



ANNUAL STATEMENT
FOR THE YEAR ENDED DECEMBER 31, 2011

OF THE CONDITION AND AFFAIRS OF THE

Integrity Life Insurance Company

NAIC Group Code 0836 (Current Period) NAIC Company Code 74780 (Prior Period) Employer's ID Number 86-0214103

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

Country of Domicile US

Incorporated/Organized May 3, 1966 Commenced Business May 25, 1966

Statutory Home Office 400 Broadway, Cincinnati, Ohio 45202
(Street and Number, City or Town, State and Zip Code)

Main Administrative Office 400 Broadway, Cincinnati, Ohio 45202
(Street and Number, City or Town, State and Zip Code) 513-629-1800
(Area Code) (Telephone Number)

Mail Address 400 Broadway, Cincinnati, Ohio 45202
(Street and Number or P. O. Box, City or Town, State and Zip Code)

Primary Location of Books and Records 400 Broadway, Cincinnati, Ohio 45202
(Street and Number, City or Town, State and Zip Code) 513-629-1800
(Area Code) (Telephone Number)

Internet Website Address www.integritylife.com

Statutory Statement Contact Bradley J. Hunkler 513-629-2980
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CompAcctGrp@WesternSouthernLife.com 513-629-1871
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OFFICERS

John Finn Barrett (Chairman of the Board)
Jill Tripp McGruder (President & CEO)
Nora Eyre Moushey (Senior VP & Chief Actuary)
Edward Joseph Babbitt (Secretary)

OTHER OFFICERS

Mark Erdem Caner (Sr VP)
Daniel Joseph Downing# (Sr VP)
Scott Warner Edbom (VP)
Brian Anthony Eichhold (VP)
Clint David Gibler (Sr VP)
Daniel Wayne Harris (VP)
David Todd Henderson (VP & Chief Risk Officer)
Kevin Louis Howard (Sr VP)
Bradley Joseph Hunkler (VP, Chief Accounting Officer)
Phillip Earl King (VP & Auditor)
Paul Matthew Kruth (VP)
Constance Marie Maccarone (Sr VP)
Michael Ryland Moser (VP & Chf Compliance Officer)
Nicholas Peter Sargen (Sr VP)
Denise Lynn Sparks (VP)
Richard Kelley Taulbee (VP)
James Joseph Vance (VP & Treasurer)
Terrie Ann Wiedenheft (VP)
Patricia Jean Wilson (VP)

DIRECTORS OR TRUSTEES

Edward Joseph Babbitt
John Finn Barrett
Jill Tripp McGruder
Robert Lewis Walker
Donald Joseph Wuebling

State of Ohio }
County of Hamilton } SS

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

Jill Tripp McGruder
President & CEO

Edward Joseph Babbitt
Secretary

Bradley Joseph Hunkler
VP, Chief Accounting Officer

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 _____

Subscribed and sworn to before me this
3rd day of February, 2012

ASSETS

	Current Year			Prior Year
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Column 1 minus Column 2)	4 Net Admitted Assets
1. Bonds (Schedule D)	2,451,628,737		2,451,628,737	2,382,140,448
2. Stocks (Schedule D):				
2.1 Preferred stocks				
2.2 Common stocks	429,338,640		429,338,640	412,620,614
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens	44,342,338		44,342,338	60,527,706
3.2 Other than first liens				
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$, encumbrances)				
4.2 Properties held for the production of income (less \$, encumbrances)				
4.3 Properties held for sale (less \$, encumbrances)				
5. Cash (\$, 312,784 , Schedule E - Part 1), cash equivalents (\$, Schedule E - Part 2) and short-term investments (\$, 105,986,796 , Schedule DA)	106,299,580		106,299,580	173,017,575
6. Contract loans (including \$, premium notes)	123,729,598		123,729,598	120,340,300
7. Derivatives (Schedule DB)				
8. Other invested assets (Schedule BA)	57,819,450		57,819,450	55,030,370
9. Receivables for securities	1,257,889		1,257,889	2,810,394
10. Securities lending reinvested collateral assets (Schedule DL)	18,128,393		18,128,393	26,241,116
11. Aggregate write-ins for invested assets				
12. Subtotals, cash and invested assets (Line 1 through Line 11)	3,232,544,625		3,232,544,625	3,232,728,523
13. Title plants less \$, charged off (for Title insurers only)				
14. Investment income due and accrued	31,410,124		31,410,124	30,187,479
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection				
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$, earned but unbilled premiums)				
15.3 Accrued retrospective premiums				
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers	12,322,214		12,322,214	14,780,684
16.2 Funds held by or deposited with reinsured companies				
16.3 Other amounts receivable under reinsurance contracts	21,317,347		21,317,347	19,293,960
17. Amounts receivable relating to uninsured plans				
18.1 Current federal and foreign income tax recoverable and interest thereon				
18.2 Net deferred tax asset	46,248,184	23,462,801	22,785,383	25,013,456
19. Guaranty funds receivable or on deposit	19,821		19,821	2,033,822
20. Electronic data processing equipment and software				
21. Furniture and equipment, including health care delivery assets (\$,)				
22. Net adjustment in assets and liabilities due to foreign exchange rates				
23. Receivables from parent, subsidiaries and affiliates				
24. Health care (\$,) and other amounts receivable	436,398	70,826	365,572	325,210
25. Aggregate write-ins for other than invested assets	1,828,666		1,828,666	1,775,159
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Line 12 to Line 25)	3,346,127,379	23,533,627	3,322,593,752	3,326,138,293
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts	2,593,480,980		2,593,480,980	2,583,572,277
28. Total (Line 26 and Line 27)	5,939,608,359	23,533,627	5,916,074,732	5,909,710,570
DETAILS OF WRITE-INS				
1101				
1102				
1103				
1198. Summary of remaining write-ins for Line 11 from overflow page				
1199. Totals (Line 1101 through Line 1103 plus Line 1198) (Line 11 above)				
2501. CSV of corporate owned life insurance	1,828,666		1,828,666	1,775,159
2502				
2503				
2598. Summary of remaining write-ins for Line 25 from overflow page				
2599. Totals (Line 2501 through Line 2503 plus Line 2598) (Line 25 above)	1,828,666		1,828,666	1,775,159

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Year	2 Prior Year
1. Aggregate reserve for life contracts \$ 2,265,096,390 (Exhibit 5, Line 9999999) less \$ included in Line 6.3 (including \$ 903,520,577 Modco Reserve)	2,265,096,390	2,173,599,173
2. Aggregate reserve for accident and health contracts (Exhibit 6, Line 17, Column 1) (including \$ Modco Reserve)	315,265,773	311,200,292
3. Liability for deposit-type contracts (Exhibit 7, Line 14, Column 1) (including \$ Modco Reserve)		
4. Contract claims:		
4.1 Life (Exhibit 8, Part 1, Line 4.4, Column 1 less sum of Columns 9, 10 and 11)	131,000	128,000
4.2 Accident and health (Exhibit 8, Part 1, Line 4.4, sum of Columns 9, 10 and 11)		
5. Policyholders' dividends \$ and coupons \$ due and unpaid (Exhibit 4, Line 10)		
6. Provision for policyholders' dividends and coupons payable in following calendar year - estimated amounts:		
6.1 Dividends apportioned for payment (including \$ Modco)		
6.2 Dividends not yet apportioned (including \$ Modco)		
6.3 Coupons and similar benefits (including \$ Modco)		
7. Amount provisionally held for deferred dividend policies not included in Line 6		
8. Premiums and annuity considerations for life and accident and health contracts received in advance less \$ discount; including \$ accident and health premiums (Exhibit 1, Part 1, Column 1, sum of Line 4 and Line 14)		
9. Contract liabilities not included elsewhere:		
9.1 Surrender values on cancelled contracts		
9.2 Provision for experience rating refunds, including the liability of \$ accident and health experience rating refunds of which \$ is for medical loss ratio rebate per the Public health Service Act	35,433,121	6,317,393
9.3 Other amounts payable on reinsurance, including \$ 35,433,121 assumed and \$ ceded	8,094,288	
9.4 Interest Maintenance Reserve (IMR, Line 6)		
10. Commissions to agents due or accrued-life and annuity contracts \$, accident and health \$ and deposit-type contract funds \$	635,312	834,337
11. Commissions and expense allowances payable on reinsurance assumed	502,729	542,399
12. General expenses due or accrued (Exhibit 2, Line 12, Column 6)		
13. Transfers to Separate Accounts due or accrued (net) (including \$ (40,705,697) accrued for expense allowances recognized in reserves, net of reinsured allowances)	(31,926,712)	59,521,572
14. Taxes, licenses and fees due or accrued, excluding federal income taxes (Exhibit 3, Line 9, Column 5)	2,824,340	5,826,759
15.1 Current federal and foreign income taxes, including \$ 10,212,833 on realized capital gains (losses)	1,197,013	14,510,474
15.2 Net deferred tax liability		
16. Unearned investment income	71	85
17. Amounts withheld or retained by company as agent or trustee	27,008	20,111
18. Amounts held for agents' account, including \$ agents' credit balances		
19. Remittances and items not allocated	6,545,517	7,051,305
20. Net adjustment in assets and liabilities due to foreign exchange rates		
21. Liability for benefits for employees and agents if not included above		
22. Borrowed money \$ and interest thereon \$		
23. Dividends to stockholders declared and unpaid		
24. Miscellaneous liabilities:		
24.01 Asset valuation reserve (AVR, Line 16, Column 7)	45,534,405	44,701,063
24.02 Reinsurance in unauthorized companies		
24.03 Funds held under reinsurance treaties with unauthorized reinsurers		
24.04 Payable to parent, subsidiaries and affiliates	1,571,792	1,562,912
24.05 Drafts outstanding		
24.06 Liability for amounts held under uninsured plans		
24.07 Funds held under coinsurance		
24.08 Derivatives	137,253	2,835
24.09 Payable for securities	1,165,776	1,524,087
24.10 Payable for securities lending	123,035,048	169,585,476
24.11 Capital notes \$ and interest thereon \$		
25. Aggregate write-ins for liabilities	123,268	
26. Total liabilities excluding Separate Accounts business (Line 1 to Line 25)	2,775,393,392	2,796,928,273
27. From Separate Accounts statement	2,593,480,980	2,583,572,277
28. Total liabilities (Line 26 and Line 27)	5,368,874,372	5,380,500,550
29. Common capital stock	3,000,000	3,000,000
30. Preferred capital stock		
31. Aggregate write-ins for other than special surplus funds		
32. Surplus notes		
33. Gross paid in and contributed surplus (Page 3, Line 33, Column 2 plus Page 4, Line 51.1, Column 1)	613,163,872	613,163,872
34. Aggregate write-ins for special surplus funds	6,961,558	7,529,230
35. Unassigned funds (surplus)	(75,925,070)	(94,483,082)
36. Less treasury stock, at cost:		
36.1 shares common (value included in Line 29 \$)		
36.2 shares preferred (value included in Line 30 \$)		
37. Surplus (Total Lines 31 + 32 + 33 + 34 + 35 - 36) (including \$ in Separate Accounts Statement)	544,200,360	526,210,020
38. Totals of Lines 29, 30 and 37 (Page 4, Line 55)	547,200,360	529,210,020
39. Totals of Lines 28 and 38 (Page 2, Line 28, Column 3)	5,916,074,732	5,909,710,570
DETAILS OF WRITE-INS		
2501. Uncashed drafts and checks that are pending escheatment to the state	123,268	
2502.		
2503.		
2598. Summary of remaining write-ins for Line 25 from overflow page		
2599. Totals (Line 2501 through Line 2503 plus Line 2598) (Line 25 above)	123,268	
3101.		
3102.		
3103.		
3198. Summary of remaining write-ins for Line 31 from overflow page		
3199. Totals (Line 3101 through Line 3103 plus Line 3198) (Line 31 above)		
3401. Surplus from additional DTA (SSAP 10R)	6,961,558	7,529,230
3402.		
3403.		
3498. Summary of remaining write-ins for Line 34 from overflow page		
3499. Totals (Line 3401 through Line 3403 plus Line 3498) (Line 34 above)	6,961,558	7,529,230

ANNUAL STATEMENT FOR THE YEAR 2011 OF THE Integrity Life Insurance Company

SUMMARY OF OPERATIONS

		1 Current Year	2 Prior Year
1. Premiums and annuity considerations for life and accident and health contracts (Exhibit 1, Part 1, Line 20.4, Column 1, less Column 11)		352,191,724	389,413,664
2. Considerations for supplementary contracts with life contingencies		4,026,926	5,737,642
3. Net investment income (Exhibit of Net Investment Income, Line 17)		148,473,078	143,321,149
4. Amortization of Interest Maintenance Reserve (IMR, Line 5)		1,645,204	514,117
5. Separate Accounts net gain from operations excluding unrealized gains or losses		1,736,656	1,824,446
6. Commissions and expense allowances on reinsurance ceded (Exhibit 1, Part 2, Line 26.1, Column 1)		(130,915,605)	(54,960,912)
7. Reserve adjustments on reinsurance ceded			
8. Miscellaneous Income:			
8.1 Income from fees associated with investment management, administration and contract guarantees from Separate Accounts		8,351,760	8,128,301
8.2 Charges and fees for deposit-type contracts		2,804,253	3,361,804
8.3 Aggregate write-ins for miscellaneous income			
9. Totals (Line 1 to Line 8.3)		388,313,996	497,340,211
10. Death benefits		5,413,882	6,946,062
11. Matured endowments (excluding guaranteed annual pure endowments)		94,410,775	75,871,509
12. Annuity benefits (Exhibit 8, Part 2, Line 6.4, Column 4 plus Column 8)			
13. Disability benefits and benefits under accident and health contracts			
14. Coupons, guaranteed annual pure endowments and similar benefits			
15. Surrender benefits and withdrawals for life contracts		237,972,958	255,304,785
16. Group conversions		14,448,118	14,396,742
17. Interest and adjustments on contract or deposit-type contract funds		2,604,798	2,246,720
18. Payments on supplementary contracts with life contingencies		88,946,213	155,404,907
19. Increase in aggregate reserves for life and accident and health contracts			
20. Totals (Line 10 to Line 19)		443,796,744	510,170,725
21. Commissions on premiums, annuity considerations and deposit-type contract funds (direct business only) (Exhibit 1, Part 2, Line 31, Column 1)		20,252,872	22,159,910
22. Commissions and expense allowances on reinsurance assumed (Exhibit 1, Part 2, Line 28.2, Column 1)		16,765	141,074
23. General insurance expenses (Exhibit 2, Line 10, Columns 1, 2, 3 and 4)		17,402,718	19,662,668
24. Insurance taxes, licenses and fees, excluding federal income taxes (Exhibit 3, Line 7, Column 1 plus Column 2 plus Column 3)		881,278	1,535,217
25. Increase in loading on deferred and uncollected premiums			
26. Net transfers to or (from) Separate Accounts net of reinsurance		(129,368,072)	(117,945,158)
27. Aggregate write-ins for deductions		551,744	589,873
28. Totals (Line 20 to Line 27)		353,534,049	436,314,309
29. Net gain from operations before dividends to policyholders and federal income taxes (Line 9 minus Line 28)		34,779,947	61,025,902
30. Dividends to policyholders			
31. Net gain from operations after dividends to policyholders and before federal income taxes (Line 29 minus Line 30)		34,779,947	61,025,902
32. Federal and foreign income taxes incurred (excluding tax on capital gains)		7,620,759	15,037,665
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)		27,159,188	45,988,237
34. Net realized capital gains (losses) (excluding gains (losses) transferred to the IMR) less capital gains tax of \$ 8,649,563 (excluding taxes of \$ 1,563,270 transferred to the IMR)		(1,864,863)	(3,349,977)
35. Net Income (Line 33 plus Line 34)		25,294,325	42,638,260
CAPITAL AND SURPLUS ACCOUNT			
36. Capital and surplus, December 31, prior year (Page 3, Line 38, Column 2)		529,210,020	501,528,261
37. Net income (Line 35)		25,294,325	42,638,260
38. Change in net unrealized capital gains (losses) less capital gains tax of \$ (7,751,321)		6,143,359	46,284,215
39. Change in net unrealized foreign exchange capital gain (loss)			
40. Change in net deferred income tax			
41. Change in nonadmitted assets		2,056,709	4,901,860
42. Change in liability for reinsurance in unauthorized companies			
43. Change in reserve on account of change in valuation basis, (increase) or decrease (Exhibit 5A, Line 999999, Column 4)		(11,505,507)	1,840,234
44. Change in asset valuation reserve			
45. Change in treasury stock (Page 3, Lines 36.1 and 36.2 Column 2 minus Column 1)			
46. Surplus (contributed to) withdrawn from Separate Accounts during period			
47. Other changes in surplus in Separate Accounts statement		(833,342)	(32,143,944)
48. Change in surplus notes			
49. Cumulative effects of changes in accounting principles			
50. Capital changes:			
50.1 Paid in			
50.2 Transferred from surplus (Stock Dividend)			
50.3 Transferred to surplus			
51. Surplus adjustment:			
51.1 Paid in			
51.2 Transferred to capital (Stock Dividend)			
51.3 Transferred from capital			
51.4 Change in surplus as a result of reinsurance			
52. Dividends to stockholders			
53. Aggregate write-ins for gains and losses in surplus		(567,672)	215,226
54. Net change in capital and surplus for the year (Line 37 through Line 53)		17,990,340	27,681,759
55. Capital and surplus, December 31, current year (Line 36 plus Line 54) (Page 3, Line 38)		547,200,360	529,210,020
DETAILS OF WRITE-INS			
08.301. Administrative service fees		1,538,945	1,951,177
08.302. Other fee income		1,208,961	1,328,500
08.303. Other income (expense)		56,347	82,127
08.398. Summary of remaining write-ins for Line 8.3 from overflow page			
08.399. Totals (Line 08.301 through Line 08.303 plus Line 08.398) (Line 8.3 above)		2,804,253	3,361,804
2701. Securities lending interest expense		651,772	630,119
2702. Experience refund		60,514	54,156
2703. Bonus interest		25,345	76,992
2798. Summary of remaining write-ins for Line 27 from overflow page		(185,887)	(171,394)
2799. Totals (Line 2701 through Line 2703 plus Line 2798) (Line 27 above)		551,744	589,873
5301. Change in surplus from additional DTA (SSAP 10R)		(567,672)	215,226
5302.			
5303.			
5398. Summary of remaining write-ins for Line 53 from overflow page			
5399. Totals (Line 5301 through Line 5303 plus Line 5398) (Line 53 above)		(567,672)	215,226

CASH FLOW

	1 Current Year	2 Prior Year
Cash from Operations		
1. Premiums collected net of reinsurance	357,603,387	397,653,314
2. Net investment income	143,776,117	138,242,129
3. Miscellaneous income	9,484,545	1,165,368
4. Total (Line 1 through Line 3)	510,864,049	537,060,811
5. Benefit and loss related payments	445,320,541	446,624,484
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts	(37,919,788)	(150,591,651)
7. Commissions, expenses paid and aggregate write-ins for deductions	40,332,490	43,748,186
8. Dividends paid to policyholders		
9. Federal and foreign income taxes paid (recovered) net of \$ 10,212,833 tax on capital gains (losses)	31,145,760	9,848,617
10. Total (Line 5 through Line 9)	478,879,003	349,629,636
11. Net cash from operations (Line 4 minus Line 10)	31,985,046	187,431,175
Cash from Investments		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds	582,582,475	351,291,590
12.2 Stocks	112,357,320	82,226,168
12.3 Mortgage loans	25,181,591	9,950,386
12.4 Real estate		
12.5 Other invested assets	19,311,698	8,447,797
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments		
12.7 Miscellaneous proceeds	1,194,194	286,092
12.8 Total investment proceeds (Line 12.1 through Line 12.7)	740,627,278	452,202,033
13. Cost of investments acquired (long-term only):		
13.1 Bonds	651,148,582	603,504,137
13.2 Stocks	110,806,016	80,175,821
13.3 Mortgage loans	9,850,000	9,417,742
13.4 Real estate		
13.5 Other invested assets	17,626,743	34,785,778
13.6 Miscellaneous applications		
13.7 Total investments acquired (Line 13.1 through Line 13.6)	789,431,341	727,883,478
14. Net increase (decrease) in contract loans and premium notes	3,389,298	3,665,808
15. Net cash from investments (Line 12.8 minus Line 13.7 minus Line 14)	(52,193,361)	(279,347,253)
Cash from Financing and Miscellaneous Sources		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes		
16.2 Capital and paid in surplus, less treasury stock		
16.3 Borrowed funds		
16.4 Net deposits on deposit-type contracts and other insurance liabilities	4,065,481	16,062,464
16.5 Dividends to stockholders		
16.6 Other cash provided (applied)	(50,575,161)	122,223,010
17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6)	(46,509,680)	138,285,474
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS		
18. Net change in cash, cash equivalents and short-term investments (Line 11 plus Line 15 plus Line 17)	(66,717,995)	46,369,396
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year	173,017,575	126,648,179
19.2 End of year (Line 18 plus Line 19.1)	106,299,580	173,017,575

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

20.001		
20.002		
20.003		
20.004		
20.005		
20.006		
20.007		
20.008		
20.009		
20.010		

ANNUAL STATEMENT FOR THE YEAR 2011 OF THE Integrity Life Insurance Company

ANALYSIS OF OPERATIONS BY LINES OF BUSINESS

	1 Total	2 Industrial Life	Ordinary			6 Credit Life (Group and Individual)	Group		Accident and Health			12 Aggregate of All Other Lines of Business
			3 Life Insurance	4 Individual Annuities	5 Supplementary Contracts		7 Life Insurance (a)	8 Annuities	9 Group	10 Credit (Group and Individual)	11 Other	
1. Premiums and annuity considerations for life and accident and health contracts	352,191,724		493,487	351,698,237	4,026,926							
2. Considerations for supplementary contracts with life contingencies	4,026,926											
3. Net investment income	148,473,078		23,169,940	120,155,344	3,977,884		845,351	324,559				
4. Amortization of Interest Maintenance Reserve (IMR)	1,645,204		256,742	1,331,421	44,078		9,367	3,596				
5. Separate Accounts net gain from operations excluding unrealized gains or losses												
6. Commissions and expense allowances on reinsurance ceded	1,736,656		185,216	1,536,592			8,555	6,293				
7. Reserve adjustments on reinsurance ceded	(130,915,605)		(7,210,960)	(122,344,422)			(1,174,741)	(185,482)				
8. Miscellaneous Income:												
8.1 Fees associated with income from investment management, administration and contract guarantees from Separate Accounts	8,351,760		1,050,902	7,300,858								
8.2 Charges and fees for deposit-type contracts												
8.3 Aggregate write-ins for miscellaneous income	2,804,253			2,804,253								
9. Totals (Line 1 to Line 8.3)	388,313,996		17,945,327	362,482,283	8,048,888		(311,468)	148,966				
10. Death benefits	5,413,882		5,413,882									
11. Matured endowments (excluding guaranteed annual pure endowments)	94,410,775			94,288,708								
12. Annuity benefits								122,067				
13. Disability benefits and benefits under accident and health contracts												
14. Coupons, guaranteed annual pure endowments and similar benefits												
15. Surrender benefits and withdrawals for life contracts	237,972,958		3,058,543	233,892,007			984,714	37,694				
16. Group conversions												
17. Interest and adjustments on contract or deposit-type contract funds	14,448,118			12,745,861	1,702,257							
18. Payments on supplementary contracts with life contingencies	2,604,798				2,604,798							
19. Increase in aggregate reserves for life and accident and health contracts	88,946,213		873,720	87,088,423	2,425,952		(1,423,657)	(18,225)				
20. Totals (Line 10 to Line 19)	443,796,744		9,346,145	428,014,999	6,733,007		(438,943)	141,536				
21. Commissions on premiums, annuity considerations and deposit-type contract funds (direct business only)	20,252,872		655	20,252,217								
22. Commissions and expense allowances on reinsurance assumed	16,765		16,765									
23. General insurance expenses	17,402,718		899,721	16,184,527	241,898		55,689	20,883				
24. Insurance taxes, licenses and fees, excluding federal income taxes	881,278		41,963	823,119	12,303		2,831	1,062				
25. Increase in loading on deferred and uncollected premiums												
26. Net transfers to or (from) Separate Accounts net of reinsurance	(129,368,072)		(551,315)	(127,340,136)								(1,476,621)
27. Aggregate write-ins for deductions	551,744		(58,291)	585,907	18,645		3,962	1,521				
28. Totals (Line 20 to Line 27)	353,534,049		9,695,643	338,520,633	7,005,853		(376,461)	165,002				(1,476,621)
29. Net gain from operations before dividends to policyholders and federal income taxes (Line 9 minus Line 28)	34,779,947		8,249,684	23,961,650	1,043,035		64,993	(16,036)				1,476,621
30. Dividends to policyholders												
31. Net gain from operations after dividends to policyholders and before federal income taxes (Line 29 minus Line 30)	34,779,947		8,249,684	23,961,650	1,043,035		64,993	(16,036)				1,476,621
32. Federal income taxes incurred (excluding tax on capital gains)	7,620,759		2,887,389	8,386,578	365,062		22,748	(5,613)				(4,035,405)
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)	27,159,188		5,362,295	15,575,072	677,973		42,245	(10,423)				5,512,026
DETAILS OF WRITE-INS												
08.301. Administrative service fees	1,538,945			1,538,945								
08.302. Other fee income	1,208,961			1,208,961								
08.303. Other income (expense)	56,347			56,347								
08.398. Summary of remaining write-ins for Line 8.3 from overflow page												
08.399. Totals (Line 08.301 through Line 08.303 plus Line 08.398) (Line 8.3 above)	2,804,253			2,804,253								
2701. Securities lending interest expense	651,772		64,449	563,195	18,645		3,962	1,521				
2702. Experience refund	60,514		60,514									
2703. Bonus interest	25,345			25,345								
2798. Summary of remaining write-ins for Line 27 from overflow page	(188,887)		(183,254)	(2,633)								
2799. Totals (Line 2701 through Line 2703 plus Line 2798) (Line 27 above)	551,744		(58,291)	585,907	18,645		3,962	1,521				

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

ANALYSIS OF INCREASE IN RESERVES DURING THE YEAR

	1 Total	2 Industrial Life	Ordinary			6 Credit Life (Group and Individual)	Group	
			3 Life Insurance	4 Individual Annuities	5 Supplementary Contracts		7 Life Insurance	8 Annuities
Involving Life or Disability Contingencies (Reserves) (Net of Reinsurance Ceded)								
1. Reserve December 31, prior year	2,173,599,173		249,766,698	1,881,388,046	20,423,203		16,112,920	5,908,306
2. Tabular net premiums or considerations	351,805,384		510,097	347,485,797	3,809,490			
3. Present value of disability claims incurred					XXX			
4. Tabular interest	181,237,877		13,871,154	165,131,429	1,105,944		864,034	265,316
5. Tabular less actual reserve released	(4,808,445)			(4,653,099)	(127,806)			(27,540)
6. Increase in reserve on account of change in valuation basis								
7. Other increases (net)	25,342			25,342				
8. Totals (Line 1 to Line 7)	2,701,859,331		264,147,949	2,389,377,515	25,210,831		16,976,954	6,146,082
9. Tabular cost	1,313,416		1,080,570		XXX		232,846	
10. Reserves released by death	9,043,230		9,025,387	XXX	XXX		17,843	XXX
11. Reserves released by other terminations (net)	367,612,213		5,211,525	360,077,119			2,067,567	256,002
12. Annuity, supplementary contract, and disability payments involving life contingencies	85,953,110		83,348,312	2,604,798				
13. Net transfers to or (from) Separate Accounts	(27,159,028)		(1,443,699)	(25,715,329)				
14. Total deductions (Line 9 to Line 13)	436,762,941		13,873,783	417,710,102	2,604,798		2,318,256	256,002
15. Reserve December 31, current year	2,265,096,390		250,274,166	1,971,667,413	22,606,033		14,658,698	5,890,080

EXHIBIT OF NET INVESTMENT INCOME

		1	2
		Collected During Year	Earned During Year
1. U.S. Government bonds		(a) 463,034	323,254
1.1 Bonds exempt from U.S. tax		(a) 132,347,971	133,665,084
1.2 Other bonds (unaffiliated)		(a) .....	.....
1.3 Bonds of affiliates		(b) .....	.....
2.1 Preferred stocks (unaffiliated) .....		.....	.....
2.11 Preferred stocks of affiliates		1,092,549	1,171,968
2.2 Common stocks (unaffiliated) .....		.....	.....
2.21 Common stocks of affiliates		(c) 3,604,230	3,421,463
3. Mortgage loans		(d) .....	.....
4. Real estate		9,271,698	9,383,197
5. Contract loans		(e) 441,750	441,871
6. Cash, cash equivalents and short-term investments		(f) 2,129	2,129
7. Derivative instruments		1,897,104	1,897,104
8. Other invested assets		659,923	659,923
9. Aggregate write-ins for investment income .....		.....	.....
10. Total gross investment income		149,780,388	150,965,993
11. Investment expenses		(g) 2,492,915	.....
12. Investment taxes, licenses and fees, excluding federal income taxes		(g) .....	.....
13. Interest expense		(h) .....	.....
14. Depreciation on real estate and other invested assets		(i) .....	.....
15. Aggregate write-ins for deductions from investment income .....		.....	.....
16. Total deductions (Line 11 through Line 15) .....		.....	2,492,915
17. Net investment income (Line 10 minus Line 16) .....		.....	148,473,078
DETAILS OF WRITE-INS			
0901. Securities Lending Fee Income		455,714	455,714
0902. Miscellaneous		204,209	204,209
0903 .....		.....	.....
0998. Summary of remaining write-ins for Line 9 from overflow page .....		.....	.....
0999. Totals (Line 0901 through Line 0903 plus Line 0998) (Line 9 above)		659,923	659,923
1501. .....		.....	.....
1502. .....		.....	.....
1503. .....		.....	.....
1598. Summary of remaining write-ins for Line 15 from overflow page .....		.....	.....
1599. Totals (Line 1501 through Line 1503 plus Line 1598) (Line 15 above) .....		.....	.....

(a) Includes \$ 7,242,302 accrual of discount less \$ 3,359,557 amortization of premium and less \$ 2,791,723 paid for accrued interest on purchases.
 (b) Includes \$ accrual of discount less \$ amortization of premium and less \$ paid for accrued dividends on purchases.
 (c) Includes \$ accrual of discount less \$ 407,026 amortization of premium and less \$ paid for accrued interest on purchases.
 (d) Includes \$ for company's occupancy of its own buildings; and excludes \$ interest on encumbrances.
 (e) Includes \$ 5,336 accrual of discount less \$ 89,146 amortization of premium and less \$ 4,000 paid for accrued interest on purchases.

(f) Includes \$ accrual of discount less \$ amortization of premium.
 (g) Includes \$ investment expenses and \$ investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.
 (h) Includes \$ interest on surplus notes and \$ interest on capital notes.
 (i) Includes \$ depreciation on real estate and \$ depreciation on other invested assets.

EXHIBIT OF CAPITAL GAINS (LOSSES)

	1	2	3	4	5
	Realized Gain (Loss) on Sales or Maturity	Other Realized Adjustments	Total Realized Capital Gain (Loss) (Cols. 1 + 2)	Change in Unrealized Capital Gain (Loss)	Change in Unrealized Foreign Exchange Capital Gain (Loss)
1. U.S. Government bonds	229,565	.....	229,565	.....	.....
1.1 Bonds exempt from U.S. tax	4,307,191	(5,522,805)	(1,215,614)	(1,974,513)	.....
1.2 Other bonds (unaffiliated) .....	.....	.....	.....	.....	.....
1.3 Bonds of affiliates .....	.....	.....	.....	.....	.....
2.1 Preferred stocks (unaffiliated) .....	.....	.....	.....	.....	.....
2.11 Preferred stocks of affiliates	17,729,413	(4,868,619)	12,860,794	(15,130,131)	20,538,670
2.2 Common stocks (unaffiliated) .....	.....	(446,753)	(446,753)	.....	.....
2.21 Common stocks of affiliates .....	.....	.....	.....	.....	.....
3. Mortgage loans .....	.....	.....	.....	.....	.....
4. Real estate .....	.....	.....	.....	.....	.....
5. Contract loans .....	.....	.....	.....	.....	.....
6. Cash, cash equivalents and short-term investments	(8,800)	.....	(8,800)	.....	.....
7. Derivative instruments	(168,007)	.....	(168,007)	93,203	.....
8. Other invested assets .....	.....	.....	.....	(5,135,191)	.....
9. Aggregate write-ins for capital gains (losses)	22,089,362	(10,838,177)	11,251,185	(1,607,962)	.....
10. Total capital gains (losses) .....	.....	.....	.....	.....	.....
DETAILS OF WRITE-INS				.....	.....
0901. .....	.....	.....	.....	.....	.....
0902. .....	.....	.....	.....	.....	.....
0903. .....	.....	.....	.....	.....	.....
0998. Summary of remaining write-ins for Line 9 from overflow page .....	.....	.....	.....	.....	.....
0999. Totals (Line 0901 through Line 0903 plus Line 0998) (Line 9 above) .....	.....	.....	.....	.....	.....

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

	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	
FIRST YEAR (other than single)											
1. Uncollected											
2. Deferred and accrued											
3. Deferred, accrued and uncollected:											
3.1 Direct											
3.2 Reinsurance assumed											
3.3 Reinsurance ceded											
3.4 Net (Line 1 plus Line 2)											
4. Advance											
5. Line 3.4 minus Line 4											
6. Collected during year:											
6.1 Direct	231,806,550				231,806,550						
6.2 Reinsurance assumed											
6.3 Reinsurance ceded											
6.4 Net	120,280				120,280						
7. Line 5 plus Line 6.4	231,686,270				231,686,270						
8. Prior year (uncollected plus deferred and accrued minus advance)	231,686,270				231,686,270						
9. First year premiums and considerations:											
9.1 Direct	231,806,550				231,806,550						
9.2 Reinsurance assumed											
9.3 Reinsurance ceded											
9.4 Net (Line 7 minus Line 8)	120,280				120,280						
SINGLE											
10. Single premiums and considerations:											
10.1 Direct	102,250,733				102,250,733						
10.2 Reinsurance assumed											
10.3 Reinsurance ceded											
10.4 Net	102,250,733				102,250,733						
RENEWAL											
11. Uncollected											
12. Deferred and accrued											
13. Deferred, accrued and uncollected:											
13.1 Direct											
13.2 Reinsurance assumed											
13.3 Reinsurance ceded											
13.4 Net (Line 11 plus Line 12)	744,592				744,592						
14. Advance											
15. Line 13.4 minus Line 14											
16. Collected during year:											
16.1 Direct	21,826,609				778,953	21,047,656					
16.2 Reinsurance assumed					119,962	119,962					
16.3 Reinsurance ceded					2,572,111	405,210	2,166,901				
16.4 Net					19,374,460	493,705	18,880,755				
17. Line 15 plus Line 16.4					18,629,868	493,705	18,136,163				
18. Prior year (uncollected plus deferred and accrued minus advance)					375,147	218	374,929				
19. Renewal premiums and considerations:											
19.1 Direct	21,826,609				778,953	21,047,656					
19.2 Reinsurance assumed					119,962	119,962					
19.3 Reinsurance ceded					3,691,850	405,428	3,286,422				
19.4 Net (Line 17 minus Line 18)					18,254,721	493,487	17,761,234				
TOTAL											
20. Total premiums and annuity considerations:											
20.1 Direct	355,883,892				778,953	355,104,939					
20.2 Reinsurance assumed					119,962	119,962					
20.3 Reinsurance ceded					3,812,130	405,428	3,406,702				
20.4 Net (Lines 9.4 plus 10.4 plus 19.4)					352,191,724	493,487	351,698,237				

**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	
DIVIDENDS AND COUPONS APPLIED (included in Part 1)											
21. To pay renewal premiums.....											
22. All other.....											
REINSURANCE COMMISSIONS AND EXPENSE ALLOWANCES INCURRED											
23. First year (other than single):											
23.1 Reinsurance ceded.....											
23.2 Reinsurance assumed.....											
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.....	1,736,656		185,216	1,536,592		8,555	6,293				
25.2 Reinsurance assumed.....	16,765		16,765								
25.3 Net ceded less assumed.....	1,719,891		168,451	1,536,592		8,555	6,293				
26. Totals:											
26.1 Reinsurance ceded (Page 6, Line 6).....	1,736,656		185,216	1,536,592		8,555	6,293				
26.2 Reinsurance assumed (Page 6, Line 22).....	16,765		16,765								
26.3 Net ceded less assumed.....	1,719,891		168,451	1,536,592		8,555	6,293				
COMMISSIONS INCURRED (direct business only)											
27. First year (other than single).....	4,621,854			4,621,854							
28. Single.....	11,239,215			11,239,215							
29. Renewal.....	4,391,804		655	4,391,149							
30. Deposit-type contract funds.....											
31. Totals (to agree with Page 6, Line 21).....	20,252,873		655	20,252,218							

EXHIBIT 2 - GENERAL EXPENSES

	Insurance				5	6		
	1	Accident and Health		4				
		2 Cost Containment	3 All Other					
	Life			All Other Lines of Business	Investment	Total		
1. Rent	592,807					592,807		
2. Salaries and wages	10,359,678				108,097	10,467,775		
3.11 Contributions for benefit plans for employees	1,226,777				3	1,226,780		
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	296,584					296,694		
3.32 Other agent welfare					110			
4.1 Legal fees and expenses	104,492					104,492		
4.2 Medical examination fees								
4.3 Inspection report fees								
4.4 Fees of public accountants and consulting actuaries	132,663					132,663		
4.5 Expense of investigation and settlement of policy claims								
5.1 Traveling expenses	459,647				70	459,717		
5.2 Advertising	672,061				21	672,082		
5.3 Postage, express, telegraph and telephone	332,319					332,319		
5.4 Printing and stationery	1,127,751					1,127,751		
5.5 Cost or depreciation of furniture and equipment	35,596					35,596		
5.6 Rental of equipment	65,763					65,763		
5.7 Cost or depreciation of EDP equipment and software	867,353					867,353		
6.1 Books and periodicals	49,185					49,185		
6.2 Bureau and association fees	76,393				46	76,439		
6.3 Insurance, except on real estate	125,501					125,501		
6.4 Miscellaneous losses								
6.5 Collection and bank service charges	101,680				101,680	203,360		
6.6 Sundry general expenses	115,659					115,659		
6.7 Group service and administration fees	119,253					119,253		
6.8 Reimbursements by uninsured plans								
7.1 Agency expense allowance								
7.2 Agents' balances charged off (less \$ recovered)								
7.3 Agency conferences other than local meetings								
9.1 Real estate expenses	21,896					2,269,561		
9.2 Investment expenses not included elsewhere	519,660					2,291,457		
9.3 Aggregate write-ins for expenses					13,405	533,065		
10. General expenses incurred	17,402,718				2,492,993	(a) 19,895,711		
11. General expenses unpaid December 31, prior year	542,399					542,399		
12. General expenses unpaid December 31, current year	502,729					502,729		
13. Amounts receivable relating to uninsured plans, prior year								
14. Amounts receivable relating to uninsured plans, current year								
15. General expenses paid during year (Lines 10 + 11 - 12 - 13 + 14)	17,442,388				2,492,993	19,935,381		
DETAILS OF WRITE-INS								
09.301. Data Processing Services	59,025					13,405		
09.302. Annuity Processing - FAS	148,495					72,430		
09.303. Consulting	202,059					148,495		
09.398. Summary of remaining write-ins for Line 9.3 from overflow page	110,081					202,059		
09.399. Totals (Line 09.301 through Line 09.303 plus Line 09.398) (Line 9.3 above)	519,660					110,081		
						533,065		

(a) Includes management fees of \$ 7,476,874 to affiliates and \$ to non-affiliates.

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

	Insurance			4	5		
	1	2	3				
	Life	Accident and Health	All Other Lines of Business	Investment	Total		
1. Real estate taxes							
2. State insurance department licenses and fees	747,441				747,441		
3. State taxes on premiums	305,243				305,243		
4. Other state taxes, including \$ for employee benefits	505,269				505,269		
5. U.S. Social Security taxes	284,848				284,848		
6. All other taxes	(961,523)				(961,523)		
7. Taxes, licenses and fees incurred	881,278				881,278		
8. Taxes, licenses and fees unpaid December 31, prior year	3,792,937				3,792,937		
9. Taxes, licenses and fees unpaid December 31, current year	2,804,519				2,804,519		
10. Taxes, licenses and fees paid during year (Line 7 plus Line 8 minus Line 9)	1,869,696				1,869,696		

EXHIBIT 4 - DIVIDENDS OR REFUNDS

	1	2		4	5
	Life	Accident and Health			
1. Applied to pay renewal premiums					
2. Applied to shorten the endowment or premium-paying period					
3. Applied to provide paid-up additions					
4. Applied to provide paid-up annuities					
5. Total Line 1 through Line 4					
6. Paid-in cash					
7. Left on deposit					
8. Aggregate write-ins for dividend or refund options					
9. Total Line 5 through Line 8					
10. Amount due and unpaid					
11. Provision for dividends or refunds payable in the following calendar year					
12. Terminal dividends					
13. Provision for deferred dividend contracts					
14. Amount provisionally held for deferred dividend policies not included in Line 11					
15. Total Line 10 through Line 14					
16. Total from prior year					
17. Total dividends or refunds (Line 9 plus Line 15 minus Line 16)					
DETAILS OF WRITE-INS					
0801.					
0802.					
0803.					
0898. Summary of remaining write-ins for Line 8 from overflow page					
0899. Totals (Line 0801 through Line 0803 plus Line 0898) (Line 8 above)					

NONE

EXHIBIT 5 - AGGREGATE RESERVE FOR LIFE CONTRACTS

1 Valuation Standard	2 Total	3 Industrial	4 Ordinary	5 Credit (Group and Individual)	6 Group
(Gross) - Life Insurance					
58 CSO/CET 3.5% CRVM 66-74	1,401,660		1,401,660		
58 CSO/CET 4% CRVM 75-79	1,121,803		1,121,803		
58 CSO/CET 4.5% CRVM 80-82	440,735		440,735		
80 CSO/CET 6% CRVM 83-86	146,528,186		139,661,886		6,866,300
80 CSO/CET 5.5% CRVM 87-92	111,513,604		103,687,625		7,825,979
80 CSO/CET 5% CRVM 93-94	533,886		533,886		
80 CSO/CET 4.5% CRVM 86-91, 95	3,446,037		3,446,037		
0199997 - TOTALS (Gross) - Life Insurance	264,985,911		250,293,632		14,692,279
0199998 - Reinsurance ceded - Life Insurance	53,439		19,858		33,581
0199999 - TOTALS (Net) - Life Insurance	264,932,472		250,273,774		14,658,698
(Gross) - Annuities (excluding supplementary contracts with life contingencies)					
71IAM 5.50% 80-82	9,309,218		9,309,218		
71IAM 4.00% 75-79	7,729,582		7,729,582		
83a 8.75% CARVM, Deferred - 83	1,410,620		1,410,620		
83a 8.50% CARVM, Deferred - 84-85	4,937,583		4,937,583		
83a 7.25% CARVM, Deferred - 86,89	15,127,087		15,127,087		
83a 7.00% CARVM, Deferred - 88-89	53,636,034		53,001,982		634,052
83a 6.75% CARVM, Deferred - 87,91	38,715,974		38,236,042		479,932
83a 6.50% CARVM, Deferred - 87,90	55,330,155		53,176,429		2,153,726
83a 6.25% CARVM, Deferred - 92	16,920,275		16,599,518		320,757
83a 6.00% CARVM, Deferred - 95	10,770,525		10,474,328		296,197
83a 5.75% CARVM, Deferred - 93,97, 00	15,884,064		14,656,202		1,227,862
83a 5.50% CARVM, Deferred - 94,96-98,01-02	18,287,469		17,509,915		777,554
83a 5.25% CARVM, Deferred - 99, 03, 09	60,937,317		60,937,317		
83a 5.00% CARVM, Deferred - 03, 04, 08	3,438,437		3,438,437		
83a 4.75% CARVM, Deferred - 04-07, 10	5,305,299		5,305,299		
83a 4.50% CARVM, Deferred - 05-11 N.B.	8,306,940		8,306,940		
a2000 5.50% CARVM, Deferred - 09	469,759		469,759		
a2000 5.25% CARVM, Deferred - 09	1,205,575		1,205,575		
a2000 5.00% CARVM, Deferred - 04, 07-09	194,790,669		194,790,669		
a2000 4.75% CARVM, Deferred - 05-08, 10	374,698,810		374,698,810		
a2000 4.50% CARVM, Deferred - 06, 10	65,306,633		65,306,633		
a2000 4.25% CARVM, Deferred - 11 N.B.	41,885,538		41,885,538		
AG 43	2,012,133		2,012,133		
83a 8.50% Immediate 86, 88-89	185,007		185,007		
83a 8.25% Immediate 90-91	242,456		242,456		
83a 8.00% Immediate 87	664,527		664,527		
83a 7.50% Immediate 85-92	470,679,807		470,679,807		
83a 7.00% Immediate 93	18,941,381		18,941,381		
83a 6.50% Immediate 86, 94	3,704,729		3,704,729		
a2000 6.50% Immediate 02	337,768		337,768		
a2000 6.00% Immediate 03	2,527,547		2,527,547		
a2000 5.50% Immediate 07-08	102,613,711		102,613,711		
a2000 5.25% Immediate 06	39,115,320		39,115,320		
a2000 5.05% Immediate 04	11,505,231		11,505,231		
a2000 5.00% Immediate 09	83,663,497		83,663,497		
a2000 4.95% Immediate 05	23,339,250		23,339,250		
a2000 4.25% Immediate 10	130,366,247		130,366,247		
a2000 3.95% Immediate 11 N.B.	92,759,944		92,759,944		
0299997 - TOTALS (Gross) - Annuities (excluding supplementary contracts with life contingencies)	1,987,062,118		1,981,172,038		5,890,080
0299998 - Reinsurance ceded - Annuities (excluding supplementary contracts with life contingencies)	9,504,625		9,504,625		
0299999 - TOTALS (Net) - Annuities (excluding supplementary contracts with life contingencies)	1,977,557,493		1,971,667,413		5,890,080
(Gross) - Supplementary Contracts with Life Contingencies					
83a 8.50% Immediate 88-89	655,498		655,498		
83a 8.25% Immediate 90-91	530,604		530,604		
83a 8.00% Immediate 87	733,909		733,909		
83a 7.75% Immediate 92	451,357		451,357		
83a 7.25% Immediate 95	429,764		429,764		
83a 7.00% Immediate 93	83,868		83,868		
83a 6.75% Immediate 96-97	1,767,348		1,767,348		
83a 6.50% Immediate 94	92,502		92,502		
a2000 7.00% Immediate 00	441,915		441,915		
a2000 6.75% Immediate 01	209,447		209,447		
a2000 6.50% Immediate 02	284,271		284,271		
a2000 6.25% Immediate 98-99	265,907		265,907		
a2000 6.00% Immediate 03	903,025		903,025		
a2000 4.80% Immediate 07	1,877,258		1,877,258		
a2000 4.70% Immediate 08	918,029		918,029		
a2000 4.60% Immediate 06	577,731		577,731		
a2000 4.50% Immediate 09	1,797,891		1,797,891		
a2000 4.20% Immediate 10	5,367,835		5,367,835		
a2000 4.00% Immediate 04-05	1,473,805		1,473,805		
a2000 3.25% Immediate 11 N.B.	3,744,069		3,744,069		
0399997 - TOTALS (Gross) - Supplementary Contracts with Life Contingencies	22,606,033		22,606,033		
0399999 - TOTALS (Net) - Supplementary Contracts with Life Contingencies	22,606,033		22,606,033		
(Gross) - Accidental Death Benefits					
UNEARNED PREMIUM	21		21		
0499997 - TOTALS (Gross) - Accidental Death Benefits	21		21		
0499999 - TOTALS (Net) - Accidental Death Benefits	21		21		
(Gross) - Disability - Active Lives					
58 CSO 52 DB 3%	371		371		
0599997 - TOTALS (Gross) - Disability - Active Lives	371		371		
0599999 - TOTALS (Net) - Disability - Active Lives	371		371		
9999999 - TOTALS (Net) - Page 3, Line 1	2,265,096,390		2,244,547,612		20,548,778

EXHIBIT 5 - INTERROGATORIES

1.1 Has the reporting entity ever issued both participating and non-participating contracts? Yes () No (X)

1.2 If not, state which kind is issued.
Non-participating

2.1 Does the reporting entity at present issue both participating and non-participating contracts? Yes () No (X)

2.2 If not, state which kind is issued.
Non-participating

3. Does the reporting entity at present issue or have in force contracts that contain non-guaranteed elements? If so, attach a statement that contains the determination procedures, answers to the interrogatories and an actuarial opinion as described in the instructions. Yes (X) No ()

4. Has the reporting entity any assessment or stipulated premium contracts in force? If so, state: Yes () No (X)

4.1 Amount of insurance? \$

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 (X) No ()

6.1 If so, state the amount of reserve on such contracts on the basis actually held: \$ 199,435,844

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: \$ 239,789,936

Attach statement of methods employed in their valuation.

7. Does the reporting entity have any Synthetic GIC contracts or agreements in effect as of December 31 of the current year? Yes () No (X)

7.1 If yes, state the total dollar amount of assets covered by these contracts or agreements: \$

7.2 Specify the basis (fair value, amortized cost, etc.) for determining the amount.
.....

7.3 State the amount of reserves established for this business: \$

7.4 Identify where the reserves are reported in the blank.
.....

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	

NONE

EXHIBIT 6 - AGGREGATES RESERVES FOR ACCIDENT AND HEALTH CONTRACTS

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

NONE

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

EXHIBIT 7 - DEPOSIT TYPE CONTRACTS

	1 Total	2 Guaranteed Interest Contracts	3 Annuities Certain	4 Supplemental Contracts	5 Dividend Accumulations or Refunds	6 Premium and Other Deposit Funds
1. Balance at the beginning of the year before reinsurance	311,200,292		259,296,565	49,016,234		2,887,493
2. Deposits received during the year	70,056,026		46,433,369	15,363,549		8,259,108
3. Investment earnings credited to the account	15,479,942		13,793,047	1,668,225		18,670
4. Other net change in reserves	415,206		252,709	162,497		
5. Fees and other charges assessed						
6. Surrender charges						
7. Net surrender or withdrawal payments	81,885,693		60,339,798	13,902,670		7,643,225
8. Other net transfers to or (from) Separate Accounts						
9. Balance at the end of current year before reinsurance (Lines 1 plus 2 plus 3 plus 4 minus 5 minus 6 minus 7 minus 8)	315,265,773		259,435,892	52,307,835		3,522,046
10. Reinsurance balance at the beginning of the year						
11. Net change in reinsurance assumed						
12. Net change in reinsurance ceded						
13. Reinsurance balance at the end of the year (Line 10 plus Line 11 minus Line 12)						
14. Net balance at the end of current year after reinsurance (Line 9 plus Line 13)	315,265,773		259,435,892	52,307,835		3,522,046

EXHIBIT 8 - CLAIMS FOR LIFE AND ACCIDENT AND HEALTH CONTRACTS

PART 1 - Liability End of Current Year

	1 Total	2 Industrial Life	Ordinary			6 Credit Life (Group and Individual)	Group		Accident and Health		
			3 Life Insurance	4 Individual Annuities	5 Supplementary Contracts		7 Life Insurance	8 Annuities	9 Group	10 Credit (Group and Individual)	11 Other
1. Due and unpaid:											
1.1 Direct											
1.2 Reinsurance assumed											
1.3 Reinsurance ceded											
1.4 Net											
2. In course of settlement:											
2.1 Resisted											
2.11 Direct											
2.12 Reinsurance assumed											
2.13 Reinsurance ceded											
2.14 Net											
2.2 Other											
2.21 Direct											
2.22 Reinsurance assumed											
2.23 Reinsurance ceded											
2.24 Net											
3. Incurred but unreported:											
3.1 Direct	395,000			246,000		149,000					
3.2 Reinsurance assumed											
3.3 Reinsurance ceded	264,000			242,000		22,000					
3.4 Net	131,000			(b) 4,000	(b)	127,000					
4. TOTALS				246,000		149,000					
4.1 Direct	395,000										
4.2 Reinsurance assumed											
4.3 Reinsurance ceded	264,000			242,000		22,000					
4.4 Net	131,000	(a)	(a)	4,000		127,000		(a)			

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

(b) Include only portion of disability and accident and health claim liabilities applicable to assumed "accrued" benefits. Reserves (including reinsurance assumed and net of reinsurance ceded) for unaccrued benefits for

Ordinary Life Insurance \$, Individual Annuities \$, Credit Life (Group and Individual) \$, and Group Life \$

are included in Page 3, Line 1, (See Exhibit 5, Section on Disability Disabled Lives); and for Group Accident and Health \$, Credit (Group and Individual) Accident and Health \$ and Other Accident and

Health \$ 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	158,518,855		10,796,579	144,919,868	2,604,798				197,610		
1.2 Reinsurance assumed	60,000		60,000								
1.3 Reinsurance ceded	59,237,959		4,842,765	54,304,887					90,307		
1.4 Net	(d) 99,340,896		6,013,814	90,614,981	2,604,798				107,303		
2. Liability December 31, current year from Part 1:											
2.1 Direct	395,000		246,000	149,000							
2.2 Reinsurance assumed											
2.3 Reinsurance ceded	264,000		242,000	22,000							
2.4 Net	131,000		4,000	127,000							
3. Amounts recoverable from reinsurers December 31, current year	12,070,760		1,343,614	10,725,391					1,755		
4. Liability December 31, prior year:											
4.1 Direct	414,000		264,000	150,000							
4.2 Reinsurance assumed											
4.3 Reinsurance ceded	286,000		260,000	26,000							
4.4 Net	128,000		4,000	124,000							
5. Amounts recoverable from reinsurers December 31, prior year	15,156,319		743,682	14,396,118					16,519		
6. Incurred Benefits:											
6.1 Direct	158,499,855		10,778,579	144,918,868	2,604,798				197,610		
6.2 Reinsurance assumed	60,000		60,000								
6.3 Reinsurance ceded	56,130,400		5,424,697	50,630,160					75,543		
6.4 Net	102,429,455		5,413,882	94,288,708	2,604,798				122,067		

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

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

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

EXHIBIT OF NONADMITTED ASSETS

	1 Current Year Total Nonadmitted Assets	2 Prior Year Total Nonadmitted Assets	3 Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1. Bonds (Schedule D)			
2. Stocks (Schedule D):			
2.1 Preferred stocks			
2.2 Common stocks			
3. Mortgage loans on real estate (Schedule B):			
3.1 First liens			
3.2 Other than first liens			
4. Real estate (Schedule A):			
4.1 Properties occupied by the company			
4.2 Properties held for the production of income			
4.3 Properties held for sale			
5. Cash (Schedule E-Part 1), cash equivalents (Schedule E-Part 2) and short-term investments (Schedule DA)			
6. Contract loans			
7. Derivatives (Schedule DB)			
8. Other invested assets (Schedule BA)			
9. Receivable for securities			
10. Securities lending reinvested collateral assets (Schedule DL)			
11. Aggregate write-ins for invested assets			
12. Subtotals, cash and invested assets (Line 1 to Line 11)			
13. Title plants (for Title insurers only)			
14. Investment income due and accrued			
15. Premiums and considerations:			
15.1 Uncollected premiums and agents' balances in the course of collection			
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due			
15.3 Accrued retrospective premiums			
16. Reinsurance:			
16.1 Amounts recoverable from reinsurers			
16.2 Funds held by or deposited with reinsured companies			
16.3 Other amounts receivable under reinsurance contracts			
17. Amounts receivable relating to uninsured plans			
18.1 Current federal and foreign income tax recoverable and interest thereon			
18.2 Net deferred tax asset	23,462,801	11,426,698	(12,036,103)
19. Guaranty funds receivable or on deposit			
20. Electronic data processing equipment and software			
21. Furniture and equipment, including health care delivery assets			
22. Net adjustment in assets and liabilities due to foreign exchange rates			
23. Receivable from parent, subsidiaries and affiliates			
24. Health care and other amounts receivable	70,826	33,753	(37,073)
25. Aggregate write-ins for other than invested assets			
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Line 12 to Line 25)	23,533,627	11,460,451	(12,073,176)
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts			
28. Total (Line 26 and Line 27)	23,533,627	11,460,451	(12,073,176)
DETAILS OF WRITE-INS			
1101.			
1102.			
1103.			
1198. Summary of remaining write-ins for Line 11 from overflow page			
1199. Totals (Line 1101 through Line 1103 plus Line 1198) (Line 11 above)			
2501.			
2502.			
2503.			
2598. Summary of remaining write-ins for Line 25 from overflow page			
2599. Totals (Line 2501 through Line 2503 plus Line 2598) (Line 25 above)			

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

A. Accounting Practices

The financial statements of Integrity Life Insurance Company (the Company) are presented on the basis of accounting practices prescribed or permitted by the Ohio Department of Insurance (the Department).

The Department recognizes only statutory accounting practices prescribed or permitted by the state of Ohio for determining and reporting the financial condition and results of operations of an insurance company. The National Association of Insurance Commissioners' (NAIC) *Accounting Practices and Procedures* manual, (NAIC SAP) has been adopted as a component of prescribed or permitted practices by the state of Ohio. The Department has the right to permit other specific practices that deviate from prescribed practices. There are no differences between the Company's net income and capital and surplus between NAIC SAP and practices prescribed and permitted by the state of Ohio.

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

The preparation of financial statements in conformity with statutory accounting practices prescribed or permitted by the state of Ohio requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities. It also requires disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates.

C. Accounting Policy

Life premiums are recognized as income over the premium-paying period of the related policies. Annuity considerations are recognized as revenue when received. Deposits on deposit-type contracts are entered directly as a liability when received. Expenses incurred in connection with acquiring new insurance business, including acquisition costs such as sales commissions, are charged to operations as incurred.

In addition, the Company uses the following accounting policies:

- (1) Short-term investments are stated at amortized cost.
- (2) Bonds not backed by other loans are stated at either amortized cost using the interest method or the lower of amortized cost or fair market value.
- (3) Common stocks of life insurance subsidiaries are carried at statutory equity. Unaffiliated common stocks are stated at fair market value. Common stocks of non-life subsidiaries and non-life affiliates in which the Company has an interest of 10% or more are carried on the GAAP equity basis.
- (4) Preferred stocks are stated at either cost or the lower of cost or fair market value.
- (5) Mortgage loans on real estate are stated at the aggregate unpaid principal balance plus unamortized premium less unaccrued discount.
- (6) Loan-backed and structured securities are stated at amortized cost, except those with an initial NAIC designation of 6, which are stated at the lower of amortized cost or fair value. Loan backed and structured securities with an initial NAIC designation of 6 could have a final designation of 1 through 5 as determined by the SVO financial modeling process or the SVO modified filing exempt process. The retrospective adjustment method is used to determine amortized cost for all loan-backed and structured securities, except for those which an other-than-temporary impairment has been recognized, which use the prospective adjustment method to determine amortized cost.
- (7) The Company owns 100% of the capital stock of National Integrity, which is stated at statutory equity.
- (8) The Company has investments in private equity and limited liability companies. The Company carries these interests based on the underlying GAAP equity of the investee. Undistributed earnings allocated to the Company are reported in the change in net unrealized capital gains or losses. Distributions from earnings of the entity are reported as net investment income when received. Because of the indirect nature of these investments, there is an inherent reduction in transparency and liquidity and increased complexity in valuing the underlying investments. As a result, these investments are actively managed by Company management via detailed evaluation of the investment performance relative to risk.
- (9) The Company does not have any material derivative transactions.
- (10) Anticipated investment income is not a factor in calculating deficiency reserves.
- (11) The Company had no accident and health contracts on its books during the statement periods.
- (12) The Company does not own capitalizable assets. Therefore, the Company does not have a capitalization policy.
- (13) The Company has no pharmaceutical rebate receivables on its books during the statement periods.
- (14) The Company monitors investments to determine if there has been an other-than-temporary decline in fair value. Factors management considers for each identified security include the following:
 - the length of time and the extent to which the fair value is below the book/adjusted carry value;
 - the financial condition and near term prospects of the issuer, including specific events that may affect its operations;
 - for equity securities and debt securities with credit related declines in fair value, the Company's intent and ability to hold the security long enough for it to recover its value to book/adjusted carry value;
 - for debt securities with interest related declines in fair value, the Company's intent to sell the security before recovery of its book/adjusted carry value;
 - for loan-backed securities, the Company's intent and ability to hold the security long enough for it to recover its value to book/adjusted carry value;
 - for loan-backed securities, the Company's intent to sell the security before recovery of its book/adjusted carry value.

If the decline is judged to be other-than-temporary, an impairment charge is recorded as a net realized capital loss in the period the determination is made.

2. Accounting Changes and Corrections of Errors

The Company made the following accounting changes in 2011:

In October 2010, the NAIC modified the definitions of loan-backed and structured securities included in SSAP No. 43R. The revised definition expands the requirement to include any securitized asset where the underlying cash flows are from all types of asset pools and not just those emanating from either mortgages or securities. Regardless of the underlying collateral, each security structured through a special purpose entity, trust or limited liability company is expected to be reported as a SSAP No. 43R security, not as an issuer obligation under SSAP No. 26, *Bonds, excluding Loan-backed and Structured Securities*. This guidance was effective January 1, 2011. The adoption of this guidance did not have a significant impact on the Company's financial statements.

The Company made the following accounting changes in 2010:

In 2010, the Company changed the valuation rate used to calculate reserves for certain structured settlement contracts. SSAP 51, *Life Contracts*, requires such a change in valuation basis to be recorded directly to surplus rather than as a part of the reserve change recognized in the Summary of Operations. The Company has recorded a decrease of \$37,702,457 to surplus as a result of the change in valuation basis through the Change in Reserve on Account of Change in Valuation Basis line on the Summary of Operations.

Effective December 31, 2010, the Company adopted Statement of Statutory Accounting Principles No. 91-Revised, *Accounting for Transfers and Servicing of Financial Assets and Extinguishments of Liabilities* (SSAP 91R). In accordance with SSAP 91R, the Company changed the method of reporting securities lending transactions. SSAP 91R requires collateral received which may be sold or repledged to be reflected on the balance sheet, along with the obligation to return the collateral. Collateral received which may not be sold or repledged is off balance sheet. For securities lending transactions reported on the balance sheet, the collateral received and the reinvestment of that collateral by an affiliated agent may be reflected with the invested assets on the balance sheet based on the type of investment and an offsetting liability will be recognized for the obligation to return the collateral. The collateral received and the reinvestment

NOTES TO FINANCIAL STATEMENTS

of that collateral by an unaffiliated agent must be reflected as a one-line entry on the balance sheet and an offsetting liability will be recognized for the obligation to return the collateral. Prior to the adoption of SSAP 91R, the Company did not reflect collateral reinvested by an unaffiliated agent on the balance sheet. SSAP 91R resulted in an increase in securities lending reinvested collateral assets of \$26,241,116 and an increase in the obligation to return the collateral of \$26,241,116, of which \$15,509,916 is related to the general account liability shown on the securities lending liability line and \$10,731,200 is related to the separate account liability shown on the transfers to separate accounts due or accrued line.

Effective December 31, 2010, the Company adopted Statement of Statutory Accounting Principles No. 100, *Fair Value Measurements* (SSAP 100). SSAP 100 establishes a framework for measuring fair value under current statutory accounting pronouncements that require or permit fair value measurement. SSAP 100 retains the price notion in the definition of fair value, but clarifies that the exchange price is the price in an orderly transaction between market participants to sell the asset or transfer the liability in the most advantageous market for that asset or liability. SSAP 100 also clarifies that fair value measurement should be based on market, not entity specific, assumptions that include an adjustment for risk if the market would use such an adjustment in pricing in the fair value measurement of liabilities. SSAP 100 also establishes a three-level fair value measurement hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The highest priority is given to quoted market prices and the lowest priority to unobservable inputs where there is little or no market activity for the asset or liability. The adoption of SSAP 100 did not have a material impact on the Company's financial statements. See Note 20 for further information.

3. Business Combinations and Goodwill. None.

4. Discontinued Operations. None.

5. Investments

A. Mortgage Loans, including Mezzanine Real Estate Loans

(1) The minimum and maximum lending rates for mortgage loans issued during 2011 were:

Farm loans	None
City loans	5.25% and 6.00%
Purchase money mortgages	None
Mezzanine loans	None

(2) During 2011, the Company reduced interest rates of outstanding mortgage loans as follows: None.

(3) At the issuance of a loan, the percentage of loan to value on any one loan does not exceed 80%.

	Current Year	Prior Year
(4) Mortgages with interest more than 180 days past due with a recorded investment, excluding accrued interest	\$ -	\$ -
a. Total interest due on mortgages with interest more than 180 days past due	\$ -	\$ -
(5) Taxes, assessments and any amounts advanced and not included in the mortgage loan total	\$ -	\$ -
(6) Impaired loans with a related allowance for credit losses	\$ -	\$ -
a. Related allowance for credit losses	\$ -	\$ -
(7) Impaired mortgage loans without an allowance for credit losses	\$ -	\$ -
(8) Average recorded investment in impaired mortgage loans	\$ -	\$ -
(9) Interest income recognized during the period the loans were impaired	\$ -	\$ -
(10) Amount of interest income recognized on a cash basis during the period the loans were impaired	\$ -	\$ -
(11) Valuation allowance for mortgage loans:		
a. Beginning balance	\$ -	\$ -
b. Additions charged to operations	\$ -	\$ -
c. Direct write-downs charged against the allowance	\$ -	\$ -
d. Recoveries of amounts previously charged off	\$ -	\$ -
e. Ending balance	\$ -	\$ -

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

B. Debt Restructuring. None.

C. Reverse Mortgages. None.

D. Loan-Backed Securities

(1) The methods and assumptions used in estimating fair values of loan-backed and structured securities involves analysis of the underlying collateral and calculating present value of the future cash flows utilizing deal-specific assumptions for expected prepayment speeds, expected defaults, and expected default severity discounted at market based expected yields. Specifically, the prepayment assumptions used in the valuation process were from Bloomberg and broker dealer prepayment models or derived from empirical data.

(2) The Company had no other-than-temporary impairments on loan-backed and structured securities for the years ended December 31, 2011 and 2010 and the six month period ended December 31, 2009 due to the intent to sell the security or the inability or lack of intent to retain the investment in the security for a period of time sufficient to recover the amortized cost basis of the security.

(3) The following is a list of each loan-backed and structured security with a recognized other-than-temporary impairment, for the years ended December 31, 2011 and 2010 and the six month period ended December 31, 2009, as the present value of future cash flows expected to be collected is less than the amortized cost basis of the securities:

CUSIP	Book/Adj Carrying Value Amortized Cost Before Current Period OTTI	Present Value of Future Cash Flows	Recognized Other-Than- Temporary Impairment	Amortized Cost After Other-Than- Temporary Impairment	Fair Value	Date of Financial Statement Where Reported
For the year ended December 31, 2011:						
02151FAF6	\$ 1,963,399	\$ 1,817,240	\$ 146,159	\$ 1,817,240	\$ 1,627,082	12/31/2011
05948KXT1	1,368,588	1,317,875	50,713	1,317,875	1,033,749	12/31/2011
12543PAQ6	1,220,907	951,250	269,657	951,250	759,790	12/31/2011
12544VAE9	3,913,468	3,586,468	327,000	3,586,468	3,242,652	12/31/2011
12628KAF9	1,449,979	1,373,270	76,709	1,373,270	879,061	12/31/2011
12667G7H0	1,868,719	1,783,587	85,132	1,783,587	1,494,098	12/31/2011
173100AR9	2,686,465	1,978,082	708,383	1,978,082	1,803,809	12/31/2011
251510FX6	790,124	751,385	38,739	751,385	645,736	12/31/2011
45660L6K0	5,194,987	4,812,774	382,213	4,812,774	3,888,592	12/31/2011

NOTES TO FINANCIAL STATEMENTS

CUSIP	Book/Adj Carrying Value Amortized Cost Before Current Period OTTI	Present Value of Future Cash Flows	Recognized Other-Than- Temporary Impairment	Amortized Cost After Other-Than- Temporary Impairment	Fair Value	Date of Financial Statement Where Reported
46628SAJ2	3,812,501	3,217,110	595,391	3,217,110	2,093,329	12/31/2011
52524PAL4	3,381,397	2,755,293	626,104	2,755,293	2,236,994	12/31/2011
74922EAF6	728,852	671,943	56,909	671,943	535,283	12/31/2011
75970JAD8	1,443,132	1,353,566	89,566	1,353,566	1,051,612	12/31/2011
97181#LS0	529,483	175,872	353,611	175,872	175,872	12/31/2011
02150EAN3	735,809	689,181	46,628	689,181	646,355	9/30/2011
52524MAV1	737,223	734,084	3,139	734,084	380,484	9/30/2011
61752RAJ1	2,765,128	2,487,904	277,224	2,487,904	1,732,915	9/30/2011
12543PAQ6	1,403,630	1,236,252	167,378	1,236,252	1,155,602	6/30/2011
3622MPAP3	1,843,946	1,352,426	491,520	1,352,426	1,265,228	6/30/2011
52523KAJ3	1,809,442	1,457,788	351,654	1,457,788	755,738	6/30/2011
Total	\$ 39,647,179	\$ 34,503,350	\$ 5,143,829	\$ 34,503,350	\$ 27,403,981	

For the year ended December 31, 2010:

74922EAF6	\$ 816,884	\$ 792,144	\$ 24,740	\$ 792,144	\$ 642,459	12/31/2010
75970JAD8	1,782,812	1,610,607	172,205	1,610,607	1,410,006	12/31/2010
75970JAJ5	2,114,219	1,818,487	295,732	1,818,487	1,113,446	9/30/2010
05535DAM6	902,600	762,003	140,597	762,003	670,104	9/30/2010
02150EAN3	880,041	768,025	112,016	768,025	682,562	6/30/2010
12543PAQ6	1,622,236	1,401,696	220,540	1,401,696	1,225,466	6/30/2010
32051GTE5	1,235,933	1,094,318	141,615	1,094,318	971,219	6/30/2010
52520QAG9	4,327,595	3,936,783	390,812	3,936,783	3,479,615	6/30/2010
61749EAF4	1,864,433	1,703,579	160,854	1,703,579	1,154,288	6/30/2010
75970JAJ5	2,171,727	2,127,197	44,530	2,127,197	1,256,307	6/30/2010
93934NAK1	1,829,700	1,673,016	156,684	1,673,016	1,311,790	6/30/2010
Total	\$ 19,548,180	\$ 17,687,855	\$ 1,860,325	\$ 17,687,855	\$ 13,917,262	

For the six month period ended December 31, 2009:

05950NBU1	\$ 1,515,025	\$ 657,848	\$ 857,177	\$ 657,848	\$ 1,148,252	12/31/2009
52522HAN2	1,950,652	1,733,739	216,913	1,733,739	1,225,190	12/31/2009
75970JAJ5	2,257,749	2,180,785	76,964	2,180,785	1,300,725	12/31/2009
93934FEQ1	686,403	650,809	35,594	650,809	591,413	12/31/2009
05950NBU1	2,152,505	1,579,098	573,407	1,579,098	1,156,443	9/30/2009
12543PAQ6	1,778,332	1,617,220	161,112	1,617,220	1,203,068	9/30/2009
32056FAG7	302,352	72,289	230,063	72,289	62,926	9/30/2009
40432BBH1	553,261	171,089	382,172	171,089	151,855	9/30/2009
52524MAV1	861,647	758,127	103,520	758,127	317,713	9/30/2009
Total	\$ 12,057,926	\$ 9,421,004	\$ 2,636,922	\$ 9,421,004	\$ 7,157,585	

(4) The following is an aggregate total of all impaired loan-backed securities (fair value is less than cost or amortized cost) for which an other-than-temporary impairment has not been recognized in earnings as a realized loss, including securities with a recognized other-than-temporary impairment for non-interest related declines when a non-recognized interest related impairment remains as of December 31, 2011:

Unrealized Losses Less Than 12 Months		Unrealized Losses Greater Than or Equal to 12 Months	
Unrealized Losses	Fair Value	Unrealized Losses	Fair Value
\$ (3,695,527)	\$ 62,153,052	\$ (30,477,153)	\$ 149,436,189

(5) See Note 1C (13) for the factors management considers when evaluating for an other-than-temporary decline in fair value.

E. Repurchase Agreements and/or Securities Lending Transactions

At December 31, 2011, the Company has loaned \$120.0 million and \$69.2 million (fair value) in the general and separate account, respectively, of various debt securities, preferred stocks and common stocks as part of a securities lending program administered by The Bank of New York Mellon. At December 31, 2010, the Company had loaned \$165.3 million and \$114.2 million (fair value) in the general and separate account, respectively, of various debt securities, preferred stocks and common stocks as part of a securities lending program administered by The Bank of New York Mellon. The Company maintains effective control over all loaned securities and, therefore, continues to report such securities as invested assets in the balance sheets.

There is no difference in the policy and procedures for the separate account. In addition, collateral for separate account securities lent is held in the general account with a corresponding payable and receivable between the general and separate accounts. The corresponding payable and receivable is included in the due to/from general account/separate account line on the balance sheets and was \$70.9 million and \$117.1 million at December 31, 2011 and 2010, respectively.

(1) The Company requires at the initial transaction that the fair value of the cash collateral received must be equal to 102% of the fair value of the loaned securities. The Company monitors the ratio of the fair value of the collateral to loaned securities to ensure it does not fall below 100%. If the fair value of the collateral falls below 100% of the fair value of the securities loaned, the Company non-admits that portion of the loaned security. At December 31, 2011 and 2010, the Company did not non-admit any portion of the loaned securities.

(2) Not applicable.

(3) a. At December 31, 2011, the collateral for all securities on loan could be requested to be returned on demand by the borrower. At December 31, 2011, the fair value of the total collateral is \$194.1 million, \$175.7 million of which is managed by an affiliated agent and \$18.4 million of which is managed by an unaffiliated agent. At December 31, 2010, the fair value of the total collateral was \$286.8 million, \$260.3 million of which was managed by an affiliated agent and \$26.5 million of which was managed by an unaffiliated agent.

b. The aggregate fair value of the reinvested collateral is \$194.1 million.

c. The Company receives cash collateral in an amount in excess of the fair value of the securities lent. The Company reinvests the cash collateral primarily in investment-grade debt securities and cash equivalents.

NOTES TO FINANCIAL STATEMENTS

(4) The Company reports all collateral on the balance sheet with an offsetting liability recognized for the obligation to return the collateral. Collateral for the securities lending program is either managed by an affiliated agent of the Company or is managed by the Bank of New York Mellon, an unaffiliated agent. Collateral managed by an affiliated agent is invested primarily in investment-grade debt securities and cash equivalents and is included in the applicable amount on the balance sheets because the funds are available for the general use of the Company. Collateral managed by an unaffiliated agent is invested in cash equivalents and is included in securities lending reinvested collateral assets on the balance sheet at December 31, 2011 and 2010.

(5) a. The aggregate collateral broken out by maturity date is as follows:

Open	Amortized Cost	Fair Value
30 Days or less	\$ 111,954,629	\$ 112,224,178
31 to 60 Days	-	-
61 to 90 Days	3,000,000	3,000,000
91 to 120 Days	-	-
121 to 180 Days	560,151	551,157
181 to 365 Days	10,659,276	10,652,428
1 to 2 Years	-	-
2 to 3 Years	-	-
Greater Than 3 Years	67,693,500	67,693,500
Total Collateral	<u>\$ 193,867,556</u>	<u>\$ 194,121,263</u>

b. At December 31, 2011, all of the collateral held for the securities lending program was invested in tradable securities that could be sold and used to pay for the \$193.9 million in collateral calls that could come due under a worst-case scenario.

F. Real Estate. None.

G. Low Income Housing Tax Credit Property Investments. None.

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 did not recognize any impairment write down for its investments in joint ventures, partnerships or limited liability companies during the statement period.

7. Investment Income

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

All investment income due and accrued with amounts that are over 90 days past due with the exception of mortgage loans in default.

B. The amount excluded for bonds and mortgage loans was \$0.

8. Derivative Instruments

The Company does not have any material derivative transactions.

9. Income Taxes

A. The components of net deferred tax asset/(liability) at December 31, 2011 and December 31, 2010 are as follows:

(1) 2011:

	Ordinary	Capital	Total
(a) Gross deferred tax assets	\$ 60,596,070	\$ 6,846,670	\$ 67,442,740
(b) Statutory valuation allowance adjustment	-	-	-
(c) Adjusted gross deferred tax assets (1a – 1b)	60,596,070	6,846,670	67,442,740
(d) Deferred tax liabilities	5,093,065	16,101,491	21,194,556
(e) Net deferred tax assets/(liabilities) (1c – 1d)	55,503,005	(9,254,821)	46,248,184
(f) Deferred tax assets nonadmitted	23,462,801	-	23,462,801
(g) Net admitted deferred tax assets/(liabilities) (1e – 1f)	<u>\$ 32,040,204</u>	<u>\$ (9,254,821)</u>	<u>\$ 22,785,383</u>

2010:

	Ordinary	Capital	Total
(a) Gross deferred tax assets	\$ 59,453,449	\$ 5,647,463	\$ 65,100,912
(b) Statutory valuation allowance adjustment	-	-	-
(c) Adjusted gross deferred tax assets (1a – 1b)	59,453,449	5,647,463	65,100,912
(d) Deferred tax liabilities	3,982,613	24,678,145	28,660,758
(e) Net deferred tax assets/(liabilities) (1c – 1d)	55,470,836	(19,030,682)	36,440,154
(f) Deferred tax assets nonadmitted	11,426,698	-	11,426,698
(g) Net admitted deferred tax assets/(liabilities) (1e – 1f)	<u>\$ 44,044,138</u>	<u>\$ (19,030,682)</u>	<u>\$ 25,013,456</u>

Change:

	Ordinary	Capital	Total
(a) Gross deferred tax assets	\$ 1,142,621	\$ 1,199,207	\$ 2,341,828
(b) Statutory valuation allowance adjustment	-	-	-
(c) Adjusted gross deferred tax assets (1a – 1b)	1,142,621	1,199,207	2,341,828
(d) Deferred tax liabilities	1,110,452	(8,576,654)	(7,466,202)
(e) Net deferred tax assets/(liabilities) (1c – 1d)	32,169	9,775,861	9,808,030
(f) Deferred tax assets nonadmitted	12,036,103	-	12,036,103
(g) Net admitted deferred tax assets/(liabilities) (1e – 1f)	<u>\$ (12,003,934)</u>	<u>\$ 9,775,861</u>	<u>\$ (2,228,073)</u>

(2) The Company has elected to admit DTAs pursuant to paragraph 10.e. of SSAP No. 10R, *Income Taxes – A Temporary Replacement of SSAP No. 10*. The current period election does not differ from the prior period election.

(3) The increased amount by tax character, and the change in such, of admitted adjusted gross DTAs as the result of the application of paragraph 10.e. of SSAP No. 10R, *Income Taxes – A Temporary Replacement of SSAP No. 10*:

	Current Year	Prior Year	Change
Increase (decrease) in deferred tax assets admitted from SSAP 10R, para. 10.e.	\$ 6,961,558	\$ 7,529,230	\$ (567,672)

NOTES TO FINANCIAL STATEMENTS

(4) 2011:	Ordinary	Capital	Total
Admission calculation components SSAP 10R, Paragraphs 10.a, 10.b, and 10.c:			
(a) SSAP 10R, Paragraph 10.a.	\$ 8,977,155	\$ 6,846,670	\$ 15,823,825
(b) SSAP 10R, Paragraph 10.b. (lesser of para. 10.b.i. and 10.b.ii. below)	-	-	-
(c) SSAP 10R, Paragraph 10.b.i.	-	-	-
(d) SSAP 10R, Paragraph 10.b.ii.			51,640,848
(e) SSAP 10R, Paragraph 10.c.	21,194,556	-	21,194,556
(f) Total (4a + 4b + 4c)	\$ 30,171,711	\$ 6,846,670	\$ 37,018,381
Admission calculation components SSAP 10R, Paragraph 10.e.:			
(g) SSAP 10R, Paragraph 10.e.i.	\$ 15,938,713	\$ 6,846,670	\$ 22,785,383
(h) SSAP 10R, Paragraph 10.e.ii. (lesser of para. 10.e.ii.a. and 10.e.ii.b. below)	-	-	-
(i) SSAP 10R, Paragraph 10.e.ii.a.	-	-	-
(j) SSAP 10R, Paragraph 10.e.ii.b.			77,461,272
(k) SSAP 10R, Paragraph 10.e.iii.	21,194,556	-	21,194,556
(l) Total (4g + 4h + 4k)	\$ 37,133,269	\$ 6,846,670	\$ 43,979,939
Used in SSAP 10R, Paragraph 10.d.			
(m) Total adjusted capital			\$ 617,067,877
(n) Authorized control level			\$ 80,866,557
2010:	Ordinary	Capital	Total
Admission calculation components SSAP 10R, Paragraphs 10.a, 10.b, and 10.c:			
(a) SSAP 10R, Paragraph 10.a.	\$ 11,836,763	\$ 5,647,463	\$ 17,484,226
(b) SSAP 10R, Paragraph 10.b. (lesser of para. 10.b.i. and 10.b.ii. below)	-	-	-
(c) SSAP 10R, Paragraph 10.b.i.	-	-	-
(d) SSAP 10R, Paragraph 10.b.ii.			49,826,782
(e) SSAP 10R, Paragraph 10.c.	28,660,758	-	28,660,758
(f) Total (4a + 4b + 4e)	\$ 40,497,521	\$ 5,647,463	\$ 46,144,984
Admission calculation components SSAP 10R, Paragraph 10.e.:			
(g) SSAP 10R, Paragraph 10.e.i.	\$ 17,856,769	\$ 5,647,463	\$ 23,504,232
(h) SSAP 10R, Paragraph 10.e.ii. (lesser of para. 10.e.ii.a. and 10.e.ii.b. below)	1,509,224	-	1,509,224
(i) SSAP 10R, Paragraph 10.e.ii.a.	1,509,224	-	1,509,224
(j) SSAP 10R, Paragraph 10.e.ii.b.			74,740,173
(k) SSAP 10R, Paragraph 10.e.iii.	28,660,758	-	28,660,758
(l) Total (4g + 4h + 4k)	\$ 48,026,751	\$ 5,647,463	\$ 53,674,214
Used in SSAP 10R, Paragraph 10.d.			
(m) Total adjusted capital			\$ 593,522,694
(n) Authorized control level			\$ 76,443,574
Change:	Ordinary	Capital	Total
Admission calculation components SSAP 10R, Paragraphs 10.a, 10.b, and 10.c:			
(a) SSAP 10R, Paragraph 10.a.	\$ (2,859,608)	\$ 1,199,207	\$ (1,660,401)
(b) SSAP 10R, Paragraph 10.b. (lesser of para. 10.b.i. and 10.b.ii. below)	-	-	-
(c) SSAP 10R, Paragraph 10.b.i.	-	-	-
(d) SSAP 10R, Paragraph 10.b.ii.			1,814,066
(e) SSAP 10R, Paragraph 10.c.	(7,466,202)	-	(7,466,202)
(f) Total (4a + 4b + 4e)	\$ (10,325,810)	\$ 1,199,207	\$ (9,126,603)
Admission calculation components SSAP 10R, Paragraph 10.e.:			
(g) SSAP 10R, Paragraph 10.e.i.	\$ (1,918,056)	\$ 1,199,207	\$ (718,849)
(h) SSAP 10R, Paragraph 10.e.ii. (lesser of para. 10.e.ii.a. and 10.e.ii.b. below)	(1,509,224)	-	(1,509,224)
(i) SSAP 10R, Paragraph 10.e.ii.a.	(1,509,224)	-	(1,509,224)
(j) SSAP 10R, Paragraph 10.e.ii.b.			2,721,099
(k) SSAP 10R, Paragraph 10.e.iii.	(7,466,202)	-	(7,466,202)
(l) Total (4g + 4h + 4k)	\$ (10,893,482)	\$ 1,199,207	\$ (9,694,275)
Used in SSAP 10R, Paragraph 10.d.			
(m) Total adjusted capital			\$ 23,545,183
(n) Authorized control level			\$ 4,422,983
(5) 2011:	Ordinary	Capital	Total
Impact of tax planning strategies:			
(a) Adjusted gross DTA (% of total adjusted gross DTAs)	7.41%	10.15%	17.56%
(b) Net admitted adjusted gross DTAs (% of total net admitted adjusted gross DTAs)	11.37%	15.57%	26.94%
2010:	Ordinary	Capital	Total
Impact of tax planning strategies:			
(a) Adjusted gross DTA (% of total adjusted gross DTAs)	10.72%	8.24%	18.96%
(b) Net admitted adjusted gross DTAs (% of total net admitted adjusted gross DTAs)	13.00%	10.00%	23.00%
Change:	Ordinary	Capital	Total
Impact of tax planning strategies:			
(a) Adjusted gross DTA (% of total adjusted gross DTAs)	(3.31)%	1.91%	(1.40)%
(b) Net admitted adjusted gross DTAs (% of total net admitted adjusted gross DTAs)	(1.63)%	5.57%	3.94%
(6) 2011:	Ordinary	Capital	Total
SSAP 10R, Paragraphs 10.a., 10.b., and 10.c.:			
(a) Admitted deferred tax assets	\$ 30,171,711	\$ 6,846,670	\$ 37,018,381
(b) Admitted assets			\$ 5,909,113,174
(c) Adjusted statutory surplus *			\$ 540,238,802
(d) Total adjusted capital from DTAs			\$ 610,106,319
Increases due to SSAP 10R, Paragraph 10.e.:			
(e) Admitted deferred tax assets	\$ 6,961,558	-	\$ 6,961,558
(f) Admitted assets			\$ 6,961,558
(g) Statutory surplus			\$ 6,961,558

NOTES TO FINANCIAL STATEMENTS

2010:

	Ordinary	Capital	Total
SSAP 10R, Paragraphs 10.a., 10.b., and 10.c.:			
(a) Admitted deferred tax assets	\$ 40,497,521	\$ 5,647,463	\$ 46,144,984
(b) Admitted assets			\$ 5,902,181,340
(c) Adjusted statutory surplus *			\$ 521,680,790
(d) Total adjusted capital from DTAs			\$ 585,993,464

Increases due to SSAP 10R, Paragraph 10.e.:

(e) Admitted deferred tax assets	\$ 7,529,230	\$ -	\$ 7,529,230
(f) Admitted assets			\$ 7,529,230
(g) Statutory surplus			\$ 7,529,230

Change:

	Ordinary	Capital	Total
SSAP 10R, Paragraphs 10.a., 10.b., and 10.c.:			
(a) Admitted deferred tax assets	\$ (10,325,810)	\$ 1,199,207	\$ (9,126,603)
(b) Admitted assets			\$ 6,931,834
(c) Adjusted statutory surplus *			\$ 18,558,012
(d) Total adjusted capital from DTAs			\$ 24,112,855

Increases due to SSAP 10R, Paragraph 10.e.:	\$ (567,672)	\$ -	\$ (567,672)
(e) Admitted deferred tax assets			\$ (567,672)
(f) Admitted assets			\$ (567,672)
(g) Statutory surplus			\$ (567,672)

* As reported on the statutory balance sheet for the most recently filed statement with the Ohio Department of Insurance commissioner adjusted in accordance with SSAP 10R, Paragraph 10.b.ii.

B. Deferred tax liabilities are not recognized for the following amounts: None.

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

(1) Current income tax	Current Year	Prior Year	Change
(a) Federal	\$ 7,507,782	\$ 19,115,247	\$ (11,607,465)
(b) Foreign	-	-	-
(c) Subtotal	7,507,782	19,115,247	(11,607,465)
(d) Federal income tax on net capital gains	10,212,833	4,359,145	5,853,688
(e) Utilization of capital loss carry-forwards	-	-	-
(f) Other	112,977	(4,077,582)	4,190,559
(g) Federal and foreign income taxes incurred	\$ 17,833,592	\$ 19,396,810	\$ (1,563,218)
(2) Deferred tax assets	Current Year	Prior Year	Change
(a) Ordinary:			
(1) Discounting of unpaid losses	\$ -	\$ -	\$ -
(2) Unearned premium revenue	42,132,137	39,800,473	2,331,664
(3) Policyholder reserves	7,035,630	7,541,542	(505,912)
(4) Investments	8,151,156	8,449,848	(298,692)
(5) Deferred acquisition costs	-	-	-
(6) Policyholder dividends accrual	-	-	-
(7) Fixed assets	-	-	-
(8) Compensation and benefits accrual	-	-	-
(9) Pension accrual	-	-	-
(10) Receivables – nonadmitted	-	-	-
(11) Net operating loss carry-forward	2,344,692	2,344,692	-
(12) Tax credit carry-forward	932,455	1,316,894	(384,439)
(13) Other	60,596,070	59,453,449	1,142,621
(14) Subtotal	-	-	-
(b) Statutory valuation allowance adjustment	-	-	-
(c) Nonadmitted	23,462,801	11,426,698	12,036,103
(d) Admitted ordinary deferred tax assets (2a14 – 2b – 2c)	37,133,269	48,026,751	(10,893,482)
(e) Capital:			
(1) Investments	6,846,670	5,647,463	1,199,207
(2) Net capital loss carry-forward	-	-	-
(3) Real estate	-	-	-
(4) Other	-	-	-
(5) Subtotal	6,846,670	5,647,463	1,199,207
(f) Statutory valuation allowance adjustment	-	-	-
(g) Nonadmitted	-	-	-
(h) Admitted capital deferred tax assets (2e5 – 2f – 2g)	6,846,670	5,647,463	1,199,207
(i) Admitted deferred tax assets (2d + 2h)	\$ 43,979,939	\$ 53,674,214	\$ (9,694,275)
(3) Deferred tax liabilities	Current Year	Prior Year	Change
(a) Ordinary:			
(1) Investments	\$ 3,130,140	\$ 2,518,882	\$ 611,258
(2) Fixed assets	-	-	-
(3) Deferred and uncollected premium	-	-	-
(4) Policyholder reserves	1,924,672	1,463,731	460,941
(5) Other	38,253	-	38,253
(6) Subtotal	5,093,065	3,982,613	1,110,452
(b) Capital:			
(1) Investments	16,101,491	24,678,145	(8,576,654)
(2) Real estate	-	-	-
(3) Other	-	-	-
(4) Subtotal	16,101,491	24,678,145	(8,576,654)
(c) Deferred tax liabilities (3a6 + 3b4)	\$ 21,194,556	\$ 28,660,758	\$ (7,466,202)
(4) Net deferred tax assets (liabilities) (2i – 3c)	\$ 22,785,383	\$ 25,013,456	\$ (2,228,073)

NOTES TO FINANCIAL STATEMENTS

D. Among the more significant book to tax adjustments were the following:

	Current Year	Effective Tax Rate	Prior Year	Effective Tax Rate
Provision computed at statutory rate	\$ 12,172,981	35.00%	\$ 21,359,064	35.00%
Dividend received deduction	(770,394)	(2.22)	(276,085)	(0.45)
Tax credits	(63,939)	(0.18)	(51,555)	(0.08)
Other invested assets	^	0.00	(1,545,665)	(2.53)
Other	500,320	(1.44)	(6,675,553)	(10.95)
Total statutory income taxes	<u>\$ 11,838,968</u>	<u>34.04%</u>	<u>\$ 12,810,206</u>	<u>20.99%</u>
Federal and foreign income taxes incurred	\$ 7,620,759	21.91%	\$ 15,037,665	24.64%
Change in net deferred income taxes*	4,218,209	12.13	(2,227,459)	(3.65)
Total statutory income taxes	<u>\$ 11,838,968</u>	<u>34.04%</u>	<u>\$ 12,810,206</u>	<u>20.99%</u>

* Excludes change in net deferred income taxes on realized gains/losses of \$(6,274,918) and \$(2,674,401) for the year ended December 31, 2011 and 2010, respectively.

E. At December 31, 2011, the Company had \$0 of operating loss carry forwards.

The following are income taxes incurred in the current and prior years that will be available for recoupment in the event of future net losses:

2011	\$ 17,719,323
2010	\$ 25,388,531
2009	\$ 38,879

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

The Western and Southern Life Insurance Company
 Western & Southern Mutual Holding Company
 Western & Southern Financial Group, Inc.
 Western-Southern Life Assurance Company and Subsidiaries
 Columbus Life Insurance Company and Subsidiaries
 Integrity Life Insurance Company and Subsidiary
 The Lafayette Life Insurance Company and Subsidiary
 Western-Southern Agency, Inc.
 Western-Southern Agency Services, Inc.
 WestAd, Inc.
 Eagle Realty Investments, Inc.
 Fort Washington Investment Advisors, Inc. and Subsidiary
 Fort Washington Savings Company

The Western and Southern Life Insurance Company (Western and Southern), parent of the Company, files a consolidated income tax return with its eligible subsidiaries, including the Company. The provision for federal income taxes is allocated to the Company using a separate return method based upon a written tax sharing agreement. Under the agreement, the benefits from losses of subsidiaries are retained by the subsidiary companies. Western and Southern pays all federal income taxes due for all members in the consolidated return. Western and Southern then immediately charges or reimburses, as the case may be, these members an amount consistent with the method described in the tax sharing agreement. At December 31, 2011, the Company has a payable to Western and Southern of \$1.2 million on line 15.1 of page 3.

10. Information Concerning Parent, Subsidiaries and Affiliates

- A. At December 31, 2011, Western and Southern, an insurance company domiciled in the state of Ohio, owned all shares of the Company.
- B. Not applicable.
- C. Not applicable.
- D. At December 31, 2011, the Company had amounts of \$3.8 million due to Western and Southern, \$0.6 million due to IFS Financial Services, Inc. and \$0.2 million due from National Integrity. At December 31, 2010, the Company had amounts of \$18.8 million due from Western and Southern and \$0.7 million due to IFS Financial Services, Inc. These amounts are generally settled on a monthly basis.
- E. The Company has not guaranteed any obligation of its affiliates as of December 31, 2011.
- F. Western and Southern performs certain administrative and special services for the Company to assist with its business operations. These services include tax compliance and reporting, payroll functions, administrative support services, and investment functions. The charges for services are considered reasonable and in accordance with the requirements of applicable insurance law and regulations.
- G. See A above.
- H. The Company does not own any shares of an upstream affiliate either directly or through its subsidiaries.
- I. The Company does not have an investment in an SCA entity that exceeds 10% of the admitted assets of the insurer.
- J. The Company did not recognize any impairment write down for its investments in subsidiary, controlled or affiliated companies during the statement periods.
- K. Not applicable.
- L. Not applicable.

11. Debt

- A. The Company has no capital notes outstanding. The Company does not hold any dollar reverse repurchase agreements.
- B. FHLB (Federal Home Loan Bank) Agreements. None.

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

- A. Defined Benefit Plan. Not applicable.
- B. The Company maintains Supplemental Executive Retirement Plans ("SERP") for former executives. The SERP liability as of December 31, 2011 and 2010 was \$347,376 and \$358,508, respectively.
- C. Multi-employer Plans. Not applicable.
- D. Consolidated/Holding Company Plans. None.

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

- (1) The Company has one class of common stock with a par value of \$2 per share. At December 31, 2011, the Company had 1,500,000 shares authorized, 1,500,000 shares issued and 1,500,000 shares outstanding.

NOTES TO FINANCIAL STATEMENTS

- (2) The Company has no preferred stock outstanding.
- (3) The ability of the Company to pay dividends is limited by state insurance laws. Under Ohio insurance laws, the Company may pay dividends, without the approval of the Ohio Director of Insurance, only from earned surplus and those dividends may not exceed (when added to other dividends paid in the preceding 12 months) the greater of (i) 10% of the Company's surplus as of the prior December 31, or (ii) the Company's net income for the twelve month period ending the prior December 31.
- (4) None.
- (5) The Company was not permitted to pay any dividends during 2011 or 2010 without the approval of the Ohio Insurance Commissioner.
- (6) Unassigned surplus inures to the benefit of the Company's stockholder. At December 31, 2011, the Company had an unassigned deficit.
- (7) There were no advances to surplus that had not been repaid.
- (8) There was no stock held by the Company, including stock of affiliated companies, for special purposes.
- (9) The Company does not hold any special surplus funds.
- (10) The portion of unassigned funds (surplus) represented or reduced by cumulative unrealized gains and losses are \$69,334,631.
- (11) There were no surplus debentures or similar item outstanding during the statement periods.
- (12) There have been no restatements of surplus due to quasi-reorganizations.
- (13) Not applicable.

14. Contingencies

A. Contingent Commitments

The Company has future commitments to joint ventures, limited partnerships and limited liability companies in the amount of \$33,324,740.

B. Assessments

The Company is not aware of any material assessments.

C. Gain Contingencies

The Company is not aware of any gain contingencies.

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

The Company does not have any material extra contractual obligations or bad faith losses stemming from lawsuits.

E. All Other Contingencies

Various lawsuits against the Company have arisen in the ordinary course of the Company's business. Contingent liabilities arising from litigation, income taxes and other matters are not considered material in relation to the financial position of the Company.

15. Leases

A. The Company did not have any material lease obligations at December 31, 2011.

B. The Company is not involved in any material lessor leasing arrangements.

16. The Company has no material financial instruments with off-balance sheet risk.

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

A. Transfers of Receivables Reported as Sales. None.

B. (1) Not applicable.

(2) See Note 5E for information regarding securities lending.

(3) Not applicable.

(4) Not applicable.

(5) Not applicable.

(6) Not applicable.

C. The Company did not have any wash sales for securities with a NAIC designation of 3 or below, or unrated.

18. Gain or Loss to the Reporting Entity from Uninsured A&H Plans and the Uninsured Portion of Partially Insured Plans. None.

19. Direct Premium Written/Produced by Managing General Agents/Third Party Administrators. None.

20. Fair Value Measurements

A.

(1) Fair Value Measurements at December 31, 2011

	Level 1	Level 2	Level 3	Total
Assets at fair value				
Bonds				
U.S. governments	\$	-	\$	-
Issue obligation	-		-	-
RMBS	-		8,238,426	8,238,426
CMBS	-		27,090	27,090
Hybrid securities	-		-	-
Parent, subsidiaries and affiliates	-		-	-
Total bonds	\$	-	\$ 8,265,516	\$ 8,265,516
Preferred stock				
Industrial and miscellaneous	\$	-	\$	-
Parent, subsidiaries and affiliates	-		-	-
Total preferred stock	\$	-	\$	-

NOTES TO FINANCIAL STATEMENTS

	Level 1	Level 2	Level 3	Total
Common stock				
Industrial and miscellaneous	\$ 156,815,103	\$ -	\$ -	\$ 156,815,103
Parent, subsidiaries and affiliates	-	-	-	-
Mutual funds	-	-	-	-
Total common stock	\$ 156,815,103	\$ -	\$ -	\$ 156,815,103
Derivative assets				
Interest rate contracts	\$ -	\$ -	\$ -	\$ -
Options, purchased	-	-	-	-
Foreign exchange contracts	-	-	-	-
Credit contracts	-	-	-	-
Credit default swaps	-	-	-	-
Commodity futures contracts	-	-	-	-
Commodity forward contracts	-	-	-	-
Total derivative assets	\$ -	\$ -	\$ -	\$ -
Separate account assets*	\$ 540,221,364	\$ -	\$ 6,025,895	\$ 546,247,259
Total assets at fair value	\$ 697,036,467	\$ -	\$ 14,291,411	\$ 711,327,878
	Level 1	Level 2	Level 3	Total
Liabilities at fair value				
Derivative liabilities	\$ -	\$ -	\$ (137,252)	\$ (137,252)
Total liabilities at fair value	\$ -	\$ -	\$ (137,252)	\$ (137,252)

* Separate account assets measured at fair value in this table do not include assets backing market value adjusted annuities, which are held at amortized cost.

There were no significant transfers between Level 1 and Level 2 of the fair value hierarchy. See Note 20A(3) for the policy for determining when transfers between levels are recognized.

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

	Balance at 1/1/2011	Transfers in Level 3	Transfers out of Level 3	Total Gains (Losses) Included in Net Income	Total Gains (Losses) Included in Surplus	Net Purchases, Issuances, Sales and Settlements	Balance at 12/31/2011
RMBS	\$ 5,944,632	\$ 5,101,507	\$ (956,469)	\$ (2,473,878)	\$ 1,032,451	\$ (409,818)	\$ 8,238,425
CMBS	-	27,090	-	-	-	-	27,090
Separate account assets	675,142	5,907,885	(177)	(610,044)	291,556	(238,466)	6,025,896
Derivative liabilities	(2,835)	-	-	49,138	93,203	(276,758)	\$ (137,252)
Total	\$ 6,616,939	\$ 11,036,482	\$ (956,646)	\$ (3,034,784)	\$ 1,417,210	\$ (925,042)	\$ 14,154,159

Gross Purchases, Issuances, Sales, and Settlements

	Purchases	Issuances	Sales	Settlements	Net Purchases, Issuances, Sales, and Settlements
RMBS	\$ -	\$ -	\$ (37,337)	\$ (372,481)	\$ (409,818)
Separate account assets	-	(27,800)	-	(210,666)	(238,466)
Derivative liabilities	-	(409,290)	-	132,532	(276,758)
Total	\$ -	\$ (437,090)	\$ (37,337)	\$ (450,615)	\$ (925,042)

(3) The Company's policy is to recognize transfers in and transfers out of levels at the end of the reporting period.

(4) As of December 31, 2011, investments in Level 3 include NAIC rated 6 residential mortgage-backed securities representing subordinated tranches in securitization trusts containing residential mortgage loans originated during the period of 2005 to 2007. These securities are currently rated below investment grade. To measure fair value, the Company used an internal fair value model to estimate future cash flows and then discounts the expected future cash flows using the current market rates applicable to the coupon rate, credit risk, and weighted-average-life of the investments. The internal fair value model uses both market-based data and data specific to the underlying loans of each security in determining assumptions for default probabilities, loss severities and prepayment speeds to determine the estimated future cash flows for each security.

The fair values of credit default swaps and options in Level 3 have been determined using valuation models incorporating significant unobservable inputs, including projected discounted cash flows, applicable swap curves and implied volatilities.

The fair value of common stock has been determined utilizing publicly quoted prices from third-party pricing services.

Assets held in separate accounts carried at fair value include mutual funds, RMBS (with an initial NAIC rating of 6) and credit default swaps. The fair values of these assets have been determined using the same aforementioned methodologies as for common stock, RMBS and credit default swaps, respectively.

- B. Not applicable.
- C. Not applicable.
- D. Not applicable.

21. Other Items

- A. Extraordinary Items. None.
- B. Troubled Debt Restructuring. None.
- C. Other Disclosures. None.
- D. Uncollectible Assets. None.
- E. Business Interruption Insurance Recoveries. None.
- F. State Transferable Tax Credits. None.

NOTES TO FINANCIAL STATEMENTS

G. Subprime Mortgage Related Risk Exposure

The Company does not have any direct investments in subprime mortgage loans. The Company does not have any equity investments in subsidiary, controlled or affiliated entities with significant subprime mortgage related risk exposure. This disclosure does not include an evaluation of mortgage-backed debt securities commonly referred to as Alt A because these debt securities do not generally share all characteristics of subprime mortgage related risk.

The Company invests directly in certain debt securities which are considered to have subprime mortgage related risk. The Company considers the following general characteristics typical of its debt securities with subprime mortgage exposure:

- Underlying borrowers with low credit ratings (FICO score generally lower than 670);
- Underlying loans with interest rates above rates available to prime borrowers;
- Underlying loans with generally higher initial loan-to-value ratios;
- Underlying loans with generally higher concentration of second liens;
- Underlying loans with generally higher concentration of manufactured housing;
- Securities with generally higher spread between collateral interest received and interest payments to investors;
- Securities with generally higher level of overcollateralization

Investments in debt securities with subprime mortgage exposure, similar to other types of investments, can subject an investor to unrealized losses due to changing interest rates or general credit spread widening. Similarly, an investor is exposed to realized losses if actual cash flow of the underlying mortgages is worse than expected due to higher defaults which can result in principal loss for the investor.

In order to manage subprime mortgage related risk the Company uses proprietary risk models to project probability of default and recoveries of underlying collateral, proprietary surveillance systems to monitor credit performance, exposure analysis by risk category and maintenance of a watchlist for higher risk investments.

The following table shows our investments in debt securities with subprime mortgage exposure based on the definition above:

Integrity General Account	Actual Cost	Book/Adjusted Carrying Value	Fair Value	Other-Than-Temporary Impairment Losses Recognized
Residential mortgage-backed securities	\$ 18,549,596	\$ 18,484,729	\$ 22,404,536	\$ 89,565
Commercial mortgage-backed securities	-	-	-	-
Collateralized debt obligations	-	-	-	-
Structured securities	-	-	-	-
	\$ 18,549,596	\$ 18,484,729	\$ 22,404,536	\$ 89,565

The percentage of book value of these debt securities that have underlying loans with primarily variable interest rates is 13.87%.

Integrity Separate Account	Actual Cost	Book/Adjusted Carrying Value	Fair Value	Other-Than-Temporary Impairment Losses Recognized
Residential mortgage-backed securities	\$ 16,199,582	\$ 16,109,689	\$ 13,954,190	\$ 84,825
Commercial mortgage-backed securities	-	-	-	-
Collateralized debt obligations	-	-	-	-
Structured securities	-	-	-	-
	\$ 16,199,582	\$ 16,109,689	\$ 13,954,190	\$ 84,825

The percentage of book value of these debt securities that have underlying loans with primarily variable interest rates is 0.33%.

H. Retained Assets

- (1) The Company does not use retained asset accounts as an optional form of settlement for life insurance policy proceeds.
- (2) Not applicable.
- (3) Not applicable.

22. Events Subsequent

The Company recognizes in the financial statements the effects of all subsequent events that provide additional evidence about conditions that existed at the Balance Sheet date. For non-recognized subsequent events that must be disclosed to keep the financial statements from being misleading, the Company is required to disclose the nature of the event as well as an estimate of its financial effect, or a statement that such an estimate cannot be made. Management has evaluated subsequent events through the issuance of these financial statements on February 24, 2012.

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)
- (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)

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)
 - a. If yes, what is the estimated amount of the aggregate reduction in surplus of a unilateral cancellation by the reinsurer as of the date of this statement, for those agreements in which cancellation results in a net obligation of the Company to the reinsurer, and for which such obligation is not presently accrued? Where necessary, the Company may consider the current or anticipated experience of the business reinsured in making this estimate. \$ _____
 - b. What is the total amount of reinsurance credits taken, whether as an asset or as a reduction of liability for these agreements in this statement? \$ _____
- (2) Does the Company have any reinsurance agreements in effect such that the amount of losses paid or accrued through the statement date may result in a payment to 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)

NOTES TO FINANCIAL STATEMENTS

Section 3 - Ceded Reinsurance Report - Part B

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

(2) Have any new agreements been executed or existing agreements amended, since January 1 of the year of this statement, to include policies or contracts 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 an asset or a reduction of liability, taken for such new agreements or amendments?

B. The Company had no uncollectible reinsurance balances written off through income or expense during the year.

C. The Company had no commutation of reinsurance reflected in income or expense during the year.

24. Retrospectively Rated Contracts and Contracts Subject to Redetermination. None.

25. Change in Incurred Losses and Loss Adjustment Expenses. None.

26. Intercompany Pooling Arrangements. None.

27. Structured Settlements. None.

28. Health Care Receivables. None.

29. Participating Policies. None.

30. Premium Deficiency Reserves. None.

31. Reserves for Life Contracts and Annuity Contracts

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

(2) Policies issued to substandard lives are charged an extra premium plus the regular gross premium for the true age. Mean reserves are based on appropriate multiples of standard rates of mortality.

(3) As of December 31, 2011, the Company had no insurance in force for which the gross premiums are less than the net premiums.

(4) The tabular interest, the tabular less actual reserve released, and the tabular cost have been determined by a combination of basic data and formulas as described in the instructions.

(5) The determination of tabular interest on funds not involving life contingencies was derived from basic data.

(6) The details for other changes: None.

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

	General Account	Separate Account with Guarantees	Separate Account Nonguaranteed	Total	% of Total
A. Subject to discretionary withdrawal:					
(1) With fair value adjustment	\$ 2,012,133	\$ 1,700,782,291	\$ -	\$ 1,702,794,424	35.41%
(2) At book value less surrender charge of 5% or more	377,372,885	258,124,481	-	635,497,366	13.22%
(3) At fair value	-	-	524,496,442	524,496,442	10.91%
(4) Total with adjustment or at market value (Total of 1 through 3)	379,385,018	1,958,906,772	524,496,442	2,862,788,232	59.54%
(5) At book value without adjustment (minimal or no charge or adjustment)	627,702,716	-	-	627,702,716	13.05%
B. Not subject to discretionary withdrawal	1,317,846,190	-	-	1,317,846,190	27.41%
C. Total (gross)	2,324,933,924	1,958,906,772	524,496,442	4,808,337,138	100.00%
D. Reinsurance ceded	9,504,625	-	-	9,504,625	
E. Total (net)* (C) - (D)	\$ 2,315,429,299	\$ 1,958,906,772	\$ 524,496,442	\$ 4,798,832,513	

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

	Amount
F. Life & Accident & Health Annual Statement:	
1. Exhibit 5, Annuities Section, Total (net)	\$ 1,977,557,493
2. Exhibit 5, Supplementary Contracts with Life Contingencies Section, Total (net)	22,606,033
3. Exhibit 7, Exhibit of Deposit-Type Contracts, Line 14, Column 1	315,265,773
4. Subtotal	2,315,429,299
Separate Accounts Annual Statement	
5. Exhibit 3, Line 0299999, Column 2	2,483,403,214
6. Exhibit 3, Line 0399999, Column 2	-
7. Policyholder dividend and coupon accumulations	-
8. Policyholder premiums	-
9. Guaranteed interest contracts	-
10. Other contract deposit funds	-
11. Subtotal	2,483,403,214
12. Combined Total	\$ 4,798,832,513

G. FHLB (Federal Home Loan Bank) Agreements: None.

33. Premiums and Annuity Considerations Deferred and Uncollected. None.

NOTES TO FINANCIAL STATEMENTS

34. Separate Accounts

A. Separate Account Activity

(1) The Company utilizes separate accounts to record and account for assets and liabilities for particular lines of business and/or transactions. For 2011, the Company reported assets and liabilities from the following product lines/transactions into a separate account:

- Variable Life Insurance
- Variable Annuities
- Market Value Adjusted Annuities

In accordance with the Ohio Department of Insurance procedures for approving items within the separate accounts, the separate account classification of Variable Life Insurance contracts, Variable Annuity contracts and Market Value Adjusted Annuity contracts are supported by Ohio Revised Code §3907.15.

(2) In accordance with the products recorded within the separate accounts, all separate account assets are considered legally insulated from the general account. The legal insulation of the separate account assets prevents such assets from being generally available to satisfy claims resulting from the general account.

As of December 31, 2011 and 2010, the Company's separate account statement included legally insulated assets of \$2,593,480,980 and \$2,583,572,281, respectively. The assets legally insulated from the general account as of December 31, 2011 are attributed to the following products:

Product	Legally Insulated Assets	Separate Account Assets (Not Legally Insulated)
Variable Life Insurance	\$ 7,207,076	\$ -
Variable Annuities	\$ 533,014,288	\$ -
Market Value Adjusted Annuities	\$ 2,053,259,616	\$ -
Total	\$ 2,593,480,980	\$ -

(3) In accordance with the products recorded within the separate accounts, some separate account liabilities are guaranteed by the general account. In accordance with the guarantees provided, if the investment proceeds are insufficient to cover the rate of return guaranteed for the product, the policyholder proceeds will be remitted by the general account.

As of December 31, 2011, the Company's general account had a maximum guarantee for separate account liabilities of \$53,563,335. To compensate the general account for the risk taken, the separate accounts have paid risk charges as follows for the past two years:

2011	\$ 402,438
2010	\$ 368,976

As of December 31, 2011, the Company's general account had paid \$608,930 towards separate account guarantees. The total separate account guarantees paid by the general account for the preceding year ending December 31, 2010 was \$1,608,685.

(4) The Company engages in securities lending transactions within the separate account. The Company has loaned \$63,836,415 (book/adjusted carrying value) of various debt securities within the separate account as part of the securities lending program administered by The Bank of New York Mellon. The loaned securities are attributable to the Market Value Adjusted Annuity contracts. In accordance with such transactions conducted from the separate account, the Company follows the same policies and procedures as the general account.

B. General Nature and Characteristics of Separate Account Business:

The Company's guaranteed separate accounts consist of non-indexed guaranteed rate and systematic transfer options. The guaranteed rate options are sold as fixed annuity products or as an investment option within the Company's variable annuity products and are included in the Separate Accounts with Guarantees columns of the table below. The systematic transfer options are dollar cost averaging accounts offered within the Company's variable annuity products and are included in the Separate Accounts with Guarantees columns of the table below. The guaranteed rate and systematic transfer options carry a minimum interest guarantee based on the guarantee period selected by the policyholder. The fixed annuity products currently offered provide a death benefit equal to the account value, with one product offering an optional death benefit ranging from 25% to 40% of the gain in the contract. The fixed investment options currently offered within the Company's variable annuity products provide the death benefits listed below for variable annuities.

The Company's nonguaranteed separate accounts consist of variable annuities and are included in the Nonguaranteed Separate Accounts column of the table below. The net investment experience of variable annuities is credited directly to the policyholder and can be positive or negative. Variable annuities include minimum guaranteed death benefits that vary by product and include optional death benefits available on some products. The death benefits currently offered by the company include the following: account value, return of premium paid, a death benefit that is adjusted after 7 years to the current account value, a death benefit that is adjusted periodically to the current account value, and an additional death benefit ranging from 25% to 40% of the gain in the contract. Some variable annuities also provide a minimum guaranteed withdrawal benefit or minimum guaranteed accumulation benefit. Reserves for minimum guaranteed benefits are held in Exhibit 5, Annuities Section, of the Company's general account annual statement.

The Company's nonguaranteed separate accounts also include a small amount of Flexible Premium Variable Life Insurance (FPVLI). The net investment experience of FPVLI sub accounts is credited directly to the policyholder and can be positive or negative.

Assets held in the separate account supporting variable annuities and variable life insurance are carried at fair value. Assets held in the separate account supporting market value adjusted annuities are carried at the general account basis.

Information regarding the separate accounts of the Company as of and for the year ended December 31, 2011 is as follows:

	Separate Accounts with Guarantees				Total
	Nonindexed Guarantee Less than/equal to 4%	Nonindexed Guarantee More than 4%	Nonguaranteed Separate Accounts		
(1) Premiums, considerations or deposits for year ended December 31, 2011	\$ 122,454,587	\$ 29,746,652	\$ 50,032,630	\$ 202,233,869	
(2) Reserves at December 31, 2011	\$ -	\$ -	\$ 531,703,518	\$ 531,703,518	
For accounts with assets at:					
a. Fair value	\$ -	\$ -	\$ 531,703,518	\$ 531,703,518	
b. Amortized cost	\$ 822,119,635	\$ 1,136,787,137	\$ -	\$ 1,958,906,772	
c. Total reserves*	\$ 822,119,635	\$ 1,136,787,137	\$ 531,703,518	\$ 2,490,610,290	
(3) By withdrawal characteristics:					
a. Subject to discretionary withdrawal	\$ 720,184,107	\$ 980,598,184	\$ -	\$ 1,700,782,291	
b. With FV adjustment	\$ 101,935,528	\$ 156,188,953	\$ -	\$ 258,124,481	
c. At book value without FV adjustment and with current surrender charge of 5% or more	\$ -	\$ -	\$ 531,703,518	\$ 531,703,518	
d. At fair value	\$ -	\$ -	\$ -	\$ -	
e. At book value without FV adjustments and with current surrender charges less than 5%	\$ -	\$ -	\$ -	\$ -	
f. Subtotal	\$ 822,119,635	\$ 1,136,787,137	\$ 531,703,518	\$ 2,490,610,290	
g. Not subject to discretionary withdrawal	\$ -	\$ -	\$ -	\$ -	
h. Total	\$ 822,119,635	\$ 1,136,787,137	\$ 531,703,518	\$ 2,490,610,290	

* Line 2(c) should equal line 3(h)

NOTES TO FINANCIAL STATEMENTS

(4) Reserves for Asset Default Risk in Lieu of AVR: None.

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

(1) Transfers as reported in the Summary of Operations of the Separate Accounts Statement:		
a. Transfers to Separate Accounts (Page 4, Line 1.4)	\$ 202,233,869	
b. Transfers from Separate Accounts (Page 4, Line 10)	329,520,326	
c. Net transfers to (from) Separate Accounts (a)-(b)	<hr/>	(127,286,457)
(2) Reconciling Adjustments:		
a. Policy deductions and other expenses (Page 4, Line 9.302)	922,859	
b. Bonus account value (included in Page 4, Line 1.1)	(25,342)	
c. Other changes in surplus in Separate Account Statement	(2,597,532)	
d. Other account adjustments	<hr/>	(381,600)
(3) Transfers as Reported in the Summary of Operations of the Life, Accident & Health Annual Statement (1c)+(2)=(Page 4, Line 26)	<hr/>	\$ (129,368,072)

35. Loss/Claim Adjustment Expenses. None.

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

GENERAL

1.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer? Yes (X) No ()

1.2 If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent, or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations? Yes (X) No () N/A ()

1.3 State Regulating? Ohio

2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? Yes () No (X)

2.2 If yes, date of change:

3.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/2007

3.2 State the as of date of 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. 12/31/2007

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). 12/18/2008

3.4 By what department or departments?
OHIO DEPARTMENT OF INSURANCE

3.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments? Yes () No () N/A (X)

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

4.1 During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity) receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
4.11 sales of new business? Yes () No (X)
4.12 renewals? Yes () No (X)

4.2 During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
4.21 sales of new business? Yes (X) No ()
4.22 renewals? Yes (X) No ()

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

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 entity, the NAIC company code, and state of domicile for any entity that has ceased to exist as a result of the merger or consolidation.

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

05.2 - State the entities that ceased to exist as a result of the merger or consolidation

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

6.2 If yes, give full information:

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

7.2 If yes,

7.21 State the percentage of foreign control; %

7.22 State the nationality(s) or entity(s); or if the entity is a mutual or reciprocal, the nationality of its manager or attorney-in-fact and identify the type of entity(s) (e.g., individual, corporation, government, manager or attorney-in-fact).

1 Nationality	2 Type of Entity
------------------	---------------------

07.22 - Nationality(s) of the foreign person(s) or entity(s); or the nationality of its manager or attorney-in-fact and identify the type of entity(s)

8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board? Yes () No (X)

8.2 If response to 8.1 is yes, please identify the name of the bank holding company.

8.3 Is the company affiliated with one or more banks, thrifts or securities firms? Yes (X) No ()

8.4 If response to 8.3 is yes, please provide the names and locations (city and state of the main office) of any 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
---------------------	-----------------------------	----------	----------	----------	-----------	----------

Names and location of any affiliates regulated by a federal regulatory services agency.
FORT WASHINGTON SAVINGS CO CINCINNATI, OH OTS
08.4 - Names and location of any affiliates regulated by a federal regulatory services agency.

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

GENERAL

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
 312 WALNUT STREET, CINCINNATI, OH 45202

10.1 Has the insurer been granted any exemptions to the prohibited non-audit services provided by the certified independent public accountant requirements as allowed in Section 7H of the Annual Financial Reporting Model Regulation (Model Audit Rule), or substantially similar state law or regulation? Yes () No (X)

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

10.3 Has the insurer been granted any exemptions related to the other requirements of the Annual Financial Model Reporting Model Regulation as allowed for in Section 17A of the Model Regulation, or substantially similar state law or regulation? Yes () No (X)

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

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

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

11. What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with an actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?
 Nora Moushey, 400 Broadway, Cincinnati OH, 45202
 Officer of the reporting entity

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

12.11 Name of real estate holding company

12.12 Number of parcels involved

12.13 Total book/adjusted carrying value \$

12.2 If yes, provide explanation

13. FOR UNITED STATES BRANCHES OF ALIEN REPORTING ENTITIES ONLY:

13.1 What changes have been made during the year in the United States manager or the United States trustees of the reporting entity?

13.2 Does this statement contain all business transacted for the reporting entity through its United States branch on risks wherever located? Yes () No ()

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

13.4 If answer to (13.3) is yes, has the domiciliary or entry state approved the changes? Yes () No () N/A (X)

14.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards?
 (a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
 (b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
 (c) Compliance with applicable governmental laws, rules and regulations;
 (d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
 (e) Accountability for adherence to the code. Yes (X) No ()

14.11 If the response to 14.1 is No, please explain:

14.2 Has the code of ethics for senior managers been amended? Yes () No (X)

14.21 If the response to 14.2 is Yes, provide information related to amendment(s).

14.3 Have any provisions of the code of ethics been waived for any of the specified officers? Yes () No (X)

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

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

15.1 Is the reporting entity the beneficiary of a Letter of Credit that is unrelated to reinsurance with a NAIC rating of 3 or below?

Yes () No (X)

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

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

15.2 - American Bankers Association Routing Number and the name of the issuing or confirming bank of the Letter of Credit and describe the circumstances in which the Letter of Credit is triggered

GENERAL INTERROGATORIES
PART 1 - COMMON INTERROGATORIES

BOARD OF DIRECTORS

16. Is the purchase or sale of all investments of the reporting entity passed upon either by the Board of Directors or a subordinate committee thereof? Yes (X) No ()

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

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

FINANCIAL

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

20.1 Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):

20.11 To directors or other officers	\$
20.12 To stockholders not officers	\$
20.13 Trustees, supreme or grand (Fraternal only)	\$

20.2 Total amount of loans outstanding at end of year (inclusive of Separate Accounts, exclusive of policy loans):

20.21 To directors or other officers	\$
20.22 To stockholders not officers	\$
20.23 Trustees, supreme or grand (Fraternal only)	\$

21.1 Were any assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reported in the statement? Yes () No (X)

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

21.21 Rented from others	\$
21.22 Borrowed from others	\$
21.23 Leased from others	\$
21.24 Other	\$

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

22.2 If answer is yes:

22.21 Amount paid as losses or risk adjustment	\$
22.22 Amount paid as expenses	\$
22.23 Other amounts paid	\$

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

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

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

INVESTMENT

24.1 Were all the stocks, bonds and other securities owned December 31 of current year, over which the reporting entity has exclusive control, in the actual possession of the reporting entity on said date? (other than securities lending programs addressed in 24.3) Yes (X) No ()

24.2 If no, give full and complete information relating thereto:
.....

24.3 For the security lending programs, provide a description of the program including value for collateral and amount of loaned securities, and whether collateral is carried on or off-balance sheet. (an alternative is to reference Note 16 where this information is also provided)
DESCRIPTION OF PROGRAM IS PROVIDED IN NOTE 5E
.....

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

24.5 If answer to 24.4 is YES, report amount of collateral for conforming programs. \$ 193,867,556

24.6 If answer to 24.4 is NO, report amount of collateral for other programs. \$

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

24.8 Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%? Yes (X) No () N/A ()

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

25.1 Were any of the stocks, bonds or other assets of the reporting entity owned at December 31 of the current year not exclusively under the control of the reporting entity, or has the reporting entity sold or transferred any assets subject to a put option contract that is currently in force? (Exclude securities subject to Interrogatory 21.1 and 24.3) Yes (X) No ()

25.2 If yes, state the amount thereof at December 31 of the current year: 25.21 Subject to repurchase agreements \$
25.22 Subject to reverse repurchase agreements \$
25.23 Subject to dollar repurchase agreements \$
25.24 Subject to reverse dollar repurchase agreements \$
25.25 Pledged as collateral \$
25.26 Placed under option agreements \$
25.27 Letter stock or securities restricted as to sale \$
25.28 On deposit with state or other regulatory body \$
25.29 Other \$
\$ 5,439,196

GENERAL INTERROGATORIES**PART 1 - COMMON INTERROGATORIES****INVESTMENT**

25.3 For category (25.27) provide the following:

1 Nature of Restriction	2 Description	3 Amount
----------------------------	------------------	-------------

25.3 - For category (25.27 Letter stock or securities restricted as to sale)

26.1 Does the reporting entity have any hedging transactions reported on Schedule DB?

Yes (X) No ()

26.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state?
If no, attach a description with this statement.

Yes () No (X) N/A ()

27.1 Were any preferred stocks or bonds owned as of December 31 of the current year mandatorily convertible into equity, or, at the option of the issuer, convertible into equity?

Yes () No (X)

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

\$

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

INVESTMENT

28. Excluding items in Schedule E - Part 3 - Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds, and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 1, III General Examination Considerations, F - Outsourcing of Critical Functions, Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook?

Yes (X) No ()

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

1 Name of Custodian(s)	2 Custodian's Address
---------------------------	--------------------------

For agreements that comply with the requirements of the NAIC Financial Condition Examiners Handbook

BANK OF NEW YORK MELLON ONE WALL STREET, NY, NY 10286

28.01 - For agreements that comply with the requirements of the NAIC Financial Condition Examiners Handbook

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

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

28.03 Have there been any changes, including name changes, in the custodian(s) identified in 28.01 during the current year?

Yes () No (X)

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

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

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

1 Central Registration Depository Number(s)	2 Name	3 Address
--	-----------	--------------

Identify all that have access to the investment accounts, handle securities and have authority to make investments on behalf of the reporting entity

107126 FT. WASHINGTON INVESTMENT ADVISORS 303 BROADWAY, SUITE 1200, CINTI, OH 45202

112245 MILLIMAN 1301 FIFTH AVE, SUITE 3800, SEATTLE, WA 98101-2605

28.05 - Identify all that have access to the investment accounts, handle securities and have authority to make investments on behalf of the reporting entity

GENERAL INTERROGATORIES
PART 1 - COMMON INTERROGATORIES
INVESTMENT

29.1 Does the reporting entity have any diversified mutual funds reported in Schedule D, Part 2 (diversified according to the Securities and Exchange Commission (SEC) in the Investment Company Act of 1940 [Section 5 (b) (1)])?

Yes () No (X)

29.2 If yes, complete the following schedule:

1 CUSIP Number	2 Name of Mutual Fund	3 Book/Adjusted Carrying Value

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

1 Name of Mutual Fund (from question 29.2)	2 Name of Significant Holding of the Mutual Fund	3 Amount of Mutual Fund's Book/Adjusted Carrying Value Attributable to the Holding	4 Date of Valuation

29.3 - For each mutual fund listed in 29.2

GENERAL INTERROGATORIES**PART 1 - COMMON INTERROGATORIES****INVESTMENT**

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

	1 Statement (Admitted) Value	2 Fair Value	3 Excess of Statement over Fair Value (-), or Fair Value over Statement (+)
30.1 Bonds	\$ 2,557,615,534	\$ 2,749,166,332	\$ 191,550,798
30.2 Preferred stocks	\$	\$	\$
30.3 Totals	\$ 2,557,615,534	\$ 2,749,166,332	\$ 191,550,798

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

Fair values were generally obtained from IDC, Princeton Financial Spread Pricing Module and/or an internal pricing committee/internal pricing models.

31.1 Was the rate used to calculate fair value determined by a broker or custodian for any of the securities in Schedule D?

Yes () No (X)

31.2 If the answer to 31.1 is yes, does the reporting entity have a copy of the broker's or custodian's pricing policy (hard copy or electronic copy) for all brokers or custodians used as a pricing source?

Yes () No ()

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

.....

32.1 Have all the filing requirements of the Purposes and Procedures manual of the NAIC Securities Valuation Office been followed?

Yes (X) No ()

32.2 If no, list exceptions:

.....

GENERAL INTERROGATORIES**PART 1 - COMMON INTERROGATORIES****OTHER**

33.1 Amount of payments to Trade Associations, service organizations and statistical or Rating Bureaus, if any? \$ 146,643

33.2 List the name of the organization and the amount paid if any such payment represented 25% or more of the total payments to trade associations, service organizations and statistical or rating bureaus during the period covered by this statement.

1 Name	2 Amount Paid
.....	\$
.....	\$
.....	\$
.....	\$

34.1 Amount of payments for legal expenses, if any? \$ 25,639

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

1 Name	2 Amount Paid
HOWARD & HOWARD ATTORNEYS PLLC	\$ 13,528
MORGAN, LEWIS & BOCKIUS LLP	\$ 9,783
.....	\$
.....	\$

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

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

1 Name	2 Amount Paid
.....	\$
.....	\$
.....	\$
.....	\$

GENERAL INTERROGATORIES**PART 2 - LIFE INTERROGATORIES**

1.1	Does the reporting entity have any direct Medicare Supplement Insurance in force?	Yes () No (X)
1.2	If yes, indicate premium earned on U.S. business only.	\$
1.3	What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit?	\$
1.31	Reason for excluding:	.....
1.4	Indicate amount of earned premium attributable to Canadian and/or Other Alien not included in Item (1.2) above.	\$
1.5	Indicate total incurred claims on all Medicare Supplement insurance.	\$
1.6	Individual policies:	.....
	Most current three years:	.....
1.61	Total premium earned	\$
1.62	Total incurred claims	\$
1.63	Number of covered lives	.....
	All years prior to most current three years:	.....
1.64	Total premium earned	\$
1.65	Total incurred claims	\$
1.66	Number of covered lives	.....
1.7	Group policies:	.....
	Most current three years:	.....
1.71	Total premium earned	\$
1.72	Total incurred claims	\$
1.73	Number of covered lives	.....
	All years prior to most current three years:	.....
1.74	Total premium earned	\$
1.75	Total incurred claims	\$
1.76	Number of covered lives	.....
2.	Health Test	1 Current Year 2 Prior Year
2.1	Premium Numerator	\$
2.2	Premium Denominator	\$
2.3	Premium Ratio (Line 2.1 divided by Line 2.2)	\$
2.4	Reserve Numerator	\$
2.5	Reserve Denominator	\$
2.6	Reserve Ratio (Line 2.4 divided by Line 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:	.....
	SECTION 3905, 15 OHIO REVISED CODE	.....
3.5	Was any of the reporting entity's Separate Accounts business reinsured as of December 31?	Yes (X) No ()
3.6	Has the reporting entity assumed by reinsurance any Separate Accounts business as of December 31?	Yes () No (X)
3.7	If the reporting entity has assumed Separate Accounts business, how much, if any, reinsurance assumed receivable for reinsurance of Separate Accounts reserve expense allowances is included as a negative amount in the liability for "Transfers to Separate Accounts, due or accrued (net)"?	\$
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	\$
	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:	\$
7.	Total dividends paid stockholders since organization of the reporting entity:	\$
	7.11 Cash	\$
	7.12 Stock	\$

GENERAL INTERROGATORIES**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 Line 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 Line 8.31 and Line 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 Line 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 table for each type of guaranteed benefit.

Type		3	4	5	6	7	8	9
1 Guaranteed Death Benefit	2 Guaranteed Living Benefit	Waiting Period Remaining	Account Value Related to Column 3	Total Related Account Values	Gross Amount of Reserve	Location of Reserve	Portion Reinsured	Reinsurance Reserve Credit
Greater of AV (7), 5% Roll-up, ROP, AV	None	N/A	N/A	..... 582,088	..... 1,341	Exhibit 5	None	.....
Greater of AV (7), 7% Roll-up, ROP, AV	None	N/A	N/A	..... 11,961,239	..... 225,275	Exhibit 5	None	.....
Greater of AV (7), ROP, AV	None	N/A	N/A	..... 135,719,538	..... 399,542	Exhibit 5	None	.....

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

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

\$

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

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

11.1 Do you act as a custodian for health savings accounts?

Yes () No (X)

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

\$

11.3 Do you act as an administrator for health savings accounts?

Yes () No (X)

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

\$

GENERAL INTERROGATORIES (Continued)**Part 2 - LIFE INTERROGATORIES****Line 9.2**

Type		3 Waiting Period Remaining	4 Account Value Related to Column 3	5 Total Related Account Values	6 Gross Amount of Reserve	7 Location of Reserve	8 Portion Reinsured	9 Reinsurance Reserve Credit
1 Guaranteed Death Benefit	2 Guaranteed Living Benefit							
To be completed for each type of guaranteed benefit.								
Greater of MVA (76), ROP, AV		N/A	N/A	57,525,123	(21,737)	Exhibit 5	None	
Greater of MVA (81), 5% Roll-Up, ROP, AV		N/A	N/A	3,736,239	12,595	Exhibit 5	None	
Greater of MVA (81), ROP, AV		N/A	N/A	181,842,112	(140,840)	Exhibit 5	None	
Greater of MVA, (81) ROP, AV Reins		N/A	N/A	98,849,528	833,417	Exhibit 5	92.5%	672,476
Greater of MVA, ROP, AV Reins		N/A	N/A	57,832,058	1,215,382	Exhibit 5	92.5%	1,010,319
Greater of ROP, AV		N/A	N/A	24,816,631	(117,294)	Exhibit 5	None	
GMAB-ROP(Agg), ROP+15% (MOD) or ROP+25% (Con), 10 yr wait	GMWB-Greater of Bonus or Step-up	N/A	N/A	5,134,918	326,978	Exhibit 5	None	
		N/A	N/A	63,268,265	(722,527)	Exhibit 5	None	

9.2 - To be completed for each type of guaranteed benefit.

Line 10.2

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

NONE

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 2011	2 2010	3 2009	4 2008	5 2007
<u>Life Insurance in Force</u> (Exhibit of Life Insurance)					
1. Ordinary-whole life and endowment (Line 34, Column 4)	458,530	478,779	500,000	527,915	550,747
2. Ordinary-term (Line 21, Column 4, less Line 34, Column 4)	8,391	8,595	9,069	10,465	11,062
3. Credit life (Line 21, Column 6)					
4. Group, excluding FEGLI/SGLI (Line 21, Column 9 less Line 43 and Line 44, Column 4)	26,845	29,844	33,929	42,058	45,420
5. Industrial (Line 21, Column 2)					
6. FEGLI/SGLI (Line 43 and Line 44, Column 4)					
7. Total (Line 21, Column 10)	493,766	517,218	542,998	580,438	607,229
<u>New Business Issued</u> (Exhibit of Life Insurance)					
8. Ordinary-whole life and endowment (Line 34, Column 2)					
9. Ordinary-term (Line 2, Column 4, less Line 34, Column 2)					
10. Credit life (Line 2, Column 6)					
11. Group (Line 2, Column 9)					
12. Industrial (Line 2, Column 2)					
13. Total (Line 2, Column 10)					
<u>Premium Income-Lines of Business</u> (Exhibit 1 - Part 1)					
14. Industrial life (Line 20.4, Column 2)					
15. 1 Ordinary life insurance (Line 20.4, Column 3)	493,487	555,166	637,373	646,671	198,638
15.2 Ordinary individual annuities (Line 20.4, Column 4)	351,698,237	388,858,498	553,408,274	749,133,822	550,513,231
16. Credit life, (group and individual) (Line 20.4, Column 5)					
17. 1 Group life insurance (Line 20.4, Column 6)					
17.2 Group annuities (Line 20.4, Column 7)					
18. 1 A & H-group (Line 20.4, Column 8)					
18.2 A & H-credit (group and individual) (Line 20.4, Column 9)					
18.3 A & H-other (Line 20.4, Column 10)					
19. Aggregate of all other lines of business (Line 20.4, Column 11)					
20. Total	352,191,724	389,413,664	554,045,647	749,780,493	550,711,869
<u>Balance Sheet</u> (Pages 2 and 3)					
21. Total admitted assets excluding Separate Accounts business (Page 2, Line 26, Column 3)	3,322,593,752	3,326,138,293	2,927,899,431	2,519,644,026	2,191,517,466
22. Total liabilities excluding Separate Accounts business (Page 3, Line 26)	2,775,393,392	2,796,928,273	2,426,371,170	2,144,222,298	1,836,176,128
23. Aggregate life reserves (Page 3, Line 1)	2,265,096,390	2,173,599,173	1,980,804,012	1,723,034,346	1,647,448,135
24. Aggregate A & H reserves (Page 3, Line 2)					
25. Deposit-type contract funds (Page 3, Line 3)	315,265,773	311,200,292	295,137,828	257,550,721	41,567,763
26. Asset valuation reserve (Page 3, Line 24.01)	45,534,405	44,701,063	12,557,119	7,676,517	50,340,741
27. Capital (Page 3, Line 29 and Line 30)	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000
28. Surplus (Page 3, Line 37)	544,200,360	526,210,020	498,528,261	372,421,728	352,341,338
<u>Cash Flow (Page 5)</u>					
29. Net cash from operations (Line 11)	31,985,046	187,431,175	241,460,386	148,732,336	135,834,423
<u>Risk-Based Capital Analysis</u>					
30. Total adjusted capital	617,067,877	593,522,694	519,986,875	383,788,495	422,843,647
31. Authorized control level risk-based capital	80,866,557	76,443,574	76,322,583	62,026,369	47,393,295
<u>Percentage Distribution of Cash, Cash Equivalents and Invested Assets</u> (Page 2, Column 3) (Line No./Page 2, Line 12, Column 3) x 100.0					
32. Bonds (Line 1)	75.8	73.6	74.6	71.3	68.9
33. Stocks (Line 2.1 and Line 2.2)	13.3	12.8	12.4	12.0	13.8
34. Mortgage loans on real estate (Line 3.1 and Line 3.2)	1.4	1.9	2.2	2.6	3.0
35. Real estate (Line 4.1, Line 4.2 and Line 4.3)					
36. Cash, cash equivalents and short-term investments (Line 5)	3.3	5.4	4.5	4.6	3.6
37. Contract loans (Line 6)	3.8	3.7	4.1	4.8	5.5
38. Derivatives (Page 2, Line 7)			XXX	XXX	XXX
39. Other invested assets (Line 8)	1.8	1.7	1.9	4.6	5.1
40. Receivables for securities (Line 9)			0.1	0.3	0.1
41. Securities lending reinvested collateral assets (Line 10)	0.6	0.8	XXX	XXX	XXX
42. Aggregate write-ins for invested assets (Line 11)					
43. Cash, cash equivalents and invested assets (Line 12)	100.0	100.0	100.0	100.0	100.0

FIVE-YEAR HISTORICAL DATA

(Continued)

	1 2011	2 2010	3 2009	4 2008	5 2007
<u>Investments in Parent, Subsidiaries and Affiliates</u>					
44. Affiliated bonds (Schedule D Summary, Line 12, Column 1)					
45. Affiliated preferred stocks (Schedule D Summary, Line 18, Column 1)					
46. Affiliated common stocks (Schedule D Summary, Line 24, Column 1)	272,523,777	251,985,107	225,589,932	184,547,788	142,135,064
47. Affiliated short-term investments (subtotal included in Schedule DA Verification, Column 5, Line 10)					
48. Affiliated mortgage loans on real estate					
49. All other affiliated					
50. Total of above Line 44 to Line 49	272,523,777	251,985,107	225,589,932	184,547,788	142,135,064
<u>Total Nonadmitted and Admitted Assets</u>					
51. Total nonadmitted assets (Page 2, Line 28, Column 2)	23,533,627	11,460,451	13,515,910	22,203,298	19,960,426
52. Total admitted assets (Page 2, Line 28, Column 3)	5,916,074,732	5,909,710,570	5,414,032,351	4,850,847,649	4,692,411,949
<u>Investment Data</u>					
53. Net investment income (Exhibit of Net Investment Income)	148,473,078	143,321,149	135,467,757	123,911,968	103,599,481
54. Realized capital gains (losses) (Page 4, Line 34, Column 1)	(1,864,863)	(3,349,977)	(9,098,714)	(15,751,838)	20,992,182
55. Unrealized capital gains (losses) (Page 4, Line 38, Column 1)	6,143,359	46,284,215	21,646,747	(81,802,347)	(1,437,643)
56. Total of above Lines 53, Line 54 and Line 55	152,751,574	186,255,387	148,015,790	26,357,783	123,154,020
<u>Benefits and Reserve Increase</u> (Page 6)					
57. Total contract benefits - life (Lines 10, 11, 12, 13, 14 and Line 15, Column 1 minus Lines 10, 11, 12, 13, 14 and Line 15, Columns 9, 10 and 11)	337,797,615	338,122,356	362,072,340	388,720,647	429,968,771
58. Total contract benefits - A and H (Line 13 and Line 14, Columns 9, 10 and 11)	873,720	(1,188)	(5,014,598)	(4,367,666)	(652,262)
59. Increase in life reserves - other than group and annuities (Line 19, Columns 2 and 3)					
60. Increase in A & H Reserves (Line 19, Columns 9, 10 and 11)					
61. Dividends to policyholders (Line 30, Column 1)					
<u>Operating Percentages</u>					
62. Insurance expense percent (Page 6, Column 1, Line 21, Line 22 and Line 23 less Line 6) / (Page 6, Column 1, Line 1 plus Exhibit 7, Column 2, Line 2) x 100.00	10.2	10.3	8.4	7.2	8.1
63. Lapse percent (ordinary only) [(Exhibit of Life Insurance, Column 4, Line 14 and Line 15) / 1/2 (Exhibit of Life Insurance, Column 4, Line 1 and Line 21)] x 100.00	3.2	3.0	3.4	2.3	3.2
64. A & H loss percent (Schedule H, Part 1, Line 5 and Line 6, Column 2)					
65. A & H cost containment percent (Schedule H, Part 1, Line 4, Column 2)					
66. A & H expense percent excluding cost containment expenses (Schedule H, Part 1, Line 10, Column 2)					
<u>A & H Claim Reserve Adequacy</u>					
67. Incurred losses on prior years' claims - group health (Schedule H, Part 3, Line 3.1, Column 2)					
68. Prior years' claim liability and reserve - group health (Schedule H, Part 3, Line 3.2, Column 2)					
69. Incurred losses on prior years' claims - health other than group (Schedule H, Part 3, Line 3.1, Column 1 less Column 2)					
70. Prior years' claim liability and reserve - health other than group (Schedule H, Part 3, Line 3.2, Column 1 less Column 2)					
<u>Net Gains From Operations After Federal Income</u>					
<u>Taxes by Lines of Business</u>					
(Page 6, Line 33)					
71. Industrial life (Column 2)					
72. Ordinary-life (Column 3)	5,362,295	4,443,712	4,097,776	8,867,708	11,561,459
73. Ordinary-individual annuities (Column 4)	15,575,072	36,104,889	5,016,840	2,891,563	(1,305,108)
74. Ordinary-supplementary contracts (Column 5)	677,973	391,962	459,434	69,156	(561)
75. Credit life (Column 6)					
76. Group life (Column 7)	42,245	(42,789)	(5,348)	273,388	25,303
77. Group annuities (Column 8)	(10,423)	(1,102,706)	(916,535)	(1,321,370)	(767,342)
78. A & H-group (Column 9)					
79. A & H-credit (Column 10)					
80. A & H-other (Column 11)					
81. Aggregate of all other lines of business (Column 12)	5,512,026	6,193,169	(11,949,998)	(22,438,425)	
82. Total (Column 1)	27,159,188	45,988,237	(3,297,831)	(11,657,980)	9,513,751

Note: If a party to a merger, have the two most recent years of this exhibit been restated due to a merger in compliance with the disclosure requirements of SSAP No. 3, Accounting Changes and Correction of Errors?
If no, please explain:

Yes () No ()

ANNUAL STATEMENT FOR THE YEAR 2011 OF THE Integrity Life Insurance Company

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				
	7 Policies	8 Certificates	9 Amount of Insurance (a)								
1. In force end of prior year			5,960	487,374			20	145	29,844	517,218	
2. Issued during year											
3. Reinsurance assumed											
4. Revived during year											
5. Increased during year (net)				5,043						5,043	
6. Subtotals, Line 2 to Line 5				5,043						5,043	
7. Additions by dividends during year											
8. Aggregate write-ins for increases											
9. Totals (Line 1 and Line 6 to Line 8)			5,960	492,417			20	145	29,844	522,261	
Deductions during year:											
10. Death			85	10,166			XXX	1	17	10,183	
11. Maturity							XXX				
12. Disability				205			XXX			205	
13. Expiry			140	10,266						12,235	
14. Surrender			32	4,859				13	1,969	4,859	
15. Lapse											
16. Conversion			28				XXX	XXX	XXX		
17. Decreased (net)									1,013	1,013	
18. Reinsurance											
19. Aggregate write-ins for decreases											
20. Totals (Line 10 to Line 19)			285	25,496				14	2,999	28,495	
21. In force end of year (Line 9 minus Line 20)			5,675	466,921			20	131	26,845	493,766	
22. Reinsurance ceded end of year				215,786			XXX	XXX	16,978	232,764	
23. Line 21 minus Line 22									9,867	261,002	
DETAILS OF WRITE-INS											
0801.											
0802.											
0803.											
0898. Summary of remaining write-ins for Line 8 from overflow page											
0899. Totals (Line 0801 through Line 0803 plus Line 0898) (Line 8 above)											
1901.											
1902.											
1903.											
1998. Summary of remaining write-ins for Line 19 from overflow page											
1999. Totals (Line 1901 through Line 1903 plus Line 1998) (Line 19 above)											

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

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

EXHIBIT OF LIFE INSURANCE (Continued)

ADDITIONAL INFORMATION ON INSURANCE IN FORCE END OF YEAR

	Industrial		Ordinary	
	1 Number of Policies	2 Amount of Insurance (a)	3 Number of Policies	4 Amount of Insurance (a)
24. Additions by dividends	X X X		X X X	
25. Other paid-up insurance	X X X		3,839	356,057
26. Debit ordinary insurance		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				
28. Term policies-other	X X X		X X X	138 8,121
29. Other term insurance-decreasing	X X X		X X X	
30. Other term insurance			X X X	
31. Totals (Line 27 to Line 30)			138	8,121
Reconciliation to Line 2 and Line 21:				
32. Term additions	X X X		X X X	
33. Totals, extended term insurance	X X X		31	270
34. Totals, whole life and endowment			5,506	458,530
35. Totals (Line 31 to Line 34)			5,675	466,921

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			466,921	
38. Credit Life (Group and Individual)			26,845	
39. Group				
40. Totals (Line 36 to Line 39)			493,766	

ADDITIONAL INFORMATION ON CREDIT LIFE AND GROUP INSURANCE

	Credit Life		Group	
	1 Number of Individual Policies and Group Certificates	2 Amount of Insurance (a)	3 Number of Certificates	4 Amount of Insurance (a)
41. Amount of insurance included in Line 2 ceded to other companies	X X X		X X X	
42. Number in force end of year if the number under shared groups is counted on a pro-rata basis			131	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			131	26,845

ADDITIONAL ACCIDENTAL DEATH BENEFITS

46. Amount of additional accidental death benefits in force end of year under ordinary policies (a)	325
---	-----

BASIS OF CALCULATION OF ORDINARY TERM INSURANCE

47. State basis of calculation of (47.1) decreasing term insurance contained in Family Income, Mortgage Protection, etc., policies and riders and of (47.2) term insurance on wife and children under Family, Parent and Children, etc., policies and riders included above.	
(47.1)	
(47.2)	NONE

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			493	825				
49. Disability Income		259	405					
50. Extended Benefits	X X X		X X X					
51. Other								
52. Total	(b)	752	(b) 1,230		(b)		(b)	

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

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

EXHIBIT OF NUMBER OF POLICIES, CONTRACTS, CERTIFICATES, INCOME PAYABLE AND ACCOUNT VALUES IN FORCE FOR SUPPLEMENTARY CONTRACTS, ANNUITIES, ACCIDENT AND 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	385	3,296		
2. Issued during year	33	460		
3. Reinsurance assumed				
4. Increased during year (net)				
5. Total (Line 1 to Line 4)	418	3,756		
Deductions during year:				
6. Decreased (net)	21	493		
7. Reinsurance ceded				
8. Totals (Line 6 and Line 7)	21	493		
9. In force end of year	397	3,263		
10. Amount on deposit	(a)			(a)
11. Income now payable	397	3,263		
12. Amount of income payable	(a) 2,545,177	(a) 12,361,407	(a)	(a)

ANNUITIES

	Ordinary		Group	
	1 Immediate	2 Deferred	3 Contracts	4 Certificates
1. In force end of prior year	8,001	60,302	4	135
2. Issued during year	1,154	3,188		
3. Reinsurance assumed				
4. Increased during year (net)				
5. Totals (Line 1 to Line 4)	9,155	63,490	4	135
Deductions during year:				
6. Decreased (net)	301	4,240		7
7. Reinsurance ceded				
8. Totals (Line 6 and Line 7)	301	4,240		7
9. In force end of year	8,854	59,250	4	128
Income now payable:				
10. Amount of income payable	(a) 107,470,357	XXX	XXX	(a)
Deferred fully paid:				
11. Account balance	XXX	(a) 1,904,810,567	XXX	(a) 5,890,080
Deferred not fully paid:				
12. Account balance	XXX	(a) 1,635,262,168	XXX	(a)

ACCIDENT AND HEALTH INSURANCE

	Group		Credit		Other	
	1 Certificates	2 Premiums in Force	3 Policies	4 Premiums in Force	5 Policies	6 Premiums in Force
1. In force end of prior year						
2. Issued during year						
3. Reinsurance assumed						
4. Increased during year (net)						XXX
5. Totals (Line 1 to Line 4)						XXX
Deductions during year:						
6. Conversions					XXX	XXX
7. Decreased (net)						XXX
8. Reinsurance ceded						
9. Totals (Line 6 to Line 8)		XXX		XXX		XXX
10. In force end of year	(a)		(a)			(a)

DEPOSIT FUNDS AND DIVIDEND ACCUMULATIONS

			1 Deposit Funds	2 Dividend Accumulations
			Contracts	Contracts
1. In force end of prior year				130
2. Issued during year				169
3. Reinsurance assumed				
4. Increased during year (net)				
5. Totals (Line 1 to Line 4)				299
Deductions during year:				
6. Decreased (net)				172
7. Reinsurance ceded				
8. Totals (Line 6 and Line 7)				172
9. In force end of year				127
10. Amount of account balance			(a) 3,522,046	(a)

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

SCHEDULE T - PREMIUMS AND ANNUITY CONSIDERATIONS

Allocated by States and Territories

States, Etc.	1 Active Status	Direct Business Only					
		Life Contracts		4 Accident and Health Insurance Premiums, Including Policy, Membership and Other Fees	5 Other Considerations	6 Total Columns 2 through 5	
		2 Life Insurance Premiums	3 Annuity Considerations				
1. Alabama	AL	L	21,108	2,464,651		2,485,759	2,529,191
2. Alaska	AK	L	1,751			1,751	
3. Arizona	AZ	L	16,056	10,021,446		10,037,502	171,372
4. Arkansas	AR	L	5,713	1,357,882		1,363,595	349,487
5. California	CA	L	22,432	21,259,374		21,281,806	1,326,793
6. Colorado	CO	L	9,661	8,341,111		8,350,772	620,786
7. Connecticut	CT	L	100	12,384,324		12,384,424	123,631
8. Delaware	DE	L	3,868	1,462,152		1,466,020	264,607
9. District of Columbia	DC	L		264,863		264,863	
10. Florida	FL	L	25,332	31,643,832		31,669,164	3,945,206
11. Georgia	GA	L	28,500	2,900,253		2,928,753	979,554
12. Hawaii	HI	L	88	4,609,842		4,609,930	663,658
13. Idaho	ID	L	150	1,055,516		1,055,666	445,096
14. Illinois	IL	L	50,658	16,570,067		16,620,725	2,012,259
15. Indiana	IN	L	10,124	11,036,736		11,046,860	1,754,347
16. Iowa	IA	L	56,692	3,544,554		3,601,246	126,799
17. Kansas	KS	L	7,673	1,890,863		1,898,536	300,000
18. Kentucky	KY	L	2,077	4,636,970		4,639,047	1,035,314
19. Louisiana	LA	L		4,501,108		4,501,108	440,185
20. Maine	ME	N	542	1,840		2,382	
21. Maryland	MD	L	42,804	3,981,967		4,024,771	978,203
22. Massachusetts	MA	L	349	7,428,266		7,428,615	538,048
23. Michigan	MI	L	2,046	16,642,243		16,644,289	923,399
24. Minnesota	MN	L	51,517	11,739,293		11,790,810	273,423
25. Mississippi	MS	L	11,220	6,883,769		6,894,989	660,520
26. Missouri	MO	L	17,866	7,660,750		7,678,616	635,902
27. Montana	MT	L	252	193,758		194,010	
28. Nebraska	NE	L	2,323	2,823,303		2,825,626	1,162,507
29. Nevada	NV	L	771	3,935,662		3,936,433	
30. New Hampshire	NH	N		313,690		313,690	
31. New Jersey	NJ	L	2,291	20,035,985		20,038,276	2,089,150
32. New Mexico	NM	L	45,217	846,906		892,123	26,451
33. New York	NY	N	1,745	2,632,619		2,634,364	
34. North Carolina	NC	L	178	10,412,234		10,412,412	1,299,501
35. North Dakota	ND	L		43,849		43,849	50,000
36. Ohio	OH	L	178,147	30,635,326		30,813,473	1,512,532
37. Oklahoma	OK	L	17,003	1,717,889		1,734,892	198,623
38. Oregon	OR	L	6,207	4,162,052		4,168,259	789,179
39. Pennsylvania	PA	L	36,769	33,157,863		33,194,632	6,141,759
40. Rhode Island	RI	L		1,449,702		1,449,702	905,617
41. South Carolina	SC	L	36,776	2,081,852		2,118,628	634,413
42. South Dakota	SD	L	5,070	449,314		454,384	
43. Tennessee	TN	L	7,491	4,558,918		4,566,409	1,094,507
44. Texas	TX	L	26,059	27,900,846		27,926,905	5,504,525
45. Utah	UT	L		423,420		423,420	51,447
46. Vermont	VT	N		76,576		76,576	
47. Virginia	VA	L	3,284	4,269,290		4,272,574	434,248
48. Washington	WA	L	9,400	1,574,045		1,583,445	380,000
49. West Virginia	WV	L	6,207	564,248		570,455	266,701
50. Wisconsin	WI	L	5,436	6,358,722		6,364,158	2,563,445
51. Wyoming	WY	L		66,224		66,224	
52. American Samoa	AS	N					
53. Guam	GU	N					
54. Puerto Rico	PR	N					
55. U.S. Virgin Islands	VI	N					
56. Northern Mariana Islands	MP	N					
57. Canada	CN	N		136,974		136,974	
58. Aggregate Other Alien	OT	XXX					
59. Subtotal		(a) 47	778,953	355,104,939		355,883,892	46,202,385
90. Reporting entity contributions for employee benefit plans		XXX					
91. Dividends or refunds applied to purchase paid-up additions and annuities		XXX					
92. Dividends of refunds applied to shorten endowment or premium paying period		XXX					
93. Premium or annuity considerations waived under disability or other contract provisions		XXX					
94. Aggregate other amounts not allocable by State		XXX					
95. Totals (Direct Business)		XXX	778,953	355,104,939		355,883,892	46,202,385
96. Plus Reinsurance Assumed		XXX	119,962			119,962	
97. Totals (All Business)		XXX	898,915	355,104,939		355,003,854	46,202,385
98. Less Reinsurance Ceded		XXX	405,428	3,406,702		3,812,130	
99. Totals (All Business) less Reinsurance Ceded		XXX	493,487	351,698,237	(b)	352,191,724	46,202,385
DETAILS OF WRITE-INS							
5801.		XXX					
5802.		XXX					
5803.		XXX					
5898. Summary of remaining write-ins for Line 58 from overflow page.		XXX					
5899. Total (Line 5801 through Line 5803 plus Line 5898) (Line 58 above)		XXX					
9401.		XXX					
9402.		XXX					
9403.		XXX					
9498. Summary of remaining write-ins for Line 94 from overflow page.		XXX					
9499. Total (Line 9401 through Line 9403 plus Line 9498) (Line 94 above)		XXX					

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

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

BY STATE OF RESIDENCE OF THE POLICYOWNER

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

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

ANNUAL STATEMENT FOR THE YEAR 2011 OF THE Integrity Life Insurance Company
SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP
PART 1 - ORGANIZATIONAL CHART

		<u>NAIC#</u>	<u>TIN#</u>
PARENT -	WESTERN-SOUTHERN MUTUAL HOLDING COMPANY, OH (NON-INSURER)		31-1732405
SUBSIDIARY -	WESTERN & SOUTHERN FINANCIAL GROUP, INC., OH (NON-INSURER)		31-1732404
SUBSIDIARY -	LAFAYETTE LIFE INSURANCE COMPANY, OH (INSURER)	65242	35-0457540
SUBSIDIARY -	LLIA, INC., OH (NON-INSURER)		35-2123483
SUBSIDIARY -	THE WESTERN AND SOUTHERN LIFE INSURANCE COMPANY, OH (INSURER)	70483	31-0487145
SUBSIDIARY -	WESTERN-SOUTHERN LIFE ASSURANCE COMPANY, OH (INSURER)	92622	31-1000236
SUBSIDIARY -	TOUCHSTONE SECURITIES, INC., NE (NON-INSURER)		47-6046379
SUBSIDIARY -	IFS FINANCIAL SERVICES, INC., OH (NON-INSURER)		31-1328371
SUBSIDIARY -	W&S BROKERAGE SERVICES, INC., OH (NON-INSURER)		31-0846576
SUBSIDIARY -	COLUMBUS LIFE INSURANCE COMPANY, OH (INSURER)	99937	31-1191427
SUBSIDIARY -	INTEGRITY LIFE INSURANCE COMPANY, OH (INSURER)	74780	86-0214103
SUBSIDIARY -	NATIONAL INTEGRITY LIFE INSURANCE COMPANY, NY (INSURER)	75264	16-0958252
SUBSIDIARY -	INSURANCE PROFILLMENT SOLUTIONS, LLC, OH (NON-INSURER)		43-2081325
SUBSIDIARY -	WS OPERATING HOLDINGS, LLC, OH (NON-INSURER)		06-1804434
SUBSIDIARY -	EAGLE REALTY GROUP, LLC, OH (NON-INSURER)		31-1018957
SUBSIDIARY -	FORT WASHINGTON INVESTMENT ADVISORS, OH (NON-INSURER)		31-1301863

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