

**ANNUAL STATEMENT**

**OF THE**

**UNIVERSAL LIFE INSURANCE COMPANY**

**of**

**San Juan**

**in the state of**

**Puerto Rico**

**TO THE**

**Insurance Department**

**OF THE STATE OF**

**Puerto Rico**

**For the Year Ended**  
**December 31, 2012**

**2012**



# ANNUAL STATEMENT

## For the Year Ended December 31, 2012

### OF THE CONDITION AND AFFAIRS OF THE

# UNIVERSAL LIFE INSURANCE COMPANY

NAIC Group Code 0071 , 0071 NAIC Company Code 60041 Employer's ID Number 66-0502334  
(Current Period) (Prior Period)

Organized under the Laws of Puerto Rico , State of Domicile or Port of Entry Puerto Rico

Country of Domicile United States of America

Incorporated/Organized 04/16/1993 Commenced Business 09/14/1994

Statutory Home Office Edificio Universal #16 Calle Mejico, Hato Rey , San Juan, PR, 00919-1899  
(Street and Number) (City or Town, State, Country and Zip Code)

Main Administrative Office Edificio Universal #16 Calle Mejico, Hato Rey  
(Street and Number)  
San Juan, PR, 00919-1899 (787)706-7337  
(City or Town, State, Country and Zip Code) (Area Code) (Telephone Number)

Mail Address P. O. Box 2145 , San Juan, PR, 00922-2145  
(Street and Number or P.O. Box) (City or Town, State, Country and Zip Code)

Primary Location of Books and Records Edificio Universal #16 Calle Mejico, Hato Rey  
(Street and Number)  
San Juan, PR, 00919-1899 (787)706-7337  
(City or Town, State, Country and Zip Code) (Area Code) (Telephone Number)

Internet Website Address www.universalpr.com

Statutory Statement Contact Ramón O Giusti, CPA (787)706-7262  
(Name) (Area Code)(Telephone Number)(Extension)  
rgiusti@universalpr.com (787)793-1999  
(E-Mail Address) (Fax Number)

### OFFICERS

Name	Title
José C Benitez	President
Josely Vega	Secretary
Maritere Jiménez	Treasurer
Richard Schiavo	VP Executive

### OTHERS

### DIRECTORS OR TRUSTEES

Monique Miranda (Director) Jorge J Amadeo (Director) José Medina (Director)	Plinio Pérez (Director) Rafael Rodríguez (Director) Jorge L Padilla (Director)
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State of Puerto Rico  
 County of San Juan ss

The officers of this reporting entity being duly sworn, each depose and say that they are the described officers of the 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.

\_\_\_\_\_  
(Signature)  
**José C. Benitez**  
(Printed Name)  
 1.  
**President**  
(Title)

\_\_\_\_\_  
(Signature)  
**Josely Vega**  
(Printed Name)  
 2.  
**Secretary**  
(Title)

\_\_\_\_\_  
(Signature)  
**Maritere Jiménez**  
(Printed Name)  
 3.  
**Treasurer**  
(Title)

Subscribed and sworn to before me this \_\_\_\_\_ day of \_\_\_\_\_, 2013

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

Yes[X] No[ ]

\_\_\_\_\_  
(Notary Public Signature)

## 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) .....	308,788,690		308,788,690	234,074,216
2. Stocks (Schedule D)				
2.1 Preferred stocks .....	500,000		500,000	
2.2 Common Stocks .....	9,687,464		9,687,464	2,755,189
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 (less \$.....0 encumbrances) .....				
4.2 Properties held for the production of income (less \$.....0 encumbrances) .....				
4.3 Properties held for sale (less \$.....0 encumbrances) .....				
5. Cash (\$.....5,285,049 Schedule E Part 1), cash equivalents (\$.....12,243,761 Schedule E Part 2) and short-term investments (\$.....0 Schedule DA) .....	17,528,810		17,528,810	11,027,149
6. Contract loans (including \$.....0 premium notes) .....				
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) .....	336,504,964		336,504,964	247,856,554
13. Title plants less \$.....0 charged off (for Title insurers only) .....				
14. Investment income due and accrued .....	3,342,191		3,342,191	2,628,546
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection .....	3,079,367	369,338	2,710,029	2,312,980
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (Including \$.....0 earned but unbilled premiums) .....				
15.3 Accrued retrospective premiums .....				
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers .....	119,174	375	118,799	106,467
16.2 Funds held by or deposited with reinsured companies .....				
16.3 Other amounts receivable under reinsurance contracts .....	368,745		368,745	382,327
17. Amounts receivable relating to uninsured plans .....				
18.1 Current federal and foreign income tax recoverable and interest thereon .....				
18.2 Net deferred tax asset .....	4,323		4,323	63,661
19. Guaranty funds receivable or on deposit .....				
20. Electronic data processing equipment and software .....	31,757	23,267	8,490	6,626
21. Furniture and equipment, including health care delivery assets (\$.....0) .....	146,255	146,255		
22. Net adjustment in assets and liabilities due to foreign exchange rates .....				
23. Receivables from parent, subsidiaries and affiliates .....				111,987
24. Health care (\$.....0) and other amounts receivable .....				
25. Aggregate write-ins for other than invested assets .....	611,224	508,417	102,807	24,589
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25) .....	344,208,000	1,047,652	343,160,348	253,493,737
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts .....	248,886,976		248,886,976	176,254,007
28. Total (Lines 26 and 27) .....	593,094,976	1,047,652	592,047,324	429,747,744
<b>DETAILS OF WRITE-INS</b>				
1101. ....				
1102. ....				
1103. ....				
1198. Summary of remaining write-ins for Line 11 from overflow page .....				
1199. TOTALS (Lines 1101 through 1103 plus 1198) (Line 11 above) .....				
2501. PREPAID EXPENSES .....	532,449	532,449		
2502. OTHER ACCOUNT RECEIVABLE .....	78,775	(24,032)	102,807	24,589
2503. ....				
2598. Summary of remaining write-ins for Line 25 from overflow page .....				
2599. TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above) .....	611,224	508,417	102,807	24,589

## LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Year	2 Prior Year
1. Aggregate reserve for life contracts \$.....305,602,776 (Exhibit 5, Line 9999999) less \$.....0 included in Line 6.3 (including \$.....0 Modco Reserve) .....	305,602,776	223,976,259
2. Aggregate reserve for accident and health contracts (including \$.....0 Modco Reserve) .....	3,476,049	1,768,624
3. Liability for deposit-type contracts (Exhibit 7, Line 14, Col. 1) (including \$.....0 Modco Reserve) .....		
4. Contract claims:		
4.1 Life (Exhibit 8, Part 1, Line 4.4, Column 1 less sum of Columns 9, 10, and 11) .....	2,135,318	1,868,963
4.2 Accident and health (Exhibit 8, Part 1, Line 4.4, sum of Columns 9, 10, and 11) .....	1,059,314	1,041,150
5. Policyholders' dividends \$.....0 and coupons \$.....0 due and unpaid (Exhibit 4, Line 10) .....		
6. Provision for policyholders' dividends and coupons payable in following calendar year - estimated amounts:		
6.1 Dividends apportioned for payment (including \$.....0 Modco) .....		
6.2 Dividends not yet apportioned (including \$.....0 Modco) .....		
6.3 Coupons and similar benefits (including \$.....0 Modco) .....		
7. Amount provisionally held for deferred dividend policies not included in Line 6 .....		
8. Premiums and annuity considerations for life and accident and health contracts received in advance less \$.....0 discount; including \$.....24,605 accident and health premiums (Exhibit 1, Part 1, Column 1, sum of Lines 4 and 14) .....	60,957	34,580
9. Contract liabilities not included elsewhere:		
9.1 Surrender values on canceled contracts .....		
9.2 Provision for experience rating refunds, including the liability of \$.....0 accident and health experience rating refunds of which \$.....0 is for medical loss ratio rebate per the Public Health Service Act .....		
9.3 Other amounts payable on reinsurance, including \$.....0 assumed and \$.....1,104,431 ceded .....	1,104,431	756,657
9.4 Interest Maintenance Reserve (IMR, Line 6) .....	695,677	400,696
10. Commissions to agents due or accrued-life and annuity contracts \$.....1,598,289 accident and health \$.....464,893 and deposit-type contract funds \$.....0 .....	2,063,182	1,507,549
11. Commissions and expense allowances payable on reinsurance assumed .....		
12. General expenses due or accrued (Exhibit 2, Line 12, Column 6) .....	812,563	1,266,089
13. Transfers to Separate Accounts due or accrued (net) (including \$.....(4,945,697) accrued for expense allowances recognized in reserves, net of reinsured allowances) .....	(5,318,744)	(4,426,962)
14. Taxes, licenses and fees due or accrued, excluding federal income taxes (Exhibit 3, Line 9, Col. 5) .....	378,151	333,508
15.1 Current federal and foreign income taxes, including \$.....0 on realized capital gains (losses) .....		
15.2 Net deferred tax liability .....		
16. Unearned investment income .....		
17. Amounts withheld or retained by company as agent or trustee .....		
18. Amounts held for agents' account, including \$.....0 agents' credit balances .....		
19. Remittances and items not allocated .....		
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 \$.....0 and interest thereon \$.....0 .....		
23. Dividends to stockholders declared and unpaid .....		
24. Miscellaneous liabilities:		
24.01 Asset Valuation Reserve (AVR, Line 16, Column 7) .....	1,125,358	586,571
24.02 Reinsurance in unauthorized and certified (\$.....0) companies .....		
24.03 Funds held under reinsurance treaties with unauthorized and certified (\$.....0) reinsurers .....		
24.04 Payable to parent, subsidiaries and affiliates .....	840,888	86,130
24.05 Drafts outstanding .....		
24.06 Liability for amounts held under uninsured plans .....		
24.07 Funds held under coinsurance .....		
24.08 Derivatives .....		
24.09 Payable for securities .....	1,422,027	
24.10 Payable for securities lending .....		
24.11 Capital notes \$.....0 and interest thereon \$.....0 .....		
25. Aggregate write-ins for liabilities .....	310,240	415,046
26. TOTAL Liabilities excluding Separate Accounts Business (Lines 1 to 25) .....	315,768,187	229,614,860
27. From Separate Accounts Statement .....	248,654,745	176,197,159
28. TOTAL LIABILITIES (Lines 26 and 27) .....	564,422,932	405,812,019
29. Common capital stock .....	2,500,000	2,500,000
30. Preferred capital stock .....		
31. Aggregate write-ins for other than special surplus funds .....		
32. Surplus Notes .....		
33. Gross paid in and contributed surplus (Page 3, Line 33, Column 2 plus Page 4, Line 51.1, Column 1) .....	18,225,000	14,825,000
34. Aggregate write-ins for special surplus funds .....		
35. Unassigned funds (surplus) .....	6,899,392	6,610,725
36. Less treasury stock, at cost:		
36.1 .....0 shares common (value included in Line 29 \$.....0) .....		
36.2 .....0 shares preferred (value included in Line 30 \$.....0) .....		
37. Surplus (Total Lines 31 + 32 + 33 + 34 + 35 - 36) (Including \$.....232,232 in Separate Accounts Statement) .....	25,124,392	21,435,725
38. TOTALS of Lines 29, 30 and 37 (Page 4, Line 55) .....	27,624,392	23,935,725
39. TOTALS of Lines 28 and 38 (Page 2, Line 28, Column 3) .....	592,047,324	429,747,744
<b>DETAILS OF WRITE-INS</b>		
2501. Unclaimed Funds .....	310,240	312,102
2502. Transfer Clearing .....		102,944
2503. ....		
2598. Summary of remaining write-ins for Line 25 from overflow page .....		
2599. TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above) .....	310,240	415,046
3101. ....		
3102. ....		
3103. ....		
3198. Summary of remaining write-ins for Line 31 from overflow page .....		
3199. TOTALS (Lines 3101 through 3103 plus 3198) (Line 31 above) .....		
3401. ....		
3402. ....		
3403. ....		
3498. Summary of remaining write-ins for Line 34 from overflow page .....		
3499. TOTALS (Lines 3401 through 3403 plus 3498) (Line 34 above) .....		

## 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)	140,161,110	137,430,217
2. Considerations for supplementary contracts with life contingencies		
3. Net investment income (Exhibit of Net Investment Income, Line 17)	11,899,079	8,944,146
4. Amortization of Interest Maintenance Reserve (IMR, Line 5)	126,785	83,198
5. Separate Accounts net gain from operations excluding unrealized gains or losses		
6. Commissions and expense allowances on reinsurance ceded (Exhibit 1, Part 2, Line 26.1, Column 1)	3,661,137	2,737,857
7. Reserve adjustments on reinsurance ceded	34,196,598	20,690,491
8. Miscellaneous Income:		
8.1 Income from fees associated with investment management, administration and contract guarantees from Separate Accounts	1,873,186	1,456,607
8.2 Charges and fees for deposit-type contracts		
8.3 Aggregate write-ins for miscellaneous income	690,371	1,089,056
9. TOTALS (Lines 1 to 8.3)	192,608,266	172,431,572
10. Death benefits	4,130,606	4,261,345
11. Matured endowments (excluding guaranteed annual pure endowments)		
12. Annuity benefits (Exhibit 8, Part 2, Line 6.4, Columns 4 + 8)		
13. Disability benefits and benefits under accident and health contracts	1,876,138	1,866,085
14. Coupons, guaranteed annual pure endowments and similar benefits		
15. Surrender benefits and withdrawals for life contracts	24,957,837	18,573,461
16. Group conversions		
17. Interest and adjustments on contract or deposit-type contract funds		
18. Payments on supplementary contracts with life contingencies		
19. Increase in aggregate reserves for life and accident and health contracts	83,333,942	96,927,913
20. TOTALS (Lines 10 to 19)	114,298,523	121,628,804
21. Commissions on premiums, annuity considerations, and deposit type contract funds (direct business only) (Exhibit 1, Part 2, Line 31, Column 1)	12,759,700	10,318,249
22. Commissions and expense allowances on reinsurance assumed (Exhibit 1, Part 2, Line 26.2, Column 1)		
23. General insurance expenses (Exhibit 2, Line 10, Columns 1, 2, 3 and 4)	4,987,900	4,530,330
24. Insurance taxes, licenses and fees, excluding federal income taxes (Exhibit 3, Line 7, Columns 1 + 2 + 3)	448,719	403,098
25. Increase in loading on deferred and uncollected premiums		
26. Net transfers to or (from) Separate Accounts net of reinsurance	56,274,008	33,872,215
27. Aggregate write-ins for deductions		
28. TOTALS (Lines 20 to 27)	188,768,850	170,752,696
29. Net gain from operations before dividends to policyholders and federal income taxes (Line 9 minus Line 28)	3,839,416	1,678,876
30. Dividends to policyholders		
31. Net gain from operations after dividends to policyholders and before federal income taxes (Line 29 minus Line 30)	3,839,416	1,678,876
32. Federal and foreign income taxes incurred (excluding tax on capital gains)		
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)	3,839,416	1,678,876
34. Net realized capital gains (losses) (excluding gains (losses) transferred to the IMR) less capital gains tax of \$.....0 (excluding taxes of \$.....0 transferred to the IMR)	(31,973)	39,075
35. Net Income (Line 33 plus Line 34)	3,807,443	1,717,951
<b>CAPITAL AND SURPLUS ACCOUNT</b>		
36. Capital and surplus, December 31, prior year (Page 3, Line 38, Column 2)	23,935,725	23,424,243
37. Net Income (Line 35)	3,807,443	1,717,951
38. Change in net unrealized capital gains (losses) less capital gains tax of \$.....0	(71,110)	196,881
39. Change in net unrealized foreign exchange capital gain (loss)		
40. Change in net deferred income tax	(59,337)	(94,687)
41. Change in nonadmitted assets	(24,927)	(18,908)
42. Change in liability for reinsurance in unauthorized companies and certified companies		
43. Change in reserve on account of change in valuation basis, (increase) or decrease (Exhibit 5A, Line 9999999, Col. 4)		
44. Change in asset valuation reserve	(538,787)	(236,220)
45. Change in treasury stock (Page 3, Lines 36.1 and 36.2 Column 2 minus Column 1)		
46. Surplus (contributed to) withdrawn from Separate Accounts during period		
47. Other changes in surplus in Separate Accounts Statement	175,384	(53,535)
48. Change in surplus notes		
49. Cumulative effect of changes in accounting principles		
50. Capital changes:		
50.1 Paid in		
50.2 Transferred from surplus (Stock Dividend)		
50.3 Transferred to surplus		
51. Surplus adjustment:		
51.1 Paid in	3,400,000	
51.2 Transferred to capital (Stock Dividend)		
51.3 Transferred from capital		
51.4 Change in surplus as a result of reinsurance		
52. Dividends to stockholders	(3,000,000)	(1,000,000)
53. Aggregate write-ins for gains and losses in surplus		
54. Net change in capital and surplus for the year (Lines 37 through 53)	3,688,666	511,482
55. Capital and surplus, December 31, current year (Lines 36 + 54) (Page 3, Line 38)	27,624,392	23,935,725
<b>DETAILS OF WRITE-INS</b>		
08.301. OTHER INCOME	690,371	1,089,056
08.302.		
08.303.		
08.398. Summary of remaining write-ins for Line 8.3 from overflow page		
08.399. TOTALS (Lines 08.301 through 08.303 plus 08.398) (Line 8.3 above)	690,371	1,089,056
2701.		
2702.		
2703.		
2798. Summary of remaining write-ins for Line 27 from overflow page		
2799. TOTALS (Lines 2701 through 2703 plus 2798) (Line 27 above)		
5301.		
5302.		
5303.		
5398. Summary of remaining write-ins for Line 53 from overflow page		
5399. TOTALS (Lines 5301 through 5303 plus 5398) (Line 53 above)		

**CASH FLOW**

		1	2
		Current Year	Prior Year
<b>Cash from Operations</b>			
1.	Premiums collected net of reinsurance .....	179,962,653	161,743,010
2.	Net investment income .....	12,144,770	7,642,805
3.	Miscellaneous income .....	6,209,217	5,412,801
4.	Total (Lines 1 through 3) .....	198,316,640	174,798,616
5.	Benefit and loss related payments .....	37,056,940	28,921,268
6.	Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts .....	57,165,791	34,223,262
7.	Commissions, expenses paid and aggregate write-ins for deductions .....	16,432,481	16,243,695
8.	Dividends paid to policyholders .....		
9.	Federal and foreign income taxes paid (recovered) net of \$.....0 tax on capital gains (losses) .....		
10.	Total (Lines 5 through 9) .....	110,655,212	79,388,225
11.	Net cash from operations (Line 4 minus Line 10) .....	87,661,428	95,410,391
<b>Cash from Investments</b>			
12.	Proceeds from investments sold, matured or repaid:		
12.1	Bonds .....	111,060,546	34,195,482
12.2	Stocks .....	787,444	4
12.3	Mortgage loans .....		
12.4	Real estate .....		
12.5	Other invested assets .....		
12.6	Net gains or (losses) on cash, cash equivalents and short-term investments .....		
12.7	Miscellaneous proceeds .....	1,508,290	
12.8	Total investment proceeds (Lines 12.1 to 12.7) .....	113,356,280	34,195,486
13.	Cost of investments acquired (long-term only):		
13.1	Bonds .....	186,238,159	134,274,344
13.2	Stocks .....	8,259,621	44,879
13.3	Mortgage loans .....		
13.4	Real estate .....		
13.5	Other invested assets .....		
13.6	Miscellaneous applications .....	613,669	2,874,713
13.7	Total investments acquired (Lines 13.1 to 13.6) .....	195,111,449	137,193,936
14.	Net increase (decrease) in contract loans and premium notes .....		
15.	Net cash from investments (Line 12.8 minus Line 13.7 minus Line 14) .....	(81,755,169)	(102,998,450)
<b>Cash from Financing and Miscellaneous Sources</b>			
16.	Cash provided (applied):		
16.1	Surplus notes, capital notes .....		
16.2	Capital and paid in surplus, less treasury stock .....	3,400,000	
16.3	Borrowed funds .....		
16.4	Net deposits on deposit-type contracts and other insurance liabilities .....		
16.5	Dividends to stockholders .....	3,000,000	1,000,000
16.6	Other cash provided (applied) .....	195,402	(146,397)
17.	Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6) .....	595,402	(1,146,397)
<b>RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS</b>			
18.	Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17) .....	6,501,661	(8,734,456)
19.	Cash, cash equivalents and short-term investments:		
19.1	Beginning of year .....	11,027,149	19,761,605
19.2	End of year (Line 18 plus Line 19.1) .....	17,528,810	11,027,149

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

20.0001	.....		
20.0002	.....		
20.0003	.....		

ANALYSIS OF OPERATIONS BY LINES OF BUSINESS

	1 Total	2 Industrial Life	Ordinary			6 Credit Life (Group and Individual)	Group		Accident and Health			12 Aggregate of All Other Lines of Business
			3 Life Insurance	4 Individual Annuities	5 Supplementary Contracts		7 Life Insurance (a)	8 Annuities	9 Group	10 Credit (Group and Individual)	11 Other	
1. Premiums and annuity considerations for life and accident and health contracts	140,161,110		870,703	122,256,225		6,526,543	5,378,740		2,917,920	2,204,848	6,131	
2. Considerations for supplementary contracts with life contingencies												
3. Net investment income	11,899,079		410,056	10,270,748		593,395	118,322		147,837	358,721		
4. Amortization of Interest Maintenance Reserve (IMR)	126,785		(1)	136,994		(5,160)	(1,084)		(1,410)	(2,554)		
5. Separate Accounts net gain from operations excluding unrealized gains or losses												
6. Commissions and expense allowances on reinsurance ceded	3,661,137			3,661,137								
7. Reserve adjustments on reinsurance ceded	34,196,598			34,196,598								
8. Miscellaneous Income												
8.1 Fees associated with income from investment mngmt., admin., and contract guarantees (From S.A.)	1,873,186			1,873,186								
8.2 Charges and fees for deposit-type contracts												
8.3 Aggregate write-ins for miscellaneous income	690,371		148	637,645		19,967	16,975		9,232	6,404		
9. TOTALS (Lines 1 to 8.3)	192,608,266		1,280,906	173,032,533		7,134,745	5,512,953		3,073,579	2,567,419	6,131	
10. Death benefits	4,130,606		172,857			1,230,670	2,727,079					
11. Matured endowments (excluding guaranteed annual pure endowments)												
12. Annuity benefits												
13. Disability benefits and benefits under accident and health contracts	1,876,138								1,736,509	140,029	(400)	
14. Coupons, guaranteed annual pure endowments and similar benefits												
15. Surrender benefits and withdrawals for life contracts	24,957,837			24,957,837								
16. Group conversions												
17. Interest and adjustments on contract or deposit-type contract funds												
18. Payments on supplementary contracts with life contingencies												
19. Increase in aggregate reserves for life and accident and health contracts	83,333,942		523,032	80,234,060		869,424			297,152	1,410,274		
20. TOTALS (Lines 10 to 19)	114,298,523		695,889	105,191,897		2,100,094	2,727,079		2,033,661	1,550,303	(400)	
21. Commissions on premiums, annuity considerations, and deposit-type contract funds (direct business only)	12,759,700		267,107	5,786,846		3,856,726	992,112		591,226	1,264,931	752	
22. Commissions and expense allowances on reinsurance assumed												
23. General insurance expenses	4,987,900		295,804	2,129,683		728,533	1,037,748		664,053	132,079		
24. Insurance taxes, licenses and fees, excluding federal income taxes	448,719		17,087	219,267		25,315	34,369		147,364	5,317		
25. Increase in loading on deferred and uncollected premiums												
26. Net transfers to or (from) Separate Accounts net of reinsurance	56,274,008			56,274,008								
27. Aggregate write-ins for deductions												
28. TOTALS (Lines 20 to 27)	188,768,850		1,275,887	169,601,701		6,710,668	4,791,308		3,436,304	2,952,630	352	
29. Net gain from operations before dividends to policyholders and federal income taxes (Line 9 - Line 28)	3,839,416		5,019	3,430,832		424,077	721,645		(362,725)	(385,211)	5,779	
30. Dividends to policyholders												
31. Net gain from operations after dividends to policyholders and before federal income taxes (Line 29 - Line 30)	3,839,416		5,019	3,430,832		424,077	721,645		(362,725)	(385,211)	5,779	
32. Federal income taxes incurred (excluding tax on capital gains)												
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)	3,839,416		5,019	3,430,832		424,077	721,645		(362,725)	(385,211)	5,779	
<b>DETAILS OF WRITE-INS</b>												
08.301. OTHER INCOME	690,371		148	637,645		19,967	16,975		9,232	6,404		
08.302.												
08.303.												
08.398. Summary of remaining write-ins for Line 8.3 from overflow page												
08.399. TOTALS (Lines 08.301 through 08.303 plus 08.398) (Line 8.3 above)	690,371		148	637,645		19,967	16,975		9,232	6,404		
2701. ~												
2702. ~												
2703. ~												
2798. Summary of remaining write-ins for Line 27 from overflow page												
2799. TOTALS (Lines 2701 through 2703 plus 2798) (Line 27 above)												

(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 Total	2 Industrial Life	Ordinary			6 Credit Life (Group and Individual)	Group	
			3 Life Insurance	4 Individual Annuities	5 Supplementary Contracts		7 Life Insurance	8 Annuities
<b>Involving Life or Disability Contingencies (Reserves)</b> (Net of Reinsurance Ceded)								
1. Reserve December 31, prior year .....	223,976,259		2,335,343	217,343,348		4,297,568		
2. Tabular net premiums or considerations .....								
3. Present value of disability claims incurred .....					X X X			
4. Tabular interest .....								
5. Tabular less actual reserve released .....								
6. Increase in reserve on account of change in valuation basis .....								
7. Other increases (net) .....	91,899,582		737,846	88,361,444		2,800,292		
8. Totals (Lines 1 to 7) .....	315,875,841		3,073,189	305,704,792		7,097,860		
9. Tabular cost .....					X X X			
10. Reserves released by death .....	48,669		31,925	X X X	X X X	16,744		X X X
11. Reserves released by other terminations (net) .....	10,224,396		182,889	8,127,384		1,914,123		
12. Annuity, supplementary contract, and disability payments involving life contingencies .....								
13. Net transfers to or (from) Separate Accounts .....								
14. Total deductions (Lines 9 to 13) .....	10,273,065		214,814	8,127,384		1,930,867		
15. Reserve December 31, current year .....	305,602,776		2,858,375	297,577,408		5,166,993		

## EXHIBIT OF NET INVESTMENT INCOME

	1 Collected During Year	2 Earned During Year
1. U.S. Government bonds	(a) 2,034,586	1,704,202
1.1 Bonds exempt from U.S. tax	(a)	
1.2 Other bonds (unaffiliated)	(a) 8,815,858	9,856,555
1.3 Bonds of affiliates	(a)	
2.1 Preferred stocks (unaffiliated)	(b)	35,625
2.11 Preferred stocks of affiliates	(b)	
2.2 Common stocks (unaffiliated)	280,242	280,242
2.21 Common stocks of affiliates		
3. Mortgage loans	(c)	
4. Real estate	(d)	
5. Contract loans		
6. Cash, cash equivalents and short-term investments	(e) 51,887	22,455
7. Derivative instruments	(f)	
8. Other invested assets		
9. Aggregate write-ins for investment income		
10. Total gross investment income	11,182,573	11,899,079
11. Investment expenses		(g)
12. Investment taxes, licenses and fees, excluding federal income taxes		(g)
13. Interest expense		(h)
14. Depreciation on real estate and other invested assets		(i)
15. Aggregate write-ins for deductions from investment income		
16. Total deductions (Lines 11 through 15)		
17. Net Investment income (Line 10 minus Line 16)		11,899,079

**DETAILS OF WRITE-INS**

0901. ....		
0902. ....		
0903. ....		
0998. Summary of remaining write-ins for Line 9 from overflow page		
0999. TOTALS (Lines 0901 through 0903 plus 0998) (Line 9, above)		
1501. ....		
1502. ....		
1503. ....		
1598. Summary of remaining write-ins for Line 15 from overflow page		
1599. TOTALS (Lines 1501 through 1503 plus 1598) (Line 15, above)		

- (a) Includes \$.....312,091 accrual of discount less \$.....(1,270,067) amortization of premium and less \$.....765,588 paid for accrued interest on purchases.
- (b) Includes \$.....0 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued dividends on purchases.
- (c) Includes \$.....0 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued interest on purchases.
- (d) Includes \$.....0 for company's occupancy of its own buildings; and excludes \$.....0 interest on encumbrances.
- (e) Includes \$.....0 accrual of discount less \$.....(6,146) amortization of premium and less \$......417 paid for accrued interest on purchases.
- (f) Includes \$.....0 accrual of discount less \$.....0 amortization of premium.
- (g) Includes \$.....0 investment expenses and \$.....0 investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.
- (h) Includes \$.....0 interest on surplus notes and \$.....0 interest on capital notes.
- (i) Includes \$.....0 depreciation on real estate and \$.....0 depreciation on other invested assets.

## EXHIBIT OF CAPITAL GAINS (LOSSES)

	1 Realized Gain (Loss) on Sales or Maturity	2 Other Realized Adjustments	3 Total Realized Capital Gain (Loss) (Columns 1 + 2)	4 Change in Unrealized Capital Gain (Loss)	5 Change in Unrealized Foreign Exchange Capital Gain (Loss)
1. U.S. Government bonds	12,319		12,319		
1.1 Bonds exempt from U.S. tax					
1.2 Other bonds (unaffiliated)	570,142	(86,264)	483,878		
1.3 Bonds of affiliates					
2.1 Preferred stocks (unaffiliated)					
2.11 Preferred stocks of affiliates					
2.2 Common stocks (unaffiliated)	31,207		31,207	(71,110)	
2.21 Common stocks of affiliates					
3. Mortgage loans					
4. Real estate					
5. Contract loans					
6. Cash, cash equivalents and short-term investments		(137,611)	(137,611)		
7. Derivative instruments					
8. Other invested assets					
9. Aggregate write-ins for capital gains (losses)					
10. Total capital gains (losses)	613,668	(223,875)	389,793	(71,110)	

**DETAILS OF WRITE-INS**

0901. ~ .....					
0902. ~ .....					
0903. ~ .....					
0998. Summary of remaining write-ins for Line 9 from overflow page					
0999. TOTALS (Lines 0901 through 0903 plus 0998) (Line 9, above)					

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

	1	2	Ordinary		5	Group		Accident and Health			11
			3	4		6	7	8	9	10	
	Total	Industrial Life	Life Insurance	Individual Annuities	Credit Life (Group and Individual)	Life Insurance	Annuities	Group	Credit (Group and Individual)	Other	Aggregate of All Other Lines of Business
<b>FIRST YEAR (other than single)</b>											
1.	Uncollected	119,985	(8,781)			47,161		81,605			
2.	Deferred and accrued										
3.	Deferred, accrued and uncollected:										
3.1	Direct	151,347	3,048			51,071		97,228			
3.2	Reinsurance assumed										
3.3	Reinsurance ceded	31,362	11,829			3,910		15,623			
3.4	Net (Line 1 + Line 2)	119,985	(8,781)			47,161		81,605			
4.	Advance	613				271		342			
5.	Line 3.4 - Line 4	119,372	(8,781)			46,890		81,263			
6.	Collected during year:										
6.1	Direct	163,066,446	263,744	162,116,396		205,326		480,980			
6.2	Reinsurance assumed										
6.3	Reinsurance ceded	40,516,569	63,627	40,246,611		55,260		151,071			
6.4	Net	122,549,877	200,117	121,869,785		150,066		329,909			
7.	Line 5 + Line 6.4	122,669,249	191,336	121,869,785		196,956		411,172			
8.	Prior year (uncollected + deferred and accrued - advance)	226,632	(11,733)			59,985		178,380			
9.	First year premiums and considerations:										
9.1	Direct	162,933,185	261,879	162,116,396		176,668		378,242			
9.2	Reinsurance assumed										
9.3	Reinsurance ceded	40,490,568	58,810	40,246,611		39,697		145,450			
9.4	Net (Line 7 - Line 8)	122,442,617	203,069	121,869,785		136,971		232,792			
<b>SINGLE</b>											
10.	Single premiums and considerations:										
10.1	Direct	9,697,490		966,099	6,526,543				2,204,848		
10.2	Reinsurance assumed										
10.3	Reinsurance ceded	579,659		579,659							
10.4	Net	9,117,831		386,440	6,526,543				2,204,848		
<b>RENEWAL</b>											
11.	Uncollected	1,547,530	(21,456)			784,388		784,453			145
12.	Deferred and accrued										
13.	Deferred, accrued and uncollected:										
13.1	Direct	1,841,749	13,246			934,025		894,333			145
13.2	Reinsurance assumed										
13.3	Reinsurance ceded	294,219	34,702			149,637		109,880			
13.4	Net (Line 11 + Line 12)	1,547,530	(21,456)			784,388		784,453			145
14.	Advance	60,344				36,081		24,263			
15.	Line 13.4 - Line 14	1,487,186	(21,456)			748,307		760,190			145
16.	Collected during year:										
16.1	Direct	10,741,764	833,887			6,450,919		3,450,812			6,146
16.2	Reinsurance assumed										
16.3	Reinsurance ceded	2,571,645	155,297			1,429,420		986,928			
16.4	Net	8,170,119	678,590			5,021,499		2,463,884			6,146
17.	Line 15 + Line 16.4	9,657,305	657,134			5,769,806		3,224,074			6,291
18.	Prior year (uncollected + deferred and accrued - advance)	1,056,643	(10,500)			528,037		538,946			160
19.	Renewal premiums and considerations:										
19.1	Direct	11,301,285	830,701			6,760,965		3,703,488			6,131
19.2	Reinsurance assumed										
19.3	Reinsurance ceded	2,700,624	163,066			1,519,196		1,018,362			
19.4	Net (Line 17 - Line 18)	8,600,662	667,634			5,241,769		2,685,128			6,131
<b>TOTAL</b>											
20.	TOTAL premiums and annuity considerations:										
20.1	Direct	183,931,960	1,092,580	163,082,495	6,526,543	6,937,633		4,081,730	2,204,848		6,131
20.2	Reinsurance assumed										
20.3	Reinsurance ceded	43,770,851	221,876	40,826,270		1,558,893		1,163,812			
20.4	Net (Lines 9.4 + 10.4 + 19.4)	140,161,110	870,703	122,256,225	6,526,543	5,378,740		2,917,920	2,204,848		6,131

**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
<b>DIVIDENDS AND COUPONS APPLIED (included in Part 1)</b>											
21.											
22.											
<b>REINSURANCE COMMISSIONS AND EXPENSE ALLOWANCES INCURRED</b>											
23.											
23.1	3,534,007			3,534,007							
23.2											
23.3	3,534,007			3,534,007							
24.											
24.1	127,130			127,130							
24.2											
24.3	127,130			127,130							
25.											
25.1											
25.2											
25.3											
26.											
26.1	3,661,137			3,661,137							
26.2											
26.3	3,661,137			3,661,137							
<b>COMMISSIONS INCURRED (direct business only)</b>											
27.	6,007,568		209,251	5,718,266		25,264		54,787			
28.	5,190,237			68,580	3,856,726				1,264,931		
29.	1,561,895		57,856			966,848		536,439		752	
30.											
31.	12,759,700		267,107	5,786,846	3,856,726	992,112		591,226	1,264,931	752	

## EXHIBIT 2 - GENERAL EXPENSES

	Insurance				5 Investment	6 Total
	1 Life	Accident and Health		4 All Other Lines of Business		
		2 Cost Containment	3 All Other			
1. Rent	182,770		42,973			225,743
2. Salaries and wages	1,427,293		289,054			1,716,347
3.11 Contributions for benefit plans for employees	56,181		9,753			65,934
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	128,900		26,878			155,778
3.32 Other agent welfare						
4.1 Legal fees and expenses	261,186		51,482			312,668
4.2 Medical examination fees	55,683		7,326			63,009
4.3 Inspection report fees						
4.4 Fees of public accountants and consulting actuaries	234,753		46,272			281,025
4.5 Expense of investigation and settlement of policy claims	165		16,942			17,107
5.1 Traveling expenses	78,091		15,463			93,554
5.2 Advertising	217,580		23,130			240,710
5.3 Postage, express, telegraph and telephone	119,412		18,483			137,895
5.4 Printing and stationery	106,955		21,330			128,285
5.5 Cost or depreciation of furniture and equipment	82,961		14,962			97,923
5.6 Rental of equipment						
5.7 Cost or depreciation of EDP equipment and software	423,882		70,924			494,806
6.1 Books and periodicals	1,895		361			2,256
6.2 Bureau and association fees	67,019		14,163			81,182
6.3 Insurance, except on real estate	64,401		12,417			76,818
6.4 Miscellaneous losses						
6.5 Collection and bank service charges	62,273		2,352			64,625
6.6 Sundry general expenses	76,109		14,211			90,320
6.7 Group service and administration fees	306,187		43,694			349,881
6.8 Reimbursements by uninsured plans						
7.1 Agency expense allowance						
7.2 Agents' balances charged off (less \$.....0 recovered)	30,197		5,952			36,149
7.3 Agency conferences other than local meetings	192,048		46,504			238,552
9.1 Real estate expenses						
9.2 Investment expenses not included elsewhere	15,827		1,506			17,333
9.3 Aggregate write-ins for expenses						
10. General expenses Incurred	4,191,768		796,132			(a) 4,987,900
11. General expenses unpaid December 31, prior year	958,556		307,533			1,266,089
12. General expenses unpaid December 31, current year	682,553		130,010			812,563
13. Amounts receivable relating to uninsured plans, prior year						
14. Amounts receivable relating to uninsured plans, current year						
15. General expenses paid during year (Lines 10 + 11 - 12 - 13 + 14)	4,467,771		973,655			5,441,426

### DETAILS OF WRITE-INS

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

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

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

	Insurance			4 Investment	5 Total
	1 Life	Accident and Health			
		2 All Other Lines of Business	3 Investment		
1. Real estate taxes					
2. State insurance department licenses and fees	163,164	5,724			168,888
3. State taxes on premiums		112,448			112,448
4. Other state taxes, incl. \$.....0 for employee benefits	20,112	5,077			25,189
5. U.S. Social Security taxes	96,039	26,085			122,124
6. All other taxes	16,724	3,346			20,070
7. Taxes, licenses and fees incurred	296,039	152,680			448,719
8. Taxes, licenses and fees unpaid December 31, prior year	227,986	105,522			333,508
9. Taxes, licenses and fees unpaid December 31, current year	249,580	128,571			378,151
10. Taxes, licenses and fees paid during year (Lines 7 + 8 - 9)	274,445	129,631			404,076

## EXHIBIT 4 - DIVIDENDS OR REFUNDS

	1 Life	2 Accident and Health
	1. Applied to pay renewal premiums	
2. Applied to shorten the endowment or premium-paying period		
3. Applied to provide paid-up additions		
4. Applied to provide paid-up annuities		
5. Total (Lines 1 through 4)		
6. Paid-in cash		
7. Left on deposit		
8. Aggregate write-ins for dividend or refund options		
9. Total (Lines 5 through 8)		
10. Amount due and unpaid		
11. Provision for dividends or refunds payable in the following calendar year	<b>NONE</b>	
12. Terminal dividends		
13. Provision for deferred dividend contracts		
14. Amount provisionally held for deferred dividend contracts not included in line 13		
15. Total (Lines 10 through 14)		
16. Total from prior year		
17. Total dividends or refunds (Lines 9 + 15 - 16)		

### DETAILS OF WRITE-INS

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

**EXHIBIT 5 - AGGREGATE RESERVE FOR LIFE CONTRACTS**

1 Valuation Standard	2 Total	3 Industrial	4 Ordinary	5 Credit (Group and Individual)	6 Group
<b>Life Insurance (Gross)</b>					
1980 CET 5.00% ALB .....	16,115			16,115	
120% 2001 CSO 5.00% ALB .....	6,708			6,708	
120% 2001 CSO 4.50% ALB .....	1,201,190			1,201,190	
120% 2001 CSO 4.25% ALB .....	1,307,278			1,307,278	
120% 2001 CSO 3.75% ALB .....	2,635,702			2,635,702	
100% 1980 CSO 50% MALE 4.50% ALB CRVM .....	557,802		557,802		
100% 2001 CSO 4.00% ALB CRVM .....	1,011,945		1,011,945		
100% 1980 CSO 50% MALE 4.75% ALB CRVM .....	7,327		7,327		
100% 2001 CSO 4.00% ANB CRVM .....	859,677		859,677		
100% 2001 CSO 4.25% ANB CRVM .....	409,876		409,876		
100% 2001 CSO 4.50% ANB CRVM .....	62,281		62,281		
0199997 Subtotal - Life Insurance (Gross) .....	8,075,901		2,908,908	5,166,993	
0199998 Reinsurance Ceded .....	51,927		51,927		
0199999 Totals - (Net) .....	8,023,974		2,856,981	5,166,993	
<b>Annuities (excluding supplementary contracts with life contingencies (Gross))</b>					
a2000 4.50% CARVM .....	22,385,523	X X X	22,385,523	X X X	
a2000 5.00% CARVM .....	32,314,501	X X X	32,314,501	X X X	
a2000 4.25% CARVM .....	148,862,489	X X X	148,862,489	X X X	
a2000 3.75% CARVM .....	78,085,809	X X X	78,085,809	X X X	
a1994 4.75% CARVM .....	8,391,956	X X X	8,391,956	X X X	
a1994 4.25% CARVM .....	5,625,768	X X X	5,625,768	X X X	
a1994 5.00% CARVM .....	14,811,962	X X X	14,811,962	X X X	
a1994 4.50% CARVM .....	10,392,750	X X X	10,392,750	X X X	
a1994 3.75% CARVM .....	923,342	X X X	923,342	X X X	
Guarantees Variable Annuities (AG43) .....	282,297	X X X	282,297	X X X	
0299997 Subtotal - Annuities (excluding supplementary contracts with life contingencies (Gross)) .....	322,076,397	X X X	322,076,397	X X X	
0299998 Reinsurance Ceded .....	24,498,990	X X X	24,498,990	X X X	
0299999 Totals - (Net) .....	297,577,407	X X X	297,577,407	X X X	
0399998 Reinsurance Ceded .....					
0399999 Totals - (Net) .....					
<b>Accidental Death Benefits (Gross)</b>					
1959 US ADB 4.50% ANB .....	55		55		
1959 US ADB 4.25% ANB .....	788		788		
1959 US ADB 4.00% ANB .....	641		641		
0499997 Subtotal - Accidental Death Benefits (Gross) .....	1,484		1,484		
0499998 Reinsurance Ceded .....	89		89		
0499999 Totals - (Net) .....	1,395		1,395		
0599998 Reinsurance Ceded .....					
0599999 Totals - (Net) .....					
0699998 Reinsurance Ceded .....					
0699999 Totals - (Net) .....					
0799997 Subtotal - Miscellaneous Reserves (Gross) .....					
0799998 Reinsurance Ceded .....					
0799999 Totals - (Net) .....					
9999999 Totals - (Net) -Page 3, Line 1 .....	305,602,776		300,435,783	5,166,993	

## EXHIBIT 5 - INTERROGATORIES

- 1.1 Has the reporting entity ever issued both participating and non-participating contracts? Yes[ ] No[X]  
 1.2 If not, state which kind is issued.  
 NON-PARTICIPATING
- 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[ ] No[X]  
 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? \$ ..... 0  
 4.2 Amount of reserve? \$ ..... 0  
 4.3 Basis of reserve  
 4.4 Basis of regular assessments  
 4.5 Basis of special assessments  
 4.6 Assessments collected during the year \$ ..... 0
5. If the contract loan interest rate guaranteed in any one or more of its currently issued contracts is less than 5%, not in advance, state the contract loan rate guarantees on any such contracts
6. Does the reporting entity hold reserves for any annuity contracts that are less than the reserves that would be held on a standard basis? Yes[ ] No[X]  
 6.1 If so, state the amount of reserve on such contracts on the basis actually held: \$ ..... 0  
 6.2 That would have been held (on an exact or approximate basis) using the actual ages of the annuitants; the interest rate(s) used in 6.1, and the same mortality basis used by the reporting entity for the valuation of comparable annuity benefits issued to standard lives. If the reporting entity has no comparable annuity benefits for standard lives to be valued, the mortality basis shall be the table most recently approved by the state of domicile for valuing individual annuity benefits: \$ ..... 0  
 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: \$ ..... 0  
 7.2 Specify the basis (fair value, amortized cost, etc.) for determining the amount  
 7.3 State the amount of reserves established for this business: \$ ..... 0  
 7.4 Identify where the reserves are reported in the blank
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: \$ ..... 0  
 8.2 State the amount of reserves established for this business: \$ ..... 0  
 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: \$ ..... 0  
 9.2 State the amount of reserves established for this business: \$ ..... 0  
 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		4 Increase in Actuarial Reserve Due to Change
	2 Changed From	3 Changed To	
9999999 Total (Column 4 Only) .....			

## 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
<b>ACTIVE LIFE RESERVE</b>									
1. Unearned premium reserves .....	2,661,949		2,661,949						
2. Additional contract reserves (a) .....									
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) .....	2,661,949		2,661,949						
8. Reinsurance ceded .....									
9. TOTALS (NET) .....	2,661,949		2,661,949						
<b>CLAIM RESERVE</b>									
10. Present value of amounts not yet due on claims .....	3,278,495	3,278,495							
11. Additional actuarial reserves - Asset/Liability analysis .....									
12. Reserve for future contingent benefits .....									
13. Aggregate write-ins for reserves .....									
14. TOTALS (Gross) .....	3,278,495	3,278,495							
15. Reinsurance ceded .....	2,464,395	2,464,395							
16. TOTALS (Net) .....	814,100	814,100							
17. TOTAL (Net) .....	3,476,049	814,100	2,661,949						
18. TABULAR FUND INTEREST .....									
<b>DETAILS OF WRITE-INS</b>									
0601. ~ .....									
0602. ~ .....									
0603. ~ .....									
0698. Summary of remaining write-ins for Line 6 from overflow page .....									
0699. TOTALS (Lines 0601 through 0603 plus 0698) (Line 6 above) .....									
1301. ~ .....									
1302. ~ .....									
1303. ~ .....									
1398. Summary of remaining write-ins for Line 13 from overflow page .....									
1399. TOTALS (Lines 1301 through 1303 plus 1398) (Line 13 above) .....									

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

### EXHIBIT 7 - DEPOSIT-TYPE CONTRACTS

	1	2	3	4	5	6
	Total	Guaranteed Interest Contracts	Annuities Certain	Supplemental Contracts	Dividend Accumulations or Refunds	Premium and Other Deposit Funds
1. Balance at the beginning of the year before reinsurance .....	.....	.....	.....	.....	.....	.....
2. Deposits received during the year .....	.....	.....	.....	.....	.....	.....
3. Investment earnings credited to the account .....	.....	.....	.....	.....	.....	.....
4. Other net change in reserves .....	.....	.....	.....	.....	.....	.....
5. Fees and other charges assessed .....	.....	.....	.....	.....	.....	.....
6. Surrender charges .....	.....	.....	.....	.....	.....	.....
7. Net surrender or withdrawal payments .....	.....	.....	.....	.....	.....	.....
8. Other net transfers to or (from) Separate Accounts .....	.....	.....	.....	.....	.....	.....
9. Balance at the end of current year before reinsurance (Lines 1 + - 5 - 6 - 7 - 8) .....	.....	.....	.....	.....	.....	.....
10. Reinsurance balance at the beginning of the year .....	.....	.....	.....	.....	.....	.....
11. Net change in reinsurance assumed .....	.....	.....	.....	.....	.....	.....
12. Net change in reinsurance ceded .....	.....	.....	.....	.....	.....	.....
13. Reinsurance balance at the end of the year (Lines 10 + 11 - 12) .....	.....	.....	.....	.....	.....	.....
14. Net balance at the end of current year after reinsurance (Lines 9 + 13) .....	.....	.....	.....	.....	.....	.....

**NONE**

## EXHIBIT 8 - CLAIMS FOR LIFE AND ACCIDENT AND HEALTH CONTRACTS

### PART 1 - Liability End of Current Year

	1	2	Ordinary			6	Group		Accident and Health		
			3	4	5		7	8	9	10	11
	Total	Industrial Life	Life Insurance	Individual Annuities	Supplementary Contracts	Credit Life (Group and Individual)	Life Insurance	Annuities	Group	Credit (Group and Individual)	Other
1. Due and Unpaid:											
1.1 Direct	1,025,566		102,492			139,319	481,983		219,289	82,483	
1.2 Reinsurance assumed											
1.3 Reinsurance ceded	320,913		37,000				212,781		71,132		
1.4 Net	704,653		65,492			139,319	269,202		148,157	82,483	
2. In course of settlement:											
2.1 Resisted:											
2.11 Direct											
2.12 Reinsurance assumed											
2.13 Reinsurance ceded											
2.14 Net			(b)	(b)		(b)	(b)				
2.2 Other:											
2.21 Direct											
2.22 Reinsurance assumed											
2.23 Reinsurance ceded											
2.24 Net			(b)	(b)		(b)	(b)		(b)	(b)	(b)
3. Incurred but unreported:											
3.1 Direct	4,225,973		218,879			596,038	2,020,088		1,212,543	177,425	1,000
3.2 Reinsurance assumed											
3.3 Reinsurance ceded	1,735,994		123,792				1,049,908		562,294		
3.4 Net	2,489,979		(b)	(b)		(b)	(b)		(b)	(b)	(b)
4. TOTALS:											
4.1 Direct	5,251,539		321,371			735,357	2,502,071		1,431,832	259,908	1,000
4.2 Reinsurance assumed											
4.3 Reinsurance ceded	2,056,907		160,792				1,262,689		633,426		
4.4 Net	3,194,632	(a)	(a)			735,357	(a)	1,239,382	798,406	259,908	1,000

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

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

## EXHIBIT 8 - CLAIMS FOR LIFE AND ACCIDENT AND HEALTH CONTRACTS

### PART 2 - Incurred During the Year

	1 Total	2 Industrial Life (a)	Ordinary			6 Credit Life (Group and Individual)	Group		Accident and Health		
			3 Life Insurance (b)	4 Individual Annuities	5 Supplementary Contracts		7 Life Insurance (c)	8 Annuities	9 Group	10 Credit (Group and Individual)	11 Other
1. Settlements during the year:											
1.1 Direct	7,057,177		106,568			1,228,624	3,194,005		2,349,955	177,425	600
1.2 Reinsurance assumed											
1.3 Reinsurance ceded	1,322,620		10,000				641,157		671,463		
1.4 Net (d)	5,734,557		96,568			1,228,624	2,552,848		1,678,492	177,425	600
2. Liability December 31, current year from Part 1:											
2.1 Direct	5,251,539		321,371			735,357	2,502,071		1,431,832	259,908	1,000
2.2 Reinsurance assumed											
2.3 Reinsurance ceded	2,056,907		160,792				1,262,689		633,426		
2.4 Net	3,194,632		160,579			735,357	1,239,382		798,406	259,908	1,000
3. Amounts recoverable from reinsurers December 31, current year	118,799						108,789		10,010		
4. Liability December 31, prior year:											
4.1 Direct	4,049,655		192,809			733,311	1,596,747		1,227,484	297,304	2,000
4.2 Reinsurance assumed											
4.3 Reinsurance ceded	1,139,542		98,519				555,385		485,638		
4.4 Net	2,910,113		94,290			733,311	1,041,362		741,846	297,304	2,000
5. Amounts recoverable from reinsurers December 31, prior year	106,467		10,000				85,000		11,467		
6. Incurred benefits:											
6.1 Direct	8,259,061		235,130			1,230,670	4,099,329		2,554,303	140,029	(400)
6.2 Reinsurance assumed											
6.3 Reinsurance ceded	2,252,317		62,273				1,372,250		817,794		
6.4 Net	6,006,744		172,857			1,230,670	2,727,079		1,736,509	140,029	(400)

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

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

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

(d) Includes \$.....0 premiums waived under total and permanent disability benefits.

**EXHIBIT OF NONADMITTED ASSETS**

	1	2	3
	Current Year Total Nonadmitted Assets	Prior Year Total Nonadmitted Assets	Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1. Bonds (Schedule D) .....			
2. Stocks (Schedule D):			
2.1 Preferred stocks .....			
2.2 Common stocks .....			
3. Mortgage loans on real estate (Schedule B):			
3.1 First liens .....			
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. Invested income due and accrued .....			
15. Premium and considerations:			
15.1 Uncollected premiums and agents' balances in the course of collection .....	369,338	392,975	23,637
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due .....			
15.3 Accrued retrospective premiums .....			
16. Reinsurance:			
16.1 Amounts recoverable from reinsurers .....	375	72	(303)
16.2 Funds held by or deposited with reinsured companies .....			
16.3 Other amounts receivable under reinsurance contracts .....			
17. Amounts receivable relating to uninsured plans .....			
18.1 Current federal and foreign income tax recoverable and interest thereon .....			
18.2 Net deferred tax asset .....			
19. Guaranty funds receivable or on deposit .....			
20. Electronic data processing equipment and software .....	23,267	62,494	39,227
21. Furniture and equipment, including health care delivery assets .....	146,255	193,588	47,333
22. Net adjustment in assets and liabilities due to foreign exchange rates .....			
23. Receivables from parent, subsidiaries and affiliates .....			
24. Health care and other amounts receivable .....			
25. Aggregate write-ins for other than invested assets .....	508,417	373,596	(134,821)
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25) .....	1,047,652	1,022,725	(24,927)
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts .....			
28. Total (Lines 26 and 27) .....	1,047,652	1,022,725	(24,927)
<b>DETAILS OF WRITE-INS</b>			
1101. ....			
1102. ....			
1103. ....			
1198. Summary of remaining write-ins for Line 11 from overflow page .....			
1199. TOTALS (Lines 1101 through 1103 plus 1198) (Line 11 above) .....			
2501. PREPAID EXPENSES .....	532,449	337,026	(195,423)
2502. OTHER ACCOUNT RECEIVABLE .....	(24,032)	36,570	60,602
2503. ....			
2598. Summary of remaining write-ins for Line 25 from overflow page .....			
2599. TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above) .....	508,417	373,596	(134,821)

## Notes to Financial Statements

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### A. Accounting Practices

The accompanying financial statements have been prepared in conformity with accounting practices prescribed or permitted by the Commissioner of Insurance of the Commonwealth of Puerto Rico, which vary in certain respects from accounting principles generally accepted in the United States of America. Prescribed statutory accounting practices include National Association of Insurance Commissioners' statutory accounting practices (NAIC SAP) subject to any deviations prescribed or permitted by the Commissioner of Insurance.

The Commissioner of Insurance has the right to permit other specific practices that may deviate from prescribed practices. Prescribed statutory accounting practices include a variety of publications of the NAIC including its codification initiative contained in its Accounting Practices and Procedures Manual, as well as state laws, regulations, and general administrative rules. Permitted statutory accounting practices encompass all accounting practices not so prescribed.

#### B. Use of estimates

The preparation of financial statements in conformity with Statutory Accounting Principles prescribed or permitted by the Commissioner requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities. It also require disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

#### C. Accounting policies

Life premiums are recognized as income over the premium-paying period of the related policies. Annuity considerations are recognized as revenue when received. Accident & Health premiums are earned ratably over the terms of the related insurance contracts or policies.

Expenses incurred in connection with acquiring new insurance business, including acquisition costs such as sales commissions, are charged to operations as incurred.

In addition, the company uses the following accounting policies:

1. Basis of valuation of short term investments - The carrying amounts for these instruments approximate their fair values given their short-term to maturity. Short-term investments include all investments whose maturities, at the time of acquisition, are one year or less and are stated at amortized cost, which approximates fair value.
2. Basis of valuation of bonds - The fair value of bonds is as prescribed by the SVO. Bonds are stated at amortized cost and any premium or discount is amortized to income using the interest method. Bonds backed by other loans with a NAIC designation of 6 are stated at lower of amortized cost or fair market value.
3. Basis of valuation of common stocks - The fair values of unaffiliated common stock are valued as prescribed by the SVO. Common stocks are carried at NAIC fair value. The change in the fair value is recorded as a change in net unrealized capital gains (losses), a component of unassigned surplus.
4. Basis of valuation of preferred stocks - The fair values of preferred stock are valued as prescribed by the SVO. Preferred stocks are stated at cost, at the lower of cost or amortized cost, or at NAIC market values, depending on the assigned credit rating and whether the preferred stock has mandatory sinking fund provisions.
5. The Company has no mortgage loans or real state.
6. Mortgage-backed bonds, included in "Bonds", are generally stated at amortized cost using the scientific method unless they have a NAIC rating designation of 6, in which case such bonds are stated at the lower of amortized cost of fair value. Amortization of the discount or premium from the purchase of the securities considers the estimated timing and amount of prepayments of the underlying mortgage loans. Actual prepayment experience is periodically reviewed and effective yields are recalculated when differences arise between the prepayments originally anticipated and the actual prepayments-sensitive bonds (e.g., interest-only securities), the effective yield is recalculating on a prospective basis. For all other mortgage -backed and asset-backed bonds, the effective yield is recalculated on a retrospective basis.

For certain residential mortgage-backed securities ("RMBS") and certain commercial mortgage-backed securities ("CMBS"), both an initial and final NAIC designation is determined on a security-by-security basis based on a range of values published by the NAIC. The initial designation is used to determine the carrying value of the RMBS and CMBS. RMBS and CMBS with initial designation of 1-5 are stated at amortized cost while RMBS and CMBS with initial designation of 6 are stated at the lower of amortized cost of fair value. The final designation calculation compares this carrying value with a range of values, resulting in a final NAIC designation reported herein, which is used for all other accounting and reporting purposes.

The NAIC adopted a revised rating methodology for loan-backed and structured securities, including asset-backed securities ("ABS"), which are not modeled. For these securities, the NAIC relies on NAIC

## Notes to Financial Statements

Acceptable Rating Organization (“ARO”) rating to determine the initial NAIC’s designation. The second lowest ARO rating is used to determine the carrying value of the security, which is based on the NAIC’s estimate of expected losses, using and NAIC published formula. The carrying value of the securities determines its final NAIC designation, which is used for reporting in the Annual Statement and in risk-based capital (“RBC”) calculations. This revised methodology does not apply to NAIC 6 securities which are rated at the second lowest ARO designation.

7. The Company does not have investments in subsidiaries or affiliated entities.
8. The Company does not have minor ownership interests in joint ventures, partnerships or limited liability companies.
9. The Company does not invest in derivatives.
10. The Company anticipates investment income as a factor in the premium deficiency calculation, in accordance with SSAP No. 54, Individual and Group & Health Contracts.
11. Unpaid losses and loss adjustment expenses include an amount determined from individual case estimates and loss reports and an amount, based on past experience, for losses incurred but not reported. Such liabilities are necessarily based on assumptions and estimates and while management believes the amount is adequate, the ultimate liability may be in excess of or less than the amount provided. The methods for making such estimates and for establishing the resulting liability is continually reviewed and any adjustments are reflected in the period determined.
12. The Company has not modified its capitalization policy from the prior period.
13. The Company does not have any pharmaceutical rebate receivable.

### 2. ACCOUNTING CHANGES AND CORRECTIONS OF ERRORS

Material changes in accounting principles and corrections of error. – None

### 3. BUSINESS COMBINATIONS AND GOODWILL

- A. Statutory purchase method – Not applicable
- B. Statutory mergers – Not applicable
- C. Assumption reinsurance – Not applicable
- D. Write downs for impairment of investments in affiliates – Not applicable

### 4. DISCONTINUED OPERATIONS

The Company had no discontinued operations during 2012 and 2011.

### 5. INVESTMENTS

- A. Mortgage loans, including mezzanine real estate loans – None
- B. Troubled debt restructuring for creditors – None
- C. Reverse mortgages – None
- D. Loan-backed securities
  1. Prepayment assumptions for single class and multi-class mortgage-backed/asset-backed securities were obtained from broker dealer survey values or internal estimates.
  2. No OTTI recognized during 1<sup>st</sup> & 2<sup>nd</sup> quarter of 2012

## Notes to Financial Statements

OTTI recognized 3rd Quarter	(1)	(2)		(3)
	Amortized Cost Basis Before Other-than-Temporary Impairment	Other-than-Temporary Impairment Recognized in Loss		Fair Value 1 - (2a + 2b)
		(2a) Interest	(2b) Non-Interest	
a. Intent to Sell	\$ 0	\$ 0	\$ 0	\$ 0
b. Inability or lack of intent to retain the investment in the security for a period of time sufficient to recover the amortized cost basis	\$ 2,217,797	\$ 0	\$ 69,171	\$ 2,148,626
c. Total 3rd Quarter	\$ 2,217,797	\$ 0	\$ 69,171	\$ 2,148,626

OTTI recognized 4th Quarter	(1)	(2)		(3)
	Amortized Cost Basis Before Other-than-Temporary Impairment	Other-than-Temporary Impairment Recognized in Loss		Fair Value 1 - (2a + 2b)
		(2a) Interest	(2b) Non-Interest	
a. Intent to Sell	\$ 0	\$ 0	\$ 0	\$ 0
b. Inability or lack of intent to retain the investment in the security for a period of time sufficient to recover the amortized cost basis	\$ 1,525,674	\$ 0	\$ 17,094	\$ 1,508,580
c. Total 4th Quarter	\$ 1,525,674	\$ 0	\$ 17,094	\$ 1,508,580

3.

(1) CUSIP	(2) Book/Adjusted Carrying Value Amortized Cost Before Current Period OTTI	(3) Present Value of Projected Cash Flows	(4) Recognized Other-Than-Temporary Impairment	(5) Amortized Cost After Other-Than-Temporary Impairment	(6) Fair Value at time of OTTI	(7) Date of Financial Statement Where Reported
749228AJ1	\$ 574,963	\$ 571,580	\$ 3,383	\$ 571,580	\$ 574,275	09/30/2012
576434T20	898,917	887,955	10,962	887,955	862,485	09/30/2012
126694K31	416,370	400,821	15,550	400,821	393,554	09/30/2012
12668BEG4	327,547	288,270	39,276	288,271	314,541	09/30/2012
761118XN3	\$ 111,686	\$ 105,722	\$ 5,964	\$ 105,722	\$ 112,942	12/31/2012
46633PAC6	1,043,897	1,036,419	7,477	1,036,419	1,078,977	12/31/2012
126694K31	370,091	366,439	3,653	366,439	384,326	12/31/2012
Total	\$ 3,743,471	\$ 3,657,206	\$ 86,265	\$ 3,657,207	\$ 3,721,100	

The Company performs a regular evaluation, on a security-by-security basis, of its securities holdings in accordance with its OTTI policy in order to evaluate whether such investments are other than temporarily impaired. Management considers a wide range of factors about the security issuer and uses its best judgment in evaluating the cause of the decline in the estimated fair value of the security and in assessing the prospects for near-term recovery. Factors considered include fundamentals of the industry and geographic area in which the security issuer operates, as well as overall macroeconomic conditions. Projected future cash flows are estimated using assumptions derived from management's best estimates of likely scenario-based outcomes after giving consideration to a variety of variables that include, but are not limited to: (i) general payment terms of the security; (ii) the likelihood that the issuer can service the scheduled interest and principal payments; (iii) the quality and amount of any credit enhancements; (iv) the security's position within the capital structure of the issuer; (v) possible corporate restructuring or assets sales by the issuer; and (vi) changes to the rating of the security or the issuer by rating agencies. Additional considerations are made when assessing the unique features that apply to certain loan-backed and structured securities including, but are not limited to: (i) the quality of underlying collateral; (ii) expected prepayment speeds; (iii) current and forecasted loss severity; (iv) consideration of the payments terms of

## Notes to Financial Statements

the underlying assets backing the security; and (v) the payment priority within the tranche structure of the security.

4. All impaired securities (fair value is less than cost or amortized cost) for which an other-than-temporary impairment has not been recognized in earnings as a realized loss (including securities with a recognized other-than-temporary impairment for non-interest related declines when a non-recognized interest related impairment remains):

a. The aggregate amount of unrealized losses:					
	1. Less than 12 Months		\$	0	
	2. 12 Months or Longer		\$	6,981	
b. The aggregate related fair value of securities with unrealized losses:					
	1. Less than 12 Months		\$	0	
	2. 12 Months or Longer		\$	844,341	

E. The Company was not involved in any Repurchase Agreements during the period presented.

F. The Company has no investment in Real Estate.

G. The Company has no investment in Low Income Housing Tax Credits

### 6. JOINT VENTURES, PARTNERSHIPS AND LIMITED LIABILITY COMPANIES

A. The Company has no investment in joint ventures, partnerships or limited liability companies.

B. Write downs for impairments of joint ventures, partnerships or limited liability companies – Not applicable

### 7. INVESTMENT INCOME

A. All investment income due and accrued with amounts over 90 days past due is non-admitted and subsequently excluded from surplus.

B. The Company did not have any non-admitted due and accrued investment income as December 31, 2012.

### 8. DERIVATIVE INSTRUMENTS

The Company does not own any derivatives instrument.

### 9. INCOME TAX

A. The components of the net DTA recognized in the Company's Assets and Surplus are as follows:

	Dec 31, 2012	Dec 31, 2011
Total of gross deferred tax assets	\$ 9,423	\$79,427
Total of deferred tax liabilities	5,100	15,766
Net deferred tax assets	4,323	63,661
Deferred tax assets non-admitted	-	-
Net admitted deferred tax assets	\$ 4,323	\$63,661
Increase/(Decrease) in deferred tax asset non-admitted	\$0	\$0

B. The Company has \$5,100 in Deferred Tax Liabilities as of December 31, 2012.

C. Current income tax incurred consist of the following mayor components - None

D. The Company is exempt from federal income tax.

E. Operating loss and tax credit carry forwards – Not applicable

F. The Company is a qualified domestic insurance company, which was incorporated under the laws of the Commonwealth of Puerto Rico. The Company is exempt from federal income tax.

Under the provision of the Puerto Rico tax law of 1954, as amended, qualified domestic life insurance companies are taxed on their realized capital gains. The local tax reform of 1987 imposed an additional 22% alternative minimum tax based on adjusted income to all insurance companies.

G. No income tax contingencies determined.

### 10. INFORMATION CONCERNING PARENT, SUBSIDIARIES, AFFILIATES AND OTHER RELATED PARTIES

A. Universal Insurance Company (UNICO) acquired 100% of Universal Life Insurance Company from Universal Group (parent company of UNICO). The acquisition was approved by the Commissioner of Insurance of Puerto Rico on June 27, 2012 however; the effective date of the transaction was January 1, 2012. Universal

## Notes to Financial Statements

Life was incorporated on April 16, 1993 under the name of Eastern America Life Insurance Company, and changed its name to Universal Life Insurance Company during 1997.

- B. Detail of transactions greater than ½% of admitted assets  
Capital contribution of \$3,400,000 was provided by Universal Insurance Company during 2012.
- C. Amounts of transactions and effects on any change in terms of intercompany arrangements.
- D. At December 31, 2012, the company reported \$0 amounts due from and \$840,888 due to parents, subsidiaries, and affiliates. The terms of the settlement require that these amounts are settled within 30 days.
- E. Guarantees or contingencies for related parties – None
- F. Management, service contracts, cost sharing arrangements
- G. 25,000 of the outstanding shares of the Company are owned by Universal Insurance Company, an insurance holding company with domiciled in the Commonwealth of Puerto Rico.
- H. The company owns no shares of the stocks of its parent, Universal Insurance Company, or any of its affiliates.
- I. Detail of investments in affiliates greater than 10% of admitted assets – None
- J. Write down for impairments of investments in affiliates – Not applicable
- K. CARVM assumptions for adjusting foreign subsidiary annuity reserves from GAAP – None
- L. Valuation of a downstream noninsurance holding company - None

### 11. DEBT

- A. As of December 31, 2012 the company had no capital notes outstanding.
- B. As of December 31, 2012 the company had not borrowed money.

### 12. RETIREMENT PLANS, DEFERRED COMPENSATION, POST EMPLOYMENT BENEFITS AND COMPENSATED ABSENCES AND OTHER POST RETIREMENT BENEFIT PLANS

- A. The Company has no defined benefit plan.
- B. The Company has a qualified noncontributory profit-sharing plan, which provides retirement benefits to eligible employees. The plan calls for a voluntary contribution by Universal Life of no less than 1% of the annual participant's compensation, as defined, plus a portion of the administrative expenses of the plan during the first ten years. Universal Life's contributions to the profit-sharing plan as of December 31, 2012 and December 31, 2011, amounted to \$56,354 and \$82,801, respectively.

Universal Life's employees participate in a qualified defined contribution savings plan. Universal Life matching contributions are set at 50% of the participants' pre-tax and after-tax contributions up to the first 6% of each participant's contribution. Universal Life's contributions to the savings plan as of December 31, 2012 and December 31, 2011, amounted to \$32,493 and \$29,418, respectively

- C. The Company does not participate in a multiemployer plan.
- D. The Company does not participate in a consolidated / holding company plan.
- E. Compensated vacation pay is recorded as an accrued liability in salaries and wages general expenses.
- F. Impact of Medicare Modernization Act on postretirement benefits – Not applicable

### 13. CAPITAL AND SURPLUS, SHAREHOLDERS' DIVIDEND RESTRICTIONS AND QUASI-RECOGNITIONS

1. The Company has 100,000 authorized shares of common stock of \$100 par value, of which 25,000 are issue and outstanding.
2. The Company has no preferred stock authorized.
3. Dividends to shareholder are limited by the laws of the Commonwealth of Puerto Rico to an amount that is based on restrictions relating to statutory surplus.
4. A dividend of \$1,100,000 was declared as of June 30, 2012 and \$1,900,000 was declared as of December 31, 2012.
5. According to the Insurance Code of Puerto Rico, a domestic stock insurer shall not pay any cash dividend to stockholders, except out of the part of its available surplus funds which is derived from any realized net profits on its business. A stock dividend may be paid out of any available surplus fund, except funds representative liens to the insurers, without the pledge of any of its assets.

## Notes to Financial Statements

6. Restrictions on unassigned funds – None
7. There have been no advances to surplus.
8. The Company does not hold any stock for special purpose.
9. Changes in balances of special surplus funds from the prior year are due to: None
10. The portion of unassigned funds surplus represented or (reduced) by each item below is as follows:
- |                             |          |
|-----------------------------|----------|
| Unrealized gains and losses | \$33,997 |
|-----------------------------|----------|
11. The Company has not issued any surplus notes or debentures or similar obligations.
12. Impact of quasi-reorganizations – Not applicable
13. Date of quasi-reorganizations – Not applicable

### 14. CONTINGENCIES

- A. Contingent commitments – None
- B. Pursuant to the Puerto Rico Insurance Code, the Company is a member of the Puerto Rico Insurance Guaranty Association for Life, Disability and Health Insurance. As a member, the Company is required to provide funds for the settlement of claims and reimbursement of unearned premiums of insurance policies issued by insolvent insurance companies. During the year ended December 31, 2012 and the year ended December 31, 2011, no accrual for possible future assessment was provided. The Company has not been informed nor had any knowledge of assessments or insurance companies that have become insolvent that could result in significant future charges by the association.
- C. Gain contingencies – None
- D. Extra contractual obligations - None
- E. In the normal course of business, the Company is involved in various cases relating to insurance matters or, more frequently, certain corporate matters. Generally, the Company's liability is limited to specific amounts relating to insurance or policy coverage for which provision has been made in the financial statements. Other cases involve general corporate matters which generally do not represent significant contingencies to the Company.

### 15. LEASES

- A. Lessee leasing arrangements

The Company leases office under a non-cancelable operating lease. Rental expense for December 31, 2012 and December 31, 2011 was \$213,115 and \$212,403 respectively. The Company has no sublease or sale-leaseback transactions.

- B. Lesser leasing arrangements – Not applicable

### 16. INFORMATION ABOUT FINANCIAL INSTRUMENTS WITH OFF-BALANCE SHEET RISK AND FINANCIAL INSTRUMENTS WITH CONCENTRATION OF CREDIT RISK

The Company does not have any financial instruments with off-balance sheet risk.

### 17. SALE, TRANSFER AND SERVICING OF FINANCIAL ASSETS AND EXTINGUISHMENTS OF LIABILITIES

- A. Transfers of receivables reported as sales – None
- B. Transfer and servicing of financial assets – None
- C. Wash sales – None

### 18. GAIN OR LOSS TO THE REPORTING ENTITY FROM UNINSURED PLANS AND THE UNINSURED PORTION OF PARTIALLY INSURED PLANS

- A. Administrative services only (ASO) plans – None
- B. Administrative services contract (ASC) plans – None
- C. Medicare or similarly structured cost based reimbursement contracts – None

### 19. DIRECT PREMIUM WRITTEN / PRODUCED BY MANAGING GENERAL AGENTS / THIRD PARTY ADMINISTRATORS

## Notes to Financial Statements

A. The company does not have direct premiums written by managing general agents or third party administrators.

### 20. FAIR VALUE MEASUREMENTS

A. Assets measured and reported at estimated fair value in the statutory statements of admitted assets, liabilities and capital and surplus are subject to additional disclosures. These disclosure requirements apply only to those financial assets and liabilities measured at estimated fair value as of the end of the reporting period. Such financial assets include unaffiliated common stocks, Separate Account assets and certain bonds and preferred stocks carried at the lower of amortized cost or estimated fair value when estimated fair value is lower than amortized cost as of the end of the current year period.

(1) As of December 31, 2012, the Company's financial assets and liabilities measured and reported at estimated fair values were as follows:

Description	Level 1	Level 2	Level 3	Total
Common Stocks				
PR Mutual Funds	\$ 3,732,857	\$ 0	\$ 5,954,608	\$ 9,687,465
Total Common Stocks	<u>\$ 3,732,857</u>	<u>\$ 0</u>	<u>\$ 5,954,608</u>	<u>\$ 9,687,465</u>
Separate account assets	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 248,886,976</u>	<u>\$ 248,886,976</u>
Separate account liabilities	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 248,654,745</u>	<u>\$ 248,654,745</u>

(2) A roll forward of the estimated fair value measurements for all assets and liabilities measured and reported at estimated fair value using significant unobservable (Level 3) inputs for the year ended December 31, 2012 is as follows:

	(1)	(2)	(3)	(4)	(5)	(6)	(7)
	Balance at 01/01/2012	Transfer in and/or out of Level 3	Total gains and (losses) included in Net Income	Total gains & (losses) included in surplus	Purchases issuances, sales & settlement	Balance at 12/31/2012	Unrealized Gains (Loss) Still Held
Common Stocks	2,755,189	0	0	(87,793)	3,287,212	5,954,608	17,314
Separate Account Assets	<u>176,254,007</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>72,632,969</u>	<u>248,886,976</u>	<u>5,096,124</u>
Total	<u>\$ 179,009,196</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (87,793)</u>	<u>\$ 75,920,181</u>	<u>\$ 254,841,584</u>	<u>\$ 5,113,438</u>

(3) No transfers into or out of Level 3 – During the year ended December 31, 2012.

Overall, transfers into and/or out of Level 3 are attributable to a change in the observability of inputs. Assets and liabilities are transferred into Level 3 when a significant input cannot be corroborated with market observable data. This occurs when market activity decreases significantly and transparency to underlying inputs cannot be observed, current prices are not available and when there are significant variances in quoted prices. In addition, assets that change from measurement at amortized cost to measurement at estimated fair value are reported within transfers into Level 3. Assets and liabilities are transferred out of Level 3 when circumstances change such that significant inputs can be corroborated with market observable data. This may be due to a significant increase in marked activity, a specific event, or one or more significant inputs(s) becoming observable. Transfers into and/or out of any level are assumed to occur at the beginning of the period. In addition, assets that change from measurement at estimated fair value to measurement at amortized cost are reported within transfers out of Level 3.

B. The Company provides additional fair value information in Note 32.

C.

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	Level 1	Level 2	Level 3	Net Practicable (Carrying Value)
Common Stocks	\$ 9,687,465	\$ 9,687,465	\$ 3,732,857	\$ 0	\$ 5,954,608	\$ 0
Separate account assets	<u>\$ 248,886,976</u>	<u>\$ 248,886,976</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 248,886,976</u>	<u>\$ 0</u>
Separate account liabilities	<u>\$ 248,654,745</u>	<u>\$ 248,654,745</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 248,654,745</u>	<u>\$ 0</u>

D. At December 31, 2012, the Company had no investments where it was not practicable to estimate fair value.

### 21. OTHER ITEMS

A. Extraordinary items – Not Applicable

## Notes to Financial Statements

The Company did not have any extraordinary items during 2012 and 2011.

B. Troubled debt restructuring for debtors – Not Applicable

The Company did not have troubled debt restructuring during 2012 and 2011.

C. As of December 31, 2012, assets in the amount of \$1,736,931 and \$727,158 were on deposit with the Office of the Insurance Commissioner of Puerto Rico and with the Office of Financial Institutions Commissioner, respectively.

D. Premiums and agent balances in course of collection reported in page 2 line 14.1 is \$3,079,367. The balance includes the following amounts:

Premiums and Agent Balances	\$3,079,367
Non-Admitted	369,338
Total Admitted	\$2,710,029

E. The Company had no business interruption insurance recoveries.

F. The Company has no investment in State Transferable Tax Credits.

G. The Company has no exposure to subprime mortgage related risks.

H. Retained Assets - None

### 22. EVENTS SUBSEQUENT

The Company has evaluated events subsequent to December 31, 2012, through February 28, 2013, which is the date these financial statements were available to be issued.

The Company is not aware of any events occurring subsequent to the close of the books for this statement period which may 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% controlled, either directly or indirectly, by the company or by any representative officer, trustee or director of the company? Yes ( ) No (X)

2. Have any policies issued by the company being reinsured with a company chartered in a country other than the United States (excluding U.S. Branches of such companies) which 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 has any reinsurance agreements in effect under which the reinsurer may unilaterally cancel any reinsurance for reasons other than for nonpayment of premiums or other similar credits? Yes ( ) No (X)

2. Does the company has any reinsurance agreement in effect such that the amount of losses paid or accrued thru the statement date may result in a payment to the reinsurer of amounts which, in aggregate and allowing for offset of mutual credits for other reinsurance agreements with the same reinsurer, exceed the total direct premium collected under the reinsured policies? Yes ( ) No (X)

Section 3 – Ceded Reinsurance Report - Part B

1. What is the estimated amount of the aggregate reduction in surplus, for agreements, not reflected in Section 2 above, of termination of all reinsurance agreements, by either party, as of the date of this statement? Where necessary, the company may consider the current or anticipated experience of the business reinsured in making this estimate. \$0

2. Have any new agreements been executed or existing agreements amended, since January 1 of the year of this statement, to include policies or contracts which were in-force or which had existing reserves established by the company as of the effective date of the agreement? Yes ( ) No (X)

B. As of December 31, 2012, the Company had no uncollectible reinsurance balances written off through income and expenses.

C. The Company has not commuted any ceded reinsurance during the year.

## Notes to Financial Statements

D. Certified Reinsurer Downgraded or Status Subject to revocation - None

### **24. RETROSPECTIVELY RATED CONTRACTS AND CONTRACTS SUBJECT TO REDETERMINATION**

The Company does not have any retrospective premium adjustments.

### **25. CHANGE IN INCURRED LOSSES AND LOSS ADJUSTMENT EXPENSES**

Reserves on accident and health contracts for incurred losses and loss adjustment expenses attributable to insured events of prior years developed as anticipated during 2012. Original estimates are increased or decreased as additional information becomes known regarding individual claims. However, no significant trends or unanticipated events were noted in 2012.

### **26. INTERCOMPANY POOLING ARRANGEMENTS**

The Company does not have any intercompany pooling arrangements.

### **27. STRUCTURED SETTLEMENTS**

Not applicable

### **28. HEALTH CARE RECEIVABLE**

Not applicable

### **29. PARTICIPATING POLICIES**

Not applicable

### **30. PREMIUM DEFICIENCY RESERVE**

Not applicable

### **31. RESERVES FOR LIFE CONTRACTS AND ANNUITY CONTRACTS**

1. Reserve practices - The Credit Life aggregate reserve is computed using the following valuation tables and interests:

<b>Effective Year</b>	<b>Valuation Table &amp; Interest</b>
1998-2004	1980 CET 5.00% ALB
2005	120% 2001 CSO 5.00% ALB
2006-2010	120% 2001 CSO 4.50% ALB
2011	120% 2001 CSO 4.25% ALB
2012	120% 2001 CSO 3.75% ALB

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

For Ordinary Life products the aggregate reserves are computed using the following valuation tables and interests:

<b><u>Valuation table &amp; Interest</u></b>
100% 1980 CSO 50% MALE (4.00% - 4.75%) ALB CRVM
2001 CSO 4.00% ALB Gender distinct CRVM
100% 2001 CSO (4.00% - 4.50%) ANB CRVM

Annuity reserves are based on statutory mortality, morbidity and interest requirements, without consideration of future withdrawals. Virtually all annuity reserves are calculated on the modified reserve basis, which partially offsets the effect of immediately charging policy acquisition costs for commission expense. Annuity reserves are computed using assumed interest and valuation methods that will provide, in aggregate, reserves that are greater than the minimum valuation required by law and the guaranteed policy cash values. Reserves for annuities are based on A2000 male mortality table and Commissioners Annuity Reserve Valuation Method ("CARVM") with assumed interest rates ranging from 2.0% to 4.5%, for applicable annuities product.

2. Methods employed in valuation of substandard policies. – Not applicable

3. Amount of insurance where gross premiums are less than net premiums – Not applicable

4. The tabular interest, the Tabular Less Actual Reserve Released, and the Tabular Cost have been determined by formula as describe in the instructions.

5. Methods used to determine tabular interest on funds not involving life contingencies – Not applicable

## Notes to Financial Statements

6. Not applicable

### 32. ANALYSIS OF ANNUITY ACTUARIAL RESERVE AND DEPOSIT-TYPE LIABILITIES BY WITHDRAWAL CHARACTERISTICS

	General Account	Separate Account with Guarantees	Separate Account Nonguaranteed	TOTAL
A. Subject to discretionary withdrawal:				
(1) With fair value adjustment	-	-	-	-
(2) At book value less current surrender charge of 5% or more	215,691,942	-	-	215,691,942
(3) At fair value	282,297	-	235,911,499	236,193,796
(4) Total with adjustment or at fair value (total of 1 through 3)	<u>215,974,239</u>	<u>-</u>	<u>235,911,499</u>	<u>451,885,738</u>
(5) At book value without adjustment (minimal or no charge or adjustment)	106,102,158	-	-	106,102,158
B. Not subject to discretionary withdrawal	-	-	-	-
C. Total (gross: direct + assumed)	<u>322,076,397</u>	<u>-</u>	<u>235,911,499</u>	<u>557,987,896</u>
D. Reinsurance ceded	24,498,990	-	141,546,900	166,045,890
E. Total (net)* (C) – (D)	<u>297,577,407</u>	<u>-</u>	<u>94,364,599</u>	<u>391,942,006</u>
F. Life & Accident & Health Annual Statement:				
1. Exhibit 5, Annuities Section, Total (net)				297,577,407
2. Exhibit 5, Supplementary Contracts with Life Contingencies Section,				-
3. Exhibit 7, Deposit-Type Contracts, Line 14, Column 1				-
4. Subtotal				<u>297,577,407</u>
Separate Accounts Annual Statement:				
5. Exhibit 3, Line 0299999, Column 2				235,911,499
5a. Exhibit 3, Line 0299999, Column 2 (Reinsurance Adjustment)				(141,546,900)
6. Exhibit 3, Line 0399999, Column 2				-
7. Policyholder dividend and coupon accumulations				-
8. Policyholder premiums				-
9. Guaranteed interest contracts				-
10. Other contract deposit funds				-
11. Subtotal				<u>94,364,599</u>
12. Combined Total				<u>391,942,006</u>

G. FHLB Funding Agreements - Not applicable

### 33. PREMIUM AND ANNUITY CONSIDERATIONS DEFERRED AND UNCOLLECTED

A. Deferred and uncollected life insurance premiums and annuity considerations as of December 31, 2012 were as follows:

Type	Gross	Net of Loading
Ordinary New Business	\$ 3,048	\$ 3,048
Ordinary Renewal	13,246	13,246
Credit Life	682,952	682,952
Group Life	857,881	857,881
Total	<u>\$ 1,557,127</u>	<u>\$ 1,557,127</u>

### 34. SEPARATE ACCOUNTS

A. Separate Account Activity

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

- Universal Variable Investment Annuity

2. In accordance with the products/transactions recorded within the separate account, some assets are considered legally insulated whereas others are not legally insulated from the general account.

As of December 31, 2012 and December 31, 2011 the Company separate account statement included legally insulated assets of \$248.9MM and \$176.3MM, respectively. The assets legally insulated from the general account as of December 31, 2012 are attributed to the following products/transactions:

(1)	(2)	(3)
Product Identifier	Separate Account Assets	Legally Insulated Assets
Universal Variable Investment Annuity	\$ 248,886,976	\$ 248,886,976

3. In accordance with the products/transaction recorded within the separate account, some separate account liabilities are guaranteed by the general account.

## Notes to Financial Statements

As of December 31, 2012, the general account had a maximum guarantee for separate account liabilities of \$104,538. To compensate the general account for the risk taken, the separate account has paid risk charges as follows for the past five (5) years:

a.	2012	\$	67,970
b.	2011	\$	37,766
c.	2010	\$	42,618
d.	2009	\$	-
e.	2008	\$	-

4. The Company doesn't engage in any securities lending transactions within the separate account.

### B. General Nature and Characteristics of Separate Accounts Business:

Separate accounts held by the company relate to individual variable annuities of a nonguaranteed return nature. The net investment experience of the separate account is credited directly to the policyholder and can be positive or negative. The assets and liabilities of these accounts are carried at market. The minimum guaranteed death benefit reserve is held in Exhibit 5, Miscellaneous Reserves Section, of the company's general account annual statement. This business has been included in Column 4 of the table below.

	(1) Index	(2) Nonindexed Guarantee Less than/equal to 4%	(3) Nonindexed Guarantee More than 4%	(4) Nonguaranteed Separate Accounts	(5) Total
Premiums, considerations or deposits for year ended 12/31/2012				\$ 67,077,584	\$ 67,077,584
Reserves at 12/31/2012					
For accounts with assets at:					
a. Fair value				\$ 235,911,499	\$ 235,911,499
b. Amortized cost					\$ -
c. Total Reserves	\$ -	\$ -	\$ -	\$ 235,911,499	\$ 235,911,499
By withdrawal characteristics:					
d. At fair value				235,911,499	\$ 235,911,499
f. Subtotal	\$ -	\$ -	\$ -	\$ 235,911,499	\$ 235,911,499
g. Not subject to discretionary withdrawal:					\$ -
h. Total	\$ -	\$ -	\$ -	\$ 235,911,499	\$ 235,911,499

### 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)	\$	68,784,356
b.	Transfers from Separate Accounts (Page 4, Line 10)	\$	13,591,784
c.	Net transfers to or (From) Separate Accounts (a) - (b)	\$	55,192,572

#### 2. Reconciling Adjustments:

a.	Change in Expense Allowance Ceded	\$	1,081,436
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#### 3. Transfers as Reported in the Summary of Operations of the Life, Accident & Health Annual Statement

(1c) + (2) = (Page 4, Line 26)      \$56,274,008

### 35. LOSS/CLAIM ADJUSTMENT EXPENSES

The Company incurred \$17,107 and paid \$17,107 of claim adjustment expenses in the current year, of which \$0 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.

# 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? Puerto Rico
- 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. 12/31/2005
- 3.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). 04/03/2008
- 3.4 By what department or departments?  
COMMISSIONER OF INSURANCE OF PUERTO RICO
- 3.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with departments? Yes[X] No[ ] N/A[ ]
- 3.6 Have all of the recommendations within the latest financial examination report been complied with? Yes[X] No[ ] N/A[ ]
- 4.1 During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity) receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
- 4.11 sales of new business? Yes[ ] No[X]
- 4.12 renewals? Yes[ ] No[X]
- 4.2 During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
- 4.21 sales of new business? Yes[ ] No[X]
- 4.22 renewals? Yes[ ] No[X]
- 5.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes[ ] No[X]
- 5.2 If yes, provide the name of the entity, NAIC company code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

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

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

1 Nationality	2 Type of Entity
.....	.....

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

9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?  
DELOITTE & TOUCHE LLP CHARDON TOWER 350 CHARDON AVENUE, SUITE 700, SAN JUAN, PR 00918-2140
- 10.1 Has the insurer been granted any exemptions to the prohibited non-audit services provided by the certified independent public accountant requirements as allowed in Section 7H of the Annual Financial Reporting Model Regulation (Model Audit Rule), or substantially similar state law or regulation? Yes[ ] No[X]
- 10.2 If response to 10.1 is "yes," provide information related to this exemption:
- 10.3 Has the insurer been granted any exemptions 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 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?  
TOWERS WATSON - 3500 LENOX ROAD ONE ALLIANCE CENTER SUITE 900 ATLANTA GA 30326-4238

## GENERAL INTERROGATORIES (Continued)

- 12.1 Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly? Yes  No   
 12.11 Name of real estate holding company  
 12.12 Number of parcels involved 0  
 12.13 Total book/adjusted carrying value \$ 0  
 12.2 If yes, provide explanation
13. FOR UNITED STATES BRANCHES OF ALIEN REPORTING ENTITIES ONLY:  
 13.1 What changes have been made during the year in the United States manager or the United States trustees of the reporting entity?  
 13.2 Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located? Yes  No  N/A   
 13.3 Have there been any changes made to any of the trust indentures during the year? Yes  No  N/A   
 13.4 If answer to (13.3) is yes, has the domiciliary or entry state approved the changes? Yes  No  N/A
- 14.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards? Yes  No   
 a. Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;  
 b. Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;  
 c. Compliance with applicable governmental laws, rules and regulations;  
 d. The prompt internal reporting of violations to an appropriate person or persons identified in the code; and  
 e. Accountability for adherence to the code.  
 14.11 If the response to 14.1 is no, please explain:  
 14.2 Has the code of ethics for senior managers been amended? Yes  No   
 14.21 If the response to 14.2 is yes, provide information related to amendment(s).  
 14.3 Have any provisions of the code of ethics been waived for any of the specified officers? Yes  No   
 14.31 If the response to 14.3 is yes, provide the nature of any waiver(s).
- 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   
 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
15.2001	.....	.....	.....	.....

### 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  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  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 or is likely to conflict with the official duties of such person? Yes  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
- 20.1 Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):  
 20.11 To directors or other officers \$ ..... 0  
 20.12 To stockholders not officers \$ ..... 0  
 20.13 Trustees, supreme or grand (Fraternal only) \$ ..... 0  
 20.2 Total amount of loans outstanding at end of year (inclusive of Separate Accounts, exclusive of policy loans):  
 20.21 To directors or other officers \$ ..... 0  
 20.22 To stockholders not officers \$ ..... 0  
 20.23 Trustees, supreme or grand (Fraternal only) \$ ..... 0
- 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   
 21.2 If yes, state the amount thereof at December 31 of the current year:  
 21.21 Rented from others \$ ..... 0  
 21.22 Borrowed from others \$ ..... 0  
 21.23 Leased from others \$ ..... 0  
 21.24 Other \$ ..... 0
- 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  No   
 22.2 If answer is yes:  
 22.21 Amount paid as losses or risk adjustment \$ ..... 0  
 22.22 Amount paid as expenses \$ ..... 0  
 22.23 Other amounts paid \$ ..... 0
- 23.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? Yes  No   
 23.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: \$ ..... 0

### 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   
 24.02 If no, give full and complete information, relating thereto  
 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)  
 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  No  N/A   
 24.05 If answer to 24.04 is yes, report amount of collateral for conforming programs. \$ ..... 0  
 24.06 If answer to 24.04 is no, report amount of collateral for other programs. \$ ..... 0  
 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  No  N/A   
 24.08 Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%? Yes  No  N/A

## GENERAL INTERROGATORIES (Continued)

- 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[ ] No[ ] N/A[X]
- 24.10 For the reporting entity's security lending program, state the amount of the following as of December 31 of the current year:
- 24.101 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2. \$ ..... 0
- 24.102 Total book/adjusted carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2. \$ ..... 0
- 24.103 Total payable for securities lending reported on the liability page. \$ ..... 0

- 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 \$ ..... 0
- 25.22 Subject to reverse repurchase agreements \$ ..... 0
- 25.23 Subject to dollar repurchase agreements \$ ..... 0
- 25.24 Subject to reverse dollar repurchase agreements \$ ..... 0
- 25.25 Pledged as collateral \$ ..... 0
- 25.26 Placed under option agreements \$ ..... 0
- 25.27 Letter stock or securities restricted as to sale \$ ..... 0
- 25.28 On deposit with state or other regulatory body \$ ..... 2,464,089
- 25.29 Other \$ ..... 0

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[ ] No[X]
- 26.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? Yes[ ] No[ ] N/A[X]  
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. \$ ..... 0

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 I, 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
UBS Financial Services, Incorporated of PR .....	1161 Ashford Avenue, San Juan PR 00907 .....
Santander Securities .....	B7 Calle Tabonuco STE 1800, Guaynabo PR 00968-3028 .....
BBVA Securities of Puerto Rico, Inc. ....	BBVA Tower Lobby Level, 254 Muñoz Rivera Avenue Hato Rey PR .....
Citigroup .....	PO Box 70301, San Juan PR 00936-70301 .....
Popular Securities .....	209 Muñoz Rivera Ave Popular Center 12 Floor, San Juan PR 00907 .....
Oriental Financial Service Corp .....	997 San Roberto Street, San Juan PR 00907 .....

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

1 Central Registration Depository Number(s)	2 Name	3 Address
13042 .....	UBS Financial Services, Incorporated of PR .....	1161 Ashford Avenue, San Juan, PR 00907 .....
41791 .....	Santander Securities .....	B7 Calle Tabonuco STE 1800, Guaynabo, PR 00968-3028 .....
39615 .....	BBVA Securities of Puerto Rico, Inc. ....	BBVA Tower Lobby Level, 254 Muñoz Rivera Avenue Hato Rey, PR .....
40586 .....	Citigroup .....	PO Box 70301, San Juan PR 00936-70301 .....
8096 .....	Popular Securities .....	209 Muñoz Rivera Ave Popular Center 12 Floor, San Juan PR .....
29753 .....	Oriental Financial Service Corp .....	997 San Roberto Street, San Juan PR 00907 .....

- 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[X] No[ ]
- 29.2 If yes, complete the following schedule:

## GENERAL INTERROGATORIES (Continued)

1 CUSIP #	2 Name of Mutual Fund	3 Book/Adjusted Carrying Value
33611R102	Firts PR Tax Exempt (Mat FD V)	484,550
33613L202	Firts PR Tax Exempt Target Mat VII	3,039,360
33611M202	Firts PR Tax Exempt Target Mat II	522,139
33611N200	Firts PR Tax Exempt Target Mat IV	156,147
33611R201	Firts PR Tax Exempt V	895,715
336127105	Firts PR Target Mat Inc Opp FD I	855,303
336127204	Firts PR Target Mat Income Opp I	1,393
233379718	DWS RREEF GLOBAL INTL FD INC	1,025,830
74441R102	PRUDENTIAL SHORT-TERM CORP BF FUND	1,002,602
880208103	TEMPLETON GLOBAL BOND FD A	1,006,015
81369Y886	Utilities Select Sector (XLU)	698,410
29.2999 Total		9,687,464

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
First PR Tax Exempt (Mat FD V)	FHLB Notes	484,550	12/31/2012
Firts PR Tax Exempt Target Mat VII	FHLB Notes	3,039,360	12/31/2012
First PR Tax Exempt Target Mat II	FHLB Notes	522,139	12/31/2012
First PR Tax Exempt Target Mat IV	FHLB Notes	156,147	12/31/2012
First PR Tax Exempt V	FHLB Notes	895,715	12/31/2012
Firts PR Target Mat Inc Opp FD I	FHLB Notes	855,303	12/31/2012
Firts PR Target Mat Income Opp I	FHLB Notes	1,393	12/31/2012
DWS RREEF GLOBAL INTL FD INC	FHLB Notes	1,025,830	12/31/2012
PRUDENTIAL SHORT-TERM CORP BF FUND	FHLB Notes	1,002,602	12/31/2012
TEMPLETON GLOBAL BOND FD A	FHLB Notes	1,006,015	12/31/2012
Utilities Select Sector (XLU)	FHLB Notes	698,410	12/31/2012

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	308,788,698	323,507,000	14,718,302
30.2 Preferred stocks	500,000	516,400	16,400
30.3 Totals	309,288,698	324,023,400	14,734,702

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

All our portfolio is submitted for NAIC SVO Valuation. For securities with unavailable valuation we use the Bloomberg and other third parties mark to market.

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] N/A[ ]

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:

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:

### OTHER

33.1 Amount of payments to Trade Associations, Service Organizations and Statistical or Rating Bureaus, if any? \$ 30,244

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
AM BEST	19,484
STANDARD & POORS	10,000
ACODESE	760

34.1 Amount of payments for legal expenses, if any? \$ 312,168

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

## GENERAL INTERROGATORIES (Continued)

1 Name	2 Amount Paid
UNIVERSAL INSURANCE - LEGAL DEPARTMENT .....	205,912

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

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

1 Name	2 Amount Paid
.....	.....

## GENERAL INTERROGATORIES (Continued)

### PART 2 - LIFE INTERROGATORIES

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

2. Health Test

	1 Current Year	2 Prior Year
2.1 Premium Numerator .....	140,161,110	137,430,217
2.2 Premium Denominator .....		
2.3 Premium Ratio (2.1 / 2.2) .....		
2.4 Reserve Numerator .....	799,406	743,846
2.5 Reserve Denominator .....	312,273,457	228,654,996
2.6 Reserve Ratio (2.4 / 2.5) .....	0.003	0.003

- 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:  
Art. 13.290 to 13.350 of the Insurance Code of Puerto Rico (26 L.P.R.A Sec 1329-1335)
- 3.5 Was any of the reporting entity's Separate Accounts business reinsured as of December 31? Yes[X] No [ ]
- 3.6 Has the reporting entity assumed by reinsurance any Separate Accounts business as of December 31? Yes [ ] No[X]
- 3.7 If the reporting entity has assumed Separate Accounts business, how much, if any, reinsurance assumed receivable for reinsurance of Separate Accounts reserve expense allowances is included as a negative amount in the liability for "Transfers to Separate Accounts due or accrued (net)?" \$ ..... 0
- 4.1 Are personnel or facilities of this reporting entity used by another entity or entities or are personnel or facilities of another entity or entities used by this reporting entity (except for activities such as administration of jointly underwritten group contracts and joint mortality or morbidity studies)? Yes[X] No [ ]
- 4.2 Net reimbursement of such expenses between reporting entities:
- 4.21 Paid \$ ..... 0
- 4.22 Received \$ ..... 0
- 5.1 Does the reporting entity write any guaranteed interest contracts? Yes [ ] No[X]
- 5.2 If yes, what amount pertaining to these items is included in:
- 5.21 Page 3, Line 1 \$ ..... 0
- 5.22 Page 4, Line 1 \$ ..... 0
6. For stock reporting entities only:
- 6.1 Total amount paid in by stockholders as surplus funds since organization of the reporting entity: \$ ..... 18,225,000
7. Total dividends paid stockholders since the organization of the reporting entity:
- 7.11 Cash \$ ..... 4,000,000
- 7.12 Stock \$ ..... 0
- 8.1 Does the company reinsure any Workers' Compensation Carve-Out business defined as: Reinsurance (including retrocessional reinsurance) assumed by life and health insurers of medical, wage loss and death benefits of the occupational illness and accident exposures, but not the employers liability exposures, of business originally written as workers' compensation insurance. Yes [ ] No[X]
- 8.2 If yes, has the reporting entity completed the WORKERS' COMPENSATION CARVE-OUT SUPPLEMENT to the Annual Statement? Yes [ ] No [ ] N/A[X]
- 8.3 If 8.1 is yes, the amounts of earned premiums and claims incurred in this statement are:

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

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

## GENERAL INTERROGATORIES (Continued)

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

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

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

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

Type		3 Waiting Period Remaining	4 Account Value Related to Column 3	5 Total Related Account Values	6 Gross Amount of Reserve	7 Location of Reserve	8 Portion Reinsured	9 Reinsurance Reserve Credit
1 Guaranteed Death Benefit	2 Guaranteed Living Benefit							
Enhanced .....	N/A .....						60% .....	
Standard .....	N/A .....						60% .....	
N/A .....	GLWB .....						100% .....	
N/A .....	GMAB .....						100% .....	

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] 0

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

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

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

**FIVE - YEAR HISTORICAL DATA**

Show Amounts in Whole Dollars Only, No Cents; Show Percentages to One Decimal Place, i.e., 17.6.

Show Amounts of Life Insurance in this Exhibit in Thousands (Omit \$000)

	1 2012	2 2011	3 2010	4 2009	5 2008
<b>Life Insurance in Force (Exhibit of Life Insurance)</b>					
1. Ordinary - whole life and endowment (Line 34, Column 4) .....	3,223	3,149	3,459	3,746	2,763
2. Ordinary - term (Line 21, Column 4, less Line 34, Column 4) .....	232,046	202,670	158,932	135,383	111,825
3. Credit life (Line 21, Column 6) .....	284,407	237,635	267,196	344,564	500,329
4. Group, excluding FEGLI/SGLI (Line 21, Column 9 less Lines 43 & 44, Column 4) .....	2,621,537	2,478,389	2,189,338	2,452,144	2,127,759
5. Industrial (Line 21, Column 2) .....					
6. FEGLI/SGLI (Lines 43 & 44, Column 4) .....					
7. TOTAL (Line 21, Column 10) .....	3,141,213	2,921,843	2,618,925	2,935,837	2,742,676
<b>New Business Issued (Exhibit of Life Insurance)</b>					
8. Ordinary - whole life and endowment (Line 34, Column 2) .....	475	416	632	1,600	637
9. Ordinary - term (Line 2, Column 4, less Line 34, Column 2) .....	58,765	65,233	52,443	58,932	36,541
10. Credit life (Line 2, Column 6) .....	147,625	89,884	77,588	68,691	107,254
11. Group (Line 2, Column 9) .....	207,119	281,376	184,425	628,801	425,414
12. Industrial (Line 2, Column 2) .....					
13. TOTAL (Line 2, Column 10) .....	413,984	436,909	315,088	758,024	569,846
<b>Premium Income-Lines of Business (Exhibit 1 - Part 1)</b>					
14. Industrial life (Exhibit 1 - Part 1, Line 20.4, Column 2) .....					
15.1 Ordinary life insurance (Exhibit 1 - Part 1, Line 20.4, Column 3) .....	870,703	849,150	801,214	712,226	645,769
15.2 Ordinary individual annuities (Exhibit 1 - Part 1, Line 20.4, Column 4) .....	122,256,225	123,839,833	76,106,636	54,717,547	37,795,105
16. Credit life, (group and individual) (Exhibit 1 - Part 1, Line 20.4, Column 5) .....	6,526,543	4,524,820	2,912,063	2,322,485	3,299,039
17.1 Group life insurance (Exhibit 1 - Part 1, Line 20.4, Column 6) .....	5,378,740	4,656,557	4,776,322	4,779,478	4,880,024
17.2 Group annuities (Exhibit 1 - Part 1, Line 20.4, Column 7) .....					
18.1 A & H group (Exhibit 1 - Part 1, Line 20.4, Column 8) .....	2,917,920	2,533,393	2,355,365	2,041,502	2,591,125
18.2 A & H credit (group and individual) (Exhibit 1 - Part 1, Line 20.4, Column 9) .....	2,204,848	1,019,386	204,896	(208,622)	332,996
18.3 A & H other (Exhibit 1 - Part 1, Line 20.4 Column 10) .....	6,131	7,078			
19. Aggregate of all other lines of business (Exhibit 1 - Part 1, Line 20.4, Column 11) .....					
20. TOTAL .....	140,161,110	137,430,217	87,156,496	64,364,616	49,544,058
<b>Balance Sheet Items (Pages 2 and 3)</b>					
21. TOTAL Admitted Assets excluding Separate Accounts business (Page 2, Line 26, Column 3) .....	343,160,348	253,493,737	160,166,919	107,492,064	69,199,454
22. TOTAL Liabilities excluding Separate Accounts business (Page 3, Line 26) .....	315,768,187	229,614,860	136,853,059	85,568,222	49,121,118
23. Aggregate life reserves (Page 3, Line 1) .....	305,602,776	223,976,259	127,861,916	74,725,269	42,182,405
24. Aggregate A & H reserves (Page 3, Line 2) .....	3,476,049	1,768,624	955,054	981,379	1,476,319
25. Deposit-type contract funds (Page 3, Line 3) .....					
26. Asset valuation reserve (Page 3, Line 24.1) .....	1,125,358	586,571	350,351	117,070	334,683
27. Capital (Page 3, Lines 29 & 30) .....	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000
28. Surplus (Page 3, Line 37) .....	25,124,392	21,435,725	20,924,243	19,608,187	17,760,986
<b>Cash Flow (Page 5)</b>					
29. Net Cash from Operations (Line 11) .....	87,661,428	95,410,391	52,873,344	31,521,656	14,121,005
<b>Risk-Based Capital Analysis</b>					
30. TOTAL Adjusted Capital .....	28,749,750	24,522,296	23,774,594	22,225,257	20,595,669
31. Authorized control level risk-based capital .....	3,849,930	2,350,822	1,102,906	1,123,522	1,226,908
<b>Percentage Distribution of Cash, Cash Equivalents and Invested Assets (Page 2, Column 3) (Line No./Page 2, Line 12, Column 3) x 100.0</b>					
32. Bonds (Line 1) .....	91.8	94.4	85.7	88.2	75.9
33. Stocks (Lines 2.1 and 2.2) .....	3.0	1.1	1.6	3.6	6.8
34. Mortgage loans on real estate (Line 3.1 and 3.2) .....					
35. Real estate (Lines 4.1, 4.2 and 4.3) .....					
36. Cash, cash equivalents and short-term investments (Line 5) .....	5.2	4.4	12.7	8.1	17.3
37. Contract loans (Line 6) .....					
38. Derivatives (Page 2, Line 7) .....				X X X	X X X
39. Other invested assets (Line 8) .....					
40. Receivables for securities (Line 9) .....					
41. Securities lending reinvested collateral assets (Line 10) .....				X X X	X X X
42. Aggregate write-ins for invested assets (Line 11) .....					
43. Cash, cash equivalents and invested assets (Line 12) .....	100.0	100.0	100.0	100.0	100.0

## FIVE - YEAR HISTORICAL DATA (Continued)

	1 2012	2 2011	3 2010	4 2009	5 2008
<b>Investments in Parent, Subsidiaries and Affiliates</b>					
44. Affiliated bonds (Schedule D Summary, Line 12 Column 1) .....					
45. Affiliated preferred stocks (Schedule D Summary, Line 18, Column 1) .....					
46. Affiliated common stocks (Schedule D Summary, Line 24, Column 1) .....					
47. Affiliated short-term investments (subtotal included in Schedule DA Verification, Column 5, Line 10) .....					
48. Affiliated mortgage loans on real estate .....					
49. All other affiliated .....					
50. TOTAL of above Lines 44 to 49 .....					
51. TOTAL Investment in Parent included in Lines 44 to 49 above .....					
<b>TOTAL Nonadmitted and Admitted Assets</b>					
52. TOTAL Nonadmitted Assets (Page 2, Line 28, Column 2) .....	1,047,652	1,022,725	971,450	1,096,371	1,540,937
53. TOTAL Admitted Assets (Page 2, Line 28, Column 3) .....	592,047,324	429,747,744	309,058,450	216,952,999	128,097,112
<b>Investment Data</b>					
54. Net investment income (Exhibit of Net Investment Income) .....	11,899,079	8,944,146	5,635,567	4,281,691	2,432,120
55. Realized capital gains (losses) (Page 4, Line 34, Column 1) .....	(31,973)	39,075	93,691		
56. Unrealized capital gains (losses) (Page 4, Line 38, Col. 1) .....	(71,110)	196,881	(33,229)		
57. TOTAL of Above Lines 54, 55, and 56 .....	11,795,996	9,180,102	5,696,029	4,281,691	2,432,120
<b>Benefits and Reserve Increase (Page 6)</b>					
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 & 11) .....	29,088,443	22,834,806	18,016,629	12,012,108	14,855,560
59. TOTAL Contract Benefits - A & H (Lines 13 & 14, Columns 9, 10 & 11) .....	1,876,138	1,866,085	1,673,014	1,571,462	2,219,489
60. Increase in life reserves-other than group and annuities (Line 19, Columns 2 & 3) .....	523,032	412,206	432,230	437,289	373,615
61. Increase in A & H reserves (Line 19, Columns 9, 10 & 11) .....	1,707,426	813,570	(26,325)	(494,940)	(479,755)
62. Dividends to policyholders (Line 30, Column 1) .....					
<b>Operating Percentages</b>					
63. Insurance expense percent (Page 6, Column 1, Lines 21, 22 & 23 less Line 6) / (Page 6 Column 1, Line 1 plus Exhibit 7, Column 2, Line 2) x 100.00 .....	10.1	8.8	11.7	14.1	20.8
64. Lapse percent (ordinary only) [(Exhibit of Life Insurance, Column 4, Lines 14 & 15) / 1/2 (Exhibit of Life Insurance, Column 4, Lines 1 & 21)] x 100.00 .....	13.5	12.0	19.6		32.8
65. A & H loss percent (Schedule H, Part 1, Line 5 + Line 6, Column 2) .....	69.9	75.3	64.3	45.2	(177.8)
66. A & H cost containment percent (Schedule H, Part 1, Line 4, Column 2) .....					
67. A & H expense percent excluding cost containment expenses (Schedule H, Part 1, Line 10, Column 2) .....	54.7	57.0	57.7	46.0	95.4
<b>A &amp; H Claim Reserve Adequacy</b>					
68. Incurred losses on prior years' claims - group health (Schedule H, Part 3, Line 3.1, Column 2) .....	1,398,767	1,070,258	776,515	909,671	1,054,215
69. Prior years' claim liability and reserve - group health (Schedule H, Part 3, Line 3.2, Column 2) .....	1,258,794	1,067,960	894,141	958,267	659,692
70. Incurred losses on prior years' claims - health other than group (Schedule H, Part 3, Line 3.1, Column 1 less Col. 2) .....	146,327	347,453	406,643	449,310	445,579
71. Prior years' claim liability and reserve - health other than group (Schedule H, Part 3, Line 3.2, Column 1 less Col. 2) .....	299,304	391,504	545,607	401,659	1,610,096
<b>Net Gains From Operations After Federal Income Taxes by Lines of Business (Page 6, Line 33)</b>					
72. Industrial life (Column 2) .....					
73. Ordinary - life (Column 3) .....	5,019	50,394	(109,094)	(59,944)	27,590
74. Ordinary - individual annuities (Column 4) .....	3,430,832	1,490,207	993,766	1,245,134	27,981
75. Ordinary - supplementary contracts (Column 5) .....					
76. Credit life (Column 6) .....	424,077	544,514	475,998	501,548	463,312
77. Group life (Column 7) .....	721,645	322,351	222,202	217,877	163,544
78. Group annuities (Column 8) .....					
79. A & H - group (Column 9) .....	(362,725)	(383,309)	(204,935)	(145,544)	(528,207)
80. A & H - credit (Column 10) .....	(385,211)	(326,207)	1,929	114,871	212,465
81. A & H - other (Column 11) .....	5,779	(19,074)	60,363		6,392,975
82. Aggregate of all other lines of business (Column 12) .....					
83. TOTAL (Column 1) .....	3,839,416	1,678,876	1,440,229	1,873,942	6,759,660

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

If no, please explain:



DIRECT BUSINESS IN THE STATE OF PUERTO RICO

DURING THE YEAR 2012

NAIC Group Code: 0071

LIFE INSURANCE

NAIC Company Code: 60041

		1	2	3	4	5
DIRECT PREMIUMS AND ANNUITY CONSIDERATIONS		Ordinary	Credit Life (Group and Individual)	Group	Industrial	Total
1.	Life Insurance	1,097,632	6,526,543	6,656,246		14,280,421
2.	Annuity considerations	163,082,495				163,082,495
3.	Deposit-type contract funds		X X X		X X X	
4.	Other considerations					
5.	Totals (sum of Lines 1 to 4)	164,180,127	6,526,543	6,656,246		177,362,916
<b>DIRECT DIVIDENDS TO POLICYHOLDERS</b>						
<b>Life Insurance:</b>						
6.1	Paid in cash or left on deposit					
6.2	Applied to pay renewal premiums					
6.3	Applied to provide paid-up additions or shorten the endowment or premium-paying period					
6.4	Other					
6.5	Totals (sum of Lines 6.1 to 6.4)					
<b>Annuities:</b>						
7.1	Paid in cash or left on deposit					
7.2	Applied to provide paid-up annuities					
7.3	Other					
7.4	Totals (sum of Lines 7.1 to 7.3)					
8.	Grand Totals (Lines 6.5 plus 7.4)					
<b>DIRECT CLAIMS AND BENEFITS PAID</b>						
9.	Death benefits	106,568	1,228,624	3,194,005		4,529,197
10.	Matured endowments					
11.	Annuity benefits					
12.	Surrender values and withdrawals for life contracts					
13.	Aggregate write-ins for miscellaneous direct claims and benefits paid					
14.	All other benefits, except accident and health					
15.	Totals	106,568	1,228,624	3,194,005		4,529,197

DETAILS OF WRITE-INS

1301.						
1302.	~					
1303.	~					
1398.	Summary of remaining write-ins for Line 13 from overflow page					
1399.	Totals (Lines 1301 through 1303 plus 1398) (Line 13 above)					

1	Ordinary		Credit Life (Group and Individual)		Group		Industrial		Total	
	1	2	3	4	5	6	7	8	9	10
	Number	Amount	No. of Ind.Pols & Group Certifs.	Amount	No. of Certificates	Amount	Number	Amount	Number	Amount
<b>DIRECT DEATH BENEFITS AND MATURED ENDOWMENTS INCURRED</b>										
16.	Unpaid December 31, prior year	7	21,439	26	268,681	30	285,876		63	575,996
17.	Incurred during current year	27	187,621	175	1,099,262	240	3,390,112		442	4,676,995
Settled during current year:										
18.1	By payment in full	29	106,568	160	1,228,624	247	3,194,005		436	4,529,197
18.2	By payment on compromised claims									
18.3	Totals paid	29	106,568	160	1,228,624	247	3,194,005		436	4,529,197
18.4	Reduction by compromise									
18.5	Amount rejected			31					31	
18.6	Total settlements	29	106,568	191	1,228,624	247	3,194,005		467	4,529,197
19.	Unpaid Dec. 31, current year (Lines 16 + 17 - 18.6)	5	102,492	10	139,319	23	481,983		38	723,794
<b>POLICY EXHIBIT</b>										
20.	In force December 31, prior year	2,747	205,818,620	31,548	(a) 237,636,669	142	2,478,389,299		34,437	2,921,844,588
21.	Issued during year	585	59,239,530	13,067	147,625,000	23	207,118,878		13,675	413,983,408
22.	Other changes to in force (Net)	(399)	(29,790,530)	(11,625)	(100,853,230)	(11)	(63,970,819)		(12,035)	(194,614,579)
23.	In force December 31 of current year	2,933	235,267,620	32,990	(a) 284,408,439	154	2,621,537,358		36,077	3,141,213,417

(a) Includes Individual Credit Life Insurance prior year \$.....0, current year \$.....0.  
 Includes Group Credit Life Insurance Loans less than or equal to 60 months at issue, prior year \$.....47,121,521, current year \$.....72,238,220.  
 Loans greater than 60 months at issue BUT NOT GREATER THAN 120 MONTHS prior year \$.....189,180,382, current year \$.....211,023,844.

ACCIDENT AND HEALTH INSURANCE

		1	2	3	4	5
		Direct Premiums	Direct Premiums Earned	Dividends Paid Or Credited On Direct Business	Direct Losses Paid	Direct Losses Incurred
24.	Group Policies (b)	3,931,792	3,931,792		2,349,956	2,554,303
24.1	Federal Employees Health Benefits Program Premium (b)					
24.2	Credit (Group and Individual)	2,204,848	2,204,848		177,425	140,029
24.3	Collectively Renewable Policies (b)					
24.4	Medicare Title XVIII exempt from state taxes or fees Other Individual Policies					
25.1	Non-cancelable (b)					
25.2	Guaranteed renewable (b)					
25.3	Non-renewable for stated reasons only (b)					
25.4	Other accident only					
25.5	All other (b)	6,146	6,146		600	(400)
25.6	Totals (sum of Lines 25.1 to 25.5)	6,146	6,146		600	(400)
26.	Totals (Lines 24 + 24.1 + 24.2 + 24.3 + 24.4 + 25.6)	6,142,786	6,142,786		2,527,981	2,693,932

(b) For health business on indicated lines report: Number of persons insured under PPO managed care products .....0, and number of persons insured under indemnity only products .....0.



DIRECT BUSINESS IN THE STATE OF GRAND TOTAL

DURING THE YEAR 2012

NAIC Group Code: 0071

LIFE INSURANCE

NAIC Company Code: 60041

		1	2	3	4	5
DIRECT PREMIUMS AND ANNUITY CONSIDERATIONS		Ordinary	Credit Life (Group and Individual)	Group	Industrial	Total
1.	Life Insurance	1,097,632	6,526,543	6,656,246		14,280,421
2.	Annuity considerations	163,082,495				163,082,495
3.	Deposit-type contract funds		X X X		X X X	
4.	Other considerations					
5.	Totals (sum of Lines 1 to 4)	164,180,127	6,526,543	6,656,246		177,362,916
<b>DIRECT DIVIDENDS TO POLICYHOLDERS</b>						
<b>Life Insurance:</b>						
6.1	Paid in cash or left on deposit					
6.2	Applied to pay renewal premiums					
6.3	Applied to provide paid-up additions or shorten the endowment or premium-paying period					
6.4	Other					
6.5	Totals (sum of Lines 6.1 to 6.4)					
<b>Annuities:</b>						
7.1	Paid in cash or left on deposit					
7.2	Applied to provide paid-up annuities					
7.3	Other					
7.4	Totals (sum of Lines 7.1 to 7.3)					
8.	Grand Totals (Lines 6.5 plus 7.4)					
<b>DIRECT CLAIMS AND BENEFITS PAID</b>						
9.	Death benefits	106,568	1,228,624	3,194,005		4,529,197
10.	Matured endowments					
11.	Annuity benefits					
12.	Surrender values and withdrawals for life contracts					
13.	Aggregate write-ins for miscellaneous direct claims and benefits paid					
14.	All other benefits, except accident and health					
15.	Totals	106,568	1,228,624	3,194,005		4,529,197

<b>DETAILS OF WRITE-INS</b>						
1301.	~					
1302.	~					
1303.	~					
1398.	Summary of remaining write-ins for Line 13 from overflow page					
1399.	Totals (Lines 1301 through 1303 plus 1398) (Line 13 above)					

1	Ordinary		Credit Life (Group and Individual)		Group		Industrial		Total	
	1	2	3	4	5	6	7	8	9	10
	Number	Amount	No. of Ind.Pols & Group Certifs.	Amount	No. of Certificates	Amount	Number	Amount	Number	Amount
<b>DIRECT DEATH BENEFITS AND MATURED ENDOWMENTS INCURRED</b>										
16.	Unpaid December 31, prior year	7	21,439	26	268,681	30	285,876		63	575,996
17.	Incurred during current year	27	187,621	175	1,099,262	240	3,390,112		442	4,676,995
Settled during current year:										
18.1	By payment in full	29	106,568	160	1,228,624	247	3,194,005		436	4,529,197
18.2	By payment on compromised claims									
18.3	Totals paid	29	106,568	160	1,228,624	247	3,194,005		436	4,529,197
18.4	Reduction by compromise									
18.5	Amount rejected			31					31	
18.6	Total settlements	29	106,568	191	1,228,624	247	3,194,005		467	4,529,197
19.	Unpaid Dec. 31, current year (Lines 16 + 17 - 18.6)	5	102,492	10	139,319	23	481,983		38	723,794
<b>POLICY EXHIBIT</b>										
20.	In force December 31, prior year	2,747	205,818,620	31,548	(a) 237,636,669	142	2,478,389,299		34,437	2,921,844,588
21.	Issued during year	585	59,239,530	13,067	147,625,000	23	207,118,878		13,675	413,983,408
22.	Other changes to in force (Net)	(399)	(29,790,530)	(11,625)	(100,853,230)	(11)	(63,970,819)		(12,035)	(194,614,579)
23.	In force December 31 of current year	2,933	235,267,620	32,990	(a) 284,408,439	154	2,621,537,358		36,077	3,141,213,417

(a) Includes Individual Credit Life Insurance prior year \$.....0, current year \$.....0.  
 Includes Group Credit Life Insurance Loans less than or equal to 60 months at issue, prior year \$.....47,121,521, current year \$.....72,238,220.  
 Loans greater than 60 months at issue BUT NOT GREATER THAN 120 MONTHS prior year \$.....189,180,382, current year \$.....211,023,844.

**ACCIDENT AND HEALTH INSURANCE**

		1	2	3	4	5
		Direct Premiums	Direct Premiums Earned	Dividends Paid Or Credited On Direct Business	Direct Losses Paid	Direct Losses Incurred
24.	Group Policies (b)	3,931,792	3,931,792		2,349,956	2,554,303
24.1	Federal Employees Health Benefits Program Premium (b)					
24.2	Credit (Group and Individual)	2,204,848	2,204,848		177,425	140,029
24.3	Collectively Renewable Policies (b)					
24.4	Medicare Title XVIII exempt from state taxes or fees Other Individual Policies					
25.1	Non-cancelable (b)					
25.2	Guaranteed renewable (b)					
25.3	Non-renewable for stated reasons only (b)					
25.4	Other accident only					
25.5	All other (b)	6,146	6,146		600	(400)
25.6	Totals (sum of Lines 25.1 to 25.5)	6,146	6,146		600	(400)
26.	Totals (Lines 24 + 24.1 + 24.2 + 24.3 + 24.4 + 25.6)	6,142,786	6,142,786		2,527,981	2,693,932

(b) For health business on indicated lines report: Number of persons insured under PPO managed care products .....0, and number of persons insured under indemnity only products .....0.

**24 Grand Total**

## EXHIBIT OF LIFE INSURANCE

	Industrial		Ordinary		Credit Life (Group and Individual)		Group			10
	1	2	3	4	5	6	Number of		9	Total Amount of Insurance (a)
	Number of Policies	Amount of Insurance (a)	Number of Policies	Amount of Insurance (a)	Number of Individual Policies and Group Certificates	Amount of Insurance (a)	7 Policies	8 Certificates	Amount of Insurance (a)	
1. In force end of prior year .....			2,747	205,819	31,549	237,635	142	123,298	2,478,389	2,921,843
2. Issued during year .....			585	59,240	13,067	147,625	23	4,424	207,119	413,984
3. Reinsurance assumed .....										
4. Revived during year .....										
5. Increased during year (net) .....			1	50		38		4,525	69,183	69,271
6. Subtotals, Lines 2 to 5 .....			586	59,290	13,067	147,663	23	8,949	276,302	483,255
7. Additions by dividends during year .....	X X X		X X X		X X X		X X X	X X X		
8. Aggregate write-ins for increases .....										
9. TOTALS (Lines 1 and 6 to 8) .....			3,333	265,109	44,616	385,298	165	132,247	2,754,691	3,405,098
<b>Deductions during year:</b>										
10. Death .....			23	82	84	628	X X X	240	3,201	3,911
11. Maturity .....							X X X			
12. Disability .....							X X X			
13. Expiry .....					10,195	17,426				17,426
14. Surrender .....										
15. Lapse .....			377	29,754	1,346	24,298	11	218	24,684	78,736
16. Conversion .....							X X X	X X X	X X X	
17. Decreased (net) .....				4		58,539		8,006	105,269	163,812
18. Reinsurance .....										
19. Aggregate write-ins for decreases .....										
20. TOTALS (Lines 10 to 19) .....			400	29,840	11,625	100,891	11	8,464	133,154	263,885
21. In force end of year (Line 9 minus Line 20) .....			2,933	235,269	32,991	284,407	154	123,783	2,621,537	3,141,213
22. Reinsurance ceded end of year .....	X X X		X X X	151,748	X X X		X X X	X X X	1,114,370	1,266,118
23. Line 21 minus Line 22 .....	X X X		X X X	83,521	X X X	(b) 284,407	X X X	X X X	1,507,167	1,875,095
<b>DETAILS OF WRITE-INS</b>										
0801. ~ .....										
0802. ~ .....										
0803. ~ .....										
0898. Summary of remaining write-ins for Line 8 from overflow page .....										
0899. TOTALS (Lines 0801 through 0803 plus 0898) (Line 8 above) .....										
1901. ~ .....										
1902. ~ .....										
1903. ~ .....										
1998. Summary of remaining write-ins for Line 19 from overflow page .....										
1999. TOTALS (Lines 1901 through 1903 plus 1998) (Line 19 above) .....										

(a) Amounts of life insurance in this exhibit shall be shown in thousands (omit 000).  
 (b) Group \$.....0; Individual \$.....0.

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

	Industrial		Ordinary	
	1 Number of Policies	2 Amount of Insurance (a)	3 Number of Policies	4 Amount of Insurance (a)
24. Additions by dividends .....	X X X		X X X	
25. Other paid-up insurance .....				
26. Debit ordinary insurance .....	X X X	X X X		

**ADDITIONAL INFORMATION ON ORDINARY INSURANCE**

	Issued During Year (included in Line 2)		In Force End of Year (included in Line 21)	
	1 Number of Policies	2 Amount of Insurance (a)	3 Number of Policies	4 Amount of Insurance (a)
Term Insurance Excluding Extended Term Insurance				
27. Term policies -- decreasing .....	414	58,765	1,701	232,044
28. Term policies -- other .....				
29. Other term insurance -- decreasing .....	X X X		X X X	
30. Other term insurance .....	X X X		X X X	
31. TOTALS (Lines 27 to 30) .....	414	58,765	1,701	232,044
Reconciliation to Lines 2 and 21:				
32. Term additions .....	X X X		X X X	
33. TOTALS, extended term insurance .....	X X X	X X X		
34. TOTALS, whole life and endowment .....	171	475	1,232	3,223
35. TOTALS (Lines 31 to 34) .....	585	59,240	2,933	235,267

**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 .....	59,240		235,268	
38. Credit Life (Group and Individual) .....	147,625		284,408	
39. Group .....	207,119		2,621,537	
40. TOTALS (Lines 36 to 39) .....	413,984		3,141,213	

**ADDITIONAL INFORMATION ON CREDIT LIFE AND GROUP INSURANCE**

	Credit Life		Group	
	1 Number of Individual Policies and Group Certificates	2 Amount of Insurance (a)	3 Number of Certificates	4 Amount of Insurance (a)
41. Amount of insurance included in Line 2 ceded to other companies .....	X X X		X X X	
42. Number in force end of year if the number under shared groups is counted on a pro-rata basis .....		X X X		X X X
43. Federal Employees' Group Life Insurance included in Line 21 .....				
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) .....	6,740
---	-------

**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 ~
47.2 ~

**POLICIES WITH DISABILITY PROVISIONS**

Disability Provision	Industrial		Ordinary		Credit		Group	
	1 Number of Policies	2 Amount of Insurance (a)	3 Number of Policies	4 Amount of Insurance (a)	5 Number of Policies	6 Amount of Insurance (a)	7 Number of Certificates	8 Amount of Insurance (a)
48. Waiver of Premium .....			567	95,025	4,209	19,157	121	2,000,615
49. Disability Income .....								
50. Extended Benefits .....			X X X	X X X				
51. Other .....								
52. TOTAL .....		(b)	567	(b) 95,025	4,209	(b) 19,157	121	(b) 2,000,615

(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 .....				
2. Issued during year .....				
3. Reinsurance assumed .....				
4. Increased during year (net) .....				
5. TOTALS (Lines 1 to 4) .....				
Deductions during year:				
6. Decreased (net) .....				
7. Reinsurance ceded .....				
8. TOTALS (Lines 6 and 7) .....				
9. In force end of year .....				
10. Amount on deposit .....		(a)		(a)
11. Income now payable .....				
12. Amount of income payable .....	(a)	(a)	(a)	(a)

**ANNUITIES**

	Ordinary		Group	
	1 Immediate	2 Deferred	3 Contracts	4 Certificates
1. In force end of prior year .....		8,544		
2. Issued during year .....		3,235		
3. Reinsurance assumed .....				
4. Increased during year (net) .....				
5. TOTALS (Lines 1 to 4) .....		11,779		
Deductions during year:				
6. Decreased (net) .....		394		
7. Reinsurance ceded .....				
8. TOTALS (Lines 6 and 7) .....		394		
9. In force end of year .....		11,385		
Income now payable:				
10. Amount of income payable: .....	(a)	X X X	X X X	(a)
Deferred fully paid:				
11. Account balance .....	X X X	(a)	X X X	(a)
Deferred not fully paid:				
12. Account balance .....	X X X	(a)	X X X	(a)

**ACCIDENT AND HEALTH INSURANCE**

	Group		Credit		Other	
	1 Certificates	2 Premiums in Force	3 Policies	4 Premiums in Force	5 Policies	6 Premiums in Force
1. In force end of prior year .....	126,256		2,072			
2. Issued during year .....	9,924		2,842			
3. Reinsurance assumed .....						
4. Increased during year (net) .....	5,300	X X X		X X X		X X X
5. TOTALS (Lines 1 to 4) .....	141,480	X X X	4,914	X X X		X X X
Deductions during year:						
6. Conversions .....		X X X	X X X	X X X	X X X	X X X
7. Decreased (net) .....	22,131	X X X	705	X X X		X X X
8. Reinsurance ceded .....		X X X		X X X		X X X
9. TOTALS (Lines 6 to 8) .....	22,131	X X X	705	X X X		X X X
10. In force end of year .....	119,349	(a)	4,209	(a)		(a)

**DEPOSIT FUNDS AND DIVIDEND ACCUMULATIONS**

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

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

## FORM FOR CALCULATING THE INTEREST MAINTENANCE RESERVE

### INTEREST MAINTENANCE RESERVE

	1 Amount
1. Reserve as of December 31, Prior Year .....	400,695
2. Current Year's Realized Pre-Tax capital gains/(losses) of \$.....496,196 Transferred into the Reserve Net of Taxes of \$.....0 .....	421,767
3. Adjustment for current year's liability gains/(losses) released from the reserve .....	.....
4. Balance before reduction for amount transferred to Summary of Operations (Line 1 + Line 2 + Line 3) .....	822,462
5. Current year's amortization released to Summary of Operations (Amortization, Line 1, Column 4) .....	126,785
6. Reserve as of December 31, current year (Line 4 minus Line 5) .....	695,677

### AMORTIZATION

	1	2	3	4
Year of Amortization	Reserve as of December 31, Prior Year	Current Year's Realized Capital Gains/(Losses) Transferred into the Reserve Net of Taxes	Adjustment for Current Year's Liability Gains/(Losses) Released From the Reserve	Balance Before Reduction for Current Year's Amortization (Columns 1 + 2 + 3)
1. 2012 .....	113,456	13,329	.....	126,785
2. 2013 .....	107,929	30,953	.....	138,882
3. 2014 .....	83,265	37,815	.....	121,080
4. 2015 .....	58,764	44,374	.....	103,138
5. 2016 .....	34,019	51,487	.....	85,506
6. 2017 .....	20,349	57,913	.....	78,262
7. 2018 .....	14,047	56,539	.....	70,586
8. 2019 .....	9,646	45,515	.....	55,161
9. 2020 .....	7,338	33,599	.....	40,937
10. 2021 .....	5,327	21,644	.....	26,971
11. 2022 .....	4,815	8,799	.....	13,614
12. 2023 .....	4,542	2,267	.....	6,809
13. 2024 .....	4,223	2,380	.....	6,603
14. 2025 .....	3,823	2,456	.....	6,279
15. 2026 .....	2,919	2,645	.....	5,564
16. 2027 .....	2,059	2,721	.....	4,780
17. 2028 .....	1,065	2,569	.....	3,634
18. 2029 .....	295	2,040	.....	2,335
19. 2030 .....	(2,579)	1,474	.....	(1,105)
20. 2031 .....	(6,076)	945	.....	(5,131)
21. 2032 .....	(9,611)	303	.....	(9,308)
22. 2033 .....	(13,330)	.....	.....	(13,330)
23. 2034 .....	(14,967)	.....	.....	(14,967)
24. 2035 .....	(13,042)	.....	.....	(13,042)
25. 2036 .....	(9,637)	.....	.....	(9,637)
26. 2037 .....	(5,954)	.....	.....	(5,954)
27. 2038 .....	(1,990)	.....	.....	(1,990)
28. 2039 .....	.....	.....	.....	.....
29. 2040 .....	.....	.....	.....	.....
30. 2041 .....	.....	.....	.....	.....
31. 2042 and later .....	.....	.....	.....	.....
32. TOTAL (Lines 1 to 31) .....	400,695	421,767	.....	822,462

## ASSET VALUATION RESERVE

	Default Component			Equity Component			7 Total Amount (Columns 3 + 6)
	1 Other than Mortgage Loans	2 Mortgage Loans	3 Total (Columns 1 + 2)	4 Common Stock	5 Real Estate and Other Invested Assets	6 Total (Columns 4 + 5)	
1. Reserve as of December 31, prior year .....	349,661		349,661	236,910	0	236,910	586,571
2. Realized Capital Gains/(Losses) Net of Taxes - General Account .....				26,526		26,526	26,526
3. Realized Capital Gains/(Losses) Net of Taxes - Separate Accounts .....							
4. Unrealized Capital Gains/(Losses) Net of Deferred Taxes - General Account .....				28,898		28,898	28,898
5. Unrealized Capital Gains/(Losses) Net of Deferred Taxes - Separate Accounts .....							
6. Capital gains credited/(losses charged) to contract benefits, payments or reserves .....							
7. Basic Contribution .....	226,309		226,309				226,309
8. Accumulated Balances (Lines 1 through 5 minus 6 plus 7) .....	575,970		575,970	292,334	0	292,334	868,304
9. Maximum Reserve .....	1,254,830		1,254,830	1,259,370		1,259,370	2,514,200
10. Reserve Objective .....	894,202		894,202	1,259,370		1,259,370	2,153,572
11. 20% of (Line 10 - Line 8) .....	63,646		63,646	193,407	0	193,407	257,054
12. Balance Before Transfers (Lines 8 + 11) .....	639,616		639,616	485,741	0	485,741	1,125,358
13. Transfers .....							X X X
14. Voluntary Contribution .....							
15. Adjustment down to Maximum/up to Zero .....							
16. Reserve as of December 31, Current Year (Lines 12 + 13 + 14 + 15) .....	639,616		639,616	485,741	0	485,741	1,125,358

## ASSET VALUATION RESERVE

### BASIC CONTRIBUTION, RESERVE OBJECTIVE AND MAXIMUM RESERVE CALCULATIONS

#### DEFAULT COMPONENT

Line Number	NAIC Designation	Description	1 Book/Adjusted Carrying Value	2 Reclassify Related Party Encumbrances	3 Add Third Party Encumbrances	4 Balance for AVR Reserve Calculations (Columns 1 + 2 + 3)	Basic Contribution		Reserve Objective		Maximum Reserve	
							5 Factor	6 Amount (Columns 4 x 5)	7 Factor	8 Amount (Columns 4 x 7)	9 Factor	10 Amount (Columns 4 x 9)
<b>LONG-TERM BONDS</b>												
1.		Exempt Obligations .....	41,102,103	X X X	X X X	41,102,103	0.0000		0.0000		0.0000	
2.	1	Highest Quality .....	216,073,269	X X X	X X X	216,073,269	0.0004	86,429	0.0023	496,969	0.0030	648,220
3.	2	High Quality .....	45,989,721	X X X	X X X	45,989,721	0.0019	87,380	0.0058	266,740	0.0090	413,907
4.	3	Medium Quality .....	5,623,597	X X X	X X X	5,623,597	0.0093	52,299	0.0230	129,343	0.0340	191,202
5.	4	Low Quality .....		X X X	X X X		0.0213		0.0530		0.0750	
6.	5	Lower Quality .....		X X X	X X X		0.0432		0.1100		0.1700	
7.	6	In or Near Default .....		X X X	X X X		0.0000		0.2000		0.2000	
8.		TOTAL Unrated Multi-class Securities Acquired by Conversion .....		X X X	X X X		X X X		X X X		X X X	
9.		TOTAL Bonds (sum of Lines 1 through 8) .....	308,788,690	X X X	X X X	308,788,690	X X X	226,109	X X X	893,052	X X X	1,253,330
<b>PREFERRED STOCKS</b>												
10.	1	Highest Quality .....	500,000	X X X	X X X	500,000	0.0004	200	0.0023	1,150	0.0030	1,500
11.	2	High Quality .....		X X X	X X X		0.0019		0.0058		0.0090	
12.	3	Medium Quality .....		X X X	X X X		0.0093		0.0230		0.0340	
13.	4	Low Quality .....		X X X	X X X		0.0213		0.0530		0.0750	
14.	5	Lower Quality .....		X X X	X X X		0.0432		0.1100		0.1700	
15.	6	In or Near Default .....		X X X	X X X		0.0000		0.2000		0.2000	
16.		Affiliated Life with AVR .....		X X X	X X X		0.0000		0.0000		0.0000	
17.		TOTAL Preferred Stocks (sum of Lines 10 through 16) .....	500,000	X X X	X X X	500,000	X X X	200	X X X	1,150	X X X	1,500
<b>SHORT-TERM BONDS</b>												
18.		Exempt Obligations .....		X X X	X X X		0.0000		0.0000		0.0000	
19.	1	Highest Quality .....		X X X	X X X		0.0004		0.0023		0.0030	
20.	2	High Quality .....		X X X	X X X		0.0019		0.0058		0.0090	
21.	3	Medium Quality .....		X X X	X X X		0.0093		0.0230		0.0340	
22.	4	Low Quality .....		X X X	X X X		0.0213		0.0530		0.0750	
23.	5	Lower Quality .....		X X X	X X X		0.0432		0.1100		0.1700	
24.	6	In or Near Default .....		X X X	X X X		0.0000		0.2000		0.2000	
25.		TOTAL Short-term Bonds (sum of Lines 18 through 24) .....		X X X	X X X		X X X		X X X		X X X	

## ASSET VALUATION RESERVE (Continued)

### BASIC CONTRIBUTION, RESERVE OBJECTIVE AND MAXIMUM RESERVE CALCULATIONS

#### DEFAULT COMPONENT

Line Number	NAIC Designation	Description	1 Book/Adjusted Carrying Value	2 Reclassify Related Party Encumbrances	3 Add Third Party Encumbrances	4 Balance for AVR Reserve Calculations (Columns 1 + 2 + 3)	Basic Contribution		Reserve Objective		Maximum Reserve	
							5 Factor	6 Amount (Columns 4 x 5)	7 Factor	8 Amount (Columns 4 x 7)	9 Factor	10 Amount (Columns 4 x 9)
<b>DERIVATIVE INSTRUMENTS</b>												
26.		Exchange Traded .....		X X X	X X X		0.0004		0.0023		0.0030	
27.	1	Highest Quality .....		X X X	X X X		0.0004		0.0023		0.0030	
28.	2	High Quality .....		X X X	X X X		0.0019		0.0058		0.0090	
29.	3	Medium Quality .....		X X X	X X X		0.0093		0.0230		0.0340	
30.	4	Low Quality .....		X X X	X X X		0.0213		0.0530		0.0750	
31.	5	Lower Quality .....		X X X	X X X		0.0432		0.1100		0.1700	
32.	6	In or Near Default .....		X X X	X X X		0.0000		0.2000		0.2000	
33.		TOTAL Derivative Instruments .....		X X X	X X X		X X X		X X X		X X X	
34.		TOTAL (Lines 9 + 17 + 25 + 33) .....	309,288,690	X X X	X X X	309,288,690	X X X	226,309	X X X	894,202	X X X	1,254,830
<b>MORTGAGE LOANS</b>												
In Good Standing:												
35.		Farm Mortgages .....			X X X		(a)		(a)		(a)	
36.		Residential Mortgages - Insured or Guaranteed .....			X X X		0.0003		0.0006		0.0010	
37.		Residential Mortgages - All Other .....			X X X		0.0013		0.0030		0.0040	
38.		Commercial Mortgages - Insured or Guaranteed .....			X X X		0.0003		0.0006		0.0010	
39.		Commercial Mortgages - All Other .....			X X X		(a)		(a)		(a)	
40.		In Good Standing With Restructured Terms .....			X X X		(b)		(b)		(b)	
Overdue, Not in Process:												
41.		Farm Mortgages .....			X X X		0.0420		0.0760		0.1200	
42.		Residential Mortgages - Insured or Guaranteed .....			X X X		0.0005		0.0012		0.0020	
43.		Residential Mortgages - All Other .....			X X X		0.0025		0.0058		0.0090	
44.		Commercial Mortgages - Insured or Guaranteed .....			X X X		0.0005		0.0012		0.0020	
45.		Commercial Mortgages - All Other .....			X X X		0.0420		0.0760		0.1200	
In Process of Foreclosure:												
46.		Farm Mortgages .....			X X X		0.0000		0.1700		0.1700	
47.		Residential Mortgages - Insured or Guaranteed .....			X X X		0.0000		0.0040		0.0040	
48.		Residential Mortgages - All Other .....			X X X		0.0000		0.0130		0.0130	
49.		Commercial Mortgages - Insured or Guaranteed .....			X X X		0.0000		0.0040		0.0040	
50.		Commercial Mortgages - All Other .....			X X X		0.0000		0.1700		0.1700	
51.		TOTAL Schedule B Mortgages (sum of Lines 35 through 50) ..			X X X		X X X		X X X		X X X	
52.		Schedule DA Mortgages .....			X X X		(c)		(c)		(c)	
53.		TOTAL Mortgage Loans on Real Estate (Lines 51 + 52) .....			X X X		X X X		X X X		X X X	

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

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

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

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

Line Number	NAIC Designation	Description	1 Book/Adjusted Carrying Value	2 Reclassify Related Party Encumbrances	3 Add Third Party Encumbrances	4 Balance for AVR Reserve Calculations (Columns 1 + 2 + 3)	Basic Contribution		Reserve Objective		Maximum Reserve	
							5 Factor	6 Amount (Columns 4 x 5)	7 Factor	8 Amount (Columns 4 x 7)	9 Factor	10 Amount (Columns 4 x 9)
<b>COMMON STOCK</b>												
1.		Unaffiliated Public	9,687,464	X X X	X X X	9,687,464	0.0000		(d)		(d)	
2.		Unaffiliated Private		X X X	X X X		0.0000		0.1600		0.1600	
3.		Federal Home Loan Bank		X X X	X X X				0.0050		0.0080	
4.		Affiliated Life with AVR		X X X	X X X		0.0000		0.0000		0.0000	
Affiliated Investment Subsidiary:												
5.		Fixed Income Exempt Obligations					X X X		X X X		X X X	
6.		Fixed Income Highest Quality					X X X		X X X		X X X	
7.		Fixed Income High Quality					X X X		X X X		X X X	
8.		Fixed Income Medium Quality					X X X		X X X		X X X	
9.		Fixed Income Low Quality					X X X		X X X		X X X	
10.		Fixed Income Lower Quality					X X X		X X X		X X X	
11.		Fixed Income In/Near Default					X X X		X X X		X X X	
12.		Unaffiliated Common Stock Public					0.0000		(d)		(d)	
13.		Unaffiliated Common Stock Private					0.0000		0.1600		0.1600	
14.		Mortgage Loans					(c)		(c)		(c)	
15.		Real Estate					(e)		(e)		(e)	
16.		Affiliated-Certain Other (See SVO Purposes and Procedures Manual)		X X X	X X X		0.0000		0.1300		0.1300	
17.		Affiliated-All Other		X X X	X X X		0.0000		0.1600		0.1600	
18.		TOTAL Common Stock (sum of Lines 1 through 17)	9,687,464			9,687,464	X X X		X X X		X X X	
<b>REAL ESTATE</b>												
19.		Home Office Property (General Account Only)					0.0000		0.0750		0.0750	
20.		Investment Properties					0.0000		0.0750		0.0750	
21.		Properties Acquired in Satisfaction of Debt					0.0000		0.1100		0.1100	
22.		TOTAL Real Estate (sum of Lines 19 through 21)					X X X		X X X		X X X	
<b>OTHER INVESTED ASSETS</b>												
<b>INVESTMENTS WITH THE UNDERLYING CHARACTERISTICS OF BONDS</b>												
23.		Exempt Obligations		X X X	X X X		0.0000		0.0000		0.0000	
24.	1	Highest Quality		X X X	X X X		0.0004		0.0023		0.0030	
25.	2	High Quality		X X X	X X X		0.0019		0.0058		0.0090	
26.	3	Medium Quality		X X X	X X X		0.0093		0.0230		0.0340	
27.	4	Low Quality		X X X	X X X		0.0213		0.0530		0.0750	
28.	5	Lower Quality		X X X	X X X		0.0432		0.1100		0.1700	
29.	6	In or Near Default		X X X	X X X				0.2000		0.2000	
30.		TOTAL with Bond characteristics (sum of Lines 23 through 29)		X X X	X X X		X X X		X X X		X X X	

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

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

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

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

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

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

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

## SCHEDULE F

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

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

## SCHEDULE H - ACCIDENT AND HEALTH EXHIBIT

	Total		Group Accident and Health		Credit Accident & Health (Group and Individual)		Collectively Renewable		Other Individual Contracts												
			3	4	5	6	7	8	Non-Cancelable		Guaranteed Renewable		Non-Renewable for Stated Reasons Only		Other Accident Only		All Other				
	1	2	Amount	%	Amount	%	Amount	%	Amount	%	9	10	11	12	13	14	15	16	17	18	
<b>PART 1 - ANALYSIS OF UNDERWRITING OPERATIONS</b>																					
1.	Premiums written	5,128,899	X X X	2,917,920	X X X	2,204,848	X X X		X X X		X X X	6,131	X X X		X X X		X X X		X X X		X X X
2.	Premiums earned	5,128,899	X X X	2,917,920	X X X	2,204,848	X X X		X X X		X X X	6,131	X X X		X X X		X X X		X X X		X X X
3.	Incurred claims	2,173,293	42.4	2,033,663	69.7	140,030	6.4					(400)	(6.5)								
4.	Cost containment expenses																				
5.	Incurred claims and cost containment expenses (Lines 3 and 4)	2,173,293	42.4	2,033,663	69.7	140,030	6.4					(400)	(6.5)								
6.	Increase in contract reserves	1,410,274	27.5			1,410,274	64.0														
7.	Commissions (a)	1,856,909	36.2	591,226	20.3	1,264,931	57.4					752	12.3								
8.	Other general insurance expenses	796,132	15.5	664,053	22.8	132,079	6.0														
9.	Taxes, licenses and fees	152,681	3.0	147,364	5.1	5,317	0.2														
10.	Total other expenses incurred	2,805,722	54.7	1,402,643	48.1	1,402,327	63.6					752	12.3								
11.	Aggregate write-ins for deductions																				
12.	Gain from underwriting before dividends or refunds	(1,260,390)	(24.6)	(518,386)	(17.8)	(747,783)	(33.9)					5,779	94.3								
13.	Dividends or refunds																				
14.	Gain from underwriting after dividends or refunds	(1,260,390)	(24.6)	(518,386)	(17.8)	(747,783)	(33.9)					5,779	94.3								
<b>DETAILS OF WRITE-INS</b>																					
1101.	~																				
1102.	~																				
1103.	~																				
1198.	Summary of remaining write-ins for Line 11 from overflow page																				
1199.	TOTALS (Lines 1101 through 1103 plus 1198) (Line 11 above)																				

37

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

**SCHEDULE H - ACCIDENT AND HEALTH EXHIBIT (Continued)**

	1 Total	2 Group Accident and Health	3 Credit Accident and Health (Group and Individual)	4 Collectively Renewable	Other Individual Contracts				
					5 Non-Cancelable	6 Guaranteed Renewable	7 Non-Renewable for Stated Reasons Only	8 Other Accident Only	9 All Other
<b>PART 2 - RESERVES AND LIABILITIES</b>									
A. Premium Reserves:									
1. Unearned premiums	2,661,949		2,661,949						
2. Advance premiums	24,605	24,605							
3. Reserve for rate credits									
4. Total premium reserves, current year	2,686,554	24,605	2,661,949						
5. Total premium reserves, prior year	1,255,612	3,937	1,251,675						
6. Increase in total premium reserves	1,430,942	20,668	1,410,274						
B. Contract Reserves:									
1. Additional reserves (a)	2,661,949		2,661,949						
2. Reserve for future contingent benefits (deferred maternity and other similar benefits)									
3. Total contract reserves, current year	2,661,949		2,661,949						
4. Total contract reserves, prior year	1,251,675		1,251,675						
5. Increase in contract reserves	1,410,274		1,410,274						
C. Claim Reserves and Liabilities:									
1. Total current year	1,873,416	1,612,508	259,908			1,000			
2. Total prior year	1,558,098	1,258,794	297,304			2,000			
3. Increase	315,318	353,714	(37,396)			(1,000)			
<b>PART 3 - TEST OF PRIOR YEAR'S CLAIM RESERVES AND LIABILITIES</b>									
1. Claim Paid During the Year:									
1.1 On claims incurred prior to current year	814,214	701,018	112,596			600			
1.2 On claims incurred during current year	1,043,761	978,931	64,830						
2. Claim Reserves and Liabilities, December 31, Current Year:									
2.1 On claims incurred prior to current year	730,880	697,749	33,131						
2.2 On claims incurred during current year	1,142,536	914,759	226,777			1,000			
3. Test:									
3.1 Lines 1.1 and 2.1	1,545,094	1,398,767	145,727			600			
3.2 Claim reserves and liabilities, December 31, prior year	1,558,098	1,258,794	297,304			2,000			
3.3 Line 3.1 minus Line 3.2	(13,004)	139,973	(151,577)			(1,400)			
<b>PART 4 - REINSURANCE</b>									
A. Reinsurance Assumed:									
1. Premiums written									
2. Premiums earned									
3. Incurred claims									
4. Commissions									
B. Reinsurance Ceded:									
1. Premiums written	1,163,812	1,163,812							
2. Premiums earned	1,163,812	1,163,812							
3. Incurred claims	1,706,484	1,706,484							
4. Commissions									

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

**SCHEDULE H - PART 5 - HEALTH CLAIMS**

	1 Medical	2 Dental	3 Other	4 Total
A. Direct:				
1. Incurred Claims .....			3,879,774	3,879,774
2. Beginning Claim Reserves and Liabilities .....			3,619,441	3,619,441
3. Ending Claim Reserves and Liabilities .....			4,971,234	4,971,234
4. Claims Paid .....			2,527,981	2,527,981
B. Assumed Reinsurance:				
5. Incurred Claims .....				
6. Beginning Claim Reserves and Liabilities .....				
7. Ending Claim Reserves and Liabilities .....				
8. Claims Paid .....				
C. Ceded Reinsurance:				
9. Incurred Claims .....			1,706,484	1,706,484
10. Beginning Claim Reserves and Liabilities .....			2,061,343	2,061,343
11. Ending Claim Reserves and Liabilities .....			3,097,820	3,097,820
12. Claims Paid .....			670,007	670,007
D. Net:				
13. Incurred Claims .....			2,173,290	2,173,290
14. Beginning Claim Reserves and Liabilities .....			1,558,098	1,558,098
15. Ending Claim Reserves and Liabilities .....			1,873,414	1,873,414
16. Claims Paid .....			1,857,974	1,857,974
E. Net Incurred Claims and Cost Containment Expenses:				
17. Incurred Claims and Cost Containment Expenses ..			2,173,290	2,173,290
18. Beginning Reserves and Liabilities .....			1,558,098	1,558,098
19. Ending Reserves and Liabilities .....			1,873,414	1,873,414
20. Paid Claims and Cost Containment Expenses .....			1,857,974	1,857,974

40 Schedule S - Part 1 - Section 1 ..... NONE

41 Schedule S - Part 1 - Section 2 ..... NONE

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

1 NAIC Company Code	2 Federal ID Number	3 Effective Date	4 Name of Company	5 Domiciliary Jurisdiction	6 Paid Losses	7 Unpaid Losses
<b>Life and Annuity - Non-Affiliates - U.S. Non-Affiliates</b>						
93572	43-1235868	06/01/2011	RGA REINS CO	MO	108,789	1,262,689
00000	AA-1460146	03/01/2002	SWISS REINS CO	CH		147,862
88099	75-1608507	06/01/2009	OPTIMUM RE INS CO	TX		12,931
0499999 Subtotal - Life and Annuity - Non-Affiliates - U.S. Non-Affiliates					108,789	1,423,482
0699999 Total - Life and Annuity - Non-Affiliates					108,789	1,423,482
0799999 Total - Life and Annuity					108,789	1,423,482
<b>Accident and Health - Non-Affiliates - U.S. Non-Affiliates</b>						
70815	06-0838648	01/01/2005	HARTFORD LIFE & ACCIDENT INS CO	CT	2,956	
68381	36-0883760	01/01/2012	RELIANCE STANDARD LIFE INS CO	IL	7,054	633,425
1199999 Subtotal - Accident and Health - Non-Affiliates - U.S. Non-Affiliates					10,010	633,425
1399999 Total - Accident and Health - Non-Affiliates					10,010	633,425
1499999 Total - Accident and Health					10,010	633,425
1599999 Total U.S. (Sum of 0199999, 0499999, 0899999 and 1199999)					118,799	2,056,907
1699999 Total Non-U.S. (Sum of 0299999, 0599999, 0999999 and 1299999)						
1799999 Total (Sum of 0799999 and 1499999)					118,799	2,056,907

## SCHEDULE S - PART 3 - SECTION 1

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

1 NAIC Company Code	2 Federal ID Number	3 Effective Date	4 Name of Company	5 Domiciliary Jurisdiction	6 Type of Reinsurance Ceded	7 Amount in Force at End of Year	Reserve Credit Taken		10 Premiums	Outstanding Surplus Relief		13 Modified Coinsurance Reserve	14 Funds Withheld Under Coinsurance
							8 Current Year	9 Prior Year		11 Current Year	12 Prior Year		
<b>General Account - Authorized - Non-Affiliates - U.S. Non-Affiliates</b>													
88099	75-1608507	01/01/2000	OPTIMUM RE INS CO	TX	CO/G	26,394,127	52,016	17,933	48,241				
86231	39-0989781	01/01/2007	TRANSAMERICA LIFE INS CO	IA	ACO/I		24,498,990	23,945,498	40,826,270				
25364	13-1675535	03/01/2002	SWISS REINS AMER CORP	NY	CO/G				609				
00000	AA-1460146	03/01/2006	SWISS REINS CO	CH	OTH/I	125,353,940			173,635				
93572	43-1235868	06/01/2011	RGA REINS CO	MO	CO/G	1,114,369,616			1,558,284				
0499999 Subtotal - General Account - Authorized - Non-Affiliates - U.S. Non-Affiliates						1,266,117,683	24,551,006	23,963,431	42,607,039				
0699999 Total - General Account - Authorized - Non-Affiliates						1,266,117,683	24,551,006	23,963,431	42,607,039				
0799999 Total - General Account - Authorized						1,266,117,683	24,551,006	23,963,431	42,607,039				
1499999 Total - General Account - Unauthorized													
2199999 Total - General Account - Certified													
2299999 Total - General Account - Authorized, Unauthorized and Certified						1,266,117,683	24,551,006	23,963,431	42,607,039				
2999999 Total - Separate Accounts - Authorized													
3699999 Total - Separate Accounts - Unauthorized													
4299999 Total - Separate Accounts - Certified - Non-Affiliates													
4399999 Total - Separate Accounts - Certified													
4499999 Total - Separate Accounts - Authorized, Unauthorized and Certified													
4599999 Total U.S. (Sum of 0199999, 0499999, 0899999, 1199999, 1599999, 1899999, 2399999, 2699999, 3099999, 3399999, 3799999 and 4099999)						1,266,117,683	24,551,006	23,963,431	42,607,039				
4699999 Total Non-U.S. (Sum of 0299999, 0599999, 0999999, 1299999, 1699999, 1999999, 2499999, 2799999, 3199999, 3499999, 3899999 and 4199999)													
4799999 Total (Sum of 2299999 and 4499999)						1,266,117,683	24,551,006	23,963,431	42,607,039				

## SCHEDULE S - PART 3 - SECTION 2

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

1 NAIC Company Code	2 Federal ID Number	3 Effective Date	4 Name of Company	5 Domiciliary Jurisdiction	6 Type	7 Premiums	8 Unearned Premiums (estimated)	9 Reserve Credit Taken Other than for Unearned Premiums	Outstanding Surplus Relief		12 Modified Coinsurance Reserve	13 Funds Withheld Under Coinsurance
									10 Current Year	11 Prior Year		
<b>General Account - Authorized - Non-Affiliates - U.S. Non-Affiliates</b>												
68381	36-0883760	09/01/2008	RELIANCE STANDARD LIFE INS CO	IL	CO/G	1,163,812		2,172,959				
70815	06-0838648	01/01/2005	HARTFORD LIFE & ACCIDENT INS CO	CT	CO/G			291,436				
0499999 Subtotal - General Account - Authorized - Non-Affiliates - U.S. Non-Affiliates						1,163,812		2,464,395				
0699999 Total - General Account - Authorized - Non-Affiliates						1,163,812		2,464,395				
0799999 Total - General Account Authorized						1,163,812		2,464,395				
1499999 Total - General Account - Unauthorized												
2199999 Total - General Account - Certified												
2299999 Total - General Account - Authorized, Unauthorized and Certified						1,163,812		2,464,395				
2999999 Total - Separate Accounts - Authorized												
3699999 Total - Separate Accounts - Unauthorized												
4299999 Total - Separate Accounts - Certified - Non-Affiliates												
4399999 Total - Separate Accounts - Certified												
4499999 Total - Separate Accounts - Authorized, Unauthorized and Certified												
4599999 Total U.S. (Sum of 0199999, 0499999, 0899999, 1199999, 1599993, 1899999, 2399999, 2699999, 3099999, 3399999, 3799999 and 4099999)						1,163,812		2,464,395				
4699999 Total Non-U.S. (Sum of 0299999, 0599999, 0999999, 1299999, 1699999, 1999999, 2499999, 2799999, 3199999, 3499999, 3899999 and 4199999)												
4799999 Total (Sum of 2299999 and 4499999)						1,163,812		2,464,395				

45 Schedule S - Part 4 ..... NONE

46 Schedule S - Part 5 ..... NONE

47 Schedule S - Part 5 (continued) ..... NONE

## SCHEDULE S - PART 6

### Five-Year Exhibit of Reinsurance Ceded Business

(000 Omitted)

	1 2012	2 2011	3 2010	4 2009	5 2008
<b>A. OPERATIONS ITEMS:</b>					
1. Premiums and annuity considerations for life and accident and health contracts .....	43,771	31,403	31,829	35,388	42,989
2. Commissions and reinsurance expense allowances .....	3,661	2,738			
3. Contract claims .....	2,252	1,332	1,280	828	519
4. Surrender benefits and withdrawals for life contracts .....	7,176	5,688	8,650	3,538	
5. Dividends to policyholders .....					
6. Reserve adjustments on reinsurance ceded .....	34,197	20,690	16,684	21,621	26,490
7. Increase in aggregate reserves for life and accident and health contracts .....	1,476	3,525	4,946	9,610	3,287
<b>B. BALANCE SHEETS ITEMS</b>					
8. Premiums and annuity considerations for life and accident and health contracts deferred and uncollected .....	326	223	256	262	
9. Aggregate reserves for life and accident and health contracts .....	27,015	25,539	22,014	17,068	7,458
10. Liability for deposit-type contracts .....					
11. Contract claims unpaid .....	2,057	1,140	1,086	954	705
12. Amounts recoverable on reinsurance .....	119	106	92	159	225
13. Experience rating refunds due or unpaid .....					
14. Policyholders' dividends (not included in Line 10) .....					
15. Commissions and reinsurance expense allowances due .....	149	433			
16. Unauthorized reinsurance offset .....					
17. Offset for reinsurance with Certified Reinsurers .....		X X X	X X X	X X X	X X X
<b>C. UNAUTHORIZED REINSURANCE</b>					
<b>(Deposits By and Funds Withheld From)</b>					
18. Funds deposited by and withheld from (F) .....					
19. Letters of credit (L) .....					
20. Trust agreements (T) .....					
21. Other (O) .....					
<b>D. REINSURANCE WITH CERTIFIED REINSURERS</b>					
<b>(Deposits By and Funds Withheld From)</b>					
22. Multiple Beneficiary Trust .....		X X X	X X X	X X X	X X X
23. Funds deposited by and withheld from (F) .....		X X X	X X X	X X X	X X X
24. Letters of credit (L) .....		X X X	X X X	X X X	X X X
25. Trust agreements (T) .....		X X X	X X X	X X X	X X X
26. Other (O) .....		X X X	X X X	X X X	X X X

**SCHEDULE S - PART 7****Restatement of Balance Sheet to Identify Net Credit for Ceded Reinsurance**

	1 As Reported (net of ceded)	2 Restatement Adjustments	3 Restated (gross of ceded)
<b>ASSETS (Page 2, Column 3)</b>			
1. Cash and invested assets (Line 12) .....	336,504,964		336,504,964
2. Reinsurance ceded (Line 16) .....	487,544	(487,544)	
3. Premiums and considerations (Line 15) .....	2,710,029		2,710,029
4. Net credit for ceded reinsurance .....	X X X	28,455,421	28,455,421
5. All other admitted assets (balance) .....	3,457,811		3,457,811
6. TOTAL assets excluding Separate Accounts (Line 26) .....	343,160,348	27,967,877	371,128,225
7. Separate Account assets (Line 27) .....	248,886,976		248,886,976
8. TOTAL assets (Line 28) .....	592,047,324	27,967,877	620,015,201
<b>LIABILITIES, CAPITAL AND SURPLUS (Page 3)</b>			
9. Contract reserves (Lines 1 and 2) .....	309,078,825	27,015,401	336,094,226
10. Liability for deposit-type contracts (Line 3) .....			
11. Claim reserves (Line 4) .....	3,194,632	2,056,907	5,251,539
12. Policyholder dividends/reserves (Lines 5 through 7) .....			
13. Premium & annuity considerations received in advance (Line 8) .....	60,957		60,957
14. Other contract liabilities (Line 9) .....	1,800,108	(1,104,431)	695,677
15. Reinsurance in unauthorized companies (Line 24.02 minus inset amount) .....			
16. Funds held under reinsurance with unauthorized reinsurers (Line 24.03 minus inset amount) .....			
17. Reinsurance with Certified Reinsurers (Line 24.02 inset amount) .....			
18. Funds held under reinsurance treaties with Certified Reinsurers (Line 24.03 inset amount) .....			
19. All other liabilities (balance) .....	1,633,665		1,633,665
20. TOTAL Liabilities excluding Separate Accounts (Line 26) .....	315,768,187	27,967,877	343,736,064
21. Separate Account liabilities (Line 27) .....	248,654,745		248,654,745
22. TOTAL liabilities (Line 28) .....	564,422,932	27,967,877	592,390,809
23. Capital & surplus (Line 38) .....	27,624,392	X X X	27,624,392
24. TOTAL liabilities, capital and surplus (Line 39) .....	592,047,324	27,967,877	620,015,201
<b>NET CREDIT FOR CEDED REINSURANCE</b>			
25. Contract reserves .....	27,015,401		
26. Claim reserves .....	2,056,907		
27. Policyholder dividends/reserves .....			
28. Premium & annuity considerations received in advance .....			
29. Liability for deposit-type contracts .....			
30. Other contract liabilities .....	(1,104,431)		
31. Reinsurance ceded assets .....	487,544		
32. Other ceded reinsurance recoverables .....			
33. TOTAL ceded reinsurance recoverables .....	28,455,421		
34. Premiums and considerations .....			
35. Reinsurance in unauthorized companies .....			
36. Funds held under reinsurance treaties with unauthorized reinsurers .....			
37. Reinsurance with Certified Reinsurers .....			
38. Funds held under reinsurance treaties with certified reinsurers .....			
39. Other ceded reinsurance payables/offsets .....			
40. TOTAL ceded reinsurance payable/offsets .....			
41. TOTAL net credit for ceded reinsurance .....	28,455,421		

# SCHEDULE T - PREMIUMS AND ANNUITY CONSIDERATIONS ALLOCATED BY STATES AND TERRITORIES

	States, Etc.	1 Active Status	Direct Business Only					
			Life Contracts		4 Accident and Health Insurance Premiums, Including Policy, Membership and Other Fees	5 Other Considerations	6 Total Columns 2 through 5	7 Deposit-Type Contracts
			2 Life Insurance Premiums	3 Annuity Considerations				
1.	Alabama (AL)	N						
2.	Alaska (AK)	N						
3.	Arizona (AZ)	N						
4.	Arkansas (AR)	N						
5.	California (CA)	N						
6.	Colorado (CO)	N						
7.	Connecticut (CT)	N						
8.	Delaware (DE)	N						
9.	District of Columbia (DC)	N						
10.	Florida (FL)	N						
11.	Georgia (GA)	N						
12.	Hawaii (HI)	N						
13.	Idaho (ID)	N						
14.	Illinois (IL)	N						
15.	Indiana (IN)	N						
16.	Iowa (IA)	N						
17.	Kansas (KS)	N						
18.	Kentucky (KY)	N						
19.	Louisiana (LA)	N						
20.	Maine (ME)	N						
21.	Maryland (MD)	N						
22.	Massachusetts (MA)	N						
23.	Michigan (MI)	N						
24.	Minnesota (MN)	N						
25.	Mississippi (MS)	N						
26.	Missouri (MO)	N						
27.	Montana (MT)	N						
28.	Nebraska (NE)	N						
29.	Nevada (NV)	N						
30.	New Hampshire (NH)	N						
31.	New Jersey (NJ)	N						
32.	New Mexico (NM)	N						
33.	New York (NY)	N						
34.	North Carolina (NC)	N						
35.	North Dakota (ND)	N						
36.	Ohio (OH)	N						
37.	Oklahoma (OK)	N						
38.	Oregon (OR)	N						
39.	Pennsylvania (PA)	N						
40.	Rhode Island (RI)	N						
41.	South Carolina (SC)	N						
42.	South Dakota (SD)	N						
43.	Tennessee (TN)	N						
44.	Texas (TX)	N						
45.	Utah (UT)	N						
46.	Vermont (VT)	N						
47.	Virginia (VA)	N						
48.	Washington (WA)	N						
49.	West Virginia (WV)	N						
50.	Wisconsin (WI)	N						
51.	Wyoming (WY)	N						
52.	American Samoa (AS)	N						
53.	Guam (GU)	N						
54.	Puerto Rico (PR)	L	14,280,421	163,082,495	6,142,786	183,505,702		
55.	U.S. Virgin Islands (VI)	N						
56.	Northern Mariana Islands (MP)	N						
57.	Canada (CAN)	N						
58.	Aggregate Other Alien (OT)	X X X						
59.	Subtotal	(a)1	14,280,421	163,082,495	6,142,786	183,505,702		
90.	Reporting entity contributions for employee benefits plans	X X X						
91.	Dividends or refunds applied to purchase paid-up additions and annuities	X X X						
92.	Dividends or refunds applied to shorten endowment or premium paying period	X X X						
93.	Premium or annuity considerations waived under disability or other contract provisions	X X X						
94.	Aggregate other amounts not allocable by State	X X X						
95.	Totals (Direct Business)	X X X	14,280,421	163,082,495	6,142,786	183,505,702		
96.	Plus Reinsurance Assumed	X X X						
97.	Totals (All Business)	X X X	14,280,421	163,082,495	6,142,786	183,505,702		
98.	Less Reinsurance Ceded	X X X	1,703,606	40,826,270	1,138,000	43,667,876		
99.	Totals (All Business) less Reinsurance Ceded	X X X	12,576,815	122,256,225	(b) 5,004,786	139,837,826		

DETAILS OF WRITE-INS							
5801.	~	X X X					
5802.	~	X X X					
5803.	~	X X X					
5898.	Summary of remaining write-ins for Line 58 from overflow page	X X X					
5899.	Totals (Lines 5801 through 5803 plus 5898) (Line 58 above)	X X X					
9401.	~	X X X					
9402.	~	X X X					
9403.	~	X X X					
9498.	Summary of remaining write-ins for Line 94 from overflow page	X X X					
9499.	Totals (Lines 9401 through 9403 plus 9498) (Line 94 above)	X X X					

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

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

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

Explanation of basis of allocation by states, etc., of premiums and annuity considerations: THE COMPANY ONLY HAS BUSINESS IN PUERTO RICO.

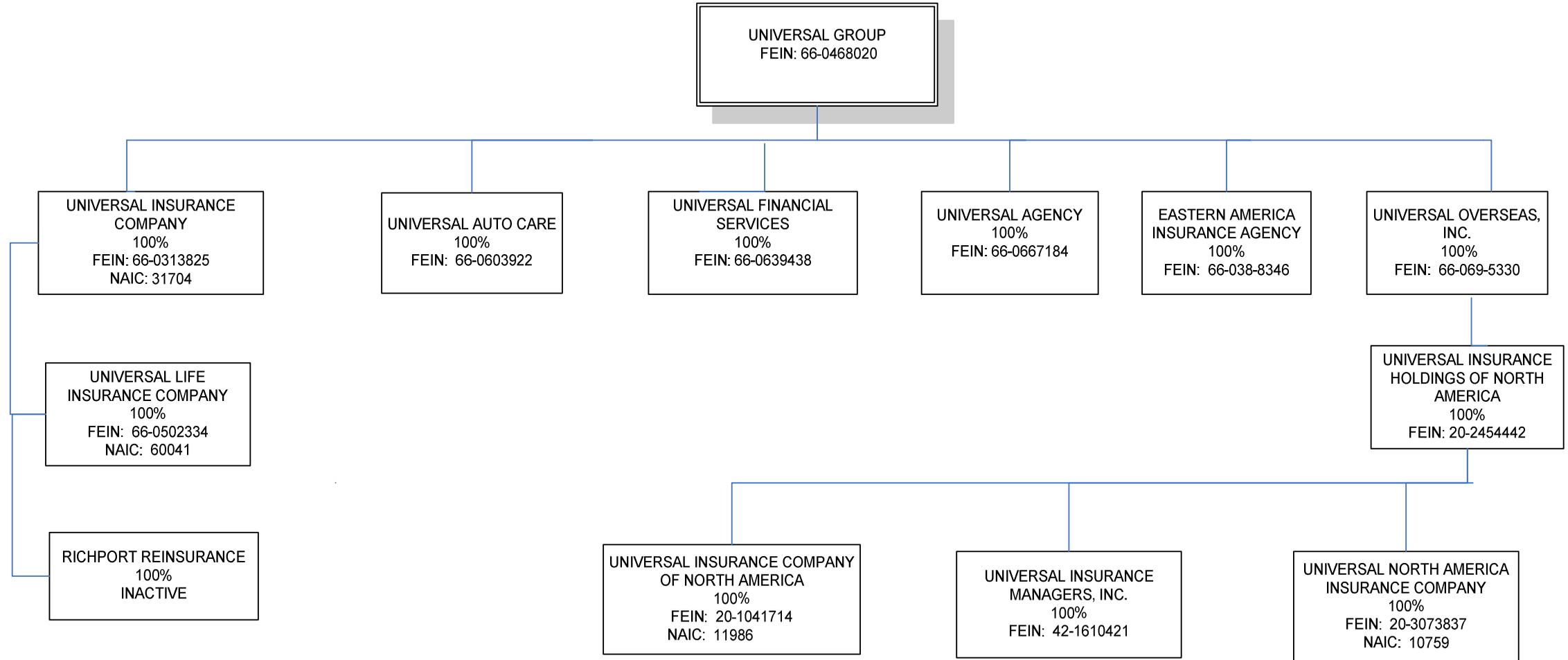
**SCHEDULE T - PART 2**  
**INTERSTATE COMPACT - EXHIBIT OF PREMIUMS WRITTEN**  
**ALLOCATED BY STATES AND TERRITORIES**

Direct Business only						
States, Etc.	1 Life (Group and Individual)	2 Annuities (Group and Individual)	3 Disability Income (Group and Individual)	4 Long-Term Care (Group and Individual)	5 Deposit-Type Contracts	6 Totals
1. Alabama (AL) .....						
2. Alaska (AK) .....						
3. Arizona (AZ) .....						
4. Arkansas (AR) .....						
5. California (CA) .....						
6. Colorado (CO) .....						
7. Connecticut (CT) .....						
8. Delaware (DE) .....						
9. District of Columbia (DC) .....						
10. Florida (FL) .....						
11. Georgia (GA) .....						
12. Hawaii (HI) .....						
13. Idaho (ID) .....						
14. Illinois (IL) .....						
15. Indiana (IN) .....						
16. Iowa (IA) .....						
17. Kansas (KS) .....						
18. Kentucky (KY) .....						
19. Louisiana (LA) .....						
20. Maine (ME) .....						
21. Maryland (MD) .....						
22. Massachusetts (MA) .....						
23. Michigan (MI) .....						
24. Minnesota (MN) .....						
25. Mississippi (MS) .....						
26. Missouri (MO) .....						
27. Montana (MT) .....						
28. Nebraska (NE) .....						
29. Nevada (NV) .....						
30. New Hampshire (NH) .....						
31. New Jersey (NJ) .....						
32. New Mexico (NM) .....						
33. New York (NY) .....						
34. North Carolina (NC) .....						
35. North Dakota (ND) .....						
36. Ohio (OH) .....						
37. Oklahoma (OK) .....						
38. Oregon (OR) .....						
39. Pennsylvania (PA) .....						
40. Rhode Island (RI) .....						
41. South Carolina (SC) .....						
42. South Dakota (SD) .....						
43. Tennessee (TN) .....						
44. Texas (TX) .....						
45. Utah (UT) .....						
46. Vermont (VT) .....						
47. Virginia (VA) .....						
48. Washington (WA) .....						
49. West Virginia (WV) .....						
50. Wisconsin (WI) .....						
51. Wyoming (WY) .....						
52. American Samoa (AS) .....						
53. Guam (GU) .....						
54. Puerto Rico (PR) .....	14,280,421	163,082,495		6,142,786		183,505,702
55. U.S. Virgin Islands (VI) .....						
56. Northern Mariana Islands (MP) .....						
57. Canada (CAN) .....						
58. Aggregate other alien (OT) .....						
59. TOTALS .....	14,280,421	163,082,495		6,142,786		183,505,702

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

**UNIVERSAL GROUP ORGANIZATIONAL STRUCTURE**

52



## SCHEDULE Y

### PART 1A - DETAIL OF INSURANCE HOLDING COMPANY SYSTEM

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Group Code	Group Name	NAIC Company Code	Federal ID Number	FEDERAL RSSD	CIK	Name of Securities Exchange if Publicly Traded (U.S. or International)	Name of Parent, Subsidiaries or Affiliates	Domiciliary Location	Relationship to Reporting Entity	Directly Controlled by (Name of Entity / Person)	Type of Control (Ownership, Board, Management, Attorney-in-Fact, Influence, Other)	If Control is Ownership Provide Percentage	Ultimate Controlling Entity(ies) / Person(s)	*
0071	UNIVERSAL GROUP	31704	66-0313825				UNIVERSAL INS CO	PR						
0071	UNIVERSAL GROUP	60041	66-0502334				UNIVERSAL LIFE INS CO	PR						
0071	UNIVERSAL GROUP	00710	20-2454442				UNIVERSAL INS HOLDINGS OF AMERICA GRP							
0071	UNIVERSAL GROUP	11986	20-1041714				UNIVERSAL INS CO OF NA	FL						
0071	UNIVERSAL GROUP	10759	20-3073837				UNIVERSAL N AMER INS CO							
0071	UNIVERSAL GROUP	00000	66-0603922				UNIVERSAL AUTO CARE	TX						
0071	UNIVERSAL GROUP	00000	66-0639438				UNIVERSAL FINANCIAL SERVICES	PR						
0071	UNIVERSAL GROUP	00000	66-0667184				UNIVERSAL AGENCY EASTERN AMERICA							
0071	UNIVERSAL GROUP	00000	66-038-8346				INSURANCE AGENCY	PR						
0071	UNIVERSAL GROUP	00000	66-069-5330				UNIVERSAL OVERSEAS INC							
0071	UNIVERSAL GROUP	00000	42-1610421				UNIVERSAL INSURANCE MANAGER, INC							

53

Asterisk	Explanation
0000001	

## SCHEDULE Y

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

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

Schedule Y Part 2 Explanation:

## SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

Response

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

## MARCH FILING

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

## APRIL FILING

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

## JUNE FILING

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

## AUGUST FILING

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

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

## MARCH FILING

- |   |     |
|---|-----|
| 12. Will Schedule SIS (Stockholder Information Supplement) be filed with the state of domicile by March 1?  | No  |
| 13. Will the Medicare Supplement Insurance Experience Exhibit be filed with the state of domicile and the NAIC by March 1?  | No  |
| 14. Will the Trusteed Surplus Statement be filed with the state of domicile and the NAIC by March 1?  | No  |
| 15. Will the actuarial opinion on participating and non-participating policies as required in Interrogatories 1 and 2 to Exhibit 5 be filed with the state of domicile and electronically with the NAIC by March 1?   | No  |
| 16. Will the actuarial opinion on non-guaranteed elements as required in Interrogatory #3 to Exhibit 5 be filed with the state of domicile and electronically with the NAIC by March 1?   | No  |
| 17. Will the actuarial opinion on X-Factors be filed with the state of domicile and electronically with the NAIC by March 1?  | No  |
| 18. Will the actuarial opinion on Separate Accounts Funding Guaranteed Minimum Benefit be filed with the state of domicile and electronically with the NAIC by March 1?   | No  |
| 19. Will the actuarial opinion on Synthetic Guaranteed Investment Contracts be filed with the state of domicile and electronically with the NAIC by March 1?  | No  |
| 20. Will the Reasonableness of Assumptions Certification required by Actuarial Guideline XXXV be filed with the state of domicile and electronically with the NAIC by March 1?  | No  |
| 21. Will the Reasonableness and Consistency of Assumptions Certification required by Actuarial Guideline XXXV be filed with the state of domicile and electronically with the NAIC by March 1?  | No  |
| 22. Will the Reasonableness of Assumptions Certification for Implied Guaranteed Rate Method required by Actuarial Guideline XXXVI be filed with the state of domicile and electronically with the NAIC by March 1?  | No  |
| 23. Will the Reasonableness and Consistency of Assumptions Certification required by Actuarial Guideline XXXVI (Updated Average Market Value) be filed with the state of domicile and electronically with the NAIC by March 1?  | No  |
| 24. Will the Reasonableness and Consistency of Assumptions Certification required by Actuarial Guideline XXXVI (Updated Market Value) be filed with the state of domicile and electronically with the NAIC by March 1?  | No  |
| 25. Will the C-3 RBC Certifications required under C-3 Phase I be filed with the state of domicile and electronically with the NAIC by March 1?   | No  |
| 26. Will the C-3 RBC Certifications required under C-3 Phase II be filed with the state of domicile and electronically with the NAIC by March 1?  | No  |
| 27. Will the Actuarial Certifications Related to Annuity Nonforfeiture Ongoing Compliance for Equity Indexed Annuities be filed with the state of domicile and electronically with the NAIC by March 1?   | No  |
| 28. Will the actuarial opinion required by the Modified Guaranteed Annuity Model Regulation be filed with the state of domicile and electronically with the NAIC by March 1?  | No  |
| 29. Will the Actuarial Certification Related to Hedging required by Actuarial Guideline XLIII be filed with the state of domicile and electronically with the NAIC by March 1?  | No  |
| 30. Will the Financial Officer Certification Related to Clearly Defined Hedging Strategy required by Actuarial Guideline XLIII be filed with the state of domicile and electronically with the NAIC by March 1?   | No  |
| 31. Will the Management Certification That the Valuation Reflects Management's Intent required by Actuarial Guideline XLIII be filed with the state of domicile and electronically with the NAIC by March 1?  | No  |
| 32. Will the Actuarial Certification Related to the Reserves required by Actuarial Guideline XLIII be filed with the state of domicile and electronically with the NAIC by March 1?   | No  |
| 33. Will the Actuarial Certification regarding the use of 2001 Preferred Class Tables required by the Model Regulation Permitting the Recognition of Preferred Mortality Tables for Use in Determining Minimum Reserve Liabilities be filed with the state of domicile and electronically with the NAIC by March 1? | No  |
| 34. Will the Workers' Compensation Carve-Out Supplement be filed by March 1?  | No  |
| 35. Will Supplemental Schedule O be filed with the state of domicile and the NAIC by March 1?   | Yes |
| 36. Will the Medicare Part D Coverage Supplement be filed with the state of domicile and the NAIC by March 1?   | No  |
| 37. Will an approval from the reporting entity's state of domicile for relief related to the five-year rotation requirement for lead audit partner be filed electronically with the NAIC by March 1?  | No  |
| 38. Will an approval from the reporting entity's state of domicile for relief related to the one-year cooling off period for independent CPA be filed electronically with the NAIC by March 1?  | No  |
| 39. Will an approval from the reporting entity's state of domicile for relief related to the Requirements for Audit Committees be filed electronically with the NAIC by March 1?  | No  |

## APRIL FILING

- |  |     |
|--|-----|
| 40. Will the Long-Term Care Experience Reporting Forms be filed with the state of domicile and the NAIC by April 1?  | No  |
| 41. Will the Interest Sensitive Life Insurance Products Report Forms be filed with the state of domicile and the NAIC by April 1?                                  | Yes |
| 42. Will the Credit Insurance Experience Exhibit be filed with the state of domicile and the NAIC by April 1?  | Yes |
| 43. Will the Accident and Health Policy Experience Exhibit be filed by April 1?  | Yes |
| 44. Will the Analysis of Annuity Operations by Line of Business be filed with the state of domicile and the NAIC by April 1?                                       | Yes |
| 45. Will the Analysis of Increase in Annuity Reserves During the Year be filed with the state of domicile and the NAIC by April 1?                                 | Yes |
| 46. Will the Supplemental Health Care Exhibit (Parts 1, 2 and 3) be filed with the state of domicile and the NAIC by April 1?                                      | No  |
| 47. Will the regulator only (non-public) Supplemental Health Care Exhibit's Expense Allocation Report be filed with the state of domicile and the NAIC by April 1? | No  |

48. Will Management's Report of Internal Control Over Financial Reporting be filed with the state of domicile by August 1?

No

Explanations:

Bar Codes:

Supplemental Compensation Exhibit



Schedule SIS



Medicare Supplement Insurance Experience Exhibit



Trusteed Surplus Statement



Actuarial Opinion on Participating and Non-Participating Policies



Statement of Non-Guaranteed Elements for Exhibit 5



Actuarial Opinion on X-Factors



Separate Accounts Funding Guaranteed Minimum Benefits Actuarial Opinion



Synthetic Guaranteed Investment Contracts Actuarial Opinion



Reasonableness 1 - Assumptions



Reasonableness 2 - Consistency



Reasonableness 3 - Implied Guarantee



Reasonableness 4 - Ave. Market Value



Reasonableness 5 - Market Value



C-3 RBC Certifications required under C-3 Phase I



C-3 RBC Certifications required under C-3 Phase II



Actuarial Certifications related to Annuity Nonforeiture Ongoing Compliance



Actuarial Opion required by the Modified Guaranteed Annuity Model Reg



Act Cert Rel to Hedging req by Actuarial Guideline XLIII



Fin Off Cert Rel to Clearly Def Hedging Strat req by Act Guid XLIII



Mgt Cert That the Val Reflects Mgt's Intent req by Act Guid XLIII



Act Cert Related to the Reserves required by Actuarial Guiding XLIII



Actuarial Certification regarding the use of 2001 Preferred Class Tables



Worker's Compensation Carve-out Supplement



Medicare Part D Coverage Supplement



Approval for Relief related to five-year rotation for lead Audit Partner



Approval for Relief related to one-year cooling off period for inde. CPA



Approval for Relief related to Require. for Audit Committees



LTC Supplemental Interrogatories



Supplemental Health Care Exhibit



## SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES (continued)

Supplemental Health Care Exhibit's Expense Allocation Report



60041201221700000

2012

Document Code: 217

Management's Report of Internal Control over Financial Reporting



60041201222300000

2012

Document Code: 223

OVERFLOW PAGE FOR WRITE-INS

**EXHIBIT OF NONADMITTED ASSETS**

	1	2	3
	Current Year Total Nonadmitted Assets	Prior Year Total Nonadmitted Assets	Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
2504. ....	.....	.....	.....
2505. ....	.....	.....	.....
2597. Summary of remaining write-ins for Line 25 (Lines 2504 through 2596) .....	.....	.....	.....

## SUMMARY INVESTMENT SCHEDULE

Investment Categories	Gross Investment Holdings		Admitted Assets as Reported in the Annual Statement			
	1 Amount	2 Percentage	3 Amount	4 Securities Lending Reinvested Collateral Amount	5 Total (Col. 3 + 4) Amount	6 Percentage
1. Bonds:						
1.1 U.S. treasury securities						
1.2 U.S. government agency obligations (excluding mortgage-backed securities):						
1.21 Issued by U.S. government agencies	38,529,318	11.450	38,529,318		38,529,318	11.450
1.22 Issued by U.S. government sponsored agencies						
1.3 Non-U.S. government (including Canada, excluding mortgage-backed securities)						
1.4 Securities issued by states, territories, and possessions and political subdivisions in the U.S.:						
1.41 States, territories and possessions general obligations	205,640,377	61.111	205,640,377		205,640,377	61.111
1.42 Political subdivisions of states, territories and possessions and political subdivisions general obligations						
1.43 Revenue and assessment obligations						
1.44 Industrial development and similar obligations						
1.5 Mortgage-backed securities (includes residential and commercial MBS):						
1.51 Pass-through securities:						
1.511 Issued or Guaranteed by GNMA	2,572,785	0.765	2,572,785		2,572,785	0.765
1.512 Issued or Guaranteed by FNMA and FHLMC	2,176,821	0.647	2,176,821		2,176,821	0.647
1.513 All other	2,888,217	0.858	2,888,217		2,888,217	0.858
1.52 CMOs and REMICs:						
1.521 Issued or guaranteed by GNMA, FNMA, FHLMC or VA	25,450,990	7.563	25,450,990		25,450,990	7.563
1.522 Issued by non-U.S. Government issuers and collateralized by mortgage-backed securities issued or guaranteed by agencies shown in Line 1.521	10,491,739	3.118	10,491,739		10,491,739	3.118
1.523 All other	2,317,805	0.689	2,317,805		2,317,805	0.689
2. Other debt and other fixed income securities (excluding short term):						
2.1 Unaffiliated domestic securities (includes credit tenant loans and hybrid securities)	18,720,638	5.563	18,720,638		18,720,638	5.563
2.2 Unaffiliated Non-U.S. securities (including Canada)						
2.3 Affiliated securities						
3. Equity interests:						
3.1 Investments in mutual funds	9,687,464	2.879	9,687,464		9,687,464	2.879
3.2 Preferred stocks:						
3.21 Affiliated						
3.22 Unaffiliated	500,000	0.149	500,000		500,000	0.149
3.3 Publicly traded equity securities (excluding preferred stocks):						
3.31 Affiliated						
3.32 Unaffiliated						
3.4 Other equity securities:						
3.41 Affiliated						
3.42 Unaffiliated						
3.5 Other equity interests including tangible personal property under lease:						
3.51 Affiliated						
3.52 Unaffiliated						
4. Mortgage loans:						
4.1 Construction and land development						
4.2 Agricultural						
4.3 Single family residential properties						
4.4 Multifamily residential properties						
4.5 Commercial loans						
4.6 Mezzanine real estate loans						
5. Real estate investments:						
5.1 Property occupied by company						
5.2 Property held for production of income (including \$.....0 of property acquired in satisfaction of debt)						
5.3 Property held for sale (including \$.....0 property acquired in satisfaction of debt)						
6. Contract loans						
7. Derivatives						
8. Receivables for securities						
9. Securities Lending (Line 10, Asset Page reinvested collateral)				X X X	X X X	X X X
10. Cash, cash equivalents and short-term investments	17,528,810	5.209	17,528,810		17,528,810	5.209
11. Other invested assets						
12. Total invested assets	336,504,964	100.000	336,504,964		336,504,964	100.000

## SCHEDULE A - VERIFICATION BETWEEN YEARS

### Real Estate

1. Book/adjusted carrying value, December 31 of prior year .....		
2. Cost of acquired:		
2.1 Actual cost at time of acquisition (Part 2, Column 6) .....		
2.2 Additional investment made after acquisition (Part 2, Column 9) .....		
3. Current year change in encumbrances:		
3.1 Totals, Part 1, Column 13 .....		
3.2 Totals, Part 3, Column 11 .....		
4. Total gain (loss) on disposals, Part 3, Column 18 .....		
5. Deduct amounts received on disposals, Part 3, Column 15 .....		
6. Total foreign exchange change in book/adjusted carrying value .....		
6.1 Totals, Part 1, Column 15 .....	<b>NONE</b>	
6.2 Totals, Part 3, Column 13 .....		
7. Deduct current year's other than temporary impairment recognized:		
7.1 Totals, Part 1, Column 12 .....		
7.2 Totals, Part 3, Column 10 .....		
8. Deduct current year's depreciation:		
8.1 Totals, Part 1, Column 11 .....		
8.2 Totals, Part 3, Column 9 .....		
9. Book/adjusted carrying value at the end of current period (Lines 1 + 2 + 3 + 4 - 5 + 6 - 7 - 8) .....		
10. Deduct total nonadmitted amounts .....		
11. Statement value at end of current period (Lines 9 minus 10) .....		

## SCHEDULE B - VERIFICATION BETWEEN YEARS

### Mortgage Loans

1. Book value/recorded investment excluding accrued interest, December 31 of prior year .....		
2. Cost of acquired:		
2.1 Actual cost at time of acquisition (Part 2, Column 7) .....		
2.2 Additional investment made after acquisition (Part 2, Column 8) .....		
3. Capitalized deferred interest and other:		
3.1 Totals, Part 1, Column 12 .....		
3.2 Totals, Part 3, Column 11 .....		
4. Accrual of discount .....		
5. Unrealized valuation increase (decrease):		
5.1 Totals, Part 1, Column 9 .....		
5.2 Totals, Part 3, Column 8 .....		
6. Total gain (loss) on disposals, Part 3, Column 18 .....		
7. Deduct amounts received on disposals, Part 3, Column 15 .....	<b>NONE</b>	
8. Deduct amortization of premium and mortgage interest .....		
9. Total foreign exchange change in book value/recorded investment excluding accrued interest .....		
9.1 Totals, Part 1, Column 13 .....		
9.2 Totals, Part 3, Column 13 .....		
10. Deduct current year's other than temporary impairment recognized:		
10.1 Totals, Part 1, Column 11 .....		
10.2 Totals, Part 3, Column 10 .....		
11. Book value/recorded investment excluding accrued interest at end of current period (Lines 1 + 2 + 3 + 4 + 5 + 6 - 7 - 8 + 9 - 10) .....		
12. Total valuation allowance .....		
13. Subtotal (Lines 11 plus 12) .....		
14. Deduct total nonadmitted amounts .....		
15. Statement value of mortgages owned at end of current period (Line 13 minus Line 14) .....		

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

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

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

1.	Book/adjusted carrying value, December 31 of prior year .....		236,829,404
2.	Cost of bonds and stocks acquired, Part 3, Column 7 .....		194,497,780
3.	Accrual of Discount .....		312,091
4.	Unrealized valuation increase (decrease):		
4.1	Part 1, Column 12 .....		
4.2	Part 2, Section 1, Column 15 .....		
4.3	Part 2, Section 2, Column 13 .....	3,416	
4.4	Part 4, Column 11 .....	(74,525)	(71,109)
5.	Total gain (loss) on disposals, Part 4, Column 19 .....		613,669
6.	Deduction consideration for bonds and stocks disposed of, Part 4, Column 7 .....		111,847,990
7.	Deduct amortization of premium .....		1,271,427
8.	Total foreign exchange change in book/adjusted carrying value:		
8.1	Part 1, Column 15 .....		
8.2	Part 2, Section 1, Column 19 .....		
8.3	Part 2, Section 2, Column 16 .....		
8.4	Part 4, Column 15 .....		
9.	Deduct current year's other than temporary impairment recognized:		
9.1	Part 1, Column 14 .....	81,812	
9.2	Part 2, Section 1, Column 17 .....		
9.3	Part 2, Section 2, Column 14 .....		
9.4	Part 4, Column 13 .....	4,452	86,264
10.	Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 - 6 - 7 + 8 - 9) .....		318,976,154
11.	Deduct total nonadmitted amounts .....		
12.	Statement value at end of current period (Line 10 minus Line 11) .....		318,976,154

## SCHEDULE D - SUMMARY BY COUNTRY

### Long-Term Bonds and Stocks OWNED December 31 of Current Year

Description		1 Book/Adjusted Carrying Value	2 Fair Value	3 Actual Cost	4 Par Value of Bonds
<b>BONDS</b>					
Governments (Including all obligations guaranteed by governments)	1. United States .....	44,524,906	47,133,844	44,592,726	44,067,527
	2. Canada .....				
	3. Other Countries .....				
	4. Totals .....	44,524,906	47,133,844	44,592,726	44,067,527
U.S. States, Territories and Possessions (Direct and guaranteed)	5. Totals .....	205,640,386	216,929,559	205,770,287	198,872,000
U.S. Political Subdivisions of States, Territories and Possessions (Direct and guaranteed)	6. Totals .....				
U.S. Special revenue and special assessment obligations and all non-guaranteed obligations of agencies and authorities of governments and their political subdivisions	7. Totals .....	28,637,076	28,587,467	28,798,669	25,872,744
Industrial and Miscellaneous and Hybrid Securities (unaffiliated)	8. United States .....	29,986,322	30,856,133	30,132,445	29,959,363
	9. Canada .....				
	10. Other Countries .....				
	11. Totals .....	29,986,322	30,856,133	30,132,445	29,959,363
Parent, Subsidiaries and Affiliates	12. Totals .....				
	13. Total Bonds .....	308,788,690	323,507,003	309,294,127	298,771,634
<b>PREFERRED STOCKS</b>					
Industrial and Miscellaneous (unaffiliated)	14. United States .....	500,000	516,400	500,000	
	15. Canada .....				
	16. Other Countries .....				
	17. Totals .....	500,000	516,400	500,000	
Parent, Subsidiaries and Affiliates	18. Totals .....				
	19. Total Preferred Stocks .....	500,000	516,400	500,000	
<b>COMMON STOCKS</b>					
Industrial and Miscellaneous (unaffiliated)	20. United States .....	9,687,464	9,687,464	9,653,467	
	21. Canada .....				
	22. Other Countries .....				
	23. Totals .....	9,687,464	9,687,464	9,653,467	
Parent, Subsidiaries and Affiliates	24. Totals .....				
	25. Total Common Stocks .....	9,687,464	9,687,464	9,653,467	
	26. Total Stocks .....	10,187,464	10,203,864	10,153,467	
	27. Total Bonds and Stocks .....	318,976,154	333,710,867	319,447,594	

## SCHEDULE D - PART 1A - SECTION 1

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

	1	2	3	4	5	6	7	8	9	10	11
Quality Rating Per the NAIC Designation	1 Year or Less	Over 1 Year Through 5 Years	Over 5 Years Through 10 Years	Over 10 Years Through 20 Years	Over 20 Years	Total Current Year	Column 6 as a % of Line 9.7	Total From Column 6 Prior Year	% From Column 7 Prior Year	Total Publicly Traded	Total Privately Placed (a)
1. U.S. Governments											
1.1 Class 1	18,912,434	8,861,528	11,002,277	5,656,135	92,530	44,524,904	14.42	64,076,262	26.71	44,524,904	
1.2 Class 2											
1.3 Class 3											
1.4 Class 4											
1.5 Class 5											
1.6 Class 6											
1.7 TOTALS	18,912,434	8,861,528	11,002,277	5,656,135	92,530	44,524,904	14.42	64,076,262	26.71	44,524,904	
2. All Other Governments											
2.1 Class 1											
2.2 Class 2											
2.3 Class 3											
2.4 Class 4											
2.5 Class 5											
2.6 Class 6											
2.7 TOTALS											
3. U.S. States, Territories and Possessions etc., Guaranteed											
3.1 Class 1	5,664,526	36,603,829	80,618,179	31,013,757	5,750,367	159,650,658	51.70	113,122,178	47.15	159,650,658	
3.2 Class 2	28,804,041	2,942,933	12,692,747	1,550,000		45,989,721	14.89	44,562,880	18.58	45,989,721	
3.3 Class 3											
3.4 Class 4											
3.5 Class 5											
3.6 Class 6											
3.7 TOTALS	34,468,567	39,546,762	93,310,926	32,563,757	5,750,367	205,640,379	66.60	157,685,058	65.73	205,640,379	
4. U.S. Political Subdivisions of States, Territories & Possessions, Guaranteed											
4.1 Class 1											
4.2 Class 2											
4.3 Class 3											
4.4 Class 4											
4.5 Class 5											
4.6 Class 6											
4.7 TOTALS											
5. U.S. Special Revenue & Special Assessment Obligations etc., Non-Guaranteed											
5.1 Class 1	7,833,280	13,962,841	5,944,573	896,383		28,637,077	9.27			28,637,077	
5.2 Class 2											
5.3 Class 3											
5.4 Class 4											
5.5 Class 5											
5.6 Class 6											
5.7 TOTALS	7,833,280	13,962,841	5,944,573	896,383		28,637,077	9.27			28,637,077	

S105

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

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

Quality Rating Per the NAIC Designation	1 1 Year or Less	2 Over 1 Year Through 5 Years	3 Over 5 Years Through 10 Years	4 Over 10 Years Through 20 Years	5 Over 20 Years	6 Total Current Year	7 Column 6 as a % of Line 9.7	8 Total From Column 6 Prior Year	9 % From Column 7 Prior Year	10 Total Publicly Traded	11 Total Privately Placed (a)
6. Industrial and Miscellaneous (unaffiliated)											
6.1 Class 1	4,881,413	12,473,309	5,322,400	1,685,611		24,362,733	7.89	16,259,060	6.78	24,362,733	
6.2 Class 2								516,138	0.22		
6.3 Class 3	1,579,626	3,051,640	992,331			5,623,597	1.82	1,361,433	0.57	5,623,597	
6.4 Class 4											
6.5 Class 5											
6.6 Class 6											
6.7 TOTALS	6,461,039	15,524,949	6,314,731	1,685,611		29,986,330	9.71	18,136,631	7.56	29,986,330	
7. Hybrid Securities											
7.1 Class 1											
7.2 Class 2											
7.3 Class 3											
7.4 Class 4											
7.5 Class 5											
7.6 Class 6											
7.7 TOTALS											
8. Parent, Subsidiaries and Affiliates											
8.1 Class 1											
8.2 Class 2											
8.3 Class 3											
8.4 Class 4											
8.5 Class 5											
8.6 Class 6											
8.7 TOTALS											

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

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

Quality Rating Per the NAIC Designation	1 1 Year or Less	2 Over 1 Year Through 5 Years	3 Over 5 Years Through 10 Years	4 Over 10 Years Through 20 Years	5 Over 20 Years	6 Total Current Year	7 Column 6 as a % of Line 9.7	8 Total From Column 6 Prior Year	9 % From Column 7 Prior Year	10 Total Publicly Traded	11 Total Privately Placed (a)
9. Total Bonds Current Year											
9.1 Class 1	(d) 37,291,653	71,901,507	102,887,429	39,251,886	5,842,897	257,175,372	83.29	X X X	X X X	257,175,372	
9.2 Class 2	(d) 28,804,041	2,942,933	12,692,747	1,550,000		45,989,721	14.89	X X X	X X X	45,989,721	
9.3 Class 3	(d) 1,579,626	3,051,640	992,331			5,623,597	1.82	X X X	X X X	5,623,597	
9.4 Class 4	(d)							X X X	X X X		
9.5 Class 5	(d)					(c)		X X X	X X X		
9.6 Class 6	(d)					(c)		X X X	X X X		
9.7 TOTALS	67,675,320	77,896,080	116,572,507	40,801,886	5,842,897	(b) 308,788,690	100.00	X X X	X X X	308,788,690	
9.8 Line 9.7 as a % of Column 6	21.92	25.23	37.75	13.21	1.89	100.00	X X X	X X X	X X X	100.00	
10. Total Bonds Prior Year											
10.1 Class 1	40,074,336	34,906,966	89,360,401	27,355,465	1,760,333	X X X	X X X	193,457,501	80.64	193,457,501	
10.2 Class 2	22,238,079	17,855,316	3,334,896	1,650,727		X X X	X X X	45,079,018	18.79	45,079,018	
10.3 Class 3	145,319	653,148	562,966			X X X	X X X	1,361,433	0.57	1,361,433	
10.4 Class 4						X X X	X X X				
10.5 Class 5						X X X	X X X	(c)			
10.6 Class 6						X X X	X X X	(c)			
10.7 TOTALS	62,457,734	53,415,430	93,258,263	29,006,192	1,760,333	X X X	X X X	(b) 239,897,952	100.00	239,897,951	
10.8 Line 10.7 as a % of Col. 8	26.04	22.27	38.87	12.09	0.73	X X X	X X X	100.00	X X X	100.00	
11. Total Publicly Traded Bonds											
11.1 Class 1	37,291,654	71,901,507	102,887,428	39,251,886	5,842,897	257,175,372	83.29	193,457,500	80.64	257,175,372	X X X
11.2 Class 2	28,804,041	2,942,933	12,692,747	1,550,000		45,989,721	14.89	45,079,018	18.79	45,989,721	X X X
11.3 Class 3	1,579,626	3,051,640	992,331			5,623,597	1.82	1,361,433	0.57	5,623,597	X X X
11.4 Class 4											X X X
11.5 Class 5											X X X
11.6 Class 6											X X X
11.7 TOTALS	67,675,321	77,896,080	116,572,506	40,801,886	5,842,897	308,788,690	100.00	239,897,951	100.00	308,788,690	X X X
11.8 Line 11.7 as a % of Col. 6	21.92	25.23	37.75	13.21	1.89	100.00	X X X	X X X	X X X	100.00	X X X
11.9 Line 11.7 as a % of Line 9.7, Col. 6, Section 9	21.92	25.23	37.75	13.21	1.89	100.00	X X X	X X X	X X X	100.00	X X X
12. Total Privately Placed Bonds											
12.1 Class 1										X X X	
12.2 Class 2										X X X	
12.3 Class 3										X X X	
12.4 Class 4										X X X	
12.5 Class 5										X X X	
12.6 Class 6										X X X	
12.7 TOTALS										X X X	
12.8 Line 12.7 as a % of Col. 6							X X X	X X X	X X X	X X X	
12.9 Line 12.7 as a % of Line 9.7, Col. 6, Section 9							X X X	X X X	X X X	X X X	

S107

(a) Includes \$.....0 freely tradable under SEC Rule 144 or qualified for resale under SEC Rule 144A.  
 (b) Includes \$.....0 current year, \$.....0 prior year of bonds with Z designations and \$.....0 current year, \$.....0 prior year of bonds with Z\* designations. The letter "Z" means the NAIC designation was not assigned by the Securities Valuation Office (SVO) at the date of the statement. "Z\*" means the SVO could not evaluate the obligation because valuation procedures for the security class is under regulatory review.  
 (c) Includes \$.....0 current year, \$.....0 prior year of bonds with 5\* designations and \$.....0 current year, \$.....0 prior year of bonds with 6\* designations. "5\*" means the NAIC designation was assigned by the SVO in reliance on the insurer's certification that the issuer is current in all principal and interest payments. "6\*" means the NAIC designation was assigned by the SVO due to inadequate certification of principal and interest payments.  
 (d) Includes the following amount of non-rated short-term and cash equivalent bonds by NAIC designation: NAIC 1 \$.....0; NAIC 2 \$.....0; NAIC 3 \$.....0; NAIC 4 \$.....0; NAIC 5 \$.....0; NAIC 6 \$.....0.

## SCHEDULE D - PART 1A - SECTION 2

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

	1 1 Year or Less	2 Over 1 Year Through 5 Years	3 Over 5 Years Through 10 Years	4 Over 10 Years Through 20 Years	5 Over 20 Years	6 Total Current Year	7 Column 6 as a % of Line 9.5	8 Total From Column 6 Prior Year	9 % From Column 7 Prior Year	10 Total Publicly Traded	11 Total Privately Placed
Distribution by Type											
1. U.S. Governments											
1.1 Issuer Obligations	17,094,607	5,335,108	10,335,045	5,099,362		37,864,122	12.26	59,358,450	24.74	37,864,122	
1.2 Residential Mortgage-Backed Securities	1,817,826	3,526,421	667,232	556,773	92,530	6,660,782	2.16	4,717,812	1.97	6,660,782	
1.3 Commercial Mortgage-Backed Securities											
1.4 Other Loan-Backed and Structured Securities											
1.5 Totals	18,912,433	8,861,529	11,002,277	5,656,135	92,530	44,524,904	14.42	64,076,262	26.71	44,524,904	
2. All Other Governments											
2.1 Issuer Obligations											
2.2 Residential Mortgage-Backed Securities											
2.3 Commercial Mortgage-Backed Securities											
2.4 Other Loan-Backed and Structured Securities											
2.5 Totals											
3. U.S. States, Territories and Possessions, Guaranteed											
3.1 Issuer Obligations	34,468,567	39,546,762	93,310,926	32,563,757	5,750,367	205,640,379	66.60	157,685,058	65.73	205,640,379	
3.2 Residential Mortgage-Backed Securities											
3.3 Commercial Mortgage-Backed Securities											
3.4 Other Loan-Backed and Structured Securities											
3.5 Totals	34,468,567	39,546,762	93,310,926	32,563,757	5,750,367	205,640,379	66.60	157,685,058	65.73	205,640,379	
4. U.S. Political Subdivisions of States, Territories and Possessions, Guaranteed											
4.1 Issuer Obligations											
4.2 Residential Mortgage-Backed Securities											
4.3 Commercial Mortgage-Backed Securities											
4.4 Other Loan-Backed and Structured Securities											
4.5 Totals											
5. U.S. Special Revenue & Special Assessment Obligations, etc., Non-Guaranteed											
5.1 Issuer Obligations											
5.2 Residential Mortgage-Backed Securities	7,833,280	13,962,841	5,944,573	896,383		28,637,077	9.27			28,637,077	
5.3 Commercial Mortgage-Backed Securities											
5.4 Other Loan-Backed and Structured Securities											
5.5 Totals	7,833,280	13,962,841	5,944,573	896,383		28,637,077	9.27			28,637,077	
6. Industrial and Miscellaneous											
6.1 Issuer Obligations	1,000,273	9,605,693	4,920,822	1,650,000		17,176,788	5.56	16,259,060	6.78	17,176,788	
6.2 Residential Mortgage-Backed Securities	5,460,765	5,919,257	1,393,909	35,611		12,809,542	4.15	516,138	0.22	12,809,542	
6.3 Commercial Mortgage-Backed Securities								1,361,433	0.57		
6.4 Other Loan-Backed and Structured Securities											
6.5 Totals	6,461,038	15,524,950	6,314,731	1,685,611		29,986,330	9.71	18,136,631	7.56	29,986,330	
7. Hybrid Securities											
7.1 Issuer Obligations											
7.2 Residential Mortgage-Backed Securities											
7.3 Commercial Mortgage-Backed Securities											
7.4 Other Loan-Backed and Structured Securities											
7.5 Totals											
8. Parent, Subsidiaries and Affiliates											
8.1 Issuer Obligations											
8.2 Residential Mortgage-Backed Securities											
8.3 Commercial Mortgage-Backed Securities											
8.4 Other Loan-Backed and Structured Securities											
8.5 Totals											

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

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

	1	2	3	4	5	6	7	8	9	10	11
Distribution by Type	1 Year or Less	Over 1 Year Through 5 Years	Over 5 Years Through 10 Years	Over 10 Years Through 20 Years	Over 20 Years	Total Current Year	Column 6 as a % of Line 9.5	Total From Column 6 Prior Year	% From Column 7 Prior Year	Total Publicly Traded	Total Privately Placed
9. Total Bonds Current Year											
9.1 Issuer Obligations	52,563,447	54,487,563	108,566,793	39,313,119	5,750,367	260,681,289	84.42	X X X	X X X	260,681,289	
9.2 Residential Mortgage-Backed Securities	15,111,871	23,408,519	8,005,714	1,488,767	92,530	48,107,401	15.58	X X X	X X X	48,107,401	
9.3 Commercial Mortgage-Backed Securities								X X X	X X X		
9.4 Other Loan-Backed and Structured Securities								X X X	X X X		
9.5 Totals	67,675,318	77,896,082	116,572,507	40,801,886	5,842,897	308,788,690	100.00	X X X	X X X	308,788,690	
9.6 Line 9.5 as a % of Col. 6	21.92	25.23	37.75	13.21	1.89	100.00	X X X	X X X	X X X	100.00	
10. Total Bonds Prior Year											
10.1 Issuer Obligations	60,521,867	50,122,792	92,190,507	28,719,601	1,747,801	X X X	X X X	233,302,568	97.25	233,302,568	
10.2 Residential Mortgage-Backed Securities	1,790,548	2,639,489	504,790	286,591	12,532	X X X	X X X	5,233,950	2.18	5,233,950	
10.3 Commercial Mortgage-Backed Securities	145,319	653,148	562,966			X X X	X X X	1,361,433	0.57	1,361,433	
10.4 Other Loan-Backed and Structured Securities						X X X	X X X				
10.5 Totals	62,457,734	53,415,429	93,258,263	29,006,192	1,760,333	X X X	X X X	239,897,951	100.00	239,897,951	
10.6 Line 10.5 as a % of Col. 8	26.04	22.27	38.87	12.09	0.73	X X X	X X X	100.00	X X X	100.00	
11. Total Publicly Traded Bonds											
11.1 Issuer Obligations	52,563,447	54,487,562	108,566,793	39,313,119	5,750,367	260,681,288	84.42	233,302,568	97.25	260,681,288	X X X
11.2 Residential Mortgage-Backed Securities	15,111,873	23,408,518	8,005,714	1,488,767	92,530	48,107,402	15.58	5,233,950	2.18	48,107,402	X X X
11.3 Commercial Mortgage-Backed Securities								1,361,433	0.57		X X X
11.4 Other Loan-Backed and Structured Securities											X X X
11.5 Totals	67,675,320	77,896,080	116,572,507	40,801,886	5,842,897	308,788,690	100.00	239,897,951	100.00	308,788,690	X X X
11.6 Line 11.5 as a % of Col. 6	21.92	25.23	37.75	13.21	1.89	100.00	X X X	X X X	X X X	100.00	X X X
11.7 Line 11.5 as a % of Line 9.5, Col. 6, Section 9	21.92	25.23	37.75	13.21	1.89	100.00	X X X	X X X	X X X	100.00	X X X
12. Total Privately Placed Bonds											
12.1 Issuer Obligations										X X X	
12.2 Residential Mortgage-Backed Securities										X X X	
12.3 Commercial Mortgage-Backed Securities										X X X	
12.4 Other Loan-Backed and Structured Securities										X X X	
12.5 Totals										X X X	
12.6 Line 12.5 as a % of Col. 6							X X X	X X X	X X X	X X X	
12.7 Line 12.5 as a % of Line 9.5, Col. 6, Section 9							X X X	X X X	X X X	X X X	

## SCHEDULE DA - VERIFICATION BETWEEN YEARS

### Short-Term Investments

	1	2	3	4	5
	Total	Bonds	Mortgage Loans	Other Short-term Investment Assets (a)	Investments in Parent, Subsidiaries and Affiliates
1. Book/adjusted carrying value, December 31 of prior year .....	5,823,735	5,823,735			
2. Cost of short-term investments acquired .....					
3. Accrual of discount .....					
4. Unrealized valuation increase (decrease) .....					
5. Total gain (loss) on disposals .....					
6. Deduct consideration received on disposals .....	5,823,735	5,823,735			
7. Deduct amortization of premium .....					
8. Total foreign exchange change in book/adjusted carrying value .....					
9. Deduct current year's other than temporary impairment recognized .....					
10. Book adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 - 6 - 7 + 8 - 9) .....					
11. Deduct total nonadmitted amounts .....					
12. Statement value at end of current period (Line 10 minus Line 11) .....					

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

## SCHEDULE DB - PART A - VERIFICATION BETWEEN YEARS

### Options, Caps, Floors, Collars, Swaps and Forwards

1.	Book/Adjusted carrying value, December 31, prior year (Line 9, prior year) .....			
2.	Cost paid/(Consideration received) on additions:			
2.1	Current year paid/(consideration received) at time of acquisition, still open, Section 1, Column 12 .....			
2.2	Current year paid/(consideration received) at time of acquisition, terminated, Section 2, Column 14 .....			
3.	Unrealized valuation increase/(decrease):			
3.1	Section 1, Column 17 .....			
3.2	Section 2, Column 19 .....			
4.	Total gain (loss) on termination recognized, Section 2, Column 22 .....			
5.	Considerations received/(paid) on terminations, Section 2, Column 15 .....			
6.	Amortization:			
6.1	Section 1, Column 19 .....			
6.2	Section 2, Column 21 .....			
7.	Adjustment to the book/adjusted carrying value of hedged item:			
7.1	Section 1, Column 20 .....			
7.2	Section 2, Column 23 .....			
8.	Total foreign exchange change in book/adjusted carrying value:			
8.1	Section 1, Column 18 .....			
8.2	Section 2, Column 20 .....			
9.	Book/Adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 - 5 + 6 + 7 + 8) .....			
10.	Deduct nonadmitted assets .....			
11.	Statement value at end of current period (Line 9 minus Line 10) .....			

## SCHEDULE DB - PART B - VERIFICATION BETWEEN YEARS

### Futures Contracts

1.	Book/Adjusted carrying value, December 31 of prior year .....				
2.	Net cash deposits (Section 1, Broker Name/Net Cash Deposits Footnote) .....				
3.1	Change in variation margin on open contracts:				
3.11	Section 1, Column 15, current year minus .....				
3.12	Section 1, Column 15, prior year .....				
3.2	Add:				
	Change in adjustment to basis of hedged item:				
3.21	Section 1, Column 17, current year to date minus .....				
3.22	Section 1, Column 17, prior year .....				
	Change in amount recognized				
3.23	Section 1, Column 16, current year to date minus .....				
3.24	Section 1, Column 16, prior year .....				
3.3	Subtotal (Line 3.1 minus Line 3.2) .....				
4.1	Variation margin on terminated contracts during the year (Section 2, Column 16) .....				
4.2	Less:				
4.21	Amount used to adjust basis of hedged item (Section 2, Column 17) .....				
4.22	Amount recognized (Section 2, Column 16) .....				
4.3	Subtotal (Line 4.1 minus Line 4.2) .....				
5.	Disposition gains (losses) on contracts terminated in prior year:				
5.1	Recognized .....				
5.2	Used to adjust basis of hedged items .....				
6.	Book/Adjusted carrying value at end of current period (Lines 1 + 2 + 3.3 - 4.3 - 5.1 - 5.2) .....				
7.	Deduct total nonadmitted amounts .....				
8.	Statement value at end of current period (Line 6 minus Line 7) .....				

## SCHEDULE DB - PART C - SECTION 1

### Replication (Synthetic Asset) Transactions Open as of December 31 of Current Year

Replication (Synthetic Asset) Transactions								Components of the Replication (Synthetic Asset) Transactions							
1	2	3	4	5	6	7	8	Derivative Instrument(s) Open			Cash Instrument(s) Held				
Replication RSAT Number	Description	NAIC Designation or Other Description	Notional Amount	Book/Adjusted Carrying Value	Fair Value	Effective Date	Maturity Date	9	10	11	12	13	14	15	16
								Description	Book/Adjusted Carrying Value	Fair Value	CUSIP	Description	NAIC Designation or Other Description	Book/Adjusted Carrying Value	Fair Value
9999999 Totals						. . X X X .	. . X X X .	. . . . . X X X . . . . .			. . . . . X X X . . . . .	. . . . . X X X . . . . .	. . . . . X X X . . . . .		

## SCHEDULE DB - PART C - SECTION 2

### Replication (Synthetic Asset) Transactions Open

	First Quarter		Second Quarter		Third Quarter		Fourth Quarter		Year-To-Date	
	1 Number of Positions	2 Total Replication (Synthetic Asset) Transactions Statement Value	3 Number of Positions	4 Total Replication (Synthetic Asset) Transactions Statement Value	5 Number of Positions	6 Total Replication (Synthetic Asset) Transactions Statement Value	7 Number of Positions	8 Total Replication (Synthetic Asset) Transactions Statement Value	9 Number of Positions	10 Total Replication (Synthetic Asset) Transactions Statement Value
1. Beginning Inventory .....										
2. Add: Opened or Acquired Transactions .....										
3. Add: Increases in Replication (Synthetic Asset) Transactions Statement Value .....	X X X		X X X		X X X		X X X		X X X	
4. Less: Closed or Disposed of Transactions .....										
5. Less: Positions Disposed of for Failing Effectiveness Criteria .....										
6. Less: Decreases in Replication (Synthetic Asset) Transactions Statement Value .....	X X X		X X X		X X X		X X X		X X X	
7. Ending Inventory .....										

## SCHEDULE DB - VERIFICATION

### Verification of Book/Adjusted Carrying Value, Fair Value and Potential Exposure of all Open Derivative Contracts

	Book/Adjusted Carrying Value Check	
1. Part A, Section 1, Column 14 .....		
2. Part B, Section 1, Column 14 .....		
3. Total (Line 1 plus Line 2) .....		
4. Part D, Column 5 .....		
5. Part D, Column 6 .....		
6. Total (Line 3 minus Line 4 minus Line 5) .....		

	Fair Value Check	
7. Part A, Section 1, Column 16 .....		
8. Part B, Section 1, Column 13 .....		
9. Total (Line 7 plus Line 8) .....		
10. Part D, Column 8 .....		
11. Part D, Column 9 .....		
12. Total (Line 9 minus Line 10 minus Line 11) .....		

	Potential Exposure Check	
13. Part A, Section 1, Column 21 .....		
14. Part B, Section 1, Column 19 .....		
15. Part D, Column 11 .....		
16. Total (Line 13 plus Line 14 minus Line 15) .....		

## SCHEDULE E - VERIFICATION BETWEEN YEARS

### (Cash Equivalents)

		1	2	3
		Total	Bonds	Other (a)
1.	Book/adjusted carrying value, December 31 of prior year .....			
2.	Cost of cash equivalents acquired .....	12,243,761		12,243,761
3.	Accrual of discount .....			
4.	Unrealized valuation increase (decrease) .....			
5.	Total gain (loss) on disposals .....			
6.	Deduct consideration received on disposals .....			
7.	Deduct amortization of premium .....			
8.	Total foreign exchange change in book/adjusted carrying value .....			
9.	Deduct current year's other than temporary impairment recognized .....			
10.	Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 - 6 - 7 + 8 - 9) .....	12,243,761		12,243,761
11.	Deduct total nonadmitted amounts .....			
12.	Statement value at end of current period (Lines 10 minus 11) .....	12,243,761		12,243,761

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

E01 Schedule A - Part 1 Real Estate Owned ..... NONE

E02 Schedule A - Part 2 Real Estate Acquired ..... NONE

E03 Schedule A - Part 3 Real Estate Disposed ..... NONE

E04 Schedule B Part 1 - Mortgage Loans Owned ..... NONE

E05 Schedule B Part 2 - Mortgage Loans Acquired ..... NONE

E06 Schedule B Part 3 - Mortgage Loans Disposed ..... NONE

E07 Schedule BA Part 1 - Long-Term Invested Assets Owned ..... NONE

E08 Schedule BA Part 2 - Long-Term Invested Assets Acquired ..... NONE

E09 Schedule BA Part 3 - Long-Term Invested Assets Disposed ..... NONE

# SCHEDULE D - PART 1

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

1	2	Codes			6	7	Fair Value		10	11	Change in Book Adjusted Carrying Value				Interest					Dates	
		3	4	5			8	9			12	13	14	15	16	17	18	19	20	21	22
CUSIP Identification	Description	Code	F O R E I G N	Bond CHAR	NAIC Designation	Actual Cost	Rate Used to Obtain Fair Value	Fair Value	Par Value	Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Foreign Exchange Change in B./A.C.V.	Rate of	Effective Rate of Interest	When Paid	Admitted Amount Due and Accrued	Amount Received During Year	Acquired	Stated Contractual Maturity Date
<b>U.S. Governments - Issuer Obligations</b>																					
31331Y3T5	FFCB (15yr-ncall 5c)			1	1	1,000,000	102.7630	1,027,633	1,000,000	1,000,000					5.750	5.750	JJ	25,076	57,500	07/15/2008	07/24/2023
31331GDL0	FFCB (Bullet)				1	1,987,370	124.6820	2,493,636	2,000,000	1,991,845		1,159			5.500	5.583	AO	21,083	110,000	10/15/2008	10/22/2018
31331Y4S6	FFCB (Bullet)				1	486,880	122.1570	610,786	500,000	491,693		1,244			5.050	5.399	FA	10,521	25,250	10/17/2008	08/01/2018
31331GAU3	FFCB Note (Bullet)				1	1,071,800	126.9980	1,269,980	1,000,000	1,057,696		(4,115)			5.240	4.552	MS	16,884	52,400	05/13/2009	09/05/2023
31331VWS1	FFCB Note (Bullet)				1	1,032,175	106.4180	1,090,788	1,025,000	1,026,438		(1,047)			5.200	5.087	AO	10,956	53,300	10/10/2006	04/17/2014
31331XH3	FFCB Note (Bullet)				1	523,900	126.6190	633,096	500,000	518,486		(1,636)			5.050	4.544	JD	701	37,875	07/02/2009	12/21/2021
31331YFQ8	FFCB Note (Bullet)				1	895,900	127.7480	1,085,855	850,000	886,130		(2,824)			5.125	4.586	MN	3,993	43,563	04/29/2009	11/28/2022
313379VY2	FHLB (14yr n-call 3mth-c)				1	1,041,667	100.0230	1,041,910	1,041,667	1,041,667					3.100	3.100	JJ	15,428	8,267	07/30/2012	07/09/2026
3133XEX79	FHLB 7R-2018 A (Linked Note)				1	339,816	110.0350	379,191	344,608	344,608					5.770	5.770	MON	1,657	19,884	06/26/2006	03/23/2018
313380Y76	FHLB NOTE (10 yr n-call 1mthB)				1	3,500,000	99.7420	3,490,953	3,500,000	3,500,000					1.750	1.750	AO	11,059		10/04/2012	10/26/2022
313379QD4	FHLB Note (10 yr-ncall 1yr)				1	2,000,000	100.3770	2,007,538	2,000,000	2,000,000					2.500	2.500	JD	1,528	25,000	05/31/2012	06/20/2022
313380S73	FHLB NOTE (10yr n-call 3c)				1	2,500,000	100.0580	2,501,450	2,500,000	2,500,000					2.430	2.430	AO	13,500		09/24/2012	10/11/2022
313380WT0	FHLB NOTE (10yr n-call3c)				1	1,500,000	99.8900	1,498,346	1,500,000	1,500,000					2.250	2.250	AO	7,500		10/04/2012	10/11/2022
313380J1	FHLB NOTE (15 yr n-call3c)				1	3,000,000	100.0190	3,000,573	3,000,000	3,000,000					3.000	3.000	FA	37,250		07/17/2012	08/02/2027
313380UB1	FHLB NOTE (15yr n-call3c)				1	2,250,000	100.1080	2,252,435	2,250,000	2,250,000					3.050	3.050	AO	13,916		09/24/2012	10/18/2027
313380JD0	FHLB NOTE (15yr n-call6c)				1	3,000,000	100.1590	3,004,761	3,000,000	3,000,000					3.080	3.080	MS	29,200		08/15/2012	09/07/2027
313381S66	FHLB NOTE (8.5 yrs n-call 6c)				1	2,000,000	100.3280	2,006,566	2,000,000	2,000,000					1.950	1.950	MN	5,092		10/19/2012	05/14/2021
313370SZ2	FHLB Note (Bullet)				1	2,110,012	106.7620	2,375,455	2,225,000	2,142,045		16,198			2.250	3.111	MS	15,714	50,063	12/28/2010	09/08/2017
313373JU4	FHLB Note (Bullet)				1	1,523,250	109.1360	1,637,034	1,500,000	1,518,686		(3,170)			2.750	2.503	JD	2,635	41,250	07/20/2011	06/08/2018
3133XD4P3	FHLB Note (Bullet)				1	929,975	122.5450	1,102,901	900,000	921,893		(2,359)			4.625	4.251	MS	12,719	41,625	05/19/2009	09/11/2020
3133XJW20	FHLB Note (Bullet)				1	407,957	117.8620	477,339	405,000	406,579		(331)			5.130	5.026	MS	6,406	20,756	06/17/2008	03/10/2017
313771AA5	FHLB Note (ILL)				1FE	1,765,500	115.9320	2,028,810	1,750,000	1,760,046		(2,683)			5.625	5.446	JD	4,922	98,438	04/06/2010	06/13/2016
313380YZ4	FHLB NOTE 98yr n-call 3B)				1	2,500,000	100.0770	2,501,925	2,500,000	2,500,000					1.850	1.838	AO	7,837		10/09/2012	10/28/2020
3133XPCT9	FHLB NT (Bullet)				1	493,477	116.8800	613,621	525,000	506,311		3,063			4.250	5.100	MS	7,066	22,313	06/12/2008	03/09/2018
0199999 Subtotal - U.S. Governments - Issuer Obligations						37,859,679		40,132,582	37,816,275	37,864,123		3,499			X X X	X X X	X X X	282,703	707,484	X X X	X X X
<b>U.S. Governments - Residential Mortgage-Backed Securities</b>																					
36176RA85	G2 773431				1	3,427,349	114.1700	3,538,775	3,099,567	3,422,802		(4,548)			4.521	(0.343)	MON	11,678	17,631	06/27/2012	12/20/2061
36290UZ22	PR GNMA (Pass Through) 618260				1	666,502	111.6920	727,158	651,040	657,029		(112)			5.000	4.818	MON	2,713	32,552	07/29/2005	04/15/2035
36210K6N0	PR GNMA (Serial)495077 (u 1-100)				1	273,493	115.6110	304,026	264,451	264,451		(21)			7.000	6.806	MON	1,534	18,408	01/26/2007	09/15/2029
36296VZP6	PR GNMA Serial 702850 (units 2-100)				1	1,663,119	108.7230	1,713,927	1,576,416	1,651,305		(6,109)			5.000	4.197	MON	6,568	78,821	05/27/2010	01/15/2039
3133XRQP8	FHLB 6K-2015 1 (Linked Note)				1	1,027,584	108.4870	1,117,376	1,061,255	1,069,196		(1,714)			5.140	1.556	MON	2,832	33,989	10/15/2009	06/19/2015
0299999 Subtotal - U.S. Governments - Residential Mortgage-Backed Securities						6,733,047		7,001,262	6,251,252	6,660,783		(22,504)			X X X	X X X	X X X	25,325	181,401	X X X	X X X
0599999 Subtotal - U.S. Governments						44,592,726		47,133,844	44,067,527	44,524,906		(19,005)			X X X	X X X	X X X	308,028	888,885	X X X	X X X
<b>U.S. States, Territories and Possessions (Direct and Guaranteed) - Issuer Obligations</b>																					
011903BY6	Alaska Indl Dev Expt Auth Rev				2FE	192,024	97.0190	257,100	265,000	249,381		12,653				5.218	MON			12/24/2007	03/01/2014
01728LDG4	Allegheny Cnty PA Arpt Auth				1FE	721,875	109.1270	818,453	750,000	736,686		3,966			5.000	5.652	JJ	18,750	37,500	12/10/2008	01/01/2016
047849BV5	Atlanta GA Tax Allocation				1FE	748,500	111.4520	835,890	750,000	748,938		124			5.250	5.275	JD	3,281	39,375	03/19/2009	12/01/2019
048339QV0	ATLANTIC CITY NJ (GO)				1FE	512,500	105.1590	525,795	500,000	507,675		(2,390)			4.750	4.192	JD	1,056	23,750	12/08/2010	12/15/2015
05914FDX5	Baltimore Cnty MD (BAB)				1FE	511,215	117.3520	586,760	500,000	508,169		(1,005)			4.650	4.371	MN	3,875	23,250	10/28/2009	11/01/2020
072024NT5	BAY AREA TOLL AUTH CA REVS (BAB)				1FE	1,140,200	127.1020	1,128,452	1,000,000	1,128,452		(8,212)			6.793	5.263	AO	16,983	67,930	07/20/2011	04/01/2030
119147EY8	Buena Park CA Tax Allocation				1FE	997,500	105.5680	1,055,680	1,000,000	997,737		145			6.253	6.282	MS	20,843	62,530	05/02/2011	09/01/2023
13033LGL5	CA Helath Facs Fing Childrens Hosp				1FE	1,021,190	106.5730	1,065,730	1,000,000	1,012,652		(3,333)			4.000	3.612	JJ	20,000	40,000	05/12/2010	07/01/2016
130911Y38	CA Statewide Cmnty Dev Auth Rev				1FE	1,072,800	105.6800	1,056,800	1,000,000	1,028,678		(17,260)			5.610	3.729	FA	23,375	56,100	05/13/2010	08/01/2014
13017HAA4	California Earthquake Auth Rev				1FE	399,000	100.0340	400,136	400,000	399,441		126			6.169	6.246	JJ	12,338	24,676	09/08/2009	07/01/2016
13063A5E0	CALIFORNIA ST (GO)				1FE	1,299,940	139.0750	1,390,750	1,000,000	1,293,684		(6,256)			7.500	5.200	AO	18,750	75,000	02/29/2012	04/01/2034
13063A5B6	California ST GO				1FE	502,645	105.4220	527,110	500,000	500,734		(554)			5.250	5.127	AO	6,563	26,250	04/22/2009	04/01/2014
13063BFS6	CALIFORNIA ST GO (BAB)				1FE	1,222,160	125.2030	1,252,030	1,000,000	1,205,067		(17,093)			6.650	3.782	MS	22,167	33,250	02/29/2012	03/01/2022
13063BFV9	CALIFORNIA ST GO (BAB)				1FE	5,324,625	124.2690	5,592,105	4,500,000	5,271,933		(50,420)			7.950	5.079	MS	119,250	198,750	12/06/2012	03/01/2036
180847V28	Calrk Cnty Nev				1FE	382,750	101.5380	507,690	500,000	399,236		4,715			3.500	5.614	MN	2,917	17,500	03/24/2009	11/01/2026
156273CB8	Centre Cnty Pa Hosp Auth Rev				1FE	463,418	109.8300	499,727	455,000	458,073		(1,522)			5.625	5.242	MN	3,270	25,594	03/24/2009	11/15/2024
16103TAD0	CHARLOTTE NC ARPT SPL FACS RE				1FE	825,000	105.6980	872,009	825,000	825,000					4.557	4.557	JJ	18,798	24,228	10/19/2011	07/01/2021
163303QP8	Chelsea Mass (GO)				1FE	594,071	114.8010	677,326	590,000	592,978		(336)		</							

## SCHEDULE D - PART 1

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

1	2	Codes			6	7	Fair Value		10	11	Change in Book Adjusted Carrying Value				Interest					Dates	
		3	4	5			8	9			12	13	14	15	16	17	18	19	20	21	22
CUSIP Identification	Description	Code	F O R E I G N	Bond CHAR	NAIC Designation	Actual Cost	Rate Used to Obtain Fair Value	Fair Value	Par Value	Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Foreign Exchange Change in B./A.C.V.	Rate of	Effective Rate of Interest	When Paid	Admitted Amount Due and Accrued	Amount Received During Year	Acquired	Stated Contractual Maturity Date
181059GU4	Clark County Nev Sch District			1	1FE	1,288,500	101.6490	1,677,209	1,650,000	1,348,571		16,424			3.500	5.551	JD	2,567	57,750	01/22/2009	06/15/2025
26822LAD6	Colo Pub Hwy Auth (Muni)				2FE	524,375	102.9460	514,730	500,000	504,076		(5,881)			5.750	4.497	MS	9,583	28,750	05/04/2009	09/01/2013
196696LA4	Colorado St Brd Cmnty (BAB)				1FE	741,275	108.8910	811,238	745,000	742,196		427			3.370	3.442	MN	4,184	25,107	10/18/2010	11/01/2018
20281PDJ8	Commonwealth Fin Auth PA Rev				1FE	409,656	115.7680	463,072	400,000	406,838		(1,092)			4.860	4.501	JD	1,620	19,440	04/26/2010	06/01/2018
207758KC6	CONNECTICUT ST SPL TAX OBLIG R				1FE	1,040,220	119.6350	1,196,350	1,000,000	1,034,048		(3,534)			4.855	4.342	JD	4,046	48,550	03/22/2011	12/01/2020
2077485H3	Connecticut St Hsg Fin Auth			1	1FE	538,344	100.3210	536,717	535,000	535,355		(922)			4.750	4.569	MN	3,247	25,413	07/30/2009	11/15/2020
232263GG2	CUYAHOGA CNTY OHIO (BAB)				1FE	1,001,000	115.2710	1,152,710	1,000,000	1,000,926		(37)			6.200	6.190	JD	5,167	62,000	12/06/2010	12/01/2027
234667JG9	DALLAS CNTY TX (BAB)				1FE	1,500,000	125.9850	1,889,775	1,500,000	1,500,000					5.148	5.148	FA	29,172	77,220	12/16/2010	08/15/2024
235036XM7	DALLAS FORT WORTH TEX INTL ARP			1	1FE	2,419,988	107.6770	2,422,733	2,250,000	2,415,834		(4,154)			5.000	4.001	MN	18,750	25,623	09/25/2012	11/01/2042
24917PBK1	DENVER CITY & CNTY HSG				1FE	595,820	108.6910	652,146	600,000	596,810		989			4.550	4.768	MN	4,550	27,300	02/13/2012	11/01/2017
24917PBE5	DENVER CITY & CNTY HSG (Prerefrnd)				1FE	515,019	109.0310	599,671	550,000	523,099		8,081			4.550	6.623	MN	4,171	25,025	02/13/2012	11/01/2017
2512375V1	Detroit Mich Sew Disp Rev			1	1FE	695,070	107.8190	808,643	750,000	707,118		3,258			5.250	6.050	JJ	19,688	39,375	12/17/2008	07/01/2022
25477GCZ6	District Columbia Inc (BAB)				1FE	500,000	121.4390	607,195	500,000	500,000					4.993	4.993	JD	2,080	24,965	12/09/2009	12/01/2023
3038204D3	Fairfax Cnty VA (BAB)				1FE	760,650	116.1740	871,305	750,000	757,690		(973)			4.200	4.025	AO	7,875	31,500	10/28/2009	10/01/2019
34073NP79	Florida Hsg Fin Corp Rev				1FE	454,520	105.4810	464,116	440,000	440,000					4.700	4.700	JJ	10,340	21,130	12/02/2009	07/01/2015
341507ZF1	FLORIDA ST BRD ED LOTTERY (BAB)				1FE	541,420	115.1240	575,620	500,000	533,449		(5,409)			4.941	3.590	JJ	12,353	24,705	07/06/2011	07/01/2018
349288BX7	Forth Wayne Ind Redevel Auth			1	1FE	251,563	117.4240	293,560	250,000	250,892		(148)			5.625	5.543	FA	5,859	14,063	12/19/2007	02/01/2019
358184LW7	Fresno Calif Pwrs Fing (Muni)				1FE	1,430,121	110.3590	1,572,616	1,425,000	1,427,857		(148)			6.300	6.246	AO	22,444	89,775	08/08/2008	04/01/2017
358266BX1	FRESNO CNTY CAF PENSION OBLIG		@		1FE	432,203	69.9510	524,633	750,000	476,488		27,526			4.430	4.367	JJ	16,613	15,044	01/23/2012	11/01/2022
3735412H3	GEORGIA ST MUN ELEC AUTH				1FE	753,750	110.5150	828,863	750,000	753,460		(290)			6.040	6.040	N/A			05/11/2011	08/15/2020
396587AN7	Greenville SC Arena Dist			1	1FE	664,169	120.4830	801,212	665,000	664,343		53			5.450	5.464	AO	9,061	36,243	07/06/2009	04/01/2022
423542KL2	HEMET CALIF UNI SCH DIST				1FE	1,018,750	105.3900	1,053,900	1,000,000	1,011,723		(4,308)			5.375	4.871	JJ	26,875	53,750	05/05/2011	07/01/2015
432342CJ0	HILLSBOROUGH CNTY FLA Rev Bonds			1	1FE	1,040,000	107.0920	1,070,920	1,000,000	1,029,304		(7,256)			5.000	4.131	MS	16,667	50,000	07/05/2011	09/01/2020
442331ST2	HOUSTON TX GO (BAB)			1	1FE	1,010,000	121.2050	1,212,050	1,000,000	1,009,024		(976)			6.319	6.161	MS	21,063	63,190	11/18/2010	03/01/2030
447203BV1	Huntsville Madison Cnty ALA				1FE	533,125	112.0090	560,045	500,000	519,882		(5,218)			5.000	3.776	JJ	12,500	25,000	05/20/2010	07/01/2016
45200K3Z9	Illinois Health Facs Auth Rev			1	2FE	667,906	100.1160	670,777	670,000	669,368		428			6.250	6.323	MN	5,351	41,875	04/15/2009	05/15/2014
452151LC5	Illinois St				1FE	1,118,250	104.7470	1,115,556	1,065,000	1,105,123		(13,127)			4.050	2.436	JD	3,594	43,133	03/05/2012	06/01/2015
452151LF8	ILLINOIS ST				1FE	1,976,000	98.9160	1,978,320	2,000,000	1,976,175		175			5.100	5.208	JD	8,500	51,000	10/22/2012	06/01/2033
452152HU8	ILLINOIS ST				1FE	2,675,625	115.1130	2,877,825	2,500,000	2,651,251		(20,674)			5.877	4.735	MS	48,975	146,925	11/28/2011	03/01/2019
452152KF7	ILLINOIS ST				1FE	2,150,000	106.5650	2,131,300	2,000,000	2,148,316		(1,684)			4.500	3.305	JJ	45,000		11/29/2012	01/01/2020
452152GE5	ILLINOIS ST (BAB)				1FE	2,823,875	123.2630	3,081,575	2,500,000	2,808,227		(15,648)			5.947	4.316	AO	37,169	74,338	05/31/2012	04/01/2022
452152GQ8	Illinois ST (BAB)				1FE	810,400	109.4240	875,392	800,000	806,474		(1,654)			5.230	4.975	JJ	20,920	41,840	07/16/2010	07/01/2016
452152GR6	ILLINOIS ST (BAB)				1FE	683,658	112.4900	674,940	600,000	683,479		(179)			6.200	3.560	JJ	11,800	18,600	12/26/2012	07/01/2021
452152DU2	ILLINOIS ST (GO)				1FE	1,139,440	117.9050	1,179,050	1,000,000	1,136,319		(3,121)			6.900	5.732	MS	23,000	34,500	02/29/2012	03/01/2035
452151RD7	ILLINOIS ST GO				1FE	1,397,332	107.7160	1,427,237	1,325,000	1,358,952		(19,461)			5.000	3.406	MS	22,083	66,250	12/29/2010	09/01/2014
4521518Q9	ILLINOIS ST SER A				1FE	740,498	105.8910	794,183	750,000	744,335		1,981			3.500	3.800	MS	8,750	26,250	01/11/2011	09/01/2015
452252FJ3	Illinois St Toll Hwy Auth			1	1FE	501,750	109.5720	547,860	500,000	501,232		(517)			5.293	5.245	JJ	13,233	26,465	10/15/2009	01/01/2024
485106CN6	KANSAS CITY MO SPL OBLIG				1FE	2,307,000	119.1510	2,383,020	2,000,000	2,295,829		(9,788)			7.830	6.374	AO	39,150	156,600	11/08/2011	04/01/2040
485428ZW9	Kansas St Dev Fin Auth Rev				1FE	234,385	116.9690	263,180	225,000	231,461		(1,053)			5.012	4.402	MN	1,880	11,277	02/10/2010	05/01/2018
491189FH4	KENTUCKY ASSET / LIABILITY COM				1FE	1,055,950	107.4220	1,074,220	1,000,000	1,041,326		(12,032)			3.928	2.594	AO	9,820	39,280	10/12/2011	04/01/2016
54438EGR3	LA CA. Comnty Redevel Auth			1	1FE	1,052,688	104.2240	1,094,352	1,050,000	1,049,780		(1,870)			5.830	5.652	JD	5,101	61,215	07/20/2010	12/01/2017
511784BP4	LAKELAND IND HIGH SCH BLDG COR				1FE	603,624	113.1650	678,990	600,000	603,105		(308)			5.000	4.921	JJ	13,833	30,000	04/15/2011	11/01/2021
5178402K9	LAS VEGAS VALLEY NEV WTR DIST				1FE	1,259,888	107.4400	1,343,000	1,250,000	1,258,577		(1,169)			3.708	3.587	JD	3,863	51,758	11/16/2011	06/01/2019
533883LV4	Lincoln Mich Cons Sch Dist (BAB)			1	1FE	782,369	112.2370	847,389	755,000	776,677		(2,345)			5.950	5.470	MN	7,487	44,923	06/21/2010	05/01/2022
56040PBG2	Maine Edl Ln Auth Student Ln Rev			1	1FE	492,450	111.7360	547,506	490,000	490,000					4.500	4.500	JD	1,838	22,571	05/28/2009	12/01/2018
56052EAD7	MAINE ST HSG AUTH MTG PUR			1	1FE	750,000	104.0030	780,023	750,000	750,000					4.250	4.250	MN	4,073	10,271	06/22/2012	11/15/2027
563039AD8	Manhattan Kans Sales Tax SPL (BAB)				1FE	770,250	107.4560	805,920	750,000	760,409		(3,318)			4.224	3.718	JD	2,640	31,680	12/02/2009	12/01/2015
566880UG3	MARICOPA CNTY ARIZ SCH DIST (BAB)				1FE	1,130,955	118.3570	1,242,749	1,050,000	1,119,567		(7,739)			5.250	4.211	JJ	27,563	55,125	07/06/2011	07/01/2020
57563RKB4	MASS ST EDU FIN AUTH			1	1FE	997,000	101.6610	1,016,610	1,000,000	997,098		98			4.375	4.407	JJ	22,361		06/28/2012	07/01/2024
57563RHX0	Massachusetts Edl Fing Auth Rev				1FE	523,343	108.0930	556,679	515,000												

## SCHEDULE D - PART 1

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

1	2	Codes			6	7	Fair Value		10	11	Change in Book Adjusted Carrying Value				Interest					Dates	
		3	4	5			8	9			12	13	14	15	16	17	18	19	20	21	22
CUSIP Identification	Description	Code	F O R E I G N	Bond CHAR	NAIC Designation	Actual Cost	Rate Used to Obtain Fair Value	Fair Value	Par Value	Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Foreign Exchange Change in B./A.C.V.	Rate of	Effective Rate of Interest	When Paid	Admitted Amount Due and Accrued	Amount Received During Year	Acquired	Stated Contractual Maturity Date
598113AG3	Midvale Utah Redev Agy Tax (BAB)				1FE	511,250	112.4230	562,115	500,000	507,949		(1,299)			4.650	4.313	MN	3,875	23,250	05/14/2010	05/01/2018
598113AH1	Midvale Utah Redev Agy Tax (BAB)				1FE	505,625	114.4720	572,360	500,000	504,203		(559)			4.800	4.645	MN	4,000	24,000	05/10/2010	05/01/2019
60415NT28	Minnesota St Hsg Fin Agy			1	1FE	571,300	104.3770	605,387	580,000	573,279		539		4.900	5.055	JJ	14,210	29,325	01/22/2009	10/01/2022	
63165TAP0	Nassau Cnty NY (BAB)				1FE	1,202,308	113.5310	1,333,989	1,175,000	1,197,555		(1,550)		5.250	5.017	AO	15,422	61,688	10/14/2009	10/01/2023	
641480EU8	Nevada ST Hwy Impt Rev			1	1FE	343,260	101.6440	366,673	500,000	366,673		6,381		3.500	6.600	JD	1,458	17,500	12/17/2008	12/01/2025	
643425NF4	NEW CASTLE PA				1FE	698,618	104.5090	710,661	680,000	696,691		(1,490)		4.983	4.642	MN	4,330	33,884	09/12/2011	11/15/2021	
64577HQM6	New Jersey Econ DEV				1FE	309,750	109.7460	329,238	300,000	307,511		(839)		5.459	5.042	AO	4,094	16,377	03/17/2010	04/01/2020	
645913AV6	New Jersey Econ Dev Auth (Muni)	@			1FE	694,989	88.4780	802,495	907,000	766,273		30,702			4.131	N/A			08/11/2010	02/15/2017	
645918ZA4	NEW JERSEY ECONOMIC DEV AUTH				1FE	2,000,000	100.9640	2,019,280	2,000,000	2,000,000				2.657	2.657	MS	17,713	53,140	01/14/2011	09/01/2013	
646129TX8	NEW JERSEY ST HSG & MTG FIN AGY				1FE	1,200,000	103.1040	1,237,248	1,200,000	1,200,000				3.125	3.125	AO	9,375	29,063	12/09/2011	10/01/2017	
646136YD7	New Jersey ST Transp Tr				1FE	1,007,500	106.8150	1,068,150	1,000,000	1,005,386		(979)		3.600	3.481	JD	1,600	36,000	10/18/2010	12/15/2017	
64763HCR4	New Orleans LA Aviation Brd Rev			1	1FE	523,600	109.3740	650,775	595,000	533,049		2,616		5.500	6.655	JJ	16,363	32,725	01/12/2009	01/01/2027	
64763HDY8	New Orleans LA Aviation Brd Rev			1	1FE	504,375	118.0220	590,110	500,000	502,933		(397)		6.000	5.883	JJ	15,000	30,000	01/21/2009	01/01/2023	
64763FQE2	NEW ORLEANS LA GO			2	2FE	1,014,460	102.0390	1,020,390	1,000,000	1,014,233		(228)		4.442	4.261	MS	8,390		10/22/2012	09/01/2026	
64966JAN6	NEW YORK N Y				1FE	1,804,005	122.6180	1,839,270	1,500,000	1,784,919		(19,086)		5.487	3.233	JD	6,859	82,305	03/16/2012	12/01/2022	
64971M5K4	NEW YORK N Y CITY TRANS FIN (BAB)				1FE	1,089,740	120.6650	1,110,118	920,000	1,083,593		(6,147)		5.075	3.358	MN	7,782	23,345	05/22/2012	11/01/2025	
64966HMR8	NEW YORK N Y TRAX SUB SERIES A-1				1FE	417,594	110.6910	459,368	415,000	416,752		(428)		3.823	3.701	AO	3,966	15,865	12/30/2010	10/01/2016	
64966HTQ3	New York NY (BAB)				1FE	750,000	116.1170	870,878	750,000	750,000				4.749	4.749	JD	2,968	35,618	12/11/2009	12/01/2019	
64966HYB0	New York NY (BAB)				1FE	808,000	114.1600	913,280	800,000	805,898		(812)		4.674	4.536	MS	12,464	37,392	04/23/2010	03/01/2019	
661193BU5	North Monterey Cnty Sch Dist				1FE	424,116	106.2410	446,212	420,000	420,000				5.750	5.750	JD	2,013	24,150	07/16/2010	06/01/2016	
664257AY8	Northeast MD Waste Disp Auth			1	1FE	498,750	101.1190	505,595	500,000	499,672		247		5.500	5.555	AO	6,875	27,500	12/11/2008	04/01/2014	
64971MS60	NY City GO (BAB)			1	1FE	2,556,987	114.3880	2,859,700	2,500,000	2,547,542		(4,905)		5.717	5.400	MN	23,821	142,925	03/31/2012	05/01/2030	
671556HB7	OAK PARK CALIF UNI SCH DIST				1FE	1,509,000	108.6980	1,630,470	1,500,000	1,506,742		(1,506)		4.857	4.732	FA	30,356	80,748	06/24/2011	08/01/2019	
672319CC2	OAKLAND CA PENSION OBLIG				1FE	740,625	98.3320	737,490	750,000	740,931		306		3.800	3.962	JD	1,267	10,688	08/20/2012	12/15/2021	
672319BU3	OAKLAND CALIF PENSION OBLIG	@			1FE	769,200	83.0450	830,450	1,000,000	812,331		33,364			4.238	N/A			09/13/2011	12/15/2017	
67755WBB0	Ohio St Dev Assistance				1FE	290,000	101.1700	293,393	290,000	290,000				2.670	2.670	AO	1,936	7,743	02/10/2010	10/01/2013	
696550WS7	PALM BEACH CNTY FLA SCH BRD CT				1FE	1,472,250	115.3410	1,730,115	1,500,000	1,474,478		1,367		5.400	5.590	FA	33,750	81,000	05/04/2011	08/01/2025	
702274AV3	PASADENA CA PUB FING AUTH				1FE	2,510,640	125.2260	2,504,520	2,000,000	2,500,162		(10,478)		6.998	5.045	MS	46,653	69,980	03/19/2012	03/01/2034	
70914PP09	PENNSYLVANIA ST GO (BAB)			1	1FE	999,790	120.6290	999,806	1,000,000	999,806		8		5.850	5.852	JJ	26,975	58,500	12/17/2010	07/15/2030	
70914PPD8	PENNSYLVANIA ST (BAB)				1FE	496,990	114.5670	572,835	500,000	497,582		316		4.050	4.135	JJ	9,338	20,250	02/04/2011	07/15/2019	
717817JG6	PHILADELPHIA PA ARPT REV			1	1FE	635,375	104.8770	681,701	650,000	636,970		915		5.000	5.252	JD	1,444	32,500	03/21/2011	06/15/2023	
71781LBL2	Philadelphia PA Auth	@			1FE	631,250	90.7810	907,810	1,000,000	799,133		52,635			6.931	N/A			07/15/2009	04/15/2016	
71781QDB1	Philadelphia PA Auth (Rev Bonds)				2FE	778,778	102.6450	769,838	750,000	755,360		(6,890)		5.000	4.025	AO	9,375	37,500	06/04/2009	10/01/2013	
71781LAU3	Philadelphia PA Auth. (Muni)				1FE	225,344	87.9010	303,258	345,000	284,912		14,329			6.413	MAT			01/04/2008	04/15/2016	
717883KD3	PHILADELPHIA PA SCH DIST (BAB)				1FE	998,750	114.5720	1,145,720	1,000,000	998,951		112		5.419	5.436	JD	4,516	54,190	03/01/2011	06/01/2020	
725277CB1	PITTSBURGH PA SCH DIST			1	1FE	518,095	117.1640	585,820	500,000	514,865		(1,874)		5.002	4.481	MS	8,337	25,010	03/30/2011	09/01/2020	
73541RAF0	Port St Lucie FLA Lease Rev				1FE	507,500	112.3740	561,870	500,000	505,084		(940)		5.423	5.175	MS	9,038	27,115	04/26/2010	09/01/2017	
736746XU7	PORTLAND ORE URBAN RENEWAL & R			1	1FE	1,250,000	103.4720	1,293,400	1,250,000	1,250,000				4.023	4.023	JD	2,235	29,055	05/10/2012	06/15/2023	
74514ZS9	PR COMWLTH GO			2	2FE	2,000,000	99.8320	1,996,640	2,000,000	2,000,000				2.250	2.250	MON	3,750	30,250	03/08/2012	07/01/2013	
74514LSS7	PR Comwlth GO			2	2FE	1,000,000	105.6390	1,056,390	1,000,000	1,000,000				5.500	5.500	MON	4,583	54,998	04/01/2011	07/01/2018	
745177EG6	PR GDB Notes			1	2FE	2,516,150	101.4640	2,536,600	2,500,000	2,505,492		(5,736)		4.750	4.503	JD	9,896	118,750	02/09/2011	12/01/2015	
745177FC4	PR GDB NOTES			2	2FE	2,000,000	97.8410	1,956,820	2,000,000	2,000,000				4.500	4.500	MON	7,500	83,250	12/22/2011	08/01/2019	
745177FD2	PR GDB NOTES			1	2FE	8,053,250	98.6320	7,939,876	8,050,000	8,050,461		(2,789)		4.900	4.831	MON	32,871	337,793	06/27/2012	08/01/2021	
745177FE0	PR GDB NOTES			1	2FE	1,000,000	98.2260	982,260	1,000,000	1,000,000				4.950	4.950	MON	4,125	45,788	12/22/2011	08/01/2022	
745177FF7	PR GDB NOTES			1	2FE	10,000,000	97.9410	9,794,100	10,000,000	10,000,000				5.000	5.000	MON	41,667	462,500	01/03/2012	08/01/2023	
745177FN0	PR GDB Notes			2	2FE	3,972,400	98.0010	3,920,040	4,000,000	3,975,542		3,142		4.375	4.491	FA	72,917	84,583	02/01/2012	02/01/2019	
74527PBJ1	PR HSG FIN CORP	@			1FE	123,302	98.2720	171,976	175,000	166,409		8,169			5.098	N/A			01/17/2007	01/01/2014	
74527PBK8	PR HSG FIN CORP	@			1FE	119,366	97.2690	170,221	175,000	162,036		8,105			5.198	N/A			01/17/2007	07/01/2014	
74529JAC9	PR Sales Tax Fin (Sales Tax Rev)			1	1FE	1,559,088	108.5390	1,660,647	1,530,000	1,559,009		(479)		6.050	5.495	MON	7,714	60,500	11/30/2012	08/01/2036	
745145ZC9	PUERTO RICO COMWLTH (103)			2	2FE	1,025,770	105.2620	1,052,620	1,000,000	1,022,381		(2,050)		5.500	5.171	JJ	27,500	55,000	04/26/2011	07/01/2021	
745177ET8	PUERTO RICO COMWLTH GOVT DEV B			1	2FE	607,269	100.0270	605,163	605,000	605,000				5.400	5.400	MON	2,723	32,670	03/23/2011	08/01/2019	
74526LCZ4	PUERTO RICO HSG FIN AUTH (103)																				

## SCHEDULE D - PART 1

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

1	2	Codes			6	7	Fair Value		10	11	Change in Book Adjusted Carrying Value				Interest					Dates	
		3	4	5			8	9			12	13	14	15	16	17	18	19	20	21	22
CUSIP Identification	Description	Code	F O R E I G N	Bond CHAR	NAIC Designation	Actual Cost	Rate Used to Obtain Fair Value	Fair Value	Par Value	Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Foreign Exchange Change in B./A.C.V.	Rate of	Effective Rate of Interest	When Paid	Admitted Amount Due and Accrued	Amount Received During Year	Acquired	Stated Contractual Maturity Date
837151FT1	SOUTH CAROLINA ST PUB SVC AUT				1FE	2,082,340		107,9090	2,158,180	2,000,000		2,079,497		(2,843)	4.222	3.850	JD	7,037	50,429	05/01/2012	12/01/2026
838530LS0	South Jersey Port Copr NJ Rev			1	1FE	539,595		106,0270	572,546	540,000		539,846		72	4.500	4.515	JJ	12,150	24,300	04/16/2009	01/01/2015
843146Y96	Southern ILL Univ Revs (BAB)				1FE	619,200		110,2950	661,770	600,000		612,326		(2,034)	5.000	4.556	AO	7,500	30,000	06/03/2009	04/01/2018
791697BN4	ST LOUIS MO SPL TRANSITIONAL SCH D				1FE	554,525		125,3740	626,870	500,000		549,863		(2,890)	6.100	5.001	AO	7,625	30,500	05/11/2011	04/01/2025
852634BP8	Stamford Conn (BAB)			1	1FE	538,498		111,8150	587,029	525,000		534,678		(1,229)	5.000	4.672	FA	10,938	26,250	09/23/2009	08/01/2023
8805577X5	TENNESSEE ST SCH BD AUTH				1FE	1,861,568		116,6620	1,866,592	1,600,000		1,852,451		(9,117)	4.848	3.469	MS	22,839	38,784	04/19/2012	09/15/2027
906347GX1	Union Cnty NJ Impt Auth Rev				1FE	1,160,292		106,6740	1,242,752	1,165,000		1,161,943		492	5.290	5.348	AO	15,407	61,629	06/04/2009	04/01/2018
916277KM7	UPPER OCCOQUAN VA (BABs)				1FE	1,205,000		112,1690	1,351,636	1,205,000		1,205,000			3.950	3.950	JJ	23,799	47,598	12/30/2010	07/01/2019
924214FX2	VERMONT MUN BD BK				1FE	921,573		124,1870	1,117,683	900,000		919,793		(1,035)	5.660	5.421	JD	4,245	50,940	03/30/2011	12/01/2025
92818AEX0	VIRGINIA ST RES AUTH INFRASTRU				1FE	1,136,200		109,2370	1,136,065	1,040,000		1,132,334		(3,866)	4.046	3.145	MN	7,013	21,039	05/22/2012	11/01/2026
944488QQ1	WAYNE CNTY MI				1	1,008,070		100,9150	1,009,150	1,000,000		1,005,362		(2,708)	3.000	2.546	MS	17,000		05/15/2012	03/15/2014
944488QK4	WAYNE CNTY MI (BAB)			1	2FE	4,780,000		4,720,200	4,000,000	4,775,120		4,775,120		(4,880)	10.000	6.794	JD	33,333		12/07/2012	12/01/2040
944488QP3	WAYNE CNTY MI GO				1	1,008,700		100,5440	1,005,440	1,000,000		1,004,653		(4,047)	3.000	2.332	MS	17,000		05/15/2012	09/15/2013
944514HX9	Wayne Cnty Mich Arpt Auth Rev			1	1FE	636,532		117,8060	765,739	650,000		640,555		1,073	5.750	6.010	JD	3,115	37,375	11/24/2008	12/01/2019
944514KK3	Wayne Cnty Mich Arpt Auth Rev			1	1FE	506,000		106,5900	586,245	550,000		517,987		3,670	4.750	5.783	JD	2,177	26,125	06/30/2009	12/01/2019
976904UK6	WISCONSIN HSG & ECO DEV AUTH				1FE	700,000		108,5560	759,892	700,000		700,000			4.875	4.875	MN	5,688	34,125	12/23/2010	11/01/2018
976904UH3	WISCONSIN HSG & ECONOMIC DEV A HSG				1FE	612,102		110,5370	619,007	560,000		598,560		(7,012)	6.000	4.403	MN	5,600	33,600	01/11/2011	11/01/2017
98322PH7	Wyoming Cmnty Dev Auth Hsg Rev			1	1FE	464,419		103,5930	481,707	465,000		464,668		67	4.375	4.393	JD	1,695	20,344	01/12/2009	06/01/2017
987355DV3	YORKVILLE ILL UTD CITY			1	2FE	498,125		101,3170	506,585	500,000		498,304		159	4.625	4.674	JD	64	23,125	11/15/2011	12/30/2021
1199999 Subtotal	- U.S. States, Territories and Possessions (Direct and Guaranteed) - Issuer Obligations					205,770,287	X X X	216,929,559	198,872,000	205,640,386		205,640,386		(294,847)	X X X	X X X	X X X	2,596,228	7,891,637	X X X	X X X
1799999 Subtotal	- U.S. States, Territories and Possessions (Direct and Guaranteed)					205,770,287	X X X	216,929,559	198,872,000	205,640,386		205,640,386		(294,847)	X X X	X X X	X X X	2,596,228	7,891,637	X X X	X X X
<b>U.S. Special Revenue, Special Assessment - Residential Mortgage-Backed Securities</b>																					
05956YAS7	BAFC 2012-R2 3A5				1FM	1,543,034		99,2500	1,533,374	1,544,966		1,543,849		815	2.424	2.621	MON	3,120	20,727	05/15/2012	11/26/2036
3128S5P73	FH 1Q1346 (Floater)				1	1,377,385		107,5850	1,371,300	1,274,619		1,361,442		(15,944)	3.448	1.237	MON	7,268	39,047	03/20/2012	05/01/2039
3128S5RD8	FH1Q1384 (ARM) Taxable				1	2,975,845		106,4900	2,949,598	2,769,839		2,966,957		(8,888)	2.726	1.251	MON	12,516	38,399	05/01/2012	07/01/2038
31398V7F7	FHR 3649 BW				1	2,551,421		105,2540	2,530,490	2,404,166		2,521,626		(29,795)	4.000	(0.418)	MON	8,014	56,097	05/23/2012	03/15/2025
31418MRR5	FN AD0495				1	2,188,079		109,9030	2,177,488	2,176,821		2,176,821			5.500	(2,218)	MON	9,081	45,762	06/19/2012	02/01/2035
31396KB50	FNR 2006-85 MZ				1	3,137,654		116,4410	3,107,286	2,668,550		3,148,340		10,686	6.500	2.910	MON	14,455		09/12/2012	09/25/2036
31396QHD4	FNR 2009-47 MT				1	2,384,255		111,4810	2,350,913	2,108,794		2,345,709		(38,546)	7.000	(2,621)	MON	12,301	49,205	08/01/2012	07/25/2039
31396QXW4	FNR 2009-70 PB				1	1,619,531		105,5120	1,582,680	1,500,000		1,565,024		(64,508)	5.000	(0.858)	MON	5,625	56,250	02/29/2012	10/25/2038
31398RQ40	FNR 2010-64 BA				1	2,640,187		106,1350	2,588,989	2,439,324		2,634,263		(5,924)	5.000	2.516	MON	10,164	30,492	09/19/2012	05/25/2040
3136A5Z66	FNR 2012-50 HB				1	2,584,357		105,0040	2,517,028	2,397,085		2,561,211		(23,147)	4.000	0.248	MON	7,990	47,942	06/20/2012	03/25/2042
38373A3G9	GMR 2009-64 ZD				1	2,905,690		128,8640	2,949,685	2,288,989		2,923,617		17,927	6.000	2.631	MON	11,445		08/20/2012	04/20/2034
83165AKJ2	SBA Pool 521897				1	2,891,231		117,3740	2,928,636	2,495,129		2,888,217		(3,014)	3.952	1.123	MON	24,604		10/04/2012	11/25/2037
2699999 Subtotal	- U.S. Special Revenue, Special Assessment - Residential Mortgage-Backed Securities					28,798,669	X X X	28,587,467	25,872,744	28,637,076		28,637,076		(161,596)	X X X	X X X	X X X	126,583	383,921	X X X	X X X
3199999 Subtotal	- U.S. Special Revenue, Special Assessment					28,798,669	X X X	28,587,467	25,872,744	28,637,076		28,637,076		(161,596)	X X X	X X X	X X X	126,583	383,921	X X X	X X X
<b>Industrial &amp; Miscellaneous (Unaffiliated) - Issuer Obligations</b>																					
06739FGF2	BARCLAYS BK PLC NOTES				1FE	522,945		112,0890	560,444	500,000		517,270		(4,218)	5.000	3.993	MS	6,875	25,000	08/23/2011	09/22/2016
172967EQ0	Citigroup Inc. (Senior Note)				1FE	1,004,330		101,0300	1,010,303	1,000,000		1,000,272		(945)	5.500	5.400	AO	12,222	55,000	04/08/2008	04/11/2013
172967EH0	CITIGROUP NOTES				1FE	1,332,370		117,8150	1,472,683	1,250,000		1,317,161		(12,738)	6.000	4.695	FA	28,333	75,000	12/12/2011	08/15/2017
22546QAA5	CREDIT SUISSE NY CORP BOND				1FE	528,102		106,3990	531,997	500,000		515,888		(11,494)	5.500	3.051	MN	4,583	27,500	12/08/2011	05/01/2014
36962G5J9	GE CAP CORP MTN BE				1FE	623,731		114,1040	684,622	600,000		621,772			4.650	4.153	AO	5,735	27,900	01/11/2012	10/17/2021
36966TGZ9	GE CAP INTL CORP			1	1	745,313		98,5460	739,098	750,000		745,401		89	3.000	3.225	FMAN	2,938		12/10/2012	11/14/2027
36962G3H5	GENERAL ELEC CAP CORP MTN BE				1FE	553,270		117,9720	542,354	500,000		517,970		(8,107)	5.625	3.650	MS	8,281	28,125	08/23/2011	09/15/2017
38143U6J5	GOLDMAN SACHS CORP BOND (STEP-UP)				1FE	1,250,000		99,3290	1,241,606	1,250,000		1,250,000			4.000	4.002	FA	17,222		08/16/2012	08/28/2027
38141GFM1	GOLDMAN SACHS CORP BOND (TAXABLE)				1FE	1,083,600		117,4770	1,174,768	1,000,000		1,075,013		(8,586)	6.150	4.529	AO	15,375	30,750	04/23/2012	04/01/2018
38143USC6	GOLDMAN SACHS GROUP INC				1FE	750,000		105,8520	793,892	750,000		750,000			3.625	3.625	FA	10,875	13,594	02/22/2012	02/07/2016
38141EJ83	GOLDMAN SACHS GRP BOND				1	1,000,000		97,7410	977,405	1,000,000		1,000,000			3.500	3.500	MON	1,566	2,139	11/15/2012	11/15/2024
428236BQ5	HEWLETT PACKARD CORP BOND				1	1,973,900		99,1310	1,982,616	2,000,000		1,974,036		135	4.375	4.557	MS	25,764		12/11/2012	09/15/2021
476565AA4	JERSEY CITY MED CTR (CALLABLE)			1	1	1,000,000		100,0000	1,000,000	1,000,000		1,000,000			3.039	3.039	MN	2,617		11/15/2012	11/20/2028
617446C23	MORGAN STANLEY CORP BOND				1FE	1,103,491		110,6580	1,195,107	1,080,000		1,099,332		(3,369)	5.450	4.954					

# SCHEDULE D - PART 1

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

1 CUSIP Identification	2 Description	Codes			6 NAIC Designation	7 Actual Cost	Fair Value		10 Par Value	11 Book/ Adjusted Carrying Value	Change in Book Adjusted Carrying Value				Interest					Dates	
		3 Code	4 F O R E I G N	5 Bond CHAR			8 Rate Used to Obtain Fair Value	9 Fair Value			12 Unrealized Valuation Increase/ (Decrease)	13 Current Year's (Amortization)/ Accretion	14 Current Year's Other Than Temporary Impairment Recognized	15 Total Foreign Exchange Change in B./A.C.V.	16 Rate of	17 Effective Rate of Interest	18 When Paid	19 Admitted Amount Due and Accrued	20 Amount Received During Year	21 Acquired	22 Stated Contractual Maturity Date
05948XY21	BOAMS 2004-1 4A1				1FM	84,650	104,4790	92,852	88,871	87,887		254			5.000	5.632	MON	370	4,444	10/02/2008	02/25/2019
12668BEG4	CMALT 2005-85CB 2A2				1FM	268,757	82,7700	304,472	367,854	268,332	(442)	36,617			5.500	6.608	MON	1,686	20,301	02/25/2008	02/25/2036
17317ECS8	CMLTI 2010-7 12A1				1FM	1,354,882	106,3500	1,364,184	1,282,728	1,323,587	(31,294)			5.250	(2,509)	MON	5,612	51,035	02/29/2012	08/25/2036	
12642MCE8	CSMC SERIES 2009-12R				1FM	1,117,946	101,7130	1,106,660	1,088,025	1,109,200	(5,134)			5.975	4,674	MON	5,417	65,126	04/01/2011	09/27/2037	
12642YBN3	CSMC SERIES 2009-16R 3a1				1FM	682,017	101,2260	686,091	677,780	680,562	(1,455)			2.890	2,042	MON	1,632	11,523	05/15/2012	01/26/2047	
12645BDN8	CSMC SERIES 2010-17R				1FM	1,287,649	102,1950	1,286,957	1,259,314	1,282,538	(5,110)			3.500	1,786	MON	3,673	33,057	03/20/2012	02/27/2035	
126694K31	CWHL 2006-6 A1				1FM	366,438	92,0620	384,326	417,466	366,438	107	18,013		6.000	6.651	MON	2,087	25,255	06/23/2008	04/25/2036	
36185NX39	GMACM MTG LN TR 2004-AR1 (FLT)				3FM	2,320,059	103,0900	2,322,089	2,252,485	2,317,805	(2,255)			3.385	2,503	MON	6,353	26,022	08/13/2012	06/25/2034	
46633PAC6	JPMRR 2009-7 2A1				1FM	1,036,419	102,3140	1,078,977	1,054,575	1,036,419	4,213	7,477		6.000	6.881	MON	5,273	63,275	12/09/2009	02/27/2037	
576434T20	MALT 2005-5 3A1				3FM	851,245	91,6510	844,341	921,257	851,322	456	10,509		5.750	6,276	MON	4,414	52,959	02/22/2008	08/25/2035	
761118XN3	RALI 2006-QS3 1A10				1FM	105,722	77,6310	112,942	145,485	105,722	474	5,964		6.000	8.691	MON	727	8,730	03/03/2008	03/25/2036	
749228AJ1	RALI 2006-QS4 A9				1FM	545,991	78,0800	611,070	782,617	546,666	(4,291)	3,232		6.000	9.661	MON	3,913	46,968	04/29/2008	04/25/2036	
74927BAK6	RBSSP 2009-8 7A1				3FM	331,219	108,9590	334,548	307,039	317,479				12.859	9.371	MON	3,290	39,531	04/27/2010	09/26/2037	
3399999	Subtotal - Industrial & Miscellaneous (Unaffiliated) - Residential Mortgage-Backed Securities					12,886,503	X X X	13,071,234	13,079,363	12,809,542	(60,506)	81,812		X X X	X X X	X X X	55,444	542,578	X X X	X X X	
3899999	Subtotal - Industrial & Miscellaneous (Unaffiliated)					30,132,445	X X X	30,856,133	29,959,363	29,986,322	(116,603)	81,812		X X X	X X X	X X X	269,462	925,391	X X X	X X X	
7799999	Subtotals - Issuer Obligations					260,875,908	X X X	274,847,040	253,568,275	260,681,289	(347,445)			X X X	X X X	X X X	3,092,949	8,981,934	X X X	X X X	
7899999	Subtotals - Residential Mortgage-Backed Securities					48,418,219	X X X	48,659,963	45,203,359	48,107,401	(244,606)	81,812		X X X	X X X	X X X	207,352	1,107,900	X X X	X X X	
8399999	Grand Total - Bonds					309,294,127	X X X	323,507,003	298,771,634	308,788,690	(592,051)	81,812		X X X	X X X	X X X	3,300,301	10,089,834	X X X	X X X	

## SCHEDULE D - PART 2 - SECTION 1

Showing all PREFERRED STOCKS Owned December 31 of Current Year

1 CUSIP Identification	2 Description	Codes		5 Number of Shares	6 Par Value Per Share	7 Rate Per Share	8 Book/Adjusted Carrying Value	Fair Value		11 Actual Cost	Dividends			Change in Book/Adjusted Carrying Value				20 NAIC Designation	21 Date Acquired	
		3 Code	4 For- eign					9 Rate Per Share Used to Obtain Fair Value	10 Fair Value		12 Declared but Unpaid	13 Amount Received During Year	14 Nonadmitted Declared But Unpaid	15 Unrealized Valuation Increase/ (Decrease)	16 Current Year's (Amortization) Accretion	17 Current Year's Other than Temporary Impairment Recognized	18 Total Change in B./A.C.V. (15+16-17)			19 Total Foreign Exchange Change in B./A.C.V.
<b>Industrial and Miscellaneous (Unaffiliated)</b>																				
68618W605	ORIENTAL FINL GROUP (PFD)			20,000,000	25.00		500,000	25.820	516,400	500,000	35,625								P4V	11/01/2012
8499999	Subtotal - Industrial and Miscellaneous (Unaffiliated)						500,000	X X X	516,400	500,000	35,625								X X X	X X X
8999999	Total Preferred Stocks						500,000	X X X	516,400	500,000	35,625								X X X	X X X

## SCHEDULE D - PART 2 - SECTION 2

### Showing All COMMON STOCKS Owned December 31 of Current Year

1 CUSIP Identification	2 Description	Codes		5 Number of Shares	6 Book/Adjusted Carrying Value	Fair Value		9 Actual Cost	Dividends			Change in Book/Adjusted Carrying Value				17 NAIC Market Indicator (a)	18 Date Acquired
		3 Code	4 For- eign			7 Rate per Share Used to Obtain Fair Value	8 Fair Value		10 Declared but Unpaid	11 Amount Received During Year	12 Nonadmitted Declared But Unpaid	13 Unrealized Valuation Increase/ (Decrease)	14 Current Year's Other Than Temporary Impairment Recognized	15 Total Change in B./A.C.V. (Col. 13-14)	16 Total Foreign Exchange Change in B./A.C.V.		
<b>Mutual Funds</b>																	
233379718	DWS RREEF GLOBAL INTL FD INC			86,641.023	1,025,830	11.840	1,025,830	1,007,773		17,120		18,057		18,057		1	12/20/2012
336127105	First PR Target Mat Inc Opp FD I			98,879.000	855,303	8.650	855,303	897,821		2,457		(42,518)		(42,518)		1	12/13/2012
336127204	First PR Target Mat Income Opp I			161.085	1,393	8.650	1,393	1,390				3		3		1	12/17/2012
33611R102	First PR Tax Exempt (Mat FD V)			55,000.000	484,550	8.810	484,550	445,500		58,187		26,950		26,950		U	10/26/2006
33611M202	First PR Tax Exempt Target Mat II			52,634.987	522,139	9.920	522,139	490,262		26,349		28,424		28,424		U	03/15/2011
33611N200	First PR Tax Exempt Target Mat IV			16,015.049	156,147	9.750	156,147	141,011		8,674		2,584		2,584		L	07/16/2012
33613L202	First PR Tax Exempt Target Mat VII			311,729.187	3,039,360	9.750	3,039,360	3,117,212		2,212		(77,852)		(77,852)		1	12/17/2012
33611R201	First PR Tax Exempt V			101,670.320	895,715	8.810	895,715	844,098		22,007		49,141		49,141		U	12/17/2012
74441R102	PRUDENTIAL SHORT-TERM CORP BF FUND			86,730.270	1,002,602	11.560	1,002,602	1,000,000		11,393		2,602		2,602		U	07/19/2012
880208103	TEMPLETON GLOBAL BOND FD A			75,187.970	1,006,015	13.380	1,006,015	1,000,000		38,030		6,015		6,015		1	09/26/2012
81369Y886	Utilities Select Sector (XLU)			20,000.000	698,410	34.921	698,410	708,400				(9,990)		(9,990)		L	12/19/2012
9299999	Subtotal - Mutual Funds				9,687,464	X X X	9,687,464	9,653,467		186,429		3,416		3,416		X X X	X X X
9799999	Total Common Stocks				9,687,464	X X X	9,687,464	9,653,467		186,429		3,416		3,416		X X X	X X X
9899999	Total Preferred and Common Stocks				10,187,464	X X X	10,203,864	10,153,467	35,625	186,429		3,416		3,416		X X X	X X X

(a) For all common stocks bearing the NAIC market indicator "U" provide: the number of such issues .....4, the total \$ value (included in Column 8) of all such issues \$.....2,905,006.

## SCHEDULE D - PART 3

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

1 CUSIP Identification	2 Description	3 Foreign	4 Date Acquired	5 Name of Vendor	6 Number of Shares of Stock	7 Actual Cost	8 Par Value	9 Paid for Accrued Interest and Dividends
<b>Bonds - U.S. Governments</b>								
313379VY2	FHLB (14yr n-call 3mth-c)		07/30/2012	UNICO	X X X	2,500,000	2,500,000.00	4,736
313380Y76	FHLB NOTE (10 yr n-call 1mthB)		10/04/2012	santander	X X X	3,500,000	3,500,000.00	
313379QD4	FHLB Note (10 yr-ncall 1yr)		05/31/2012	santander	X X X	2,000,000	2,000,000.00	
313380S73	FHLB NOTE (10yr n-call 3c)		09/24/2012	ubs	X X X	2,500,000	2,500,000.00	
313380W70	FHLB NOTE (10yr n-call3c)		10/04/2012	BBVA	X X X	1,500,000	1,500,000.00	
3133806J1	FHLB NOTE (15 yr n-call3c)		07/17/2012	santander	X X X	3,000,000	3,000,000.00	
313380UB1	FHLB NOTE (15yr n-call3c)		09/24/2012	BBVA	X X X	2,250,000	2,250,000.00	
313380JD0	FHLB NOTE (15yr n-call6c)		08/15/2012	santander	X X X	3,000,000	3,000,000.00	
3133815G6	FHLB NOTE (8.5 yrs n-call 6c)		10/19/2012	santander	X X X	2,000,000	2,000,000.00	
313380YZ4	FHLB NOTE 98yr n-call 3B)		10/09/2012	Undefined	X X X	2,500,000	2,500,000.00	
36176RA85	G2 773431		06/27/2012	UNICO	X X X	3,434,824	3,065,951.52	385
0599999	Subtotal - Bonds - U.S. Governments					28,184,824	27,815,951.52	5,121
<b>Bonds - U.S. States, Territories and Possessions (Direct and Guaranteed)</b>								
13063A5E0	CALIFORNIA ST (GO)		02/29/2012	UNICO	X X X	1,299,940	1,000,000.00	32,083
13063BFS6	CALIFORNIA ST GO (BAB)		02/29/2012	UNICO	X X X	1,222,160	1,000,000.00	739
13063BFV9	CALIFORNIA ST GO (BAB)		12/06/2012	UNICO	X X X	4,211,875	3,500,000.00	69,342
167485T50	CHICAGO ILL		10/09/2012	VARIOUS	X X X	5,107,025	4,470,000.00	61,573
167486PE3	CHICAGO ILL GO		07/31/2012	ubs	X X X	2,094,589	1,850,000.00	16,188
167560QD6	CHICAGO ILL MET WTR		10/04/2012	UNICO	X X X	2,996,550	2,500,000.00	44,792
235036XM7	DALLAS FORT WORTH TEX INTL ARP		09/25/2012	ubs	X X X	2,419,988	2,250,000.00	15,313
24917PBK1	DENVER CITY & CNTY HSG		02/13/2012	Undefined	X X X	595,820	600,000.00	7,735
24917PBE5	DENVER CITY & CNTY HSG (Prerefn)		02/13/2012	santander	X X X	515,019	550,000.00	7,090
3735412H3	GEORGIA ST MUN ELEC AUTH		01/23/2012	santander	X X X	753,750	750,000.00	738
452151LC5	Illinois St		03/05/2012	santander	X X X	1,118,250	1,065,000.00	11,622
452151LF8	ILLINOIS ST		10/22/2012	UNICO	X X X	1,976,000	2,000,000.00	40,800
452152KF7	ILLINOIS ST		11/29/2012	ULICO	X X X	2,150,000	2,000,000.00	38,250
452152GE5	ILLINOIS ST (BAB)		05/31/2012	ubs	X X X	2,823,875	2,500,000.00	26,431
452152GR6	ILLINOIS ST (BAB)		12/26/2012	UNICO	X X X	683,658	600,000.00	18,600
452152DU2	ILLINOIS ST (GO)		02/29/2012	UNICO	X X X	1,139,440	1,000,000.00	767
56052E4D7	MAINE ST HSG AUTH MTG PUR		06/22/2012	santander	X X X	750,000	750,000.00	
57563RKB4	MASS ST EDU FIN AUTH		06/28/2012	UNICO	X X X	997,000	1,000,000.00	729
57583RBS3	MASSACHUSETTS ST DEV FIN AGY R		03/19/2012	UNICO	X X X	1,073,650	1,000,000.00	25,033
576000KW2	MASSACHUSETTS ST SCH BLDG AUTH		05/02/2012	UNICO	X X X	2,398,584	2,000,000.00	42,590
59266TEC1	METROPOLITAN WTR DIST STH CA (BAB)		08/24/2012	UNICO	X X X	4,305,000	3,500,000.00	39,173
5946108C4	MICHIGAN ST SCH LOANS		04/19/2012	UNICO	X X X	1,538,955	1,500,000.00	1,765
64763FQE2	NEW ORLEANS LA GO		10/22/2012	UNICO	X X X	1,014,460	1,000,000.00	247
64966JAN6	NEW YORK N Y		03/16/2012	UNICO	X X X	1,804,005	1,500,000.00	25,149
64971M5K4	NEW YORK N Y CITY TRANS FIN (BAB)		05/22/2012	ubs	X X X	1,089,740	920,000.00	3,113
64971MS60	NY City GO (BAB)		03/31/2012	Undefined	X X X	510,287	500,000.00	
672319CC2	OAKLAND CA PENSION OBLIG		08/20/2012	BBVA	X X X	740,625	750,000.00	1,821
702274AV3	PASADENA CA PUB FING AUTH		03/19/2012	UNICO	X X X	2,510,640	2,000,000.00	8,164
736746XU7	PORTLAND ORE URBAN RENEWAL & R		05/10/2012	santander	X X X	1,250,000	1,250,000.00	
74514LZS9	PR CMWLTH GO		03/08/2012	ubs	X X X	2,000,000	2,000,000.00	
745177FD2	PR GDB NOTES		06/27/2012	UNICO	X X X	5,053,250	5,050,000.00	12,815
745177FF7	PR GDB NOTES		01/03/2012	UNICO	X X X	7,000,000	7,000,000.00	11,667
745177FN0	PR GDB Notes		02/01/2012	ubs	X X X	5,958,600	6,000,000.00	
74529JAC9	PR Sales Tax Fin (Sales Tax Rev)		11/30/2012	ubs	X X X	569,088	530,000.00	356
745235M73	PUERTO RICO PUB BLDGS AUTH REV		09/19/2012	Undefined	X X X	500,000	500,000.00	
74529JES0	PUERTO RICO SALES TAX FING COR		05/31/2012	ubs	X X X	1,068,381	995,000.00	663
837151FT1	SOUTH CAROLINA ST PUB SVC AUT		05/01/2012	UNICO	X X X	2,082,340	2,000,000.00	1,876
8805577X5	TENNESSEE ST SCH BD AUTH		04/19/2012	UNICO	X X X	1,861,568	1,600,000.00	8,403

## SCHEDULE D - PART 3

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

1 CUSIP Identification	2 Description	3 Foreign	4 Date Acquired	5 Name of Vendor	6 Number of Shares of Stock	7 Actual Cost	8 Par Value	9 Paid for Accrued Interest and Dividends
92818AEX0	VIRGINIA ST RES AUTH INFRASTRU		05/22/2012	ubs	X X X	1,136,200	1,040,000.00	2,805
944488QQ1	WAYNE CNTY MI		05/15/2012	santander	X X X	1,008,070	1,000,000.00	
944488QK4	WAYNE CNTY MI (BAB)		12/07/2012	UNICO	X X X	4,780,000	4,000,000.00	12,222
944488QP3	WAYNE CNTY MI GO		05/15/2012	santander	X X X	1,008,700	1,000,000.00	
1799999 Subtotal - Bonds - U.S. States, Territories and Possessions (Direct and Guaranteed)						85,117,082	78,020,000.00	590,654
<b>Bonds - U.S. Special Revenue, Special Assessment</b>								
05956YAS7	BAFC 2012-R2 3A5		05/15/2012	UNICO	X X X	1,733,752	1,735,922.14	1,862
3128S5P73	FH 1Q1346 (Floater)		03/20/2012	UNICO	X X X	1,608,101	1,488,121.35	4,652
3128S5RD8	FH1Q1384 (ARM) Taxable		05/01/2012	UNICO	X X X	3,168,592	2,949,241.86	5,192
31398V7F7	FHR 3649 BW		05/23/2012	UNICO	X X X	3,183,750	3,000,000.00	9,333
31418MRR5	FN AD0495		06/19/2012	Performance Trust	X X X	2,653,811	2,402,998.32	4,038
31396KB50	FNR 2006-85 MZ		09/12/2012	UNICO	X X X	3,137,654	2,625,651.74	7,585
31396QHD4	FNR 2009-47 MT		08/01/2012	UNICO	X X X	2,928,064	2,589,775.04	2,518
31396QXW4	FNR 2009-70 PB		02/29/2012	UNICO	X X X	1,619,531	1,500,000.00	833
31398RQ40	FNR 2010-64 BA		09/19/2012	UNICO	X X X	2,976,962	2,750,477.29	7,640
3136A5Z66	FNR 2012-50 HB		06/20/2012	UNICO	X X X	2,673,503	2,479,770.65	6,613
38373A3G9	GNR 2009-64 ZD		08/20/2012	UNICO	X X X	2,905,690	2,243,775.97	8,601
83165AKJ2	SBA Pool 521897		10/04/2012	UNICO	X X X	2,891,231	2,495,129.18	5,752
3199999 Subtotal - Bonds - U.S. Special Revenue, Special Assessment						31,480,641	28,260,863.54	64,619
<b>Bonds - Industrial and Miscellaneous (Unaffiliated)</b>								
02660TCJ0	AHM 2004-4 6A1		04/17/2012	UNICO	X X X	2,349,673	2,237,784.16	6,496
17317ECS8	CMLTI 2010-7 12A1		02/29/2012	UNICO	X X X	1,623,439	1,536,983.90	897
12642YBN3	CSMC SERIES 2009-16R 3a1		05/15/2012	UNICO	X X X	992,921	986,754.10	1,309
12645BDN8	CSMC SERIES 2010-17R		03/20/2012	Performance Trust	X X X	1,492,124	1,459,289.87	3,121
36962G5J9	GE CAP CORP MTN BE		01/11/2012	VARIOUS	X X X	623,731	600,000.00	6,975
36966TGZ9	GE CAP ITAL CORP		12/10/2012	BBVA	X X X	745,313	750,000.00	1,813
36185NX39	GMACM MTG LN TR 2004-AR1 (FLT)		08/13/2012	Undefined	X X X	2,487,805	2,415,344.84	3,406
38143U6J5	GOLDMAN SACHS CORP BOND (STEP-UP)		08/16/2012	ULICO	X X X	1,250,000	1,250,000.00	
38141GFM1	GOLDMAN SACHS CORP BOND (TAXABLE)		04/23/2012	ubs	X X X	1,083,600	1,000,000.00	4,271
38143USC6	GOLDMAN SACHS GROUP INC		02/22/2012	UNICO	X X X	750,000	750,000.00	1,510
38141EJ83	GOLDMAN SACHS GRP BOND		11/15/2012	UNICO	X X X	1,000,000	1,000,000.00	
428236BQ5	HEWLETT PACKARD CORP BOND		12/11/2012	ubs	X X X	1,973,900	2,000,000.00	21,632
476565AA4	JERSEY CITY MED CTR (CALLABLE)		11/15/2012	UNICO	X X X	1,000,000	1,000,000.00	
617446C23	MORGAN STANLEY CORP BOND		06/26/2012	Undefined	X X X	589,306	580,000.00	14,927
61760LBF1	MORGAN STANLEY CORP BOND		11/15/2012	UNICO	X X X	650,000	650,000.00	
72447XAB3	PITNEY BOWES INC		12/27/2012	ORIENTAL FINANCIAL SERVIC	X X X	1,389,150	1,350,000.00	32,878
78011PAF4	ROYAL BK SCOTLAND GROUP PLC		10/04/2012	UNICO	X X X	700,000	700,000.00	
3899999 Subtotal - Bonds - Industrial and Miscellaneous (Unaffiliated)						20,700,962	20,266,156.87	99,235
8399997 Subtotal - Bonds - Part 3						165,483,509	154,362,971.93	759,629
8399998 Summary item from Part 5 for Bonds						20,754,650	20,800,000.00	5,958
8399999 Subtotal - Bonds						186,238,159	175,162,971.93	765,587
<b>Preferred Stocks - Industrial and Miscellaneous (Unaffiliated)</b>								
68618W605	ORIENTAL FINL GROUP (PFD)		11/01/2012	BBVA	20,000.000	500,000	25.00	
8499999 Subtotal - Preferred Stocks - Industrial and Miscellaneous (Unaffiliated)						500,000	X X X	
8999997 Subtotal - Preferred Stocks - Part 3						500,000	X X X	
8999998 Summary Item from Part 5 for Preferred Stocks							X X X	
8999999 Subtotal - Preferred Stocks						500,000	X X X	

E13.1

### SCHEDULE D - PART 3

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

1 CUSIP Identification	2 Description	3 Foreign	4 Date Acquired	5 Name of Vendor	6 Number of Shares of Stock	7 Actual Cost	8 Par Value	9 Paid for Accrued Interest and Dividends
<b>Common Stocks - Mutual Funds</b>								
233379718	DWS RREEF GLOBAL INTL FD INC		12/20/2012	BBVA	86,641.023	1,007,773	X X X	
336127105	First PR Target Mat Inc Opp FD I		12/13/2012	santander	98,879.000	897,821	X X X	
336127204	First PR Target Mat Income Opp I		12/17/2012	santander	161.085	1,390	X X X	
33611N200	First PR Tax Exempt Target Mat IV		07/16/2012	santander	521.556	5,135	X X X	
33613L202	First PR Tax Exempt Target Mat VII		12/17/2012	santander	311,729.187	3,117,212	X X X	
33611R201	First PR Tax Exempt V		12/17/2012	santander	2,549.704	21,890	X X X	
74441R102	PRUDENTIAL SHORT-TERM CORP BF FUND		07/19/2012	santander	86,730.270	1,000,000	X X X	
880208103	TEMPLETON GLOBAL BOND FD A		09/26/2012	santander	75,187.970	1,000,000	X X X	
81369Y886	Utilities Select Sector (XLU)		12/19/2012	santander	20,000.000	708,400	X X X	
9299999	Subtotal - Common Stocks - Mutual Funds					7,759,621	X X X	
9799997	Subtotal - Common Stocks - Part 3					7,759,621	X X X	
9799998	Summary Item from Part 5 for Common Stocks						X X X	
9799999	Subtotal - Common Stocks					7,759,621	X X X	
9899999	Subtotal - Preferred and Common Stocks					8,259,621	X X X	
9999999	Totals					194,497,780	X X X	765,587

# SCHEDULE D - PART 4

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

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21
										11	12	13	14	15						
CUSIP Identification	Description	Forfeign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase/(Decrease)	Current Year (Amortization)/Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B./A.C.V. (Cols. 11+12-13)	Total Foreign Exchange Change in B./A.C.V.	Book/Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/Stock Dividends Received During Year	Stated Contractual Maturity Date
<b>Bonds - U.S. Governments</b>																				
31331KRF9	FFCB (15 yr n-call1c)		07/13/2012	CALLED @ 100.0000000	X X X	3,000,000	3,000,000.00	3,000,000	3,000,000						3,000,000				135,000	07/13/2026
31331KRE2	FFCB Note (10yr n-call 1c)		07/12/2012	CALLED @ 100.0000000	X X X	1,250,000	1,250,000.00	1,250,000	1,250,000						1,250,000				48,375	07/12/2021
31331JEN9	FFCB Note (10yr n-call2C)		02/24/2012	CALLED @ 100.0000000	X X X	2,000,000	2,000,000.00	2,000,000	2,000,000						2,000,000				41,900	02/24/2020
31331KAJ9	FFCB Note (7yr n-call 1c)		01/25/2012	CALLED @ 100.0000000	X X X	2,300,000	2,300,000.00	2,300,000	2,300,000						2,300,000				38,525	01/25/2018
31331KKP4	FFCB Note (7yr n-call 1c)		05/11/2012	CALLED @ 100.0000000	X X X	650,000	650,000.00	650,000	650,000						650,000				10,563	05/11/2018
31331KS50	FFCB Note (8.5 yr n-call 3c)		02/14/2012	CALLED @ 100.0000000	X X X	1,500,000	1,500,000.00	1,498,500	1,498,511		19		19		1,498,530		1,470	1,470	9,844	05/14/2020
313379VY2	FHLB (14yr n-call 3mth-c)		12/17/2012	CALLED @ 100.0000000	X X X	1,458,333	1,458,333.33	1,458,333							1,458,333				11,574	07/09/2026
3133XRQP8	FHLB 6K-2015 1 (Linked Note)		12/20/2012	PRINCIPAL RECEIPT	X X X	414,406	414,406.15	440,307	424,217		(9,811)		(9,811)		414,406				11,326	06/19/2015
3133XC2X0	FHLB 7H-2012 A (Linked Note)		06/25/2012	PRINCIPAL RECEIPT	X X X	691,251	691,250.73	697,731	691,251						691,251				16,410	06/15/2012
3133XEX79	FHLB 7R-2018 A (Linked Note)		12/26/2012	PRINCIPAL RECEIPT	X X X	203,326	203,325.63	200,498	203,326						203,326				6,452	03/23/2018
313372J96	FHLB Callable (7yr n-call 1c)		02/15/2012	CALLED @ 100.0000000	X X X	3,000,000	3,000,000.00	3,000,000	3,000,000						3,000,000				51,000	02/15/2018
313372TU8	FHLB Note (10 yr n-call 1C)		03/15/2012	CALLED @ 100.0000000	X X X	2,000,000	2,000,000.00	2,000,000	2,000,000						2,000,000				41,800	03/15/2021
3133XZ59	FHLB Note (10 yr n-call 2)		04/20/2012	CALLED @ 100.0000000	X X X	2,000,000	2,000,000.00	2,000,000	2,000,000						2,000,000				44,000	04/20/2020
313372MB7	FHLB Note (10yr n-call 1c)		02/24/2012	CALLED @ 100.0000000	X X X	1,500,000	1,500,000.00	1,500,000	1,500,000						1,500,000				30,000	02/24/2020
3133764R3	FHLB Note (10yr n-call 3c)		07/02/2012	CALLED @ 100.0000000	X X X	1,000,000	1,000,000.00	1,000,000	1,000,000						1,000,000				15,141	11/15/2021
3133733W0	FHLB Note (10yr n-call1)		04/13/2012	CALLED @ 100.0000000	X X X	2,000,000	2,000,000.00	2,000,000	2,000,000						2,000,000				40,000	04/13/2021
313376LX1	FHLB NOTE (10yr n-call1c)		12/21/2012	CALLED @ 100.0000000	X X X	3,000,000	3,000,000.00	3,000,000	3,000,000						3,000,000				90,000	12/21/2021
313375EK9	FHLB Note (12yr n-call 3c)		01/24/2012	CALLED @ 100.0000000	X X X	2,000,000	2,000,000.00	2,000,000	2,000,000						2,000,000				26,158	09/15/2023
313376BN4	FHLB Note (15 yr n-call 3c)		05/11/2012	CALLED @ 100.0000000	X X X	2,000,000	2,000,000.00	2,000,000	2,000,000						2,000,000				32,793	11/23/2026
313373SB9	FHLB Note (15yr n-call 1C)		05/18/2012	CALLED @ 100.0000000	X X X	750,000	750,000.00	750,000	750,000						750,000				16,688	05/18/2026
3133762H7	FHLB Note (15yr n-call 1c)		11/15/2012	CALLED @ 100.0000000	X X X	2,000,000	2,000,000.00	2,000,000	2,000,000						2,000,000				75,118	11/02/2026
3133763L7	FHLB Note (15yr n-call 1c)		11/23/2012	CALLED @ 100.0000000	X X X	1,000,000	1,000,000.00	1,000,000	1,000,000						1,000,000				38,439	11/09/2026
313375D87	FHLB Note (15yr ncall3B) Step-up		02/25/2012	CALLED @ 100.0000000	X X X	2,500,000	2,500,000.00	2,500,000	2,500,000						2,500,000				37,500	08/25/2026
3133706R4	FHLB Note (15yr non call 6mth c)		01/27/2012	CALLED @ 100.0000000	X X X	656,250	656,250.00	656,250	656,250						656,250				13,705	07/28/2025
313373RZ7	FHLB Note (7yr ncall 1c)		05/18/2012	CALLED @ 100.0000000	X X X	400,000	400,000.00	400,000	400,000						400,000				7,900	05/18/2021
313372BW3	FHLB Note (8yr n-call 1yr 3B)		01/10/2012	CALLED @ 100.0000000	X X X	2,500,000	2,500,000.00	2,487,500	2,489,110		41		41		2,489,151		10,849	10,849	41,625	01/10/2018
313375CX3	FHLB Note (8yr n-call3mth c)		01/17/2012	CALLED @ 100.0000000	X X X	1,500,000	1,500,000.00	1,500,000	1,500,000						1,500,000				15,010	09/06/2019
313375DY0	FHLB Note (9yr n-call3MC)		01/19/2012	CALLED @ 100.0000000	X X X	2,000,000	2,000,000.00	2,000,000	2,000,000						2,000,000				21,528	09/14/2020
3133XJU73	FHLB Note (Bullet)		03/09/2012	MATURITY	X X X	675,000	675,000.00	661,739	674,399		601		601		675,000				16,875	03/09/2012
31331VCA2	FHLB NT (Bullet)		10/11/2012	MATURITY	X X X	730,000	730,000.00	709,538	726,648		3,352		3,352		730,000				34,310	10/11/2012
36176RA85	G2 773431		09/20/2012	PRINCIPAL RECEIPT	X X X	6,696	6,696.45	7,475			(778)		(778)		6,696				26	12/20/2061
36290UZZ2	PR GNMA (Pass Through) 618260		12/18/2012	PRINCIPAL RECEIPT	X X X	93,961	93,960.92	96,192	94,841		(881)		(881)		93,961				3,306	04/15/2035
36210K6N0	PR GNMA (Serial)495077 (u 1-100)		12/15/2012	PRINCIPAL RECEIPT	X X X	75,000	75,000.00	78,000	75,427		(427)		(427)		75,000				3,937	09/15/2029
36296VZP6	PR GNMA Serial 702850 (units 2-100)		12/17/2012	PRINCIPAL RECEIPT	X X X	825,000	825,000.00	870,375	867,389		(42,389)		(42,389)		825,000				30,417	01/15/2039
0599999 Subtotal - Bonds - U.S. Governments						47,679,223	47,679,223.21	47,712,438	46,251,369		(50,273)		(50,273)		47,666,904		12,319	12,319	1,057,245	X X X
<b>Bonds - U.S. States, Territories and Possessions (Direct and Guaranteed)</b>																				
13017HAA4	California Earthquake Auth Rev		07/03/2012	Sink PMT @ 100.0000000	X X X	100,000	100,000.00	99,750	99,829		171		171		100,000				6,169	07/01/2016
24917PAZ9	Denver Colo City & Cnty Hsg		02/13/2012	VARIOUS	X X X	1,110,837	1,150,000.00	1,094,467	1,110,168		670		670		1,110,837				14,181	11/01/2017
34073NP79	Florida Hsg Fin Corp Rev		07/02/2012	CALLED @ 100.0000000	X X X	40,000	40,000.00	41,320	40,000						40,000				960	07/01/2015
45200K3Z9	Illinois Health Facs Auth Rev		05/15/2012	CALLED @ 100.0000000	X X X	305,000	305,000.00	304,047	304,517		71		71		304,589		411	411	9,531	05/15/2014
452152HU8	ILLINOIS ST		10/05/2012	UNICO	X X X	7,910,000	7,000,000.00	7,560,000	7,541,201		(49,487)		(49,487)		7,491,714		418,286	418,286	457,100	03/01/2019
56040PBG2	Maine Edl Ln Auth Student Ln Rev		12/05/2012	CALLED @ 100.0000000	X X X	65,000	65,000.00	65,325	65,000						65,000				1,621	12/01/2018
575930QM7	Massachusetts ST Hsg Fin Agy		11/01/2012	VARIOUS	X X X	480,000	480,000.00	477,600	477,936		127		127		478,063		1,937	1,937	32,000	07/01/2022
57563RHX0	Massachusetts Edl Fing Auth Rev		07/02/2012	CALLED @ 100.0000000	X X X	50,000	50,000.00	50,810	50,000						50,000				1,662	01/01/2017
59333PDS4	Miami-Dade Cty FLA AV		12/18/2012	VARIOUS	X X X	1,000,000	1,000,000.00	1,040,000	1,014,516		(14,516)		(14,516)		1,000,000				69,799	10/01/2017
594520JS8	Michigan Higher ED Student LN		09/28/2012	CALLED @ 100.0000000	X X X	750,000	750,000.00	663,750	684,771		6,561		6,561		691,332		58,668	58,668	38,297	03/01/2018
60415NT28	Minnesota St Hsg Fin Agy		12/03/2012	CALLED @ 100.0000000	X X X	55,000	55,000.00	54,175	54,311		20		20		54,332		668	668	1,524	07/01/2022
661193BU5	North Monterey Cnty Sch Dist.		06/01/2012	VARIOUS	X X X	100,000	100,000.00	100,980	100,000						100,000				2,875	06/01/2016
64971MS60	NY City GO (BAB)		03/31/2012	Undefined	X X X	510,287	500,000.00	511,675	510,540		(253)		(253)		510,287					05/01/2030
7451457M8	PR CMWLTH GO		04/30/2012	CALLED @ 101.0000000	X X X	777,700	770,000.00	772,888	770,000						770,000		7,700	7,700	17,293	07/01/2021
74514LLT2	PR COMWLTH GO (Callable)		07/02/2012	CALLED @ 101.5000000	X X X	1,015,000	1,000,000.00	1,025,000	1,019,678		(4,678)		(4,678)		1,015,000				33,250	07/01/2017
745177EK7	PR GDB Note		03/07/2012	CALLED @ 100.0000000	X X X	1,000,000	1,000,000.00	1,000,500	1,000,456		(456)		(456)		1,000,000					

## SCHEDULE D - PART 4

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

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21
										11	12	13	14	15						
CUSIP Identification	Description	Forfeiture	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase/(Decrease)	Current Year (Amortization)/Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B./A.C.V. (Cols. 11+12-13)	Total Foreign Exchange Change in B./A.C.V.	Book/Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/Stock Dividends Received During Year	Stated Contractual Maturity Date
745177ER2	PR GDB Notes		02/21/2012	CALLED @ 100.0000000	X X X	2,000,000	2,000,000.00	2,000,000	2,000,000						2,000,000				18,889	08/01/2014
745177ES0	PR GDB Notes		06/11/2012	VARIOUS	X X X	9,000,000	9,000,000.00	9,000,000	9,000,000						9,000,000				214,638	08/01/2017
745177FN0	PR GDB Notes		12/06/2012	VARIOUS	X X X	2,020,000	2,000,000.00	1,986,200			1,435		1,435		1,987,635		32,365	32,365	73,160	02/01/2019
74514LKS5	Puerto Rico Comwllth GEO		04/30/2012	CALLED @ 101.5000000	X X X	1,192,625	1,175,000.00	1,197,325	1,191,051		(2,831)		(2,831)		1,188,219		4,406	4,406	27,348	07/01/2015
74527RKX6	PUERTO RICO INDL TOURIST EDL M		10/01/2012	VARIOUS	X X X	120,000	120,000.00	119,775	119,797		153		153		119,951		49	49	4,735	10/01/2020
745235M73	PUERTO RICO PUB BLDGS AUTH REV		09/19/2012	Undefined	X X X	500,000	500,000.00	500,000	500,000						500,000				24,091	07/01/2028
745291UM4	PUERTO RICO PUB FIN CORP 2007-C		07/18/2012	CALLED @ 100.0000000	X X X	330,000	330,000.00	328,328	328,680		187		187		328,867		1,133	1,133	10,759	08/01/2017
796839BP2	San Bernardino Crnty Calif		08/01/2012	VARIOUS	X X X	5,000	5,000.00	5,070	5,000						5,000				301	08/01/2023
924195A83	Vermont Hsg Fin Agy Single Family		06/01/2012	CALLED @ 100.0000000	X X X	270,000	270,000.00	255,825	258,258		361		361		258,619		11,381	11,381	8,502	11/01/2021
1799999 Subtotal - Bonds - U.S. States, Territories and Possessions (Direct and Guaranteed)						37,341,449	36,400,000.00	36,889,810	34,880,709		(62,465)		(62,465)		36,804,445		537,004	537,004	1,116,513	X X X
<b>Bonds - U.S. Special Revenue, Special Assessment</b>																				
05956YAS7	BAFC 2012-R2 3A5		12/27/2012	PRINCIPAL RECEIPT	X X X	190,957	190,956.55	190,718			239		239		190,957				1,313	11/26/2036
3128S5P73	FH 1Q1346 (Floater)		12/17/2012	PRINCIPAL RECEIPT	X X X	213,502	213,502.09	230,716			(17,214)		(17,214)		213,502				3,879	05/01/2039
3128S5RD8	FH1Q1384 (ARM) Taxable		12/17/2012	PRINCIPAL RECEIPT	X X X	179,403	179,403.15	192,746			(13,343)		(13,343)		179,403				1,555	07/01/2038
31398V7F7	FHR 3649 BW		12/17/2012	PRINCIPAL RECEIPT	X X X	595,834	595,834.02	632,329			(36,495)		(36,495)		595,834				9,365	03/15/2025
31418MRR5	FN AD0495		12/26/2012	PRINCIPAL RECEIPT	X X X	421,716	421,715.59	465,732			(44,017)		(44,017)		421,716				5,352	02/01/2035
31396QHD4	FNR 2009-47 MT		12/26/2012	PRINCIPAL RECEIPT	X X X	480,981	480,981.43	543,810			(62,828)		(62,828)		480,981				6,964	07/25/2039
31398RQ40	FNR 2010-64 BA		12/26/2012	PRINCIPAL RECEIPT	X X X	311,153	311,152.95	336,774			(25,622)		(25,622)		311,153				2,484	05/25/2040
3136A5Z66	FNR 2012-50 HB		12/26/2012	PRINCIPAL RECEIPT	X X X	82,686	82,685.50	89,145			(6,460)		(6,460)		82,686				1,018	03/25/2042
3199999 Subtotal - Bonds - U.S. Special Revenue, Special Assessment						2,476,232	2,476,231.28	2,681,970			(205,740)		(205,740)		2,476,232				31,930	X X X
<b>Bonds - Industrial and Miscellaneous (Unaffiliated)</b>																				
02660TCJ0	AHM 2004-4 6A1		12/26/2012	PRINCIPAL RECEIPT	X X X	184,768	184,768.03	194,006			(9,238)		(9,238)		184,768				3,756	02/25/2045
05948XL41	BOAMS 2003-10 4A1		12/25/2012	PRINCIPAL RECEIPT	X X X	114,203	114,202.51	113,300	113,345		858		858		114,203				2,825	01/25/2019
05948XY21	BOAMS 2004-1 4A1		12/26/2012	PRINCIPAL RECEIPT	X X X	40,824	40,823.55	38,884	40,255		569		569		40,824				989	02/25/2019
12668BEG4	CMALT 2005-85CB 2A2		12/26/2012	PRINCIPAL RECEIPT	X X X	46,285	73,371.82	58,253	60,913		(11,970)	2,659	(14,629)		46,285				2,308	02/25/2036
17317ECS8	CMULTI 2010-7 12A1		12/27/2012	PRINCIPAL RECEIPT	X X X	254,256	254,255.50	268,557			(14,302)		(14,302)		254,256				5,250	08/25/2036
12642MCE8	CSMC SERIES 2009-12R		12/28/2012	PRINCIPAL RECEIPT	X X X	591,570	591,570.39	607,839	605,875		(14,304)		(14,304)		591,570				24,583	09/27/2037
12642YBN3	CSMC SERIES 2009-16R 3a1		12/27/2012	PRINCIPAL RECEIPT	X X X	308,974	308,973.66	310,905			(1,931)		(1,931)		308,974				3,447	01/26/2047
12645BDN8	CSMC SERIES 2010-17R		12/27/2012	PRINCIPAL RECEIPT	X X X	199,976	199,975.73	204,475			(4,499)		(4,499)		199,976				2,944	02/27/2035
126694K31	CWHL 2006-6 A1		12/26/2012	PRINCIPAL RECEIPT	X X X	127,993	143,150.79	130,602	131,794		(2,611)	1,189	(3,800)		127,993				3,821	04/25/2036
36185NX39	GMACM MTG LN TR 2004-AR1 (FLT)		12/26/2012	PRINCIPAL RECEIPT	X X X	162,860	162,859.96	167,746			(4,886)		(4,886)		162,860				1,229	06/25/2034
406373AA8	HALO 2006-1R A1		09/30/2012	VARIOUS	X X X	184,148	184,147.66	178,623	181,737		2,411		2,411		184,148				2,947	08/25/2036
46633PAC6	JPMRR 2009-7 2A1		12/28/2012	PRINCIPAL RECEIPT	X X X	276,398	276,398.27	272,225	272,495		3,903		3,903		276,398				7,640	02/27/2037
576434T20	MALT 2005-5 3A1		12/26/2012	PRINCIPAL RECEIPT	X X X	143,050	143,050.19	133,315	133,752		9,751	453	9,298		143,050				4,185	08/25/2035
761118XN3	RALI 2006-QS3 1A10		12/26/2012	PRINCIPAL RECEIPT	X X X	18,768	24,413.35	18,649			105		105		18,768				868	03/25/2036
749228AJ1	RALI 2006-QS4 A9		12/26/2012	PRINCIPAL RECEIPT	X X X	67,118	111,964.95	78,244	78,379		201	151	50		78,428		(11,311)	(11,311)	3,828	04/25/2036
74927BAK6	RBSSP 2009-8 7A1		12/27/2012	PRINCIPAL RECEIPT	X X X	42,799	42,798.80	46,169	44,852		(2,053)		(2,053)		42,799				3,128	09/26/2037
3899999 Subtotal - Bonds - Industrial and Miscellaneous (Unaffiliated)						2,763,990	2,856,725.16	2,821,792	1,682,059		(47,996)	4,452	(52,448)		2,775,300		(11,311)	(11,311)	73,748	X X X
8399997 Subtotal - Bonds - Part 4						90,260,894	89,412,179.65	90,106,010	82,814,137		(366,474)	4,452	(370,926)		89,722,881		538,012	538,012	2,279,436	X X X
8399998 Summary Item from Part 5 for Bonds						20,799,652	20,800,000.00	20,754,650			553		553		20,755,203		44,449	44,449	204,752	X X X
8399999 Subtotal - Bonds						111,060,546	110,212,179.65	110,860,660	82,814,137		(365,921)	4,452	(370,373)		110,478,084		582,461	582,461	2,484,188	X X X
8999998 Summary Item from Part 5 for Preferred Stocks																				X X X
<b>Common Stocks - Mutual Funds</b>																				
336116108	First PR Tax Exempt I		09/30/2012	santander		84,598.924		787,444	756,236		(74,525)		(74,525)		756,236		31,208	31,208	93,813	X X X
9299999 Subtotal - Common Stocks - Mutual Funds						787,444		756,236	756,236		(74,525)		(74,525)		756,236		31,208	31,208	93,813	X X X
9799997 Subtotal - Common Stocks - Part 4						787,444		756,236	756,236		(74,525)		(74,525)		756,236		31,208	31,208	93,813	X X X
9799998 Summary Item from Part 5 for Common Stocks																				X X X
9799999 Subtotal - Common Stocks						787,444		756,236	756,236		(74,525)		(74,525)		756,236		31,208	31,208	93,813	X X X
9899999 Subtotal - Preferred and Common Stocks						787,444		756,236	756,236		(74,525)		(74,525)		756,236		31,208	31,208	93,813	X X X
9999999 Totals						111,847,990		111,616,896	83,570,373		(74,525)	(365,921)	(444,898)		111,234,320		613,669	613,669	2,578,001	X X X

## SCHEDULE D - PART 5

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

1 CUSIP Identifi- cation	2 Description	3 F O R E I G N	4 Date Acquired	5 Name of Vendor	6 Disposal Date	7 Name of Purchaser	8 Par Value (Bonds) Number of Shares (Stock)	9 Actual Cost	10 Consider- ation	11 Book/ Adjusted Carrying Value at Disposal	Change in Book/Adjusted Carrying Value					17 Foreign Exchange Gain (Loss) on Disposal	18 Realized Gain (Loss) on Disposal	19 Total Gain (Loss) on Disposal	20 Interest and Dividends Received During Year	21 Paid for Accrued Interest and Dividends	
											12 Unrealized Valuation Increase/ (Decrease)	13 Current Year's (Amortization)/ Accretion	14 Current Year's Other Than Temporary Impairment Recognized	15 Total Change in B./A.C.V. (Col. 12+ 13-14)	16 Total Foreign Exchange Change in B./A.C.V.						
<b>Bonds - U.S. Governments</b>																					
3133EAAZ1	FFCB Note (12.5 yr n-call 3m c)		01/19/2012	santander	06/08/2012	CALLLED @ 100.0000000	2,000,000.000	2,000,000	2,000,000	2,000,000										22,000	
3133EADH8	FFCB Note (8yr n-call 3mo c)		02/06/2012	BBVA	07/17/2012	CALLLED @ 100.0000000	3,000,000.000	3,000,000	3,000,000	3,000,000										27,413	
313378PT2	FHLB (10yr n-call 3B)		03/15/2012	santander	07/13/2012	CALLLED @ 100.0000000	3,000,000.000	3,000,000	3,000,000	3,000,000										22,500	
313378H38	FHLB (15 yr n-call 3q)		02/24/2012	santander	06/15/2012	CALLLED @ 100.0000000	1,500,000.000	1,500,000	1,500,000	1,500,000										12,750	
313379MQ9	FHLB NOTE		05/18/2012	ubs	12/13/2012	VARIOUS	3,000,000.000	3,000,000	3,000,000	3,000,000										41,319	
313378EV9	FHLB NOTE (15yrs n-call 3B)		02/21/2012	santander	06/05/2012	CALLLED @ 100.0000000	3,000,000.000	3,000,000	3,000,000	3,000,000										26,250	
313378SN2	FHLB Note (20yr n-call 3q)		03/20/2012	santander	07/19/2012	CALLLED @ 100.0000000	750,000.000	750,000	750,000	750,000										7,500	
313380HL4	FHLB NOTE (5yr n-call 1B)		08/14/2012	BBVA	10/05/2012	CALLLED @ 100.0000000	3,000,000.000	3,000,000	3,000,000	3,000,000										3,125	
0599999 Subtotal - Bonds - U.S. Governments							19250000.000	19,250,000	19,250,000	19,250,000										162,857	
<b>Bonds - U.S. States, Territories and Possessions (Direct and Guaranteed)</b>																					
24917PAZ9	Denver Colo City & Cnty Hsg		02/01/2012	santander	02/13/2012	santander	50,000.000	49,650	49,652	49,652			2		2					645	
1799999 Subtotal - Bonds - U.S. States, Territories and Possessions (Direct and Guaranteed)							50,000.000	49,650	49,652	49,652			2		2						645
<b>Bonds - Industrial and Miscellaneous (Unaffiliated)</b>																					
74526PAJ3	PR CONSERVATION FUND		06/22/2012	santander	12/03/2012	CALLLED @ 100.0000000	1,500,000.000	1,455,000	1,500,000	1,455,551			551		551			44,449	44,449	41,250	5,958
3899999 Subtotal - Bonds - Industrial and Miscellaneous (Unaffiliated)							1,500,000.000	1,455,000	1,500,000	1,455,551			551		551			44,449	44,449	41,250	5,958
8399998 Subtotal - Bonds							20800000.000	20,754,650	20,799,652	20,755,203			553		553			44,449	44,449	204,752	5,958
9999999 Totals								20,754,650	20,799,652	20,755,203			553		553			44,449	44,449	204,752	5,958

E15

## SCHEDULE D - PART 6 - SECTION 1

### Valuation of Shares of Subsidiary, Controlled or Affiliated Companies

1  CUSIP Identification	2  Description Name of Subsidiary, Controlled or Affiliated Company	3  Foreign	4  NAIC Company Code or Alien Insurer Identification Number	5  NAIC Valuation Method (See SVO Purposes and Procedures manual)	6  Do Insurer's Assets Include Intangible Assets connected with Holding of Such Company's Stock?	7  Total Amount of Such Intangible Assets	8  Book/Adjusted Carrying Value	Stock of Such Company Owned by Insurer on Statement Date	
								9  Number of Shares	10  % of Outstanding
1999999 Total - Preferred and Common Stocks .....								... X X X ...	... X X X ...

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

## SCHEDULE D - PART 6 - SECTION 2

1  CUSIP Identification	2  Name of Lower-Tier Company	3  Name of Company Listed in Section 1 Which Controls Lower-Tier Company	4  Total Amount of Intangible Assets Included in Amount Shown in Column 7, Section 1	Stock in Lower-Tier Company Owned Indirectly by Insurer on Statement Date	
				5  Number of Shares	6  % of Outstanding
0399999 Total - Preferred and Common Stocks .....				... X X X ...	... X X X ...

## SCHEDULE DA - PART 1

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

1 CUSIP Identi- fication	2 Description	Codes		5 Date Acquired	6 Name of Vendor	7 Maturity Date	8 Book/ Adjusted Carrying Value	Change in Book/Adjusted Carrying Value				13 Par Value	14 Actual Cost	Interest						21 Paid For Accrued Interest
		3 Code	4 For- eign					9 Unrealized Valuation Increase/ (Decrease)	10 Current Year's (Amortization)/ Accretion	11 Current Year's Other Than Temporary Impairment Recognized	12 Total Foreign Exchange Change in B./A.C.V.			15 Amount Due and Accrued Dec. 31 of Current Year on Bond Not in Default	16 Non-Admitted Due and Accrued	17 Rate of	18 Effective Rate of	19 When Paid	20 Amount Received During Year	
8399999 Total Bonds .....																				
9199999 Total Short-Term Investments .....																				

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

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

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

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

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

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

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

## SCHEDULE E - PART 1 - CASH

1 Depository	2 Code	3 Rate of Interest	4 Amount of Interest Received During Year	5 Amount of Interest Accrued December 31 of Current Year	6 Balance	7 *
<b>open depositories</b>						
ORIENTAL GROUP CD#3801467337 .....		1.000	1,260	1,431	500,000	X X X
CITIBANK .....					1,705,450	X X X
BANCO SANTANDER .....					2,097,474	X X X
0199998 Deposits in .....7 depositories that do not exceed the allowable limit in any one depository (See Instructions) - open depositories .....						
		X X X			981,775	X X X
0199999 Totals - Open Depositories .....						
		X X X	1,260	1,431	5,284,699	X X X
0299998 Deposits in .....0 depositories that do not exceed the allowable limit in any one depository (See Instructions) - suspended depositories .....						
		X X X				X X X
0299999 Totals - Suspended Depositories .....						
		X X X				X X X
0399999 Total Cash On Deposit .....						
		X X X	1,260	1,431	5,284,699	X X X
0499999 Cash in Company's Office .....						
		X X X	X X X	X X X	350	X X X
0599999 Total Cash .....						
		X X X	1,260	1,431	5,285,049	X X X

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

1. January .....	3,374,428	4. April .....	5,395,302	7. July .....	20,097,894	10. October .....	2,165,964
2. February .....	4,514,740	5. May .....	7,752,523	8. August .....	5,411,309	11. November .....	4,096,516
3. March .....	7,842,476	6. June .....	13,620,757	9. September .....	6,750,990	12. December .....	5,284,699

## SCHEDULE E - PART 2 - CASH EQUIVALENTS

Show Investments Owned December 31 of Current Year

1	2	3	4	5	6	7	8
Description	Code	Date Acquired	Rate of Interest	Maturity Date	Book/Adjusted Carrying Value	Amount of Interest Due & Accrued	Amount Received During Year
<b>Other Cash Equivalents</b>							
SANTANDER MM 115950 .....			0.000		3,398,113		1
SANTANDER MM 162291 .....			0.000		643,748		
UBS SELECT PRIME CAPITAL .....			0.090		6,414,715		2,470
BBVA MM FEDERATED GOVT OBLIG CAPITAL .....			0.010		869,516		465
POPULAR MONEY MARKET NO .....			0.000		914,436		
ORIENTAL PR CASH & MNY MKT .....			0.020		3,233		
8599999 Subtotal - Other Cash Equivalents .....					12,243,761		2,936
8699999 Total Cash Equivalents .....					12,243,761		2,936

**SCHEDULE E - PART 3 - SPECIAL DEPOSITS**

	1 Type of Deposit	2 Purpose of Deposit	Deposits For the Benefit of All Policyholders		All Other Special Deposits	
			3 Book/Adjusted Carrying Value	4 Fair Value	5 Book/Adjusted Carrying Value	6 Fair Value
States. Etc.						
1. Alabama (AL)		2012				
2. Alaska (AK)		2012				
3. Arizona (AZ)		2012				
4. Arkansas (AR)		2012				
5. California (CA)		2012				
6. Colorado (CO)		2012				
7. Connecticut (CT)		2012				
8. Delaware (DE)		2012				
9. District of Columbia (DC)		2012				
10. Florida (FL)		2012				
11. Georgia (GA)		2012				
12. Hawaii (HI)		2012				
13. Idaho (ID)		2012				
14. Illinois (IL)		2012				
15. Indiana (IN)		2012				
16. Iowa (IA)		2012				
17. Kansas (KS)		2012				
18. Kentucky (KY)		2012				
19. Louisiana (LA)		2012				
20. Maine (ME)		2012				
21. Maryland (MD)		2012				
22. Massachusetts (MA)		2012				
23. Michigan (MI)		2012				
24. Minnesota (MN)		2012				
25. Mississippi (MS)		2012				
26. Missouri (MO)		2012				
27. Montana (MT)		2012				
28. Nebraska (NE)		2012				
29. Nevada (NV)		2012				
30. New Hampshire (NH)		2012				
31. New Jersey (NJ)		2012				
32. New Mexico (NM)		2012				
33. New York (NY)		2012				
34. North Carolina (NC)		2012				
35. North Dakota (ND)		2012				
36. Ohio (OH)		2012				
37. Oklahoma (OK)		2012				
38. Oregon (OR)		2012				
39. Pennsylvania (PA)		2012				
40. Rhode Island (RI)		2012				
41. South Carolina (SC)		2012				
42. South Dakota (SD)		2012				
43. Tennessee (TN)		2012				
44. Texas (TX)		2012				
45. Utah (UT)		2012				
46. Vermont (VT)		2012				
47. Virginia (VA)		2012				
48. Washington (WA)		2012				
49. West Virginia (WV)		2012				
50. Wisconsin (WI)		2012				
51. Wyoming (WY)		2012				
52. American Samoa (AS)		2012				
53. Guam (GU)		2012				
54. Puerto Rico (PR)	B	To comply with Sec 309 of the PR Insurance Code			1,612,946	1,736,931
55. U.S. Virgin Islands (VI)		2012				
56. Northern Mariana Islands (MP)						
57. Canada (CAN)		2012				
58. Aggregate Alien and Other (OT)	X X X	X X X				
59. Total	X X X	X X X			1,612,946	1,736,931

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



## SUPPLEMENTAL COMPENSATION EXHIBIT

For the Year Ended December 31, 2012  
(To be filed by March 1)

### PART 1 - INTERROGATORIES

1. The reporting insurer is a member of a group of insurers or other holding company system:  
If yes, do the below amounts represent 1) total gross compensation paid to each individual by or on behalf of all companies that are part of the group:  
or 2) allocation to each insurer: Yes [ ] No [X]
2. Did any person while an officer, director, or trustee of the reporting entity receive directly or indirectly, during the period covered by this statement any commission on the business transactions of the reporting entity? Yes [ ] No [X]
3. Except for retirement plans generally applicable to its staff employees, has the reporting entity any agreement with any person, other than contracts with its agents for the payment of commissions whereby it agrees that for any service rendered or to be rendered, that he/she shall receive directly or indirectly, any salary, compensation or emolument that will extend beyond a period of 12 months from the date of the agreement? Yes [ ] No [X]

### PART 2 - OFFICERS AND EMPLOYEES COMPENSATION

1	2	Annual Compensation			
		3	4	5	6
Name and Principal Position	Year	Salary	Bonus	All Other Compensation	Totals
1. Chief Executive Officer .....	2012 .....				
	2011 .....				
	2010 .....				
2. ....	2012 .....				
	2011 .....				
	2010 .....				
3. ....	2012 .....				
	2011 .....				
	2010 .....				
4. ....	2012 .....				
	2011 .....				
	2010 .....				
5. ....	2012 .....				
	2011 .....				
	2010 .....				
6. ....	2012 .....				
	2011 .....				
	2010 .....				
7. ....	2012 .....				
	2011 .....				
	2010 .....				
8. ....	2012 .....				
	2011 .....				
	2010 .....				
9. ....	2012 .....				
	2011 .....				
	2010 .....				
10. ....	2012 .....				
	2011 .....				
	2010 .....				

### PART 3 - DIRECTOR COMPENSATION

1	2	3	4
Name and Principal Position or Occupation	Compensation Paid or Deferred for Services as Director	All Other Compensation Paid or Deferred	Totals
9999999 .....			



**LIFE, HEALTH & ANNUITY GUARANTY ASSOCIATION**  
**MODEL ACT ASSESSMENT BASE RECONCILIATION EXHIBIT**  
 FOR THE YEAR ENDED December 31, 2012  
 (To Be Filed By April 1)

OF THE: UNIVERSAL LIFE INSURANCE COMPANY  
 Direct Business in the State of PUERTO RICO

NAIC COMPANY CODE: 60041

		1	2	3	4
PREMIUMS, CONSIDERATIONS AND DEPOSITS		Life Insurance Premiums	Annuity Considerations	A & H Premiums	Deposit-Type Contract Funds and Other Considerations
1.	Premiums, considerations and deposits from Schedule T .....	14,280,421	163,082,495	6,142,786	
2.	Premiums, considerations and deposits NOT reported in Schedule T, including investment contract receipts credited to liability account .....		67,970		
2.1	Contract fees for variable contracts with guarantees .....		67,970		
2.2	Any premiums, considerations and deposits not reported in Schedule T .....				
3.	Amounts, if applicable, that were deducted prior to determining amounts included in Lines 1 or 2 which are in the following categories:				
3.1	Transfers to guaranteed separate accounts .....				
3.2	Roll over of GIC's or annuities into other companies .....				
3.3	Surrenders or other benefits paid out .....				
3.4	Excess interest credited to accounts .....				
3.5	Aggregate write-ins for other amounts deducted prior to determining amounts included in Lines 1 or 2 .....				
3.99	Total (Lines 3.1 through 3.5) .....				
4.	Transfers:				
4.1	Enter in Column 2, as a negative number, and Column 4, as a positive number, the total of all amounts received to fund contracts established under Section 403(b) of the U.S. Internal Revenue Code, that are included in Column 2, Lines 1, 2 and 3.99 .....				
4.2	Enter in Column 2, as a positive number, and Column 4 as a negative number, any amounts reported in Column 4, Lines 1, 2 and 3.99 that are allocated. (Note: Amounts received to fund contracts established under Section 403(b) of the U.S. Internal Revenue Code should not be included in Line 4.2) .....				
4.3	Enter in Column 4, as a positive number, and Column 2 as a negative number, any amounts reported in Column 2, Lines 1, 2 and 3.99 that are unallocated .....				
4.99	Total (Lines 4.1 + 4.2 + 4.3) .....				
5.	Total (Lines 1 + 2 + 3.99 + 4.99) .....	14,280,421	163,150,465	6,142,786	

**DEVELOPMENT OF AMOUNTS INCLUDED IN LINES 1 THROUGH 5 THAT SHOULD BE DEDUCTED IN DETERMINING THE BASE**

**Do not include any amounts more than once in Lines 6 through 9**

6.	Aggregate write-ins for amounts where the insurer is not subject to risk. Premiums for portions of policies or contracts NOT guaranteed or under which the entire investment risk is borne by the policyholder. (Please specify such deductions and indicate where such amounts were reported in the Annual Statement) .....				
7.	Amounts NOT allocated to individuals or individual certificate holders or amounts received for such contracts in excess of limits:				
7.1	Unallocated funding obligations that do NOT fund government lotteries or employee, union, or association of natural persons benefit plans .....	X X X	X X X	X X X	
7.2	Unallocated funding obligations that fund any employee, union or association of natural persons benefit plans protected by the Federal Pension Benefit Guaranty Corporation .....	X X X	X X X	X X X	
7.3	Unallocated funding obligations that fund governmental lotteries or employee, union, or association of natural persons benefit plans in excess of \$5 million per contract which are NOT: (a) government retirement plans established under Section 401, 403(b) or 457 of the U.S. Internal Revenue Code, or (b) protected by the Federal Pension Benefit Guaranty Corporation .....	X X X	X X X	X X X	
7.4	Total (Lines 7.1 + 7.2 + 7.3) .....	X X X	X X X	X X X	
8.	Dividends/Experience rating credits paid or credited, but only if NOT guaranteed in advance (include only amounts NOT already deducted in determining Lines 1 and 2) .....				
9.	Aggregate write-ins for Other Deductions .....				
10.	Total (Lines 6 + 7.4 + 8 + 9) .....				

**MODEL ACT BASE (Line 5 minus Line 10)**

11.	Current Year .....	14,280,421	163,150,465	6,142,786	
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**DETAILS OF WRITE-INS**

03.501.	.....				
03.502.	.....				
03.503.	.....				
03.598.	Summary of remaining write-ins for Line 3.5 from overflow page .....				
03.599.	Totals (Lines 3.501 through 3.503 plus 3.598) (Line 3.5 above) .....				
0601.	Premiums transferred to Separate Accounts .....				
0602.	.....				
0603.	.....				
0698.	Summary of remaining write-ins for Line 6 from overflow page .....				
0699.	Totals (Lines 0601 through 0603 plus 0698) (Line 6 above) .....				
0901.	.....				
0902.	.....				
0903.	.....				
0998.	Summary of remaining write-ins for Line 9 from overflow page .....				
0999.	Totals (Lines 0901 through 0903 plus 0998) (Line 9 above) .....				





**ADJUSTMENTS TO THE LIFE, HEALTH & ANNUITY GUARANTY ASSOCIATION  
MODEL ACT ASSESSMENT BASE RECONCILIATION EXHIBIT  
FOR THE YEAR ENDED December 31, 2012**

OF THE: UNIVERSAL LIFE INSURANCE COMPANY  
Direct Business in the State of PUERTO RICO

NAIC COMPANY CODE: 60041  
(To Be Filed By April 1)

	1 Life Insurance Premium	2 Allocated Annuity and Other Allocated Fund Deposits	3 Accident & Health Premium	4 Unallocated Annuity & Other Unallocated Fund Deposits
1. MODEL ACT BASE (Line 11 of the Reconciliation Exhibit)	14,280,421	163,150,465	6,142,786	
<b>AMOUNTS REQUIRED TO DETERMINE THIS STATE'S ASSESSMENT BASE</b>				
2. Enter in Column 2, as a positive number, and Column 4, as a negative number, the total of all amounts received to fund allocated contracts established under Section 403(b) of the U.S. Internal Revenue Code that are included in Column 4, Line 1 above	X X X		X X X	
3. Unallocated funding obligations that do NOT fund government lotteries or employee, union, or association of natural persons benefit plans:				
3.1 Amounts NOT in excess of \$1 million per contract	X X X	X X X	X X X	
3.2 All Amounts	X X X	X X X	X X X	
4. Unallocated funding obligations issued to fund government lotteries or employee, union, or association of natural persons benefit plans which are NOT: (a) governmental retirement plans established under Sections 401, 403(b) or 457 of the U.S. Internal Revenue Code, or (b) protected by the Federal Pension Benefit Guaranty Corporation				
4.1 Amounts NOT in excess of \$1 million per contract	X X X	X X X	X X X	
4.2 Amounts in excess of \$1 million but NOT in excess of \$5 million per contract	X X X	X X X	X X X	
4.3 Amounts in excess of \$5 million per contract	X X X	X X X	X X X	
4.4 Total (Lines 4.1 + 4.2 + 4.3)	X X X	X X X	X X X	
4.5 Amounts up to \$7.5 million per contract (Minnesota only)	X X X	X X X	X X X	
5. Unallocated funding obligations issued to fund governmental retirement plans established under Sections 401 and 457 of the U.S. Internal Revenue Code:				
5.1 Amounts in excess of \$1 million per contract	X X X	X X X	X X X	
5.2 All amounts	X X X	X X X	X X X	
5.3 Amounts in excess of \$2 million per contract (New Jersey Only)	X X X	X X X	X X X	
5.4 Amounts not in excess of \$7.5 million per contract (Minnesota only)	X X X	X X X	X X X	
6. Unallocated funding obligations issued to fund governmental retirement plans established under Section 403(b) of the U.S Internal Revenue Code:				
6.1 Amounts NOT in excess of \$1 million per contract	X X X	X X X	X X X	
6.2 Amounts in excess of \$1 million per contract	X X X	X X X	X X X	
6.3 Total (Lines 6.1 + 6.2)	X X X	X X X	X X X	
6.4 Amounts in excess of \$2 million per contract (New Jersey Only)	X X X	X X X	X X X	
6.5 Amounts not in excess of \$7.5 million per contract (Minnesota only)	X X X	X X X	X X X	
7. Unallocated funding obligations that fund employee, union, or association of natural persons benefit plans protected by the Federal Pension Benefit Guaranty Corporation:				
7.1 Amounts NOT in excess of \$1 million per contract	X X X	X X X	X X X	
7.2 All amounts	X X X	X X X	X X X	
7.3 Amounts NOT in excess of \$2 million per contract (New Jersey Only)	X X X	X X X	X X X	
8. Unallocated funding obligations issued to fund government lotteries NOT in excess of \$5 million per contractholder (New Jersey Only)	X X X	X X X	X X X	
9. Unallocated funding obligations that fund employee or association of natural persons benefit plans in excess of \$2 million but NOT in excess of \$5 million per contract. (New Jersey Only)	X X X	X X X	X X X	
10. Aggregate write-ins for other deductions				
<b>BASE</b>				
11. Current Year (2012)	14,280,421	163,150,465	6,142,786	
<b>DETAILS OF WRITE-INS</b>				
1001.				
1002.				
1003.				
1098. Summary of remaining write-ins for Line 10 from overflow page				
1099. Totals (Lines 1001 through 1003 plus 1098) (Line 10 above)				





**LIFE, HEALTH & ANNUITY GUARANTY ASSOCIATION**  
**MODEL ACT ASSESSMENT BASE RECONCILIATION EXHIBIT**  
 FOR THE YEAR ENDED December 31, 2012  
 (To Be Filed By April 1)

OF THE: UNIVERSAL LIFE INSURANCE COMPANY  
 Direct Business in the State of **GRAND TOTAL**

NAIC COMPANY CODE: 60041

	1	2	3	4
	Life Insurance Premiums	Annuity Considerations	A & H Premiums	Deposit-Type Contract Funds and Other Considerations
<b>PREMIUMS, CONSIDERATIONS AND DEPOSITS</b>				
1. Premiums, considerations and deposits from Schedule T	14,280,421	163,082,495	6,142,786	
2. Premiums, considerations and deposits NOT reported in Schedule T, including investment contract receipts credited to liability account		67,970		
2.1 Contract fees for variable contracts with guarantees		67,970		
2.2 Any premiums, considerations and deposits not reported in Schedule T				
3. Amounts, if applicable, that were deducted prior to determining amounts included in Lines 1 or 2 which are in the following categories:				
3.1 Transfers to guaranteed separate accounts				
3.2 Roll over of GIC's or annuities into other companies				
3.3 Surrenders or other benefits paid out				
3.4 Excess interest credited to accounts				
3.5 Aggregate write-ins for other amounts deducted prior to determining amounts included in Lines 1 or 2				
3.99 Total (Lines 3.1 through 3.5)				
4. Transfers:				
4.1 Enter in Column 2, as a negative number, and Column 4, as a positive number, the total of all amounts received to fund contracts established under Section 403(b) of the U.S. Internal Revenue Code, that are included in Column 2, Lines 1, 2 and 3.99				
4.2 Enter in Column 2, as a positive number, and Column 4 as a negative number, any amounts reported in Column 4, Lines 1, 2 and 3.99 that are allocated. (Note: Amounts received to fund contracts established under Section 403(b) of the U.S. Internal Revenue Code should not be included in Line 4.2)				
4.3 Enter in Column 4, as a positive number, and Column 2 as a negative number, any amounts reported in Column 2, Lines 1, 2 and 3.99 that are unallocated				
4.99 Total (Lines 4.1 + 4.2 + 4.3)				
5. Total (Lines 1 + 2 + 3.99 + 4.99)	14,280,421	163,150,465	6,142,786	

**DEVELOPMENT OF AMOUNTS INCLUDED IN LINES 1 THROUGH 5 THAT SHOULD BE DEDUCTED IN DETERMINING THE BASE**

**Do not include any amounts more than once in Lines 6 through 9**

6. Aggregate write-ins for amounts where the insurer is not subject to risk. Premiums for portions of policies or contracts NOT guaranteed or under which the entire investment risk is borne by the policyholder. (Please specify such deductions and indicate where such amounts were reported in the Annual Statement)				
7. Amounts NOT allocated to individuals or individual certificate holders or amounts received for such contracts in excess of limits:				
7.1 Unallocated funding obligations that do NOT fund government lotteries or employee, union, or association of natural persons benefit plans	X X X	X X X	X X X	
7.2 Unallocated funding obligations that fund any employee, union or association of natural persons benefit plans protected by the Federal Pension Benefit Guaranty Corporation	X X X	X X X	X X X	
7.3 Unallocated funding obligations that fund governmental lotteries or employee, union, or association of natural persons benefit plans in excess of \$5 million per contract which are NOT: (a) government retirement plans established under Section 401, 403(b) or 457 of the U.S. Internal Revenue Code, or (b) protected by the Federal Pension Benefit Guaranty Corporation	X X X	X X X	X X X	
7.4 Total (Lines 7.1 + 7.2 + 7.3)	X X X	X X X	X X X	
8. Dividends/Experience rating credits paid or credited, but only if NOT guaranteed in advance (include only amounts NOT already deducted in determining Lines 1 and 2)				
9. Aggregate write-ins for Other Deductions				
10. Total (Lines 6 + 7.4 + 8 + 9)				

**MODEL ACT BASE (Line 5 minus Line 10)**

11. Current Year	14,280,421	163,150,465	6,142,786	
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**DETAILS OF WRITE-INS**

03.501.				
03.502.				
03.503.				
03.598. Summary of remaining write-ins for Line 3.5 from overflow page				
03.599. Totals (Lines 3.501 through 3.503 plus 3.598) (Line 3.5 above)				
0601. Premiums transferred to Separate Accounts				
0602.				
0603.				
0698. Summary of remaining write-ins for Line 6 from overflow page				
0699. Totals (Lines 0601 through 0603 plus 0698) (Line 6 above)				
0901.				
0902.				
0903.				
0998. Summary of remaining write-ins for Line 9 from overflow page				
0999. Totals (Lines 0901 through 0903 plus 0998) (Line 9 above)				

**Supp2 Grand Total**





# SUPPLEMENTAL INVESTMENT RISKS INTERROGATORIES

For the year ended December 31, 2012  
(To Be Filed by April 1)

Of The UNIVERSAL LIFE INSURANCE COMPANY  
 Address (City, State, Zip Code) San Juan, PR, 00919-1899  
 NAIC Group Code 0071 NAIC Company Code 60041 Employer's ID Number 66-0502334

The Investment Risk Interrogatories are to be filed by April 1. They are also to be included with the Audited Statutory Financial Statements.  
 Answer the following interrogatories by reporting the applicable U. S. dollar amounts and percentages of the reporting entity's total admitted assets held in that category of investments.

1. Reporting entity's total admitted assets as reported on Page 2 of this annual statement. \$ ..... 343,160,348

1	2	3	4
Issuer	Description of Exposure	Amount	Percentage of Total Admitted Assets
2. Ten largest exposures to a single issuer/borrower/investment.			
2.01 PR GDB NOTES .....	Bonds .....	28,136,495	8.199
2.02 ILLINOIS ST .....	Bonds .....	10,234,066	2.982
2.03 WAYNE CNTY MI .....	Bonds .....	6,785,135	1.977
2.04 CALIFORNIA ST GO .....	Bonds .....	6,477,000	1.887
2.05 ILLINOIS ST GO .....	Bonds .....	5,184,584	1.511
2.06 CHICAGO IL .....	Bonds .....	5,074,924	1.479
2.07 PR SALES TAX FIN .....	Bonds .....	4,680,446	1.364
2.08 METROPOLITAN WTR DIST STH CA .....	Bonds .....	4,273,332	1.245
2.09 MICHIGAN FIN AUTH REV .....	Bonds .....	4,266,905	1.243
2.10 NY CITY GO .....	Bonds .....	3,631,135	1.058

NAIC Rating	1	2
	Amount	Percent
3. Amounts and percentages of the reporting entity's total admitted assets held in bonds and preferred stocks by NAIC rating.		
<b>Bonds</b>		
3.01 NAIC-1 .....	257,175,372	74.943
3.02 NAIC-2 .....	45,989,721	13.402
3.03 NAIC-3 .....	5,623,597	1.639
3.04 NAIC-4 .....		
3.05 NAIC-5 .....		
3.06 NAIC-6 .....		
<b>Preferred Stocks</b>		
3.07 P/RP-1 .....		
3.08 P/RP-2 .....		
3.09 P/RP-3 .....		
3.10 P/RP-4 .....	500,000	0.146
3.11 P/RP-5 .....		
3.12 P/RP-6 .....		

4. Assets held in foreign investments:  
 4.01 Are assets held in foreign investments less than 2.5% of the reporting entity's total admitted assets? Yes[X] No[ ]  
 If response to 4.01 above is yes, responses are not required for interrogatories 5 - 10.

	1	2
	Amount	Percent
4.02 Total admitted assets held in foreign investments .....		
4.03 Foreign-currency-denominated investments .....		
4.04 Insurance liabilities denominated in that same foreign currency .....		

## SUPPLEMENTAL INVESTMENT RISKS INTERROGATORIES (Continued)

NAIC Sovereign Rating		1 Amount	2 Percent
5.	Aggregate foreign investment exposure categorized by NAIC sovereign rating:		
5.01	Countries rated NAIC-1 .....		
5.02	Countries rated NAIC-2 .....		
5.03	Countries rated NAIC-3 or below .....		

NAIC Sovereign Rating		1 Amount	2 Percent
6.	Largest foreign investment exposures by country, categorized by the country's NAIC sovereign rating:		
Countries rated NAIC-1:			
6.01	.....		
6.02	.....		
Countries rated NAIC-2:			
6.03	.....		
6.04	.....		
Countries rated NAIC-3 or below:			
6.05	.....		
6.06	.....		

Description		1 Amount	2 Percent
7.	Aggregate unhedged foreign currency exposure .....		

NAIC Sovereign Rating		1 Amount	2 Percent
8.	Aggregate unhedged foreign currency exposure categorized by NAIC sovereign rating:		
8.01	Countries rated NAIC-1 .....		
8.02	Countries rated NAIC-2 .....		
8.03	Countries rated NAIC-3 or below .....		

NAIC Sovereign Rating		1 Amount	2 Percent
9.	Largest unhedged foreign currency exposures by country, categorized by the country's NAIC sovereign rating:		
Countries rated NAIC-1:			
9.01	.....		
9.02	.....		
Countries rated NAIC-2:			
9.03	.....		
9.04	.....		
Countries rated NAIC-3 or below:			
9.05	.....		
9.06	.....		

1 Issuer	2 NAIC Rating	3 Amount	4 Percent
10.	Ten largest non-sovereign (i.e. non-governmental) foreign issues:		
10.01	.....		
10.02	.....		
10.03	.....		
10.04	.....		
10.05	.....		
10.06	.....		
10.07	.....		
10.08	.....		
10.09	.....		
10.10	.....		

## SUPPLEMENTAL INVESTMENT RISKS INTERROGATORIES (Continued)

11. Amounts and percentages of the reporting entity's total admitted assets held in Canadian investments and unhedged Canadian currency exposure:  
 11.01 Are assets held in Canadian investments less than 2.5% of the reporting entity's total admitted assets? Yes[X] No[ ]  
 If response to 11.01 is yes, detail is not required for the remainder of Interrogatory 11.

Description	1 Amount	2 Percent
11.02 Total admitted assets held in Canadian Investments .....		
11.03 Canadian-currency-denominated investments .....		
11.04 Canadian-denominated insurance liabilities .....		
11.05 Unhedged Canadian currency exposure .....		

12. Report aggregate amounts and percentages of the reporting entity's total admitted assets held in investments with contractual sales restrictions.  
 12.01 Are assets held in investments with contractual sales restrictions less than 2.5% of the reporting entity's total admitted assets? Yes[X] No[ ]  
 If response to 12.01 is yes, responses are not required for the remainder of Interrogatory 12.

Contractual Sales Restrictions	2 Amount	3 Percent
12.02 Aggregate statement value of investments with contractual sales restrictions .....		
Largest 3 investments with contractual sales restrictions:		
12.03 .....		
12.04 .....		
12.05 .....		

13. Amounts and percentages of admitted assets held in the ten largest equity interests:  
 13.01 Are assets held in equity interest less than 2.5% of the reporting entity's total admitted assets? Yes[X] No[ ]  
 If response to 13.01 above is yes, responses are not required for the remainder of Interrogatory 13.

Name of Issuer	2 Amount	3 Percent
Assets held in equity interests:		
13.02 .....		
13.03 .....		
13.04 .....		
13.05 .....		
13.06 .....		
13.07 .....		
13.08 .....		
13.09 .....		
13.10 .....		
13.11 .....		

## SUPPLEMENTAL INVESTMENT RISKS INTERROGATORIES (Continued)

14. Amounts and percentages of the reporting entity's total admitted assets held in nonaffiliated, privately placed equities:

14.01 Are assets held in nonaffiliated, privately placed equities less than 2.5% of the reporting entity's total admitted assets?

Yes[X] No[ ]

If response to 14.01 above is yes, responses are not required for the remainder of Interrogatory 14.

1 Investment Category		2 Amount	3 Percent
14.02	Aggregate statement value of investments held in nonaffiliated, privately placed equities .....		
	Largest 3 investments held in nonaffiliated, privately placed equities:		
14.03	.....		
14.04	.....		
14.05	.....		

15. Amounts and percentages of the reporting entity's total admitted assets held in general partnership interests:

15.01 Are assets held in general partnership interests less than 2.5% of the reporting entity's total admitted assets?

Yes[X] No[ ]

If response to 15.01 above is yes, responses are not required for the remainder of Interrogatory 15.

1 Investments in General Partnerships		2 Amount	3 Percent
15.02	Aggregate statement value of investments held in general partnership interests .....		
	Largest 3 investments in general partnership interests:		
15.03	.....		
15.04	.....		
15.05	.....		

16. Amounts and percentages of the reporting entity's total admitted assets held in mortgage loans:

16.01 Are mortgage loans reported in Schedule B less than 2.5% of the reporting entity's total admitted assets?

Yes[X] No[ ]

If response to 16.01 above is yes, responses are not required for the remainder of Interrogatory 16 and Interrogatory 17.

1 Type (Residential, Commercial, Agricultural)		2 Amount	3 Percent
Total admitted assets held in Mortgage Loans			
16.02	.....		
16.03	.....		
16.04	.....		
16.05	.....		
16.06	.....		
16.07	.....		
16.08	.....		
16.09	.....		
16.10	.....		
16.11	.....		

## SUPPLEMENTAL INVESTMENT RISKS INTERROGATORIES (Continued)

Description	Loans	
	2 Amount	3 Percent
Amount and percentage of the reporting entity's total admitted assets held in the following categories of mortgage loans:		
16.12 Construction loans .....		
16.13 Mortgage loans over 90 days past due .....		
16.14 Mortgage loans in the process of foreclosure .....		
16.15 Mortgage loans foreclosed .....		
16.16 Restructured mortgage loans .....		

Loan-to-Value	Residential		Commercial		Agricultural	
	1 Amount	2 Percent	3 Amount	4 Percent	5 Amount	6 Percent
17. Aggregate mortgage loans having the following loan-to-value ratios as determined from the most current appraisal as of the annual statement date:						
17.01 Above 95% .....						
17.02 91% to 95% .....						
17.03 81% to 90% .....						
17.04 71% to 80% .....						
17.05 Below 70% .....						

18. Amounts and percents of the reporting entity's total admitted assets held in each of the five largest investments in real estate:
- 18.01 Are assets held in real estate reported less than 2.5% of the reporting entity's total admitted assets? Yes[X] No[ ]  
 If response to 18.01 above is yes, responses are not required for the remainder of Interrogatory 18.

1 Description	2 Amount	3 Percent
Largest 5 investments in any one parcel or group of contiguous parcels of real estate:		
18.02 .....		
18.03 .....		
18.04 .....		
18.05 .....		
18.06 .....		

19. Report aggregate amounts and percentages of the reporting entity's total admitted assets held in investments held in mezzanine real estate loans:
- 19.01 Are assets held in investments held in mezzanine real estate loans less than 2.5% of the reporting entity's total admitted assets? Yes[X] No[ ]  
 If response to 19.01 is yes, responses are not required for the remainder of Interrogatory 19.

1 Description	2 Amount	3 Percent
19.02 Aggregate statement value of investments held in mezzanine real estate loans .....		
Largest three investments held in mezzanine real estate loans:		
19.03 .....		
19.04 .....		
19.05 .....		

## SUPPLEMENTAL INVESTMENT RISKS INTERROGATORIES (Continued)

Description	At Year-End		Amount at End of Each Quarter		
	Amount 1	Percent 2	1st Qtr 3	2nd Qtr 4	3rd Qtr 5
20. Amounts and percentages of the reporting entity's total admitted assets subject to the following types of agreements:					
20.01 Securities lending agreements (do not include assets held as collateral for such transactions) .....					
20.02 Repurchase agreements .....					
20.03 Reverse repurchase agreements .....					
20.04 Dollar repurchase agreements .....					
20.05 Dollar reverse repurchase agreements .....					

Description	Owned		Written	
	1 Amount	2 Percent	3 Amount	4 Percent
21. Amounts and percentages of the reporting entity's total admitted assets for warrants not attached to other financial instruments, options, caps, and floors:				
21.01 Hedging .....				
21.02 Income generation .....				
21.03 Other .....				

Description	Amount at End of Each Quarter			
	1st Qtr 3	2nd Qtr 4	3rd Qtr 5	4th Qtr 6
<b>NONE</b>				
22. Amounts and percentages of the reporting entity's total admitted assets of potential exposure for collars, swaps, and forwards:				
22.01 Hedging .....				
22.02 Income generation .....				
22.03 Replications .....				
22.04 Other .....				

Description	At Year-End		Amount at End of Each Quarter		
	Amount 1	Percent 2	1st Qtr 3	2nd Qtr 4	3rd Qtr 5
23. Amounts and percentages of the reporting entity's total admitted assets of potential exposure for futures contracts:					
23.01 Hedging .....					
23.02 Income generation .....					
23.03 Replications .....					
23.04 Other .....					

Supp12 SIS Title ..... NONE

Supp13 SIS Financial Reporting ..... NONE

Supp14 SIS Inform. - Management and Directors ..... NONE

Supp15 SIS Statement Beneficial Ownership ..... NONE

Supp21	Workers Comp. Carve-Out Supp. Pt 1 Prem Earned .....	NONE
Supp21	Workers Comp. Carve-Out Supp. Pt 2 Prem Written .....	NONE
Supp21	Workers Comp. Carve-Out Supp. Pt 3 Losses Paid .....	NONE
Supp21	Workers Comp. Carve-Out Supp. Pt 4 Unpaid Losses .....	NONE
Supp22	Workers Comp. Carve-Out Supp. Sch F - Pt 1 .....	NONE
Supp22	Workers Comp. Carve-Out Supp. Sch F - Pt 2 .....	NONE
Supp23	Workers Comp. Carve-Out Supp. Sch P - Pt 1 .....	NONE
Supp24	Workers Comp. Carve-Out Supp. Sch P - Pt 2 .....	NONE
Supp24	Workers Comp. Carve-Out Supp. Sch P - Pt 3 .....	NONE
Supp25	Workers Comp. Carve-Out Supp. Sch P - Pt 4 .....	NONE
Supp25	Workers Comp. Carve-Out Supp. Sch P - Pt 5 Sn1 .....	NONE
Supp25	Workers Comp. Carve-Out Supp. Sch P - Pt 5 Sn2 .....	NONE
Supp25	Workers Comp. Carve-Out Supp. Sch P - Pt 5 Sn3 .....	NONE
Supp26	Workers Comp. Carve-Out Supp. Sch P - Pt 6 Sn1 .....	NONE
Supp26	Workers Comp. Carve-Out Supp. Sch P - Pt 6 Sn2 .....	NONE



# SCHEDULE O SUPPLEMENT

For the Year Ended December 31, 2012

(To Be Filed By March 1)

Of the UNIVERSAL LIFE INSURANCE COMPANY

Address (City, State, Zip Code): San Juan, PR 00919-1899

NAIC Group Code: 0071 NAIC Company Code: 60041 Employer's ID Number: 66-0502334

## SUPPLEMENTAL SCHEDULE O - PART 1

Development of Incurred Losses

(\$000 OMITTED)

### Section A - Group Accident and Health

Year in Which Losses Were Incurred	Net Amounts Paid Policyholders				
	1 2008	2 2009	3 2010	4 2011	5 2012(a)
1. Prior .....	804	62	13	19	11
2. 2008 .....	1,027	396	27	8	10
3. 2009 .....	X X X	680	429	54	19
4. 2010 .....	X X X	X X X	925	608	56
5. 2011 .....	X X X	X X X	X X X	961	606
6. 2012 .....	X X X	X X X	X X X	X X X	978

### Section B - Other Accident and Health

1. Prior .....	1,250				
2. 2008 .....	1,923				
3. 2009 .....	X X X				
4. 2010 .....	X X X	X X X			
5. 2011 .....	X X X	X X X	X X X		1
6. 2012 .....	X X X	X X X	X X X	X X X	

### Section C - Credit Accident and Health

1. Prior .....	190	84	11	6	
2. 2008 .....	98	171	62	2	
3. 2009 .....	X X X	116	212	82	1
4. 2010 .....	X X X	X X X	57	118	17
5. 2011 .....	X X X	X X X	X X X	39	95
6. 2012 .....	X X X	X X X	X X X	X X X	65

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

# SCHEDULE O SUPPLEMENT (Continued)

## SUPPLEMENTAL SCHEDULE O - PART 2

**Development of Incurred Losses**  
 (\$000 OMITTED)  
**Section A - Group Accident and Health**

Year in Which Losses Were Incurred	Net Amounts Paid for Cost Containment Expenses				
	1 2008	2 2009	3 2010	4 2011	5 2012
1. Prior .....					
2. 2008 .....					
3. 2009 .....	X X X				
4. 2010 .....	X X X	X X X			
5. 2011 .....	X X X	X X X	X X X		
6. 2012 .....	X X X	X X X	X X X	X X X	

**Section B - Other Accident and Health**

1. Prior .....					
2. 2008 .....					
3. 2009 .....	X X X				
4. 2010 .....	X X X	X X X			
5. 2011 .....	X X X	X X X	X X X		
6. 2012 .....	X X X	X X X	X X X	X X X	

**Section C - Credit Accident and Health**

1. Prior .....					
2. 2008 .....					
3. 2009 .....	X X X				
4. 2010 .....	X X X	X X X			
5. 2011 .....	X X X	X X X	X X X		
6. 2012 .....	X X X	X X X	X X X	X X X	

**SCHEDULE O SUPPLEMENT (Continued)****SUPPLEMENTAL SCHEDULE O - PART 3****Development of Incurred Losses  
(\$000 OMITTED)****Section A - Group Accident and Health**

Year in Which Losses Were Incurred	Sum of Net Cumulative Amount Paid Policyholders and Claim Liability and Reserve Outstanding at End of Year				
	1 2008	2 2009	3 2010	4 2011	5 2012
1. 2008 .....	1,553	1,759	1,526	X X X	X X X
2. 2009 .....	X X X	1,156	1,275	1,284	X X X
3. 2010 .....	X X X	X X X	1,687	1,653	1,679
4. 2011 .....	X X X	X X X	X X X	1,826	1,937
5. 2012 .....	X X X	X X X	X X X	X X X	1,893

**Section B - Other Accident and Health**

1. 2008 .....	1,923	1,923	1,923	X X X	X X X
2. 2009 .....	X X X				X X X
3. 2010 .....	X X X	X X X	2	1	1
4. 2011 .....	X X X	X X X	X X X	2	
5. 2012 .....	X X X	X X X	X X X	X X X	1

**Section C - Credit Accident and Health**

1. 2008 .....	316	286	335	X X X	X X X
2. 2009 .....	X X X	489	363	415	X X X
3. 2010 .....	X X X	X X X	328	204	196
4. 2011 .....	X X X	X X X	X X X	303	163
5. 2012 .....	X X X	X X X	X X X	X X X	292

**SCHEDULE O SUPPLEMENT (Continued)****SUPPLEMENTAL SCHEDULE O - PART 4****Development of Incurred Losses  
(\$000 OMITTED)****Section A - Group Accident and Health**

Year in Which Losses Were Incurred	Sum of Net Cumulative Amount Paid Policyholders, Cost Containment Expenses, and Claim and Cost Containment Liability and Reserve Outstanding at End of Year				
	1 2008	2 2009	3 2010	4 2011	5 2012
1. 2008 .....	1,006				
2. 2009 .....	X X X				
3. 2010 .....	X X X	X X X			
4. 2011 .....	X X X	X X X	X X X		
5. 2012 .....	X X X	X X X	X X X	X X X	

**Section B - Other Accident and Health**

1. 2008 .....					
2. 2009 .....	X X X				
3. 2010 .....	X X X	X X X			
4. 2011 .....	X X X	X X X	X X X		
5. 2012 .....	X X X	X X X	X X X	X X X	

**Section C - Credit Accident and Health**

1. 2008 .....	59				
2. 2009 .....	X X X				
3. 2010 .....	X X X	X X X			
4. 2011 .....	X X X	X X X	X X X		
5. 2012 .....	X X X	X X X	X X X	X X X	

**SUPPLEMENTAL SCHEDULE O - PART 5**

(\$000 OMITTED)

**Reserve and Liability Methodology - Exhibits 6 and 8**

Line of Business	1 Methodology	2 Amount
1. Industrial life .....		
2. Ordinary life .....	Development	95
3. Individual annuity .....		
4. Supplementary contracts .....		
5. Credit life .....	Development	596
6. Group life .....	Development	970
7. Group annuities .....		
8. Group accident and health .....	Development	1,464
9. Credit accident and health .....	Development	177
10. Other accident and health .....	Development	1
11. TOTAL .....		3,303



## Medicare Part D Coverage Supplement (Net of Reinsurance)

NAIC Group Code: 0071

(To be Filed By March 1)

NAIC Company Code: 60041

	Individual Coverage		Group Coverage		5 Total Cash
	1 Insured	2 Uninsured	3 Insured	4 Uninsured	
1. Premiums Collected					
1.1 Standard Coverage					
1.11 With Reinsurance Coverage		X X X		X X X	
1.12 Without Reinsurance Coverage		X X X		X X X	
1.13 Risk-Corridor Payment Adjustments		X X X		X X X	
1.2 Supplemental Benefits		X X X		X X X	
2. Premiums Due and Uncollected - change					
2.1 Standard Coverage					
2.11 With Reinsurance Coverage		X X X		X X X	X X X
2.12 Without Reinsurance Coverage		X X X		X X X	X X X
2.2 Supplemental Benefits		X X X		X X X	X X X
3. Unearned Premium and Advance Premium - change					
3.1 Standard Coverage					
3.11 With Reinsurance Coverage		X X X		X X X	X X X
3.12 Without Reinsurance Coverage		X X X		X X X	X X X
3.2 Supplemental Benefits		X X X		X X X	X X X
4. Risk-Corridor Payment Adjustments - change					
4.1 Receivable		X X X		X X X	X X X
4.2 Payable		X X X		X X X	X X X
5. Earned Premiums					
5.1 Standard Coverage					
5.11 With Reinsurance Coverage		X X X		X X X	X X X
5.12 Without Reinsurance Coverage		X X X		X X X	X X X
5.13 Risk-Corridor Payment Adjustments		X X X		X X X	X X X
5.2 Supplemental Benefits		X X X		X X X	X X X
6. Total Premiums		X X X		X X X	
7. Claims Paid					
7.1 Standard Coverage					
7.11 With Reinsurance Coverage		X X X		X X X	
7.12 Without Reinsurance Coverage		X X X		X X X	
7.2 Supplemental Benefits		X X X		X X X	
8. Claim Reserves and Liabilities - change					
8.1 Standard Coverage					
8.11 With Reinsurance Coverage		X X X		X X X	X X X
8.12 Without Reinsurance Coverage		X X X		X X X	X X X
8.2 Supplemental Benefits		X X X		X X X	X X X
9. Healthcare Receivables - change					
9.1 Standard Coverage					
9.11 With Reinsurance Coverage		X X X		X X X	X X X
9.12 Without Reinsurance Coverage		X X X		X X X	X X X
9.2 Supplemental Benefits		X X X		X X X	X X X
10. Claims Incurred					
10.1 Standard Coverage					
10.11 With Reinsurance Coverage		X X X		X X X	X X X
10.12 Without Reinsurance Coverage		X X X		X X X	X X X
10.2 Supplemental Benefits		X X X		X X X	X X X
11. Total Claims		X X X		X X X	
12. Reinsurance Coverage and Low Income Cost Sharing					
12.1 Claims Paid - Net of reimbursements applied	X X X		X X X		
12.2 Reimbursements Received but Not Applied - change	X X X		X X X		
12.3 Reimbursements Receivable - change	X X X		X X X		X X X
12.4 Healthcare Receivables - change	X X X		X X X		X X X
13. Aggregate Policy Reserves - change					X X X
14. Expenses Paid		X X X		X X X	
15. Expenses Incurred		X X X		X X X	X X X
16. Underwriting Gain/Loss		X X X		X X X	X X X
17. Cash Flow Result	X X X	X X X	X X X	X X X	

Supp32 Long Term Care Form 1 ..... NONE

Supp33 Long Term Care Form 2 ..... NONE

Supp34 Long Term Care Form 3 - Part A ..... NONE

Supp35 Long Term Care Form 3 - Part B ..... NONE

Supp36 Long Term Care Form 3 - Part C ..... NONE

Supp37 Long Term Care Form 4 ..... NONE

Supp38 Long Term Care Form 5 ..... NONE



# INTEREST SENSITIVE LIFE INSURANCE PRODUCTS REPORT

For The Year Ended December 31, 2012

(To Be Filed by April 1)

Of The

**UNIVERSAL LIFE INSURANCE COMPANY**

Address (City, State and Zip Code)

San Juan, PR 00919-1899

NAIC Group Code 0071

NAIC Company Code 60041

Employer's I.D. Number

66-0502334

ANALYSIS OF OPERATIONS BY LINES OF BUSINESS

	Ordinary Life Insurance			Group Life Insurance		
	1 Interest Sensitive	2 Non-Interest Sensitive	3 Total (Columns 1 & 2)	4 Interest Sensitive	5 Non-Interest Sensitive	6 Total (Columns 4 & 5)
1. Premiums and annuity considerations for life and accident and health contracts		870,703	870,703		5,378,740	5,378,740
2. Considerations for supplementary contracts with life contingencies						
3. Net investment income		410,056	410,056		118,322	118,322
4. Amortization of Interest Maintenance Reserve (IMR)		(1)	(1)		(1,084)	(1,084)
5. Separate Accounts net gain from operations excluding unrealized gains or losses						
6. Commissions and expense allowances on reinsurance ceded						
7. Reserve adjustments on reinsurance ceded						
8. Miscellaneous income:						
8.1 Fees associated with income from investment management, administration and contract guarantees from Separate Accounts						
8.2 Charges and fees for deposit-type contracts						
8.3 Aggregate write-ins for miscellaneous income		148	148		16,975	16,975
9. TOTALS (Lines 1 through 8.3)		1,280,906	1,280,906		5,512,953	5,512,953
10. Death benefits		172,857	172,857		2,727,079	2,727,079
11. Matured endowments (excluding guaranteed annual pure endowments)						
12. Annuity benefits						
13. Disability benefits and benefits under accident and health contracts						
14. Coupons, guaranteed annual pure endowments and similar benefits						
15. Surrender benefits and withdrawals for life contracts						
16. Group conversions						
17. Interest and adjustment on policy or deposit-type contract funds						
18. Payments on supplementary contracts with life contingencies						
19. Increase in aggregate reserves for life and accident and health contracts		523,032	523,032			
20. TOTALS (Lines 10 through 19)		695,889	695,889		2,727,079	2,727,079
21. Commissions on premiums, annuity considerations and deposit-type contract funds (direct business only)		267,107	267,107		992,112	992,112
22. Commissions and expense allowances on reinsurance assumed						
23. General insurance expenses		295,804	295,804		1,037,748	1,037,748
24. Insurance taxes, licenses and fees, excluding federal income taxes		17,087	17,087		34,369	34,369
25. Increase in loading on deferred & uncollected premiums						
26. Net transfers to or (from) Separate Accounts net of reinsurance						
27. Aggregate write-ins for deductions						
28. TOTALS (Lines 20 through 27)		1,275,887	1,275,887		4,791,308	4,791,308
29. Net gain from operations before dividends to policyholders & federal income taxes (Line 9 minus Line 28)		5,019	5,019		721,645	721,645
30. Dividends to policyholders						
31. Net gain from operations after dividends to policyholders and before federal income taxes (Line 29 minus Line 30)		5,019	5,019		721,645	721,645
32. Federal income taxes incurred (excluding tax on capital gains)						
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)		5,019	5,019		721,645	721,645
<b>DETAILS OF WRITE-INS</b>						
08.301. OTHER INCOME		148	148		16,975	16,975
08.302.						
08.303.						
08.398. Summary of remaining write-ins for Line 8.3 from overflow page						
08.399. TOTALS (Lines 08.301 through 08.303 plus 08.398) (Line 8.3 above)		148	148		16,975	16,975
2701.						
2702.						
2703.						
2798. Summary of remaining write-ins for Line 27 from overflow page						
2799. TOTALS (Lines 2701 through 2703 plus 2798) (Line 27 above)						

## ANALYSIS OF INCREASE IN RESERVES DURING THE YEAR

	Ordinary Life Insurance			Group Life Insurance		
	1 Interest Sensitive	2 Non-Interest Sensitive	3 Total (Columns 1 & 2)	4 Interest Sensitive	5 Non-Interest Sensitive	6 Total (Columns 4 & 5)
<b>Involving Life or Disability Contingencies (Reserves) (Net of Reinsurance Ceded)</b>						
1. Reserve December 31, prior year .....		2,335,343	2,335,343			
2. Tabular net premiums or considerations .....						
3. Present value of disability claims incurred .....						
4. Tabular interest .....						
5. Tabular less actual reserve released .....						
6. Increase in reserve on account of change in valuation basis .....						
7. Other increases (Net) .....		737,846	737,846			
8. TOTAL (Lines 1 through 7) .....		3,073,189	3,073,189			
9. Tabular cost .....						
10. Reserves released by death .....		31,925	31,925			
11. Reserves released by other terminations (net) .....		182,889	182,889			
12. Annuity, supplementary contract, and disability payments involving life contingencies .....						
13. Net transfers to or (from) Separate Accounts .....						
14. TOTAL Deductions (Lines 9 through 13) .....		214,814	214,814			
15. Reserve December 31, current year .....		2,858,375	2,858,375			

OVERFLOW PAGE FOR WRITE-INS

Supp42



# CREDIT INSURANCE EXPERIENCE EXHIBIT

TO BE FILED ON OR BEFORE APRIL 1

FOR THE YEAR ENDED December 31, 2012

OF THE UNIVERSAL LIFE INSURANCE COMPANY

Address (City, State and Zip Code) San Juan, PR 00919-1899

NAIC Group Code: 0071

NAIC Company Code: 60041

Employer's ID Number: 66-0502334

Direct Business in the state of: **Puerto Rico**

Does the company have Credit Insurance in this State? Yes[X] No[ ]

## PART 1A - CREDIT LIFE INSURANCE

Monthly Outstanding Balance (MOB)

## PART 1B - CREDIT LIFE INSURANCE

Single Premium (SP) and Total

	Open-End		Closed-End	
	1 Single	2 Joint	3 Single	4 Joint
1. Earned Premiums:				
1.1 Gross written premiums			506,256	32,314
1.2 Refunds on terminations				
1.3 Net written premiums (Lines 1.1 - 1.2)			506,256	32,314
1.4 Premium reserves, start of period				
1.5 Premium reserves, end of period				
1.6 Actual earned premiums (Lines 1.3 + 1.4 - 1.5)			506,256	32,314
1.7 Earned premiums at prima facie rates				
2. Incurred Claims:				
2.1 Claims paid			289,067	8,908
2.2 Unreported claim reserve, start of period			69,315	601
2.3 Unreported claim reserve, end of period			119,258	1,034
2.4 Claim reserves, start of period			110,992	7,206
2.5 Claim reserves, end of period			18,219	
2.6 Incurred claims (Lines 2.1 - 2.2 + 2.3 - 2.4 + 2.5)			246,237	2,135
3. Incurred Compensation:				
3.1 Commissions and Service Fees Incurred			210,406	13,430
3.2 Other Incurred Compensation				
3.3 Total Incurred Compensation (Lines 3.1 + 3.2)			210,406	13,430
3.4 Commissions / Service Fee Percentage (Lines 3.1 / 1.3)	%	%	41.561%	41.561%
3.5 Other Incurred Compensation Percentage (Lines 3.2 / 1.6)	%	%	%	%
4. Loss Percentage:				
4.1 Actual loss percentage (Lines 2.6 / 1.6)	%	%	48.639%	6.607%
4.2 Loss percentage at prima facie rates (Lines 2.6 / 1.7)	%	%	%	%
5. Mean insurance in force				
6. Losses per \$1,000 mean insurance in force [(1,000 x Line 2.6)/Line 5]				

1	2	3
Single SP	Joint SP	Total SP + MOB
6,822,784	213,937	7,575,291
1,016,863	31,885	1,048,748
5,805,921	182,052	6,526,543
3,944,355	353,214	4,297,569
4,787,345	379,648	5,166,993
4,962,931	155,618	5,657,119
831,648	99,001	1,228,624
248,685	27,831	346,432
427,863	47,883	596,038
248,494	20,186	386,878
121,099		139,318
883,431	98,867	1,230,670
3,522,439	110,451	3,856,726
3,522,439	110,451	3,856,726
60.670%	60.670%	59.093%
%	%	%
17.801%	63.532%	21.754%
%	%	%

## PART 2A - CREDIT ACCIDENT AND HEALTH INSURANCE

### Single Premium - Closed-End

	1 7 Day Retro	2 14 Day Retro	3 14 Day Non-Retro	4 30 Day Retro	5 30 Day Non-Retro	6 Other (a)	7 Total
1. Earned Premiums:							
1.1 Gross written premiums		34,057		10,623	1,503,710		1,548,390
1.2 Refunds on terminations		3,962		1,236	173,886		179,084
1.3 Net written premiums (Lines 1.1 - 1.2)		30,095		9,387	1,329,824		1,369,306
1.4 Premium reserves, start of period		48,269		4,760	653,099		706,128
1.5 Premium reserves, end of period		68,118		10,951	1,524,196		1,603,265
1.6 Actual earned premiums (Lines 1.3 + 1.4 - 1.5)		10,246		3,196	458,727		472,169
1.7 Earned premiums at prima facie rates							
2. Incurred Claims:							
2.1 Claims paid		22,758		1,341	72,586		96,685
2.2 Unreported claim reserve, start of period		45,048		521	129,216		174,785
2.3 Unreported claim reserve, end of period		34,956		404	100,267		135,627
2.4 Claim reserves, start of period		1,126		1,058	25,650		27,834
2.5 Claim reserves, end of period		2,802			23,151		25,953
2.6 Incurred claims (Lines 2.1 - 2.2 + 2.3 - 2.4 + 2.5)		14,342		166	41,138		55,646
3. Incurred Compensation:							
3.1 Commissions and Service Fees Incurred		17,290		5,393	748,373		771,056
3.2 Other Incurred Compensation							
3.3 Total Incurred Compensation (Lines 3.1 + 3.2)		17,290		5,393	748,373		771,056
3.4 Commissions / Service Fee Percentage (Lines 3.1 / 1.3)	%	57.451%	%	57.452%	56.276%	%	56.310%
3.5 Other Incurred Compensation Percentage (Lines 3.2 / 1.6)	%	%	%	%	%	%	%
4. Loss Percentage:							
4.1 Actual loss percentage (Lines 2.6 / 1.6)	%	139.977%	%	5.194%	8.968%	%	11.785%
4.2 Loss percentage at prima facie rates (Lines 2.6 / 1.7)	%	%	%	%	%	%	%

(a) Provide a description of "other" coverages (including their percent of Line 1.6, Column 6):

## PART 2B - CREDIT ACCIDENT AND HEALTH INSURANCE

### Monthly Outstanding Balance - Closed-End

	1 7 Day Retro	2 14 Day Retro	3 14 Day Non-Retro	4 30 Day Retro	5 30 Day Non-Retro	6 Other (a)	7 Total
1. Earned Premiums:							
1.1 Gross written premiums .....					15,522		15,522
1.2 Refunds on terminations .....							
1.3 Net written premiums (Lines 1.1 - 1.2) .....					15,522		15,522
1.4 Premium reserves, start of period .....							
1.5 Premium reserves, end of period .....							
1.6 Actual earned premium (Lines 1.3 + 1.4 - 1.5) .....					15,522		15,522
1.7 Earned premiums at prima facie rates .....							
2. Incurred Claims:							
2.1 Claims paid .....					12,585		12,585
2.2 Unreported claim reserve, start of period .....					(33,967)		(33,967)
2.3 Unreported claim reserve, end of period .....					(26,357)		(26,357)
2.4 Claim reserves, start of period .....					34,487		34,487
2.5 Claim reserves, end of period .....					3,478		3,478
2.6 Incurred claims (Lines 2.1 - 2.2 + 2.3 - 2.4 + 2.5) .....					(10,814)		(10,814)
3. Incurred Compensation:							
3.1 Commissions and Service Fees Incurred .....					1,863		1,863
3.2 Other Incurred Compensation .....							
3.3 Total Incurred Compensation (Lines 3.1 + 3.2) .....					1,863		1,863
3.4 Commissions / Service Fee Percentage (Lines 3.1 / 1.3) .....	%	%	%	%	12.002%	%	12.002%
3.5 Other Incurred Compensation Percentage (Lines 3.2 / 1.6) .....	%	%	%	%	%	%	%
4. Loss Percentage:							
4.1 Actual loss percentage (Lines 2.6 / 1.6) .....	%	%	%	%	(69.669)%	%	(69.669)%
4.2 Loss percentage at prima facie rates (Lines 2.6 / 1.7) .....	%	%	%	%	%	%	%

(a) Provide a description of "other" coverages (including their percent of Line 1.6, Column 6):

**PART 2C - CREDIT ACCIDENT AND HEALTH INSURANCE**

**PART 2D - CREDIT ACCIDENT AND HEALTH INSURANCE**

Supp47 Puerto Rico

Monthly Outstanding Balance--Open-End

		1	2	3	4	5	6	7
		7 Day Retro	14 Day Retro	14 Day Non-Retro	30 Day Retro	30 Day Non-Retro	Other (a)	Total
1.	Earned Premiums:							
1.1	Gross written premiums .....							
1.2	Refunds on terminations .....							
1.3	Net written premiums (Lines 1.1 - 1.2) .....							
1.4	Premium reserves, start of period .....							
1.5	Premium reserves, end of period .....							
1.6	Actual earned premiums (Lines 1.3 + 1.4 - 1.5) .....							
1.7	Earned premiums at prima facie rates .....							
2.	Incurred Claims:							
2.1	Claims paid .....							
2.2	Unreported claim reserve, start of period .....							
2.3	Unreported claim reserve, end of period .....							
2.4	Claim reserves, start of period .....							
2.5	Claim reserves, end of period .....							
2.6	Incurred claims (Lines 2.1 - 2.2 + 2.3 - 2.4 + 2.5) .....							
3.	Incurred Compensation:							
3.1	Commissions and Service Fees Incurred .....							
3.2	Other Incurred Compensation .....							
3.3	Total Incurred Compensation (Lines 3.1 + 3.2) .....							
3.4	Commissions / Service Fee Percentage (Lines 3.1 / 1.3) .....	%	%	%	%	%	%	%
3.5	Other Incurred Compensation Percentage (Lines 3.2 / 1.6) .....	%	%	%	%	%	%	%
4.	Loss Percentage:							
4.1	Actual loss percentage (Lines 2.6 / 1.6) .....	%	%	%	%	%	%	%
4.2	Loss percentage at prima facie rates (Lines 2.6 / 1.7) .....	%	%	%	%	%	%	%

(a) Provide a description of "other" coverages (including their percent of Line 1.6, Column 6):

(b) Provide a description of "other" coverages (including their percent of Line 1.6, Column 1):

1	2
All Other (b)	Total - Parts 2A, 2B, 2C and 2D
	1,563,912
	179,084
	1,384,828
	706,128
	1,603,265
	487,691
	109,270
	140,818
	109,270
	62,321
	29,431
	44,832
	772,919
	772,919
	55.813%
	%
	9.193%
	%

**PART 3A - CREDIT  
UNEMPLOYMENT INSURANCE**

**PART 3B - CREDIT  
UNEMPLOYMENT INSURANCE**

		1 30 Day Retro - SP	2 30 Day Non-Retro - SP	3 30 Day Retro - MOB
1.	Earned Premiums:			
1.1	Gross written premiums .....	969,948		
1.2	Refunds on terminations .....	149,928		
1.3	Net written premiums (Lines 1.1 - 1.2) .....	820,020		
1.4	Premium reserves, start of period .....	545,548		
1.5	Premium reserves, end of period .....	1,058,685		
1.6	Actual earned premiums (Lines 1.3 + 1.4 - 1.5) .....	306,883		
1.7	Earned premiums at prima facie rates .....			
2.	Incurred Claims:			
2.1	Claims paid .....	68,156		
2.2	Unreported claim reserve, start of period .....	59,790		
2.3	Unreported claim reserve, end of period .....	68,155		
2.4	Claim reserves, start of period .....	34,375		
2.5	Claim reserves, end of period .....	53,051		
2.6	Incurred claims (Lines 2.1 - 2.2 + 2.3 - 2.4 + 2.5) .....	95,197		
3.	Incurred Compensation:			
3.1	Commissions and Service Fees Incurred .....	492,012		
3.2	Other Incurred Compensation .....			
3.3	Total Incurred Compensation (Lines 3.1 + 3.2) .....	492,012		
3.4	Commissions / Service Fee Percentage (Lines 3.1 / 1.3) .....	60.000%	%	%
3.5	Other Incurred Compensation Percentage (Lines 3.2 / 1.6) .....	%	%	%
4.	Loss Percentage:			
4.1	Actual loss percentage (Lines 2.6 / 1.6) .....	31.021%	%	%
4.2	Loss percentage at prima facie rates (Lines 2.6 / 1.7) .....	%	%	%

1 30 Day Non-Retro-MOB	2 Other (a)	3 Total
		969,948
		149,928
		820,020
		545,548
		1,058,685
		306,883
		68,156
		59,790
		68,155
		34,375
		53,051
		95,197
		492,012
		492,012
%	%	60.000%
%	%	%
%	%	31.021%
%	%	%

(a) Provide a description of "other" coverages (including their percent of Line 1.6, Column 2):

**PART 4 - CREDIT PROPERTY INSURANCE**

	1	2	3	4	5	6	7
	Creditor Placed Home-Single Interest	Creditor Placed Home-Dual Interest	Creditor Placed Auto-Single Interest	Creditor Placed Auto-Dual Interest	Personal Property-Single Interest	Personal Property-Dual Interest	Other (a)
1. Earned Premiums:							
1.1 Gross written premiums .....							
1.2 Refunds on terminations .....							
1.3 Net written premiums (Lines 1.1 - 1.2) .....							
1.4 Premium reserves, start of period .....							
1.5 Premium reserves, end of period .....							
1.6 Actual earned premiums (Lines 1.3 + 1.4 - 1.5) .....							
1.7 Earned premiums at prima facie rates .....							
2. Incurred Claims:							
2.1 Claims paid .....							
2.2 Total claim reserve, start of period .....							
2.3 Total claim reserve, end of period .....							
2.4 Incurred claims (Lines 2.1 - 2.2 + 2.3) .....							
3. Incurred Compensation:							
3.1 Commissions and Service Fees Incurred .....							
3.2 Other Incurred Compensation .....							
3.3 Total Incurred Compensation (Lines 3.1 + 3.2) .....							
3.4 Commissions/service fee percentage (Lines 3.1 / 1.3) .....	%	%	%	%	%	%	%
3.5 Other incurred compensation percentage (Lines 3.2 / 1.6) ..	%	%	%	%	%	%	%
4. Loss Percentage:							
4.1 Actual loss percentage (Lines 2.4 / 1.6) .....	%	%	%	%	%	%	%
4.2 Loss percentage at prima facie rates (Lines 2.4 / 1.7) .....	%	%	%	%	%	%	%
5. Incurred Loss Adjustment Expense:							
5.1 Defense and cost containment expenses incurred .....							
5.2 Adjusting and other expenses incurred .....							

(a) Provide a description of "other" coverages (including their percent of Line 1.6, Column 7):

## PART 5 - OTHER CREDIT INSURANCE

		1 Credit Family Leave	1 Personal GAP	3 All Other (a)
1.	Earned Premiums:			
1.1	Gross written premiums .....			
1.2	Refunds on terminations .....			
1.3	Net written premiums (Lines 1.1 - 1.2) .....			
1.4	Premium reserves, start of period .....			
1.5	Premium reserves, end of period .....			
1.6	Actual earned premiums (Lines 1.3 + 1.4 - 1.5) .....			
1.7	Earned premiums at prima facie rates .....			
2.	Incurred Claims:			
2.1	Claims paid .....			
2.2	Total claim reserve, start of period .....			
2.3	Total claim reserve, end of period .....			
2.4	Incurred claims (Lines 2.1 - 2.2 + 2.3) .....			
3.	Incurred Compensation:			
3.1	Commissions and service fees incurred .....			
3.2	Other incurred compensation .....			
3.3	Total incurred compensation (Lines 3.1 + 3.2) .....			
3.4	Commissions/service fee percentage (Lines 3.1 / 1.3) .....	%	%	%
3.5	Other incurred compensation percentage (Lines 3.2 / 1.6) ..	%	%	%
4.	Loss Percentage:			
4.1	Actual loss percentage (Lines 2.4 / 1.6) .....	%	%	%
4.2	Loss percentage at prima facie rates (Lines 2.4 / 1.7) .....	%	%	%

(a) Provide a description of "other" coverages (including their percent of Line 1.6 Column 3):



# CREDIT INSURANCE EXPERIENCE EXHIBIT

TO BE FILED ON OR BEFORE APRIL 1

FOR THE YEAR ENDED December 31, 2012

OF THE UNIVERSAL LIFE INSURANCE COMPANY

Address (City, State and Zip Code) San Juan, PR 00919-1899

NAIC Group Code: 0071

NAIC Company Code: 60041

Employer's ID Number: 66-0502334

Direct Business in the state of: **Grand Total**

Does the company have Credit Insurance in this State? Yes[X] No[ ]

## PART 1A - CREDIT LIFE INSURANCE

Monthly Outstanding Balance (MOB)

## PART 1B - CREDIT LIFE INSURANCE

Single Premium (SP) and Total

Supp44 Grand Total

	Open-End		Closed-End	
	1 Single	2 Joint	3 Single	4 Joint
1. Earned Premiums:				
1.1 Gross written premiums			506,256	32,314
1.2 Refunds on terminations				
1.3 Net written premiums (Lines 1.1 - 1.2)			506,256	32,314
1.4 Premium reserves, start of period				
1.5 Premium reserves, end of period				
1.6 Actual earned premiums (Lines 1.3 + 1.4 - 1.5)			506,256	32,314
1.7 Earned premiums at prima facie rates				
2. Incurred Claims:				
2.1 Claims paid			289,067	8,908
2.2 Unreported claim reserve, start of period			69,315	601
2.3 Unreported claim reserve, end of period			119,258	1,034
2.4 Claim reserves, start of period			110,992	7,206
2.5 Claim reserves, end of period			18,219	
2.6 Incurred claims (Lines 2.1 - 2.2 + 2.3 - 2.4 + 2.5)			246,237	2,135
3. Incurred Compensation:				
3.1 Commissions and Service Fees Incurred			210,406	13,430
3.2 Other Incurred Compensation				
3.3 Total Incurred Compensation (Lines 3.1 + 3.2)			210,406	13,430
3.4 Commissions / Service Fee Percentage (Lines 3.1 / 1.3)			41.561%	41.561%
3.5 Other Incurred Compensation Percentage (Lines 3.2 / 1.6)			%	%
4. Loss Percentage:				
4.1 Actual loss percentage (Lines 2.6 / 1.6)			48.639%	6.607%
4.2 Loss percentage at prima facie rates (Lines 2.6 / 1.7)			%	%
5. Mean insurance in force				
6. Losses per \$1,000 mean insurance in force [(1,000 x Line 2.6)/Line 5]				

1	2	3
Single SP	Joint SP	Total SP + MOB
6,822,784	213,937	7,575,291
1,016,863	31,885	1,048,748
5,805,921	182,052	6,526,543
3,944,355	353,214	4,297,569
4,787,345	379,648	5,166,993
4,962,931	155,618	5,657,119
831,648	99,001	1,228,624
248,685	27,831	346,432
427,863	47,883	596,038
248,494	20,186	386,878
121,099		139,318
883,431	98,867	1,230,670
3,522,439	110,451	3,856,726
3,522,439	110,451	3,856,726
60.670%	60.670%	59.093%
%	%	%
17.801%	63.532%	21.754%
%	%	%

## PART 2A - CREDIT ACCIDENT AND HEALTH INSURANCE

Single Premium - Closed-End

	1 7 Day Retro	2 14 Day Retro	3 14 Day Non-Retro	4 30 Day Retro	5 30 Day Non-Retro	6 Other (a)	7 Total
1. Earned Premiums:							
1.1 Gross written premiums .....		34,057		10,623	1,503,710		1,548,390
1.2 Refunds on terminations .....		3,962		1,236	173,886		179,084
1.3 Net written premiums (Lines 1.1 - 1.2) .....		30,095		9,387	1,329,824		1,369,306
1.4 Premium reserves, start of period .....		48,269		4,760	653,099		706,128
1.5 Premium reserves, end of period .....		68,118		10,951	1,524,196		1,603,265
1.6 Actual earned premiums (Lines 1.3 + 1.4 - 1.5) .....		10,246		3,196	458,727		472,169
1.7 Earned premiums at prima facie rates .....							
2. Incurred Claims:							
2.1 Claims paid .....		22,758		1,341	72,586		96,685
2.2 Unreported claim reserve, start of period .....		45,048		521	129,216		174,785
2.3 Unreported claim reserve, end of period .....		34,956		404	100,267		135,627
2.4 Claim reserves, start of period .....		1,126		1,058	25,650		27,834
2.5 Claim reserves, end of period .....		2,802			23,151		25,953
2.6 Incurred claims (Lines 2.1 - 2.2 + 2.3 - 2.4 + 2.5) .....		14,342		166	41,138		55,646
3. Incurred Compensation:							
3.1 Commissions and Service Fees Incurred .....		17,290		5,393	748,373		771,056
3.2 Other Incurred Compensation .....							
3.3 Total Incurred Compensation (Lines 3.1 + 3.2) .....		17,290		5,393	748,373		771,056
3.4 Commissions / Service Fee Percentage (Lines 3.1 / 1.3) .....	%	57.451%	%	57.452%	56.276%	%	56.310%
3.5 Other Incurred Compensation Percentage (Lines 3.2 / 1.6) .....	%	%	%	%	%	%	%
4. Loss Percentage:							
4.1 Actual loss percentage (Lines 2.6 / 1.6) .....	%	139.977%	%	5.194%	8.968%	%	11.785%
4.2 Loss percentage at prima facie rates (Lines 2.6 / 1.7) .....	%	%	%	%	%	%	%

(a) Provide a description of "other" coverages (including their percent of Line 1.6, Column 6):

Supp45 Grand Total

## PART 2B - CREDIT ACCIDENT AND HEALTH INSURANCE

**Monthly Outstanding Balance - Closed-End**

	1 7 Day Retro	2 14 Day Retro	3 14 Day Non-Retro	4 30 Day Retro	5 30 Day Non-Retro	6 Other (a)	7 Total
1. Earned Premiums:							
1.1 Gross written premiums .....					15,522		15,522
1.2 Refunds on terminations .....							
1.3 Net written premiums (Lines 1.1 - 1.2) .....					15,522		15,522
1.4 Premium reserves, start of period .....							
1.5 Premium reserves, end of period .....							
1.6 Actual earned premium (Lines 1.3 + 1.4 - 1.5) .....					15,522		15,522
1.7 Earned premiums at prima facie rates .....							
2. Incurred Claims:							
2.1 Claims paid .....					12,585		12,585
2.2 Unreported claim reserve, start of period .....					(33,967)		(33,967)
2.3 Unreported claim reserve, end of period .....					(26,357)		(26,357)
2.4 Claim reserves, start of period .....					34,487		34,487
2.5 Claim reserves, end of period .....					3,478		3,478
2.6 Incurred claims (Lines 2.1 - 2.2 + 2.3 - 2.4 + 2.5) .....					(10,814)		(10,814)
3. Incurred Compensation:							
3.1 Commissions and Service Fees Incurred .....					1,863		1,863
3.2 Other Incurred Compensation .....							
3.3 Total Incurred Compensation (Lines 3.1 + 3.2) .....					1,863		1,863
3.4 Commissions / Service Fee Percentage (Lines 3.1 / 1.3) .....	%	%	%	%	12.002%	%	12.002%
3.5 Other Incurred Compensation Percentage (Lines 3.2 / 1.6) .....	%	%	%	%	%	%	%
4. Loss Percentage:							
4.1 Actual loss percentage (Lines 2.6 / 1.6) .....	%	%	%	%	(69.669)%	%	(69.669)%
4.2 Loss percentage at prima facie rates (Lines 2.6 / 1.7) .....	%	%	%	%	%	%	%

(a) Provide a description of "other" coverages (including their percent of Line 1.6, Column 6):

Supp46 Grand Total

**PART 2C - CREDIT ACCIDENT  
AND HEALTH INSURANCE**

**PART 2D - CREDIT  
ACCIDENT AND HEALTH  
INSURANCE**

Supp47 Grand Total

		Monthly Outstanding Balance--Open-End						
		1	2	3	4	5	6	7
		7 Day Retro	14 Day Retro	14 Day Non-Retro	30 Day Retro	30 Day Non-Retro	Other (a)	Total
1.	Earned Premiums:							
1.1	Gross written premiums .....							
1.2	Refunds on terminations .....							
1.3	Net written premiums (Lines 1.1 - 1.2) .....							
1.4	Premium reserves, start of period .....							
1.5	Premium reserves, end of period .....							
1.6	Actual earned premiums (Lines 1.3 + 1.4 - 1.5) .....							
1.7	Earned premiums at prima facie rates .....							
2.	Incurred Claims:							
2.1	Claims paid .....							
2.2	Unreported claim reserve, start of period .....							
2.3	Unreported claim reserve, end of period .....							
2.4	Claim reserves, start of period .....							
2.5	Claim reserves, end of period .....							
2.6	Incurred claims (Lines 2.1 - 2.2 + 2.3 - 2.4 + 2.5) .....							
3.	Incurred Compensation:							
3.1	Commissions and Service Fees Incurred .....							
3.2	Other Incurred Compensation .....							
3.3	Total Incurred Compensation (Lines 3.1 + 3.2) .....							
3.4	Commissions / Service Fee Percentage (Lines 3.1 / 1.3) .....	%	%	%	%	%	%	%
3.5	Other Incurred Compensation Percentage (Lines 3.2 / 1.6) .....	%	%	%	%	%	%	%
4.	Loss Percentage:							
4.1	Actual loss percentage (Lines 2.6 / 1.6) .....	%	%	%	%	%	%	%
4.2	Loss percentage at prima facie rates (Lines 2.6 / 1.7) .....	%	%	%	%	%	%	%

(a) Provide a description of "other" coverages (including their percent of Line 1.6, Column 6):

(b) Provide a description of "other" coverages (including their percent of Line 1.6, Column 1):

1	2
All Other (b)	Total - Parts 2A, 2B, 2C and 2D
	1,563,912
	179,084
	1,384,828
	706,128
	1,603,265
	487,691
	109,270
	140,818
	109,270
	62,321
	29,431
	44,832
	772,919
	772,919
	55.813%
	%
	9.193%
	%

**PART 3A - CREDIT  
UNEMPLOYMENT INSURANCE**

**PART 3B - CREDIT  
UNEMPLOYMENT INSURANCE**

Supp48 Grand Total

		1 30 Day Retro - SP	2 30 Day Non-Retro - SP	3 30 Day Retro - MOB
1.	Earned Premiums:			
1.1	Gross written premiums .....	969,948		
1.2	Refunds on terminations .....	149,928		
1.3	Net written premiums (Lines 1.1 - 1.2) .....	820,020		
1.4	Premium reserves, start of period .....	545,548		
1.5	Premium reserves, end of period .....	1,058,685		
1.6	Actual earned premiums (Lines 1.3 + 1.4 - 1.5) .....	306,883		
1.7	Earned premiums at prima facie rates .....			
2.	Incurred Claims:			
2.1	Claims paid .....	68,156		
2.2	Unreported claim reserve, start of period .....	59,790		
2.3	Unreported claim reserve, end of period .....	68,155		
2.4	Claim reserves, start of period .....	34,375		
2.5	Claim reserves, end of period .....	53,051		
2.6	Incurred claims (Lines 2.1 - 2.2 + 2.3 - 2.4 + 2.5) .....	95,197		
3.	Incurred Compensation:			
3.1	Commissions and Service Fees Incurred .....	492,012		
3.2	Other Incurred Compensation .....			
3.3	Total Incurred Compensation (Lines 3.1 + 3.2) .....	492,012		
3.4	Commissions / Service Fee Percentage (Lines 3.1 / 1.3) .....	60.000%	%	%
3.5	Other Incurred Compensation Percentage (Lines 3.2 / 1.6) .....	%	%	%
4.	Loss Percentage:			
4.1	Actual loss percentage (Lines 2.6 / 1.6) .....	31.021%	%	%
4.2	Loss percentage at prima facie rates (Lines 2.6 / 1.7) .....	%	%	%

1 30 Day Non-Retro-MOB	2 Other (a)	3 Total
		969,948
		149,928
		820,020
		545,548
		1,058,685
		306,883
		68,156
		59,790
		68,155
		34,375
		53,051
		95,197
		492,012
		492,012
%	%	60.000%
%	%	%
%	%	31.021%
%	%	%

(a) Provide a description of "other" coverages (including their percent of Line 1.6, Column 2):

**PART 4 - CREDIT PROPERTY INSURANCE**

	1	2	3	4	5	6	7
	Creditor Placed Home-Single Interest	Creditor Placed Home-Dual Interest	Creditor Placed Auto-Single Interest	Creditor Placed Auto-Dual Interest	Personal Property-Single Interest	Personal Property-Dual Interest	Other (a)
1. Earned Premiums:							
1.1 Gross written premiums .....							
1.2 Refunds on terminations .....							
1.3 Net written premiums (Lines 1.1 - 1.2) .....							
1.4 Premium reserves, start of period .....							
1.5 Premium reserves, end of period .....							
1.6 Actual earned premiums (Lines 1.3 + 1.4 - 1.5) .....							
1.7 Earned premiums at prima facie rates .....							
2. Incurred Claims:							
2.1 Claims paid .....							
2.2 Total claim reserve, start of period .....							
2.3 Total claim reserve, end of period .....							
2.4 Incurred claims (Lines 2.1 - 2.2 + 2.3) .....							
3. Incurred Compensation:							
3.1 Commissions and Service Fees Incurred .....							
3.2 Other Incurred Compensation .....							
3.3 Total Incurred Compensation (Lines 3.1 + 3.2) .....							
3.4 Commissions/service fee percentage (Lines 3.1 / 1.3) .....	%	%	%	%	%	%	%
3.5 Other incurred compensation percentage (Lines 3.2 / 1.6) ..	%	%	%	%	%	%	%
4. Loss Percentage:							
4.1 Actual loss percentage (Lines 2.4 / 1.6) .....	%	%	%	%	%	%	%
4.2 Loss percentage at prima facie rates (Lines 2.4 / 1.7) .....	%	%	%	%	%	%	%
5. Incurred Loss Adjustment Expense:							
5.1 Defense and cost containment expenses incurred .....							
5.2 Adjusting and other expenses incurred .....							

(a) Provide a description of "other" coverages (including their percent of Line 1.6, Column 7):

Supp49 Grand Total

## PART 5 - OTHER CREDIT INSURANCE

		1 Credit Family Leave	1 Personal GAP	3 All Other (a)
1.	Earned Premiums:			
1.1	Gross written premiums .....			
1.2	Refunds on terminations .....			
1.3	Net written premiums (Lines 1.1 - 1.2) .....			
1.4	Premium reserves, start of period .....			
1.5	Premium reserves, end of period .....			
1.6	Actual earned premiums (Lines 1.3 + 1.4 - 1.5) .....			
1.7	Earned premiums at prima facie rates .....			
2.	Incurred Claims:			
2.1	Claims paid .....			
2.2	Total claim reserve, start of period .....			
2.3	Total claim reserve, end of period .....			
2.4	Incurred claims (Lines 2.1 - 2.2 + 2.3) .....			
3.	Incurred Compensation:			
3.1	Commissions and service fees incurred .....			
3.2	Other incurred compensation .....			
3.3	Total incurred compensation (Lines 3.1 + 3.2) .....			
3.4	Commissions/service fee percentage (Lines 3.1 / 1.3) .....	%	%	%
3.5	Other incurred compensation percentage (Lines 3.2 / 1.6) ..	%	%	%
4.	Loss Percentage:			
4.1	Actual loss percentage (Lines 2.4 / 1.6) .....	%	%	%
4.2	Loss percentage at prima facie rates (Lines 2.4 / 1.7) .....	%	%	%

(a) Provide a description of "other" coverages (including their percent of Line 1.6 Column 3):

Supp50 Grand Total

## PART 6 - NATIONWIDE CREDIT PROPERTY PREMIUMS AND UNDERWRITING EXPENSES

	1 Creditor Placed Home	2 Creditor Placed Auto	3 Personal Property	4 Other (a)
1. Premiums:				
1.1 Direct written premiums .....				
1.2 Direct earned premiums .....				
2. Underwriting expenses incurred:				
2.1 Commission and brokerage expenses incurred .....				
2.2 Taxes, licenses and fees incurred .....				
2.3 Other acquisitions, field supervision and collection expenses incurred .....				
2.4 General expenses incurred .....				

(a) Provide a description of "other" coverages (including their percent of Line 1.2 Column 4):



# ACCIDENT AND HEALTH POLICY EXPERIENCE EXHIBIT FOR YEAR

United States Policy Forms Direct Business Only

For The Year Ended December 31, 2012

NAIC Group Code: 0071

(To Be Filed By April 1)

NAIC Company Code: 60041

	1	2	3	4	5	6	7
	Premiums Earned	Incurred Claims Amount	Change in Contract Reserves	Loss Ratio (2 + 3) / 1	Number of Policies or Certificates as of Dec. 31	Number of Covered Lives as of Dec. 31	Member Months
<b>A. INDIVIDUAL BUSINESS</b>							
<b>1. Comprehensive Major Medical</b>							
1.1. With Contract Reserves .....							
1.2. Without Contract Reserves .....							
1.3. Subtotal .....							
<b>2. Short-Term Medical</b>							
2.1. With Contract Reserves .....							
2.2. Without Contract Reserves .....							
2.3. Subtotal .....							
<b>3. Other Medical (Non-Comprehensive)</b>							
3.1. With Contract Reserves .....							
3.2. Without Contract Reserves .....							
3.3. Subtotal .....							
<b>4. Specified/Named Disease</b>							
4.1. With Contract Reserves .....							
4.2. Without Contract Reserves .....							
4.3. Subtotal .....							
<b>5. Limited Benefit</b>							
5.1. With Contract Reserves .....							
5.2. Without Contract Reserves .....							
5.3. Subtotal .....							
<b>6. Student</b>							
6.1. With Contract Reserves .....							
6.2. Without Contract Reserves .....							
6.3. Subtotal .....							
<b>7. Accident Only or AD&amp;D</b>							
7.1. With Contract Reserves .....							
7.2. Without Contract Reserves .....							
7.3. Subtotal .....							
<b>8. Disability Income - Short-Term</b>							
8.1. With Contract Reserves .....							
8.2. Without Contract Reserves .....							
8.3. Subtotal .....							

Supp52

## ACCIDENT AND HEALTH POLICY EXPERIENCE EXHIBIT FOR YEAR

	1	2	3	4	5	6	7
	Premiums Earned	Incurred Claims Amount	Change in Contract Reserves	Loss Ratio (2 + 3) / 1	Number of Policies or Certificates as of Dec. 31	Number of Covered Lives as of Dec. 31	Member Months
<b>A. INDIVIDUAL BUSINESS (Continued)</b>							
<b>9. Disability Income - Long-Term</b>							
9.1. With Contract Reserves .....							
9.2. Without Contract Reserves .....							
9.3. Subtotal .....							
<b>10. Long-Term Care</b>							
10.1. With Contract Reserves .....							
10.2. Without Contract Reserves .....							
10.3. Subtotal .....							
<b>11. Medicare Supplement (Medigap)</b>							
11.1. With Contract Reserves .....							
11.2. Without Contract Reserves .....							
11.3. Subtotal .....							
<b>12. Dental</b>							
12.1. With Contract Reserves .....							
12.2. Without Contract Reserves .....							
12.3. Subtotal .....							
<b>13. State Children's Health Insurance Program</b>							
13.1. With Contract Reserves .....							
13.2. Without Contract Reserves .....							
13.3. Subtotal .....							
<b>14. Medicare</b>							
14.1. With Contract Reserves .....							
14.2. Without Contract Reserves .....							
14.3. Subtotal .....							
<b>15. Medicaid</b>							
15.1. With Contract Reserves .....							
15.2. Without Contract Reserves .....							
15.3. Subtotal .....							
<b>16. Medicare Part D - Stand-Alone</b>							
16.1. With Contract Reserves .....							
16.2. Without Contract Reserves .....							
16.3. Subtotal .....							
<b>17. Other Individual Business</b>							
17.1. With Contract Reserves .....							
17.2. Without Contract Reserves .....							
17.3. Subtotal .....							
<b>18. Total Individual Business</b>							
18.1. With Contract Reserves .....							
18.2. Without Contract Reserves .....							
<b>19. Grand Total Individual</b> .....							

## ACCIDENT AND HEALTH POLICY EXPERIENCE EXHIBIT FOR YEAR

	1	2	3	4	5	6	7
	Premiums Earned	Incurred Claims Amount	Change in Contract Reserves	Loss Ratio (2 + 3) / 1	Number of Policies or Certificates as of Dec. 31	Number of Covered Lives as of Dec. 31	Member Months
<b>B. GROUP BUSINESS</b>							
<b>Comprehensive Major Medical</b>							
<b>1. Single Employer</b>							
1.1. Small Employer .....							
1.2. Other Employer .....							
1.3. Single Employer Subtotal .....							
2. Multiple Employer Assns and Trusts .....							
3. Other Associations and Discretionary Trusts .....							
4. Other Comprehensive Major Medical .....							
5. Comprehensive/Major Medical Subtotal .....							
<b>Other Medical (Non-Comprehensive)</b>							
6. Specified/Named Disease .....							
7. Limited Benefit .....							
8. Student .....							
9. Accident Only or AD&D .....							
10. Disability Income - Short-Term .....	2,333,819	1,803,144		77.3	106,007	106,007	
11. Disability Income - Long-Term .....	1,747,911	1,937,001		110.8	13,342	13,342	
12. Long-Term Care .....							
13. Medicare Supplement (Medigap) .....							
14. Federal Employees Health Benefit Plans .....							
15. Tricare .....							
16. Dental .....							
17. Medicare .....							
18. Medicare Part D - Stand-Alone .....							
19. Other Group Care .....	6,131	(400)		(6.5)			
20. Grand Total Group Business .....	4,087,861	3,739,745		91.5	119,349	119,349	
<b>C. OTHER BUSINESS</b>							
1. Credit (Individual and Group) .....	2,204,848	140,029	1,410,274	70.3	4,209	4,209	
2. Stop Loss/Excess Loss .....							
3. Administrative Services Only .....	X X X	X X X	X X X	X X X			
4. Administrative Services Contracts .....	X X X	X X X	X X X	X X X			
5. Grand Total Other Business .....	2,204,848	140,029	1,410,274	70.3	4,209	4,209	
<b>D. TOTAL BUSINESS</b>							
1. Total Non U.S. Policy Forms .....							
2. Grand Total Individual, Group and Other Business .....	6,292,709	3,879,774	1,410,274	84.1	123,558	123,558	

Supp54

**ACCIDENT AND HEALTH POLICY EXPERIENCE EXHIBIT FOR YEAR**

**PART 1 - INDIVIDUAL POLICIES SUMMARY**

Description	1 Premiums Earned	2 Incurred Claims Amount	3 Change in Contract Reserves	4 Loss Ratio (2 + 3) / 1
1. U.S. Forms Direct Business	6,131	(400)		(6.524)
2. Other Forms Direct Business				
3. Total Direct Business	6,131	(400)		(6.524)
4. Reinsurance Assumed				
5. Less Reinsurance Ceded				
6. TOTAL	6,131	(400)		(6.524)

**PART 2 - GROUP POLICIES SUMMARY**

Description	1 Premiums Earned	2 Incurred Claims Amount	3 Change in Contract Reserves	4 Loss Ratio (2 + 3) / 1
1. U.S. Forms Direct Business	4,081,730	3,740,145		91.631
2. Other Forms Direct Business				
3. Total Direct Business	4,081,730	3,740,145		91.631
4. Reinsurance Assumed				
5. Less Reinsurance Ceded	1,163,812	1,706,484		146.629
6. TOTAL	2,917,918	2,033,661		69.696

**PART 3 - CREDIT POLICIES (Individual and Group) SUMMARY**

Description	1 Premiums Earned	2 Incurred Claims Amount	3 Change in Contract Reserves	4 Loss Ratio (2 + 3) / 1
1. U.S. Forms Direct Business	2,204,848	140,029	1,410,274	70.313
2. Other Forms Direct Business				
3. Total Direct Business	2,204,848	140,029	1,410,274	70.313
4. Reinsurance Assumed				
5. Less Reinsurance Ceded				
6. TOTAL	2,204,848	140,029	1,410,274	70.313

**PART 4 - ALL INDIVIDUAL, GROUP AND CREDIT POLICIES SUMMARY**

Description	1 Premiums Earned	2 Incurred Claims Amount	3 Change in Contract Reserves	4 Loss Ratio (2 + 3) / 1
1. U.S. Forms Direct Business	6,292,709	3,879,774	1,410,274	84.066
2. Other Forms Direct Business				
3. Total Direct Business	6,292,709	3,879,774	1,410,274	84.066
4. Reinsurance Assumed				
5. Less Reinsurance Ceded	1,163,812	1,706,484		146.629
6. TOTAL	5,128,897	2,173,290	1,410,274	69.870



**ANALYSIS OF ANNUITY OPERATIONS BY LINE OF BUSINESS**

For The Year Ended December 31, 2012 (To Be Filed by April 1)

	1 Total Annuities	Individual					Group				
		2 Fixed Annuities	3 Indexed Annuities	4 Variable Annuities General Account	5 Variable Annuities Separate Account	6 Other Annuities	7 Fixed Annuities	8 Indexed Annuities	9 Variable Annuities General Account	10 Variable Annuities Separate Account	11 Other Annuities
1. Premiums and annuity considerations for life and accident and health contracts (a)	122,256,225	95,038,813	386,440		26,830,972						
2. Considerations for supplementary contracts with life contingencies											
3. Net investment income	10,270,748	9,435,971	833,697		1,080						
4. Amortization of Interest Maintenance Reserve (IMR)	136,994	125,671	11,323								
5. Separate Accounts net gain from operations excluding unrealized gains or losses											
6. Commissions and expense allowances on reinsurance ceded	3,661,137		60,620		3,600,517						
7. Reserve adjustments on reinsurance ceded	34,196,598				34,196,598						
8. Miscellaneous Income											
8.1 Fees associated with income from investment management, administration and contract guarantees from Separate Accounts	1,873,186				1,873,186						
8.2 Charges and fees for deposit-type contracts											
8.3 Aggregate write-ins for miscellaneous income	637,645	324,379	145,107		168,159						
9. TOTALS (Lines 1 to 8.3)	173,032,533	104,924,834	1,437,187		66,670,512						
10. Death benefits											
11. Matured endowments (excluding guaranteed annual pure endowments)											
12. Annuity benefits											
13. Disability benefits and benefits under accident and health contracts											
14. Coupons, guaranteed annual pure endowments and similar benefits											
15. Surrender benefits and withdrawals for life contracts	24,957,837	20,167,724	750,633		4,039,480						
16. Group conversions											
17. Interest and adjustments on contract or deposit-type contract funds											
18. Payments on supplementary contracts with life contingencies											
19. Increase in aggregate reserves for life and accident and health contracts	80,234,060	80,125,625	302,263		(193,828)						
20. TOTALS (Lines 10 to 19)	105,191,897	100,293,349	1,052,896		3,845,652						
21. Commissions on premiums, annuity considerations, and deposit-type contract funds (direct business only)	5,786,846	2,852,064	68,580		2,866,202						
22. Commissions and expense allowances on reinsurance assumed											
23. General insurance expenses	2,129,683	687,816	216,282		1,225,585						
24. Insurance taxes, licenses and fees, excluding federal income taxes	219,267	94,779	8,311		116,177						
25. Increase in loading on deferred and uncollected premiums											
26. Net transfers to or (from) Separate Accounts net of reinsurance	56,274,008				56,274,008						
27. Aggregate write-ins for deductions											
28. TOTALS (Lines 20 to 27)	169,601,701	103,928,008	1,346,069		64,327,624						
29. Net gain from operations before dividends to policyholders and federal income taxes (Line 9 - Line 28)	3,430,832	996,826	91,118		2,342,888						
30. Dividends to policyholders											
31. Net gain from operations after dividends to policyholders and before federal income taxes (Line 29 - Line 30)	3,430,832	996,826	91,118		2,342,888						
32. Federal income taxes incurred (excluding tax on capital gains)											
33. Net gain from operations after dividends to policyholders and federal income taxes and before realized capital gains or (losses) (Line 31 - Line 32) (b)	3,430,832	996,826	91,118		2,342,888						
34. Inforce End of Year											
<b>DETAILS OF WRITE-INS</b>											
08.301. OTHER INCOME	637,645	324,379	145,107		168,159						
08.302.											
08.303.											
08.398. Summary of remaining write-ins for Line 8.3 from overflow page											
08.399. TOTALS (Lines 08.301 through 08.303 plus 08.398) (Line 8.3 above)	637,645	324,379	145,107		168,159						
2701.											
2702.											
2703.											
2798. Summary of remaining write-ins for Line 27 from overflow page											
2799. TOTALS (Lines 2701 through 2703 plus 2798) (Line 27 above)											

Supp5

(a) Premiums and annuity considerations for life and accident and health contracts includes \$.....0 for individual variable annuities not associated with guarantees, \$.....0 for individual variable annuities associated with guarantees, \$.....0 for group variable annuities not associated with guarantees, and \$.....0 for group variable annuities associated with guarantees.  
 (b) Net gain from operations after dividends to policyholders and federal income taxes and before realized capital gains or (losses) includes \$.....0 for individual variable annuities not associated with guarantees, \$.....0 for individual variable annuities associated with guarantees, \$.....0 for group variable annuities not associated with guarantees, and \$.....0 for group variable annuities associated with guarantees.

OVERFLOW PAGE FOR WRITE-INS

Supp57



**ANALYSIS OF INCREASE IN ANNUITY RESERVES DURING THE YEAR**  
 For The Year Ended December 31, 2012  
 (To Be Filed by April 1)

Supp 58

	1 Total Annuities	Individual					Group				
		2 Fixed Annuities	3 Indexed Annuities	4 Variable Annuities General Account	5 Variable Annuities Separate Account	6 Other Annuities	7 Fixed Annuities	8 Indexed Annuities	9 Variable Annuities General Account	10 Variable Annuities Separate Account	11 Other Annuities
<b>Involving Life or Disability Contingencies (Reserves)</b> (Net of Reinsurance Ceded)											
1. Reserve December 31, prior year .....	217,343,348	201,522,696	15,522,284		298,368						
2. Tabular net premiums or considerations .....											
3. Present value of disability claims incurred .....											
4. Tabular interest .....											
5. Tabular less actual reserve released .....											
6. Increase in reserve on account of change in valuation basis .....											
7. Other increases (net) .....	88,361,444	87,836,124	701,673		(176,353)						
8. Totals (Lines 1 to 7) .....	305,704,792	289,358,820	16,223,957		122,015						
9. Tabular cost .....											
10. Reserves released by death .....	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X
11. Reserves released by other terminations (net) .....	8,127,385	7,710,500	399,410		17,475						
12. Annuity, supplementary contract, and disability payments involving life contingencies .....											
13. Net transfers to or (from) Separate Accounts .....											
14. Total deductions (Lines 9 to 13) .....	8,127,385	7,710,500	399,410		17,475						
15. Reserves December 31, current year (a) .....	297,577,407	281,648,320	15,824,547		104,540						

(a) Reserves December 31, current year includes \$.....0 for individual variable annuities not associated with guarantees, \$.....0 for individual variable annuities associated with guarantees, \$.....0 for group variable annuities not associated with guarantees, and \$.....0 for group variable annuities associated with guarantees.

**SUPPLEMENTAL HEALTH CARE EXHIBIT - PART 1**

(To Be Filed by April 1 - Not for Rebate Purposes)

REPORT FOR: 1. CORPORATION: UNIVERSAL LIFE INSURANCE COMPANY 2. LOCATION: San Juan, PR 00919-1899  
 BUSINESS IN THE STATE OF Puerto Rico DURING THE YEAR 2012



NAIC Group Code 0071

NAIC Company Code 60041

Supp59 Puerto Rico

	Business Subject to MLR								9 Student Health Plans	10 Government Business (Excluded by Statute)	11 Other Health Business	12 Aggregate (2% Rule)	13 Subtotal (Cols. 1 thru 12)	14 Uninsured Plans	15 Total (Cols. 13 + 14)
	Comprehensive Health Coverage			Mini-Med Plans			Expatriate Plans								
	1 Individual	2 Small Group Employer	3 Large Group Employer	4 Individual	5 Small Group Employer	6 Large Group Employer	7 Small Group	8 Large Group							
1. Premium:															
1.01 Health premiums earned (From Part 2, Line 1.11)											6,292,709	6,292,709	XXX	6,292,709	
1.02 Federal high risk pools													XXX		
1.03 State high risk pools													XXX		
1.04 Premiums earned including state and federal high risk programs (Lines 1.1 + 1.2 + 1.3)											6,292,709	6,292,709	XXX	6,292,709	
1.05 Federal taxes and federal assessments															
1.06 State insurance, premium and other taxes (Similar local taxes of \$.....0)															
1.06A Community Benefit Expenditures (informational only)															
1.07 Regulatory authority licenses and fees											112,448	112,448		112,448	
1.08 Adjusted Premiums Earned (Lines 1.4 - 1.5 - 1.6 - 1.7)											6,180,261	6,180,261	XXX	6,180,261	
1.09 Net assumed less ceded reinsurance premiums earned											(1,163,812)	(1,163,812)	XXX	(1,163,812)	
1.10 Other adjustments due to MLR calculations - Premiums													XXX		
1.11 Risk Revenue													XXX		
1.12 Net adjusted premiums earned after reinsurance (Lines 1.8 + 1.9 + 1.10 + 1.11)											5,016,449	5,016,449	XXX	5,016,449	
2. Claims:															
2.1 Incurred claims excluding prescription drugs											5,290,048	5,290,048	XXX	5,290,048	
2.2 Prescription drugs													XXX		
2.3 Pharmaceutical rebates													XXX		
2.4 State stop-loss, market stabilization and claim/census based assessments (informational only)													XXX		
3. Incurred medical incentive pools and bonuses													XXX		
4. Deductible Fraud and Abuse Detection/Recovery Expenses (for MLR use only)															
5.0 Total Incurred Claims (Lines 2.1 + 2.2 - 2.3 + 3) (From Part 2, Line 2.15)											5,290,048	5,290,048	XXX	5,290,048	
5.1 Net assumed less ceded reinsurance claims incurred											(1,706,483)	(1,706,483)	XXX	(1,706,483)	
5.2 Other adjustments due to MLR calculations - Claims													XXX		
5.3 Rebates Paid										XXX	XXX	XXX	XXX		
5.4 Estimated rebates unpaid prior year										XXX	XXX	XXX	XXX		
5.5 Estimated rebates unpaid current year										XXX	XXX	XXX	XXX		
5.6 Fee for service and co-pay revenue													XXX		
5.7 Net incurred claims after reinsurance (Lines 5.0 + 5.1 + 5.2 + 5.3 - 5.4 + 5.5 - 5.6)											3,583,565	3,583,565	XXX	3,583,565	

**SUPPLEMENTAL HEALTH CARE EXHIBIT - PART 1 (Continued)**

(To Be Filed by April 1 - Not for Rebate Purposes)

Supp60 Puerto Rico

	Business Subject to MLR									10 Government Business (Excluded by Statute)	11 Other Health Business	12 Aggregate (2% Rule)	13 Subtotal (Cols. 1 thru 12)	14 Uninsured Plans	15 Total (Cols. 13 + 14)
	Comprehensive Health Coverage			Mini-Med Plans			Expatriate Plans		9 Student Health Plans						
	1 Individual	2 Small Group Employer	3 Large Group Employer	4 Individual	5 Small Group Employer	6 Large Group Employer	7 Small Group	8 Large Group							
6. Improving Health Care Quality Expenses Incurred:															
6.1 Improve health outcomes															
6.2 Activities to prevent hospital readmissions															
6.3 Improve patient safety and reduce medical errors															
6.4 Wellness and health promotion activities															
6.5 Health Information Technology expenses related to health improvement															
6.6 Total of Defined Expenses Incurred for Improving Health Care Quality (Lines 6.1 to 6.5)															
7. Preliminary Medical Loss Ratio: MLR (Lines 4 + 5.0 + 6.6) / Line 1.8										XXX	XXX	XXX	XXX	XXX	XXX
8. Claim Adjustment Expenses:															
8.1 Cost containment expenses not included in quality of care expenses in Line 6.6															
8.2 All other claims adjustment expenses															
8.3 Total claims adjustment expenses (Lines 8.1 + 8.2)															
9. Claims Adjustment Expense Ratio (Line 8.3 / Line 1.8)												XXX	XXX	XXX	XXX
10. General and Administrative (G&A) Expenses:															
10.1 Direct sales salaries and benefits												325,685	325,685		325,685
10.2 Agents and brokers fees and commissions												1,856,909	1,856,909		1,856,909
10.3 Other taxes (excluding taxes on Lines 1.5 through 1.7 and Line 14 below)												40,232	40,232		40,232
10.4 Other general and administrative expenses												470,447	470,447		470,447
10.4A Community Benefit Expenditures (informational only)															
10.5 Total general and administrative (Lines 10.1 + 10.2 + 10.3 + 10.4)												2,693,273	2,693,273		2,693,273
11. Underwriting Gain/(Loss) (Lines 1.12 - 5.7 - 6.6 - 8.3 - 10.5)												(1,260,389)	(1,260,389)	XXX	(1,260,389)
12. Income from fees of uninsured plans	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX		
13. Net investment and other gain/(loss)	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	518,230	XXX	518,230
14. Federal income taxes (excluding taxes on Line 1.5 above)	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
15. Net gain or (loss) (Lines 11 + 12 + 13 - 14)	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	(742,159)	XXX	(742,159)
16. ICD-10 Implementation Expenses (informational only; already included in general expenses and Line 6.5)															
16A. ICD-10 Implementation Expenses (informational only; already included in Line 6.5)															
O. OTHER INDICATORS:															
O1. Number of certificates / policies												123,558	123,558		123,558
O2. Number of Covered Lives												123,558	123,558		123,558
O3. Number of Groups	XXX			XXX											
O4. Member Months															

(a) Is run off business reported in Columns 1 through 9? Yes [ ] No [X]  
 (b) If yes, show the amount of premiums and claims included: Premiums \$.....0 Claims \$.....0

**SUPPLEMENTAL HEALTH CARE EXHIBIT - PART 2**

(To Be Filed By April 1 - Not for Rebate Purposes)

REPORT FOR: 1. CORPORATION: UNIVERSAL LIFE INSURANCE COMPANY 2. LOCATION: San Juan, PR 00919-1899

NAIC Group Code 0071

BUSINESS IN THE STATE OF Puerto Rico DURING THE YEAR 2012

NAIC Company Code 60041

	Business Subject to MLR									10 Government Business (Excluded by Statute)	11 Other Health Business	12 Aggregate (2% Rule)	13 Total
	Comprehensive Health Coverage			Mini-Med Plans			Expatriate Plans		9 Student Health Plans				
	1 Individual	2 Small Group Employer	3 Large Group Employer	4 Individual	5 Small Group Employer	6 Large Group Employer	7 Small Group	8 Large Group					
1. Health Premiums Earned													
1.01 Direct premiums written												6,292,709	6,292,709
1.02 Unearned premium prior year													
1.03 Unearned premium current year													
1.04 Change in unearned premium (Lines 1.2 - 1.3)													
1.05 Paid rate credits													
1.06 Reserve for rate credits current year													
1.07 Reserve for rate credits prior year													
1.08 Change in reserve for rate credits (Lines 1.6 - 1.7)													
1.09 Premium balances written off													
1.10 Group conversion charges													
1.11 TOTAL direct premiums earned (Lines 1.1 + 1.4 - 1.9 + 1.10)												6,292,709	6,292,709
1.12 Assumed premiums earned from non-affiliates													
1.13 Net assumed less ceded premiums earned from affiliates													
1.14 Ceded premiums earned to non-affiliates												1,163,812	1,163,812
1.15 Other adjustments due to MLR calculation - Premiums													
1.16 Net premiums earned (Lines 1.11 - 1.5 - 1.8 + 1.12 + 1.13 - 1.14 + 1.15)												5,128,897	5,128,897
2. Direct Claims Incurred:													
2.01 Paid claims during the year												2,527,981	2,527,981
2.02 Direct claim liability current year												4,971,234	4,971,234
2.03 Direct claim liability prior year												3,619,441	3,619,441
2.04 Direct claim reserves current year													
2.05 Direct claim reserves prior year													
2.06 Direct contract reserves current year												2,661,949	2,661,949
2.07 Direct contract reserves prior year												1,251,675	1,251,675
2.08 Paid rate credits													
2.09 Reserve for rate credits current year													
2.10 Reserve for rate credits prior year													
2.11 Incurred medical incentive pools and bonuses (Lines 2.11a + 2.11b - 2.11c)													
2.11A Paid medical incentive pools and bonuses current year													
2.11B Accrued medical incentive pools and bonuses current year													
2.11C Accrued medical incentive pools and bonuses prior year													
2.12 Net healthcare receivables (Lines 2.12a - 2.12b)													
2.12A Healthcare receivables current year													
2.12B Healthcare receivables prior year													
2.13 Group conversion charge													
2.14 Multi-option coverage blended rate adjustment													
2.15 TOTAL Incurred Claims (Lines 2.1 + 2.2 - 2.3 + 2.4 - 2.5 + 2.6 - 2.7 + 2.8 + 2.9 - 2.10 + 2.11 - 2.12 + 2.13 + 2.14)												5,290,048	5,290,048
2.16 Assumed Incurred Claims from non-affiliates													
2.17 Net Assumed less Ceded Incurred Claims from affiliates													
2.18 Ceded Incurred Claims to non-affiliates												1,706,483	1,706,483
2.19 Other Adjustments due to MLR calculation - Claims													
2.20 Net Incurred Claims (Lines 2.15 - 2.8 - 2.9 + 2.10 + 2.16 + 2.17 - 2.18 + 2.19)												3,583,565	3,583,565
3. Fraud and Abuse Recoveries that Reduced PAID Claims in Line 2.1 above (informational only)													

Supp61 Puerto Rico

**SUPPLEMENTAL HEALTH CARE EXHIBIT - PART 3**

(To Be Filed By April 1 - Not for Rebate Purposes)

REPORT FOR: 1. CORPORATION: UNIVERSAL LIFE INSURANCE COMPANY 2. LOCATION: San Juan, PR 00919-1899  
 BUSINESS IN THE STATE OF Puerto Rico DURING THE YEAR 2012

NAIC Group Code 0071

NAIC Company Code 60041

	All Expenses	Improving Health Care Quality Expenses					Claims Adjustment Expenses		9 General Administrative Expenses	10 Total Expenses (6 to 9)
		1 Improve Health Outcomes	2 Activities to Prevent Hospital Readmissions	3 Improve Patient Safety and Reduce Medical Errors	4 Wellness & Health Promotion Activities	5 HIT Expenses	6 Total (1 to 5)	7 Cost Containment Expenses		
1.	Individual Comprehensive Coverage Expenses:									
1.01	Salaries (including \$.....0 for affiliated services)									
1.02	Outsourced services									
1.03	EDP Equipment and Software (incl \$.....0 for affiliated services)									
1.04	Other Equipment (excluding EDP) (incl \$.....0 for affiliated services)									
1.05	Accreditation and Certification (incl \$.....0 for affiliated services)		X X X	X X X	X X X	X X X				
1.06	Other Expenses (incl \$.....0 for affiliated services)									
1.07	Subtotal before reimbursements and taxes (Lines 1.1 to 1.6)									
1.08	Reimbursements by uninsured plans and fiscal intermediaries									
1.09	Taxes, licenses and fees (in total, for tying purposes)	X X X	X X X	X X X	X X X	X X X	X X X	X X X		
1.10	TOTAL (Lines 1.7 to 1.9)									
1.11	TOTAL fraud and abuse detection/recovery expenses included in Column 7 (informational only)									
2.	Small Group Comprehensive Coverage Expenses:									
2.01	Salaries (including \$.....0 for affiliated services)									
2.02	Outsourced services									
2.03	EDP Equipment and Software (incl \$.....0 for affiliated services)									
2.04	Other Equipment (excluding EDP) (incl \$.....0 for affiliated services)									
2.05	Accreditation and Certification (incl \$.....0 for affiliated services)		X X X	X X X	X X X	X X X				
2.06	Other Expenses (incl \$.....0 for affiliated services)									
2.07	Subtotal before reimbursements and taxes (Lines 2.1 to 2.6)									
2.08	Reimbursements by uninsured plans and fiscal intermediaries									
2.09	Taxes, licenses and fees (in total, for tying purposes)	X X X	X X X	X X X	X X X	X X X	X X X	X X X		
2.10	TOTAL (Lines 2.7 to 2.9)									
2.11	TOTAL fraud and abuse detection/recovery expenses included in Column 7 (informational only)									
3.	Large Group Comprehensive Coverage Expenses:									
3.01	Salaries (including \$.....0 for affiliated services)									
3.02	Outsourced services									
3.03	EDP Equipment and Software (incl \$.....0 for affiliated services)									
3.04	Other Equipment (excluding EDP) (incl \$.....0 for affiliated services)									
3.05	Accreditation and Certification (incl \$.....0 for affiliated services)		X X X	X X X	X X X	X X X				
3.06	Other Expenses (incl \$.....0 for affiliated services)									
3.07	Subtotal before reimbursements and taxes (Lines 3.1 to 3.6)									
3.08	Reimbursements by uninsured plans and fiscal intermediaries									
3.09	Taxes, licenses and fees (in total, for tying purposes)	X X X	X X X	X X X	X X X	X X X	X X X	X X X		
3.10	TOTAL (Lines 3.7 to 3.9)									
3.11	TOTAL fraud and abuse detection/recovery expenses included in Column 7 (informational only)									

Supp62 Puerto Rico

**SUPPLEMENTAL HEALTH CARE EXHIBIT - PART 3 (Continued)**

(To Be Filed By April 1 - Not for Rebate Purposes)

	All Expenses	Improving Health Care Quality Expenses					Claims Adjustment Expenses		9 General Administrative Expenses	10 Total Expenses (6 to 9)
		1 Improve Health Outcomes	2 Activities to Prevent Hospital Readmissions	3 Improve Patient Safety and Reduce Medical Errors	4 Wellness & Health Promotion Activities	5 HIT Expenses	6 Total (1 to 5)	7 Cost Containment Expenses		
4.	Individual Mini-Med Plans Expenses									
4.01	Salaries (including \$.....0 for affiliated services)									
4.02	Outsourced services									
4.03	EDP equipment and software (including \$.....0 for affiliated services)									
4.04	Other equipment (excluding EDP) (including \$.....0 for affiliated services)									
4.05	Accreditation and certification (including \$.....0 for affiliated services)		XXX	XXX	XXX	XXX				
4.06	Other expenses (including \$.....0 for affiliated services)									
4.07	Subtotal before reimbursements and taxes (Lines 4.1 to 4.6)									
4.08	Reimbursements by uninsured plans and fiscal intermediaries									
4.09	Taxes, licenses and fees (in total, for tying purposes)	XXX	XXX	XXX	XXX	XXX	XXX	XXX		
4.10	TOTAL (Lines 4.7 to 4.9)									
4.11	TOTAL fraud and abuse detection/recovery expenses included in Column 7 (informational only)									
5.	Small Group Mini-Med Plans Expenses									
5.01	Salaries (including \$.....0 for affiliated services)									
5.02	Outsourced services									
5.03	EDP Equipment and Software (including \$.....0 for affiliated services)									
5.04	Other equipment (excluding EDP) (including \$.....0 for affiliated services)									
5.05	Accreditation and certification (including \$.....0 for affiliated services)		XXX	XXX	XXX	XXX				
5.06	Other expenses (including \$.....0 for affiliated services)									
5.07	Subtotal before reimbursements and taxes (Lines 5.1 to 5.6)									
5.08	Reimbursements by uninsured plans and fiscal intermediaries									
5.09	Taxes, licenses and fees (in total, for tying purposes)	XXX	XXX	XXX	XXX	XXX	XXX	XXX		
5.10	TOTAL (Lines 5.7 to 5.9)									
5.11	TOTAL fraud and abuse detection/recovery expenses included in Column 7 (informational only)									
6.	Large Group Mini-Med Plans Expenses									
6.01	Salaries (including \$.....0 for affiliated services)									
6.02	Outsourced services									
6.03	EDP equipment and software (including \$.....0 for affiliated services)									
6.04	Other equipment (excluding EDP) (including \$.....0 for affiliated services)									
6.05	Accreditation and certification (including \$.....0 for affiliated services)		XXX	XXX	XXX	XXX				
6.06	Other expenses (including \$.....0 for affiliated services)									
6.07	Subtotal before reimbursements and taxes (Lines 6.1 to 6.6)									
6.08	Reimbursements by uninsured plans and fiscal intermediaries									
6.09	Taxes, licenses and fees (in total, for tying purposes)	XXX	XXX	XXX	XXX	XXX	XXX	XXX		
6.10	TOTAL (Lines 6.7 to 6.9)									
6.11	TOTAL fraud and abuse detection/recovery expenses included in Column 7 (informational only)									

Supp63 Puerto Rico

**SUPPLEMENTAL HEALTH CARE EXHIBIT - PART 3 (Continued)**  
 (To Be Filed By April 1 - Not for Rebate Purposes)

	All Expenses	Improving Health Care Quality Expenses					Claims Adjustment Expenses		9 General Administrative Expenses	10 Total Expenses (Cols. 6 to 9)
		1 Improve Health Outcomes	2 Activities to Prevent Hospital Readmissions	3 Improve Patient Safety and Reduce Medical Errors	4 Wellness & Health Promotion Activities	5 HIT Expenses	6 Total (1 to 5)	7 Cost Containment Expenses		
7.	Small Group Expatriate Plans Expenses									
7.01	Salaries (including \$.....0 for affiliated services)									
7.02	Outsourced services									
7.03	EDP equipment and software (including \$.....0 for affiliated services)									
7.04	Other equipment (excluding EDP) (including \$.....0 for affiliated services)									
7.05	Accreditation and certification (including \$.....0 for affiliated services)		XXX	XXX	XXX	XXX				
7.06	Other expenses (including \$.....0 for affiliated services)									
7.07	Subtotal before reimbursements and taxes (Lines 7.1 to 7.6)									
7.08	Reimbursements by uninsured plans and fiscal intermediaries									
7.09	Taxes, licenses and fees (in total, for tying purposes)	XXX	XXX	XXX	XXX	XXX	XXX	XXX		
7.10	TOTAL (Lines 7.7 to 7.9)									
7.11	TOTAL fraud and abuse detection/recovery expenses included in Column 7 (informational only)									
8.	Large Group Expatriate Plans Expenses									
8.01	Salaries (including \$.....0 for affiliated services)									
8.02	Outsourced services									
8.03	EDP equipment and software (including \$.....0 for affiliated services)									
8.04	Other equipment (excluding EDP) (including \$.....0 for affiliated services)									
8.05	Accreditation and certification (including \$.....0 for affiliated services)		XXX	XXX	XXX	XXX				
8.06	Other expenses (including \$.....0 for affiliated services)									
8.07	Subtotal before reimbursements and taxes (Lines 8.1 to 8.6)									
8.08	Reimbursements by uninsured plans and fiscal intermediaries									
8.09	Taxes, licenses and fees (in total, for tying purposes)	XXX	XXX	XXX	XXX	XXX	XXX	XXX		
8.10	TOTAL (Lines 8.7 to 8.9)									
8.11	TOTAL fraud and abuse detection/recovery expenses included in Column 7 (informational only)									
9.	Student Health Plans Expenses									
9.01	Salaries (including \$.....0 for affiliated services)									
9.02	Outsourced services									
9.03	EDP equipment and software (including \$.....0 for affiliated services)									
9.04	Other equipment (excluding EDP) (including \$.....0 for affiliated services)									
9.05	Accreditation and certification (including \$.....0 for affiliated services)		XXX	XXX	XXX	XXX				
9.06	Other expenses (including \$.....0 for affiliated services)									
9.07	Subtotal before reimbursements and taxes (Lines 9.1 to 9.6)									
9.08	Reimbursements by uninsured plans and fiscal intermediaries									
9.09	Taxes, licenses and fees (in total, for tying purposes)	XXX	XXX	XXX	XXX	XXX	XXX	XXX		
9.10	TOTAL (Lines 9.7 to 9.9)									
9.11	TOTAL fraud and abuse detection/recovery expenses included in Column 7 (informational only)									

Supp64 Puerto Rico

**SUPPLEMENTAL HEALTH CARE EXHIBIT - PART 1**

(To Be Filed by April 1 - Not for Rebate Purposes)

REPORT FOR: 1. CORPORATION: UNIVERSAL LIFE INSURANCE COMPANY 2. LOCATION: San Juan, PR 00919-1899  
 BUSINESS IN THE STATE OF Grand Total DURING THE YEAR 2012



NAIC Group Code 0071

NAIC Company Code 60041

Supp59 Grand Total

	Business Subject to MLR								9 Student Health Plans	10 Government Business (Excluded by Statute)	11 Other Health Business	12 Aggregate (2% Rule)	13 Subtotal (Cols. 1 thru 12)	14 Uninsured Plans	15 Total (Cols. 13 + 14)
	Comprehensive Health Coverage			Mini-Med Plans			Expatriate Plans								
	1 Individual	2 Small Group Employer	3 Large Group Employer	4 Individual	5 Small Group Employer	6 Large Group Employer	7 Small Group	8 Large Group							
1. Premium:															
1.01 Health premiums earned (From Part 2, Line 1.11)											6,292,709	6,292,709	XXX	6,292,709	
1.02 Federal high risk pools													XXX		
1.03 State high risk pools													XXX		
1.04 Premiums earned including state and federal high risk programs (Lines 1.1 + 1.2 + 1.3)											6,292,709	6,292,709	XXX	6,292,709	
1.05 Federal taxes and federal assessments															
1.06 State insurance, premium and other taxes (Similar local taxes of \$.....0)															
1.06A Community Benefit Expenditures (informational only)															
1.07 Regulatory authority licenses and fees											112,448	112,448		112,448	
1.08 Adjusted Premiums Earned (Lines 1.4 - 1.5 - 1.6 - 1.7)											6,180,261	6,180,261	XXX	6,180,261	
1.09 Net assumed less ceded reinsurance premiums earned											(1,163,812)	(1,163,812)	XXX	(1,163,812)	
1.10 Other adjustments due to MLR calculations - Premiums													XXX		
1.11 Risk Revenue													XXX		
1.12 Net adjusted premiums earned after reinsurance (Lines 1.8 + 1.9 + 1.10 + 1.11)											5,016,449	5,016,449	XXX	5,016,449	
2. Claims:															
2.1 Incurred claims excluding prescription drugs											5,290,048	5,290,048	XXX	5,290,048	
2.2 Prescription drugs													XXX		
2.3 Pharmaceutical rebates													XXX		
2.4 State stop-loss, market stabilization and claim/census based assessments (informational only)													XXX		
3. Incurred medical incentive pools and bonuses													XXX		
4. Deductible Fraud and Abuse Detection/Recovery Expenses (for MLR use only)															
5.0 Total Incurred Claims (Lines 2.1 + 2.2 - 2.3 + 3) (From Part 2, Line 2.15)											5,290,048	5,290,048	XXX	5,290,048	
5.1 Net assumed less ceded reinsurance claims incurred											(1,706,483)	(1,706,483)	XXX	(1,706,483)	
5.2 Other adjustments due to MLR calculations - Claims													XXX		
5.3 Rebates Paid										XXX	XXX	XXX	XXX		
5.4 Estimated rebates unpaid prior year										XXX	XXX	XXX	XXX		
5.5 Estimated rebates unpaid current year										XXX	XXX	XXX	XXX		
5.6 Fee for service and co-pay revenue													XXX		
5.7 Net incurred claims after reinsurance (Lines 5.0 + 5.1 + 5.2 + 5.3 - 5.4 + 5.5 - 5.6)											3,583,565	3,583,565	XXX	3,583,565	

**SUPPLEMENTAL HEALTH CARE EXHIBIT - PART 1 (Continued)**

(To Be Filed by April 1 - Not for Rebate Purposes)

Supp60 Grand Total

	Business Subject to MLR									10 Government Business (Excluded by Statute)	11 Other Health Business	12 Aggregate (2% Rule)	13 Subtotal (Cols. 1 thru 12)	14 Uninsured Plans	15 Total (Cols. 13 + 14)
	Comprehensive Health Coverage			Mini-Med Plans			Expatriate Plans		9 Student Health Plans						
	1 Individual	2 Small Group Employer	3 Large Group Employer	4 Individual	5 Small Group Employer	6 Large Group Employer	7 Small Group	8 Large Group							
6. Improving Health Care Quality Expenses Incurred:															
6.1 Improve health outcomes															
6.2 Activities to prevent hospital readmissions															
6.3 Improve patient safety and reduce medical errors															
6.4 Wellness and health promotion activities															
6.5 Health Information Technology expenses related to health improvement															
6.6 Total of Defined Expenses Incurred for Improving Health Care Quality (Lines 6.1 to 6.5)															
7. Preliminary Medical Loss Ratio: MLR (Lines 4 + 5.0 + 6.6) / Line 1.8										XXX	XXX	XXX	XXX	XXX	XXX
8. Claim Adjustment Expenses:															
8.1 Cost containment expenses not included in quality of care expenses in Line 6.6															
8.2 All other claims adjustment expenses															
8.3 Total claims adjustment expenses (Lines 8.1 + 8.2)															
9. Claims Adjustment Expense Ratio (Line 8.3 / Line 1.8)													XXX	XXX	XXX
10. General and Administrative (G&A) Expenses:															
10.1 Direct sales salaries and benefits												325,685	325,685		325,685
10.2 Agents and brokers fees and commissions												1,856,909	1,856,909		1,856,909
10.3 Other taxes (excluding taxes on Lines 1.5 through 1.7 and Line 14 below)												40,232	40,232		40,232
10.4 Other general and administrative expenses												470,447	470,447		470,447
10.4A Community Benefit Expenditures (informational only)															
10.5 Total general and administrative (Lines 10.1 + 10.2 + 10.3 + 10.4)												2,693,273	2,693,273		2,693,273
11. Underwriting Gain/(Loss) (Lines 1.12 - 5.7 - 6.6 - 8.3 - 10.5)												(1,260,389)	(1,260,389)	XXX	(1,260,389)
12. Income from fees of uninsured plans	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX		
13. Net investment and other gain/(loss)	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	518,230	XXX	518,230
14. Federal income taxes (excluding taxes on Line 1.5 above)	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
15. Net gain or (loss) (Lines 11 + 12 + 13 - 14)	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	(742,159)	XXX	(742,159)
16. ICD-10 Implementation Expenses (informational only; already included in general expenses and Line 6.5)															
16A. ICD-10 Implementation Expenses (informational only; already included in Line 6.5)															
O. OTHER INDICATORS:															
O1. Number of certificates / policies												123,558	123,558		123,558
O2. Number of Covered Lives												123,558	123,558		123,558
O3. Number of Groups	XXX			XXX											
O4. Member Months															

(a) Is run off business reported in Columns 1 through 9? Yes [ ] No [X]

(b) If yes, show the amount of premiums and claims included: Premiums \$.....0 Claims \$.....0

**SUPPLEMENTAL HEALTH CARE EXHIBIT - PART 2**

(To Be Filed By April 1 - Not for Rebate Purposes)

REPORT FOR: 1. CORPORATION: UNIVERSAL LIFE INSURANCE COMPANY 2. LOCATION: San Juan, PR 00919-1899

NAIC Group Code 0071

BUSINESS IN THE STATE OF Grand Total DURING THE YEAR 2012

NAIC Company Code 60041

Supp61 Grand Total

	Business Subject to MLR										10 Government Business (Excluded by Statute)	11 Other Health Business	12 Aggregate (2% Rule)	13 Total
	Comprehensive Health Coverage			Mini-Med Plans			Expatriate Plans		9 Student Health Plans					
	1 Individual	2 Small Group Employer	3 Large Group Employer	4 Individual	5 Small Group Employer	6 Large Group Employer	7 Small Group	8 Large Group						
1. Health Premiums Earned														
1.01 Direct premiums written													6,292,709	6,292,709
1.02 Unearned premium prior year														
1.03 Unearned premium current year														
1.04 Change in unearned premium (Lines 1.2 - 1.3)														
1.05 Paid rate credits														
1.06 Reserve for rate credits current year														
1.07 Reserve for rate credits prior year														
1.08 Change in reserve for rate credits (Lines 1.6 - 1.7)														
1.09 Premium balances written off														
1.10 Group conversion charges														
1.11 TOTAL direct premiums earned (Lines 1.1 + 1.4 - 1.9 + 1.10)													6,292,709	6,292,709
1.12 Assumed premiums earned from non-affiliates														
1.13 Net assumed less ceded premiums earned from affiliates														
1.14 Ceded premiums earned to non-affiliates													1,163,812	1,163,812
1.15 Other adjustments due to MLR calculation - Premiums														
1.16 Net premiums earned (Lines 1.11 - 1.5 - 1.8 + 1.12 + 1.13 - 1.14 + 1.15)													5,128,897	5,128,897
2. Direct Claims Incurred:														
2.01 Paid claims during the year													2,527,981	2,527,981
2.02 Direct claim liability current year													4,971,234	4,971,234
2.03 Direct claim liability prior year													3,619,441	3,619,441
2.04 Direct claim reserves current year														
2.05 Direct claim reserves prior year														
2.06 Direct contract reserves current year													2,661,949	2,661,949
2.07 Direct contract reserves prior year													1,251,675	1,251,675
2.08 Paid rate credits														
2.09 Reserve for rate credits current year														
2.10 Reserve for rate credits prior year														
2.11 Incurred medical incentive pools and bonuses (Lines 2.11a + 2.11b - 2.11c)														
2.11A Paid medical incentive pools and bonuses current year														
2.11B Accrued medical incentive pools and bonuses current year														
2.11C Accrued medical incentive pools and bonuses prior year														
2.12 Net healthcare receivables (Lines 2.12a - 2.12b)														
2.12A Healthcare receivables current year														
2.12B Healthcare receivables prior year														
2.13 Group conversion charge														
2.14 Multi-option coverage blended rate adjustment														
2.15 TOTAL Incurred Claims (Lines 2.1 + 2.2 - 2.3 + 2.4 - 2.5 + 2.6 - 2.7 + 2.8 + 2.9 - 2.10 + 2.11 - 2.12 + 2.13 + 2.14)													5,290,048	5,290,048
2.16 Assumed Incurred Claims from non-affiliates														
2.17 Net Assumed less Ceded Incurred Claims from affiliates														
2.18 Ceded Incurred Claims to non-affiliates													1,706,483	1,706,483
2.19 Other Adjustments due to MLR calculation - Claims														
2.20 Net Incurred Claims (Lines 2.15 - 2.8 - 2.9 + 2.10 + 2.16 + 2.17 - 2.18 + 2.19)													3,583,565	3,583,565
3. Fraud and Abuse Recoveries that Reduced PAID Claims in Line 2.1 above (informational only)														



**SUPPLEMENTAL HEALTH CARE EXHIBIT - PART 3 (Continued)**  
 (To Be Filed By April 1 - Not for Rebate Purposes)

	All Expenses	Improving Health Care Quality Expenses					Claims Adjustment Expenses		9 General Administrative Expenses	10 Total Expenses (6 to 9)
		1 Improve Health Outcomes	2 Activities to Prevent Hospital Readmissions	3 Improve Patient Safety and Reduce Medical Errors	4 Wellness & Health Promotion Activities	5 HIT Expenses	6 Total (1 to 5)	7 Cost Containment Expenses		
4.	Individual Mini-Med Plans Expenses									
4.01	Salaries (including \$.....0 for affiliated services)									
4.02	Outsourced services									
4.03	EDP equipment and software (including \$.....0 for affiliated services)									
4.04	Other equipment (excluding EDP) (including \$.....0 for affiliated services)									
4.05	Accreditation and certification (including \$.....0 for affiliated services)		XXX	XXX	XXX	XXX				
4.06	Other expenses (including \$.....0 for affiliated services)									
4.07	Subtotal before reimbursements and taxes (Lines 4.1 to 4.6)									
4.08	Reimbursements by uninsured plans and fiscal intermediaries									
4.09	Taxes, licenses and fees (in total, for tying purposes)	XXX	XXX	XXX	XXX	XXX	XXX	XXX		
4.10	TOTAL (Lines 4.7 to 4.9)									
4.11	TOTAL fraud and abuse detection/recovery expenses included in Column 7 (informational only)									
5.	Small Group Mini-Med Plans Expenses									
5.01	Salaries (including \$.....0 for affiliated services)									
5.02	Outsourced services									
5.03	EDP Equipment and Software (including \$.....0 for affiliated services)									
5.04	Other equipment (excluding EDP) (including \$.....0 for affiliated services)									
5.05	Accreditation and certification (including \$.....0 for affiliated services)		XXX	XXX	XXX	XXX				
5.06	Other expenses (including \$.....0 for affiliated services)									
5.07	Subtotal before reimbursements and taxes (Lines 5.1 to 5.6)									
5.08	Reimbursements by uninsured plans and fiscal intermediaries									
5.09	Taxes, licenses and fees (in total, for tying purposes)	XXX	XXX	XXX	XXX	XXX	XXX	XXX		
5.10	TOTAL (Lines 5.7 to 5.9)									
5.11	TOTAL fraud and abuse detection/recovery expenses included in Column 7 (informational only)									
6.	Large Group Mini-Med Plans Expenses									
6.01	Salaries (including \$.....0 for affiliated services)									
6.02	Outsourced services									
6.03	EDP equipment and software (including \$.....0 for affiliated services)									
6.04	Other equipment (excluding EDP) (including \$.....0 for affiliated services)									
6.05	Accreditation and certification (including \$.....0 for affiliated services)		XXX	XXX	XXX	XXX				
6.06	Other expenses (including \$.....0 for affiliated services)									
6.07	Subtotal before reimbursements and taxes (Lines 6.1 to 6.6)									
6.08	Reimbursements by uninsured plans and fiscal intermediaries									
6.09	Taxes, licenses and fees (in total, for tying purposes)	XXX	XXX	XXX	XXX	XXX	XXX	XXX		
6.10	TOTAL (Lines 6.7 to 6.9)									
6.11	TOTAL fraud and abuse detection/recovery expenses included in Column 7 (informational only)									

Supp63 Grand Total

**SUPPLEMENTAL HEALTH CARE EXHIBIT - PART 3 (Continued)**

(To Be Filed By April 1 - Not for Rebate Purposes)

	All Expenses	Improving Health Care Quality Expenses					Claims Adjustment Expenses		9 General Administrative Expenses	10 Total Expenses (Cols. 6 to 9)
		1 Improve Health Outcomes	2 Activities to Prevent Hospital Readmissions	3 Improve Patient Safety and Reduce Medical Errors	4 Wellness & Health Promotion Activities	5 HIT Expenses	6 Total (1 to 5)	7 Cost Containment Expenses		
7.	Small Group Expatriate Plans Expenses									
7.01	Salaries (including \$.....0 for affiliated services)									
7.02	Outsourced services									
7.03	EDP equipment and software (including \$.....0 for affiliated services)									
7.04	Other equipment (excluding EDP) (including \$.....0 for affiliated services)									
7.05	Accreditation and certification (including \$.....0 for affiliated services)		XXX	XXX	XXX	XXX				
7.06	Other expenses (including \$.....0 for affiliated services)									
7.07	Subtotal before reimbursements and taxes (Lines 7.1 to 7.6)									
7.08	Reimbursements by uninsured plans and fiscal intermediaries									
7.09	Taxes, licenses and fees (in total, for tying purposes)	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
7.10	TOTAL (Lines 7.7 to 7.9)									
7.11	TOTAL fraud and abuse detection/recovery expenses included in Column 7 (informational only)									
8.	Large Group Expatriate Plans Expenses									
8.01	Salaries (including \$.....0 for affiliated services)									
8.02	Outsourced services									
8.03	EDP equipment and software (including \$.....0 for affiliated services)									
8.04	Other equipment (excluding EDP) (including \$.....0 for affiliated services)									
8.05	Accreditation and certification (including \$.....0 for affiliated services)		XXX	XXX	XXX	XXX				
8.06	Other expenses (including \$.....0 for affiliated services)									
8.07	Subtotal before reimbursements and taxes (Lines 8.1 to 8.6)									
8.08	Reimbursements by uninsured plans and fiscal intermediaries									
8.09	Taxes, licenses and fees (in total, for tying purposes)	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
8.10	TOTAL (Lines 8.7 to 8.9)									
8.11	TOTAL fraud and abuse detection/recovery expenses included in Column 7 (informational only)									
9.	Student Health Plans Expenses									
9.01	Salaries (including \$.....0 for affiliated services)									
9.02	Outsourced services									
9.03	EDP equipment and software (including \$.....0 for affiliated services)									
9.04	Other equipment (excluding EDP) (including \$.....0 for affiliated services)									
9.05	Accreditation and certification (including \$.....0 for affiliated services)		XXX	XXX	XXX	XXX				
9.06	Other expenses (including \$.....0 for affiliated services)									
9.07	Subtotal before reimbursements and taxes (Lines 9.1 to 9.6)									
9.08	Reimbursements by uninsured plans and fiscal intermediaries									
9.09	Taxes, licenses and fees (in total, for tying purposes)	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
9.10	TOTAL (Lines 9.7 to 9.9)									
9.11	TOTAL fraud and abuse detection/recovery expenses included in Column 7 (informational only)									

Supp64 Grand Total



**SUPPLEMENTAL HEALTH CARE EXHIBIT'S EXPENSE ALLOCATION REPORT**

(To Be Filed by April 1)

NAIC Group Code: 0071

NAIC Company Code: 60041

Description of allocation methodology:

Detailed Description of Quality Improvement Expenses:

1 Expense Type from Part 3	2 New	3 Detailed Description of Expense



## Actuarial Opinion on X-Factors



## Actuarial Opinion on Separate Accounts Funding Guaranteed Minimum Benefits



## Actuarial Opinion on Synthetic Guaranteed Investment Contracts



## Actuarial Opinion required by the Modified Guaranteed Annuity Model Regulation



**Reasonableness of Assumptions Certification required by Actuarial Guideline XXXV**



**Reasonableness and Consistency of Assumptions Certification  
required by Actuarial Guideline XXXV**



**Reasonableness of Assumptions Certification for Implied Guaranteed Rate Method  
required by Actuarial Guideline XXXVI**



**Reasonableness and Consistency of Assumptions Certification  
required by Actuarial Guideline XXXVI (Updated Average Market Value)**



**Reasonableness and Consistency of Assumptions Certification  
required by Actuarial Guideline XXXVI (Updated Market Value)**



**Actuarial Certifications Related to Annuity Nonforfeiture Ongoing Compliance for Equity Indexed Annuities**



## Actuarial Certification Related to Hedging required by Actuarial Guideline XLIII



**Financial Officer Certification Related to Clearly Defined Hedging Strategy  
required by Actuarial Guideline XLIII**



**Management Certification That the Valuation Reflects Management's Intent  
required by Actuarial Guideline XLIII**



## Actuarial Certification Related to the Reserves required by Actuarial Guideline XLIII



**Actuarial Certification regarding the use of Preferred Mortality Tables  
for use in Determining Minimum Reserve Liabilities**



# Approval from State of Domicile for Relief related to 5-Year Rotation Requirement for Lead Audit Partner



## **Approval from State of Domicile for Relief related to 1-Year Cooling Off Period for Independent CPA**



## **Approval from State of Domicile for Relief related to the Requirement for Audit Committees**



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2012

Document Code: 350

# Management's Discussion and Analysis

## UNIVERSAL LIFE INSURANCE COMPANY

### Management's Discussion and Analysis

#### Of the 2012 Financial Condition and Results of Operations

#### General

Management's Discussion and Analysis of Financial Condition and Results of Operations should be read in conjunction with the Audited Statutory Financial Statements, Notes to Statutory Financial Statements, and Statutory Annual Statements. This Management's Discussion and Analysis reviews the financial condition of Universal Life Insurance Company ("**ULICO**," "**us**," "**we**" or "**our**") as of December 31, 2012 and 2011, our results of operations for the past two years and, where appropriate, factors that may affect our future financial performance.

Universal Life Insurance Company (Universal Life) is a wholly-owned subsidiary of Universal Insurance Company (UNICO), a Puerto Rico domiciled organization. The company complements the other insurance companies within the Universal Group of companies through the offering of individual life, group life and disability, credit life, and individual fixed and variable annuity products. The company has reported consistent premium growth in all existing line of business over the past several years. Universal Life has become the individual annuities market leader in Puerto Rico and is the only local carrier issuing indexed and variable annuities with unique tax advantages to Puerto Rico residents. Its operations are spread throughout the island of Puerto Rico.

Universal Life's core segment as measured by net premiums is currently individual annuities and group insurance products.

Universal Life Insurance Company has experienced consistent business growth throughout the last five years. Total Admitted Assets increased by 38% to \$592 million in 2012. Net premium written for all lines increased 2% in 2012. Universal Life follows a conservative investment management policy. Total adjusted capital, as defined by the National Association of Insurance Commissioners (the "**NAIC**"), increased to \$28.7 million as of December 31, 2012 compared to \$24.5 million as of December 31, 2011.

The following table sets forth the calculation of total adjusted capital:

	December 31,	
	2012	2011
	(In '000s)	
Surplus	\$ 27,624	\$ 23,936
Asset Value Reserve	1,125	587
	-	-
<b>Total Adjusted Capital (3)</b>	28,749	24,523

<sup>(3)</sup> Defined by the NAIC as surplus plus asset valuation reserve ("AVR") and one-half of the consolidated apportioned dividend liability.

The financial strength rating is B++ (Good) from A.M. Best Company with a positive outlook in our last review. Ratings are subject to change and there can be no assurance of the ratings that will be afforded to us in the future. Financial strength ratings are based upon an independent review of ULICO and that of the industry in which we operate.

As of December 31, 2012, there were no significant statutory or regulatory issues which would impair our financial position or liquidity, but there can be no assurance that such issues will not arise in the future. To the best of management's knowledge, we are not included on any regulatory or similar "watch list".

## Management's Discussion and Analysis

### Results of Operations

The following table sets forth the components of statutory net income (loss) for the years presented:

	Years Ended December 31,		% Change '12 vs. '11
	2012	2011	
	('000)		
<b>Revenue:</b>			
Premium income	\$ 140,161	\$ 137,430	2%
Net investment income	12,026	9,027	33
Commissions and exp allowance on reinsurance ceded	3,661	2,738	100
Reserve adjustment on reinsurance ceded	34,197	20,690	65
Fees and other income	<u>2,564</u>	<u>2,546</u>	1
Total revenue	<u>192,609</u>	<u>172,431</u>	12
<b>Benefits and expenses:</b>			
Policyholders' benefits	30,965	24,701	25
Change in policyholders' reserves	83,334	96,928	-14
Commissions	12,760	10,318	24
General insurance expenses	4,988	4,530	10
State taxes, licenses and fees	449	403	11
Net transfer to separate account	<u>56,274</u>	<u>33,872</u>	66
Total benefits and expenses	<u>188,770</u>	<u>170,752</u>	11
Net gain from operations before dividends and federal income taxes	3,839	1,679	129
Dividends to policyholders	-	-	0
Net gain (loss) from operations before federal income taxes	3,839	1,679	129
Federal income tax expense (benefit)	-	-	0
Net gain from operations	<u>3,839</u>	<u>1,679</u>	129
Net realized capital gains (losses), after tax and transfers to interest maintenance reserve	<u>(32)</u>	<u>39</u>	-182
<b>Net income (loss)</b>	<u>\$ 3,807</u>	<u>\$ 1,718</u>	122%

Net gains from operations in 2012 increased \$2.2 million primarily due to the increase in operating results from individual annuities line of business. During the last year the company increased net investment income and revenues from separate account by \$3.4 million in aggregate when compared to prior year. The increase is primarily driven by the company's assets retention and current year asset increase related to new business. The company also experienced positive variance in underwriting results in all other line of business when compared to prior year and most significant in Group Life.

Selected premium income information is presented below:

	Gross Premiums			Net Premiums		
	Years Ended December 31,		% Change '12 vs. '11	Years Ended December 31,		% Change '12 vs. '11
	2012	2011		2012	2011	
	('000)			('000)		
<b>Premium income:</b>						
Ordinary Life	\$ 1,092	\$ 1,017	7%	\$ 871	\$ 849	3%
Individual annuities	163,082	152,668	7	122,256	123,840	-1
Credit Life	6,527	4,525	44	6,526	4,525	44
Group Life	6,938	6,164	13	5,379	4,657	16
Group Accident and Health	4,082	3,434	19	2,918	2,533	15
Credit Accident and Health	2,205	1,019	116	2,205	1,019	116
Other Accident and Health	<u>6</u>	<u>7</u>	100	<u>6</u>	<u>7</u>	100
<b>Total</b>	<u>\$ 183,932</u>	<u>\$ 168,833</u>	<b>9%</b>	<u>\$ 140,161</u>	<u>\$ 137,430</u>	<b>2%</b>

Premium income includes considerations on life, annuity, and group accident and health contracts. Gross Premium income increased \$15.1 million in 2012 primarily due to increases in annuities contracts premium of \$10.4 million. The increase in annuities is primarily due to the success of variable annuity products with living benefit riders. We also experienced significant sales increase in credit life and credit disability products during 2012.

## Management's Discussion and Analysis

The components of net investment income are set forth below:

	Years Ended December 31,		% Change '12 vs. '11
	2012	2011	
	('000)		
<b>Net investment income:</b>			
Bonds	\$ 11,561	\$ 8,744	32%
Preferred stocks (unaffiliated)	36		
Common stocks (unaffiliated)	280	171	64
Cash, cash equivalents and short term investments	22	29	-24
Amortization of interest maintenance reserve	127	83	53
<b>Total</b>	<b>\$ 12,026</b>	<b>\$ 9,027</b>	<b>33%</b>

Net investment income, including interest maintenance reserve ("**IMR**") amortization, increased \$3.0 million in 2012 primarily due to an increase on invested assets. This increase on invested assets is directly related to the increase in our annuities line of business.

Fees and other income, which includes income from fees associated to the administration and contract guarantees from Separate Account, increased \$18 thousands in 2012. The increase in fees and other income is primarily due to increase in asset's based fees of \$576 thousands offset by a decrease in other non-recurrent income from equity index product of \$556.

Policyholders' benefits, which include, death, annuities surrender benefits and disability benefits, increased \$6.3 million in 2012. The increase is primarily due to higher annuities surrender benefits which respond to a higher volume of annuity contracts in-force.

Change in policyholders' reserves, decreased \$13.6 million in 2012. The change in policyholders' reserves was primarily driven by reduction in current year sales of our Universal Fixed and Equity Index Investment Annuities when compared to prior year. In the other hand, transfers to Separate Account increased \$22.4 million when compared to prior year due to the increase in sales of Universal Variable Annuity product.

General insurance expenses increased \$458 thousands in 2012.

Commissions increased \$2.4 million in 2012 primarily due to new business growth. Commissions do not necessarily correlate to total premium income since commission rates vary by product. This additional expense was offset by the increase in commissions and expense allowance on reinsurance ceded of \$923 thousands.

Net realized capital gains (losses) were comprised of the following:

	Years Ended December 31,		% Change '12 vs. '11
	2012	2011	
	('000)		
<b>Realized capital gains (losses)</b>			
Bonds	\$ 496	\$ 268	85%
Common stocks (unaffiliated)	31	(1)	NM
Cash, cash equivalents and short term investments	(137)	-	NM
Net realized capital gains (losses) before deferral to the IMR	390	267	46%
Net gain (losses) deferred to IMR	496	268	85%
Less taxes on net deferred (gains) losses	-74	-40	85%
Net after-tax (gains) losses deferred to IMR	422	228	85%
<b>Total net realized capital gains (losses)</b>	<b>\$ (32)</b>	<b>\$ 39</b>	<b>-182%</b>

Net realized capital gains increase \$123 thousand in 2012. The book values of investments are written down when a decline in value is considered to be other-than-temporary. Total OTTI during 2012 were \$86 thousand. We employ a systematic methodology to evaluate other-than-temporary impairments. The methodology to evaluate declines in value utilizes a quantitative and qualitative process ensuring that available evidence concerning the declines is evaluated in a disciplined manner.

## Management's Discussion and Analysis

### Statement of Financial Position

The following table sets forth Universal Life's assets, liabilities and surplus, for the dates presented:

	December 31,		% Change '12 vs. '11
	<u>2011</u>	<u>2011</u>	
	('000)		
<b>Assets:</b>			
Bonds	\$ 308,789	\$ 234,074	32%
Preferred stocks (unaffiliated)	500	-	100
Common stocks (unaffiliated)	9,687	2,755	252
Cash, cash equivalents and short-term investments	<u>17,529</u>	<u>11,027</u>	59
Total invested assets	336,505	247,856	36
Investment income due & accrued	3,342	2,629	27
Receivable from Affiliates	-	112	
Other than invested assets	<u>3,313</u>	<u>2,897</u>	14
Total assets excluding separate accounts	343,160	253,494	35
Separate accounts assets	<u>248,887</u>	<u>176,254</u>	41
<b>Total assets</b>	<b><u>\$ 592,047</u></b>	<b><u>\$ 429,748</u></b>	<b>38%</b>
<b>Liabilities and surplus:</b>			
Policyholders' reserves	\$ 309,079	\$ 225,745	37%
Contract claims and other benefits	3,195	2,910	10
General expenses due and accrued	813	1,266	-36
Asset valuation reserve	1,125	587	92
Transfer to Separate Account due or accrued	(5,319)	(4,427)	20
Other liabilities	<u>6,875</u>	<u>3,534</u>	95
Total liabilities excluding separate accounts	315,768	229,615	38
Separate account liabilities	<u>248,655</u>	<u>176,197</u>	41
Total liabilities	564,423	405,812	39
Surplus	<u>27,624</u>	<u>23,936</u>	15
<b>Total liabilities and surplus</b>	<b><u>\$ 592,047</u></b>	<b><u>\$ 429,748</u></b>	<b>38%</b>

### Assets

Total admitted assets increased \$162.3 million in 2012 as an increase in general account assets of \$89.7 million and an increase in separate account assets of \$72.6 million representing a total increase in assets of 38%. The major components of the growth in general account assets were increases in bonds of \$74.7 million.

Total invested assets increased by \$88.6 million, or 36% in 2012, driven primarily by cash flows associated with the net increase in policyholders' reserves.

Bonds increased \$74.7 million, or 32% in 2012, including purchases of \$186.2 million, which were offset by \$110.5 million of sales and maturities. Also offsetting purchases were other-than-temporary impairments of \$86 thousands in mortgage-backed securities whose valuations suffered from the widening of credit spreads and the continuing decline in the credit markets. Bonds in NAIC Classes 1 and 2 (including exempt) were 95% of total general account invested assets excluding cash and cash equivalents. The percentage of total invested assets representing bond investments in NAIC Classes 3 through 6 was 2% as of December 31, 2012. See "Investments" for more discussion of NAIC investment classes.

Common stocks – unaffiliated increased \$6.9 million or 252% primarily by purchases of \$7.7 million during the year, which were offset by \$756 thousands of sales and maturities and change in fair market value of \$(71) thousand.

Cash, cash equivalents and short-term investments increased \$6.5 million in 2012. The increase in cash and cash equivalents was due to a high volume of cash inflows at year end.

Other than invested assets consists primarily of premiums and considerations due, deferred and uncollected, amounts receivable from reinsurance, amounts due from subsidiaries and affiliates, and electronic data processing equipment. Other than invested assets increased \$1.0 million in 2012.

Separate account assets increased \$72.6 million primarily due positive net cash flows of \$62.6 million and increase in fair market value of \$10.0 million.

### Liabilities

Total liabilities increased \$158.6 million in 2012 primarily due to increase in life aggregate reserves of \$81.6 million and increase in separate account liabilities of \$74.5 million.

The increase in policyholders' reserves of \$83.3 million is primarily due to an increase in annuity reserves reflecting growth from current year sales as well as net growth of the in-force block.

## Management's Discussion and Analysis

Other liabilities consist primarily of payables to reinsurers, amounts due to subsidiaries and affiliates, commissions payable to agents, general and tax expenses due or accrued, amounts due to(from) separate account and payable for securities. Other liabilities increased \$1.7 million in 2012 primarily due to an increase of \$1.4 million in payable for securities, and an increase of \$755 thousand in payable to affiliates.

Asset Valuation Reserve and Interest Maintenance Reserve increased \$539 thousand and \$295 thousand respectively.

### Surplus

Surplus increased \$3.7 million in 2012 or 15%. The increase was primarily due to the results from operations of \$3.8 million plus an additional capital contribution of \$3.4 million. These increases were offset by a dividend declared and paid of \$3.0 million. Asset valuation reserve decreased surplus by \$539 thousand during the year.

## Liquidity and Capital Resources

### Liquidity

Universal Life manages its liquidity position by matching our exposure to cash demands with adequate sources of cash and other liquid assets. The principal sources of liquidity are operating cash flows and holdings of cash, cash equivalents and other readily marketable assets. The Company has consistently experienced net positive cash flows from operations. Our primary cash flow sources include investment income, principal repayments on invested assets, life insurance premium and annuity premiums.

Cash, cash equivalents and short-term investments increased \$6.5 million, during 2012. The increase in cash and cash equivalents was due to a high volume of cash inflows at year end and pending to be invested.

Net cash provided from operations decreased \$7.7 million, or 8.1%. The decrease was largely attributable to decrease in Universal Fixed and Equity Index Investment Annuity sales when compared to prior year and increase in our outflows of net transfers to Separate Account due to increase in sales of Universal Variable Annuity.

Net cash from investments remained an outflow in 2012, \$81.8 million compared to \$103.0 million in 2011. Purchases of investments were \$194.5 million in 2012 while sales and maturities of investments were \$111.8 million.

Our investment portfolio is structured to ensure a strong liquidity position in order to permit timely payment of policy and contract benefits without requiring sales of assets. In general, liquid assets include cash and equivalents, public bonds, and mutual funds, all of which generally have ready markets with large numbers of buyers. The fair value of these assets as of December 31, 2012 was approximately \$351.2 million.

ULICO utilizes sophisticated asset/liability analysis techniques in the management of the investments supporting liabilities. The adequacy of projected cash flows provided by assets is tested to meet all of our future policyholder and other obligations. These studies are performed using stress tests regarding future credit and other asset losses, market interest rate fluctuations, claim losses and other considerations. The result provides a picture of the adequacy of the underlying assets, reserves and capital. We analyze a variety of scenarios modeling potential demands on liquidity taking into account the provisions of policies and contracts in force, our cash flow position, and the volume of cash and readily marketable securities in our portfolio. ULICO proactively manage its liquidity position on an ongoing basis to meet cash needs while minimizing adverse impacts on investment returns.

In most scenarios tested, operating cash flow is more than sufficient to satisfy obligations. Even in the most extreme scenarios tested, obligations can be met through cash flow and the sale of liquid assets. These stress test scenarios assume no new business that would result in immediate positive cash flow. In addition, if in a stress situation, some uses of cash could be suspended, including new investments in illiquid instruments.

### Capital Resources

As of December 31, 2012 and 2011, total adjusted capital, as defined by the NAIC, was \$28.7 million and \$24.5 million, respectively. The NAIC has a Risk Based Capital ("RBC") model to compare total adjusted capital with a standard design in order to reflect an insurance company's risk profile. Although we believe that there is no single appropriate means of measuring capital needs, we feel that the NAIC approach to RBC measurement is reasonable, and will manage our capital position with significant attention to maintaining adequate total adjusted capital relative to RBC. The total adjusted capital was well in excess of all RBC standards as of December 31, 2012 and 2011. The Company believes it has a strong capital position in light of our risks and that we are well positioned to meet policyholder and other obligations.





# Accountant's Letter of Qualification



## Communication of Internal Control Related Matters Noted in an Audit



# Management's Report of Internal Control over Financial Reporting

## LIFE IRIS RATIOS - 2012

Financial Ratio Results		Unusual Values Equal to or		Amount
		Over	Under	
Ratio				
1.	Net Change in Capital and Surplus .....	50	-10	1
2.	Gross Change in Capital and Surplus .....	50	-10	15
3.	Net Income to Total Income (Including Realized Capital Gains and Losses) .....	X X X	0	2
4.	Adequacy of Investment Income .....	900	125	999
5.	Non-Admitted to Admitted Assets .....	10	X X X	0
6.	TOTAL Real Estate and Total Mortgage Loans to Cash and Invested Assets .....	30	X X X	0
7.	TOTAL Affiliated Investments to Capital and Surplus .....	100	X X X	0
8.	Surplus Relief .....			13
	(Over \$5 Million Capital and Surplus)	30	-99	
	(\$5 Million or Less Capital and Surplus)	10	-10	
9.	Change in Premium .....	50	-10	2
10.	Change in Product Mix .....	5.0	X X X	0.641
11.	Change in Asset Mix .....	5.0	X X X	0.339
12.	Change in Reserving .....	20	-20	12

## LIFE IRIS RATIOS - 2012

	Amount
Ratio 1	Net Change in Capital and Surplus
A.	Capital & Surplus Current Year - Page 3, Column 1, Line 38 ..... 27,624,392
B.	Change in Surplus Notes - Page 4, Column 1, Line 48 ..... 0
C.	Capital Changes Paid-In - Page 4, Column 1, Line 50.1 ..... 0
D.	Surplus Adjustments Paid-In - Page 4, Column 1, Line 51.1 ..... 3,400,000
E.	Capital & Surplus Prior Year - Prior Year: Page 3, Column 1, Line 38 ..... 23,935,725
	Result = $100 \times (A - B - C - D - E) / E$ ..... 1%
	If A is zero or negative, result is -99
	If E is zero or negative and A is positive, result is 999
	If commenced business date is current year, no result is calculated (NR)
Ratio 2	Gross Change in Capital and Surplus
A.	Capital & Surplus Current Year - Page 3, Column 1, Line 38 ..... 27,624,392
B.	Capital & Surplus Prior Year - Prior Year: Page 3, Column 1, Line 38 ..... 23,935,725
	Result = $100 \times (A - B) / B$ ..... 15%
	If A is zero or negative, result is -99
	If B is zero or negative and A is positive, result is 999
	If commenced business date is current year, no result is calculated (NR)
Ratio 3	Net Income to Total Income (Including Realized Capital Gains and Losses)
A.	Net Income - Page 4, Column 1, Line 35 ..... 3,807,443
B.	TOTAL Income - Page 4, Column 1, Line 9 ..... 192,608,266
C.	Realized Capital Gains/Losses - Page 4, Column 1, Line 34 ..... (31,973)
	Result = $100 \times A / (B + C)$ ..... 2%
	If B + C is zero or negative and A is positive, no result is calculated (NR)
	If B + C is zero or negative and A is zero or negative, result is automatically considered unusual
Ratio 4	Adequacy of Investment Income
A.	Net Investment Income - Page 4, Column 1, Line 3 ..... 11,899,079
B.	Tabular Interest Involving Life or Disability Contingencies - Page 7, Column 1, Line 4 ..... 0
C.	Tabular Fund Interest on A&H Contracts - Page 14, Exhibit of Aggregate Reserves for A&H Contracts, Column 1, Line 18 ..... 0
D.	Investment Earnings Credited to Deposit-Type Contract Accounts - Page 15, Exhibit of Deposit-Type Contracts, Column 1, Line 3 ..... 0
	Result = $100 \times A / (B + C + D)$ ..... 999%
	If B + C + D is zero, result is 999
	If Company has no beginning or ending reserves per Page 7 and Item B is zero, no result is calculated.
Ratio 5	Non-Admitted to Admitted Assets
A.	Non-Admitted Assets - Page 2, Column 2, Line 28 ..... 1,047,652
B.	Admitted Assets - Page 2, Column 3, Line 28 ..... 592,047,324
	Result = $100 \times A / B$ ..... 0%
	If B is zero or negative and A is positive, result is 999
	If A and B are both zero or negative, result is zero
Ratio 6	TOTAL Real Estate and TOTAL Mortgage Loans to Cash and Invested Assets
A.	Mortgage Loans - First Liens - Page 2, Column 3, Line 3.1 ..... 0
B.	Mortgage Loans - Other - Page 2, Column 3, Line 3.2 ..... 0
C.	Real Estate - Properties Occupied by the Company - Page 2, Column 3, Line 4.1 ..... 0
D.	Real Estate - Properties Held for the Production of Income - Page 2, Column 3, Line 4.2 ..... 0
E.	Real Estate - Properties Held for Sale - Page 2, Column 3, Line 4.3 ..... 0
F.	Schedule BA - Mortgage Loans - Page E07, Column 12, Line 0999999 + 1099999 ..... 0
G.	Schedule BA - Real Estate - Page E07, Column 12, Line 1799999 + 1899999 ..... 0
H.	Cash and Invested Assets minus Payable for Securities - Page 2, Column 3, Line 12 - Page 3, Column 1, Line 24.09 ..... 335,082,937
	Result = $100 \times [(A + B + C + D + E + F + G) / H]$ ..... 0%
	If H is zero or negative and (A + B + C + D + E + F + G) is positive, result is 999
	If (A + B + C + D + E + F + G) and H are both zero or negative, result is zero
Ratio 7	TOTAL Affiliated Investments to Capital and Surplus
A.	Receivable from Parent, Subsidiary & Affiliates - Page 2, Column 3, Line 23 ..... 0
B.	Investments in Parent, Subsidiary & Affiliates - Page 23, Column 1, Line 50 ..... 0
C.	Capital & Surplus - Page 3, Column 1, Line 38 ..... 27,624,392
	Result = $100 \times (A + B) / C$ ..... 0%
	If C is zero or negative and A + B is positive, result is 999
	If A + B, and C are zero or negative, result is zero
Ratio 8	Surplus Relief
A.	Commissions and Expense Allowances on Reinsurance Ceded - Page 6, Column 1, Line 6 ..... 3,661,137
B.	Commissions and Expense Allowances on Reinsurance Assumed - Page 6, Column 1, Line 22 ..... 0
C.	Change in Surplus as a Result of Reinsurance - Page 4, Column 1, Line 51.4 ..... 0
D.	Capital and Surplus - Page 3, Column 1, Line 38 ..... 27,624,392
	Result = $100 \times (A - B + C) / D$ ..... 13%
	If D is zero or negative, result is 999

## LIFE IRIS RATIOS - 2012

		Amount
Ratio 9	Change in Premium	
A.	Premiums & Annuity Considerations - Page 50, Column 2, 3, 4, 5, 7, Line 99 .....	139,837,826
B.	Premiums & Annuity Considerations - Prior Year: Page 48, Column 2, 3, 4, 5, 7, Line 99 .....	137,293,118
	Result = 100 x (A - B) / B .....	2%
	If A and B are both zero or negative, result is zero	
	If B is zero or negative and A is positive, result is 999	
	If commenced business date is current year, no result is calculated (NR)	

**Ratio 10: Change in Product Mix**

Premiums & Annuity Considerations	Current Year		Prior Year		Column 2 % Less Column 4 % (5)
	Amount (1)	% of Total (2)	Amount (3)	% of Total (4)	
<b>Page 6, Line 1</b>					
A. Industrial Life, Column 2 .....	0	0	0	0	0
B. Ordinary Life Insurance, Column 3 .....	870,703	1	849,150	1	0
C. Individual Annuities, Column 4 .....	122,256,225	87	123,839,833	90	(3)
D. Credit Life, Column 6 .....	6,526,543	5	4,524,820	3	1
E. Group Life, Column 7 .....	5,378,740	4	4,656,557	3	0
F. Group Annuities, Column 8 .....	0	0	0	0	0
G. Group A&H, Column 9 .....	2,917,920	2	2,533,393	2	0
H. Credit A&H, Column 10 .....	2,204,848	2	1,019,386	1	1
I. Other A&H, Column 11 .....	6,131	0	7,078	0	0
J. TOTAL .....	140,161,110		137,430,217		
K. TOTAL of Ratio Column 5 Disregarding Sign .....					6
Result = K / 9 .....					0.641%
If J for either current or prior year is zero or negative, no result is calculated (NR)					

**Ratio 11: Change in Asset Mix**

Assets	Current Year		Prior Year		Column 2 % Less Column 4 % (5)
	Amount (1)	% of Total (2)	Amount (3)	% of Total (4)	
<b>Current Year: Page 2, Column 3</b>					
A. Bonds, Line 1 .....	308,788,690	92	234,074,216	94	(2)
B. Preferred Stocks, Line 2.1 .....	500,000	0	0	0	0
C. Common Stocks, Line 2.2 .....	9,687,464	3	2,755,189	1	2
D. Mortgage Loans, First Liens, Line 3.1 .....	0	0	0	0	0
E. Mortgage Loans, Other, Line 3.2 .....	0	0	0	0	0
F. RE, Prop. Occupied by Co., Line 4.1 .....	0	0	0	0	0
G. RE, Prop. Held for the Prod. of Inc., Line 4.2 .....	0	0	0	0	0
H. RE, Prop. Held for Sale, Line 4.3 .....	0	0	0	0	0
I. Contract Loans, Line 6 minus Inside Amount 1 .....	0	0	0	0	0
J. Premium Notes, Line 6 Inside Amount 1 .....	0	0	0	0	0
K. Derivatives, Line 7 .....	0	0	0	0	0
L. Cash, Cash Equivalents & Short Term Invest., Line 5 .....	17,528,810	5	11,027,149	4	1
M. Other Invested Assets, Line 8 .....	0	0	0	0	0
N. Rec. for Secur., Line 9 minus Pay. For Secur., Page 3, Col 1, Line 24.09 .....	(1,422,027)	0	0	0	0
O. Securities Lending Reinvested Collateral Assets, Line 10 .....	0	0	0	0	0
P. Agg. Write-Ins for Invested Assets, Line 11 .....	0	0	0	0	0
Q. TOTAL .....	335,082,937		247,856,554		
R. TOTAL of Ratio Column 5 Disregarding Sign .....					5
Result = R / 16 .....					0.339%
If Q for either current or prior year is zero or negative, result is automatically considered unusual (U)					

**Ratio 12: Change in Reserving**

	Current Year	Prior Year
A. Increase in Agg. Reserves, Industrial Life, Page 6, Column 2, Line 19 .....	0	0
B. Increase in Agg. Reserves, Ordinary Life Insurance, Page 6, Column 3, Line 19 .....	523,032	412,206
C. Net Single Premiums, Industrial Life, Page 9, Column 2, Line 10.4 .....	0	0
D. Net Renewal Premiums, Industrial Life, Page 9, Column 2, Line 19.4 .....	0	0
E. Net Single Premiums, Ordinary Life Insurance, Page 9, Column 3, Line 10.4 .....	0	0
F. Net Renewal Premiums, Ordinary Life Insurance, Page 9, Column 3, Line 19.4 .....	667,634	623,874
Result = $100 * [CY (A + B) / (C + D + E + F) - PY (A + B) / (C + D + E + F)]$ .....		12%
If (A+B) and (C+D+E+F) for current or prior year are both zero or negative, $(A+B)/(C+D+E+F) = 0$ for that year		
If (A+B) is positive and (C+D+E+F) is zero or negative for current or prior year, $(A+B)/(C+D+E+F) = 100\%$ for that year		
This ratio represents the number of percentage points of difference between the reserving ratio for current and prior years. For each of these years, the reserving ratio is equal to the aggregate increase in reserves for individual life insurance taken as a percentage of renewal and single premiums for individual life insurance.		

# INDEX TO LIFE AND ACCIDENT AND HEALTH ANNUAL STATEMENT

Analysis of Increase in Reserves During The Year .....	7
Analysis of Operations By Lines of Business .....	6
Asset Valuation Reserve Default Component .....	30
Asset Valuation Reserve Equity .....	32
Asset Valuation Reserve Replications (Synthetic) Assets .....	35
Asset Valuation Reserve .....	29
Assets .....	2
Cash Flow .....	5
Exhibit 1 - Part 1 - Premiums and Annuity Considerations for Life and Accident and Health Contracts .....	9
Exhibit 1 - Part 2 - Dividends and Coupons Applied, Reinsurance Commissions and Expense .....	10
Exhibit 2 - General Expenses .....	11
Exhibit 3 - Taxes, Licenses and Fees (Excluding Federal Income Taxes) .....	11
Exhibit 4 - Dividends or Refunds .....	11
Exhibit 5 - Aggregate Reserve for Life Contracts .....	12
Exhibit 5 - Interrogatories .....	13
Exhibit 5A - Changes in Bases of Valuation During The Year .....	13
Exhibit 6 - Aggregate Reserves for Accident and Health Contracts .....	14
Exhibit 7 - Deposit-Type Contracts .....	15
Exhibit 8 - Claims for Life and Accident and Health Contracts - Part 1 .....	16
Exhibit 8 - Claims for Life and Accident and Health Contracts - Part 2 .....	17
Exhibit of Capital Gains (Losses) .....	8
Exhibit of Life Insurance .....	25
Exhibit of Net Investment Income .....	8
Exhibit of Nonadmitted Assets .....	18
Exhibit of Number of Policies, Contracts, Certificates, Income Payable and Account Values .....	27
Five-Year Historical Data .....	22
Form for Calculating the Interest Maintenance Reserve (IMR) .....	28
General Interrogatories .....	20
Jurat Page .....	1
Liabilities, Surplus and Other Funds .....	3
Life Insurance (State Page) .....	24
Notes To Financial Statements .....	19
Overflow Page For Write-ins .....	56
Schedule A - Part 1 .....	E01
Schedule A - Part 2 .....	E02
Schedule A - Part 3 .....	E03
Schedule A - Verification Between Years .....	SI02
Schedule B - Part 1 .....	E04
Schedule B - Part 2 .....	E05
Schedule B - Part 3 .....	E06
Schedule B - Verification Between Years .....	SI02
Schedule BA - Part 1 .....	E07
Schedule BA - Part 2 .....	E08
Schedule BA - Part 3 .....	E09
Schedule BA - Verification between Years .....	SI03
Schedule D - Part 1 .....	E10
Schedule D - Part 1A - Section 1 .....	SI05
Schedule D - Part 1A - Section 2 .....	SI08
Schedule D - Part 2 - Section 1 .....	E11
Schedule D - Part 2 - Section 2 .....	E12
Schedule D - Part 3 .....	E13
Schedule D - Part 4 .....	E14
Schedule D - Part 5 .....	E15
Schedule D - Part 6 - Section 1 .....	E16
Schedule D - Part 6 - Section 2 .....	E16
Schedule D - Summary By Country .....	SI04
Schedule D - Verification Between Years .....	SI03
Schedule DA - Part 1 .....	E17
Schedule DA - Verification Between Years .....	SI10

# INDEX TO LIFE AND ACCIDENT AND HEALTH ANNUAL STATEMENT

Schedule DB - Part A - Section 1 .....	E18
Schedule DB - Part A - Section 2 .....	E19
Schedule DB - Part A - Verification Between Years .....	SI11
Schedule DB - Part B - Section 1 .....	E20
Schedule DB - Part B - Section 2 .....	E21
Schedule DB - Part B - Verification Between Years .....	SI11
Schedule DB - Part C - Section 1 .....	SI12
Schedule DB - Part C - Section 2 .....	SI13
Schedule DB - Part D .....	E22
Schedule DB - Verification .....	SI14
Schedule DL - Part 1 .....	E23
Schedule DL - Part 2 .....	E24
Schedule E - Part 1 - Cash .....	E25
Schedule E - Part 2 - Cash Equivalents .....	E26
Schedule E - Part 3 - Special Deposits .....	E27
Schedule E - Verification Between Years .....	SI15
Schedule F .....	36
Schedule H - Accident and Health Exhibit - Part 1 .....	37
Schedule H - Parts - 2, 3, and 4 .....	38
Schedule H - Part 5 - Health Claims .....	39
Schedule S - Part 1 - Section 1 .....	40
Schedule S - Part 1 - Section 2 .....	41
Schedule S - Part 2 .....	42
Schedule S - Part 3 - Section 1 .....	43
Schedule S - Part 3 - Section 2 .....	44
Schedule S - Part 4 .....	45
Schedule S - Part 5 .....	46
Schedule S - Part 6 .....	48
Schedule S - Part 7 .....	49
Schedule T - Part 2 Interstate Compact .....	51
Schedule T - Premiums and Annuity Considerations .....	50
Schedule Y - Information Concerning Activities of Insurer Members of a Holding Company Group .....	52
Schedule Y - Part 1A - Detail of Insurance Holding Company System .....	53
Schedule Y - Part 2 - Summary of Insurer's Transactions With Any Affiliates .....	54
Summary Investment Schedule .....	SI01
Summary of Operations .....	4
Supplemental Exhibits and Schedules Interrogatories .....	55

**ANNUAL DISKETTE TRANSMITTAL FORM AND CERTIFICATION  
(LIFE)**

Name of Insurer

**UNIVERSAL LIFE INSURANCE COMPANY**

Date \_\_\_\_\_  
 NAIC Group # 0071

FEIN 66-0502334  
 NAIC Company # 60041

THIS FORM IS REQUIRED FOR ALL DISKETTE TRANSMITTALS, WITH THE EXCEPTION OF RBC FILINGS,  
 PLEASE PROVIDE ANY ADDITIONAL COMMENTS THAT MAY HELP TO IDENTIFY DISKETTE CONTENT

	March	April	May	June	Sep. Accts.
1. Is this the first time you've submitted this filing? (Y/N) .....	N/A	N/A	N/A	N/A	N/A
2. Is this being re-filed at the request of the NAIC or a state insurance department? (Y/N) .....	N/A	N/A	N/A	N/A	N/A
3. Is this being re-filed due to changes to the data originally filed? (Y/N) .....	N/A	N/A	N/A	N/A	N/A
4. Other? (Y/N) .....	N/A	N/A	N/A	N/A	N/A

(If "yes" attach an explanation.)

B. Additional comments if necessary for clarification:

C. Diskette Contact Person: Ramon O Giusti CPA  
 Phone: CPA  
 Address: #16 Calle Mejico, Hato Rey, San Juan , PR

D. Software Vendor: SunGard iWORKS - Statutory  
 Version: 2012.A.2

E. Have material validation failures been addressed in the explanation file? Yes[ ] No[X]

F. The undersigned hereby certifies that, according to the best of his/her knowledge and belief: that the diskettes submitted with this form were prepared in compliance with the NAIC specifications, that the diskettes have been tested against the validations included with these specifications, and that annual statement information required to be contained on diskette is identical to the information in the 2012 Annual Statement blank filed with the insurer's domiciliary state insurance department. In addition, the diskettes have been scanned through a virus detection software package, and no viruses are present on the diskettes. The virus detection software used was (name):

(version number):

(Signed) \_\_\_\_\_

Type Name and Title:

# Amended Explanation Page

## MERGER HISTORY

Description	1 Amount
1. Bonds (2011: Page 2, Column 3, Line 1) .....	
2. Preferred stocks (2011: Page 2, Column 3, Line 2.1) .....	
3. Common stocks (2011: Page 2, Column 3, Line 2.2) .....	
4. Mortgage loans on real estate - first liens (2011: Page 2, Column 3, Line 3.1) .....	
5. Mortgage loans on real estate - other than first liens (2011: Page 2, Column 3, Line 3.2) .....	
6. Real estate - properties occupied by the company (2011: Page 2, Column 3, Line 4.1) .....	
7. Real estate - properties held for the production of income (2011: Page 2, Column 3, Line 4.2) .....	
8. Real estate - properties held for sale (2011: Page 2, Column 3, Line 4.3) .....	
9. Cash, cash equivalents and short-term investments (2011: Page 2, Column 3, Line 5) .....	
10. Contract loans (2011: Page 2, Column 3, Line 6) .....	
11. Premium notes (2011: Page 2, Column 3, Line 6, Inside Amount 1) .....	
12. Derivatives (2011: Page 2, Column 3, Line 7) .....	
13. Other invested assets (2011: Page 2, Column 3, Line 8) .....	
14. Receivable for securities (2011: Page 2, Column 3, Line 9) .....	
15. Securities lending reinvested collateral assets (2011: Page 2, Column 3, Line 10) .....	
16. Aggregate write-ins for invested assets (2011: Page 2, Column 3, Line 11) .....	
17. Payable for securities (2011: Page 3, Column 1, Line 24.9) .....	
18. Capital & surplus (2011: Page 3, Column 1, Line 38) .....	
19. Premiums and annuity considerations - industrial life (2011: Page 6, Column 2, Line 1) .....	
20. Increase in aggregate reserves - industrial life (2011: Page 6, Column 2, Line 19) .....	
21. Premiums and annuity considerations - ordinary life (2011: Page 6, Column 3, Line 1) .....	
22. Increase in aggregate reserves - ordinary life (2011: Page 6, Column 3, Line 19) .....	
23. Premiums and annuity considerations - individual annuities (2011: Page 6, Column 4, Line 1) .....	
24. Premiums and annuity considerations - credit life (2011: Page 6, Column 6, Line 1) .....	
25. Premiums and annuity considerations - group life (2011: Page 6, Column 7, Line 1) .....	
26. Premiums and annuity considerations - group annuities (2011: Page 6, Column 8, Line 1) .....	
27. Premiums and annuity considerations - group accident & health (2011: Page 6, Column 9, Line 1) .....	
28. Premiums and annuity considerations - credit accident & health (2011: Page 6, Column 10, Line 1) .....	
29. Premiums and annuity considerations - other accident & health (2011: Page 6, Column 11, Line 1) .....	
30. Net single premiums - industrial life (2011: Page 9, Column 2, Line 10.4) .....	
31. Net renewal premiums - industrial life (2011: Page 9, Column 2, Line 19.4) .....	
32. Net single premiums - ordinary life (2011: Page 9, Column 3, Line 10.4) .....	
33. Net renewal premiums - ordinary life (2011: Page 9, Column 3, Line 19.4) .....	
34. Premiums and annuity considerations - total (2011: Page 48, Columns 2, 3, 4, 5, and 7, Line 99) .....	