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LIFE AND ACCIDENT AND HEALTH COMPANIES - ASSOCIATION EDITION

ANNUAL STATEMENT

FOR THE YEAR ENDED DECEMBER 31, 2012
OF THE CONDITION AND AFFAIRS OF THE

UNUM LIFE INSURANCE COMPANY OF AMERICA

NAIC Group Code 0565 (Current) 0565 (Prior) NAIC Company Code 62235 Employer's ID Number 01-0278678

Organized under the Laws of MAINE, State of Domicile or Port of Entry MAINE

Country of Domicile UNITED STATES OF AMERICA

Incorporated/Organized 08/24/1966 Commenced Business 09/03/1966

Statutory Home Office 2211 CONGRESS STREET (Street and Number), PORTLAND , ME, US 04122 (City or Town, State, Country and Zip Code)

Main Administrative Office 2211 CONGRESS STREET (Street and Number)

PORTLAND , ME, US 04122 (City or Town, State, Country and Zip Code), 207-575-2211 (Area Code) (Telephone Number)

Mail Address 2211 CONGRESS STREET (Street and Number or P.O. Box), PORTLAND , ME, US 04122 (City or Town, State, Country and Zip Code)

Primary Location of Books and Records 2211 CONGRESS STREET (Street and Number)

PORTLAND , ME, US 04122 (City or Town, State, Country and Zip Code), 207-575-2211 (Area Code) (Telephone Number)

Internet Website Address www.unum.com

Statutory Statement Contact WALTER LYNN RICE, JR. (Name), 423-294-1882 (Area Code) (Telephone Number)

lrice@unum.com (E-mail Address), 423-287-8597 (FAX Number)

OFFICERS

Title	Name	Title	Name
Chairman	THOMAS ROS WATJEN	President and Chief Executive Officer	KEVIN PAUL MCCARTHY
Executive Vice President, Finance	RICHARD PAUL MCKENNEY	Executive Vice President and General Counsel	ELMER LISTON BISHOP III
Senior Vice President and Chief Operating Officer, Unum US	MICHAEL QUINN SIMONDS #	Senior Vice President and Chief Marketing Officer	JOSEPH RICHARD FOLEY
Senior Vice President and Treasurer	KEVIN AMBROSE MCMAHON	Senior Vice President and Chief Financial Officer	ROGER LUC MARTIN
Senior Vice President and Controller	VICKI WRIGHT CORBETT	Vice President, Transactions, SEC and Corporate Secretary	SUSAN NANCE ROTH
Senior Vice President, Chief Actuary and Appointed Actuary	ALBERT ANGELO RIGGIERI, JR	Senior Vice President, Global Services	CHRISTOPHER JOSEPH JEROME #

DIRECTORS OR TRUSTEES

ELMER LISTON BISHOP III	JOSEPH RICHARD FOLEY	CHRISTOPHER JOSEPH JEROME #
ROGER LUC MARTIN	KEVIN PAUL MCCARTHY	RICHARD PAUL MCKENNEY
	THOMAS ROS WATJEN	

State of Tennessee
County of Hamilton SS:

The officers of this reporting entity being duly sworn, each depose and say that they are the described officers of said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from any liens or claims thereon, except as herein stated, and that this statement, together with related exhibits, schedules and explanations therein contained, annexed or referred to, is a full and true statement of all the assets and liabilities and of the condition and affairs of the said reporting entity as of the reporting period stated above, and of its income and deductions therefrom for the period ended, and have been completed in accordance with the NAIC Annual Statement Instructions and Accounting Practices and Procedures manual except to the extent that: (1) state law may differ; or, (2) that state rules or regulations require differences in reporting not related to accounting practices and procedures, according to the best of their information, knowledge and belief, respectively. Furthermore, the scope of this attestation by the described officers also includes the related corresponding electronic filing with the NAIC, when required, that is an exact copy (except for formatting differences due to electronic filing) of the enclosed statement. The electronic filing may be requested by various regulators in lieu of or in addition to the enclosed statement.

KEVIN PAUL MCCARTHY President and Chief Executive Officer	SUSAN NANCE ROTH Vice President, Transactions, SEC and Corporate Secretary	KEVIN AMBROSE MCMAHON Senior Vice President and Treasurer

Subscribed and sworn to before me this 21st day of February, 2013

a. Is this an original filing? .... Yes [X] No [ ]
b. If no,
1. State the amendment number.......
2. Date filed ....
3. Number of pages attached ....

Darlene Stone
Darlene Stone
My commission expires September 10, 2016.

DARLENE STONE STATE OF TENNESSEE NOTARY PUBLIC HAMILTON COUNTY

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)	16,256,415,773		16,256,415,773	15,869,989,848
2.	Stocks (Schedule D):				
	2.1 Preferred stocks	13,000,000		13,000,000	28,200,000
	2.2 Common stocks	27,017,373		27,017,373	27,389,376
3.	Mortgage loans on real estate (Schedule B):				
	3.1 First liens	834,685,416		834,685,416	794,404,518
	3.2 Other than first liens				
4.	Real estate (Schedule A):				
	4.1 Properties occupied by the company (less $ 0 encumbrances)	73,474,121		73,474,121	75,836,474
	4.2 Properties held for the production of income (less $ encumbrances)				
	4.3 Properties held for sale (less $ 0 encumbrances)	21,765,644		21,765,644	21,765,644
5.	Cash ($ (60,733,005) , Schedule E - Part 1), cash equivalents ($ 294,461,149 , Schedule E - Part 2) and short-term investments ($ 865 , Schedule DA)	233,729,009		233,729,009	230,915,047
6.	Contract loans (including $ 0 premium notes)	59,545,939		59,545,939	63,767,249
7.	Derivatives (Schedule DB)				
8.	Other invested assets (Schedule BA)	302,962,552		302,962,552	203,914,577
9.	Receivables for securities	1,836,046		1,836,046	3,374,354
10.	Securities lending reinvested collateral assets (Schedule DL)	151,787,945		151,787,945	136,292,798
11.	Aggregate write-ins for invested assets				
12.	Subtotals, cash and invested assets (Lines 1 to 11)	17,976,219,818		17,976,219,818	17,455,849,885
13.	Title plants less $ charged off (for Title insurers only)				
14.	Investment income due and accrued	249,639,732		249,639,732	244,905,980
15.	Premiums and considerations:				
	15.1 Uncollected premiums and agents' balances in the course of collection	154,614,405	6,821,664	147,792,741	131,940,064
	15.2 Deferred premiums and agents' balances and installments booked but deferred and not yet due (including $ 0 earned but unbilled premiums)	461,236		461,236	442,367
	15.3 Accrued retrospective premiums	7,005	7,005		
16.	Reinsurance:				
	16.1 Amounts recoverable from reinsurers	86,010,306	703,912	85,306,394	86,404,915
	16.2 Funds held by or deposited with reinsured companies				
	16.3 Other amounts receivable under reinsurance contracts	27,547,576		27,547,576	32,734,263
17.	Amounts receivable relating to uninsured plans	8,473,027	91,690	8,381,337	6,226,241
18.1	Current federal and foreign income tax recoverable and interest thereon				
18.2	Net deferred tax asset	364,235,531	197,727,667	166,507,864	129,647,750
19.	Guaranty funds receivable or on deposit	6,928,325		6,928,325	7,960,501
20.	Electronic data processing equipment and software				
21.	Furniture and equipment, including health care delivery assets ($ 0)	4,198,576	4,198,576	0	0
22.	Net adjustment in assets and liabilities due to foreign exchange rates				
23.	Receivables from parent, subsidiaries and affiliates				
24.	Health care ($ 0) and other amounts receivable	2,745,664	2,745,664	0	0
25.	Aggregate write-ins for other than invested assets	205,603,677	2,297,090	203,306,587	199,753,671
26.	Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	19,086,684,879	214,593,268	18,872,091,611	18,295,865,637
27.	From Separate Accounts, Segregated Accounts and Protected Cell Accounts	7,703,468		7,703,468	7,640,451
28.	Total (Lines 26 and 27)	19,094,388,346	214,593,268	18,879,795,078	18,303,506,089
	DETAILS OF WRITE-INS				
1101.					
1102.					
1103.					
1198.	Summary of remaining write-ins for Line 11 from overflow page				
1199.	Totals (Lines 1101 thru 1103 plus 1198)(Line 11 above)				
2501.	Corporate owned life insurance	182,704,039		182,704,039	176,732,069
2502.	State premium tax credits	10,814,019		10,814,019	15,039,831
2503.	Other miscellaneous assets	6,380,902	2,297,090	4,083,812	1,931,078
2598.	Summary of remaining write-ins for Line 25 from overflow page	5,704,717		5,704,717	6,050,692
2599.	Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above)	205,603,677	2,297,090	203,306,587	199,753,671

LIABILITIES, SURPLUS AND OTHER FUNDS

		1 Current Year	2 Prior Year
1.	Aggregate reserve for life contracts $ 997,443,973 (Exh. 5, Line 9999999) less $ 0 included in Line 6.3 (including $ 0 Modco Reserve)	997,443,973	969,078,624
2.	Aggregate reserve for accident and health contracts (including $ 5,465,228,609 Modco Reserve)	8,364,249,400	8,423,555,361
3.	Liability for deposit-type contracts (Exhibit 7, Line 14, Col. 1) (including $ 0 Modco Reserve)	587,781,733	557,035,039
4.	Contract claims:		
	4.1 Life (Exhibit 8, Part 1, Line 4.4, Col. 1 less sum of Cols. 9, 10 and 11)	203,892,954	178,828,698
	4.2 Accident and health (Exhibit 8, Part 1, Line 4.4, sum of Cols. 9, 10 and 11)	533,548,849	539,639,314
5.	Policyholders' dividends $ and coupons $ 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)	11,580,000	13,780,000
	6.2 Dividends not yet apportioned (including $ Modco)		
	6.3 Coupons and similar benefits (including $ 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 $ 24,151,449 accident and health premiums (Exhibit 1, Part 1, Col. 1, sum of lines 4 and 14)	36,221,013	31,650,029
9.	Contract liabilities not included elsewhere:		
	9.1 Surrender values on canceled contracts		
	9.2 Provision for experience rating refunds, including the liability of $ 1,224,011 accident and health experience rating refunds of which $ 0 is for medical loss ratio rebate per the Public Health Service Act	1,633,253	1,559,877
	9.3 Other amounts payable on reinsurance including $ 5,632,424 assumed and $ 94,609,585 ceded	100,242,009	100,693,259
	9.4 Interest maintenance reserve (IMR, Line 6)	33,142,465	24,289,819
10.	Commissions to agents due or accrued-life and annuity contracts $ 8,799,390 accident and health $ 23,298,679 and deposit-type contract funds $ 0	32,098,069	24,976,645
11.	Commissions and expense allowances payable on reinsurance assumed		
12.	General expenses due or accrued (Exhibit 2, Line 12, Col. 6)	2,794	166,329
13.	Transfers to Separate Accounts due or accrued (net) (including $ 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)	9,794,468	7,420,868
15.1	Current federal and foreign income taxes including $ 8,205,312 on realized capital gains (losses)	9,845,984	13,390,532
15.2	Net deferred tax liability		
16.	Unearned investment income	1,212,985	1,342,694
17.	Amounts withheld or retained by company as agent or trustee	1,449,095	1,629,941
18.	Amounts held for agents' account, including $ agents' credit balances		
19.	Remittances and items not allocated	48,242,505	29,103,736
20.	Net adjustment in assets and liabilities due to foreign exchange rates		
21.	Liability for benefits for employees and agents if not included above		
22.	Borrowed money $ and interest thereon $		
23.	Dividends to stockholders declared and unpaid		
24.	Miscellaneous liabilities:		
	24.01 Asset valuation reserve (AVR, Line 16, Col. 7)	190,657,022	199,543,100
	24.02 Reinsurance in unauthorized and certified ($ 0) companies	8,193,722	1,506,530
	24.03 Funds held under reinsurance treaties with unauthorized and certified ($ 0) reinsurers	5,813,511,588	5,267,564,821
	24.04 Payable to parent, subsidiaries and affiliates	27,816,762	12,591,337
	24.05 Drafts outstanding		
	24.06 Liability for amounts held under uninsured plans	1,491,033	659,917
	24.07 Funds held under coinsurance		
	24.08 Derivatives	49,032,943	42,279,744
	24.09 Payable for securities		
	24.10 Payable for securities lending	151,787,945	136,301,692
	24.11 Capital notes $ and interest thereon $		
25.	Aggregate write-ins for liabilities	83,686,377	168,493,304
26.	Total Liabilities excluding Separate Accounts business (Lines 1 to 25)	17,298,558,940	16,747,081,210
27.	From Separate Accounts Statement	7,703,468	7,640,451
28.	Total Liabilities (Lines 26 and 27)	17,306,262,407	16,754,721,662
29.	Common capital stock	5,000,000	5,000,000
30.	Preferred capital stock		
31.	Aggregate write-ins for other than special surplus funds	56,867,361	68,028,941
32.	Surplus notes		
33.	Gross paid in and contributed surplus (Page 3, Line 33, Col. 2 plus Page 4, Line 51.1, Col. 1)	958,881,865	958,881,865
34.	Aggregate write-ins for special surplus funds	0	73,655,830
35.	Unassigned funds (surplus)	552,783,445	443,217,791
36.	Less treasury stock, at cost:		
	36.1 shares common (value included in Line 29 $)		
	36.2 shares preferred (value included in Line 30 $)		
37.	Surplus (Total Lines 31+32+33+34+35-36) (including $ in Separate Accounts Statement)	1,568,532,672	1,543,784,427
38.	Totals of Lines 29, 30 and 37 (Page 4, Line 55)	1,573,532,672	1,548,784,427
39.	Totals of Lines 28 and 38 (Page 2, Line 28, Col. 3)	18,879,795,079	18,303,506,089
	DETAILS OF WRITE-INS		
2501.	Unfunded commitments	32,302,870	63,621,936
2502.	Cash collateral on derivatives	0	45,601,000
2503.	Policy claims and miscellaneous liabilities - other lines	28,326,733	34,449,227
2598.	Summary of remaining write-ins for Line 25 from overflow page	23,056,774	24,821,141
2599.	Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above)	83,686,377	168,493,304
3101.	Deferred gain on reinsurance transactions	56,867,361	68,028,941
3102.			
3103.			
3198.	Summary of remaining write-ins for Line 31 from overflow page		
3199.	Totals (Lines 3101 thru 3103 plus 3198)(Line 31 above)	56,867,361	68,028,941
3401.	Admitted deferred tax asset - SSAP 10R	0	73,655,830
3402.			
3403.			
3498.	Summary of remaining write-ins for Line 34 from overflow page		
3499.	Totals (Lines 3401 thru 3403 plus 3498)(Line 34 above)	0	73,655,830

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)	2,702,000,365	2,603,056,960
2.	Considerations for supplementary contracts with life contingencies	145,461	22,247
3.	Net investment income (Exhibit of Net Investment Income, Line 17)	1,092,563,655	1,082,620,086
4.	Amortization of interest maintenance reserve (IMR, Line 5)	2,164,742	354,468
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, Col. 1)	234,952,402	228,404,509
7.	Reserve adjustments on reinsurance ceded	(395,635,136)	(477,778,498)
8.	Miscellaneous Income:		
	8.1 Income from fees associated with investment management, administration and contract guarantees from Separate Accounts	94,485	100,891
	8.2 Charges and fees for deposit-type contracts		
	8.3 Aggregate write-ins for miscellaneous income	67,261,641	68,230,281
9.	Total (Lines 1 to 8.3)	3,703,547,616	3,505,010,944
10.	Death benefits	419,667,065	381,447,945
11.	Matured endowments (excluding guaranteed annual pure endowments)	601,681	826,912
12.	Annuity benefits (Exhibit 8, Part 2, Line 6.4, Cols. 4 + 8)	17,337,588	18,340,425
13.	Disability benefits and benefits under accident and health contracts	1,201,593,252	1,163,125,584
14.	Coupons, guaranteed annual pure endowments and similar benefits		
15.	Surrender benefits and withdrawals for life contracts	6,037,957	7,721,230
16.	Group conversions	90,304	(63,182)
17.	Interest and adjustments on contract or deposit-type contract funds	9,946,393	10,396,765
18.	Payments on supplementary contracts with life contingencies	768,726	793,931
19.	Increase in aggregate reserves for life and accident and health contracts	(27,439,647)	(98,576,073)
20.	Totals (Lines 10 to 19)	1,628,603,319	1,484,013,537
21.	Commissions on premiums, annuity considerations, and deposit-type contract funds (direct business only) (Exhibit 1, Part 2, Line 31, Col. 1)	340,764,172	314,837,517
22.	Commissions and expense allowances on reinsurance assumed (Exhibit 1, Part 2, Line 26.2, Col. 1)	17,835,575	18,351,776
23.	General insurance expenses (Exhibit 2, Line 10, Cols. 1, 2, 3 and 4)	662,610,103	664,049,467
24.	Insurance taxes, licenses and fees, excluding federal income taxes (Exhibit 3, Line 7, Cols. 1 + 2 + 3)	92,643,165	95,441,196
25.	Increase in loading on deferred and uncollected premiums	(49,099)	32,086
26.	Net transfers to or (from) Separate Accounts net of reinsurance	(972,094)	(972,897)
27.	Aggregate write-ins for deductions	627,209,925	618,083,326
28.	Totals (Lines 20 to 27)	3,368,645,066	3,193,836,007
29.	Net gain from operations before dividends to policyholders and federal income taxes (Line 9 minus Line 28)	334,902,549	311,174,937
30.	Dividends to policyholders	10,635,427	13,520,960
31.	Net gain from operations after dividends to policyholders and before federal income taxes (Line 29 minus Line 30)	324,267,122	297,653,977
32.	Federal and foreign income taxes incurred (excluding tax on capital gains)	99,039,859	69,985,340
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)	225,227,263	227,668,637
34.	Net realized capital gains (losses) (excluding gains (losses) transferred to the IMR) less capital gains tax of $ 18,014,932 (excluding taxes of $ 5,932,440 transferred to the IMR)	(22,374,950)	(28,630,746)
35.	Net income (Line 33 plus Line 34)	202,852,314	199,037,892
	CAPITAL AND SURPLUS ACCOUNT		
36.	Capital and surplus, December 31, prior year (Page 3, Line 38, Col. 2)	1,548,784,427	1,539,627,342
37.	Net income (Line 35)	202,852,314	199,037,892
38.	Change in net unrealized capital gains (losses) less capital gains tax of $ 786,993	1,048,937	(977,659)
39.	Change in net unrealized foreign exchange capital gain (loss)	4,802,784	(1,454,982)
40.	Change in net deferred income tax	32,130,131	133,946
41.	Change in nonadmitted assets	(14,039,293)	(8,373,837)
42.	Change in liability for reinsurance in unauthorized and certified companies	(6,687,192)	15,023,968
43.	Change in reserve on account of change in valuation basis, (increase) or decrease (Exh. 5A, Line 9999999, Col. 4)		
44.	Change in asset valuation reserve	8,886,078	1,940,106
45.	Change in treasury stock (Page 3, Lines 36.1 and 36.2, Col. 2 minus Col. 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	31,402,894	0
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	(11,161,580)	(10,972,626)
52.	Dividends to stockholders	(225,000,000)	(190,000,000)
53.	Aggregate write-ins for gains and losses in surplus	513,171	4,800,279
54.	Net change in capital and surplus for the year (Lines 37 through 53)	24,748,245	9,157,085
55.	Capital and surplus, December 31, current year (Lines 36 + 54) (Page 3, Line 38)	1,573,532,672	1,548,784,427
	DETAILS OF WRITE-INS		
08.301.	Income from assumed modco agreements	30,441,113	30,876,917
08.302.	Income from Family Medical Leave Act administration	21,482,919	19,169,222
08.303.	Miscellaneous income	8,980,991	8,503,041
08.398.	Summary of remaining write-ins for Line 8.3 from overflow page	6,356,618	9,681,102
08.399.	Totals (Lines 08.301 thru 08.303 plus 08.398)(Line 8.3 above)	67,261,641	68,230,281
2701.	Loss from ceded modco agreements	307,697,482	340,878,360
2702.	Income transfer under funds held reinsurance	310,744,868	287,774,576
2703.	Reserve adjustment on assumed modco agreements	11,828,121	(10,691,602)
2798.	Summary of remaining write-ins for Line 27 from overflow page	(3,060,546)	121,992
2799.	Totals (Lines 2701 thru 2703 plus 2798)(Line 27 above)	627,209,925	618,083,326
5301.	Change in admitted deferred tax asset - SSAP 10R	0	2,813,406
5302.	Change in liability for unauthorized reinsurance (P&C)	513,171	1,986,873
5303.			
5398.	Summary of remaining write-ins for Line 53 from overflow page		
5399.	Totals (Lines 5301 thru 5303 plus 5398)(Line 53 above)	513,171	4,800,279

CASH FLOW

		1 Current Year	2 Prior Year
	Cash from Operations		
1.	Premiums collected net of reinsurance	2,692,986,323	2,614,086,168
2.	Net investment income	1,044,972,141	1,028,759,346
3.	Miscellaneous income	292,775,979	283,649,954
4.	Total (Lines 1 through 3)	4,030,734,444	3,926,495,468
5.	Benefit and loss related payments	2,036,782,240	2,048,091,335
6.	Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts	(972,094)	(972,897)
7.	Commissions, expenses paid and aggregate write-ins for deductions	1,722,054,478	1,734,575,822
8.	Dividends paid to policyholders	12,835,427	13,820,960
9.	Federal and foreign income taxes paid (recovered) net of $ 19,614,513 tax on capital gains (losses)	126,531,779	68,485,716
10.	Total (Lines 5 through 9)	3,897,231,830	3,864,000,935
11.	Net cash from operations (Line 4 minus Line 10)	133,502,613	62,494,533
	Cash from Investments		
12.	Proceeds from investments sold, matured or repaid:		
	12.1 Bonds	1,366,638,778	1,286,788,423
	12.2 Stocks	14,241,977	0
	12.3 Mortgage loans	79,997,446	51,760,973
	12.4 Real estate	2,377	6,857,300
	12.5 Other invested assets	3,598,806	10,461,047
	12.6 Net gains or (losses) on cash, cash equivalents and short-term investments	47,717	(236,875)
	12.7 Miscellaneous proceeds	73,168	80,588
	12.8 Total investment proceeds (Lines 12.1 to 12.7)	1,464,600,269	1,355,711,456
13.	Cost of investments acquired (long-term only):		
	13.1 Bonds	1,669,231,742	1,528,481,024
	13.2 Stocks		
	13.3 Mortgage loans	121,578,344	101,450,000
	13.4 Real estate	1,839,737	297,808
	13.5 Other invested assets	141,551,811	44,092,563
	13.6 Miscellaneous applications	61,360,997	142,048,416
	13.7 Total investments acquired (Lines 13.1 to 13.6)	1,995,562,630	1,816,369,811
14.	Net increase (decrease) in contract loans and premium notes	(4,221,310)	(2,747,938)
15.	Net cash from investments (Line 12.8 minus Line 13.7 minus Line 14)	(526,741,051)	(457,910,417)
	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	22,480,989	(15,957,287)
	16.5 Dividends to stockholders	225,000,000	190,000,000
	16.6 Other cash provided (applied)	598,571,411	615,970,631
17.	Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6)	396,052,401	410,013,343
	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)	2,813,962	14,597,459
19.	Cash, cash equivalents and short-term investments:		
	19.1 Beginning of year	230,915,047	216,317,588
	19.2 End of year (Line 18 plus Line 19.1)	233,729,009	230,915,047

Note: Supplemental disclosures of cash flow information for non-cash transactions:

20.0001.	Bond principal accrured on Z-tranche CMO securities	12,745,415	17,258,643
20.0002.	Schedule D bonds exchanged	33,544,510	16,945,131
20.0003.	Schedule D investments in surplus notes transferred to Schedule BA	80,059,551	0
20.0004.	Schedule B mortgage loans exchanged	4,378,344	0
20.0005.	Bond principal received in the form of premium tax credits	2,380,923	3,443,520
20.0006.	Bond basis adjustment from derivative deferred gains	0	9,871,940

ANALYSIS OF OPERATIONS BY LINES OF BUSINESS

	1	2	Ordinary			6	Group		Accident and Health			12
			3	4	5		7	8	9	10	11	
	Total	Industrial Life	Life Insurance	Individual Annuities	Supplementary Contracts	Credit Life (Group and Individual)	Life Insurance (a)	Annuities	Group	Credit (Group and Individual)	Other	Aggregate of All Other Lines of Business
1. Premiums and annuity considerations for life and accident and health contracts	2,702,000,365		11,506,819				640,502,728		2,045,125,454		4,865,364	
2. Considerations for supplementary contracts with life contingencies	145,461				145,461							
3. Net investment income	1,092,563,655		16,685,046	25,571	20,686,299		90,456,381	10,812,483	630,119,941		321,690,024	2,087,910
4. Amortization of Interest Maintenance Reserve (IMR)	2,164,742		33,059	51	40,987		179,225	21,423	1,248,483		637,378	4,137
5. Separate Accounts net gain from operations excluding unrealized gains or losses												
6. Commissions and expense allowances on reinsurance ceded	234,952,402		207,464				66,607,382		81,154,804		86,982,752	
7. Reserve adjustments on reinsurance ceded	(395,635,136)								(418,495,196)		22,860,060	
8. Miscellaneous Income:												
8.1 Fees associated with income from investment management, administration and contract guarantees from Separate Accounts	94,485							94,485				
8.2 Charges and fees for deposit-type contracts												
8.3 Aggregate write-ins for miscellaneous income	67,261,641		(11,187)				1,900,061	4,499	34,391,317		30,592,303	384,648
9. Totals (Lines 1 to 8.3)	3,703,547,616		28,421,201	25,621	20,872,747		799,645,777	10,932,890	2,373,544,804		467,627,880	2,476,695
10. Death benefits	419,667,065		23,329,770				396,337,295					
11. Matured endowments (excluding guaranteed annual pure endowments)	601,681		601,681									
12. Annuity benefits	17,337,588							17,337,588				
13. Disability benefits and benefits under accident and health contracts	1,201,593,252		99,605				1,133,981		1,184,595,128		15,764,538	
14. Coupons, guaranteed annual pure endowments and similar benefits												
15. Surrender benefits and withdrawals for life contracts	6,037,957		5,603,603				434,354					
16. Group conversions	90,304		(10,427,288)				10,127,366		(4,674)		394,900	
17. Interest and adjustments on contract or deposit-type contract funds	9,946,393		2,522,894		4,766,059		1,160,562	972,094	519,988		4,796	
18. Payments on supplementary contracts with life contingencies	768,726				106,343		662,383					
19. Increase in aggregate reserves for life and accident and health contracts	(27,439,647)		(3,471,930)	(1,328)	2,324		41,394,944	(9,558,660)	(58,323,163)		2,518,166	
20. Totals (Lines 10 to 19)	1,628,603,319		18,258,334	(1,328)	4,874,726		451,250,885	8,751,022	1,126,787,280		18,682,400	
21. Commissions on premiums, annuity considerations and deposit-type contract funds (direct business only)	340,764,172		833,363				89,301,660		226,459,780		24,169,368	
22. Commissions and expense allowances on reinsurance assumed	17,835,575						35,520		2,661,926		15,138,129	
23. General insurance expenses	662,610,103		31,839		88,523		142,842,761	85,673	488,694,766		30,866,541	
24. Insurance taxes, licenses and fees, excluding federal income taxes	92,643,165		241,785				27,068,649	6,452	61,345,788		3,980,491	
25. Increase in loading on deferred and uncollected premiums	(49,099)		(49,099)									
26. Net transfers to or (from) Separate Accounts net of reinsurance	(972,094)							(972,094)				
27. Aggregate write-ins for deductions	627,209,925		79	1			7,103	14	331,918,050		298,370,222	(3,085,544)
28. Totals (Lines 20 to 27)	3,368,645,066		19,316,302	(1,327)	4,963,249		710,506,579	7,871,068	2,237,867,590		391,207,151	(3,085,544)
29. Net gain from operations before dividends to policyholders and federal income taxes (Line 9 minus Line 28)	334,902,549		9,104,899	26,948	15,909,499		89,139,198	3,061,823	135,677,214		76,420,730	5,562,239
30. Dividends to policyholders	10,635,427		10,635,427									
31. Net gain from operations after dividends to policyholders and before federal income taxes (Line 29 minus Line 30)	324,267,122		(1,530,528)	26,948	15,909,499		89,139,198	3,061,823	135,677,214		76,420,730	5,562,239
32. Federal income taxes incurred (excluding tax on capital gains)	99,039,859		(1,998,988)	15,523	5,220,332		29,893,050	418,133	35,359,019		29,426,344	706,446
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)	225,227,263		468,460	11,425	10,689,167		59,246,148	2,643,690	100,318,195		46,994,386	4,855,793
DETAILS OF WRITE-INS												
08.301. Income from assumed modco agreements	30,441,113										30,441,113	
08.302. Income from Family Medical Leave Act administration	21,482,919								21,482,919			
08.303. Miscellaneous income (loss)	8,980,991		(11,187)				1,900,061	4,499	6,936,428		151,189	
08.398. Summary of remaining write-ins for Line 8.3 from overflow page	6,356,618								5,971,970			384,648
08.399. Totals (Lines 08.301 thru 08.303 plus 08.398) (Line 8.3 above)	67,261,641		(11,187)				1,900,061	4,499	34,391,317		30,592,303	384,648
2701. Loss from ceded modco agreements	307,697,482								177,383,284		130,314,198	
2702. Income transfer under funds held reinsurance	310,744,868								154,506,309		156,238,559	
2703. Reserve adjustment on assumed modco agreements	11,828,121								13,426		11,814,695	
2798. Summary of remaining write-ins for Line 27 from overflow page	(3,060,546)		79	1			7,103	14	15,031		2,770	(3,085,544)
2799. Totals (Lines 2701 thru 2703 plus 2798) (Line 27 above)	627,209,925		79	1			7,103	14	331,918,050		298,370,222	(3,085,544)

(a) Includes the following amounts for FEGLI/SGLI: Line 1 0 , Line 10 0 , Line 16 0 , Line 23 0 , Line 24 0

ANALYSIS OF INCREASE IN RESERVES DURING THE YEAR

	1	2	Ordinary			6	Group	
			3	4	5		7	8
	Total	Industrial Life	Life Insurance	Individual Annuities	Supplementary Contracts	Credit Life (Group and Individual)	Life Insurance	Annuities
Involving Life or Disability Contingencies (Reserves)								
(Net of Reinsurance Ceded)								
1. Reserve December 31, prior year	969,078,624		238,940,589	35,036	466,770		610,867,810	118,768,419
2. Tabular net premiums or considerations	13,628,185		13,490,914				137,271	
3. Present value of disability claims incurred	174,321,521				XXX		174,321,521	
4. Tabular interest	43,029,402		6,527,137	1,093	35,095		28,772,246	7,693,831
5. Tabular less actual reserve released	(158,813,586)		(135,447)		73,572		(159,042,901)	291,190
6. Increase in reserve on account of change in valuation basis								
7. Other increases (net)	(747,674)		(1,728,058)				980,384	
8. Totals (Lines 1 to 7)	1,040,496,472		257,095,135	36,129	575,437		656,036,331	126,753,440
9. Tabular cost	8,400,766		7,193,000		XXX		1,207,766	
10. Reserves released by death	6,423,058		6,303,465	XXX	XXX		119,593	XXX
11. Reserves released by other terminations (net)	8,888,776		8,030,407	2,421			649,855	206,093
12. Annuity, supplementary contract and disability payments involving life contingencies	19,339,900		99,605		106,343		1,796,364	17,337,588
13. Net transfers to or (from) Separate Accounts								
14. Total Deductions (Lines 9 to 13)	43,052,500		21,626,477	2,421	106,343		3,773,578	17,543,681
15. Reserve December 31, current year	997,443,972		235,468,658	33,708	469,094		652,262,753	109,209,759

EXHIBIT OF NET INVESTMENT INCOME

		1 Collected During Year	2 Earned During Year
1.	U.S. Government bonds	(a) 29,735,113	29,149,310
1.1	Bonds exempt from U.S. tax	(a)	
1.2	Other bonds (unaffiliated)	(a) 1,028,298,572	1,032,878,127
1.3	Bonds of affiliates	(a)	
2.1	Preferred stocks (unaffiliated)	(b) 694,500	536,766
2.11	Preferred stocks of affiliates	(b)	
2.2	Common stocks (unaffiliated)		
2.21	Common stocks of affiliates	6,800,000	6,800,000
3.	Mortgage loans	(c) 54,735,786	54,999,996
4.	Real estate	(d) 19,084,039	19,084,039
5	Contract loans	2,949,002	3,097,483
6	Cash, cash equivalents and short-term investments	(e) 1,375,758	1,375,917
7	Derivative instruments	(f) (1,153,139)	(1,145,128)
8.	Other invested assets	(4,980,108)	(4,345,912)
9.	Aggregate write-ins for investment income	4,155,005	4,127,016
10.	Total gross investment income	1,141,694,528	1,146,557,614
11.	Investment expenses		(g) 45,940,351
12.	Investment taxes, licenses and fees, excluding federal income taxes		(g) 3,746,457
13.	Interest expense		(h) 9,934
14.	Depreciation on real estate and other invested assets		(i) 4,199,713
15.	Aggregate write-ins for deductions from investment income		97,504
16.	Total deductions (Lines 11 through 15)		53,993,959
17.	Net investment income (Line 10 minus Line 16)		1,092,563,655
	DETAILS OF WRITE-INS		
0901.	Bond Consent Fees	3,603,109	3,603,109
0902.	Miscellaneous	60,100	60,100
0903.	Securities Lending	485,708	457,719
0998.	Summary of remaining write-ins for Line 9 from overflow page	6,088	6,088
0999.	Totals (Lines 0901 thru 0903 plus 0998) (Line 9, above)	4,155,005	4,127,016
1501.	Interest Expense on Securities Lending		97,504
1502.			
1503.			
1598.	Summary of remaining write-ins for Line 15 from overflow page		
1599.	Totals (Lines 1501 thru 1503 plus 1598) (Line 15, above)		97,504

(a) Includes $ 73,835,210 accrual of discount less $ 13,247,581 amortization of premium and less $ 5,729,128 paid for accrued interest on purchases.

(b) Includes $ accrual of discount less $ amortization of premium and less $ paid for accrued dividends on purchases.

(c) Includes $ accrual of discount less $ amortization of premium and less $ paid for accrued interest on purchases.

(d) Includes $ 14,235,468 for company's occupancy of its own buildings; and excludes $ 0 interest on encumbrances.

(e) Includes $ accrual of discount less $ amortization of premium and less $ paid for accrued interest on purchases.

(f) Includes $ accrual of discount less $ amortization of premium.

(g) Includes $ investment expenses and $ investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.

(h) Includes $ interest on surplus notes and $ interest on capital notes.

(i) Includes $ 4,199,713 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					
1.1	Bonds exempt from U.S. tax					
1.2	Other bonds (unaffiliated)	14,726,949		14,726,949		8,518,383
1.3	Bonds of affiliates					
2.1	Preferred stocks (unaffiliated)	(958,023)		(958,023)		
2.11	Preferred stocks of affiliates					
2.2	Common stocks (unaffiliated)				40,619	
2.21	Common stocks of affiliates				(412,621)	
3.	Mortgage loans	(1,300,000)		(1,300,000)		
4.	Real estate					
5.	Contract loans					
6.	Cash, cash equivalents and short-term investments		47,717	47,717		(32,261)
7.	Derivative instruments					(6,753,199)
8.	Other invested assets				2,207,932	
9.	Aggregate write-ins for capital gains (losses)		73,168	73,168		3,069,861
10.	Total capital gains (losses)	12,468,926	120,885	12,589,811	1,835,930	4,802,784
	DETAILS OF WRITE-INS					
0901.	Proceeds from Securities Litigation		67,478	67,478		
0902.	Reorganization Distribution		5,690	5,690		
0903.	Reinsurance - Non-Affiliates					(14,262)
0998.	Summary of remaining write-ins for Line 9 from overflow page					3,084,123
0999.	Totals (Lines 0901 thru 0903 plus 0998) (Line 9, above)		73,168	73,168		3,069,861

EXHIBIT - 1 PART 1 - PREMIUMS AND ANNUITY CONSIDERATIONS FOR LIFE AND ACCIDENT AND HEALTH 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	12,650		12,650								
2. Deferred and accrued	150,801		150,801								
3. Deferred , accrued and uncollected:											
3.1 Direct	163,452		163,452								
3.2 Reinsurance assumed											
3.3 Reinsurance ceded											
3.4 Net (Line 1 + Line 2)	163,452		163,452								
4. Advance	4,301		4,301								
5. Line 3.4 - Line 4	159,151		159,151								
6. Collected during year:											
6.1 Direct	1,056,586		1,056,586								
6.2 Reinsurance assumed											
6.3 Reinsurance ceded											
6.4 Net	1,056,586		1,056,586								
7. Line 5 + Line 6.4	1,215,737		1,215,737								
8. Prior year (uncollected + deferred and accrued - advance)	200,095		200,095								
9. First year premiums and considerations:											
9.1 Direct	1,015,642		1,015,642								
9.2 Reinsurance assumed											
9.3 Reinsurance ceded											
9.4 Net (Line 7 - Line 8)	1,015,642		1,015,642								
SINGLE											
10. Single premiums and considerations:											
10.1 Direct	7,047,463		7,047,463								
10.2 Reinsurance assumed											
10.3 Reinsurance ceded											
10.4 Net	7,047,463		7,047,463								
RENEWAL											
11. Uncollected	154,634,688		159,335	1,777		54,814,407		97,015,597		2,643,572	
12. Deferred and accrued	14,718,851		589,931	730		1,195,506		14,770,512		(1,996,082)	158,254
13. Deferred, accrued and uncollected:											
13.1 Direct	166,793,237		2,595,385	2,507		54,818,208		102,289,548		7,087,589	
13.2 Reinsurance assumed	19,827,752							16,008,124		1,842,181	1,977,448
13.3 Reinsurance ceded	17,267,450		1,846,120			(1,191,706)		6,511,563		8,282,279	1,819,194
13.4 Net (Line 11 + Line 12)	169,353,539		749,266	2,507		56,009,914		111,786,109		647,490	158,254
14. Advance	36,216,713		51,934			12,013,330		19,832,033		4,319,416	
15. Line 13.4 - Line 14	133,136,826		697,332	2,507		43,996,584		91,954,076		(3,671,926)	158,254
16. Collected during year:											
16.1 Direct	3,829,834,118		13,403,631	187,346		1,108,147,324		2,340,266,146		367,829,671	
16.2 Reinsurance assumed	84,734,264					192		25,283,197		57,047,253	2,403,622
16.3 Reinsurance ceded	1,229,831,569		10,076,512	187,346		472,909,165		324,030,019		420,224,906	2,403,622
16.4 Net	2,684,736,813		3,327,119			635,238,351		2,041,519,325		4,652,019	
17. Line 15 + Line 16.4	2,817,873,640		4,024,451	2,507		679,234,935		2,133,473,400		980,093	158,254
18. Prior year (uncollected + deferred and accrued - advance)	123,365,022		580,737	2,507		38,732,206		88,347,946		(3,885,271)	(413,103)
19. Renewal premiums and considerations:											
19.1 Direct	3,833,841,393		13,535,066	187,346		1,113,395,418		2,339,322,310		367,401,253	
19.2 Reinsurance assumed	85,678,603					192		25,535,981		57,817,217	2,325,213
19.3 Reinsurance ceded	1,225,011,378		10,091,352	187,346		472,892,882		319,732,837		420,353,105	1,753,856
19.4 Net (Line 17 - Line 18)	2,694,508,617		3,443,714			640,502,728		2,045,125,454		4,865,364	571,357
TOTAL											
20. Total premiums and annuity considerations:											
20.1 Direct	3,841,904,497		21,598,171	187,346		1,113,395,418		2,339,322,310		367,401,253	
20.2 Reinsurance assumed	85,678,603					192		25,535,981		57,817,217	2,325,213
20.3 Reinsurance ceded	1,225,011,378		10,091,352	187,346		472,892,882		319,732,837		420,353,105	1,753,856
20.4 Net (Lines 9.4 + 10.4 + 19.4)	2,702,571,722		11,506,819			640,502,728		2,045,125,454		4,865,364	571,357

Prior year balance in line 18, columns 1 and 8 increased $1,381 due to foreign currency translation.

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	1,709,884		1,709,884								
22. All other	6,460,265		6,460,265								
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	234,952,402		207,464			66,607,382		81,154,804		86,982,752	
25.2 Reinsurance assumed	17,835,575					35,520		2,661,926		15,138,129	
25.3 Net ceded less assumed	217,116,827		207,464			66,571,862		78,492,878		71,844,623	
26. Totals:											
26.1 Reinsurance ceded (Page 6, Line 6)	234,952,402		207,464			66,607,382		81,154,804		86,982,752	
26.2 Reinsurance assumed (Page 6, Line 22)	17,835,575					35,520		2,661,926		15,138,129	
26.3 Net ceded less assumed	217,116,827		207,464			66,571,862		78,492,878		71,844,623	
COMMISSIONS INCURRED (direct business only)											
27. First year (other than single)	6,434		6,434								
28. Single	726,234		726,234								
29. Renewal	340,031,505		100,696			89,301,660		226,459,780		24,169,368	
30. Deposit-type contract funds											
31. Totals (to agree with Page 6, Line 21)	340,764,172		833,363			89,301,660		226,459,780		24,169,368	

EXHIBIT 2 - GENERAL EXPENSES

	Insurance				5	6
	1	Accident and Health		4		
		2	3	All Other Lines of		
	Life	Cost Containment	All Other	Business	Investment	Total
1. Rent	8,055,972		32,313,063		990,672	41,359,707
2. Salaries and wages	86,419,995	51,348,812	295,287,767		25,319,363	458,375,937
3.11 Contributions for benefit plans for employees	16,481,632	8,421,247	57,687,717		3,101,113	85,691,708
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	188,553	2,977	753,323		26,547	971,400
3.32 Other agent welfare						
4.1 Legal fees and expenses	661,749	56,544	751,721		701,079	2,171,094
4.2 Medical examination fees	211,416		848,002			1,059,418
4.3 Inspection report fees	21		85			107
4.4 Fees of public accountants and consulting actuaries	1,033,471		4,145,323		285,387	5,464,181
4.5 Expense of investigation and settlement of policy claims	2,288,947	13,648,508				15,937,455
5.1 Traveling expenses	2,783,433	270,011	10,894,532		722,626	14,670,601
5.2 Advertising	552,495	2,405	2,213,692		16,176	2,784,769
5.3 Postage, express, telegraph and telephone	2,399,689	164,305	9,461,015		208,596	12,233,606
5.4 Printing and stationery	951,842	3,976	3,813,926		58,323	4,828,067
5.5 Cost or depreciation of furniture and equipment	1,365,264		5,476,169		307,405	7,148,837
5.6 Rental of equipment	1,981,476		7,947,835		334,192	10,263,503
5.7 Cost or depreciation of EDP equipment and software	4,368,103		17,520,762		733,591	22,622,456
6.1 Books and periodicals	203,677	18,485	798,478		2,660,214	3,680,853
6.2 Bureau and association fees	278,115	74,271	1,041,266		159,818	1,553,469
6.3 Insurance, except on real estate	942,599		3,780,830		146,684	4,870,113
6.4 Miscellaneous losses	190,806	92	765,244		18,613	974,756
6.5 Collection and bank service charges	1,067,579		4,282,134		763,634	6,113,346
6.6 Sundry general expenses	1,469,029	87,335	5,805,043		228,577	7,589,983
6.7 Group service and administration fees	32,439		610,115			642,554
6.8 Reimbursements by uninsured plans			(57,335,985)			(57,335,985)
7.1 Agency expense allowance						
7.2 Agents' balances charged off (less $ ...... recovered)	8,536		22,248			30,784
7.3 Agency conferences other than local meetings	122,506		491,381		242,200	856,088
9.1 Real estate expenses					4,536,850	4,536,850
9.2 Investment expenses not included elsewhere						
9.3 Aggregate write-ins for expenses	8,989,453	5,263,997	30,822,656		4,378,692	49,454,797
10. General expenses incurred	143,048,797	79,362,966	440,198,340		45,940,351	(a) 708,550,454
11. General expenses unpaid December 31, prior year	36,585		129,744			166,329
12. General expenses unpaid December 31, current year	603		2,191			2,794
13. Amounts receivable relating to uninsured plans, prior year			6,521,152			6,521,152
14. Amounts receivable relating to uninsured plans, current year			8,473,027			8,473,027
15. General expenses paid during year (Lines 10+11-12-13+14)	143,084,778	79,362,966	442,277,769		45,940,351	710,665,864
DETAILS OF WRITE-INS						
09.301. Repairs and maintenance	3,914,940		15,703,096		2,977,394	22,595,431
09.302. Fees for outsourcing services	5,074,513	5,263,997	15,119,560		1,401,297	26,859,367
09.303.						
09.398. Summary of remaining write-ins for Line 9.3 from overflow page						
09.399. Totals (Lines 09.301 thru 09.303 plus 09.398) (Line 9.3 above)	8,989,453	5,263,997	30,822,656		4,378,692	49,454,797

(a) Includes management fees of $ 709,816,726 to affiliates and $ 315 to non-affiliates.

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

	Insurance			4	5
	1	2	3		
	Life	Accident and Health	All Other Lines of Business	Investment	Total
1. Real estate taxes				2,648,482	2,648,482
2. State insurance department licenses and fees	1,347,429	4,023,152			5,370,581
3. State taxes on premiums	18,943,712	34,698,070			53,641,782
4. Other state taxes, including $ ...... for employee benefits	142,813	690,627			833,440
5. U.S. Social Security taxes	5,805,675	23,341,022		1,097,975	30,244,672
6. All other taxes	1,077,257	2,573,408			3,650,665
7. Taxes, licenses and fees incurred	27,316,887	65,326,279		3,746,457	96,389,623
8. Taxes, licenses and fees unpaid December 31, prior year	2,103,823	5,317,045			7,420,868
9. Taxes, licenses and fees unpaid December 31, current year	2,863,787	6,930,680			9,794,468
10. Taxes, licenses and fees paid during year (Lines 7 + 8 - 9)	26,556,923	63,712,643		3,746,457	94,016,023

EXHIBIT 4 - DIVIDENDS OR REFUNDS

	1	2
	Life	Accident and Health
1. Applied to pay renewal premiums	1,709,884	
2. Applied to shorten the endowment or premium-paying period		
3. Applied to provide paid-up additions	6,460,265	
4. Applied to provide paid-up annuities		
5. Total Lines 1 through 4	8,170,149	
6. Paid in cash	2,844,753	
7. Left on deposit	1,820,524	
8. Aggregate write-ins for dividend or refund options		
9. Total Lines 5 through 8	12,835,426	
10. Amount due and unpaid		
11. Provision for dividends or refunds payable in the following calendar year	11,580,000	
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	11,580,000	
16. Total from prior year	13,780,000	
17. Total dividends or refunds (Lines 9 + 15 - 16)	10,635,426	
DETAILS OF WRITE-INS		
0801.		
0802.		
0803.		
0898. Summary of remaining write-ins for Line 8 from overflow page		
0899. Totals (Lines 0801 thru 0803 plus 0898) (Line 8 above)		

EXHIBIT 5 - AGGREGATE RESERVE FOR LIFE CONTRACTS

1 Valuation Standard	2 Total	3 Industrial	4 Ordinary	5 Credit (Group and Individual)	6 Group
LIFE INSURANCE:					
0100001. AE 3% NLP ANB 24-97	3,283,156		3,283,156		
0100002. AE 3-1/2% NLP ANB 30-41	125,637		125,637		
0100003. 1941 CSO 2-1/2% NLP 48-77	41,201,389		41,201,389		
0100004. 1958 CET 2-1/2% NLP 64-79	15,772		15,772		
0100005. 1958 CET 3% NLP ANB 67-68	391		391		
0100006. 1958 CET 3-1/2% NLP ALB 70-89	337,507		337,507		
0100007. 1958 CET 3-1/2% NLP ANB 75-88	6,068		6,068		
0100008. 1958 CET 4% NLP ANB 76-88	137,994		137,994		
0100009. 1958 CSO 2-1/2% NLP 56-85	127,874,307		127,874,307		
0100010. 1958 CSO 3% CRVM ANB 66-89	148,438		148,438		
0100011. 1958 CSO 3% NLP ALB 69-88	109,495		109,495		
0100012. 1958 CSO 3% NLP ANB 67-88	15,352		15,352		
0100013. 1958 CSO 3-1/2% CRVM ALB 72-88	1,755,444		1,755,444		
0100014. 1958 CSO 3-1/2% CRVM ANB 74-91	221,268		221,268		
0100015. 1958 CSO 3-1/2% NL ALB 70-89	7,416,367		7,416,367		
0100016. 1958 CSO 3-1/2% NLP ANB 74-95	1,732,257		1,732,257		
0100017. 1958 CSO 3-1/2%/20/2-1/2% NLP 68-81	27,091,423		27,091,423		
0100018. 1958 CSO 4% CRVM ALB 77	3,540,727				3,540,727
0100019. 1958 CSO 4% CRVM ANB 76-88	450,413		450,413		
0100020. 1958 CSO 4% NLP 71-83	2,783		2,783		
0100021. 1958 CSO 4% NLP ANB 76-88	6,171		6,171		
0100022. 1958 CSO 4-1/2% CRVM ALB 79-91	79,884,916		79,884,916		
0100023. 1958 CSO 4-1/2% CRVM ANB	810		810		
0100024. 1958 CSO 4-1/2% NLP ANB 83-88	62		62		
0100025. 1958 CSO 4-1/2%/20/3 1/2% NLP 81-82	233,559		233,559		
0100026. 1960 CSG 5% CRVM ALB	808,156				808,156
0100027. 1980 CET 4% NL ALB 88-05	10,739,037		83,920		10,655,117
0100028. 1980 CET 4-1/2% NLP ALB 79-05	516,860		516,860		
0100029. 1980 CET 4-1/2% NLP ANB 95-96	49,247		49,247		
0100030. 1980 CET 5% NLP ANB 93-94	19,169		19,169		
0100031. 1980 CET 5-1/2% NLP ANB 89-92	41,754		41,754		
0100032. 1980 CSO 3% CRVM ALB 62-90	533,564				533,564
0100033. 1980 CSO 6% CRVM ALB 85-86	67,485		67,485		
0100034. 1980 CSO 5-1/2% CRVM ALB 87-92	1,202,631		1,202,631		
0100035. 1980 CSO 5-1/2% CRVM ANB 87-92	2,496,607		2,496,607		
0100036. 1980 CSO 5-1/2% NLP ALB 89-92	60,499		60,499		
0100037. 1980 CSO 5-1/2% NLP ANB 89-91	56,728		56,728		
0100038. 1980 CSO 4-1/2% CRVM ALB 87-2002	35,803,904		34,226,819		1,577,086
0100039. 1980 CSO 4-1/2% CRVM ANB 89-96	2,044,296		2,044,296		
0100040. 1980 CSO 4-1/2% NLP ALB 86-02	390,733		390,733		
0100041. 1980 CSO 4-1/2% NLP ANB 95-96	20,434		20,434		
0100042. 1980 CSO 5% CRVM ALB 91-02	1,994,245		423,909		1,570,336
0100043. 1980 CSO 5% CRVM ANB 93-94	2,268,688		2,268,688		
0100044. 1980 CSO 5% NLP ALB 93-94	7,305		7,305		
0100045. 1980 CSO 5% NLP ANB 93	29,690		29,690		
0100046. 1980 CSO 4% CRVM ALB 98-NB	3,845,432		3,845,432		
0100047. 2001 CSO 4% CRVM ALB 08-NB	1,767,661		1,767,661		
0100048. 2001 CSO 4% NLP ALB 08-NB	11,270		11,270		
0100049. Excess Mortality Reserve	11,686,297		11,686,297		
0100050. Unearned Premium	6,443,225		24,811		6,418,414
0100051. Unearned Premium MAT	7,641				7,641
0100052. Substandard Extra Reserve	2,904		2,904		
0199997. Totals (Gross)	378,507,167		353,396,127		25,111,040
0199998. Reinsurance ceded	118,736,925		118,729,284		7,641
0199999. Life Insurance: Totals (Net)	259,770,243		234,666,843		25,103,399
ANNUITIES (excluding supplementary contracts with life contingencies):					
0200001. FPDA 3.50%	345,521	XXX	345,521	XXX	
0200002. FPDA 4.00%	9,139,875	XXX	9,139,875	XXX	
0200003. FPDA 4.50%	887,391	XXX	887,391	XXX	
0200004. FPDA 5.25%	3,622	XXX	3,622	XXX	
0200005. SPDA 3.50%	12,294,007	XXX	12,294,007	XXX	
0200006. SPDA 4.00%	351,229	XXX	351,229	XXX	
0200007. 1971 IAM 6.00%	2,993	XXX	2,993	XXX	
0200008. 1971 IAM 6.50%	107,612	XXX	107,612	XXX	
0200009. 1971 IAM 7.00%	31,847	XXX	31,847	XXX	
0200010. 1971 IAM 7.25%	43,910	XXX	43,910	XXX	
0200011. 1971 IAM 7.50%	12,410	XXX	12,410	XXX	
0200012. 1971 IAM 7.75%	120,594	XXX	120,594	XXX	
0200013. 1971 IAM 8.25%	49,043	XXX	49,043	XXX	
0200014. 1983 -a 11.00%	22,317	XXX	22,317	XXX	
0200015. 1983 -a 11.25%	9,792	XXX	9,792	XXX	
0200016. 1983 -a 6.63%	165,546	XXX	165,546	XXX	
0200017. 1983 -a 6.25%	32,587	XXX	32,587	XXX	
0200018. 1983 -a 8.25%	162,951	XXX	162,951	XXX	
0200019. 1983 -a 8.75%	10,497	XXX	10,497	XXX	
0200020. 1983 -a 9.25%	10,185	XXX	10,185	XXX	
0200021. a-2000 7.00%	18,542	XXX	18,542	XXX	
0200022. 1951 GAM 3.50%; Imm	694,177	XXX	1,121	XXX	693,056
0200023. 1971 GAM 6.65%; Imm & Def	11,497,431	XXX		XXX	11,497,431
0200024. 1971 GAM 6.90%; Imm & Def	1,063,402	XXX		XXX	1,063,402
0200025. 1971 GAM 8.90%; Imm & Def	5,834,791	XXX		XXX	5,834,791
0200026. 1971 GAM 9.90%; Imm	2,663,952	XXX		XXX	2,663,952
0200027. 1971 GAM 10.40%; Imm	4,531,243	XXX		XXX	4,531,243
0200028. 1983 GAM 4.90%; Imm & Def	121,660	XXX		XXX	121,660
0200029. 1983 GAM 5.15%; Imm & Def	1,006,536	XXX		XXX	1,006,536
0200030. 1983 GAM 5.40%; Imm & Def	991,095	XXX		XXX	991,095
0200031. 1983 GAM 5.65%; Imm & Def	7,368,339	XXX		XXX	7,368,339
0200032. 1983 GAM 5.90%; Imm & Def	7,177,191	XXX		XXX	7,177,191
0200033. 1983 GAM 6.15%; Def	7,031,407	XXX		XXX	7,031,407
0200034. 1983 GAM 6.40%; Imm & Def	13,520,110	XXX		XXX	13,520,110

EXHIBIT 5 - AGGREGATE RESERVE FOR LIFE CONTRACTS

1 Valuation Standard	2 Total	3 Industrial	4 Ordinary	5 Credit (Group and Individual)	6 Group
0200035. 1983 GAM 6.65%; Imm & Def	3,553,085	XXX		XXX	3,553,085
0200036. 1983 GAM 6.90%; Imm	8,454,875	XXX		XXX	8,454,875
0200037. 1983 GAM 7.15%; Imm	4,613,210	XXX		XXX	4,613,210
0200038. 1983 GAM 7.40%; Imm	10,509,870	XXX		XXX	10,509,870
0200039. 1983 GAM 7.65%; Imm	404,613	XXX		XXX	404,613
0200040. 1983 GAM 7.90%; Imm	7,096,055	XXX		XXX	7,096,055
0200041. 1983 GAM 8.40%; Imm	2,885,847	XXX		XXX	2,885,847
0200042. 1983 GAM 8.65%; Imm & Def	3,856,437	XXX		XXX	3,856,437
0200043. 1983 GAM 9.65%; Imm	1,040,904	XXX		XXX	1,040,904
0200044. 1983 GAM 10.15%; Imm	3,294,650	XXX		XXX	3,294,650
0299997. Totals (Gross)	133,033,348	XXX	23,823,589	XXX	109,209,759
0299998. Reinsurance ceded	23,789,881	XXX	23,789,881	XXX	
0299999. Annuities: Totals (Net)	109,243,467	XXX	33,708	XXX	109,209,759
SUPPLEMENTARY CONTRACTS WITH LIFE CONTINGENCIES:					
0300001. 1937 SA 6.00%	531		531		
0300002. a- 1949 6.00%	26,869		26,869		
0300003. 71 IAM 6.00%	194,265		194,265		
0300004. 71 IAM 6.50%	55,911		55,911		
0300005. 71 IAM 6.63%	10,692		10,692		
0300006. 71 IAM 6.99%	7,829		7,829		
0300007. 71 IAM 7.50%	7,570		7,570		
0300008. 71 IAM 8.00%	3,208		3,208		
0300009. 71 IAM 8.25%	31,673		31,673		
0300010. 71 IAM 8.75%	24,703		24,703		
0300011. 71 IAM 9.25%	5,664		5,664		
0300012. 71 IAM 10.00%	476		476		
0300013. 71 IAM 11.00%	69,881		69,881		
0300014. 83a 11.25%	812		812		
0300015. 83a 11.00%	26,631		26,631		
0300016. 83a 9.25%	17,271		17,271		
0300017. 83a 8.75%	32,562		32,562		
0300018. 83a 8.25%	88,908		88,908		
0300019. 83a 8.00%	647		647		
0300020. 83a 7.75%	40,994		40,994		
0300021. 83a 7.25%	49,932		49,932		
0300022. 83a 7.00%	26,652		26,652		
0300023. 83a 6.75%	28,260		28,260		
0300024. 83a 6.25%	260,875		260,875		
0300025. 2000a 4.25%	127,022		127,022		
0300026. 2000a 5.25%	121,776		121,776		
0300027. 2000a 5.50%	450,490		450,490		
0300028. 2000a 6.00%	172,311		172,311		
0300029. 2000a 6.50%	163,609		163,609		
0300030. 2000a 6.75%	28,770		28,770		
0300031. 2000a 7.00%	236,964		236,964		
0300032. 51 GAM 3.50%	499,613				499,613
0300033. 83 GAM 6.00%	2,142,637				2,142,637
0399997. Totals (Gross)	4,956,008		2,313,758		2,642,250
0399998. Reinsurance ceded	1,844,665		1,844,665		
0399999. SCWLC: Totals (Net)	3,111,343		469,093		2,642,250
ACCIDENTAL DEATH BENEFITS:					
0400001. 1959 ADB TABLE 3% WITH 1958 CSO	6,564		6,564		
0400002. 1959 ADB TABLE 4-1/2% WITH 1958 CSO	201		201		
0400003. INTERCO DISABILITY 2-1/2%	9,787		9,787		
0400004. 52 INTERCO DISABILITY 2-1/2%	42,390		42,390		
0499997. Totals (Gross)	58,942		58,942		
0499998. Reinsurance ceded	6,765		6,765		
0499999. Accidental Death Benefits: Totals (Net)	52,177		52,177		
DISABILITY-ACTIVE LIVES:					
0500001. 26 CLASS (3) 2 1/2 % 48-54	54		54		
0500002. 52 INTERCO DISA 41 CSO 2 1/2% 55-64	2,180		2,180		
0500003. 52 INTERCO DISA 58 CSO 2 1/2% 64-80	80,227		80,227		
0500004. 52 INTERCO DI PERIOD 2 BEN 5 1958 CSO 3-1/2%	4,474		4,474		
0500005. 52 INTERCO DI PERIOD 2 BEN 5 1980 CSO 3-1/2%	485		485		
0500006. 1952 DISABILITY STUDY - PERIOD 2, BENEFIT 5 - 3%	7,635		7,635		
0500007. 1952 DISABILITY STUDY 3% WITH 1958 CSO	4,260		4,260		
0599997. Totals (Gross)	99,315		99,315		
0599998. Reinsurance ceded	12,524		12,524		
0599999. Disability-Active Lives: Totals (Net)	86,791		86,791		
DISABILITY-DISABLED LIVES:					
0600001. 52 INTERCO DISABILITY 3 1/2%	500,724		500,724		
0600002. 52 INTERCO DISABILITY 3 %	47,139		47,139		
0600003. 52 INTERCO DISABILITY - 58 CSO 3%	1,830,682		1,830,682		
0600004. 2005 GTLW 4.0% MODIFIED FOR CO EXPERIENCE	471,091,440				471,091,440
0600005. 2005 GTLW 4.5% MODIFIED FOR CO EXPERIENCE	153,533,761		108,096		153,425,665
0699997. Totals (Gross)	627,003,745		2,486,641		624,517,104
0699998. Reinsurance ceded	1,877,821		1,877,821		
0699999. Disability-Disabled Lives: Totals (Net)	625,125,924		608,820		624,517,104
MISCELLANEOUS RESERVES:					
0700001. For excess of valuation net premiums over corresponding gross premiums on respective policies, computed according to the standard of valuation required by this state.	604,256		604,256		
0700002. For non-deduction of deferred fractional premiums or return of premiums at the death of the insured.	248,411		248,411		
0799997. Totals (Gross)	852,667		852,667		

EXHIBIT 5 - AGGREGATE RESERVE FOR LIFE CONTRACTS

1 Valuation Standard	2 Total	3 Industrial	4 Ordinary	5 Credit (Group and Individual)	6 Group
0799998. Reinsurance ceded	798,638		798,638		
0799999. Miscellaneous Reserves: Totals (Net)	54,029		54,029		
9999999. Totals (Net) - Page 3, Line 1	997,443,974		235,971,461		761,472,513

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 [ ] No [X]

2.2 If not, state which kind is issued.

Non-participating

3. Does the reporting entity at present issue or have in force contracts that contain non-guaranteed elements? Yes [X] No [ ]

If so, attach a statement that contains the determination procedures, answers to the interrogatories and an actuarial opinion as described in the instructions.

4. Has the reporting entity any assessment or stipulated premium contracts in force? Yes [ ] No [X]

If so, state:

4.1 Amount of insurance? $

4.2 Amount of reserve? $

4.3 Basis of reserve:

4.4 Basis of regular assessments:

4.5 Basis of special assessments:

4.6 Assessments collected during the year $

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: $

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.

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 $

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: $

7.4 Identify where the reserves are reported in the blank:

8. Does the reporting entity have any Contingent Deferred Annuity contracts or agreements in effect as of December 31 of the current year? Yes [ ] No [X]

8.1 If yes, state the total dollar amount of account value covered by these contracts or agreements: $

8.2 State the amount of reserves established for this business: $

8.3 Identify where the reserves are reported in the blank:

9. Does the reporting entity have any Guaranteed Lifetime Income Benefit contracts, agreements or riders in effect as of December 31 of the current year? Yes [ ] No [X]

9.1 If yes, state the total dollar amount of any account value associated with these contracts, agreements or riders: $

9.2 State the amount of reserves established for this business: $

9.3 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 2 Changed From	 3 Changed To	4 Increase in Actuarial Reserve Due to Change
9999999 - Total (Column 4, only)			

NONE

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	81,773,970	13,370,279		340,134	12,420,460	55,377,031	264,957	1,071	38
2. Additional contract reserves (a)	4,956,303,989	2,033,458,866			197,334,342	2,720,903,728	4,597,437	9,616	
3. Additional actuarial reserves-Asset/Liability analysis									
4. Reserve for future contingent benefits									
5. Reserve for rate credits									
6. Aggregate write-ins for reserves									
7. Totals (Gross)	5,038,077,959	2,046,829,145		340,134	209,754,802	2,776,280,759	4,862,394	10,687	38
8. Reinsurance ceded	4,772,755,872	2,036,858,664		340,134	2,217,250	2,733,084,570	244,529	10,687	38
9. Totals (Net)	265,322,087	9,970,481			207,537,552	43,196,189	4,617,865		
CLAIM RESERVE									
10. Present value of amounts not yet due on claims	9,412,115,886	6,763,141,447		51,453,982	1,905,529,880	689,372,339	2,618,239		
11. Additional actuarial reserves-Asset/Liability analysis									
12. Reserve for future contingent benefits									
13. Aggregate write-ins for reserves	197,710,635	163,709,509		521,806	23,690,587	9,788,733			
14. Totals (Gross)	9,609,826,521	6,926,850,956		51,975,788	1,929,220,467	699,161,072	2,618,239		
15. Reinsurance ceded	1,510,899,208	760,592,050		43,083,455	88,850,494	618,304,236	68,973		
16. Totals (Net)	8,098,927,313	6,166,258,905		8,892,333	1,840,369,973	80,856,836	2,549,266		
17. TOTAL (Net)	8,364,249,400	6,176,229,386		8,892,333	2,047,907,525	124,053,025	7,167,131		
18. TABULAR FUND INTEREST	399,403,948	278,971,460		614,212	113,574,467	5,882,898	360,911		
DETAILS OF WRITE-INS									
0601.									
0602.									
0603.									
0698. Summary of remaining write-ins for Line 6 from overflow page									
0699. TOTALS (Lines 0601 thru 0603 plus 0698) (Line 6 above)									
1301. Unpaid Loss Adjustment Expense	197,710,635	163,709,509		521,806	23,690,587	9,788,733			
1302.									
1303.									
1398. Summary of remaining write-ins for Line 13 from overflow page									
1399. TOTALS (Lines 1301 thru 1303 plus 1398) (Line 13 above)	197,710,635	163,709,509		521,806	23,690,587	9,788,733			

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

EXHIBIT 6 – ATTACHMENT

(a) RESERVE BASIS, INTEREST RATES AND METHODS – EXHIBIT 6, LINE 2

1) Long-Term Care Benefits

Method
One year preliminary term method. All additional reserves are mid-terminal.

The assumptions are based on the Company's experience with the exceptions of

a) the interest rate assumption is based on the effective date of coverage and is equal to the whole life rate as specified in the Standard Valuation Law

(2) Loss of Time Benefits

Method
Two year preliminary term method. All additional reserves are mid-terminal.

Basis
Reserves for 1988 and prior issues are based on claim costs taken from the 1964 Commissioners Disability Table (CDT) combined with the 1958 CSO Mortality Table. Reserves for 1989 through 2008 issues are based upon claim costs taken from the 1985 Commissioners Disability Table A (CIDA) combined with the 1980 CSO Mortality Table. Reserves for 2009 and later issues are based upon claim costs taken from the 1985 Commissioners Disability Table A (CIDA) combined with the 2001 CSO Mortality Table. All issue years use NAIC Model Standard Valuation Law minimum standard valuation interest rates. Rates range from 3-1/2% to 6% depending on the year of issue.

(3) Critical Illness Policies

Method
Two year preliminary term method. All additional reserves are mid-terminal.

Basis
Morbidity and lapse rates are based on pricing assumptions. The interest rate is the whole life rate for the issue year determined according to the Standard Valuation Law. Mortality rates are based on the 1980 CSO Mortality Table for policies issued prior to 2008 and the 2001 CSO Mortality Table for policies issued 2008 and later.

(4) Accident Policies

Method
Two year preliminary term method. All additional reserves are mid-terminal.

Basis
Additional reserves for the hospital confinement sickness, and wellness rider benefits are calculated using claim costs based on experience. Statutory maximum valuation interest rates are determined by year of issue. Mortality rates are based on the 2001 CSO Mortality Table.

(b) RESERVE BASIS, INTEREST RATES AND METHODS – EXHIBIT 6, LINE 10

(1) Long-Term Care Benefits

The morbidity assumptions are based on the Company's experience, supplemented by the Society of Actuaries 1984-2007 LTC Intercompany Study.

(i) the interest rate assumption is based on the date of disability and is equal to the whole life rate as specified in the Standard Valuation Law

(2) Loss of Time Benefits

(i) Group Policies:
LTD reserves are calculated on a seriatim basis. For each claim the reserve is equal to the present value of the future gross monthly benefits less any current or prospective offsets from other sources. Reserves are based on assumptions reflecting the Company's experience. For claims incurred after 1998, reserves are discounted using the single premium immediate annuity discount rate less 100 basis points varying by claim incurred year. For claims incurred before 1999, reserves are discounted using various interest rates by claim incurred year.

EXHIBIT 6 – ATTACHMENT (CONTINUED)

(ii) Individual Policies:
Reserves are calculated using the 1985 CIDA table (after modification to recognize company experience by duration and the existence of certain riders/provisions) combined with interest rates that are generally equivalent to applicable federal interest rates.

EXHIBIT 7 - DEPOSIT TYPE CONTRACTS

	1 Total	2 Guaranteed Interest Contracts	3 Annuities Certain	4 Supplemental Contracts	5 Dividend Accumulations or Refunds	6 Premium and Other Deposit Funds
1. Balance at the beginning of the year before reinsurance	713,790,344			444,202,436	79,258,573	190,329,335
2. Deposits received during the year	476,211,941			472,678,754	1,852,239	1,680,948
3. Investment earnings credited to the account	13,412,817			4,724,584	2,189,176	6,499,057
4. Other net change in reserves	(2,899,169)			943,627		(3,842,796)
5. Fees and other charges assessed						
6. Surrender charges						
7. Net surrender or withdrawal payments	460,318,733			440,086,925	6,485,824	13,745,984
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)	740,197,200			482,462,476	76,814,164	180,920,560
10. Reinsurance balance at the beginning of the year	(156,755,305)			(1,587,815)		(155,167,490)
11. Net change in reinsurance assumed						
12. Net change in reinsurance ceded	(4,339,838)			1,666,693		(6,006,531)
13. Reinsurance balance at the end of the year (Lines 10+11-12)	(152,415,467)			(3,254,507)		(149,160,960)
14. Net balance at the end of current year after reinsurance (Lines 9 + 13)	587,781,733			479,207,969	76,814,164	31,759,601

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		
	Total	Industrial Life	3 Life Insurance	4 Individual Annuities	5 Supplementary Contracts	Credit Life (Group and Individual)	7 Life Insurance	8 Annuities	9 Group	10 Credit (Group and Individual)	11 Other
1. Due and unpaid:											
1.1 Direct											
1.2 Reinsurance assumed	5,918,621								5,918,621		
1.3 Reinsurance ceded	17,875								17,875		
1.4 Net	5,900,746								5,900,746		
2. In course of settlement:											
2.1 Resisted 2.11 Direct	2,900,731						2,900,731				
2.12 Reinsurance assumed											
2.13 Reinsurance ceded											
2.14 Net	2,900,731		(b)	(b)		(b)	(b) 2,900,731				
2.2 Other 2.21 Direct	498,272,083		4,138,545		2,195		39,387,101		443,120,874		11,623,369
2.22 Reinsurance assumed	47,511,667								35,254,468		12,257,199
2.23 Reinsurance ceded	68,421,696		1,217,009		2,195		232,500		56,534,763		10,435,229
2.24 Net	477,362,055		(b) 2,921,536	(b)		(b)	(b) 39,154,601		(b) 421,840,579	(b)	(b) 13,445,339
3. Incurred but unreported:											
3.1 Direct	252,714,299		1,172,334				159,050,894		84,254,709		8,236,362
3.2 Reinsurance assumed	12,338,901						95		11,033,477		1,305,329
3.3 Reinsurance ceded	13,774,929		629,334				677,903		6,884,318		5,583,374
3.4 Net	251,278,271		(b) 543,000	(b)		(b)	(b) 158,373,086		(b) 88,403,869	(b)	(b) 3,958,317
4. TOTALS 4.1 Direct	753,887,114		5,310,879		2,195		201,338,726		527,375,583		19,859,731
4.2 Reinsurance assumed	65,769,188						95		52,206,566		13,562,528
4.3 Reinsurance ceded	82,214,499		1,846,343		2,195		910,403		63,436,956		16,018,603
4.4 Net	737,441,803	(a)	(a) 3,464,536				(a) 200,428,418		516,145,193		17,403,655

(a) Including matured endowments (but not guaranteed annual pure endowments) unpaid amounting to $ .... in Column 2, $ .... in Column 3 and $ .... 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 $ .... Individual Annuities $ 608,819 , Credit Life (Group and Individual) $ .... , and Group Life $ 624,517,104 , are included in Page 3, Line 1, (See Exhibit 5, Section on Disability Disabled Lives); and for Group Accident and Health $ 6,166,258,905 Credit (Group and Individual) Accident and Health $ .... , and Other Accident and Health $ 1,932,668,408 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	2	Ordinary			6	Group		Accident and Health		
			3	4	5		7	8	9	10	11
	Total	Industrial Life (a)	Life Insurance (b)	Individual Annuities	Supplementary Contracts	Credit Life (Group and Individual)	Life Insurance (c)	Annuities	Group	Credit (Group and Individual)	Other
1. Settlements During the Year:											
1.1 Direct	3,112,438,573		38,354,938	1,632,725	610,349		771,381,680	17,337,588	1,816,536,081		466,585,212
1.2 Reinsurance assumed	242,354,782						419,527		109,123,791		132,811,463
1.3 Reinsurance ceded	1,734,333,682		13,067,178	1,632,725	504,006		400,247,656		738,531,089		580,351,028
1.4 Net	(d) 1,620,459,673		25,287,760		106,343		371,553,551	17,337,588	1,187,128,783		19,045,647
2. Liability December 31, current year from Part 1:											
2.1 Direct	753,887,114		5,310,879		2,195		201,338,726		527,375,583		19,859,731
2.2 Reinsurance assumed	65,769,188						95		52,206,566		13,562,528
2.3 Reinsurance ceded	82,214,499		1,846,343		2,195		910,403		63,436,956		16,018,603
2.4 Net	737,441,803		3,464,536				200,428,418		516,145,193		17,403,655
3. Amounts recoverable from reinsurers December 31, current year	86,010,306						497,632		38,587,026		46,925,648
4. Liability December 31, prior year:											
4.1 Direct	733,852,711		6,634,875		75,711		174,657,402		534,405,796		18,078,927
4.2 Reinsurance assumed	72,362,827								59,224,685		13,138,142
4.3 Reinsurance ceded	87,887,261		1,913,635		75,711		549,944		71,405,898		13,942,073
4.4 Net	718,328,277		4,721,240				174,107,458		522,224,583		17,274,996
5. Amounts recoverable from reinsurers December 31, prior year	86,405,419						756,780		42,132,761		43,515,878
6. Incurred Benefits											
6.1 Direct	3,132,472,976		37,030,942	1,632,725	536,833		798,063,004	17,337,588	1,809,505,868		468,366,015
6.2 Reinsurance assumed	235,761,143						419,622		102,105,672		133,235,849
6.3 Reinsurance ceded	1,728,265,807		12,999,886	1,632,725	430,490		400,348,968		727,016,412		585,837,327
6.4 Net	1,639,968,312		24,031,056		106,343		398,133,659	17,337,588	1,184,595,128		15,764,538

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

(b) Including matured endowments (but not guaranteed annual pure endowments) amounting to $ 636,097 in Line 1.1, $ 601,681 in Line 1.4.
$ 636,097 in Line 6.1, and $ 601,681 in Line 6.4.

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

(d) Includes $ 354,067 premiums waived under total and permanent disability benefits.

Prior year balances in line 4.2, columns 1 and 9 decreased $60,799 due to foreign currency translation.

Prior year balances in line 4.3, columns 1 and 9 decreased $29,341 due to foreign currency translation and increased $108,277 due to a ceded reinsurance agreement.

EXHIBIT OF NON-ADMITTED ASSETS

	1 Current Year Total Nonadmitted Assets	2 Prior Year Total Nonadmitted Assets	3 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			
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			
7. Derivatives (Schedule DB)			
8. Other invested assets (Schedule BA)			
9. Receivables for securities			
10. Securities lending reinvested collateral assets (Schedule DL)			
11. Aggregate write-ins for invested assets			
12. Subtotals, cash and invested assets (Lines 1 to 11)			
13. Title plants (for Title insurers only)			
14. Investment income due and accrued			
15. Premiums and considerations:			
15.1 Uncollected premiums and agents' balances in the course of collection	6,821,664	8,845,873	2,024,208
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due			
15.3 Accrued retrospective premiums	7,005	0	(7,005)
16. Reinsurance:			
16.1 Amounts recoverable from reinsurers	703,912	504	(703,408)
16.2 Funds held by or deposited with reinsured companies			
16.3 Other amounts receivable under reinsurance contracts		10,406	10,406
17. Amounts receivable relating to uninsured plans	91,690	294,911	203,221
18.1 Current federal and foreign income tax recoverable and interest thereon			
18.2 Net deferred tax asset	197,727,667	171,841,749	(25,885,918)
19. Guaranty funds receivable or on deposit			
20. Electronic data processing equipment and software			
21. Furniture and equipment, including health care delivery assets	4,198,576	4,353,693	155,117
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	2,745,664	12,787,249	10,041,585
25. Aggregate write-ins for other than invested assets	2,297,090	2,419,590	122,500
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	214,593,268	200,553,975	(14,039,293)
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts			
28. Total (Lines 26 and 27)	214,593,268	200,553,975	(14,039,293)
DETAILS OF WRITE-INS			
1101.			
1102.			
1103.			
1198. Summary of remaining write-ins for Line 11 from overflow page			
1199. Totals (Lines 1101 thru 1103 plus 1198)(Line 11 above)			
2501. Other miscellaneous assets	2,297,090	2,419,590	122,500
2502.			
2503.			
2598. Summary of remaining write-ins for Line 25 from overflow page			
2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above)	2,297,090	2,419,590	122,500

Prior year balances in column 2, lines 18.2, 26, and 28 decreased $31,402,894 due to the adoption of SSAP 101. See Note 2 in Notes to Financial Statements.

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

A. Accounting Practices

The financial statements of Unum Life Insurance Company of America (the Company) have been completed in accordance with Statutory Accounting Principles (SAP) prescribed in the National Association of Insurance Commissioners' (NAIC) *Accounting Practices and Procedures* manual. The Maine Bureau of Insurance (the Bureau) has adopted no accounting practices that differ materially from SAP.

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

The preparation of financial statements in conformity with SAP requires management to make estimates and assumptions that affect amounts reported in the financial statements and accompanying notes. Such estimates and assumptions could change in the future as more information becomes known, which could impact the amounts reported and disclosed herein.

C. Accounting Policy

Life and accident and health premiums are recognized as revenue when due from policyholders. Expenses incurred in connection with acquiring new insurance business, including acquisition costs such as sales commissions, are charged to operations as incurred.

Real estate other than foreclosed real estate is carried at cost less accumulated depreciation and less encumbrances. Foreclosed real estate is stated at appraised value, determined at the date of foreclosure giving consideration to current occupancy rates and economic conditions.

Contract loans are stated at the aggregate unpaid balance.

Surplus debentures are carried at amortized cost.

In addition, the Company uses the following accounting policies:

(1) Short-term investments and cash equivalents are carried at cost.

(2) Long-term bonds classified as issuer obligations are generally carried at amortized cost unless they have a NAIC rating of 6, in which case they are stated at the lower of amortized cost or fair value. Issuer obligations are amortized using the interest method.

(3) Common stocks of unaffiliated companies are stated at fair value.

(4) Redeemable and perpetual preferred stocks are generally stated at cost unless they have a NAIC rating of 4, 5, or 6, in which case they are stated at the lower of cost or fair value.

(5) Mortgage loans are stated at the aggregate unpaid principal balance, less an allowance for credit losses.

(6) Loan-backed and structured securities are stated at either amortized cost or the lower of amortized cost or fair value in accordance with the provisions of SSAP 43R, *Loan-Backed and Structured Securities*. Amortization of mortgage-backed and loan-backed securities considers the estimated timing and amount of prepayments of the underlying loans at the date of purchase. Actual prepayment experience is periodically reviewed with significant changes in estimated cash flows from the original purchase assumptions accounted for using the retrospective method.

(7) The Company's investment in Provident Life and Accident Insurance Company, an affiliate, is carried at the Company's equity ownership in the underlying statutory-basis net assets of Provident Life and Accident Insurance Company. The change in the carrying value is recorded as a change in net unrealized gains (losses), a component of unassigned surplus.

(8) Investments in joint ventures, partnerships, and limited liability entities, excluding limited liability companies invested in low income housing tax credit (LIHTC) properties, are accounted for using the equity method and are carried at values based on the underlying audited GAAP equity of the investee. Investments in limited liability companies that invest in LIHTC properties are accounted for in accordance with SSAP No. 93, *Accounting for Low Income Housing Tax Credit Property Investments*.

(9) Derivative instruments are carried consistently with the hedged items. Derivatives hedging fixed income assets and/or liabilities are generally carried at amortized cost. Derivatives hedging items carried at fair value are carried at fair value. Derivatives that cease to be effective hedges are carried at fair value.

(10) The Company considers anticipated investment income in its review of reserves for potential premium deficiencies.

(11) Liabilities for losses and loss/claim adjustment expenses for accident and health contracts are estimated using statistical claim development models and tabular reserves employing assumptions concerning mortality, morbidity, and social security as well as appropriate discount rates for accident and health business.

(12) The Company's fixed asset capitalization policy has not changed from the prior period.

(13) Not applicable

NOTES TO FINANCIAL STATEMENTS

2. Accounting Changes and Corrections of Errors

Effective January 1, 2012, the Company adopted the provisions of Statement of Statutory Accounting Principles No. 101 (SSAP 101), *Income Taxes, a Replacement of SSAP No. 10R and SSAP No. 10*. SSAP 101 establishes statutory accounting principles for current and deferred federal and foreign income taxes and current state income taxes. In addition, SSAP 101 revises guidance related to uncertain tax positions and deferred tax asset admissibility calculations. The adoption of SSAP 101 increased the net deferred tax asset $31,402,894, with a commensurate increase in capital and surplus.

The Company implemented a new reserve valuation basis for its long-term care reserves during the fourth quarter of 2011, effective January 1, 2011. The change increased the ceded Exhibit 6 and Exhibit 8 claim reserves and decreased the Exhibit 6 active life reserves by a corresponding amount, all of which are 100% ceded with no change in Exhibit 5A or the Company's surplus.

3. Business Combinations and Goodwill

Not applicable

4. Discontinued Operations

Not applicable

5. Investments

A. Mortgage Loans

(1) The minimum and maximum lending rates for commercial mortgage loans during 2012 were 4.50% and 5.50%, respectively.

(2) Not applicable

(3) The maximum percentage of any one loan to the value of security at the time of the loan, exclusive of insured or guaranteed or purchase money mortgages, is generally 75% for first mortgages and 80 to 85% for second mortgages. The Company did not make any second mortgages during 2012.

(4) Not applicable

(5) Not applicable

(6) Not applicable

(7) Not applicable

(8) Not applicable

(9) Not applicable

(10) Not applicable

(11) Not applicable

(12) The Company recognizes interest income on impaired loans when the income is received or deemed collectible.

B. Not applicable

C. Not applicable

D. Loan-Backed Securities

(1) Prepayment assumptions for mortgage-backed/loan-backed securities were obtained from broker dealer survey values and internal estimates.

(2) Not applicable

(3) Not applicable

NOTES TO FINANCIAL STATEMENTS

(4) As of December 31, 2012, impaired securities (fair value is less than cost or amortized cost) for which an other-than-temporary impairment had not been recognized in earnings as a realized loss (including securities with a recognized other-than-temporary impairment for non-interest related declines when a non-recognized interest related impairment remains) are as follows:

a. The aggregate amount of unrealized losses:

1. Less than 12 months	$	79,573
2. 12 months or longer	$	592,587

b. The aggregate related fair value of securities with unrealized losses:

1. Less than 12 months	$	20,736,490
2. 12 months or longer	$	13,765,634

(5) In determining when a decline in fair value below amortized cost of a security is other than temporary, the Company evaluates the following factors:

- Whether the Company expects to recover the entire amortized cost basis of the security.
- Whether the Company intends to sell the security or will be required to sell the security before the recovery of its amortized cost basis.
- Whether the security is current as to principal and interest payments.
- The significance of the decline in value.
- The time period during which there has been a significant decline in value.
- Current and future business prospects and trends of earnings.
- The valuation of the security's underlying collateral.
- Relevant industry conditions and trends relative to their historical cycles.
- Market conditions.
- Rating agency and governmental actions.
- Bid and offering prices and the level of trading activity.
- Adverse changes in estimated cash flows for securitized investments.
- Changes in fair value subsequent to the balance sheet date.
- Any other key measures for the related security.

The Company evaluates available information, including the factors noted above, both positive and negative, in reaching its conclusions. In particular, the Company also considers the strength of the issuer's balance sheet, its debt obligations and near term funding requirements, cash flow and liquidity, the profitability of its core businesses, the availability of marketable assets which could be sold to increase liquidity, its industry fundamentals and regulatory environment, and its access to capital markets. Although available and applicable factors are considered in the analysis, the expectation of recovering the entire amortized cost basis of the security, whether the Company intends to sell the security, whether it is more likely than not the Company will be required to sell the security before recovery of its amortized cost, and whether the security is current on principal and interest payments are the most critical factors in determining whether impairments are other than temporary. The significance of the decline in value and the length of time during which there has been a significant decline are also important factors, but the Company does not record an impairment loss based solely on these two factors, since often other factors will impact the evaluation of a security.

While determining other-than-temporary impairments is a judgmental area, the Company utilizes a formal, well-defined, and disciplined process to monitor and evaluate its investments, supported by issuer specific research and documentation as of the end of each period. The process results in a thorough evaluation of problem investments and the recording of realized losses on a timely basis for investments determined to have an other-than-temporary impairment.

E. Repurchase Agreements and/or Securities Lending Agreements

(1) The Company posts collateral through its repurchase agreement transactions whereby the counterparty commits to purchase securities with the agreement to resell them to the Company at a later, specified date. The fair value of collateral posted is generally 102% of the cash received. For securities lending agreements the Company requires a minimum collateral amount of 102% of the fair value of the securities loaned. Cash collateral received is invested in cash equivalents, and the offsetting collateral liability is reported as a miscellaneous liability. In the event securities are received as collateral, the Company is not permitted to sell or re-pledge them.

(2) Not applicable

NOTES TO FINANCIAL STATEMENTS

(3) Collateral Received

a. Aggregate Amount Cash Collateral Received

		Fair Value
1. Repurchase Agreement		
(a) Open	$	-
(b) 30 Days or less		-
(c) 31 to 60 Days		-
(d) 61 to 90 Days		-
(e) Greater Than 90 Days		-
(f) Sub-Total	$	-
(g) Securities Received		-
(h) Total Collateral Received	$	-
2. Securities Lending		
(a) Open	$	151,787,945
(b) 30 Days or less		-
(c) 31 to 60 Days		-
(d) 61 to 90 Days		-
(e) Greater Than 90 Days		-
(f) Sub-Total	$	151,787,945
(g) Securities Received		315,751
(h) Total Collateral Received	$	152,103,696
3. Dollar Repurchase Agreement		
(a) Open	$	-
(b) 30 Days or less		-
(c) 31 to 60 Days		-
(d) 61 to 90 Days		-
(e) Greater Than 90 Days		-
(f) Sub-Total	$	-
(g) Securities Received		-
(h) Total Collateral Received	$	-

b. As of December 31, 2012, the aggregate fair value of all securities acquired from the sale, trade, or use of the accepted collateral from securities lending agreements was $151,787,945.

c. The Company receives primarily cash collateral in an amount in excess of the fair value of the securities loaned under its securities lending agreements. The Company reinvests the cash collateral into cash equivalents.

(4) Not applicable

NOTES TO FINANCIAL STATEMENTS

(5) Collateral Reinvestment

a. Aggregate Amount Cash Collateral Reinvested

	Amortized Cost	Fair Value
1. Repurchase Agreement		
(a) Open	$ -	$ -
(b) 30 Days or less	-	-
(c) 31 to 60 Days	-	-
(d) 61 to 90 Days	-	-
(e) 91 to 120 Days	-	-
(f) 121 to 180 Days	-	-
(g) 181 to 365 Days	-	-
(h) 1 to 2 Years	-	-
(i) 2 to 3 Years	-	-
(j) Greater Than 3 Years	-	-
(k) Sub-Total	$ -	$ -
(l) Securities Received	-	-
(m) Total Collateral Received	$ -	$ -
2. Securities Lending		
(a) Open	$ -	$ -
(b) 30 Days or less	143,716,138	143,716,138
(c) 31 to 60 Days	7,071,807	7,071,807
(d) 61 to 90 Days	1,000,000	1,000,000
(e) 91 to 120 Days	-	-
(f) 121 to 180 Days	-	-
(g) 181 to 365 Days	-	-
(h) 1 to 2 Years	-	-
(i) 2 to 3 Years	-	-
(j) Greater Than 3 Years	-	-
(k) Sub-Total	$ 151,787,945	$ 151,787,945
(l) Securities Received	-	-
(m) Total Collateral Received	$ 151,787,945	$ 151,787,945
3. Dollar Repurchase Agreement		
(a) Open	$ -	$ -
(b) 30 Days or less	-	-
(c) 31 to 60 Days	-	-
(d) 61 to 90 Days	-	-
(e) 91 to 120 Days	-	-
(f) 121 to 180 Days	-	-
(g) 181 to 365 Days	-	-
(h) 1 to 2 Years	-	-
(i) 2 to 3 Years	-	-
(j) Greater Than 3 Years	-	-
(k) Sub-Total	$ -	$ -
(l) Securities Received	-	-
(m) Total Collateral Received	$ -	$ -

b. The Company will generally have no more than a 30 day mismatch between the weighted average maturities of its securities lending liabilities and its reinvested collateral. If necessary, the Company can sell its reinvested cash equivalents to pay for any collateral calls that come due.

F. Real Estate

(1) Not applicable

(2) During 2012, the Company did not sell any real estate classified as held for sale. During 2011, the Company sold a portion of a real estate property classified as held for sale and recognized a gain of $582,524 on the sale. The gain on sale is reported as a component of net realized capital gains (losses) in the summary of operations. The Company is currently exploring potential sales opportunities for the remaining portion of the property. As of December 31, 2012, the timing of the disposal was uncertain.

(3) Not applicable

(4) Not applicable

NOTES TO FINANCIAL STATEMENTS

(5) Not applicable

G. Low Income Housing Tax Credits

(1) The Company has ten investments in LIHTC at December 31, 2012. The number of years of unexpired credits ranges from one to twelve years, and the remaining required holding period ranges from four to sixteen years.

(2) Not applicable

(3) Not applicable

(4) Not applicable

(5) Not applicable

6. Joint Ventures, Partnerships and Limited Liability Companies

A. The Company had no investments in joint ventures, partnerships, or limited liability companies that exceed 10% of its admitted assets.

B. The Company did not recognize any impairment write-down for its investments in joint ventures, partnerships, and limited liability companies during the statement periods.

7. Investment Income

A. The Company does not accrue investment income on bonds and mortgage loans where collection of interest is uncertain.

B. The Company did not exclude any amounts from investment income due and accrued as of December 31, 2012.

8. Derivative Instruments

The Company takes positions from time to time in certain derivative financial instruments to hedge interest rate risks and to improve the matching of its assets and liabilities. Financial instruments used for such purposes include interest rate swaps, forward treasury locks, and foreign currency interest rate swaps. See Schedule DB.

Interest rate swaps are used to hedge interest rate risks and to improve the matching of assets and liabilities. An interest rate swap is an agreement in which the Company agrees with other parties to exchange, at specified intervals, the difference between fixed rate and variable rate interest amounts, calculated by reference to an agreed upon notional principal amount. No cash is exchanged at the outset of the contract, and no principal payments are made by either party. Thus, the book value of these interest rate swaps is zero, and they are recorded "off-balance sheet." A single net payment is usually made by one counterparty at each due date and is recorded as a component of investment income. The Company has previously utilized certain forward interest rate swap agreements where the exchange of interest payments does not begin until a specified future date. These swaps are identified as cash flow hedges, and their purpose has been to hedge the anticipated purchase of long-term bonds. The Company settled for cash the forward interest rate swap agreements prior to the commencement of the exchange of interest payment streams. For those swaps that qualified as effective hedges, the gain or loss upon termination of the swaps was used to adjust the basis of the purchased bonds. Swaps that are not effective hedges are marked-to-market, and changes in fair value are reported in surplus as unrealized gains or losses. For those swaps that are not effective hedges, the gain or loss on termination is reported as a capital gain or loss in the summary of operations.

Forward treasury locks are used to lock in the yield on a specific U.S. Treasury bond. This type of derivative has been used to minimize the interest rate risk related to the proceeds to be received upon the disposal of specific long-term bonds. These derivatives are identified as cash flow hedges. Forward treasury locks allowed the Company to hedge projected cash flows associated with the proceeds of the security because the issuers' call or tender price for the security was partially determined by the change in the yield of a specific U.S. Treasury bond. The Company terminated the treasury locks, for cash, at the same time the securities were disposed.

Foreign currency interest rate swaps are used to hedge the currency risk of certain foreign currency denominated long-term bonds owned. These derivatives are identified as cash flow hedges of the forecasted functional-currency-equivalent cash flows associated with the foreign currency denominated long-term bonds. Under these currency swaps, the Company agrees to pay, at specified intervals, fixed rate foreign currency denominated interest payments to the counterparty in exchange for fixed rate U.S. dollar (functional currency) denominated interest payments. These interest payments are calculated by reference to agreed upon notional principal amounts. The net amount received is reported as a component of investment income. At maturity date, the Company will pay the foreign currency denominated notional amount to the counterparty in exchange for the U.S. dollar denominated notional amount. By entering into this currency swap, the Company has effectively converted a foreign currency denominated asset into a U.S. dollar denominated asset. Upon termination, gains or losses will be recognized immediately in the summary of operations, in a manner consistent with the hedged item.

Shown below are forecasted purchase dates and amounts of investments hedged:

Forecasted Purchase Date	Amount of Investment
Forward interest rate swaps:	
2013	$150,000,000

The basic types of risks associated with derivatives are market risk (that the value of the derivative will be adversely impacted by changes in the market, primarily the change in interest rates) and credit risk (that the counterparty will not perform according to the terms of the contract). The market risk of derivatives should generally offset the market risk associated with the hedged asset or

NOTES TO FINANCIAL STATEMENTS

liability. The Company is exposed to credit-related losses in the event of non-performance by counterparties to the financial instruments, but it does not expect any counterparties to fail to meet their obligations given their high credit ratings. The credit exposure of derivatives is limited to the value of those contracts in a net gain position. The Company mitigates credit risk by entering into master agreements with its counterparties whereby contracts in a gain position can be offset against contracts in a loss position. Additionally, the Company typically enters into bilateral, cross-collateralization agreements with its counterparties. These agreements require the counterparty in a loss position to submit acceptable collateral with the other counterparty in the event the net loss position meets or exceeds a certain amount. See Schedule DB Part D for detail of the Company's counterparty exposure.

The Company had no ineffective hedges during 2012 and did not exclude any component of the derivatives' gain or loss from the assessment of hedge effectiveness. During 2012, the Company did not discontinue any cash flow hedges as a result of the forecasted transactions no longer being probable of occurring.

As of December 31, 2012, the Company held no cash collateral from its counterparties. The Company may post long-term bonds or cash as collateral to its counterparties. As of December 31, 2012, the carrying value of long-term bonds and cash posted as collateral to its counterparties was $29,313,190 and $1,803,157, respectively.

9. Income Taxes

A. The Company calculated its deferred tax assets pursuant to SSAP 101 for the year ended December 31, 2012 (see Note 2) and pursuant to SSAP 10R for the year ended December 31, 2011. The December 31, 2011 balances conform to the current year presentation. The Company did not use tax planning strategies in 2012 or 2011 to admit existing deferred tax assets.

The components of the net deferred tax assets (liabilities) and change from the prior year are comprised of the following:

1.

	12/31/2012			12/31/2011			Change		
	1	2	3	4	5	6	7	8	9
			(Col 1 + 2)			(Col 4 + 5)	(Col 1 - 4)	(Col 2 - 5)	(Col 7 + 8)
	Ordinary	Capital	Total	Ordinary	Capital	Total	Ordinary	Capital	Total
(a) Gross Deferred Tax Assets	338,834,720	29,393,807	368,228,527	329,676,860	7,145,766	336,822,626	9,157,860	22,248,041	31,405,901
(b) Statutory Valuation Allowance Adjustment									
(c) Adjusted Gross Deferred Tax Assets (1a - 1b)	338,834,720	29,393,807	368,228,527	329,676,860	7,145,766	336,822,626	9,157,860	22,248,041	31,405,901
(d) Deferred Tax Assets Nonadmitted	197,727,667		197,727,667	198,728,421	4,516,222	203,244,643	(1,000,754)	(4,516,222)	(5,516,976)
(e) Subtotal Net Deferred Tax Assets (1c - 1d)	141,107,053	29,393,807	170,500,860	130,948,439	2,629,544	133,577,983	10,158,614	26,764,263	36,922,877
(f) Deferred Tax Liabilities	3,610,339	382,657	3,992,996	3,723,712	206,521	3,930,233	(113,373)	176,136	62,763
(g) Net Admitted Deferred Tax Assets (1e - 1f)	137,496,714	29,011,150	166,507,864	127,224,727	2,423,023	129,647,750	10,271,987	26,588,127	36,860,114

The deferred tax asset admitted under each component of SSAP 101 is shown below, with corresponding amounts under SSAP 10R for December 31, 2011.

2.

	12/31/2012			12/31/2011			Change		
	1	2	3	4	5	6	7	8	9
			(Col 1 + 2)			(Col 4 + 5)	(Col 1 - 4)	(Col 2 - 5)	(Col 7 + 8)
	Ordinary	Capital	Total	Ordinary	Capital	Total	Ordinary	Capital	Total
Admission Calculation Components SSAP No. 101									
(a) Federal Income Taxes Paid in Prior Years Recoverable through Loss Carrybacks	101,813,636	29,393,807	131,207,443	91,560,188	2,423,023	93,983,211	10,253,448	26,970,784	37,224,232
(b) Adjusted Gross Deferred Tax Assets Expected to be Realized (Excluding the Amount of Deferred Tax Assets from 2(a) Above) After Application of the Threshold Limitation (the lesser of 2(b)1 and 2(b)2 below)	35,300,421		35,300,421	35,664,539		35,664,539	(364,118)		(364,118)
1. Adjusted Gross Deferred Tax Assets Expected to be Realized Following the Balance Sheet Date	35,300,421		35,300,421	35,664,539		35,664,539	(364,118)		(364,118)
2. Adjusted Gross Deferred Tax Assets Allowed per Limitation Threshold	XXX	XXX	241,021,351	XXX	XXX	199,697,994	XXX	XXX	41,323,357
(c) Adjusted Gross Deferred Tax Assets (Excluding the Amount of Deferred Tax Assets from 2(a) and 2(b) Above) Offset by Gross Deferred Tax Liabilities	3,992,996		3,992,996	3,723,712	206,521	3,930,233	269,284	(206,521)	62,763
(d) Deferred Tax Assets Admitted as the Result of Application of SSAP No. 101 Total (2(a) + 2(b) + 2(c))	141,107,053	29,393,807	170,500,860	130,948,439	2,629,544	133,577,983	10,158,614	26,764,263	36,922,877

NOTES TO FINANCIAL STATEMENTS

3.

		2012	2011
(a)	Ratio Percentage Used to Determine Recovery Period and Threshold Limitation Amount……………………..	...............15.0%	...............15.0%
(b)	Amount of Admitted Capital and Surplus Used to Determine Recovery Period and Threshold Limitation in 2(b)2 Above…………………………	...1,606,809,005	...1,331,319,958

4. Impact of Tax Planning Strategies

(a) Not applicable
(b) Not applicable
(c) Does the Company's tax-planning strategies include the use of reinsurance? Yes [ ] No [X]

B. Not applicable

NOTES TO FINANCIAL STATEMENTS

C. The components of income tax incurred and net deferred tax assets (liabilities) are shown below. Prior year amounts have been reclassified to conform to the current year presentation.

	Year Ended December 31		
	2012	2011	Change
1. Current Income Tax			
(a) Federal	$ 99,039,859	$ 69,985,340	$ 29,054,519
(b) Foreign	-	-	-
(c) Subtotal	99,039,859	69,985,340	29,054,519
(d) Federal Income Tax on Net Capital Gains	23,947,372	23,437,800	509,572
(e) Utilization of Capital Loss Carryforward	-	-	-
(f) Other	-	-	-
(g) Federal Income Tax Incurred	$ 122,987,231	$ 93,423,140	$ 29,564,091

	December 31		
	2012	2011	Change
2. Deferred Tax Assets			
(a) Ordinary			
(1) Discounting of Unpaid Losses	$ -	$ -	$ -
(2) Unearned Premium Reserve	-	-	-
(3) Policyholder Reserves	45,955,698	29,649,848	16,305,850
(4) Investments	127,847,598	134,108,482	(6,260,884)
(5) Deferred Acquisition Costs	141,933,265	143,522,577	(1,589,312)
(6) Policyholder Dividends Accrual	4,053,000	4,823,000	(770,000)
(7) Fixed Assets	2,982,477	4,118,526	(1,136,049)
(8) Compensation and Benefits Accrual	2,092,005	2,445,807	(353,802)
(9) Pension Accrual	-	-	-
(10) Receivables - Nonadmitted	6,682,107	5,137,081	1,545,026
(11) Net Operating Loss Carryforward	-	-	-
(12) Tax Credit Carryforward	-	-	-
(13) Other	7,288,570	5,871,539	1,417,031
(99) Subtotal	338,834,720	329,676,860	9,157,860
(b) Statutory Valuation Allowance Adjustment	-	-	-
(c) Nonadmitted	197,727,667	198,728,421	(1,000,754)
(d) Admitted Ordinary Deferred Tax Assets (2a - 2b - 2c)	141,107,053	130,948,439	10,158,614
(e) Capital			
(1) Investments	29,393,807	7,145,766	22,248,041
(2) Net Capital Loss Carryforward	-	-	-
(3) Real Estate	-	-	-
(4) Other	-	-	-
(99) Subtotal	29,393,807	7,145,766	22,248,041
(f) Statutory Valuation Allowance Adjustment	-	-	-
(g) Nonadmitted	-	4,516,222	(4,516,222)
(h) Admitted Capital Deferred Tax Assets (2e - 2f - 2g)	29,393,807	2,629,544	26,764,263
(i) Admitted Deferred Tax Assets (2d + 2h)	170,500,860	133,577,983	36,922,877
3. Deferred Tax Liabilities			
(a) Ordinary			
(1) Investments	-	-	-
(2) Fixed Assets	-	-	-
(3) Deferred and Uncollected Premium	1,135,973	1,171,432	(35,459)
(4) Policyholder Reserves	-	-	-
(5) Other	2,474,366	2,552,280	(77,914)
(99) Subtotal	3,610,339	3,723,712	(113,373)
(b) Capital			
Investments	-	-	-
Real Estate	382,657	206,521	176,136
Other	-	-	-
(99) Subtotal	382,657	206,521	176,136
(c) Deferred Tax Liabilities (3a99 + 3b99)	3,992,996	3,930,233	62,763
4. Net Deferred Tax Assets (2i - 3c)	$ 166,507,864	$ 129,647,750	$ 36,860,114

NOTES TO FINANCIAL STATEMENTS

Included in other ordinary liabilities ((line 3(a)(5)) is a balance relating to foreign exchange of $1,555,918 for the year ended December 31, 2012. A corresponding balance of $19,388 relating to foreign exchange is included in other ordinary assets ((line 2(a)(13)) for the year ended December 31, 2011.

D. The provision for federal income tax incurred differs from the amount obtained by applying the federal statutory rate of 35% to pre-tax net income, as shown below. Prior year amounts have been reclassified to conform to the current year presentation.

	Year Ended December 31			
	2012		2011	
Provision Computed at Statutory Rate				
From Operations	$ 113,493,493		$ 104,178,892	
From Capital Gains before IMR	4,406,434		4,468,096	
Total Tax at Statutory Rate	117,899,927	35.0 %	108,646,988	35.0 %
Amortization of Reinsurance Gains	(3,906,553)	(1.2)	(3,840,419)	(1.2)
Unrealized Gains (Losses)	786,993	0.2	(490,022)	(0.2)
Prior Year Taxes	(3,832,946)	(1.1)	312,521	0.1
Tax Exempt Income	(6,527,533)	(1.9)	(6,285,498)	(2.0)
Federal Tax Credits	(15,902,831)	(4.7)	(9,665,242)	(3.1)
Interest Maintenance Reserve	(757,660)	(0.2)	-	-
Nonadmitted Assets	1,985,412	0.6	4,492,151	1.4
Other	1,899,284	0.5	(371,307)	(0.1)
Total	$ 91,644,093	27.2 %	$ 92,799,172	29.9 %
Federal Income Tax Incurred	$ 122,987,231	36.5 %	$ 93,423,140	30.1 %
Tax Effect of Unrealized Gains (Losses)	786,993	0.2	(490,022)	(0.2)
Change in Net Deferred Income Tax	(32,130,131)	(9.5)	(133,946)	-
Total Statutory Income Tax	$ 91,644,093	27.2 %	$ 92,799,172	29.9 %

E. As of December 31, 2012 and 2011, the tax related balances due to Unum Group were $9,845,984 and $11,143,972, respectively. The amounts of federal income tax incurred in 2012 and 2011 that are available for recoupment in the event of future net losses are $126,670,340 and $94,792,892, respectively.

F. The Company's federal income tax return is consolidated with the following entities:

Unum Group (ultimate parent company), First Unum Life Insurance Company, Colonial Life & Accident Insurance Company, Tailwind Reinsurance Company, Northwind Reinsurance Company, Provident Life and Accident Insurance Company, Provident Life and Casualty Insurance Company, The Paul Revere Life Insurance Company, The Paul Revere Variable Annuity Insurance Company, Duncanson & Holt, Inc., Duncanson & Holt Services, Inc., and UnumProvident International, Ltd.

The Company is party to a written tax sharing agreement with the consolidated group members listed above. The agreement provides that the portion of the consolidated tax liability allocated to the Company is based on its separate return tax liability. Under the agreement, additional tax benefits are allocated to the Company for its portion of net operating losses and tax credit carryforwards in the year they are used by the consolidated group.

The Internal Revenue Service (IRS) opened its examination of the Company's 2009 and 2010 tax years during 2012. No adjustments have yet been proposed. During 2012, the Company finalized all issues related to the 2007 and 2008 tax years with the IRS and as a result, recognized a reduction in its federal income taxes of $2,352,339. Tax years subsequent to 2008 remain subject to examination by U.S. tax authorities.

During 2011, the Congressional Joint Committee on Taxation approved the Company's final settlement with the IRS for tax years 1996 to 2004. As a result of the settlement, during 2011 the Company recognized a reduction in its federal income taxes of $1,598,568 and included $4,269,073 of interest income in operating results, with a resulting increase in the Company's net income of $5,867,641.

During 2010, the IRS completed its examination of tax years 2005 and 2006 and issued its revenue agent's report (RAR) in December 2010. In January 2011, the Company filed a protest to the RAR and has reached a tentative settlement with IRS Appeals pending finalization of tax recomputations and approval by the Joint Tax Committee.

10. Information Concerning Parent, Subsidiaries and Affiliates

A. Nature of the Relationship: Unum Life Insurance Company of America, a wholly-owned subsidiary of Unum Group. See Schedule Y - Part 1 for a complete listing of affiliates.

NOTES TO FINANCIAL STATEMENTS

B. & C.

During 2012 and 2011, the Company paid in cash the following common stock dividends to Unum Group:

2012		2011	
Date	Amount	Date	Amount
March 27	$ 60,000,000	March 30	$ 70,000,000
June 21	60,000,000	June 28	60,000,000
September 18	40,000,000	September 30	60,000,000
December 19	65,000,000		

During 2012 and 2011, the Company received the following common stock dividends in cash from Provident Life and Accident Insurance Company:

2012		2011	
Date	Amount	Date	Amount
March 27	$ 1,800,000	March 30	$ 1,400,000
June 29	1,800,000	June 30	1,400,000
September 28	1,600,000	September 30	1,400,000
December 27	1,600,000	December 27	1,400,000

D. Amounts reported on pages 2 and 3 herein as receivables from or payables to parent, subsidiaries, and affiliates result from normal, ongoing business processes and are settled in full on a monthly basis.

E. Not applicable

F. The Company receives from its affiliates certain administrative, investment, and actuarial services, the cost of which was negotiated in an arm's-length transaction.

G. All outstanding shares of the Company are owned by Unum Group, a non-insurance holding company incorporated in Delaware. Various other affiliates are under the ownership of Unum Group, but all transactions between affiliates are arm's-length in nature and do not result in the operating results or financial position of the Company being significantly different from those that would have been obtained if the enterprises were autonomous.

H. Not applicable

I. Not applicable

J. Not applicable

K. Not applicable

L. Not applicable

11. Debt

Not applicable

12. Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences and Other Postretirement Benefit Plans

The Company purchases services from its affiliates in accordance with an intercompany cost sharing arrangement. There is no material obligation on the part of the Company beyond the amounts paid as part of the cost of services purchased.

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

(1) The Company has 1,000,000 shares authorized and 500,000 shares issued and outstanding. Par value is $10 per share.

(2) The Company has no preferred stock outstanding.

(3) Maine domiciled insurance companies are required to notify the superintendent within five days after the declaration of any dividend or distribution. If the dividend or distribution is not disapproved pursuant to paragraph A below and is not an extraordinary dividend as defined in paragraph B below, the insurer may pay the dividend or distribution once the superintendent has approved the payment or ten days have elapsed after the superintendent's receipt of notice.

A. The superintendent shall issue an order restricting or disallowing the payment of dividends and distributions if the superintendent determines that the insurer's surplus would not be reasonable in relation to the insurance company's outstanding liabilities, that the insurer's surplus would be inadequate to that company's financial needs or that the insurer's financial condition would constitute a condition hazardous to policyholders, claimants or the public.

B. An extraordinary dividend may not be paid until affirmatively approved by the superintendent or until at least sixty days after the superintendent has received a request to pay an extraordinary dividend.

NOTES TO FINANCIAL STATEMENTS

1. For purposes of this subsection, "extraordinary dividend" means any dividend or distribution, other than a pro rata distribution of a class of the insurer’s own securities, that:

   a) Exceeds 10% of the insurer's surplus to policyholders as of December 31 of the preceding year or the net gain from operations for the preceding calendar year, whichever is greater;

   b) Is declared within five years after any acquisition of control of a domestic insurer or of any person controlling that insurer, unless it has been approved by a number of continuing directors equal to a majority of the directors in office immediately preceding that acquisition of control; or

   c) Is not paid entirely from unassigned funds. For purposes of this division, fifty percent of the net of unrealized capital gains and unrealized capital losses, reduced, but not to less than zero, by that portion of the asset valuation reserve attributable to equity investments, must be excluded from the calculation of unassigned funds.

2. An insurer may declare an extraordinary dividend on a conditional basis, subject to the superintendent’s approval. A declaration pursuant to this subparagraph does not confer any rights upon stockholders until the superintendent has approved the payment or the sixty day review period has elapsed.

(4) During 2012 and 2011, the Company paid the following ordinary common stock dividends:

2012		2011	
Date	Amount	Date	Amount
March 27	$ 60,000,000	March 30	$ 70,000,000
June 21	60,000,000	June 28	60,000,000
September 18	40,000,000	September 30	60,000,000
December 19	65,000,000		

(5) The portion of the Company’s profits that may be payable as ordinary dividends to its stockholders is a function of the dividend restriction noted previously.

(6) Not applicable

(7) Not applicable

(8) Not applicable

(9) Not applicable

(10) The portion of unassigned funds (surplus) reduced by cumulative unrealized losses was $6,499,665 as of December 31, 2012.

(11) Not applicable

(12) Not applicable

(13) Not applicable

14. Contingencies

A. (1) At December 31, 2012, the Company had non-binding commitments of $54,805,549 to provide additional capital contributions to certain private equity partnerships. The funds are due upon satisfaction of contractual notice from the partnership. These amounts may or may not be funded.

In addition to the commitments discussed above, at December 31, 2012, the Company had $32,302,870 in commitments related to LIHTC property partnerships. These commitments are legally binding and are reported as liabilities on the balance sheet. The Company expects to fund these commitments as follows:

	Amount
1 Year or Less	$ 27,008,940
Over 1 Through 5 Years	5,008,084
Over 5 Years through 10 Years	285,846
Total	$ 32,302,870

(2) Not applicable

(3) Not applicable

B. Assessments

(1) The Company accrues in its financial statements estimates of guaranty fund assessments based on known insolvencies and historical Company state participation levels. A corresponding receivable is recorded for amounts estimated to be recoverable through future state premium tax offsets. Based on notifications the Company has received regarding the insolvency of various

NOTES TO FINANCIAL STATEMENTS

external companies, the Company recognized a liability in previous years, the balance of which is $6,014,792 at December 31, 2012. The Company cannot determine the periods over which the assessments are expected to be paid.

(2) The change in the guaranty asset balance summarized below reflects estimated premium tax offsets of new insolvencies accrued for during 2012, revised estimated premium tax offsets for existing insolvencies based on revised estimated cost information provided by the National Organization of Life and Health Guaranty Associations, and an adjustment for premium tax offsets used.

Rollforward of Related Asset	December 31, 2012
a. Assets recognized from paid and accrued premium tax offsets and policy surcharges prior year-end	$ 7,960,501
b. Decreases current year:	
Premium tax offset applied	591,369
Change in cost estimate	440,807
c. Increases current year:	
Premium tax offset applied	-
d. Assets recognized from paid and accrued premium tax offsets and policy surcharges current year-end	$ 6,928,325

C. Not applicable

D. The Company paid the following amounts in 2012 to settle claims related to extra contractual obligations (ECO) or bad faith claims stemming from lawsuits.

	Direct
Claims related ECO and bad faith losses paid during the reporting period	$ 33,320

The number of claims where amounts were paid to settle claims related to ECO or bad faith claims resulting from lawsuits during the reported period were as follows:

(a) 0-25	(b) 26-50	(c) 51-100	(d) 101-500	(e) More than 500 Claims
4	-	-	-	-

Indicate whether claim count information is disclosed per claim or per claimant.

(f) Per Claim [ ]　　(g) Per Claimant [X]

E. Unum Group is a defendant in a number of litigation matters. In some of these matters, no specified amount is sought. In others, very large or indeterminate amounts, including punitive and treble damages, are asserted. There is a wide variation of pleading practice permitted in the United States courts with respect to requests for monetary damages, including some courts in which no specified amount is required and others which allow the plaintiff to state only that the amount sought is sufficient to invoke the jurisdiction of that court. Further, some jurisdictions permit plaintiffs to allege damages well in excess of reasonably possible verdicts. Based on extensive experience and that of others in the industry with respect to litigating or resolving claims through settlement over an extended period of time, Unum Group believes that the monetary damages asserted in a lawsuit or claim bear little relation to the merits of the case, or the likely disposition value. Therefore, the specific monetary relief sought is not stated.

Unless indicated otherwise in the descriptions below, reserves have not been established for litigation and contingencies. An estimated loss is accrued when it is both probable that a liability has been incurred and the amount of the loss can be reasonably estimated.

Claims Handling Matters

Unum Group and its insurance subsidiaries, including the Company, as part of the normal operations in managing disability claims, are engaged in claim litigation where disputes arise as a result of a denial or termination of benefits. Most typically these lawsuits are filed on behalf of a single claimant or policyholder, and in some of these individual actions punitive damages are sought, such as claims alleging bad faith in the handling of insurance claims. For its general claim litigation, Unum Group and its insurance company subsidiaries, including the Company, maintain reserves based on experience to satisfy judgments and settlements in the normal course. Management expects that the ultimate liability, if any, with respect to general claim litigation, after consideration of the reserves maintained, will not be material to the financial condition of the Company. Nevertheless, given the inherent unpredictability of litigation, it is possible that an adverse outcome in certain claim litigation involving punitive damages could, from time to time, have a material adverse effect on the Company’s results of operations in a period, depending on the results of operations of the Company for the particular period. The Company is unable to estimate the range of reasonably possible punitive losses.

From time to time class action allegations are pursued where the claimant or policyholder purports to represent a larger number of individuals who are similarly situated. Since each insurance claim is evaluated based on its own merits, there is rarely a single act or series of actions, which can properly be addressed by a class action. Nevertheless, Unum Group monitors these cases closely and defends itself appropriately where these allegations are made.

NOTES TO FINANCIAL STATEMENTS

Miscellaneous Matters

In October 2010, Denise Merrimon, Bobby S. Mowery, and all others similarly situated vs. Unum Life Insurance Company of America, was filed in the United States District Court for the District of Maine. This class action alleges that the Company breached fiduciary duties owed to certain beneficiaries under certain group life insurance policies when the Company paid life insurance proceeds by establishing interest-bearing retained asset accounts rather than by mailing checks. Plaintiffs seek to represent a class of beneficiaries under group life insurance contracts that were part of ERISA employee welfare benefit plans and under which the Company paid death benefits via retained asset accounts. The plaintiffs' principal theories in the case are: (1) funds held in retained asset accounts were plan assets, and the proceeds earned by the Company from investing those funds belonged to the beneficiaries, and (2) payment of claims using retained asset accounts did not constitute payment under Maine's late payment statute, requiring the Company to pay interest on the undrawn retained asset account funds at an annual rate of 18 percent. In February 2012, the District Court issued an opinion rejecting both of plaintiffs' principal theories and ordering judgment for the Company. At the same time, however, the District Court held that the Company breached a fiduciary duty to the beneficiaries by failing to pay rates comparable to the best rates available in the market for demand deposits. The District Court also certified a class of people who, during a certain period of time, were beneficiaries under certain group life insurance contracts that were part of ERISA employee welfare benefit plans and were paid death benefits using retained asset accounts. The District Court authorized the parties to make an immediate appeal of its decision to the First Circuit Court of Appeals, and each of the parties sought leave for an early appeal on the issues raised by the District Court's rulings, but the First Circuit decided not to hear the appeal at this time. Therefore, the parties are required to wait until the proceedings in the District Court have concluded for further resolution of those issues. The First Circuit did not rule on or discuss the merits of the case. The case is proceeding in the District Court where notice to class members and discovery on the issue of damages have been completed. In February 2013, the Company filed a motion requesting the court reconsider its prior summary judgment ruling as well as a motion challenging the admissibility of the testimony of plaintiffs’ expert witness.

In March 2011, Unum Group received a request for information from an independent third party as part of an examination on behalf of 32 states and the District of Columbia to evaluate the Company's compliance with the unclaimed property laws of the participating states. Industry-wide practices are currently under review concerning the identification and handling of unclaimed property by insurers, and numerous other insurers are under similar examination. Unum Group is cooperating fully with this examination. It is possible that the audits and related activity may result in additional payments to beneficiaries, the payment of abandoned funds under state law, and/or administrative penalties. Unum Group is currently unable to estimate a reasonably possible amount of any additional payments.

Summary

Various lawsuits against Unum Group and/or its subsidiaries, including the Company, in addition to those discussed above, have arisen in the normal course of business. Further, state insurance regulatory authorities and other federal and state authorities regularly make inquiries and conduct investigations concerning Unum Group’s compliance with applicable insurance and other laws and regulations.

Given the complexity and scope of Unum Group’s litigation and regulatory matters, it is not possible to predict the ultimate outcome of all pending investigations or legal proceedings or provide reasonable estimates of potential losses, except where noted in connection with specific matters. It is possible that the Company’s results of operations or cash flows in a particular period could be materially affected by an ultimate unfavorable outcome of pending litigation or regulatory matters depending, in part, on the Company’s results of operations or cash flows for the particular period. Unum Group believes, however, that the ultimate outcome of all pending litigation and regulatory matters, after consideration of applicable reserves and rights to indemnification, should not have a material adverse effect on the Company’s financial position.

15. Leases

A. Lessee Leasing Arrangements

(1) The Company leases office space under various noncancelable operating leases under terms that expire through 2018. For most leases, the Company has the option to renew the lease at the end of the lease term at the then fair rental value for a period of five to ten years. Rent expense in 2012 and 2011 was $4,146,923 and $3,625,350, respectively. The Company had no contingent or sublease rentals or liability for early lease terminations as of December 31, 2012.

(2) At January 1, 2013, the minimum aggregate rental commitments are as follows:

	Year Ending December 31	Operating Leases
1.	2013	$ 3,279,489
2.	2014	$ 2,369,806
3.	2015	$ 1,474,283
4.	2016	$ 712,587
5.	2017	$ 266,495
6.	Total	$ 8,258,396

(3) Not applicable

B. Lessor Leases

Not applicable

NOTES TO FINANCIAL STATEMENTS

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

(1) The table below summarizes the notional amounts of the Company's financial instruments with off-balance sheet risk:

	Assets		Liabilities	
	December 31, 2012	December 31, 2011	December 31, 2012	December 31, 2011
a. Swaps	$ -	$ -	$ 349,946,546	$ 534,946,546
b. Futures	-	-	-	-
c. Options	-	-	-	-
d. Total	$ -	$ -	$ 349,946,546	$ 534,946,546

See Schedule DB for additional detail.

(2) See Note 8 for discussion of the terms of these instruments.

(3) The Company is exposed to credit-related losses in the event of nonperformance by counterparties to financial instruments, but it does not expect any counterparties to fail to meet their obligations given their high credit ratings. The credit exposure of derivatives is limited to the fair value of those contracts in a net gain position. The Company mitigates credit risk by entering into master agreements with its counterparties whereby contracts in a gain position can be offset against contracts in a loss position. See Schedule DB Part D for detail of the Company's counterparty exposures.

(4) Credit risk is managed by only entering into transactions with investment-grade counterparties and obtaining collateral where appropriate and customary. The Company typically enters into bilateral, cross-collateralization agreements with its counterparties. These agreements require the counterparty in a loss position to submit acceptable collateral with the other counterparty in the event the net loss position meets or exceeds an agreed upon amount. See Note 8 for discussion of cash collateral held.

17. Sale, Transfer and Servicing of Financial Assets, and Extinguishments of Liabilities

A. Not applicable

B. Transfer and Servicing of Financial Assets

(1) Not applicable

(2) Securities are loaned to brokers on a short-term basis during the normal course of business. For loaned securities, Company policies require that a minimum of 102% of the fair value of the securities loaned be maintained as collateral. Generally, cash is received as collateral under these agreements. In the event that securities are received as collateral, they are restricted from general use by the Company. At December 31, 2012, securities loaned to third parties had a statement and fair value of $126,892,427 and $146,348,145, respectively. The Company is provided a degree of access to the assets permitting admission under SSAP No. 4.

(3) Not applicable

(4) Not applicable

(5) Not applicable

(6) Not applicable

C. Not applicable

NOTES TO FINANCIAL STATEMENTS

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

A. The loss from operations from Administrative Services Only (ASO) uninsured plans and the uninsured portion of partially insured plans were as follows during 2012:

	ASO Uninsured Plans	Uninsured Portion of Partially Insured Plans	Total ASO
a. Net reimbursement for administrative expenses (including administrative fees) in excess of actual expenses	$ (5,373,816)	$ -	$ (5,373,816)
b. Total net other income or expenses (including interest paid to or received from plans)	-	-	-
c. Total net loss from operations	$ (5,373,816)	$ -	$ (5,373,816)
d. Total claim payment volume	$ 283,462,324	$ -	$ 283,462,324

B. Not applicable

C. Not applicable

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

The aggregate amount of direct premiums written through managing general agents and third party administrators for the year ending December 31, 2012 is $3,936,513, which does not exceed five percent of surplus.

20. Fair Value Measurements

The fair values of the Company's financial instruments are categorized into a three-level classification. The lowest level input that is significant to the fair value measurement of a financial instrument is used to categorize the instrument and reflects the judgment of management. The valuation criterion for each level is summarized as follows:

- Level 1 – Inputs are unadjusted and represent quoted prices in active markets for identical assets or liabilities at the measurement date.
- Level 2 – Inputs (other than quoted prices included in Level 1) are either directly or indirectly observable for the asset or liability through correlation with market data at the measurement date and for the duration of the instrument's anticipated life. Level 2 inputs include, for example, indicative prices obtained from brokers or pricing services validated to other observable market data and quoted prices for similar assets or liabilities.
- Level 3 – Inputs reflect the Company's best estimate of what market participants would use in pricing the asset or liability at the measurement date. Financial assets and liabilities categorized as Level 3 are generally based on prices or valuation techniques that require inputs that are both unobservable and significant to the overall fair value measurement. The inputs reflect the Company's estimates about the assumptions that market participants would use in pricing the instrument in a current period transaction.

See section C for further discussion of the Company's valuation methods and techniques.

A.

(1) Fair Value Measurements at December 31, 2012 are as follows.

	(Level 1)	(Level 2)	(Level 3)	Total
a. Assets at Fair Value				
Separate account assets	$ 7,703,468	$ -	$ -	$ 7,703,468
Common stock	-	-	1,022,355	1,022,355
Total assets at fair value	$ 7,703,468	$ -	$ 1,022,355	$ 8,725,823

There were no transfers between levels during the year ended December 31, 2012.

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(2)

Fair Value Measurements in Level 3 of the Fair Value Hierarchy

	Beginning Balance at 01/01/2012	Transfers into Level 3	Transfers out of Level 3	Total gains and (losses) included in Net Income	Total gains and (losses) included in Surplus	Purchases	Issuances	Sales	Settlements	Ending Balance at 12/31/2012
Common stock	$ 981,737	$ -	$ -	$ -	$ 40,618	$ -	$ -	$ -	$ -	$ 1,022,355

(3) For fair value measurements of financial instruments that are transferred between levels, the Company reflects the transfers using the fair value at the beginning of the reporting period.

(4) The common stock held by the Company is a private equity investment. Inputs utilized in determining the price of the security are primarily based on assumptions generated from the investee's financial statements. This results in the usage of significant unobservable inputs and requires the asset to be classified as a Level 3 holding. During 2012, the Company has applied valuation techniques on a consistent basis to similar assets and consistent with those techniques used at year end 2011.

(5) See section C for further discussion.

B. Not applicable

C. Presented as follows are the statement values and fair values of financial instruments. The statement values of financial instruments such as short-term investments, cash and cash equivalents, accounts and premiums receivable, accrued investment income, and short-term payables approximate fair value due to the short-term nature of the instruments. As such, these financial instruments are not included in the following charts.

December 31, 2012

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	Level 1	Level 2	Level 3	Not Practicable (Carrying Value)
Admitted Assets						
Bonds	$ 19,794,767,003	$ 16,256,415,773	$ 1,094,992,018	$ 17,739,874,889	$ 959,900,096	$ -
Preferred Stocks	14,506,470	13,000,000	-	14,506,470	-	-
Common Stocks (Unaffiliated)	1,022,355	1,022,355	-	-	1,022,355	-
Mortgage Loans	935,679,490	834,685,416	-	935,679,490	-	-
Contract Loans	59,545,939	59,545,939	-	-	59,545,939	-
Derivatives	61,175,987	-	-	61,175,987	-	-
Other Invested Assets	337,936,078	302,962,552	-	141,203,629	196,732,449	
Separate Accounts	7,703,468	7,703,468	7,703,468	-	-	-
						-
Liabilities						
Deposit-Type Contracts	$ 587,781,733	$ 587,781,733	$ -	$ -	$ 587,781,733	$ -
Derivatives	65,493,313	49,032,943	-	65,493,313	-	-
Unfunded Commitments to Investment Partnerships	32,302,870	32,302,870	-	32,302,870	-	-

December 31, 2011

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	Level 1	Level 2	Level 3	Not Practicable (Carrying Value)
Admitted Assets						
Bonds	$ 18,728,235,271	$ 15,869,989,848	$ 2,421,544,348	$ 15,860,463,204	$ 446,227,719	$ -
Preferred Stocks	28,283,756	28,200,000	-	13,843,756	14,440,000	-
Common Stocks (Unaffiliated)	981,737	981,737	-	-	981,737	-
Mortgage Loans	875,032,716	794,404,518	-	875,032,716	-	-
Contract Loans	63,767,249	63,767,249	-	-	63,767,249	-
Derivatives	125,387,356	-	-	125,387,356	-	-
Other Invested Assets	207,150,246	203,914,577	-	29,458,737	177,691,509	-
Separate Accounts	7,640,451	7,640,451	7,640,451	-	-	-
Liabilities						
Deposit-Type Contracts	$ 557,035,039	$ 557,035,039	$ -	$ -	$ 557,035,039	$ -
Derivatives	62,379,465	42,279,744	-	62,379,465	-	-
Unfunded Commitments to Investment Partnerships	59,004,996	59,004,996	-	59,004,996	-	-

Bonds and Preferred Stocks: Fair values are based on quoted market prices, where available. For bonds and preferred stocks not actively traded, fair values are estimated using values obtained from independent pricing services. For private placements, fair values are estimated using internally prepared valuations combining matrix pricing with vendor purchased software programs, including

NOTES TO FINANCIAL STATEMENTS

valuations based on estimates of future profitability. Additionally, the Company obtains prices from independent third-party brokers to establish valuations for certain of these securities.

Common Stocks (Unaffiliated): Fair values are based on internally prepared valuations derived from the issuer's financial statements.

Mortgage Loans: Fair values are estimated using discounted cash flow analyses and interest rates currently being offered for similar loans to borrowers with similar credit ratings and maturities. Loans with similar characteristics are aggregated for purposes of the calculations.

Contract Loans: Fair values are estimated using discounted cash flow analyses and interest rates currently being offered to policyholders with similar policies.

Derivatives: Fair values for derivatives are based on market quotes and represent the net amount of cash the Company would have paid or received if the contracts had been settled or closed as of the last day of the period. The Company analyzes credit default swap spreads relative to the average credit spread embedded within the London Interbank Offered Rate (LIBOR) setting syndicate in determining the effect of credit risk on its derivatives' fair values. If net counterparty credit risk for a derivative asset is determined to be material and is not adequately reflected in the LIBOR-based fair value obtained from the Company's pricing sources, it adjusts the valuations obtained from its pricing sources. For purposes of valuing net counterparty risk, the Company measures the fair value of a group of financial assets and financial liabilities on the basis of the price that would be received to sell a net long position or transfer a net short position for a particular risk exposure in an orderly transaction between market participants at the measurement date under current market conditions.

Other Invested Assets: Carrying amounts for tax credit partnerships equal the unamortized balance of contractual commitments to the partnerships and approximate fair value. Fair values for private equity partnerships are primarily derived from valuations provided in the financial statements of the partnerships. Fair values for surplus notes are based on prices obtained from independent pricing services.

Separate Accounts: The Company's separate account investments consist of publicly traded mutual funds with fair values published by the respective investment companies.

Deposit-Type Contracts: Deposit-type contracts represent customer deposits plus interest credited at contract rates. Deposits and withdrawals are recorded using deposit accounting and are credited directly to an appropriate policy reserve account. Statement values approximate fair values.

Unfunded Commitments to Investment Partnerships: Unfunded equity commitments represent legally binding amounts that the Company has committed to certain investment partnerships subject to the partnerships meeting specified conditions. When these conditions are met, the Company is obligated to invest these amounts in the partnerships. Statement values approximate fair values.

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date and, therefore, represents an exit price, not an entry price. The exit price objective applies regardless of a reporting entity's intent and/or ability to sell the asset or transfer the liability at the measurement date.

The degree of judgment utilized in measuring the fair value of financial instruments generally correlates to the level of pricing observability. Financial instruments with readily available active quoted prices or for which fair value can be measured from actively quoted prices in active markets generally have more pricing observability and less judgment utilized in measuring fair value. An active market for a financial instrument is a market in which transactions for an asset or a similar asset occur with sufficient frequency and volume to provide pricing information on an ongoing basis. A quoted price in an active market provides the most reliable evidence of fair value and should be used to measure fair value whenever available. Conversely, financial instruments rarely traded or not quoted have less observability and are measured at fair value using valuation techniques that require more judgment. Pricing observability is generally impacted by a number of factors, including the type of financial instrument, whether the financial instrument is new to the market and not yet established, the characteristics specific to the transaction, and overall market conditions.

Valuation techniques used for assets and liabilities accounted for at fair value are generally categorized into three types. The market approach uses prices and other relevant information from market transactions involving identical or comparable assets or liabilities. The income approach converts future amounts, such as cash flows or earnings, to a single present amount, or a discounted amount. The cost approach is based upon the amount that currently would be required to replace the service capacity of an asset, or the current replacement cost.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available that can be obtained without undue cost and effort. In some cases, a single valuation technique will be appropriate (for example, when valuing an asset or liability using quoted prices in an active market for identical assets or liabilities). In other cases, multiple valuation techniques will be appropriate. If the Company uses multiple valuation techniques to measure fair value, it evaluates and weighs the results, as appropriate, considering the reasonableness of the range indicated by those results. A fair value measurement is the point within that range that is most representative of fair value in the circumstances.

The selection of the valuation method(s) to apply considers the definition of an exit price and depends on the nature of the asset or liability being valued. For assets and liabilities, the Company generally uses valuation techniques consistent with the market approach, and to a lesser extent, the income approach. The Company believes the market approach valuation technique provides more observable data than the income approach, considering the type of investments the Company holds. The Company's fair value measurements could differ significantly based on the valuation technique and available inputs. When using a pricing service, the Company obtains the vendor's pricing documentation to ensure the Company understands their methodologies. The Company periodically reviews and approves the selection of its pricing vendors to ensure the Company is in agreement with their current methodologies. When markets are less active, brokers may rely more on models with inputs based on the information available only to the broker. The Company's internal investment management professionals, which include portfolio managers and analysts,

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monitor securities priced by brokers and evaluate their prices for reasonableness based on benchmarking to available primary and secondary market information. In weighing a broker quote as an input to fair value, the Company places less reliance on quotes that do not reflect the result of market transactions. The Company also considers the nature of the quote, particularly whether the quote is a binding offer. If prices in an inactive market do not reflect current prices for the same or similar assets, adjustments may be necessary to arrive at fair value. When relevant market data is unavailable, which may be the case during periods of market uncertainty, the income approach can, in suitable circumstances, provide a more appropriate fair value. During 2012, the Company has applied valuation techniques on a consistent basis to similar assets and liabilities and consistent with those techniques used at year end 2011.

The Company uses observable and unobservable inputs in measuring the fair value of its financial instruments. Inputs that may be used include the following:

- Broker market maker prices and price levels
- Trade Reporting and Compliance Engine (TRACE) pricing
- Prices obtained from external pricing services
- Benchmark yields (Treasury and interest rate swap curves)
- Transactional data for new issuance and secondary trades
- Security cash flows and structures
- Recent issuance/supply
- Sector and issuer level spreads
- Security credit ratings/maturity/capital structure/optionality
- Corporate actions
- Underlying collateral
- Prepayment speeds/loan performance/delinquencies/weighted average life/seasoning
- Public covenants
- Comparative bond analysis
- Derivative spreads
- Relevant reports issued by analysts and rating agencies
- Audited financial statements

The management of the Company's investment portfolio includes establishing pricing policy and reviewing the reasonableness of sources and inputs used in developing pricing. The Company reviews all prices obtained to ensure they are consistent with a variety of observable market inputs and to verify the validity of a security. In the event the Company receives a vendor's market price that does not appear reasonable based on its market analysis, the Company may challenge the price and request further information about the assumptions and methodologies used by the vendor to price the security. The Company may change the vendor price based on a better data source such as an actual trade. The Company also reviews all price changes from the prior month which fall outside a predetermined corridor. The overall valuation process for determining fair values may include adjustments to valuations obtained from the Company's pricing sources when they do not represent a valid exit price. These adjustments may be made when, in the Company's judgment and considering its knowledge of the financial conditions and industry in which the issuer operates, certain features of the financial instrument require that an adjustment be made to the value originally obtained from the Company's pricing sources. These features may include the complexity of the financial instrument, the market in which the financial instrument is traded, counterparty credit risk, credit structure, concentration, or liquidity. Additionally, an adjustment to the price derived from a model typically reflects the Company's judgment of the inputs that other participants in the market for the financial instrument being measured at fair value would consider in pricing that same financial instrument. In the event an asset is sold, the Company tests the validity of the fair value determined by its valuation techniques by comparing the selling price to the fair value determined for the asset in the immediately preceding month end reporting period closest to the transaction date.

The parameters and inputs used to validate a price on a security may be adjusted for assumptions about risk and current market conditions on a quarter to quarter basis, as certain features may be more significant drivers of valuation at the time of pricing. Changes to inputs in valuations are not changes to valuation methodologies; rather, the inputs are modified to reflect direct or indirect impacts on asset classes from changes in market conditions.

Certain of the Company's investments do not have readily determinable market prices and/or observable inputs or may at times be affected by the lack of market liquidity. For these securities, the Company uses internally prepared valuations combining matrix pricing with vendor purchased software programs, including valuations based on estimates of future profitability, to estimate the fair value. Additionally, the Company may obtain prices from independent third-party brokers to aid in establishing valuations for certain of these securities. Key assumptions used to determine fair value for these securities include risk free interest rates, risk premiums, performance of underlying collateral (if any), and other factors involving significant assumptions which may or may not reflect those of an active market.

The Company considers transactions in inactive or disorderly markets to be less representative of fair value. The Company uses all available observable inputs when measuring fair value, but when significant other unobservable inputs and adjustments are necessary, it classifies these assets or liabilities as Level 3.

D. Not applicable

21. Other Items

A. Not applicable

B. Not applicable

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C. During 2009, the Company entered into a quota share reinsurance agreement with RGA Americas Reinsurance Company, Ltd. under which the Company ceded closed blocks of group long-term disability claims. The agreement is on a combination coinsurance with funds withheld and modified coinsurance basis and provides 80 percent quota share reinsurance on this block of business. Effective September 1, 2011, the Company ceded an additional funds withheld reserve and modified coinsurance reserve of $3,944,281 and $390,483,855, respectively. Effective September 1, 2012, the Company ceded an additional funds withheld reserve and modified coinsurance reserve of $3,609,242 and $357,314,980, respectively.

Effective October 1, 2012, the Company entered into an excess risk reinsurance arrangement with an affiliate, Colonial Life & Accident Insurance Company, under which the Company assumed certain group life and group accidental death and dismemberment policies. As of and for the year ended December 31, 2012, assumed premiums and reserves were immaterial.

Assets in the amount of $269,930,729 and $291,719,089 at December 31, 2012 and 2011, respectively, were on deposit with government authorities or trustees as required by law or agreement.

Purchase obligations at December 31, 2012 include commitments of $39,400,000 to fund certain private placed investments and commercial mortgage loans.

D. Not applicable

E. Not applicable

F. State Transferable and Non-transferable Tax Credits

As of December 31, 2012, the Company had the following related to state tax credits:

(1) Carrying Value of Transferable and Non-transferable State Tax Credits gross of any related tax liabilities and total unused transferable and non-transferable state tax credits by state and in total

Description of State Transferable and Non-transferable Tax Credits	State	Carrying Value	Unused Amount
Hamel Mill, LIHTC	MA	$ -	$ 1,000,000
Sacred Heart, LIHTC	MA	450,000	815,205
United Front, LIHTC	MA	380,429	2,000,000
INVESTCO	TN	9,339,935	11,900,000
North American Life, CAPCO	TX	643,655	473,276
Total		$ 10,814,019	$ 16,188,481

(2) Method of Estimating Utilization of Remaining Transferable and Non-transferable State Tax Credits

All of the Company's state tax credits are transferable, and the method of estimating utilization of those remaining is based on historical premium tax incurred.

(3) Impairment Loss

Not applicable

(4) State Tax Credits Admitted and Nonadmitted

	Total Admitted	Total Nonadmitted
a. Transferable	$ 10,814,019	$ -
b. Non-transferable	-	-

G. Subprime Mortgage Related Risk Exposure

(1) At December 31, 2012, the Company held no investments with subprime mortgage risk exposure. The Company's definition of subprime mortgages is based primarily on the underlying credit scores of the loans, specifically the FICO score. To ensure proper mitigation of subprime mortgage risk, the Company's investment strategy is to avoid purchasing any investments with subprime exposure. Risk assessment is performed and analyzed prior to the purchase of any mortgage-backed securities to ensure the transaction is in compliance with the Company's policy to avoid subprime mortgage risk exposure.

(2) Not applicable

(3) Not applicable

(4) Not applicable

H. Retained Assets

(1) The Company's retained asset accounts represent payments of life insurance proceeds which are retained by the Company within the general account. These accounts are reported in the annual statement as cash and supplemental contracts without life

NOTES TO FINANCIAL STATEMENTS

contingencies. The accountholder has the full and unfettered right to withdraw funds in whole or in part at any time, except that, in the event that the amount in the account falls below $250, a payment is made to the accountholder for the current balance in the account, and the account is closed. During 2012, accountholders were credited interest equal to 1% annual interest compounded on a monthly basis from the date on which the account was created. As required by the majority of the Company's group life policy contracts, the retained asset account is the method for paying benefits exceeding $10,000, unless the beneficiary requests other settlement options. Retained asset accounts are also used to pay life insurance proceeds to minor beneficiaries.

(2) Aging of retained asset accounts is as follows:

	In Force			
	December 31, 2012		December 31, 2011	
	Number	Balance	Number	Balance
a. Up to and including 12 Months	3,487	$ 165,015,868	3,696	$ 159,007,401
b. 13 to 24 Months	2,299	86,249,757	2,654	89,982,315
c. 25 to 36 Months	2,009	66,006,441	1,632	52,569,092
d. 37 to 48 Months	1,288	41,464,842	1,176	31,064,430
e. 49 to 60 Months	992	25,263,967	792	19,820,326
f. Over 60 Months	4,356	94,348,090	4,337	89,179,888
g. Total Inforce	14,431	$ 478,348,965	14,287	$ 441,623,452

(3) Changes in retained asset accounts for the year ended December 31, 2012 are as follows:

	Individual		Group	
	Number	Balance/Amount	Number	Balance/Amount
a. Number/balance of retained asset accounts at the beginning of the year	1	$ 16,338	14,286	$ 441,607,114
b. Number/amount of retained asset accounts issued/added during the year	-	-	7,986	448,750,536
c. Investment earnings credited to retained asset accounts during the year	NA	164	NA	4,657,035
d. Fees and other charges assessed to retained asset accounts during the year	NA	-	NA	7,645
e. Number/amount of retained asset accounts transferred to state unclaimed property funds during the year	-	-	96	1,950,352
f. Number/amount of retained asset accounts closed/withdrawn during the year	-	-	7,746	414,724,225
g. Number/balance of retained asset accounts at the end of the year	1	$ 16,502	14,430	$ 478,332,463

22. Events Subsequent

Subsequent events were evaluated through the time at which the financial statements were issued on February 21, 2013. The Company is not aware of any events subsequent to December 31, 2012 that could have a material effect on its financial condition.

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 any representative, officer, trustee, or director of the company?

   Yes ( ) No (X)

   If yes, give full details.

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)

NOTES TO FINANCIAL STATEMENTS

a. If yes, what is the estimated amount of the aggregate reduction in surplus of a unilateral cancellation by the reinsurer as of the date of this statement, for those agreements in which cancellation results in a net obligation of the company to the reinsurer, and for which such obligation is not presently accrued? Where necessary, the company may consider the current or anticipated experience of the business reinsured in making this estimate. $______________

b. What is the total amount of reinsurance credits taken, whether as an asset or as a reduction of liability, for these agreements in this statement? $______________

2. Does the company 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)

   If yes, give full details.

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.

   $ None

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 (X)   No ( )

   If yes, what is the amount of reinsurance credits, whether an asset or a reduction of liability, taken for such new agreements or amendments? Paid losses of $25,897,076 and an initial modified coinsurance reserve of $357,314,980 and an initial funds withheld reserve of $3,609,242.

B. Uncollectible Reinsurance:

   Not applicable

C. Commutation of Ceded Reinsurance:

   Not applicable

24. Retrospectively Rated Contracts & Contracts Subject to Redetermination

A. The Company estimates accrued retrospective premium adjustments for its group life and group health insurance business based on the financial experience of the policyholder. The experience is calculated by netting the actual claim experience, expenses, and agreed upon profit margin against the contract premium.

B. The Company records accrued retrospective premium as an adjustment to earned premium.

C. The amount of net premiums written by the Company at December 31, 2012 that are subject to retrospective rating features was $25,133,356 for group life, representing 3.9% of the total net premiums written for group life business, and $21,150,696 for group health, representing 1.0% of the total net premiums written for group health business. No other net premiums written by the Company are subject to retrospective rating features.

D. Not applicable

25. Change in Incurred Losses and Loss Adjustment Expenses

As of December 31, 2011, reserves for unpaid claim and claim adjustment expenses attributable to claims incurred on or before that date were $8,668,828,030. For the twelve months ended December 31, 2012, $1,617,202,249 had been paid for incurred claims and claim adjustment expenses, attributable to claims incurred in prior years. As of December 31, 2012, reserves remaining for prior years were $7,206,073,066 as a result of re-estimation of unpaid claims and claim adjustment expenses, principally on accident and health policies. Therefore, there has been a $154,447,285 cost related to prior year development for the period December 31, 2011 to December 31, 2012, excluding net investment income of $505,637,726 earned on invested assets supporting these reserves during the same period. The majority of the reserve balance is related to disability claims with long-tail payouts on which interest earned on assets backing the liabilities is an integral part of reserving, and this should be considered in understanding the development of prior year claims.

26. Intercompany Pooling Arrangements

Not applicable

NOTES TO FINANCIAL STATEMENTS

27. Structured Settlements

Not applicable

28. Health Care Receivables

Not applicable

29. Participating Policies

For the year ended December 31, 2012, the amount of participating business constitutes 39% of the total insurance in force face amount. The participating policies have the following dividend options: a) cash dividends, b) applied to reduce premium, c) applied to purchase paid-up additions, d) left to accumulate interest, and e) applied to purchase one year term insurance. The Company accounts for its policyholder dividends based upon the dividend option elected by the policyholder. In 2012, the Company paid dividends in the amount of $12,835,426 to policyholders and did not allocate any additional income to such policyholders.

30. Premium Deficiency Reserves

1. Liability carried for premium deficiency reserves	$0
2. Date of the most recent evaluation of this liability	12/31/2012
3. Was anticipated investment income utilized in the calculation?	Yes

31. Reserves for Life Contracts and Annuity Contracts

(1) Principally, the Company waives deduction of deferred fractional premiums upon death of the insured and returns any portion of the final premium beyond the date of death. Surrender values are not promised in excess of legally computed reserves.

(2) The extra reserve on annual premium policies subject to an extra premium is one-half the extra annual gross premium. The extra reserve for single premium policies subject to an extra premium is one-half the extra gross single premium. The rating-up in age method and liens are not used by the Company.

(3) As of December 31, 2012, the Company had $4,077,534 of insurance in force for which the gross premiums are less than the net premiums according to the standard valuation required by the State of Maine. Reserves to cover the above insurance totaled $12,822 at year-end and are reported in Exhibit 5, Life Insurance and Annuities sections.

(4) The tabular interest, tabular less actual reserve released, and tabular cost have each been determined by formula as described in the instructions.

(5) For the determination of tabular interest on supplemental contracts and dividend accumulations not involving life contingencies, the tabular interest is determined by formula 3 as described in the instructions. Tabular interest on deposit funds other than supplemental contracts and dividend accumulations is determined using actual interest credited and/or accrued to the funds.

(6) There were no other material reserve changes.

NOTES TO FINANCIAL STATEMENTS

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

	General Account	Separate Account with Guarantees	Separate Account Nonguaranteed	Total	% of Total
A. Subject to discretionary withdrawal:					
(1) With Fair Value Adjustment	$ -	$ -	$ -	$ -	- %
(2) At book value less current surrender charge of 5% or more	1,261,709	-	-	1,261,709	0.1
(3) At fair value	-	-	7,702,872	7,702,872	0.9
(4) Total with adjustment or at market value	1,261,709	-	7,702,872	8,964,581	1.0
(5) At book value without adjustment (minimal or no charge or adjustment)	759,469,372	-	-	759,469,372	85.7
B. Not subject to discretionary withdrawal	117,455,474	-	-	117,455,474	13.3
C. Total (gross: direct + assumed)	878,186,555	-	7,702,872	885,889,427	100.0 %
D. Reinsurance ceded	178,050,012	-	-	178,050,012	
E. Total (net) * (C) - (D)	$ 700,136,543	$ -	$ 7,702,872	$ 707,839,415	

*Reconciliation of total annuity reserves and deposit fund liabilities

F. Life & Accident & Health Annual Statement:	Amount
1. Exhibit 5, Annuities Section, Total (net)	$ 109,243,467
2. Exhibit 5, Supplementary Contracts with Life Contingencies Section, Total (net)	3,111,343
3. Exhibit 7, Deposit-Type Contracts, Line 14, Column 1	587,781,733
4. Subtotal	700,136,543
Separate Accounts Annual Statement:	
5. Exhibit 3, Line 0299999, Column 2	-
6. Exhibit 3, Line 0399999, Column 2	-
7. Policyholder Dividend and Coupon Accumulations	7,702,872
8. Policyholder Premiums	-
9. Guaranteed Interest Contracts	-
10. Other Contract Deposit Funds	-
11. Subtotal	7,702,872
12. Combined Total	$ 707,839,415

G. Not applicable

33. Premium & Annuity Considerations Deferred and Uncollected

Deferred and uncollected life insurance premiums as of December 31, 2012 were as follows:

Type	Gross	Net of Loading
(1) Industrial	$ -	$ -
(2) Ordinary new business	163,452	31,484
(3) Ordinary renewal	749,266	567,761
(4) Credit Life	-	-
(5) Group Life	53,676,355	53,676,355
(6) Group Annuity	-	-
(7) Total	$ 54,589,073	$ 54,275,600

34. Separate Accounts

A. Separate Account Activity:

(1) Separate accounts held by the Company represent variable annuity contract funds which the Company invests in pooled investment securities on behalf of the accounts' contractholders.

In accordance with the domiciliary state procedures for approving items within the separate account, the separate account classification of the variable annuity contract funds are supported by Maine Insurance Code 24-A s 2537.

(2) All assets within the separate account are legally insulated from the general account. The legal insulation of the separate account assets prevents such assets from being generally available to satisfy claims resulting from the general account.

NOTES TO FINANCIAL STATEMENTS

(3) As discussed in section B below, there are certain guarantees associated with the separate account. As of December 31, 2012, the general account of the Company had a maximum guarantee for separate account liabilities of $603. To compensate the general account for the risk taken, the separate account paid risk charges as follows for the past three years:

a. 2012 $ 94,495 ;
b. 2011 $ 100,891 ;
c. 2010 $ 97,388 .

The general account of the Company did not pay any amounts to contractholders due to separate account guarantees during the years ended December 31, 2012, 2011, and 2010.

(4) Not applicable

B. General Nature and Characteristics of Separate Accounts Business:

The variable annuity contract funds held in the separate accounts are of a nonguaranteed return nature. The net investment experience of the separate accounts is credited directly to the contractholder and can be positive or negative. These variable annuities generally provide an incidental death benefit of the greater of account value or premium paid. The separate account also provides a mortality guarantee, such that contractholders that have annuitized are guaranteed they will continue to receive annuity benefits if they live longer than actuarially projected.

NOTES TO FINANCIAL STATEMENTS

Information regarding the separate accounts of the Company is as follows:

		Index	Nonindexed Guarantee Less than/ equal to 4%	Nonindexed Guarantee more than 4%	Non-guaranteed Separate Accounts	Total
(1)	Premiums, considerations or deposits for year ended 12/31/2012				$ 76,586	$ 76,586
	Reserves at 12/31/2012					
(2)	For accounts with assets at:					
	a. Fair value				$ 7,702,872	$ 7,702,872
	b. Amortized cost				-	-
	c. Total Reserves*				$ 7,702,872	$ 7,702,872
(3)	By withdrawal characteristics:					
	a. Subject to discretionary withdrawal:				$ -	$ -
	b. With FV adjustment				-	-
	c. At book value without FV adjustment and with current surrender charge of 5% or more				-	-
	d. At fair value				7,702,872	7,702,872
	e. At book value without FV adjustment and with current surrender charge less than 5%				-	-
	f. Subtotal				$ 7,702,872	$ 7,702,872
	g. Not subject to discretionary withdrawal				-	-
	h. Total				$ 7,702,872	$ 7,702,872
	* Line 2(c) should equal Line 3(h).					
(4)	Reserves for Asset Default Risk in Lieu of AVR				$ -	$ -

C. Reconciliation of Net Transfers To or (From) Separate Accounts

(1) Transfers as reported in the Summary of Operations of the Separate Accounts Statement:

a. Transfers to Separate Accounts (Page 4, Line 1.4)	$ 76,586
b. Transfers from Separate Accounts (Page 4, Line 10)	1,048,680
c. Net transfers to or (From) Separate Accounts (a) – (b)	$ (972,094)
(2) Reconciling Adjustments:	-
(3) Transfers as Reported in the Summary of Operations of the Life, Accident Health Annual Statement	
(1c) + (2) = (Page 4, Line 26)	$ (972,094)

35. Loss/Claim Adjustment Expenses

The balance in the liability for unpaid accident and health claim adjustment expenses as of December 31, 2012 and 2011 was $188,240,229 and $198,922,495, respectively.

The Company incurred $178,690,847 and paid $189,373,113 of claim adjustment expenses during 2012, of which $150,467,331 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.

The Company took into account estimated anticipated salvage and subrogation in its determination of the liability for unpaid claims/losses. There was no material value to the estimated salvage and subrogation.

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? ME

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. 12/31/2008

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. 12/31/2008

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). 06/22/2010

3.4 By what department or departments?
Maine

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 [ ] No [ ] N/A [X]

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,
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 or government, manager or attorney in fact).

1 Nationality	2 Type of Entity

GENERAL INTERROGATORIES

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 below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), 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 FDIC	6 SEC

9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?
Ernst & Young LLP
Republic Centre, Suite 1500
633 Chestnut Street
Chattanooga, TN 37450-1501

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 the response to 10.1 is yes, provide information related to this exemption:

10.3 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]

10.4 If the response to 10.3 is yes, provide information related to this exemption:

10.5 Has the reporting entity established an Audit Committee in compliance with the domiciliary state insurance laws? Yes [X] No [ ] N/A [ ]

10.6 If the response to 10.5 is no or n/a, please explain

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?
Albert A. Riggieri, FSA, MAAA
SVP, Corporate Actuary
1 Fountain Square
Chattanooga, TN 37402

12.1 Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly? Yes [ ] No [X]

12.11 Name of real estate holding company

12.12 Number of parcels involved

12.13 Total book/adjusted carrying value $

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 [ ]

13.3 Have there been any changes made to any of the trust indentures during the year? Yes [ ] No [ ]

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 [X] 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 [X]

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 [X]

14.31 If the response to 14.3 is yes, provide the nature of any waiver(s).

GENERAL INTERROGATORIES

15.1 Is the reporting entity the beneficiary of a Letter of Credit that is unrelated to reinsurance where the issuing or confirming bank is not on the SVO Bank List? Yes [ ] No [X]

15.2 If the response to 15.1 is yes, indicate the American Bankers Association (ABA) Routing Number and the name of the issuing or confirming bank of the Letter of Credit and describe the circumstances in which the Letter of Credit is triggered.

1 American Bankers Association (ABA) Routing Number	2 Issuing or Confirming Bank Name	3 Circumstances That Can Trigger the Letter of Credit	4 Amount

BOARD OF DIRECTORS

16. 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 [X] No [ ]

17. Does the reporting entity keep a complete permanent record of the proceedings of its board of directors and all subordinate committees thereof? Yes [X] No [ ]

18. 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 with the official duties of such person? Yes [X] No [ ]

FINANCIAL

19. Has this statement been prepared using a basis of accounting other than Statutory Accounting Principles (e.g., Generally Accepted Accounting Principles)? Yes [ ] No [X]

20.1 Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):
- 20.11 To directors or other officers $
- 20.12 To stockholders not officers $
- 20.13 Trustees, supreme or grand (Fraternal Only) $

20.2 Total amount of loans outstanding at the end of year (inclusive of Separate Accounts, exclusive of policy loans):
- 20.21 To directors or other officers $
- 20.22 To stockholders not officers $
- 20.23 Trustees, supreme or grand (Fraternal Only) $

21.1 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 [X]

21.2 If yes, state the amount thereof at December 31 of the current year:
- 21.21 Rented from others $
- 21.22 Borrowed from others $
- 21.23 Leased from others $
- 21.24 Other $

22.1 Does this statement include payments for assessments as described in the Annual Statement Instructions other than guaranty fund or guaranty association assessments? Yes [X] No [ ]

22.2 If answer is yes:
- 22.21 Amount paid as losses or risk adjustment $ 1,961,038
- 22.22 Amount paid as expenses $
- 22.23 Other amounts paid $

23.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? Yes [ ] No [X]

23.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: $

INVESTMENT

24.01 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 24.03) Yes [ ] No [X]

24.02 If no, give full and complete information relating thereto
All other stocks and bonds are held in the Company's custodial accounts at JPMorgan Chase Bank, New York, NY and The Bank of New York Mellon, New York, NY.

24.03 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)
See Note 17 for a discussion of the Company's Securities Lending Program

24.04 Does the Company's security lending program meet the requirements for a conforming program as outlined in the Risk-Based Capital Instructions? Yes [X] No [ ] N/A [ ]

24.05 If answer to 24.04 is yes, report amount of collateral for conforming programs. $ 152,103,696

24.06 If answer to 24.04 is no, report amount of collateral for other programs. $

24.07 Does your securities lending program require 102% (domestic securities) and 105% (foreign securities) from the counterparty at the outset of the contract? Yes [X] No [ ] N/A [ ]

24.08 Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%? Yes [X] No [ ] N/A [ ]

24.09 Does the reporting entity or the reporting entity 's securities lending agent utilize the Master Securities lending Agreement (MSLA) to conduct securities lending? Yes [X] No [ ] N/A [ ]

GENERAL INTERROGATORIES

24.10 For the reporting entity's security lending program state the amount of the following as December 31 of the current year:

24.101 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2. $ 151,787,945
24.102 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2 $ 151,787,945
24.103 Total payable for securities lending reported on the liability page. $ 151,787,945

25.1 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 21.1 and 24.03). Yes [X] No [ ]

25.2 If yes, state the amount thereof at December 31 of the current year:

25.21 Subject to repurchase agreements $
25.22 Subject to reverse repurchase agreements $
25.23 Subject to dollar repurchase agreements $
25.24 Subject to reverse dollar repurchase agreements $
25.25 Pledged as collateral $ 42,250,469
25.26 Placed under option agreements $
25.27 Letter stock or other securities restricted as to sale $
25.28 On deposit with state or other regulatory body $ 258,796,607
25.29 Other $

25.3 For category (25.27) provide the following:

1 Nature of Restriction	2 Description	3 Amount

26.1 Does the reporting entity have any hedging transactions reported on Schedule DB? Yes [X] No [ ]

26.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? Yes [X] No [ ] N/A [ ]
If no, attach a description with this statement.

27.1 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 [X]

27.2 If yes, state the amount thereof at December 31 of the current year. $

28. 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 1, III - General Examination Considerations, F. Outsourcing of Critical Functions, Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook? Yes [X] No [ ]

28.01 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
JPMorgan Chase Bank, N.A.	New York, NY

28.02 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)

28.03 Have there been any changes, including name changes, in the custodian(s) identified in 28.01 during the current year? Yes [ ] No [X]
28.04 If yes, give full and complete information relating thereto:

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

28.05 Identify all investment advisors, brokers/dealers or individuals acting on behalf of brokers/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
	Provident Investment Management, LLC	Chattanooga, TN
	JPMorgan Chase Bank, N.A.	New York, NY

GENERAL INTERROGATORIES

29.1 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 [X]

29.2 If yes, complete the following schedule:

1 CUSIP #	2 Name of Mutual Fund	3 Book/Adjusted Carrying Value
29.2999 - Total		

29.3 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

30. 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.

	1 Statement (Admitted) Value	2 Fair Value	3 Excess of Statement over Fair Value (-), or Fair Value over Statement (+)
30.1 Bonds	16,550,877,787	20,089,229,017	3,538,351,230
30.2 Preferred stocks	13,000,000	14,506,470	1,506,470
30.3 Totals	16,563,877,787	20,103,735,487	3,539,857,700

30.4 Describe the sources or methods utilized in determining the fair values:

Bonds: Barclays Capital Pricing, Bloomberg Pricing, Interactive Data Pricing, TRACE, Lighthouse Pricing, and Various Brokers. For private placement securities, internal estimates may be used based on discounting cash flows at the current market applicable to the yield, credit quality, and maturity of the bonds.

31.1 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 [ ]

31.2 If the answer to 31.1 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 [ ] No [X]

31.3 If the answer to 31.2 is no, describe the reporting entity's process for determining a reliable pricing source for purposes of disclosure of fair value for Schedule D:

The Company generally obtains a copy of the pricing policy of those brokers used as pricing sources. However, the written pricing policies of all brokers may not be made available for the Company's use. For those securities in which a broker is used as pricing source, the Company's policy is to analyze and confirm each price to determine whether it is appropiate based on other observable market data. If the price cannot be validated by observable market data, the Company will not use the broker's price to value the security.

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

32.2 If no, list exceptions:

GENERAL INTERROGATORIES

OTHER

33.1 Amount of payments to trade associations, service organizations and statistical or rating bureaus, if any? $ 1,407,995

33.2 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
None	

34.1 Amount of payments for legal expenses, if any? $ 1,802,438

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

1 Name	2 Amount Paid
Pierce Atwood	487,765

35.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers or departments of government, if any? $ 92,592

35.2 List the name of the 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 departments of government during the period covered by this statement.

1 Name	2 Amount Paid
Life Insurance Council of New York	24,973

GENERAL INTERROGATORIES

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 $

1.3 What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit? $

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. $

1.5 Indicate total incurred claims on all Medicare Supplement insurance. $

1.6 Individual policies:

Most current three years:

1.61 Total premium earned $

1.62 Total incurred claims $

1.63 Number of covered lives

All years prior to most current three years

1.64 Total premium earned $

1.65 Total incurred claims $

1.66 Number of covered lives

1.7 Group policies:

Most current three years:

1.71 Total premium earned $

1.72 Total incurred claims $

1.73 Number of covered lives

All years prior to most current three years

1.74 Total premium earned $

1.75 Total incurred claims $

1.76 Number of covered lives

2. Health Test:

		1 Current Year	2 Prior Year
2.1	Premium Numerator	224,137	0
2.2	Premium Denominator	2,702,000,365	2,603,056,960
2.3	Premium Ratio (2.1/2.2)	0.000	0.000
2.4	Reserve Numerator	615,322,818	625,439,418
2.5	Reserve Denominator	10,099,081,147	10,111,044,285
2.6	Reserve Ratio (2.4/2.5)	0.061	0.062

3.1 Does this reporting entity have Separate Accounts? Yes [X] No [ ]

3.2 If yes, has a Separate Accounts Statement been filed with this Department? Yes [X] No [ ] N/A [ ]

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:

Maine Law

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 $ 709,816,726

4.22 Received $

5.1 Does the reporting entity write any guaranteed interest contracts? Yes [ ] No [X]

5.2 If yes, what amount pertaining to these lines is included in:

5.21 Page 3, Line 1 $

5.22 Page 4, Line 1 $

6. FOR STOCK REPORTING ENTITIES ONLY:

6.1 Total amount paid in by stockholders as surplus funds since organization of the reporting entity: $ 1,507,631,865

7. Total dividends paid stockholders since organization of the reporting entity:

7.11 Cash $ 2,469,503,430

7.12 Stock $ 203,939,371

GENERAL INTERROGATORIES

8.1 Does the company reinsure any Workers' Compensation Carve-Out business defined as: Yes [X] No [ ]
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.

8.2 If yes, has the reporting entity completed the Workers' Compensation Carve-Out Supplement to the Annual Statement? Yes [X] No [ ]

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	2,292,973	2,292,973	
8.32	Paid claims	25,183,268	24,943,125	240,143
8.33	Claim liability and reserve (beginning of year)	131,756,588	120,245,497	11,511,091
8.34	Claim liability and reserve (end of year)	108,844,365	99,651,084	9,193,282
8.35	Incurred claims	2,271,045	4,348,712	(2,077,667)

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:

	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	2,292,973	108,844,365

8.5 What portion of earned premium reported in 8.31, Column 1 was assumed from pools? $ 2,292,973

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

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

Type		3	4	5	6	7	8	9
1 Guaranteed Death Benefit	2 Guaranteed Living Benefit	Waiting Period Remaining	Account Value Related to Col. 3	Total Related Account Values	Gross Amount of Reserve	Location of Reserve	Portion Reinsured	Reinsurance Reserve Credit
Return of Premium	None	NA	NA	7,702,872	641	Exhibit 7	100%	641

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:
10.1 Amount of loss reserves established by these annuities during the current year: $ 0
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]

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

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

11.4 If yes, please provide the balance of funds administered as of the reporting date. $

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 2012	2 2011	3 2010	4 2009	5 2008
	Life Insurance in Force					
	(Exhibit of Life Insurance)					
1.	Ordinary - whole life and endowment (Line 34, Col. 4)	889,546	924,093	950,082	993,064	1,050,411
2.	Ordinary - term (Line 21, Col. 4, less Line 34, Col. 4)	33,240	67,440	70,153	73,242	127,049
3.	Credit life (Line 21, Col. 6)					
4.	Group, excluding FEGLI/SGLI (Line 21, Col. 9 less Lines 43 & 44, Col. 4)	490,956,839	460,838,281	451,573,761	427,936,571	418,452,093
5.	Industrial (Line 21, Col. 2)					
6.	FEGLI/SGLI (Lines 43 & 44, Col. 4)					
7.	Total (Line 21, Col. 10)	491,879,625	461,829,814	452,593,997	429,002,877	419,629,553
	New Business Issued					
	(Exhibit of Life Insurance)					
8.	Ordinary - whole life and endowment (Line 34, Col. 2)	38,741	50,266	57,727	36,412	38,887
9.	Ordinary - term (Line 2, Col. 4, less Line 34, Col. 2)			0	0	0
10.	Credit life (Line 2, Col. 6)					
11.	Group (Line 2, Col. 9)	81,436,870	65,213,333	61,553,099	74,257,329	45,428,895
12.	Industrial (Line 2, Col. 2)					
13.	Total (Line 2, Col. 10)	81,475,611	65,263,599	61,610,826	74,293,741	45,467,782
	Premium Income - Lines of Business					
	(Exhibit 1 - Part 1)					
14.	Industrial life (Line 20.4, Col. 2)					
15.1	Ordinary-life insurance (Line 20.4, Col. 3)	11,506,819	12,113,317	11,931,778	12,546,658	11,736,060
15.2	Ordinary-individual annuities (Line 20.4, Col. 4)					
16	Credit life (group and individual) (Line 20.4, Col. 5)					
17.1	Group life insurance (Line 20.4, Col. 6)	640,502,728	600,705,254	603,160,580	572,233,918	543,041,959
17.2	Group annuities (Line 20.4, Col. 7)					
18.1	A & H-group (Line 20.4, Col. 8)	2,045,125,454	1,984,866,800	1,991,421,730	2,043,045,913	2,160,942,149
18.2	A & H-credit (group and individual) (Line 20.4, Col. 9)					
18.3	A & H-other (Line 20.4, Col. 10)	4,865,364	5,371,589	5,972,390	6,638,135	4,344,676
19.	Aggregate of all other lines of business (Line 20.4,Col. 11)	571,357	(655,891)	722,377	732,175	1,767
20.	Total	2,702,571,722	2,602,401,069	2,613,208,854	2,635,196,800	2,720,066,611
	Balance Sheet (Pages 2 & 3)					
21.	Total admitted assets excluding Separate Accounts business (Page 2, Line 26, Col. 3)	18,872,091,611	18,295,865,637	17,813,914,900	17,206,594,832	16,882,899,585
22.	Total liabilities excluding Separate Accounts business (Page 3, Line 26)	17,298,558,940	16,747,081,210	16,274,287,557	15,665,475,694	15,529,649,439
23.	Aggregate life reserves (Page 3, Line 1)	997,443,973	969,078,624	956,942,518	932,715,481	927,278,289
24.	Aggregate A & H reserves (Page 3, Line 2)	8,364,249,400	8,423,555,361	8,536,572,246	8,575,486,254	8,675,625,741
25.	Deposit-type contract funds (Page 3, Line 3)	587,781,733	557,035,039	564,243,760	497,842,580	459,788,906
26.	Asset valuation reserve (Page 3, Line 24.01)	190,657,022	199,543,100	201,483,206	155,836,932	131,190,019
27.	Capital (Page 3, Lines 29 and 30)	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
28.	Surplus (Page 3, Line 37)	1,568,532,672	1,543,784,427	1,534,627,342	1,536,119,138	1,348,250,147
	Cash Flow (Page 5)					
29.	Net Cash from Operations (Line 11)	133,502,613	62,494,533	129,016,663	66,794,157	462,677,733
	Risk-Based Capital Analysis					
30.	Total adjusted capital	1,773,316,869	1,758,455,552	1,751,247,173	1,706,739,148	1,494,282,501
31.	Authorized control level risk - based capital	223,210,543	222,546,813	223,325,566	224,735,427	226,398,977
	Percentage Distribution of Cash, Cash Equivalents and Invested Assets					
	(Page 2, Col. 3) (Line No. /Page 2, Line 12, Col. 3) x 100.0					
32.	Bonds (Line 1)	90.4	90.9	91.8	92.1	90.3
33.	Stocks (Lines 2.1 and 2.2)	0.2	0.3	0.3	0.2	1.5
34.	Mortgage loans on real estate(Lines 3.1 and 3.2)	4.7	4.5	4.4	4.5	4.3
35.	Real estate (Lines 4.1, 4.2 and 4.3)	0.5	0.6	0.6	0.7	0.6
36.	Cash, cash equivalents and short-term investments (Line 5)	1.3	1.3	1.3	1.6	2.5
37.	Contract loans (Line 6)	0.3	0.4	0.4	0.4	0.4
38.	Derivatives (Page 2, Line 7)				XXX	XXX
39.	Other invested assets (Line 8)	1.7	1.2	1.2	0.4	0.4
40.	Receivables for securities (Line 9)	0.0	0.0	0.0	0.1	0.0
41.	Securities lending reinvested collateral assets (Line 10)	0.9	0.8		XXX	XXX
42.	Aggregate write-ins for invested assets (Line 11)					0.0
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 2012	2 2011	3 2010	4 2009	5 2008
Investments in Parent, Subsidiaries and Affiliates					
44. Affiliated bonds (Schedule D Summary, Line 12, Col. 1)					
45. Affiliated preferred stocks (Schedule D Summary, Line 18, Col. 1)					
46. Affiliated common stocks (Schedule D Summary Line 24, Col. 1),	25,995,018	26,407,639	26,475,258	22,934,344	17,326,176
47. Affiliated short-term investments (subtotal included in Schedule DA Verification, Col. 5, Line 10)					
48. Affiliated mortgage loans on real estate					
49. All other affiliated					
50. Total of above Lines 44 to 49	25,995,018	26,407,639	26,475,258	22,934,344	17,326,176
51. Total Investment in Parent included in Lines 44 to 49 above					
Total Nonadmitted and Admitted Assets					
52. Total nonadmitted assets (Page 2, Line 28, Col. 2)	214,593,268	231,956,869	226,396,438	236,793,901	297,748,758
53. Total admitted assets (Page 2, Line 28, Col. 3)	18,879,795,078	18,303,506,089	17,822,750,751	17,214,784,050	16,890,054,883
Investment Data					
54. Net investment income (Exhibit of Net Investment Income)	1,092,563,655	1,082,620,086	1,059,636,742	1,017,967,843	997,414,403
55. Realized capital gains (losses) (Page 4, Line 34, Column 1)	(22,374,950)	(28,630,746)	(10,541,085)	(53,073,591)	(77,829,285)
56. Unrealized capital gains (losses) (Page 4, Line 38, Column 1)	1,048,937	(977,659)	6,336,939	9,673,292	(7,839,820)
57. Total of above Lines 54, 55 and 56	1,071,237,642	1,053,011,681	1,055,432,596	974,567,544	911,745,298
Benefits and Reserve Increases (Page 6)					
58. 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 and 11)	444,877,877	409,558,678	387,143,359	388,076,037	363,278,137
59. Total contract benefits - A & H (Lines 13 & 14, Cols. 9, 10 & 11)	1,200,359,666	1,161,903,419	1,127,077,852	1,139,653,733	1,213,859,996
60. Increase in life reserves - other than group and annuities (Line 19, Cols. 2 and 3)	(3,471,930)	(3,499,628)	(4,972,006)	(3,392,958)	(3,671,521)
61. Increase in A & H reserves (Line 19, Cols. 9, 10 & 11)	(55,804,996)	(109,195,313)	(34,584,556)	(95,056,297)	246,738,612
62. Dividends to policyholders (Line 30, Col. 1)	10,635,427	13,520,960	13,884,063	14,335,345	12,965,974
Operating Percentages					
63. Insurance expense percent (Page 6, Col. 1, Lines 21, 22 & 23, less Line 6)/(Page 6, Col. 1, Line 1 plus Exhibit 7, Col. 2, Line 2) x 100.0	29.1	29.5	29.1	29.6	26.6
64. Lapse percent (ordinary only) [(Exhibit of Life Insurance, Col. 4, Lines 14 & 15) / 1/2 (Exhibit of Life Insurance, Col. 4, Lines 1 & 21)] x 100.0	5.3	6.1	8.1	11.5	6.3
65. A & H loss percent (Schedule H, Part 1, Lines 5 and 6, Col. 2)	59.7	57.1	59.0	54.9	70.9
66. A & H cost containment percent (Schedule H, Pt. 1, Line 4, Col. 2)	3.9	4.2	4.2	3.8	3.5
67. A & H expense percent excluding cost containment expenses (Schedule H, Pt. 1, Line 10, Col. 2)	30.1	30.1	29.4	29.9	28.1
A & H Claim Reserve Adequacy					
68. Incurred losses on prior years' claims - group health (Schedule H, Part 3, Line 3.1 Col. 2)	6,716,853,517	6,840,915,320	6,917,159,850	7,044,296,165	7,092,344,033
69. Prior years' claim liability and reserve - group health (Schedule H, Part 3, Line 3.2 Col. 2)	6,752,218,109	6,825,447,020	6,876,412,327	6,977,431,576	6,904,634,710
70. Incurred losses on prior years' claims-health other than group (Schedule H, Part 3, Line 3.1 Col. 1 less Col. 2)	2,106,421,798	2,083,220,212	2,102,743,235	2,059,114,666	2,034,111,846
71. Prior years' claim liability and reserve-health other than group (Schedule H, Part 3, Line 3.2 Col. 1 less Col. 2)	1,916,578,465	1,942,458,191	1,914,424,823	1,917,659,738	1,860,653,867
Net Gains From Operations After Federal Income Taxes by Lines of Business (Page 6, Line 33)					
72. Industrial life (Col. 2)					
73. Ordinary - life (Col. 3)	468,460	(747,128)	(911,253)	(1,813,101)	1,075,225
74. Ordinary - individual annuities (Col. 4)	11,425	23,121	33,450	46,908	5,227
75. Ordinary-supplementary contracts (Col. 5)	10,689,167	8,697,731	7,507,349	19,078,638	18,214,070
76. Credit life (Col. 6)					
77. Group life (Col. 7)	59,246,148	69,602,084	79,770,132	57,290,330	74,141,053
78. Group annuities (Col. 8)	2,643,690	1,832,657	2,641,058	1,426,111	(3,792,587)
79. A & H-group (Col. 9)	100,318,195	104,620,056	139,630,374	193,902,012	136,734,646
80. A & H-credit (Col. 10)					
81. A & H-other (Col. 11)	46,994,386	42,831,646	25,301,658	30,942,985	45,186,621
82. Aggregate of all other lines of business (Col. 12)	4,855,793	808,469	2,872,910	1,618,878	(2,794,917)
83. Total (Col. 1)	225,227,263	227,668,637	256,845,680	302,492,761	268,769,339

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 [ ]

If no, please explain:

EXHIBIT OF LIFE INSURANCE

	Industrial		Ordinary		Credit Life (Group and Individual)		Group			10
	1	2	3	4	5	6	Number of		9	
							7	8		
	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)	Policies	Certificates	Amount of Insurance (a)	Total Amount of Insurance (a)
1. In force end of prior year			35,788	991,533			45,741	6,914,418	460,838,281	461,829,814
2. Issued during year			632	38,741			9,186	1,234,756	81,436,870	81,475,611
3. Reinsurance assumed										
4. Revived during year			8	699						699
5. Increased during year (net)										
6. Subtotals, Lines 2 to 5			640	39,440			9,186	1,234,756	81,436,870	81,476,310
7. Additions by dividends during year	XXX		XXX		XXX		XXX	XXX		
8. Aggregate write-ins for increases										
9. Totals (Lines 1 and 6 to 8)			36,428	1,030,973			54,927	8,149,174	542,275,151	543,306,124
Deductions during year:										
10. Death			1,534	29,042			XXX	19,564	769,464	798,506
11. Maturity			115	620			XXX			620
12. Disability							XXX			
13. Expiry			201	8,232				90	434	8,666
14. Surrender			685	28,334			5,974	777,135	49,781,987	49,810,321
15. Lapse			317	22,049						22,049
16. Conversion				7			XXX	XXX	XXX	7
17. Decreased (net)				19,903			204	21,232	766,427	786,330
18. Reinsurance										
19. Aggregate write-ins for decreases										
20. Totals (Lines 10 to 19)			2,852	108,187			6,178	818,021	51,318,312	51,426,499
21. In force end of year (Line 9 minus Line 20)			33,576	922,786			48,749	7,331,153	490,956,839	491,879,625
22. Reinsurance ceded end of year	XXX		XXX	501,133	XXX		XXX	XXX	248,136,311	248,637,444
23. Line 21 minus Line 22	XXX		XXX	421,653	XXX	(b)	XXX	XXX	242,820,528	243,242,181
DETAILS OF WRITE-INS										
0801.										
0802.										
0803.										
0898. Summary of remaining write-ins for Line 8 from overflow page.										
0899. TOTALS (Lines 0801 thru 0803 plus 0898) (Line 8 above)										
1901.										
1902.										
1903.										
1998. Summary of remaining write-ins for Line 19 from overflow page.										
1999. TOTALS (Lines 1901 thru 1903 plus 1998) (Line 19 above)										

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

(b) Group $; Individual $

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	XXX		XXX	148,890
25. Other paid-up insurance			9,665	46,161
26. Debit ordinary insurance	XXX	XXX		

ADDITIONAL INFORMATION ON ORDINARY INSURANCE

	Issued During Year (Included in Line 2)		In Force End of Year (Included in Line 21)	
Term Insurance Excluding Extended Term Insurance	1 Number of Policies	2 Amount of Insurance (a)	3 Number of Policies	4 Amount of Insurance (a)
27. Term policies - decreasing			26	10,592
28. Term policies - other			300	7,243
29. Other term insurance - decreasing	XXX		XXX	311
30. Other term insurance	XXX		XXX	1,727
31. Totals (Lines 27 to 30)			326	19,873
Reconciliation to Lines 2 and 21:				
32. Term additions	XXX		XXX	
33. Totals, extended term insurance	XXX	XXX	789	13,367
34. Totals, whole life and endowment	632	38,741	32,461	889,546
35. Totals (Lines 31 to 34)	632	38,741	33,576	922,786

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 Non-Participating	2 Participating	3 Non-Participating	4 Participating
36 Industrial				
37. Ordinary	38,454	287	563,615	359,172
38. Credit Life (Group and Individual)				
39. Group	81,436,870		490,956,839	
40. Totals (Lines 36 to 39)	81,475,324	287	491,520,454	359,172

ADDITIONAL INFORMATION ON CREDIT LIFE AND GROUP INSURANCE

NONE

	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	XXX		XXX	
42. Number in force end of year if the number under shared groups is counted on a pro-rata basis		XXX		XXX
43. Federal Employees' Group Life Insurance included in Line 21				
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)	23,434

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 Decreasing Term = Actual Amounts

47.2 Family Policy Term = $3,000 per unit; Family and Children's Rider = $2,000 per unit

POLICIES WITH DISABILITY PROVISIONS

	Industrial		Ordinary		Credit		Group	
Disability Provisions	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				2,876	36,471		4,941,757	341,186,459
49. Disability Income								
50. Extended Benefits			XXX	XXX				
51. Other								
52. Total		(b)		(b) 2,876	36,471	(b)	4,941,757	(b) 341,186,459

(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	221	47	12	14,286
2. Issued during year	4	9		7,986
3. Reinsurance assumed				
4. Increased during year (net)				
5. Total (Lines 1 to 4)	225	56	12	22,272
Deductions during year:				
6. Decreased (net)	23	4		7,842
7. Reinsurance ceded	118	26		
8. Totals (Lines 6 and 7)	141	30		7,842
9. In force end of year	84	26	12	14,430
10. Amount on deposit	469,094	(a) 875,506	2,642,250	(a) 478,332,462
11. Income now payable	84	26	12	
12. Amount of income payable	(a) 103,427	(a) 55,278	(a) 662,383	(a)

ANNUITIES

	Ordinary		Group	
	1 Immediate	2 Deferred	3 Contracts	4 Certificates
1. In force end of prior year	42	582	553	5,635
2. Issued during year				
3. Reinsurance assumed				
4. Increased during year (net)				
5. Totals (Lines 1 to 4)	42	582	553	5,635
Deductions during year:				
6. Decreased (net)	2	50	24	501
7. Reinsurance ceded	40	528		
8. Totals (Lines 6 and 7)	42	578	24	501
9. In force end of year		4	529	5,134
Income now payable:				
10. Amount of income payable	(a)	XXX	XXX	(a) 17,319,536
Deferred fully paid:				
11. Account balance	XXX	(a) 2,032	XXX	(a) 109,209,759
Deferred not fully paid:				
12. Account balance	XXX	(a)	XXX	(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	12,376,151	2,277,960,826			249,333	421,944,016
2. Issued during year	2,007,038	289,957,884			333	49,531
3. Reinsurance assumed						
4. Increased during year (net)		XXX		XXX		XXX
5. Totals (Lines 1 to 4)	14,383,189	XXX		XXX	249,666	XXX
Deductions during year:						
6. Conversions		XXX	XXX	XXX	XXX	XXX
7. Decreased (net)	1,366,124	XXX		XXX	14,560	XXX
8. Reinsurance ceded		XXX		XXX		XXX
9. Totals (Lines 6 to 8)	1,366,124	XXX		XXX	14,560	XXX
10. In force end of year	13,017,065	(a) 2,368,411,735		(a)	235,106	(a) 414,316,407

DEPOSIT FUNDS AND DIVIDEND ACCUMULATIONS

	1 Deposit Funds Contracts	2 Dividend Accumulations Contracts
1. In force end of prior year	559	10,559
2. Issued during year		
3. Reinsurance assumed		
4. Increased during year (net)		
5. Totals (Lines 1 to 4)	559	10,559
Deductions During Year:		
6. Decreased (net)	16	566
7. Reinsurance ceded	543	
8. Totals (Lines 6 and 7)	559	566
9. In force end of year		9,993
10. Amount of account balance	(a)	(a) 76,814,164

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

SCHEDULE T - PREMIUMS AND ANNUITY CONSIDERATIONS

Allocated by States and Territories

		1	Direct Business Only					
			Life Contracts		4	5	6	7
			2	3				
States, Etc.		Active Status	Life Insurance Premiums	Annuity Considerations	Accident and Health Insurance Premiums, Including Policy, Membership and Other Fees	Other Considerations	Total Columns 2 through 5	Deposit-Type Contracts
1. Alabama	AL	L	12,857,126		29,562,992		42,420,119	
2. Alaska	AK	L	3,429,149		9,845,516		13,274,665	
3. Arizona	AZ	L	10,063,990		36,643,197		46,707,187	
4. Arkansas	AR	L	16,892,082		31,289,161		48,181,242	
5. California	CA	L	93,657,168	7,239	282,118,828		375,783,234	41,056
6. Colorado	CO	L	23,897,159		37,893,925		61,791,084	
7. Connecticut	CT	L	17,079,850	2,091	49,461,750		66,543,691	
8. Delaware	DE	L	3,316,368		13,420,861		16,737,229	
9. District of Columbia	DC	L	10,326,775		35,107,998		45,434,773	3,887
10. Florida	FL	L	45,502,900		119,574,840		165,077,739	4,626
11. Georgia	GA	L	42,644,775		105,452,460		148,097,235	
12. Hawaii	HI	L	2,335,725		21,390,420		23,726,146	
13. Idaho	ID	L	2,362,443		4,170,405		6,532,848	
14. Illinois	IL	L	62,947,272		105,322,482		168,269,754	
15. Indiana	IN	L	22,003,664		48,859,509		70,863,174	
16. Iowa	IA	L	9,796,660		17,190,297		26,986,958	
17. Kansas	KS	L	11,085,627	630	18,632,576		29,718,833	32,493
18. Kentucky	KY	L	7,520,869		26,269,430		33,790,299	
19. Louisiana	LA	L	7,829,561		27,580,107		35,409,668	
20. Maine	ME	L	17,547,529	124,913	37,878,241		55,550,682	3,620
21. Maryland	MD	L	24,400,874		61,384,987		85,785,862	
22. Massachusetts	MA	L	37,467,443	6,300	146,530,313		184,004,056	537,699
23. Michigan	MI	L	44,561,908		92,190,836		136,752,744	551,081
24. Minnesota	MN	L	29,793,095		55,786,517		85,579,612	
25. Mississippi	MS	L	15,734,845		16,648,628		32,383,473	5,041
26. Missouri	MO	L	28,565,743	22,799	55,416,987		84,005,530	
27. Montana	MT	L	6,134,202		9,918,237		16,052,438	
28. Nebraska	NE	L	9,627,979		14,898,102		24,526,081	
29. Nevada	NV	L	4,752,582		10,575,700		15,328,283	
30. New Hampshire	NH	L	6,420,884	8,000	15,591,577		22,020,461	
31. New Jersey	NJ	L	22,796,324		81,928,539		104,724,863	
32. New Mexico	NM	L	4,615,741		11,130,480		15,746,221	4,132
33. New York	NY	Q	5,701,066		12,217,031		17,918,097	479,229
34. North Carolina	NC	L	28,063,099	120	68,863,243		96,926,462	
35. North Dakota	ND	L	4,231,153		4,940,853		9,172,006	
36. Ohio	OH	L	37,611,958		109,339,556		146,951,514	
37. Oklahoma	OK	L	11,599,762		21,866,757		33,466,519	
38. Oregon	OR	L	13,303,738		37,765,257		51,068,995	
39. Pennsylvania	PA	L	45,802,136		139,777,989		185,580,125	
40. Rhode Island	RI	L	20,151,876	5,744	27,784,922		47,942,542	
41. South Carolina	SC	L	9,633,758	700	23,171,233		32,805,691	
42. South Dakota	SD	L	4,758,571		9,259,085		14,017,656	
43. Tennessee	TN	L	23,778,914		70,691,491		94,470,405	
44. Texas	TX	L	134,016,362	6,950	253,650,622		387,673,933	8,185
45. Utah	UT	L	6,639,282		12,928,455		19,567,737	
46. Vermont	VT	L	7,536,318	1,500	15,164,604		22,702,421	
47. Virginia	VA	L	29,216,152	360	97,028,924		126,245,436	
48. Washington	WA	L	44,035,894		74,395,959		118,431,853	10,041
49. West Virginia	WV	L	1,860,945		6,729,440		8,590,385	
50. Wisconsin	WI	L	34,025,154		65,013,297		99,038,451	
51. Wyoming	WY	L	2,012,693		3,030,228		5,042,921	
52. American Samoa	AS	N						
53. Guam	GU	L	2,256				2,256	
54. Puerto Rico	PR	L	73,879		78,418		152,298	
55. U.S. Virgin Islands	VI	N	6,928		10,553		17,481	
56. Northern Mariana Islands	MP	N						
57. Canada	CAN	N	42,903		35,403		78,305	
58. Aggregate Other Alien	OT	XXX	180,967		1,328,462		1,509,429	
59. Subtotal		(a) 52	1,122,254,078	187,346	2,684,737,678		3,807,179,102	1,681,091
90. Reporting entity contributions for employee benefits plans		XXX						
91. Dividends or refunds applied to purchase paid-up additions and annuities		XXX	7,047,463				7,047,463	
92. Dividends or refunds applied to shorten endowment or premium paying period		XXX						
93. Premium or annuity considerations waived under disability or other contract provisions		XXX	353,464		23,358,139		23,711,603	
94. Aggregate or other amounts not allocable by State		XXX						
95. Totals (Direct Business)		XXX	1,129,655,004	187,346	2,708,095,817		3,837,938,167	1,681,091
96. Plus reinsurance assumed		XXX	192		82,330,451		82,330,643	
97 Totals (All Business)		XXX	1,129,655,196	187,346	2,790,426,268		3,920,268,810	1,681,091
98. Less reinsurance ceded		XXX	482,985,677	187,346	744,254,924		1,227,427,948	1,656,202
99. Totals (All Business) less Reinsurance Ceded		XXX	646,669,519		(b) 2,046,171,343		2,692,840,862	24,888
DETAILS OF WRITE-INS								
58001. Australia		XXX	22,392		1,539		23,931	
58002. Austria		XXX			11,355		11,355	
58003. Belgium		XXX	4,165				4,165	
58998. Summary of remaining write-ins for Line 58 from overflow page		XXX	154,410		1,315,567		1,469,977	
58999. Totals (Lines 58001 through 58003 plus 58998)(Line 58 above)		XXX	180,967		1,328,462		1,509,429	
9401.		XXX						
9402.		XXX						
9403.		XXX						
9498. Summary of remaining write-ins for Line 94 from overflow page		XXX						
9499. Totals (Lines 9401 through 9403 plus 9498)(Line 94 above)		XXX						

(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 business in the state.

Explanation of basis of allocation by states, etc., of premiums and annuity considerations

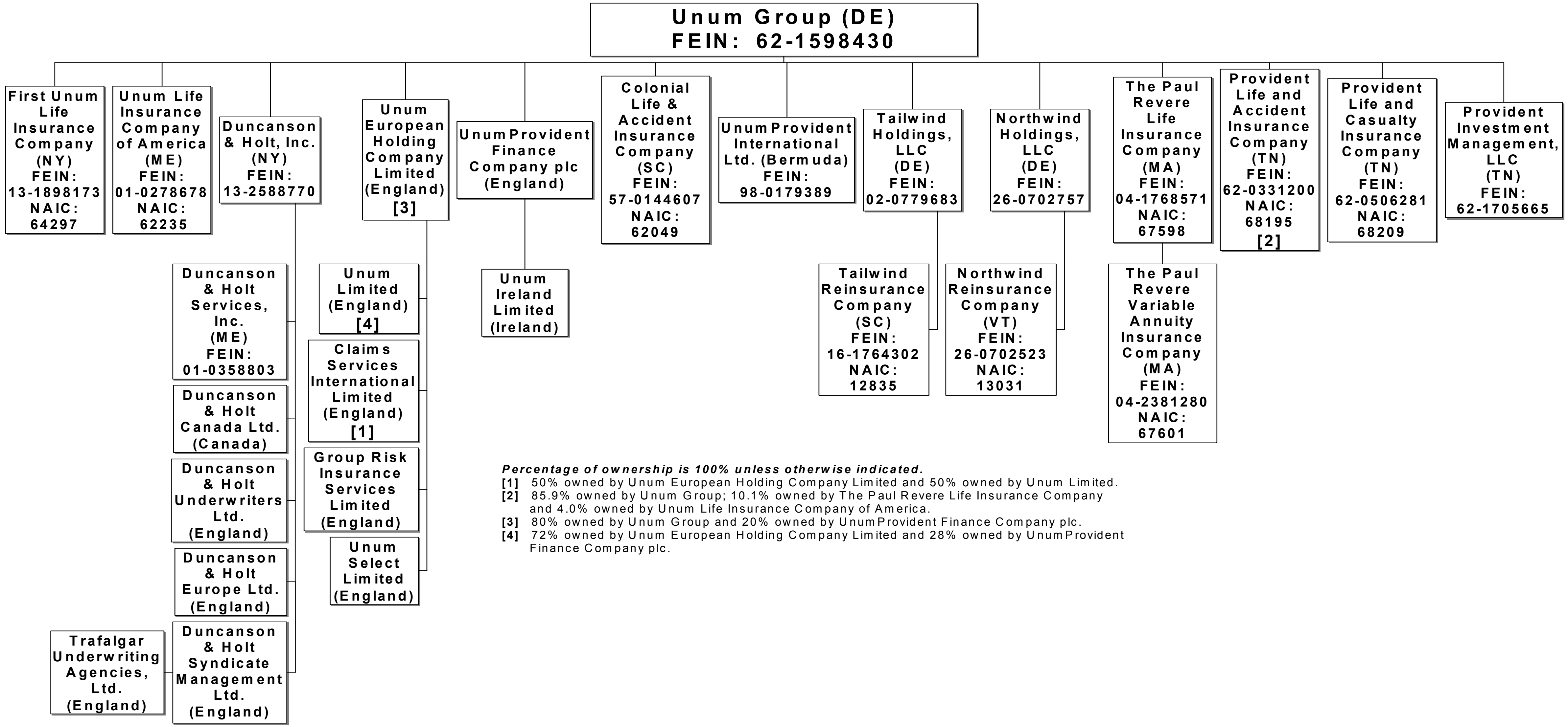
Individual premiums are allocated according to the policyholder's state of residence based on the mailing address used for billing. Group Life policyholders with less than 500 covered lives are allocated according to physical location of insured, if available, or the billing address, if physical location is not provided. Group Life policyholders with 500 or more lives are allocated by state based on a consumer census. Group A&H policyholders are allocated according to physical location of insured, if available, or the billing address, if physical location is not provided.

(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, 10, or with Schedule H, Part 1, Line 1, indicate which: Exhibit 1, Lines 6.4, 10.4, and 16.4, Cols. 8, 9, 10

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP

PART 1 - ORGANIZATIONAL CHART



Percentage of ownership is 100% unless otherwise indicated.

[1] 50% owned by Unum European Holding Company Limited and 50% owned by Unum Limited.

[2] 85.9% owned by Unum Group; 10.1% owned by The Paul Revere Life Insurance Company and 4.0% owned by Unum Life Insurance Company of America.

[3] 80% owned by Unum Group and 20% owned by UnumProvident Finance Company plc.

[4] 72% owned by Unum European Holding Company Limited and 28% owned by UnumProvident Finance Company plc.

OVERFLOW PAGE FOR WRITE-INS

Additional Write-ins for Assets Line 25

	Current Year 1 Assets	Current Year 2 Nonadmitted Assets	Current Year 3 Net Admitted Assets (Cols. 1 - 2)	Prior Year 4 Net Admitted Assets
2504. Receivable for investment income	1,406,021		1,406,021	0
2505. Premiums receivable - other lines	4,298,696		4,298,696	6,050,692
2597. Summary of remaining write-ins for Line 25 from overflow page	5,704,717		5,704,717	6,050,692

Additional Write-ins for Liabilities Line 25

	1 Current Year	2 Prior Year
2504. Derivative deferred gains	2,949,870	2,949,870
2505. Other miscellaneous liabilities	11,534,215	12,302,535
2506. Missing claimants liability	7,608,125	8,091,001
2507. Liability for unauthorized reinsurance (P&C)	964,564	1,477,735
2597. Summary of remaining write-ins for Line 25 from overflow page	23,056,774	24,821,141

Additional Write-ins for Summary of Operations Line 8.3

	1 Current Year	2 Prior Year
08.304. Income from corporate owned life insurance	5,971,970	6,001,470
08.305. Interest on federal income tax refund	0	4,269,073
08.306. Premium income - other lines	571,357	(655,891)
08.307. Other income (loss) from other lines	(186,709)	66,450
08.397. Summary of remaining write-ins for Line 8.3 from overflow page	6,356,618	9,681,102

Additional Write-ins for Summary of Operations Line 27

	1 Current Year	2 Prior Year
2704. Benefits and expenses from other lines	(3,085,544)	(1,682)
2705. Fines and penalties	24,998	123,675
2797. Summary of remaining write-ins for Line 27 from overflow page	(3,060,546)	121,992

Additional Write-ins for Exhibit of Net Investment Income Line 9

	1 Collected During Year	2 Earned During Year
0904. Short Term Notes to Affiliates	9,914	9,914
0905. Net Interest on Reinsurance Settlement	(3,826)	(3,826)
0997. Summary of remaining write-ins for Line 9 from overflow page	6,088	6,088

Additional Write-ins for Exhibit of Capital Gains and Losses Line 9

	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)
0904. Reinsurance - Affiliates					3,084,123
0997. Summary of remaining write-ins for Line 9 from overflow page					3,084,123

Additional Write-ins for Schedule T Line 58

		Direct Business Only					
	1	Life Contracts 2	Life Contracts 3	4	5	6	7
States, Etc.	Active Status	Life Insurance Premiums	Annuity Considerations	Accident and Health Insurance Premiums, Including Policy, Membership and Other Fees	Other Considerations	Total Columns 2 through 5	Deposit-Type Contracts
58004. Bermuda	XXX	306		1,271,205		1,271,511	
58005. Brazil	XXX	14,963		614		15,577	
58006. China	XXX	1,084				1,084	
58007. Cyprus	XXX	3,158				3,158	
58008. Denmark	XXX			387		387	
58009. France	XXX	2,615				2,615	
58010. Georgia	XXX	300				300	
58011. Germany	XXX	19,967		165		20,132	
58012. Holland	XXX	40				40	
58013. Hong Kong	XXX	6,165		1,248		7,413	
58014. India	XXX	2,578				2,578	
58015. Indonesia	XXX	4,798				4,798	
58016. Ireland	XXX	6,534		7,751		14,285	
58017. Israel	XXX	4,800		4,243		9,043	
58018. Italy	XXX	2,002		2,128		4,130	
58019. Jamaica	XXX	333				333	
58020. Japan	XXX	5,143		811		5,955	
58021. Korea	XXX	1,768				1,768	
58022. Lebanon	XXX	1,017				1,017	
58023. Luxembourg	XXX	1,293				1,293	
58024. Malaysia	XXX	1,685		1,958		3,643	
58025. Mexico	XXX	7,997				7,997	
58026. Morocco	XXX	834				834	
58027. Mozambique	XXX	400				400	
58028. Nepal	XXX	374				374	
58029. Netherlands	XXX	569		2,405		2,974	
58030. New Zealand	XXX	1,435				1,435	
58031. Nicaragua	XXX	(36)				(36)	
58032. Northern Mariana Islands	XXX	119				119	
58033. Peru	XXX			3,109		3,109	
58034. Philippines	XXX	452				452	
58035. Phillippines	XXX	8,519				8,519	
58036. Scotland	XXX	583				583	
58037. Singapore	XXX	3,495				3,495	
58038. South Africa	XXX	551				551	

OVERFLOW PAGE FOR WRITE-INS

Additional Write-ins for Schedule T Line 58

	1	Direct Business Only					
		Life Contracts		4	5	6	7
		2	3				
States, Etc.	Active Status	Life Insurance Premiums	Annuity Considerations	Accident and Health Insurance Premiums, Including Policy, Membership and Other Fees	Other Considerations	Total Columns 2 through 5	Deposit-Type Contracts
58039. South Korea	XXX	1,523				1,523	
58040. Sweden	XXX	1,100				1,100	
58041. Switzerland	XXX	4,532				4,532	
58042. Thailand	XXX	997		2,577		3,573	
58043. Trinidad	XXX	813				813	
58044. Turkey	XXX	160				160	
58045. United Arab Emirates	XXX	2,457				2,457	
58046. United Kingdom	XXX	34,639		16,966		51,605	
58047. Zambia	XXX	2,349				2,349	
58997. Summary of remaining write-ins for Line 58 from overflow page	XXX	154,410		1,315,567		1,469,977	

OVERFLOW PAGE FOR WRITE-INS

Additional Write-ins for Analysis of Operations Line 8.3

	1	2	Ordinary			6	Group		Accident and Health			12
			3	4	5		7	8	9	10	11	
	Total	Industrial Life	Life Insurance	Individual Annuities	Supplementary Contracts	Credit Life (Group and Individual)	Life Insurance (a)	Annuities	Group	Credit (Group and Individual)	Other	Aggregate of All Other Lines of Business
08.304. Income from corporate owned life insurance	5,971,970								5,971,970			
08.305. Premium income - other lines	571,357											571,357
08.306. Other loss from other lines	(186,709)											(186,709)
08.397. Summary of remaining write-ins for Line 8.3 from overflow page	6,356,618								5,971,970			384,648

Additional Write-ins for Analysis of Operations Line 27

	1	2	Ordinary			6	Group		Accident and Health			12
			3	4	5		7	8	9	10	11	
	Total	Industrial Life	Life Insurance	Individual Annuities	Supplementary Contracts	Credit Life (Group and Individual)	Life Insurance (a)	Annuities	Group	Credit (Group and Individual)	Other	Aggregate of All Other Lines of Business
2704. Benefits and expenses from other lines	(3,085,544)											(3,085,544)
2705. Fines and penalties	24,998		79	1			7,103	14	15,031		2,770	
2797. Summary of remaining write-ins for Line 27 from overflow page	(3,060,546)		79	1			7,103	14	15,031		2,770	(3,085,544)

Additional Write-ins for Schedule H Part 1 Line 11

	Total		Group Accident and Health		Credit Accident and 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 %
1104. Miscellaneous (income) loss	7,070,805	0.3	6,919,616	0.3			7		50,817	1.1	100,096	4.9	269	0.6				
1105. Reserve adjustment on assumed modco agreements	11,814,695	0.6							11,736,941	263.5	(1,416)	(0.1)	79,170	161.8				
1106. Transfers on account of group package policies	373,390	0.0	(21,486)	0.0							394,876	19.2						
1107. Fines and Penalties	17,801	0.0	15,031	0.0			113		969	0.0	1,665	0.1	22	0.0				
1197. Summary of remaining write-ins for Line 11 from overflow page	19,276,691	0.9	6,913,161	0.3			120		11,788,727	264.7	495,222	24.1	79,462	162.4				

ALPHABETICAL INDEX

ANNUAL STATEMENT BLANK

ANNUAL STATEMENT BLANK (Continued)