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ANNUAL STATEMENT

For the Year Ended December 31, 2012

OF THE CONDITION AND AFFAIRS OF THE

USIC Life Insurance Company

NAIC Group Code 3593 (Current Period), 3593 (Prior Period) NAIC Company Code 11067 Employer's ID Number 66-0619863

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 07/30/2002 Commenced Business 05/01/2006

Statutory Home Office Urb. Caparra Hls Ind Park, B-7 Tabonuco Ste 1201 (Street and Number), Guaynabo, PR, 00968-3003 (City or Town, State, Country and Zip Code)

Main Administrative Office Urb. Caparra Hls Ind Park, B-7 Tabonuco Ste 1201 (Street and Number)

Guaynabo, PR, 00968-3003 (City or Town, State, Country and Zip Code) (787)625-1105 (Area Code) (Telephone Number)

Mail Address PO Box 2111 (Street and Number or P.O. Box), San Juan, PR, 00922 (City or Town, State, Country and Zip Code)

Primary Location of Books and Records Urb. Caparra Hls Ind Park, B-7 Tabonuco Ste 1201 (Street and Number)

Guaynabo, PR, 00968-3003 (City or Town, State, Country and Zip Code) (787)625-1105 (Area Code) (Telephone Number)

Internet Website Address

Statutory Statement Contact Carlos Ramón Irizarry (Name) (787)625-1105 (Area Code)(Telephone Number)(Extension)

carlos.irizarry@usicpr.com (E-Mail Address) (787)625-0892 (Fax Number)

OFFICERS

Name	Title
Frederick Millán	President
Rafael Blanes	Secretary
Carlos Ramón Irizarry	Treasurer
Olga Matos	Vice-President

OTHERS

DIRECTORS OR TRUSTEES

Maria De Lourdes González
Maria De Lourdes Blanes
Frederick Millán
Carlos Ramón Irizarry
Rafael Blanes
Carlos González
Duhamel Iglesias

State of Puerto Rico
County of 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)	(Signature)	(Signature)
Frederick Millán	Rafael Blanes	Carlos Ramón Irizarry
(Printed Name)	(Printed Name)	(Printed Name)
1.	2.	3.
President	Secretary	Treasurer
(Title)	(Title)	(Title)

Subscribed and sworn to before me this _____ day of _____, 2013

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

(Notary Public Signature)

ASSETS

	Current Year 1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols.1-2)	Prior Year 4 Net Admitted Assets
1. Bonds (Schedule D)	5,816,010		5,816,010	4,597,127
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 (less $.....0 encumbrances)				
4.2 Properties held for the production of income (less $.....0 encumbrances)				
4.3 Properties held for sale (less $.....0 encumbrances)				
5. Cash ($.....717,898 Schedule E Part 1), cash equivalents ($.....0 Schedule E Part 2) and short-term investments ($.....0 Schedule DA)	717,898		717,898	575,275
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)	6,533,908		6,533,908	5,172,402
13. Title plants less $.....0 charged off (for Title insurers only)				
14. Investment income due and accrued	45,492		45,492	25,413
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	98,416	45,307	53,109	159,136
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (Including $.....0 earned but unbilled premiums)				
15.3 Accrued retrospective premiums				
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers				
16.2 Funds held by or deposited with reinsured companies				
16.3 Other amounts receivable under reinsurance contracts				
17. Amounts receivable relating to uninsured plans				
18.1 Current federal and foreign income tax recoverable and interest thereon				
18.2 Net deferred tax asset				
19. Guaranty funds receivable or on deposit				
20. Electronic data processing equipment and software	85,424	85,424		
21. Furniture and equipment, including health care delivery assets ($.....0)				
22. Net adjustment in assets and liabilities due to foreign exchange rates				
23. Receivables from parent, subsidiaries and affiliates				
24. Health care ($.....0) and other amounts receivable				
25. Aggregate write-ins for other than invested assets				
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	6,763,240	130,731	6,632,509	5,356,951
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts				
28. Total (Lines 26 and 27)	6,763,240	130,731	6,632,509	5,356,951
DETAILS OF WRITE-INS				
1101.				
1102.				
1103.				
1198. Summary of remaining write-ins for Line 11 from overflow page				
1199. TOTALS (Lines 1101 through 1103 plus 1198) (Line 11 above)				
2501. IMR Assets				
2502.				
2503.				
2598. Summary of remaining write-ins for Line 25 from overflow page				
2599. TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above)				

LIABILITIES, SURPLUS AND OTHER FUNDS

		1 Current Year	2 Prior Year
1.	Aggregate reserve for life contracts $.....5,279 (Exhibit 5, Line 9999999) less $.....0 included in Line 6.3 (including $.....0 Modco Reserve)	5,279	
2.	Aggregate reserve for accident and health contracts (including $.....0 Modco Reserve)	5,436	1,383
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)	97,809	43,063
	4.2 Accident and health (Exhibit 8, Part 1, Line 4.4, sum of Columns 9, 10, and 11)	778,461	697,103
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 $.....0 accident and health premiums (Exhibit 1, Part 1, Column 1, sum of Lines 4 and 14)		
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 $.....0 ceded		
	9.4 Interest Maintenance Reserve (IMR, Line 6)	51,265	43,179
10.	Commissions to agents due or accrued-life and annuity contracts $.....0 accident and health $.....0 and deposit-type contract funds $.....0	35,552	38,176
11.	Commissions and expense allowances payable on reinsurance assumed	172	14,377
12.	General expenses due or accrued (Exhibit 2, Line 12, Column 6)	65,001	80,701
13.	Transfers to Separate Accounts due or accrued (net) (including $.....0 accrued for expense allowances recognized in reserves, net of reinsured allowances)		
14.	Taxes, licenses and fees due or accrued, excluding federal income taxes (Exhibit 3, Line 9, Col. 5)		
15.1	Current federal and foreign income taxes, including $.....0 on realized capital gains (losses)	52,559	
15.2	Net deferred tax liability		
16.	Unearned investment income		
17.	Amounts withheld or retained by company as agent or trustee	5,015	3,490
18.	Amounts held for agents' account, including $.....0 agents' credit balances		
19.	Remittances and items not allocated	33,360	
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 $.....0		
23.	Dividends to stockholders declared and unpaid		
24.	Miscellaneous liabilities:		
	24.01 Asset Valuation Reserve (AVR, Line 16, Column 7)	32,859	20,016
	24.02 Reinsurance in unauthorized and certified ($.....0) companies		
	24.03 Funds held under reinsurance treaties with unauthorized and certified ($.....0) reinsurers		
	24.04 Payable to parent, subsidiaries and affiliates		
	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		
	24.10 Payable for securities lending		
	24.11 Capital notes $.....0 and interest thereon $.....0		
25.	Aggregate write-ins for liabilities		
26.	TOTAL Liabilities excluding Separate Accounts Business (Lines 1 to 25)	1,162,767	941,488
27.	From Separate Accounts Statement		
28.	TOTAL LIABILITIES (Lines 26 and 27)	1,162,767	941,488
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)	2,500,000	2,500,000
34.	Aggregate write-ins for special surplus funds		
35.	Unassigned funds (surplus)	469,742	(584,537)
36.	Less treasury stock, at cost:		
	36.1 .....0 shares common (value included in Line 29 $.....0)		
	36.2 .....0 shares preferred (value included in Line 30 $.....0)		
37.	Surplus (Total Lines 31 + 32 + 33 + 34 + 35 - 36) (Including $.....0 in Separate Accounts Statement)	2,969,742	1,915,463
38.	TOTALS of Lines 29, 30 and 37 (Page 4, Line 55)	5,469,742	4,415,463
39.	TOTALS of Lines 28 and 38 (Page 2, Line 28, Column 3)	6,632,509	5,356,951
DETAILS OF WRITE-INS			
2501.			
2502.			
2503.			
2598.	Summary of remaining write-ins for Line 25 from overflow page		
2599.	TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above)		
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)	3,917,581	1,902,114
2.	Considerations for supplementary contracts with life contingencies		
3.	Net investment income (Exhibit of Net Investment Income, Line 17)	246,703	234,330
4.	Amortization of Interest Maintenance Reserve (IMR, Line 5)	3,465	996
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)		
7.	Reserve adjustments on reinsurance ceded		
8.	Miscellaneous Income:		
	8.1 Income from fees associated with investment management, administration and contract guarantees from Separate Accounts		
	8.2 Charges and fees for deposit-type contracts		
	8.3 Aggregate write-ins for miscellaneous income		
9.	TOTALS (Lines 1 to 8.3)	4,167,749	2,137,440
10.	Death benefits	262,546	97,678
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	943,615	904,654
14.	Coupons, guaranteed annual pure endowments and similar benefits		
15.	Surrender benefits and withdrawals for life contracts		
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	9,332	1,036
20.	TOTALS (Lines 10 to 19)	1,215,493	1,003,368
21.	Commissions on premiums, annuity considerations, and deposit type contract funds (direct business only) (Exhibit 1, Part 2, Line 31, Column 1)	1,498,255	420,652
22.	Commissions and expense allowances on reinsurance assumed (Exhibit 1, Part 2, Line 26.2, Column 1)	191,807	156,002
23.	General insurance expenses (Exhibit 2, Line 10, Columns 1, 2, 3 and 4)	322,963	247,902
24.	Insurance taxes, licenses and fees, excluding federal income taxes (Exhibit 3, Line 7, Columns 1 + 2 + 3)	63,402	63,570
25.	Increase in loading on deferred and uncollected premiums		
26.	Net transfers to or (from) Separate Accounts net of reinsurance		
27.	Aggregate write-ins for deductions		
28.	TOTALS (Lines 20 to 27)	3,291,920	1,891,494
29.	Net gain from operations before dividends to policyholders and federal income taxes (Line 9 minus Line 28)	875,829	245,946
30.	Dividends to policyholders		
31.	Net gain from operations after dividends to policyholders and before federal income taxes (Line 29 minus Line 30)	875,829	245,946
32.	Federal and foreign income taxes incurred (excluding tax on capital gains)	52,559	
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)	823,270	245,946
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)		
35.	Net Income (Line 33 plus Line 34)	823,270	245,946
	CAPITAL AND SURPLUS ACCOUNT		
36.	Capital and surplus, December 31, prior year (Page 3, Line 38, Column 2)	4,415,463	4,064,116
37.	Net Income (Line 35)	823,270	245,946
38.	Change in net unrealized capital gains (losses) less capital gains tax of $.....0		
39.	Change in net unrealized foreign exchange capital gain (loss)		
40.	Change in net deferred income tax		
41.	Change in nonadmitted assets	243,852	(374,583)
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	(12,843)	(20,016)
45.	Change in treasury stock (Page 3, Lines 36.1 and 36.2 Column 2 minus Column 1)		
46.	Surplus (contributed to) withdrawn from Separate Accounts during period		
47.	Other changes in surplus in Separate Accounts Statement		
48.	Change in surplus notes		
49.	Cumulative effect of changes in accounting principles		
50.	Capital changes:		
	50.1 Paid in		
	50.2 Transferred from surplus (Stock Dividend)		
	50.3 Transferred to surplus		
51.	Surplus adjustment:		
	51.1 Paid in		500,000
	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		
53.	Aggregate write-ins for gains and losses in surplus		
54.	Net change in capital and surplus for the year (Lines 37 through 53)	1,054,279	351,347
55.	Capital and surplus, December 31, current year (Lines 36 + 54) (Page 3, Line 38)	5,469,742	4,415,463
DETAILS OF WRITE-INS			
08.301.			
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)		
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 Current Year	2 Prior Year
	Cash from Operations		
1.	Premiums collected net of reinsurance	4,199,132	1,705,174
2.	Net investment income	216,517	278,543
3.	Miscellaneous income		
4.	Total (Lines 1 through 3)	4,415,649	1,983,717
5.	Benefit and loss related payments	1,070,057	1,003,570
6.	Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts		
7.	Commissions, expenses paid and aggregate write-ins for deductions	2,093,256	886,207
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)	3,163,313	1,889,777
11.	Net cash from operations (Line 4 minus Line 10)	1,252,336	93,940
	Cash from Investments		
12.	Proceeds from investments sold, matured or repaid:		
	12.1 Bonds	3,002,400	660,125
	12.2 Stocks		
	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		
	12.8 Total investment proceeds (Lines 12.1 to 12.7)	3,002,400	660,125
13.	Cost of investments acquired (long-term only):		
	13.1 Bonds	4,215,327	600,000
	13.2 Stocks		
	13.3 Mortgage loans		
	13.4 Real estate		
	13.5 Other invested assets		
	13.6 Miscellaneous applications		
	13.7 Total investments acquired (Lines 13.1 to 13.6)	4,215,327	600,000
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)	(1,212,927)	60,125
	Cash from Financing and Miscellaneous Sources		
16.	Cash provided (applied):		
	16.1 Surplus notes, capital notes		
	16.2 Capital and paid in surplus, less treasury stock		500,000
	16.3 Borrowed funds		
	16.4 Net deposits on deposit-type contracts and other insurance liabilities		
	16.5 Dividends to stockholders		
	16.6 Other cash provided (applied)	103,214	(150,572)
17.	Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6)	103,214	349,428
	RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS		
18.	Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17)	142,623	503,493
19.	Cash, cash equivalents and short-term investments:		
	19.1 Beginning of year	575,275	71,782
	19.2 End of year (Line 18 plus Line 19.1)	717,898	575,275

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

20.0001			

ANALYSIS OF OPERATIONS BY LINES OF BUSINESS

	1	2	Ordinary			6	Group		Accident and Health			12
			3	4	5		7	8	9	10	11	
	Total	Industrial Life	Life Insurance	Individual Annuities	Supplementary Contracts	Credit Life (Group and Individual)	Life Insurance (a)	Annuities	Group	Credit (Group and Individual)	Other	Aggregate of All Other Lines of Business
1. Premiums and annuity considerations for life and accident and health contracts	3,917,581						843,796		1,230,978		1,842,807	
2. Considerations for supplementary contracts with life contingencies												
3. Net investment income	246,703						246,703					
4. Amortization of Interest Maintenance Reserve (IMR)	3,465						3,465					
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 mngmt., admin., and contract guarantees (From S.A.)												
8.2 Charges and fees for deposit-type contracts												
8.3 Aggregate write-ins for miscellaneous income												
9. TOTALS (Lines 1 to 8.3)	4,167,749						1,093,964		1,230,978		1,842,807	
10. Death benefits	262,546						262,546					
11. Matured endowments (excluding guaranteed annual pure endowments)												
12. Annuity benefits												
13. Disability benefits and benefits under accident and health contracts	943,615						65,154		447,493		430,968	
14. Coupons, guaranteed annual pure endowments and similar benefits												
15. Surrender benefits and withdrawals for life contracts												
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	9,332										9,332	
20. TOTALS (Lines 10 to 19)	1,215,493						327,700		447,493		440,300	
21. Commissions on premiums, annuity considerations, and deposit-type contract funds (direct business only)	1,498,255						170,844		70,065		1,257,346	
22. Commissions and expense allowances on reinsurance assumed	191,807								191,807			
23. General insurance expenses	322,963						152,634				170,329	
24. Insurance taxes, licenses and fees, excluding federal income taxes	63,402						6,036		57,366			
25. Increase in loading on deferred and uncollected premiums												
26. Net transfers to or (from) Separate Accounts net of reinsurance												
27. Aggregate write-ins for deductions												
28. TOTALS (Lines 20 to 27)	3,291,920						657,214		766,731		1,867,975	
29. Net gain from operations before dividends to policyholders and federal income taxes (Line 9 - Line 28)	875,829						436,750		464,247		(25,168)	
30. Dividends to policyholders												
31. Net gain from operations after dividends to policyholders and before federal income taxes (Line 29 - Line 30)	875,829						436,750		464,247		(25,168)	
32. Federal income taxes incurred (excluding tax on capital gains)	52,559						26,209		27,860		(1,510)	
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)	823,270						410,541		436,387		(23,658)	
DETAILS OF WRITE-INS												
08.301.												
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)												
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	2	Ordinary			6	Group	
			3	4	5		7	8
	Total	Industrial Life	Life Insurance	Individual Annuities	Supplementary Contracts	Credit Life (Group and Individual)	Life Insurance	Annuities
Involving Life or Disability Contingencies (Reserves)								
(Net of Reinsurance Ceded)								
1. Reserve December 31, prior year								
2. Tabular net premiums or considerations								
3. Present value of disability claims incurred					XXX			
4. Tabular interest								
5. Tabular less actual reserve released								
6. Increase in reserve on account of change in valuation basis	4,954		4,954					
7. Other increases (net)								
8. Totals (Lines 1 to 7)	4,954		4,954					
9. Tabular cost					XXX			
10. Reserves released by death				XXX	XXX			XXX
11. Reserves released by other terminations (net)								
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)								
15. Reserve December 31, current year	4,954		4,954					

EXHIBIT OF NET INVESTMENT INCOME

		1 Collected During Year	2 Earned During Year
1.	U.S. Government bonds	(a)	
1.1	Bonds exempt from U.S. tax	(a)	
1.2	Other bonds (unaffiliated)	(a) 226,694	246,772
1.3	Bonds of affiliates	(a)	
2.1	Preferred stocks (unaffiliated)	(b)	
2.11	Preferred stocks of affiliates	(b)	
2.2	Common stocks (unaffiliated)		
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) 97	97
7.	Derivative instruments	(f)	
8.	Other invested assets		
9.	Aggregate write-ins for investment income		
10.	Total gross investment income	226,791	246,869
11.	Investment expenses		(g) 166
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)		166
17.	Net Investment income (Line 10 minus Line 16)		246,703
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 $.....8,047 accrual of discount less $.....(13,640) amortization of premium and less $.....20,686 paid for accrued interest on purchases.
(b) Includes $.....0 accrual of discount less $.....0 amortization of premium and less $.....0 paid for accrued dividends on purchases.
(c) Includes $.....0 accrual of discount less $.....0 amortization of premium and less $.....0 paid for accrued interest on purchases.
(d) Includes $.....0 for company's occupancy of its own buildings; and excludes $.....0 interest on encumbrances.
(e) Includes $.....0 accrual of discount less $.....0 amortization of premium and less $.....0 paid for accrued interest on purchases.
(f) Includes $.....0 accrual of discount less $.....0 amortization of premium.
(g) Includes $.....0 investment expenses and $.....0 investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.
(h) Includes $.....0 interest on surplus notes and $.....0 interest on capital notes.
(i) Includes $.....0 depreciation on real estate and $.....0 depreciation on other invested assets.

EXHIBIT OF CAPITAL GAINS (LOSSES)

		1 Realized Gain (Loss) on Sales or Maturity	2 Other Realized Adjustments	3 Total Realized Capital Gain (Loss) (Columns 1 + 2)	4 Change in Unrealized Capital Gain (Loss)	5 Change in Unrealized Foreign Exchange Capital Gain (Loss)
1.	U.S. Government bonds					
1.1	Bonds exempt from U.S. tax					
1.2	Other bonds (unaffiliated)	11,551		11,551		
1.3	Bonds of affiliates					
2.1	Preferred stocks (unaffiliated)					
2.11	Preferred stocks of affiliates					
2.2	Common stocks (unaffiliated)					
2.21	Common stocks of affiliates					
3.	Mortgage loans					
4.	Real estate					
5.	Contract loans					
6.	Cash, cash equivalents and short-term investments					
7.	Derivative instruments					
8.	Other invested assets					
9.	Aggregate write-ins for capital gains (losses)					
10.	Total capital gains (losses)	11,551		11,551		
DETAILS OF WRITE-INS						
0901.						
0902.						
0903.						
0998.	Summary of remaining write-ins for Line 9 from overflow page					
0999.	TOTALS (Lines 0901 through 0903 plus 0998) (Line 9, above)					

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

	1	2	Ordinary		5	Group		Accident and Health			11
			3	4		6	7	8	9	10	
	Total	Industrial Life	Life Insurance	Individual Annuities	Credit Life (Group and Individual)	Life Insurance	Annuities	Group	Credit (Group and Individual)	Other	Aggregate of All Other Lines of Business
FIRST YEAR (other than single)											
1. Uncollected	(24,702)					(859)		(107)		(23,736)	
2. Deferred and accrued											
3. Deferred, accrued and uncollected:											
3.1 Direct	23,359					220		23,139			
3.2 Reinsurance assumed	862							862			
3.3 Reinsurance ceded	48,923					1,079		24,108		23,736	
3.4 Net (Line 1 + Line 2)	(24,702)					(859)		(107)		(23,736)	
4. Advance											
5. Line 3.4 - Line 4	(24,702)					(859)		(107)		(23,736)	
6. Collected during year:											
6.1 Direct	3,071,942					739,672		574,695		1,757,575	
6.2 Reinsurance assumed	376,524							376,524			
6.3 Reinsurance ceded	306,130					20,174		227,620		58,336	
6.4 Net	3,142,336					719,498		723,599		1,699,239	
7. Line 5 + Line 6.4	3,117,634					718,639		723,492		1,675,503	
8. Prior year (uncollected + deferred and accrued - advance)	149,674					13,091		136,583			
9. First year premiums and considerations:											
9.1 Direct	3,003,781					725,083		521,123		1,757,575	
9.2 Reinsurance assumed	305,495							305,495			
9.3 Reinsurance ceded	341,316					19,535		239,708		82,073	
9.4 Net (Line 7 - Line 8)	2,967,960					705,548		586,909		1,675,503	
SINGLE											
10. Single premiums and considerations:											
10.1 Direct											
10.2 Reinsurance assumed											
10.3 Reinsurance ceded											
10.4 Net											
RENEWAL											
11. Uncollected	77,824					76,768		714		342	
12. Deferred and accrued											
13. Deferred, accrued and uncollected:											
13.1 Direct	88,481					84,016		4,123		342	
13.2 Reinsurance assumed											
13.3 Reinsurance ceded	10,657					7,248		3,409			
13.4 Net (Line 11 + Line 12)	77,824					76,768		714		342	
14. Advance											
15. Line 13.4 - Line 14	77,824					76,768		714		342	
16. Collected during year:											
16.1 Direct	356,900					171,813		14,940		170,147	
16.2 Reinsurance assumed	653,539							653,539			
16.3 Reinsurance ceded	101,708					76,705		23,936		1,067	
16.4 Net	908,731					95,108		644,543		169,080	
17. Line 15 + Line 16.4	986,555					171,876		645,257		169,422	
18. Prior year (uncollected + deferred and accrued - advance)	36,934					33,628		1,188		2,118	
19. Renewal premiums and considerations:											
19.1 Direct	400,635					215,677		16,586		168,372	
19.2 Reinsurance assumed	653,539							653,539			
19.3 Reinsurance ceded	104,553					77,429		26,057		1,067	
19.4 Net (Line 17 - Line 18)	949,621					138,248		644,069		167,304	
TOTAL											
20. TOTAL premiums and annuity considerations:											
20.1 Direct	3,404,416					940,760		537,709		1,925,947	
20.2 Reinsurance assumed	959,034							959,034			
20.3 Reinsurance ceded	445,869					96,964		265,765		83,140	
20.4 Net (Lines 9.4 + 10.4 + 19.4)	3,917,581					843,796		1,230,978		1,842,807	

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

	1	2	Ordinary		5	Group		Accident and Health			11
			3	4		6	7	8	9	10	
	Total	Industrial Life	Life Insurance	Individual Annuities	Credit Life (Group and Individual)	Life Insurance	Annuities	Group	Credit (Group and Individual)	Other	Aggregate of All Other Lines of Business
DIVIDENDS AND COUPONS APPLIED (included in Part 1)											
21. To pay renewal premiums											
22. All other											
REINSURANCE COMMISSIONS AND EXPENSE ALLOWANCES INCURRED											
23. First year (other than single):											
23.1 Reinsurance ceded											
23.2 Reinsurance assumed	52,299							52,299			
23.3 Net ceded less assumed	(52,299)							(52,299)			
24. Single:											
24.1 Reinsurance ceded											
24.2 Reinsurance assumed											
24.3 Net ceded less assumed											
25. Renewal:											
25.1 Reinsurance ceded											
25.2 Reinsurance assumed	139,508							139,508			
25.3 Net ceded less assumed	(139,508)							(139,508)			
26. TOTALS:											
26.1 Reinsurance ceded (Page 6, Line 6)											
26.2 Reinsurance assumed (Page 6, Line 22)	191,807							191,807			
26.3 Net ceded less assumed	(191,807)							(191,807)			
COMMISSIONS INCURRED (direct business only)											
27. First year (other than single)	1,427,869					136,534		66,836		1,224,499	
28. Single											
29. Renewal	70,386					34,310		3,229		32,847	
30. Deposit-type contract funds											
31. TOTALS (to agree with Page 6, Line 21)	1,498,255					170,844		70,065		1,257,346	

EXHIBIT 2 - GENERAL EXPENSES

		Insurance				5	6
		1	Accident and Health		4		
			2	3			
		Life	Cost Containment	All Other	All Other Lines of Business	Investment	Total
1.	Rent						
2.	Salaries and wages						
3.11	Contributions for benefit plans for employees						
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						
3.32	Other agent welfare						
4.1	Legal fees and expenses	7,559					7,559
4.2	Medical examination fees						
4.3	Inspection report fees	9,298					9,298
4.4	Fees of public accountants and consulting actuaries	66,641					66,641
4.5	Expense of investigation and settlement of policy claims	25					25
5.1	Traveling expenses	38,670					38,670
5.2	Advertising			29,585			29,585
5.3	Postage, express, telegraph and telephone						
5.4	Printing and stationery	6,877					6,877
5.5	Cost or depreciation of furniture and equipment						
5.6	Rental of equipment						
5.7	Cost or depreciation of EDP equipment and software			140,744			140,744
6.1	Books and periodicals						
6.2	Bureau and association fees	11,930					11,930
6.3	Insurance, except on real estate						
6.4	Miscellaneous losses						
6.5	Collection and bank service charges	11,665					11,665
6.6	Sundry general expenses						
6.7	Group service and administration fees	150					150
6.8	Reimbursements by uninsured plans						
7.1	Agency expense allowance						
7.2	Agents' balances charged off (less $.....181 recovered)	(181)					(181)
7.3	Agency conferences other than local meetings						
9.1	Real estate expenses						
9.2	Investment expenses not included elsewhere						
9.3	Aggregate write-ins for expenses						
10.	General expenses Incurred	152,634		170,329			(a) 322,963
11.	General expenses unpaid December 31, prior year	80,701					80,701
12.	General expenses unpaid December 31, current year	65,001					65,001
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)	168,334		170,329			338,663
DETAILS OF WRITE-INS							
09.301.							
09.302.							
09.303.							
09.398.	Summary of remaining write-ins for Line 9.3 from overflow page						
09.399.	TOTALS (Lines 09.301 through 09.303 plus 09.398) (Line 9.3 above)						

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

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

		Insurance			4	5
		1	2	3		
		Life	Accident and Health	All Other Lines of Business	Investment	Total
1.	Real estate taxes					
2.	State insurance department licenses and fees	6,036				6,036
3.	State taxes on premiums					
4.	Other state taxes, incl. $.....0 for employee benefits					
5.	U.S. Social Security taxes					
6.	All other taxes	(463)	57,829			57,366
7.	Taxes, licenses and fees incurred	5,573	57,829			63,402
8.	Taxes, licenses and fees unpaid December 31, prior year					
9.	Taxes, licenses and fees unpaid December 31, current year					
10.	Taxes, licenses and fees paid during year (Lines 7 + 8 - 9)	5,573	57,829			63,402

EXHIBIT 4 - DIVIDENDS OR REFUNDS

		1	2
		Life	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		
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)		

NONE

EXHIBIT 5 - AGGREGATE RESERVE FOR LIFE CONTRACTS

1 Valuation Standard	2 Total	3 Industrial	4 Ordinary	5 Credit (Group and Individual)	6 Group
Life Insurance (Gross)					
Cancer Life Term	5,279		5,279		
0199997 Subtotal - Life Insurance (Gross)	5,279		5,279		
0199998 Reinsurance Ceded					
0199999 Totals - (Net)	5,279		5,279		
0299998 Reinsurance Ceded		XXX		XXX	
0299999 Totals - (Net)		XXX		XXX	
0399998 Reinsurance Ceded					
0399999 Totals - (Net)					
0499998 Reinsurance Ceded					
0499999 Totals - (Net)					
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	5,279		5,279		

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.

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.

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

EXHIBIT 6 - AGGREGATE RESERVES FOR ACCIDENT AND HEALTH CONTRACTS

	1	2	3	4	Other Individual Contracts				
					5	6	7	8	9
	Total	Group Accident and Health	Credit Accident and Health (Group and Individual)	Collectively Renewable	Non-Cancelable	Guaranteed Renewable	Non-Renewable for Stated Reasons Only	Other Accident Only	All Other
ACTIVE LIFE RESERVE									
1. Unearned premium reserves	93					93			
2. Additional contract reserves (a)	5,665					5,665			
3. Additional actuarial reserves - Asset/Liability analysis									
4. Reserve for future contingent benefits									
5. Reserve for rate credits									
6. Aggregate write-ins for reserves									
7. Totals (Gross)	5,758					5,758			
8. Reinsurance ceded	322					322			
9. TOTALS (NET)	5,436					5,436			
CLAIM RESERVE									
10. Present value of amounts not yet due on claims									
11. Additional actuarial reserves - Asset/Liability analysis									
12. Reserve for future contingent benefits									
13. Aggregate write-ins for reserves									
14. TOTALS (Gross)									
15. Reinsurance ceded									
16. TOTALS (Net)									
17. TOTAL (Net)	5,436					5,436			
18. TABULAR FUND INTEREST									
DETAILS OF WRITE-INS									
0601.									
0602.									
0603.									
0698. Summary of remaining write-ins for Line 6 from overflow page									
0699. TOTALS (Lines 0601 through 0603 plus 0698) (Line 6 above)									
1301.									
1302.									
1303.									
1398. Summary of remaining write-ins for Line 13 from overflow page									
1399. TOTALS (Lines 1301 through 1303 plus 1398) (Line 13 above)									

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

EXHIBIT 7 - DEPOSIT-TYPE CONTRACTS

	1 Total	2 Guaranteed Interest Contracts	3 Annuities Certain	4 Supplemental Contracts	5 Dividend Accumulations or Refunds	6 Premium and Other Deposit Funds
1. Balance at the beginning of the year before reinsurance						
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	22,914						8,540				14,374
1.2 Reinsurance assumed	122,843								122,843		
1.3 Reinsurance ceded											
1.4 Net	145,757						8,540		122,843		14,374
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	952,194						105,022		517,772		329,400
3.2 Reinsurance assumed	99,876								99,876		
3.3 Reinsurance ceded	321,557						15,753		298,932		6,872
3.4 Net	730,513		(b)	(b)		(b)	(b) 89,269		(b) 318,716	(b)	(b) 322,528
4. TOTALS:											
4.1 Direct	975,108						113,562		517,772		343,774
4.2 Reinsurance assumed	222,719								222,719		
4.3 Reinsurance ceded	321,557						15,753		298,932		6,872
4.4 Net	876,270	(a)	(a)				(a) 97,809		441,559		336,902

(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	2	Ordinary			6	Group		Accident and Health		
			3	4	5		7	8	9	10	11
	Total	Industrial Life (a)	Life Insurance (b)	Individual Annuities	Supplementary Contracts	Credit Life (Group and Individual)	Life Insurance (c)	Annuities	Group	Credit (Group and Individual)	Other
1. Settlements during the year:											
1.1 Direct	531,135						272,953		29,982		228,200
1.2 Reinsurance assumed	588,912								588,912		
1.3 Reinsurance ceded	49,991								14,991		35,000
1.4 Net	(d) 1,070,056						272,953		603,903		193,200
2. Liability December 31, current year from Part 1:											
2.1 Direct	975,108						113,562		517,772		343,774
2.2 Reinsurance assumed	222,719								222,719		
2.3 Reinsurance ceded	321,557						15,753		298,932		6,872
2.4 Net	876,270						97,809		441,559		336,902
3. Amounts recoverable from reinsurers December 31, current year											
4. Liability December 31, prior year:											
4.1 Direct	414,342						49,249		260,174		104,919
4.2 Reinsurance assumed	487,157								487,157		
4.3 Reinsurance ceded	161,333						6,186		149,362		5,785
4.4 Net	740,166						43,063		597,969		99,134
5. Amounts recoverable from reinsurers December 31, prior year											
6. Incurred benefits:											
6.1 Direct	1,091,901						337,266		287,580		467,055
6.2 Reinsurance assumed	324,474								324,474		
6.3 Reinsurance ceded	210,215						9,567		164,561		36,087
6.4 Net	1,206,160						327,699		447,493		430,968

(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 Current Year Total Nonadmitted Assets	2 Prior Year Total Nonadmitted Assets	3 Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1.	Bonds (Schedule D)			
2.	Stocks (Schedule D):			
	2.1 Preferred stocks			
	2.2 Common stocks			
3.	Mortgage loans on real estate (Schedule B):			
	3.1 First liens			
	3.2 Other than first liens			
4.	Real estate (Schedule A):			
	4.1 Properties occupied by the company			
	4.2 Properties held for the production of income			
	4.3 Properties held for sale			
5.	Cash (Schedule E-Part 1), cash equivalents (Schedule E-Part 2) and short-term investments (Schedule DA)			
6.	Contract loans			
7.	Derivatives (Schedule DB)			
8.	Other invested assets (Schedule BA)			
9.	Receivables for securities			
10.	Securities lending reinvested collateral assets (Schedule DL)			
11.	Aggregate write-ins for invested assets			
12.	Subtotals, cash and invested assets (Lines 1 to 11)			
13.	Title plants (for Title insurers only)			
14.	Invested income due and accrued			
15.	Premium and considerations:			
	15.1 Uncollected premiums and agents' balances in the course of collection	45,307	220,831	175,524
	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			
	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	85,424	153,752	68,328
21.	Furniture and equipment, including health care delivery assets			
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			
26.	Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	130,731	374,583	243,852
27.	From Separate Accounts, Segregated Accounts and Protected Cell Accounts			
28.	Total (Lines 26 and 27)	130,731	374,583	243,852
DETAILS OF WRITE-INS				
1101.				
1102.				
1103.				
1198.	Summary of remaining write-ins for Line 11 from overflow page			
1199.	TOTALS (Lines 1101 through 1103 plus 1198) (Line 11 above)			
2501.	IMR Assets			
2502.				
2503.				
2598.	Summary of remaining write-ins for Line 25 from overflow page			
2599.	TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above)			

Notes to Financial Statements

1. **Summary of Significant Accounting Policies.**

A. Accounting Practices

The financial statements of USIC Life Insurance Company (the Company) are presented on the basis of accounting practices or permitted by the Office of the Commissioner of Insurance Puerto Rico (the Commissioner).The Company's financial statement have been prepared in conformity with the NAIC Annual Statement Instructions and *Accounting Practices and Procedures* manuals, but are subject to any deviations prescribed or permitted by the Commissioner.

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

The preparation of financial statements in conformity with statutory accounting principles requires managements to make estimates and assumptions that affect the reported amounts of assets and liabilities, but actual results could differ from those estimates.

C. Accounting Policy

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

In addition, the company uses the following accounting policies:

a.) Investments - Bonds not backed by other loans and designated highest quality or high quality (NAIC designations 1 and 3, respectively) are stated at amortized cost and any premium or discount is amortized to income using the interest method. All other debt securities (NAIC designations 4 to 6) are reported at the lower of amortized cost or fair value.

Investment income consists primarily of interest. Interest is recognized on the accrual basis. Accrual of income is suspended for bonds that are in default or when the receipt of interest payments is in doubt. Realized capital gains and losses are determined on the specific identification basis and are recorded in earnings.

Declines in the fair value of invested assets below cost are evaluated for other-than-temporary impairment on a quarterly basis. Impairment losses for declines in fair value of debt and equity securities below cost attributable to issuer-specific events are based upon all relevant facts and circumstances for each investment and are recognized when appropriate in accordance with NAIC SAP and related guidance. The Company recognizes other-than-temporary impairments on debt securities when it is either probable that the Company will not collect all amounts due according the contractual terms of the debt security in effect at the date of acquisition or when the Company has made a decision to sell the debt security prior to its maturity at an amount below its amortized cost. When an other-than-temporary impairment is recognized, the debt security is written down to fair value as the new cost basis, and the amount of the write down is recorded as a realized loss.

b.) Premiums and Related Commissions - Life premiums are recognized as income over the premium-paying period of the related policies. Accident and health insurance premiums are recognized as revenue pro rata 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.

c.) Aggregate Reserves for Life, Accident and Health Policies and Contracts - Aggregate reserves for life and accident and health policies and contracts for future policy benefits include credit disability unearned premiums. Active life reserves for the individual critical illness product are calculated using a 2-year full preliminary term (FPT) method, where the active life reserves are calculated based on interpolated terminal reserves plus net unearned premium less gross unearned premium. Pricing claim costs, with a 5% margin, were used along with a valuation interest rate of 4%. Policy reserves for group life and health and accident insurance include claim reserves and unearned premiums.

d.) Asset Valuation and Interest Maintenance Reserves - The Company establishes certain reserves as promulgated by the NAIC. The AVR is determined by formula and is based on the Company's holdings of investments in bonds and other invested assets. This valuation reserve requires appropriation of surplus to provide for possible losses on these investments. Realized and unrealized capital gains and losses, other than those resulting from interest rate changes, are added or charged to the AVR.

The IMR is used to defer realized capital gains and losses, net of tax, on sales and calls of bonds and certain investments which result from interest rate changes. These gains and losses are then amortized into investment income over what would have been the remaining years to maturity of the underlying investment.

e.) Reinsurance - The Company limits the maximum net loss that can arise from large risks or risks in concentrated areas of exposure by reinsuring (ceding) certain levels of risks with other insurers or reinsurers under general reinsurance contracts known as "treaties" or by negotiation on an individual risk basis. Amounts recoverable from reinsurance are estimated in a manner consistent with the claim liability associated with the reinsured policy. Reinsurance contracts do not relieve the Company from its obligations to policyholders. Failure of reinsurers to honor their obligations could result in losses to the Company. The Company evaluates the financial condition of its reinsurers and monitors concentrations of credit risk arising from similar geographic regions, activities, or economic characteristics of the reinsurers to minimize its exposure to significant losses from reinsurer insolvencies.

Notes to Financial Statements

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

g.) Policy Acquisition Costs - Commissions and other expenses in connection with the acquisition of premiums are charged to operations as incurred.

2. **Accounting Changes and Correction of Errors.**

Not applicable.

3. **Business Combinations and Goodwill.**

Not applicable.

4. **Discontinued Operations.**

Not applicable.

5. **Investments.**

A.The Company invests its funds in accordance with Chapter 6 of the Puerto Rico Insurance Code.
B. The Company recognizes other-than-temporary impairments on debt securities when it is either probable that the Company will not collect all amounts due according to the contractual terms of the debt security in effect at the date of acquisition or when the Company has made a decision to sell the debt security prior to its maturity at an amount below its amortized cost. When an other-than-temporary impairment is recognized, the debt security is written down to fair value as the new cost basis, and the amount of the write-down is recorded as a realized loss. There were no impairment on 2012 and 2011.

6. **Joint Ventures, Partnerships and Limited Liability Companies.**

Not applicable.

7. **Investment Income.**

Investment Income was derived from the following sources:

US Government Bonds	$ -
Other Unaffiliated Bonds	246,772
Cash on Hand and Short Term Investment	97
Total	**$ 246,869**

8. **Derivative Instruments.**

Not applicable.

9. **Puerto Rico and Federal Income Tax Allocation.**

The Company is subject to Puerto Rico income taxes at statutory rates that range from 20% to 39%.
Puerto Rico Life Insurance Company is subject to taxes on their capitals gains and to alternative minimum tax (AMT), as applicable. Net income for the year was reduced by non taxable investment income of approximately $246,772.

10. **Information Concerning Parent, Subsidiaries and Affiliates.**

The Company is a wholly owned subsidiary of USIC Group, Inc (the Parent), incorporated under the laws of the Commonwealth of Puerto Rico.

11. **Debt.**

Not applicable.

Notes to Financial Statements

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

Not applicable.

13. **Capital and Surplus, Dividend Restrictions and Quasi Reorganizations.**

A. The Company has 300,000 of $10 par value common stock authorized; 250,000 shares issued and oustanding.
B. The Company has no preferred stock.
C.D and E.
The maximum amount of dividends which can be paid in the Commonwealth of Puerto Rico is limited to accumulated earnings. At December 31, 2012 there were accumulated earnings of $469,742.
F. There have been no advances to surplus
G. Company Stock Held for Special Purposes - Not applicable
H. Changes in Special Surplus Funds - Not applicable
I. Changes in Unassigned Funds- There is no portion of unassigned surplus funds (surplus) represented by unrealized gain or loss.
J. Surplus Note - Not applicable
K. L. Quasi- Reorganizations - Not applicable

14. **Contingencies.**

A. Contingent Commitments- Not Applicable

B. Assessments

Pursuant to the PR 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 2012 and 2011, no assessments or accrual for possible future assessments were made.
C. Gain Contingencies- Not Applicable

D. All Other Contingencies

In the normal course of business, the Company is involved in various lawsuits, including insurance and corporate cases. Because of the considerable uncertainties that exits, the Company cannot predict the outcome of pending or future litigation. However, management believes that the resolution pending legal proceedings will not have a material effect on the Company's financial position or liquidity, but could have a material adverse effect on the results of . operations for a specific period. As of December 31, 2012, the Company does not have any accrual on the financial statements.

15. **Lease.**

Not applicable.

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

Not applicable.

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

Not applicable.

18. **Gain or Loss to the Insurer from Uninsured A&H Plans and the Uninsured Portion of Partially Insured Plans.**

Not applicable.

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

Not applicable.

20. **Other Items.**

A. Extraordninary Items- Not applicable

Notes to Financial Statements

B. Troubled Debt Restructuring- Not applicable.
C. Assets Held by Government Authorities or Pledged as Collateral

Assets in the amount of $1,263,150 and $1,256,773 at the end of the current and prior year, respectively were on deposit with the Office of the Insurance Commissioner of Puerto Rico as required by law.

D. Uncollectible Premiums Receivable

At December 31, 2012 the Company had admitted assets of $53,109 in account Premiums Receivable. There is no provision for non admitted for the year.

E. Noncash Transactions- Not applicable

21. **Events Subsequent.**

There were no events occurring subsequent to the end of the current year through the date of this filing meeting disclosure.

22. **Reinsurance.**

A. Ceded Reinsurance Report

Section 1- General Interrogatories

A. Are any of the reinsurers, listed in Schedule S as non-affiiliated, owned in excess of 10% or controlled, either directly or indirectly, by the company or by any representative, officer, trustree, or director of the company? Yes ( ) No (X)

B. Have any policies issed by the company neen 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

A. Does the company have any reinsurance agreements in effect under which the reinsurer may unilaterally cancel any reinsurance for reasons other than for nonpayment of premium or other similar credits? Yes ( ) No (X)

B. Does the company have any reinsurance agreements in effect such that the amount of losses paid or accrued through the statement date may result in a payment to the reinsurer of amounts which, in aggregate and allowing for offset of mutual credits form 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

A. 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

B. 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 agreement? Yes ( ) No (X)

B. Uncollectible Reinsurance

The Company has not written off any uncollectible reinsurance during the year.

C. Commulation of Reinsurance Reflected in Income and Expenses

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

23. **Retrospectively Rated Contracts & Contracts Subject to Redetermination.**

Not applicable.

24. **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 anticipatedduring 2012. See Schedule H- Part 3 and the Five Year Historical Data. Original estimates are increased and decreased as additional information becomes known regarding individual claims. However, no significant trends or unanticipated events were noted in 2012. None of the Company's accident and health contracts

Notes to Financial Statements

are subject to retrocpective rating or experience refunds.

25. **Intercompany Pooling Arrangements.**

Not applicable.

26. **Structured Settlements.**

Not applicable.

27. **Health Care Receivables.**

Not applicable.

28. **Participating Policies.**

Not applicable.

29. **Premium Deficiency Reserves.**

Not applicable.

30. **Reserves for Life Contracts and Deposit Type Contracts.**

Not applicable.

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

Not applicable.

32. **Premium and Annuity Considerations Deferred and Uncollected.**

As of December 31, 2012 were an uncollected amount of $53,109 for the group life and acccident and health insurance business.

33. **Separate Accounts.**

Not applicable.

34. **Loss/Claim Adjustment Expenses.**

Not applicable.

28. **Participating Policies.**

None.

29. **Premium Deficiency Reserves.**

Not applicable.

30. **Reserves for Life Contracts and Deposit Type Contracts.**

None.

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

None.

32. **Premium and Annuity Considerations Deferred and Uncollected.**

As of December 31, 2012 were an uncollected amount of $0 for the group life and acccident and health insurance business.

33. **Separate Accounts.**

None.

34. **Loss/Claim Adjustment Expenses.**

Notes to Financial Statements

None.

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[ ] No[ ] N/A[X]

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.

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).

3.4 By what department or departments?
Office of the 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[ ] No[ ] N/A[X]

3.6 Have all of the recommendations within the latest financial examination report been complied with? Yes[ ] No[ ] N/A[X]

4.1 During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity) receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:

4.11 sales of new business? Yes[ ] No[X]

4.12 renewals? Yes[ ] No[X]

4.2 During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:

4.21 sales of new business? Yes[ ] No[X]

4.22 renewals? Yes[ ] No[X]

5.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes[ ] No[X]

5.2 If yes, provide the name of the entity, NAIC company code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

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

6.1 Has the reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? Yes[ ] No[X]

6.2 If yes, give full information:

7.1 Does any foreign (non-United States) person or entity directly or indirectly control 10% or more of the reporting entity? Yes[ ] No[X]

7.2 If yes,

7.21 State the percentage of foreign control 0.000%

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?
Ernst & Young Puerto Rico LLC, 1000 Scotiabank, 273 Ponce de Leon Avenue, San Juan Puerto Rico 00917

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?
Darrell D. Spell, FSA,MAAA, Milliman USA

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

12.11 Name of real estate holding company

12.12 Number of parcels involved 0

GENERAL INTERROGATORIES (Continued)

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[X] No[ ] N/A[ ]
13.3 Have there been any changes made to any of the trust indentures during the year? Yes[ ] No[ ] N/A[X]
13.4 If answer to (13.3) is yes, has the domiciliary or entry state approved the changes? Yes[ ] No[ ] N/A[X]

14.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards? Yes[X] No[ ]
a. Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
b. Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
c. Compliance with applicable governmental laws, rules and regulations;
d. The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
e. Accountability for adherence to the code.
14.11 If the response to 14.1 is no, please explain:
14.2 Has the code of ethics for senior managers been amended? Yes[ ] No[X]
14.21 If the response to 14.2 is yes, provide information related to amendment(s).
14.3 Have any provisions of the code of ethics been waived for any of the specified officers? Yes[ ] No[X]
14.31 If the response to 14.3 is yes, provide the nature of any waiver(s).

15.1 Is the reporting entity the beneficiary of a Letter of Credit that is unrelated to reinsurance where the issuing or confirming bank is not on the SVO Bank List? Yes[ ] No[X]
15.2 If the response to 15.1 is yes, indicate the American Bankers Association (ABA) Routing Number and the name of the issuing or confirming bank of the Letter of Credit and describe the circumstances in which the Letter of Credit is triggered.

	1 American Bankers Association (ABA) Routing Number	2 Issuing or Confirming Bank Name	3 Circumstances That Can Trigger the Letter of Credit	4 Amount
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[X] No[ ]

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

18. Has the reporting entity an established procedure for disclosure to its board of directors or trustees of any material interest or affiliation on the part of any of its officers, directors, trustees or responsible employees that is in conflict or is likely to conflict with the official duties of such person? Yes[X] No[ ]

FINANCIAL

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

20.1 Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):
20.11 To directors or other officers $ 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[X]
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[X]
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[X]
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[X] 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[X]
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[X]
24.08 Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%? Yes[ ] No[ ] N/A[X]
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

GENERAL INTERROGATORIES (Continued)

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 $ 1,263,150
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	San Juan, Puerto Rico

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
	UBS Financial	San Juan, Puerto Rico

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

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

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

GENERAL INTERROGATORIES (Continued)

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

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

	1 Statement (Admitted) Value	2 Fair Value	3 Excess of Statement over Fair Value (-), or Fair Value over Statement (+)
30.1 Bonds	5,816,010	5,689,540	(126,470)
30.2 Preferred stocks			
30.3 Totals	5,816,010	5,689,540	(126,470)

30.4 Describe the sources or methods utilized in determining the fair values
Based on quoted market prices from SVO database

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[X] No[ ] 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? $ 9,298
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
MIB	9,150

34.1 Amount of payments for legal expenses, if any? $ 7,559
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.

1 Name	2 Amount Paid
Saldaña, Saldaña-Egozcue	7,559

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		
2.2	Premium Denominator	3,917,581	1,902,114
2.3	Premium Ratio (2.1 / 2.2)		
2.4	Reserve Numerator	778,554	698,430
2.5	Reserve Denominator	886,985	741,549
2.6	Reserve Ratio (2.4 / 2.5)	0.878	0.942

3.1 Does this reporting entity have Separate Accounts? Yes[ ] No[X]
3.2 If yes, has a Separate Accounts statement been filed with this department? Yes[ ] No[ ] N/A[X]
3.3 What portion of capital and surplus funds of the reporting entity covered by assets in the Separate Accounts statement, is not currently distributable from the Separate Accounts to the general account for use by the general account? $ 0
3.4 State the authority under which Separate Accounts are maintained:
3.5 Was any of the reporting entity's Separate Accounts business reinsured as of December 31? Yes[ ] No[X]
3.6 Has the reporting entity assumed by reinsurance any Separate Accounts business as of December 31? Yes[ ] No[X]
3.7 If the reporting entity has assumed Separate Accounts business, how much, if any, reinsurance assumed receivable for reinsurance of Separate Accounts reserve expense allowances is included as a negative amount in the liability for "Transfers to Separate Accounts due or accrued (net)?" $ 0

4.1 Are personnel or facilities of this reporting entity used by another entity or entities or are personnel or facilities of another entity or entities used by this reporting entity (except for activities such as administration of jointly underwritten group contracts and joint mortality or morbidity studies)? Yes[ ] No[X]
4.2 Net reimbursement of such expenses between reporting entities:
4.21 Paid $ 0
4.22 Received $ 0

5.1 Does the reporting entity write any guaranteed interest contracts? Yes[ ] No[X]
5.2 If yes, what amount pertaining to these items is included in:
5.21 Page 3, Line 1 $ 0
5.22 Page 4, Line 1 $ 0

6. For stock reporting entities only:
6.1 Total amount paid in by stockholders as surplus funds since organization of the reporting entity: $ 0

7. Total dividends paid stockholders since the organization of the reporting entity:
7.11 Cash $ 0
7.12 Stock $ 0

8.1 Does the company reinsure any Workers' Compensation Carve-Out business defined as: Yes[ ] No[X]
Reinsurance (including retrocessional reinsurance) assumed by life and health insurers of medical, wage loss and death benefits of the occupational illness and accident exposures, but not the employers liability exposures, of business originally written as workers' compensation insurance.
8.2 If yes, has the reporting entity completed the WORKERS' COMPENSATION CARVE-OUT SUPPLEMENT to the Annual Statement? Yes[ ] No[ ] N/A[X]
8.3 If 8.1 is yes, the amounts of earned premiums and claims incurred in this statement are:

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

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

GENERAL INTERROGATORIES (Continued)

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

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

9.1 Does the company have variable annuities with guaranteed benefits? Yes[ ] No[X]
9.2 If 9.1 is yes, complete the following table for each type of guaranteed benefit.

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

10. For reporting entities having sold annuities to another insurer where the insurer purchasing the annuities has obtained a release of liability from the claimant (payee) as the result of the purchase of an annuity from the reporting entity only:
10.1 Amount of loss reserves established by these annuities during the current year: $ 0
10.2 List the name and location of the insurance company purchasing the annuities and the statement value on the purchase date of the annuities.

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

11.1 Do you act as a custodian for health savings accounts? Yes[ ] No[X]
11.2 If yes, please provide the amount of custodial funds held as of the reporting date: $ 0
11.3 Do you act as an administrator for health savings accounts? Yes[ ] No[X]
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
Life Insurance in Force (Exhibit of Life Insurance)					
1. Ordinary - whole life and endowment (Line 34, Column 4)					
2. Ordinary - term (Line 21, Column 4, less Line 34, Column 4)					
3. Credit life (Line 21, Column 6)					
4. Group, excluding FEGLI/SGLI (Line 21, Column 9 less Lines 43 & 44, Column 4)	620,786	605,929	445,124	130,873	93,667
5. Industrial (Line 21, Column 2)					
6. FEGLI/SGLI (Lines 43 & 44, Column 4)					
7. TOTAL (Line 21, Column 10)	620,786	605,929	445,124	130,873	93,667
New Business Issued (Exhibit of Life Insurance)					
8. Ordinary - whole life and endowment (Line 34, Column 2)					
9. Ordinary - term (Line 2, Column 4, less Line 34, Column 2)					
10. Credit life (Line 2, Column 6)					
11. Group (Line 2, Column 9)	70,733	162,091	326,224	55,149	47,703
12. Industrial (Line 2, Column 2)					
13. TOTAL (Line 2, Column 10)	70,733	162,091	326,224	55,149	47,703
Premium Income-Lines of Business (Exhibit 1 - Part 1)					
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)					
15.2 Ordinary individual annuities (Exhibit 1 - Part 1, Line 20.4, Column 4)					
16. Credit life, (group and individual) (Exhibit 1 - Part 1, Line 20.4, Column 5)					
17.1 Group life insurance (Exhibit 1 - Part 1, Line 20.4, Column 6)	843,796	526,758	351,622	116,427	53,823
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)	1,230,978	998,200	909,937	787,874	172,166
18.2 A & H credit (group and individual) (Exhibit 1 - Part 1, Line 20.4, Column 9)					
18.3 A & H other (Exhibit 1 - Part 1, Line 20.4 Column 10)	1,842,807	377,156	4,789	5,712	3,651
19. Aggregate of all other lines of business (Exhibit 1 - Part 1, Line 20.4, Column 11)					
20. TOTAL	3,917,581	1,902,114	1,266,348	910,013	229,640
Balance Sheet Items (Pages 2 and 3)					
21. TOTAL Admitted Assets excluding Separate Accounts business (Page 2, Line 26, Column 3)	6,632,509	5,356,951	4,949,830	3,953,321	3,328,393
22. TOTAL Liabilities excluding Separate Accounts business (Page 3, Line 26)	1,162,767	941,488	885,714	389,469	202,439
23. Aggregate life reserves (Page 3, Line 1)	5,279			13,300	13,550
24. Aggregate A & H reserves (Page 3, Line 2)	5,436	1,383	347	993	811
25. Deposit-type contract funds (Page 3, Line 3)					
26. Asset valuation reserve (Page 3, Line 24.1)	32,859	20,016		0	0
27. Capital (Page 3, Lines 29 & 30)	2,500,000	2,500,000	2,500,000	2,110,000	1,820,000
28. Surplus (Page 3, Line 37)	2,969,742	1,915,463	1,564,116	1,453,852	1,305,954
Cash Flow (Page 5)					
29. Net Cash from Operations (Line 11)	1,252,336	93,940	369,981	118,978	65,545
Risk-Based Capital Analysis					
30. TOTAL Adjusted Capital	5,502,601	4,435,479	4,064,116	3,563,852	3,125,954
31. Authorized control level risk-based capital	611,341	483,231	365,904	197,563	95,443
Percentage Distribution of Cash, Cash Equivalents and Invested Assets (Page 2, Column 3) (Line No./Page 2, Line 12, Column 3) x 100.0					
32. Bonds (Line 1)	89.0	88.9	98.5	96.8	96.4
33. Stocks (Lines 2.1 and 2.2)					
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)	11.0	11.1	1.5	3.2	3.6
37. Contract loans (Line 6)					
38. Derivatives (Page 2, Line 7)				XXX	XXX
39. Other invested assets (Line 8)					
40. Receivables for securities (Line 9)					
41. Securities lending reinvested collateral assets (Line 10)				XXX	XXX
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
Investments in Parent, Subsidiaries and Affiliates					
44. Affiliated bonds (Schedule D Summary, Line 12 Column 1)					
45. Affiliated preferred stocks (Schedule D Summary, Line 18, Column 1)					
46. Affiliated common stocks (Schedule D Summary, Line 24, Column 1)					
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					
TOTAL Nonadmitted and Admitted Assets					
52. TOTAL Nonadmitted Assets (Page 2, Line 28, Column 2)	130,731	374,583		1,668	1,806
53. TOTAL Admitted Assets (Page 2, Line 28, Column 3)	6,632,509	5,356,951	4,949,830	3,953,321	3,328,393
Investment Data					
54. Net investment income (Exhibit of Net Investment Income)	246,703	234,330	232,008	155,974	156,134
55. Realized capital gains (losses) (Page 4, Line 34, Column 1)			(25,169)		
56. Unrealized capital gains (losses) (Page 4, Line 38, Col. 1)					
57. TOTAL of Above Lines 54, 55, and 56	246,703	234,330	206,839	155,974	156,134
Benefits and Reserve Increase (Page 6)					
58. TOTAL Contract Benefits-Life (Lines 10, 11, 12, 13, 14 and 15, Col. 1 minus Lines 10, 11, 12, 13, 14 and 15, Cols. 9, 10 & 11)	327,700	101,453	177,918	5,210	26,788
59. TOTAL Contract Benefits - A & H (Lines 13 & 14, Columns 9, 10 & 11)	878,461	900,879	837,821	771,098	240,371
60. Increase in life reserves-other than group and annuities (Line 19, Columns 2 & 3)					
61. Increase in A & H reserves (Line 19, Columns 9, 10 & 11)	9,332	1,036	(646)		
62. Dividends to policyholders (Line 30, Column 1)					
Operating Percentages					
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	51.4	43.3	32.9	32.2	61.1
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					
65. A & H loss percent (Schedule H, Part 1, Line 5 + Line 6, Column 2)	28.6	65.5	91.5	97.2	136.7
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)	56.8	46.9	25.5	20.1	23.6
A & H Claim Reserve Adequacy					
68. Incurred losses on prior years' claims - group health (Schedule H, Part 3, Line 3.1, Column 2)	229,762	532,550	433,172	208,705	
69. Prior years' claim liability and reserve - group health (Schedule H, Part 3, Line 3.2, Column 2)	597,968	612,715	285,642	94,516	
70. Incurred losses on prior years' claims - health other than group (Schedule H, Part 3, Line 3.1, Column 1 less Col. 2)		1,016			
71. Prior years' claim liability and reserve - health other than group (Schedule H, Part 3, Line 3.2, Column 1 less Col. 2)	99,134	4,553	2,893	1,879	
Net Gains From Operations After Federal Income Taxes by Lines of Business (Page 6, Line 33)					
72. Industrial life (Column 2)					
73. Ordinary - life (Column 3)					
74. Ordinary - individual annuities (Column 4)					
75. Ordinary - supplementary contracts (Column 5)					
76. Credit life (Column 6)					
77. Group life (Column 7)	410,541	417,706	179,699	128,211	60,008
78. Group annuities (Column 8)					
79. A & H - group (Column 9)	436,387	(70,917)	(158,775)	(139,785)	(106,634)
80. A & H - credit (Column 10)					
81. A & H - other (Column 11)	(23,658)	(100,843)	2,841	2,671	603
82. Aggregate of all other lines of business (Column 12)					
83. TOTAL (Column 1)	823,270	245,946	23,765	(8,903)	(46,023)

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:

EXHIBIT OF LIFE INSURANCE

	Industrial		Ordinary		Credit Life (Group and Individual)		Group			10
	1	2	3	4	5	6	Number of		9	
							7	8		
	Number of Policies	Amount of Insurance (a)	Number of Policies	Amount of Insurance (a)	Number of Individual Policies and Group Certificates	Amount of Insurance (a)	Policies	Certificates	Amount of Insurance (a)	Total Amount of Insurance (a)
1. In force end of prior year							33	18,232	605,929	605,929
2. Issued during year							9	4,553	70,733	70,733
3. Reinsurance assumed										
4. Revived during year										
5. Increased during year (net)										
6. Subtotals, Lines 2 to 5							9	4,553	70,733	70,733
7. Additions by dividends during year	XXX		XXX		XXX		XXX	XXX		
8. Aggregate write-ins for increases										
9. TOTALS (Lines 1 and 6 to 8)							42	22,785	676,662	676,662
Deductions during year:										
10. Death							XXX	39	203	203
11. Maturity							XXX			
12. Disability							XXX			
13. Expiry										
14. Surrender										
15. Lapse										
16. Conversion							XXX	XXX	XXX	
17. Decreased (net)							3	1,375	55,673	55,673
18. Reinsurance										
19. Aggregate write-ins for decreases										
20. TOTALS (Lines 10 to 19)							3	1,414	55,876	55,876
21. In force end of year (Line 9 minus Line 20)							39	21,371	620,786	620,786
22. Reinsurance ceded end of year	XXX		XXX		XXX		XXX	XXX	130,246	130,246
23. Line 21 minus Line 22	XXX		XXX		XXX	(b)	XXX	XXX	490,540	490,540
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)										
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	XXX		XXX	
25. Other paid-up insurance				
26. Debit ordinary insurance	XXX	XXX		

ADDITIONAL INFORMATION ON ORDINARY INSURANCE

	Issued During Year (included in Line 2)		In Force End of Year (included in Line 21)	
Term Insurance Excluding Extended Term Insurance	1 Number of Policies	2 Amount of Insurance (a)	3 Number of Policies	4 Amount of Insurance (a)
27. Term policies -- decreasing				
28. Term policies -- other				
29. Other term insurance -- decreasing	XXX		XXX	
30. Other term insurance	XXX		XXX	
31. TOTALS (Lines 27 to 30)				
Reconciliation to Lines 2 and 21:				
32. Term additions	XXX		XXX	
33. TOTALS, extended term insurance	XXX	XXX		
34. TOTALS, whole life and endowment				
35. TOTALS (Lines 31 to 34)				

CLASSIFICATION OF AMOUNT OF INSURANCE (a) BY PARTICIPATING STATUS

	Issued During Year (included in Line 2)		In Force End of Year (included in Line 21)	
	1 Non-Participating	2 Participating	3 Non-Participating	4 Participating
36. Industrial				
37. Ordinary				
38. Credit Life (Group and Individual)				
39. Group	70,733		620,786	
40. TOTALS (Lines 36 to 39)	70,733		620,786	

ADDITIONAL INFORMATION ON CREDIT LIFE AND GROUP INSURANCE

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

ADDITIONAL ACCIDENTAL DEATH BENEFITS

46. Amount of additional accidental death benefits in force end of year under ordinary policies (a)	

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

	Industrial		Ordinary		Credit		Group	
Disability Provision	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								
49. Disability Income								
50. Extended Benefits			XXX	XXX				
51. Other								
52. TOTAL		(b)		(b)		(b)		(b)

(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			25,449	
2. Issued during year				
3. Reinsurance assumed				
4. Increased during year (net)				
5. TOTALS (Lines 1 to 4)			25,449	
Deductions during year:				
6. Decreased (net)			1,396	
7. Reinsurance ceded				
8. TOTALS (Lines 6 and 7)			1,396	
9. In force end of year			24,053	
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				
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				
Income now payable:				
10. Amount of income payable:	(a)	XXX	XXX	(a)
Deferred fully paid:				
11. Account balance	XXX	(a)	XXX	(a)
Deferred not fully paid:				
12. Account balance	XXX	(a)	XXX	(a)

ACCIDENT AND HEALTH INSURANCE

	Group		Credit		Other	
	1 Certificates	2 Premiums in Force	3 Policies	4 Premiums in Force	5 Policies	6 Premiums in Force
1. In force end of prior year	38,658	1,180,923			35	5,028
2. Issued during year						
3. Reinsurance assumed						
4. Increased during year (net)		XXX		XXX		XXX
5. TOTALS (Lines 1 to 4)	38,658	XXX		XXX	35	XXX
Deductions during year:						
6. Conversions		XXX	XXX	XXX	XXX	XXX
7. Decreased (net)	4,631	XXX		XXX	11	XXX
8. Reinsurance ceded		XXX		XXX		XXX
9. TOTALS (Lines 6 to 8)	4,631	XXX		XXX	11	XXX
10. In force end of year	34,027	(a) 1,477,320		(a)	24	(a) 2,060

DEPOSIT FUNDS AND DIVIDEND ACCUMULATIONS

	1 Deposit Funds Contracts	2 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.

SCHEDULE T - PREMIUMS AND ANNUITY CONSIDERATIONS

ALLOCATED BY STATES AND TERRITORIES

	1	Direct Business Only					
		Life Contracts		4	5	6	7
		2	3				
States, Etc.	Active Status	Life Insurance Premiums	Annuity Considerations	Accident and Health Insurance Premiums, Including Policy, Membership and Other Fees	Other Considerations	Total Columns 2 through 5	Deposit-Type Contracts
1. Alabama (AL)	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	940,760		2,463,656		3,404,416	
55. U.S. Virgin Islands (VI)	N						
56. Northern Mariana Islands (MP)	N						
57. Canada (CAN)	N						
58. Aggregate Other Alien (OT)	XXX						
59. Subtotal	(a)1	940,760		2,463,656		3,404,416	
90. Reporting entity contributions for employee benefits plans	XXX						
91. Dividends or refunds applied to purchase paid-up additions and annuities	XXX						
92. Dividends or refunds applied to shorten endowment or premium paying period	XXX						
93. Premium or annuity considerations waived under disability or other contract provisions	XXX						
94. Aggregate other amounts not allocable by State	XXX						
95. Totals (Direct Business)	XXX	940,760		2,463,656		3,404,416	
96. Plus Reinsurance Assumed	XXX			959,034		959,034	
97. Totals (All Business)	XXX	940,760		3,422,690		4,363,450	
98. Less Reinsurance Ceded	XXX	96,964		348,905		445,869	
99. Totals (All Business) less Reinsurance Ceded	XXX	843,796		(b) 3,073,785		3,917,581	
DETAILS OF WRITE-INS							
5801.	XXX						
5802.	XXX						
5803.	XXX						
5898. Summary of remaining write-ins for Line 58 from overflow page	XXX						
5899. Totals (Lines 5801 through 5803 plus 5898) (Line 58 above)	XXX						
9401.	XXX						
9402.	XXX						
9403.	XXX						
9498. Summary of remaining write-ins for Line 94 from overflow page	XXX						
9499. Totals (Lines 9401 through 9403 plus 9498) (Line 94 above)	XXX						

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

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

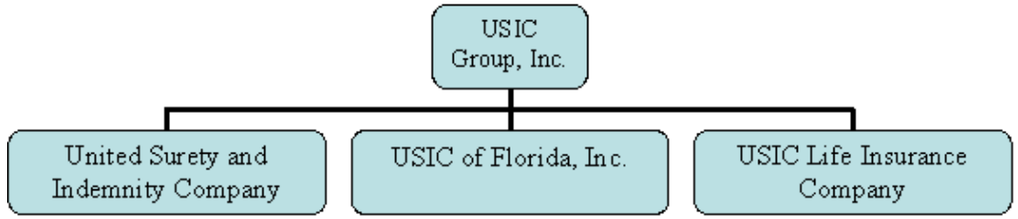
(b) Column 4 should balance with Exhibit 1, Lines 6.4, 10.4 and 16.4, Cols. 8, 9 and 10 or with Schedule H, Part 1, Column 1, Line 1. Indicate which.... Exhibit 1, Lines 6.4, 10.4, and 16.4, Cols 8, 9 and 10

Explanation of basis of allocation by states, etc., of premiums and annuity considerations: 100% Allocated to Puerto Rico

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER

MEMBERS OF A HOLDING COMPANY GROUP

PART 1 - ORGANIZATIONAL CHART



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