	\$ 277,711	\$ 246,526
(9) Interest income recognized during the period the loans were impaired	\$ 0	\$ 0
(10) Amount of interest income recognized on a cash basis during the period the loans were impaired	\$ 0	\$ 0
(11) Allowance for credit losses:		
a. Balance at beginning of period	\$ 0	\$ 0
b. Additions charged to operations	0	0
c. Direct write-downs charged against the allowances	0	0
d. Recoveries of amounts previously charged off	0	0
e. Balance at end of period	\$ 0	\$ 0

- (12) The Company recognizes interest income on its impaired loans upon receipt.

B. Debt Restructuring

Not applicable

Notes to Financial Statements

C. Reverse Mortgages

Not applicable

D. Loan-Backed Securities

(1) Prepayment assumptions for single class and multi-class mortgage-backed/asset-backed securities are obtained from broker dealer advices.

(2) The Company has no mortgage-backed/asset-backed securities with a recognized other-than-temporary impairment.

(3) Not applicable

(4) All impaired mortgage-backed/asset-backed securities (fair value is less than cost or amortized cost) for which an other-than-temporary impairment has not been recognized in earnings as a realized loss:

					(1)
a.	The aggregate amount of unrealized losses:				
		1.	Less than 12 Months	\$	1,424,073
		2.	12 Months or Longer	\$	748,874
b.	The aggregate related fair value of securities with unrealized losses:				
		1.	Less than 12 Months	\$	29,644,301
		2.	12 Months or Longer	\$	5,664,652

(5) The Company considers the investments in (4) above to be only temporarily impaired. The Company's investment advisors, Piedmont Investment Advisors, makes recommendations based on the analysis of each security's underlying collateral characteristics such as loan delinquencies, credit support, loan default severities, and loan default rates to develop a base case scenario. The base case scenario is the best estimation of how the security will perform in the future and what potential future losses could be on the security. As of December 31, 2010, using these standards, these securities had no potential losses.

E. Repurchase Agreements and/or Securities Lending Transactions

Not applicable

F. Real Estate

(1) No impairment losses recorded on real estate investments during the statement periods.

(2) No real estate investments were sold in 2010. The Company had \$46,437 of real estate classified as held for sale.

(3) The Company has no plans to change the status of real estate held for sale.

(4) The Company does not engage in retail land sale operations

(5) The Company does not hold real estate investments with participating mortgage loan features.

G. Low-Income Housing Tax Credits

The Company has no investment in LIHTC

6. Joint Ventures, Partnerships and Limited Liability Companies

A. The Company has no investments in Joint Ventures, Partnerships or Liability Companies that exceed 10% of its admitted assets.

B. During 2010, the Company did not recognize any impairment write-down for its investments in Joint Ventures, Partnerships and Limited Liability Companies.

7. Investment Income

A. Due and accrued income was excluded from surplus on the following basis:

Notes to Financial Statements

All investment income due and accrued on bonds in or near default, and other amounts that are over 90 days past due with the exception of mortgage loans in default, which are excluded when 180 days or more past due.

B. The total amount excluded for the year ended December 31, 2010 was \$39,457.

8. Derivative Instruments

The Company does not have any derivative instruments.

9. Income Tax

A. The components of the net deferred tax asset/(liability) as December 31 as follows:

(1)	2010		
	(1)	(2)	(3)
			(Col 1+2)
	<u>Ordinary</u>	<u>Capital</u>	<u>Total</u>
(a) Gross deferred tax assets	\$ 13,535,211	\$ 0	\$ 13,535,211
(b) Statutory valuation allowance adjustment	<u>(11,138,591)</u>	<u>0</u>	<u>(11,138,591)</u>
(c) Adjusted gross deferred tax assets (1a-1b)	2,396,619	0	2,396,619
(d) Deferred tax liabilities	<u>(1,858,947)</u>	<u>(75,363)</u>	<u>(1,934,310)</u>
(e) Subtotal (Net deferred tax assets(1c-1d)	537,672	(75,363)	462,310
(f) Deferred tax assets nonadmitted	<u>0</u>	<u>0</u>	<u>0</u>
(g) Net admitted deferred tax assets (1e-1f)	<u>\$ 537,672</u>	<u>\$ (75,363)</u>	<u>\$ 462,310</u>
	2009		
	(4)	(5)	(6)
			(Col 4+5)
	<u>Ordinary</u>	<u>Capital</u>	<u>Total</u>
(a) Gross deferred tax assets	\$ 13,848,073	\$ 1,126,170	\$ 14,974,243
(b) Statutory valuation allowance adjustment	<u>(11,911,962)</u>	<u>(1,120,795)</u>	<u>(13,032,756)</u>
(c) Adjusted gross deferred tax assets (1a-1b)	1,936,111	5,375	1,941,486
(d) Deferred tax liabilities	<u>(1,936,111)</u>	<u>(5,375)</u>	<u>(1,941,486)</u>
(e) Subtotal (Net deferred tax assets(1c-1d)	0	0	0
(f) Deferred tax assets nonadmitted	<u>0</u>	<u>0</u>	<u>0</u>
(g) Net admitted deferred tax assets (1e-1f)	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
	Change		
	(7)	(8)	(9)
			(Col 7+8)
	<u>Ordinary</u>	<u>Capital</u>	<u>Total</u>
(a) Gross deferred tax assets	\$ (312,862)	\$ (1,126,170)	\$ (1,439,032)
(b) Statutory valuation allowance adjustment	<u>773,371</u>	<u>1,120,795</u>	<u>1,894,166</u>
(c) Adjusted gross deferred tax assets (1a-1b)	460,509	(5,375)	455,133
(d) Deferred tax liabilities	<u>77,164</u>	<u>(69,988)</u>	<u>7,176</u>
(e) Subtotal (Net deferred tax assets(1c-1d)	537,672	(75,363)	462,310
(f) Deferred tax assets nonadmitted	<u>0</u>	<u>0</u>	<u>0</u>
(g) Net admitted deferred tax assets (1e-1f)	<u>\$ 537,672</u>	<u>\$ (75,363)</u>	<u>\$ 462,310</u>

(2) The Company has not elected to admit DTAs pursuant to paragraph 10e for the years ended December 31, 2010 and 2009.

(3) Not applicable

Notes to Financial Statements

(4)	Admitted Components by Tax Paragraph			2010		
	(1)	(2)	(3)	(4)	(5)	(6)
	Ordinary	Capital	(Col 1+2) Total	Ordinary	Capital	(Col 4+5) Total
Admission Calculation Components						
SSAP No. 10R, Paragraphs 10.a., 10.b., and 10.c.:						
(a) SSAP No. 10R, Paragraph 10.a.	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
(b) SSAP No. 10R, Paragraph 10.b. (the lesser of paragraph 10.b.i. and 10.b.ii. below)	\$ 537,672	\$ 0	\$ 537,672	\$ 0	\$ 0	\$ 0
(c) SSAP No. 10R, Paragraph 10.b.i.	\$ 537,672	\$ 0	\$ 537,672	\$ 0	\$ 0	\$ 0
(d) SSAP No. 10R, Paragraph 10.b.ii.	XXX	XXX	\$ 592,620	XXX	XXX	\$ 949,505
(e) SSAP No. 10R, Paragraph 10.c.	\$ 1,858,947	\$ 0	\$ 1,858,947	\$ 1,936,111	\$ 5,375	\$ 1,941,486
(f) Total (4a+4b+4e)	\$ 2,396,619	\$ 0	\$ 2,396,619	\$ 1,963,111	\$ 5,375	\$ 1,941,486
Admission Calculation Components						
SSAP No. 10R, Paragraph 10.e.:						
(g) SSAP No. 10R, Paragraph 10.e.i.	\$ N/A	\$ N/A	\$ N/A	\$ N/A	\$ N/A	\$ N/A
(h) SSAP No. 10R, Paragraph 10.e.ii. (the lesser paragraph of 10.e.ii.a. and 10.e.ii.b. below)	\$ N/A	\$ N/A	\$ N/A	\$ N/A	\$ N/A	\$ N/A
(i) SSAP No. 10R, Paragraph 10.e.ii.a.	\$ N/A	\$ N/A	\$ N/A	\$ N/A	\$ N/A	\$ N/A
(j) SSAP No. 10R, Paragraph 10.e.ii.b.	XXX	XXX	\$ N/A	XXX	XXX	\$ N/A
(k) SSAP No. 10R, Paragraph 10.e.iii.	\$ N/A	\$ N/A	\$ N/A	\$ N/A	\$ N/A	\$ N/A
(l) Total (4g+4h+4k)	\$ N/A	\$ N/A	\$ N/A	\$ N/A	\$ N/A	\$ N/A
Used in SSAP No. 10R, Paragraph 10.d.						
(m) Total Adjusted Capital	XXX	XXX	\$ N/A	XXX	XXX	\$ N/A
(n) Authorized Control Level	XXX	XXX	\$ N/A	XXX	XXX	\$ N/A
2009						
Admission Calculation Components						
SSAP No. 10R, Paragraphs 10.a., 10.b., and 10.c.:						
(a) SSAP No. 10R, Paragraph 10.a.	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
(b) SSAP No. 10R, Paragraph 10.b. (the lesser of paragraph 10.b.i. and 10.b.ii. below)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
(c) SSAP No. 10R, Paragraph 10.b.i.	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
(d) SSAP No. 10R, Paragraph 10.b.ii.	XXX	XXX	\$ 949,505	XXX	XXX	\$ 949,505
(e) SSAP No. 10R, Paragraph 10.c.	\$ 1,936,111	\$ 5,375	\$ 1,941,486	\$ 1,936,111	\$ 5,375	\$ 1,941,486
(f) Total (4a+4b+4e)	\$ 1,963,111	\$ 5,375	\$ 1,941,486	\$ 1,963,111	\$ 5,375	\$ 1,941,486
Admission Calculation Components						
SSAP No. 10R, Paragraph 10.e.:						
(g) SSAP No. 10R, Paragraph 10.e.i.	\$ N/A	\$ N/A	\$ N/A	\$ N/A	\$ N/A	\$ N/A
(h) SSAP No. 10R, Paragraph 10.e.ii. (the lesser paragraph of 10.e.ii.a. and 10.e.ii.b. below)	\$ N/A	\$ N/A	\$ N/A	\$ N/A	\$ N/A	\$ N/A
(i) SSAP No. 10R, Paragraph 10.e.ii.a.	\$ N/A	\$ N/A	\$ N/A	\$ N/A	\$ N/A	\$ N/A
(j) SSAP No. 10R, Paragraph 10.e.ii.b.	XXX	XXX	\$ N/A	XXX	XXX	\$ N/A
(k) SSAP No. 10R, Paragraph 10.e.iii.	\$ N/A	\$ N/A	\$ N/A	\$ N/A	\$ N/A	\$ N/A
(l) Total (4g+4h+4k)	\$ N/A	\$ N/A	\$ N/A	\$ N/A	\$ N/A	\$ N/A
Used in SSAP No. 10R, Paragraph 10.d.						
(m) Total Adjusted Capital	XXX	XXX	\$ N/A	XXX	XXX	\$ N/A
(n) Authorized Control Level	XXX	XXX	\$ N/A	XXX	XXX	\$ N/A

Notes to Financial Statements

	Change		
	(7)	(8)	(9)
	(Col 1-4) <u>Ordinary</u>	(Col 2-5) <u>Capital</u>	(Col 7+8) <u>Total</u>
Admission Calculation Components SSAP No. 10R, Paragraphs 10.a., 10.b., and 10.c.:			
(a) SSAP No. 10R, Paragraph 10.a.	\$ 0	\$ 0	\$ 0
(b) SSAP No. 10R, Paragraph 10.b. (the lesser of paragraph 10.b.i. and 10.b.ii. below)	\$ 537,672	\$ 0	\$ 537,672
(c) SSAP No. 10R, Paragraph 10.b.i.	\$ 537,672	\$ 0	\$ 537,672
(d) SSAP No. 10R, Paragraph 10.b.ii.	XXX	XXX	\$ (356,885)
(e) SSAP No. 10R, Paragraph 10.c.	\$ (77,164)	\$ (5,375)	\$ (82,539)
(f) Total (4a+4b+4e)	<u>\$ 460,508</u>	<u>\$ (5,375)</u>	<u>\$ 455,133</u>
Admission Calculation Components SSAP No. 10R, Paragraph 10.e.:			
(g) SSAP No. 10R, Paragraph 10.e.i.	\$ N/A	\$ N/A	\$ N/A
(h) SSAP No. 10R, Paragraph 10.e.ii. (the lesser paragraph of 10.e.ii.a. and 10.e.ii.b. below)	\$ N/A	\$ N/A	\$ N/A
(i) SSAP No. 10R, Paragraph 10.e.ii.a.	\$ N/A	\$ N/A	\$ N/A
(j) SSAP No. 10R, Paragraph 10.e.ii.b.	XXX	XXX	\$ N/A
(k) SSAP No. 10R, Paragraph 10.e.iii.	\$ N/A	\$ N/A	\$ N/A
(l) Total (4g+4h+4k)	\$ N/A	\$ N/A	\$ N/A
Used in SSAP No. 10R, Paragraph 10.d.			
(m) Total Adjusted Capital	XXX	XXX	\$ N/A
(n) Authorized Control Level	XXX	XXX	\$ N/A
(5) Admitted DTA, Admitted Assets and Statutory Surplus			
	2010		
	(1)	(2)	(3)
	<u>Ordinary</u>	<u>Capital</u>	<u>(Col 1+2) Total</u>
SSAP No. 10R, Paragraphs 10.a., 10.b., and 10.c.:			
(a) Admitted Deferred Tax Assets	\$ 537,672	\$ (75,363)	\$ 462,310
(b) Admitted Assets	XXX	XXX	\$ 152,063,978
(c) Adjusted Statutory Surplus *	XXX	XXX	\$ 7,923,019
(d) Total Adjusted Capital from DTAs	XXX	XXX	\$ N/A
Increases due to SSAP No. 10R, Paragraph 10.e.:			
(e) Admitted Deferred Tax Assets	\$ N/A	\$ N/A	\$ N/A
(f) Admitted Assets	\$ N/A	\$ N/A	\$ N/A
(g) Statutory Surplus	\$ N/A	\$ N/A	\$ N/A
* As reported on the statutory balance sheet for the most recently filed statement with the domiciliary state commissioner adjusted in accordance with SSAP No. 10R, Paragraph 10.b.ii.			
	2009		
	(4)	(5)	(6)
	<u>Ordinary</u>	<u>Capital</u>	<u>(Col 4+5) Total</u>
SSAP No. 10R, Paragraphs 10.a., 10.b., and 10.c.:			
(a) Admitted Deferred Tax Assets	\$ 0	\$ 0	\$ 0
(b) Admitted Assets	XXX	XXX	\$ 159,410,885
(c) Adjusted Statutory Surplus *	XXX	XXX	\$ 6,365,306
(d) Total Adjusted Capital from DTAs	XXX	XXX	\$ N/A
Increases due to SSAP No. 10R, Paragraph 10.e.:			
(e) Admitted Deferred Tax Assets	\$ N/A	\$ N/A	\$ N/A
(f) Admitted Assets	\$ N/A	\$ N/A	\$ N/A
(g) Statutory Surplus	\$ N/A	\$ N/A	\$ N/A
* As reported on the statutory balance sheet for the most recently filed statement with the domiciliary state commissioner adjusted in accordance with SSAP No. 10R, Paragraph 10.b.ii.			

Notes to Financial Statements

	Change		
	(7)	(8)	(9)
	(Col 1-4)	(Col 2-5)	(Col 7+8)
	<u>Ordinary</u>	<u>Capital</u>	<u>Total</u>
SSAP No. 10R, Paragraphs 10.a., 10.b., and 10.c.:			
(a) Admitted Deferred Tax Assets	\$ 537,672	\$ (75,363)	\$ 462,310
(b) Admitted Assets	XXX	XXX	\$ (7,346,907)
(c) Adjusted Statutory Surplus *	XXX	XXX	\$ 1,557,713
(d) Total Adjusted Capital from DTAs	XXX	XXX	\$ N/A
Increases due to SSAP No. 10R, Paragraph 10.e.:			
(e) Admitted Deferred Tax Assets	\$ N/A	\$ N/A	\$ N/A
(f) Admitted Assets	\$ N/A	\$ N/A	\$ N/A
(g) Statutory Surplus	\$ N/A	\$ N/A	\$ N/A

* As reported on the statutory balance sheet for the most recently filed statement with the domiciliary state commissioner adjusted in accordance with SSAP No. 10R, Paragraph 10.b.ii.

B. The Company has no deferred tax liabilities that are not recognized.

C. Current income taxes incurred consist of the following major components:

	(1)	(2)	(3)
	<u>12/31/2010</u>	<u>12/31/2009</u>	(Col 1-2) <u>Change</u>
1. Current Income Tax			
(a) Federal	\$ 16,462	\$ 0	\$ 16,462
(b) Foreign	0	0	0
(c) Subtotal	16,462	0	16,462
(d) Federal income tax on net capital gains	0	0	0
(e) Utilization of capital loss carry-forwards	0	0	0
(f) Other	0	0	0
(g) Federal and foreign income taxes incurred	\$ 16,462	0	16,462
2. Deferred Tax Assets:			
(a) Ordinary			
(1) Discounting of unpaid losses	\$ 371	\$ 1,574	\$ (1,203)
(2) Unearned premium reserve	0	0	0
(3) Policyholder reserves	1,890,590	1,908,374	(17,784)
(4) Investments	0	1,126,170	(1,126,170)
(5) Deferred acquisition costs	1,607,005	1,578,348	28,657
(6) Policyholder dividends accrual	0	0	0
(7) Fixed assets	22,778	1,951	20,827
(8) Compensation and benefits accrual	0	0	112,176
(9) Pension accrual	1,196,561	1,084,385	0
(10) Receivables – nonadmitted	639,559	704,495	(64,936)
(11) Net operating loss carry-forward	6,518,906	6,635,428	(116,522)
(12) Tax credit carry-forward	176,737	160,275	16,462
(13) Other (including items <5% of total ordinary tax assets)	1,482,703	1,773,243	(290,540)
(99) Subtotal	13,535,211	14,974,243	(1,439,032)
(b) Statutory valuation allowance adjustment	(11,138,591)	(13,032,757)	1,894,166
(c) Nonadmitted	0	0	0
(d) Admitted ordinary deferred tax assets (2a99 – 2b – 2c)	2,396,619	1,941,486	455,132
(e) Capital:			
(1) Investments	0	0	0
(2) Net capital loss carry-forward	0	0	0
(3) Real estate	0	0	0
(4) Other (including items <5% of total capital tax assets)	0	0	0
(99) Subtotal	0	0	0
(f) Statutory valuation allowance adjustment	0	0	0
(g) Nonadmitted	0	0	0
(h) Admitted capital deferred tax assets (2e99 – 2f – 2g)	0	0	0
(i) Admitted deferred tax assets (2d+2h)	\$ 2,396,619	\$ 1,941,486	\$ 455,132

Notes to Financial Statements

3. Deferred Tax Liabilities:

(a) Ordinary

(1) Investments	\$ 75,363	\$ 5,375	\$ 69,988
(2) Fixed assets	0	0	0
(3) Deferred and uncollected premium	1,645,767	1,936,111	(290,344)
(4) Policyholder reserves	0	0	0
(5) Other (including items <5% of total ordinary tax liabilities)	213,180	0	213,180
(99) Subtotal	<u>1,934,310</u>	<u>1,941,486</u>	<u>(7,176)</u>

(b) Capital:

(1) Investments	0	0	0
(2) Real estate	0	0	0
(3) Other (including items <5% of total capital tax liabilities)	0	0	0
(99) Subtotal	<u>0</u>	<u>0</u>	<u>0</u>

(c) Deferred tax liabilities (3a99+3b99)

\$ <u>1,934,310</u>	\$ <u>1,941,486</u>	\$ <u>(7,176)</u>
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4. Net deferred tax assets/liabilities (2i-3c)

\$ <u>462,310</u>	\$ <u>0</u>	\$ <u>462,310</u>
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D. Among the more significant book to tax adjustments were the following:

	December 31, 2010	Effective Tax Rate	December 31, 2009	Effective Tax Rate
Provision computed at statutory rate	\$ 287,774	34.0%	\$ (851,925)	34.0%

Permanent differences:

Tax-exempt interest (net of amortization)	\$ 0	0.0%	\$ (663)	0.0%
Gain on reinsurance transaction	(77,082)	-9.1%	(79,709)	3.2%
Partnership income (loss)	71,445	8.4%	0	0.0%
Non-deductible business meals & entertainment	10,014	1.2%	13,250	-0.5%
Non-deductible club dues	506	0.1%	0	0.0%
Non-deductible officers life insurance premiums	275,952	32.6%	79,735	-3.2%
Increase in cash surrender value	(395,802)	-46.8%	(131,295)	5.2%
IMR amortization	(91,027)	-10.8%	(70,694)	2.8%
Capital gains transferred to the IMR	762,093	90.0%	283,191	-11.3%
Decrease in tax reserves				
policyholder share of tax-exempt interest	0	0.0%	390	0.0%
Penalties	8,875	1.0%	21,172	-0.8%
Impairments	(152,009)	-18.0%	0	0.0%
Dividends received deduction	(629)	-0.1%	0	0.0%
Prior Year Tax Expense True-up	(34,914)	-4.1%	0	0.0%
True-up for PY Perms	(1,607)	-0.2%	259,753	-10.4%
Change in nonadmitted assets	64,936	7.7%	69,911	-2.8%
Totals	<u>\$ 728,525</u>	<u>86.1%</u>	<u>\$ (406,883)</u>	<u>16.2%</u>
Federal and foreign income taxes incurred	\$ 16,462	1.9%	\$ 0	0.0%
Prior year underaccrual	0	0.0%	0	0.0%
Current year tax benefit from NOL carryback	0	0.0%	0	0.0%
Change in net deferred income taxes	1,431,855	169.2%	(813,317)	32.5%
Change in unrealized gains/losses	(719,792)	-85.0%	406,434	-16.3%
Total statutory income taxes	<u>\$ 728,525</u>	<u>86.1%</u>	<u>\$ (406,883)</u>	<u>16.2%</u>

Notes to Financial Statements

E. Operating Loss and Tax Credit Carryforwards

- (1) At December 31, 2010, the Company has an operating loss carryforward of \$19,173,254 which expire as follows: 2024, \$924,218; 2025, \$6,764,629; 2026, \$481,675; 2027, \$5,248,176; 2028, \$4,827,435; 2029, \$927,121. In addition, the Company has Alternative Minimum Tax credit carryforward of \$176,737 that does not expire.
- (2) The Company has incurred the following federal income taxes in 2010 and 2009 that are available for recoupment in the event of future net losses:

<u>Year</u>	<u>Amount</u>
2010	\$0
2009	\$0

- (3) The Company did not have any IRC Section 6603 deposits as of December 31, 2010.

F. Consolidated Federal Income Tax Return

- (1) The Company is not included in a consolidated federal income tax return.
- (2) Not applicable.

10. Information Concerning Parent, Subsidiaries and Affiliates

- A. As discussed in Note 21C(1), Other Items, the Company established a wholly owned and controlled non-insurance subsidiary, Signature Group Financial, LLC (“Signature Group Financial”), a single member North Carolina limited liability company on November 23, 2010. The Company carries the Signature Group Financial at GAAP equity.
- B. As of December 31, 2010, Signature Group Financial was capitalized with \$250,000 in member equity from parent, received \$2,000,000 in loans from parent, pursuant to a term credit facility loan agreement and received \$29,912 in advances from parent.
- C. See B above.
- D. As of December 31, 2010, the Company reported \$2,029,912 as amounts due from the subsidiary, Signature Group Financial. The advances under the term credit facility are short term in nature, have fixed maturity, and bear interest in the amount of 7% per annum. Advances other than those pursuant to the term credit facility are settled monthly.
- E. None
- F. Beginning in 2011, the Company has a management or administrative services agreement with Signature Group Financial to provide general and administrative support, including executive and administrative personnel, employment taxes and benefits, information technology, and treasury services. The Signature Group Financial reimburses the Company for actual payroll costs or designated personnel plus a charge of 25% of payroll for burden or overhead.
- G. The Company owns 100% of Signature Financial Group.
- H. None
- I. Not applicable
- J. Not applicable
- K. Not applicable
- L. Not applicable

11. Debt

- A. Accounting Practices

The Company has no capital notes or debentures outstanding.

Notes to Financial Statements

The Company does not have any reverse repurchase agreements.

B. FHLB (Federal Home Loan Bank) Agreements

Not applicable

12. Retirement Plans, Deferred Compensation, Post-employment Benefits and Compensated Absences and Other Postretirement Benefit Plans

A. Defined Benefit Plans

The Company has a defined benefit pension plan covering substantially all of its eligible employees and captive agents. The benefits are based on years of service and the employee's final highest 5-year average compensation. Plan participants are entitled to monthly pension benefits beginning at normal retirement age (age 65) or the fifth anniversary of plan participation, if later. The Company's funding and accounting policies are to contribute the minimum required amount that can be deducted for federal income tax purposes and to charge such contributions to expense in the year they are deductible for income tax purposes.

The Company uses a December 31 measurement date for its plans. The assets of the plan are maintained in a separate trust.

A summary of assets, obligations and assumptions of the Pension Plan is as follows as of December 31, 2010 and 2009:

		<u>Pension Benefits</u>	
		<u>2010</u>	<u>2009</u>
(1)	Change in benefit obligation		
	a. Benefit obligation at beginning of year	\$ 9,094,677	\$ 8,283,643
	b. Service cost	315,267	382,403
	c. Interest cost	439,735	442,494
	d. Contribution by plan participants	0	0
	e. Actuarial gain (loss)	(468,339)	409,075
	f. Foreign currency exchange rate changes	0	0
	g. Benefits paid	(660,331)	(422,937)
	h. Plan amendments	0	0
	i. Business combinations, divestitures, curtailments, settlements and special termination benefits	0	0
	j. Benefit obligation at end of year	<u>\$ 8,721,009</u>	<u>\$ 9,094,677</u>
(2)	Change in plan assets		
	a. Fair value of plan assets at beginning of year	\$ 8,562,955	\$ 7,791,712
	b. Actual return on plan assets	758,953	1,194,180
	c. Foreign currency exchange rate changes	0	0
	d. Employer contribution	0	0
	e. Plan participants' contributions	0	0
	f. Benefits paid	(660,331)	(422,937)
	g. Business combinations, divestitures and settlements	0	0
	h. Fair value of plan assets at year end	<u>\$ 8,661,577</u>	<u>\$ 8,562,955</u>

Notes to Financial Statements

(3)	Funded status		
	a. Unamortized prior service cost	\$ 544,525	\$ 651,966
	b. Unrecognized net gain or (loss)	401,876	1,146,662
	c. Remaining net obligation or net asset at initial date of application	(1,094,536)	(1,474,473)
	d. Prepaid assets or accrued liabilities	(207,567)	(207,567)
	e. Intangible asset	0	0
(4)	Accumulated benefit obligation for vested employees and partially vested employees to the extent vested	\$ 8,230,148	\$ 8,192,245
(5)	Benefit obligation for non-vested employees		
	a. Projected pension obligation	\$ 528,201	\$ 419,338
	b. Accumulated benefit obligation	328,224	192,189
(6)	Components of net periodic benefit cost		
	a. Service cost	\$ 315,267	\$ 382,403
	b. Interest cost	439,735	442,494
	c. Expected return on plan assets	(504,227)	(451,558)
	d. Amortization of unrecognized transition obligation or transition asset	(379,937)	(570,010)
	e. Amount of recognized gains and losses	21,721	89,230
	f. Amount of prior service cost recognized	107,441	107,441
	g. Amount of gain or loss recognized due to a settlement or curtailment	0	0
	h. Total net periodic benefit cost	\$ 0	\$ 0
(7)	There was no change in additional minimum pension liability.		
(8)	Weighted-average assumptions used to determine net periodic benefit cost as of December 31:	<u>2010</u>	<u>2009</u>
	a. Weighted-average discount rate	5.50%	6.00%
	b. Expected long-term rate of return on plan assets	7.00%	7.00%
	c. Rate of compensation increase	4.25%	4.25%
	Weighted-average assumptions used to determine projected benefit obligations as of December 31:		
	d. Weighted-average discount rate	5.43%	5.50%
	e. Rate of compensation increase	3.50%	4.25%
(9)	A measurement date of December 31, 2010 was used to determine the above.		
(10)	Not applicable		
(11)	Not applicable		

Notes to Financial Statements

- (12) The defined benefit pension plan asset allocation as of the measurement date, December 31, and the target asset allocation, presented as a percentage of total plan assets were as follows:

	<u>2010</u>	<u>2009</u>	<u>Target Allocation</u>
Equities	47%	46%	45%
Fixed Income Investments	43%	43%	45%
Cash	10%	11%	10%
Total	100%	100%	100%

The investment policy of the Plan is generally to invest the plan's assets in equities, fixed income investments and hold a cash position in the ratio of 45% / 45% / 10%, respectively. The objective is to achieve a long term rate of return in excess of 7% per year while at the same time mitigating the impact of investment risk associated with investment categories that are expected to yield greater than average returns. It's the policy of the Company to engage financial advisors to help shape and implement the plan's investment policy. The Company will annually review the plan's investment performance and when appropriate make changes to the investment policy and the plan's investment advisors as the company deems appropriate.

The expected long-term rate of return is estimated based on historical performance.

- (13) The following estimated future payments, which reflect expected future service, as appropriate, are expected to be paid in the years indicated:

<u>Year(s)</u>	<u>Amount</u>
2011	\$ 533,584
2012	\$ 715,052
2013	\$ 435,278
2014	\$ 593,499
2015	\$ 727,257
Thereafter Total	\$ 4,270,776

- (14) The Company does not have any regulatory contributions for 2011 and does not intend to make any voluntary contributions in 2011.
- (15) Not applicable
- (16) Not applicable
- (17) Not applicable
- (18) Not applicable
- (19) No significant changes occurred during 2010.

Amounts recognized in the statement of financial position consist of:

	<u>2010</u>	<u>2009</u>
a. Prepaid benefit cost	\$ 0	\$ 0
b. Accrued benefit cost	(207,567)	(207,567)
c. Intangible assets	0	0
d. Accumulated other comprehensive income (additional minimum liability)	0	0
e. Net amount recognized at end of year	\$ (207,567)	\$ (207,567)

B. Defined Contribution Plan

The Company sponsors a defined contribution plan covering substantially all employees of the Company. All employees of the Company are eligible to participate in the plan upon completing one-half year of service and reaching the age of 20. Beginning January 1, 2009, the Company's Board of Directors controls and manages the plan's operations, Co-Advantage, which also provides payroll services to the Company, administers the plan's operations, while Transamerica Retirement Services serves as trustee of the plan assets. Prior to 2009, the Company's Board of

Notes to Financial Statements

Directors controlled, managed, and administered the plan while American United Life Insurance Company served as the trustee of plan assets. Participants may contribute up to 25% of their eligible earnings on a pre-tax basis, subject to certain IRC (Internal Revenue Code) limitations. The Company may elect to make matching contributions at its discretion; however, there were no such contributions during the years ended December 31, 2010 or 2009.

Beginning in February 1, 1987, the Company implemented retirement restoration plan benefits for key executive as determined by the Board of Directors. The plan provides for payments to be made over a ten-year period subsequent to the executive's retirement, total disability, or death. Vesting of benefits occurs as follows:

Less than 5 years of service	0% vested
5 to 7 years of service	50% vested
8 or more years of service	100% vested

Beginning on February 1, 1987, the Company implemented executive salary continuation agreements with key executives as determined by the Board of Directors. The agreements provide for payments to be made over a ten-year period subsequent to the executive's retirement, total disability, or death.

A summary of assets, obligations and assumptions of the Plans are as follows as of December 31, 2010 and 2009:

	<u>Deferred Compensation</u>		<u>Other Benefits</u>	
	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>
(1) Change in benefit obligation				
a. Benefit obligation at beginning of year	\$ 1,479,025	\$ 1,577,963	\$ 2,201,494	\$ 2,368,544
b. Service cost	19,589	17,298	72,962	48,548
c. Interest cost	81,833	86,084	104,143	134,639
d. Contribution by plan participants	0	0	0	0
e. Actuarial gain (loss)	140,422	(33,523)	(164,176)	86,576
f. Foreign currency exchange rate changes	0	0	0	0
g. Benefits paid	(168,797)	(168,797)	(436,812)	(436,812)
h. Plan amendments	0	0	0	0
i. Business combinations, divestitures, curtailments, settlements and special termination benefits	0	0	0	0
j. Benefit obligation at end of year	<u>\$ 1,552,072</u>	<u>\$ 1,479,025</u>	<u>\$ 1,777,611</u>	<u>\$ 2,201,494</u>
(2) Change in plan assets				
a. Fair value of plan assets at beginning of year	\$ 0	\$ 0	\$ 0	\$ 0
b. Actuarial return on plan assets	0	0	0	0
c. Foreign currency exchange rate changes	0	0	0	0
d. Employer contribution	168,797	168,797	436,812	436,812
e. Plan participants' contributions	0	0	0	0
f. Benefits paid	(168,797)	(168,797)	(436,812)	(436,812)
g. Business combinations, divestitures and settlements	0	0	0	0
h. Fair value of plan assets at end of year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

Notes to Financial Statements

(3) Funded status								
a. Unamortized prior service cost	\$	0	\$	0	\$	0	\$	0
b. Unrecognized net gain or (loss)		222,038		81,616		422,913		616,159
c. Remaining net obligation or net asset at initial date or application		0		0		0		0
d. Prepaid assets or accrued liabilities		0		0		0		0
e. Intangible asset		0		0		0		0
(4) Accumulated benefit obligation for vested employees and partially vested employees to the extent vested	\$	0	\$	0	\$	0	\$	0
(5) Benefit obligation for non-vested employees								
a. Projected pension obligation	\$	0	\$	0	\$	467,794	\$	371,260
b. Accumulated benefit obligation		0		0		0		0
(6) Components of net periodic benefit cost								
a. Service cost	\$	19,589	\$	17,298	\$	72,962	\$	48,548
b. Interest cost		81,833		86,084		104,143		134,639
c. Expected return on plan assets		0		0		0		0
d. Amortization of unrecognized transition obligation or transition asset		0		0		0		0
e. Amount of recognized gains and losses		0		0		29,069		38,898
f. Amount of prior service cost recognized		0		0		0		0
g. Amount of gain or loss recognized due to a settlement or curtailment		0		0		0		0
h. Total net periodic benefit cost	\$	<u>101,422</u>	\$	<u>103,382</u>	\$	<u>206,174</u>	\$	<u>222,085</u>
(7)	\$204,088 and \$422,913 arising from a change in additional minimum pension liability recognized is included in unassigned funds relating to the Deferred Compensation and Other Benefits respectively.							
(8)		<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>			
	Weighted-average assumptions used to determine net periodic benefit costs as of December 31:							
a.	Weighted-average discount rate	5.50%	6.00%	5.50%	6.00%			
b.	Rate of compensation increase	4.25%	4.25%	4.25%	4.25%			
	Weighted-average assumptions used to determine projected benefit obligations as of December 31:							
c.	Weighted-average discount rate	5.43%	5.50%	5.43%	5.50%			
d.	Expected long-term rate of return on plan assets	7.00%	7.00%	7.00%	7.00%			
e.	Rate of compensation increase	3.50%	4.25%	3.50%	4.25%			
(9)	A measurement date of December 31, 2010 was used to determine the above.							

Notes to Financial Statements

(10) No significant changes occurred during 2010.

	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>
Amounts recognized in the statement of financial position consist of:				
a. Prepaid benefit cost	\$ 0	\$ 0	\$ 0	\$ 0
b. Accrued benefit cost	(1,534,122)	(1,468,030)	(1,777,611)	(2,201,494)
c. Intangible assets	0	0	0	0
d. Accumulated other comprehensive income (additional minimum liability)	<u>204,008</u>	<u>70,621</u>	<u>422,913</u>	<u>616,159</u>
e. Net amount recognized at end of year	<u>\$ (1,330,034)</u>	<u>\$ (1,397,409)</u>	<u>\$ (1,354,698)</u>	<u>\$ (1,585,336)</u>

C. The Company does not participate in a multiemployer plan.

D. The Company is not a party to any consolidated/holding company plans.

E. The Company does not sponsor a postemployment benefit plan. Compensated absences/vacation pay is recorded as an accrued liability in salaries and wages general expense and is not material. There were no material changes in the summary of assets, obligations and assumptions of the non-qualified plans as of December 31, 2010.

F. Impact of Medicare Modernization Act on Postretirement Benefits (INT 04-17)

Not applicable

13. Capital and Surplus, Shareholders' Dividend Restrictions and Quasi-Reorganizations

Not applicable.

14. Contingencies

A. Contingent Commitments

No applicable.

B. Assessments

Not applicable.

C. Gain Contingencies

Not applicable.

D. Claims related extra contractual obligation and bad faith losses stemming from lawsuits

Not applicable.

E. All Other Contingencies

Not applicable.

15. Leases

A. Lessee Operating Lease

(1)

- a. The Company leases office space and computers and equipment under various cancelable and noncancelable operating lease agreements that expire through December 20, 2019. The Company subleases office space to a third party. The various sublease agreements expire through November 30, 2013. Rental expense for 2010 and 2009 was approximately \$1,415,152 and \$1,581,502, respectively, net of rental income on subleases of \$257,556 and \$163,778 for 2010 and 2009 respectively.

Notes to Financial Statements

- b. The Company has no contingent rental payments.
- c. Certain rental commitments have renewal options extending through the year 2012. Some of these renewals are subject to adjustments in future periods. Certain subleases have renewal options extending through December 21, 2019 with adjustments in future periods.
- d. There are no restrictions imposed by the lease agreements.

(2)

- a. At December 31, 2010, the minimum aggregate rental commitments under noncancelable leases are as follows:

	<u>Year Ending</u> <u>December 31</u>	<u>Operating</u> <u>Leases</u>
1.	2011	\$ 1,480,608
2.	2012	1,337,769
3.	2013	1,316,007
4.	2014	1,355,487
5.	2015	<u>1,396,151</u>
6.	Total	<u>\$ 6,886,022</u>

- b. As of December 31, 2010, the total of minimum rentals to be received in the future under noncancelable subleases is \$875,893.

(3) In December 2006, the Company entered a sale-lease back agreement for the Home Office. The Company is leasing the property thorough 2019. As of December 31, 2010, the Company had future lease obligations of \$12,601,989.

In September 2006, the Company entered into a sales-lease back agreement for equipment. As of December 31, 2010 the agreement has a future lease obligation of \$20,100 through 2011. The Company has the option at the end of the lease to buy back the equipment for \$70,000.

In December 2008, the Company entered into a sales-lease back agreement for computers and equipment. As of December 31, 2010 the agreement has a future lease obligation of \$114,444 through 2011. The Company has the option at the end of the lease to buy back the equipment for a \$1.

B. Lessor Operating Lease

Not applicable.

16. Information About Financial Instruments With Off-Balance Sheet Risk And Financial Instruments With Concentrations of Credit Risk

Not applicable.

17. Sales, Transfer and Servicing of Financial Assets and Extinguishing of Liabilities

A. Transfers of Receivables Reported as Sales

None.

B. Transfer and Servicing of Financial Assets

None.

C. Wash Sales

None.

18. Gain or Loss to the Reporting Entity from Uninsured Plans and the Uninsured Portion of Partially Insured Plans

Not applicable

Notes to Financial Statements

19. Direct Premium Written/Produced by Managing General Agents/Third-Party Administrators

Name and Address	FEIN Number	Exclusive Contract	Types of Business Written	Types of Authority Granted	Total Direct Premiums Written/ Produced
Vision Financial Services, Inc. 17 Church St./ P. O. Box 506 Keene, NH 03431-0506	02-0430860	No	Universal Life	U, C, CA, P	\$ 709,663
Thomas E. Mestmaker 2300 Bahamas Drive Bakersfield, CA 93309	77-0018457	No	Group: Medical 4	C, CA, P	\$ 510,334
TRISTAR Insurance Services 100 Oceangate, Suite 700 Long Beach, CA 90802	20-2101656	No	Group Medical: Life	U, C, CA, P	\$ 282,869
Universal Fidelity Life Insurance Co. 2211 North Highway 81. Duncan, OK 73533	73-0493220	No	Individual Group: Preneed	U, C, CA, P	\$ 114,777
Total Plan Services, Inc. 14001 Dallas Parkway North Suite 700 Dallas, Texas 75240	75-1946277	No	Group Medical: Life	U, C, CA, P	\$ 15,485
National Underwriters, Inc. P O Box 3688 Greenville, SC 29608	57-1120400	No	Group: Life	U	\$ 852

Authority Codes Sample Listing:

C – Claims Payment
CA – Claims Adjustment
P – Premium Collection
U - Underwriting

20. Fair Value Measurements

A.

(1) Fair Value Measurements at December 31, 2010

(1) <u>Description</u>	(2) <u>(Level 1)</u>	(3) <u>(Level 2)</u>	(4) <u>(Level 3)</u>	(5) <u>Total</u>
a. Assets at fair value				
Common stock	\$ 544,389	\$ 0	\$ 0	\$ 544,389
Total assets at fair value	<u>\$ 544,389</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 544,389</u>
b. Liabilities at fair value	N/A	N/A	N/A	N/A
Total liabilities at fair value	N/A	N/A	N/A	N/A

(2) Fair Value Measurements in (Level 3) of Fair Value Hierarchy

The Company has no Level 3 fair value measurements.

(3) Not applicable.

(4) The Company does not have any fair value measurements categorized within Level 2 or Level 3.

(5) The Company does not have any derivative assets or liabilities.

B. Not applicable

C. Not applicable

D. Not applicable

Notes to Financial Statements

21. Other Items

A. Extraordinary Items

Not applicable.

B. Troubled Debt Restructuring: Debtors

Not applicable

C. Other Disclosures

- (1) On December 20, 2010, a recently established wholly owned subsidiary of the Company, Signature Group Financial, LLC (“Signature Group Financial”), a North Carolina limited liability company, purchased substantially all the assets and operations of The Signature Group, LLC, an Alabama limited liability company. The Signature Group, LLC operated a funeral home funding business with an office in Gadsden, Alabama. Signature Group Financial continues to operate from the same location. Signature Group Financial purchased assets, primarily accounts receivable, totaling \$1,979,264. At December 31, 2010, Signature Group Financial was capitalized with \$250,000 in member equity, \$2,000,000 in loans from parent, pursuant to a term credit facility loan agreement, and \$29,912 in advances from parent.
- (2) In 2008, the Company entered into two indemnity coinsurance treaties with Booker T. Washington Life Insurance (“BTW”) and Universal Life Insurance Company (“UL”) under which the reinsured policies were one hundred percent (100%) coinsured by the Company but not assumptively reinsured. The Company also entered into an administration agreement where the reinsured policies were administered directly by the Company. Subsequently, in April 2010, the Company entered into an Assumption Reinsurance Agreement for the reinsured policies with BTW and UL.
- (3) In November 2010, the Company sold its 10.55% interest in Piedmont Investment Advisors, LLC, an investment advisory service company, for approximately \$1.3 million. The investment had been recorded using the equity method as prescribed by SSAP No. 97 and was carried at a value of approximately \$137,000. Of the \$1,163,000 gain on the sale, the Company recorded an unrealized capital gain through surplus of \$613,000 and a realized gain of \$550,000 in the Summary of Operations.

D. Uncollected Balances

At December 31, 2010 and December 31, 2009, the Company had admitted assets of \$671,482 and \$1,214,228, respectively, in accounts receivable for uninsured plans and amounts due from agents. The Company routinely evaluates the collectibility of uncollected premiums and writes off any amounts deemed to be uncollectible. During the years ended December 31, 2010 and 2009 the Company recorded write offs of receivables amounting to \$11,347 and \$0 respectively.

During 2006, the Company entered into a \$5.1 million Note Agreement with a Managing General Agent (“MGA”) for premium amounts past due. The agreement called for a balloon payment on March 1, 2009 equal to the balance of any principal and interest amounts then due. The MGA did not honor the scheduled balloon payment on March 1, 2009. The parties entered in to a new agreement in 2009 for the remaining \$1.1 million which included a significant initial payment, monthly installments and the option for an early balloon payment in June 2011. Should the MGA not make the balloon payment, monthly installments would continue until the amounts due are settled in full. The MGA is current on payments due under the new agreement.

E. Business Interruption Insurance Recoveries

Not applicable.

F. State Transferable Tax Credits

Not applicable

G. Subprime-Mortgage-Related Risk Exposure

Not applicable

Notes to Financial Statements

22. Events Subsequent

Type I – Recognized Subsequent Events:

Subsequent events have been considered through February 24, 2011 for the statutory statement issued on March 1, 2011.

None noted.

Type II – Nonrecognized Subsequent Events:

Subsequent events have been considered through February 24, 2011 for the statutory statement issued on March 1, 2011.

None noted.

23. Reinsurance

A. Ceded Reinsurance Report

Section 1 – General Interrogatories

- (1) Are any of the reinsurers, listed in Schedule S as non-affiliated, owned in excess of 10% or controlled, either directly or indirectly, by the company or by a representative, officer, trustee, or director of the company?

Yes () No (X)

- (2) Have any policies issued by the company been reinsured with a company chartered in a country other than the United States (excluding U.S. Branches of such companies) that is owned in excess of 10% or controlled directly or indirectly by an insured, a beneficiary, a creditor or an insured or any other person not primarily engaged in the insurance business?

Yes () No (X)

Section 2 – Ceded Reinsurance Report – Part A

- (1) Does the company have any reinsurance agreements in effect under which the reinsurer may unilaterally cancel any reinsurance for reasons other than for nonpayment of premium or other similar credits?

Yes () No (X)

- (2) Does the reporting entity have any reinsurance agreements in effect such that the amount of losses paid or accrued through the statement date may result in a payment to the reinsurer of amounts that, in aggregate and allowing for offset of mutual credits from other reinsurance agreements with the same reinsurer, exceed the total direct premium collected under the reinsured policies?

Yes () No (X)

Section 3 – Ceded Reinsurance Report – Part B

- (1) What is the estimated amount of the aggregate reduction in surplus, (for agreements other than those under which the reinsurer may unilaterally cancel for reasons other than for nonpayment of premium or other similar credits that are reflected in Section 2 above) of termination of ALL reinsurance agreements, by either party, as of the date of this statement? Where necessary, the company may consider the current or anticipated experience of the business reinsured in making this estimate. \$ 0.

- (2) Have any new agreements been executed or existing agreements amended, since January 1 of the year of this statement, to include policies or contracts that were in force or which had existing reserves established by the company as of the effective date of the agreement?

Yes () No (X)

Notes to Financial Statements

B. Uncollectible Reinsurance

Not applicable.

C. Commutation of Ceded Reinsurance

Not applicable.

24. Retrospectively Rated Contracts & Contracts Subject to Redetermination

Not applicable

25. Change in Incurred Losses and Loss Adjustment Expenses

Reserves as of December 31, 2009 were \$300,818. As of December 31, 2010, \$191,070 has been paid for incurred losses and loss adjustment expenses attributable to insured events of prior years. Reserves remaining for prior years are now \$156,723 as a result of re-estimation of unpaid claims and claim adjustment expenses principally on the A&H line of insurance. Therefore, there has been a \$46,975 unfavorable prior-year development since December 31, 2009 to December 31, 2010. The unfavorable experience is generally the result of ongoing analysis of recent loss development trends.

26. Intercompany Pooling Arrangements

Not applicable

27. Structured Settlements

Not applicable

28. Health Care Receivables

A. Not applicable

B. Not applicable

29. Participating Policies

A. Premiums under individual life participating policies were 44% and 52% of total individual premiums earned during the years ending December 31, 2010 and 2009, respectively.

B. The Company accounts for its policyholder dividends on an accrual basis consistent with SSAP 51 and SSAP 54.

C. The Company recorded dividend expense to individual life policyholders during the years ended December 31, 2010 and 2009 of \$3,049 and \$(96,699), respectively. The Company established separate liabilities for dividends payable in the next 12 months of \$0 and \$0 as of December 31, 2010, and December 31, 2009, respectively. As of January 1, 2010, the Company suspended future dividend payments.

D. None.

30. Premium Deficiency Reserves

Not applicable

31. Reserves for Life Contracts and Deposit-Type Contracts:

(1) The Company waives deduction of deferred fractional premium upon death of insured. Any portion of the final premiums beyond the date of death is returned. Surrender values are not promised in excess of the legally computed reserves.

(2) The Company holds the unearned premium reserve, which is equal to one-half of the extra premium for the year.

(3) As of December 31, 2010, the Company had no insurance in force for which the gross premiums are less than the net premiums according to the standard of valuation set by the State of North Carolina.

Notes to Financial Statements

- (4) The Tabular Interest has been determined by formula as described in the instructions.

The Tabular Less Actual Reserve Released has been determined by formula as described in the instructions.

The Tabular Cost has been determined by formula as described in the instructions.

- (5) For the determination of Tabular Interest on funds not involving contingencies under for each valuation rate of interest, the tabular interest is calculated as the product of guaranteed rate of interest and the amount of funds subject to such valuation rate of interest.
- (6) There were no other reserve changes.

32. Analysis of Annuity Actuarial Reserves and Deposit Type Liabilities by Withdrawal Characteristics

Withdrawal Characteristics of Annuity Actuarial Reserves and Deposit-Type Contract Funds and other Liabilities Without Life or Disability Contingencies

	(1) <u>Amount</u>	(2) <u>% of Total</u>
A. Subject to discretionary withdrawal:		
(1) With fair value adjustment	\$ 0	0.0%
(2) At book value less current surrender charge of 5% or more	845,095	16.5%
(3) At fair value	<u>0</u>	0.0%
(4) Total with adjustment or at fair value (Total of 1 through 3)	\$ <u>845,095</u>	16.5%
(5) At book value without adjustment (minimal or no charge or adjustment)	\$ 4,272,108	83.4%
B. Not subject to discretionary withdrawal	\$ 2,252	0.0%
C. Total (gross: direct + assumed)	\$ 5,119,455	100.0%
D. Reinsurance ceded	<u>843</u>	
E. Total (net)* (C) – (D)	\$ <u>5,118,612</u>	

* Reconciliation of total annuity actuarial reserves and deposit fund liabilities.

F.

	<u>Amount</u>
Life & Accident & Health Annual Statement:	
1. Exhibit 5, Annuities Section, Total (net)	\$ 2,541,049
2. Exhibit 5, Supplementary Contracts with Life Contingencies Section, Total (net)	2,252
3. Exhibit 7, Deposit-Type Contracts, Line 14, Column 1	<u>2,575,311</u>
4. Total	<u>5,118,612</u>

G. FHLB (Federal Home Loan Bank) Agreements

Not applicable.

33. Premiums and Annuity Considerations Deferred and Uncollected

A. Deferred and uncollected life insurance premiums and annuity considerations as of December 31, 2010, were as follows:

		(1) <u>Gross</u>	(2) <u>Net of Loading</u>
(1) Industrial	\$ 25,693	\$ 5,189	
(2) Ordinary new business	111,191	14,395	
(3) Ordinary renewal	3,992,726	2,214,368	
(4) Credit Life	0	0	
(5) Group Life	592,110	592,110	
(6) Group Annuity	<u>0</u>	<u>0</u>	
(7) Totals	\$ <u>4,721,720</u>	\$ <u>2,826,062</u>	

Notes to Financial Statements

34. Separate Accounts

Not applicable

35. Loss/Claim Adjustment Expenses

The balance in the liability for unpaid accident and health claim adjustment expenses as of December 31, 2010 and December 31, 2009 was \$11,649 and \$0, respectively.

The company incurred \$70,484 and paid \$70,751 of claim adjustment expenses in the current year, of which \$5,658 of the paid amount was attributable to insured or covered events of prior years. The company did not increase or decrease the provision for insured events of prior years.

No salvage and subrogation was considered in determination of the liability of unpaid claims.

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

GENERAL

- 1.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer? Yes[X] No[]
- 1.2 If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations? Yes[X] No[] N/A[]
- 1.3 State Regulating? North Carolina
- 2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? Yes[] No[X]
- 2.2 If yes, date of change: _____
- 3.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/2005
- 3.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. 12/31/2005
- 3.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). 07/20/2007
- 3.4 By what department or departments?
North Carolina Department of Insurance and Delaware Department of Insurance.
- 3.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with departments? Yes[X] No[] N/A[]
- 3.6 Have all of the recommendations within the latest financial examination report been complied with? Yes[X] No[] N/A[]
- 4.1 During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity) receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
- 4.11 sales of new business? Yes[] No[X]
- 4.12 renewals? Yes[] No[X]
- 4.2 During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
- 4.21 sales of new business? Yes[] No[X]
- 4.22 renewals? Yes[] No[X]
- 5.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes[] No[X]
- 5.2 If yes, provide the name of the entity, NAIC company code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

1 Name of Entity	2 NAIC Company Code	3 State of Domicile

- 6.1 Has the reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? Yes[] No[X]
- 6.2 If yes, give full information: _____
- 7.1 Does any foreign (non-United States) person or entity directly or indirectly control 10% or more of the reporting entity? Yes[] No[X]
- 7.2 If yes, 0.000%
- 7.21 State the percentage of foreign control
- 7.22 State the nationality(s) of the foreign person(s) or entity(s); or if the entity is a mutual or reciprocal, the nationality of its manager or attorney-in-fact and identify the type of entity(s) (e.g., individual, corporation, government, manager or attorney-in-fact)

1 Nationality	2 Type of Entity

- 8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board? Yes[] No[X]
- 8.2 If response to 8.1 is yes, please identify the name of the bank holding company.
- 8.3 Is the company affiliated with one or more banks, thrifts or securities firms? Yes[] No[X]
- 8.4 If response to 8.3 is yes, please provide the names and location (city and state of the main office) of any affiliates regulated by a federal financial regulatory services agency [i.e., the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Office of Thrift Supervision (OTS), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC) and identify the affiliate's primary federal regulator.

1 Affiliate Name	2 Location (City, State)	3 FRB	4 OCC	5 OTS	6 FDIC	7 SEC
		Yes[] No[X]	Yes[] No[X]	Yes[] No[X]	Yes[] No[X]	Yes[] No[X]

9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?
Johnson Lambert & Co., LLP 700 Spring Forest Road Suite 115 / Raleigh NC 27609
- 10.1 Has the insurer been granted any exemptions to the prohibited non-audit services provided by the certified independent public accountant requirements as allowed in Section 7H of the Annual Financial Reporting Model Regulation (Model Audit Rule), or substantially similar state law or regulation? Yes[] No[X]
- 10.2 If response to 10.1 is "yes," provide information related to this exemption:
- 10.3 Has the insurer been granted any exemptions to the audit committee requirements as allowed in Section 14H of the Annual Financial Reporting Model Regulation, or substantially similar state law or regulation? Yes[] No[X]
- 10.4 If response to 10.3 is "yes," provide information related to this exemption:
- 10.5 Has the insurer been granted any exemptions related to the other requirements of the Annual Financial Reporting Model Regulation as allowed for in Section 17A of the Model Regulation, or substantially similar state law or regulation? Yes[] No[X]
- 10.6 If response to 10.5 is "yes," provide information related to this exemption:
- 10.7 Has the reporting entity established an Audit Committee in compliance with the domiciliary state insurance laws? Yes[X] No[] N/A[]
- 10.8 If the answer to 10.7 is "NO" or "N/A" please explain:

GENERAL INTERROGATORIES (Continued)

11. What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with an actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?
 Steven W. Fickes, FSA, MAAA; 411 West Chapel Hill St, Durham, NC 27701, Consulting Actuary, North Carolina Mutual Life Insurance Company; 8600 Country Club Dr, Bethesda, MD 20817, President, Raedel Financial Solutions
- 12.1 Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly? Yes No
 12.11 Name of real estate holding company
 12.12 Number of parcels involved
 12.13 Total book/adjusted carrying value \$ 0
 12.2 If yes, provide explanation
13. FOR UNITED STATES BRANCHES OF ALIEN REPORTING ENTITIES ONLY:
 13.1 What changes have been made during the year in the United States manager or the United States trustees of the reporting entity?
 13.2 Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located? Yes No N/A
 13.3 Have there been any changes made to any of the trust indentures during the year? Yes No N/A
 13.4 If answer to (13.3) is yes, has the domiciliary or entry state approved the changes? Yes No N/A
- 14.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards? Yes No
 a. Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
 b. Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
 c. Compliance with applicable governmental laws, rules and regulations;
 d. The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
 e. Accountability for adherence to the code.
 14.11 If the response to 14.1 is no, please explain:
 14.2 Has the code of ethics for senior managers been amended? Yes No
 14.21 If the response to 14.2 is yes, provide information related to amendment(s).
 14.3 Have any provisions of the code of ethics been waived for any of the specified officers? Yes No
 14.31 If the response to 14.3 is yes, provide the nature of any waiver(s).

BOARD OF DIRECTORS

15. Is the purchase or sale of all investments of the reporting entity passed upon either by the Board of Directors or a subordinate committee thereof? Yes No
16. Does the reporting entity keep a complete permanent record of the proceedings of its Board of Directors and all subordinate committees thereof? Yes No
17. Has the reporting entity an established procedure for disclosure to its board of directors or trustees of any material interest or affiliation on the part of any of its officers, directors, trustees or responsible employees that is in conflict or is likely to conflict with the official duties of such person? Yes No

FINANCIAL

18. Has this statement been prepared using a basis of accounting other than Statutory Accounting Principles (e.g., Generally Accepted Accounting Principles)? Yes No
- 19.1 Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):
 19.11 To directors or other officers \$ 0
 19.12 To stockholders not officers \$ 0
 19.13 Trustees, supreme or grand (Fraternal only) \$ 0
 19.2 Total amount of loans outstanding at end of year (inclusive of Separate Accounts, exclusive of policy loans):
 19.21 To directors or other officers \$ 0
 19.22 To stockholders not officers \$ 0
 19.23 Trustees, supreme or grand (Fraternal only) \$ 0
- 20.1 Were any assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reported in the statement? Yes No
 20.2 If yes, state the amount thereof at December 31 of the current year:
 20.21 Rented from others \$ 0
 20.22 Borrowed from others \$ 0
 20.23 Leased from others \$ 0
 20.24 Other \$ 0
- 21.1 Does this statement include payments for assessments as described in the Annual Statement Instructions other than guaranty fund or guaranty association assessments? Yes No
 21.2 If answer is yes:
 21.21 Amount paid as losses or risk adjustment \$ 0
 21.22 Amount paid as expenses \$ 0
 21.23 Other amounts paid \$ 0
- 22.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? Yes No
 22.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: \$ 0

INVESTMENT

- 23.1 Were all the stocks, bonds and other securities owned December 31 of current year, over which the reporting entity has exclusive control, in the actual possession of the reporting entity on said date? (other than securities lending programs addressed in 23.3) Yes No
 23.2 If no, give full and complete information, relating thereto:
 23.3 For security lending programs, provide a description of the program including value for collateral and amount of loaned securities, and whether collateral is carried on or off-balance sheet, (an alternative is to reference Note 17 where this information is also provided)
 23.4 Does the Company's security lending program meet the requirements for a conforming program as outlined in the Risk-Based Capital Instructions? Yes No N/A
 23.5 If answer to 23.4 is yes, report amount of collateral for conforming programs. \$ 0
 23.6 If answer to 23.4 is no, report amount of collateral for other programs. \$ 0
 23.7 Does your securities lending program require 102% (domestic securities) and 105% (foreign securities) from the counterparty at the outset of the contract? Yes No N/A
 23.8 Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%? Yes No N/A
 23.9 Does the reporting entity or the reporting entity's securities lending agent utilize the Master Securities Lending Agreement (MSLA) to conduct securities lending? Yes No N/A
- 24.1 Were any of the stocks, bonds or other assets of the reporting entity owned at December 31 of the current year not exclusively under the control of the reporting entity, or has the reporting entity sold or transferred any assets subject to a put option contract that is currently in force? (Exclude securities subject to Interrogatory 20.1 and 23.3) Yes No
 24.2 If yes, state the amount thereof at December 31 of the current year:
 24.21 Subject to repurchase agreements \$ 0
 24.22 Subject to reverse repurchase agreements \$ 0
 24.23 Subject to dollar repurchase agreements \$ 0
 24.24 Subject to reverse dollar repurchase agreements \$ 0
 24.25 Pledged as collateral \$ 0

GENERAL INTERROGATORIES (Continued)

24.26 Placed under option agreements	\$	0
24.27 Letter stock or securities restricted as to sale	\$	0
24.28 On deposit with state or other regulatory body	\$	0
24.29 Other	\$	0

24.3 For category (24.27) provide the following:

1 Nature of Restriction	2 Description	3 Amount

25.1 Does the reporting entity have any hedging transactions reported on Schedule DB? Yes No
 25.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? Yes No N/A
 If no, attach a description with this statement.

26.1 Were any preferred stocks or bonds owned as of December 31 of the current year mandatorily convertible into equity, or, at the option of the issuer, convertible into equity? Yes No
 26.2 If yes, state the amount thereof at December 31 of the current year. \$ 0

27. Excluding items in Schedule E - Part 3 - Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section I, III - General Examination Considerations, F. Outsourcing of Critical Functions, Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook? Yes No

27.01 For agreements that comply with the requirements of the NAIC Financial Condition Examiners Handbook, complete the following:

1 Name of Custodian(s)	2 Custodian's Address
U.S. BANK	Washington, DC

27.02 For all agreements that do not comply with the requirements of the NAIC Financial Condition Examiners Handbook, provide the name, location and a complete explanation:

1 Name(s)	2 Location(s)	3 Complete Explanation(s)

27.03 Have there been any changes, including name changes, in the custodian(s) identified in 27.01 during the current year? Yes No
 27.04 If yes, give full and complete information relating thereto:

1 Old Custodian	2 New Custodian	3 Date of Change	4 Reason

27.05 Identify all investment advisers, broker/dealers or individuals acting on behalf of broker/dealers that have access to the investment accounts, handle securities and have authority to make investments on behalf of the reporting entity:

1 Central Registration Depository Number(s)	2 Name	3 Address
80158025	Piedmont Investment Advisors, LLC	Durham, NC

28.1 Does the reporting entity have any diversified mutual funds reported in Schedule D, Part 2 (diversified according to the Securities and Exchange Commission (SEC) in the Investment Company Act of 1940 [Section 5 (b)(1)])? Yes No
 28.2 If yes, complete the following schedule:

1 CUSIP #	2 Name of Mutual Fund	3 Book/Adjusted Carrying Value
28.2999 Total		

28.3 For each mutual fund listed in the table above, complete the following schedule:

1 Name of Mutual Fund (from above table)	2 Name of Significant Holding of the Mutual Fund	3 Amount of Mutual Fund's Book/Adjusted Carrying Value Attributable to the Holding	4 Date of Valuation

29. Provide the following information for all short-term and long-term bonds and all preferred stocks. Do not substitute amortized value or statement value for fair value.

GENERAL INTERROGATORIES (Continued)

		1	2	3
		Statement (Admitted) Value	Fair Value	Excess of Statement over Fair Value (-), or Fair Value over Statement (+)
29.1	Bonds	96,949,107	99,623,046	2,673,939
29.2	Preferred stocks			
29.3	Totals	96,949,107	99,623,046	2,673,939

29.4 Describe the sources or methods utilized in determining the fair values
Broker or Custodian

30.1 Was the rate used to calculate fair value determined by a broker or custodian for any of the securities in Schedule D? Yes[X] No[]

30.2 If the answer to 30.1 is yes, does the reporting entity have a copy of the broker's or custodian's pricing policy (hard copy or electronic copy) for all brokers or custodians used as a pricing source? Yes[X] No[] N/A[]

30.3 If the answer to 30.2 is no, describe the reporting entity's process for determining a reliable pricing source for purposes of disclosure of fair value for Schedule D:

31.1 Have all the filing requirements of the Purposes and Procedures Manual of the NAIC Securities Valuation Office been followed? Yes[X] No[]

31.2 If no, list exceptions:

OTHER

32.1 Amount of payments to Trade Associations, Service Organizations and Statistical or Rating Bureaus, if any? \$ 14,299

32.2 List the name of the organization and the amount paid if any such payment represented 25% or more of the total payments to Trade Associations, Service Organizations and Statistical or Rating Bureaus during the period covered by this statement.

1 Name	2 Amount Paid
AM BEST	14,299

33.1 Amount of payments for legal expenses, if any? \$ 424,028

33.2 List the name of the firm and the amount paid if any such payments represented 25% or more of the total payments for legal expenses during the period covered by this statement.

1 Name	2 Amount Paid
KILPATRICK STOCKTON, LLP	215,775
THE FRANCIS LAW FIRM, PLLC	145,858

34.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers or department of government, if any? \$ 0

34.2 List the name of firm and the amount paid if any such payment represented 25% or more of the total payment expenditures in connection with matters before legislative bodies officers or department of government during the period covered by this statement.

1 Name	2 Amount Paid
.....	

GENERAL INTERROGATORIES (Continued)

PART 2 - LIFE INTERROGATORIES

- 1.1 Does the reporting entity have any direct Medicare Supplement Insurance in force? Yes [] No[X]
- 1.2 If yes, indicate premium earned on U.S. business only. \$ 0
- 1.3 What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit? \$ 0
- 1.31 Reason for excluding:
- 1.4 Indicate amount of earned premium attributable to Canadian and/or Other Alien not included in Item (1.2) above. \$ 0
- 1.5 Indicate total incurred claims on all Medicare Supplement Insurance. \$ 0
- 1.6 Individual policies:
- Most current three years:
- 1.61 Total premium earned \$ 0
- 1.62 Total incurred claims \$ 0
- 1.63 Number of covered lives 0
- All years prior to most current three years:
- 1.64 Total premium earned \$ 0
- 1.65 Total incurred claims \$ 0
- 1.66 Number of covered lives 0
- 1.7 Group policies:
- Most current three years:
- 1.71 Total premium earned \$ 0
- 1.72 Total incurred claims \$ 0
- 1.73 Number of covered lives 0
- All years prior to most current three years:
- 1.74 Total premium earned \$ 0
- 1.75 Total incurred claims \$ 0
- 1.76 Number of covered lives 0

2. Health Test

	1 Current Year	2 Prior Year
2.1 Premium Numerator .....	.....	546,416
2.2 Premium Denominator	21,518,928	26,707,858
2.3 Premium Ratio (2.1 / 2.2) .....	.....	0.020
2.4 Reserve Numerator	72,365	249,829
2.5 Reserve Denominator	130,199,666	130,021,880
2.6 Reserve Ratio (2.4 / 2.5)	0.001	0.002

- 3.1 Does this reporting entity have Separate Accounts? Yes [] No[X]
- 3.2 If yes, has a Separate Accounts statement been filed with this department? Yes [] No [] N/A[X]
- 3.3 What portion of capital and surplus funds of the reporting entity covered by assets in the Separate Accounts statement, is not currently distributable from the Separate Accounts to the general account for use by the general account? \$ 0
- 3.4 State the authority under which Separate Accounts are maintained:
- 3.5 Was any of the reporting entity's Separate Accounts business reinsured as of December 31? Yes [] No[X]
- 3.6 Has the reporting entity assumed by reinsurance any Separate Accounts business as of December 31? Yes [] No[X]
- 3.7 If the reporting entity has assumed Separate Accounts business, how much, if any, reinsurance assumed receivable for reinsurance of Separate Accounts reserve expense allowances is included as a negative amount in the liability for "Transfers to Separate Accounts due or accrued (net)?" \$ 0
- 4.1 Are personnel or facilities of this reporting entity used by another entity or entities or are personnel or facilities of another entity or entities used by this reporting entity (except for activities such as administration of jointly underwritten group contracts and joint mortality or morbidity studies)? Yes[X] No []
- 4.2 Net reimbursement of such expenses between reporting entities:
- 4.21 Paid \$ 0
- 4.22 Received \$ 0
- 5.1 Does the reporting entity write any guaranteed interest contracts? Yes [] No[X]
- 5.2 If yes, what amount pertaining to these items is included in:
- 5.21 Page 3, Line 1 \$ 0
- 5.22 Page 4, Line 1 \$ 0
6. For stock reporting entities only:
- 6.1 Total amount paid in by stockholders as surplus funds since organization of the reporting entity: \$ 0
7. Total dividends paid stockholders since the organization of the reporting entity:
- 7.11 Cash \$ 0
- 7.12 Stock \$ 0
- 8.1 Does the company reinsure any Workers' Compensation Carve-Out business defined as: Reinsurance (including retrocessional reinsurance) assumed by life and health insurers of medical, wage loss and death benefits of the occupational illness and accident exposures, but not the employers liability exposures, of business originally written as workers' compensation insurance. Yes [] No[X]
- 8.2 If yes, has the reporting entity completed the WORKERS' COMPENSATION CARVE-OUT SUPPLEMENT to the Annual Statement? Yes [] No [] N/A[X]
- 8.3 If 8.1 is yes, the amounts of earned premiums and claims incurred in this statement are:

	1 Reinsurance Assumed	2 Reinsurance Ceded	3 Net Retained
8.31 Earned premium
8.32 Paid claims
8.33 Claim liability and reserve (beginning of year)
8.34 Claim liability and reserve (end of year)
8.35 Incurred claims

- 8.4 If reinsurance assumed included amounts with attachment points below \$1,000,000, the distribution of the amounts reported in Lines 8.31 and 8.34 for Column (1) are:

GENERAL INTERROGATORIES (Continued)

	Attachment Point	1 Earned Premium	2 Claim Liability and Reserve
8.41	< \$25,000		
8.42	\$25,000 - 99,999		
8.43	\$100,000 - 249,999		
8.44	\$250,000 - 999,999		
8.45	\$1,000,000 or more		

8.5 What portion of earned premium reported in 8.31, Column 1 was assumed from pools? \$ 0

9.1 Does the company have variable annuities with guaranteed benefits? Yes [] No [X]

9.2 If 9.1 is yes, complete the following table for each type of guaranteed benefit.

Type		3 Waiting Period Remaining	4 Account Value Related to Column 3	5 Total Related Account Values	6 Gross Amount of Reserve	7 Location of Reserve	8 Portion Reinsured	9 Reinsurance Reserve Credit
1 Guaranteed Death Benefit	2 Guaranteed Living Benefit							
.....

10. For reporting entities having sold annuities to another insurer where the insurer purchasing the annuities has obtained a release of liability from the claimant (payee) as the result of the purchase of an annuity from the reporting entity only: \$ 0

10.1 Amount of loss reserves established by these annuities during the current year?

10.2 List the name and location of the insurance company purchasing the annuities and the statement value on the purchase date of the annuities.

1 P&C Insurance Company and Location	2 Statement Value on Purchase Date of Annuities (i.e., Present Value)
.....

11.1 Do you act as a custodian for health savings accounts? Yes [] No [X] 0

11.2 If yes, please provide the amount of custodial funds held as of the reporting date: \$ 0

11.3 Do you act as an administrator for health savings accounts? Yes [] No [X] 0

11.4 If yes, please provide the balance of the funds administered as of the reporting date: \$ 0

FIVE - YEAR HISTORICAL DATA**Show Amounts in Whole Dollars Only, No Cents; Show Percentages to One Decimal Place, i.e., 17.6.****Show Amounts of Life Insurance in this Exhibit in Thousands (Omit \$000)**

	1 2010	2 2009	3 2008	4 2007	5 2006
Life Insurance in Force (Exhibit of Life Insurance)					
1. Ordinary - whole life and endowment (Line 34, Column 4)	616,226	719,939	745,474	631,524	630,597
2. Ordinary - term (Line 21, Column 4, less Line 34, Column 4)	261,622	246,964	267,461	251,212	239,807
3. Credit life (Line 21, Column 6)					
4. Group, excluding FEGLI/SGLI (Line 21, Column 9 less Lines 43 & 44, Column 4)	5,496,021	5,385,436	5,179,304	4,712,308	5,847,536
5. Industrial (Line 21, Column 2)	80,829	85,695	75,892	79,962	85,138
6. FEGLI/SGLI (Lines 43 & 44, Column 4)	2,091,087	2,216,667	3,531,012	3,951,570	4,792,186
7. TOTAL (Line 21, Column 10)	8,545,785	8,654,701	9,799,143	9,626,576	11,595,264
New Business Issued (Exhibit of Life Insurance)					
8. Ordinary - whole life and endowment (Line 34, Column 2)	52,331	93,007	86,753	134,728	131,828
9. Ordinary - term (Line 2, Column 4, less Line 34, Column 2)	22,409	16,128	39,008	52,115	51,280
10. Credit life (Line 2, Column 6)					
11. Group (Line 2, Column 9)	63,522	1,469,849	2,970,093	818,753	44,774
12. Industrial (Line 2, Column 2)					
13. TOTAL (Line 2, Column 10)	138,262	1,578,984	3,095,854	1,005,596	227,882
Premium Income-Lines of Business (Exhibit 1 - Part 1)					
14. Industrial life (Exhibit 1 - Part 1, Line 20.4, Column 2)	(1,913)	327,621	666,702	(18,060)	(40,043)
15.1 Ordinary life insurance (Exhibit 1 - Part 1, Line 20.4, Column 3)	9,701,798	12,980,633	15,505,004	13,027,788	14,027,351
15.2 Ordinary individual annuities (Exhibit 1 - Part 1, Line 20.4, Column 4)	238,718	260,602	387,574	340,101	286,498
16. Credit life, (group and individual) (Exhibit 1 - Part 1, Line 20.4, Column 5)					
17.1 Group life insurance (Exhibit 1 - Part 1, Line 20.4, Column 6)	11,006,852	11,907,336	19,067,670	17,821,615	29,691,153
17.2 Group annuities (Exhibit 1 - Part 1, Line 20.4, Column 7)					
18.1 A & H group (Exhibit 1 - Part 1, Line 20.4, Column 8)	269,213	891,900	1,298,502	15,143,360	23,722,661
18.2 A & H credit (group and individual) (Exhibit 1 - Part 1, Line 20.4, Column 9)					
18.3 A & H other (Exhibit 1 - Part 1, Line 20.4 Column 10)	304,260	339,766	386,384	431,493	473,899
19. Aggregate of all other lines of business (Exhibit 1 - Part 1, Line 20.4, Column 11)					
20. TOTAL	21,518,928	26,707,858	37,311,836	46,746,297	68,161,519
Balance Sheet Items (Pages 2 and 3)					
21. TOTAL Admitted Assets excluding Separate Accounts business (Page 2, Line 26, Column 3)	152,063,977	151,580,237	159,410,885	132,732,722	139,750,599
22. TOTAL Liabilities excluding Separate Accounts business (Page 3, Line 26)	144,140,958	145,214,931	149,915,834	119,761,248	124,805,695
23. Aggregate life reserves (Page 3, Line 1)	126,259,686	126,300,562	125,526,038	95,943,006	97,083,800
24. Aggregate A & H reserves (Page 3, Line 2)	149,456	407,129	423,509	401,897	428,357
25. Deposit-type contract funds (Page 3, Line 3)	2,575,311	2,698,176	2,725,605	2,796,140	2,807,986
26. Asset valuation reserve (Page 3, Line 24.1)	381,266	326,488	608,371	746,399	1,013,774
27. Capital (Page 3, Lines 29 & 30)					
28. Surplus (Page 3, Line 37)	7,923,019	6,365,306	9,495,051	12,971,474	14,944,904
Cash Flow (Page 5)					
29. Net Cash from Operations (Line 11)	729,786	(2,840,641)	26,436,010	(5,725,402)	(1,877,266)
Risk-Based Capital Analysis					
30. TOTAL Adjusted Capital	8,304,285	6,691,794	10,378,095	13,944,770	16,163,375
31. Authorized control level risk-based capital	1,904,004	2,217,109	4,505,264	4,387,027	5,420,113
Percentage Distribution of Cash, Cash Equivalents and Invested Assets (Page 2, Column 3) (Line No./Page 2, Line 12, Column 3) x 100.0					
32. Bonds (Line 1)	76.6	75.5	75.8	77.4	69.5
33. Stocks (Lines 2.1 and 2.2)	0.4	0.3	0.7	0.8	1.5
34. Mortgage loans on real estate (Line 3.1 and 3.2)	9.8	9.8	9.3	10.7	9.5
35. Real estate (Lines 4.1, 4.2 and 4.3)	0.0	0.0		0.0	0.0
36. Cash, cash equivalents and short-term investments (Line 5) ..	5.5	9.3	8.9	6.4	15.2
37. Contract loans (Line 6)	5.1	4.9	4.7	4.6	4.2
38. Derivatives (Page 2, Line 7)		X X X	X X X	X X X	X X X
39. Other invested assets (Line 8)	2.6			0.1	0.1
40. Receivables for securities (Line 9)	0.0	0.2	0.5	0.0	
41. Securities lending reinvested collateral assets (Line 10)		X X X	X X X	X X X	X X X
42. Aggregate write-ins for invested assets (Line 11)					
43. Cash, cash equivalents and invested assets (Line 12)	100.0	100.0	100.0	100.0	100.0

FIVE - YEAR HISTORICAL DATA (Continued)

	1 2010	2 2009	3 2008	4 2007	5 2006
Investments in Parent, Subsidiaries and Affiliates					
44. Affiliated bonds (Schedule D Summary, Line 12 Column 1)					
45. Affiliated preferred stocks (Schedule D Summary, Line 18, Column 1)					
46. Affiliated common stocks (Schedule D Summary, Line 24, Column 1)		71,835	28,685		
47. Affiliated short-term investments (subtotal included in Schedule DA Verification, Column 5, Line 10)					
48. Affiliated mortgage loans on real estate					
49. All other affiliated					
50. TOTAL of above Lines 44 to 49		71,835	28,685		
TOTAL Nonadmitted and Admitted Assets					
51. TOTAL Nonadmitted Assets (Page 2, Line 28, Column 2)	1,881,056	15,104,800	14,519,059	14,591,974	14,639,176
52. TOTAL Admitted Assets (Page 2, Line 28, Column 3)	152,063,977	151,580,237	159,410,885	132,732,722	139,750,599
Investment Data					
53. Net investment income (Exhibit of Net Investment Income)	6,220,067	7,405,142	7,326,218	5,992,001	4,939,965
54. Realized capital gains (losses)	558,805	(1,561,796)	124,265	1,455,960	6,343,339
55. Unrealized capital gains (losses)	958,787	(600,331)	251,492	(7,196)	(192,205)
56. TOTAL of Above Lines 52, 53, and 54	7,737,659	5,243,015	7,701,975	7,440,765	11,091,099
Benefits and Reserve Increase (Page 6)					
57. TOTAL Contract Benefits-Life (Lines 10, 11, 12, 13, 14 and 15, Col. 1 minus Lines 10, 11, 12, 13, 14 and 15, Cols. 9, 10 & 11)	19,257,292	19,227,833	27,550,457	24,928,181	34,590,996
58. TOTAL Contract Benefits - A & H (Lines 13 & 14, Columns 9, 10 & 11)	153,742	845,287	579,695	12,883,299	16,221,518
59. Increase in life reserves-other than group and annuities (Line 19, Columns 2 & 3)	(92,809)	677,302	28,981,977	524,065	1,847,142
60. Increase in A & H reserves (Line 19, Columns 9, 10 & 11)	(257,673)	(16,381)	344,482	(26,593)	(95,366)
61. Dividends to policyholders (Line 30, Column 1)	3,049	(96,700)	522,764	429,799	384,476
Operating Percentages					
62. Insurance expense percent (Page 6, Column 1, Lines 21, 22 & 23 less Line 6) / (Page 6 Column 1, Line 1 plus Exhibit 7, Column 2, Line 2) x 100.00	42.4	42.0	37.4	35.3	35.0
63. Lapse percent (ordinary only) [(Exhibit of Life Insurance, Column 4, Lines 14 & 15) / 1/2 (Exhibit of Life Insurance, Column 4, Lines 1 & 21)] x 100.00	11.9	15.5	19.6	22.1	17.5
64. A & H loss percent (Schedule H, Part 1, Line 5 + Line 6, Column 2)	296.1	79.1	34.8	82.6	61.4
65. A & H cost containment percent (Schedule H, Part 1, Line 4, Column 2)			(0.1)	0.1	0.3
66. A & H expense percent excluding cost containment expenses (Schedule H, Part 1, Line 10, Column 2)	1,316.1	156.2	91.7	28.0	37.3
A & H Claim Reserve Adequacy					
67. Incurred losses on prior years' claims - group health (Schedule H, Part 3, Line 3.1, Column 2)	207,274	179,340	774,317	2,023,390	3,734,650
68. Prior years' claim liability and reserve - group health (Schedule H, Part 3, Line 3.2, Column 2)	158,888	125,158	776,092	1,795,656	4,043,129
69. Incurred losses on prior years' claims - health other than group (Schedule H, Part 3, Line 3.1, Column 1 less Column 2)	140,519	243,122	157,770	197,137	240,735
70. Prior years' claim liability and reserve - health other than group (Schedule H, Part 3, Line 3.2, Column 1 less Column 2)	141,930	103,088	207,619	190,821	206,047
Net Gains From Operations After Federal Income Taxes by Lines of Business (Page 6, Line 33)					
71. Industrial life (Column 2)	(426,780)	(918,159)	(221,183)	253,211	4,196
72. Ordinary - life (Column 3)	668,218	4,827,998	(648,653)	(2,465,196)	(4,255,044)
73. Ordinary - individual annuities (Column 4)	(235,292)	(493,956)	(160,486)	(5,896)	(266,791)
74. Ordinary - supplementary contracts (Column 5)	(3,228)	5,367	18,496	5,434	4,408
75. Credit life (Column 6)		4,064			
76. Group life (Column 7)	798,409	(2,951,102)	(2,813,671)	(296,053)	252,945
77. Group annuities (Column 8)					
78. A & H - group (Column 9)	(384,971)	(962,572)	(489,591)	(1,486,971)	55,004
79. A & H - credit (Column 10)					126
80. A & H - other (Column 11)	(185,597)	(455,505)	(219,001)	(291,362)	(388,458)
81. Aggregate of all other lines of business (Column 12)				(6,979)	
82. TOTAL (Column 1)	230,758	(943,865)	(4,534,088)	(4,293,813)	(4,593,613)

NOTE: If a party to a merger, have the two most recent years of this exhibit been restated due to a merger in compliance with the disclosure requirements of SSAP No. 3, Accounting Changes and Correction of Errors? Yes[] No[] N/A[X]

If no, please explain::



DIRECT BUSINESS IN THE STATE OF GRAND TOTAL

DURING THE YEAR 2010

NAIC Group Code: 0000

LIFE INSURANCE

NAIC Company Code: 67032

DIRECT PREMIUMS AND ANNUITY CONSIDERATIONS	1	2	3	4	5
	Ordinary	Credit Life (Group and Individual)	Group	Industrial	Total
1. Life Insurance	15,563,005		312,120	763,282	16,638,406
2. Annuity considerations	238,718				238,718
3. Deposit-type contract funds		X X X		X X X	
4. Other considerations					
5. Totals (sum of Lines 1 to 4)	15,801,723		312,120	763,282	16,877,124
DIRECT DIVIDENDS TO POLICYHOLDERS					
Life Insurance:					
6.1 Paid in cash or left on deposit	2,598				2,598
6.2 Applied to pay renewal premiums					
6.3 Applied to provide paid-up additions or shorten the endowment or premium-paying period	535			(54)	481
6.4 Other					
6.5 Totals (sum of Lines 6.1 to 6.4)	3,133			(54)	3,080
Annuities:					
7.1 Paid in cash or left on deposit					
7.2 Applied to provide paid-up annuities					
7.3 Other					
7.4 Totals (sum of Lines 7.1 to 7.3)					
8. Grand Totals (Lines 6.5 plus 7.4)	3,133			(54)	3,080
DIRECT CLAIMS AND BENEFITS PAID					
9. Death benefits	7,486,404		3,547	1,098,802	8,588,753
10. Matured endowments	86,163			348,476	434,639
11. Annuity benefits					
12. Surrender values and withdrawals for life contracts	2,940,061			464,013	3,404,074
13. Aggregate write-ins for miscellaneous direct claims and benefits paid					
14. All other benefits, except accident and health					
15. Totals	10,512,627		3,547	1,911,291	12,427,466

DETAILS OF WRITE-INS

1301. write-in description 1 for line 13					
1302. write-in description 2 for line 13					
1303. write-in description 3 for line 13					
1398. Summary of remaining write-ins for Line 13 from overflow page					
1399. Totals (Lines 1301 through 1303 plus 1398) (Line 13 above)					

1	Ordinary		Credit Life (Group and Individual)		Group		Industrial		Total	
	1	2	3	4	5	6	7	8	9	10
DIRECT DEATH BENEFITS AND MATURED ENDOWMENTS INCURRED	Number	Amount	No. of Ind.Pols & Group Certifs.	Amount	No. of Certi- ficates	Amount	Number	Amount	Number	Amount
16. Unpaid December 31, prior year	3,675	1,870,904			13	184,850	28,588	2,863,068	32,276	4,918,822
17. Incurred during current year	1,825	7,559,078			20	402,299	1,584	889,135	3,429	8,850,512
Settled during current year:										
18.1 By payment in full	1,683	7,152,171			26	472,549	1,694	737,328	3,403	8,362,048
18.2 By payment on compromised claims	4	1,641							4	1,641
18.3 Totals paid	1,687	7,153,812			26	472,549	1,694	737,328	3,407	8,363,689
18.4 Reduction by compromise		23,359								23,359
18.5 Amount rejected										
18.6 Total settlements	1,687	7,177,171			26	472,549	1,694	737,328	3,407	8,387,048
19. Unpaid Dec. 31, current year (Lines 16 + 17 - 18.6)	3,813	2,252,811			7	114,600	28,478	3,014,875	32,298	5,382,285
POLICY EXHIBIT										
20. In force December 31, prior year	106,912	799,369,080		(a)	9	2,306,465,179	176,359	75,891,593	283,280	3,181,725,852
21. Issued during year	5,269	74,739,504				364,000			5,269	75,103,504
22. Other changes to in force (Net)	6,343	(11,802,264)				(123,563,571)	1,232	4,938,018	7,575	(130,427,817)
23. In force December 31 of current year	118,524	862,306,321		(a)	9	2,183,265,608	177,591	80,829,611	296,124	3,126,401,540

(a) Includes Individual Credit Life Insurance prior year \$.....0, current year \$.....0.
Includes Group Credit Life Insurance Loans less than or equal to 60 months at issue, prior year \$.....0, current year \$.....0.
Loans greater than 60 months at issue BUT NOT GREATER THAN 120 MONTHS prior year \$.....0, current year \$.....0.

ACCIDENT AND HEALTH INSURANCE

	1	2	3	4	5
	Direct Premiums	Direct Premiums Earned	Dividends Paid Or Credited On Direct Business	Direct Losses Paid	Direct Losses Incurred
24. Group Policies (b)	870,552	850,660		168,247	(22,274)
24.1 Federal Employees Health Benefits Program Premium (b)					
24.2 Credit (Group and Individual)					
24.3 Collectively Renewable Policies (b)					
24.4 Medicare Title XVIII exempt from state taxes or fees Other Individual Policies					
25.1 Non-cancelable (b)	2,713	2,740		4,090	4,090
25.2 Guaranteed renewable (b)	51,624	51,671		17,398	17,215
25.3 Non-renewable for stated reasons only (b)					
25.4 Other accident only					
25.5 All other (b)	247,264	249,258		254,827	255,393
25.6 Totals (sum of Lines 25.1 to 25.5)	301,601	303,669		276,314	276,698
26. Totals (Lines 24 + 24.1 + 24.2 + 24.3 + 24.4 + 25.6)	1,172,153	1,154,330		444,562	254,424

(b) For health business on indicated lines report: Number of persons insured under PPO managed care products2,711, and number of persons insured under indemnity only products8,081.

24 Grand Total

EXHIBIT OF LIFE INSURANCE

	Industrial		Ordinary		Credit Life (Group and Individual)		Group			10 Total Amount of Insurance (a)
	1	2	3	4	5	6	Number of		9	
	Number of Policies	Amount of Insurance (a)	Number of Policies	Amount of Insurance (a)	Number of Individual Policies and Group Certificates	Amount of Insurance (a)	7 Policies	8 Certificates	Amount of Insurance (a)	
1. In force end of prior year	186,058	85,695	136,450	966,903			22	630,834	7,602,103	8,654,701
2. Issued during year			5,269	74,740			1	1,047	63,522	138,262
3. Reinsurance assumed										
4. Revived during year	38	25	1,622	28,793						28,818
5. Increased during year (net)								21,182		
6. Subtotals (Lines 2 to 5)	38	25	6,891	103,533			1	22,229	63,522	167,080
7. Additions by dividends during year	X X X		X X X	121	X X X		X X X	X X X		121
8. Aggregate write-ins for increases										
9. TOTALS (Lines 1 and 6 to 8)	186,096	85,720	143,341	1,070,557			23	653,063	7,665,625	8,821,902
Deductions during year:										
10. Death	1,016	730	2,564	9,572			X X X	294	9,610	19,912
11. Maturity	3,018	454	2,665	1,261			X X X			1,715
12. Disability							X X X			
13. Expiry	2,176	1,680	2,581	22,672						24,352
14. Surrender	864	1,256	842	9,527						10,783
15. Lapse	44	4	5,729	99,785				1	33	99,822
16. Conversion			5	46			X X X	X X X	X X X	46
17. Decreased (net)	1,387	767	6,603	49,846					68,874	119,487
18. Reinsurance										
19. Aggregate write-ins for decreases										
20. TOTALS (Lines 10 to 19)	8,505	4,891	20,989	192,709				295	78,517	276,117
21. In force end of year (Line 9 minus Line 20)	177,591	80,829	122,352	877,848			23	652,768	7,587,108	8,545,785
22. Reinsurance ceded end of year	X X X	79,447	X X X	379,520	X X X		X X X	X X X	4,692,812	5,151,780
23. Line 21 minus Line 22	X X X	1,382	X X X	498,328	X X X	(b)	X X X	X X X	2,894,296	3,394,005
DETAILS OF WRITE-INS										
0801. Worksite Marketing										
0802.										
0803.										
0898. Summary of remaining write-ins for Line 8 from overflow page										
0899. TOTALS (Lines 0801 through 0803 plus 0898) (Line 8 above)										
1901. Worksite Marketing										
1902.										
1903.										
1998. Summary of remaining write-ins for Line 19 from overflow page										
1999. TOTALS (Lines 1901 through 1903 plus 1998) (Line 19 above)										

(a) Amounts of life insurance in this exhibit shall be shown in thousands (omit 000).

(b) Group \$.....0; Individual \$.....0.

EXHIBIT OF LIFE INSURANCE (Continued)
ADDITIONAL INFORMATION ON INSURANCE IN FORCE END OF YEAR

	Industrial		Ordinary	
	1 Number of Policies	2 Amount of Insurance (a)	3 Number of Policies	4 Amount of Insurance (a)
24. Additions by dividends	X X X	4,567	X X X	7,329
25. Other paid-up insurance	120,089	30,991	26,844	34,253
26. Debit ordinary insurance	X X X	X X X	20,194	106,168

ADDITIONAL INFORMATION ON ORDINARY INSURANCE

	Issued During Year (included in Line 2)		In Force End of Year (included in Line 21)	
	1 Number of Policies	2 Amount of Insurance (a)	3 Number of Policies	4 Amount of Insurance (a)
Term Insurance Excluding Extended Term Insurance				
27. Term policies -- decreasing			3	100
28. Term policies -- other	107	9,682	1,363	81,731
29. Other term insurance -- decreasing	X X X		X X X	
30. Other term insurance	X X X	12,727	X X X	27,799
31. TOTALS (Lines 27 to 30)	107	22,409	1,366	109,630
Reconciliation to Lines 2 and 21:				
32. Term additions	X X X		X X X	
33. TOTALS, extended term insurance	X X X	X X X	30,105	151,992
34. TOTALS, whole life and endowment	5,162	52,331	90,881	616,226
35. TOTALS (Lines 31 to 34)	5,269	74,740	122,352	877,848

CLASSIFICATION OF AMOUNT OF INSURANCE (a) BY PARTICIPATING STATUS

	Issued During Year (included in Line 2)		In Force End of Year (included in Line 21)	
	1	2	3	4
	Non-Participating	Participating	Non-Participating	Participating
36. Industrial			26,158	54,671
37. Ordinary	23,084	51,656	693,309	184,538
38. Credit Life (Group and Individual)				
39. Group	63,522		7,587,108	
40. TOTALS (Lines 36 to 39)	86,606	51,656	8,306,575	239,209

ADDITIONAL INFORMATION ON CREDIT LIFE AND GROUP INSURANCE

	Credit Life		Group	
	1 Number of Individual Policies and Group Certificates	2 Amount of Insurance (a)	3 Number of Certificates	4 Amount of Insurance (a)
41. Amount of insurance included in Line 2 ceded to other companies	X X X		X X X	182
42. Number in force end of year if the number under shared groups is counted on a pro-rata basis		X X X		X X X
43. Federal Employees' Group Life Insurance included in Line 21			17,523	2,091,087
44. Servicemen's Group Life Insurance included in Line 21				
45. Group Permanent Insurance included in Line 21				

ADDITIONAL ACCIDENTAL DEATH BENEFITS

46. Amount of additional accidental death benefits in force end of year under ordinary policies (a)	142,328
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BASIS OF CALCULATION OF ORDINARY TERM INSURANCE

47. State basis of calculation of (47.1) decreasing term insurance contained in Family Income, Mortgage Protection, etc., policies and riders and of (47.2) term insurance on wife and children under Family, Parent and Children, etc. policies and riders included above.
47.1 Actual Amount
47.2 For each \$5,000 on insured - Spouse \$1,000, Children \$2,500

POLICIES WITH DISABILITY PROVISIONS

Disability Provision	Industrial		Ordinary		Credit		Group	
	1 Number of Policies	2 Amount of Insurance (a)	3 Number of Policies	4 Amount of Insurance (a)	5 Number of Policies	6 Amount of Insurance (a)	7 Number of Certificates	8 Amount of Insurance (a)
48. Waiver of Premium	129	114	37	1,878			1,680	54,425
49. Disability Income								
50. Extended Benefits			X X X	X X X				
51. Other								
52. TOTAL	129	(b) 114	37	(b) 1,878		(b)	1,680	(b) 54,425

(a) Amounts of life insurance in this exhibit shall be shown in thousands (omit 000).

(b) See Paragraph 9 of the Annual Audited Financial Reports in the General section of the annual statement instructions.

EXHIBIT OF NUMBER OF POLICIES, CONTRACTS, CERTIFICATES, INCOME PAYABLE AND ACCOUNT VALUES IN FORCE FOR SUPPLEMENTARY CONTRACTS, ANNUITIES, ACCIDENT & HEALTH AND OTHER POLICIES

SUPPLEMENTARY CONTRACTS

	Ordinary		Group	
	1 Involving Life Contingencies	2 Not Involving Life Contingencies	3 Involving Life Contingencies	4 Not Involving Life Contingencies
1. In force end of prior year	1	20		
2. Issued during year				
3. Reinsurance assumed				
4. Increased during year (net)				
5. TOTALS (Lines 1 to 4)	1	20		
Deductions during year:				
6. Decreased (net)		1		
7. Reinsurance ceded				
8. TOTALS (Lines 6 and 7)		1		
9. In force end of year	1	19		
10. Amount on deposit	2,252	(a) 77,689		(a)
11. Income now payable	1	1		
12. Amount of income payable	(a) 363	(a) 1,200	(a)	(a)

ANNUITIES

	Ordinary		Group	
	1 Immediate	2 Deferred	3 Contracts	4 Certificates
1. In force end of prior year		771		
2. Issued during year		30		
3. Reinsurance assumed				
4. Increased during year (net)				
5. TOTALS (Lines 1 to 4)		801		
Deductions during year:				
6. Decreased (net)		55		
7. Reinsurance ceded				
8. TOTALS (Lines 6 and 7)		55		
9. In force end of year		746		
Income now payable:				
10. Amount of income payable:	(a)	X X X	X X X	(a)
Deferred fully paid:				
11. Account balance	X X X	(a) 2,541,050	X X X	(a)
Deferred not fully paid:				
12. Account balance	X X X	(a) 6,511	X X X	(a)

ACCIDENT AND HEALTH INSURANCE

	Group		Credit		Other	
	1 Certificates	2 Premiums in Force	3 Policies	4 Premiums in Force	5 Policies	6 Premiums in Force
1. In force end of prior year	28	950,372			908	203,101
2. Issued during year						
3. Reinsurance assumed						
4. Increased during year (net)		X X X		X X X		X X X
5. TOTALS (Lines 1 to 4)	28	X X X		X X X	908	X X X
Deductions during year:						
6. Conversions		X X X	X X X	X X X	X X X	X X X
7. Decreased (net)	23	X X X		X X X	75	X X X
8. Reinsurance ceded		X X X		X X X		X X X
9. TOTALS (Lines 6 to 8)	23	X X X		X X X	75	X X X
10. In force end of year	5	(a) 778,363		(a)	833	(a) 186,084

DEPOSIT FUNDS AND DIVIDEND ACCUMULATIONS

	1	2
	Deposit Funds Contracts	Dividend Accumulations Contracts
1. In force end of prior year	404	8,040
2. Issued during year		
3. Reinsurance assumed		
4. Increased during year (net)		
5. TOTALS (Lines 1 to 4)	404	8,040
Deductions during year:		
6. Decreased (net)	16	346
7. Reinsurance ceded		
8. TOTALS (Lines 6 and 7)	16	346
9. In force end of year	388	7,694
10. Amount of account balance	(a) 9,365	(a) 2,485,468

(a) See Paragraph 9 of the Annual Audited Financial Reports in the General section of the annual statement instructions.

FORM FOR CALCULATING THE INTEREST MAINTENANCE RESERVE

INTEREST MAINTENANCE RESERVE

		1 Amount
1.	Reserve as of December 31, Prior Year	105,959
2.	Current Year's Realized Pre-Tax capital gains/(losses) of \$.....2,241,449 Transferred into the Reserve Net of Taxes of \$.....0.....	2,241,449
3.	Adjustment for current year's liability gains/(losses) released from the reserve .....	.....
4.	Balance before reduction for amount transferred to Summary of Operations (Line 1 + Line 2 + Line 3)	2,347,408
5.	Current year's amortization released to Summary of Operations (Amortization, Line 1, Column 4)	267,725
6.	Reserve as of December 31, current year (Line 4 minus Line 5)	2,079,683

AMORTIZATION

		1	2	3	4
		Reserve as of December 31, Prior Year	Current Year's Realized Capital Gains/(Losses) Transferred into the Reserve Net of Taxes	Adjustment for Current Year's Liability Gains/(Losses) Released From the Reserve	Balance Before Reduction for Current Year's Amortization (Columns 1 + 2 + 3)
Year of Amortization					
1.	2010	243,479	24,246	.....	267,725
2.	2011	229,422	1,071	.....	230,493
3.	2012	157,238	20,491	.....	177,729
4.	2013	(107,334)	40,770	.....	(66,564)
5.	2014	(26,182)	67,450	.....	41,268
6.	2015	(23,776)	91,053	.....	67,277
7.	2016	(41,370)	110,675	.....	69,305
8.	2017	(97,920)	76,639	.....	(21,281)
9.	2018	(106,821)	64,425	.....	(42,396)
10.	2019	(100,443)	52,397	.....	(48,046)
11.	2020	(96,595)	36,433	.....	(60,162)
12.	2021	(57,284)	45,114	.....	(12,170)
13.	2022	25,977	53,377	.....	79,354
14.	2023	48,144	60,870	.....	109,014
15.	2024	52,191	67,797	.....	119,988
16.	2025	48,530	73,490	.....	122,020
17.	2026	29,941	78,015	.....	107,956
18.	2027	(21,315)	83,530	.....	62,215
19.	2028	(17,353)	88,851	.....	71,498
20.	2029	(12,150)	93,927	.....	81,777
21.	2030	(11,130)	98,899	.....	87,769
22.	2031	(9,595)	91,217	.....	81,622
23.	2032	(8,040)	93,818	.....	85,778
24.	2033	(3,061)	98,224	.....	95,163
25.	2034	782	103,007	.....	103,789
26.	2035	2,144	107,209	.....	109,353
27.	2036	3,402	100,510	.....	103,912
28.	2037	3,598	92,824	.....	96,422
29.	2038	1,479	70,841	.....	72,320
30.	2039 .....	.....	54,338	.....	54,338
31.	2040 and later .....	.....	99,940	.....	99,940
32.	TOTAL (Lines 1 to 31)	105,958	2,241,448	.....	2,347,406

ASSET VALUATION RESERVE

	Default Component			Equity Component			7 Total Amount (Columns 3 + 6)
	1 Other than Mortgage Loans	2 Mortgage Loans	3 Total (Columns 1 + 2)	4 Common Stock	5 Real Estate and Other Invested Assets	6 Total (Columns 4 + 5)	
1. Reserve as of December 31, prior year		312,927	312,927	13,561		13,561	326,488
2. Realized Capital Gains/(Losses) Net of Taxes - General Account	(468,860)		(468,860)	549,797		549,797	80,937
3. Realized Capital Gains/(Losses) Net of Taxes - Separate Accounts							
4. Unrealized Capital Gains/(Losses) Net of Deferred Taxes - General Account				893,057		893,057	893,057
5. Unrealized Capital Gains/(Losses) Net of Deferred Taxes - Separate Accounts							
6. Capital gains credited/(losses charged) to contract benefits, payments or reserves							
7. Basic Contribution	78,260	92,467	170,727		1,218	1,218	171,945
8. Accumulated Balances (Lines 1 through 5, minus 6 plus 7)	(390,600)	405,394	14,794	1,456,415	1,218	1,457,633	1,472,427
9. Maximum Reserve	407,844	300,730	708,574	70,771	46,086	116,857	825,431
10. Reserve Objective	282,838	199,846	482,684	70,771	43,954	114,725	597,409
11. 20% of (Line 10 - Line 8)	134,688	(41,110)	93,578	(277,129)	8,547	(268,582)	(175,004)
12. Balance Before Transfers (Lines 8 + 11)	(255,912)	364,284	108,372	1,179,286	9,765	1,189,051	1,297,423
13. Transfers	246,235	(43,095)	203,140	(203,140)		(203,140)	X X X
14. Voluntary Contribution							
15. Adjustment down to Maximum/up to Zero	9,677	(20,459)	(10,782)	(905,375)		(905,375)	(916,157)
16. Reserve as of December 31, Current Year (Lines 12 + 13 + 14 + 15)	0	300,730	300,730	70,771	9,765	80,536	381,266

ASSET VALUATION RESERVE
BASIC CONTRIBUTION, RESERVE OBJECTIVE AND MAXIMUM RESERVE CALCULATIONS
DEFAULT COMPONENT

Line Number	NAIC Designation	Description	1 Book/Adjusted Carrying Value	2 Reclassify Related Party Encumbrances	3 Add Third Party Encumbrances	4 Balance for AVR Reserve Calculations (Columns 1 + 2 + 3)	Basic Contribution		Reserve Objective		Maximum Reserve	
							5 Factor	6 Amount (Columns 4 x 5)	7 Factor	8 Amount (Columns 4 x 7)	9 Factor	10 Amount (Columns 4 x 9)
LONG-TERM BONDS												
1.		Exempt Obligations	22,951,291	X X X	X X X	22,951,291	0.0000		0.0000		0.0000	
2.	1	Highest Quality	58,130,196	X X X	X X X	58,130,196	0.0004	23,252	0.0023	133,699	0.0030	174,391
3.	2	High Quality	15,223,552	X X X	X X X	15,223,552	0.0019	28,925	0.0058	88,297	0.0090	137,012
4.	3	Medium Quality		X X X	X X X		0.0093		0.0230		0.0340	
5.	4	Low Quality		X X X	X X X		0.0213		0.0530		0.0750	
6.	5	Lower Quality	644,062	X X X	X X X	644,062	0.0432	27,823	0.1100	70,847	0.1700	109,491
7.	6	In or Near Default		X X X	X X X		0.0000		0.2000		0.2000	
8.		TOTAL Unrated Multi-class Securities Acquired by Conversion		X X X	X X X		X X X		X X X		X X X	
9.		TOTAL Bonds (sum of Lines 1 through 8) (Page 2, Line 1, Net Admitted Asset)	96,949,101	X X X	X X X	96,949,101	X X X	80,000	X X X	292,843	X X X	420,893
PREFERRED STOCKS												
10.	1	Highest Quality		X X X	X X X		0.0004		0.0023		0.0030	
11.	2	High Quality		X X X	X X X		0.0019		0.0058		0.0090	
12.	3	Medium Quality		X X X	X X X		0.0093		0.0230		0.0340	
13.	4	Low Quality		X X X	X X X		0.0213		0.0530		0.0750	
14.	5	Lower Quality		X X X	X X X		0.0432		0.1100		0.1700	
15.	6	In or Near Default		X X X	X X X		0.0000		0.2000		0.2000	
16.		Affiliated Life with AVR		X X X	X X X		0.0000		0.0000		0.0000	
17.		TOTAL Preferred Stocks (sum of Lines 10 through 16) (Page 2, Line 2.1, Net Admitted Asset)		X X X	X X X		X X X		X X X		X X X	
SHORT-TERM BONDS												
18.		Exempt Obligations	5,371,278	X X X	X X X	5,371,278	0.0000		0.0000		0.0000	
19.	1	Highest Quality	402,263	X X X	X X X	402,263	0.0004	161	0.0023	925	0.0030	1,207
20.	2	High Quality		X X X	X X X		0.0019		0.0058		0.0090	
21.	3	Medium Quality		X X X	X X X		0.0093		0.0230		0.0340	
22.	4	Low Quality		X X X	X X X		0.0213		0.0530		0.0750	
23.	5	Lower Quality		X X X	X X X		0.0432		0.1100		0.1700	
24.	6	In or Near Default		X X X	X X X		0.0000		0.2000		0.2000	
25.		TOTAL Short-term Bonds (sum of Lines 18 through 24)	5,773,541	X X X	X X X	5,773,541	X X X	161	X X X	925	X X X	1,207

ASSET VALUATION RESERVE (Continued)
BASIC CONTRIBUTION, RESERVE OBJECTIVE AND MAXIMUM RESERVE CALCULATIONS
DEFAULT COMPONENT

Line Number	NAIC Designation	Description	1 Book/Adjusted Carrying Value	2 Reclassify Related Party Encumbrances	3 Add Third Party Encumbrances	4 Balance for AVR Reserve Calculations (Columns 1 + 2 + 3)	Basic Contribution		Reserve Objective		Maximum Reserve	
							5 Factor	6 Amount (Columns 4 x 5)	7 Factor	8 Amount (Columns 4 x 7)	9 Factor	10 Amount (Columns 4 x 9)
DERIVATIVE INSTRUMENTS												
26.		Exchange Traded		X X X	X X X		0.0004		0.0023		0.0030	
27.	1	Highest Quality		X X X	X X X		0.0004		0.0023		0.0030	
28.	2	High Quality		X X X	X X X		0.0019		0.0058		0.0090	
29.	3	Medium Quality		X X X	X X X		0.0093		0.0230		0.0340	
30.	4	Low Quality		X X X	X X X		0.0213		0.0530		0.0750	
31.	5	Lower Quality		X X X	X X X		0.0432		0.1100		0.1700	
32.	6	In or Near Default		X X X	X X X		0.0000		0.2000		0.2000	
33.		TOTAL Derivative Instruments		X X X	X X X		X X X		X X X		X X X	
34.		TOTAL (Lines 9 + 17 + 25 + 33)	102,722,642	X X X	X X X	102,722,642	X X X	80,161	X X X	293,768	X X X	422,100
MORTGAGE LOANS												
In Good Standing:												
35.		Farm Mortgages			X X X		0.0063 (a)		0.0120 (a)		0.0190 (a)	
36.		Residential Mortgages - Insured or Guaranteed	90,839		X X X	90,839	0.0003	27	0.0006	55	0.0010	91
37.		Residential Mortgages - All Other	847,860		X X X	847,860	0.0013	1,102	0.0030	2,544	0.0040	3,391
38.		Commercial Mortgages - Insured or Guaranteed			X X X		0.0003		0.0006		0.0010	
39.		Commercial Mortgages - All Other	10,781,738		X X X	10,781,738	0.0063 (a)	67,925	0.0120 (a)	129,381	0.0190 (a)	204,853
40.		In Good Standing With Restructured Terms			X X X		0.2800 (b)		0.6200 (b)		1.0000 (b)	
Overdue, Not in Process:												
41.		Farm Mortgages			X X X		0.0420		0.0760		0.1200	
42.		Residential Mortgages - Insured or Guaranteed			X X X		0.0005		0.0012		0.0020	
43.		Residential Mortgages - All Other	1,362		X X X	1,362	0.0025	3	0.0058	8	0.0090	12
44.		Commercial Mortgages - Insured or Guaranteed			X X X		0.0005		0.0012		0.0020	
45.		Commercial Mortgages - All Other	557,351		X X X	557,351	0.0420	23,409	0.0760	42,359	0.1200	66,882
In Process of Foreclosure:												
46.		Farm Mortgages			X X X		0.0000		0.1700		0.1700	
47.		Residential Mortgages - Insured or Guaranteed			X X X		0.0000		0.0040		0.0040	
48.		Residential Mortgages - All Other			X X X		0.0000		0.0130		0.0130	
49.		Commercial Mortgages - Insured or Guaranteed			X X X		0.0000		0.0040		0.0040	
50.		Commercial Mortgages - All Other	150,000		X X X	150,000	0.0000		0.1700	25,500	0.1700	25,500
51.		TOTAL Schedule B Mortgages (sum of Lines 35 through 50) ..	12,429,150		X X X	12,429,150	X X X	92,467	X X X	199,846	X X X	300,730
(Page 2, Line 3, Net Admitted Asset)												
52.		Schedule DA Mortgages			X X X		(c)		(c)		(c)	
53.		TOTAL Mortgage Loans on Real Estate (Lines 51 + 52)	12,429,150		X X X	12,429,150	X X X	92,467	X X X	199,846	X X X	300,730

(a) Times the company's experience adjustment factor (EAF).

(b) Column 9 is the greater of 6.4% without any EAF adjustments or a company's EAF adjusted In Good Standing (IGS) factor plus 150 basis points. Columns 5 and 7 are 28% and 62% respectively of Column 9.

(c) Determined using the same factors and breakdowns used for directly owned mortgage loans.

ASSET VALUATION RESERVE
BASIC CONTRIBUTION, RESERVE OBJECTIVE AND MAXIMUM RESERVE CALCULATIONS
EQUITY AND OTHER INVESTED ASSET COMPONENT

Line Number	NAIC Designation	Description	1	2	3	4	Basic Contribution		Reserve Objective		Maximum Reserve	
			Book/Adjusted Carrying Value	Reclassify Related Party Encumbrances	Add Third Party Encumbrances	Balance for AVR Reserve Calculations (Columns 1 + 2 + 3)	5 Factor	6 Amount (Columns 4 x 5)	7 Factor	8 Amount (Columns 4 x 7)	9 Factor	10 Amount (Columns 4 x 9)
COMMON STOCK												
1.		Unaffiliated Public	544,389	X X X	X X X	544,389	0.0000		0.1300 (d)	70,771	0.1300 (d)	70,771
2.		Unaffiliated Private		X X X	X X X		0.0000		0.1600		0.1600	
3.		Federal Home Loan Bank		X X X	X X X				0.0050		0.0080	
4.		Affiliated Life with AVR		X X X	X X X		0.0000		0.0000		0.0000	
Affiliated Investment Subsidiary:												
5.		Fixed Income Exempt Obligations					X X X		X X X		X X X	
6.		Fixed Income Highest Quality					X X X		X X X		X X X	
7.		Fixed Income High Quality					X X X		X X X		X X X	
8.		Fixed Income Medium Quality					X X X		X X X		X X X	
9.		Fixed Income Low Quality					X X X		X X X		X X X	
10.		Fixed Income Lower Quality					X X X		X X X		X X X	
11.		Fixed Income In/Near Default					X X X		X X X		X X X	
12.		Unaffiliated Common Stock Public					0.0000		0.1300 (d)		0.1300 (d)	
13.		Unaffiliated Common Stock Private					0.0000		0.1600		0.1600	
14.		Mortgage Loans					(c)		(c)		(c)	
15.		Real Estate					(e)		(e)		(e)	
16.		Affiliated-Certain Other (See SVO Purposes and Procedures Manual)		X X X	X X X		0.0000		0.1300		0.1300	
17.		Affiliated-All Other		X X X	X X X		0.0000		0.1600		0.1600	
18.		TOTAL Common Stock (sum of Lines 1 through 17) (Page 2, Line 2.2, Net Admitted Asset)	544,389			544,389	X X X		X X X	70,771	X X X	70,771
REAL ESTATE												
19.		Home Office Property (General Account Only)					0.0000		0.0750		0.0750	
20.		Investment Properties	18,840			18,840	0.0000		0.0750	1,413	0.0750	1,413
21.		Properties Acquired in Satisfaction of Debt	27,598			27,598	0.0000		0.1100	3,036	0.1100	3,036
22.		TOTAL Real Estate (sum of Lines 19 through 21)	46,438			46,438	X X X		X X X	4,449	X X X	4,449
OTHER INVESTED ASSETS												
INVESTMENTS WITH THE UNDERLYING CHARACTERISTICS OF BONDS												
23.		Exempt Obligations		X X X	X X X		0.0000		0.0000		0.0000	
24.	1	Highest Quality	3,045,685	X X X	X X X	3,045,685	0.0004	1,218	0.0023	7,005	0.0030	9,137
25.	2	High Quality		X X X	X X X		0.0019		0.0058		0.0090	
26.	3	Medium Quality		X X X	X X X		0.0093		0.0230		0.0340	
27.	4	Low Quality		X X X	X X X		0.0213		0.0530		0.0750	
28.	5	Lower Quality		X X X	X X X		0.0432		0.1100		0.1700	
29.	6	In or Near Default		X X X	X X X				0.2000		0.2000	
30.		TOTAL with Bond characteristics (sum of Lines 23 through 29)	3,045,685	X X X	X X X	3,045,685	X X X	1,218	X X X	7,005	X X X	9,137

ASSET VALUATION RESERVE (Continued)
BASIC CONTRIBUTION, RESERVE OBJECTIVE AND MAXIMUM RESERVE CALCULATIONS
EQUITY AND OTHER INVESTED ASSET COMPONENT

Line Number	NAIC Designation	Description	1 Book/Adjusted Carrying Value	2 Reclassify Related Party Encumbrances	3 Add Third Party Encumbrances	4 Balance for AVR Reserve Calculations (Columns 1 + 2 + 3)	Basic Contribution		Reserve Objective		Maximum Reserve	
							5 Factor	6 Amount (Columns 4 x 5)	7 Factor	8 Amount (Columns 4 x 7)	9 Factor	10 Amount (Columns 4 x 9)
INVESTMENTS WITH THE UNDERLYING CHARACTERISTICS OF PREFERRED STOCKS												
31.	1	Highest Quality		X X X	X X X		0.0004		0.0023		0.0030	
32.	2	High Quality		X X X	X X X		0.0019		0.0058		0.0090	
33.	3	Medium Quality		X X X	X X X		0.0093		0.0230		0.0340	
34.	4	Low Quality		X X X	X X X		0.0213		0.0530		0.0750	
35.	5	Lower Quality		X X X	X X X		0.0432		0.1100		0.1700	
36.	6	In or Near Default		X X X	X X X		0.0000		0.2000		0.2000	
37.		Affiliated Life with AVR		X X X	X X X		0.0000		0.0000		0.0000	
38.		Total with Preferred Stock characteristics (sum of Lines 31 through 37)		X X X	X X X		X X X		X X X		X X X	
INVESTMENTS WITH THE UNDERLYING CHARACTERISTICS OF MORTGAGE LOANS												
In Good Standing:												
39.		Farm Mortgages			X X X		0.0063 (a)		0.0120 (a)		0.0190 (a)	
40.		Residential Mortgages - Insured or Guaranteed			X X X		0.0003		0.0006		0.0010	
41.		Residential Mortgages - All Other		X X X	X X X		0.0013		0.0030		0.0040	
42.		Commercial Mortgages - Insured or Guaranteed			X X X		0.0003		0.0006		0.0010	
43.		Commercial Mortgages - All Other			X X X		0.0063 (a)		0.0120 (a)		0.0190 (a)	
44.		In Good Standing With Restructured Terms			X X X		0.2800 (b)		0.6200 (b)		1.0000 (b)	
Overdue, Not in Process:												
45.		Farm Mortgages			X X X		0.0420		0.0760		0.1200	
46.		Residential Mortgages - Insured or Guaranteed			X X X		0.0005		0.0012		0.0020	
47.		Residential Mortgages - All Other			X X X		0.0025		0.0058		0.0090	
48.		Commercial Mortgages - Insured or Guaranteed			X X X		0.0005		0.0012		0.0020	
49.		Commercial Mortgages - All Other			X X X		0.0420		0.0760		0.1200	
In Process of Foreclosure:												
50.		Farm Mortgages			X X X		0.0000		0.1700		0.1700	
51.		Residential Mortgages - Insured or Guaranteed			X X X		0.0000		0.0040		0.0040	
52.		Residential Mortgages - All Other			X X X		0.0000		0.0130		0.0130	
53.		Commercial Mortgages - Insured or Guaranteed			X X X		0.0000		0.0040		0.0040	
54.		Commercial Mortgages - All Other			X X X		0.0000		0.1700		0.1700	
55.		Total with Mortgage Loan characteristics (sum of Lines 39 through 54)			X X X		X X X		X X X		X X X	

ASSET VALUATION RESERVE (Continued)
BASIC CONTRIBUTION, RESERVE OBJECTIVE AND MAXIMUM RESERVE CALCULATIONS
EQUITY AND OTHER INVESTED ASSET COMPONENT

Line Number	NAIC Designation	Description	1	2	3	4	Basic Contribution		Reserve Objective		Maximum Reserve	
			Book/Adjusted Carrying Value	Reclassify Related Party Encumbrances	Add Third Party Encumbrances	Balance for AVR Reserve Calculations (Columns 1 + 2 + 3)	5 Factor	6 Amount (Columns 4 x 5)	7 Factor	8 Amount (Columns 4 x 7)	9 Factor	10 Amount (Columns 4 x 9)
INVESTMENTS WITH THE UNDERLYING CHARACTERISTICS OF COMMON STOCK												
56.		Unaffiliated Public		X X X	X X X		0.0000		0.1300 ..(d)		0.1300 ..(d)	
57.		Unaffiliated Private		X X X	X X X		0.0000		0.1600		0.1600	
58.		Affiliated Life with AVR		X X X	X X X		0.0000					
59.		Affiliated Certain Other (See SVO Purposes and Procedures Manual)		X X X	X X X		0.0000		0.1300		0.1300	
60.		Affiliated Other - All Other		X X X	X X X		0.0000		0.1600		0.1600	
61.		TOTAL with Common Stock characteristics (sum of Lines 56 through 60)		X X X	X X X		X X X		X X X		X X X	
INVESTMENTS WITH THE UNDERLYING CHARACTERISTICS OF REAL ESTATE												
62.		Home Office Property (General Account Only)					0.0000		0.0750		0.0750	
63.		Investment Properties					0.0000		0.0750		0.0750	
64.		Properties Acquired in Satisfaction of Debt					0.0000		0.1100		0.1100	
65.		TOTAL with Real Estate characteristics (Lines 62 through 64)					X X X		X X X		X X X	
LOW INCOME HOUSING TAX CREDIT INVESTMENTS												
66.		Guaranteed Federal Low Income Housing Tax Credit					0.0003		0.0006		0.0010	
67.		Non-guaranteed Federal Low Income Housing Tax Credit					0.0063		0.0120		0.0190	
68.		State Low Income Housing Tax Credit					0.0273		0.0600		0.0975	
69.		All Other Low Income Housing Tax Credit					0.0273		0.0600		0.0975	
70.		Total LIHTC					X X X		X X X		X X X	
ALL OTHER INVESTMENTS												
71.		Other Invested Assets - Schedule BA	250,000	X X X		250,000	0.0000		0.1300	32,500	0.1300	32,500
72.		Other Short-Term Invested Assets - Schedule DA		X X X			0.0000		0.1300		0.1300	
73.		Total All Other (sum of Lines 71 + 72)	250,000	X X X		250,000	X X X		X X X	32,500	X X X	32,500
74.		Total Other Invested Assets - Schedules BA & DA (sum of Lines 30, 38, 55, 61, 65, 70 and 73)	3,295,685			3,295,685	X X X	1,218	X X X	39,505	X X X	41,637

(a) Times the company's experience adjustment factor (EAF).
 (b) Column 9 is the greater of 6.4% without any EAF adjustments or a company's EAF adjusted In Good Standing (IGS) factor plus 150 basis points. Columns 5 and 7 are 28% and 62% respectively of Column 9.
 (c) Determined using the same factors and breakdowns used for directly owned mortgage loans.
 (d) Times the company's weighted average portfolio beta (Minimum .10, Maximum .20).
 (e) Determined using same factors and breakdowns used for directly owned real estate.

ASSET VALUATION RESERVE (Continued)
BASIC CONTRIBUTIONS, RESERVE OBJECTIVE AND MAXIMUM RESERVE CALCULATIONS
REPLICATIONS (SYNTHETIC) ASSETS

1	2	3	4	5	6	7	8	9
RSAT Number	Type	CUSIP	Description of Asset(s)	NAIC Designation or Other Description of Asset	Value of Asset	AVR Basic Contribution	AVR Reserve Objective	AVR Maximum Reserve
0599999 Total								

SCHEDULE F

Showing all claims for death losses and all other contract claims resisted or compromised during the year, and all claims for death losses and all other contract claims resisted December 31 of current year

1	2	3	4	5	6	7	8
Contract Numbers	Claim Numbers	State of Residence of Claimant	Year of Claim for Death or Disability	Amount Claimed	Amount Paid During the Year	Amount Resisted Dec. 31 of Current Year	Why Compromised or Resisted
2699999 Subtotals - Claims Disposed of During Current Year							X X X
5399999 Totals							X X X

SCHEDULE H - ACCIDENT AND HEALTH EXHIBIT

	Total		Group Accident and Health		Credit Accident & Health (Group and Individual)		Collectively Renewable		Other Individual Contracts										
									Non-Cancelable		Guaranteed Renewable		Non-Renewable for Stated Reasons Only		Other Accident Only		All Other		
	1 Amount	2 %	3 Amount	4 %	5 Amount	6 %	7 Amount	8 %	9 Amount	10 %	11 Amount	12 %	13 Amount	14 %	15 Amount	16 %	17 Amount	18 %	
PART 1 - ANALYSIS OF UNDERWRITING OPERATIONS																			
1.	Premiums written	578,715	X X X	274,455	X X X		X X X		X X X	2,740	X X X	51,671	X X X		X X X		X X X	249,849	X X X
2.	Premiums earned	108,638	X X X	(195,592)	X X X		X X X		X X X	2,740	X X X	51,671	X X X		X X X		X X X	249,819	X X X
3.	Incurred claims	323,735	298.0	(21,206)	10.8					1,397	51.0	26,320	50.9					317,224	127.0
4.	Cost containment expenses																		
5.	Incurred claims and cost containment expenses (Lines 3 and 4)	323,735	298.0	(21,206)	10.8					1,397	51.0	26,320	50.9					317,224	127.0
6.	Increase in contract reserves	(2,036)	(1.9)							(29)	(1.1)	(2,157)	(4.2)					150	0.1
7.	Commissions (a)	141,618	130.4	140,066	(71.6)					34	1.2	903	1.7					615	0.2
8.	Other general insurance expenses	1,205,197	1,109.4	964,139	(492.9)					1,629	59.5	21,610	41.8					217,819	87.2
9.	Taxes, licenses and fees	82,974	76.4	56,633	(29.0)					133	4.9	2,408	4.7					23,800	9.5
10.	Total other expenses incurred	1,429,789	1,316.1	1,160,838	(593.5)					1,796	65.5	24,921	48.2					242,234	97.0
11.	Aggregate write-ins for deductions																		
12.	Gain from underwriting before dividends or refunds	(1,642,850)	(1,512.2)	(1,335,224)	682.7					(424)	(15.5)	2,587	5.0					(309,789)	(124.0)
13.	Dividends or refunds																		
14.	Gain from underwriting after dividends or refunds	(1,642,850)	(1,512.2)	(1,335,224)	682.7					(424)	(15.5)	2,587	5.0					(309,789)	(124.0)
DETAILS OF WRITE-INS																			
1101.																			
1102.																			
1103.																			
1198.	Summary of remaining write-ins for Line 11 from overflow page																		
1199.	TOTALS (Lines 1101 through 1103 plus 1198) (Line 11 above)																		

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(a) Includes \$.....0 reported as "Contract, membership and other fees retained by agents."

SCHEDULE H - ACCIDENT AND HEALTH EXHIBIT (Continued)

	1 Total	2 Group Accident and Health	3 Credit Accident and Health (Group and Individual)	4 Collectively Renewable	Other Individual Contracts				
					5 Non-Cancelable	6 Guaranteed Renewable	7 Non-Renewable for Stated Reasons Only	8 Other Accident Only	9 All Other
PART 2 - RESERVES AND LIABILITIES									
A. Premium Reserves:									
1. Unearned premiums	13,377				168	2,399			10,810
2. Advance premiums	8,399				97	797			7,505
3. Reserve for rate credits									
4. Total premium reserves, current year	21,776				265	3,196			18,315
5. Total premium reserves, prior year	261,336	235,023			347	3,697			22,269
6. Increase in total premium reserves	(239,560)	(235,023)			(82)	(501)			(3,954)
B. Contract Reserves:									
1. Additional reserves (a)	83,141				9,733	71,951			1,457
2. Reserve for future contingent benefits (deferred maternity and other similar benefits)									
3. Total contract reserves, current year	83,141				9,733	71,951			1,457
4. Total contract reserves, prior year	85,177				9,762	74,108			1,307
5. Increase in contract reserves	(2,036)				(29)	(2,157)			150
C. Claim Reserves and Liabilities:									
1. Total current year	273,953	61,371			42	28,862			183,678
2. Total prior year	300,818	158,888			1,725	17,256			122,949
3. Increase	(26,865)	(97,517)			(1,683)	11,606			60,729
PART 3 - TEST OF PRIOR YEAR'S CLAIM RESERVES AND LIABILITIES									
1. Claim Paid During the Year:									
1.1 On claims incurred prior to current year	191,070	178,972				4,960			7,138
1.2 On claims incurred during current year	159,530	(102,661)			3,080	9,754			249,357
2. Claim Reserves and Liabilities, December 31, Current Year:									
2.1 On claims incurred prior to current year	156,723	28,302				17,256			111,165
2.2 On claims incurred during current year	117,230	33,069			42	11,606			72,513
3. Test:									
3.1 Lines 1.1 and 2.1	347,793	207,274				22,216			118,303
3.2 Claim reserves and liabilities, December 31, prior year	300,818	158,888			1,725	17,256			122,949
3.3 Line 3.1 minus Line 3.2	46,975	48,386			(1,725)	4,960			(4,646)
PART 4 - REINSURANCE									
A. Reinsurance Assumed:									
1. Premiums written	235,584	235,023							561
2. Premiums earned	(234,463)	(235,024)							561
3. Incurred claims									
4. Commissions	135,138	135,138							
B. Reinsurance Ceded:									
1. Premiums written	308,442	308,442							
2. Premiums earned	308,442	308,442							
3. Incurred claims	(162,306)	(162,306)							
4. Commissions	116,291	116,291							

(a) Includes \$.....0 premium deficiency reserve.

SCHEDULE H - PART 5 - HEALTH CLAIMS

	1 Medical	2 Dental	3 Other	4 Total
A. Direct:				
1. Incurred Claims	(117,241)	(95,143)	352,816	140,432
2. Beginning Claim Reserves and Liabilities	1,637,697	120,000	141,930	1,899,627
3. Ending Claim Reserves and Liabilities	1,313,088		220,457	1,533,545
4. Claims Paid	207,368	24,857	274,289	506,514
B. Assumed Reinsurance:				
5. Incurred Claims	(1)			(1)
6. Beginning Claim Reserves and Liabilities	339,942			339,942
7. Ending Claim Reserves and Liabilities	337,962			337,962
8. Claims Paid	1,979			1,979
C. Ceded Reinsurance:				
9. Incurred Claims	(162,306)			(162,306)
10. Beginning Claim Reserves and Liabilities	2,846,794			2,846,794
11. Ending Claim Reserves and Liabilities	1,531,943			1,531,943
12. Claims Paid	1,152,545			1,152,545
D. Net:				
13. Incurred Claims	45,064	(95,143)	352,816	302,737
14. Beginning Claim Reserves and Liabilities	(869,155)	120,000	141,930	(607,225)
15. Ending Claim Reserves and Liabilities	119,107		220,457	339,564
16. Claims Paid	(943,198)	24,857	274,289	(644,052)
E. Net Incurred Claims and Cost Containment Expenses:				
17. Incurred Claims and Cost Containment Expenses ..	389,202	(95,143)	29,676	323,735
18. Beginning Reserves and Liabilities	(869,156)	120,000	141,930	(607,226)
19. Ending Reserves and Liabilities	119,108		220,457	339,565
20. Paid Claims and Cost Containment Expenses	(599,062)	24,857	(48,851)	(623,056)

SCHEDULE S - PART 1 - SECTION 1

Reinsurance Assumed Life Insurance, Annuities, Deposit Funds and Other Liabilities

Without Life or Disability Contingencies, and Related Benefits Listed by Reinsured Company as of December 31, Current Year

1	2	3	4	5	6	7	8	9	10	11	12
NAIC Company Code	Federal ID Number	Effective Date	Name of Reinsured	Location	Type of Reinsurance Assumed	Amount of In force at End of Year	Reserve	Premiums	Reinsurance Payable on Paid and Unpaid Losses	Modified Coinsurance Reserve	Funds Withheld Under Coinsurance
General Account - Non-affiliates											
60054	06-6033492	05/09/1969	AETNA LIFE & CASUALTY	HARTFORD, CT	YRT/G			77			
65978	13-5581829	12/01/1969	METROPOLITAN LIFE	NEW YORK, NY	YRT/G	277,357,340		632,407	405,866		
65978	13-5581829	12/01/1969	METROPOLITAN FEGLI	NEW YORK, NY	YRT/G	2,091,086,826		9,166,176			
66168	41-0417830	09/01/1985	MINNESOTA MUTUAL LIFE	ST PAUL, MN	YRT/G	5,067,575,551		9,319,562	4,871,986		
80314	52-0913817	04/01/1972	UNICARE	CHARLESTOWN, MA	YRT/G	58,909,000		28,440	44,667		
90328	38-2242132	09/01/2004	FIRST HLTH LIFE & HLTH INS CO	DOWNERS GROVE, ILLINOIS	CO/I	5,242,423	2,244,222	33,834	106,291		
67580	76-0100829	10/01/2005	NORTH AMERICAN LIFE INS CO OF TX	AUSTIN, TX	CO/I	28,224,679	3,515,208	409,416	59,774		
61468	63-0220465	01/01/2008	BOOKER T WASHINGTON INS CO INC	AL	CO/I	2,092,028	561,909	(266)	2,039		
70157	62-0392810	01/01/2008	UNIVERSAL LIFE INS CO	AL	CO/I	1,201,138	322,620	57,360	1,170		
0299999	Subtotal - General Account - Non-affiliates					7,531,688,985	6,643,959	19,647,006	5,491,793		
0399999	Total - General Account					7,531,688,985	6,643,959	19,647,006	5,491,793		
0799999	Totals					7,531,688,985	6,643,959	19,647,006	5,491,793		

SCHEDULE S - PART 1 - SECTION 2

Reinsurance Assumed Accident and Health Insurance Listed by Reinsured Company as of December 31, Current Year

1	2	3	4	5	6	7	8	9	10	11	12
NAIC Company Code	Federal ID Number	Effective Date	Name of Reinsured	Location	Type of Reinsurance Assumed	Premiums	Unearned Premiums	Reserve Liability Other Than for Unearned Premiums	Reinsurance Payable on Paid and Unpaid Losses	Modified Coinsurance Reserve	Funds Withheld Under Coinsurance
Non-Affiliates											
53228	04-1045815	05/01/2003	BCBS OF MA	BOSTON, MA	OTH/G	57,150					
54291	38-2069753	05/01/2003	BCBS OF MI	DETROIT, MI	OTH/G	67,235					
53473	05-0158952	05/01/2003	BCBS OF RI	PROVIDENCE, RI	OTH/G	75,438					
53686	81-0216685	05/01/2003	BCBS OF MT	HELENA, MT	OTH/G	35,200					
0299999 Total - Non-Affiliates						235,023					
0399999 Totals						235,023					

SCHEDULE S - PART 2**Reinsurance Recoverable on Paid and Unpaid Losses Listed by
Reinsuring Company as of December 31, Current Year**

1 NAIC Company Code	2 Federal ID Number	3 Effective Date	4 Name of Company	5 Location	6 Paid Losses	7 Unpaid Losses
Life and Annuity, Non-Affiliates						
00000	AA-3190829	09/30/2003	MAX RE LTD	HAMILTON HM11, BERMUDA	240,275	2,067,748
66133	41-1760577	01/01/2007	WILTON REASSURANCE COMPANY	MINNEAPOLIS, MINNESOTA	335,540	262,802
88099	75-1608507	07/01/2002	OPTIMUM RE INS CO	DALLS, TEXAS		27,727
82627	06-0839705	11/01/1960	SWISS RE LIFE & HEALTH AMER INC	STAMFORD, CT		10,000
00000	AA-3194190	09/30/2005	QUANTA REINS LTD	HAMILTON, HM11, BERMUDA		39,012
00000	AA-1561031	01/01/2008	LONDON LIFE INS CO	BLUE BELL, PA		477,454
67580	76-0100829	01/01/2009	NORTH AMER LIFE INS CO	DALLAS, TEXAS	12,536	50,317
82627	06-0839705	01/01/2009	SWISS RE LIFE & HLTH AMER INC	STAMFORD, CT		89,351
93742	41-1412669	04/01/2009	SECURIAN LIFE INS CO	STAMFORD, CT		4,254,205
0299999 Total - Life and Annuity, Non-Affiliates					588,351	7,278,616
0399999 Totals - Life and Annuity					588,351	7,278,616
Accident and Health, Non-Affiliates						
10227	13-4924125	09/30/2005	MUNICH REINS AMER INC	DE	(65,612)	
97055	59-2213662	10/01/2004	MEGA LIFE & HLTH INS CO THE	OKLAHOMA		15,659
0599999 Total - Accident and Health, Non-Affiliates					(65,612)	15,659
0699999 Totals - Accident and Health					(65,612)	15,659
0799999 Totals - Life, Annuity and Accident and Health					522,739	7,294,275

SCHEDULE S - PART 3 - SECTION 1

Reinsurance Ceded Life Insurance, Annuities, Deposit Funds and Other Liabilities Without Life or Disability Contingencies, and Related Benefits Listed by Reinsuring Company as of December 31, Current Year

1 NAIC Company Code	2 Federal ID Number	3 Effective Date	4 Name of Company	5 Location	6 Type of Reinsurance Ceded	7 Amount in Force at End of Year	Reserve Credit Taken		10 Premiums	Outstanding Surplus Relief		13 Modified Coinsurance Reserve	14 Funds Withheld Under Coinsurance
							8 Current Year	9 Prior Year		11 Current Year	12 Prior Year		
Authorized General Account - Non-Affiliates													
68276	48-1024691	03/01/1989	EMPLOYERS REASSUR CORP	OVERLAND PARK, KS	CO/I	100,000	468	389					
68276	48-1024691	03/01/1989	EMPLOYERS REASSUR CORP	OVERLAND PARK, KS	YRT/I	362,927	2,538	3,010	6,441				
68276	48-1024691	01/01/1983	EMPLOYERS REASSUR CORP	OVERLAND PARK, KS	YRT/I	1,972,122	13,163	12,456	28,062				
65978	13-5581829	12/01/1969	METROPOLITAN LIFE INS CO	NEW YORK, NY	YRT/I	19,794,100			147,462				
88099	75-1608507	04/08/1946	OPTIMUM RE INS CO	DALLAS, TX	YRT/I	10,984	279	293	523				
88099	75-1608507	04/08/1946	OPTIMUM RE INS CO	DALLAS, TX	CO/I		13	13					
88099	75-1608507	12/01/1948	OPTIMUM RE INS CO	DALLAS, TX	CO/I		30	9	196				
88099	75-1608507	02/23/1965	OPTIMUM RE INS CO	DALLAS, TX	YRT/I	105,981	4,810	5,978	2,283				
88099	75-1608507	04/07/1967	OPTIMUM RE INS CO	DALLAS, TX	YRT/I	436,951	2,645	33,772	6,052				
88099	75-1608507	04/07/1967	OPTIMUM RE INS CO	DALLAS, TX	CO/I		319	252					
88099	75-1608507	09/01/1996	OPTIMUM RE INS CO	DALLAS, TX	YRT/I	102,503	468	414	1,290				
88099	75-1608507	07/01/2005	OPTIMUM RE INS CO	DALLAS, TX	YRT/I	10,510,891	16,972	15,812	18,394				
88099	75-1608507	07/01/2002	OPTIMUM RE INS CO	DALLAS, TX	YRT/G	12,184,750			(1,824)				
68241	22-1211670	08/01/1972	PRUDENTIAL INS CO OF AMER	NEWARK, NJ	YRT/I				5,092				
82627	06-0839705	11/01/1960	SWISS RE LIFE & HEALTH AMER INC	STAMFORD, CT	YRT/I	150,760	2,092	2,092	4,148				
82627	06-0839705	05/01/1989	SWISS RE LIFE & HEALTH AMER INC	STAMFORD, CT	YRT/I	9,241	264	264	295				
67148	56-0343440	01/01/1972	OCCIDENTAL LIFE INS CO OF NC	LOS ANGELES, CA	CO/I	50,000	332	303					
67148	56-0343440	01/01/1972	OCCIDENTAL LIFE INS CO OF NC	LOS ANGELES, CA	YRT/I	68,191	2,433	3,170	5,957				
80837	31-0472910	02/01/1987	UNION CENTRAL LIFE INS CO	CINCINNATI, OH	YRT/I	2,176,383	124,416	128,516	29,231				
70815	06-0838648	01/01/2004	HARTFORD LIFE & ACCIDENT INS CO	HARTFORD, CT	CO/G		43,142	43,629	(13,930)				
66168	41-0417830	01/01/2005	MINNESOTA LIFE INS CO	ST. PAUL, MN	CO/G				(163)				
88099	75-1608507	01/01/2004	OPTIMUM RE INS CO	DALLAS, TX	CO/I	24,064,351	182,191	143,413	61,970				
66133	41-1760577	01/01/2007	WILTON REASSURANCE COMPANY	MINNEAPOLIS, MINNESOTA	CO/I	173,955,794	1,808,877	1,139,471	3,055,637				
76694	23-2044256	01/08/2008	LONDON LIFE REINS CO	BLUE BELL, PA	MCO/I	140,837,536	2,745,686	4,020,000	3,257,385	2,745,686	4,020,000	25,990,886	
88099	75-1608507	01/01/2001	OPTIMUM RE INS CO	DALLAS, TX	ADB/G				55,863				
82627	06-0839705	01/01/2009	SWISS RE	ARMONK, NY	YRT/G	35,232,563			322,497				
93742	41-1412669	04/01/2009	SECURIAN LIFE	MINNEAPOLIS, MINNESOTA	CO/G	4,645,395,055			8,281,032				
0299999 Subtotal - Authorized General Account - Non-Affiliates						5,067,521,083	4,951,137	5,553,256	15,273,893	2,745,686	4,020,000	25,990,886	
0399999 Total - Authorized General Account						5,067,521,083	4,951,137	5,553,256	15,273,893	2,745,686	4,020,000	25,990,886	
Unauthorized General Account - Non-Affiliates													
00000	AA-3190829	09/30/2003	MAX BERMUDA LTD	BERMUDA	OTH/I	68,745,215	34,728,281	35,865,861	453,906				
00000	AA-3194190	09/30/2005	QUANTA REINS LTD	BERMUDA	CO/G	15,513,987	473,819	2,435,164	784,947	353,679	422,378	2,080,255	
67580	76-0100829	01/01/2009	NORTH AMER LIFE INS CO	DALLAS, TX	CO/I		178,265	124,394	304,370				
0599999 Subtotal - Unauthorized General Account - Non-Affiliates						84,259,202	35,380,365	38,425,419	1,543,223	353,679	422,378	2,080,255	
0699999 Total - Unauthorized General Account						84,259,202	35,380,365	38,425,419	1,543,223	353,679	422,378	2,080,255	
0799999 Total - Authorized and Unauthorized General Account						5,151,780,285	40,331,501	43,978,675	16,817,116	3,099,365	4,442,378	28,071,141	
1599999 Totals						5,151,780,285	40,331,501	43,978,675	16,817,116	3,099,365	4,442,378	28,071,141	

SCHEDULE S - PART 3 - SECTION 2

Reinsurance Ceded Accident and Health Insurance Listed by Reinsuring Company as of December 31, Current Year

1	2	3	4	5	6	7	8	9	Outstanding Surplus Relief		12	13
									10	11		
NAIC Company Code	Federal ID Number	Effective Date	Name of Company	Location	Type	Premiums	Unearned Premiums (estimated)	Reserve Credit Taken Other than for Unearned Premiums	Current Year	Prior Year	Modified Coinsurance Reserve	Funds Withheld Under Coinsurance
Authorized General Account - Non-Affiliates												
10227	13-4924125	10/01/2005	MUNICH REINS AMER INC	DE	CO/G	20,690						
42374	74-2195939	01/01/2009	HOUSTON CAS CO	TX	CO/G	33,861						
0299999 Subtotal - Authorized General Account - Non-Affiliates						54,552						
0399999 Total - Authorized General Account						54,552						
Unauthorized General Account - Non-Affiliates												
00000	AA-0040031	01/01/2008	TRISTAR LTD	CAYMAN ISLANDS	OTH/G	251,584						
00000	AA-1370006	01/01/2009	INTL REINS CO S A	GRAND CAYMAN		510,334						
0599999 Subtotal - Unauthorized General Account - Non-Affiliates						761,918						
0699999 Total - Unauthorized General Account						761,918						
0799999 Total - Authorized and Unauthorized General Account						816,470						
1599999 Totals						816,470						

SCHEDULE S - PART 4

Reinsurance Ceded To Unauthorized Companies

1	2	3	4	5	6	7	8	9	10	11	12	13	14
NAIC Company Code	Federal ID Number	Effective Date	Name of Reinsurer	Reserve Credit Taken	Paid and Unpaid Losses Recoverable (Debit)	Other Debits	Totals (Cols. 5 + 6 + 7)	Letters of Credit	Trust Agreements	Funds Deposited by and Withheld from Reinsurers	Other	Miscellaneous Balances (Credit)	Sum of Cols. 9+10+11+12+13 But Not in Excess of Col. 8
General Account - Life and Annuity - Non-Affiliates													
00000	AA-3190829	09/30/2003	MAX RE LTD	34,728,281	2,067,748	42,137	36,838,166		37,649,953				36,838,166
00000	AA-3194190	09/30/2005	QUANTA REINS LTD	473,819	39,012	(228,720)	284,111	326,299					284,111
67580	76-0100829	01/01/2009	NORTH AMER LIFE INS CO	178,265	50,317	(55,925)	172,657		228,253				172,657
0299999 Subtotal - General Account - Life and Annuity - Non-Affiliates				35,380,365	2,157,077	(242,508)	37,294,934	326,299	37,878,206				37,294,934
0399999 Total - General Account - Life and Annuity				35,380,365	2,157,077	(242,508)	37,294,934	326,299	37,878,206				37,294,934
0699999 Total - General Account - Accident and Health													
0799999 Total - General Account				35,380,365	2,157,077	(242,508)	37,294,934	326,299	37,878,206				37,294,934
1199999 Totals (General Account and Separate Accounts combined)				35,380,365	2,157,077	(242,508)	37,294,934	326,299	37,878,206				37,294,934

SCHEDULE S - PART 5**Five-Year Exhibit of Reinsurance Ceded Business****(000 Omitted)**

	1 2010	2 2009	3 2008	4 2007	5 2006
A. OPERATIONS ITEMS:					
1. Premiums and annuity considerations for life and accident and health contracts	17,634	17,776	45,933	18,473	32,268
2. Commissions and reinsurance expense allowances	5,179	5,789	12,148	5,195	7,282
3. Contract claims	12,776	13,433	7,217	14,203	23,031
4. Surrender benefits and withdrawals for life contracts					
5. Dividends to policyholders					
6. Reserve adjustments on reinsurance ceded	(522)	(431)	23,706	302	549
7. Increase in aggregate reserves for life and accident and health contracts					
B. BALANCE SHEETS ITEMS					
8. Premiums and annuity considerations for life and accident and health contracts deferred and uncollected	5,318	5,459	4,238	1,894	1,416
9. Aggregate reserves for life and accident and health contracts	40,332	43,979	44,831	39,853	40,693
10. Liability for deposit-type contracts					
11. Contract claims unpaid	7,294	6,191	3,077	3,351	4,045
12. Amounts recoverable on reinsurance	523	1,405	1,523	1,117	539
13. Experience rating refunds due or unpaid					
14. Policyholders' dividends (not included in Line 10)					
15. Commissions and reinsurance expense allowances unpaid					
16. Unauthorized reinsurance offset		16			
C. UNAUTHORIZED REINSURANCE					
(Deposits By and Funds Withheld From)					
17. Funds deposited by and withheld from (F)					
18. Letters of credit (L)	326	601	1,000	1,750	1,750
19. Trust agreements (T)	37,878	44,516	43,785	45,464	44,094
20. Other (O)					

SCHEDULE S - PART 6**Restatement of Balance Sheet to Identify Net Credit for Ceded Reinsurance**

	1 As Reported (net of ceded)	2 Restatement Adjustments	3 Restated (gross of ceded)
ASSETS (Page 2, Column 3)			
1. Cash and invested assets (Line 12)	126,592,346		126,592,346
2. Reinsurance ceded (Line 16)	3,976,413	(3,976,413)	
3. Premiums and considerations (Line 15)	2,815,618	5,317,968	8,133,586
4. Net credit for ceded reinsurance	X X X	47,621,771	47,621,771
5. All other admitted assets (balance)	18,679,600		18,679,600
6. TOTAL assets excluding Separate Accounts (Line 26)	152,063,977	48,963,326	201,027,303
7. Separate Account assets (Line 27)			
8. TOTAL assets (Line 28)	152,063,977	48,963,326	201,027,303
LIABILITIES, CAPITAL AND SURPLUS (Page 3)			
9. Contract reserves (Lines 1 and 2)	126,409,142	40,331,501	166,740,643
10. Liability for deposit-type contracts (Line 3)	2,575,311		2,575,311
11. Claim reserves (Line 4)	3,950,233	7,294,376	11,244,609
12. Policyholder dividends/reserves (Lines 5 through 7)			
13. Premium & annuity considerations received in advance (Line 8)	177,705	152,630	330,335
14. Other contract liabilities (Line 9)	1,932,070		1,932,070
15. Reinsurance in unauthorized companies (Line 24.2)			
16. Funds held under reinsurance with unauthorized reinsurers (Line 24.3)			
17. All other liabilities (balance)	9,096,496		9,096,496
18. TOTAL Liabilities excluding Separate Accounts (Line 26)	144,140,958	47,778,507	191,919,465
19. Separate Account liabilities (Line 27)			
20. TOTAL liabilities (Line 28)	144,140,958	47,778,507	191,919,465
21. Capital & surplus (Line 38)	7,923,019	X X X	7,923,019
22. TOTAL liabilities, capital and surplus (Line 39)	152,063,977	47,778,507	199,842,484
NET CREDIT FOR CEDED REINSURANCE			
23. Contract reserves	40,331,501		
24. Claim reserves	7,294,376		
25. Policyholder dividends/reserves			
26. Premium & annuity considerations received in advance	152,630		
27. Liability for deposit-type contracts			
28. Other contract liabilities			
29. Reinsurance ceded assets	5,161,232		
30. Other ceded reinsurance recoverables			
31. TOTAL ceded reinsurance recoverables	52,939,739		
32. Premiums and considerations	5,317,968		
33. Reinsurance in unauthorized companies			
34. Funds held under reinsurance treaties with unauthorized reinsurers			
35. Other ceded reinsurance payables/offsets			
36. TOTAL ceded reinsurance payable/offsets	5,317,968		
37. TOTAL net credit for ceded reinsurance	47,621,771		

SCHEDULE T - PREMIUMS AND ANNUITY CONSIDERATIONS

ALLOCATED BY STATES AND TERRITORIES

1.	States, Etc.	1	Direct Business Only					
			Life Contracts		4	5	6	7
			2	3					Accident and Health Insurance Premiums Including Policy, Membership and Other Fees	Other Considerations	Total Columns 2 through 5	Deposit-Type Contracts
		Active Status	Life Insurance Premiums	Annuity Considerations				
1.	Alabama (AL)	L	3,254,807	27,604	611		3,283,022	
2.	Alaska (AK)	N	234				234	
3.	Arizona (AZ)	L	457				457	
4.	Arkansas (AR)	N	239				239	
5.	California (CA)	L	61,101		783,182		844,283	
6.	Colorado (CO)	N						
7.	Connecticut (CT)	N	122				122	
8.	Delaware (DE)	N	181				181	
9.	District of Columbia (DC)	L	416,691	6,886	11,847		435,424	
10.	Florida (FL)	L	5,711		218		5,929	
11.	Georgia (GA)	L	1,667,211	19,640	62,905		1,749,756	
12.	Hawaii (HI)	N						
13.	Idaho (ID)	L	94				94	
14.	Illinois (IL)	L	942,481	700	1,932		945,113	
15.	Indiana (IN)	L	29,765		(405)		29,360	
16.	Iowa (IA)	N	110				110	
17.	Kansas (KS)	N	1,280				1,280	
18.	Kentucky (KY)	L	52,905		547		53,452	
19.	Louisiana (LA)	L	132,467		73,293		205,760	
20.	Maine (ME)	N						
21.	Maryland (MD)	L	951,485	12,048	4,010		967,543	
22.	Massachusetts (MA)	N	449				449	
23.	Michigan (MI)	L	782,394	10,495	6,335		799,223	
24.	Minnesota (MN)	N	10				10	
25.	Mississippi (MS)	L	474,341				474,341	
26.	Missouri (MO)	L	482				482	
27.	Montana (MT)	N						
28.	Nebraska (NE)	N						
29.	Nevada (NV)	L	103				103	
30.	New Hampshire (NH)	N	128				128	
31.	New Jersey (NJ)	L	477,834	4,330	2,835		484,998	
32.	New Mexico (NM)	N						
33.	New York (NY)	N	5,592		178		5,770	
34.	North Carolina (NC)	L	3,868,204	107,118	113,761		4,089,083	
35.	North Dakota (ND)	N						
36.	Ohio (OH)	L	21,121	7,083	164		28,368	
37.	Oklahoma (OK)	L	608				608	
38.	Oregon (OR)	N	19				19	
39.	Pennsylvania (PA)	L	1,058,223	2,883	6,192		1,067,298	
40.	Rhode Island (RI)	N						
41.	South Carolina (SC)	L	732,164	22,191	40,197		794,551	
42.	South Dakota (SD)	N						
43.	Tennessee (TN)	L	802,699	8,546	17,902		829,148	
44.	Texas (TX)	L	92,975				92,975	
45.	Utah (UT)	N						
46.	Vermont (VT)	N						
47.	Virginia (VA)	L	803,231	9,195	46,451		858,877	
48.	Washington (WA)	N	423				423	
49.	West Virginia (WV)	N						
50.	Wisconsin (WI)	N	64				64	
51.	Wyoming (WY)	N						
52.	American Samoa (AS)	N						
53.	Guam (GU)	N						
54.	Puerto Rico (PR)	N						
55.	U.S. Virgin Islands (VI)	N						
56.	Northern Mariana Islands (MP)	N						
57.	Canada (CN)	N						
58.	Aggregate Other Alien (OT)	X X X						
59.	Subtotal	(a) 25	16,638,406	238,718	1,172,153		18,049,278	
90.	Reporting entity contributions for employee benefits plans	X X X	162,015				162,015	
91.	Dividends or refunds applied to purchase paid-up additions and annuities	X X X	460				460	
92.	Dividends or refunds applied to shorten endowment or premium paying period	X X X						
93.	Premium or annuity considerations waived under disability or other contract provisions	X X X	37,264				37,264	
94.	Aggregate other amounts not allocable by State	X X X						
95.	Totals (Direct Business)	X X X	16,838,146	238,718	1,172,153		18,249,017	
96.	Plus Reinsurance Assumed	X X X	21,353,007		705,721		22,058,728	
97.	Totals (All Business)	X X X	38,191,153	238,718	1,877,874		40,307,745	
98.	Less Reinsurance Ceded	X X X	16,919,012		836,362		17,755,374	
99.	Totals (All Business) less Reinsurance Ceded	X X X	21,272,141	238,718	(b) 1,041,513		22,552,371	
DETAILS OF WRITE-INS								
5801.		X X X						
5802.		X X X						
5803.		X X X						
5898.	Summary of remaining write-ins for Line 58 from overflow page	X X X						
5899.	Totals (Lines 5801 through 5803 plus 5898) (Line 58 above)	X X X						
9401.		X X X						
9402.		X X X						
9403.		X X X						
9498.	Summary of remaining write-ins for Line 94 from overflow page	X X X						
9499.	Totals (Lines 9401 through 9403 plus 9498) (Line 94 above)	X X X						

(L) Licensed or Chartered - Licensed Insurance Carrier or Domiciled RRG; (R) Registered - Non-domiciled RRGs; (Q) Qualified - Qualified or Accredited Reinsurer; (E) Eligible - Reporting Entities eligible or approved to write Surplus Lines in the state; (N) None of the above - Not allowed to write insurance in the state.

(a) Insert the number of L responses except for Canada and Other Alien.

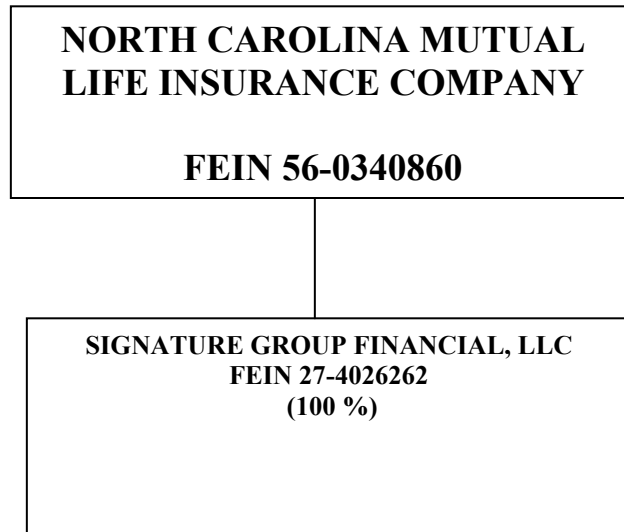
(b) Column 4 should balance with Exhibit 1, Lines 6.4, 10.4 and 16.4, Cols. 8, 9 and 10 or with Schedule H, Part 1, Column 1, Line 1. Indicate which.... Exhibit 1, Lines 6.4, 10.4, and 16.4, Cols 8, 9 and 10

Explanation of basis of allocation by states, etc., of premiums and annuity considerations: Individual premiums and Group premiums are allocated to residence of policy holder.

SCHEDULE T - PART 2
INTERSTATE COMPACT - EXHIBIT OF PREMIUMS WRITTEN
ALLOCATED BY STATES AND TERRITORIES

Direct Business only						
States, Etc.	1 Life (Group and Individual)	2 Annuities (Group and Individual)	3 Disability Income (Group and Individual)	4 Long-Term Care (Group and Individual)	5 Deposit-Type Contracts	6 Totals
1. Alabama (AL)	3,254,807	27,604	611			3,283,022
2. Alaska (AK)	234					234
3. Arizona (AZ)	457					457
4. Arkansas (AR)	239					239
5. California (CA)	61,101		783,182			844,283
6. Colorado (CO)						
7. Connecticut (CT)	122					122
8. Delaware (DE)	181					181
9. District of Columbia (DC)	416,691	6,886	11,847			435,424
10. Florida (FL)	5,711		218			5,929
11. Georgia (GA)	1,667,211	19,640	62,905			1,749,756
12. Hawaii (HI)						
13. Idaho (ID)	94					94
14. Illinois (IL)	942,481	700	1,932			945,113
15. Indiana (IN)	29,765		405			30,171
16. Iowa (IA)	110					110
17. Kansas (KS)	1,280					1,280
18. Kentucky (KY)	52,905		547			53,452
19. Louisiana (LA)	132,467		73,293			205,760
20. Maine (ME)						
21. Maryland (MD)	951,485	12,048	4,010			967,543
22. Massachusetts (MA)	449					449
23. Michigan (MI)	782,394	10,495	6,335			799,223
24. Minnesota (MN)	10					10
25. Mississippi (MS)	474,341					474,341
26. Missouri (MO)	482					482
27. Montana (MT)						
28. Nebraska (NE)						
29. Nevada (NV)	103					103
30. New Hampshire (NH)	128					128
31. New Jersey (NJ)	477,834	4,330	2,835			484,998
32. New Mexico (NM)						
33. New York (NY)	5,592		178			5,770
34. North Carolina (NC)	3,868,204	107,118	113,761			4,089,083
35. North Dakota (ND)						
36. Ohio (OH)	21,121	7,083	164			28,368
37. Oklahoma (OK)	608					608
38. Oregon (OR)	19					19
39. Pennsylvania (PA)	1,058,223	2,883	6,192			1,067,298
40. Rhode Island (RI)						
41. South Carolina (SC)	732,164	22,191	40,197			794,551
42. South Dakota (SD)						
43. Tennessee (TN)	802,699	8,546	17,902			829,148
44. Texas (TX)	92,975					92,975
45. Utah (UT)						
46. Vermont (VT)						
47. Virginia (VA)	803,231	9,195	46,451			858,877
48. Washington (WA)	423					423
49. West Virginia (WV)						
50. Wisconsin (WI)	64					64
51. Wyoming (WY)						
52. American Samoa (AS)						
53. Guam (GU)						
54. Puerto Rico (PR)						
55. U.S. Virgin Islands (VI)						
56. Northern Mariana Islands (MP)						
57. Canada (CN)						
58. Aggregate other alien (OT)						
59. TOTALS	16,638,406	238,718	1,172,964			18,050,089

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER
MEMBERS OF A HOLDING COMPANY GROUP
PART 1 - ORGANIZATIONAL CHART



SCHEDULE Y (Continued)

PART 2 - SUMMARY OF INSURER'S TRANSACTIONS WITH ANY AFFILIATES

1	2	3	4	5	6	7	8	9	10	11	12	13
NAIC Company Code	Federal ID Number	Names of Insurers and Parent, Subsidiaries or Affiliates	Shareholder Dividends	Capital Contributions	Purchases, Sales or Exchanges of Loans, Securities, Real Estate, Mortgage Loans or Other Investments	Income/(Disburse- ments) Incurred in Connection with Guarantees or Undertakings for the Benefit of any Affiliate(s)	Management Agreements and Service Contracts	Income/ (Disbursements) Incurred Under Reinsurance Agreements	*	Any Other Material Activity not in the Ordinary Course of the Insurer's Business	Totals	Reinsurance Recoverable/ (Payable) on Losses and/or Reserve Credit Taken/ (Liability)
67032	56-0340860	NORTH CAROLINA MUT LIFE INS CO		(250,000)						(2,000,000)	(2,250,000)	
	27-4026262	SIGNATURE GROUP FINANCIAL, LLC		250,000						2,000,000	2,250,000	
9999999 Totals									X X X			

Schedule Y Part 2 Explanation:

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

Response

The following supplemental reports are required to be filed as part of your statement filing unless specifically waived by the domiciliary state. However, in the event that your domiciliary state waives the filing requirement, your response of WAIVED to the specific interrogatory will be accepted in lieu of filing a "NONE" report and a bar code will be printed below. If the supplement is required of your company but is not being filed for whatever reason, enter SEE EXPLANATION and provide an explanation following the interrogatory questions.

MARCH FILING

- | | |
|--|-----|
| 1. Will the Supplemental Compensation Exhibit be filed with the state of domicile by March 1? | Yes |
| 2. Will the confidential Risk-based Capital Report be filed with the NAIC by March 1? | Yes |
| 3. Will the confidential Risk-based Capital Report be filed with the state of domicile, if required, by March 1? | Yes |
| 4. Will an Actuarial opinion be filed by March 1? | Yes |

APRIL FILING

- | | |
|---|-----|
| 5. Will Management's Discussion and Analysis be filed by April 1? | Yes |
| 6. Will the Life, Health & Annuity Guaranty Association Model Act Assessment Base Reconciliation Exhibit be filed with the state of domicile and the NAIC by April 1? | Yes |
| 7. Will the Adjustment Form (if required) be filed with the state of domicile and the NAIC by April 1? | Yes |
| 8. Will the Supplemental Investment Risks Interrogatories be filed by April 1? | Yes |

JUNE FILING

- | | |
|---|-----|
| 9. Will an audited financial report be filed by June 1? | Yes |
| 10. Will Accountants Letter of Qualifications be filed with the state of domicile and electronically with the NAIC by June 1? | Yes |

AUGUST FILING

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|--|-----|
| 11. Will Communication of Internal Control Related Matters Noted in Audit be filed with the state of domicile by August 1? | Yes |
|--|-----|

The following supplemental reports are required to be filed as part of your annual statement filing. However, in the event that your company does not transact the type of business for which the special report must be filed, your response of NO to the specific interrogatory will be accepted in lieu of filing a "NONE" report and a bar code will be printed below. If the supplement is required of your company but it is not being filed for whatever reason enter SEE EXPLANATION and provide an explanation following the interrogatory questions.

MARCH FILING

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| 12. Will Schedule SIS (Stockholder Information Supplement) be filed with the state of domicile by March 1? | No |
| 13. Will the Medicare Supplement Insurance Experience Exhibit be filed with the state of domicile and the NAIC by March 1? | No |
| 14. Will the Trusteed Surplus Statement be filed with the state of domicile and the NAIC by March 1? | No |
| 15. Will the actuarial opinion on participating and non-participating policies as required in Interrogatories 1 and 2 to Exhibit 5 be filed with the state of domicile and electronically with the NAIC by March 1? | Yes |
| 16. Will the actuarial opinion on non-guaranteed elements as required in Interrogatory #3 to Exhibit 5 be filed with the state of domicile and electronically with the NAIC by March 1? | Yes |
| 17. Will the actuarial opinion on X-Factors be filed with the state of domicile and electronically with the NAIC by March 1? | No |
| 18. Will the actuarial opinion on Separate Accounts Funding Guaranteed Minimum Benefit be filed with the state of domicile and electronically with the NAIC by March 1? | No |
| 19. Will the actuarial opinion on Synthetic Guaranteed Investment Contracts be filed with the state of domicile and electronically with the NAIC by March 1? | No |
| 20. Will the Reasonableness of Assumptions Certification required by Actuarial Guideline XXXV be filed with the state of domicile and electronically with the NAIC by March 1? | No |
| 21. Will the Reasonableness and Consistency of Assumptions Certification required by Actuarial Guideline XXXV be filed with the state of domicile and electronically with the NAIC by March 1? | No |
| 22. Will the Reasonableness of Assumptions Certification for Implied Guaranteed Rate Method required by Actuarial Guideline XXXVI be filed with the state of domicile and electronically with the NAIC by March 1? | No |
| 23. Will the Reasonableness and Consistency of Assumptions Certification required by Actuarial Guideline XXXVI (Updated Average Market Value) be filed with the state of domicile and electronically with the NAIC by March 1? | No |
| 24. Will the Reasonableness and Consistency of Assumptions Certification required by Actuarial Guideline XXXVI (Updated Market Value) be filed with the state of domicile and electronically with the NAIC by March 1? | No |
| 25. Will the C-3 RBC Certifications required under C-3 Phase I be filed with the state of domicile and electronically with the NAIC by March 1? | No |
| 26. Will the C-3 RBC Certifications required under C-3 Phase II be filed with the state of domicile and electronically with the NAIC by March 1? | No |
| 27. Will the Actuarial Certifications Related to Annuity Nonforfeiture Ongoing Compliance for Equity Indexed Annuities be filed with the state of domicile and electronically with the NAIC by March 1? | No |
| 28. Will the actuarial opinion required by the Modified Guaranteed Annuity Model Regulation be filed with the state of domicile and electronically with the NAIC by March 1? | No |
| 29. Will the Actuarial Certification Related to Hedging required by Actuarial Guideline XLIII be filed with the state of domicile and electronically with the NAIC by March 1? | No |
| 30. Will the Financial Officer Certification Related to Clearly Defined Hedging Strategy required by Actuarial Guideline XLIII be filed with the state of domicile and electronically with the NAIC by March 1? | No |
| 31. Will the Management Certification That the Valuation Reflects Management's Intent required by Actuarial Guideline XLIII be filed with the state of domicile and electronically with the NAIC by March 1? | No |
| 32. Will the Actuarial Certification Related to the Reserves required by Actuarial Guideline XLIII be filed with the state of domicile and electronically with the NAIC by March 1? | No |
| 33. Will the Workers' Compensation Carve-Out Supplement be filed by March 1? | No |
| 34. Will Supplemental Schedule O be filed with the state of domicile and the NAIC by March 1? | Yes |
| 35. Will the Medicare Part D Coverage Supplement be filed with the state of domicile and the NAIC by March 1? | No |

APRIL FILING

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| 36. Will the Long-Term Care Experience Reporting Forms be filed with the state of domicile and the NAIC by April 1? | No |
| 37. Will the Interest Sensitive Life Insurance Products Report Forms be filed with the state of domicile and the NAIC by April 1? | Yes |
| 38. Will the Credit Insurance Experience Exhibit be filed with the state of domicile and the NAIC by April 1? | No |
| 39. Will the Accident and Health Policy Experience Exhibit be filed by April 1? | Yes |
| 40. Will the Analysis of Annuity Operations by Line of Business be filed with the state of domicile and the NAIC by April 1? | No |
| 41. Will the Analysis of Increase in Annuity Reserves During the Year be filed with the state of domicile and the NAIC by April 1? | No |
| 42. Will the Supplemental Health Care Exhibit (Parts 1, 2 and 3) be filed with the state of domicile and the NAIC by April 1? | No |
| 43. Will the regulator only (non-public) Supplemental Health Care Exhibit's Expense Allocation Report be filed with the state of domicile and the NAIC by April 1? | No |

AUGUST FILING

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| 44. Will Management's Report of Internal Control Over Financial Reporting be filed with the state of domicile by August 1? | Yes |
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Explanations:

Bar Codes:

OVERFLOW PAGE FOR WRITE-INS

ASSETS

	Current Year			Prior Year
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1-2)	4 Net Admitted Assets
2504. A/R SE DURHAM DEVELOPMENT CORP	91,063	91,063		
2505. OTHER AMOUNTS RECEIVABLE	265,859	112,501	153,358	126,300
2506. NON QUALIFIED PENSION BENEFIT ASSETS	627,001	627,001		
2507. LEASEHOLD IMPROVEMENTS	153,781	153,781		
2508. PERSONAL LOANS TO EMPLOYEES	736	736		
2597. Summary of remaining write-ins for Line 25 (Lines 2504 through 2596)	1,138,440	985,082	153,358	126,300

SUMMARY OF OPERATIONS

	1 Current Year	2 Prior Year
08.304. INC (DEC) ON FUNDS HELD ASSET	5,655	(745,976)
08.397. Summary of remaining write-ins for Line 8.3 (Lines 08.304 through 08.396)	5,655	(745,976)
2704. OTHER DEDUCTIONS	(325,600)	
2705. LEGAL FEES	5,000	
2797. Summary of remaining write-ins for Line 27 (Lines 2704 through 2796)	(320,600)	

OVERFLOW PAGE FOR WRITE-INS

ANALYSIS OF OPERATIONS BY LINES OF BUSINESS

	1 Total	2 Industrial Life	Ordinary			6 Credit Life (Group and Individual)	Group		Accident and Health			12 Aggregate of All Other Lines of Business
			3 Life Insurance	4 Individual Annuities	5 Supplementary Contracts		7 Life Insurance (a)	8 Annuities	9 Group	10 Credit (Group and Individual)	11 Other	
08.304. INC/DEC ON FUNDS HELD ASSET	5,655						5,655					
08.397. Summary of remaining write-ins for Line 8.3 (Lines 08.304 through 08.396)	5,655						5,655					
2704. OTHER DEDUCTIONS	(325,600)	(16,262)	(286,659)	(4,069)			(7,633)		(5,801)		(5,176)	
2705. LEGAL SETTLEMENT	5,000										5,000	
2797. Summary of remaining write-ins for Line 27 (Lines 2704 through 2796)	(320,600)	(16,262)	(286,659)	(4,069)			(7,633)		(5,801)		(176)	

OVERFLOW PAGE FOR WRITE-INS

EXHIBIT OF NONADMITTED ASSETS

	1	2	3
	Current Year Total Nonadmitted Assets	Prior Year Total Nonadmitted Assets	Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
2504. OTHER AMOUNTS RECEIVABLE	112,501	104,254	(8,247)
2505. NON QUALIFIED PENSION BENEFIT ASSETS	627,001	686,780	59,779
2506. LEASEHOLD IMPROVEMENTS	153,781	172,421	18,640
2507. PERSONAL LOANS TO EMPLOYEES	736	712	(24)
2597. Summary of remaining write-ins for Line 25 (Lines 2504 through 2596)	894,019	964,167	70,148

OVERFLOW PAGE FOR WRITE-INS

SCHEDULE H - ACCIDENT AND HEALTH EXHIBIT

	Total		Group Accident and Health		Credit Accident & Health (Group and Individual)		Collectively Renewable		Other Individual Contracts									
									Non-Cancelable		Guaranteed Renewable		Non-Renewable for Stated Reasons Only		Other Accident Only		All Other	
	1 Amount	2 %	3 Amount	4 %	5 Amount	6 %	7 Amount	8 %	9 Amount	10 %	11 Amount	12 %	13 Amount	14 %	15 Amount	16 %	17 Amount	18 %
PART 1 - ANALYSIS OF UNDERWRITING OPERATIONS																		
1104.
1105.
1106.
1107.
1108.
1197.	Summary of remaining write-ins for Line 11 (Lines 1104 through 1196)	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....

SUMMARY INVESTMENT SCHEDULE

Investment Categories	Gross Investment Holdings		Admitted Assets as Reported in the Annual Statement	
	1 Amount	2 Percentage	3 Amount	4 Percentage
1. Bonds:				
1.1 U.S. treasury securities	14,496,641	11.439	14,496,641	11.451
1.2 U.S. government agency obligations (excluding mortgage-backed securities):				
1.21 Issued by U.S. government agencies				
1.22 Issued by U.S. government sponsored agencies	2,462,783	1.943	2,462,783	1.945
1.3 Non-U.S. government (including Canada, excluding mortgage-backed securities)				
1.4 Securities issued by states, territories, and possessions and political subdivisions in the U.S.:				
1.41 States, territories and possessions general obligations				
1.42 Political subdivisions of states, territories and possessions and political subdivisions general obligations				
1.43 Revenue and assessment obligations				
1.44 Industrial development and similar obligations				
1.5 Mortgage-backed securities (includes residential and commercial MBS):				
1.51 Pass-through securities:				
1.511 Issued or Guaranteed by GNMA	1,739,025	1.372	1,739,025	1.374
1.512 Issued or Guaranteed by FNMA and FHLMC	4,252,851	3.356	4,252,851	3.359
1.513 All other				
1.52 CMOs and REMICs:				
1.521 Issued or guaranteed by GNMA, FNMA, FHLMC or VA	3,295,439	2.600	3,295,439	2.603
1.522 Issued by non-U.S. Government issuers and collateralized by mortgage-backed securities issued or guaranteed by agencies shown in Line 1.521	2,616,097	2.064	2,616,097	2.067
1.523 All other	2,779,975	2.194	2,779,975	2.196
2. Other debt and other fixed income securities (excluding short term):				
2.1 Unaffiliated domestic securities (includes credit tenant loans and hybrid securities)	65,306,298	51.531	65,306,298	51.588
2.2 Unaffiliated Non-U.S. securities (including Canada)				
2.3 Affiliated securities				
3. Equity interests:				
3.1 Investments in mutual funds				
3.2 Preferred stocks:				
3.21 Affiliated				
3.22 Unaffiliated				
3.3 Publicly traded equity securities (excluding preferred stocks):				
3.31 Affiliated				
3.32 Unaffiliated	544,389	0.430	544,389	0.430
3.4 Other equity securities:				
3.41 Affiliated				
3.42 Unaffiliated				
3.5 Other equity interests including tangible personal property under lease:				
3.51 Affiliated				
3.52 Unaffiliated				
4. Mortgage loans:				
4.1 Construction and land development				
4.2 Agricultural				
4.3 Single family residential properties	940,060	0.742	940,060	0.743
4.4 Multifamily residential properties				
4.5 Commercial loans	11,582,136	9.139	11,489,089	9.076
4.6 Mezzanine real estate loans				
5. Real estate investments:				
5.1 Property occupied by company				
5.2 Property held for production of income (including \$.....0 of property acquired in satisfaction of debt)				
5.3 Property held for sale (including \$.....0 property acquired in satisfaction of debt)	46,437	0.037	46,437	0.037
6. Contract loans	6,414,084	5.061	6,400,786	5.056
7. Receivables for securities	15,007	0.012	15,007	0.012
8. Cash, cash equivalents and short-term investments	6,911,791	5.454	6,911,791	5.460
9. Other invested assets	3,328,867	2.627	3,295,685	2.603
10. Total invested assets	126,731,880	100.000	126,592,353	100.000

SCHEDULE A - VERIFICATION BETWEEN YEARS

Real Estate

1.	Book/adjusted carrying value, December 31 of prior year		46,438
2.	Cost of acquired:		
2.1	Actual cost at time of acquisition (Part 2, Column 6)		
2.2	Additional investment made after acquisition (Part 2, Column 9)		
3.	Current year change in encumbrances:		
3.1	Totals, Part 1, Column 13		
3.2	Totals, Part 3, Column 11		
4.	Total gain (loss) on disposals, Part 3, Column 18		
5.	Deduct amounts received on disposals, Part 3, Column 15		
6.	Total foreign exchange change in book/adjusted carrying value:		
6.1	Totals, Part 1, Column 15		
6.2	Totals, Part 3, Column 13		
7.	Deduct current year's other than temporary impairment recognized:		
7.1	Totals, Part 1, Column 12		
7.2	Totals, Part 3, Column 10		
8.	Deduct current year's depreciation:		
8.1	Totals, Part 1, Column 11		
8.2	Totals, Part 3, Column 9		
9.	Book/adjusted carrying value at the end of current period (Lines 1 + 2 + 3 + 4 - 5 + 6 - 7 - 8)		46,438
10.	Deduct total nonadmitted amounts		
11.	Statement value at end of current period (Lines 9 minus 10)		46,438

SCHEDULE B - VERIFICATION BETWEEN YEARS

Mortgage Loans

1.	Book value/recorded investment excluding accrued interest, December 31 of prior year		13,063,721
2.	Cost of acquired:		
2.1	Actual cost at time of acquisition (Part 2, Column 7)		
2.2	Additional investment made after acquisition (Part 2, Column 8)		
3.	Capitalized deferred interest and other:		
3.1	Totals, Part 1, Column 12		
3.2	Totals, Part 3, Column 11		
4.	Accrual of discount		
5.	Unrealized valuation increase (decrease):		
5.1	Totals, Part 1, Column 9		
5.2	Totals, Part 3, Column 8		
6.	Total gain (loss) on disposals, Part 3, Column 18		
7.	Deduct amounts received on disposals, Part 3, Column 15		541,524
8.	Deduct amortization of premium and mortgage interest points and commitment fees		
9.	Total foreign exchange change in book value/recorded investment excluding accrued interest		
9.1	Totals, Part 1, Column 13		
9.2	Totals, Part 3, Column 13		
10.	Deduct current year's other than temporary impairment recognized:		
10.1	Totals, Part 1, Column 11		
10.2	Totals, Part 3, Column 10		
11.	Book value/recorded investment excluding accrued interest at end of current period (Lines 1 + 2 + 3 + 4 + 5 + 6 - 7 - 8 + 9 - 10)		12,522,197
12.	Total valuation allowance		
13.	Subtotal (Lines 11 plus 12)		12,522,197
14.	Deduct total nonadmitted amounts		93,047
15.	Statement value of mortgages owned at end of current period (Line 13 minus Line 14)		12,429,150

SCHEDULE BA - VERIFICATION BETWEEN YEARS**Other Long-Term Invested Assets**

1.	Book/adjusted carrying value, December 31 of prior year		33,182
2.	Cost of acquired:		
2.1	Actual cost at time of acquisition (Part 2, Column 8)	3,295,685	
2.2	Additional investment made after acquisition (Part 2, Column 9)		3,295,685
3.	Capitalized deferred interest and other:		
3.1	Totals, Part 1, Column 16		
3.2	Totals, Part 3, Column 12		
4.	Accrual of discount		
5.	Unrealized valuation increase (decrease):		
5.1	Totals, Part 1, Column 13		
5.2	Totals, Part 3, Column 9		
6.	Total gain (loss) on disposals, Part 3, Column 19		
7.	Deduct amounts received on disposals, Part 3, Column 16		
8.	Deduct amortization of premium and depreciation		
9.	Total foreign exchange change in book/adjusted carrying value:		
9.1	Totals, Part 1, Column 17		
9.2	Totals, Part 3, Column 14		
10.	Deduct current year's other than temporary impairment recognized:		
10.1	Totals, Part 1, Column 15		
10.2	Totals, Part 3, Column 11		
11.	Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 + 6 - 7 - 8 + 9 - 10)		3,328,867
12.	Deduct total nonadmitted amounts		33,182
13.	Statement value at end of current period (Line 11 minus Line 12)		3,295,685

SCHEDULE D - VERIFICATION BETWEEN YEARS**Bonds and Stocks**

1.	Book/adjusted carrying value, December 31 of prior year		100,162,688
2.	Cost of bonds and stocks acquired, Part 3, Column 7		46,310,076
3.	Accrual of Discount		127,085
4.	Unrealized valuation increase (decrease):		
4.1	Part 1, Column 12		
4.2	Part 2, Section 1, Column 15		
4.3	Part 2, Section 2, Column 13	214,689	
4.4	Part 4, Column 11	678,368	893,057
5.	Total gain (loss) on disposals, Part 4, Column 19		2,800,254
6.	Deduction consideration for bonds and stocks disposed of, Part 4, Column 7		52,157,190
7.	Deduct amortization of premium		164,609
8.	Total foreign exchange change in book/adjusted carrying value:		
8.1	Part 1, Column 15		
8.2	Part 2, Section 1, Column 19		
8.3	Part 2, Section 2, Column 16		
8.4	Part 4, Column 15		
9.	Deduct current year's other than temporary impairment recognized:		
9.1	Part 1, Column 14		
9.2	Part 2, Section 1, Column 17		
9.3	Part 2, Section 2, Column 14		
9.4	Part 4, Column 13	477,744	477,744
10.	Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 - 6 - 7 + 8 - 9)		97,493,617
11.	Deduct total nonadmitted amounts		
12.	Statement value at end of current period (Line 10 minus Line 11)		97,493,617

SCHEDULE D - SUMMARY BY COUNTRY**Long-Term Bonds and Stocks OWNED December 31 of Current Year**

Description		1 Book/Adjusted Carrying Value	2 Fair Value	3 Actual Cost	4 Par Value of Bonds
BONDS					
Governments (Including all obligations guaranteed by governments)	1. United States	22,951,293	23,877,800	23,016,375	22,844,986
	2. Canada				
	3. Other Countries				
	4. Totals	22,951,293	23,877,800	23,016,375	22,844,986
U.S. States, Territories and Possessions (Direct and guaranteed)	5. Totals				
U.S. Political Subdivisions of States, Territories and Possessions (Direct and guaranteed)	6. Totals				
U.S. Special revenue and special assessment obligations and all non-guaranteed obligations of agencies and authorities of governments and their political subdivisions	7. Totals	3,295,439	3,570,397	3,301,135	3,259,658
Industrial and Miscellaneous, Credit Tenant Loans and Hybrid Securities (unaffiliated)	8. United States	70,702,496	72,174,843	70,766,139	68,450,165
	9. Canada				
	10. Other Countries				
	11. Totals	70,702,496	72,174,843	70,766,139	68,450,165
Parent, Subsidiaries and Affiliates	12. Totals				
	13. Total Bonds	96,949,228	99,623,040	97,083,649	94,554,809
PREFERRED STOCKS					
Industrial and Miscellaneous (unaffiliated)	14. United States				
	15. Canada				
	16. Other Countries				
	17. Totals				
Parent, Subsidiaries and Affiliates	18. Totals				
	19. Total Preferred Stocks				
COMMON STOCKS					
Industrial and Miscellaneous (unaffiliated)	20. United States	544,389	544,389	322,734	
	21. Canada				
	22. Other Countries				
	23. Totals	544,389	544,389	322,734	
Parent, Subsidiaries and Affiliates	24. Totals				
	25. Total Common Stocks	544,389	544,389	322,734	
	26. Total Stocks	544,389	544,389	322,734	
	27. Total Bonds and Stocks	97,493,617	100,167,429	97,406,383	

SCHEDULE D - PART 1A - SECTION 1

Quality and Maturity Distribution of All Bonds Owned December 31, at Book/Adjusted Carrying Values by Major Types of Issues and NAIC Designations

	1	2	3	4	5	6	7	8	9	10	11
Quality Rating Per the NAIC Designation	1 Year or Less	Over 1 Year Through 5 Years	Over 5 Years Through 10 Years	Over 10 Years Through 20 Years	Over 20 Years	Total Current Year	Column 6 as a % of Line 10.7	Total From Column 6 Prior Year	% From Column 7 Prior Year	Total Publicly Traded	Total Privately Placed (a)
1. U.S. Governments											
1.1 Class 1	5,877,480	1,701,108	12,734,492	2,902,670	5,106,818	28,322,568	28.91	34,345,478	34.43	28,322,569	
1.2 Class 2											
1.3 Class 3											
1.4 Class 4											
1.5 Class 5											
1.6 Class 6											
1.7 TOTALS	5,877,480	1,701,108	12,734,492	2,902,670	5,106,818	28,322,568	28.91	34,345,478	34.43	28,322,569	
2. All Other Governments											
2.1 Class 1											
2.2 Class 2											
2.3 Class 3											
2.4 Class 4											
2.5 Class 5											
2.6 Class 6											
2.7 TOTALS											
3. U.S. States, Territories and Possessions etc., Guaranteed											
3.1 Class 1											
3.2 Class 2											
3.3 Class 3											
3.4 Class 4											
3.5 Class 5											
3.6 Class 6											
3.7 TOTALS											
4. U.S. Political Subdivisions of States, Territories & Possessions, Guaranteed											
4.1 Class 1											
4.2 Class 2											
4.3 Class 3											
4.4 Class 4											
4.5 Class 5											
4.6 Class 6											
4.7 TOTALS											
5. U.S. Special Revenue & Special Assessment Obligations etc., Non-Guaranteed											
5.1 Class 1	588,936	1,526,669	820,423	337,074	22,336	3,295,438	3.36	5,038,597	5.05	3,295,439	
5.2 Class 2											
5.3 Class 3											
5.4 Class 4											
5.5 Class 5											
5.6 Class 6											
5.7 TOTALS	588,936	1,526,669	820,423	337,074	22,336	3,295,438	3.36	5,038,597	5.05	3,295,439	

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SCHEDULE D - PART 1A - SECTION 1 (Continued)

Quality and Maturity Distribution of All Bonds Owned December 31, at Book/Adjusted Carrying Values by Major Types of Issues and NAIC Designations

Quality Rating Per the NAIC Designation	1 1 Year or Less	2 Over 1 Year Through 5 Years	3 Over 5 Years Through 10 Years	4 Over 10 Years Through 20 Years	5 Over 20 Years	6 Total Current Year	7 Column 6 as a % of Line 10.7	8 Total From Column 6 Prior Year	9 % From Column 7 Prior Year	10 Total Publicly Traded	11 Total Privately Placed (a)
6. Industrial and Miscellaneous (unaffiliated)											
6.1 Class 1	407,243	2,263,893	31,003,110	10,624,324	6,186,439	50,485,009	51.53	32,176,401	32.26	50,480,030	4,980
6.2 Class 2	1,500,384	2,639,230	8,440,119	2,643,819		15,223,552	15.54	21,763,664	21.82	15,223,552	
6.3 Class 3								5,784,673	5.80		
6.4 Class 4											
6.5 Class 5	14,673	65,243	100,442	301,405	162,299	644,062	0.66	643,381	0.64		644,062
6.6 Class 6											
6.7 TOTALS	1,922,300	4,968,366	39,543,671	13,569,548	6,348,738	66,352,623	67.73	60,368,119	60.52	65,703,582	649,042
7. Credit Tenant Loans											
7.1 Class 1											
7.2 Class 2											
7.3 Class 3											
7.4 Class 4											
7.5 Class 5											
7.6 Class 6											
7.7 TOTALS											
8. Hybrid Securities											
8.1 Class 1											
8.2 Class 2											
8.3 Class 3											
8.4 Class 4											
8.5 Class 5											
8.6 Class 6											
8.7 TOTALS											
9. Parent, Subsidiaries and Affiliates											
9.1 Class 1											
9.2 Class 2											
9.3 Class 3											
9.4 Class 4											
9.5 Class 5											
9.6 Class 6											
9.7 TOTALS											

SCHEDULE D - PART 1A - SECTION 1 (Continued)

Quality and Maturity Distribution of All Bonds Owned December 31, at Book/Adjusted Carrying Values By Major Types of Issues and NAIC Designations

Quality Rating Per the NAIC Designation	1 1 Year or Less	2 Over 1 Year Through 5 Years	3 Over 5 Years Through 10 Years	4 Over 10 Years Through 20 Years	5 Over 20 Years	6 Total Current Year	7 Column 6 as a % of Line 10.7	8 Total From Column 6 Prior Year	9 % From Column 7 Prior Year	10 Total Publicly Traded	11 Total Privately Placed (a)
10. Total Bonds Current Year											
10.1 Class 1	(d) 6,873,659	5,491,670	44,558,025	13,864,068	11,315,593	82,103,015	83.80	X X X	X X X	82,098,038	4,980
10.2 Class 2	(d) 1,500,384	2,639,230	8,440,119	2,643,819		15,223,552	15.54	X X X	X X X	15,223,552	
10.3 Class 3	(d)							X X X	X X X		
10.4 Class 4	(d)							X X X	X X X		
10.5 Class 5	(d) 14,673	65,243	100,442	301,405	162,299	(c) 644,062	0.66	X X X	X X X		644,062
10.6 Class 6	(d)					(c)		X X X	X X X		
10.7 TOTALS	8,388,716	8,196,143	53,098,586	16,809,292	11,477,892	(b) 97,970,629	100.00	X X X	X X X	97,321,590	649,042
10.8 Line 10.7 as a % of Column 6	8.56	8.37	54.20	17.16	11.72	100.00	X X X	X X X	X X X	99.34	0.66
11. Total Bonds Prior Year											
11.1 Class 1	3,488,821	9,475,087	29,360,839	11,185,621	18,050,107	X X X	X X X	71,560,475	71.74	71,545,496	14,980
11.2 Class 2	499,635	4,040,923	7,206,293	3,701,326	6,315,487	X X X	X X X	21,763,664	21.82	21,763,664	
11.3 Class 3			4,497,209	1,287,464		X X X	X X X	5,784,673	5.80	2,738,988	3,045,685
11.4 Class 4						X X X	X X X				
11.5 Class 5	14,891	61,012	93,410	278,205	195,863	X X X	X X X	(c) 643,381	0.64		643,381
11.6 Class 6						X X X	X X X	(c)			
11.7 TOTALS	4,003,347	13,577,022	41,157,751	16,452,616	24,561,457	X X X	X X X	(b) 99,752,193	100.00	96,048,148	3,704,046
11.8 Line 11.7 as a % of Col. 8	4.01	13.61	41.26	16.49	24.62	X X X	X X X	100.00	X X X	96.29	3.71
12. Total Publicly Traded Bonds											
12.1 Class 1	6,868,680	5,491,671	44,558,025	13,864,068	11,315,594	82,098,038	83.80	71,545,496	71.72	82,098,038	X X X
12.2 Class 2	1,500,384	2,639,230	8,440,119	2,643,819		15,223,552	15.54	21,763,664	21.82	15,223,552	X X X
12.3 Class 3								2,738,988	2.75		X X X
12.4 Class 4											X X X
12.5 Class 5											X X X
12.6 Class 6											X X X
12.7 TOTALS	8,369,064	8,130,901	52,998,144	16,507,887	11,315,594	97,321,590	99.34	96,048,148	96.29	97,321,590	X X X
12.8 Line 12.7 as a % of Col. 6	8.60	8.35	54.46	16.96	11.63	100.00	X X X	X X X	X X X	100.00	X X X
12.9 Line 12.7 as a % of Line 10.7, Col. 6, Section 10	8.54	8.30	54.10	16.85	11.55	99.34	X X X	X X X	X X X	99.34	X X X
13. Total Privately Placed Bonds											
13.1 Class 1	4,980					4,980	0.01	14,980	0.02	X X X	4,980
13.2 Class 2										X X X	
13.3 Class 3								3,045,685	3.05	X X X	
13.4 Class 4										X X X	
13.5 Class 5	14,673	65,243	100,442	301,405	162,299	644,062	0.66	643,381	0.64	X X X	644,062
13.6 Class 6										X X X	
13.7 TOTALS	19,653	65,243	100,442	301,405	162,299	649,042	0.66	3,704,046	3.71	X X X	649,042
13.8 Line 13.7 as a % of Col. 6	3.03	10.05	15.48	46.44	25.01	100.00	X X X	X X X	X X X	X X X	100.00
13.9 Line 13.7 as a % of Line 10.7, Col. 6, Section 10	0.02	0.07	0.10	0.31	0.17	0.66	X X X	X X X	X X X	X X X	0.66

(a) Includes \$ 644,062 freely tradable under SEC Rule 144 or qualified for resale under SEC Rule 144A.

(b) Includes \$ 0 current year, \$ 2,158,891 prior year of bonds with Z designations and \$ 4,752,011 current year, \$ 0 prior year of bonds with Z* designations. The letter "Z" means the NAIC designation was not assigned by the Securities Valuation Office (SVO) at the date of the statement. "Z*" means the SVO could not evaluate the obligation because valuation procedures for the security class is under regulatory review.

(c) Includes \$ 0 current year, \$ 0 prior year of bonds with 5* designations and \$ 0 current year, \$ 0 prior year of bonds with 6* designations. "5*" means the NAIC designation was assigned by the SVO in reliance on the insurer's certification that the issuer is current in all principal and interest payments. "6*" means the NAIC designation was assigned by the SVO due to inadequate certification of principal and interest payments.

(d) Includes the following amount of non-rated short-term and cash equivalent bonds by NAIC designation: NAIC 1 \$ 0; NAIC 2 \$ 0; NAIC 3 \$ 0; NAIC 4 \$ 0; NAIC 5 \$ 0; NAIC 6 \$ 0.

SCHEDULE D - PART 1A - SECTION 2

Maturity Distribution of All Bonds Owned December 31, At Book/Adjusted Carrying Values by Major Type and Subtype of Issues

	1	2	3	4	5	6	7	8	9	10	11
Distribution by Type	1 Year or Less	Over 1 Year Through 5 Years	Over 5 Years Through 10 Years	Over 10 Years Through 20 Years	Over 20 Years	Total Current Year	Column 6 as a % of Line 10.7	Total From Column 6 Prior Year	% From Column 7 Prior Year	Total Publicly Traded	Total Privately Placed
1. U.S. Governments											
1.1 Issuer Obligations	5,371,278		11,123,193	1,354,053	4,482,178	22,330,702	21.74	28,961,230	26.36	22,330,702	
1.2 Single Class Mortgage-Backed/Asset-Backed Securities	506,203	1,701,108	1,611,299	1,548,617	624,640	5,991,867	5.83	12,678,363	11.54	5,991,866	
1.7 TOTALS	5,877,481	1,701,108	12,734,492	2,902,670	5,106,818	28,322,569	27.57	41,639,593	37.90	28,322,568	
2. All Other Governments											
2.1 Issuer Obligations											
2.2 Single Class Mortgage-Backed/Asset-Backed Securities											
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES:											
2.3 Defined											
2.4 Other											
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET-BACKED SECURITIES:											
2.5 Defined											
2.6 Other											
2.7 TOTALS											
3. U.S. States, Territories and Possessions, Guaranteed											
3.1 Issuer Obligations											
3.2 Single Class Mortgage-Backed/Asset-Backed Securities											
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES:											
3.3 Defined											
3.4 Other											
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET-BACKED SECURITIES:											
3.5 Defined											
3.6 Other											
3.7 TOTALS											
4. U.S. Political Subdivisions of States, Territories & Possessions, Guaranteed											
4.1 Issuer Obligations											
4.2 Single Class Mortgage-Backed/Asset-Backed Securities											
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES:											
4.3 Defined											
4.4 Other											
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET-BACKED SECURITIES:											
4.5 Defined											
4.6 Other											
4.7 TOTALS											
5. U.S. Special Revenue & Special Assessment Obligations etc., Non-Guaranteed											
5.1 Issuer Obligations											
5.2 Single Class Mortgage-Backed/Asset-Backed Securities											
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES:											
5.3 Defined	588,936	1,526,669	820,423	337,074	22,336	3,295,438	3.21	5,038,597	4.59	3,295,439	
5.4 Other											
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET-BACKED SECURITIES:											
5.5 Defined											
5.6 Other											
5.7 TOTALS	588,936	1,526,669	820,423	337,074	22,336	3,295,438	3.21	5,038,597	4.59	3,295,439	

SCHEDULE D - PART 1A - SECTION 2 (Continued)

Maturity Distribution of All Bonds Owned December 31, At Book/Adjusted Carrying Values by Major Type and Subtype of Issues

	1 1 Year or Less	2 Over 1 Year Through 5 Years	3 Over 5 Years Through 10 Years	4 Over 10 Years Through 20 Years	5 Over 20 Years	6 Total Current Year	7 Column 6 as a % of Line 10.7	8 Total From Column 6 Prior Year	9 % From Column 7 Prior Year	10 Total Publicly Traded	11 Total Privately Placed
Distribution by Type											
6. Industrial and Miscellaneous											
6.1 Issuer Obligations	1,907,627	4,903,123	39,443,229	13,268,143	6,186,439	65,708,561	63.97	55,505,189	50.52	65,703,582	4,980
6.2 Single Class Mortgage-Backed/Asset-Backed Securities											
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES:											
6.3 Defined								2,158,891	1.96		
6.4 Other											
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET-BACKED SECURITIES:											
6.5 Defined	351,084	1,216,456	1,182,309	1,652,804	993,419	5,396,072	5.25	5,527,604	5.03	4,752,011	644,062
6.6 Other											
6.7 TOTALS	2,258,711	6,119,579	40,625,538	14,920,947	7,179,858	71,104,633	69.22	63,191,684	57.52	70,455,593	649,042
7. Credit Tenant Loans											
7.1 Issuer Obligations											
7.2 Single Class Mortgage-Backed Securities											
7.7 TOTALS											
8. Hybrid Securities											
8.1 Issuer Obligations											
8.2 Single Class Mortgage-Backed/Asset-Backed Securities											
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES:											
8.3 Defined											
8.4 Other											
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET-BACKED SECURITIES:											
8.5 Defined											
8.6 Other											
8.7 TOTALS											
9. Parent, Subsidiaries and Affiliates											
9.1 Issuer Obligations											
9.2 Single Class Mortgage-Backed/Asset-Backed Securities											
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES:											
9.3 Defined											
9.4 Other											
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET-BACKED SECURITIES:											
9.5 Defined											
9.6 Other											
9.7 TOTALS											

SCHEDULE D - PART 1A - SECTION 2 (Continued)

Maturity Distribution of All Bonds Owned December 31, At Book/Adjusted Carrying Values by Major Type and Subtype of Issues

	1	2	3	4	5	6	7	8	9	10	11
Distribution by Type	1 Year or Less	Over 1 Year Through 5 Years	Over 5 Years Through 10 Years	Over 10 Years Through 20 Years	Over 20 Years	Total Current Year	Column 6 as a % of Line 10.7	Total From Column 6 Prior Year	% From Column 7 Prior Year	Total Publicly Traded	Total Privately Placed
10. Total Bonds Current Year											
10.1 Issuer Obligations	7,278,905	4,903,123	50,566,422	14,622,196	10,668,617	88,039,263	85.71	X X X	X X X	88,034,284	4,980
10.2 Single Class Mortgage-Backed/Asset-Backed Securities	506,203	1,701,108	1,611,299	1,548,617	624,640	5,991,867	5.83	X X X	X X X	5,991,866	
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES:											
10.3 Defined	588,936	1,526,669	820,423	337,074	22,336	3,295,438	3.21	X X X	X X X	3,295,439	
10.4 Other								X X X	X X X		
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET-BACKED SECURITIES:											
10.5 Defined	351,084	1,216,456	1,182,309	1,652,804	993,419	5,396,072	5.25	X X X	X X X	4,752,011	644,062
10.6 Other								X X X	X X X		
10.7 TOTALS	8,725,128	9,347,356	54,180,453	18,160,691	12,309,012	102,722,640	100.00	X X X	X X X	102,073,600	649,042
10.8 Line 10.7 as a % of Column 6	8.49	9.10	52.74	17.68	11.98	100.00	X X X	X X X	X X X	99.37	0.63
11. Total Bonds Prior Year											
11.1 Issuer Obligations	11,782,066	6,544,268	35,558,726	10,197,613	20,383,745	X X X	X X X	84,466,418	76.88	81,405,754	3,060,665
11.2 Single Class Mortgage-Backed/Asset-Backed Securities	715,406	2,505,223	2,595,505	3,823,574	3,038,654	X X X	X X X	12,678,362	11.54	12,678,363	
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES:											
11.3 Defined	1,238,084	3,297,749	1,811,560	780,440	69,656	X X X	X X X	7,197,489	6.55	7,197,488	
11.4 Other						X X X	X X X				
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET-BACKED SECURITIES:											
11.5 Defined	385,471	1,229,782	1,191,961	1,650,989	1,069,401	X X X	X X X	5,527,604	5.03	4,884,223	643,381
11.6 Other						X X X	X X X				
11.7 TOTALS	14,121,027	13,577,022	41,157,752	16,452,616	24,561,456	X X X	X X X	109,869,873	100.00	106,165,828	3,704,046
11.8 Line 11.7 as a % of Column 8	12.85	12.36	37.46	14.97	22.36	X X X	X X X	100.00	X X X	96.63	3.37
12. Total Publicly Traded Bonds											
12.1 Issuer Obligations	7,273,925	4,903,123	50,566,422	14,622,196	10,668,618	88,034,284	85.70	81,405,754	74.09	88,034,284	X X X
12.2 Single Class Mortgage-Backed/Asset-Backed Securities	506,203	1,701,108	1,611,299	1,548,617	624,640	5,991,867	5.83	12,678,363	11.54	5,991,867	X X X
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES:											
12.3 Defined	588,936	1,526,669	820,423	337,074	22,336	3,295,438	3.21	7,197,488	6.55	3,295,438	X X X
12.4 Other											X X X
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET-BACKED SECURITIES:											
12.5 Defined	336,412	1,151,212	1,081,867	1,351,399	831,120	4,752,010	4.63	4,884,223	4.45	4,752,010	X X X
12.6 Other											X X X
12.7 TOTALS	8,705,476	9,282,112	54,080,011	17,859,286	12,146,714	102,073,599	99.37	106,165,828	96.63	102,073,599	X X X
12.8 Line 12.7 as a % of Column 6	8.53	9.09	52.98	17.50	11.90	100.00	X X X	X X X	X X X	100.00	X X X
12.9 Line 12.7 as a % of Line 10.7, Column 6, Section 10	8.47	9.04	52.65	17.39	11.82	99.37	X X X	X X X	X X X	99.37	X X X
13. Total Privately Placed Bonds											
13.1 Issuer Obligations	4,980					4,980	0.00	3,060,665	2.79	X X X	4,980
13.2 Single Class Mortgage-Backed/Asset-Backed Securities										X X X	
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES:											
13.3 Defined										X X X	
13.4 Other										X X X	
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET-BACKED SECURITIES:											
13.5 Defined	14,673	65,243	100,442	301,405	162,299	644,062	0.63	643,381	0.59	X X X	644,062
13.6 Other										X X X	
13.7 TOTALS	19,653	65,243	100,442	301,405	162,299	649,042	0.63	3,704,046	3.37	X X X	649,042
13.8 Line 13.7 as a % of Column 6	3.03	10.05	15.48	46.44	25.01	100.00	X X X	X X X	X X X	X X X	100.00
13.9 Line 13.7 as a % of Line 10.7, Column 6, Section 10	0.02	0.06	0.10	0.29	0.16	0.63	X X X	X X X	X X X	X X X	0.63

S10

SCHEDULE DA - VERIFICATION BETWEEN YEARS

Short-Term Investments

	1	2	3	4	5
	Total	Bonds	Mortgage Loans	Other Short-term Investment Assets (a)	Investments in Parent, Subsidiaries and Affiliates
1. Book/adjusted carrying value, December 31 of prior year	10,117,680	10,117,680			
2. Cost of short-term investments acquired	66,572,214	66,572,214			
3. Accrual of discount					
4. Unrealized valuation increase (decrease)					
5. Total gain (loss) on disposals					
6. Deduct consideration received on disposals	70,916,352	70,916,352			
7. Deduct amortization of premium					
8. Total foreign exchange change in book/adjusted carrying value					
9. Deduct current year's other than temporary impairment recognized					
10. Book adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 - 6 - 7 + 8 - 9)	5,773,542	5,773,542			
11. Deduct total nonadmitted amounts					
12. Statement value at end of current period (Line 10 minus Line 11)	5,773,542	5,773,542			

(a) Indicate the category of such assets, for example, joint ventures, transportation equipment: 0

SI12 Schedule DB Part A Verification NONE

SI12 Schedule DB Part B Verification NONE

SI13 Schedule DB Part C Sn 1 - Sum Replicated Assets NONE

SI14 Schedule DB Part C Sn 2 - Recon Replicated Assets NONE

SI15 Schedule DB Verification NONE

SI16 Schedule E - Verification NONE

SCHEDULE A - PART 1

Showing all Real Estate OWNED December 31 of Current Year

1 Description of Property	2 Code	Location		5 Date Acquired	6 Date of Last Appraisal	7 Actual Cost	8 Amount of Encumbrances	9 Book/Adjusted Carrying Value Less Encumbrances	10 Fair Value Less Encumbrances	Change in Book/Adjusted Carrying Value Less Encumbrances					16 Gross Income Earned Less Interest Incurred on Encumbrances	17 Taxes, Repairs, and Expenses Incurred
		3 City	4 State							11 Current Year's Depreciation	12 Current Year's Other Than Temporary Impairment Recognized	13 Current Year's Change in Encumbrances	14 Total Change in B./A.C.V. (13 - 11 - 12)	15 Total Foreign Exchange Change in B./A.C.V.		
Properties held for the production of income																
0499999 Subtotal - Properties held for the production of income																
Properties held for sale																
MICHELE DRIVE		BURLINGTON	NC	01/01/1994	03/20/2009	18,840		18,840	64,000							
HYDE PARK AVE		DURHAM	NC	05/18/2009	04/16/2010	27,598		27,598	32,000							
0599999 Subtotal - Properties held for sale																
0699999 Totals																

E02 Schedule A - Part 2 Real Estate Acquired NONE

E03 Schedule A - Part 3 Real Estate Sold NONE

SCHEDULE B - PART 1

Showing All Mortgage Loans OWNED December 31 of Current Year

1 Loan Number	2 Code	3 Location		5 Loan Type	6 Date Acquired	7 Rate of Interest	8 Book Value/Recorded Investment Excluding Accrued Interest	9 Change in Book Value/Recorded Investment					14 Value of Land and Buildings	15 Data of Last Appraisal or Valuation
		3 City	4 State					9 Unrealized Valuation Increase (Decrease)	10 Current Year's (Amortization)/ Accretion	11 Current Year's Other than Temporary Impairment Recognized	12 Capitalized Deferred Interest and Other	13 Total Foreign Exchange Change in Book Value		
Mortgages in Good Standing - Residential Mortgages - Insured or Guaranteed														
2609		IRMO	SC		08/09/1985	11.500	14,295						87,000	05/08/2008
4565		DURHAM	NC		06/19/1987	8.250	25,981						80,000	03/12/1987
9075		DURHAM	NC		07/30/1986	9.000	17,626						49,000	05/28/1986
9824		DURHAM	NC		05/28/1987	8.250	32,936						115,000	11/28/2001
0299999 Subtotal - Mortgages in Good Standing - Residential Mortgages - Insured or Guaranteed							90,838						331,000	X X X
Mortgages in Good Standing - Residential Mortgages - All Other														
6991		DURHAM	NC		10/20/1986	7.630	22,197						65,000	08/07/1986
7044		ETTRICK	VA		02/05/1988	11.000	21,066						50,000	03/30/1987
7101		DURHAM	NC		06/30/1989	7.500	21,532						98,000	12/29/1988
7148		DURHAM	NC		04/16/1990	9.750	31,215						66,000	01/26/1990
7173		DURHAM	NC		07/15/1991	9.630	38,994						130,000	10/02/2007
8005		DURHAM	NC		12/29/1992	7.130	24,125						59,700	08/03/1992
8022		RALEIGH	NC		08/08/1994	7.130	134,963						275,000	11/30/2001
8040		WINSTON SALEM	NC		11/10/1999	8.250	24,767						85,000	08/10/1985
9920		DURHAM	NC		04/04/2003	7.250	22,323						77,000	10/02/2007
9922		DURHAM	NC		12/23/2002	6.000	65,061						475,000	02/14/1997
9923		DURHAM	NC		02/26/2003	7.000	32,416						60,000	04/10/2009
9926		DURHAM	NC		06/26/2003	6.250	56,924						93,000	06/18/2003
9928		DURHAM	NC		06/28/2003	6.250	57,766						91,900	06/18/2003
9929		DURHAM	NC		06/28/2003	6.250	61,969						98,000	06/18/2003
9932		DURHAM	NC		11/12/2003	6.000	44,749						84,000	10/15/2003
9938		DURHAM	NC		06/11/2004	6.000	53,812						105,000	05/24/2004
9944		ROCKY MOUNT	NC		06/03/2005	7.500	34,712						61,000	04/16/2005
9948		DURHAM	NC		03/01/2006	6.250	65,400						124,000	03/26/2001
71121		ROXBORO	NC		09/15/1989	9.630	33,869						74,500	08/10/1989
0399999 Subtotal - Mortgages in Good Standing - Residential Mortgages - All Other							847,860						2,172,100	X X X
Mortgages in Good Standing - Commercial Mortgages - All Other														
8041		BALTIMORE	MD		01/11/2000	8.000	36,445						56,250	01/09/2001
9919		CHAPEL HILL	NC		05/28/2002	6.500	941,019						2,150,000	04/22/2002
9934		RALEIGH	NC		01/16/2004	6.500	52,789						92,000	11/14/2003
9939		SMITHFIELD	NC		08/12/2004	7.000	262,199						575,000	03/22/2004
9940		FUQUAY VARINA	NC		09/15/2004	5.500	598,247						1,435,000	03/31/2004
9941		JACKSON	NC		10/01/2004	7.000	348,043						525,000	08/20/2004
9942		PITTSBORO	NC		10/26/2004	7.000	209,792						315,000	06/16/2004
9945		RALEIGH	NC		09/29/2005	7.000	1,175,699						1,725,000	08/19/2005
9946		RALEIGH	NC		10/28/2005	6.000	1,823,964						2,796,836	09/08/2005
9947		OXFORD	NC		02/16/2006	6.750	491,991						1,142,000	01/17/2006
9950		ROXBORO	NC		09/08/2006	7.600	693,556						1,671,000	07/24/2006
9951		RALEIGH	NC		10/25/2006	7.750	760,166						2,005,000	03/06/2006
9953		OXFORD	NC		12/13/2007	7.250	1,251,763						2,370,000	11/15/2007
9954		RALEIGH	NC		05/02/2008	6.950	337,210						1,037,000	04/16/2008
9955		DURHAM	NC		09/25/2008	6.950	158,924						260,000	09/18/2008
9956		DURHAM	NC		01/16/2009	6.750	809,964						1,627,000	11/28/2006
9957		ROXBORO	NC		02/12/2009	6.650	310,961						1,281,000	12/15/2008
9958		RALEIGH	NC		04/09/2009	6.600	519,006						1,425,000	03/23/2009
0599999 Subtotal - Mortgages in Good Standing - Commercial Mortgages - All Other							10,781,738						22,488,086	X X X

E04

SCHEDULE B - PART 1

Showing All Mortgage Loans OWNED December 31 of Current Year

1	2	Location		5	6	7	8	Change in Book Value/Recorded Investment					14	15
		3	4					9	10	11	12	13		
Loan Number	Code	City	State	Loan Type	Date Acquired	Rate of Interest	Book Value/Recorded Investment Excluding Accrued Interest	Unrealized Valuation Increase (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other than Temporary Impairment Recognized	Capitalized Deferred Interest and Other	Total Foreign Exchange Change in Book Value	Value of Land and Buildings	Data of Last Appraisal or Valuation
0899999 Total - Mortgages in Good Standing (Sum of Lines 0199999 thru 0799999)								11,720,436					24,991,186	X X X
Mortgages With Overdue Interest Over 90 Days, Not in Process Of Foreclosure - Residential Mortgages - All Other														
429		DETROIT	MI		10/12/1987	10.880	1,362						23,000	07/02/1987
1999999 Subtotal - Mortgages With Overdue Interest Over 90 Days, Not in Process Of Foreclosure - Residential Mortgages - All Other								1,362					23,000	X X X
Mortgages With Overdue Interest Over 90 Days, Not in Process Of Foreclosure - Commercial Mortgages - All Other														
9936		BAILEY	NC		04/02/2004	7.500	244,976						386,000	03/04/2004
9921		WASHINGTON	DC		08/27/2002	8.250	332,181						416,500	03/22/2005
2199999 Subtotal - Mortgages With Overdue Interest Over 90 Days, Not in Process Of Foreclosure - Commercial Mortgages - All Other								577,157					802,500	X X X
2499999 Total - Mortgages With Overdue Interest Over 90 days, Not in Process Of Foreclosure (Sum of Lines 1799999 thru 2399999)								578,519					825,500	X X X
Mortgages In The Process Of Foreclosure - Commercial Mortgages - All Other														
8027		DURHAM	NC		08/31/1995	9.500	223,241						200,000	06/06/2008
2999999 Subtotal - Mortgages In The Process Of Foreclosure - Commercial Mortgages - All Other								223,241					200,000	X X X
3299999 Total - Mortgages In The Process Of Foreclosure (Sum of Lines 2599999 thru 3199999)								223,241					200,000	X X X
3399999 Total Mortgages (sum of Lines 0899999, 1699999, 2499999 and 3299999)								12,522,196					26,016,686	X X X

General Interrogatory:

1. Mortgages in good standing \$.....0 unpaid taxes \$.....64,794 interest due and unpaid.
2. Restructured mortgages \$.....0 unpaid taxes \$.....0 interest due and unpaid.
3. Mortgages with overdue interest over 90 days not in process of foreclosure \$.....0 unpaid taxes \$.....45,632 interest due and unpaid.
4. Mortgages in process of foreclosure \$.....0 unpaid taxes \$.....0 interest due and unpaid.

E04.1

SCHEDULE B - PART 2

Showing All Mortgage Loans ACQUIRED AND ADDITIONS MADE During the Current Year

1 Loan Number	Location		4 Loan Type	5 Date Acquired	6 Rate of Interest	7 Actual Cost at Time of Acquisition	8 Additional Investment Made After Acquisition	9 Value of Land and Buildings
	2 City	3 State						
NONE								
3399999 Total Mortgages (sum of Lines 0899999, 1699999, 2499999 and 3299999) .....					... X X X ...			

SCHEDULE B - PART 3

Showing all Mortgage Loans DISPOSED, Transferred or Repaid During the Current Year

1 Loan Number	2 Location		4 Loan Type	5 Date Acquired	6 Disposal Date	7 Book Value/ Recorded Investment Excluding Accrued Interest Prior Year	8 Change in Book Value/Recorded Investment						14 Book Value/ Recorded Investment Excluding Accrued Interest on Disposal	15 Consideration	16 Foreign Exchange Gain (Loss) on Disposal	17 Realized Gain (Loss) on Disposal	18 Total Gain (Loss) on Disposal
	2 City	3 State					8 Unrealized Valuation Increase (Decrease)	9 Current Year's (Amortization)/ Accretion	10 Current Year's Other than Temporary Impairment Recognized	11 Capitalized Deferred Interest and Other	12 Total Change in Book Value (8+9-10+11)	13 Total Foreign Exchange Change in Book Value					
Mortgages Closed By Repayment																	
2691	DURHAM	NC		08/15/1986	02/10/2010	10,421							9,943	8,341			
9930	DURHAM	NC		09/24/2003	05/03/2010	82,532							80,189	79,541			
7108	DURHAM	NC		08/15/1989	09/15/2010	14,077							10,516	11,040			
429	DETROIT	MI		10/12/1987	/ /	2,658								1,296			
2609	IRMO	SC		08/09/1985	/ /	18,337								4,042			
4565	DURHAM	NC		06/19/1987	/ /	30,072								4,091			
6991	DURHAM	NC		10/26/1986	/ /	25,243								3,046			
7044	ETRICK	VA		02/05/1988	/ /	22,924								1,859			
7101	DURHAM	NC		06/30/1989	/ /	26,147								4,615			
7148	DURHAM	NC		04/16/1990	/ /	33,170								1,955			
7173	DURHAM	NC		07/15/1991	/ /	41,072								2,079			
71121	ROXBORO	NC		09/15/1989	/ /	37,362								3,493			
8005	DURHAM	NC		12/29/1992	/ /	26,313								2,188			
8022	RALEIGH	NC		08/08/1994	/ /	171,864								45,010			
8027	DURHAM	NC		08/31/1995	/ /	236,660								13,419			
8040	DURHAM	NC		11/10/1999	/ /	29,871								5,104			
8041	BALTIMORE	MD		01/11/2000	/ /	39,069								2,624			
9075	DURHAM	NC		07/30/1986	/ /	19,999								2,373			
9824	DURHAM	NC		05/28/1987	/ /	37,004								4,068			
9919	CHAPEL HILL	NC		05/28/2002	/ /	1,027,923								86,904			
9920	DURHAM	NC		04/04/2003	/ /	24,553								2,230			
9922	DURHAM	NC		12/23/2002	/ /	72,248								7,186			
9923	DURHAM	NC		02/26/2003	/ /	34,928								2,512			
9926	DURHAM	NC		06/26/2003	/ /	58,650								1,727			
9928	DURHAM	NC		06/28/2003	/ /	59,519								1,752			
9929	DURHAM	NC		06/28/2003	/ /	63,850								1,881			
9932	DURHAM	NC		11/12/2003	/ /	47,425								2,676			
9934	RALEIGH	NC		01/16/2004	/ /	55,437								2,648			
9936	BAILEY	NC		04/02/2004	/ /	246,526								1,550			
9938	DURHAM	NC		06/11/2004	/ /	58,354								4,542			
9939	SMITHFIELD	NC		08/12/2004	/ /	273,378								11,179			
9940	FUQUAY VARINA	NC		09/15/2004	/ /	613,424								15,177			
9941	JACKSON	NC		10/01/2004	/ /	356,742								8,699			
9942	PITTSBORO	NC		10/26/2004	/ /	214,949								5,156			
9944	ROCKY MOUNT	NC		06/03/2005	/ /	36,908								2,196			
9945	RALEIGH	NC		09/29/2005	/ /	1,200,026								24,328			
9946	RALEIGH	NC		10/28/2005	/ /	1,898,198								74,234			
9947	OXFORD	NC		02/16/2006	/ /	507,481								15,490			
9948	DURHAM	NC		03/01/2006	/ /	67,943								2,543			
9951	RALEIGH	NC		10/25/2006	/ /	773,211								13,045			
9953	OXFORD	NC		12/13/2007	/ /	1,269,506								17,743			
9954	RALEIGH	NC		05/02/2008	/ /	338,701								1,491			
9955	DURHAM	NC		09/28/2008	/ /	163,283								4,358			
9956	DURHAM	NC		01/16/2009	/ /	824,002								14,038			
9957	ROXBORO	NC		02/12/2009	/ /	318,011								7,050			
9958	RALEIGH	NC		04/09/2009	/ /	525,013								9,007			
0199999 Subtotal - Mortgages Closed By Repayment						12,034,984							100,648	541,524			
0599999 Totals						12,034,984							100,648	541,524			

E06

SCHEDULE BA - PART 1

Showing Other Long-Term Invested Assets OWNED December 31 of Current Year

1 CUSIP Identification	2 Name or Description	3 Code	4 Location		6 Name of Vendor or General Partner	7 NAIC Designation	8 Date Originally Acquired	9 Type and Strategy	10 Actual Cost	11 Fair Value	12 Book/ Adjusted Carrying Value Less Encumbrances	Change in Book/Adjusted Carrying Value					18 Investment Income	19 Commitment for Additional Investment	20 Percentage of Ownership
			4 City	5 State								13 Unrealized Valuation Increase (Decrease)	14 Current Year's (Depreciation) or (Amortization)/ Accretion	15 Current Year's Other than Temporary Impairment Recognized	16 Capitalized Deferred Interest and Other	17 Total Foreign Exchange Change in B./A. C. V.			
Joint Venture - Fixed Income Instruments - Unaffiliated																			
00788@AA4	AEGIS ALABAMA VENTURE FUND, LP		AL		DIRECT	1	01/01/2009		3,045,685	3,045,685	3,045,685						115,073		100.000
1399999 Subtotal - Joint Venture - Fixed Income Instruments - Unaffiliated									3,045,685	3,045,685	3,045,685					115,073		XXX	
Joint Venture - Common Stocks - Unaffiliated																			
1599999 Subtotal - Joint Venture - Common Stocks - Unaffiliated																			XXX
Joint Venture - Common Stocks - Affiliated																			
	SIGNATURE GROUP FINANCIAL		AL		DIRECT		12/21/2010		250,000	250,000	250,000						7,721		100.000
1699999 Subtotal - Joint Venture - Common Stocks - Affiliated									250,000	250,000	250,000					7,721		XXX	
Any Other Class of Assets - Affiliated																			
	4402 ST GEORGE AVENUE	LS	BALTIMORE	MD			01/01/1979		600										
	4410 ST GEORGE AVENUE	LS	BALTIMORE	MD			01/01/1979		600										
	4416 ST GEORGE AVENUE	LS	BALTIMORE	MD			01/01/1979		600										
	407 W FRANKLIN STREET	LS	BALTIMORE	MD			01/01/1979		417										
	4425 CRADDOCK AVENUE	LS	BALTIMORE	MD			01/01/1979		750										
	651 N PACA STREET	LS	BALTIMORE	MD			01/01/1979		800										
	1607 GWYNN FALLS PKWY	LS	BALTIMORE	MD			01/01/1979		2,500										
	1627 N BOND STREET	LS	BALTIMORE	MD			01/01/1979		1,400										
	910 E 43RD STREET	LS	BALTIMORE	MD			01/01/1979		2,000										
	1613 N DURHAM STREET	LS	BALTIMORE	MD			01/01/1979		1,000										
	1830 N CHAPEL STREET	LS	BALTIMORE	MD			01/01/1979		1,300										
	1432 RIGGS AVENUE	LS	BALTIMORE	MD			01/01/1979		1,500										
	1541 N APPLETON STREET	LS	BALTIMORE	MD			01/01/1979		1,800										
	4406 THE ALMEDA	LS	BALTIMORE	MD			01/01/1979		2,000										
	530 FOUNTAIN DRIVE	LS	BALTIMORE	MD			01/01/1979		3,000										
	3031 GWYNN FALLS PWKY	LS	BALTIMORE	MD			01/01/1979		1,600										
	4456 ST GEORGE AVENUE	LS	BALTIMORE	MD			01/01/1979		750										
	942 W LEXINGTON STREET	LS	BALTIMORE	MD			01/01/1979		265										
	1009 GUNRIDGE CIRCLE	LS	BALTIMORE	MD			01/01/1979		4,000										
	1001 E GOLDSRING LANE	LS	BALTIMORE	MD			01/01/1979		3,000										
	3213 TYNDALE AVENUE	LS	BALTIMORE	MD			01/01/1979		2,000										
	1830 N CHAPEL STREET	LS	BALTIMORE	MD			01/01/1979		1,300										
3899999 Subtotal - Any Other Class of Assets - Affiliated									33,182										XXX
3999999 Total - Unaffiliated									3,045,685	3,045,685	3,045,685					115,073		XXX	
4099999 Total - Affiliated									283,182	250,000	250,000					7,721		XXX	
4199999 Totals									3,328,867	3,295,685	3,295,685					122,794		XXX	

E07

SCHEDULE BA - PART 2

Showing Other Long-Term Invested Assets ACQUIRED AND ADDITIONS MADE December 31 of Current Year

1 CUSIP Identification	2 Name or Description	Location		5 Name of Vendor or General Partner	6 Date Originally Acquired	7 Type and Strategy	8 Actual Cost at Time of Acquisition	9 Additional Investment Made After Acquisition	10 Amount of Encumbrances	11 Percentage of Ownership
		3 City	4 State							
Joint Venture - Fixed Income Instruments - Unaffiliated										
. 00788@AA4	AEGIS ALABAMA VENTURE FUND, LP		AL	DIRECT	01/01/2009		3,045,685			100.000
1399999 Subtotal - Joint Venture - Fixed Income Instruments - Unaffiliated							3,045,685			X X X
Joint Venture - Common Stocks - Affiliated										
	SIGNATURE GROUP FINANCIAL		AL	DIRECT	12/21/2010		250,000			100.000
1699999 Subtotal - Joint Venture - Common Stocks - Affiliated							250,000			X X X
3999999 Total - Unaffiliated							3,045,685			X X X
4099999 Total - Affiliated							250,000			X X X
4199999 Totals							3,295,685			X X X

SCHEDULE BA - PART 3

Showing Other Long-Term Invested Assets DISPOSED, Transferred or Repaid During the Current Year

1 CUSIP Identification	2 Name or Description	Location		5 Name of Purchaser or Nature of Disposal	6 Date Originally Acquired	7 Disposal Date	8 Book/ Adjusted Carrying Value Less Encumbrances, Prior Year	Change in Book/Adjusted Carrying Value						15 Book/ Adjusted Carrying Value Less Encumbrances on Disposal	16 Consideration	17 Foreign Exchange Gain (Loss) on Disposal	18 Realized Gain (Loss) on Disposal	19 Total Gain (Loss) on Disposal	20 Investment Income	
		3 City	4 State					9 Unrealized Valuation Increase (Decrease)	10 Current Year's (Depreciation) or (Amortization)/ Accretion	11 Current Year's Other Than Temporary Impairment Recognized	12 Capitalized Deferred Interest and Other	13 Total Change in B./A. C. V. (9 + 10 - 11 + 12)	14 Total Foreign Exchange Change in B./A. C. V.							
NONE																				
4199999 Totals																				

SCHEDULE D - PART 1

Showing all Long-Term BONDS Owned December 31 of Current Year

1	2	Codes			6	7	Fair Value		10	11	Change in Book Adjusted Carrying Value					Interest					Dates	
		3	4	5			8	9			12	13	14	15	16	17	18	19	20	21	22	
CUSIP Identification	Description	Code	F O R E I G N	B O N D C H A R	NAIC Designation	Actual Cost	Rate Used to Obtain Fair Value	Fair Value	Par Value	Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Foreign Exchange Change in B./A.C.V.	Rate of	Effective Rate of Interest	When Paid	Admitted Amount Due and Accrued	Amount Received During Year	Acquired	Maturity	
U.S. Governments - Issuer Obligations																						
3133X8AS1	FEDERAL HOME LOAN BANK				1	1,500,719	112.3820	1,584,586	1,410,000	1,481,909		(6,722)			5.125	4.456	FA	27,299	72,263	02/01/2008	08/15/2019	
3136F3P7	FEDERAL NATL MTG ASSN			1	1	1,000,635	108.5850	1,031,558	950,000	980,874		(3,311)			5.240	4.781	FA	19,912	49,780	03/11/2004	08/07/2018	
912810EL8	U.S. TREASURY BOND	SD			1	183,479	141.4380	247,517	175,000	180,837		(339)			8.000	7.685	MN	1,779	14,000	01/01/2000	11/15/2021	
912810FG8	U.S. TREASURY BOND	SD			1	1,187,039	114.6880	1,261,568	1,100,000	1,173,216		(2,589)			5.250	4.766	FA	21,656	57,750	03/11/2009	02/15/2029	
912810QA9	U.S. TREASURY BOND	SD			1	1,363,181	86.1720	1,253,803	1,455,000	1,365,957		1,698			3.500	3.901	FA	19,997	50,400	05/19/2009	02/15/2039	
912810QB7	U.S. TREASURY BOND	SD			1	1,234,320	98.5160	1,305,337	1,325,000	1,235,806		1,480			4.277	4.765	MN	7,201	56,323	12/31/2009	05/15/2039	
912810QK7	U.S. TREASURY BOND				1	1,880,332	92.1090	1,750,071	1,900,000	1,880,416		84			3.875	3.973	FA	27,609		09/16/2010	08/15/2040	
912828KQ2	U.S. TREASURY BOND				1	191,063	101.0550	202,110	200,000	192,183		787			3.125	3.705	MN	794	6,250	07/24/2009	05/15/2019	
912828KT6	U.S. TREASURY BOND				1	759,438	101.2660	810,128	800,000	767,386		5,647			2.375	3.252	MS	4,802	19,000	07/30/2009	03/31/2016	
912828KW9	U.S. TREASURY BOND				1	1,989,723	105.4770	2,088,445	1,980,000	1,987,806		(1,317)			3.250	3.195	MN	5,480	77,025	07/15/2009	05/31/2016	
912828KZ2	U.S. TREASURY BOND				1	2,656,625	105.4300	2,793,895	2,650,000	2,656,076		(997)			3.250	3.230	JD		86,125	06/26/2009	06/30/2016	
912828LL2	U.S. TREASURY BOND				1	867,084	103.8130	908,364	875,000	868,692		1,067			3.145	3.312	FA	9,274	28,125	08/27/2009	08/31/2016	
912828LY4	U.S. TREASURY BOND	SD			1	2,190,107	102.0860	2,194,849	2,150,000	2,188,267		(1,848)			3.380	3.175	MN	9,234	47,250	06/29/2010	11/15/2019	
0199999 Subtotal - U.S. Governments - Issuer Obligations						17,003,745		17,432,231	16,970,000	16,959,425		(6,360)			X X X	X X X	X X X	154,137	564,291	X X X	X X X	
U.S. Governments - Single Class Mortgage-Backed/Asset-Backed Securities																						
31297TDS9	FHLMC GOLD POOL #A37313				1	663,218	108.9930	710,429	651,812	662,780		(209)			6.396	6.268	MON	3,474	39,115	10/05/2005	09/01/2035	
31292GG77	FHLMC GOLD POOL #C00210				1	13,856	116.2930	15,447	13,563	13,549		(12)			8.000	7.006	MON	158	1,000	11/18/1993	01/01/2023	
31368NG46	FNMA GTD PASS THRU				1	2,309	100.4700	2,329	2,318	2,307					7.500	7.730	MON	14	176	12/02/1992	12/01/2012	
31400XZ84	FNMA GTD PASS THRU				1	218,369	104.2370	221,193	212,202	223,236		(261)			5.630	4.880	MON	996	7,077	04/16/2003	04/01/2033	
31371MN94	FNMA POOL #256116A				1	1,033,565	109.1720	1,107,827	1,014,754	1,030,537		(713)			6.448	6.257	MON	5,453	60,998	06/13/2006	02/01/2026	
31371NQJ7	FNMA POOL #257075				1	725,572	105.2340	742,097	705,187	724,432		(681)			5.807	5.403	MON	3,413	35,257	03/12/2009	01/01/2028	
31402RP78	FNMA POOL #735846				1	226,563	105.5780	239,052	228,422	226,536		(11)			5.692	5.801	MON	1,074	11,408	01/23/2008	09/01/2035	
31405SNQ3	FNMA POOL #797899				1	802,865	112.6030	874,007	776,184	798,183		(1,256)			7.000	6.452	MON	4,528	54,662	09/26/2006	10/01/2023	
31410KDN1	FNMA POOL #889409				1	139,050	108.7850	147,408	135,504	138,823		(85)			6.555	6.461	MON	740	8,193	05/09/2008	05/01/2038	
31415RG65	FNMA POOL #986821				1	432,470	106.5260	461,559	433,283	432,468		(3)			5.600	5.743	MON	2,022	22,876	08/27/2008	07/01/2038	
36202BT96	GNMA II POOL #1476				1	15,190	114.8840	16,820	14,640	13,539		5			7.500	10.718	MON	92	1,100	12/29/1993	11/20/2023	
36202BWH4	GNMA II POOL #1548				1	11,571	113.7210	12,846	11,296	11,363		(1)			7.000	6.906	MON	66	791	01/27/1994	01/20/2024	
36224JES7	GNMA II POOL #329645				1	76,381	112.7290	84,003	74,518	75,692		(21)			7.000	6.655	MON	435	5,218	01/26/1994	12/20/2022	
36219QEB5	GNMA POOL #255830				1	70,532	114.0390	75,948	66,598	68,233		(156)			8.200	7.383	MON	455	5,465	09/20/1993	10/15/2018	
362199VE8	GNMA POOL #271613				1	37,495	114.6950	40,357	35,186	36,409		(117)			8.450	6.951	MON	248	2,975	06/29/1993	12/15/2018	
36220BPJ6	GNMA POOL #273225				1	40,252	115.4510	43,431	37,619	38,501		(88)			8.450	7.587	MON	265	3,189	06/11/1993	05/15/2019	
36223FSE2	GNMA POOL #306617				1	1,842	118.2400	2,204	1,864	1,849					8.500	9.090	MON	13	149	01/01/1994	05/15/2021	
36223UKX5	GNMA POOL #318110				1	310,261	116.0120	344,029	296,546	304,541		(623)			7.650	7.226	MON	1,890	22,695	03/23/1993	07/15/2022	
36203UE81	GNMA POOL #359359				1	28,546	114.0760	33,442	29,316	28,795		19			7.000	7.735	MON	171	2,053	03/25/1994	06/15/2023	
36203UUJ7	GNMA POOL #359475				1	5,428	114.2200	6,300	5,516	5,459		1			7.000	7.525	MON	32	386	03/09/1994	02/15/2024	
36203YUT9	GNMA POOL #363394				1	39,599	115.2900	43,753	37,950	38,889		(45)			7.500	6.985	MON	237	2,847	12/29/1993	12/15/2023	
36204DLF4	GNMA POOL #366726				1	9,572	114.2200	11,127	9,742	9,623		3			7.000	7.552	MON	57	696	03/15/1994	03/15/2024	
36204QBR0	GNMA POOL #376348				1	13,065	114.0760	14,693	12,880	12,977		(5)			7.000	6.869	MON	75	902	12/02/1993	12/15/2023	
36204UJ69	GNMA POOL #380185				1	21,278	114.0760	24,745	21,691	21,417		8			7.000	7.587	MON	127	1,519	03/21/1994	12/15/2023	
36294SD20	GNMA POOL #658121				1	512,674	110.2550	555,356	503,702	512,123		(151)			6.000	5.867	MON	2,519	30,274	12/05/2006	10/15/2036	
36221P7D7	GNMA POOL #912592				1	38,557	114.1790	43,509	38,106	37,906		2			7.250	7.604	MON	230	2,764	03/25/1994	04/01/2026	
36295QKU3	GNMA POOL #677207				1	522,549	112.7830	571,661	506,868	521,701		(364)			7.000	6.873	MON	297	32,624	08/29/2008	08/15/2038	
0299999 Subtotal - U.S. Governments - Single Class Mortgage-Backed/Asset-Backed Securities						6,012,629		6,445,572	5,875,267	5,991,868		(4,764)			X X X	X X X	X X X	31,741	356,409	X X X	X X X	
0399999 Subtotal - U.S. Governments						23,016,374		23,877,803	22,845,267	22,951,293		(11,124)			X X X	X X X	X X X	185,878	920,700	X X X	X X X	
U.S. Special Revenue, Special Assessment - Defined Multi-Class Residential Mortgage-Backed Securities																						
31393KK95	FHLMC CMO 2568-KA				1	122,475	102.5610	125,887	122,743	122,484		2			4.250	4.353	MON	435	5,239	12/22/2004	12/15/2021	
31397R7F7	FHLMC CMO 3418				1	1,526,457	110.0630	1,665,298	1,513,040	1,523,499		(303)			6.000	5.912	MON	7,565	90,962	03/03/2008	03/15/2032	
31396JSK2	FHLMC CMO R006-AF				1	353,228	103.8170	363,748	350,372	352,780		(243)			5.750	5.557	MON	1,679	15,879	06/16/2008	12/15/2018	
31392MEN8	FHLMC CMO T-41-3A				1	431,288	116.2880	472,033	405,918	428,776		(518)			7.500	6.680	MON	2,537	30,265	04/08/2005	07/25/2032	
31396V2P2	FNMA GTD REMIC PASS THRU				1	749,469	106.1090	795,876	750,055	749,399		(129)			5.500	5.670	MON	688	42,159	05/11/2007	12/25/2020	
38374BYW7	GNMA CMO 03-67-SD ARM				1	118,118	125.5480	147,557	117,530	118,501		(91)			14.190	14.766	MON	510	18,836	05/12/2004	08/20/2033	
2799999 Subtotal - U.S. Special Revenue, Special Assessment - Defined Multi-Class Residential Mortgage-Backed Securities						3,301,135		3,570,397	3,259,658	3,295,439		(1,282)			X X X	X X X	X X X	13,414	203,340	X X X	X X X	
3199999 Subtotal - U.S. Special Revenue, Special Assessment						3,301,135		3,570,397	3,259,658	3,295,439		(1,282)			X X X	X X X	X X X	13,				

SCHEDULE D - PART 1

Showing all Long-Term BONDS Owned December 31 of Current Year

1	2	Codes			6	7	Fair Value		10	11	Change in Book Adjusted Carrying Value				Interest					Dates	
		3	4	5			8	9			12	13	14	15	16	17	18	19	20	21	22
CUSIP Identification	Description	Code	F O R E I G N	Bond CHAR	NAIC Desig- nation	Actual Cost	Rate Used to Obtain Fair Value	Fair Value	Par Value	Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Foreign Exchange Change in B./A.C.V.	Rate of	Effective Rate of Interest	When Paid	Admitted Amount Due and Accrued	Amount Received During Year	Acquired	Maturity
01741RAC6	ALLEGHENY TECH				2FE	1,022,500		116,8250	1,000,000	1,020,290		(1,643)			8.375	8.198	JD	6,979	93,750	05/29/2009	06/01/2019
03076CAE6	AMERIPRISE FINL				1FE	2,745,475		105,2060	2,500,000	2,742,496		(2,979)			5.300	4.068	MS	39,014		11/12/2010	03/15/2020
03674BAC8	ANTHEM INC				2FE	495,733		108,6020	485,000	490,199		(3,059)			6.800	6.167	FA	13,742	32,980	02/24/2009	08/01/2012
00206RAR3	AT&T INC				1FE	563,710		112,5580	500,000	563,529		(181)			5.800	3.994	FA	10,956		12/21/2010	02/15/2019
06051GDY2	BANK OF AMERICA				1FE	507,005		111,1580	500,000	505,262		(1,355)			7.375	7.138	MN	4,712	36,875	05/08/2009	05/15/2014
06406HBL2	BANK OF NY MELLOW				1FE	669,786		106,6990	670,000	670,205		(63)			4.300	4.335	MN	3,681	28,810	05/05/2009	05/15/2014
06739GAR0	BARCLAYS BK PLC				1FE	2,742,575		102,1260	2,500,000	2,739,246		(3,329)			5.125	3.896	JJ	61,571		11/05/2010	01/08/2020
05493TAG2	BB&T CORPORATION				1FE	2,811,622		104,0010	2,615,000	2,807,936		(3,686)			4.900	3.648	JD		64,068	11/09/2010	06/30/2017
07816TAZ6	BELL TELEPHONE				1FE	1,013,290		116,1640	1,000,000	1,012,971		(253)			8.350	8.385	JD	3,711	83,500	04/29/2009	12/15/2030
084664AT8	BERKSHIRE HATHAWAY FIN				1FE	495,160		109,3600	500,000	496,833		691			4.850	5.088	JJ	11,182	24,250	06/26/2008	01/15/2015
097023AZ8	BOEING CO				1FE	614,347		107,6490	575,000	614,213		(134)			4.875	4.015	FA	10,590		12/17/2010	02/15/2020
05565QBF2	BP CAPITAL PLC				1FE	2,623,850		99,7590	2,500,000	2,622,284		(1,566)			4.500	3.930	AO	28,125		11/08/2010	10/01/2020
121899CD8	BURLINGTON NORTHN RR CO				2FE	49,770		112,9430	50,000	49,952		4			6.555	6.677	JJ	1,639	3,275	07/27/1950	01/01/2017
149123BG3	CATERPILLAR INC				1FE	499,159		128,7060	500,000	499,474		43			7.800	8.074	JD	1,756	39,500	12/04/2008	12/15/2018
17275RAD4	CISCO SYSTEMS				1FE	238,795		110,7510	250,000	239,189		139			5.900	6.324	FA	5,572	14,750	02/13/2009	02/15/2039
172967DQ1	CITIGROUP INC				1FE	999,400		107,3220	1,000,000	999,572		54			5.850	5.944	FA	24,213	58,500	07/26/2006	08/02/2016
172967EM9	CITIGROUP INC				1FE	1,683,840		109,5890	1,500,000	1,680,695		(3,145)			6.125	4.141	MN	10,208	45,938	11/12/2010	11/21/2017
17720#AA7	CITIZENS TRUST BANK				1FE	4,980		100,0000	4,980	4,980					1.820	1.832	JAJO	21	43	01/01/2005	04/06/2011
126117AE0	CNA FINANCIAL CORP DEB				2FE	1,265,838		103,7300	1,250,000	1,261,298		(529)			7.250	7.267	MN	11,580	90,625	10/14/1998	11/15/2023
20030NAP6	COMCAST CORP				2FE	407,200		115,2770	400,000	405,453		(726)			6.500	6.322	JJ	11,989	26,000	06/17/2008	01/15/2017
205363AL8	COMPUTER SCIENCE				2FE	1,240,125		108,8720	1,250,000	1,241,497		878			6.500	6.727	MS	23,924	81,250	05/27/2009	03/15/2018
20825CAQ7	CONOCOPHILLIPS				1FE	492,800		118,9100	500,000	493,267		81			6.500	6.715	FA	13,542	32,500	01/29/2009	02/01/2039
22546QAF4	CREDIT SUISSE NY MTN				1FE	2,593,875		98,1800	2,500,000	2,592,688		(1,187)			4.375	3.946	FA	44,358		11/05/2010	08/05/2020
233331AN7	DTE ENERGY COMPANY				2FE	100,000		115,2620	100,000	100,000					7.875	7.992	MN	1,028	7,625	05/06/2009	05/14/2014
30161MAE3	EXELON GENERATION				2FE	1,638,964		111,9170	1,650,000	1,641,314		977			6.200	6.394	AO	25,575	102,300	06/19/2008	10/01/2017
36962GH31	GENERAL ELECTRIC CAP CORP				1FE	800,000		98,9070	800,000	800,000					5.000	5.062	MS	10,000	40,000	03/17/2004	03/30/2019
36962GH98	GENERAL ELECTRIC CAP CORP				1FE	750,000		99,3400	750,000	750,000					5.000	5.062	AO	10,000	41,250	04/27/2004	04/30/2024
36962GX22	GENERAL ELECTRIC CORP				1FE	1,424,002		113,2120	1,400,000	1,421,474		(459)			6.750	6.723	MS	27,825	94,500	06/23/2008	03/15/2032
378272AA6	GLENCORE FUNDING				2FE	1,546,986		105,6800	1,600,000	1,572,184		7,259			6.000	6.704	AO	20,267	96,000	06/23/2008	04/15/2014
38141EA58	GOLDMAN SACHS GP				1FE	1,627,545		103,3360	1,500,000	1,625,886		(1,659)			5.375	4.308	MS	23,740		11/08/2010	03/15/2020
38141GFD1	GOLDMAN SACHS GROUP, INC.				1FE	950,940		102,2400	1,000,000	952,577		580			6.750	7.278	AO	16,875	67,500	12/21/2007	10/01/2037
46625HGN4	JP MORGAN CHASE				1FE	1,144,160		109,7130	1,000,000	1,141,217		(2,943)			6.125	3.694	JD	681	30,625	11/05/2010	06/27/2017
46625HHB9	JP MORGAN CHASE				1FE	485,680		107,0640	500,000	491,593		3,274			4.750	5.601	MN	3,958	23,750	02/26/2009	05/01/2013
48123QAQ1	JPM CAP XXII				1FE	1,547,055		99,6100	1,500,000	1,544,717		(676)			6.450	6.314	FA	40,044	96,750	03/13/2007	02/02/2037
50075NAA3	KRAFT FOODS INC				2FE	781,125		116,4070	750,000	776,319		(3,185)			6.500	5.936	FA	18,958	48,750	06/18/2009	08/11/2017
501044CH2	KROGER CO				2FE	397,120		113,3160	400,000	397,588		193			6.150	6.335	JJ	11,343	24,600	06/25/2008	01/15/2020
540424AP3	LOEWS CORP				1FE	984,000		97,5110	1,000,000	984,912		269			6.000	6.214	FA	25,000	60,000	02/06/2007	02/01/2035
565849AG1	MARATHON OIL CORP				2FE	477,366		112,5720	475,000	476,847		(532)			6.500	6.458	FA	11,664	30,875	02/11/2009	02/15/2014
57775PAA5	MAX USA HOLDINGS				2FE	1,247,013		101,8390	1,250,000	1,247,883		258			7.200	7.365	AO	18,750	90,000	04/11/2007	04/14/2017
581557AX3	MCKESSON CORP				1FE	425,316		121,4760	400,000	421,711		(1,967)			7.500	6.733	FA	11,333	30,000	02/20/2009	02/15/2019
59022CCS0	MERRILL LYNCH & CO				1FE	2,074,840		100,3360	2,000,000	2,073,170		(1,670)			4.700	5.080	MN	18,683		11/05/2010	05/02/2017
59156RAX6	METLIFE INC				1FE	2,690,375		102,1020	2,500,000	2,688,222		(2,153)			5.700	3.880	FA	47,170		11/09/2010	02/08/2021
61746BDB9	MORGAN STANLEY				1FE	1,197,660		106,6480	1,200,000	1,199,102		110			5.750	5.846	AO	13,992	69,000	10/12/2006	10/18/2016
61747YCM5	MORGAN STANLEY				1FE	1,590,450		100,8030	1,500,000	1,589,368		(1,082)			5.500	4.740	JJ	35,521		11/09/2010	01/26/2020
620076AK5	MOTOROLA INC				2FE	94,644		102,8410	95,000	94,714		11			6.500	6.638	MS	2,058	6,175	02/13/2002	09/01/2025
62874HA3	NB CAPITAL TRUST IV				2FE	1,287,000		101,2500	1,300,000	1,287,807		343			8.250	8.531	AO	22,642	107,250	07/01/2008	04/15/2027
655044AD7	NOBLE ENERGY INC				2FE	1,681,590		124,9590	1,500,000	1,659,823		(14,426)			8.250	6.650	MS	41,250	123,750	06/18/2009	03/01/2019
665859AK0	NORTHERN TRUST CORP				1FE	100,000		108,1130	100,000	100,000					4.625	4.670	MN	771	4,625	04/28/2009	05/01/2014
670346AL9	NUCOR CORP				1FE	2,554,100		97,3240	2,433,100	2,553,552		(548)			4.125	3.933	MS	28,646		11/09/2010	09/15/2022
68389XAC9	ORACLE CORP				1FE	397,384		114,3950	400,000	397,914		220			6.750	5.922	AO	4,856	23,000	06/19/2008	04/15/2018
74047PAK0	PREMCO REFINING				2FE	1,511,145		100,3550	1,500,000	1,500,384		(5,736)			5.750	6.448	FA	42,188	101,250	02/03/2009	02/01/2011
744567BA5	PUBLIC SERVICE E&G CO				1FE	83,661		127,1030	85,000	85,000					8.000		JD	567	6,800	12/24/1957	06/01/2037
760715AB8</																					

SCHEDULE D - PART 1

Showing all Long-Term BONDS Owned December 31 of Current Year

1 CUSIP Identification	2 Description	Codes			6 NAIC Desig- nation	7 Actual Cost	Fair Value		10 Par Value	11 Book/ Adjusted Carrying Value	Change in Book Adjusted Carrying Value				Interest					Dates	
		3 Code	4 F O R E I G N	5 Bond CHAR			8 Rate Used to Obtain Fair Value	9 Fair Value			12 Unrealized Valuation Increase/ (Decrease)	13 Current Year's (Amortization)/ Accretion	14 Current Year's Other Than Temporary Impairment Recognized	15 Total Foreign Exchange Change in B./A.C.V.	16 Rate of	17 Effective Rate of Interest	18 When Paid	19 Admitted Amount Due and Accrued	20 Amount Received During Year	21 Acquired	22 Maturity
9297664T7	WACHOVIA BANK COMM MORTG TRUST				1Z*	1,969,531	102,0580	2,041,160	2,000,000	1,972,036		260			5.179	5.478	MON	8,632	103,580	02/14/2007	07/15/2042
929766JD6	WACHOVIA BANK COMMERCIAL MTG TRUST				1Z*	610,271	100.7380	620,593	616,047	610,443		80			4.957	5.185	MON	2,545	30,537	09/10/2008	08/15/2035
3699999 Subtotal - Industrial & Miscellaneous (Unaffiliated) - Defined Multi-Class Commercial Mortgage-Backed Securities						5,391,185	X X X	5,142,202	5,479,320	5,396,073		1,186			X X X	X X X	X X X	22,787	312,361	X X X	X X X
3899999 Subtotal - Industrial & Miscellaneous (Unaffiliated)						70,766,141	X X X	72,174,846	68,450,300	70,702,375		(49,543)			X X X	X X X	X X X	1,007,943	2,813,613	X X X	X X X
7799999 Subtotals - Issuer Obligations						82,378,701	X X X	84,464,875	79,940,980	82,265,727		(57,089)			X X X	X X X	X X X	1,139,293	3,065,543	X X X	X X X
7899999 Subtotals - Single Class Mortgage-Backed/Asset-Backed Securities						6,012,629	X X X	6,445,572	5,875,267	5,991,868		(4,764)			X X X	X X X	X X X	31,741	356,409	X X X	X X X
7999999 Subtotals - Defined Multi-Class Residential Mortgage-Backed Securities						3,301,135	X X X	3,570,397	3,259,658	3,295,439		(1,282)			X X X	X X X	X X X	13,414	203,340	X X X	X X X
8199999 Subtotals - Defined Multi-Class Commercial Mortgage-Backed Securities						5,391,185	X X X	5,142,202	5,479,320	5,396,073		1,186			X X X	X X X	X X X	22,787	312,361	X X X	X X X
8399999 Grand Total - Bonds						97,083,650	X X X	99,623,046	94,555,225	96,949,107		(61,949)			X X X	X X X	X X X	1,207,235	3,937,653	X X X	X X X

SCHEDULE D - PART 2 - SECTION 1

Showing all PREFERRED STOCKS Owned December 31 of Current Year

1 CUSIP Identification	2 Description	Codes		5 Number of Shares	6 Par Value Per Share	7 Rate Per Share	8 Book/Adjusted Carrying Value	Fair Value		11 Actual Cost	Dividends			Change in Book/Adjusted Carrying Value				20 NAIC Designation	21 Date Acquired			
		3 Code	4 For- eign					9 Rate Per Share Used to Obtain Fair Value	10 Fair Value		12 Declared but Unpaid	13 Amount Received During Year	14 Nonadmitted Declared But Unpaid	15 Unrealized Valuation Increase/ (Decrease)	16 Current Year's (Amortization) Accretion	17 Current Year's Other than Temporary Impairment Recognized	18 Total Change in B./A.C.V. (15+16-17)			19 Total Foreign Exchange Change in B./A.C.V.		
								NONE														
8999999 Total Preferred Stocks	XXX	XXX	XXX

SCHEDULE D - PART 2 - SECTION 2

Showing All COMMON STOCKS Owned December 31 of Current Year

1 CUSIP Identification	2 Description	Codes		5 Number of Shares	6 Book/Adjusted Carrying Value	Fair Value		9 Actual Cost	Dividends			Change in Book/Adjusted Carrying Value				17 NAIC Market Indicator (a)	18 Date Acquired
		3 Code	4 For- eign			7 Rate per Share Used to Obtain Fair Value	8 Fair Value		10 Declared but Unpaid	11 Amount Received During Year	12 Nonadmitted Declared But Unpaid	13 Unrealized Valuation Increase/ (Decrease)	14 Current Year's Other Than Temporary Impairment Recognized	15 Total Change in B./A.C.V. (Col. 13-14)	16 Total Foreign Exchange Change in B./A.C.V.		
Industrial and Miscellaneous (Unaffiliated)																	
583580105	M&F BANCORP, INC.			186,040.000	539,516	2.900	539,516	316,425		7,477		213,946		213,946		U	12/31/2008
744320102	PRUDENTIAL FINANCIAL, INC.			83.000	4,873	58.710	4,873	6,309				743		743		L	12/21/2005
9099999	Subtotal - Industrial and Miscellaneous (Unaffiliated)				544,389	X X X	544,389	322,734		7,477		214,689		214,689		X X X	X X X
9799999	Total Common Stocks				544,389	X X X	544,389	322,734		7,477		214,689		214,689		X X X	X X X
9899999	Total Preferred and Common Stocks				544,389	X X X	544,389	322,734		7,477		214,689		214,689		X X X	X X X

(a) For all common stocks bearing the NAIC market indicator "U" provide: the number of such issues1, the total \$ value (included in Column 8) of all such issues \$.539,516.

SCHEDULE D - PART 3

Showing All Long-Term Bonds and Stocks ACQUIRED During Current Year

1 CUSIP Identification	2 Description	3 Foreign	4 Date Acquired	5 Name of Vendor	6 Number of Shares of Stock	7 Actual Cost	8 Par Value	9 Paid for Accrued Interest and Dividends
Bonds - U.S. Governments								
912810QK7	U.S. TREASURY BOND		09/16/2010	BARCLAYS	X X X	1,880,332	1,900,000.00	6,602
912828LY4	U.S. TREASURY BOND		06/29/2010	BANK OF AMERICA	X X X	1,541,250	1,500,000.00	6,191
0399999 Subtotal - Bonds - U.S. Governments						3,421,582	3,400,000.00	12,793
Bonds - Industrial and Miscellaneous (Unaffiliated)								
002824AW0	ABBOTT LABORATORIES		12/16/2010	WEDBUSH MORGAN SECURITIES	X X X	499,560	500,000.00	1,375
010392EB0	ALABAMA PWR CO		11/17/2010	CANTOR FITZGERALD & CO.	X X X	1,769,873	1,497,000.00	41,776
03076CAE6	AMERIPRISE FINL		11/12/2010	CANTOR FITZGERALD & CO.	X X X	2,745,475	2,500,000.00	22,819
00206RAR3	AT&T INC		12/21/2010	CITIGROUP GLOBAL MARKETS	X X X	563,710	500,000.00	10,633
06739GAR0	BARCLAYS BK PLC		11/05/2010	BARCLAYS	X X X	2,742,575	2,500,000.00	43,420
054937AG2	BB&T CORPORATION		11/09/2010	MERRILL LYNCH	X X X	2,811,622	2,615,000.00	48,051
097023AZ8	BOEING CO		12/17/2010	SUNTRUST CAPITAL MARKETS	X X X	614,347	575,000.00	9,889
05565QBP2	BP CAPITAL PLC		11/08/2010	CANTOR FITZGERALD & CO.	X X X	2,623,850	2,500,000.00	12,813
172967EM9	CITIGROUP INC		11/12/2010	CITIGROUP GLOBAL MARKETS	X X X	1,683,840	1,500,000.00	44,917
22546QAF4	CREDIT SUISSE NY MTN		11/05/2010	CREDIT SUISSE 1st BOSTON	X X X	2,593,875	2,500,000.00	28,863
38141EA58	GOLDMAN SACHS GP		11/08/2010	CANTOR FITZGERALD & CO.	X X X	1,627,545	1,500,000.00	12,766
46625HGN4	JP MORGAN CHASE		11/05/2010	CITIGROUP GLOBAL MARKETS	X X X	1,144,160	1,000,000.00	22,628
59022CCS0	MERRILL LYNCH & CO		11/05/2010	CITIGROUP GLOBAL MARKETS	X X X	2,074,840	2,000,000.00	2,533
59156RAX6	METLIFE INC		11/09/2010	CANTOR FITZGERALD & CO.	X X X	2,690,375	2,500,000.00	32,656
61747YCM5	MORGAN STANLEY		11/09/2010	MORGAN STANLEY DEANWITTER	X X X	1,590,450	1,500,000.00	24,979
670346AL9	NUCOR CORP		11/09/2010	CANTOR FITZGERALD & CO.	X X X	2,554,100	2,500,000.00	15,469
3899999 Subtotal - Bonds - Industrial and Miscellaneous (Unaffiliated)						30,330,197	28,187,000.00	375,587
8399997 Subtotal - Bonds - Part 3						33,751,779	31,587,000.00	388,380
8399998 Summary item from Part 5 for Bonds						12,558,297	12,655,000.00	119,581
8399999 Subtotal - Bonds						46,310,076	44,242,000.00	507,961
8999998 Summary Item from Part 5 for Preferred Stocks							X X X	
9799998 Summary Item from Part 5 for Common Stocks							X X X	
9899999 Subtotal - Preferred and Common Stocks							X X X	
9999999 Totals						46,310,076	X X X	507,961

SCHEDULE D - PART 4

Showing All Long-Term Bonds and Stocks SOLD, REDEEMED, or Otherwise DISPOSED OF During Current Year

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21
										11	12	13	14	15						
CUSIP Identification	Description	For e i g n	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B./A.C.V. (Cols. 11+12-13)	Total Foreign Exchange Change in B./A.C.V.	Book/Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/ Stock Dividends Received During Year	Maturity Date
Bonds - U.S. Governments																				
31297TDS9	FHLMC GOLD POOL #A37313		12/15/2010	PRINCIPAL RECEIPT	X X X	268,492	268,492.34	273,191	273,096		(4,604)		(4,604)		268,492				6,996	09/01/2035
31292GGT7	FHLMC GOLD POOL #C00210		12/15/2010	PRINCIPAL RECEIPT	X X X	2,429	2,428.92	2,534	2,480		(51)		(51)		2,429				80	01/01/2023
31368NG46	FNMA GTD PASS THRU		12/25/2010	PRINCIPAL RECEIPT	X X X	1,084	1,083.98	1,080	1,079		5		5		1,084				43	12/01/2012
31400XZ84	FNMA GTD PASS THRU		12/25/2010	PRINCIPAL RECEIPT	X X X	56,228	56,227.90	57,862	59,221		(2,993)		(2,993)		56,228				1,255	04/01/2033
31371MN94	FNMA POOL #256116A		12/25/2010	PRINCIPAL RECEIPT	X X X	422,759	422,758.60	430,496	429,542		(6,783)		(6,783)		422,759				12,428	02/01/2026
31371NQJ7	FNMA POOL #257057		12/25/2010	PRINCIPAL RECEIPT	X X X	286,577	286,576.69	294,861	294,676		(8,100)		(8,100)		286,577				7,131	01/01/2028
31371NV85	FNMA POOL #257239		05/31/2010	SUNTRUST CAPITAL MARKETS	X X X		9,087.91	8,947	8,955		2		2		8,957		(8,957)	(8,957)		06/01/2028
31402RP78	FNMA POOL #735846		12/25/2010	PRINCIPAL RECEIPT	X X X	64,797	64,797.47	64,838	64,833		(36)		(36)		64,797				1,948	09/01/2035
31405SNQ3	FNMA POOL #797899		12/25/2010	PRINCIPAL RECEIPT	X X X	100,427	100,427.34	103,880	103,436		(3,009)		(3,009)		100,427				4,019	10/01/2023
31410KDN1	FNMA POOL #889409		12/25/2010	PRINCIPAL RECEIPT	X X X	86,926	86,926.38	89,201	89,110		(2,184)		(2,184)		86,926				2,445	05/01/2038
31414U2A5	FNMA POOL# 976969		01/25/2010	VARIOUS	X X X	2,179,563	2,056,208.94	2,061,349	2,061,004		(50)		(50)		2,060,954		118,609	118,609	14,351	02/01/2038
31412TPH0	FNMA POOL#934324		01/25/2010	VARIOUS	X X X	2,335,263	2,210,399.56	2,205,930	2,205,928		118		118		2,206,047		129,216	129,216	14,231	06/01/2038
31415RG65	FNMA POOL#986821		12/25/2010	PRINCIPAL RECEIPT	X X X	270,901	270,900.98	270,393	270,393		508		508		270,901				6,725	07/01/2038
36202BT96	GNMA II POOL #1476		12/20/2010	PRINCIPAL RECEIPT	X X X	811	810.70	841	749		26		26		776		35	35	32	11/20/2023
36202BWH4	GNMA II POOL #1548		12/20/2010	PRINCIPAL RECEIPT	X X X	894	894.08	916	899		(3)		(3)		897		(3)	(3)	38	01/20/2024
36224JES7	GNMA II POOL #329645		12/20/2010	PRINCIPAL RECEIPT	X X X	4,284	4,284.37	4,391	4,353		(29)		(29)		4,324		(39)	(39)	162	12/20/2022
36219QEB5	GNMA POOL #255830		12/15/2010	PRINCIPAL RECEIPT	X X X	7,030	7,030.22	7,445	7,219		(189)		(189)		7,030				323	10/15/2018
362199VE8	GNMA POOL #271613		12/15/2010	PRINCIPAL RECEIPT	X X X	3,622	3,622.16	3,860	3,760		(138)		(138)		3,622				166	12/15/2018
36220BPJ6	GNMA POOL #273225		12/15/2010	PRINCIPAL RECEIPT	X X X	3,629	3,628.82	3,883	3,722		(94)		(94)		3,629				167	05/15/2019
36223FSE2	GNMA POOL #306617		12/15/2010	PRINCIPAL RECEIPT	X X X	99	98.59	97	98		1		1		99				4	05/15/2021
36223UKX5	GNMA POOL #318110		12/15/2010	PRINCIPAL RECEIPT	X X X	17,798	17,797.79	18,621	18,315		(517)		(517)		17,798				733	07/15/2022
36203EJR0	GNMA POOL #346872		11/30/2010	VARIOUS	X X X	18,367	18,366.92	19,004	18,835		(468)		(468)		18,367				1,241	11/15/2023
36203UE81	GNMA POOL #359359		12/15/2010	PRINCIPAL RECEIPT	X X X	8,846	8,846.45	8,614	8,684		163		163		8,846				340	06/15/2023
36203UJU7	GNMA POOL #359475		12/15/2010	PRINCIPAL RECEIPT	X X X	6,504	6,503.81	6,400	6,435		69		69		6,504				155	02/15/2024
36203YUT9	GNMA POOL #363394		12/15/2010	PRINCIPAL RECEIPT	X X X	1,773	1,773.12	1,850	1,819		(46)		(46)		1,773				71	12/15/2023
36204DLF4	GNMA POOL #367626		12/15/2010	PRINCIPAL RECEIPT	X X X	5,116	5,116.29	5,027	5,052		64		64		5,116				170	03/15/2024
36204QBR0	GNMA POOL #376348		12/15/2010	PRINCIPAL RECEIPT	X X X	2,550	2,549.52	2,586	2,570		(20)		(20)		2,550				108	12/15/2023
36204UJ69	GNMA POOL #380185		12/15/2010	PRINCIPAL RECEIPT	X X X	1,295	1,294.51	1,270	1,278		17		17		1,295				49	12/15/2023
36294SD20	GNMA POOL #658121		12/15/2010	PRINCIPAL RECEIPT	X X X	261,481	261,480.56	266,138	265,930		(4,450)		(4,450)		261,481				5,984	10/15/2036
36221P7D7	GNMA POOL #912592		12/15/2010	PRINCIPAL RECEIPT	X X X	3,838	3,837.96	3,828	3,818		20		20		3,838				141	04/01/2026
36295QKU3	GNMA POOL#677207		12/15/2010	PRINCIPAL RECEIPT	X X X	459,616	459,616.04	473,835	473,397		(13,781)		(13,781)		459,616				11,604	08/15/2038
912810QB7	U.S. TREASURY BOND		11/05/2010	VARIOUS	X X X	1,068,545	1,030,000.00	988,587	988,585		603		603		989,188		79,356	79,356	42,575	05/15/2039
912810QD3	U.S. TREASURY BOND		11/05/2010	VARIOUS	X X X	3,185,859	3,000,000.00	2,882,813	2,882,813		1,680		1,680		2,884,493		301,367	301,367	127,683	11/15/2039
912828KD1	U.S. TREASURY BOND		11/03/2010	BANC OF AMERICA SECURITIE	X X X	780,498	750,000.00	702,891	704,810		3,585		3,585		708,395		72,103	72,103	25,165	02/15/2019
912828KQ2	U.S. TREASURY BOND		11/03/2010	VARIOUS	X X X	825,950	775,000.00	740,367	741,663		2,561		2,561		744,224		81,726	81,726	23,495	05/15/2019
912828KZ2	U.S. TREASURY BOND		11/18/2010	BANC OF AMERICA SECURITIE	X X X	216,523	200,000.00	200,500	200,534		(71)		(71)		200,463		16,061	16,061	5,758	06/30/2016
912828LJ7	U.S. TREASURY BOND		11/03/2010	VARIOUS	X X X	1,872,656	1,700,000.00	1,716,203	1,715,752		(1,198)		(1,198)		1,714,554		158,103	158,103	75,189	08/15/2019
912828LY4	U.S. TREASURY BOND		11/04/2010	VARIOUS	X X X	970,277	900,000.00	888,715	888,757		816		816		889,573		80,825	80,825	29,467	11/15/2019
039999 Subtotal - Bonds - U.S. Governments						15,803,307	14,998,868.92	14,813,244	14,813,600		(38,576)		(38,576)		14,775,029		1,028,402	1,028,402	422,472	X X X
Bonds - U.S. Special Revenue, Special Assessment																				
31393KK95	FHLMC CMO 2568-KA		12/15/2010	PRINCIPAL RECEIPT	X X X	149,973	149,972.82	149,645	149,654		319		319		149,973				3,389	12/15/2021
31397R7F7	FHLMC CMO 3418		12/15/2010	PRINCIPAL RECEIPT	X X X	705,987	705,987.45	712,248	711,009		(5,022)		(5,022)		705,987				20,173	03/15/2032
31396JSK2	FHLMC CMO R006-AF		12/15/2010	PRINCIPAL RECEIPT	X X X	347,698	347,698.29	350,632	350,328		(2,630)		(2,630)		347,698				5,909	12/15/2018
31392MEN8	FHLMC CMO T-41-3A		12/25/2010	PRINCIPAL RECEIPT	X X X	40,615	40,615.09	43,154	42,954		(2,339)		(2,339)		40,615				1,297	07/25/2032
31396V2P2	FNMA GTD REMIC PASS THRU		12/25/2010	PRINCIPAL RECEIPT	X X X	465,261	465,260.87	464,897	464,934		327		327		465,261				13,698	12/25/2020
38374BYW7	GNMA CMO 03-67-SD ARM		12/20/2010	PRINCIPAL RECEIPT	X X X	22,792	22,792.06	22,906	22,998		(206)		(206)		22,792				1,669	08/20/2033
319999 Subtotal - Bonds - U.S. Special Revenue, Special Assessment						1,732,326	1,732,326.58	1,743,482	1,741,877		(9,551)		(9,551)		1,732,326				46,135	X X X
Bonds - Industrial and Miscellaneous (Unaffiliated)																				
00788@AA4	AEGIS ALABAMA VENTURE FUND, LP		12/31/2010	DIRECT	X X X	3,045,685	3,045,685.28	3,045,685	3,045,685						3,045,685				115,073	03/01/2019

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SCHEDULE D - PART 4

Showing All Long-Term Bonds and Stocks SOLD, REDEEMED, or Otherwise DISPOSED OF During Current Year

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	
										11	12	13	14	15							
CUSIP Identification	Description	Forfeign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase/(Decrease)	Current Year (Amortization)/Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B./A.C.V. (Cols. 11+12-13)	Total Foreign Exchange Change in B./A.C.V.	Book/Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/Stock Dividends Received During Year	Maturity Date	
02635PTS2	AMERICAN GENERAL FINANCE		04/28/2010	MORGAN STANLEY DEANWITTER	X X X	498,750	600,000.00	495,750	506,554		2,580		2,580		509,134		(10,384)	(10,384)	15,870	12/15/2017	
02635PSF1	AMERICAN GENERAL FINANCE CORP		04/28/2010	MARCUS STOWELL & BEYE	X X X	496,875	500,000.00	496,980	499,635		162		162		499,797		(2,922)	(2,922)	15,545	09/01/2010	
07820QAQ8	BELLA VISTA MORTGAGE TRUST		11/30/2010	VARIOUS	X X X	621,299	2,205,361.55	1,711,718	2,155,925		46,265	447,085	(400,820)		1,755,105		(1,133,806)	(1,133,806)	81,306	11/20/2034	
14040EHH8	CAPITAL ONE BANK		09/15/2010	MATURITY	X X X	100,000	100,000.00	93,520	97,405		2,595		2,595		100,000				5,750	09/15/2010	
165167BQ9	CHESAPEAKE ENERGY		08/16/2010	BANC OF AMERICA SECURITIE	X X X	1,034,000	1,000,000.00	930,000	944,969		3,212		3,212		948,181		85,819	85,819	68,056	01/15/2018	
17311LAW1	CITIGROUP MTG LN TR		06/30/2010	VARIOUS	X X X		1,186,139.38		2,966		27,692	30,659	(2,967)							04/25/2037	
20030NAM3	COMCAST CORP		11/04/2010	CANTOR FITZGERALD & CO.	X X X	1,655,175	1,500,000.00	1,530,660	1,529,515		(328)		(328)		1,529,188		125,988	125,988	111,263	03/15/2037	
22303QAF7	COVIDIEN INTERNATIONAL F		11/04/2010	BANC OF AMERICA SECURITIE	X X X	157,703	145,000.00	144,803	144,883		33		33		144,917		12,787	12,787	8,429	10/15/2012	
126408GJ6	CSX CORP		11/04/2010	VARIOUS	X X X	1,145,820	1,000,000.00	998,170	999,092		158		158		999,250		146,570	146,570	57,244	05/01/2017	
12642AAK2	CSX TRANS INC		05/15/2010	MATURITY	X X X	1,000,000	1,000,000.00	1,207,920	1,012,378		(12,378)		(12,378)		1,000,000				43,250	05/15/2010	
36962GS62	GENERAL ELECTRIC CAP CORP		10/21/2010	MATURITY	X X X	40,000	40,000.00	39,951	39,988		12		12		40,000				1,950	10/21/2010	
370334BB9	GENERAL MILLS INC		11/04/2010	CANTOR FITZGERALD & CO.	X X X	1,476,013	1,250,000.00	1,247,188	1,248,764		82		82		1,248,846		227,167	227,167	87,875	02/15/2017	
59562VAM9	MIDAMERICAN ENERGY HOLDING		11/04/2010	VARIOUS	X X X	1,678,305	1,500,000.00	1,488,285	1,488,673		209		209		1,488,882		189,423	189,423	101,573	04/01/2036	
620076AK5	MOTOROLA INC		06/07/2010	DIRECT	X X X	922,249	905,000.00	901,606	902,168		32		32		902,200		20,050	20,050	47,550	09/01/2025	
655844AQ1	NORFOLK SOUTHERN		11/04/2010	CREDIT SUISSE 1st BOSTON	X X X	1,545,075	1,250,000.00	1,366,750	1,361,408		(2,208)		(2,208)		1,359,200		185,875	185,875	111,771	02/15/2031	
743410AK8	PROLOGIS		03/15/2010	CALLED	X X X	531,250	500,000.00	488,020	492,499		674		674		493,173		38,077	38,077	12,604	04/01/2012	
83689AA8	SOUTH CAROLINA COMMUNITY BANK		11/07/2010	MATURITY	X X X	10,000	10,000.00	10,000	10,000						10,000				296	11/07/2010	
854616AP4	THE STANLEY WORKS		12/01/2010	CALLED @ 100.0000000	X X X	2,125,000	2,125,000.00	1,933,438	1,935,890		1,355		1,355		1,937,245		187,755	187,755	127,856	12/01/2045	
929766JD6	WACHOVIA BANK COMMERCIAL MTG TRUST		12/15/2010	PRINCIPAL RECEIPT	X X X	133,953	133,953.28	132,697	132,717		1,236		1,236		133,953				5,115	08/15/2035	
949801AA2	WELLS FARGO CAP		11/04/2010	CANTOR FITZGERALD & CO.	X X X	449,060	400,000.00	400,000	400,000						400,000		49,060	49,060	43,658	12/29/2049	
984119AC1	XEROX CAPITAL TRUST I		11/04/2010	CANTOR FITZGERALD & CO.	X X X	1,017,500	1,000,000.00	994,470	995,286		24		24		995,309		22,191	22,191	101,778	02/01/2027	
3899999	Subtotal - Bonds - Industrial and Miscellaneous (Unaffiliated)						19,683,712	21,396,139.49	19,657,611	19,946,400		71,407	477,744	(406,337)	19,540,065		143,650	143,650	1,163,812	X X X	
8399997	Subtotal - Bonds - Part 4						37,219,345	38,127,334.99	36,214,337	36,501,877		23,280	477,744	(454,464)	36,047,420		1,172,052	1,172,052	1,632,419	X X X	
8399998	Summary Item from Part 5 for Bonds						13,637,845	12,655,000.00	12,558,297		1,143		1,143		12,559,440		1,078,405	1,078,405	467,768	X X X	
8399999	Subtotal - Bonds						50,857,190	50,782,334.99	48,772,634	36,501,877		24,423	477,744	(453,321)	48,606,860		2,250,457	2,250,457	2,100,187	X X X	
8999998	Summary Item from Part 5 for Preferred Stocks																			X X X	
Common Stocks - Industrial and Miscellaneous (Unaffiliated)																					
172967101	CITIGROUP INC		08/31/2010	DIRECT		0.001			X X X											X X X	
9099999	Subtotal - Common Stocks - Industrial and Miscellaneous (Unaffiliated)									X X X											X X X
Common Stocks - Parent, Subsidiaries and Affiliates																					
72015#108	PIEDMONT INVESTMENT ADVISORS, LLC		11/30/2010	DIRECT		1,055,000.000	1,300,000	750,203	71,835	678,368			678,368	750,203	549,797	549,797	549,797	549,797	23,578	X X X	
9199999	Subtotal - Common Stocks - Parent, Subsidiaries and Affiliates						1,300,000	X X X	750,203	71,835	678,368			678,368	750,203	549,797	549,797	549,797	549,797	23,578	X X X
9799997	Subtotal - Common Stocks - Part 4						1,300,000	X X X	750,203	71,835	678,368			678,368	750,203	549,797	549,797	549,797	549,797	23,578	X X X
9799998	Summary Item from Part 5 for Common Stocks							X X X													X X X
9799999	Subtotal - Common Stocks						1,300,000	X X X	750,203	71,835	678,368			678,368	750,203	549,797	549,797	549,797	549,797	23,578	X X X
9899999	Subtotal - Preferred and Common Stocks						1,300,000	X X X	750,203	71,835	678,368			678,368	750,203	549,797	549,797	549,797	549,797	23,578	X X X
9999999	Totals						52,157,190	X X X	49,522,837	36,573,712	678,368	24,423	477,744	225,047	49,357,063	2,800,254	2,800,254	2,800,254	2,123,765	X X X	

E14.1

SCHEDULE D - PART 5

Showing All Long-Term Bonds and Stocks ACQUIRED During Year and Fully DISPOSED OF During Current Year

1 CUSIP Identifi- cation	2 Description	3 F O R E I G N	4 Date Acquired	5 Name of Vendor	6 Disposal Date	7 Name of Purchaser	8 Par Value (Bonds) Number of Shares (Stock)	9 Actual Cost	10 Consider- ation	11 Book/ Adjusted Carrying Value at Disposal Date	Change in Book/Adjusted Carrying Value					17 Foreign Exchange Gain (Loss) on Disposal	18 Realized Gain (Loss) on Disposal	19 Total Gain (Loss) on Disposal	20 Interest and Dividends Received During Year	21 Paid for Accrued Interest and Dividends									
											12 Unrealized Valuation Increase/ (Decrease)	13 Current Year's (Amortization)/ Accretion	14 Current Year's Other Than Temporary Impairment Recognized	15 Total Change in B./A.C.V. (Col. 12+ 13-14)	16 Total Foreign Exchange Change in B./A.C.V.														
Bonds - U.S. Governments																													
912810PW2	U.S. TREASURY BOND		03/15/2010	BANK OF AMERICA	11/05/2010	VARIOUS	2,200,000.000	2,123,344	2,341,453	2,124,171			828		828			217,282	217,282	69,572	7,445								
912810PX0	U.S. TREASURY BOND		03/25/2010	MORGAN STANLEY DEANWITTER	11/05/2010	VARIOUS	2,500,000.000	2,423,242	2,716,211	2,424,142			900		900			292,069	292,069	109,443	40,401								
912810QC5	U.S. TREASURY BOND		01/25/2010	BARCLAYS	11/05/2010	VARIOUS	2,975,000.000	2,971,862	3,222,646	2,971,792			(71)		(71)			250,854	250,854	163,706	59,298								
912810QE1	U.S. TREASURY BOND		03/15/2010	BANK OF AMERICA	11/05/2010	VARIOUS	2,200,000.000	2,198,195	2,432,203	2,198,143			(52)		(52)			234,060	234,060	73,548	7,870								
912810QH4	U.S. TREASURY BOND		05/28/2010	BANK OF AMERICA	11/05/2010	VARIOUS	2,375,000.000	2,439,106	2,516,108	2,438,619			(487)		(487)			77,489	77,489	49,130	3,671								
912828NT3	U.S. TREASURY NOTE		09/14/2010	BANC OF AMERICA SECURITIE	11/04/2010	VARIOUS	405,000.000	402,548	409,224	402,573			25		25			6,651	6,651	2,369	896								
0399999 Subtotal - Bonds - U.S. Governments							12,655,000.000	12,558,297	13,637,845	12,559,440			1,143		1,143			1,078,405	1,078,405	467,768	119,581								
8399998 Subtotal - Bonds							12,655,000.000	12,558,297	13,637,845	12,559,440			1,143		1,143			1,078,405	1,078,405	467,768	119,581								
9999999 Totals								12,558,297	13,637,845	12,559,440			1,143		1,143			1,078,405	1,078,405	467,768	119,581								

SCHEDULE D - PART 6 - SECTION 1

Valuation of Shares of Subsidiary, Controlled or Affiliated Companies

1 CUSIP Identification	2 Description Name of Subsidiary, Controlled or Affiliated Company	3 Foreign	4 NAIC Company Code or Alien Insurer Identification Number	5 NAIC Valuation Method (See SVO Purposes and Procedures manual)	6 Do Insurer's Assets Include Intangible Assets connected with Holding of Such Company's Stock?	7 Total Amount of Such Intangible Assets	8 Book/Adjusted Carrying Value	Stock of Such Company Owned by Insurer on Statement Date	
								9 Number of Shares	10 % of Outstanding
NONE									
1999999 Total - Preferred and Common Stocks .....								... X X X ...	... X X X ...

1. Amount of insurer's capital and surplus from the prior period's statutory statement reduced by any admitted EDP, goodwill and net deferred tax assets included therein: \$.....0.
2. Total amount of intangible assets nonadmitted \$.....0.

SCHEDULE D - PART 6 - SECTION 2

1 CUSIP Identification	2 Name of Lower-tier Company	3 Name of Company Listed in Section 1 Which Controls Lower-tier Company	4 Total Amount of Intangible Assets Included in Amount Shown in Column 7, Section 1	Stock in Lower-tier Company Owned Indirectly by Insurer on Statement Date	
				5 Number of Shares	6 % of Outstanding
NONE					
0399999 Total - Preferred and Common Stocks .....				... X X X ...	... X X X ...

SCHEDULE DA - PART 1

Showing all SHORT-TERM INVESTMENTS Owned December 31 of Current Year

1 CUSIP Identi- fication	2 Description	Codes		5 Date Acquired	6 Name of Vendor	7 Maturity Date	8 Book/ Adjusted Carrying Value	Change in Book/Adjusted Carrying Value				13 Par Value	14 Actual Cost	Interest						21 Paid For Accrued Interest
		3 Code	4 For- eign					9 Unrealized Valuation Increase/ (Decrease)	10 Current Year's (Amortization)/ Accretion	11 Current Year's Other Than Temporary Impairment Recognized	12 Total Foreign Exchange Change in B./A.C.V.			15 Amount Due and Accrued Dec. 31 of Current Year on Bond Not in Default	16 Non-Admitted Due and Accrued	17 Rate of	18 Effective Rate of	19 When Paid	20 Amount Received During Year	
8399999 Total Bonds																				
Exempt Money Market Mutual Funds																				
31846V203	FIRST AMER GOVT OBLIG CL Y			12/31/2010	DIRECT		3,579,355					3,579,355								
31846V419	FIRST AMER TREAS	SD		12/31/2010	DIRECT		304,030					304,030								
949921233	WELLS FARGO ADV HER MMKT SER			12/31/2010	DIRECT		1,487,893					1,487,893								138
8899999 Subtotal - Exempt Money Market Mutual Funds							5,371,278				X X X	5,371,278			X X X	X X X	X X X		138	
Class One Money Market Mutual Funds																				
38141W224	GOLDMAN SACHS FINL SQ	SD		04/30/2010	DIRECT		400,000					400,000								38
999990419	REGIONS MORGAN KEEGAN SELECT			10/31/2010	DIRECT		2,263					2,263								
8999999 Subtotal - Class One Money Market Mutual Funds							402,263				X X X	402,263			X X X	X X X	X X X		38	
9199999 Total Short-Term Investments							5,773,541				X X X	5,773,541			X X X	X X X	X X X		176	

E18 Schedule DB - Part A Sn 1 Opt/Cap/Floors/Collars/Swaps/Forwards Open NONE

E19 Schedule DB - Part A Sn 2 Opt/Cap/Floors/Collars/Swaps/Forwards Terminated NONE

E20 Schedule DB - Part B Sn 1 Futures Contracts Open NONE

E21 Schedule DB - Part B Sn 2 Futures Contracts Terminated NONE

E22 Schedule DB - Part D Counterparty Exposure for Derivative Instruments Open NONE

E23 Schedule DL - Part 1 - Securities Lending Collateral Assets NONE

E24 Schedule DL - Part 2 - Securities Lending Collateral Assets NONE

SCHEDULE E - PART 1 - CASH

1 Depository	2 Code	3 Rate of Interest	4 Amount of Interest Received During Year	5 Amount of Interest Accrued December 31 of Current Year	6 Balance	7 *
open depositories						
Mechanic & Farmers Bank		Durham, NC			341,741	X X X
Wachovia Bank		Charlotte, NC			639,934	X X X
Ocean National Bank		Keene, NH			170,642	X X X
0199998 Deposits in .....0 depositories that do not exceed the allowable limit in any one depository (See Instructions) - open depositories						
		X X X			(14,067)	X X X
0199999 Totals - Open Depositories						
		X X X			1,138,250	X X X
suspended depositories						
0299998 Deposits in .....0 depositories that do not exceed the allowable limit in any one depository (See Instructions) - suspended depositories						
		X X X				X X X
0299999 Totals - Suspended Depositories						
		X X X				X X X
0399999 Total Cash On Deposit						
		X X X			1,138,250	X X X
0499999 Cash in Company's Office						
		X X X	X X X	X X X		X X X
0599999 Total Cash						
		X X X			1,138,250	X X X

TOTALS OF DEPOSITORY BALANCES ON THE LAST DAY OF EACH MONTH DURING THE CURRENT YEAR

1. January	2,498,695	4. April	15,360	7. July	349,641	10. October	759,159
2. February	1,457,496	5. May	453,407	8. August	738,908	11. November	1,857,667
3. March	1,218,336	6. June	945,401	9. September	762,156	12. December	1,138,250

SCHEDULE E - PART 2 - CASH EQUIVALENTS

Show Investments Owned December 31 of Current Year

1 Description	2 Code	3 Date Acquired	4 Rate of Interest	5 Maturity Date	6 Book/Adjusted Carrying Value	7 Amount of Interest Due & Accrued	8 Amount Received During Year
NONE							
8699999 Total Cash Equivalents							

SCHEDULE E - PART 3 - SPECIAL DEPOSITS

	1	2	Deposits For		All Other Special Deposits	
			3	4	5	6
States. Etc.	Type of Deposit	Purpose of Deposit	Book/Adjusted Carrying Value	Fair Value	Book/Adjusted Carrying Value	Fair Value
1. Alabama (AL)						
2. Alaska (AK)						
3. Arizona (AZ)						
4. Arkansas (AR)						
5. California (CA)						
6. Colorado (CO)						
7. Connecticut (CT)						
8. Delaware (DE)						
9. District of Columbia (DC)						
10. Florida (FL)	B	Benefits All Policyholders	1,056,971	1,146,880		
11. Georgia (GA)	B	Benefits All Policyholders	28,776	25,852		
12. Hawaii (HI)						
13. Idaho (ID)						
14. Illinois (IL)						
15. Indiana (IN)						
16. Iowa (IA)						
17. Kansas (KS)						
18. Kentucky (KY)	S	Benefits All Policyholders	400,000	400,000		
19. Louisiana (LA)						
20. Maine (ME)						
21. Maryland (MD)						
22. Massachusetts (MA)						
23. Michigan (MI)						
24. Minnesota (MN)						
25. Mississippi (MS)						
26. Missouri (MO)						
27. Montana (MT)						
28. Nebraska (NE)						
29. Nevada (NV)	B	Benefits All Policyholders	199,844	204,172		
30. New Hampshire (NH)						
31. New Jersey (NJ)						
32. New Mexico (NM)						
33. New York (NY)						
34. North Carolina (NC)	O	Benefits All Policyholders	1,261,120	1,305,337	304,030	304,030
35. North Dakota (ND)						
36. Ohio (OH)	B	Benefits All Policyholders	116,245	114,688		
37. Oklahoma (OK)	B	Benefits All Policyholders	300,000	258,516		
38. Oregon (OR)						
39. Pennsylvania (PA)						
40. Rhode Island (RI)						
41. South Carolina (SC)	B	Benefits All Policyholders	180,837	247,517		
42. South Dakota (SD)						
43. Tennessee (TN)	B	Benefits All Policyholders	119,919	107,715		
44. Texas (TX)						
45. Utah (UT)						
46. Vermont (VT)						
47. Virginia (VA)	B	Benefits All Policyholders	917,261	861,720		
48. Washington (WA)						
49. West Virginia (WV)						
50. Wisconsin (WI)						
51. Wyoming (WY)						
52. American Samoa (AS)						
53. Guam (GU)						
54. Puerto Rico (PR)						
55. U.S. Virgin Islands (VI)						
56. Northern Mariana Islands (MP)						
57. Canada (CN)						
58. Aggregate other alien (OT)	X X X	X X X				
59. Total	X X X	X X X	4,580,973	4,672,397	304,030	304,030

DETAILS OF WRITE-INS						
5801.						
5802.						
5803.						
5898. Summary of remaining write-ins for Line 58 from overflow page	X X X	X X X				
5899. Totals (Lines 5801 through 5803 plus 5898) (Line 58 above)	X X X	X X X				

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