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ANNUAL STATEMENT

FOR THE YEAR ENDED DECEMBER 31, 2011

OF THE CONDITION AND AFFAIRS OF THE

Columbus Life Insurance Company

NAIC Group Code 0836 (Current Period), 0836 (Prior Period) NAIC Company Code 99937 Employer's ID Number 31-1191427

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

Country of Domicile US

Incorporated/Organized September 8, 1986 Commenced Business July 1, 1988

Statutory Home Office 400 East 4th Street, Cincinnati, Ohio 45202-3302
(Street and Number, City or Town, State and Zip Code)

Main Administrative Office 400 East 4th Street, Cincinnati, Ohio 45202-3302 (Street and Number, City or Town, State and Zip Code) 513-361-6700 (Area Code) (Telephone Number)

Mail Address 400 East 4th Street, Cincinnati, Ohio 45202-3302
(Street and Number or P.O. Box, City or Town, State and Zip Code)

Primary Location of Books and Records 400 East 4th Street, Cincinnati, Ohio 45202-3302
(Street and Number, City or Town, State and Zip Code)
513-361-6700
(Area Code) (Telephone Number)

Internet Website Address www.ColumbusLife.com

Statutory Statement Contact Bradley J. Hunkler (Name) 513-629-2980 (Area Code) (Telephone Number) (Extension)

CompAcctGrp@WesternSouthernLife.com (E-Mail Address) 513-629-1871 (Fax Number)

OFFICERS

Jimmy Joe Miller (President & CEO)
Donald Joseph Wuebbling (Secretary)

OTHER OFFICERS

James Howard Acton, Jr. (VP)
Keith Walker Brown (VP)
Clint David Gibler (Sr VP & Chf Inf Off)
Daniel Wayne Harris (VP)
Noreen Joyce Hayes (Sr VP)
David Todd Henderson (VP)
Bradley Joseph Hunkler (VP, Chief Accounting Officer)
Phillip Earl King (VP & Auditor)
Constance Marie Maccarone (Sr VP)
Michael Ryland Moser (VP & Chf Compliance Officer)
Nora Eyre Moushey (Sr VP & Chf Actuary)
Jonathan David Niemeyer (Sr VP & Gen Counsel)
Mario Joseph San Marco (VP)
Nicholas Peter Sargen (Sr VP & Chf Inv Off)
Donna Napoli Schenk (VP)
Thomas Martin Stapleton# (VP)
James Joseph Vance (VP & Treasurer)
Robert Lewis Walker (Sr VP & Chf Fin Officer)
Charles Wendell Wood, Jr. (Sr VP)

DIRECTORS OR TRUSTEES

John Finn Barrett (Chairman)
James Norman Clark
Jimmy Joe Miller
James Kirby Risk, III
Joseph Henry Seaman
Jerry Bruce Stillwell
Robert Blair Truitt
Robert Lewis Walker

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.

Jimmy Joe Miller President & CEO	Donald Joseph Wuebbling Secretary	Bradley Joseph Hunkler VP, Chief Accounting Officer

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

a. Is this an original filing? Yes (X) No ( )

b. If no:
1. State the amendment number
2. Date filed
3. Number of pages attached

ASSETS

	Current Year 1 Assets	Current Year 2 Nonadmitted Assets	Current Year 3 Net Admitted Assets (Column 1 minus Column 2)	Prior Year 4 Net Admitted Assets
1. Bonds (Schedule D)	2,405,010,621		2,405,010,621	2,328,231,955
2. Stocks (Schedule D):				
2.1 Preferred stocks				416,020
2.2 Common stocks	48,692,517		48,692,517	60,584,794
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens	81,480,332		81,480,332	71,980,440
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 ($ .... (815,432) , Schedule E - Part 1) , cash equivalents ($ .... , Schedule E - Part 2) and short-term investments ($ ..... 51,854,338 , Schedule DA)	51,038,906		51,038,906	86,296,625
6. Contract loans (including $ .... premium notes)	70,715,005		70,715,005	73,463,681
7. Derivatives (Schedule DB)	2,031,095		2,031,095	744,050
8. Other invested assets (Schedule BA)	113,272,706		113,272,706	93,984,479
9. Receivables for securities	635,327		635,327	1,016,692
10. Securities lending reinvested collateral assets (Schedule DL)	10,387,484		10,387,484	16,874,560
11. Aggregate write-ins for invested assets				
12. Subtotals, cash and invested assets (Line 1 through Line 11)	2,783,263,993		2,783,263,993	2,733,593,296
13. Title plants less $ .... charged off (for Title insurers only)				
14. Investment income due and accrued	27,332,494		27,332,494	26,484,139
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	672,163		672,163	698,700
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including $ .... earned but unbilled premiums)	7,717,137		7,717,137	7,374,415
15.3 Accrued retrospective premiums				
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers	2,850,143		2,850,143	11,926,883
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				1,394,644
18.2 Net deferred tax asset	49,232,739	20,953,258	28,279,481	32,331,802
19. Guaranty funds receivable or on deposit	1,031,602		1,031,602	1,809,931
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	731,213	731,213		
25. Aggregate write-ins for other than invested assets	15,204,820		15,204,820	15,850,672
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Line 12 to Line 25)	2,888,036,304	21,684,471	2,866,351,833	2,831,464,482
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts	92,306,588		92,306,588	84,799,625
28. Total (Line 26 and Line 27)	2,980,342,892	21,684,471	2,958,658,421	2,916,264,107
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. Deferred Compensation Plan	12,490,517		12,490,517	13,218,924
2502. CSV of Corporate Owned Life Insurance	2,246,418		2,246,418	2,164,588
2503. Cash Value Employee Split Dollar Plan	432,088		432,088	427,965
2598. Summary of remaining write-ins for Line 25 from overflow page	35,797		35,797	39,195
2599. Totals (Line 2501 through Line 2503 plus Line 2598) (Line 25 above)	15,204,820		15,204,820	15,850,672

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Year	2 Prior Year
1. Aggregate reserve for life contracts $ 2,332,678,501 (Exhibit 5, Line 9999999) less $ .... included in Line 6.3 (including $ .... Modco Reserve)	2,332,678,501	2,206,424,841
2. Aggregate reserve for accident and health contracts (Exhibit 6, Line 17, Column 1) (including $ .... Modco Reserve)	2,890,487	3,560,815
3. Liability for deposit-type contracts (Exhibit 7, Line 14, Column 1) (including $ .... Modco Reserve)	172,721,161	174,174,784
4. Contract claims:		
4.1 Life (Exhibit 8, Part 1, Line 4.4, Column 1 less sum of Columns 9, 10 and 11)	11,841,154	9,189,400
4.2 Accident and health (Exhibit 8, Part 1, Line 4.4, sum of Columns 9, 10 and 11)	41,969	42,369
5. Policyholders' dividends $ 10,704 and coupons $ .... due and unpaid (Exhibit 4, Line 10)	10,704	19,183
6. Provision for policyholders' dividends and coupons payable in following calendar year - estimated amounts:		
6.1 Dividends apportioned for payment (including $ .... Modco)	11,510,020	11,010,020
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)	145,119	132,142
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		
9.3 Other amounts payable on reinsurance, including $ .... assumed and $ 3,911,879 ceded	3,911,879	3,949,380
9.4 Interest Maintenance Reserve (IMR, Line 6)	5,636,608	4,298,897
10. Commissions to agents due or accrued-life and annuity contracts $................, accident and health $ .... and deposit-type contract funds $		28,717
11. Commissions and expense allowances payable on reinsurance assumed		
12. General expenses due or accrued (Exhibit 2, Line 12, Column 6)		
13. Transfers to Separate Accounts due or accrued (net) (including $ (4,272,149) accrued for expense allowances recognized in reserves, net of reinsured allowances)	(6,102,482)	(6,098,045)
14. Taxes, licenses and fees due or accrued, excluding federal income taxes (Exhibit 3, Line 9, Column 5)	1,556,669	2,324,989
15.1 Current federal and foreign income taxes, including $ 2,430,987 on realized capital gains (losses)	1,452,002	
15.2 Net deferred tax liability		
16. Unearned investment income	2,158,743	2,205,885
17. Amounts withheld or retained by company as agent or trustee	44,424	58,295
18. Amounts held for agents' account, including $ .... agents' credit balances		
19. Remittances and items not allocated	1,604,647	325,975
20. Net adjustment in assets and liabilities due to foreign exchange rates		
21. Liability for benefits for employees and agents if not included above	22,604,161	24,331,085
22. Borrowed money $ .... and interest thereon $		
23. Dividends to stockholders declared and unpaid		25,000,000
24. Miscellaneous liabilities:		
24.01 Asset valuation reserve (AVR, Line 16, Column 7)	24,226,994	24,522,339
24.02 Reinsurance in unauthorized companies	507,793	
24.03 Funds held under reinsurance treaties with unauthorized reinsurers		
24.04 Payable to parent, subsidiaries and affiliates	1,120,420	
24.05 Drafts outstanding		
24.06 Liability for amounts held under uninsured plans		
24.07 Funds held under coinsurance		
24.08 Derivatives	504,180	272,940
24.09 Payable for securities	1,193,982	5,143,160
24.10 Payable for securities lending	60,796,928	81,627,828
24.11 Capital notes $ .... and interest thereon $		
25. Aggregate write-ins for liabilities	7,056,094	389,668
26. Total liabilities excluding Separate Accounts business (Line 1 to Line 25)	2,660,112,157	2,572,934,667
27. From Separate Accounts statement	92,306,588	84,799,625
28. Total liabilities (Line 26 and Line 27)	2,752,418,745	2,657,734,292
29. Common capital stock	10,000,000	10,000,000
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)	81,816,437	81,816,437
34. Aggregate write-ins for special surplus funds	12,328,881	16,658,055
35. Unassigned funds (surplus)	102,094,358	150,055,323
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)	196,239,676	248,529,815
38. Totals of Lines 29, 30 and 37 (Page 4, Line 55)	206,239,676	258,529,815
39. Totals of Lines 28 and 38 (Page 2, Line 28, Column 3)	2,958,658,421	2,916,264,107
DETAILS OF WRITE-INS		
2501. Unfunded Commitment Low Income Housing Tax Credit Property	6,643,798	
2502. Uncashed drafts and checks that are pending escheatment to the state	307,058	139,213
2503. Outstanding disbursement checks written awaiting booking	97,023	250,036
2598. Summary of remaining write-ins for Line 25 from overflow page	8,215	419
2599. Totals (Line 2501 through Line 2503 plus Line 2598) (Line 25 above)	7,056,094	389,668
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)	12,328,881	16,658,055
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)	12,328,881	16,658,055

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)	238,583,063	191,642,758
2.	Considerations for supplementary contracts with life contingencies	175,108	1,299,020
3.	Net investment income (Exhibit of Net Investment Income, Line 17)	147,549,867	144,807,373
4.	Amortization of Interest Maintenance Reserve (IMR, Line 5)	(111,040)	(286,253)
5.	Separate Accounts net gain from operations excluding unrealized gains or losses		
6.	Commissions and expense allowances on reinsurance ceded (Exhibit 1, Part 2, Line 26.1, Column 1)	51	65
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	1,410,200	2,005,606
	8.2 Charges and fees for deposit-type contracts	775,781	268,271
	8.3 Aggregate write-ins for miscellaneous income	428,011	252,103
9.	Totals (Line 1 to Line 8.3)	388,811,041	339,988,943
10.	Death benefits	79,269,989	83,937,602
11.	Matured endowments (excluding guaranteed annual pure endowments)	681,340	466,143
12.	Annuity benefits (Exhibit 8, Part 2, Line 6.4, Column 4 plus Column 8)	16,584,918	12,240,801
13.	Disability benefits and benefits under accident and health contracts	1,375,011	1,609,441
14.	Coupons, guaranteed annual pure endowments and similar benefits		
15.	Surrender benefits and withdrawals for life contracts	80,292,155	86,755,505
16.	Group conversions		
17.	Interest and adjustments on contract or deposit-type contract funds	4,010,724	3,247,840
18.	Payments on supplementary contracts with life contingencies	1,037,841	991,466
19.	Increase in aggregate reserves for life and accident and health contracts	125,583,332	69,102,918
20.	Totals (Line 10 to Line 19)	308,835,310	258,351,716
21.	Commissions on premiums, annuity considerations and deposit-type contract funds (direct business only) (Exhibit 1, Part 2, Line 31, Column 1)	20,469,122	18,990,672
22.	Commissions and expense allowances on reinsurance assumed (Exhibit 1, Part 2, Line 26.2, Column 1)		
23.	General insurance expenses (Exhibit 2, Line 10, Columns 1, 2, 3 and 4)	25,140,735	25,021,243
24.	Insurance taxes, licenses and fees, excluding federal income taxes (Exhibit 3, Line 7, Column 1 plus Column 2 plus Column 3)	3,673,139	3,074,345
25.	Increase in loading on deferred and uncollected premiums	(116,427)	9,812
26.	Net transfers to or (from) Separate Accounts net of reinsurance	5,957,970	7,200,438
27.	Aggregate write-ins for deductions	(572,378)	1,855,966
28.	Totals (Line 20 to Line 27)	363,387,471	314,504,192
29.	Net gain from operations before dividends to policyholders and federal income taxes (Line 9 minus Line 28)	25,423,570	25,484,751
30.	Dividends to policyholders	12,203,197	10,571,520
31.	Net gain from operations after dividends to policyholders and before federal income taxes (Line 29 minus Line 30)	13,220,373	14,913,231
32.	Federal and foreign income taxes incurred (excluding tax on capital gains)	815,591	(321,962)
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)	12,404,782	15,235,193
34.	Net realized capital gains (losses) (excluding gains (losses) transferred to the IMR) less capital gains tax of $ 1,770,472 (excluding taxes of $ 660,515 transferred to the IMR)	(4,573,227)	(2,688,838)
35.	Net Income (Line 33 plus Line 34)	7,831,555	12,546,355
	CAPITAL AND SURPLUS ACCOUNT		
36.	Capital and surplus, December 31, prior year (Page 3, Line 38, Column 2)	258,529,815	271,590,794
37.	Net income (Line 35)	7,831,555	12,546,355
38.	Change in net unrealized capital gains (losses) less capital gains tax of $ (640,273)	(5,179,368)	8,290,341
39.	Change in net unrealized foreign exchange capital gain (loss)		
40.	Change in net deferred income tax	6,543,647	318,368
41.	Change in nonadmitted assets	(6,944,351)	4,782,919
42.	Change in liability for reinsurance in unauthorized companies	(507,793)	
43.	Change in reserve on account of change in valuation basis, (increase) or decrease (Exhibit 5A, Line 9999999, Column 4)		
44.	Change in asset valuation reserve	295,345	(12,711,116)
45.	Change in treasury stock (Page 3, Lines 36.1 and 36.2 Column 2 minus Column 1)		
46.	Surplus (contributed to) withdrawn from Separate Accounts during period		
47.	Other changes in surplus in Separate Accounts statement		
48.	Change in surplus notes		
49.	Cumulative 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	(50,000,000)	(25,000,000)
53.	Aggregate write-ins for gains and losses in surplus	(4,329,174)	(1,287,846)
54.	Net change in capital and surplus for the year (Line 37 through Line 53)	(52,290,139)	(13,060,979)
55.	Capital and surplus, December 31, current year (Line 36 plus Line 54) (Page 3, Line 38)	206,239,676	258,529,815

DETAILS OF WRITE-INS			
08.301.	Miscellaneous Income	428,011	252,103
08.302.			
08.303.			
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)	428,011	252,103
2701.	Benefits for Employees Not Included Elsewhere	(770,034)	1,635,889
2702.	Interest Expense on Securities Lending	197,656	220,077
2703.			
2798.	Summary of remaining write-ins for Line 27 from overflow page		
2799.	Totals(Line 2701 through Line 2703 plus Line 2798) (Line 27 above)	(572,378)	1,855,966
5301.	Change in Surplus from additional DTA (SSAP 10R)	(4,329,174)	(1,287,846)
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)	(4,329,174)	(1,287,846)

CASH FLOW

	1 Current Year	2 Prior Year
Cash from Operations		
1. Premiums collected net of reinsurance	238,533,887	194,225,076
2. Net investment income	146,206,740	144,501,498
3. Miscellaneous income	2,433,580	3,322,513
4. Total (Line 1 through Line 3)	387,174,207	342,049,087
5. Benefit and loss related payments	170,536,482	198,242,520
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts	5,161,693	8,806,784
7. Commissions, expenses paid and aggregate write-ins for deductions	50,440,000	48,948,196
8. Dividends paid to policyholders	11,711,675	11,665,750
9. Federal and foreign income taxes paid (recovered) net of $ 2,430,987 tax on capital gains (losses)	399,932	(2,139,280)
10. Total (Line 5 through Line 9)	238,249,782	265,523,970
11. Net cash from operations (Line 4 minus Line 10)	148,924,425	76,525,117
Cash from Investments		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds	323,693,743	215,749,812
12.2 Stocks	9,391,948	16,949,651
12.3 Mortgage loans	5,097,316	11,591,573
12.4 Real estate		
12.5 Other invested assets	4,921,194	3,357,201
12.6 Net gains or (losses) on cash, cash equivalants and short-term investments		
12.7 Miscellaneous proceeds		4,940,599
12.8 Total investment proceeds (Line 12.1 through Line 12.7)	343,104,201	252,588,836
13. Cost of investments acquired (long-term only):		
13.1 Bonds	421,043,647	319,410,378
13.2 Stocks	969,418	27,110,194
13.3 Mortgage loans	14,600,000	16,720,000
13.4 Real estate		
13.5 Other invested assets	18,296,201	17,779,231
13.6 Miscellaneous applications	3,612,385	
13.7 Total investments acquired (Line 13.1 through Line 13.6)	458,521,651	381,019,803
14. Net increase (decrease) in contract loans and premium notes	(2,748,676)	(2,371,829)
15. Net cash from investments (Line 12.8 minus Line 13.7 minus Line 14)	(112,668,774)	(126,059,138)
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	4,638,682	(2,722,432)
16.5 Dividends to stockholders	57,521,324	
16.6 Other cash provided (applied)	(18,630,728)	84,583,745
17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6)	(71,513,370)	81,861,313
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)	(35,257,719)	32,327,292
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year	86,296,625	53,969,333
19.2 End of year (Line 18 plus Line 19.1)	51,038,906	86,296,625

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

20.001 Dividend to Western Southern Life Insurance Company in the form of debt securities	17,478,676	
20.002		
20.003		
20.004		
20.005		
20.006		
20.007		
20.008		
20.009		
20.010		

ANALYSIS OF OPERATIONS BY LINES OF BUSINESS

	1	2	Ordinary			6	Group		Accident and Health			12
			3	4	5		7	8	9	10	11	
	Total	Industrial Life	Life Insurance	Individual Annuities	Supplementary Contracts	Credit Life (Group and Individual)	Life Insurance (a)	Annuities	Group	Credit (Group and Individual)	Other	Aggregate of All Other Lines of Business
1. Premiums and annuity considerations for life and accident and health contracts	238,583,063		153,023,413	85,357,071							202,579	
2. Considerations for supplementary contracts with life contingencies	175,108				175,108							
3. Net investment income	147,549,867		101,991,174	44,333,228	728,018			301,891			195,556	
4. Amortization of Interest Maintenance Reserve (IMR)	(111,040)		(76,755)	(33,363)	(548)			(227)			(147)	
5. Separate Accounts net gain from operations excluding unrealized gains or losses												
6. Commissions and expense allowances on reinsurance ceded	51										51	
7. Reserve adjustments on reinsurance ceded												
8. Miscellaneous Income:												
8.1 Fees associated with income from investment management, administration and contract guarantees from Separate Accounts	1,410,200		1,410,200									
8.2 Charges and fees for deposit-type contracts	775,781		775,781									
8.3 Aggregate write-ins for miscellaneous income	428,011		428,011									
9. Totals (Line 1 to Line 8.3)	388,811,041		257,551,824	129,656,936	902,578			301,664			398,039	
10. Death benefits	79,269,990		79,269,990									
11. Matured endowments (excluding guaranteed annual pure endowments)	681,340		681,340									
12. Annuity benefits	16,584,918			15,779,265				805,653				
13. Disability benefits and benefits under accident and health contracts	1,375,010		768,586								606,424	
14. Coupons, guaranteed annual pure endowments and similar benefits												
15. Surrender benefits and withdrawals for life contracts	80,292,155		44,593,876	35,698,279								
16. Group conversions												
17. Interest and adjustments on contract or deposit-type contract funds	4,010,724		1,182,694	2,615,453	212,577							
18. Payments on supplementary contracts with life contingencies	1,037,841				1,037,841							
19. Increase in aggregate reserves for life and accident and health contracts	125,583,332		77,118,621	49,799,041	(299,128)			(364,874)			(670,328)	
20. Totals (Line 10 to Line 19)	308,835,310		203,615,107	103,892,038	951,290			440,779			(63,904)	
21. Commissions on premiums, annuity considerations and deposit-type contract funds (direct business only)	20,469,122		16,612,354	3,853,767							3,001	
22. Commissions and expense allowances on reinsurance assumed												
23. General insurance expenses	25,140,735		22,638,067	2,425,474	77,194							
24. Insurance taxes, licenses and fees, excluding federal income taxes	3,673,139		3,555,586	99,934							17,619	
25. Increase in loading on deferred and uncollected premiums	(116,427)		(116,427)									
26. Net transfers to or (from) Separate Accounts net of reinsurance	5,957,970		843,199	5,114,771								
27. Aggregate write-ins for deductions	(572,378)		(556,246)	(14,576)	(2,386)			494			336	
28. Totals (Line 20 to Line 27)	363,387,471		246,591,640	115,371,408	1,026,098			441,273			(42,948)	
29. Net gain from operations before dividends to policyholders and federal income taxes (Line 9 minus Line 28)	25,423,570		10,960,184	14,285,528	(123,520)			(139,609)			440,987	
30. Dividends to policyholders	12,203,197		12,203,197									
31. Net gain from operations after dividends to policyholders and before federal income taxes (Line 29 minus Line 30)	13,220,373		(1,243,013)	14,285,528	(123,520)			(139,609)			440,987	
32. Federal income taxes incurred (excluding tax on capital gains)	815,591		(435,055)	4,999,935	(43,232)			(48,863)			154,346	(3,811,540)
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)	12,404,782		(807,958)	9,285,593	(80,288)			(90,746)			286,641	3,811,540
DETAILS OF WRITE-INS												
08.301. MISCELLANEOUS INCOME	428,011		428,011									
08.302.												
08.303.												
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)	428,011		428,011									
2701. BENEFITS FOR EMPLOYEES NOT INCLUDED ELSEWHERE	(770,034)		(688,398)	(78,281)	(3,355)							
2702. INTEREST EXPENSE ON SECURITIES LENDING	197,656		132,152	63,705	969			494			336	
2703.												
2798. Summary of remaining write-ins for Line 27 from overflow page												
2799. Totals (Line 2701 through Line 2703 plus Line 2798) (Line 27 above)	(572,378)		(556,246)	(14,576)	(2,386)			494			336	

(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	2	Ordinary			6	Group	
	Total	Industrial Life	3 Life Insurance	4 Individual Annuities	5 Supplementary Contracts	Credit Life (Group and Individual)	7 Life Insurance	8 Annuities
Involving Life or Disability Contingencies (Reserves) (Net of Reinsurance Ceded)								
1. Reserve December 31, prior year	2,206,424,841		1,568,348,796	626,244,208	6,322,195			5,509,642
2. Tabular net premiums or considerations	294,384,309		209,542,163	84,440,571	401,575			
3. Present value of disability claims incurred	817,669		817,669		XXX			
4. Tabular interest	104,058,376		72,466,118	30,931,118	355,157			305,983
5. Tabular less actual reserve released	(3,453,083)		424,722	(4,431,325)	221,866			331,654
6. Increase in reserve on account of change in valuation basis								
7. Other increases (net)	5,146,808		5,146,808					
8. Totals (Line 1 to Line 7)	2,607,378,920		1,856,746,276	737,184,572	7,300,793			6,147,279
9. Tabular cost	120,161,484		120,161,484		XXX			
10. Reserves released by death	36,516,240		36,516,240	XXX	XXX			XXX
11. Reserves released by other terminations (net)	92,225,855		54,610,618	37,106,431	311,949			196,857
12. Annuity, supplementary contract, and disability payments involving life contingencies	18,294,313		743,617	15,779,265	965,777			805,654
13. Net transfers to or (from) Separate Accounts	7,502,526		(753,101)	8,255,627				
14. Total deductions (Line 9 to Line 13)	274,700,418		211,278,858	61,141,323	1,277,726			1,002,511
15. Reserve December 31, current year	2,332,678,502		1,645,467,418	676,043,249	6,023,067			5,144,768

EXHIBIT OF NET INVESTMENT INCOME

	1 Collected During Year	2 Earned During Year
1. U.S. Government bonds	(a) 645,737	594,510
1.1 Bonds exempt from U.S. tax	(a)	
1.2 Other bonds (unaffiliated)	(a) 136,862,671	137,604,800
1.3 Bonds of affiliates	(a)	
2.1 Preferred stocks (unaffiliated)	(b)	
2.11 Preferred stocks of affiliates	(b)	
2.2 Common stocks (unaffiliated)	1,135,993	1,191,747
2.21 Common stocks of affiliates		
3. Mortgage loans	(c) 5,193,274	5,250,639
4. Real estate	(d)	
5. Contract loans	4,597,482	4,673,247
6. Cash, cash equivalents and short-term investments	(e) 204,968	188,640
7. Derivative instruments	(f) 639	639
8. Other invested assets	(1,351,592)	(1,343,029)
9. Aggregate write-ins for investment income	708,507	708,507
10. Total gross investment income	147,997,679	148,869,700
11. Investment expenses		(g) 1,319,833
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)		1,319,833
17. Net investment income (Line 10 minus Line 16)		147,549,867
DETAILS OF WRITE-INS		
0901. Securities Lending Fee Income	307,618	307,618
0902. Miscellaneous	102,045	102,045
0903. Deferred Compensation Income	298,844	298,844
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)	708,507	708,507
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 $ 3,475,807 accrual of discount less $ 3,533,209 amortization of premium and less $ 2,127,773 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 $ 2,792 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 $ 11,871 accrual of discount less $ 35,326 amortization of premium and less $ 39,644 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 Realized Gain (Loss) on Sales or Maturity	2 Other Realized Adjustments	3 Total Realized Capital Gain (Loss) (Cols. 1 + 2)	4 Change in Unrealized Capital Gain (Loss)	5 Change in Unrealized Foreign Exchange Capital Gain (Loss)
1. U.S. Government bonds	(122,078)		(122,078)		
1.1 Bonds exempt from U.S. tax					
1.2 Other bonds (unaffiliated)	3,044,757	(4,313,385)	(1,268,628)	(1,644,454)	
1.3 Bonds of affiliates					
2.1 Preferred stocks (unaffiliated)	214,708		214,708		
2.11 Preferred stocks of affiliates					
2.2 Common stocks (unaffiliated)	2,671,355	(2,495,851)	175,504	(1,492,267)	
2.21 Common stocks of affiliates				(2,783,713)	
3. Mortgage loans					
4. Real estate					
5. Contract loans					
6. Cash, cash equivalents and short-term investments	(8,207)		(8,207)		
7. Derivative instruments	(44,572)		(44,572)	(410,609)	
8. Other invested assets				1,717,982	
9. Aggregate write-ins for capital gains (losses)	137,704		137,704	(1,206,580)	
10. Total capital gains (losses)	5,893,667	(6,809,236)	(915,569)	(5,819,641)	
DETAILS OF WRITE-INS					
0901. Deferred Compensation	137,704		137,704	(1,206,580)	
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)	137,704		137,704	(1,206,580)	

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

	1	2	Ordinary		5	Group		Accident and Health			11
			3	4		6	7	8	9	10	
	Total	Industrial Life	Life Insurance	Individual Annuities	Credit Life (Group and Individual)	Life Insurance	Annuities	Group	Credit (Group and Individual)	Other	Aggregate of All Other Lines of Business
FIRST YEAR (other than single)											
1. Uncollected	(36,371)		(36,371)								
2. Deferred and accrued	497,254		497,254								
3. Deferred, accrued and uncollected:											
3.1 Direct	507,322		507,322								
3.2 Reinsurance assumed											
3.3 Reinsurance ceded	46,439		46,439								
3.4 Net (Line 1 plus Line 2)	460,883		460,883								
4. Advance	5,046		5,046								
5. Line 3.4 minus Line 4	455,837		455,837								
6. Collected during year:											
6.1 Direct	58,834,138		58,834,138								
6.2 Reinsurance assumed											
6.3 Reinsurance ceded	427,710		427,710								
6.4 Net	58,406,428		58,406,428								
7. Line 5 plus Line 6.4	58,862,265		58,862,265								
8. Prior year (uncollected plus deferred and accrued minus advance)	420,395		420,395								
9. First year premiums and considerations:											
9.1 Direct	58,879,589		58,879,589								
9.2 Reinsurance assumed											
9.3 Reinsurance ceded	437,720		437,720								
9.4 Net (Line 7 minus Line 8)	58,441,870		58,441,870								
SINGLE											
10. Single premiums and considerations:											
10.1 Direct	91,873,318		8,442,209	83,431,109							
10.2 Reinsurance assumed											
10.3 Reinsurance ceded											
10.4 Net	91,873,318		8,442,209	83,431,109							
RENEWAL											
11. Uncollected	(3,293,344)		(3,293,344)								
12. Deferred and accrued	5,703,162		5,703,162								
13. Deferred, accrued and uncollected:											
13.1 Direct	6,275,258		6,275,258								
13.2 Reinsurance assumed											
13.3 Reinsurance ceded	3,865,440		3,865,440								
13.4 Net (Line 11 plus Line 12)	2,409,818		2,409,818								
14. Advance	140,073		140,073								
15. Line 13.4 minus Line 14	2,269,745		2,269,745								
16. Collected during year:											
16.1 Direct	126,742,237		124,578,657	1,926,114						237,466	
16.2 Reinsurance assumed											
16.3 Reinsurance ceded	38,663,203		38,628,316							34,887	
16.4 Net	88,079,034		85,950,341	1,926,114						202,579	
17. Line 15 plus Line 16.4	90,348,779		88,220,086	1,926,114						202,579	
18. Prior year (uncollected plus deferred and accrued minus advance)	2,080,904		2,080,904								
19. Renewal premiums and considerations:											
19.1 Direct	126,883,567		124,719,987	1,926,114						237,466	
19.2 Reinsurance assumed											
19.3 Reinsurance ceded	38,615,692		38,580,805							34,887	
19.4 Net (Line 17 minus Line 18)	88,267,875		86,139,182	1,926,114						202,579	
TOTAL											
20. Total premiums and annuity considerations:											
20.1 Direct	277,636,474		192,041,785	85,357,223						237,466	
20.2 Reinsurance assumed											
20.3 Reinsurance ceded	39,053,412		39,018,525							34,887	
20.4 Net (Lines 9.4 plus 10.4 plus 19.4)	238,583,063		153,023,261	85,357,223						202,579	

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

	1	2	Ordinary		5	Group		Accident and Health			11
			3	4		6	7	8	9	10	
	Total	Industrial Life	Life Insurance	Individual Annuities	Credit Life (Group and Individual)	Life Insurance	Annuities	Group	Credit (Group and Individual)	Other	Aggregate of All Other Lines of Business
DIVIDENDS AND COUPONS APPLIED (included in Part 1)											
21. To pay renewal premiums	1,063,319		1,063,319								
22. All other	8,688,714		8,688,714								
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	51									51	
25.2 Reinsurance assumed											
25.3 Net ceded less assumed	51									51	
26. Totals:											
26.1 Reinsurance ceded (Page 6, Line 6)	51									51	
26.2 Reinsurance assumed (Page 6, Line 22)											
26.3 Net ceded less assumed	51									51	
COMMISSIONS INCURRED (direct business only)											
27. First year (other than single)	11,820,154		11,820,154								
28. Single	3,711,481			3,711,481							
29. Renewal	4,937,487		4,792,200	142,286						3,001	
30. Deposit-type contract funds											
31. Totals (to agree with Page 6, Line 21)	20,469,122		16,612,354	3,853,767						3,001	

EXHIBIT 2 - GENERAL EXPENSES

	Insurance				5	6
	1	Accident and Health		4		
	Life	2 Cost Containment	3 All Other	All Other Lines of Business	Investment	Total
1. Rent	995,708					995,708
2. Salaries and wages	9,215,431				38,220	9,253,651
3.11 Contributions for benefit plans for employees	1,492,761					1,492,761
3.12 Contributions for benefit plans for agents	1,094,553					1,094,553
3.21 Payments to employees under non-funded benefit plans	123,007					123,007
3.22 Payments to agents under non-funded benefit plans						
3.31 Other employee welfare	573,096					573,096
3.32 Other agent welfare						
4.1 Legal fees and expenses	87,498					87,498
4.2 Medical examination fees	592,845					592,845
4.3 Inspection report fees	47,973					47,973
4.4 Fees of public accountants and consulting actuaries	2,809,226					2,809,226
4.5 Expense of investigation and settlement of policy claims	708,780					708,780
5.1 Traveling expenses	566,096					566,096
5.2 Advertising	142,946					142,946
5.3 Postage, express, telegraph and telephone	1,030,118					1,030,118
5.4 Printing and stationery	527,535					527,535
5.5 Cost or depreciation of furniture and equipment						
5.6 Rental of equipment						
5.7 Cost or depreciation of EDP equipment and software	3,348,257					3,348,257
6.1 Books and periodicals	17,502					17,502
6.2 Bureau and association fees	70,530					70,530
6.3 Insurance, except on real estate	60,742					60,742
6.4 Miscellaneous losses						
6.5 Collection and bank service charges						
6.6 Sundry general expenses	329,827					329,827
6.7 Group service and administration fees						
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	1,061,572					1,061,572
9.1 Real estate expenses						
9.2 Investment expenses not included elsewhere	82,559				1,281,613	1,364,172
9.3 Aggregate write-ins for expenses	162,175					162,175
10. General expenses incurred	25,140,737				1,319,833	(a) 26,460,570
11. General expenses unpaid December 31, prior year						
12. General expenses unpaid December 31, current year						
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)	25,140,737				1,319,833	26,460,570
DETAILS OF WRITE-INS						
09.301. Sales Promotion Expense	67,692					67,692
09.302. General Office Maintenance	24,935					24,935
09.303. Agency Miscellaneous	69,548					69,548
09.398. Summary of remaining write-ins for Line 9.3 from overflow page						
09.399. Totals (Line 09.301 through Line 09.303 plus Line 09.398) (Line 9.3 above)	162,175					162,175

(a) Includes management fees of $ .... 8,800,380 to affiliates and $ ....to non-affiliates.

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

	Insurance			4	5
	1 Life	2 Accident and Health	3 All Other Lines of Business	Investment	Total
1. Real estate taxes					
2. State insurance department licenses and fees	444,849	2,460			447,309
3. State taxes on premiums	2,552,276	13,528			2,565,804
4. Other state taxes, including $ ....for employee benefits	294,786	1,065			295,851
5. U.S. Social Security taxes	313,819	566			314,385
6. All other taxes	49,790				49,790
7. Taxes, licenses and fees incurred	3,655,520	17,619			3,673,139
8. Taxes, licenses and fees unpaid December 31, prior year	637,091				637,091
9. Taxes, licenses and fees unpaid December 31, current year	1,556,669				1,556,669
10. Taxes, licenses and fees paid during year (Line 7 plus Line 8 minus Line 9)	2,735,942	17,619			2,753,561

EXHIBIT 4 - DIVIDENDS OR REFUNDS

	1 Life	2 Accident and Health
1. Applied to pay renewal premiums	1,224,713	
2. Applied to shorten the endowment or premium-paying period		
3. Applied to provide paid-up additions	8,527,320	
4. Applied to provide paid-up annuities		
5. Total Line 1 through Line 4	9,752,033	
6. Paid-in cash	477,620	
7. Left on deposit	1,024,339	
8. Aggregate write-ins for dividend or refund options		
9. Total Line 5 through Line 8	11,253,992	
10. Amount due and unpaid	10,704	
11. Provision for dividends or refunds payable in the following calender year	11,510,021	
12. Terminal dividends		
13. Provision for deferred dividend contracts		
14. Amount provisionally held for deferred dividend policies not included in Line 13		
15. Total Line 10 through Line 14	11,520,725	
16. Total from prior year	10,571,520	
17. Total dividends or refunds (Line 9 plus Line 15 minus Line 16)	12,203,197	
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)		

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					
AE 3% 41-47	4,541,380		4,541,380		
AE 3.5% 25-40	1,358,888		1,358,888		
41 CSO 2.5% 48-65	18,982,707		18,982,707		
41 CSO 2.5% CRVM 48-65	17,098,592		17,098,592		
41 CSO 3% 54-65	1,114,525		1,114,525		
41 CSO 3% CRVM 54-65	417,039		417,039		
58 CSO/CET 2.5% 65-84	58,018,117		58,018,117		
58 CSO/CET 2.5% CRVM 65-84	47,008,757		47,008,757		
58 CSO/CET 3% 65-77	27,047		27,047		
58 CSO/CET 3% CRVM 69-77	1,289,907		1,289,907		
58 CSO/CET 3.5% 77-84	178,523		178,523		
58 CSO/CET 3.5% CRVM 77-88	204,046		204,046		
58 CSO/CET 4% 79-88	2,340,384		2,340,384		
58 CSO/CET 4% CRVM 79-88	5,527,913		5,527,913		
58 CSO/CET 4.5% 80-88	18,669,900		18,669,900		
58 CSO/CET 4.5% CRVM 80-88	172,822,245		172,822,245		
60 CSG 3% 65-94	260,575		260,575		
80 CSO/CET 4% CRVM 94-08	75,704,177		75,704,177		
80 CSO/CET 4.5% 88-05	197,401		197,401		
80 CSO/CET 4.5% CRVM 88-05	642,341,497		642,341,497		
80 CSO/CET 5% 88-94	13,539		13,539		
80 CSO/CET 5% CRVM 88-94	86,757,643		86,757,643		
80 CSO/CET 5.5% CRVM 87-92	259,235,351		259,235,351		
80 CSO/CET 6% CRVM 83-86	16,553,394		16,553,394		
2001 CSO 4% CRVM 06-11 (N.B.)	196,585,626		196,585,626		
2001 CSO 4.5% CRVM 04-05	83,718,646		83,718,646		
UNEARNED PREMIUM	375		375		
0199997 - TOTALS (Gross) - Life Insurance	1,710,968,194		1,710,968,194		
0199998 - Reinsurance ceded - Life Insurance	78,189,860		78,189,860		
0199999 - TOTALS (Net) - Life Insurance	1,632,778,334		1,632,778,334		
(Gross) - Annuities (excluding supplementary contracts with life contingencies)					
2 1/2% DEFERRED 41-77	6,579		6,579		
3 1/2% DEFERRED 77-79	2,367		2,367		
3 1/2% DEFERRED FLEXIBLE 76-79	250,839		250,839		
4% / 10 / 3 1/2% DEFERRED FLEXIBLE 79-82	5,350,677		5,350,677		
6% / 5 / 4% DEFERRED FLEXIBLE 82-89	109,079,807		109,079,807		
5.5% / 2 / 5% / 3 / 4% DEFERRED FLEXIBLE 89-94	29,886,779		29,886,779		
5% / 5 / 4% DEFERRED FLEXIBLE 91-94	22,868,849		22,868,849		
5% / 2 / 4% DEFERRED FLEXIBLE 93-97	16,832,335		16,832,335		
3% DEFERRED FLEXIBLE 94-08	30,351,987		30,351,987		
DEFERRED 5.75% CARVM 00	465,327		465,327		
DEFERRED 5.50% CARVM 00-02	20,745,651		20,745,651		
DEFERRED 5.25% CARVM 97, 01-02	7,430,000		7,430,000		
DEFERRED 5.00% CARVM 98-99	123,925,414		123,925,414		
DEFERRED 4.75% CARVM 03-04, 07-08	106,929,167		106,929,167		
DEFERRED 4.50% CARVM 05-06, 10	120,161,102		120,161,102		
DEFERRED 4.25% CARVM 11 (N.B.)	73,677,971		73,677,971		
55 AA 4% IMMEDIATE	3,903		3,903		
71 IAM 7 1/2% IMMEDIATE	143,678		143,678		
83a 7 1/2% IMMEDIATE	223,357		223,357		
83a 6 1/2% IMMEDIATE	124,502		124,502		
a-2000 6 1/2%	9,490		9,490		
a-2000 6 1/4%	126,740		126,740		
a-2000 6%	2,529,134		2,529,134		
a-2000 5 1/2%	1,601,520		1,601,520		
a-2000 5 1/4%	28,076		28,076		
a-2000 4.4%	2,409,577		2,409,577		
a-2000 3.7% (N.B.)	878,421		878,421		
71 GAM 6% IMMEDIATE	286,093				286,093
83 GAM 6% IMMEDIATE	4,858,675				4,858,675
0299997 - TOTALS (Gross) - Annuities (excluding supplementary contracts with life contingencies)	681,188,017		676,043,249		5,144,768
0299999 - TOTALS (Net) - Annuities (excluding supplementary contracts with life contingencies)	681,188,017		676,043,249		5,144,768
(Gross) - Supplementary Contracts with Life Contingencies					
55 AA 4%	16,290		16,290		
71 IAM 7 1/2%	244,257		244,257		
71 IAM 6%	104,064		104,064		
83a 7 1/2%	493,739		493,739		
83a 7%	520,732		520,732		
83a 6 1/2%	1,139,234		1,139,234		
a-2000 6 1/2%	625,428		625,428		
a-2000 6 1/4%	458,490		458,490		
a-2000 6%	402,823		402,823		
a-2000 5 1/2%	408,495		408,495		
a-2000 5 1/4%	639,386		639,386		
a-2000 3 3/4%	736,026		736,026		
a-2000 3.65% (N.B.)	234,103		234,103		
0399997 - TOTALS (Gross) - Supplementary Contracts with Life Contingencies	6,023,067		6,023,067		
0399999 - TOTALS (Net) - Supplementary Contracts with Life Contingencies	6,023,067		6,023,067		
(Gross) - Accidental Death Benefits					
INTERCO DI & 41 CSO 2.5% 53-65	1,123		1,123		
59 ADB & 58 CSO/CET 3% 64-89	85,584		85,584		
59 ADB & 80 CSO/CET 4% 95-03	999		999		
59 ADB & 80 CSO/CET 4.5% 89-05	28,748		28,748		
59 ADB & 2001 CSO/CET 4% 10-11 (N.B.)	2,547		2,547		
0499997 - TOTALS (Gross) - Accidental Death Benefits	119,001		119,001		
0499998 - Reinsurance ceded - Accidental Death Benefits	1,148		1,148		
0499999 - TOTALS (Net) - Accidental Death Benefits	117,853		117,853		
(Gross) - Disability - Active Lives					
52 INTERCO DISA & 41 CSO 2.5% 46-65	91		91		
52 INTERCO DISA & 58 CSO 3% 65-88	400,852		400,852		
52 INTERCO DISA & 80 CSO 4% 89-07	1,165,677		1,165,677		
52 INTERCO DISA & 80 CSO 4.5% 88-05	18,650		18,650		
52 INTERCO DISA & 2001 CSO 4% 10-11 (N.B.)	737,561		737,561		
0599997 - TOTALS (Gross) - Disability - Active Lives	2,322,831		2,322,831		
0599998 - Reinsurance ceded - Disability - Active Lives	2,552		2,552		
0599999 - TOTALS (Net) - Disability - Active Lives	2,320,279		2,320,279		
(Gross) - Disability - Disabled Lives					
52 INTERCO DISA 3.5%	10,183,850		10,183,850		
0699997 - TOTALS (Gross) - Disability - Disabled Lives	10,183,850		10,183,850		
0699999 - TOTALS (Net) - Disability - Disabled Lives	10,183,850		10,183,850		

EXHIBIT 5 - AGGREGATE RESERVE FOR LIFE CONTRACTS

1 Valuation Standard	2 Total	3 Industrial	4 Ordinary	5 Credit (Group and Individual)	6 Group
(Gross) - Miscellaneous Reserves					
Accelerated Death Benefit	67,102		67,102		
0799997 - TOTALS (Gross) - Miscellaneous Reserves	67,102		67,102		
0799999 - TOTALS (Net) - Miscellaneous Reserves	67,102		67,102		
9999999 - TOTALS (Net) - Page 3, Line 1	2,332,678,502		2,327,533,734		5,144,768

EXHIBIT 5 - INTERROGATORIES

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

1.2 If not, state which kind is issued.

Non-participating

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

2.2 If not, state which kind is issued.

Non-participating

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

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

4.1 Amount of insurance? $ ....

4.2 Amount of reserve? $ ....

4.3 Basis of reserve:

....

4.4 Basis of regular assessments:

....

4.5 Basis of special assessments:

....

4.6 Assessments collected during the year: $ ....

5. If the contract loan interest rate guaranteed in any one or more of its currently issued contracts is less than 5%, not in advance, state the contract loan rate guarantees on any such contracts.

4.50% in FL, MO, TX otherwise 3.50% or 4.00% depending on product portfolio.

6. Does the reporting entity hold reserves for any annuity contracts that are less than the reserves that would be held on a standard basis? Yes ( ) No (X)

6.1 If so, state the amount of reserve on such contracts on the basis actually held: $ ....

6.2 That would have been held (on an exact or approximate basis) using the actual ages of the annuitants; the interest rate(s) used in 6.1; and the same mortality basis used by the reporting entity for the valuation of comparable annuity benefits issued to standard lives. If the reporting entity has no comparable annuity benefits for standard lives to be valued, the mortality basis shall be the table most recently approved by the state of domicile for valuing individual annuity benefits: $ ....

Attach statement of methods employed in their valuation.

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

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

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

....

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

7.4 Identify where the reserves are reported in the blank.

....

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

1	Valuation Basis		4
Description of Valuation Class	2 Changed From	3 Changed To	Increase in Actuarial Reserve Due to Change

NONE

EXHIBIT 6 - AGGREGATES RESERVES FOR ACCIDENT AND HEALTH CONTRACTS

	1	2	3	4	Other Individual Contracts				
	Total	Group Accident and Health	Credit Accident and Health (Group and Individual)	Collectively Renewable	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	25,298				25,298				
2. Additional contract reserves (a)	742,019				721,571	20,448			
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)	767,317				746,869	20,448			
8. Reinsurance ceded	20,448					20,448			
9. Totals (Net)	746,869				746,869				
CLAIM RESERVE									
10. Present value of amounts not yet due on claims	2,163,535				2,102,529	61,006			
11. Additional actuarial reserves - Asset/Liability analysis									
12. Reserve for future contingent benefits									
13. Aggregate write-ins for reserves									
14. Totals (Gross)	2,163,535				2,102,529	61,006			
15. Reinsurance ceded	19,917				19,917				
16. Totals (Net)	2,143,618				2,082,612	61,006			
17. TOTAL (Net)	2,890,487				2,829,481	61,006			
18. TABULAR FUND INTEREST	138,744				136,558	2,186			
DETAILS OF WRITE-INS									
0601.									
0602.									
0603.									
0698. Summary of remaining write-ins for Line 6 from overflow page									
0699. Totals (Lines 0601 through 0603 plus 0698) (Line 6 above)									
1301.									
1302.									
1303.									
1398. Summary of remaining write-ins for Line 13 from overflow page									
1399. Totals (Lines 1301 through 1303 plus 1398) (Line 13 above)									

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

EXHIBIT 7 - DEPOSIT TYPE CONTRACTS

	1 Total	2 Guaranteed Interest Contracts	3 Annuities Certain	4 Supplemental Contracts	5 Dividend Accumulations or Refunds	6 Premium and Other Deposit Funds
1. Balance at the beginning of the year before reinsurance	174,174,784	80,029,234	4,797,953	12,712,245	30,712,260	45,923,092
2. Deposits received during the year	95,138,015	9,000,000	970,794	4,933,762	886,009	79,347,450
3. Investment earnings credited to the account	2,520,016	357,606	256,160	477,796	1,198,426	230,028
4. Other net change in reserves						
5. Fees and other charges assessed						
6. Surrender charges						
7. Net surrender or withdrawal payments	99,111,654	5,357,279	1,080,389	4,416,830	2,389,219	85,867,937
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)	172,721,161	84,029,561	4,944,518	13,706,973	30,407,476	39,632,633
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)	172,721,161	84,029,561	4,944,518	13,706,973	30,407,476	39,632,633

EXHIBIT 8 - CLAIMS FOR LIFE AND ACCIDENT AND HEALTH CONTRACTS

PART 1 - Liability End of Current Year

	1	2	Ordinary			6	Group		Accident and Health		
			3	4	5		7	8	9	10	11
	Total	Industrial Life	Life Insurance	Individual Annuities	Supplementary Contracts	Credit Life (Group and Individual)	Life Insurance	Annuities	Group	Credit (Group and Individual)	Other
1. Due and unpaid: 1.1 Direct											
1.2 Reinsurance assumed											
1.3 Reinsurance ceded											
1.4 Net											
2. In course of settlement:											
2.1 Resisted 2.11 Direct	437,469		437,469								
2.12 Reinsurance assumed											
2.13 Reinsurance ceded											
2.14 Net	437,469		(b) 437,469	(b)		(b)	(b)				
2.2 Other 2.21 Direct	23,102,457		23,058,166								44,291
2.22 Reinsurance assumed											
2.23 Reinsurance ceded	15,085,779		15,083,457								2,322
2.24 Net	8,016,678		(b) 7,974,709	(b)		(b)	(b)		(b)	(b)	(b) 41,969
3. Incurred but unreported: 3.1 Direct	10,400,750		10,400,750								
3.2 Reinsurance assumed											
3.3 Reinsurance ceded	6,971,774		6,971,774								
3.4 Net	3,428,976		(b) 3,428,976	(b)		(b)	(b)		(b)	(b)	(b)
4. TOTALS 4.1 Direct	33,940,676		33,896,385								44,291
4.2 Reinsurance assumed											
4.3 Reinsurance ceded	22,057,553		22,055,231								2,322
4.4 Net	11,883,123	(a)	(a) 11,841,154				(a)				41,969

(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 $ .... 907,376 , 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	2	Ordinary			6	Group		Accident and Health		
	Total	Industrial Life (a)	3 Life Insurance (b)	4 Individual Annuities	5 Supplementary Contracts	Credit Life (Group and Individual)	7 Life Insurance (c)	8 Annuities	9 Group	10 Credit (Group and Individual)	11 Other
1. Settlements during the year:											
1.1 Direct	143,726,152		125,360,855	15,779,265	1,037,841			837,222			710,969
1.2 Reinsurance assumed											
1.3 Reinsurance ceded	56,505,147		56,401,002								104,145
1.4 Net	(d) 87,221,005		68,959,853	15,779,265	1,037,841			837,222			606,824
2. Liability December 31, current year from Part 1:											
2.1 Direct	33,940,676		33,896,385								44,291
2.2 Reinsurance assumed											
2.3 Reinsurance ceded	22,057,553		22,055,231								2,322
2.4 Net	11,883,123		11,841,154								41,969
3. Amounts recoverable from reinsurers December 31, current year	2,850,143		2,850,143								
4. Liability December 31, prior year:											
4.1 Direct	19,154,278		19,109,587								44,691
4.2 Reinsurance assumed											
4.3 Reinsurance ceded	9,922,509		9,920,187								2,322
4.4 Net	9,231,769		9,189,400								42,369
5. Amounts recoverable from reinsurers December 31, prior year	11,926,883		11,926,883								
6. Incurred Benefits:											
6.1 Direct	158,512,550		140,147,653	15,779,265	1,037,841			837,222			710,569
6.2 Reinsurance assumed											
6.3 Reinsurance ceded	59,563,451		59,459,306								104,145
6.4 Net	98,949,099		80,688,347	15,779,265	1,037,841			837,222			606,424

(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 $ 681,340 in Line 1.1, $ 681,340 in Line 1.4.
$ 681,340 in Line 6.1 and $ 681,340 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	20,953,258	9,717,018	(11,236,240)
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	731,213	693,928	(37,285)
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)	21,684,471	10,410,946	(11,273,525)
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts			
28. Total (Line 26 and Line 27)	21,684,471	10,410,946	(11,273,525)
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 Columbus 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. Health premiums are earned ratably over the terms of the related insurance and reinsurance contracts or policies. Expenses incurred in connection with acquiring new insurance business, including acquisition costs such as sales commissions, are charged to operations as incurred.

The amount of dividends to be paid to policyholders is determined annually by the Company's Board of Directors. The aggregate amount of policyholders' dividends is related to actual interest, mortality, morbidity and expense experience for the year and judgment as to the appropriate level of statutory surplus to be retained by the Company.

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) Unaffiliated common stocks are stated at fair market value, except for Federal Home Loan Bank (FHLB) stock, which is carried at cost, adjusted for stock dividends, and is restricted. 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 its non-life insurance subsidiaries, which are stated at GAAP equity.

(8) The Company owns real estate limited partnerships 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 has entered into an interest rate swap (the swap) in an effort to mitigate the variability in interest cash flows for certain FHLB funding agreements. The swap allows the Company to seek to modify the interest rate characteristics of the underlying transactions by paying the counterparty a fixed interest rate in exchange for receipt of a floating interest rate based upon the underlying notional amount. No cash was exchanged at the outset of the swap contract and a single net payment is to be exchanged at each due date. The swap qualifies for hedge accounting per SSAP 86, *Accounting for Derivative Instruments and Hedging Activities*, and therefore, is carried in a manner consistent with the hedged item, which is amortized cost. If the swap is terminated prior to maturity, proceeds are exchanged equal to the fair value of the contract and a realized gain or loss would be recognized. To the extent the swap no longer qualifies for hedge accounting, it would be carried at fair value with changes in fair value recorded in capital and surplus.

(10) Anticipated investment income is not a factor in calculating deficiency reserves.

(11) Loss liabilities for long term disability coverages are based on standard industry tables.

(12) The Company does not capitalize assets. Therefore, there is no 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.

NOTES TO FINANCIAL STATEMENTS

The Company made the following accounting changes in 2010:

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 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 $16,874,561 and an increase in the obligation to return the collateral of $16,874,561.

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 5.75%
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 recognizes 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:						
021468AG8	$ 395,476	$ 361,834	$ 33,642	$ 361,834	$ 287,672	12/31/2011
059469AF3	1,302,456	1,191,032	111,424	1,191,032	883,207	12/31/2011
05948KXT1	1,368,588	1,317,875	50,713	1,317,875	1,033,749	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
059522AX0	714,829	705,072	9,757	705,072	590,680	12/31/2011
12628LAJ9	1,468,682	1,392,264	76,418	1,392,264	925,960	12/31/2011
12667G7H0	5,399,881	5,127,813	272,068	5,127,813	4,295,531	12/31/2011
12668BYF4	753,582	711,781	41,801	711,781	554,383	12/31/2011
251510FX6	840,558	799,345	41,213	799,345	686,953	12/31/2011
61749WAK3	303,335	276,668	26,667	276,668	192,448	12/31/2011
61751DAH7	3,374,865	3,244,334	130,531	3,244,334	2,004,632	12/31/2011
74922EAF6	1,091,870	1,007,914	83,956	1,007,914	802,925	12/31/2011
761118MD7	8,419,927	8,128,785	291,142	8,128,785	7,006,742	12/31/2011
76112HAD9	3,569,403	2,819,128	750,275	2,819,128	2,029,492	12/31/2011
059522AX0	1,567,453	1,046,806	520,647	1,046,806	864,058	9/30/2011
52524MAV1	375,984	374,383	1,601	374,383	194,047	9/30/2011
76114AAB6	2,783,469	2,613,399	170,070	2,613,399	1,898,682	9/30/2011
059522AX0	1,553,754	1,389,652	164,102	1,389,652	1,167,284	6/30/2011
52523KAJ3	452,360	364,447	87,913	364,447	188,935	6/30/2011
46627MAA5	2,064,922	1,987,518	77,404	1,987,518	1,712,231	6/30/2011
Total	$ 37,801,394	$ 34,860,050	$ 2,941,344	$ 34,860,050	$ 27,319,611	

For the year ended December 31, 2010:

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
74922EAF6	$ 1,225,326	$ 1,188,216	$ 37,110	$ 1,188,216	$ 963,689	12/31/2010
75970JAJ5	3,288,785	2,828,757	460,028	2,828,757	1,732,027	9/30/2010
12668BYF4	873,614	822,221	51,393	822,221	640,666	9/30/2010
021468AG8	474,057	437,385	36,672	437,385	336,905	6/30/2010
02148JAD9	4,359,276	4,081,510	277,766	4,081,510	3,094,139	6/30/2010
45660L2V0	958,864	918,556	40,308	918,556	694,739	6/30/2010
46627MAA5	2,169,057	2,091,979	77,078	2,091,979	1,555,118	6/30/2010
52520QAG9	1,731,038	1,574,713	156,325	1,574,713	1,391,846	6/30/2010
61749EAF4	1,864,433	1,703,579	160,854	1,703,579	1,154,288	6/30/2010
61749WAK3	408,496	381,033	27,463	381,033	257,042	6/30/2010
75970JAJ5	3,378,241	3,308,973	69,268	3,308,973	1,954,255	6/30/2010
76112HAD9	4,081,737	3,624,387	457,350	3,624,387	2,823,418	6/30/2010
Total	$ 24,812,924	$ 22,961,309	$ 1,851,615	$ 22,961,309	$ 16,598,132	

For the six month period ended December 31, 2009:

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
059469AF3	$ 1,490,608	$ 1,444,633	$ 45,975	$ 1,444,633	$ 1,028,756	12/31/2009
12668BYF4	918,838	874,496	44,342	874,496	688,317	12/31/2009
225470M67	471,303	436,642	34,661	436,642	316,049	12/31/2009
52522HAN2	487,663	433,435	54,228	433,435	306,297	12/31/2009
65538PAF5	1,692,074	1,654,308	37,766	1,654,308	1,192,396	12/31/2009
75970JAJ5	3,512,054	3,392,332	119,722	3,392,332	2,023,350	12/31/2009
761118MD7	9,410,265	8,971,784	438,481	8,971,784	6,329,385	12/31/2009
939344AR8	1,811,749	1,696,249	115,500	1,696,249	1,104,458	12/31/2009
93935WAD6	2,831,930	2,701,120	130,810	2,701,120	1,988,067	12/31/2009
00079CAE9	565,651	558,058	7,593	558,058	440,123	9/30/2009
059515BF2	6,667,397	5,860,477	806,920	5,860,477	4,786,474	9/30/2009
12668WAU1	982,110	917,253	64,857	917,253	323,190	9/30/2009
32056FAG7	302,352	72,289	230,063	72,289	62,926	9/30/2009
52524MAV1	439,440	386,645	52,795	386,645	162,034	9/30/2009
Total	$ 31,583,434	$ 29,399,721	$ 2,183,713	$ 29,399,721	$ 20,751,822	

(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
$ (1,794,477)	$ 29,912,879	$ (30,417,299)	$ 183,915,145

(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 $64.1 million (fair value) 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 $79.4 million (fair value) 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.

(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 $65.9 million, $55.4 million of which is managed by an affiliated agent and $10.5 million of which is managed by an unaffiliated agent. At December 31, 2010, the fair value of the total collateral was $81.7 million, $64.7 million of which was managed by an affiliated agent and $17.0 million of which was managed by an unaffiliated agent.

b. The aggregate fair value of the reinvested collateral is $65.9 million.

NOTES TO FINANCIAL STATEMENTS

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.

(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:

	Amortized Cost	Fair Value
Open	$ -	$ -
30 Days or less	49,086,926	49,241,931
31 to 60 Days	-	-
61 to 90 Days	700,000	700,000
91 to 120 Days	763,593	762,487
121 to 180 Days	1,020,839	1,002,104
181 to 365 Days	3,616,871	3,615,559
1 to 2 Years	-	-
2 to 3 Years	-	-
Greater Than 3 Years	10,630,000	10,630,000
Total Collateral	$ 65,818,229	$ 65,952,081

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 $60.8 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

(1) There is a range of 8 to 11 years of unexpired tax credits remaining. The required holding period is 18 to 21 years.
(2) The only reviews are the routine annual regulatory reviews which are in place to ensure each property qualifies for the tax credits.
(3) The Company's investments in low income housing tax credit properties do not exceed 10% of admitted assets.
(4) The Company did not recognize any impairment during the statement periods.
(5) There were no write-downs or reclassifications made during the year due to the forfeiture or ineligibility of tax credits, etc.

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 is 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 total amount excluded for bonds and mortgage loans was $0.

8. Derivative Instruments

The Company entered into an interest rate swap (the swap). The discussion of accounting policies, risks and objectives are shown in Note 1C. The notional amount of the swap is $80,000,000. No net gain or loss has been recognized in unrealized gains or losses as of December 31, 2011, because the swap qualifies for hedge accounting. The Company has entered into a collateral agreement with the counterparty whereby under certain conditions the counterparty is required to post assets on the Company's behalf. The posted amount is equal to the difference between the net positive fair value of the swap and agreed upon thresholds that are based on the credit rating of the counterparty. Inversely, if the net fair value of the swap is negative, then the Company may be required to post assets instead using similar thresholds. At December 31, 2011, no collateral has been posted by the Company or the counterparty.

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	$ 67,728,613	$ 4,796,784	$ 72,525,397
(b)	Statutory valuation allowance adjustment	-	-	-
(c)	Adjusted gross deferred tax assets (1a – 1b)	67,728,613	4,796,784	72,525,397
(d)	Deferred tax liabilities	12,247,207	11,045,451	23,292,658
(e)	Net deferred tax assets/(liabilities) (1c – 1d)	55,481,406	(6,248,667)	49,232,739
(f)	Deferred tax assets nonadmitted	20,953,258	-	20,953,258
(g)	Net admitted deferred tax assets/(liabilities) (1e – 1f)	$ 34,528,148	$ (6,248,667)	$ 28,279,481

2010:

		Ordinary	Capital	Total
(a)	Gross deferred tax assets	$ 65,319,375	$ 3,940,093	$ 69,259,468
(b)	Statutory valuation allowance adjustment	-	-	-
(c)	Adjusted gross deferred tax assets (1a – 1b)	65,319,375	3,940,093	69,259,468
(d)	Deferred tax liabilities	14,597,668	12,612,980	27,210,648
(e)	Net deferred tax assets/(liabilities) (1c – 1d)	50,721,707	(8,672,887)	42,048,820
(f)	Deferred tax assets nonadmitted	9,717,018	-	9,717,018
(g)	Net admitted deferred tax assets/(liabilities) (1e – 1f)	$ 41,004,689	$ (8,672,887)	$ 32,331,802

Change:

		Ordinary	Capital	Total
(a)	Gross deferred tax assets	$ 2,409,238	$ 856,691	$ 3,265,929
(b)	Statutory valuation allowance adjustment	-	-	-
(c)	Adjusted gross deferred tax assets (1a – 1b)	2,409,238	856,691	3,265,929
(d)	Deferred tax liabilities	(2,350,461)	(1,567,529)	(3,917,990)
(e)	Net deferred tax assets/(liabilities) (1c – 1d)	4,759,699	2,424,220	7,183,919
(f)	Deferred tax assets nonadmitted	11,236,240	-	11,236,240
(g)	Net admitted deferred tax assets/(liabilities) (1e – 1f)	$ (6,476,541)	$ 2,424,220	$ (4,052,321)

(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.

NOTES TO FINANCIAL STATEMENTS

(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.	$ 12,328,881	$ 16,658,055	$ (4,329,174)

(4) 2011:

	Ordinary	Capital	Total
Admission calculation components SSAP 10R, Paragraphs 10.a, 10.b, and 10.c:			
(a) SSAP 10R, Paragraph 10.a.	$ 869,587	$ 2,394,185	$ 3,263,772
(b) SSAP 10R, Paragraph 10.b. (lesser of para. 10.b.i. and 10.b.ii. below)	10,284,228	2,402,599	12,686,827
(c) SSAP 10R, Paragraph 10.b.i.	10,284,228	2,402,599	12,686,827
(d) SSAP 10R, Paragraph 10.b.ii.			22,029,516
(e) SSAP 10R, Paragraph 10.c.	23,292,659	-	23,292,659
(f) Total (4a + 4b + 4e)	$ 34,446,474	$ 4,796,784	$ 39,243,258
Admission calculation components SSAP 10R, Paragraph 10.e.:			
(g) SSAP 10R, Paragraph 10.e.i.	$ 869,587	$ 2,394,185	$ 3,263,772
(h) SSAP 10R, Paragraph 10.e.ii. (lesser of para. 10.e.ii.a. and 10.e.ii.b. below)	22,613,109	2,402,599	25,015,708
(i) SSAP 10R, Paragraph 10.e.ii.a.	22,613,109	2,402,599	25,015,708
(j) SSAP 10R, Paragraph 10.e.ii.b.			33,044,275
(k) SSAP 10R, Paragraph 10.e.iii.	23,292,659	-	23,292,659
(l) Total (4g + 4h + 4k)	$ 46,775,355	$ 4,796,784	$ 51,572,139
Used in SSAP 10R, Paragraph 10.d.			
(m) Total adjusted capital			$ 236,221,680
(n) Authorized control level			$ 28,629,899

2010:

	Ordinary	Capital	Total
Admission calculation components SSAP 10R, Paragraphs 10.a, 10.b, and 10.c:			
(a) SSAP 10R, Paragraph 10.a.	$ -	$ 1,865,074	$ 1,865,074
(b) SSAP 10R, Paragraph 10.b. (lesser of para. 10.b.i. and 10.b.ii. below)	11,733,654	2,075,019	13,808,673
(c) SSAP 10R, Paragraph 10.b.i.	11,733,654	2,075,019	13,808,673
(d) SSAP 10R, Paragraph 10.b.ii.			23,646,770
(e) SSAP 10R, Paragraph 10.c.	27,210,648	-	27,210,648
(f) Total (4a + 4b + 4e)	$ 38,944,302	$ 3,940,093	$ 42,884,395
Admission calculation components SSAP 10R, Paragraph 10.e.:			
(g) SSAP 10R, Paragraph 10.e.i.	$ -	$ 1,865,074	$ 1,865,074
(h) SSAP 10R, Paragraph 10.e.ii. (lesser of para. 10.e.ii.a. and 10.e.ii.b. below)	28,391,709	2,075,019	30,466,728
(i) SSAP 10R, Paragraph 10.e.ii.a.	28,391,709	2,075,019	30,466,728
(j) SSAP 10R, Paragraph 10.e.ii.b.			35,470,154
(k) SSAP 10R, Paragraph 10.e.iii.	27,210,648	-	27,210,648
(l) Total (4g + 4h + 4k)	$ 55,602,357	$ 3,940,093	$ 59,542,450
Used in SSAP 10R, Paragraph 10.d.			
(m) Total adjusted capital			$ 288,057,164
(n) Authorized control level			$ 26,538,569

Change:

	Ordinary	Capital	Total
Admission calculation components SSAP 10R, Paragraphs 10.a, 10.b, and 10.c:			
(a) SSAP 10R, Paragraph 10.a.	$ 869,587	$ 529,111	$ 1,398,698
(b) SSAP 10R, Paragraph 10.b. (lesser of para. 10.b.i. and 10.b.ii. below)	(1,449,426)	327,580	(1,121,846)
(c) SSAP 10R, Paragraph 10.b.i.	(1,449,426)	327,580	(1,121,846)
(d) SSAP 10R, Paragraph 10.b.ii.			(1,617,254)
(e) SSAP 10R, Paragraph 10.c.	(3,917,989)	-	(3,917,989)
(f) Total (4a + 4b + 4e)	$ (4,497,828)	$ 856,691	$ (3,641,137)
Admission calculation components SSAP 10R, Paragraph 10.e.:			
(g) SSAP 10R, Paragraph 10.e.i.	$ 869,587	$ 529,111	$ 1,398,698
(h) SSAP 10R, Paragraph 10.e.ii. (lesser of para. 10.e.ii.a. and 10.e.ii.b. below)	(5,778,600)	327,580	(5,451,020)
(i) SSAP 10R, Paragraph 10.e.ii.a.	(5,778,600)	327,580	(5,451,020)
(j) SSAP 10R, Paragraph 10.e.ii.b.			(2,425,879)
(k) SSAP 10R, Paragraph 10.e.iii.	(3,917,989)	-	(3,917,989)
(l) Total (4g + 4h + 4k)	$ (8,827,002)	$ 856,691	$ (7,970,311)
Used in SSAP 10R, Paragraph 10.d.			
(m) Total adjusted capital			$ (51,835,484)
(n) Authorized control level			$ 2,091,330

(5) 2011:

	Ordinary	Capital	Total
Impact of tax planning strategies:			
(a) Adjusted gross DTA (% of total adjusted gross DTAs)	2.76%	6.61%	9.37%
(b) Net admitted adjusted gross DTAs (% of total net admitted adjusted gross DTAs)	3.88%	9.30%	13.18%

2010:

	Ordinary	Capital	Total
Impact of tax planning strategies:			
(a) Adjusted gross DTA (% of total adjusted gross DTAs)	2.89%	5.69%	8.58%
(b) Net admitted adjusted gross DTAs (% of total net admitted adjusted gross DTAs)	3.36%	6.62%	9.98%

Change:

	Ordinary	Capital	Total
Impact of tax planning strategies:			
(a) Adjusted gross DTA (% of total adjusted gross DTAs)	(0.13)%	0.92%	0.79%
(b) Net admitted adjusted gross DTAs (% of total net admitted adjusted gross DTAs)	0.52%	2.68%	3.20%

NOTES TO FINANCIAL STATEMENTS

(6) 2011:

	Ordinary	Capital	Total
SSAP 10R, Paragraphs 10.a., 10.b., and 10.c.:			
(a) Admitted deferred tax assets	$ 34,446,474	$ 4,796,784	$ 39,243,258
(b) Admitted assets			$ 2,946,329,540
(c) Adjusted statutory surplus *			$ 193,910,795
(d) Total adjusted capital from DTAs			$ 223,892,799
Increases due to SSAP 10R, Paragraph 10.e.:			
(e) Admitted deferred tax assets	$ 12,328,881	$ -	$ 12,328,881
(f) Admitted assets			$ 12,328,881
(g) Statutory surplus			$ 12,328,881

2010:

	Ordinary	Capital	Total
SSAP 10R, Paragraphs 10.a., 10.b., and 10.c.:			
(a) Admitted deferred tax assets	$ 38,944,302	$ 3,940,093	$ 42,884,395
(b) Admitted assets			$ 2,899,606,052
(c) Adjusted statutory surplus *			$ 241,871,760
(d) Total adjusted capital from DTAs			$ 271,399,109
Increases due to SSAP 10R, Paragraph 10.e.:			
(e) Admitted deferred tax assets	$ 16,658,055	$ -	$ 16,658,055
(f) Admitted assets			$ 16,658,055
(g) Statutory surplus			$ 16,658,055

Change:

	Ordinary	Capital	Total
SSAP 10R, Paragraphs 10.a., 10.b., and 10.c.:			
(a) Admitted deferred tax assets	$ (4,497,828)	$ 856,691	$ (3,641,137)
(b) Admitted assets			$ 46,723,488
(c) Adjusted statutory surplus *			$ (47,960,965)
(d) Total adjusted capital from DTAs			$ (47,506,310)
Increases due to SSAP 10R, Paragraph 10.e.:			
(e) Admitted deferred tax assets	$ (4,329,174)	$ -	$ (4,329,174)
(f) Admitted assets			$ (4,329,174)
(g) Statutory surplus			$ (4,329,174)

* 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	$ 4,284,823	$ 5,062,823	$ (778,000)
(b) Foreign	-	-	-
(c) Subtotal	4,284,823	5,062,823	(778,000)
(d) Federal income tax on net capital gains	2,430,987	(804,101)	3,235,088
(e) Utilization of capital loss carry-forwards	-	-	-
(f) Other	(3,469,232)	(5,384,785)	1,915,553
(g) Federal and foreign income taxes incurred	$ 3,246,578	$ (1,126,063)	$ 4,372,641

(2) Deferred tax assets	Current Year	Prior Year	Change
(a) Ordinary:			
(1) Discounting of unpaid losses	$ -	$ -	$ -
(2) Unearned premium revenue	-	-	-
(3) Policyholder reserves	36,868,629	35,196,059	1,672,570
(4) Investments	-	-	-
(5) Deferred acquisition costs	19,638,995	18,375,884	1,263,111
(6) Policyholder dividends accrual	3,048,507	2,978,507	70,000
(7) Fixed assets	-	-	-
(8) Compensation and benefits accrual	7,911,456	8,515,880	(604,424)
(9) Pension accrual	-	-	-
(10) Receivables – nonadmitted	255,925	242,875	13,050
(11) Net operating loss carry-forward	-	-	-
(12) Tax credit carry-forward	-	-	-
(13) Other	5,101	10,170	(5,069)
(14) Subtotal	67,728,613	65,319,375	2,409,238
(b) Statutory valuation allowance adjustment	-	-	-
(c) Nonadmitted	20,953,258	9,717,018	11,236,240
(d) Admitted ordinary deferred tax assets (2a14 – 2b – 2c)	46,775,355	55,602,357	(8,827,002)
(e) Capital:			
(1) Investments	4,796,784	3,940,093	856,691
(2) Net capital loss carry-forward	-	-	-
(3) Real estate	-	-	-
(4) Other	-	-	-
(5) Subtotal	4,796,784	3,940,093	856,691
(f) Statutory valuation allowance adjustment	-	-	-
(g) Nonadmitted	-	-	-
(h) Admitted capital deferred tax assets (2e5 – 2f – 2g)	4,796,784	3,940,093	856,691
(i) Admitted deferred tax assets (2d + 2h)	$ 51,572,139	$ 59,542,450	$ (7,970,311)

(3) Deferred tax liabilities	Current Year	Prior Year	Change
(a) Ordinary:			
(1) Investments	$ 10,389,064	$ 12,870,832	$ (2,481,768)
(2) Fixed assets	-	-	-
(3) Deferred and uncollected premium	1,567,098	1,443,307	123,791
(4) Policyholder reserves	-	-	-
(5) Other	291,045	283,529	7,516
(6) Subtotal	12,247,207	14,597,668	(2,350,461)
(b) Capital:			
(1) Investments	11,045,451	12,612,980	(1,567,529)
(2) Real estate	-	-	-
(3) Other	-	-	-
(4) Subtotal	11,045,451	12,612,980	(1,567,529)
(c) Deferred tax liabilities (3a6 + 3b4)	$ 23,292,658	$ 27,210,648	$ (3,917,990)

NOTES TO FINANCIAL STATEMENTS

	Current Year	Prior Year	Change
(4) Net deferred tax assets (liabilities) (2i – 3c)	$ 28,279,481	$ 32,331,802	$ (4,052,321)

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	$ 4,627,131	35.00%	$ 5,219,631	35.00%
Dividend received deduction	(112,798)	(0.85)	(127,109)	(0.85)
Tax credits	(6,195,482)	(46.86)	(6,182,787)	(41.46)
Other invested assets	(1,565,399)	(11.84)	(180,398)	(1.21)
Nonadmitted assets	(13,050)	(0.10)	98,906	0.66
Other	282,980	2.14	600,186	4.03
Total statutory income taxes	$ (2,976,618)	(22.51)%	$ (571,571)	(3.83)%
Federal and foreign income taxes incurred	$ 815,591	6.17%	$ (321,962)	(2.16)%
Change in net deferred income taxes*	(3,792,209)	(28.68)	(249,609)	(1.67)
Total statutory income taxes	$ (2,976,618)	(22.51)%	$ (571,571)	(3.83)%

* Excludes change in net deferred income taxes on realized gains/losses of $(2,751,438) and $(68,759) 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	$ 529,111
2010	$ 869,586
2009	$ 1,449,686

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 $1.5 million on line 15.1 of page 3.

10. Information Concerning Parent, Subsidiaries and Affiliates

A,B, C,&D. The Company paid a $26.0 million dividend and a $6.5 million dividend to its parent, Western and Southern on December 5, 2011 and December 29, 2011, respectively. The dividends were in the form of cash.

The Company paid a $14.7 million dividend and a $2.8 million dividend to its parent, Western and Southern on December 20, 2011 and December 28, 2011, respectively. The dividends were in the form of bonds.

At December 31, 2010, the Company accrued $25.0 million for a dividend to be paid in the form of cash to Western and Southern. The dividend was paid on January 3, 2011.

The Company is party to a service agreement with certain Western and Southern affiliated companies for the performance of certain legal services, investment advisory and data processing functions. The Company paid $6.0 million and $5.7 million in 2011 and 2010, respectively for these services.

On July 1, 1986, the Company entered into an agreement (the "agreement") with Western and Southern where the Company reinsured the liabilities of, and began servicing and administering the former business of Columbus Mutual Life Insurance Company (Columbus Mutual), a former affiliate of Western and Southern which merged with Western and Southern. The agreement is anticipated to last until all obligations for policies issued by Columbus Mutual are settled. Reserves reflected on the Company's balance sheets for policies and contracts included under the agreement are:

	December 31 2011	2010
	(in thousands)	
Life and annuity reserves	$ 636,161	$ 651,370
Accident and health reserves	2,906	3,578

E. The Company had no guarantees or undertakings for the benefit of an affiliate which resulted in a material contingent exposure of the Company's assets or liabilities.

F. The parent company 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. All outstanding shares of the Company are owned by The Western and Southern Life Insurance Company, a life insurance company domiciled in the state of Ohio.

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 period.

K. Not applicable.

L. Not applicable.

NOTES TO FINANCIAL STATEMENTS

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 treated as debt. None.

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

A. Defined Benefit Plan

The Company has no employee retirement plan. However, it contributes its share toward the retirement plans of Western and Southern.

B. Defined Contribution Plan

The Company maintains a deferred compensation plan for qualifying independent producers/agents who sell the Company's insurance products. Eligible participants may elect to have all or any portion of their commission payments credited to a defined investment account, subject to provisions of the plan.

C. Multi-employer Plans. Not applicable.

D. The Company participates in a qualified, noncontributory defined benefit pension plan sponsored by Western and Southern, the parent company. In addition, the Company provides certain other postretirement benefits to retired employees through a plan sponsored by the parent company. The Company has no legal obligation for benefits under these plans. The parent company allocates amounts to the Company based on a rational allocation methodology.

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

(1) The Company has one class of common stock with a par value of $1 per share. At December 31, 2011, the Company had 10,000,000 shares authorized, 10,000,000 shares issued and 10,000,000 shares outstanding.

(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. Dividends are noncumulative.

(4) The Company paid a $26.0 million dividend and a $6.5 million dividend to its parent, Western and Southern on December 5, 2011 and December 29, 2011, respectively. The dividends were in the form of cash and were considered extraordinary.

The Company paid a $14.7 million dividend and a $2.8 million dividend to its parent, Western and Southern on December 20, 2011 and December 28, 2011, respectively. The dividends were in the form of bonds and were considered extraordinary.

On December 31, 2010, the Company accrued $25,000,000 for a dividend to be paid in the form of cash to its parent, Western and Southern. The dividend was paid on January 3, 2011.

(5) Within the limitations of (3) above, there are no restrictions placed on the portion of company profits that may be paid as ordinary dividends to stockholders.

(6) There were no restrictions placed on the Company's surplus.

(7) There are no advances of surplus.

(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: $(9,078,515)

(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, excluding those related to Low Income Housing Tax Credits, in the amount of $3,619,259.

The Company has future commitments to joint ventures, limited partnerships and limited liability companies investing in Low Income Housing Tax Credit properties in the amount of $6,643,798.

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 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 contracts in which it acts as a lessor.

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

NOTES TO FINANCIAL STATEMENTS

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	$ -	$ -	$ -	$ -
Issuer obligation	-	543,778	-	543,778
RMBS	-	-	3,622,550	3,622,550
CMBS	-	-	-	-
Hybrid securities	-	-	-	-
Parent, subsidiaries and affiliates	-	-	-	-
Total bonds	$ -	$ 543,778	$ 3,622,550	$ 4,166,328
Preferred stock				
Industrial and miscellaneous	$ -	$ -	$ -	$ -
Parent, subsidiaries and affiliates	-	-	-	-
Total preferred stock	$ -	$ -	$ -	$ -
Common stock				
Industrial and miscellaneous	$ 36,728,379	$ -	$ -	$ 36,728,379
Parent, subsidiaries and affiliates	-	-	-	-
Mutual funds	-	-	-	-
Total common stock	$ 36,728,379	$ -	$ -	$ 36,728,379
Derivative assets				
Interest rate contracts	$ -	$ -	$ -	$ -
Options, purchased	-	-	2,031,094	2,031,094
Foreign exchange contracts	-	-	-	-
Credit contracts	-	-	-	-
Commodity futures contracts	-	-	-	-
Commodity forward contracts	-	-	-	-
Total derivative assets	$ -	$ -	$ 2,031,094	$ 2,031,094
Separate account assets*	$ 28,580,878	$ -	$ -	$ 28,580,878
Total assets at fair value	$ 65,309,257	$ 543,778	$ 5,653,644	$ 71,506,679
Liabilities at fair value				
Derivative liabilities	$ -	$ -	$ (504,180)	$ (504,180)
Total liabilities at fair value	$ -	$ -	$ (504,180)	$ (504,180)

* Separate account assets measured at fair value in this table do not include assets backing the 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	$ 1,395,550	$ 3,041,060	$ -	$ (694,506)	$ 227,269	$ (346,822)	$ 3,622,551
Derivative assets	744,051	-	-	(146,799)	(1,200,467)	2,634,309	2,031,094
Derivative liabilities	(272,941)	-	-	102,229	789,857	(1,123,325)	(504,180)
Total	$ 1,866,660	$ 3,041,060	$ -	$ (739,076)	$ (183,341)	$ 1,164,162	$ 5,149,465

Gross Purchases, Issuances, Sales, and Settlements

	Purchases	Issuances	Sales	Settlements	Net Purchases, Issuances, Sales and Settlements
RMBS	$ -	$ -	$ -	$ (346,822)	$ (346,822)
Derivative assets	3,092,533	-	-	(458,224)	2,634,309
Derivative liabilities	-	(1,225,231)	-	101,906	(1,123,325)
Total	$ 3,092,533	$ (1,225,231)	$ -	$ (703,140)	$ 1,164,162

(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

NOTES TO FINANCIAL STATEMENTS

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 values of bonds in Level 2 have been determined through the use of third-party pricing services utilizing market observable inputs.

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 consistent of mutual funds. The fair values of these assets have been determined using the same methodologies as for common stock.

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.

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:

	Actual Cost	Book/Adjusted Carrying Value	Fair Value	Other-Than-Temporary Impairment Losses Recognized
Residential mortgage-backed securities	$ 12,259,025	$ 12,147,254	$ 10,213,172	$ -
Commercial mortgage-backed securities	-	-	-	-
Collateralized debt obligations	-	-	-	-
Structured securities	-	-	-	-
	$ 12,259,025	$ 12,147,254	$ 10,213,172	$ -

The percentage of book value of these debt securities that have underlying loans with primarily variable interest rates is 0%.

H. Retained Assets

(1) The Company offered retained asset accounts as an optional form of settlement for life insurance policy proceeds in 2011. The retained asset account option provided to beneficiaries was the default method for satisfying life insurance claims in 2011 in states that did not require policyholders to explicitly select a settlement option. In states that require policyholders to explicitly select a settlement option, state regulations are adhered to and the retained asset account option does not serve as the default option. The Company's retained asset accounts are serviced by an unaffiliated bank, with the assets and liabilities related to these accounts remaining on the Company's financial statements. These retained asset accounts are included in the liability for deposit-type contracts.

The interest rate paid to retained asset account holders during 2011 was 0.5%. This rate did not change during 2011. Accountholders are not charged for routine administrative fees associated with these retained asset accounts; provided, however, that accountholders are responsible for certain fees associated with insufficient funds checks/drafts and stop-payment orders.

(2) The number and balance of retained asset accounts in force as of December 31, 2011 and December 31, 2010 are as follows:

	Current Year		Prior Year	
	Number	Balance	Number	Balance
Up to and including 12 months	385	$ 19,047,653	413	$ 27,205,064
13 to 24 months	212	7,590,421	209	7,574,179
25 to 36 months	135	5,064,384	127	2,836,531
37 to 48 months	96	2,032,601	65	2,459,875
49 to 60 months	43	1,693,078	33	953,955
Over 60 months	204	3,734,593	308	4,233,096
Total	1,075	$ 39,162,730	1,155	$ 45,262,700

NOTES TO FINANCIAL STATEMENTS

(3)

	Individual		Group	
	Number	Balance/ Amount	Number	Balance/ Amount
Retained asset accounts at the beginning of the year	1,155	$ 45,262,700	-	$ -
Retained asset accounts issued/added during the year	978	79,263,651	-	-
Investment earnings credited to retained asset accounts	N/A	211,547	N/A	-
Fees and other charges assessed to retained asset accounts	N/A	240	N/A	-
Retained asset accounts transferred to state unclaimed property funds	-	-	-	-
Retained asset accounts closed/withdrawn	1,058	85,574,928	-	-
Retained asset accounts at the end of the year	1,075	$ 39,162,730	-	$ -

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) that is owned in excess of 10% or controlled directly or indirectly by an insured, a beneficiary, a creditor or an insured or any other person not primarily engaged in the insurance business? Yes ( ) No (X)

Section 2 – Ceded Reinsurance Report – Part A

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

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 reporting entity to the reinsurer, and for which such obligation is not presently accrued? Where necessary, the reporting entity 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 reporting entity have any reinsurance agreements in effect such that the amount of losses paid or accrued through the statement date may result in a payment to the reinsurer of amounts that, in aggregate and allowing for offset of mutual credits from other reinsurance agreements with the same reinsurer, exceed the total direct premium collected under the reinsured policies? Yes ( ) No (X)

Section 3 – Ceded Reinsurance Report – Part A

(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 of 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 that 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 insured and returns 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 $2,320,643,027 of insurance in force for which the gross premiums are less than the net premiums according to the standard valuation set by the state of Ohio. Reserves to cover this insurance totaled $40,050,436 at year-end and are reported in Exhibit 5, Life Insurance and Annuities sections.

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

(5) The determination of tabular interest on funds not involving life has been determined by formula as described in the instructions.

(6) The details for other changes: None.

NOTES TO FINANCIAL STATEMENTS

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	$ -	$ 60,163,996	$ -	$ 60,163,996	6.54%
	(2) At book value less surrender charge of 5% or more	197,620,740	-	-	197,620,740	21.47%
	(3) At fair value	-	-	-	-	0.00%
	(4) Total with adjustment or at market value (Total of 1 through 3)	197,620,740	60,163,996	-	257,784,736	28.01%
	(5) At book value without adjustment (minimal or no charge or adjustment)	553,670,426	-	-	553,670,426	60.17%
B.	Not subject to discretionary withdrawal	108,793,446	-	-	108,793,446	11.82%
C.	Total (gross)	860,084,612	60,163,996	-	920,248,608	100.00%
D.	Reinsurance ceded	-	-	-	-	
E.	Total (net)* (C) - (D)	$ 860,048,612	$ 60,163,996	$ -	$ 920,248,608	

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

F. Life & Accident & Health Annual Statement:

		Amount
1.	Exhibit 5, Annuities Section, Total (net)	$ 681,188,017
2.	Exhibit 5, Supplementary Contracts with Life Contingencies Section, Total (net)	6,023,067
3.	Exhibit 7, Exhibit of Deposit-Type Contracts, Line 14, Column 1	172,873,528
4.	Subtotal	860,084,612
	Separate Accounts Annual Statement	
5.	Exhibit 3, Line 0299999, Column 2	60,163,996
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	60,163,996
12.	Combined Total	$ 920,248,608

G. FHLB (Federal Home Loan Bank) Agreements

1. The Company is a member of the Federal Home Loan Bank (FHLB) of Cincinnati. Through its membership, the Company has issued funding agreements to the FHLB of Cincinnati in exchange for cash advances in the amount of $84,000,000. The Company uses these funds in an investment spread strategy, consistent with its other investment spread operations. As such, the Company applies SSAP No. 52 accounting treatment to these funds, consistent with its other deposit-type contracts. It is not part of the Company's strategy to utilize these funds for operations, and any funds obtained from the FHLB of Cincinnati for use in general operations would be accounted for consistent with SSAP No. 15 as borrowed money. The table below indicates the amount of FHLB of Cincinnati stock purchased, collateral pledged, assets and liabilities related to the agreement with FHLB of Cincinnati.

		Current Year	Prior Year
2.	FHLB stock purchased/owned as part of the agreement	$ 6,074,400	$ 5,678,800
3.	Collateral pledged to the FHLB	112,782,504	122,922,685
4.	Borrowing capacity currently available	13,523,839	21,671,531
5.	Total reserves related to funding agreement	84,029,561	80,029,234
6.	Agreement assets and liabilities		
	General Account: Assets	96,936,384	90,331,370
	Liabilities	84,029,561	80,029,234
	Separate Account: Assets	-	-
	Liabilities	-	-

33. Premiums and Annuity Considerations Deferred and Uncollected

	Type	Gross	Net of Loading
(1)	Industrial	$ -	$ -
(2)	Ordinary new business	507,322	179,566
(3)	Ordinary renewal	6,275,258	8,209,734
(4)	Credit Life	-	-
(5)	Group Life	-	-
(6)	Group Annuity	-	-
(7)	Totals	$ 6,782,580	$ 8,389,300

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 2010, the Company reported assets and liabilities from the following product lines/transactions into a separate account:

- Variable Universal Life
- 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 Universal Life Insurance 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 $92,306,588 and $84,799,625, respectively. The assets legally insulated from the general account as of December 31, 2010 are attributed to the following products:

Product	Legally Insulated Assets	Separate Account Assets (Not Legally Insulated)
Variable Universal Life	$ 28,580,878	$ -
Market Value Adjusted Annuities	$ 63,725,710	$ -
Total	$ 92,306,588	$ -

NOTES TO FINANCIAL STATEMENTS

(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 $6,800. To compensate the general account for the risk taken, the separate accounts have paid risk charges as follows for the past two years:

2011	$	301
2010	$	102

As of December 31, 2011, the Company's general account had paid $0 towards separate account guarantees. The total separate account guarantees paid by the general account for the preceding year ending December 31, 2010 was $0.

(4) The Company does not engage in securities lending transactions within the separate accounts.

B. General Nature and Characteristics of Separate Account Business

The Company's guaranteed separate accounts consist of non-indexed, guaranteed rate options. The guaranteed rate options are sold as a fixed annuity product and are included in the Nonindexed Guarantee Less than/equal to 4% column of the table below. These options carry a minimum interest guarantee based on the guarantee period selected by the policyholder. The fixed annuity product provides a death benefit equal to the account value.

The Company's nonguaranteed separate accounts consist of variable universal life insurance contracts and are included in Nonguaranteed Separate Accounts column of the table below. The net investment experience of variable universal life insurance contracts is credited directly to the policyholder and can be positive or negative. The death benefit and cash value under the variable universal life insurance contracts may vary with the investment performance of the underlying investments in the separate accounts. The minimum guaranteed death benefit reserve is held in Exhibit 5, Life Insurance Section, of the Company's general account annual statement.

Assets held in the separate account supporting variable universal life 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:

		Nonindexed Guarantee Less than/equal to 4%	Nonguaranteed Separate Accounts	Total
(1)	Premiums, considerations or deposits for year ended December 31, 2011	$ 7,899,562	$ 2,018,598	$ 9,918,160
	Reserves at December 31, 2011			
(2)	For accounts with assets at:			
a.	Fair value	$ -	$ 26,040,110	$ 26,040,110
b.	Amortized cost	60,163,996	-	60,163,996
c.	Total reserves	$ 60,163,996	$ 26,040,110	$ 86,204,106
(3)	By withdrawal characteristics:			
a.	Subject to discretionary withdrawal:			
b.	With FV adjustment	$ 60,163,996	$ -	$ 60,163,996
c.	At book value without FV adjustment and with current surrender charge of 5% or more	-	-	-
d.	At fair value	-	26,040,110	26,040,110
e.	At book value without FV adjustment and with current surrender charge less then 5%	-	-	-
f.	Subtotal	60,163,996	26,040,110	86,204,106
g.	Not subject to discretionary withdrawal	-	-	-
h.	Total	$ 60,163,996	$ 26,040,110	$ 86,204,106

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

(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)	$ 9,918,160
b.	Transfers from Separate Accounts (Page 4, Line 10)	3,906,067
c.	Net transfers to (from) Separate Accounts (a)-(b)	6,012,093
(2)	Reconciling Adjustments:	
a.	Policy deductions and other expenses (Page 4, Line 9.302)	582,785
b.	Other account adjustments	(636,908)
(3)	Transfers as Reported in the Summary of Operations of the Life, Accident & Health Annual Statement (1c) + (2) = (Page 4, Line 26)	$ 5,957,970

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?	
3.5	Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments?	Yes ( ) No ( ) N/A (X)
3.6	Have all of the recommendations within the latest financial examination report been complied with?	Yes ( ) No ( ) N/A (X)
4.1	During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity) receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:	
	4.11 sales of new business?	Yes ( ) No (X)
	4.12 renewals?	Yes ( ) No (X)
4.2	During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:	
	4.21 sales of new business?	Yes ( ) No (X)
	4.22 renewals?	Yes ( ) No (X)

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, 1900 SCRIPPS CENTER, 312 WALNUT ST, 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? Yes (X) No ( )
(a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
(b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
(c) Compliance with applicable governmental laws, rules and regulations;
(d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
(e) Accountability for adherence to the code.

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

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

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

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

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

GENERAL INTERROGATORIES

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, indicated 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. $ 65,818,230

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	$ 112,782,504
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	$ 4,223,505
25.29	Other	$ ....

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? Yes ( ) No (X) N/A ( )
If no, attach a description with this statement.

27.1 Were any preferred stocks or bonds owned as of December 31 of the current year mandatorily convertible into equity, or, at the option of the issuer, convertible into equity? Yes (X) No ( )

27.2 If yes, state the amount thereof at December 31 of the current year. $ 1,072,463

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 12086
FEDERAL HOME LOAN BANK	CINCINNATI, OH 45202
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)
28.02 - For all agreements that do not comply with the requirements of the NAIC Financial Condition Examiners Handbook		

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
28.04 - Full and complete information relating to custodian changes			

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 investements on behalf of the reporting entity		
107126	FT. WASHINGTON INVESTMENT ADVISORS	303 BROADWAY, SUITE 1200, CINTI, OH 45202
28.05 - Identify all that have access to the investment accounts, handle securities and have authority to make investements 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	$ 2,456,864,964	$ 2,673,441,468	$ 216,576,504
30.2 Preferred stocks	$	$	$
30.3 Totals	$ 2,456,864,964	$ 2,673,441,468	$ 216,576,504

30.4 Describe the sources or methods utilized in determining the fair values:
Fair values were generally obtained from IDC, Princeton Financials Spread Pricing Module and / or an internal Pricing Committe / 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? $ 155,530

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? $ 1,609

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
BAILY CAVALIERI	$ 1,609
	$
	$
	$

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	$ 211,979	$ 252,349
2.2 Premium Denominator	$ 238,583,063	$ 191,642,758
2.3 Premium Ratio (Line 2.1 divided by Line 2.2)	.... 0.001	.... 0.001
2.4 Reserve Numerator	$ 67,267	$ 77,067
2.5 Reserve Denominator	$ ... 2,347,452,111	$ ... 2,219,217,425
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? $ 4,272,149

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 ( ) No (X)

3.6 Has the reporting entity assumed by reinsurance any Separate Accounts business as of December 31? Yes ( ) No (X)

3.7 If the reporting entity has assumed Separate Accounts business, how much, if any, reinsurance assumed receivable for reinsurance of Separate Accounts reserve expense allowances is included as a negative amount in the liability for "Transfers to Separate Accounts, due or accrued (net)?" $ ....

4.1 Are personnel or facilities of this reporting entity used by another entity or entities or are personnel or facilities of another entity or entities used by this reporting entity (except for activities such as administration of jointly underwritten group contracts and joint mortality or morbidity studies)? Yes (X) No ( )

4.2 Net reimbursement of such expenses between reporting entities:

4.21 Paid $ 5,996,176
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: $ 81,816,437

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

7.11 Cash $ 392,024,415
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 ( ) No (X)

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

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	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

NONE

Line 10.2

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

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
Life Insurance in Force (Exhibit of Life Insurance)					
1. Ordinary-whole life and endowment (Line 34, Column 4)	9,668,543	9,715,368	9,866,115	10,191,853	10,203,371
2. Ordinary-term (Line 21, Column 4, less Line 34, Column 4)	5,109,282	4,596,629	4,072,356	3,679,689	3,404,455
3. Credit life (Line 21, Column 6)					
4. Group, excluding FEGLI/SGLI (Line 21, Column 9 less Line 43 and Line 44, Column 4)					
5. Industrial (Line 21, Column 2)					
6. FEGLI/SGLI (Line 43 and Line 44, Column 4)					
7. Total (Line 21, Column 10)	14,777,825	14,311,997	13,938,471	13,871,542	13,607,826
New Business Issued (Exhibit of Life Insurance)					
8. Ordinary-whole life and endowment (Line 34, Column 2)	431,765	438,061	343,354	561,604	607,253
9. Ordinary-term (Line 2, Column 4, less Line 34, Column 2)	786,210	776,207	652,382	532,757	602,295
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)	1,217,975	1,214,268	995,736	1,094,361	1,209,548
Premium Income-Lines of Business (Exhibit 1 - Part 1)					
14. Industrial life (Line 20.4, Column 2)					
15.1 Ordinary life insurance (Line 20.4, Column 3)	153,023,261	117,231,835	115,923,290	127,706,408	135,273,927
15.2 Ordinary individual annuities (Line 20.4, Column 4)	85,357,223	74,162,679	130,808,598	76,559,373	29,998,688
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)	202,579	248,244	293,423	342,689	393,001
19. Aggregate of all other lines of business (Line 20.4, Column 11)					
20. Total	238,583,063	191,642,758	247,025,311	204,608,470	165,665,616
Balance Sheet (Pages 2 and 3)					
21. Total admitted assets excluding Separate Accounts business (Page 2, Line 26, Column 3)	2,866,351,833	2,831,464,482	2,646,761,395	2,447,759,030	2,461,662,148
22. Total liabilities excluding Separate Accounts business (Page 3, Line 26)	2,660,112,157	2,572,934,667	2,375,170,600	2,238,801,438	2,232,601,321
23. Aggregate life reserves (Page 3, Line 1)	2,332,678,501	2,206,424,841	2,136,685,207	2,042,933,563	2,001,660,486
24. Aggregate A & H reserves (Page 3, Line 2)	2,890,487	3,560,815	4,197,531	4,936,474	5,679,148
25. Deposit-type contract funds (Page 3, Line 3)	172,721,161	174,174,784	131,634,516	44,563,671	44,300,829
26. Asset valuation reserve (Page 3, Line 24.01)	24,226,994	24,522,339	11,811,223	8,545,541	19,384,286
27. Capital (Page 3, Line 29 and Line 30)	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000
28. Surplus (Page 3, Line 37)	196,239,676	248,529,815	261,590,793	198,957,592	219,060,827
Cash Flow (Page 5)					
29. Net cash from operations (Line 11)	148,924,425	76,525,117	125,796,248	65,907,304	32,820,429
Risk-Based Capital Analysis					
30. Total adjusted capital	236,221,680	288,057,164	289,457,026	223,183,633	253,950,613
31. Authorized control level risk-based capital	28,629,899	26,538,569	25,941,929	20,618,868	19,564,307
Percentage Distribution of Cash, Cash Equivalents and Invested Assets (Page 2, Column 3) (Line No./Page 2, Line 12, Column 3) x 100.0					
32. Bonds (Line 1)	86.4	85.2	86.8	84.5	83.6
33. Stocks (Line 2.1 and Line 2.2)	1.7	2.2	1.9	4.0	4.2
34. Mortgage loans on real estate (Line 3.1 and Line 3.2)	2.9	2.6	2.6	3.0	3.2
35. Real estate (Line 4.1, Line 4.2 and Line 4.3)					
36. Cash, cash equivalents and short-term investments (Line 5)	1.8	3.2	2.1	1.9	1.8
37. Contract loans (Line 6)	2.5	2.7	3.0	3.1	3.1
38. Derivatives (Page 2, Line 7)	0.1		XXX	XXX	XXX
39. Other invested assets (Line 8)	4.1	3.4	3.6	3.4	4.1
40. Receivables for securities (Line 9)					
41. Securities lending reinvested collateral assets (Line 10)	0.4	0.6	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
Investments in Parent, Subsidiaries and Affiliates					
44. Affiliated bonds (Schedule D Summary, Line 12, Column 1)					
45. Affiliated preferred stocks (Schedule D Summary, Line 18, Column 1)					
46. Affiliated common stocks (Schedule D Summary, Line 24, Column 1)	5,889,738	8,173,450	5,830,796	5,522,244	5,931,120
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	72,529,978	71,909,326	66,444,743	62,392,497	63,438,333
50. Total of above Line 44 to Line 49	78,419,716	80,082,776	72,275,539	67,914,741	69,369,453
Total Nonadmitted and Admitted Assets					
51. Total nonadmitted assets (Page 2, Line 28, Column 2)	21,684,471	10,410,946	13,906,019	20,863,912	35,557,880
52. Total admitted assets (Page 2, Line 28, Column 3)	2,958,658,421	2,916,264,107	2,719,123,898	2,500,565,968	2,507,354,294
Investment Data					
53. Net investment income (Exhibit of Net Investment Income)	147,549,867	144,807,372	138,309,249	142,338,990	147,806,973
54. Realized capital gains (losses) (Page 4, Line 34, Column 1)	(4,573,227)	(2,688,838)	(16,072,121)	(11,670,387)	(7,121,471)
55. Unrealized capital gains (losses) (Page 4, Line 38, Column 1)	(5,179,368)	8,290,341	10,034,606	(14,482,417)	687,353
56. Total of above Lines 53, Line 54 and Line 55	137,797,272	150,408,875	132,271,734	116,186,186	141,372,855
Benefits and Reserve Increase (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)	177,596,989	184,266,907	201,178,867	180,533,627	201,164,772
58. Total contract benefits - A and H (Line 13 and Line 14, Columns 9, 10 and 11)	606,424	742,586	865,375	952,519	1,135,327
59. Increase in life reserves - other than group and annuities (Line 19, Columns 2 and 3)	77,118,621	30,729,712	7,658,234	31,734,745	36,540,032
60. Increase in A & H Reserves (Line 19, Columns 9, 10 and 11)	(670,328)	(636,716)	(738,943)	(742,674)	(682,683)
61. Dividends to policyholders (Line 30, Column 1)	12,203,197	10,571,520	12,048,197	11,901,150	11,897,490
Operating Percentages					
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	18.4	20.0	15.1	24.3	31.8
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	4.4	4.6	5.3	5.0	5.0
64. A & H loss percent (Schedule H, Part 1, Line 5 and Line 6, Column 2)	(27.2)	42.9	43.8	89.7	115.5
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)	9.7	14.5	27.7	31.7	36.3
A & H Claim Reserve Adequacy					
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)	2,753,369	3,237,328	3,635,554	4,122,711	4,495,619
70. Prior years' claim liability and reserve - health other than group (Schedule H, Part 3, Line 3.2, Column 1 less Column 2)	2,597,937	2,946,443	3,358,234	3,639,003	3,908,495
Net Gains From Operations After Federal Income Taxes by Lines of Business (Page 6, Line 33)					
71. Industrial life (Column 2)					
72. Ordinary-life (Column 3)	(807,958)	1,201,425	8,080,949	15,554,851	11,196,242
73. Ordinary-individual annuities (Column 4)	9,285,593	8,767,796	11,885,169	12,950,127	11,547,518
74. Ordinary-supplementary contracts (Column 5)	(80,288)	(319,970)	(196,525)	(243,263)	80,819
75. Credit life (Column 6)					
76. Group life (Column 7)					
77. Group annuities (Column 8)	(90,746)	(184,910)	(238,413)	(79,348)	(28,772)
78. A & H-group (Column 9)					
79. A & H-credit (Column 10)					
80. A & H-other (Column 11)	286,641	229,260	397,963	450,776	230,275
81. Aggregate of all other lines of business (Column 12)	3,811,540	5,541,593			
82. Total (Column 1)	12,404,782	15,235,194	19,929,143	28,633,143	23,026,082

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

EXHIBIT OF LIFE INSURANCE

	Industrial		Ordinary		Credit Life (Group and Individual)		Group			10
	1 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	Number of 8 Certificates	9 Amount of Insurance (a)	Total Amount of Insurance (a)
1. In force end of prior year			114,934	14,311,997						14,311,997
2. Issued during year			3,198	1,217,975						1,217,975
3. Reinsurance assumed										
4. Revived during year			10	655						655
5. Increased during year (net)				11,810						11,810
6. Subtotals, Line 2 to Line 5			3,208	1,230,440						1,230,440
7. Additions by dividends during year	XXX		XXX	16,880	XXX		XXX	XXX		16,880
8. Aggregate write-ins for increases										
9. Totals (Line 1 and Line 6 to Line 8)			118,142	15,559,317						15,559,317
Deductions during year:										
10. Death			1,535	122,287			XXX			122,287
11. Maturity			144	660			XXX			660
12. Disability							XXX			
13. Expiry			140	2,416						2,416
14. Surrender			2,485	280,933						280,933
15. Lapse			1,243	355,773						355,773
16. Conversion			55	19,423			XXX	XXX	XXX	19,423
17. Decreased (net)										
18. Reinsurance										
19. Aggregate write-ins for decreases										
20. Totals (Line 10 to Line 19)			5,602	781,492						781,492
21. In force end of year (Line 9 minus Line 20)			112,540	14,777,825						14,777,825
22. Reinsurance ceded end of year	XXX		XXX	6,486,371	XXX		XXX	XXX		6,486,371
23. Line 21 minus Line 22	XXX		XXX	8,291,454	XXX	(b)	XXX	XXX		8,291,454
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	197,788
25. Other paid-up insurance			12,348	58,278
26. Debit ordinary insurance	X X X	X X X		

ADDITIONAL INFORMATION ON ORDINARY INSURANCE

	Issued During Year (included in Line 2)		In Force End of Year (included in Line 21)	
Term Insurance Excluding Extended Term Insurance	1 Number of Policies	2 Amount of Insurance (a)	3 Number of Policies	4 Amount of Insurance (a)
27. Term policies-decreasing			2	17
28. Term policies-other	1,482	781,168	11,752	4,637,627
29. Other term insurance-decreasing	X X X		X X X	
30. Other term insurance	X X X	5,042	X X X	448,643
31. Totals (Line 27 to Line 30)	1,482	786,210	11,754	5,086,287
Reconciliation to Line 2 and Line 21:				
32. Term additions	X X X		X X X	5,392
33. Totals, extended term insurance	X X X	X X X	1,563	17,603
34. Totals, whole life and endowment	1,716	431,765	99,223	9,668,543
35. Totals (Line 31 to Line 34)	3,198	1,217,975	112,540	14,777,825

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	1,217,975		14,777,825	
38. Credit Life (Group and Individual)				
39. Group				
40. Totals (Line 36 to Line 39)	1,217,975		14,777,825	

ADDITIONAL INFORMATION ON CREDIT LIFE AND GROUP INSURANCE

NONE

	Credit Life		Group	
	1	2	3 umber of Certificates	4 Amount of Insurance (a)
41. Amount of insurance included in Line 2 ceded to oth			X X X	
42. Number in force end of year if the number under sha counted on a pro-rata basis				X X X
43. Federal Employees' Group Life Insurance included ir				
44. Servicemen's Group Life Insurance included in Line				
45. Group Permanent Insurance included in Line 21				

ADDITIONAL ACCIDENTAL DEATH BENEFITS

46. Amount of additional accidental death benefits in force end of year under ordinary policies (a)	126,662

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

	Industrial		Ordinary		Credit		Group	
Disability Provision	1 Number of Policies	2 Amount of Insurance (a)	3 Number of Policies	4 Amount of Insurance (a)	5 Number of Policies	6 Amount of Insurance (a)	7 Number of Certificates	8 Amount of Insurance (a)
48. Waiver of Premium			30,329	2,445,635				
49. Disability Income								
50. Extended Benefits			X X X	X X X				
51. Other								
52. Total		(b)	30,329	(b) 2,445,635		(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	332	630		
2. Issued during year	5	215		
3. Reinsurance assumed				
4. Increased during year (net)				
5. Total (Line 1 to Line 4)	337	845		
Deductions during year:				
6. Decreased (net)	23	225		
7. Reinsurance ceded				
8. Totals (Line 6 and Line 7)	23	225		
9. In force end of year	314	620		
10. Amount on deposit		(a) 10,135,314		(a)
11. Income now payable	314	257		
12. Amount of income payable	(a) 922,798	(a) 2,295,218	(a)	(a)

ANNUITIES

	Ordinary		Group	
	1 Immediate	2 Deferred	3 Contracts	4 Certificates
1. In force end of prior year	142	11,955	1	51
2. Issued during year	24	1,504		
3. Reinsurance assumed				
4. Increased during year (net)				
5. Totals (Line 1 to Line 4)	166	13,459	1	51
Deductions during year:				
6. Decreased (net)	4	609		5
7. Reinsurance ceded				
8. Totals (Line 6 and Line 7)	4	609		5
9. In force end of year	162	12,850	1	46
Income now payable:				
10. Amount of income payable	(a) 1,892,316	XXX	XXX	(a) 625,652
Deferred fully paid:				
11. Account balance	XXX	(a) 64,989,917	XXX	(a)
Deferred not fully paid:				
12. Account balance	XXX	(a) 686,312,046	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					1,593	248,241
2. Issued during year						
3. Reinsurance assumed						
4. Increased during year (net)		XXX		XXX		XXX
5. Totals (Line 1 to Line 4)		XXX		XXX	1,593	XXX
Deductions during year:						
6. Conversions		XXX	XXX	XXX	XXX	XXX
7. Decreased (net)		XXX		XXX	317	XXX
8. Reinsurance ceded		XXX		XXX		XXX
9. Totals (Line 6 to Line 8)		XXX		XXX	317	XXX
10. In force end of year		(a)		(a)	1,276	(a) 202,579

DEPOSIT FUNDS AND DIVIDEND ACCUMULATIONS

	1 Deposit Funds	2 Dividend Accumulations
	Contracts	Contracts
1. In force end of prior year	2,216	9,808
2. Issued during year	978	
3. Reinsurance assumed		
4. Increased during year (net)		
5. Totals (Line 1 to Line 4)	3,194	9,808
Deductions during year:		
6. Decreased (net)	1,113	439
7. Reinsurance ceded		
8. Totals (Line 6 and Line 7)	1,113	439
9. In force end of year	2,081	9,369
10. Amount of account balance	(a) 39,632,633	(a) 30,407,476

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

SCHEDULE T - PREMIUMS AND ANNUITY CONSIDERATIONS

Allocated by States and Territories

	1	Direct Business Only					
		Life Contracts		4	5	6	7
		2	3	Accident and Health Insurance Premiums, Including Policy, Membership and Other Fees			
States, Etc.	Active Status	Life Insurance Premiums	Annuity Considerations		Other Considerations	Total Columns 2 through 5	Deposit-Type Contracts
1. Alabama AL	L	1,326,695	292,965	1,150		1,620,810	
2. Alaska AK	L	35,696	2,000			37,696	
3. Arizona AZ	L	3,136,441	643,976	738		3,781,155	
4. Arkansas AR	L	158,439	40,000			198,439	
5. California CA	L	16,316,436	1,016,715	6,748		17,339,899	
6. Colorado CO	L	2,009,047	243,000	513		2,252,560	
7. Connecticut CT	L	986,369		583		986,952	
8. Delaware DE	L	804,766	450	524		805,740	
9. District of Columbia DC	L	167,101		401		167,502	
10. Florida FL	L	10,441,392	3,297,630	27,104		13,766,126	345,204
11. Georgia GA	L	5,728,976	362,965	6,206		6,098,147	
12. Hawaii HI	L	56,338		(41)		56,297	
13. Idaho ID	L	532,036		119		532,155	
14. Illinois IL	L	3,192,685	3,155,929	5,339		6,353,953	
15. Indiana IN	L	5,971,194	3,751,086	5,120		9,727,400	
16. Iowa IA	L	1,318,449	543,600	187		1,862,236	420,000
17. Kansas KS	L	652,619	1,291,809	26		1,944,454	
18. Kentucky KY	L	1,699,181	1,149,324	263		2,848,768	
19. Louisiana LA	L	295,381	1,225	181		296,787	
20. Maine ME	L	82,923				82,923	
21. Maryland MD	L	4,780,459	680,443	11,195		5,472,097	
22. Massachusetts MA	L	2,817,267	447,269	2,692		3,267,228	
23. Michigan MI	L	4,803,870	1,342,370	5,029		6,151,269	165,407
24. Minnesota MN	L	6,058,063	1,051,005	834		7,109,902	
25. Mississippi MS	L	399,456	150,000	358		549,814	
26. Missouri MO	L	934,246	32,206,089	104		33,140,439	68,000
27. Montana MT	L	315,329	300	326		315,955	
28. Nebraska NE	L	2,222,138	54,000	149		2,276,287	
29. Nevada NV	L	4,191,614		51		4,191,665	
30. New Hampshire NH	L	199,512				199,512	
31. New Jersey NJ	L	4,861,569	3,239,178	33,842		8,134,589	
32. New Mexico NM	L	608,062	17,575	540		626,177	
33. New York NY	N	1,265,461	129,249	315		1,395,025	
34. North Carolina NC	L	2,932,026	3,295,907	1,769		6,229,702	
35. North Dakota ND	L	25,132	89,398	111		114,641	
36. Ohio OH	L	41,301,606	6,067,195	36,405		47,405,206	9,037,315
37. Oklahoma OK	L	2,906,942	7,617,419	62		10,524,423	
38. Oregon OR	L	1,151,335	100,000	595		1,251,930	
39. Pennsylvania PA	L	7,730,024	9,306,838	16,408		17,053,270	
40. Rhode Island RI	L	303,005	996	330		304,331	
41. South Carolina SC	L	1,569,523	645,992	2,632		2,218,147	
42. South Dakota SD	L	136,950		120		137,070	
43. Tennessee TN	L	3,622,497	118,067	6,536		3,747,100	
44. Texas TX	L	18,381,851	969,257	2,638		19,353,746	
45. Utah UT	L	6,562,115	1,037,970	83		7,600,168	
46. Vermont VT	L	73,381		96		73,477	
47. Virginia VA	L	2,028,409	109,169	2,072		2,139,650	
48. Washington WA	L	3,114,361	103,342	1,065		3,218,768	
49. West Virginia WV	L	171,061	157,883	657		329,601	
50. Wisconsin WI	L	771,281	627,486	405		1,399,172	
51. Wyoming WY	L	95,054				95,054	
52. American Samoa AS	N						
53. Guam GU	N						
54. Puerto Rico PR	N	715				715	
55. U.S. Virgin Islands VI	N	3,885				3,885	
56. Northern Mariana Islands MP	N						
57. Canada CN	N	145,609				145,609	
58. Aggregate Other Alien OT	XXX	1,293,834		32		1,293,866	
59. Subtotal	(a) 50	182,689,806	85,357,071	182,612		268,229,489	10,035,926
90. Reporting entity contributions for employee benefit plans	XXX						
91. Dividends or refunds applied to purchase paid-up additions and annuities	XXX	8,442,209				8,442,209	
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	723,140		20,478		743,618	
94. Aggregate other amounts not allocable by State	XXX						
95. Totals (Direct Business)	XXX	191,855,155	85,357,071	203,090		277,415,316	10,035,926
96. Plus Reinsurance Assumed	XXX						
97. Totals (All Business)	XXX	191,855,155	85,357,071	203,090		277,415,316	10,035,926
98. Less Reinsurance Ceded	XXX	39,056,026		511		39,056,537	
99. Totals (All Business) less Reinsurance Ceded	XXX	152,799,129	85,357,071	(b) 202,579		238,358,779	10,035,926
DETAILS OF WRITE-INS							
5801. Other Foreign	XXX	1,293,834		32		1,293,866	
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	1,293,834		32		1,293,866	
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;

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

	NAIC#	TIN#
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

Life and Accident and Health
Annual Statement Blank Alphabetical Index