

**ANNUAL STATEMENT**

OF THE

**Liberty Life Assurance Company of Boston**

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**Non - Participating Business**

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of **Boston**

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in the state of **Massachusetts**

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TO THE

**Insurance Department**

OF THE

**STATE OF Massachusetts**

**FOR THE YEAR ENDED**

**December 31, 2006**

LIFE AND ACCIDENT AND HEALTH

**2006**



65315200620100100

**ANNUAL STATEMENT**

For the Year Ended December 31, 2006

OF THE CONDITION AND AFFAIRS OF THE

**Liberty Life Assurance Company of Boston**

**NAIC Group Code** 0111 0111 **NAIC Company Code** 65315 **Employer's ID Number** 04-6076039  
 (Current Period) (Prior Period)  
**Organized under the Laws of** MA , **State of Domicile or Port of Entry** Massachusetts  
**Country of Domicile** United States  
**Incorporated/Organized:** September 17, 1963 **Commenced Business:** January 15, 1964  
**Statutory Home Office:** 175 Berkeley Street Boston, MA 02117  
**Main Administrative Office:** 175 Berkeley Street Boston, MA 02117 617-357-9500  
**Mail Address:** 100 Liberty Way Dover, NH 03820  
**Primary Location of Books and Records:** 100 Liberty Way Dover, NH 03820 603-749-2600  
**Internet Website Address:** www.LibertyMutual.com  
**Statutory Statement Contact:** Andre Josephat Laurion 603-749-2600 36222  
Andre.Laurion@LibertyMutual.com 603-742-1352  
 (E-Mail Address) (Fax Number)  
**Policyowner Relations Contact:** 100 Liberty Way Dover, NH 03820 603-749-2600 33045

**OFFICERS**

Name	Title
1. <u>Edmund Francis Kelly</u>	<u>Chairman of the Board, President and CEO</u>
2. <u>Dexter Robert Legg</u>	<u>Vice-President and Secretary</u>
3. <u>Laurance Henry Soyer Yahia</u>	<u>Treasurer</u>

**Vice-Presidents**

Name	Title	Name	Title
<u>Stephen Michael Batza</u>	<u>Chief Operating Officer - Individual</u>	<u>James Paul Condrin, III</u>	<u>Vice-President</u>
<u>Anthony Alexander Fontanes</u>	<u>Vice-President</u>	<u>Dennis James Langwell</u>	<u>Vice-President</u>
<u>Gary Jay Ostrow</u>	<u>Vice-President</u>	<u>Jean Marie Scarrow</u>	<u>Chief Operating Officer - Group</u>
<u>Douglas John Wood #</u>	<u>Vice-President, CFO and Comptroller</u>		

**DIRECTORS OR TRUSTEES**

<u>Stephen Michael Batza</u>	<u>James Paul Condrin, III</u>	<u>Anthony Alexander Fontanes</u>	<u>Edmund Francis Kelly</u>
<u>Dennis James Langwell</u>	<u>Christopher Charles Mansfield</u>	<u>Jean Marie Scarrow</u>	

State of Massachusetts  
 County of Suffolk ss

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

_____ (Signature) <u>Edmund Francis Kelly</u> (Printed Name) 1. Chairman of the Board, President and CEO (Title)	_____ (Signature) <u>Dexter Robert Legg</u> (Printed Name) 2. Vice-President and Secretary (Title)	_____ (Signature) <u>Laurance Henry Soyer Yahia</u> (Printed Name) 3. Treasurer (Title)
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Subscribed and sworn to before me this  
10th day of January, 2007

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 \_\_\_\_\_

## ASSETS

	Current Year			Prior Year
	1	2	3	4
	Assets	Nonadmitted Assets	Net Admitted Assets (Cols. 1 - 2)	Net Admitted Assets
1. Bonds (Schedule D)	6,507,117,570		6,507,117,570	5,621,302,325
2. Stocks (Schedule D):				
2.1 Preferred stocks	1,000,003		1,000,003	1,000,003
2.2 Common stocks	472,645		472,645	474,157
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens	65,637,455		65,637,455	
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 (\$ 81,079,368, Schedule E-Part 1), cash equivalents (\$ 74,147,362, Schedule E-Part 2) and short-term investments (\$ 208,832,871, Schedule DA)	364,059,601		364,059,601	369,233,816
6. Contract loans (including \$ 0 premium notes)	85,306,952		85,306,952	81,303,846
7. Other invested assets (Schedule BA)	220,217,052		220,217,052	227,564,929
8. Receivables for securities	1,724,137		1,724,137	10,316,982
9. Aggregate write-ins for invested assets				
10. Subtotals, cash and invested assets (Lines 1 to 9)	7,245,535,415		7,245,535,415	6,311,196,058
11. Title plants less \$ 0 charged off (for Title insurers only)				
12. Investment income due and accrued	80,955,570		80,955,570	69,544,608
13. Premiums and considerations:				
13.1 Uncollected premiums and agents' balances in the course of collection	20,655,616	647,250	20,008,366	16,614,550
13.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ 0 earned but unbilled premiums)	34,506,484		34,506,484	31,611,858
13.3 Accrued retrospective premiums				
14. Reinsurance:				
14.1 Amounts recoverable from reinsurers	2,747,971		2,747,971	2,559,557
14.2 Funds held by or deposited with reinsured companies				
14.3 Other amounts receivable under reinsurance contracts	956,617		956,617	840,423
15. Amounts receivable relating to uninsured plans	2,905,861		2,905,861	2,993,396
16.1 Current federal and foreign income tax recoverable and interest thereon				
16.2 Net deferred tax asset	88,705,325	75,151,300	13,554,025	13,203,855
17. Guaranty funds receivable or on deposit				
18. Electronic data processing equipment and software				
19. Furniture and equipment, including health care delivery assets (\$ 0 )				
20. Net adjustment in assets and liabilities due to foreign exchange rates				
21. Receivables from parent, subsidiaries and affiliates	2,487,945		2,487,945	4,264,939
22. Health care (\$ 0 ) and other amounts receivable				
23. Aggregate write-ins for other than invested assets	5,573,958	787,456	4,786,502	3,224,511
24. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 10 to 23)	7,485,030,762	76,586,006	7,408,444,756	6,456,053,755
25. From Separate Accounts, Segregated Accounts and Protected Cell Accounts	3,048,746,337		3,048,746,337	2,570,079,317
26. Total (Lines 24 and 25)	10,533,777,099	76,586,006	10,457,191,093	9,026,133,072

DETAILS OF WRITE-INS				
0901.				
0902.				
0903.				
0998. Summary of remaining write-ins for Line 09 from overflow page				
0999. Totals (Lines 0901 through 0903 plus 0998) (Line 09 above)				
2301. Accounts receivable	3,532,341		3,532,341	1,377,611
2302. Amounts due from Separate Accounts	1,254,161		1,254,161	1,846,900
2303. Fixed assets	787,456	787,456		
2398. Summary of remaining write-ins for Line 23 from overflow page				
2399. Totals (Lines 2301 through 2303 plus 2398) (Line 23 above)	5,573,958	787,456	4,786,502	3,224,511

<b>LIABILITIES, SURPLUS AND OTHER FUNDS</b>		1	2
		Current Year	Prior Year
1.	Aggregate reserve for life contracts \$ 4,814,318,652 (Exhibit 5, Line 9999999) less \$ 0 included in Line 6.3 (including \$ 0 Modco Reserve)	4,814,318,652	4,030,776,843
2.	Aggregate reserve for accident and health contracts (Exhibit 6, Line 17, Col. 1)(including \$ 0 Modco Reserve)	824,533,249	765,799,835
3.	Liability for deposit-type contracts (Exhibit 7, Line 14, Col. 1)(including \$ 0 Modco Reserve)	899,051,305	880,847,099
4.	Contract claims:		
4.1	Life (Exhibit 8, Part 1, Line 4.4, Col. 1 less sum of Cols. 9, 10 and 11)	30,012,774	28,583,804
4.2	Accident and health (Exhibit 8, Part 1, Line 4.4, sum of Cols. 9, 10 and 11)	12,907,276	11,177,896
5.	Policyholders' dividends \$ 90,596 and coupons \$ 0 due and unpaid (Exhibit 4, Line 10)	90,596	85,813
6.	Provision for policyholders' dividends and coupons payable in following calendar year-estimated amounts:		
6.1	Dividends apportioned for payment (including \$ 0 Modco)	11,600,847	11,147,052
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 \$ 121,577 accident and health premiums (Exhibit 1, Part 1, Col. 1, sum of Lines 4 and 14)	403,554	459,955
9.	Contract liabilities not included elsewhere:		
9.1	Surrender values on canceled contracts		
9.2	Provision for experience rating refunds, including \$ 0 accident and health experience rating refunds	12,185,214	9,093,468
9.3	Other amounts payable on reinsurance, including \$ 0 assumed and \$ 0 ceded		
9.4	Interest Maintenance Reserve (IMR, Line 6)	23,956,504	21,017,464
10.	Commissions to agents due or accrued-life and annuity contracts \$ 404,512 accident and health \$ 417,193 and deposit-type contract funds \$ 0	821,705	1,430,211
11.	Commissions and expense allowances payable on reinsurance assumed		
12.	General expenses due or accrued (Exhibit 2, Line 12, Col. 6)	45,368,546	39,202,948
13.	Transfers to Separate Accounts due or accrued (net)(including \$ (3,377,464) accrued for expense allowances recognized in reserves, net of reinsured allowances)	(3,377,464)	(3,265,312)
14.	Taxes, licenses and fees due or accrued, excluding federal income taxes (Exhibit 3, Line 9, Col. 5)	3,912,441	2,942,834
15.1	Current federal and foreign income taxes, including \$ 4,114,858 on realized capital gains (losses)	9,144,128	4,594,425
15.2	Net deferred tax liability		
16.	Unearned investment income	682,202	642,915
17.	Amounts withheld or retained by company as agent or trustee		
18.	Amounts held for agents' account, including \$ 0 agents' credit balances		
19.	Remittances and items not allocated	12,891,559	19,160,927
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:		
24.1	Asset valuation reserve (AVR, Line 16, Col. 7)	55,869,577	52,181,597
24.2	Reinsurance in unauthorized companies		
24.3	Funds held under reinsurance treaties with unauthorized reinsurers		
24.4	Payable to parent, subsidiaries and affiliates		
24.5	Drafts outstanding	8,245,875	7,786,583
24.6	Liability for amounts held under uninsured plans		
24.7	Funds held under coinsurance		
24.8	Payable for securities		
24.9	Capital notes \$ 0 and interest thereon \$ 0		
25.	Aggregate write-ins for liabilities	196,503,558	140,702,836
26.	Total liabilities excluding Separate Accounts business (Lines 1 to 25)	6,959,122,098	6,024,369,193
27.	From Separate Accounts statement	3,048,746,337	2,570,079,317
28.	Total liabilities (Lines 26 and 27)	10,007,868,435	8,594,448,510
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, Col. 2 plus Page 4, Line 51.1, Col. 1)	416,500,000	416,500,000
34.	Aggregate write-ins for special surplus funds	750,000	750,000
35.	Unassigned funds (surplus)	29,572,658	11,934,562
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)	446,822,658	429,184,562
38.	Totals of Lines 29, 30 and 37 (Page 4, Line 55)	449,322,658	431,684,562
39.	Totals of Lines 28 and 38 (Page 2, Line 26, Col. 3)	10,457,191,093	9,026,133,072

<b>DETAILS OF WRITE-INS</b>			
2501.	Securities loaned - cash collateral	149,023,697	87,879,872
2502.	Qualified claims account - Internal Revenue Service Code 419	35,823,163	31,348,000
2503.	Deposit suspense - group life	10,553,296	9,353,730
2598.	Summary of remaining write-ins for Line 25 from overflow page	1,103,402	12,121,234
2599.	Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	196,503,558	140,702,836
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.	Contingency reserve for Separate Accounts	750,000	750,000
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)	750,000	750,000

<b>SUMMARY OF OPERATIONS</b>		1	2
		Current Year	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)	1,235,569,084	805,411,274
2.	Considerations for supplementary contracts with life contingencies		
3.	Net investment income (Exhibit of Net Investment Income, Line 17)	418,131,825	373,448,046
4.	Amortization of Interest Maintenance Reserve (IMR Line 5)	3,809,124	3,418,358
5.	Separate Accounts net gain from operations excluding unrealized gains or losses		
6.	Commissions and expense allowances on reinsurance ceded (Exhibit 1, Part 2, Line 26.1, Col. 1)	10,672,968	8,558,620
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	5,462,675	6,516,396
8.2	Charges and fees for deposit-type contracts		
8.3	Aggregate write-ins for miscellaneous income	1,387,104	1,807,672
9.	Totals (Lines 1 to 8.3)	1,675,032,780	1,199,160,366
10.	Death benefits	104,921,482	100,763,191
11.	Matured endowments (excluding guaranteed annual pure endowments)		
12.	Annuity benefits (Exhibit 8, Part 2, Line 6.4, Cols. 4 + 8)	154,854,331	133,906,179
13.	Disability benefits and benefits under accident and health contracts	226,687,038	207,068,027
14.	Coupons, guaranteed annual pure endowments and similar benefits		
15.	Surrender benefits and withdrawals for life contracts	72,821,719	56,292,585
16.	Group conversions		
17.	Interest and adjustments on contract or deposit-type contract funds	55,120,773	53,012,118
18.	Payments on supplementary contracts with life contingencies	272,364	270,948
19.	Increase in aggregate reserves for life and accident and health contracts	842,048,028	434,574,351
20.	Totals (Lines 10 to 19)	1,456,725,735	985,887,399
21.	Commissions on premiums, annuity considerations and deposit-type contract funds (direct business only)(Exhibit 1, Part 2, Line 31, Col. 1)	37,039,783	19,960,448
22.	Commissions and expense allowances on reinsurance assumed (Exhibit 1, Part 2, Line 26.2, Col. 1)		
23.	General insurance expenses (Exhibit 2, Line 10, Columns 1, 2, 3 and 4)	125,781,620	112,867,499
24.	Insurance taxes, licenses and fees, excluding federal income taxes (Exhibit 3, Line 7, Cols. 1 + 2 + 3)	17,789,084	19,663,943
25.	Increase in loading on deferred and uncollected premiums	138,947	(194,794)
26.	Net transfers to or (from) Separate Accounts net of reinsurance	(7,884,526)	(11,407,017)
27.	Aggregate write-ins for deductions	3,599,867	4,064,748
28.	Totals (Lines 20 to 27)	1,633,190,510	1,130,842,226
29.	Net gain from operations before dividends to policyholders and federal income taxes (Line 9 minus Line 28)	41,842,270	68,318,140
30.	Dividends to policyholders	11,393,108	10,839,452
31.	Net gain from operations after dividends to policyholders and before federal income taxes (Line 29 minus Line 30)	30,449,162	57,478,688
32.	Federal and foreign income taxes incurred (excluding tax on capital gains)	10,403,260	24,940,611
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)	20,045,902	32,538,077
34.	Net realized capital gains (losses)(excluding gains (losses) transferred to the IMR) less capital gains tax of \$ 11,248,282 (excluding taxes of \$ 3,633,627 transferred to the IMR)	(7,130,615)	5,950,920
35.	Net income (Line 33 plus Line 34)	12,915,287	38,488,997
<b>CAPITAL AND SURPLUS ACCOUNT</b>			
36.	Capital and surplus, December 31, prior year (Page 3, Line 38, Col. 2)	431,684,563	302,619,427
37.	Net income (Line 35)	12,915,287	38,488,997
38.	Change in net unrealized capital gains (losses)	8,788,060	3,386,976
39.	Change in net unrealized foreign exchange capital gain (loss)	762,867	
40.	Change in net deferred income tax	3,663,970	8,497,300
41.	Change in nonadmitted assets and related items	(704,108)	(10,426,863)
42.	Change in liability for reinsurance in unauthorized companies		381,746
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	(3,687,981)	(11,263,020)
45.	Change in treasury stock (Page 3, Lines 36.1 and 36.2 Col. 2 minus Col. 1)		
46.	Surplus (contributed to) withdrawn from Separate Accounts during period		
47.	Other changes in surplus in Separate Accounts statement		
48.	Change in surplus notes		
49.	Cumulative effect of changes in accounting principles		
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		100,000,000
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	(4,100,000)	
53.	Aggregate write-ins for gains and losses in surplus		
54.	Net change in capital and surplus for the year (Lines 37 through 53)	17,638,095	129,065,136
55.	Capital and surplus, December 31, current year (Lines 36 + 54) (Page 3, Line 38)	449,322,658	431,684,563

<b>DETAILS OF WRITE-INS</b>			
08.301.	Miscellaneous income	649,664	1,265,856
08.302.	Other administration fees	372,328	323,088
08.303.	Surrender charges	369,372	236,123
08.398.	Summary of remaining write-ins for Line 8.3 from overflow page	(4,260)	(17,395)
08.399.	Totals (Lines 08.301 through 08.303 plus 08.398) (Line 8.3 above)	1,387,104	1,807,672
2701.	Increase(Decrease) in provision for experience rating refunds	3,091,746	2,479,402
2702.	Miscellaneous expense	422,566	1,549,819
2703.	Performance guarantee expense	85,555	35,527
2798.	Summary of remaining write-ins for Line 27 from overflow page		
2799.	Totals (Lines 2701 through 2703 plus 2798) (Line 27 above)	3,599,867	4,064,748
5301.			
5302.			
5303.			
5398.	Summary of remaining write-ins for Line 53 from overflow page		
5399.	Totals (Lines 5301 through 5303 plus 5398) (Line 53 above)		

## CASH FLOW

	1	2
<b>Cash from Operations</b>	Current Year	Prior Year
1. Premiums collected net of reinsurance	1,229,174,843	810,109,740
2. Net investment income	376,467,886	342,704,076
3. Miscellaneous income	17,406,553	16,713,968
4. Total (Lines 1 through 3)	1,623,049,282	1,169,527,784
5. Benefit and loss related payments	555,759,121	495,125,445
6. Net transfers to Separate, Segregated Accounts and Protected Cell Accounts	(7,884,526)	(11,407,017)
7. Commissions, expenses paid and aggregate write-ins for deductions	173,766,311	145,154,964
8. Dividends paid to policyholders	10,934,530	11,089,594
9. Federal and foreign income taxes paid (recovered) \$ 0 net of tax on capital gains (losses)	17,101,839	47,458,570
10. Total (Lines 5 through 9)	749,677,275	687,421,556
11. Net cash from operations (Line 4 minus Line 10)	873,372,007	482,106,228
<b>Cash from Investments</b>		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds	1,008,632,147	646,863,633
12.2 Stocks	2,039,993	1,991,214
12.3 Mortgage loans		
12.4 Real estate		
12.5 Other invested assets	96,882,488	46,416,356
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)	1,107,554,628	695,271,203
13. Cost of investments acquired (long-term only):		
13.1 Bonds	1,867,644,524	1,113,773,004
13.2 Stocks	401,917	680,033
13.3 Mortgage loans	65,637,455	
13.4 Real estate		
13.5 Other invested assets	71,521,186	69,422,916
13.6 Miscellaneous applications		
13.7 Total investments acquired (Lines 13.1 to 13.6)	2,005,205,082	1,183,875,953
14. Net increase (decrease) in contract loans and premium notes	4,003,107	4,720,103
15. Net cash from investments (Line 12.8 minus Line 13.7 minus Line 14)	(901,653,561)	(493,324,853)
<b>Cash from Financing and Miscellaneous Sources</b>		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes		
16.2 Capital and paid in surplus, less treasury stock		100,000,000
16.3 Borrowed funds		
16.4 Net deposits on deposit-type contracts and other insurance liabilities	(35,040,076)	(48,325,876)
16.5 Dividends to stockholders	(4,100,000)	
16.6 Other cash provided (applied)	54,047,415	(4,459,329)
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6)	23,107,339	47,214,795
<b>RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS</b>		
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17)	(5,174,215)	35,996,170
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year	369,233,816	333,237,646
19.2 End of year (Line 18 plus Line 19.1)	364,059,601	369,233,816

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

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

ANALYSIS OF OPERATIONS BY LINES OF BUSINESS

	1 Total	2 Industrial Life	Ordinary			6 Credit Life (Group and Individual)	Group		Accident and Health			12 Aggregate of All Other Lines of Business
			3 Life Insurance	4 Individual Annuities	5 Supplementary Contracts		7 Life Insurance (a)	8 Annuities	9 Group	10 Credit (Group and Individual)	11 Other	
1. Premiums and annuity considerations for life and accident and health contracts	1,235,569,084		216,633,716	596,325,254			109,804,088	2,400	312,641,652		161,974	
2. Considerations for supplementary contracts with life contingencies												
3. Net investment income	418,131,825		103,361,424	203,539,643	134,053		30,273,316	23,973,488	56,826,362		23,539	
4. Amortization of Interest Maintenance Reserve (IMR)	3,809,124		266,862	2,058,984	1,087		164,510	1,093,772	223,560		349	
5. Separate Accounts net gain from operations excluding unrealized gains or losses												
6. Commissions and expense allowances on reinsurance ceded	10,672,968		10,670,081				1,728				1,159	
7. Reserve adjustments on reinsurance ceded												
8. Miscellaneous Income:												
8.1 Fees associated with income from investment management, administration and contract guarantees from Separate Accounts	5,462,675			23,950				5,438,725				
8.2 Charges and fees for deposit-type contracts												
8.3 Aggregate write-ins for miscellaneous income	1,387,104		371,730	828,086			128,481	8,411	50,396			
9. Totals (Lines 1 to 8.3)	1,675,032,780		331,303,813	802,775,917	135,140		140,372,123	30,516,796	369,741,970		187,021	
10. Death benefits	104,921,482		31,993,529				72,927,953					
11. Matured endowments (excluding guaranteed annual pure endowments)												
12. Annuity benefits	154,854,331			124,386,957				30,467,374				
13. Disability benefits and benefits under accident and health contracts	226,687,038								226,594,470		92,568	
14. Coupons, guaranteed annual pure endowments and similar benefits												
15. Surrender benefits and withdrawals for life contracts	72,821,719		44,080,550	8,412,996			12,626,189	7,701,984				
16. Group conversions			(264,583)				264,583					
17. Interest and adjustments on contract or deposit-type contract funds	55,120,773		1,231,969	52,590,058	94,896		920,360	283,490				
18. Payments on supplementary contracts with life contingencies	272,364				246,129			26,235				
19. Increase in aggregate reserves for life and accident and health contracts	842,048,028		171,186,293	605,157,276	(83,982)		15,681,319	(8,626,292)	58,775,467		(42,053)	
20. Totals (Lines 10 to 19)	1,456,725,735		248,227,758	790,547,287	257,043		102,420,404	29,852,791	285,369,937		50,515	
21. Commissions on premiums, annuity considerations and deposit-type contract funds (direct business only)	37,039,783		6,412,978	24,309,097			3,310,668	43,083	2,963,957			
22. Commissions and expense allowances on reinsurance assumed												
23. General insurance expenses	125,781,620		52,277,794	4,677,110	8,310		17,753,030	4,568,634	46,480,050		16,692	
24. Insurance taxes, licenses and fees, excluding federal income taxes	17,789,084		4,965,820	424,019	173		2,867,812	95,026	9,435,453		781	
25. Increase in loading on deferred and uncollected premiums	138,947		237,774				(98,827)					
26. Net transfers to or (from) Separate Accounts net of reinsurance	(7,884,526)		1,235,457	(75,697)				(9,044,286)				
27. Aggregate write-ins for deductions	3,599,867		439,123	(143,099)			3,159,418	(4,160)	148,585			
28. Totals (Lines 20 to 27)	1,633,190,510		313,796,704	819,738,717	265,526		129,412,505	25,511,088	344,397,982		67,988	
29. Net gain from operations before dividends to policyholders and federal income taxes (Line 9 minus Line 28)	41,842,270		17,507,109	(16,962,800)	(130,386)		10,959,618	5,005,708	25,343,988		119,033	
30. Dividends to policyholders	11,393,108		11,393,092	16								
31. Net gain from operations after dividends to policyholders and before federal income taxes (Line 29 minus Line 30)	30,449,162		6,114,017	(16,962,816)	(130,386)		10,959,618	5,005,708	25,343,988		119,033	
32. Federal income taxes incurred (excluding tax on capital gains)	10,403,260		4,631,702	(9,150,232)	(80,479)		3,053,524	1,300,077	10,673,191		(24,523)	
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)	20,045,902		1,482,315	(7,812,584)	(49,907)		7,906,094	3,705,631	14,670,797		143,556	
<b>DETAILS OF WRITE-INS</b>												
08.301. Miscellaneous income	649,664		18,094	444,632			128,481	8,411	50,046			
08.302. Other administration	372,328		38,929	333,049					350			
08.303. Surrender charges	369,372		318,967	50,405								
08.398. Summary of remaining write-ins for Line 8.3 from overflow page	(4,260)		(4,260)									
08.399. Total (Lines 08.301 through 08.303 plus 08.398) (Line 8.3 above)	1,387,104		371,730	828,086			128,481	8,411	50,396			
2701. Increase(Decrease) in provision for experience rating refunds	3,091,746						3,091,746					
2702. Miscellaneous expense	422,566		439,123	(143,099)			67,672	(4,160)	63,030			
2703. Performance guarantee expense	85,555								85,555			
2798. Summary of remaining write-ins for Line 27 from overflow page												
2799. Total (Lines 2701 through 2703 plus 2798) (Line 27 above)	3,599,867		439,123	(143,099)			3,159,418	(4,160)	148,585			

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

**ANALYSIS OF INCREASE IN RESERVES DURING THE YEAR**

	1 Total	2 Industrial Life	Ordinary			6 Credit Life (Group and Individual)	Group	
			3 Life Insurance	4 Individual Annuities	5 Supplementary Contracts		7 Life Insurance	8 Annuities
<b>Involving Life or Disability Contingencies (Reserves)</b> (Net of Reinsurance Ceded)								
1. Reserve December 31, prior year	4,030,776,843		1,639,007,349	1,691,541,637	1,968,227		425,237,804	273,021,826
2. Tabular net premiums or considerations	876,092,989		201,162,319	572,308,534			102,622,136	
3. Present value of disability claims incurred	5,641,590		1,276,120		X X X		4,365,470	
4. Tabular interest	210,915,948		72,588,466	101,448,276	131,266		19,472,592	17,275,348
5. Tabular less actual reserve released	54,767,545		(1,192,029)	55,994,153	10,393		(4,651,662)	4,606,690
6. Increase in reserve on account of change in valuation basis								
7. Other increases (net)								
8. Totals (Lines 1 to 7)	5,178,194,915		1,912,842,225	2,421,292,600	2,109,886		547,046,340	294,903,864
9. Tabular cost	122,467,263		38,626,941		X X X		83,840,322	
10. Reserves released by death	26,211,319		16,803,778	X X X	X X X		9,407,541	X X X
11. Reserves released by other terminations (net)	60,097,221		47,217,867				12,879,354	
12. Annuity, supplementary contract, and disability payments involving life contingencies	155,100,460			124,386,957	246,129			30,467,374
13. Net transfers to or (from) Separate Accounts								
14. Total deductions (Lines 9 to 13)	363,876,263		102,648,586	124,386,957	246,129		106,127,217	30,467,374
15. Reserve December 31, current year	4,814,318,652		1,810,193,639	2,296,905,643	1,863,757		440,919,123	264,436,490



**EXHIBIT OF NET INVESTMENT INCOME**

	1 Collected During Year	2 Earned During Year
1. U.S. Government bonds	(a) 11,603,884	11,971,112
1.1 Bonds exempt from U.S. tax	(a)	
1.2 Other bonds (unaffiliated)	(a) 372,721,087	384,137,810
1.3 Bonds of affiliates	(a)	
2.1 Preferred stocks (unaffiliated)	(b) 78,000	78,000
2.11 Preferred stocks of affiliates	(b)	
2.2 Common stocks (unaffiliated)	19,335	19,335
2.21 Common stocks of affiliates		
3. Mortgage loans	(c)	
4. Real estate	(d)	
5. Contract loans	4,650,983	4,712,254
6. Cash, cash equivalents and short-term investments	(e) 11,626,432	11,152,886
7. Derivative instruments	(f)	
8. Other invested assets	10,049,591	10,049,591
9. Aggregate write-ins for investment income	612,106	612,106
10. Total gross investment income	411,361,418	422,733,092
11. Investment expenses		(g) 2,758,342
12. Investment taxes, licenses and fees, excluding federal income taxes		(g) 1,521,467
13. Interest expense		(h) 321,458
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)		4,601,267
17. Net investment income (Line 10 minus Line 16)		418,131,825
<b>DETAILS OF WRITE-INS</b>		
0901. Miscellaneous investment income	612,106	612,106
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)	612,106	612,106
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 \$ 34,335,856 accrual of discount less \$ 7,518,931 amortization of premium and less \$ 12,359,673 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 \$ 2,740,954 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 Unrealized Increases (Decreases) by Adjustment	4 Total
1. U.S. Government bonds	(815,421)			(815,421)
1.1 Bonds exempt from U.S. tax				
1.2 Other bonds (unaffiliated)	10,766,628	(9,965,264)		801,364
1.3 Bonds of affiliates				
2.1 Preferred stocks (unaffiliated)				
2.11 Preferred stocks of affiliates				
2.2 Common stocks (unaffiliated)	1,635,972		83,266	1,719,238
2.21 Common stocks of affiliates			(86,161)	(86,161)
3. Mortgage loans				
4. Real estate				
5. Contract loans				
6. Cash, cash equivalents and short-term investments				
7. Derivative instruments				
8. Other invested assets	13,822,811	(4,577,326)	8,790,956	18,036,441
9. Aggregate write-ins for capital gains (losses)	(1,569)		762,867	761,298
10. Total capital gains (losses)	25,408,421	(14,542,590)	9,550,928	20,416,759

<b>DETAILS OF WRITE-INS</b>				
0901. Currency translation	(470)		762,867	762,397
0902. Equipment writedown	(1,099)			(1,099)
0903.				
0998. Summary of remaining write-ins for Line 9 from overflow page				
0999. Totals (Lines 0901 through 0903) plus 0998 (Line 9, above)	(1,569)		762,867	761,298

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

	1	2	Ordinary		5	Group		Accident and Health			11
			3	4		6	7	8	9	10	
	Total	Industrial Life	Life Insurance	Individual Annuities	Credit Life (Group and Individual)	Life Insurance	Annuities	Group	Credit (Group and Individual)	Other	Aggregate of All Other Lines of Business
<b>FIRST YEAR (other than single)</b>											
1. Uncollected	(131,516)		(114,143)			(17,373)					
2. Deferred and accrued	4,824,028		4,824,028								
3. Deferred, accrued and uncollected:											
3.1 Direct	5,244,340		5,244,340								
3.2 Reinsurance assumed											
3.3 Reinsurance ceded	551,828		534,455			17,373					
3.4 Net (Line 1 + Line 2)	4,692,512		4,709,885			(17,373)					
4. Advance	19,648		19,648								
5. Line 3.4 - Line 4	4,672,864		4,690,237			(17,373)					
6. Collected during year:											
6.1 Direct	85,144,158		17,796,953			23,282,064		43,908,049		157,092	
6.2 Reinsurance assumed											
6.3 Reinsurance ceded	6,148,000		6,113,805			11,146				23,049	
6.4 Net	78,996,158		11,683,148			23,270,918		43,908,049		134,043	
7. Line 5 + Line 6.4	83,669,022		16,373,385			23,253,545		43,908,049		134,043	
8. Prior year (uncollected + deferred and accrued - advance)	4,196,793		4,340,273			(13,480)				(130,000)	
9. First year premiums and considerations:											
9.1 Direct	85,472,355		18,125,150			23,282,064		43,908,049		157,092	
9.2 Reinsurance assumed											
9.3 Reinsurance ceded	6,000,127		6,092,038			15,040				(106,951)	
9.4 Net (Line 7 - Line 8)	79,472,228		12,033,112			23,267,024		43,908,049		264,043	
<b>SINGLE</b>											
10. Single premiums and considerations:											
10.1 Direct	739,670,552		116,079,466	599,849,741		23,738,945	2,400				
10.2 Reinsurance assumed											
10.3 Reinsurance ceded	4,207,012		556,533	3,525,273		125,206					
10.4 Net	735,463,540		115,522,933	596,324,468		23,613,739	2,400				
<b>RENEWAL</b>											
11. Uncollected	26,302,174		1,488,111			2,064,703		22,749,360			
12. Deferred and accrued	29,682,456		29,682,312	144							
13. Deferred, accrued and uncollected:											
13.1 Direct	60,010,127		33,098,019	144		2,893,974		24,017,990			
13.2 Reinsurance assumed											
13.3 Reinsurance ceded	4,025,497		1,927,596			829,271		1,268,630			
13.4 Net (Line 11 + Line 12)	55,984,630		31,170,423	144		2,064,703		22,749,360			
14. Advance	383,906		227,421			34,908		121,577			
15. Line 13.4 - Line 14	55,600,724		30,943,002	144		2,029,795		22,627,783			
16. Collected during year:											
16.1 Direct	452,453,924		109,443,089	786		74,017,668		268,968,605		23,776	
16.2 Reinsurance assumed	150,921		150,921								
16.3 Reinsurance ceded	37,785,618		22,743,118			11,426,211		3,490,444		125,845	
16.4 Net	414,819,227		86,850,892	786		62,591,457		265,478,161		(102,069)	
17. Line 15 + Line 16.4	470,419,951		117,793,894	930		64,621,252		288,105,944		(102,069)	
18. Prior year (uncollected + deferred and accrued - advance)	49,786,632		28,716,222	144		1,697,927		19,372,339			
19. Renewal premiums and considerations:											
19.1 Direct	456,684,277		112,154,770	786		71,896,781		272,608,164		23,776	
19.2 Reinsurance assumed	150,921		150,921								
19.3 Reinsurance ceded	36,201,882		23,228,020			8,973,456		3,874,561		125,845	
19.4 Net (Line 17 - Line 18)	420,633,316		89,077,671	786		62,923,325		268,733,603		(102,069)	
<b>TOTAL</b>											
20. Total premiums and annuity considerations:											
20.1 Direct	1,281,827,184		246,359,386	599,850,527		118,917,790	2,400	316,516,213		180,868	
20.2 Reinsurance assumed	150,921		150,921								
20.3 Reinsurance ceded	46,409,021		29,876,591	3,525,273		9,113,702		3,874,561		18,894	
20.4 Net (Lines 9.4 + 10.4 + 19.4)	1,235,569,084		216,633,716	596,325,254		109,804,088	2,400	312,641,652		161,974	

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

	1 Total	2 Industrial Life	Ordinary		5 Credit Life (Group and Individual)	Group		Accident and Health			11 Aggregate of All Other Lines of Business
			3 Life Insurance	4 Individual Annuities		6 Life Insurance	7 Annuities	8 Group	9 Credit (Group and Individual)	10 Other	
<b>DIVIDENDS AND COUPONS APPLIED (included in Part 1)</b>											
21. To pay renewal premiums	804,285		804,285								
22. All other	9,395,764		9,395,764								
<b>REINSURANCE COMMISSIONS AND EXPENSE ALLOWANCES INCURRED</b>											
23. First year (other than single):											
23.1 Reinsurance ceded											
23.2 Reinsurance assumed											
23.3 Net ceded less assumed											
24. Single:											
24.1 Reinsurance ceded											
24.2 Reinsurance assumed											
24.3 Net ceded less assumed											
25. Renewal:											
25.1 Reinsurance ceded	10,672,968		10,670,081			1,728				1,160	
25.2 Reinsurance assumed											
25.3 Net ceded less assumed	10,672,968		10,670,081			1,728				1,160	
26. Totals:											
26.1 Reinsurance ceded (Page 6, Line 6)	10,672,968		10,670,081			1,728				1,160	
26.2 Reinsurance assumed (Page 6, Line 22)											
26.3 Net ceded less assumed	10,672,968		10,670,081			1,728				1,160	
<b>COMMISSIONS INCURRED (direct business only)</b>											
27. First year (other than single)	324,249		324,249								
28. Single	32,140,909		6,053,537	24,309,097		1,735,192	43,083				
29. Renewal	4,574,625		35,191			1,575,476		2,963,957			
30. Deposit-type contract funds											
31. Totals (to agree with Page 6, Line 21)	37,039,783		6,412,977	24,309,097		3,310,668	43,083	2,963,957			

**EXHIBIT 2 - GENERAL EXPENSES**

	Insurance				5 Investment	6 Total
	1 Life	2 Accident and Health		4 All Other Lines of Business		
		2 Cost Containment	3 All Other			
1. Rent	1,795,767		2,344,808		137,917	4,278,492
2. Salaries and wages	26,778,833		34,966,228		1,930,839	63,675,900
3.11 Contributions for benefit plans for employees	5,711,605		7,457,878		82,750	13,252,233
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	3,494,827		4,563,339			8,058,166
3.32 Other agent welfare						
4.1 Legal fees and expenses	1,412,785		1,844,731			3,257,516
4.2 Medical examination fees	54,413	71,049				125,462
4.3 Inspection report fees	1,271,555	1,660,322				2,931,877
4.4 Fees of public accountants and consulting actuaries	276,484		361,016		275,834	913,334
4.5 Expense of investigation and settlement of policy claims	148,852	194,362				343,214
5.1 Traveling expenses	1,928,444		2,518,048		13,792	4,460,284
5.2 Advertising	768,353		1,003,271			1,771,624
5.3 Postage, express, telegraph and telephone	2,496,346		3,259,582		193,084	5,949,012
5.4 Printing and stationery	305,192		398,502		68,959	772,653
5.5 Cost or depreciation of furniture and equipment	436,315		569,715		55,167	1,061,197
5.6 Rental of equipment	454,418		593,353			1,047,771
5.7 Cost or depreciation of EDP equipment and software						
6.1 Books and periodicals	13,104		17,111			30,215
6.2 Bureau and association fees	137,119		179,042			316,161
6.3 Insurance, except on real estate	402,242		525,224			927,466
6.4 Miscellaneous losses						
6.5 Collection and bank service charges	1,601,612		2,091,291			3,692,903
6.6 Sundry general expenses	8,943,839	434,599	11,225,958			20,604,396
6.7 Group service and administration fees						
6.8 Reimbursements by uninsured plans			(34,103,007)			(34,103,007)
7.1 Agency expense allowance						
7.2 Agents' balances charged off (less \$ 0 recovered)						
7.3 Agency conferences other than local meetings						
9.1 Real estate expenses						
9.2 Investment expenses not included elsewhere	1,145,930		1,496,287			2,642,217
9.3 Aggregate write-ins for expenses	19,706,844		2,824,032			22,530,876
10. General expenses incurred	79,284,879	2,360,332	44,136,409		2,758,342	(a) 128,539,962
11. General expenses unpaid December 31, prior year	12,530,981		26,671,967			39,202,948
12. General expenses unpaid December 31, current year	14,125,429		31,243,118			45,368,546
13. Amounts receivable relating to uninsured plans, prior year			2,993,396			2,993,396
14. Amounts receivable relating to uninsured plans, current year			2,905,861			2,905,861
15. General expenses paid during year (Lines 10 + 11 - 12 - 13 + 14)	77,690,431	2,360,332	39,477,723		2,758,342	122,286,829

DETAILS OF WRITE-INS						
09.301 Reimbursement of sales expense	18,624,175					18,624,175
09.302 Other professional fees	898,688		1,173,455			2,072,143
09.303 Expense allowance on future claims			1,410,346			1,410,346
09.398 Summary of remaining write-ins for Line 9.3 from overflow page	183,981		240,231			424,212
09.399 Totals(Lines 09.301 through 09.303 + 09.398) (Line 9.3 above)	19,706,844		2,824,032			22,530,876

(a) Includes management fees of \$ 0 to affiliates and \$ 3,649,688 to non-affiliates.

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

	Insurance			4 Investment	5 Total
	1 Life	2 Accident and Health	3 All Other Lines of Business		
1. Real estate taxes					884,483
2. State insurance department licenses and fees	362,277	522,206			884,483
3. State taxes on premiums	6,316,664	5,736,240			12,052,904
4. Other state taxes, incl. \$ 0 for employee benefits	261,159	532,833		1,521,467	2,315,459
5. U.S. Social Security taxes	1,244,949	2,540,024			3,784,973
6. All other taxes	167,801	104,930			272,731
7. Taxes, licenses and fees incurred	8,352,850	9,436,233		1,521,467	19,310,550
8. Taxes, licenses and fees unpaid December 31, prior year	1,072,666	594,912		1,275,255	2,942,833
9. Taxes, licenses and fees unpaid December 31, current year	926,774	454,265		2,531,402	3,912,441
10. Taxes, licenses and fees paid during year (Lines 7 + 8 - 9)	8,498,742	9,576,880		265,320	18,340,942

**EXHIBIT 4 - DIVIDENDS OR REFUNDS**

	1 Life	2 Accident and Health
	1. Applied to pay renewal premiums	804,285
2. Applied to shorten the endowment or premium-paying period		
3. Applied to provide paid-up additions	9,395,764	
4. Applied to provide paid-up annuities		
5. Total Lines 1 through 4	10,200,049	
6. Paid-in cash	337,323	
7. Left on deposit	279,166	
8. Aggregate write-ins for dividend or refund options	117,993	
9. Total Lines 5 through 8	10,934,531	
10. Amount due and unpaid	90,596	
11. Provision for dividends or refunds payable in the following calendar year	11,600,847	
12. Terminal dividends		
13. Provision for deferred dividend contracts		
14. Amount provisionally held for deferred dividend contracts not included in Line 13		
15. Total Lines 10 through 14	11,691,443	
16. Total from prior year	11,232,865	
17. Total dividends or refunds (Lines 9 + 15 - 16)	11,393,109	

DETAILS OF WRITE-INS		
0801. DIVIDENDS APPLIED TO LOANS		117,993
0802.		
0803.		
0898. Summary of remaining write-ins for Line 8 from overflow page		
0899. Totals (Lines 0801 through 0803 + 0898) (Line 8 above)		117,993

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

1	2	3	4	5	6
Valuation Standard	Total	Industrial	Ordinary	Credit (Group and Individual)	Group
<b>LIFE INSURANCE:</b>					
0100001.1958 CSO 2 1/2% CRVM, 1973-1984	35,355,792		35,355,792		
0100002.1958 CSO 2 1/2% NET LEVEL 1964-1988	97,701,804		97,701,804		
0100003.1958 CET 2 1/2% NET LEVEL 1964-1981	2,451,543		2,451,543		
0100004.1958 CSO 4 1/2% NET LEVEL 1980-1988	288,103		288,103		
0100005.1/2 ANNUAL EXTRA PREMIUM 1964-2006	1,091,524		1,091,524		
0100006.1958 CSO 4% NET LEVEL 1981-1988	37,757,164		37,757,164		
0100007.1958 CSO 4% CRVM 1981-1988	57,254,188		57,254,188		
0100008.1958 CET 4% NET LEVEL 1981-1988	695,541		695,541		
0100009.1958 CSO 3 1/2% NET LEVEL 1981-1988	533,756		93,134		440,622
0100010.1958 CSO 3% NET LEVEL 1982-1988	6,208		6,208		
0100011.1960 CSG 4 1/2%	61,711				61,711
0100012.1960 CSG 2 1/2% WITH 1959 ADB	2,430,149				2,430,149
0100013.1958 CSO 4% JOINT CRVM 1984-1988	8,260,371		8,260,371		
0100014.1958 CSO 4% JOINT NET LEVEL 1984-1988	4,230,111		4,230,111		
0100015.1958 CSO 4 1/2% CRVM 1985-1988	25,377,142		25,377,142		
0100016.1958 CET 4% JOINT NET LEVEL 1984-1988	47,753		47,753		
0100017.1958 CSO 3 1/2% JOINT NET LEVEL 1984-1988	31,372		31,372		
0100018.150% 1980 CSO 6 1/2% NET LEVEL 1987-1988	4,297,388		4,297,388		
0100019.1980 CSO 5 1/2% 1987-2003	23,126		23,126		
0100020.1980 CSO 4% CRVM 2006	139,556,790		114,243,841		25,312,949
0100021.1980 CSO 4% NET LEVEL 2006	69,687		69,687		
0100022.1980 CSO 4% JOINT CRVM 2006	27,849		27,849		
0100023.1980 CSO 4 1/2% NET LEVEL 1988-2005	19,917,527		19,917,527		
0100024.1980 CSO 4 1/2% CRVM 1989-2005	1,784,307,148		1,409,252,834		375,054,314
0100025.1980 CET 4 1/2% NET LEVEL 1989-2005	620,834		620,834		
0100026.1980 CSO 4 1/2% JOINT NET LEVEL 1988-2005	5,853,535		5,853,535		
0100027.1980 CSO 4 1/2% JOINT CRVM 1989-2005	20,925,507		20,925,507		
0100028.1980 CET 4 1/2% JOINT NET LEVEL 1996-2005	86,302		86,302		
0100029.1980 CSO 4 3/4% CRVM 1994	621,388		621,388		
0100030.1980 CSO 4 3/4% JOINT CRVM 1994	13,775		13,775		
<b>0199997. Totals (Gross)</b>	<b>2,249,895,088</b>		<b>1,846,595,343</b>		<b>403,299,745</b>
<b>0199998. Reinsurance ceded</b>	<b>75,598,551</b>		<b>73,050,335</b>		<b>2,548,216</b>
<b>0199999. Totals (Net)</b>	<b>2,174,296,537</b>		<b>1,773,545,008</b>		<b>400,751,529</b>
<b>ANNUITIES</b>					
(excluding supplementary contracts with life contingencies):					
0200001.1937 SA 3 % NL - SB 3 YRS DEFER 1975-1978	74,976	X X X	74,976	X X X	
0200002.1937 SA 2 1/2 % NL -SB 3 YRS DEFER 1975-78	70,549	X X X	70,549	X X X	
0200003.1971 GAM 7 1/2 % IMMED & DEFER 1984	19,386,486	X X X		X X X	19,386,486
0200004.1971 GAM 7 3/4 % IMMED & DEFER 1983	12,018,757	X X X		X X X	12,018,757
0200005.1971 GAM 9 3/4 % IMMED & DEFER 1983-1984	27,420,429	X X X		X X X	27,420,429
0200006.1971 GAM 10 3/4 % IMMED & DEFER 1983, 1984	9,870,777	X X X		X X X	9,870,777
0200007.1971 GAM 11 1/4 % IMMED & DEFER 1983, 1984	17,691,288	X X X		X X X	17,691,288
0200008.1971 IAM 7.50%/20/7.50% IMMED & DEFER 1980-1982	11,874,130	X X X	11,874,130	X X X	
0200009.1971 IAM 11.56%/20/7.75% IMMED & DEFER 1983	26,116,944	X X X	26,116,944	X X X	
0200010.CARVM 3.5% DEFERRED 1979-1980	1,048,832	X X X	1,048,832	X X X	
0200011.CARVM 4.50% DEFERRED 2005, 2006	15,286,347	X X X	15,286,347	X X X	
0200012.CARVM 4.75% DEFERRED 2004	12,450,524	X X X	12,450,524	X X X	
0200013.CARVM 5.00% DEFERRED 2003	1,542,589	X X X	1,542,589	X X X	
0200014.CARVM 5.25% DEFERRED 1998-1999	1,405,547	X X X	1,405,547	X X X	
0200015.CARVM 5.5% DEFERRED 1994, 1996-1997, 2001-2002	6,984,800	X X X	6,984,800	X X X	
0200016.CARVM 5.75% DEFERRED 1993, 2000	4,383,171	X X X	4,383,171	X X X	
0200017.CARVM 6.00% DEFERRED 1995	846,608	X X X	846,608	X X X	
0200018.CARVM 6.25% DEFERRED 1992	5,697,779	X X X	5,697,779	X X X	
0200019.CARVM 6.50% DEFERRED 1987, 1990	1,774,768	X X X	1,774,768	X X X	
0200020.CARVM 6.75% DEFERRED 1991	2,279,792	X X X	2,279,792	X X X	
0200021.CARVM 7.00% DEFERRED 1988-1989	1,766,081	X X X	1,766,081	X X X	
0200022.CARVM 7.25% DEFERRED 1986	1,402,889	X X X	1,402,889	X X X	
0200023.CARVM 8.50% DEFERRED 1984-1985	5,002,158	X X X	5,002,158	X X X	
0200024.CARVM 8.75% DEFERRED 1983	3,102,605	X X X	3,102,605	X X X	
0200025.CARVM 9.00% DEFERRED 1981	513,378	X X X	513,378	X X X	
0200026.CARVM 10.00% DEFERRED 1982	3,518,811	X X X	3,518,811	X X X	
0200027.1983 A 5.20%/20/4.75% IMMED & DEFERRED 2003	145,196,788	X X X	145,196,788	X X X	
0200028.1983 A 5.33%/20/4.50% IMMED & DEFERRED 2004	91,388,301	X X X	91,388,301	X X X	
0200029.1983 A 5.3785%/20/4.25% IMMED & DEFERRED 2005	108,194,105	X X X	108,194,105	X X X	
0200030.1983 A 5.38615%/20/4.25% IMMED & DEFERRED 2006	162,637,586	X X X	162,637,586	X X X	
0200031.1983 A 6.45%/20/4.75% IMMED & DEFERRED 1998	80,622,816	X X X	80,622,816	X X X	
0200032.1983 A 6.47%/20/5.00% IMMED & DEFERRED 2002	228,635,250	X X X	228,635,250	X X X	
0200033.1983 A 6.48%/20/4.75% IMMED & DEFERRED 1999	142,287,932	X X X	142,287,932	X X X	
0200034.1983 A 6.72%/20/5.00% IMMED & DEFERRED 1994	21,459,875	X X X	21,459,875	X X X	
0200035.1983 A 6.96%/20/5.25% IMMED & DEFERRED 1997	82,282,773	X X X	82,282,773	X X X	
0200036.1983 A 6.97%/20/5.00% IMMED & DEFERRED 1996	44,667,254	X X X	44,667,254	X X X	
0200037.1983 A 7.0173%/20/5.00% IMMED & DEFER 2001	184,140,753	X X X	184,140,753	X X X	
0200038.1983 A 7.26%/20/5.25% IMMED & DEFERRED 1993	12,874,529	X X X	12,874,529	X X X	
0200039.1983 A 7.2586%/20/5.25% IMMED & DEFER 2000	175,104,117	X X X	175,104,117	X X X	
0200040.1983 A 7.51%/20/5.50% IMMED & DEFERRED 1995	50,840,442	X X X	50,840,442	X X X	
0200041.1983 A 8.04%/20/5.75% IMMED & DEFERRED 1992	11,298,449	X X X	11,298,449	X X X	
0200042.1983 A 8.32%/20/6.00% IMMED & DEFERRED 1987	5,548,651	X X X	5,548,651	X X X	
0200043.1983 A 8.50%/20/6.00% IMMED & DEFERRED 1991	7,855,444	X X X	7,855,444	X X X	
0200044.1983 A 8.55%/20/6.00% IMMED & DEFERRED 1990	12,212,601	X X X	12,212,601	X X X	
0200045.1983 A 9.08%/20/6.25% IMMED & DEFERRED 1989	5,877,524	X X X	5,877,524	X X X	
0200046.1983 A 9.12%/20/6.25% IMMED & DEFERRED 1988	9,785,372	X X X	9,785,372	X X X	
0200047.1983 A 9.64%/20/6.50% IMMED & DEFERRED 1986	10,027,212	X X X	10,027,212	X X X	
0200048.1983 A 11.39%/20/7.50% IMMED & DEFERRED 1985	17,910,861	X X X	17,910,861	X X X	
0200049.1983 A 11.72%/20/7.50% IMMED & DEFERRED 1984	31,737,088	X X X	31,737,088	X X X	
0200050.1983 GAM 5 % DEFERRED 1994	2,350,539	X X X		X X X	2,350,539

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

1	2	3	4	5	6
Valuation Standard	Total	Industrial	Ordinary	Credit (Group and Individual)	Group
0200051.1983 GAM 6 % DEFERRED 1987,1994	6,577,376	X X X		X X X	6,577,376
0200052.1983 GAM 6 1/2 % DEFERRED 1986,1993,1994,1995	23,081,032	X X X		X X X	23,081,032
0200053.1983 GAM 7 % IMMED & DEFERRED 1995	43,782	X X X		X X X	43,782
0200054.1983 GAM 7 1/4 % IMMED & DEFERRED 1987,1995	5,793,216	X X X		X X X	5,793,216
0200055.1983 GAM 7 1/2 % DEFERRED 1985, 1986	27,642,533	X X X		X X X	27,642,533
0200056.1983 GAM 7 3/4 % DEFERRED 1987, 1992	2,891,835	X X X		X X X	2,891,835
0200057.1983 GAM 8 % IMMED & DEFERRED 1986-1987, 1993	20,626,414	X X X		X X X	20,626,414
0200058.1983 GAM 8 1/4 % IMMEDIATE 1991	48,045	X X X		X X X	48,045
0200059.1983 GAM 8 3/4 % DEFERRED 1986, 1988, 1989, 1993	7,909,577	X X X		X X X	7,909,577
0200060.1983 GAM 9 1/4 % IMMED & DEFER 1986, 1993	10,342,857	X X X		X X X	10,342,857
0200061.1983 GAM 9 1/2 % DEFERRED 1985, 1986	30,226,339	X X X		X X X	30,226,339
0200062.1983 GAM 10 1/2 % DEFERRED 1985, 1986	12,308,505	X X X		X X X	12,308,505
0200063.1983 GAM 11 % IMMED & DEFER 1985, 1986	27,432,261	X X X		X X X	27,432,261
0200064.ANNUITY 2000 5.25 % IMMEDIATE 2005, 2006	2,005,686	X X X	2,005,686	X X X	
0200065.ANNUITY 2000 5.50 % IMMEDIATE 2004	675,956	X X X	675,956	X X X	
0200066.ANNUITY 2000 6.00 % IMMEDIATE 2003	528,174	X X X	528,174	X X X	
0200067.ANNUITY 2000 6 1/4 % IMMEDIATE 1998, 1999	460,156	X X X	460,156	X X X	
0200068.ANNUITY 2000 6 1/2 % IMMEDIATE 2002	652,906	X X X	652,906	X X X	
0200069.ANNUITY 2000 6 3/4 % IMMEDIATE 2001	706,701	X X X	706,701	X X X	
0200070.ANNUITY 2000 7.0% IMMEDIATE 2000	404,147	X X X	404,147	X X X	
0200071.ANNUITY 2000 4.00% IMMEDIATE	77,762	X X X		X X X	77,762
0200072.ANNUITY 2000 5.20%/20/4.75% IMMEDIATE 2003	5,077,550	X X X	5,077,550	X X X	
0200073.ANNUITY 2000 5.25% IMMEDIATE 2006	454,770,248	X X X	454,770,248	X X X	
0200074.ANNUITY 2000 5.33%/20/4.50% IMMEDIATE 2004	6,223,947	X X X	6,223,947	X X X	
0200075.ANNUITY 2000 5.3785%/20/4.25% IMMEDIATE 2005	69,687,650	X X X	69,687,650	X X X	
0200076.ANNUITY 2000 6.45%/20/4.75% IMMEDIATE 1998	5,022,065	X X X	5,022,065	X X X	
0200077.ANNUITY 2000 6.47%/20/5.00% IMMEDIATE 2002	1,093,178	X X X	1,093,178	X X X	
0200078.ANNUITY 2000 6.48%/20/4.75% IMMEDIATE 1999	6,326,922	X X X	6,326,922	X X X	
0200079.ANNUITY 2000 7.0173%/20/5.00% IMMEDIATE 2001	9,084,815	X X X	9,084,815	X X X	
0200080.ANNUITY 2000 7.2586%/20/5.25% IMMEDIATE 2000	19,868,997	X X X	19,868,997	X X X	
0200081.ANNUITY 2000 5.00% DEFERRED	585,132	X X X		X X X	585,132
0200082.GUARANTEED MINIMUM DEATH BENEFIT	128,915	X X X	17,367	X X X	111,548
0299997. Totals (Gross)	2,596,771,956	X X X	2,332,335,466	X X X	264,436,490
0299998. Reinsurance ceded	35,429,823	X X X	35,429,823	X X X	
0299999. Totals (Net)	2,561,342,133	X X X	2,296,905,643	X X X	264,436,490
SUPPLEMENTARY CONTRACTS WITH LIFE CONTINGENCIES:					
0300001.1937 SA % NL-SET BACK 3 YEARS	5,593		5,593		
0300002.1971 IAM 7 1/2%	3,658		3,658		
0300003.1983A 6 1/2%	75,403		75,403		
0300004.1983A 6 3/4%	310,612		310,612		
0300005.1983A 7%	51,034		51,034		
0300006.1983A 7 1/4%	145,706		145,706		
0300007.1983A 7 3/4%	75,450		75,450		
0300008.1983A 8%	59,018		59,018		
0300009.1983A 8 1/4%	92,750		92,750		
0300010.1983A 8 3/4%	139,761		139,761		
0300011.1983A 9 1/4%	14,377		14,377		
0300012.1983A 11%	31,539		31,539		
0300013.1983A 11 1/4%	16,135		16,135		
0300014.ANNUITY 2000 6 1/4%	561,003		561,003		
0300015.ANNUITY 2000 6.5%	119,699		119,699		
0300016.ANNUITY 2000 7%	162,019		162,019		
0399997. Totals (Gross)	1,863,757		1,863,757		
0399998. Reinsurance ceded					
0399999. Totals (Net)	1,863,757		1,863,757		
ACCIDENTAL DEATH BENEFITS:					
0400001.1959 ADB WITH 1958 CSO 2 1/2% NL	330,932		330,932		
0499997. Totals (Gross)	330,932		330,932		
0499998. Reinsurance ceded	137,376		137,376		
0499999. Totals (Net)	193,556		193,556		
DISABILITY - ACTIVE LIVES:					
0500001.1952 DISABILITY STUDY PERIOD 2 BENEFIT 5 WITH 1958 C	4,653,402		4,653,402		
0599997. Totals (Gross)	4,653,402		4,653,402		
0599998. Reinsurance ceded					
0599999. Totals (Net)	4,653,402		4,653,402		
DISABILITY - DISABLED LIVES:					
0600001.1952 DISABILITY STUDY - BENEFIT 2 1/2%	2,552,240		2,552,240		
0600002.1970 INTER-CO DISABILITY 3.50%	9,032				9,032
0600003.1970 INTER-CO DISABILITY 3.95%	9,008,868				9,008,868
0600004.1970 INTER-CO DISABILITY 4.00%	47,863				47,863
0600005.1970 INTER-CO DISABILITY 4.20%	8,581,213				8,581,213
0600006.1970 INTER-CO DISABILITY 4.50%	2,924,733				2,924,733
0600007.1970 INTER-CO DISABILITY 5.00%	26,429,595				26,429,595
0600008.1970 INTER-CO DISABILITY 5.50%	408,440				408,440
0699997. Totals (Gross)	49,961,984		2,552,240		47,409,744
0699998. Reinsurance ceded	7,242,150				7,242,150

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

1 Valuation Standard	2 Total	3 Industrial	4 Ordinary	5 Credit (Group and Individual)	6 Group
0699999. Totals (Net)	42,719,834		2,552,240		40,167,594
MISCELLANEOUS RESERVES:					
0700001.DEFICIENCY RESERVES	26,234,693		26,234,693		
0700002.NON-DEDUCTION OF DEFERRED FRACTIONAL PREMIUMS	2,459,863		2,459,863		
0700003.GUARANTEED MINIMUM DEATH BENEFIT RESERVE	554,877		554,877		
0799997. Totals (Gross)	29,249,433		29,249,433		
0799998. Reinsurance ceded					
0799999. Totals (Net)	29,249,433		29,249,433		
9999999. Totals (Net) - Page 3, Line 1	4,814,318,652		4,108,963,039		705,355,613

### EXHIBIT 5 - INTERROGATORIES

- 1.1 Has the reporting entity ever issued both participating and non-participating contracts? YES  NO
- 1.2 If not, state which kind is issued
- 2.1 Does the reporting entity at present issue both participating and non-participating contracts? YES  NO
- 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   
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   
If so, state:
  - 4.1 Amount of insurance? \$
  - 4.2 Amount of reserve? \$
  - 4.3 Basis of reserve
  - 4.4 Basis of regular assessments
  - 4.5 Basis of special assessments
  - 4.6 Assessments collected during the year: \$
- 5. If the contract loan interest rate guaranteed in any one or more of its currently issued contracts is less than 5%, not in advance, state the contract loan rate guarantees on any such contracts.
- 6. Does the reporting entity hold reserves for any annuity contracts that are less than the reserves that would be held on a standard basis? YES  NO 
  - 6.1 If so, state the amount of reserve on such contracts on the basis actually held: \$ 1,313,859,620
  - 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: \$ 1,718,621,200  
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 
  - 7.1 If yes, state the total dollar amount of assets covered by these contracts or agreements: \$
  - 7.2 Specify the basis (fair value, amortized cost, etc.) for determining the amount
  - 7.3 State the amount of reserves established for this business: \$
  - 7.4 Identify where the reserves are reported in the blank

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

1 Description of Valuation Class	Valuation Basis		4 Increase in Actuarial Reserve Due to Change
	2 Changed From	3 Changed To	
LIFE CONTRACTS (Including supplementary contracts set upon a basis other than that used to determine benefits)(Exhibit 5)			
0199999 Subtotal (Page 7, Line 6)	X X X	X X X	
ACCIDENT AND HEALTH CONTRACTS (Exhibit 6)			
0299999 Subtotal	X X X	X X X	
DEPOSIT-TYPE CONTRACTS (Exhibit 7)			
0399999 Subtotal	X X X	X X X	
9999999 TOTAL (Column 4 only)			

NONE



**EXHIBIT 6 - AGGREGATE RESERVES FOR ACCIDENT AND HEALTH CONTRACTS**

	1 Total	2 Group Accident and Health	3 Credit Accident and Health (Group and Individual)	4 Collectively Renewable	Other Individual Contracts				
					5 Non- Cancelable	6 Guaranteed Renewable	7 Non-Renewable for Stated Reasons Only	8 Other Accident Only	9 All Other
<b>ACTIVE LIFE RESERVE</b>									
1. Unearned premium reserves	848,112	843,952			4,160				
2. Additional contract reserves (a)	99,585				99,585				
3. Additional actuarial reserves - Asset/Liability analysis									
4. Reserve for future contingent benefits									
5. Reserve for rate credits	(1,454,422)	(1,454,422)							
6. Aggregate write-ins for reserves									
7. Totals (Gross)	(506,725)	(610,470)			103,745				
8. Reinsurance ceded	4,395				4,395				
9. Totals (Net)	(511,120)	(610,470)			99,350				
<b>CLAIM RESERVE</b>									
10. Present value of amounts not yet due on claims	840,870,089	838,693,173			2,176,916				
11. Additional actuarial reserves - Asset/Liability analysis									
12. Reserve for future contingent benefits	12,130,026	11,987,738			142,288				
13. Aggregate write-ins for reserves									
14. Totals (Gross)	853,000,115	850,680,911			2,319,204				
15. Reinsurance ceded	27,955,746	25,868,916			2,086,830				
16. Totals (Net)	825,044,369	824,811,995			232,374				
17. <b>TOTAL (Net)</b>	824,533,249	824,201,525			331,724				
18. <b>TABULAR FUND INTEREST</b>	39,648,303	39,639,604			8,699				

1  
4

DETAILS OF WRITE-INS									
0601.									
0602.									
0603.									
0698. Summary of remaining write-ins for Line 6 from overflow page									
0699. Totals (Lines 0601 through 0603 plus 0698) (Line 6 above)									
1301.									
1302.									
1303.									
1398. Summary of remaining write-ins for Line 13 from overflow page									
1399. Totals (Lines 1301 through 1303 plus 1398) (Line 13 above)									

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

**EXHIBIT 7 - DEPOSIT TYPE CONTRACTS**

	1	2	3	4	5	6
	Total	Guaranteed Interest Contracts	Annuities Certain	Supplemental Contracts	Dividend Accumulations or Refunds	Premium and Other Deposit Funds
1. Balance at the beginning of the year before reinsurance	880,155,436		832,127,532	1,196,479	9,083,332	37,748,093
2. Deposits received during the year	90,221,049		69,090,364	112,163	279,166	20,739,356
3. Investment earnings credited to the account	52,628,361		50,115,980	94,895	339,346	2,078,140
4. Other net change in reserves	23,306					23,306
5. Fees and other charges assessed						
6. Surrender charges						
7. Net surrender or withdrawal payments	124,641,954		104,153,871	317,953	810,483	19,359,647
8. Other net transfers to or (from) Separate Accounts						
9. Balance at the end of current year before reinsurance (Lines 1 + 2 + 3 + 4 - 5 - 6 - 7 - 8)	898,386,198		847,180,005	1,085,584	8,891,361	41,229,248
10. Reinsurance balance at the beginning of the year	691,663		691,663			
11. Net change in reinsurance assumed	(26,556)		(26,556)			
12. Net change in reinsurance ceded						
13. Reinsurance balance at the end of the year (Lines 10 + 11 - 12)	665,107		665,107			
14. Net balance at the end of current year after reinsurance (Lines 9 + 13)	899,051,305		847,845,112	1,085,584	8,891,361	41,229,248

**EXHIBIT 8 - CLAIMS FOR LIFE AND ACCIDENT AND HEALTH CONTRACTS**  
**PART 1 - Liability End of Current Year**

	1	2	Ordinary			6	Group		Accident and Health		
			3	4	5		7	8	9	10	11
	Total	Industrial Life	Life Insurance	Individual Annuities	Supplementary Contracts	Credit Life (Group and Individual)	Life Insurance	Annuities	Group	Credit (Group and Individual)	Other
1. Due and unpaid:											
1.1 Direct	1,778,926			1,778,926							
1.2 Reinsurance assumed											
1.3 Reinsurance ceded											
1.4 Net	1,778,926			1,778,926							
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	25,163,150		10,862,318	271,946	8,682		11,443,619		2,568,801		7,784
2.21 Direct											
2.22 Reinsurance assumed											
2.23 Reinsurance ceded	6,679,745		4,201,924	674,881			1,802,377				563
2.24 Net	18,483,405		(b) 6,660,394	(b) (402,935)	8,682	(b)	(b) 9,641,242		(b) 2,568,801	(b)	(b) 7,221
3. Incurred but unreported:											
3.1 Direct	25,721,243		1,425,000				11,757,948		12,534,160		4,135
3.2 Reinsurance assumed	81,950						81,950				
3.3 Reinsurance ceded	3,145,474						938,433		2,202,906		4,135
3.4 Net	22,657,719		(b) 1,425,000	(b)		(b)	(b) 10,901,465		(b) 10,331,254	(b)	(b)
4. TOTALS											
4.1 Direct	52,663,319		12,287,318	2,050,872	8,682		23,201,567		15,102,961		11,919
4.2 Reinsurance assumed	81,950						81,950				
4.3 Reinsurance ceded	9,825,219		4,201,924	674,881			2,740,810		2,202,906		4,698
4.4 Net	42,920,050	(a)	(a) 8,085,394	1,375,991	8,682		(a) 20,542,707		12,900,055		7,221

(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 \$ 2,551,083 Individual Annuities \$ 1,157, Credit Life (Group and Individual) \$ 0, and Group Life \$ 40,608,216, are included in Page 3, Line 1. (See Exhibit 5, Section on Disability Disabled Lives); and for Group Accident and Health \$ 824,201,525, Credit (Group and Individual) Accident and Health \$ 0 and Other Accident and Health \$ 232,374 are included in Page 3, Line 2. (See Exhibit 6, Claim Reserve).

**EXHIBIT 8 - CLAIMS FOR LIFE AND ACCIDENT AND HEALTH CONTRACTS**  
**PART 2 - Incurred During the Year**

	1 Total	2 Industrial Life (a)	Ordinary			6 Credit Life (Group and Individual)	Group		Accident and Health		
			3 Life Insurance (b)	4 Individual Annuities	5 Supplementary Contracts		7 Life Insurance (c)	8 Annuities	9 Group	10 Credit (Group and Individual)	11 Other
1. Settlements during the year:											
1.1 Direct	507,501,728		40,356,548	125,862,303	271,881		81,593,269	30,467,374	228,850,890		99,464
1.2 Reinsurance assumed	2,215,647		57,032	1,812,129					346,485		
1.3 Reinsurance ceded	25,952,095		9,190,838	2,551,559			9,697,986		4,503,235		8,477
1.4 Net	(d) 483,765,280		31,222,742	125,122,873	271,881		71,895,283	30,467,374	224,694,139		90,987
2. Liability December 31, current year from Part 1:											
2.1 Direct	52,663,319		12,287,318	2,050,872	8,682		23,201,567		15,102,961		11,919
2.2 Reinsurance assumed	81,950						81,950				
2.3 Reinsurance ceded	9,825,220		4,201,924	674,881			2,740,810		2,202,906		4,698
2.4 Net	42,920,050		8,085,394	1,375,991	8,682		20,542,707		12,900,055		7,221
3. Amounts recoverable from reinsurers December 31, current year	2,747,971		1,587,714				242,418		916,440		1,400
4. Liability December 31, prior year:											
4.1 Direct	51,436,539		9,707,797	2,692,102	8,199		25,535,542		13,412,299		80,600
4.2 Reinsurance assumed	101,456						101,456				
4.3 Reinsurance ceded	11,776,295		3,396,749	580,195			5,484,348		2,240,043		74,960
4.4 Net	39,761,700		6,311,048	2,111,907	8,199		20,152,650		11,172,256		5,640
5. Amounts recoverable from reinsurers December 31, prior year	2,559,556		584,154				885,031		1,088,971		1,400
6. Incurred benefits:											
6.1 Direct	508,728,508		42,936,069	125,221,073	272,364		79,259,294	30,467,374	230,541,552		30,783
6.2 Reinsurance assumed	2,196,141		57,032	1,812,129			(19,506)		346,485		
6.3 Reinsurance ceded	24,189,435		10,999,573	2,646,245			6,311,835		4,293,567		(61,785)
6.4 Net	486,735,214		31,993,529	124,386,957	272,364		72,927,953	30,467,374	226,594,470		92,568

- (a) Including matured endowments (but not guaranteed annual pure endowments) amounting to \$ ..... in Line 1.1, \$ ..... in Line 1.4.
- (b) Including matured endowments (but not guaranteed annual pure endowments) amounting to \$ ..... in Line 6.1 and \$ ..... in Line 6.4.
- (c) Including matured endowments (but not guaranteed annual pure endowments) amounting to \$ ..... in Line 1.1, \$ ..... in Line 1.4.
- (d) Includes \$ ..... 0 premiums waived under total and permanent disability benefits.

**EXHIBIT OF NONADMITTED ASSETS**

	1	2	3
	Current Year Total Nonadmitted Assets	Prior Year Total Nonadmitted Assets	Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1. Bonds (Schedule D)			
2. Stocks (Schedule D):			
2.1 Preferred stocks			
2.2 Common stocks			
3. Mortgage loans on real estate (Schedule B):			
3.1 First liens			
3.2 Other than first liens			
4. Real estate (Schedule A):			
4.1 Properties occupied by the company			
4.2 Properties held for the production of income			
4.3 Properties held for sale			
5. Cash (Schedule E-Part 1), cash equivalents (Schedule E-Part 2) and short-term investments (Schedule DA)			
6. Contract loans			
7. Other invested assets (Schedule BA)			
8. Receivables for securities			
9. Aggregate write-ins for invested assets			
10. Subtotals, cash and invested assets (Lines 1 to 9)			
11. Title plants ( for Title insurers only )			
12. Investment income due and accrued			
13. Premiums and considerations:			
13.1 Uncollected premiums and agents' balances in the course of collection	647,250	840,878	193,628
13.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due			
13.3 Accrued retrospective premiums			
14. Reinsurance:			
14.1 Amounts recoverable from reinsurers			
14.2 Funds held by or deposited with reinsured companies			
14.3 Other amounts receivable under reinsurance contracts			
15. Amounts receivable relating to uninsured plans			
16.1 Current federal and foreign income tax recoverable and interest thereon			
16.2 Net deferred tax asset	75,151,300	71,837,500	(3,313,800)
17. Guaranty funds receivable or on deposit			
18. Electronic data processing equipment and software			
19. Furniture and equipment, including health care delivery assets			
20. Net adjustment in assets and liabilities due to foreign exchange rates			
21. Receivables from parent, subsidiaries and affiliates			
22. Health care and other amounts receivable			
23. Aggregate write-ins for other than invested assets	787,456	3,203,520	2,416,064
24. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 10 to 23)	76,586,006	75,881,898	(704,108)
25. From Separate Accounts, Segregated Accounts and Protected Cell Accounts			
26. Total (Lines 24 and 25)	76,586,006	75,881,898	(704,108)

<b>DETAILS OF WRITE-INS</b>			
0901.			
0902.			
0903.			
0998. Summary of remaining write-ins for Line 09 from overflow page			
0999. Totals (Lines 0901 through 0903 plus 0998) (Line 09 above)			
2301.			
2302.			
2303. Fixed assets	787,456	3,203,520	2,416,064
2398. Summary of remaining write-ins for Line 23 from overflow page			
2399. Totals (Lines 2301 through 2303 plus 2398) (Line 23 above)	787,456	3,203,520	2,416,064

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## NOTES TO FINANCIAL STATEMENTS

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### 1. Summary of Significant Accounting Policies

- A. The financial statements of Liberty Life Assurance Company of Boston (the Company) are presented on the basis of accounting policies prescribed or permitted by the Massachusetts Insurance Department. The Massachusetts Insurance Department Recognizes only statutory accounting practices prescribed by the state for determining and reporting the financial conditions and results of operation of an insurance company. Massachusetts has adopted the prescribed practices set forth in the January 1, 2006 National Association of Insurance Commissioners' Accounting Practices and Procedures manual.
- B. The preparation of financial statements in conformity with Statutory Accounting Principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities. It also requires disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates.
- C. The accounting policies of the Company do not deviate materially from those Prescribed in the National Association of Insurance Commissioners' Accounting Practices and Procedures manual.

The Company uses the following accounting policies with regards to investments:

1. Investment grade short-term investments are carried at cost adjusted where appropriate for amortization of premium or discount, or markets as specified by the Purposes and Procedures Manual of the NAIC Securities Valuation Office (SVO Manual).
2. Investment grade bonds are carried at cost adjusted where appropriate for amortization of premium or discount, or market as specified by the SVO Manual.
3. Common stocks are carried at market value except that investments in stocks of subsidiaries and affiliates are carried on the equity basis.
4. Preferred stocks are carried at cost or market in accordance with the SVO Manual.
5. Mortgage loans are carried at unpaid balances less impairments as Specified by the Purposes and Procedures Manual of the NAIC Securities Valuation Office (SVO Manual).
6. Mortgage-backed/asset backed securities are stated at amortized value. Prepayment assumptions for single class mortgage-backed/asset backed securities and multi-class securities were obtained from internal estimates. These assumptions are consistent with the current interest rate and economic environment. The retrospective adjustment method is used to value all single class mortgage-backed/asset-backed securities and multi-class securities. Non-investment grade mortgage-backed/asset-backed securities are stated at the lower of amortized value or fair value.
7. The Company carries its investments in subsidiaries, controlled, and affiliated (SCA) companies in accordance with SSAP No. 46 and the SVO Manual. Schedule D, Part 6-Section 1 illustrates the valuation method used for each SCA company.
8. Investments in joint ventures, partnerships, and limited liability companies are carried at the underlying audited GAAP equity value, when available.
9. Liberty Life Assurance Company of Boston did not have any derivatives as of December 31, 2006.
10. The Company does not use anticipated investment income as a factor in the premium deficiency calculation.
11. Long Term Disability disabled lives reserves and loss adjustment expense reserves are tabular reserves from the 1987 CGDT modified during the first two years to reflect intracompany experience with interest rates varying by year of disability. The incurred but not reported claims reserves are a function of earned premium and Short Term Disability claim experience. Short Term Disability claim reserves use the completion factor method. Retrospective rating reserves are calculated

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## NOTES TO FINANCIAL STATEMENTS

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from emerging experience of the policies with the retrospective agreement.

12. The Company's capitalization policy did not change from the prior period.
13. The Company had no pharmaceutical rebate receivables on December 31, 2006.

### 2. Accounting Changes and Corrections of Errors

- A. There were no material or significant corrections of errors since year ended December 31, 2006.
- B. There were no changes in accounting principles as a result of implementation of Codification in 2006.

### 3. Business Combinations and Goodwill

- A. The Company neither purchased nor combined with any companies in 2006.

### 4. Discontinued Operations

- A. Liberty Life Assurance Company of Boston reported no discontinued operations in 2006.

### 5. Investments

- A. During 2006, the Company began direct investment in commercial mortgage loans using a experienced external manager, Stancorp Mortgage Investors. As of December 31, 2006 the company held commercial loans in good standing with an outstanding principal balance of \$ 67.6 million. The maximum and minimum lending rates for mortgage loans during 2006 were 7.375% and 4.75% respectively. The maximum loan to value of any loan written during 2006 was 75%. No loans were impaired or had interest more than 180 days past due.
- B. The Company does not have any restructured debt for which the Company is a creditor.
- C. Liberty Life Assurance Company of Boston does not have any Reverse Mortgages.
- D. Loan - Backed Securities
  1. The company has elected to use the book value as of January 1, 1994 as the cost for applying the retrospective adjustment method to securities purchased prior to that date where historical cash flows are not readily available.
  2. Prepayment assumptions for single class and multi-class mortgage-backed securities were based upon 1-month historical constant prepayment rates. The Company used IDSI, Bloomberg and Lehman Index data in determining the market value of the vast majority of its loan-backed securities. A small number of securities are priced in other ways, such as contacting brokers.
  3. The Company had no negative yield situations requiring a change from the retrospective to prospective method.
- E. The Company has no outstanding Repurchase Agreements as of December 31, 2006.
- F. Liberty Life Assurance Company of Boston had no real estate investments as of December 31, 2006.
- G. The Company does not have any investments in low-income tax housing credits.

**NOTES TO FINANCIAL STATEMENTS**

6. Joint Ventures, Partnerships and Limited Liability Companies

- A. The Company has no investments in Joint Ventures, Partnerships or Limited Liability Companies that exceed 10% of its admitted assets.
- B. The Company invests in various limited partnerships that are reported in accordance with SSAP No. 48. The partnerships are valued using traditional private equity metrics. Interim poor performance with the partnerships may lead to impairment losses being recognized by management. The Company realized limited partnership impairment losses of \$ 4.6 million in 2006.

7. Investment Income

- A. All investment income due and accrued over 90 days past due is excluded from investment income.
- B. The amount excluded in 2006 was \$ 0.

8. Derivative Instruments

- A. The Company's investment activities do not include derivatives. However, the Company may acquire derivatives as additions to bond, common stock, or preferred stock investments. These derivatives are ancillary to the overall investment and immaterial to the underlying investment portfolio.

9. Income Taxes

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

	December 31, <u>2006</u>	December 31, <u>2005</u>	Change
Total of all deferred tax assets	\$ 108.2 mil	\$ 100.2 mil	\$ 8.0 mil
Total of all deferred tax liabilities	(19.5) mil	(15.2) mil	(4.3) mil
Total nonadmitted tax assets	<u>75.2 mil</u>	<u>71.8 mil</u>	<u>3.4 mil</u>
Deferred Tax Assets Admitted	\$ <u>13.5 mil</u>	\$ <u>13.2 mil</u>	\$ <u>0.3 mil</u>

- B. The Company has no deferred tax liabilities not recognized for amounts described in SSAP No. 10, paragraph 6(b).

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

	December 31, <u>2006</u>	December 31, <u>2005</u>
Federal Income Tax on operations	\$ 10.4 mil	\$ 20.5 mil
Net operating loss benefit	<u>0 mil</u>	<u>0 mil</u>
Federal Income Tax before capital gains	10.4 mil	20.5 mil
Federal Income Tax on net capital gains	11.2 mil	9.1 mil
Utilization of capital losses	<u>0mil</u>	<u>0mil</u>
Federal Income Taxes incurred	\$ <u>21.6 mil</u>	\$ <u>29.6 mil</u>

The Company's deferred tax assets and liabilities result primarily from differences in Statutory and Tax policy reserves, amortization of acquisition expenses, reversal of discount accretion on bonds, deferred and uncollected premium and recognition of impairment losses.

- D. Effective tax rates differ from the current statutory rate of 35%, principally due to effects of tax-exempt interest, dividends received deductions, interest maintenance reserve capitalization and amortization and revisions to prior year's estimates.
- E. The Company had no tax attribute carryovers which will expire if not used in the future. The Company had no federal income taxes available for recoupment in the event of future losses
- F. The Company's federal income tax return is consolidated with the following companies of the Liberty Mutual Group:

Access Insurance Services, Co.  
 Ambco Capital Corporation  
 America First Insurance Company

Liberty Life Holdings, Inc.  
 Liberty Lloyds of Texas Insurance Company  
 Liberty Management Services, Inc.



## NOTES TO FINANCIAL STATEMENTS

America First Lloyds Insurance Company	Liberty Mexico Holdings, Inc.
American Ambassador Casualty Company	Liberty Mutual Fire Insurance Company
Berkeley Holding Company Associates, Inc.	Liberty Mutual Group Inc.
Berkeley Management Corporation	Liberty Mutual Holding Company, Inc.
Bridgefield Casualty Insurance Company	Liberty Mutual Insurance Company
Bridgefield Employers Insurance Company	Liberty Mutual Managed Care, Inc.
Capitol Agency, Inc. (Arizona corporation)	Liberty Mutual Personal Insurance Company
Capitol Agency, Inc. (Ohio corporation)	Liberty Northwest Insurance Corporation
Capitol Agency, Inc. (Tennessee corporation)	Liberty Personal Insurance Company
Cascade Disability Management, Inc.	Liberty RE (Bermuda) Limited
Colorado Casualty Insurance Company	Liberty Real Estate Corporation
Companies Agency Insurance Services of California	Liberty Sponsored Insurance (Vermont) Inc.
Companies Agency of Alabama, Inc.	Liberty Surplus Insurance Corporation
Companies Agency of Georgia, Inc.	Liberty-USA Corporation
Companies Agency of Kentucky, Inc.	LIH-Re of America Corporation
Companies Agency of Massachusetts, Inc.	LIH U.S. P&C Corporation
Companies Agency of Michigan, Inc.	LIIA Insurance Agency, Inc.
Companies Agency of New York, Inc.	LIU Specialty Insurance Agency, Inc.
Companies Agency of Pennsylvania, Inc.	LLS Insurance Agency of Nevada, Inc.
Companies Agency of Phoenix, Inc.	LM Insurance Corporation
Consolidated Insurance Company	LMHC Massachusetts Holding, Inc.
Copley Venture Capital, Inc.	LRE Properties, Inc.
Countrywide Services Corporation	Mid-American Agency, Inc.
Diversified Settlements, Inc.	Mid-American Fire and Casualty Company
Employers Insurance Company of Wausau	Missouri Agency, Inc.
Excelsior Insurance Company	North Pacific Insurance Company
First State Agency, Inc.	Oregon Automobile Insurance Company
Florida State Agency, Inc.	Peerless Indemnity Insurance Company
Globe American Casualty Company	Peerless Insurance Company
Golden Eagle Insurance Corporation	LM Personal Insurance Company
Gulf States AIF, Inc.	LM General Insurance Company
Hawkeye-Security Insurance Company	LM Property and Casualty Insurance Company
Helmsman Insurance Agency of Illinois, Inc.	San Diego Insurance Company
Helmsman Insurance Agency of Texas, Inc.	State Agency, Inc. (Indiana corporation)
Heritage-Summit Healthcare of Florida, Inc.	State Agency, Inc. (Wisconsin corporation)
Indiana Insurance Company	St. James Insurance Company
LEXCO Limited	Summit Consulting, Inc.
Liberty Assignment Corporation	Summit Consulting, Inc. of Louisiana
Liberty Energy Corporation	Summit Holding Southeast, Inc.
Liberty Financial Services, Inc.	The First Liberty Insurance Corporation
Liberty Hospitality Group, Inc.	The Midwestern Indemnity Company
Liberty Insurance Company of America	The National Corporation
Liberty Insurance Corporation	The Netherlands Insurance Company
Liberty Insurance Holdings, Inc.	Wausau Business Insurance Company
Liberty Insurance Underwriters, Inc.	Wausau General Insurance Company
Liberty International Asia Pacific Holdings, Inc.	Wausau Service Corporation
Liberty International Holdings, Inc.	Wausau Signature Agency, Inc.
Liberty Life Assurance Company of Boston	Wausau Underwriters Insurance Company

The method of federal income tax allocation is subject to a written agreement. Allocation is based upon separate return calculation with credit applied for losses as appropriate.

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

- A. The Company is directly owned 90% by Liberty Mutual Insurance Company and 10% by Liberty Mutual Fire Insurance Company. Both companies are domiciled in the Commonwealth of Massachusetts.
- B. All of the non-insurance transactions which the Company had with its parent company involved less than 1/2 of 1% of the admitted assets of the reporting entity.
- C. In 2006 the Company did not receive any capital contributions from its Parent.
- D. As of December 31, 2006 the Company reported a \$ 2.5 million receivable from the parent company and affiliates. The terms of the settlement require that these amounts are settled within 30 days.
- E. The Company has no guarantees or undertakings, written or otherwise, for the benefit of an affiliate or related party that result in a material contingent exposure of the reporting entity's or any related party's assets or liabilities.

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**NOTES TO FINANCIAL STATEMENTS**


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- F. There is a service agreement between the Company and Liberty Mutual Insurance Group under which the latter provides the former with services of personnel, equipment, telephone, wire service, computers and similar machines to the extent necessary and appropriate. The Company reimburses the parent for the cost of all services provided under this agreement and for any other services that shall be supplied at the request of the Company.
- G. All outstanding shares of the Company are owned by the Liberty Mutual Insurance Company (90%) and the Liberty Mutual Fire Insurance Company (10%) both domiciled in the Commonwealth of Massachusetts.
- H. The Company does not own any shares of an upstream intermediate or ultimate parent, either directly or indirectly.
- I. The Company has no investments in subsidiaries, controlled or affiliated entities which exceed 10% of the admitted assets of the Company.
- J. The Company did not recognize any impairment write down for its investments in subsidiary, controlled or affiliated companies during the statement period.

**11. Debt**

- A. As of December 31, 2006 the Company had no outstanding capital notes or other debt obligations not already addressed in other notes as described in Statement of Statutory Accounting Principles number 15.
- B. The Company has no outstanding reverse repurchase agreements as of December 31, 2006.

**12. Deferred Compensation and Retirement Plans**

- A-E. The Company does not have any direct employees and therefore, does not have any direct obligations for a defined benefit plan, deferred compensation arrangements, compensated absences or other post retirement benefit plans. Services for the operation of the Company are provided under provision of an intercompany cost-sharing arrangement as described in note 10(f).

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

- A. The Company has 8,000 shares authorized, 8,000 shares issued and outstanding. All shares are Class A shares.
- B. The Company has no preferred stock outstanding.
- C. Without prior approval of its domiciliary commissioner, dividends to shareholders are limited by the laws of the state of Massachusetts.
- D. According to a resolution voted by the Board of Directors, not more than the larger of 10% of the statutory profits on participating business or 50 cents per \$ 1,000 of participating business in force may accrue to the shareholders' surplus account.
- E. Restricted surplus for Participating shareholders is \$ (36,541,289).
- F. There are no advances to surplus held by the Company.
- G. The Company holds no stock for special purposes.
- H. There were no changes in the amount of special surplus funds held in 2006.
- I. The portion of unassigned surplus represented or reduced by each item below is as follows:

1. unrealized gains and losses	\$ (15,958,416)
2. non admitted asset values	\$ 76,586,006
3. separate account business	\$ 750,000
4. asset valuation reserves	\$ 55,869,577
5. reinsurance in unauthorized companies	\$ 0

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**NOTES TO FINANCIAL STATEMENTS**


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J. As of December 31, 2006 the Company has not issued any surplus debentures.

K. The Company has not undertaken any quasi-reorganizations in 2006.

14. Contingencies

A. The Company is not aware of any material contingent liabilities as of December 31, 2006.

B. The Company is not aware of any impending assessments which may have a material financial impact on its financial position.

C. The Company is not aware of any material gain contingencies per SSAP No. 5.

D. In the normal course of its business operations, The Company is involved in litigation from time to time with claimants, beneficiaries and others, and several lawsuits were pending on December 31, 2006. In the opinion of the Company, the ultimate liability, if any, would not have a material adverse financial effect upon the Company.

15. Leases

A. The Company does not have any lease obligations.

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

A. The Company owns no Financial Instruments with Off-Balance Sheet Risk or Financial Instruments with Concentrations of Credit Risk.

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

A. The Company did not have any transfers of receivables reported as sales during the year.

B. The Company did not have any transfers and servicing of financial asset changes during the year.

C. The Company did not have any wash sales in 2006.

18. Gain or (Loss) to the Reporting Entity from Uninsured A&H Plans and the Uninsured Portion of Partially Insured Plans

	Uninsured Plans	Uninsured Portion Partially Insured Plans	Total
Net reimbursement or administrative expenses over (under) actual expenses	\$(2.6)mil	\$0	\$(2.6)mil
Other income or (expense)	\$0	\$0	\$0
Net gain or loss from operations	\$(2.6)mil	\$0	\$(2.6)mil
Claim Payment Volume	\$91.1mil	\$0	\$91.1mil

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

A. The Company does not have any direct premium written by managing general agents/third party administrators.

20. September 11 Events

A. The events of September 11, 2001 did not materially impact the 2006 financial statements of the Company.

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**NOTES TO FINANCIAL STATEMENTS**

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## 21. Other Items

- A. The Company has no reporting requirements referred to in Statement of Statutory Accounting Principles number 24 "Discontinued Operations and Extraordinary Items".
- B. The Company has no reporting requirements referred to in Statement of Statutory Accounting Principles number 36 "Trouble Debt Restructuring".
- C. At this time the Company is not aware of any other disclosures which have a material financial impact.
- D. The Company routinely assesses the collectibility of receivables on its balance sheet and based on Company experience, less than 1% of the balance may become uncollectible and the potential loss is not material to the Company's financial condition.
- E. Not applicable
- F. Not applicable

## 22. Events Subsequent

- A. The Company is not aware of any events occurring subsequent to the close of the books for this statement which may have a material effect on its financial condition.

## 23. Reinsurance

## A. Ceded Reinsurance Report

## Section 1 - General Interrogatories

- 1. Are any of the reinsurers, listed in schedule S as non affiliated, owned in excess of 10% or controlled, either directly or indirectly, by the company or by any representative, officer, trustee, or director of the Company? Yes ( ) No (X) If yes, give full details.
- 2. Have any policies issued by the Company been reinsured with a company chartered in a country other than the United States (excluding U.S. Branches of such companies) 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) If yes, give full details.

## Section 2 - Ceded Reinsurance Report - Part A

- 1. Does the Company have any reinsurance agreements in effect under which the reinsurer may unilaterally cancel any reinsurance for reasons other than for nonpayment of premium or other similar credits? Yes ( ) No (X)
- 2. Does the 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 from other reinsurance agreements with the same reinsurer, exceed the total direct premium collected under the reinsured policies? Yes ( ) No (X) If yes, give full details.

## Section 3 - Ceded Reinsurance Report - Part B

- 1. What is the estimated amount of the aggregate reduction in surplus, for agreements not reflected in Section 2 above, of termination of all reinsurance agreements, by either party, as of the date of this statement? Where necessary, the Company may consider the current or anticipated experience of the business reinsured in making this estimate. \$ 0.
- 2. Have any new agreements been executed or existing agreements amended, since January 1 of the year of this statement, to include policies or contracts which were in-force or which had existing reserves established by the Company as of the effective date of the agreement? Yes ( ) No (X) If yes, what is the amount of reinsurance credits, whether as asset or a reduction of liability, taken for such agreements or amendments.

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## NOTES TO FINANCIAL STATEMENTS

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B. Uncollectible Reinsurance

1. The Company had no uncollectible reinsurance balances written off through income and expenses in the current year.

C. Commutation of Ceded Reinsurance

1. The Company had no Reinsurance Treaty Commutations in 2006.

24. Retrospectively Rated Contracts & Contracts Subject to Redetermination

- A. The Company estimates accrued retrospective premium adjustments for its Group Life and Group Disability contracts. The estimate for each case is derived from actual policy year-to-date premiums and paid claims, along with estimates for unpaid claims reserves and expenses.
- B. Accrued retrospective premiums are recorded through earned premium.
- C. Annual Premiums Subject to Retrospective Ratings in 2006 were \$ 96.9 million. This represented approximately 24% of total written premium for group policies. The Company has a reinsurance agreement in place for the policies with our Parent company.

25. Change in Incurred Losses and Loss Adjustment Expenses

- A. Reserves are calculated on a tabular basis. There are no material changes in the provision of incurred loss and loss adjustment expenses as a result of additional information becoming available on an individual claim from prior year insured events.

26. Intercompany Pooling Arrangements

- A. Liberty Life Assurance Company of Boston is not a part of any intercompany pooling arrangements.

27. Structured Settlements

- A. The Company did not purchase any structured settlements in 2006.

28. Health Care Receivables

- A. The Company has no Health Care Receivables in accordance with SSAP No. 84.

29. Participating Policies

- A. For the year ending December 31, 2006 premiums collected under participating Policies were \$ 56.1 million, or 4.6% of total premium collected by our Company. The Company holds a liability for any dividends that will be declared at the end of the current policy year for all of our participating policies. We also hold a liability for all unpaid but declared dividends. The Company paid dividends of \$ 11.4 million in 2006 and did not allocate any additional income to such policyholders.

30. Premium Deficiency Reserves

- A. The Company has no premium deficiency reserves for its accident and health business.

31. Reserves for Life Contracts and Deposit-Type Contracts

- A. The Company waives deductions of deferred fractional premiums upon death of the Insured on all policies and returns any portion of the final premium beyond the date of death for all policies issued on the Extra Value Life form, and for all policies issued in Massachusetts since July 1, 1976, and for all policies issued since February 1, 1981. The Company holds a net level premium reserve on mortality and interest bases consistent with the basic policy. Surrender values are not promised in excess of the legally computed reserves.
- B. Additional premiums are charged for policies issued on Sub-standard lives according to underwriting classification. Mean reserves are determined by computing the regular mean reserve for the plan at the issue age and duration and holding an additional one-half of the extra premium for the year.

## NOTES TO FINANCIAL STATEMENTS

- C. As of December 31, 2006 the Company had \$ 3,585,656,751 of insurance in force for for which gross premiums are less than the net premiums according to the standard of valuation set by the Commonwealth of Massachusetts.
- D. The Tabular Interest (Page 7, Part A, Line 4), Tabular less Actuarial Reserves Released (Page 7, Part A, Line 5) and Tabular Cost (Page 7, Part A, Line 9) have been determined by the formula as described for these lines in the instructions for Page 7.
- E. The Tabular Interest (Page 7, Part B, Line 3) has been determined by the formula as described for these lines in the instructions for Page 7.
- F. There were no other reserve changes for 2006.

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

1. Subject to discretionary withdrawal:	Amount	% of Total
1.1 - With Market Value Adjustment	0	
1.2 - at Book Value less Surrender Chg	\$ 69,152,203	1%
1.3 - at Market Value	<u>2,796,302,431</u>	<u>43%</u>
1.4 - Total with adjustment or at Mkt Value	2,865,454,634	44%
1.5 - at Book Value with adjustment	50,120,606	1%
2. Not Subject to Discretionary Withdrawal	<u>3,612,923,820</u>	<u>55%</u>
3. Total (gross)	6,528,499,060	100%
4. Reinsurance Ceded	<u>35,429,823</u>	
5. Total Net (3-4)	<u>\$ 6,493,069,237</u>	

Reconciliation of total annuity actuarial reserves, deposit liabilities and other liabilities

Life and Accident and Health Annual Statement:

6. Exhibit 5, Section B, Net	\$ 2,561,342,133
7. Exhibit 5, Section C, Net	1,863,757
8. Exhibit 7, Column 1, Line 14	<u>899,051,306</u>
9. Subtotal	\$ 3,462,257,196

Separate Account Annual Statement

10. Exhibit 6, Line 0299999, Column 2	0
11. Exhibit 6, Line 0399999, Column 2	0
12. Page 3, Lines 1 + 2	\$ <u>3,030,812,041</u>
13. Subtotal	\$ 3,030,812,041
14. Total	\$ <u>6,493,069,237</u>

### 33. Premium and Annuity Considerations Deferred and Uncollected

- A. Deferred and uncollected life insurance premiums and annuity considerations as of December 31, 2006 were as follows:

	Gross	Net of Loading
Ordinary New Business	\$ 5,244,339	\$ 3,052,230
Ordinary Renewal Business	33,098,020	29,919,413
Individual Annuity	144	120
Group Life	2,893,974	2,749,673
Group Annuity	<u>0</u>	<u>0</u>
Total	\$ <u>41,236,477</u>	\$ <u>35,721,436</u>

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**NOTES TO FINANCIAL STATEMENTS**


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## 34. Separate Accounts

- A. Separate Accounts assets and liabilities represent designated funds held and invested by the Company for the benefit of contractholders. Separate Accounts invested assets are carried at market value. Investment income and changes in asset values do not affect the operating results of the Company. Separate Accounts business is maintained independently from the general account of the Company. The Company provides administrative services for these contracts. All Separate Accounts of the Company are nonguaranteed.

	<u>Nonguaranteed Separate Accounts</u>
1. Premiums, considerations or deposits for year	\$ 281,515,222
2. Market Value invested assets at 12/31/2006	3,030,673,854
3. Assets Categorized by Withdrawal Characteristics:	
a. Subject to Discretionary Withdrawal	0
b. With Market Value adjust	0
c. At book value without MV adjustment and with current surrender charge 5% or more	0
d. At Market Value	2,796,705,626
e. At book value without MV adjustment and with current surrender charge less than 5%	0
f. Subtotal	\$ 2,796,705,626
g. Not subject to discretionary withdrawal	233,968,228
h. Total withdrawal	<u>0</u>
Total Market Value	<u>\$ 3,030,673,854</u>

## B. Reconciliation of Net Transfers to (from) Separate Accounts

1. Transfers as reported in the Separate Accounts Statement;	
a. Transfers to Separate Accounts (Page 4 Line 1.4)	\$ 4,758,378
b. Transfers from Separate Accounts (Page 4, Line 10)	<u>12,582,324</u>
c. Net transfers	( 7,823,946)
2. Reconciling Adjustments:	
a. Net transfer of reserves from (to) Separate Accounts	470,930
b. Other transfers to Separate Accounts	( 531,510)
3. Transfers as reported in the Summary of Operations of the Life, Accident & Health Annual Statement	\$ <u>( 7,884,526)</u>

## 35. Loss/Claim Adjustment Expenses

- A. The balance in the liability for unpaid accident and health claim adjustment expenses as of 2006 and 2005 was \$ 17.9 million and \$ 16.5 million, respectively.
- B. The Company incurred \$ 8.8 million and paid \$ 7.5 million of claim adjustment expenses in the current year, of which \$ 4.8 million of the paid amount is attributable to insured or covered events of prior years.
- C. The Company does not have any anticipated salvage or subrogation in its loss adjustment expense reserves.

**NOTES TO FINANCIAL STATEMENTS**

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## SUMMARY INVESTMENT SCHEDULE

Investment Categories	Gross Investment Holdings		Admitted Assets as Reported in the Annual Statement	
	1 Amount	2 Percentage	3 Amount	4 Percentage
1. Bonds:				
1.1 U.S. treasury securities	189,637,245	2.617	189,637,245	2.617
1.2 U.S. government agency obligations (excluding mortgage-backed securities):				
1.21 Issued by U.S. government agencies	66,332,164	0.915	66,332,164	0.915
1.22 Issued by U.S. government sponsored agencies	241,827,825	3.338	241,827,825	3.338
1.3 Foreign government (including Canada, excluding mortgage-backed securities)	21,568,281	0.298	21,568,281	0.298
1.4 Securities issued by states, territories, and possessions and political subdivisions in the U.S.:				
1.41 States, territories and possessions general obligations	6,075,722	0.084	6,075,722	0.084
1.42 Political subdivisions of states, territories and possessions and political subdivisions general obligations	5,000,000	0.069	5,000,000	0.069
1.43 Revenue and assessment obligations	83,685,286	1.155	83,685,286	1.155
1.44 Industrial development and similar obligations				
1.5 Mortgage-backed securities (includes residential and commercial MBS):				
1.51 Pass-through securities:				
1.511 Issued or guaranteed by GNMA	19,256,280	0.266	19,256,280	0.266
1.512 Issued or guaranteed by FNMA and FHLMC	130,954,230	1.807	130,954,230	1.807
1.513 All other				
1.52 CMOs and REMICs:				
1.521 Issued or guaranteed by GNMA, FNMA, FHLMC or VA	1,083,323,323	14.952	1,083,323,323	14.952
1.522 Issued by non-U.S. Government issuers and collateralized by mortgage-backed securities issued or guaranteed by agencies shown in Line 1.521	64,600,562	0.892	64,600,562	0.892
1.523 All other	651,726,044	8.995	651,726,044	8.995
2. Other debt and other fixed income securities (excluding short term):				
2.1 Unaffiliated domestic securities (includes credit tenant loans rated by the SVO)	3,485,960,798	48.112	3,485,960,798	48.112
2.2 Unaffiliated foreign securities	457,169,810	6.310	457,169,810	6.310
2.3 Affiliated securities				
3. Equity interests:				
3.1 Investments in mutual funds				
3.2 Preferred stocks:				
3.21 Affiliated				
3.22 Unaffiliated	1,000,003	0.014	1,000,003	0.014
3.3 Publicly traded equity securities (excluding preferred stocks):				
3.31 Affiliated				
3.32 Unaffiliated	121,475	0.002	121,475	0.002
3.4 Other equity securities:				
3.41 Affiliated	351,170	0.005	351,170	0.005
3.42 Unaffiliated				
3.5 Other equity interests including tangible personal property under lease:				
3.51 Affiliated				
3.52 Unaffiliated				
4. Mortgage loans:				
4.1 Construction and land development				
4.2 Agricultural				
4.3 Single family residential properties				
4.4 Multifamily residential properties				
4.5 Commercial loans	65,637,455	0.906	65,637,455	0.906
4.6 Mezzanine real estate loans				
5. Real estate investments:				
5.1 Property occupied by company				
5.2 Property held for production of income (including \$ 0 of property acquired in satisfaction of debt)				
5.3 Property held for sale (including \$ 0 property acquired in satisfaction of debt)				
6. Contract loans	85,306,952	1.177	85,306,952	1.177
7. Receivables for securities	1,724,137	0.024	1,724,137	0.024
8. Cash, cash equivalents and short-term investments	364,059,601	5.025	364,059,601	5.025
9. Other invested assets	220,217,052	3.039	220,217,052	3.039
10. Total invested assets	7,245,535,415	100.000	7,245,535,415	100.000

## GENERAL INTERROGATORIES

### PART 1 - COMMON INTERROGATORIES

#### GENERAL

- 1.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer? Yes [ X ] No [ ]
- 1.2 If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations? Yes [ X ] No [ ] N/A [ ]
- 1.3 State Regulating? Massachusetts
- 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: 12/31/2004
- 3.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/2004
- 3.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. 12/31/2004
- 3.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). 06/09/2006
- 3.4 By what department or departments? Massachusetts
- 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 [ X ] No [ ]
- 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<br>Name of Entity | 2<br>NAIC Company Code | 3<br>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 %
- 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<br>Nationality | 2<br>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.

## GENERAL INTERROGATORIES

### PART 1 - COMMON INTERROGATORIES

- 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 locations (city and state of the main office) of any affiliates regulated by a federal financial regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Office of Thrift Supervision (OTS), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.

1 Affiliate Name	2 Location (City, State)	3 FRB	4 OCC	5 OTS	6 FDIC	7 SEC

9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?  
 Ernst & Young LLP  
 200 Clarendon Street, Boston, MA 02116
10. 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? Mary Madden  
 100 Liberty Way, Dover, NH 03820  
 Employee
- 11.1 Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly? Yes [ ] No [X]  
     11.11 Name of real estate holding company \_\_\_\_\_  
     11.12 Number of parcels involved \_\_\_\_\_  
     11.13 Total book/adjusted carrying value \$ \_\_\_\_\_
- 11.2 If yes, provide explanation \_\_\_\_\_
12. FOR UNITED STATES BRANCHES OF ALIEN REPORTING ENTITIES ONLY:
- 12.1 What changes have been made during the year in the United States manager or the United States trustees of the reporting entity?  
 \_\_\_\_\_
- 12.2 Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located? Yes [ ] No [X]  
 12.3 Have there been any changes made to any of the trust indentures during the year? Yes [ ] No [X]  
 12.4 If answer to (12.3) is yes, has the domiciliary or entry state approved the changes? Yes [ ] No [ ] N/A [X]

### BOARD OF DIRECTORS

13. 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 [ ]  
 14. 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 [ ]  
 15. 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

- 16.1 Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):  
     16.11 To directors or other officers \$ \_\_\_\_\_  
     16.12 To stockholders not officers \$ \_\_\_\_\_  
     16.13 Trustees, supreme or grand (Fraternal only) \$ \_\_\_\_\_
- 16.2 Total amount of loans outstanding at the end of year (inclusive of Separate Accounts, exclusive of policy loans):  
     16.21 To directors or other officers \$ \_\_\_\_\_  
     16.22 To stockholders not officers \$ \_\_\_\_\_  
     16.23 Trustees, supreme or grand (Fraternal only) \$ \_\_\_\_\_
- 17.1 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]  
 17.2 If yes, state the amount thereof at December 31 of the current year:  
     17.21 Rented from others \$ \_\_\_\_\_  
     17.22 Borrowed from others \$ \_\_\_\_\_  
     17.23 Leased from others \$ \_\_\_\_\_  
     17.24 Other \$ \_\_\_\_\_
- 18.1 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]  
 18.2 If answer is yes:  
     18.21 Amount paid as losses or risk adjustment \$ \_\_\_\_\_  
     18.22 Amount paid as expenses \$ \_\_\_\_\_  
     18.23 Other amounts paid \$ \_\_\_\_\_
- 19.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? Yes [X] No [ ]

## GENERAL INTERROGATORIES

### PART 1 - COMMON INTERROGATORIES

19.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: \$ 2,375,138

#### INVESTMENT

20.1 Were all the stocks, bonds and other securities owned December 31 of current year, over which the reporting entity has exclusive control, in the actual possession of the reporting entity on said date, except as shown by Schedule E - Part 3 - Special Deposits? Yes  No

20.2 If no, give full and complete information, relating thereto  
 .....  
 .....

21.1 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, except as shown on Schedule E - Part 3 - Special Deposits, 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 17.1). Yes  No

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

21.21 Loaned to others		\$ <u>167,658,800</u>
21.22 Subject to repurchase agreements		\$ _____
21.23 Subject to reverse repurchase agreements		\$ _____
21.24 Subject to dollar repurchase agreements		\$ _____
21.25 Subject to reverse dollar repurchase agreements		\$ _____
21.26 Pledged as collateral		\$ _____
21.27 Placed under option agreements		\$ _____
21.28 Letter stock or securities restricted as to sale		\$ _____
21.29 Other		\$ _____

21.3 For category (21.28) provide the following:

1 Nature of Restriction	2 Description	3 Amount

22.1 Does the reporting entity have any hedging transactions reported on Schedule DB? Yes  No

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

23.1 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

23.2 If yes, state the amount thereof at December 31 of the current year. \$ \_\_\_\_\_

24. Excluding items in Schedule E, 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 Part 1-General, Section IV.H-Custodial or Safekeeping agreements of the NAIC Financial Condition Examiners Handbook? Yes  No

24.01 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
JP MORGAN CHASE	3 Metro Tech Center, Brooklyn, NY 11245
ROYAL TRUST/RBC	77 King Street West, Toronto, ONT 1PQ

24.02 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)

24.03 Have there been any changes, including name changes, in the custodian(s) identified in 24.01 during the current year? Yes  No

24.04 If yes, give full and complete information relating thereto:

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

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

1 Central Registration Depository Number(s)	2 Name	3 Address
	Stancorp Mortgage Investors	1100 SW Sixth Avenue Portland, OR 97204

**GENERAL INTERROGATORIES**

**PART 1 - COMMON INTERROGATORIES**

25.1 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 ]

25.2 If yes, complete the following schedule:

1 CUSIP#	2 Name of Mutual Fund	3 Book/Adjusted Carrying Value
25.2999	Total	

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

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

26. 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 (+)
26.1 Bonds	6,715,950,441	6,956,644,642	240,694,201
26.2 Preferred stocks	1,000,003	1,026,000	25,997
26.3 Totals	6,716,950,444	6,957,670,642	240,720,198

26.4 Describe the sources or methods utilized in determining the fair values: SVO, FTID Corp, Bloomberg Broker Quotes, and Analytically Determined.

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

27.2 If no, list exceptions:

**OTHER**

28.1 Amount of payments to trade associations, service organizations and statistical or rating bureaus, if any? \$ 574,979

28.2 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
	\$
	\$
	\$

29.1 Amount of payments for legal expenses, if any? \$ 279,415

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

1 Name	2 Amount Paid
Drinker, Biddle & Reath LLP	\$ 140,699
	\$
	\$

30.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers or departments of government, if any? \$ 1,566,210

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

1 Name	2 Amount Paid
Stonehouse and Silva	\$ 700,000
Ropers, Majeski, Cohn & Bentley	\$ 465,107
	\$
	\$

## GENERAL INTERROGATORIES

### PART 2 - LIFE INTERROGATORIES

1.1 Does the reporting entity have any direct Medicare Supplement Insurance in force?		YES [ ] NO [X]
1.2 If yes, indicate premium earned on U.S. business only.		\$ _____
1.3 What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit?		\$ _____
1.31 Reason for excluding: _____		
1.4 Indicate amount of earned premium attributable to Canadian and/or Other Alien not included in Item (1.2) above.		\$ _____
1.5 Indicate total incurred claims on all Medicare Supplement insurance.		\$ _____
1.6 Individual policies:		
Most current three years:		
1.61 Total premium earned		\$ _____
1.62 Total incurred claims		\$ _____
1.63 Number of covered lives		\$ _____
All years prior to most current three years:		
1.64 Total premium earned		\$ _____
1.65 Total incurred claims		\$ _____
1.66 Number of covered lives		\$ _____
1.7 Group policies:		
Most current three years:		
1.71 Total premium earned		\$ _____
1.72 Total incurred claims		\$ _____
1.73 Number of covered lives		\$ _____
All years prior to most current three years:		
1.74 Total premium earned		\$ _____
1.75 Total incurred claims		\$ _____
1.76 Number of covered lives		\$ _____
2. Health Test:		
	1	2
	Current Year	Prior Year
2.1 Premium Numerator	\$ _____	\$ _____
2.2 Premium Denominator	\$ _____	\$ _____
2.3 Premium Ratio (2.1/2.2)		
2.4 Reserve Numerator	\$ _____	\$ _____
2.5 Reserve Denominator	\$ _____	\$ _____
2.6 Reserve Ratio (2.4/2.5)		
3.1 Does this reporting entity have Separate Accounts?		YES [X] NO [ ]
3.2 If yes, has a Separate Accounts statement been filed with this Department?		YES [X] NO [ ] N/A [ ]
3.3 What portion of capital and surplus funds of the reporting entity covered by assets in the Separate Accounts statement, is not currently distributable from the Separate Accounts to the general account for use by the general account?		\$ _____
3.4 State the authority under which Separate Accounts are maintained: <u>Massachusetts General Law and Resolution by the Board of Directors</u>		
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)?"		\$ _____
4.1 Are personnel or facilities of this reporting entity used by another entity or entities or are personnel or facilities of another entity or entities used by this reporting entity (except for activities such as administration of jointly underwritten group contracts and joint mortality or morbidity studies)?		YES [X] NO [ ]
4.2 Net reimbursement of such expenses between reporting entities:		
4.21 Paid		\$ 338,558,912
4.22 Received		\$ _____
5.1 Does the reporting entity write any guaranteed interest contracts?		YES [ ] NO [X]
5.2 If yes, what amount pertaining to these items is included in:		
5.21 Page 3, Line 1		\$ _____
5.22 Page 4, Line 1		\$ _____
6. For stock reporting entities only:		
6.1 Total amount paid in by stockholders as surplus funds since organization of the reporting entity:		\$ 416,500,000
7. Total dividends paid stockholders since organization of the reporting entity:		
7.11 Cash		\$ 8,900,000
7.12 Stock		\$ _____

**GENERAL INTERROGATORIES**  
(Continued)  
**PART 2 - LIFE INTERROGATORIES**

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 [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:

	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? \$ \_\_\_\_\_

9.1 Does the company have variable annuities with guaranteed benefits? YES [X] NO [ ]

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

Type		3 Waiting Period Remaining	4 Account Value Related to Col. 3	5 Total Related Account Values	6 Gross Amount of Reserve	7 Location of Reserve	8 Portion Reinsured	9 Reinsurance Reserve Credit
1 Guaranteed Death Benefit	2 Guaranteed Living Benefit							
Greater of Prem a	None	N/A	N/A	8,665,432	17,367	Exhibit 5B		
Greater of Prem a	None	N/A	N/A	18,261,857	111,548	Exhibit 5B		

## 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 2006	2 2005	3 2004	4 2003	5 2002
<u>Life Insurance in Force</u> (Exhibit of Life Insurance)					
1. Ordinary-whole life and endowment (Line 34, Col. 4)	8,006,618	7,608,843	7,153,544	6,723,703	6,432,990
2. Ordinary-term (Line 21, Col. 4, less Line 34, Col. 4)	19,546,933	17,098,242	15,070,642	13,021,730	11,287,256
3. Credit life (Line 21, Col. 6)					
4. Group, excluding FEGLI/SGLI (Line 21, Col. 9 less Lines 43 & 44, Col. 4)	40,721,754	37,081,193	34,415,081	29,141,785	45,564,122
5. Industrial (Line 21, Col. 2)					
6. FEGLI/SGLI (Lines 43 & 44, Col. 4)					
7. Total (Line 21, Col. 10)	68,275,305	61,788,278	56,639,267	48,887,218	63,284,368
<u>New Business Issued</u> (Exhibit of Life Insurance)					
8. Ordinary-whole life and endowment (Line 34, Col. 2)	747,724	788,732	699,038	611,873	551,793
9. Ordinary-term (Line 2, Col. 4, less Line 34, Col. 2)	3,756,261	3,661,745	3,230,509	2,987,791	2,825,280
10. Credit life (Line 2, Col. 6)					
11. Group (Line 2, Col. 9)	5,360,254	2,487,089	7,769,388	4,085,599	9,506,579
12. Industrial (Line 2, Col. 2)					
13. Total (Line 2, Col. 10)	9,864,239	6,937,566	11,698,935	7,685,263	12,883,652
<u>Premium Income-Lines of Business</u> (Exhibit 1 - Part 1)					
14. Industrial life (Line 20.4, Col. 2)					
15.1 Ordinary life insurance (Line 20.4, Col. 3)	216,633,716	227,162,273	211,905,659	162,115,303	143,636,105
15.2 Ordinary individual annuities (Line 20.4, Col. 4)	596,325,254	202,803,271	110,976,725	161,701,453	234,453,983
16. Credit life, (group and individual) (Line 20.4, Col. 5)					
17.1 Group life insurance (Line 20.4, Col. 6)	109,804,088	109,191,689	117,464,540	181,111,017	77,531,843
17.2 Group annuities (Line 20.4, Col. 7)	2,400	30,250	10,500	273,551	
18.1 A & H-group (Line 20.4, Col. 8)	312,641,652	266,749,544	26,943	(11,966,998)	13,203,315
18.2 A & H-credit (group and individual) (Line 20.4, Col. 9)					
18.3 A & H-other (Line 20.4, Col. 10)	161,974	(525,753)	(483,038)	(301,951)	174,892
19. Aggregate of all other lines of business (Line 20.4, Col. 11)					
20. Total	1,235,569,084	805,411,274	439,901,329	492,932,375	469,000,138
<u>Balance Sheet (Pages 2 and 3)</u>					
21. Total admitted assets excluding Separate Accounts business (Page 2, Line 24, Col. 3)	7,408,444,756	6,456,053,755	5,865,440,254	5,251,750,769	4,838,543,586
22. Total liabilities excluding Separate Accounts business (Page 3, Line 26)	6,959,122,098	6,024,369,193	5,562,820,827	5,106,704,658	4,713,698,119
23. Aggregate life reserves (Page 3, Line 1)	4,814,318,652	4,030,776,843	3,638,995,234	3,342,782,570	2,622,375,697
24. Aggregate A & H reserves (Page 3, Line 2)	824,533,249	765,799,835	722,672,776	1,340,216	14,040,769
25. Deposit-type contract funds (Page 3, Line 3)	899,051,305	880,847,099	878,131,625	872,423,541	851,815,779
26. Asset valuation reserve (Page 3, Line 24.1)	55,869,577	52,181,597	40,918,585	28,563,666	20,111,866
27. Capital (Page 3, Lines 29 & 30)	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000
28. Surplus (Page 3, Line 37)	446,822,658	429,184,562	300,119,427	142,546,111	122,345,467
<u>Risk-Based Capital Analysis</u>					
29. Total adjusted capital	510,992,660	489,439,685	349,230,402	179,622,695	151,791,694
30. Authorized control level risk-based capital	76,500,222	69,444,202	55,904,694	44,879,693	34,764,374
<u>Percentage Distribution of Cash, Cash Equivalents and Invested Assets</u> (Page 2, Col. 3)(Line No./Page 2, Line 10, Col. 3) x 100.0					
31. Bonds (Line 1)	89.8	89.1	89.5	93.0	92.0
32. Stocks (Lines 2.1 and 2.2)					0.2
33. Mortgage loans on real estate (Lines 3.1 and 3.2)	0.9				
34. Real estate (Lines 4.1, 4.2 and 4.3)					
35. Cash, cash equivalents and short-term investments (Line 5)	5.0	6.0	5.8	3.0	5.0
36. Premium notes	X X X	X X X	X X X	X X X	
37. Contract loans (Line 6)	1.2	1.3	1.4	1.0	
38. Other invested assets (Line 7)	3.1	3.6	3.3	3.0	1.4
39. Receivables for securities (Line 8)					
40. Aggregate write-ins for invested assets (Line 9)					
41. Cash, cash equivalents and invested assets (Line 10)	100.0	100.0	100.0	100.0	100.0



## FIVE-YEAR HISTORICAL DATA

(Continued)

	1 2006	2 2005	3 2004	4 2003	5 2002
<u>Investments in Parent, Subsidiaries and Affiliates</u>					
42. Affiliated bonds (Sch. D Summary, Line 25, Col. 1)					
43. Affiliated preferred stocks (Sch. D Summary, Line 39, Col. 1)					
44. Affiliated common stocks (Sch. D Summary, Line 53, Col. 2)	351,169	437,330	641,579	765,807	1,049,588
45. Affiliated short-term investments (subtotal included in Schedule DA, Part 2, Col. 5, Line 11)					
46. Affiliated mortgage loans on real estate					
47. All other affiliated					
48. Total of above Lines 42 to 47	351,169	437,330	641,579	765,807	1,049,588
<u>Total Nonadmitted and Admitted Assets</u>					
49. Total nonadmitted assets (Page 2, Line 26, Col. 2)	76,586,006	75,881,898	65,455,036	63,645,908	67,539,146
50. Total admitted assets (Page 2, Line 26, Col. 3)	10,457,191,093	9,026,133,072	8,228,430,361	7,376,859,779	6,725,357,484
<u>Investment Data</u>					
51. Net investment income (Exhibit of Net Investment Income)	418,131,825	373,448,046	348,468,019	287,248,832	235,014,541
52. Realized capital gains (losses)	25,408,421	26,370,763	25,254,560	(179,410)	(25,559,924)
53. Unrealized capital gains (losses)	9,550,928	3,386,976	2,281,189	10,568,547	(5,612,154)
54. Total of above Lines 51, 52 and 53	453,091,174	403,205,785	376,003,768	297,637,969	203,842,463
<u>Benefits and Reserve Increase (Page 6)</u>					
55. Total contract benefits-life (Lines 10, 11, 12, 13, 14 and 15, Col. 1 minus Lines 10, 11, 12, 13, 14 and 15, Cols. 9, 10 and 11)	332,597,532	290,961,955	268,580,333	266,950,524	125,720,705
56. Total contract benefits-A & H (Lines 13 & 14, Cols. 9, 10 & 11)	226,687,038	207,068,027	11,686,148	699,917	4,241,994
57. Increase in life reserves-other than group and annuities (Line 19, Cols. 2 & 3)	171,186,293	193,557,173	178,358,135	134,625,873	103,532,966
58. Increase in A & H reserves (Line 19, Cols. 9, 10 & 11)	58,733,414	43,127,059	48,409,611	(14,002,125)	6,305,530
59. Dividends to policyholders (Line 30, Col. 1)	11,393,108	10,839,452	11,103,596	11,891,062	13,099,894
<u>Operating Percentages</u>					
60. Insurance expense percent (Page 6, Col. 1, Lines 21, 22 & 23 less Line 6)/ (Page 6, Col. 1, Line 1 plus Exhibit 7, Col. 2, Line 2) x 100.00	12.3	15.4	28.1	15.6	15.9
61. Lapse percent (ordinary only) [Exhibit of Life Insurance, Col. 4, Lines 14 & 15] / 1/2 (Exhibit of Life Insurance, Col. 4, Lines 1 & 21)] X 100	7.0	7.5	7.3	7.8	8.3
62. A & H loss percent (Schedule H, Part 1, Lines 5 & 6, Col. 2)	93.3	94.7	(157030.0)	96.3	48.2
63. A & H cost containment percent (Schedule H, Part 1, Line 4, Col. 2)	0.8	0.7	(401.2)	X X X	X X X
64. A & H expense percent excluding cost containment expenses (Schedule H, Part 1, Line 10, Col. 2)	18.1	17.9	(12199.9)	(27.7)	106.0
<u>A &amp; H Claim Reserve Adequacy</u>					
65. Incurred losses on prior years' claims-group health (Sch. H, Part 3, Line 3.1, Col. 2)	747,374,896	676,515,833	535,130,036	2,574,888	10,989,223
66. Prior years' claim liability and reserve-group health (Sch. H, Part 3, Line 3.2, Col. 2)	773,108,703	729,904,388		15,173,683	12,419,745
67. Incurred losses on prior years' claims-health other than group (Sch. H, Part 3, Line 3.1, Col. 1 less Col. 2)	313,983	271,169	307,779	391,572	291,468
68. Prior years' claim liability and reserve-health other than group (Sch. H, Part 3, Line 3.2, Col. 1 less Col. 2)	240,108	244,105	291,938	310,136	305,640
<u>Net Gains From Operations After Federal Income Taxes by Lines of Business (Page 6, Line 33)</u>					
69. Industrial life (Col. 2)					
70. Ordinary-life (Col. 3)	1,482,315	(819,644)	(7,066,722)	1,496,374	1,255,271
71. Ordinary-individual annuities (Col. 4)	(7,812,584)	8,155,369	11,515,850	4,304,109	2,303,932
72. Ordinary-supplementary contracts (Col. 5)	(49,907)	(44,110)	(42,695)	(84,445)	(93,980)
73. Credit life (Col. 6)					
74. Group life (Col. 7)	7,906,094	8,660,725	17,713,263	753,321	(3,414,668)
75. Group annuities (Col. 8)	3,705,631	4,697,067	887,441	2,244,637	1,985,055
76. A & H-group (Col. 9)	14,670,797	12,427,503	(46,010,068)	(1,762,312)	(5,960,543)
77. A & H-credit (Col. 10)					
78. A & H-other (Col. 11)	143,556	(538,834)	(478,746)	(524,665)	(413,067)
79. Aggregate of all other lines of business (Col. 12)					
80. Total (Col. 1)	20,045,902	32,538,076	(23,481,677)	6,427,019	(4,338,000)

**EXHIBIT OF LIFE INSURANCE**

	Industrial		Ordinary		Credit Life (Group and Individual)		Group		10 Total Amount of Insurance (a)	
	1 Number of Policies	2 Amount of Insurance (a)	3 Number of Policies	4 Amount of Insurance (a)	5 Number of Individual Policies and Group Certificates	6 Amount of Insurance (a)	Number of			9 Amount of Insurance (a)
							7 Policies	8 Certificates		
1. In force end of prior year			119,077	20,928,767			178	464,088	37,081,193	58,009,960
2. Issued during year			18,079	4,112,849			28	73,574	5,360,254	9,473,103
3. Reinsurance assumed										
4. Revived during year			239	54,211						54,211
5. Increased during year (net)			2,855	269,664					2,315,261	2,584,925
6. Subtotals, Lines 2 to 5			21,173	4,436,724			28	73,574	7,675,515	12,112,239
7. Additions by dividends during year	X X X		X X X		X X X		X X X	X X X		
8. Aggregate write-ins for increases										
9. Totals (Lines 1 and 6 to 8)			140,250	25,365,491			206	537,662	44,756,708	70,122,199
Deductions during year:										
10. Death			405	32,515			X X X	2,035	76,727	109,242
11. Maturity							X X X			
12. Disability							X X X			
13. Expiry			14	140						140
14. Surrender			3,904	575,442				430	21,484	596,926
15. Lapse			5,603	1,028,194			11	39,646	3,934,233	4,962,427
16. Conversion			1,908	133,431			X X X	X X X	X X X	133,431
17. Decreased (net)			3	(12,999)				15,767	2,510	(10,489)
18. Reinsurance										
19. Aggregate write-ins for decreases										
20. Totals (Lines 10 to 19)			11,837	1,756,723			11	57,878	4,034,954	5,791,677
21. In force end of year (Line 9 minus Line 20)			128,413	23,608,768			195	479,784	40,721,754	64,330,522
22. Reinsurance ceded end of year	X X X		X X X	13,894,615	X X X		X X X	X X X	2,896,596	16,791,211
23. Line 21 minus Line 22	X X X		X X X	9,714,153	X X X	(b)	X X X	X X X	37,825,158	47,539,311
<b>DETAILS OF WRITE-INS</b>										
0801.										
0802.										
0803.										
0898. Summary of remaining write-ins for Line 8 from overflow page										
0899. Totals (Lines 0801 through 0803 + 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 + 1998) (Line 19 above)										

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

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

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

	Industrial		Ordinary	
	1 Number of Policies	2 Amount of Insurance(a)	3 Number of Policies	4 Amount of Insurance(a)
24. Additions by dividends	X X X		X X X	
25. Other paid-up insurance			6,902	1,225,372
26. Debit ordinary insurance	X X X	X X X		

**ADDITIONAL INFORMATION ON ORDINARY INSURANCE**

Term Insurance Excluding Extended Term Insurance	Issued During Year (included in Line 2)		In Force End of Year (included in Line 21)	
	1 Number of Policies	2 Amount of Insurance(a)	3 Number of Policies	4 Amount of Insurance(a)
27. Term policies-decreasing	132	11,626	5,034	342,539
28. Term policies-other	13,752	3,675,253	78,622	17,553,769
29. Other term insurance-decreasing	X X X		X X X	31,016
30. Other term insurance	X X X	69,382	X X X	1,110,640
31. Totals, (Lines 27 to 30)	13,884	3,756,261	83,656	19,037,964
Reconciliation to Lines 2 and 21:				
32. Term additions	X X X		X X X	380,380
33. Totals, extended term insurance	X X X	X X X	3,257	46,979
34. Totals, whole life and endowment	4,195	356,588	41,500	4,143,444
35. Totals, Lines (31 to 34)	18,079	4,112,849	128,413	23,608,767

**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	4,112,849		23,608,767	
38. Credit Life (Group and Individual)				
39. Group	5,360,254		40,721,754	
40. Totals (Lines 36 to 39)	9,473,103		64,330,521	

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

	Credit Life		Group	
	1 Number of Individual Policies and Group Certificates	2 Amount of Insurance(a)	3 Number of Certificates	4 Amount of Insurance(a)
41. Amount of insurance included in Line 2 ceded to other companies	X X X		X X X	425,587
42. Number in force end of year if the number under shared groups is counted on a pro-rata basis		X X X		X X X
43. Federal Employees' Group Life Insurance included in Line 21				
44. Servicemen's Group Life Insurance included in Line 21				
45. Group Permanent Insurance included in Line 21				

**ADDITIONAL ACCIDENTAL DEATH BENEFITS**

46. Amount of additional accidental death benefits in force end of year under ordinary policies (a)	239,482
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**BASIS OF CALCULATION OF ORDINARY TERM INSURANCE**

47. State basis of calculation of (47.1) decreasing term insurance contained in Family Income, Mortgage Protection, etc., policies and riders and of (47.2) term insurance on wife and children under Family, Parent and Children, etc., policies and riders included above.
47.1 Current commuted value or scheduled amount, except mortgage protection on policies issued 1/31/81 and prior which is 1.1 times the scheduled amount.
47.2 Family Protection at \$5,000 per unit. Children's Protection at \$2,500 per unit.

**POLICIES WITH DISABILITY PROVISIONS**

Disability Provision	Industrial		Ordinary		Credit		Group	
	1 Number of Policies	2 Amount of Insurance (a)	3 Number of Policies	4 Amount of Insurance (a)	5 Number of Policies	6 Amount of Insurance (a)	7 Number of Certificates	8 Amount of Insurance (a)
48. Waiver of Premium			35,037	2,650,612			263,426	22,633,829
49. Disability Income								
50. Extended Benefits			X X X	X X X				
51. Other								
52. Total		(b)	35,037	(b) 2,650,612		(b)	263,426	(b) 22,633,829

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

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

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

**SUPPLEMENTARY CONTRACTS**

	Ordinary		Group	
	1 Involving Life Contingencies	2 Not Involving Life Contingencies	3 Involving Life Contingencies	4 Not Involving Life Contingencies
1. In force end of prior year	1,101	109	3	2
2. Issued during year		2		
3. Reinsurance assumed				
4. Increased during year (net)				
5. Totals (Lines 1 to 4)	1,101	111	3	2
Deductions during year:				
6. Decreased (net)	232	5		
7. Reinsurance ceded				
8. Totals (Lines 6 and 7)	232	5		
9. In force end of year	869	106	3	2
10. Amount on deposit	(a)	774,121	(a)	169,143
11. Income now payable	869	106	3	2
12. Amount of income payable	(a) 241,399	(a) 367,413	(a) 5,173	(a) 186,177

**ANNUITIES**

	Ordinary		Group	
	1 Immediate	2 Deferred	3 Contracts	4 Certificates
1. In force end of prior year	14,204	15,700	83	21,778
2. Issued during year	1,620	1,410		
3. Reinsurance assumed				
4. Increased during year (net)		1,144		
5. Totals (Lines 1 to 4)	15,824	18,254	83	21,778
Deductions during year:				
6. Decreased (net)	2,511	442	1	481
7. Reinsurance ceded				
8. Totals (Lines 6 and 7)	2,511	442	1	481
9. In force end of year	13,313	17,812	82	21,297
Income now payable:				
10. Amount of income payable	(a) 471,178,586	X X X	X X X	(a) 29,042,346
Deferred fully paid:				
11. Account balance	X X X	(a) 905,991,980	X X X	(a) 80,666,866
Deferred not fully paid:				
12. Account balance	X X X	(a) 74,976	X X X	(a)

**ACCIDENT AND HEALTH INSURANCE**

	Ordinary		Group		Credit	
	1 Policies	2 Premiums in Force	3 Policies	4 Premiums in Force	5 Policies	6 Premiums in Force
1. In force end of prior year	200	26,129	899	281,604,000		
2. Issued during year			109	55,138,000		
3. Reinsurance assumed						
4. Increased during year (net)		X X X		X X X		X X X
5. Totals (Lines 1 to 4)	200	X X X	1,008	X X X		X X X
Deductions during year:						
6. Conversions	X X X	X X X		X X X	X X X	X X X
7. Decreased (net)	22	X X X	81	X X X		X X X
8. Reinsurance ceded		X X X		X X X		X X X
9. Totals (Lines 6 to 8)	22	X X X	81	X X X		X X X
10. In force end of year	178 (a)	26,129	927 (a)	331,224,000		(a)

**DEPOSIT FUNDS AND DIVIDEND ACCUMULATIONS**

	1 Deposit Funds	2 Dividend Accumulations
	Contracts	Contracts
1. In force end of prior year	33,393	6,173
2. Issued during year	1,661	
3. Reinsurance assumed		
4. Increased during year (net)		
5. Totals (Lines 1 to 4)	35,054	6,173
Deductions during year:		
6. Decreased (net)	1	208
7. Reinsurance ceded		
8. Totals (Lines 6 and 7)	1	208
9. In force end of year	35,053	5,965
10. Amount of account balance	(a) 41,229,246	(a) 8,891,360

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

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

Description	1	2	3	4	
	Book/Adjusted Carrying Value	Fair Value	Actual Cost	Par Value of Bonds	
<b>BONDS</b>					
Governments (Including all obligations guaranteed by governments)	1. United States	519,826,903	619,598,113	335,170,208	918,265,061
	2. Canada	9,726,050	9,782,650	9,037,634	9,433,964
	3. Other Countries	11,842,231	16,161,690	5,603,099	35,400,000
	4. Totals	541,395,184	645,542,453	349,810,941	963,099,025
States, Territories and Possessions (Direct and guaranteed)	5. United States	6,075,722	6,679,400	6,017,600	7,000,000
	6. Canada				
	7. Other Countries				
8. Totals	6,075,722	6,679,400	6,017,600	7,000,000	
Political Subdivisions of States, Territories and Possessions (Direct and guaranteed)	9. United States	5,000,000	4,903,500	5,000,000	5,000,000
	10. Canada				
	11. Other Countries				
12. Totals	5,000,000	4,903,500	5,000,000	5,000,000	
Special revenue and special assessment obligations and all non-guaranteed obligations of agencies and authorities of governments and their political subdivisions	13. United States	1,238,065,028	1,264,208,762	1,230,220,121	1,311,739,427
	14. Canada				
	15. Other Countries				
16. Totals	1,238,065,028	1,264,208,762	1,230,220,121	1,311,739,427	
Public Utilities (unaffiliated)	17. United States	432,956,446	429,429,122	433,338,384	431,119,000
	18. Canada	6,262,404	6,609,500	6,334,500	5,700,000
	19. Other Countries				
20. Totals	439,218,850	436,038,622	439,672,884	436,819,000	
Industrial and Miscellaneous and Credit Tenant Loans (unaffiliated)	21. United States	3,834,950,775	3,936,377,768	3,835,897,496	3,773,755,655
	22. Canada	159,607,896	166,980,192	160,396,918	147,622,000
	23. Other Countries	282,804,115	287,081,074	281,750,156	274,343,000
24. Totals	4,277,362,786	4,390,439,034	4,278,044,570	4,195,720,655	
Parent, Subsidiaries and Affiliates	25. Totals				
	<b>26. Total Bonds</b>	6,507,117,570	6,747,811,771	6,308,766,116	6,919,378,107
<b>PREFERRED STOCKS</b>					
Public Utilities (unaffiliated)	27. United States				
	28. Canada				
	29. Other Countries				
30. Totals					
Banks, Trust and Insurance Companies (unaffiliated)	31. United States				
	32. Canada				
	33. Other Countries				
34. Totals					
Industrial and Miscellaneous (unaffiliated)	35. United States	1,000,003	1,026,000	1,000,003	
	36. Canada				
	37. Other Countries				
38. Totals	1,000,003	1,026,000	1,000,003		
Parent, Subsidiaries and Affiliates	39. Totals				
	<b>40. Total Preferred Stocks</b>	1,000,003	1,026,000	1,000,003	
<b>COMMON STOCKS</b>					
Public Utilities (unaffiliated)	41. United States				
	42. Canada				
	43. Other Countries				
44. Totals					
Banks, Trust and Insurance Companies (unaffiliated)	45. United States				
	46. Canada				
	47. Other Countries				
48. Totals					
Industrial and Miscellaneous (unaffiliated)	49. United States	121,475	121,475	15,712	
	50. Canada				
	51. Other Countries				
52. Totals	121,475	121,475	15,712		
Parent, Subsidiaries and Affiliates	53. Totals	351,170	351,169	1,285,637	
	<b>54. Total Common Stocks</b>	472,645	472,644	1,301,349	
	55. Total Stocks	1,472,648	1,498,644	2,301,352	
	56. Total Bonds and Stocks	6,508,590,218	6,749,310,415	6,311,067,468	

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

1. Book/adjusted carrying value of bonds and stocks, prior year	5,622,776,484	7. Amortization of premium	7,518,931
2. Cost of bonds and stocks acquired, Column 7, Part 3	1,868,046,439	8. Foreign Exchange Adjustment:	
3. Accrual of discount	34,335,856	8.1 Column 15, Part 1	(72,815)
4. Increase (decrease) by adjustment:		8.2 Column 19, Part 2, Section 1	
4.1 Columns 12 - 14, Part 1	(890,101)	8.3 Column 16, Part 2, Section 2	
4.2 Column 15 - 17, Part 2, Section 1		8.4 Column 15, Part 4	72,815
4.3 Column 15, Part 2, Section 2	594	9. Book/adjusted carrying value at end of current period	6,508,590,218
4.4 Column 11 - 13, Part 4	(9,075,163)	10. Total valuation allowance	
5. Total gain (loss), Column 19, Part 4	11,587,180	11. Subtotal (Lines 9 plus 10)	6,508,590,218
6. Deduct consideration for bonds and stocks disposed of Column 7, Part 4	1,010,672,140	12. Total nonadmitted amounts	
		13. Statement value of bonds and stocks, current period	6,508,590,218

**SCHEDULE T - PREMIUMS AND ANNUITY CONSIDERATIONS**  
**Allocated by States and Territories**

States, Etc.	1	Direct Business Only					
		Is Insurer Licensed? (Yes or No)	Life Contracts		4 Accident and Health Insurance Premiums, Including Policy, Membership and Other Fees	5 Deposit-Type Contract Funds	6 Other Considerations
			2 Life Insurance Premiums	3 Annuity Considerations			
1. Alabama	AL	YES	3,232,214	(15,649)	4,938,042		
2. Alaska	AK	YES	383,942	300	66,410		
3. Arizona	AZ	YES	3,027,764	3,860,278	976,664		
4. Arkansas	AR	YES	2,037,114		1,094,886		
5. California	CA	YES	33,587,179	5,825,465	84,747,672	4,950	
6. Colorado	CO	YES	2,434,740	84,259	4,695,119		
7. Connecticut	CT	YES	7,026,734	93,632	1,880,081	79,001	
8. Delaware	DE	YES	1,377,523	479,503,963	135,395	55,919,358	
9. District of Columbia	DC	YES	(329,130)		(315,000)		
10. Florida	FL	YES	11,898,090	8,949,626	13,766,121		
11. Georgia	GA	YES	7,211,037	833,214	8,201,040	40,796	
12. Hawaii	HI	YES	979,326	28,053	914,364		
13. Idaho	ID	YES	1,069,943	1,864			
14. Illinois	IL	YES	11,870,738	63,961	10,655,159		
15. Indiana	IN	YES	1,839,373	2,271,604	1,952,791	139,290	
16. Iowa	IA	YES	1,243,580		1,000,347		
17. Kansas	KS	YES	499,940	95,882	612,589		
18. Kentucky	KY	YES	1,921,411	21,089	1,543,643		
19. Louisiana	LA	YES	1,450,620	53,878	581,010		
20. Maine	ME	YES	1,694,758	154,183	110,847		
21. Maryland	MD	YES	6,765,709	1,498,671	1,962,674	17,275	
22. Massachusetts	MA	YES	17,935,395	13,956,881	23,819,335	2,436,155	
23. Michigan	MI	YES	6,527,811	158,142	9,671,449	68,444	
24. Minnesota	MN	YES	3,793,237	11,210	2,363,370		
25. Mississippi	MS	YES	339,094	28,630	250,502		
26. Missouri	MO	YES	2,079,747	82,071	1,249,607		
27. Montana	MT	YES	281,606				
28. Nebraska	NE	YES	1,732,166	297	152,641		
29. Nevada	NV	YES	3,121,011	45,517	757,958		
30. New Hampshire	NH	YES	4,319,490	317,541	1,795,579		
31. New Jersey	NJ	YES	13,352,669	202,664	6,517,513	24,958	
32. New Mexico	NM	YES	834,899		4,751,026		
33. New York	NY	YES	85,224,154	2,932,672	18,127,639		
34. North Carolina	NC	YES	3,502,433	430,343	22,295,133	574,290	
35. North Dakota	ND	YES	70,904		91,203		
36. Ohio	OH	YES	18,098,429	833,748	14,361,688		
37. Oklahoma	OK	YES	1,389,454	5,281,816	2,396,988		
38. Oregon	OR	YES	2,649,240	(7,260)	451,701		
39. Pennsylvania	PA	YES	15,433,924	674,055	11,923,610		
40. Rhode Island	RI	YES	1,675,456	100,622	4,201,076	(8,175)	
41. South Carolina	SC	YES	1,120,406	690,391	4,257,010		
42. South Dakota	SD	YES	17,241		22,002		
43. Tennessee	TN	YES	5,235,216	166,785	6,906,826		
44. Texas	TX	YES	18,059,848	1,693,527	24,010,122		
45. Utah	UT	YES	1,255,812	190	200,419		
46. Vermont	VT	YES	1,069,914	22,534	627,774		
47. Virginia	VA	YES	5,433,484	1,499,545	10,431,471	153,000	
48. Washington	WA	YES	3,816,062	9,538	788,330		
49. West Virginia	WV	YES	389,892	4,700	4,013		
50. Wisconsin	WI	YES	4,495,782	16,768,484	1,004,511	1,364,060	
51. Wyoming	WY	YES	308,644				
52. American Samoa	AS	NO					
53. Guam	GU	NO	594				
54. Puerto Rico	PR	NO	6,417				
55. US Virgin Islands	VI	NO					
56. Northern Mariana Islands	MP	NO					
57. Canada	CN	YES	86,274		104,911		
58. Aggregate Other Alien	OT	X X X	348	50,624,011		8,106,430	
59. Subtotal	(a) 51		324,879,658	599,852,927	313,055,261	68,919,832	
90. Reporting entity contributions for employee benefits plans	X X X		32,011,872				
91. Dividends or refunds applied to purchase paid-up additions and annuities	X X X		7,080,318				
92. Dividends or refunds applied to shorten endowment or premium paying period	X X X						
93. Premium or annuity considerations waived under disability or other contract provisions	X X X		386,338		2,262		
94. Aggregate other amounts not allocable by State	X X X						
95. Totals (Direct Business)	X X X		364,358,186	599,852,927	313,057,523	68,919,832	
96. Plus Reinsurance Assumed	X X X		150,921				
97. Totals (All Business)	X X X		364,509,107	599,852,927	313,057,523	68,919,832	
98. Less Reinsurance Ceded	X X X		40,976,020	3,525,273	3,639,338		
99. Totals (All Business) less Reinsurance Ceded	X X X		323,533,087	596,327,654	(b) 309,418,185	68,919,832	
5801. Other alien	X X X		348	50,624,011		8,106,430	
5802.	X X X						
5803.	X X X						
5898. Summary of remaining write-ins for Line 58 from overflow page	X X X						
5899. Total (Lines 5801 thru 5803 + 5898) (Line 58 above)	X X X		348	50,624,011		8,106,430	
9401.	X X X						
9402.	X X X						
9403.	X X X						
9498. Summary of remaining write-ins for Line 94 from overflow page	X X X						
9499. Total (Lines 9401 thru 9403 + 9498) (Line 94 above)	X X X						

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

Group Life, Health and Annuity premiums covering 500 lives or less are allocated to the states in which the largest number of lives are allocated. Premium for policies covering more than 500 lives are allocated to states in accordance with the location of employees except that no allocation is made to states having fewer than 5% of the total lives insured in which case premiums are allocated to the state of the principal location. However, no premium allocation other than to the state of the principal location is made where there are less than 100 lives. Premiums for Ordinary Life, Personal Health and Individual Annuity are distributed by state based on the last known address of the policyholder.

- (a) Insert the number of yes 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



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**OVERFLOW PAGE FOR WRITE-INS**

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**OVERFLOW PAGE FOR WRITE-INS**

**Page 3 - Continuation  
LIABILITIES, SURPLUS AND OTHER FUNDS**

	1 Current Year	2 Prior Year
<b>REMAINING WRITE-INS AGGREGATED AT LINE 25 FOR LIABILITIES</b>		
2504. Branch liability due to foreign exchange rate	1,009,669	1,009,669
2505. Accounts payable	93,733	11,111,565
2506.		
2507.		
2508.		
2509.		
2510.		
2511.		
2512.		
2513.		
2514.		
2515.		
2516.		
2517.		
2518.		
2519.		
2520.		
2521.		
2522.		
2523.		
2524.		
2525.		
2597. Totals (Lines 2504 through 2525) (Page 3, Line 2598)	1,103,402	12,121,234
<b>REMAINING WRITE-INS AGGREGATED AT LINE 31 FOR OTHER THAN SPECIAL SURPLUS FUNDS</b>		
3104.		
3105.		
3106.		
3107.		
3108.		
3109.		
3110.		
3111.		
3112.		
3113.		
3114.		
3115.		
3116.		
3117.		
3118.		
3119.		
3120.		
3121.		
3122.		
3123.		
3124.		
3125.		
3197. Totals (Lines 3104 through 3125) (Page 3, Line 3198)		
<b>REMAINING WRITE-INS AGGREGATED AT LINE 34 FOR SPECIAL SURPLUS FUNDS</b>		
3404.		
3405.		
3406.		
3407.		
3408.		
3409.		
3410.		
3411.		
3412.		
3413.		
3414.		
3415.		
3416.		
3417.		
3418.		
3419.		
3420.		
3421.		
3422.		
3423.		
3424.		
3425.		
3497. Totals (Lines 3404 through 3425) (Page 3, Line 3498)		

**OVERFLOW PAGE FOR WRITE-INS**

**Page 4 - Continuation  
SUMMARY OF OPERATIONS**

	1 Current Year	2 Prior Year
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**REMAINING WRITE-INS AGGREGATED AT LINE 08.3 FOR MISCELLANEOUS INCOME**

08.304. Commission income	(4,260)	(17,395)
08.305.		
08.306.		
08.307.		
08.308.		
08.309.		
08.310.		
08.311.		
08.312.		
08.313.		
08.314.		
08.315.		
08.316.		
08.317.		
08.318.		
08.319.		
08.320.		
08.321.		
08.322.		
08.323.		
08.324.		
08.325.		
08.397. Totals (Lines 08.304 through 08.325) (Page 4, Line 08.398)	(4,260)	(17,395)

**REMAINING WRITE-INS AGGREGATED AT LINE 27 FOR DEDUCTIONS**

2704.		
2705.		
2706.		
2707.		
2708.		
2709.		
2710.		
2711.		
2712.		
2713.		
2714.		
2715.		
2716.		
2717.		
2718.		
2719.		
2720.		
2721.		
2722.		
2723.		
2724.		
2725.		
2797. Totals (Lines 2704 through 2725) (Page 4, Line 2798)		

**REMAINING WRITE-INS AGGREGATED AT LINE 53 FOR GAINS AND LOSSES IN SURPLUS**

5304.		
5305.		
5306.		
5307.		
5308.		
5309.		
5310.		
5311.		
5312.		
5313.		
5314.		
5315.		
5316.		
5317.		
5318.		
5319.		
5320.		
5321.		
5322.		
5323.		
5324.		
5325.		
5397. Totals (Lines 5304 through 5325) (Page 4, Line 5398)		

**OVERFLOW PAGE FOR WRITE-INS**

Page 6 - Continuation

**ANALYSIS OF OPERATIONS BY LINES OF BUSINESS  
(Gain and Loss Exhibit) (Excluding Capital Gains and Losses)**

	1 Total	2 Industrial Life	Ordinary			6 Credit Life (Group and Individual)	Group		Accident and Health			12 Aggregate of All Other Lines of Business
			3 Life Insurance	4 Individual Annuities	5 Supplementary Contracts		7 Life Insurance (a)	8 Annuities	9 Group	10 Credit (Group and Individual)	11 Other	
<b>REMAINING WRITE-INS AGGREGATED AT LINE 08.3 FOR MISCELLANEOUS INCOME</b>												
08.304. Commission income.....	(4,260)		(4,260)									
08.305. ....												
08.306. ....												
08.307. ....												
08.308. ....												
08.309. ....												
08.310. ....												
08.311. ....												
08.312. ....												
08.313. ....												
08.314. ....												
08.315. ....												
08.316. ....												
08.317. ....												
08.318. ....												
08.319. ....												
08.320. ....												
08.321. ....												
08.322. ....												
08.323. ....												
08.324. ....												
08.325. ....												
08.397. Totals (Lines 08.304 through 08.325) (Page 6, Line 08.398)	(4,260)		(4,260)									
<b>REMAINING WRITE-INS AGGREGATED AT LINE 27 FOR DEDUCTIONS</b>												
2704. ....												
2705. ....												
2706. ....												
2707. ....												
2708. ....												
2709. ....												
2710. ....												
2711. ....												
2712. ....												
2713. ....												
2714. ....												
2715. ....												
2716. ....												
2717. ....												
2718. ....												
2719. ....												
2720. ....												
2721. ....												
2722. ....												
2723. ....												
2724. ....												
2725. ....												
2797. Totals (Lines 2704 through 2725) (Page 6, Line 2798)												

67 - 2

**OVERFLOW PAGE FOR WRITE-INS**

**Page 11 - Continuation**

**EXHIBIT 2 - GENERAL EXPENSES**

	Insurance				5 Investment	6 Total
	1 Life	Accident and Health		4 All Other Lines of Business		
		2 Cost Containment	3 All Other			

**REMAINING WRITE-INS AGGREGATED AT LINE 09.3 FOR EXPENSES**

09.304. Administrative service expenses	182,761		238,639			421,400
09.305. Other expenses	1,220		1,592			2,812
09.306.						
09.307.						
09.308.						
09.309.						
09.310.						
09.311.						
09.312.						
09.313.						
09.314.						
09.315.						
09.316.						
09.317.						
09.318.						
09.319.						
09.320.						
09.321.						
09.322.						
09.323.						
09.324.						
09.325.						
09.397. Totals (Lines 09.304 through 09.325) (Page 11, Line 09.398)	183,981		240,231			424,212

**EXHIBIT 4 - DIVIDENDS OR REFUNDS**

	1 Life	2 Accident and Health
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**REMAINING WRITE-INS AGGREGATED AT LINE 08 FOR DIVIDEND OR REFUNDS**

0804.		
0805.		
0806.		
0807.		
0808.		
0809.		
0810.		
0811.		
0812.		
0813.		
0814.		
0815.		
0816.		
0817.		
0818.		
0819.		
0820.		
0821.		
0822.		
0823.		
0824.		
0825.		
0897. Totals (Lines 0804 through 0825) (Page 11, Line 0898)		