



# QUARTERLY STATEMENT

As of June 30, 2012  
of the Condition and Affairs of the

## Universal Guaranty Life Insurance Company

NAIC Group Code..... 4299 (Current Period) (Prior Period) NAIC Company Code..... 70130 Employer's ID Number..... 31-0727974

Organized under the Laws of Ohio State of Domicile or Port of Entry Ohio Country of Domicile US  
Incorporated/Organized..... November 15, 1966 Commenced Business..... December 31, 1966

Statutory Home Office 65 East State Street, Suite 2100..... Columbus ..... OH ..... 43215-4260  
(Street and Number) (City or Town, State and Zip Code)  
Main Administrative Office 5250 S 6th Street Rd..... Springfield ..... IL ..... 62703-5128 877-881-1777  
(Street and Number) (City or Town, State and Zip Code) (Area Code) (Telephone Number)  
Mail Address P.O. Box 5147..... Springfield ..... IL ..... 62705-5147  
(Street and Number or P. O. Box) (City or Town, State and Zip Code)  
Primary Location of Books and Records 5250 S 6th Street Rd..... Springfield ..... IL ..... 62703-5128 217-241-6300-363  
(Street and Number) (City or Town, State and Zip Code) (Area Code) (Telephone Number)  
Internet Web Site Address www.utgins.com  
Statutory Statement Contact Theodore Clayton Miller 217-241-6300-363  
(Name) (Area Code) (Telephone Number) (Extension)  
accounting@utgins.com 217-241-6590  
(E-Mail Address) (Fax Number)

### OFFICERS

Name	Title	Name	Title
1. James Patrick Rousey	President	2. Theodore Clayton Miller	Secretary/CFO
3. Jacob Joncarl Andrew	Treasurer	4.	

### OTHER

Jacob Joncarl Andrew	Vice President	Michael Keith Borden	Vice President
Jesse Thomas Correll	Chief Executive Officer	Douglas Paul Ditto	Vice President
Douglas August Dockter	Vice President	Kendra Ann Lynn	Vice President
Theodore Clayton Miller	Senior Vice President		

### DIRECTORS OR TRUSTEES

John Sanford Albin	Randall Lanier Attkisson	Joseph Anthony Brinck II	Jesse Thomas Correll
Ward Forrest Correll	Thomas Francis Darden II	Howard Lape Dayton Jr	Daryl Jack Heald
Peter Loyd Ochs	William Wesley Perry	James Patrick Rousey	

State of..... Illinois  
County of..... Sangamon

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

(Signature)	(Signature)	(Signature)
James Patrick Rousey	Theodore Clayton Miller	Jacob Joncarl Andrew
1. (Printed Name)	2. (Printed Name)	3. (Printed Name)
President	Secretary/CFO	Treasurer
(Title)	(Title)	(Title)

Subscribed and sworn to before me  
This 1st day of August, 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 Statement Date			4 December 31 Prior Year Net Admitted Assets
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	
1. Bonds.....	159,085,151	.0	159,085,151	106,978,468
2. Stocks:				
2.1 Preferred stocks.....	15,535,013	.0	15,535,013	8,802,900
2.2 Common stocks.....	18,162,683	.0	18,162,683	16,723,386
3. Mortgage loans on real estate:				
3.1 First liens.....	52,851,202	.0	52,851,202	36,740,839
3.2 Other than first liens.....	.0	.0	.0	.0
4. Real estate:				
4.1 Properties occupied by the company (less \$.....0 encumbrances).....	1,428,656	.0	1,428,656	1,525,958
4.2 Properties held for the production of income (less \$.....0 encumbrances).....	.0	.0	.0	.0
4.3 Properties held for sale (less \$.....0 encumbrances).....	10,682,554	.0	10,682,554	12,580,594
5. Cash (\$.....14,555,240), cash equivalents (\$.....0) and short-term investments (\$.....192,128).....	14,747,368	.0	14,747,368	81,165,090
6. Contract loans (including \$.....0 premium notes).....	12,829,856	.0	12,829,856	13,312,229
7. Derivatives.....	7,726,989	.0	7,726,989	3,217,420
8. Other invested assets.....	35,349,836	566,972	34,782,864	37,398,746
9. Receivables for securities.....	.0	.0	.0	114,021
10. Securities lending reinvested collateral assets.....	.0	.0	.0	.0
11. Aggregate write-ins for invested assets.....	.0	.0	.0	.0
12. Subtotals, cash and invested assets (Lines 1 to 11).....	328,399,308	566,972	327,832,336	318,559,651
13. Title plants less \$.....0 charged off (for Title insurers only).....	.0	.0	.0	.0
14. Investment income due and accrued.....	2,555,550	.0	2,555,550	1,136,741
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection.....	(55,296)	.0	(55,296)	(71,198)
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$.....0 earned but unbilled premiums).....	974,295	.0	974,295	947,315
15.3 Accrued retrospective premiums.....	.0	.0	.0	.0
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers.....	439,134	.0	439,134	50,073
16.2 Funds held by or deposited with reinsured companies.....	.0	.0	.0	.0
16.3 Other amounts receivable under reinsurance contracts.....	703,791	.0	703,791	262,427
17. Amounts receivable relating to uninsured plans.....	.0	.0	.0	.0
18.1 Current federal and foreign income tax recoverable and interest thereon.....	.0	.0	.0	290,947
18.2 Net deferred tax asset.....	1,429,337	.0	1,429,337	811,716
19. Guaranty funds receivable or on deposit.....	83,741	.0	83,741	33,971
20. Electronic data processing equipment and software.....	.0	.0	.0	.0
21. Furniture and equipment, including health care delivery assets (\$.....0).....	.0	.0	.0	.0
22. Net adjustment in assets and liabilities due to foreign exchange rates.....	.0	.0	.0	.0
23. Receivables from parent, subsidiaries and affiliates.....	.0	.0	.0	.0
24. Health care (\$.....0) and other amounts receivable.....	.0	.0	.0	.0
25. Aggregate write-ins for other than invested assets.....	600,353	.0	600,353	542,310
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 through 25).....	335,130,213	566,972	334,563,241	322,563,953
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....	.0	.0	.0	.0
28. Total (Lines 26 and 27).....	335,130,213	566,972	334,563,241	322,563,953

### DETAILS OF WRITE-INS

1101. ....	.0	.0	.0	.0
1102. ....	.0	.0	.0	.0
1103. ....	.0	.0	.0	.0
1198. Summary of remaining write-ins for Line 11 from overflow page.....	.0	.0	.0	.0
1199. Totals (Lines 1101 thru 1103 plus 1198) (Line 11 above).....	.0	.0	.0	.0
2501. Due from unaffiliate.....	600,353	.0	600,353	542,310
2502. ....	.0	.0	.0	.0
2503. ....	.0	.0	.0	.0
2598. Summary of remaining write-ins for Line 25 from overflow page.....	.0	.0	.0	.0
2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above).....	600,353	.0	600,353	542,310

## LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Statement Date	2 December 31 Prior Year
1. Aggregate reserve for life contracts \$.....245,218,575 less \$.....0 included in Line 6.3 (including \$.....0 Modco Reserve).....	245,218,575	247,991,791
2. Aggregate reserve for accident and health contracts (including \$.....0 Modco Reserve).....	284,509	328,817
3. Liability for deposit-type contracts (including \$.....0 Modco Reserve).....	11,264,447	11,411,127
4. Contract claims:		
4.1 Life.....	2,972,675	2,312,189
4.2 Accident and health.....	61,716	62,454
5. Policyholders' dividends \$.....0 and coupons \$.....0 due and unpaid.....	0	0
6. Provision for policyholders' dividends and coupons payable in following calendar year - estimated amounts:		
6.1 Dividends apportioned for payment (including \$.....0 Modco).....	517,738	546,358
6.2 Dividends not yet apportioned (including \$.....0 Modco).....	0	0
6.3 Coupons and similar benefits (including \$.....0 Modco).....	0	0
7. Amount provisionally held for deferred dividend policies not included in Line 6.....	0	0
8. Premiums and annuity considerations for life and accident and health contracts received in advance less \$.....0 discount; including \$.....0 accident and health premiums.....	67,400	64,227
9. Contract liabilities not included elsewhere:		
9.1 Surrender values on canceled contracts.....	0	0
9.2 Provision for experience rating refunds, including the liability of \$.....0 accident and health experience rating refunds of which \$.....0 is for medical loss ratio rebate per the Public Health Service Act.....	0	0
9.3 Other amounts payable on reinsurance, including \$.....0 assumed and \$.....0 ceded.....	0	0
9.4 Interest Maintenance Reserve.....	12,092,118	6,953,416
10. Commissions to agents due or accrued - life and annuity contracts \$.....0, accident and health \$.....0 and deposit-type contract funds \$.....0.....	0	0
11. Commissions and expense allowances payable on reinsurance assumed.....	0	0
12. General expenses due or accrued.....	1,898,105	1,289,203
13. Transfers to Separate Accounts due or accrued (net) (including \$.....0 accrued for expense allowances recognized in reserves, net of reinsured allowances).....	0	0
14. Taxes, licenses and fees due or accrued, excluding federal income taxes.....	560,136	765,364
15.1 Current federal and foreign income taxes, including \$.....0 on realized capital gains (losses).....	2,252,118	0
15.2 Net deferred tax liability.....	0	0
16. Unearned investment income.....	224,909	223,132
17. Amounts withheld or retained by company as agent or trustee.....	1,384,124	1,391,294
18. Amounts held for agents' account, including \$.....0 agents' credit balances.....	0	329
19. Remittances and items not allocated.....	0	0
20. Net adjustment in assets and liabilities due to foreign exchange rates.....	0	0
21. Liability for benefits for employees and agents if not included above.....	0	0
22. Borrowed money \$.....0 and interest thereon \$.....0.....	0	0
23. Dividends to stockholders declared and unpaid.....	0	0
24. Miscellaneous liabilities:		
24.01 Asset valuation reserve.....	10,434,550	7,865,649
24.02 Reinsurance in unauthorized companies.....	0	0
24.03 Funds held under reinsurance treaties with unauthorized reinsurers.....	0	0
24.04 Payable to parent, subsidiaries and affiliates.....	265,550	151,370
24.05 Drafts outstanding.....	0	0
24.06 Liability for amounts held under uninsured plans.....	0	0
24.07 Funds held under coinsurance.....	2,170,061	2,325,944
24.08 Derivatives.....	6,869,725	4,187,885
24.09 Payable for securities.....	0	240,000
24.10 Payable for securities lending.....	0	0
24.11 Capital notes \$.....0 and interest thereon \$.....0.....	0	0
25. Aggregate write-ins for liabilities.....	1,475,850	1,286,182
26. Total liabilities excluding Separate Accounts business (Lines 1 to 25).....	300,014,306	289,396,731
27. From Separate Accounts statement.....	0	0
28. Total liabilities (Lines 26 and 27).....	300,014,306	289,396,731
29. Common capital stock.....	2,000,000	2,000,000
30. Preferred capital stock.....	0	0
31. Aggregate write-ins for other than special surplus funds.....	0	0
32. Surplus notes.....	0	0
33. Gross paid in and contributed surplus.....	18,655,343	18,655,343
34. Aggregate write-ins for special surplus funds.....	0	0
35. Unassigned funds (surplus).....	13,893,592	12,511,879
36. Less treasury stock, at cost:		
36.1 .....0.000 shares common (value included in Line 29 \$.....0).....	0	0
36.2 .....0.000 shares preferred (value included in Line 30 \$.....0).....	0	0
37. Surplus (Total Lines 31 + 32 + 33 + 34 + 35 - 36) (including \$.....0 in Separate Accounts Statement).....	32,548,935	31,167,222
38. Totals of Lines 29, 30 and 37.....	34,548,935	33,167,222
39. Totals of Lines 28 and 38 (Page 2, Line 28, Col. 3).....	334,563,241	322,563,953

## DETAILS OF WRITE-INS

2501. Short Stock.....	1,475,850	1,283,590
2502. Due to Unaffiliate.....	0	2,592
2503. ....	0	0
2598. Summary of remaining write-ins for Line 25 from overflow page.....	0	0
2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above).....	1,475,850	1,286,182
3101. ....	0	0
3102. ....	0	0
3103. ....	0	0
3198. Summary of remaining write-ins for Line 31 from overflow page.....	0	0
3199. Totals (Lines 3101 thru 3103 plus 3198) (Line 31 above).....	0	0
3401. ....	0	0
3402. ....	0	0
3403. ....	0	0
3498. Summary of remaining write-ins for Line 34 from overflow page.....	0	0
3499. Totals (Lines 3401 thru 3403 plus 3498) (Line 34 above).....	0	0

**SUMMARY OF OPERATIONS**

	1 Current Year to Date	2 Prior Year to Date	3 Prior Year Ended December 31
1. Premiums and annuity considerations for life and accident and health contracts.....	4,765,669	5,162,318	9,199,333
2. Considerations for supplementary contracts with life contingencies.....	30,020	0	65,169
3. Net investment income.....	6,085,318	8,152,391	22,347,944
4. Amortization of Interest Maintenance Reserve (IMR).....	514,471	240,331	686,696
5. Separate Accounts net gain from operations excluding unrealized gains or losses.....	0	0	0
6. Commissions and expense allowances on reinsurance ceded.....	336,148	489,070	1,059,156
7. Reserve adjustments on reinsurance ceded.....	0	0	0
8. Miscellaneous Income:			
8.1 Income from fees associated with investment management, administration and contract guarantees from Separate Accounts.....	0	0	0
8.2 Charges and fees for deposit-type contracts.....	0	0	0
8.3 Aggregate write-ins for miscellaneous income.....	1,018,493	950,572	1,925,533
9. Totals (Lines 1 to 8.3).....	12,750,119	14,994,682	35,283,831
10. Death benefits.....	7,227,227	6,057,971	13,219,852
11. Matured endowments (excluding guaranteed annual pure endowments).....	157,940	118,222	292,044
12. Annuity benefits.....	341,058	256,351	528,310
13. Disability benefits and benefits under accident and health contracts.....	65,483	22,790	56,521
14. Coupons, guaranteed annual pure endowments and similar benefits.....	0	0	0
15. Surrender benefits and withdrawals for life contracts.....	3,572,057	2,841,705	6,093,108
16. Group conversions.....	0	0	0
17. Interest and adjustments on contract or deposit-type contract funds.....	190,593	247,303	386,490
18. Payments on supplementary contracts with life contingencies.....	94,915	84,316	174,055
19. Increase in aggregate reserves for life and accident and health contracts.....	(2,817,524)	(1,916,245)	(4,839,060)
20. Totals (Lines 10 to 19).....	8,831,749	7,712,413	15,911,320
21. Commissions on premiums, annuity considerations and deposit-type contract funds (direct business only).....	12,618	15,099	33,109
22. Commissions and expense allowances on reinsurance assumed.....	8,022	7,796	15,774
23. General insurance expenses.....	5,036,336	4,018,356	8,099,057
24. Insurance taxes, licenses and fees, excluding federal income taxes.....	95,952	264,808	442,557
25. Increase in loading on deferred and uncollected premiums.....	(4,102)	6,890	(36,499)
26. Net transfers to or (from) Separate Accounts net of reinsurance.....	0	0	0
27. Aggregate write-ins for deductions.....	0	0	0
28. Totals (Lines 20 to 27).....	13,980,575	12,025,362	24,465,318
29. Net gain from operations before dividends to policyholders and federal income taxes (Line 9 minus Line 28).....	(1,230,456)	2,969,320	10,818,513
30. Dividends to policyholders.....	237,650	265,449	448,177
31. Net gain from operations after dividends to policyholders and before federal income taxes (Line 29 minus Line 30).....	(1,468,106)	2,703,871	10,370,336
32. Federal and foreign income taxes incurred (excluding tax on capital gains).....	(807,939)	381,575	3,696,191
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).....	(660,167)	2,322,296	6,674,145
34. Net realized capital gains (losses) (excluding gains (losses) transferred to the IMR) less capital gains tax of \$.....1,375,652 (excluding taxes of \$.....3,285,934 transferred to the IMR).....	2,366,695	339,738	(6,858,358)
35. Net income (Line 33 plus Line 34).....	1,706,528	2,662,034	(184,213)
<b>CAPITAL AND SURPLUS ACCOUNT</b>			
36. Capital and surplus, December 31, prior year.....	33,167,222	41,377,328	30,442,880
37. Net income (Line 35).....	1,706,528	2,662,034	(184,213)
38. Change in net unrealized capital gains (losses) less capital gains tax of \$.....0.....	2,083,822	3,279,787	4,345,820
39. Change in net unrealized foreign exchange capital gain (loss).....	0	0	0
40. Change in net deferred income tax.....	617,621	28,801	1,006,536
41. Change in nonadmitted assets.....	0	223,473	(51,112)
42. Change in liability for reinsurance in unauthorized companies.....	0	0	0
43. Change in reserve on account of change in valuation basis, (increase) or decrease.....	0	0	0
44. Change in asset valuation reserve.....	(2,568,901)	(2,928,447)	1,041,809
45. Change in treasury stock.....	0	0	0
46. Surplus (contributed to) withdrawn from Separate Accounts during period.....	0	0	0
47. Other changes in surplus in Separate Accounts Statement.....	0	0	0
48. Change in surplus notes.....	0	0	0
49. Cumulative effect of changes in accounting principles.....	0	0	0
50. Capital changes:			
50.1 Paid in.....	0	0	0
50.2 Transferred from surplus (Stock Dividend).....	0	0	0
50.3 Transferred to surplus.....	0	0	0
51. Surplus adjustment:			
51.1 Paid in.....	0	0	0
51.2 Transferred to capital (Stock Dividend).....	0	0	0
51.3 Transferred from capital.....	0	0	0
51.4 Change in surplus as a result of reinsurance.....	(72,635)	(196,898)	(504,498)
52. Dividends to stockholders.....	(384,722)	(600,000)	(2,930,000)
53. Aggregate write-ins for gains and losses in surplus.....	0	0	0
54. Net change in capital and surplus (Lines 37 through 53).....	1,381,713	2,468,750	2,724,342
55. Capital and surplus as of statement date (Lines 36 + 54).....	34,548,935	43,846,078	33,167,222

**DETAILS OF WRITE-INS**

08.301. Miscellaneous Income.....	315	1,125	1,272
08.302. Third Party Administration Income.....	1,018,178	949,447	1,924,261
08.303. ....	0	0	0
08.398. Summary of remaining write-ins for Line 8.3 from overflow page.....	0	0	0
08.399. Totals (Lines 08.301 thru 08.303 plus 08.398) (Line 8.3 above).....	1,018,493	950,572	1,925,533
2701. ....	0	0	0
2702. ....	0	0	0
2703. ....	0	0	0
2798. Summary of remaining write-ins for Line 27 from overflow page.....	0	0	0
2799. Totals (Lines 2701 thru 2703 plus 2798) (Line 27 above).....	0	0	0
5301. ....	0	0	0
5302. ....	0	0	0
5303. ....	0	0	0
5398. Summary of remaining write-ins for Line 53 from overflow page.....	0	0	0
5399. Totals (Lines 5301 thru 5303 plus 5398) (Line 53 above).....	0	0	0

**CASH FLOW**

	1 Current Year to Date	2 Prior Year To Date	3 Prior Year Ended December 31
<b>CASH FROM OPERATIONS</b>			
1. Premiums collected net of reinsurance.....	4,758,601	5,125,930	9,402,267
2. Net investment income.....	3,941,730	7,832,717	19,257,211
3. Miscellaneous income.....	1,354,641	1,439,642	2,984,689
4. Total (Lines 1 through 3).....	10,054,972	14,398,289	31,644,167
5. Benefit and loss related payments.....	11,519,890	9,559,450	20,106,642
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts.....	0	0	0
7. Commissions, expenses paid and aggregate write-ins for deductions.....	4,749,254	5,697,981	8,497,699
8. Dividends paid to policyholders.....	266,270	291,785	514,268
9. Federal and foreign income taxes paid (recovered) net of \$.....0 tax on capital gains (losses).....	1,310,581	2,103,739	5,786,521
10. Total (Lines 5 through 9).....	17,845,995	17,652,955	34,905,130
11. Net cash from operations (Line 4 minus Line 10).....	(7,791,023)	(3,254,666)	(3,260,963)
<b>CASH FROM INVESTMENTS</b>			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds.....	80,132,910	145,044,073	198,818,027
12.2 Stocks.....	4,264,015	20,572,150	44,185,765
12.3 Mortgage loans.....	5,739,686	8,258,027	18,172,089
12.4 Real estate.....	3,584,699	2,329,983	8,205,566
12.5 Other invested assets.....	8,238,665	262,084	5,156,230
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments.....	0	0	0
12.7 Miscellaneous proceeds.....	114,021	2,261,020	107,413
12.8 Total investment proceeds (Lines 12.1 to 12.7).....	102,073,996	178,727,337	274,645,090
13. Cost of investments acquired (long-term only):			
13.1 Bonds.....	123,563,052	129,301,364	133,933,009
13.2 Stocks.....	12,259,167	22,130,902	30,322,719
13.3 Mortgage loans.....	21,853,881	8,585,993	11,123,386
13.4 Real estate.....	300,368	1,649,892	1,836,155
13.5 Other invested assets.....	2,758,827	5,454,180	8,405,485
13.6 Miscellaneous applications.....	3,125,147	3,005,373	6,124,071
13.7 Total investments acquired (Lines 13.1 to 13.6).....	163,860,442	170,127,704	191,744,825
14. Net increase (decrease) in contract loans and premium notes.....	(482,373)	(62,975)	(663,790)
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14).....	(61,304,073)	8,662,608	83,564,055
<b>CASH FROM FINANCING AND MISCELLANEOUS SOURCES</b>			
16. Cash provided (applied):			
16.1 Surplus notes, capital notes.....	0	0	0
16.2 Capital and paid in surplus, less treasury stock.....	0	0	0
16.3 Borrowed funds.....	0	(2,000,000)	(2,000,000)
16.4 Net deposits on deposit-type contracts and other insurance liabilities.....	0	(853,355)	(675,386)
16.5 Dividends to stockholders.....	384,722	600,000	3,530,000
16.6 Other cash provided (applied).....	3,062,096	330,647	(9,736,664)
17. Net cash from financing and miscellaneous sources (Lines 16.1 through 16.4 minus Line 16.5 plus Line 16.6).....	2,677,374	(3,122,708)	(15,942,050)
<b>RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS</b>			
18. Net change in cash, cash equivalents and short-term investments (Line 11 plus Line 15 plus Line 17).....	(66,417,722)	2,285,234	64,361,042
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year.....	81,165,090	16,804,048	16,804,048
19.2 End of period (Line 18 plus Line 19.1).....	14,747,368	19,089,282	81,165,090
Note: Supplemental disclosures of cash flow information for non-cash transactions:			
20.0001 .....	0	0	0

**EXHIBIT 1**

**DIRECT PREMIUMS AND DEPOSIT-TYPE CONTRACTS**

	1 Current Year To Date	2 Prior Year To Date	3 Prior Year Ended December 31
1. Industrial life.....	218,167	293,538	478,108
2. Ordinary life insurance.....	5,928,201	6,730,986	11,847,575
3. Ordinary individual annuities.....	197,609	195,724	344,533
4. Credit life (group and individual).....	0	0	0
5. Group life insurance.....	104,868	129,522	231,904
6. Group annuities.....	0	0	0
7. A&H - group.....	0	0	0
8. A&H - credit (group and individual).....	0	0	0
9. A&H - other.....	14,522	16,867	30,919
10. Aggregate of all other lines of business.....	0	0	0
11. Subtotal.....	6,463,367	7,366,637	12,933,039
12. Deposit-type contracts.....	0	0	0
13. Total.....	6,463,367	7,366,637	12,933,039

**DETAILS OF WRITE-INS**

1001. ....	0	0	0
1002. ....	0	0	0
1003. ....	0	0	0
1098. Summary of remaining write-ins for Line 10 from overflow page.....	0	0	0
1099. Total (Lines 1001 thru 1003 plus 1098) (Line 10 above).....	0	0	0

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## **NOTES TO FINANCIAL STATEMENTS**

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### **Note 1 - Summary of Significant Accounting Policies**

A. Accounting Practices

The financial statements of Universal Guaranty Life Insurance Company have been completed in accordance with the NAIC Accounting Practices and Procedures manual. The Company has not employed any permitted practices in the preparation of these financial statements.

### **Note 2 - Accounting Changes and Corrections of Errors**

No significant change.

### **Note 3 - Business Combinations and Goodwill**

B. Statutory Merger

1. The Company merged with American Capitol Insurance Company on January 1, 2012.
2. The transaction was accounted for as a statutory merger.
3. The Company did not issue shares of stock for this transaction.
4. Pre-merger separate company revenue, net income (loss), and net change in capital and surplus for the year ended 12/31/11 were \$29,160,743, \$582,217, \$2,724,342, respectively for the Company and \$6,123,088, (\$766,430), (\$1,808,640), respectively for American Capitol Insurance Company.
5. No adjustments were made directly to the surplus of American Capitol Insurance Company as a result of the merger.

### **Note 4 - Discontinued Operations**

No significant change.

### **Note 5 - Investments**

D. NONE

### **Note 6 - Joint Ventures, Partnerships and Limited Liability Companies**

No significant change.

### **Note 7 - Investment Income**

No significant change.

### **Note 8 - Derivative Instruments**

No significant change.

### **Note 9 - Income Taxes**

No significant change.

### **Note 10 - Information Concerning Parent, Subsidiaries, Affiliates and Other Related Parties**

No significant change.

### **Note 11 - Debt**

No significant change.

### **Note 12 - Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences and Other Postretirement Benefit Plans**

No significant change.

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

No significant change.

**NOTES TO FINANCIAL STATEMENTS****Note 14 - Contingencies**

No significant change.

**Note 15 - Leases**

No significant change.

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

No significant change.

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

C. NONE

**Note 18 - Gain or Loss to the Reporting Entity from Uninsured Plans and the Uninsured Portion of Partially Insured Plans**

No significant change.

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

No significant change.

**Note 20 - Fair Value**

A. (1) Fair Value Measurements at Reporting Date

Description	Level 1	Level 2	Level 3	Total
a. Assets at fair value				
Common stock	\$ 3,655,992	\$ 6,490,402	\$ 8,016,289	\$ 18,162,683
Preferred stock	0	0	15,535,013	15,535,013
Derivative asset	<u>7,726,989</u>	<u>0</u>	<u>0</u>	<u>7,726,989</u>
Total assets at fair value	<u>\$ 11,382,981</u>	<u>\$ 6,490,402</u>	<u>\$23,551,302</u>	<u>\$ 41,424,685</u>
b. Liability at fair value				
Short stock	1,475,850	0	0	1,475,850
Derivative liability	<u>6,869,725</u>	<u>0</u>	<u>0</u>	<u>6,869,725</u>
Total liabilities at fair value	<u>\$ 8,345,575</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 8,345,575</u>

The Company defines the input levels according to the ASC 820, Fair Value Measurements and Disclosures, as follows:

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities. U.S. treasuries are in Level 1 and valuation is based on unadjusted quoted prices for identical assets in active markets that the Company can access. Equity securities and options that are actively traded and exchange listed in the U.S. are also included in Level 1. Equity security valuation is based on unadjusted quoted prices for identical assets in active markets that the Company can access.

Level 2 - Quoted prices in markets that are not active or inputs that are observable either directly or indirectly. Level 2 inputs include quoted prices for similar assets or liabilities other than quoted prices in Level 1; quoted prices in markets that are not active; or other inputs that are observable or can be derived principally from or corroborated by observable market data for substantially the full term of the assets or liabilities. Level 2 assets consist of fixed income investments valued based on quoted prices for identical or similar assets in markets that are not active and investments carried as equity securities that do not have an actively traded market that are valued based on their audited GAAP book value.

Level 3 - Unobservable inputs that are supported by little or no market activity and are significant to the fair value of the assets or liabilities. Unobservable inputs reflect the reporting entity's own assumptions about the assumptions that market participants would use in pricing the asset or liability. Level 3 assets and liabilities include financial instruments whose values are determined using pricing models, discounted cash flow methodologies, or similar techniques, as well as instruments for which the determination of fair value requires significant management judgment or estimation.

**NOTES TO FINANCIAL STATEMENTS**

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

	Common Stock	Preferred Stock	Total
Balance at December 31, 2011	\$ 2,755,368	\$ 7,200,000	\$ 9,955,368
Total unrealized gain or losses:			
Included in other comprehensive income	64,466	0	64,466
Purchases		8,335,013	8,335,013
Sales	0	0	0
Transfers in to Level 3	0	0	0
Transfers out of Level 3	0	0	0
Balance at June 30, 2012	\$ <u>2,819,834</u>	\$ <u>15,535,013</u>	\$ <u>18,354,847</u>

(3) No transfers in to or out of Level 3.

B. Other Fair Value Disclosures - Not Applicable

C. Fair Values for All Financial Instruments by Levels 1, 2 and 3

The table below reflects the fair values and carrying values of all admitted assets and liabilities that are financial instruments excluding those accounted for under the equity method (subsidiaries, joint ventures and ventures). The fair values are also categorized into the three-level fair value hierarchy as described above in Note 20A.

Type of Financial Instrument	Aggregate Fair Value	Carrying Value	(Level 1)	(Level 2)	(Level 3)	Not Practicable (Carrying Value)
<b>Assets</b>						
Bonds	\$ 166,495,257	\$ 159,085,151	\$ 18,244,409	\$ 147,101,843	\$ 1,149,005	\$ 0
Preferred Stock	15,535,013	15,535,013	0	0	15,535,013	0
Common Stock	18,162,683	18,162,683	3,655,992	6,490,402	8,016,289	0
Mortgage Loans	53,637,081	52,851,202	0	0	53,637,081	0
Real Estate	12,111,210	12,111,210	0	0	12,111,210	0
Cash	14,555,240	14,555,240	14,555,240	0	0	0
Short Term	192,128	192,128	192,128	0	0	0
Contract Loans	12,829,856	12,829,856	0	0	12,829,856	0
Derivatives	7,726,989	7,726,989	7,726,989	0	0	0
Other Invested Assets	34,782,864	34,782,864	0	0	34,782,864	0
<b>Total Assets</b>	<b>\$ <u>336,028,321</u></b>	<b>\$ <u>327,832,336</u></b>	<b>\$ <u>44,374,758</u></b>	<b>\$ <u>153,592,245</u></b>	<b>\$ <u>138,061,318</u></b>	<b>\$ <u>0</u></b>
<b>Liabilities</b>						
Derivatives	\$ 6,869,725	\$ 6,869,725	\$ 6,869,725	\$ 0	\$ 0	\$ 0
Short Stock	1,475,850	1,475,850	1,475,850	0	0	0
<b>Total Liabilities</b>	<b>\$ <u>8,345,575</u></b>	<b>\$ <u>8,345,575</u></b>	<b>\$ <u>8,345,575</u></b>	<b>\$ <u>0</u></b>	<b>\$ <u>0</u></b>	<b>\$ <u>0</u></b>

D. None

**Note 21 - Other Items**

No significant change.

**Note 22 - Events Subsequent**

No significant change.

**Note 23 - Reinsurance**

No significant change.

**Note 24 - Retrospectively Rated Contracts & Contracts Subject to Redetermination**

No significant change.

**Note 25 - Change in Incurred Losses and Loss Adjustment Expenses**

NOTE: This disclosure is required in every filing for the Quarterly Statement.

**Note 26 - Intercompany Pooling Arrangements**

No significant change.

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## **NOTES TO FINANCIAL STATEMENTS**

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**Note 27 - Structured Settlements**

No significant change.

**Note 28 - Health Care Receivables**

No significant change.

**Note 29 - Participating Policies**

No significant change.

**Note 30 - Premium Deficiency Reserves**

No significant change.

**Note 31 - Reserves for Life Contracts and Annuity Contracts**

No significant change.

**Note 32 - Analysis of Annuity Actuarial Reserves and Deposit Liabilities by Withdrawal Characteristics**

No significant change.

**Note 33 - Premiums and Annuity Considerations Deferred and Uncollected**

No significant change.

**Note 34 - Separate Accounts**

No significant change.

**Note 35 - Loss/Claim Adjustment Expenses**

No significant change.

**GENERAL INTERROGATORIES**

**PART 1 - COMMON INTERROGATORIES - GENERAL**

1.1 Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act? Yes  No

1.2 If yes, has the report been filed with the domiciliary state? Yes  No

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

2.2 If yes, date of change: .....

3. Have there been any substantial changes in the organizational chart since the prior quarter end? Yes  No   
If yes, complete the Schedule Y-Part 1 - Organizational chart.

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

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

1 Name of Entity	2 NAIC Company Code	3 State of Domicile
American Capitol Insurance Company	60291	Texas

5. If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved? Yes  No  N/A   
If yes, attach an explanation.

6.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/2009.....

6.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. 12/31/2009.....

6.3 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). 4/21/2011.....

6.4 By what department or departments?  
Ohio Department of Insurance

6.5 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

6.6 Have all of the recommendations within the latest financial examination report been complied with? Yes  No  N/A

7.1 Has this 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

7.2 If yes, give full information:  
\_\_\_\_\_  
\_\_\_\_\_

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

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

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

8.4 If the response to 8.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator].

1 Affiliate Name	2 Location (City, State)	3 FRB	4 OCC	5 FDIC	6 SEC
First Southern National Bank	Stanford, Ky		yes		

9.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards? Yes  No

- (a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
- (b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
- (c) Compliance with applicable governmental laws, rules and regulations;
- (d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
- (e) Accountability for adherence to the code.

9.11 If the response to 9.1 is No, please explain:  
\_\_\_\_\_  
\_\_\_\_\_

9.2 Has the code of ethics for senior managers been amended? Yes  No

9.21 If the response to 9.2 is Yes, provide information related to amendment(s).  
\_\_\_\_\_  
\_\_\_\_\_

9.3 Have any provisions of the code of ethics been waived for any of the specified officers? Yes  No

# GENERAL INTERROGATORIES

## PART 1 - COMMON INTERROGATORIES - GENERAL

9.31 If the response to 9.3 is Yes, provide the nature of any waiver(s).

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### PART 1 - FINANCIAL

- 10.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? Yes [ ] No [X]
- 10.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: \$.....0

### PART 1 - INVESTMENT

- 11.1 Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.) Yes [ ] No [X]
- 11.2 If yes, give full and complete information relating thereto:
- 

12. Amount of real estate and mortgages held in other invested assets in Schedule BA: \$.....32,180,324
13. Amount of real estate and mortgages held in short-term investments: \$.....0
- 14.1 Does the reporting entity have any investments in parent, subsidiaries and affiliates? Yes [X] No [ ]

14.2 If yes, please complete the following:

	1 Prior Year-End Book/Adjusted Carrying Value	2 Current Quarter Book/Adjusted Carrying Value
14.21 Bonds.....	\$ .....0	\$ .....0
14.22 Preferred Stock.....	\$ .....4,000,000	\$ .....4,000,000
14.23 Common Stock.....	\$ .....14,532,520	\$ .....6,453,289
14.24 Short-Term Investments.....	\$ .....0	\$ .....0
14.25 Mortgage Loans on Real Estate.....	\$ .....0	\$ .....0
14.26 All Other.....	\$ .....24,467,427	\$ .....21,472,853
14.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26).....	\$ .....42,999,947	\$ .....31,926,142
14.28 Total Investment in Parent included in Lines 14.21 to 14.26 above.....	\$ .....0	\$ .....0

- 15.1 Has the reporting entity entered into any hedging transactions reported on Schedule DB? Yes [ ] No [X]
- 15.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? Yes [ ] No [ ]  
If no, attach a description with this statement.
- 

16. 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 [ ]

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

1 Name of Custodian(s)	2 Custodian Address
Bank of New York	101 Barclay Street, New York, NY 10286
TD Ameritrade	PO Box 2209, Omaha, NE 68103
The Federal Home Loan Bank of Cincinnati	PO Box 598, Cincinnati, OH 45201
J.P. Morgan Clearing Corp.	3 Chase Metrotech Center, Brooklyn, NY 11245
Frost National Bank	San Antonio, TX
Goldman Sachs Execution & Clearing, LP	200 West Street, 2nd Floor, New York, NY 10282
Interactive Brokers	2 Pickwick Plaza, Greenwich, CT 06830

16.2 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)

- 16.3 Have there been any changes, including name changes, in the custodian(s) identified in 16.1 during the current quarter? Yes [ ] No [X]

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

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

16.5 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	2 Name(s)	3 Address

**PART 1 - INVESTMENT**

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

Yes  No

17.2 If no, list exceptions:

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## GENERAL INTERROGATORIES (continued)

## PART 2 - LIFE &amp; HEALTH

1. Report the statement value of mortgage loans at the end of this reporting period for the following categories:

	Amount
1.1 Long-term mortgages in good standing	
1.11 Farm mortgages.....	\$.....0
1.12 Residential mortgages.....	\$.....975,606
1.13 Commercial mortgages.....	\$.....21,545,582
1.14 Total mortgages in good standing.....	\$.....22,521,188
1.2 Long-term mortgages in good standing with restructured terms	
1.21 Total mortgages in good standing with restructured terms.....	\$.....8,571,878
1.3 Long-term mortgage loans upon which interest is overdue more than three months	
1.31 Farm mortgages.....	\$.....0
1.32 Residential mortgages.....	\$.....0
1.33 Commercial mortgages.....	\$.....8,915,188
1.34 Total mortgages with interest overdue more than three months.....	\$.....8,915,188
1.4 Long-term mortgage loans in process of foreclosure	
1.41 Farm mortgages.....	\$.....0
1.42 Residential mortgages.....	\$.....0
1.43 Commercial mortgages.....	\$.....12,842,948
1.44 Total mortgages in process of foreclosure.....	\$.....12,842,948
1.5 Total mortgage loans (Lines 1.14 + 1.21 + 1.34 + 1.44) (Page 2, Column 3, Lines 3.1 + 3.2)	\$.....52,851,202
1.6 Long-term mortgages foreclosed, properties transferred to real estate in current quarter	
1.61 Farm mortgages.....	\$.....0
1.62 Residential mortgages.....	\$.....0
1.63 Commercial mortgages.....	\$.....0
1.64 Total mortgages foreclosed and transferred to real estate.....	\$.....0
2. Operating Percentages:	
2.1 A&H loss percent.....	.....0.0
2.2 A&H cost containment percent.....	.....0.0
2.3 A&H expense percent excluding cost containment expenses.....	.....0.0
3.1 Do you act as a custodian for health savings accounts?.....	Yes [ ] No [ X ]
3.2 If yes, please provide the amount of custodial funds held as of the reporting date.....	\$.....0
3.3 Do you act as an administrator for health savings accounts?.....	Yes [ ] No [ X ]
3.4 If yes, please provide the balance of the funds administered as of the reporting date.....	\$.....0

## SCHEDULE S - CEDED REINSURANCE

Showing All New Reinsurance Treaties - Current Year to Date

1 NAIC Company Code	2 Federal ID Number	3 Effective Date	4 Name of Reinsurer	5 Domiciliary Jurisdiction	6 Type of Reinsurance Ceded	7 Is Insurer Authorized? (YES or NO)
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**NONE**

# Universal Guaranty Life Insurance Company SCHEDULE T - PREMIUMS AND ANNUITY CONSIDERATIONS

Current Year to Date - Allocated by States and Territories

States, Etc.	1	Direct Business Only					6 Total Columns 2 through 5	7 Deposit-Type Contracts
		Life Contracts		4 Accident and Health Insurance Premiums, Including Policy, Mem- bership and Other Fees	5 Other Considerations	3 Annuity Considerations		
		2 Life Insurance Premiums	3 Annuity Considerations					
1. Alabama.....	AL	L	32,720	2,802	0	0	35,522	0
2. Alaska.....	AK	N	471	0	0	0	471	0
3. Arizona.....	AZ	L	17,776	1,525	57	0	19,358	0
4. Arkansas.....	AR	L	84,528	200	0	0	84,728	0
5. California.....	CA	N	65,363	831	84	0	66,278	0
6. Colorado.....	CO	L	36,661	2,188	146	0	38,995	0
7. Connecticut.....	CT	N	1,601	0	0	0	1,601	0
8. Delaware.....	DE	L	1,230	0	0	0	1,230	0
9. District of Columbia.....	DC	N	2,559	0	0	0	2,559	0
10. Florida.....	FL	N	194,240	2,629	65	0	196,934	0
11. Georgia.....	GA	L	86,497	591	42	0	87,130	0
12. Hawaii.....	HI	N	1,300	80	0	0	1,380	0
13. Idaho.....	ID	L	2,367	0	0	0	2,367	0
14. Illinois.....	IL	L	803,250	42,977	122	0	846,349	0
15. Indiana.....	IN	L	154,597	16,552	4,006	0	175,155	0
16. Iowa.....	IA	L	136,486	33,119	0	0	169,605	0
17. Kansas.....	KS	L	268,066	1,511	3,118	0	272,695	0
18. Kentucky.....	KY	L	29,073	609	279	0	29,961	0
19. Louisiana.....	LA	L	196,783	940	0	0	197,723	0
20. Maine.....	ME	N	8,677	0	0	0	8,677	0
21. Maryland.....	MD	N	7,681	831	82	0	8,594	0
22. Massachusetts.....	MA	L	2,467	80	0	0	2,547	0
23. Michigan.....	MI	N	111,091	1,960	134	0	113,185	0
24. Minnesota.....	MN	L	5,998	119	128	0	6,245	0
25. Mississippi.....	MS	L	152,969	619	0	0	153,588	0
26. Missouri.....	MO	L	186,647	10,075	241	0	196,963	0
27. Montana.....	MT	L	24,869	170	0	0	25,039	0
28. Nebraska.....	NE	L	51,045	1,060	0	0	52,105	0
29. Nevada.....	NV	L	4,035	0	0	0	4,035	0
30. New Hampshire.....	NH	N	441	0	0	0	441	0
31. New Jersey.....	NJ	N	4,633	216	0	0	4,849	0
32. New Mexico.....	NM	L	18,538	897	0	0	19,435	0
33. New York.....	NY	N	7,204	384	0	0	7,588	0
34. North Carolina.....	NC	L	93,018	2,533	0	0	95,551	0
35. North Dakota.....	ND	L	938	0	73	0	1,011	0
36. Ohio.....	OH	L	1,619,870	8,652	135	0	1,628,657	0
37. Oklahoma.....	OK	L	144,074	2,724	29	0	146,827	0
38. Oregon.....	OR	L	13,489	0	0	0	13,489	0
39. Pennsylvania.....	PA	L	126,042	39,414	4	0	165,460	0
40. Rhode Island.....	RI	L	313	0	0	0	313	0
41. South Carolina.....	SC	L	98,302	247	0	0	98,549	0
42. South Dakota.....	SD	L	2,240	40	38	0	2,318	0
43. Tennessee.....	TN	L	144,215	479	101	0	144,795	0
44. Texas.....	TX	L	604,706	10,312	45	0	615,063	0
45. Utah.....	UT	L	3,530	180	0	0	3,710	0
46. Vermont.....	VT	N	243	2,375	0	0	2,618	0
47. Virginia.....	VA	L	102,706	2,287	1	0	104,994	0
48. Washington.....	WA	L	8,537	151	0	0	8,688	0
49. West Virginia.....	WV	L	376,992	3,601	5,554	0	386,147	0
50. Wisconsin.....	WI	L	14,797	1,610	0	0	16,407	0
51. Wyoming.....	WY	N	75,159	40	0	0	75,199	0
52. American Samoa.....	AS	N	0	0	0	0	0	0
53. Guam.....	GU	N	0	0	0	0	0	0
54. Puerto Rico.....	PR	N	0	0	0	0	0	0
55. US Virgin Islands.....	VI	N	0	0	0	0	0	0
56. Northern Mariana Islands.....	MP	N	0	0	0	0	0	0
57. Canada.....	CN	N	0	0	0	0	0	0
58. Aggregate Other Alien.....	OT	XXX	0	0	0	0	0	0
59. Subtotal.....	(a)	37	6,131,034	197,610	14,484	0	6,343,128	0
90. Reporting entity contributions for employee benefit plans.....	XXX		0	0	0	0	0	0
91. Dividends or refunds applied to purchase paid-up additions and annuities.....	XXX		84,349	0	0	0	84,349	0
92. Dividends or refunds applied to shorten endowment or premium paying period.....	XXX		0	0	0	0	0	0
93. Premium or annuity considerations waived under disability or other contract provisions.....	XXX		35,890	0	0	0	35,890	0
94. Aggregate other amounts not allocable by State.....	XXX		0	0	0	0	0	0
95. Totals (Direct Business).....	XXX		6,251,273	197,610	14,484	0	6,463,367	0
96. Plus Reinsurance Assumed.....	XXX		23,115	0	0	0	23,115	0
97. Totals (All Business).....	XXX		6,274,388	197,610	14,484	0	6,486,482	0
98. Less Reinsurance Ceded.....	XXX		1,757,901	0	0	0	1,757,901	0
99. Totals (All Business) less Reinsurance Ceded.....	XXX		4,516,487	197,610	14,484	0	4,728,581	0

**DETAILS OF WRITE-INS**

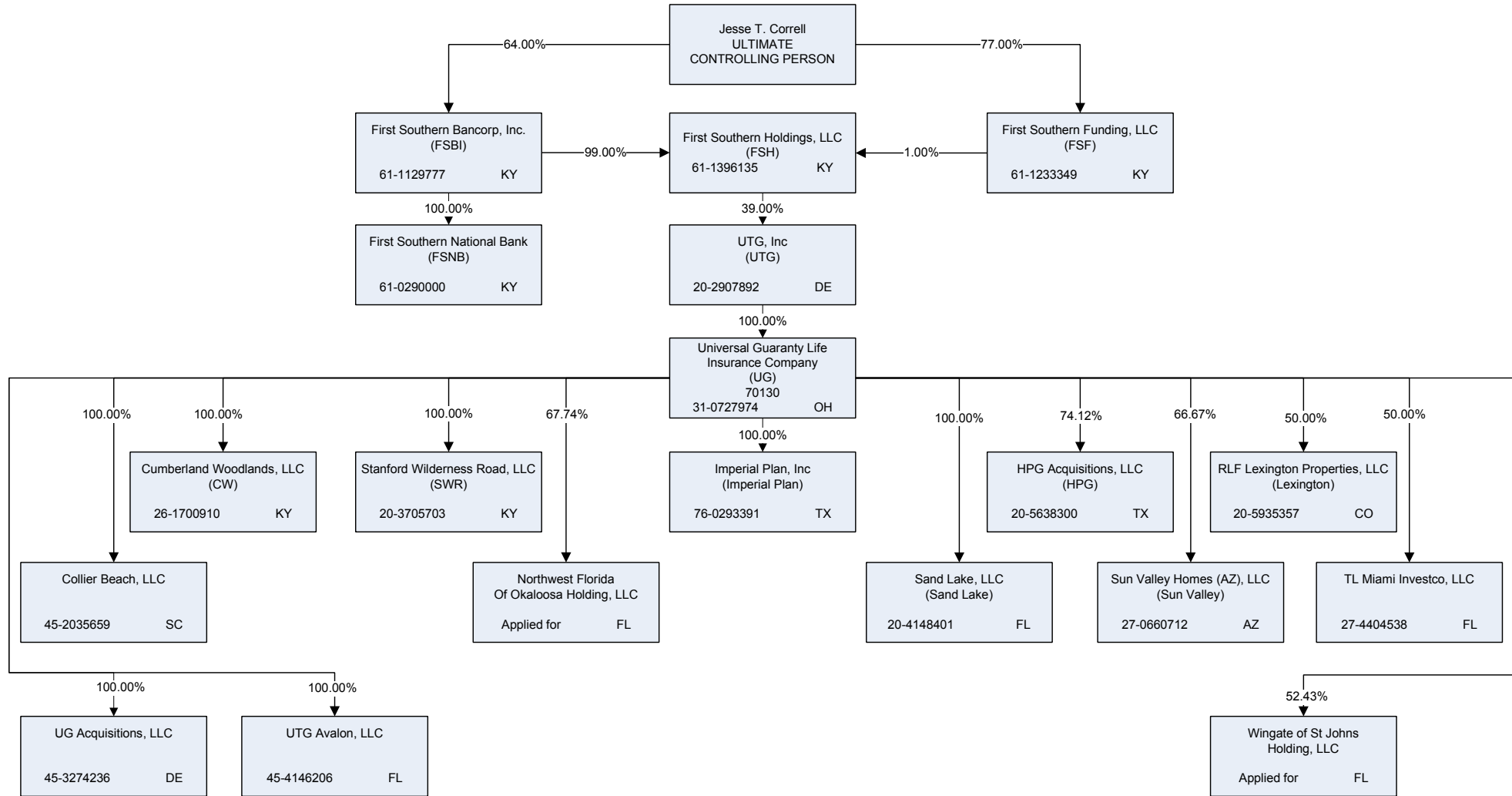
5801. ....	XXX		0	0	0	0	0	0
5802. ....	XXX		0	0	0	0	0	0
5803. ....	XXX		0	0	0	0	0	0
5898. Summary of remaining write-ins for line 58 from overflow page.....	XXX		0	0	0	0	0	0
5899. Total (Lines 5801 thru 5803 plus 5898) (Line 58 above).....	XXX		0	0	0	0	0	0
9401. ....	XXX		0	0	0	0	0	0
9402. ....	XXX		0	0	0	0	0	0
9403. ....	XXX		0	0	0	0	0	0
9498. Summary of remaining write-ins for line 94 from overflow page.....	XXX		0	0	0	0	0	0
9499. Total (Lines 9401 thru 9403 plus 9498) (Line 94 above).....	XXX		0	0	0	0	0	0

(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.

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

**SCHEDULE Y – INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP**

**PART 1 – ORGANIZATIONAL CHART**



Q12

## SCHEDULE Y

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

1 Group Code	2 Group Name	3 NAIC Company Code	4 Federal ID Number	5 Federal RSSD	6 CIK	7 Name of Securities Exchange if Publicly Traded (U.S. or International)	8 Names of Parent, Subsidiaries or Affiliates	9 Domiciliary Location	10 Relationship to Reporting Entity	11 Directly Controlled by (Name of Entity/Person)	12 Type of Control (Ownership Board, Management Attorney-in-Fact, Influence, Other)	13 If Control is Ownership Provide Percentage	14 Ultimate Controlling Entity(ies)/Person(s)	15 *
<b>Members</b>														
0		0	61-1129777	0	0		First Southern Bancorp, Inc.	KY	UIP	Jesse T. Correll	Ownership	64.000	Jesse T. Correll	0
0		0	61-1233349	0	0		First Southern Funding, LLC	KY	NIA	Jesse T. Correll	Ownership	77.000	Jesse T. Correll	0
0		0	61-1396135	0	0		First Southern Holdings, LLC	KY	UIP	First Southern Bancorp, Inc.	Ownership	99.000	Jesse T. Correll	0
0		0	61-0290000	702612	0		First Southern National Bank	KY	NIA	First Southern Bancorp, Inc.	Ownership	100.000	Jesse T. Correll	0
0		0	20-2907892	0	0000832480	Over the counter	UTG, Inc.	DE	DS	First Southern Holdings, LLC	Ownership	39.000	Jesse T. Correll	0
0		0	31-0727974	0	0		Universal Guaranty Life Insurance Co.	OH	UDP	UTG, Inc.	Ownership	100.000	Jesse T. Correll	0
0		0	76-0293391	0	0		Imperial Plan, Inc.	TX	DS	American Capitol Insurance Co.	Ownership	100.000	Jesse T. Correll	0
0		0	45-2035659	0	0		Collier Beach, LLC	SC	DS	Universal Guaranty Life Insurance Co.	Ownership	100.000	Jesse T. Correll	0
0		0	26-1700910	0	0		Cumberland Woodlands, LLC	KY	DS	Universal Guaranty Life Insurance Co.	Ownership	100.000	Jesse T. Correll	0
0		0	20-3705703	0	0		Stanford Wilderness Road, LLC	KY	DS	Universal Guaranty Life Insurance Co.	Ownership	100.000	Jesse T. Correll	0
0		0	20-5638300	0	0		HPG Acquisitions, LLC	TX	DS	Universal Guaranty Life Insurance Co.	Ownership	74.120	Jesse T. Correll	0
0		0	20-5935357	0	0		RLF Lexington Properties, LLC	CO	DS	Universal Guaranty Life Insurance Co.	Ownership	50.000	Jesse T. Correll	0
0		0		0	0		Northwest Florida of Okaloosa Holding, LLC	FL	DS	Universal Guaranty Life Insurance Co.	Ownership	67.740	Jesse T. Correll	0
0		0	20-4148401	0	0		Sand Lake, LLC	FL	DS	Universal Guaranty Life Insurance Co.	Ownership	100.000	Jesse T. Correll	0
0		0	27-0660712	0	0		Sun Valley Homes (AZ), LLC	AZ	DS	Universal Guaranty Life Insurance Co.	Ownership	66.670	Jesse T. Correll	0
0		0	27-4404538	0	0		TL Miami Investco, LLC	FL	DS	Universal Guaranty Life Insurance Co.	Ownership	50.000	Jesse T. Correll	0
0		0	45-3274236	0	0		UG Acquisitions, LLC	DE	DS	Universal Guaranty Life Insurance Co.	Ownership	100.000	Jesse T. Correll	0
0		0	45-4146206	0	0		UTG Avalon, LLC	FL	DS	Universal Guaranty Life Insurance Co.	Ownership	100.000	Jesse T. Correll	0
0		0		0	0		Wingate of St Johns Holding, LLC	FL	DS	Universal Guaranty Life Insurance Co.	Ownership	52.430	Jesse T. Correll	0

Q13

# Universal Guaranty Life Insurance Company

## SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

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

	Response
1. Will the Trusteed Surplus Statement be filed with the state of domicile and the NAIC with this statement?	SEE EXPLANATION
2. Will the Medicare Part D Coverage Supplement be filed with the state of domicile and the NAIC with this statement?	SEE EXPLANATION
3. Will the Reasonableness of Assumptions Certification required by Actuarial Guideline XXXV be filed with the state of domicile and electronically with the NAIC?	SEE EXPLANATION
4. Will the Reasonableness and Consistency of Assumptions Certification required by Actuarial Guideline XXXV be filed with the state of domicile and electronically with the NAIC?	SEE EXPLANATION
5. Will the Reasonableness of Assumptions Certification for Implied Guaranteed Rate Method required by Actuarial Guideline XXXVI be filed with the state of domicile and electronically with the NAIC?	SEE EXPLANATION
6. Will the Reasonableness and Consistency of Assumptions Certification required by Actuarial Guideline XXXVI (Updated Average Market Value) be filed with the state of domicile and electronically with the NAIC?	SEE EXPLANATION
7. Will the Reasonableness and Consistency of Assumptions Certification required by Actuarial Guideline XXXVI (Updated Market Value) be filed with the state of domicile and electronically with the NAIC?	SEE EXPLANATION

**Explanations:**

1. This line of business is not written by the company.
2. This line of business is not written by the company.
3. This line of business is not written by the company.
4. This line of business is not written by the company.
5. This line of business is not written by the company.
6. This line of business is not written by the company.
7. This line of business is not written by the company.

**Bar Code:**



**NONE**

# Universal Guaranty Life Insurance Company

## SCHEDULE A - VERIFICATION

### Real Estate

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year.....	14,106,556	18,813,670
2. Cost of acquired:		
2.1 Actual cost at time of acquisition.....	1,137,134	3,928,645
2.2 Additional investment made after acquisition.....	300,368	1,836,156
3. Current year change in encumbrances.....	.0	.0
4. Total gain (loss) on disposals.....	294,808	479,329
5. Deduct amounts received on disposals.....	3,584,700	8,205,567
6. Total foreign exchange change in book/adjusted carrying value.....	.0	.0
7. Deduct current year's other than temporary impairment recognized.....	.0	2,465,211
8. Deduct current year's depreciation.....	142,955	280,466
9. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5+6+7-8).....	12,111,211	14,106,556
10. Deduct total nonadmitted amounts.....	.0	.0
11. Statement value at end of current period (Line 9 minus Line 10).....	12,111,211	14,106,556

## SCHEDULE B - VERIFICATION

### Mortgage Loans

	1 Year to Date	2 Prior Year Ended December 31
1. Book value/recorded investment excluding accrued interest, December 31 of prior year.....	36,740,838	59,935,447
2. Cost of acquired:		
2.1 Actual cost at time of acquisition.....	21,313,365	6,673,601
2.2 Additional investment made after acquisition.....	540,516	4,449,785
3. Capitalized deferred interest and other.....	.0	.0
4. Accrual of discount.....	1,133,302	4,209,424
5. Unrealized valuation increase (decrease).....	.0	.0
6. Total gain (loss) on disposals.....	.0	.0
7. Deduct amounts received on disposals.....	6,876,822	37,072,476
8. Deduct amortization of premium and mortgage interest points and commitment fees.....	.0	269,149
9. Total foreign exchange change in book value/recorded investment excluding accrued interest.....	.0	.0
10. Deduct current year's other than temporary impairment recognized.....	.0	1,185,794
11. Book value/recorded investment excluding accrued interest at end of current period (Lines 1+2+3+4+5+6+7-8+9-10).....	52,851,199	36,740,838
12. Total valuation allowance.....	.0	.0
13. Subtotal (Line 11 plus Line 12).....	52,851,199	36,740,838
14. Deduct total nonadmitted amounts.....	.0	.0
15. Statement value at end of current period (Line 13 minus Line 14).....	52,851,199	36,740,838

## SCHEDULE BA - VERIFICATION

### Other Long-Term Invested Assets

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year.....	37,965,715	19,506,408
2. Cost of acquired:		
2.1 Actual cost at time of acquisition.....	609,980	21,263,198
2.2 Additional investment made after acquisition.....	2,148,845	2,114,029
3. Capitalized deferred interest and other.....	.0	.0
4. Accrual of discount.....	.0	.0
5. Unrealized valuation increase (decrease).....	1,115,180	636,624
6. Total gain (loss) on disposals.....	1,748,780	496,908
7. Deduct amounts received on disposals.....	8,238,664	5,156,233
8. Deduct amortization of premium and depreciation.....	.0	.0
9. Total foreign exchange change in book/adjusted carrying value.....	.0	.0
10. Deduct current year's other than temporary impairment recognized.....	.0	895,219
11. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5+6-7-8+9-10).....	35,349,836	37,965,715
12. Deduct total nonadmitted amounts.....	566,972	566,972
13. Statement value at end of current period (Line 11 minus Line 12).....	34,782,864	37,398,743

## SCHEDULE D - VERIFICATION

### Bonds and Stocks

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year.....	132,504,748	204,304,074
2. Cost of bonds and stocks acquired.....	135,822,218	164,255,726
3. Accrual of discount.....	25,316	66,032
4. Unrealized valuation increase (decrease).....	727,535	257,588
5. Total gain (loss) on disposals.....	8,384,284	6,667,029
6. Deduct consideration for bonds and stocks disposed of.....	84,396,923	243,003,792
7. Deduct amortization of premium.....	284,332	41,909
8. Total foreign exchange change in book/adjusted carrying value.....	.0	.0
9. Deduct current year's other than temporary impairment recognized.....	.0	.0
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9).....	192,782,846	132,504,748
11. Deduct total nonadmitted amounts.....	.0	.0
12. Statement value at end of current period (Line 10 minus Line 11).....	192,782,846	132,504,748

## SCHEDULE D - PART 1B

Showing the Acquisitions, Dispositions and Non-Trading Activity  
During the Current Quarter for all Bonds and Preferred Stock by Rating Class

	1	2	3	4	5	6	7	8
	Book/Adjusted Carrying Value Beginning of Current Quarter	Acquisitions During Current Quarter	Dispositions During Current Quarter	Non-Trading Activity During Current Quarter	Book/Adjusted Carrying Value End of First Quarter	Book/Adjusted Carrying Value End of Second Quarter	Book/Adjusted Carrying Value End of Third Quarter	Book/Adjusted Carrying Value December 31 Prior Year
<b>BONDS</b>								
1. Class 1 (a).....	69,115,951	7,377,824	22,601,571	(10,914)	69,115,951	53,881,290	.0	122,775,947
2. Class 2 (a).....	48,562,506	25,756,882	2,077,264	(102,769)	48,562,506	72,139,355	.0	12,651,461
3. Class 3 (a).....	24,633,543	2,380,018	2,622,950	(57,362)	24,633,543	24,333,249	.0	2,022,296
4. Class 4 (a).....	6,788,976	1,796,564	1,082,819	(2,258)	6,788,976	7,500,463	.0	.0
5. Class 5 (a).....	273,914	.0	.0	.0	273,914	273,914	.0	278,280
6. Class 6 (a).....	1,149,006	.0	.0	.0	1,149,006	1,149,006	.0	1,152,556
7. Total Bonds.....	150,523,896	37,311,288	28,384,604	(173,303)	150,523,896	159,277,277	.0	138,880,540
<b>PREFERRED STOCK</b>								
8. Class 1.....	3,200,000	8,335,013	.0	.0	3,200,000	11,535,013	.0	3,200,000
9. Class 2.....	.0	.0	.0	.0	.0	.0	.0	.0
10. Class 3.....	4,000,000	.0	.0	.0	4,979,290	4,000,000	.0	4,801,450
11. Class 4.....	1,958,580	.0	2,336,091	377,511	979,290	.0	.0	801,450
12. Class 5.....	.0	.0	.0	.0	.0	.0	.0	.0
13. Class 6.....	.0	.0	.0	.0	.0	.0	.0	.0
14. Total Preferred Stock.....	9,158,580	8,335,013	2,336,091	377,511	9,158,580	15,535,013	.0	8,802,900
15. Total Bonds and Preferred Stock.....	159,682,476	45,646,301	30,720,695	204,208	159,682,476	174,812,290	.0	147,683,440

QS102

(a) Book/Adjusted Carrying Value column for the end of the current reporting period includes the following amount of non-rated short-term and cash equivalent bonds by NAIC designation:  
NAIC 1 \$.....0; NAIC 2 \$.....0; NAIC 3 \$.....0; NAIC 4 \$.....0; NAIC 5 \$.....0; NAIC 6 \$.....0.

Statement as of June 30, 2012 of the **Universal Guaranty Life Insurance Company**  
**SCHEDULE DA - PART 1**

Short-Term Investments

	1 Book/Adjusted Carrying Value	2 Par Value	3 Actual Cost	4 Interest Collected Year To Date	5 Paid for Accrued Interest Year To Date
9199999. Totals.....	.....192,128	.....XXX.....	.....192,128	.....186	.....0

**SCHEDULE DA - VERIFICATION**

Short-Term Investments

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year.....	.....2,401,943	.....708,203
2. Cost of short-term investments acquired.....	.....1,615,060	.....3,036,803
3. Accrual of discount.....	.....0	.....0
4. Unrealized valuation increase (decrease).....	.....0	.....0
5. Total gain (loss) on disposals.....	.....0	.....0
6. Deduct consideration received on disposals.....	.....3,824,875	.....1,343,063
7. Deduct amortization of premium.....	.....0	.....0
8. Total foreign exchange change in book/adjusted carrying value.....	.....0	.....0
9. Deduct current year's other than temporary impairment recognized.....	.....0	.....0
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9).....	.....192,128	.....2,401,943
11. Deduct total nonadmitted amounts.....	.....0	.....0
12. Statement value at end of current period (Line 10 minus Line 11).....	.....192,128	.....2,401,943

**SCHEDULE DB - PART A - VERIFICATION**

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

1. Book/adjusted carrying value, December 31, prior year (Line 9, prior year).....	(1,325,058)
2. Cost paid/(consideration received) on additions.....	693,060
3. Unrealized valuation increase (decrease).....	353,038
4. Total gain (loss) on termination recognized.....	1,863,526
5. Considerations received (paid) on terminations.....	(908,008)
6. Amortization.....	0
7. Adjustment to the book/adjusted carrying value of hedge item.....	(1,635,311)
8. Total foreign exchange change in book/adjusted carrying value.....	0
9. Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 - 5 + 6 + 7 + 8).....	857,264
10. Deduct nonadmitted assets.....	0
11. Statement value at end of current period (Line 9 minus Line 10).....	857,264

**SCHEDULE DB - PART B - VERIFICATION**

## Futures Contracts

1. Book/adjusted carrying value, December 31, prior year.....	354,600
2. Net cash deposits (Section 1, Broker Name/Net Cash Deposits Footnote).....	0
3.1 Change in variation margin on open contracts.....	(354,600)
3.2 Add:	
Change in adjustment to basis of hedged item:	
3.21 Section 1, Column 17, current year to date minus.....	0
3.22 Section 1, Column 17, prior year.....	0
Change in amount recognized:	
3.23 Section 1, Column 16, current year to date minus.....	0
3.24 Section 1, Column 16, prior year.....	0
3.3 Subtotal (Line 3.1 minus Line 3.2).....	(354,600)
4.1 Variation margin on terminated contracts during the year.....	0
4.2 Less:	
4.21 Amount used to adjust basis of hedged item.....	0
4.22 Amount recognized.....	0
4.3 Subtotal (Line 4.1 minus Line 4.2).....	0
5. Dispositions gains (losses) on contracts terminated in prior year:	
5.1 Recognized.....	0
5.2 Used to adjust basis of hedged items.....	0
6. Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3.3 - 4.3 - 5.1 - 5.2).....	0
7. Deduct nonadmitted assets.....	0
8. Statement value at end of current period (Line 6 minus Line 7).....	0

**SCHEDULE DB - PART C - SECTION 1**

Replication (Synthetic Asset) Transactions Open as of Current Statement Date

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

**NONE**

## SCHEDULE DB - PART C - SECTION 2

### Reconciliation (Synthetic Asset) Transactions Open

	First Quarter		Second Quarter		Third Quarter		Fourth Quarter		Year-To-Date	
	1 Number of Positions	2 Total Replication (Synthetic Asset) Transactions Statement Value	3 Number of Positions	4 Total Replication (Synthetic Asset) Transactions Statement Value	5 Number of Positions	6 Total Replication (Synthetic Asset) Transactions Statement Value	7 Number of Positions	8 Total Replication (Synthetic Asset) Transactions Statement Value	9 Number of Positions	10 Total Replication (Synthetic Asset) Transactions Statement Value
1. Beginning Inventory.....	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
2. Add: Opened or acquired transactions.....	.0	.0	.0	<b>NONE</b>	.0	.0	.0	.0	.0	.0
3. Add: Increases in replication asset statement value.....	XXX	.0	XXX	.0	XXX	.0	XXX	.0	XXX	.0
4. Less: Closed or disposed of transactions.....	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
5. Less: Positions disposed of for failing effectiveness criteria.....	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
6. Less: Decreases in replication (synthetic asset) transactions statement value.....	XXX	.0	XXX	.0	XXX	.0	XXX	.0	XXX	.0
7. Ending Inventory.....	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0

**SCHEDULE DB - VERIFICATION**

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

		Book/Adjusted Carrying Value Check
1.	Part A, Section 1, Column 14.....	857,264
2.	Part B, Section 1, Column 14.....	0
3.	Total (Line 1 plus Line 2).....	<u>857,264</u>
4.	Part D, Column 5.....	7,726,989
5.	Part D, Column 6.....	(6,869,725)
6.	Total (Line 3 minus Line 4 minus Line 5).....	<u>0</u>
		Fair Value Check
7.	Part A, Section 1, Column 16.....	857,264
8.	Part B, Section 1, Column 13.....	0
9.	Total (Line 7 plus Line 8).....	<u>857,264</u>
10.	Part D, Column 8.....	7,726,989
11.	Part D, Column 9.....	(6,869,725)
12.	Total (Line 9 minus Line 10 minus Line 11).....	<u>0</u>
		Potential Exposure Check
13.	Part A, Section 1, Column 21.....	0
14.	Part B, Section 1, Column 19.....	0
15.	Part D, Column 11.....	0
16.	Total (Line 13 plus Line 14 minus Line 15).....	<u>0</u>

Statement as of June 30, 2012 of the **Universal Guaranty Life Insurance Company**  
**SCHEDULE E- VERIFICATION**  
Cash Equivalents

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year.....	29,500,131	0
2. Cost of cash equivalents acquired.....	0	29,500,131
3. Accrual of discount.....	0	0
4. Unrealized valuation increase (decrease).....	0	0
5. Total gain (loss) on disposals.....	0	0
6. Deduct consideration received on disposals.....	29,500,131	0
7. Deduct amortization of premium.....	0	0
8. Total foreign exchange change in book/ adjusted carrying value.....	0	0
9. Deduct current year's other than temporary impairment recognized.....	0	0
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9).....	0	29,500,131
11. Deduct total nonadmitted amounts.....	0	0
12. Statement value at end of current period (Line 10 minus Line 11).....	0	29,500,131

### SCHEDULE A - PART 2

Showing all Real Estate ACQUIRED AND ADDITIONS MADE During the Current Quarter

1 Description of Property	Location		4 Date Acquired	5 Name of Vendor	6 Actual Cost at Time of Acquisition	7 Amount of Encumbrances	8 Book/Adjusted Carrying Value Less Encumbrances	9 Additional Investment Made After Acquisition
	2 City	3 State						
<b>Acquired by Purchase</b>								
Gatewood Gardens.....	Cincinnati.....	OH.....		Strehl Builders.....	0	0	0	77,627
Vero 18.....	Vero Beach.....	FL.....		Scott Lewis Construction, LLC.....	0	0	0	14,964
110 Danville.....	Lancaster.....	KY.....		Strehl Builders.....	0	0	0	37,756
110 Danville.....	Lancaster.....	KY.....		Vanhook Architectural Services.....	0	0	0	3,060
Gatewood Gardens.....	Cincinnati.....	OH.....		Robert A. Goering, Treasurer.....	0	0	0	10,124
0199999. Totals.....					0	0	0	143,531
0399999. Totals.....					0	0	0	143,531

QE01

### SCHEDULE A - PART 3

Showing all Real Estate DISPOSED During the Quarter, Including Payments During the Final Year on "Sales Under Contract "

1 Description of Property	Location		4 Disposal Date	5 Name of Purchaser	6 Actual Cost	7 Expended for Additions, Permanent Improvements and Changes in Encumbrances	8 Book/Adjusted Carrying Value Less Encumbrances Prior Year	Change in Book/Adjusted Carrying Value Less Encumbrances					14 Book/Adjusted Carrying Value Less Encumbrances on Disposal	15 Amounts Received During Year	16 Foreign Exchange Gain (Loss) on Disposal	17 Realized Gain (Loss) on Disposal	18 Total Gain (Loss) on Disposal	19 Gross Income Earned Less Interest Incurred on Encumbrances	20 Taxes, Repairs, and Expenses Incurred
	2 City	3 State						9 Current Year's Depreciation	10 Current Year's Other Than Temporary Impairment Recognized	11 Current Year's Change in Encumbrances	12 Total Change in B./A.C.V. (11 - 9 - 10)	13 Total Foreign Exchange Change in B./A.C.V.							
Lynn-Alex & Sass Inc.....	Sharonville.....	OH.....	04/13/2012	Michael & Jennifer Hilton.....	39,583	0	0	0	0	0	0	0	0	58,727	0	19,144	19,144	0	860
Jarvis, Inc.....	Fort Myers.....	FL.....	05/25/2012	Brantley Commons Court.....	148,212	0	0	0	0	0	0	0	0	152,740	0	4,528	4,528	0	20,354
Home Office.....	Springfield.....	IL.....	05/31/2012	CWLP Energy Rebate.....	17,440	0	0	0	0	0	0	0	0	17,440	0	0	0	0	0
0199999. Totals.....					205,235	0	0	0	0	0	0	0	0	228,907	0	23,672	23,672	0	21,214
0399999. Totals.....					205,235	0	0	0	0	0	0	0	0	228,907	0	23,672	23,672	0	21,214

## SCHEDULE B - PART 2

Showing all Mortgage Loans ACQUIRED AND ADDITIONS MADE During the Current Quarter

1 Loan Number	2 Location City		3 State	4 Loan Type	5 Date Acquired	6 Rate of Interest	7 Actual Cost at Time of Acquisition	8 Additional Investment Made After Acquisition	9 Value of Land and Buildings
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**Mortgages in Good Standing**

**Residential Mortgages - All Other**

024F825.....	Somerset.....	KY.....		06/25/2012.....	.....7.000	.....735,000	.....0	.....1,000,000
0399999. Total - Mortgages in Good Standing - Residential Mortgages - All Other.....				.....XXX	.....XXX	.....735,000	.....0	.....1,000,000

**Commercial Mortgages - All Other**

024F734.....	St Paul.....	MN.....		12/28/2009.....	.....6.125	.....0	.....19,020	.....4,410,000
024F824.....	Las Vegas.....	NV.....		04/24/2012.....	.....5.500	.....6,000,000	.....0	.....9,342,857
024F828.....	Stone Mountain.....	GA.....		06/29/2012.....	.....5.500	.....5,200,000	.....0	.....8,025,000
024F829.....	Bethel Township.....	SC.....		06/29/2012.....	.....6.000	.....500,000	.....0	.....0
0599999. Total - Mortgages in Good Standing - Commercial Mortgages - All Other.....				.....XXX	.....XXX	.....11,700,000	.....19,020	.....21,777,857
0899999. Total - Mortgages in Good Standing.....				.....XXX	.....XXX	.....12,435,000	.....19,020	.....22,777,857

**Restructured Mortgages**

**Commercial Mortgages - All Other**

024F758.....	King of Prussia.....	PA.....		06/28/2010.....	.....4.500	.....0	.....1,235	.....1,138,393
300F067.....	Thornton.....	OH.....		12/30/2009.....	.....0.000	.....0	.....5,000	.....2,000,000
300F086.....	Greensboro.....	GA.....		03/31/2010.....	.....3.250	.....0	.....2,765	.....3,219,232
1399999. Total - Restructured Mortgages - Commercial Mortgages - All Other.....				.....XXX	.....XXX	.....0	.....9,000	.....6,357,625
1699999. Total - Restructured Mortgages.....				.....XXX	.....XXX	.....0	.....9,000	.....6,357,625

**Mortgages with Overdue Interest over 90 Days, Not in Process of Foreclosure**

**Commercial Mortgages - All Other**

024F609.....	Phoenix.....	AZ.....		09/30/2009.....	.....4.750	.....0	.....653	.....2,510,000
024F815.....	Kinsale.....	VA.....		09/28/2011.....	.....3.250	.....0	.....10,732	.....2,534,000
024F816.....	Harrison.....	OH.....		09/28/2011.....	.....6.500	.....0	.....3,811	.....600,000
024F817.....	Cincinnati.....	OH.....		09/28/2011.....	.....6.250	.....0	.....16,429	.....340,000
024F818.....	Cincinnati.....	OH.....		09/28/2011.....	.....6.500	.....0	.....44,156	.....1,751,000
024F826.....	Houston.....	TX.....		06/25/2012.....	.....5.150	.....1,178,365	.....0	.....0
024F827.....	Houston.....	TX.....		06/25/2012.....	.....6.150	.....2,200,000	.....0	.....8,000,000
300F014.....	Williamsburg.....	MI.....		12/30/2009.....	.....8.000	.....0	.....3,481	.....220,000
2199999. Total - Mortgages with Overdue Interest over 90 Days, Not in Process of Foreclosure - Commercial Mortgages - All Other.....				.....XXX	.....XXX	.....3,378,365	.....79,262	.....15,955,000
2499999. Total - Mortgages with Overdue Interest over 90 Days, Not in Process of Foreclosure.....				.....XXX	.....XXX	.....3,378,365	.....79,262	.....15,955,000

**Mortgages in the Process of Foreclosure**

**Commercial Mortgages - All Other**

024F718.....	Columbus.....	OH.....		12/14/2009.....	.....4.744	.....0	.....30,608	.....4,440,000
024F759.....	Philadelphia.....	PA.....		06/28/2010.....	.....7.250	.....0	.....270	.....240,000
024F760.....	Phoenix.....	AZ.....		06/28/2010.....	.....6.500	.....0	.....780	.....850,000
024F769.....	Allentown.....	PA.....		06/28/2010.....	.....4.250	.....0	.....2,605	.....135,695
024F774.....	Allentown.....	PA.....		06/28/2010.....	.....4.250	.....0	.....1,074	.....128,186
300F055.....	Holland.....	OH.....		12/30/2009.....	.....7.750	.....0	.....3,959	.....632,276
300F062.....	Holland.....	OH.....		12/30/2009.....	.....8.500	.....0	.....5,086	.....93,713
300F076.....	Cincinnati.....	OH.....		12/30/2009.....	.....9.800	.....0	.....12,365	.....2,100,000

QE02

### SCHEDULE B - PART 2

Showing all Mortgage Loans ACQUIRED AND ADDITIONS MADE During the Current Quarter

1 Loan Number	2 Location		4 Loan Type	5 Date Acquired	6 Rate of Interest	7 Actual Cost at Time of Acquisition	8 Additional Investment Made After Acquisition	9 Value of Land and Buildings
	2 City	3 State						
300F082	Toquop Township	NV		02/16/2010	3.250	0	.722	27,014,350
2999999. Total - Mortgages in the Process of Foreclosure - Commercial Mortgages - All Other				XXX	XXX	0	57,469	35,634,220
3299999. Total - Mortgages in the Process of Foreclosure				XXX	XXX	0	57,469	35,634,220
3399999. Total Mortgages				XXX	XXX	15,813,365	164,751	80,724,702

### SCHEDULE B - PART 3

Showing all Mortgage Loans DISPOSED, Transferred or Repaid During the Current Quarter

1 Loan Number	2 Location		4 Loan Type	5 Date Acquired	6 Disposal Date	7 Book Value/Recorded Investment Excluding Accrued Interest Prior Year	9 Change in Book Value/Recorded Investment						14 Book Value/Recorded Investment Excluding Accrued Interest on Disposal	15 Consideration	16 Foreign Exchange Gain (Loss) on Disposal	17 Realized Gain (Loss) on Disposal	18 Total Gain (Loss) on Disposal	
	2 City	3 State					8 Unrealized Valuation Increase (Decrease)	9 Current Year's (Amortization)/Accretion	10 Current Year's Other Than Temporary Impairment Recognized	11 Capitalized Deferred Interest and Other	12 Total Change in Book Value (8+9-10+11)	13 Total Foreign Exchange Change in Book Value						
<b>Mortgages Closed by Repayment</b>																		
024F641	Armada	MI		12/14/2009	04/02/2012	1,599	0	68,547	0	0	0	68,547	0	70,146	70,146	0	0	0
300F055	Holland	OH		12/30/2009	06/26/2012	278,576	0	0	0	0	0	0	0	287,580	287,580	0	0	0
300F056	Holland	OH		12/30/2009	06/26/2012	179,029	0	0	0	0	0	0	0	179,029	179,029	0	0	0
300F057	Holland	OH		12/30/2009	06/26/2012	61,736	0	0	0	0	0	0	0	61,736	61,736	0	0	0
300F062	Holland	OH		12/30/2009	06/26/2012	56,197	0	0	0	0	0	0	0	82,620	82,620	0	0	0
300F063	Holland	OH		12/30/2009	06/26/2012	15,000	0	0	0	0	0	0	0	15,000	15,000	0	0	0
300F064	Holland	OH		12/30/2009	06/26/2012	0	0	0	0	0	0	0	0	0	0	0	0	0
300F065	Holland	OH		12/30/2009	06/26/2012	14,915	0	0	0	0	0	0	0	14,915	14,915	0	0	0
0199999. Total - Mortgages Closed by Repayment						607,052	0	68,547	0	0	0	68,547	0	711,026	711,026	0	0	0
<b>Mortgages With Partial Repayments</b>																		
024F575	Dallas	TX		06/07/2007		1,437,989	0	0	0	0	0	0	0	44,837	44,837	0	0	0
024F585	Livingston	TX		08/10/2007		108,693	0	0	0	0	0	0	0	395	395	0	0	0
024F587	Monticello	KY		08/15/2007		66,276	0	0	0	0	0	0	0	583	583	0	0	0
024F588	Somerset	KY		08/14/2007		84,554	0	0	0	0	0	0	0	1,216	1,216	0	0	0
024F603	Nicholasville	KY		02/19/2008		786,848	0	0	0	0	0	0	0	4,986	4,986	0	0	0
024F606	Huntington	WV		06/17/2008		1,955,906	0	0	0	0	0	0	0	63,551	63,551	0	0	0
024F609	Phoenix	AZ		09/30/2009		28,973	0	0	0	0	0	0	0	7,482	7,482	0	0	0
024F613	Louisville	KY		10/08/2008		568,830	0	0	0	0	0	0	0	166	166	0	0	0
024F619	Lake Elsinore	CA		12/11/2009		303,763	0	0	0	0	0	0	0	3,778	3,778	0	0	0
024F620	Oakland	CA		12/11/2009		507,162	0	0	0	0	0	0	0	4,132	4,132	0	0	0
024F624	Wheeling	WV		12/14/2009		0	0	737	0	0	0	737	0	737	737	0	0	0
024F630	Wickliff	OH		12/14/2009		0	0	1,584	0	0	0	1,584	0	1,584	1,584	0	0	0
024F741	Ft Pierce	FL		01/19/2010		775,632	0	0	0	0	0	0	0	403	403	0	0	0
024F734	St. Paul	MN		12/28/2009		1,642,667	0	0	0	0	0	0	0	13,104	13,104	0	0	0

QE02.1

### SCHEDULE B - PART 3

Showing all Mortgage Loans DISPOSED, Transferred or Repaid During the Current Quarter

1 Loan Number	Location		4 Loan Type	5 Date Acquired	6 Disposal Date	7 Book Value/ Recorded Investment Excluding Accrued Interest Prior Year	Change in Book Value/Recorded Investment					14 Book Value/ Recorded Investment Excluding Accrued Interest on Disposal	15 Consideration	16 Foreign Exchange Gain (Loss) on Disposal	17 Realized Gain (Loss) on Disposal	18 Total Gain (Loss) on Disposal	
	2 City	3 State					8 Unrealized Valuation Increase (Decrease)	9 Current Year's (Amortization)/ Accretion	10 Current Year's Other Than Temporary Impairment Recognized	11 Capitalized Deferred Interest and Other	12 Total Change in Book Value (8+9-10+11)						13 Total Foreign Exchange Change in Book Value
024F736	Woodlawn	MD		12/28/2009		620,377	0	0	0	0	0	0	4,934	4,934	0	0	0
024F737	Birmingham	AL		12/28/2009		824,565	0	0	0	0	0	0	6,576	6,576	0	0	0
024F738	Brunswick County	NC		12/28/2009		1,052,423	0	0	0	0	0	0	226,848	226,848	0	0	0
024F748	Lancaster	KY		03/12/2010		1,693,938	0	0	0	0	0	0	11,027	11,027	0	0	0
024F777	Amity	PA		06/28/2010		78,110	0	0	0	0	0	0	3,297	3,297	0	0	0
024F778	Amity	PA		06/28/2010		33,206	0	0	0	0	0	0	7,487	7,487	0	0	0
024F791	Emmaus	PA		06/28/2010		9,968	0	0	0	0	0	0	212	212	0	0	0
024F793	Emmaus	PA		06/28/2010		10,204	0	0	0	0	0	0	1,448	1,448	0	0	0
024F817	Cincinnati	OH		09/28/2011		49,968	0	0	0	0	0	0	3,958	3,958	0	0	0
024F818	Cincinnati	OH		09/28/2011		359,004	0	0	0	0	0	0	25,567	25,567	0	0	0
024F820	Guilford	IN		09/28/2011		111,262	0	0	0	0	0	0	2,298	2,298	0	0	0
024F824	Las Vegas	NV		04/24/2012		0	0	0	0	0	0	0	25,858	25,858	0	0	0
300F029	Columbus	OH		12/30/2009		65,474	0	0	0	0	0	0	5,178	5,178	0	0	0
300F031	Columbus	OH		12/30/2009		127,285	0	0	0	0	0	0	4,389	4,389	0	0	0
300F032	Columbus	OH		12/30/2009		0	0	811	0	0	811	0	811	811	0	0	0
300F081	Ft Pierce	FL		01/19/2010		1,042,697	0	0	0	0	0	0	541	541	0	0	0
ML-0218011	Winchester	TN		12/30/2009		39,811	0	0	0	0	0	0	714	714	0	0	0
0299999. Total - Mortgages With Partial Repayments						14,385,585	0	3,132	0	0	3,132	0	478,097	478,097	0	0	0
0599999. Total Mortgages						14,992,637	0	71,679	0	0	71,679	0	1,189,123	1,189,123	0	0	0

QE02.2

### SCHEDULE BA - PART 2

Showing Other Long-Term Invested Assets ACQUIRED AND ADDITIONS MADE During the Current Quarter

1 CUSIP Identification	2 Name or Description	Location		5 Name of Vendor or General Partner	6 NAIC Desig- nation	7 Date Originally Acquired	8 Type and Strategy	9 Actual Cost at Time of Acquisition	10 Additional Investment Made After Acquisition	11 Amount of Encumbrances	12 Commitment for Additional Investment	13 Percentage of Ownership
		3 City	4 State									
<b>Mineral Rights - Unaffiliated</b>												
	Marcellus IV, LLP.....	North Gauley.....	WV.....	Marcellus IV, LLP.....		04/02/2012.....	0	48,000	0	0	1,752,000	18.0
0599999. Total - Mineral Rights - Unaffiliated.....								48,000	0	0	1,752,000	XXX
<b>Joint Venture or Partnership Interests That Have Underlying Characteristics of Real Estate - Affiliated</b>												
	Collier Beach, LLC.....	Hilton Head.....	SC.....	Collier Beach, LLC.....		05/02/2011.....	0	0	281,878	0	0	100.0
	UTG Avalon, LLC.....	St. Lucie County.....	FL.....	UTG Avalon, LLC.....		04/06/2011.....	0	0	602,738	0	0	100.0
	UG Acquisitions, LLC.....	Scottsdale.....	AZ.....	UG Acquisitions, LLC.....		08/01/2011.....	0	190,000	135,000	0	0	100.0
1899999. Total - Joint Venture or Partnership Interests That Have Underlying Characteristics of Real Estate - Affiliated.....								190,000	1,019,616	0	0	XXX
<b>Joint Venture or Partnership Interests That Have Underlying Characteristics of Other - Unaffiliated</b>												
	Llano Music, LLC.....	Nashville.....	TN.....	Llano Music, LLC.....		09/22/2010.....	0	0	180,000	0	1,466,000	20.0
1999999. Total - Joint Venture or Partnership Interests That Have Underlying Characteristics of Other - Unaffiliated.....								0	180,000	0	1,466,000	XXX
3999999. Subtotal - Unaffiliated.....								48,000	180,000	0	3,218,000	XXX
4099999. Subtotal - Affiliated.....								190,000	1,019,616	0	0	XXX
4199999. Totals.....								238,000	1,199,616	0	3,218,000	XXX

QE03

### SCHEDULE BA - PART 3

Showing Other Long-Term Invested Assets DISPOSED, Transferred or Repaid During the Current Quarter

1 CUSIP Identification	2 Name or Description	Location		5 Name of Purchaser or Nature of Disposal	6 Date Originally Acquired	7 Disposal Date	8 Book/Adjusted Carrying Value Less Encumbrances, Prior Year	Changes in Book/Adjusted Carrying Value						15 Book/Adjusted Carrying Value Less Encumbrances on Disposal	16 Consideration	17 Foreign Exchange Gain (Loss) on Disposal	18 Realized Gain (Loss) on Disposal	19 Total Gain (Loss) on Disposal	20 Investment Income
		3 City	4 State					9 Unrealized Valuation Increase (Decrease)	10 Current Year's (Depreciation) or (Amortization)/ Accretion	11 Current Year's Other Than Temporary Impairment Recognized	12 Capitalized Deferred Interest and Other	13 Total Change in B./A.C.V. (9+10-11+12)	14 Total Foreign Exchange Change in B./A.C.V.						
<b>Oil and Gas Production Payments - Unaffiliated</b>																			
	SFF Royalty, LLC.....	Abilene.....	TX...	Return of Capital.....	09/30/2011		0	0	0	0	0	0	0	263,466	263,466	0	0	0	0
0199999. Total - Oil and Gas Production Payments - Unaffiliated.....								0	0	0	0	0	0	263,466	263,466	0	0	0	0
<b>Mineral Rights - Unaffiliated</b>																			
	Marcellus I.....	North Gauley.....	WV...	Return of Capital.....	06/30/2011		0	0	0	0	0	0	0	36,244	36,244	0	0	0	0
	Marcellus II.....	North Gauley.....	WV...	Return of Capital.....	06/30/2011		0	0	0	0	0	0	0	385,141	385,141	0	0	0	0
0599999. Total - Mineral Rights - Unaffiliated.....								0	0	0	0	0	0	421,385	421,385	0	0	0	0
<b>Joint Venture or Partnership Interests That Have Underlying Characteristics of Real Estate - Affiliated</b>																			
	Sun Valley Homes (AZ), LLC.....	Phoenix.....	AZ...	Sun Valley Homes (AZ), LLC.....	08/06/2009		0	0	0	0	0	0	0	8,000	8,000	0	0	0	0
1899999. Total - Joint Venture or Partnership Interests That Have Underlying Characteristics of Real Estate - Affiliated.....								0	0	0	0	0	0	8,000	8,000	0	0	0	0
3999999. Subtotal - Unaffiliated.....								0	0	0	0	0	0	684,851	684,851	0	0	0	0
4099999. Subtotal - Affiliated.....								0	0	0	0	0	0	8,000	8,000	0	0	0	0
4199999. Totals.....								0	0	0	0	0	0	692,851	692,851	0	0	0	0

### SCHEDULE D - PART 3

Show all Long-Term Bonds and Stock Acquired During the Current Quarter

1 CUSIP Identification	2 Description	3 Foreign	4 Date Acquired	5 Name of Vendor	6 Number of Shares of Stock	7 Actual Cost	8 Par Value	9 Paid for Accrued Interest and Dividends	10 NAIC Designation or Market Indicator (a)
<b>Bonds - Industrial and Miscellaneous</b>									
04273W AB 7	Arrow Electronics Inc.....		...04/26/2012	Cantor Fitzgerald & Co.....		.....2,085,578	.....2,000,000	.....17,083	2FE.....
122014 AH 6	Burlington Resources Inc.....		...05/01/2012	Cantor Fitzgerald & Co.....		.....2,776,018	.....2,000,000	.....22,322	1FE.....
12527G AB 9	CF Inds Inc.....		...04/10/2012	Cantor Fitzgerald & Co.....		.....2,380,018	.....2,000,000	.....64,125	3FE.....
18683K AD 3	Cliffs Natural Resources.....		...04/26/2012	Cantor Fitzgerald & Co.....		.....3,159,048	.....3,000,000	.....12,188	2FE.....
454614 AK 4	Indiana Bell Tel Inc.....		...04/27/2012	Cantor Fitzgerald & Co.....		.....3,743,156	.....3,000,000	.....41,164	1FE.....
464288 51 3	iSHARES TR - Iboxx \$ High Yield.....		...05/22/2012	Goldman Sachs.....		.....1,421,546	.....0	.....0	4.....
496902 AJ 6	Kinross Gold Corp.....		...04/26/2012	Cantor Fitzgerald & Co.....		.....2,064,738	.....2,000,000	.....17,083	2FE.....
631103 AD 0	Nasdaq Stk Mkt Inc.....		...04/26/2012	Cantor Fitzgerald & Co.....		.....1,051,458	.....1,000,000	.....16,342	2FE.....
652478 AX 6	News America Holdings Inc.....		...04/26/2012	Cantor Fitzgerald & Co.....		.....2,636,798	.....2,000,000	.....32,111	2FE.....
70336T AC 8	Patriot Coal Corporation.....		...05/02/2012	Cantor Fitzgerald & Co.....		.....375,018	.....500,000	.....802	4FE.....
751028 AF 8	Ralcorp Hldgs Inc New.....		...04/26/2012	Cantor Fitzgerald & Co.....		.....1,868,670	.....1,800,000	.....18,810	2FE.....
939640 AD 0	Washington Post Co.....		...04/26/2012	Cantor Fitzgerald & Co.....		.....4,671,096	.....4,000,000	.....69,278	2FE.....
94707V AC 4	Weatherford Intl Ltd.....		...04/20/2012	Cantor Fitzgerald & Co.....		.....2,052,814	.....2,000,000	.....5,250	2FE.....
96332H CD 9	Whirlpool Corp.....		...04/26/2012	Cantor Fitzgerald & Co.....		.....4,152,076	.....4,000,000	.....71,133	2FE.....
96332H CE 7	Whirlpool Corp.....		...06/04/2012	Cantor Fitzgerald & Co.....		.....2,014,606	.....2,000,000	.....1,306	2FE.....
3899999.	Total - Bonds - Industrial & Miscellaneous.....					.....36,452,638	.....31,300,000	.....388,997	.....XXX.....
8399997.	Total - Bonds - Part 3.....					.....36,452,638	.....31,300,000	.....388,997	.....XXX.....
8399999.	Total - Bonds.....					.....36,452,638	.....31,300,000	.....388,997	.....XXX.....
<b>Preferred Stocks - Industrial and Miscellaneous</b>									
309562 20 5	Farmers Cap Bank Corp Cum Perpetua.....		...06/13/2012	HILLIARD LYONS, INC.....	.....11,250.000	.....8,335,013	.....1,000.00	.....53,100	P1VZ.....
8499999.	Total - Preferred Stocks - Industrial & Miscellaneous.....					.....8,335,013	.....XXX.....	.....53,100	.....XXX.....
8999997.	Total - Preferred Stocks - Part 3.....					.....8,335,013	.....XXX.....	.....53,100	.....XXX.....
8999999.	Total - Preferred Stocks.....					.....8,335,013	.....XXX.....	.....53,100	.....XXX.....
<b>Common Stocks - Industrial and Miscellaneous</b>									
00162Q 86 6	Alps ETF TR Alerian MLP.....		...06/11/2012	Goldman Sachs.....	.....5,000.000	.....78,350	.....XXX.....	.....0	A.....
00206R 10 2	AT&T Inc.....		...04/18/2012	Goldman Sachs.....	.....5,900.000	.....180,671	.....XXX.....	.....0	L.....
002824 10 0	Abbott Labs.....		...04/17/2012	Goldman Sachs.....	.....3,000.000	.....179,111	.....XXX.....	.....0	L.....
023477 30 0	AMEN PPTYS Inc.....		...06/06/2012	Ameritrade.....	.....15.000	.....8,170	.....XXX.....	.....0	A.....
06741L 60 9	Barclays Bank PLC Ipath S&P 500 Dynamic.....		...05/09/2012	Goldman Sachs.....	.....1,791.000	.....100,027	.....XXX.....	.....0	A.....
189054 10 9	Clorox Co.....		...04/18/2012	Goldman Sachs.....	.....2,600.000	.....181,285	.....XXX.....	.....0	L.....
191216 10 0	Coca Cola Co.....		...04/18/2012	Goldman Sachs.....	.....2,500.000	.....180,463	.....XXX.....	.....0	L.....
209115 10 4	Consolidated Edison Inc.....		...04/18/2012	Goldman Sachs.....	.....3,100.000	.....179,993	.....XXX.....	.....0	L.....
22542D 79 5	Velocityshares Daily Inverse VIX Short Term ETN.....		...06/06/2012	Goldman Sachs.....	.....4,971.000	.....52,655	.....XXX.....	.....0	A.....
309562 10 6	Farmers Capital Bank Corp.....		...06/18/2012	Goldman Sachs.....	.....81,281.000	.....433,141	.....XXX.....	.....0	L.....
461556 10 2	Investors Heritage Capital Corp.....		...06/26/2012	HILLIARD LYONS, INC.....	.....2,782.000	.....50,781	.....XXX.....	.....0	A.....
713448 10 8	Pepsico Inc.....		...04/18/2012	Goldman Sachs.....	.....2,800.000	.....182,658	.....XXX.....	.....0	L.....
742718 10 9	The Procter & Gamble Company.....		...04/18/2012	Goldman Sachs.....	.....1,900.000	.....125,484	.....XXX.....	.....0	L.....
78462F 10 3	AMEX S&P Depository Receipts.....		...06/28/2012	Goldman Sachs.....	.....3,000.000	.....404,120	.....XXX.....	.....0	L.....
931142 10 3	Wal-Mart Stores Inc.....		...04/17/2012	Goldman Sachs.....	.....5,000.000	.....300,495	.....XXX.....	.....0	L.....

QE04

### SCHEDULE D - PART 3

Show all Long-Term Bonds and Stock Acquired During the Current Quarter

1 CUSIP Identification	2 Description	3 Foreign	4 Date Acquired	5 Name of Vendor	6 Number of Shares of Stock	7 Actual Cost	8 Par Value	9 Paid for Accrued Interest and Dividends	10 NAIC Designation or Market Indicator (a)
94106L 10 9	Waste Management Inc.....		...04/18/2012	Goldman Sachs.....	.....1,000,000	.....35,340	.....XXX.....	.....0	L.....
9099999.	Total - Common Stocks - Industrial & Miscellaneous.....					.....2,672,744	.....XXX.....	.....0	.....XXX.....
<b>Common Stocks - Parent, Subsidiaries and Affiliates</b>									
23087# 10 4	Cumberland Woodlands, LLC.....		...06/12/2012	CAPITAL INFUSION.....	.....0.000	.....935,000	.....XXX.....	.....0	.....
85440# 10 5	Stanford Wilderness Road, LLC.....		...06/01/2012	CAPITAL INFUSION.....	.....0.000	.....50,000	.....XXX.....	.....0	.....
9199999.	Total - Common Stocks - Parent, Subsidiaries and Affiliates.....					.....985,000	.....XXX.....	.....0	.....XXX.....
9799997.	Total - Common Stocks - Part 3.....					.....3,657,744	.....XXX.....	.....0	.....XXX.....
9799999.	Total - Common Stocks.....					.....3,657,744	.....XXX.....	.....0	.....XXX.....
9899999.	Total - Preferred and Common Stocks.....					.....11,992,757	.....XXX.....	.....53,100	.....XXX.....
9999999.	Total - Bonds, Preferred and Common Stocks.....					.....48,445,395	.....XXX.....	.....442,097	.....XXX.....

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues:.....0.

## SCHEDULE D - PART 4

Show All Long-Term Bonds and Stock Sold, Redeemed or Otherwise Disposed of During the Current Quarter

1 CUSIP Identification	2 Description	3 F o r e i g n	4 Disposal Date	5 Name of Purchaser	6 Number of Shares of Stock	7 Consideration	8 Par Value	9 Actual Cost	10 Prior Year Book/ Adjusted Carrying Value	Change in Book/Adjusted Carrying Value					16 Book/ Adjusted Carrying Value At Disposal Date	17 Foreign Exchange Gain (Loss) on Disposal	18 Realized Gain (Loss) on Disposal	19 Total Gain (Loss) on Disposal	20 Bond Interest/ Stock Dividends Received During Year	21 Stated Contractual Maturity Date	22 NAIC Design- ation or Market Indicator (a)	
										11 Unrealized Valuation Increase/ (Decrease)	12 Current Year's (Amortization)/ Accretion	13 Current Year's Other Than Temporary Impairment Recognized	14 Total Change in B./A.C.V. (11+12-13)	15 Total Foreign Exchange Change in B./A.C.V.								
<b>Bonds - U.S. Government</b>																						
912810	QH 4		05/17/2012	Cantor Fitzgerald & Co.....		3,895,864	2,975,000	2,903,820	2,904,714	0	463	0	463	0	2,905,176	0	990,688	990,688	65,604	05/15/2040	1.....	
912810	QK 7		05/17/2012	Cantor Fitzgerald & Co.....		3,546,767	3,010,000	2,689,649	2,693,620	0	1,891	0	1,891	0	2,695,511	0	851,256	851,256	84,659	08/15/2040	1.....	
912810	QL 5		04/04/2012	Cantor Fitzgerald & Co.....		3,546,390	3,035,000	2,897,504	2,899,177	0	598	0	598	0	2,899,775	0	646,615	646,615	50,319	11/15/2040	1.....	
912810	QN 1		04/10/2012	Cantor Fitzgerald & Co.....		3,889,886	2,950,000	3,060,982	3,059,645	0	(501)	0	(501)	0	3,059,144	0	830,742	830,742	91,418	02/15/2041	1.....	
0599999	Total - Bonds - U.S. Government.....						14,878,907	11,970,000	11,551,955	11,557,156	0	2,451	0	2,451	0	11,559,606	0	3,319,301	3,319,301	292,000	....XXX...	....XXX...
<b>Bonds - U.S. Political Subdivisions of States, Territories and Possessions</b>																						
49130P	P4 0		05/01/2012	CALLED @ 100.0000000.....		10,000	10,000	10,000	10,000	0	0	0	0	0	10,000	0	0	0	311	01/01/2037	1FE.....	
2499999	Total - Bonds - U.S. Political Subdivisions of States, Territories & Possessions.....						10,000	10,000	10,000	10,000	0	0	0	0	10,000	0	0	0	311	....XXX...	....XXX...	
<b>Bonds - U.S. Special Revenue and Special Assessment</b>																						
31394H	P3 9		06/15/2012	PRINCIPAL RECEIPT.....		185,821	185,821	184,573	185,394	0	427	0	427	0	185,821	0	0	0	3,858	09/15/2017	1.....	
31340Y	DB 2		06/15/2012	PRINCIPAL RECEIPT.....		222	222	227	222	0	0	0	0	0	222	0	0	0	8	11/15/2019	3.....	
31360F	CN 3		06/25/2012	PRINCIPAL RECEIPT.....		376	376	388	382	0	(6)	0	(6)	0	376	0	0	0	8	10/01/2023	1.....	
3199999	Total - Bonds - U.S. Special Revenue & Assessment.....						186,419	186,419	185,188	185,998	0	421	0	421	0	186,419	0	0	0	3,874	....XXX...	....XXX...
<b>Bonds - Industrial and Miscellaneous</b>																						
453083	LR 6		06/28/2012	PRINCIPAL RECEIPT.....		11	11	11	11	0	0	0	0	0	11	0	0	0	0	02/25/2018	1.....	
464287	43 2		05/16/2012	Goldman Sachs.....		266,127	0	266,127	0	0	0	0	0	0	0	0	0	0	5,640	.....	1.....	
464288	51 3		06/28/2012	Goldman Sachs.....		1,087,376	0	1,082,819	0	0	0	0	0	1,082,819	0	4,557	4,557	3,577	4	.....	4.....	
651587	AC 1		04/16/2012	CALLED @ 103.5630000.....		1,605,227	1,550,000	1,608,125	0	0	(4,036)	0	(4,036)	0	1,604,089	0	1,138	1,138	37,119	12/15/2016	3FE.....	
76110W	WE 2		06/25/2012	PRINCIPAL RECEIPT.....		766	766	775	773	0	(7)	0	(7)	0	766	0	0	0	15	12/25/2031	2.....	
921937	83 5		06/26/2012	Cantor Fitzgerald & Co.....		9,356,386	0	8,816,984	8,816,984	0	0	0	0	8,816,984	0	539,402	539,402	116,721	.....	1.....		
92769V	AC 3		04/03/2012	Cantor Fitzgerald & Co.....		992,482	1,000,000	1,018,768	0	0	(129)	0	(129)	0	1,018,639	0	(26,157)	(26,157)	3,792	02/15/2022	3FE.....	
96332H	CD 9		06/04/2012	Cantor Fitzgerald & Co.....		2,075,504	2,000,000	2,077,358	0	0	(860)	0	(860)	0	2,076,498	0	(994)	(994)	46,075	06/15/2021	2FE.....	
3899999	Total - Bonds - Industrial & Miscellaneous.....						15,383,879	4,550,777	14,870,967	8,817,768	0	(5,032)	0	(5,032)	0	14,599,806	0	517,946	517,946	212,939	....XXX...	....XXX...
8399997	Total - Bonds - Part 4.....						30,459,205	16,717,196	26,618,110	20,570,922	0	(2,160)	0	(2,160)	0	26,355,831	0	3,837,247	3,837,247	509,124	....XXX...	....XXX...
8399999	Total - Bonds.....						30,459,205	16,717,196	26,618,110	20,570,922	0	(2,160)	0	(2,160)	0	26,355,831	0	3,837,247	3,837,247	509,124	....XXX...	....XXX...
<b>Preferred Stocks - Industrial and Miscellaneous</b>																						
37045V	20 9		06/15/2012	Goldman Sachs.....		46,800,000	1,754,521	0.00	2,336,091	0	733,191	0	733,191	0	2,336,091	0	(581,571)	(581,571)	31,825	....XXX...	P4L.....	
8499999	Total - Preferred Stocks - Industrial & Miscellaneous.....						1,754,521	XXX	2,336,091	0	733,191	0	733,191	0	2,336,091	0	(581,571)	(581,571)	31,825	....XXX...	....XXX...	
8999997	Total - Preferred Stocks - Part 4.....						1,754,521	XXX	2,336,091	0	733,191	0	733,191	0	2,336,091	0	(581,571)	(581,571)	31,825	....XXX...	....XXX...	
8999999	Total - Preferred Stocks.....						1,754,521	XXX	2,336,091	0	733,191	0	733,191	0	2,336,091	0	(581,571)	(581,571)	31,825	....XXX...	....XXX...	
<b>Common Stocks - Industrial and Miscellaneous</b>																						
002824	10 0		04/13/2012	Goldman Sachs.....		10,800,000	573,314	XXX	566,454	0	(40,777)	0	(40,777)	0	566,454	0	6,860	6,860	5,184	....XXX...	L.....	
25154K	80 9		06/26/2012	Goldman Sachs.....		6,000,000	293,416	XXX	337,366	0	54,162	0	54,162	0	337,366	0	(43,950)	(43,950)	0	....XXX...	A.....	
494368	10 3		06/08/2012	Goldman Sachs.....		900,000	59,923	XXX	59,778	0	(6,498)	0	(6,498)	0	59,778	0	217	217	432	....XXX...	L.....	
717081	10 3		05/08/2012	Goldman Sachs.....		700,000	12,493	XXX	11,808	0	(37,212)	0	(37,212)	0	11,808	0	685	685	154	....XXX...	L.....	

QE05

### SCHEDULE D - PART 4

Show All Long-Term Bonds and Stock Sold, Redeemed or Otherwise Disposed of During the Current Quarter

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identification	Description	For i g n	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B./A.C.V. (11+12-13)	Total Foreign Exchange Change in B./A.C.V.	Book/Adjusted Carrying Value At Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/Stock Dividends Received During Year	Stated Contractual Maturity Date	NAIC Designation or Market Indicator (a)
742718 10 9	The Procter & Gamble Company.....		04/27/2012	Goldman Sachs.....	.....700.000	.....45,214	.....XXX.....	.....44,674	.....0	.....(2,740)	.....0	.....0	.....(2,740)	.....0	.....44,674	.....0	.....540	.....540	.....413	.....XXX...	L.....
78462F 10 3	SPDR S&P 500 ETF Trust SPRD.....		05/17/2012	Goldman Sachs.....	.....2,000.000	.....264,774	.....XXX.....	.....272,725	.....0	.....0	.....0	.....0	.....0	.....0	.....272,725	.....0	.....(7,951)	.....(7,951)	.....0	.....XXX...	L.....
931142 10 3	Wal-Mart Stores Inc.....		05/08/2012	Goldman Sachs.....	.....300.000	.....16,144	.....XXX.....	.....15,793	.....0	.....(17,174)	.....0	.....0	.....(17,174)	.....0	.....15,793	.....0	.....352	.....352	.....113	.....XXX...	L.....
9099999.	Total - Common Stocks - Industrial & Miscellaneous.....				.....1,265,280	.....XXX.....	.....1,308,599	.....0	.....(50,240)	.....0	.....0	.....(50,240)	.....0	.....1,308,599	.....0	.....(43,247)	.....(43,247)	.....6,296	.....XXX...	..XXX....	
9799997	Total - Common Stocks - Part 4.....				.....1,265,280	.....XXX.....	.....1,308,599	.....0	.....(50,240)	.....0	.....0	.....(50,240)	.....0	.....1,308,599	.....0	.....(43,247)	.....(43,247)	.....6,296	.....XXX...	..XXX....	
9799999.	Total - Common Stocks.....				.....1,265,280	.....XXX.....	.....1,308,599	.....0	.....(50,240)	.....0	.....0	.....(50,240)	.....0	.....1,308,599	.....0	.....(43,247)	.....(43,247)	.....6,296	.....XXX...	..XXX....	
9899999.	Total - Preferred and Common Stocks.....				.....3,019,800	.....XXX.....	.....3,644,690	.....0	.....682,951	.....0	.....0	.....682,951	.....0	.....3,644,690	.....0	.....(624,817)	.....(624,817)	.....38,121	.....XXX...	..XXX....	
9999999.	Total - Bonds, Preferred and Common Stocks.....				.....33,479,005	.....XXX.....	.....30,262,800	.....20,570,922	.....682,951	.....(2,160)	.....0	.....680,791	.....0	.....30,000,521	.....0	.....3,212,430	.....3,212,430	.....547,245	.....XXX...	..XXX....	

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues:.....0.

## SCHEDULE DB - PART A - SECTION 1

Showing all Options, Caps, Floors, Collars, Swaps and Forwards Open as of Current Statement Date

1 Description	2 Description of Items Hedged or Used for Income Generation	3 Schedule /Exhibit Identifier	4 Type(s) of Risk	5 Exchange or Counterparty	6 Trade Date	7 Date of Maturity or Expiration	8 Number of Contracts	9 Notional Amount	10 Strike Price, Rate of Indexed Received (Paid)	11 Prior Year Initial Cost of Premium (Received) Paid	12 Current Year Initial Cost of Premium (Received) Paid	13 Current Year Income	14 Book/ Adjusted Carrying Value	15 Code	16 Fair Value	17 Unrealized Valuation Increase (Decrease)	18 Total Foreign Exchange Change in B./A.C.V.	19 Current Year's (Amortization) Accretion	20 Adjustment to Carrying Value of Hedged Items	21 Potential Exposure	22 Credit Quality of Reference Entity	23 Hedge Effectiveness at Inception and at Quarter-end (a)	
<b>Purchased Options - Other - Call Options and Warrants</b>																							
AAPL		N/A		CBOE	03/08/2012	01/18/2014	300	10,500,000	350.0000	0	6,209,538	0	7,447,234		7,447,234	1,237,696	0	0	0	0			
0299999. Total-Purchased Options-Other-Call Options and Warrants											0	6,209,538	0	7,447,234	XXX	7,447,234	1,237,696	0	0	0	0	XXX	XXX
<b>Purchased Options - Other - Put Options</b>																							
PCX		N/A		CBOE	04/30/2012	01/18/2014	567	283,500	5.0000	0	81,505	0	228,370		228,370	146,865	0	0	0	0			
USO		N/A		CBOE	01/28/2011	01/19/2013	500	1,250,000	25.0000	124,910	0	0	43,750		43,750	(18,500)	0	0	0	0			
USO		N/A		CBOE	02/11/2011	01/19/2013	14	49,000	35.0000	7,296	0	0	7,070		7,070	1,191	0	0	0	0			
TBT		N/A		CBOE	03/29/2012	01/18/2014	1	2,000	20.0000	0	393	0	565		565	172	0	0	0	0			
0309999. Total-Purchased Options-Other-Put Options											132,206	81,898	0	279,755	XXX	279,755	129,727	0	0	0	0	XXX	XXX
0359999. Total-Purchased Options-Other											132,206	6,291,436	0	7,726,989	XXX	7,726,989	1,367,423	0	0	0	0	XXX	XXX
0369999. Total-Purchased Options-Call Options and Warrants											0	6,209,538	0	7,447,234	XXX	7,447,234	1,237,696	0	0	0	0	XXX	XXX
0379999. Total-Purchased Options-Put Options											132,206	81,898	0	279,755	XXX	279,755	129,727	0	0	0	0	XXX	XXX
0429999. Total-Purchased Options											132,206	6,291,436	0	7,726,989	XXX	7,726,989	1,367,423	0	0	0	0	XXX	XXX
<b>Written Options - Other - Call Options and Warrants</b>																							
ABT		N/A		CBOE	06/30/2011	01/19/2013	(2)	(9,000)	45.0000	(1,654)	0	0	(3,765)		(3,765)	(1,425)	0	0	0	0			
ABT		N/A		CBOE	04/13/2012	01/18/2014	(30)	(180,000)	60.0000	0	0	0	(19,950)		(19,950)	(5,935)	0	0	0	0			
AAPL		N/A		CBOE	03/08/2012	01/18/2014	(300)	(12,000,000)	400.0000	0	(5,149,056)	0	(6,284,422)		(6,284,422)	(1,135,367)	0	0	0	0			
CLX		N/A		CBOE	04/06/2012	01/18/2014	(26)	(182,000)	70.0000	0	(9,490)	0	(14,690)		(14,690)	(5,200)	0	0	0	0			
ED		N/A		CBOE	04/06/2012	01/18/2014	(31)	(170,500)	55.0000	0	(16,461)	0	(24,025)		(24,025)	(7,564)	0	0	0	0			
JNJ		N/A		CBOE	06/30/2011	01/19/2013	(30)	(165,000)	55.0000	(36,353)	0	0	(38,400)		(38,400)	(3,750)	0	0	0	0			
KMB		N/A		CBOE	12/09/2011	01/19/2013	(6)	(33,000)	55.0000	(6,953)	0	0	(17,070)		(17,070)	(5,790)	0	0	0	0			
KO		N/A		CBOE	04/16/2012	01/18/2014	(25)	(175,000)	70.0000	0	(15,158)	0	(25,375)		(25,375)	(10,217)	0	0	0	0			
PEP		N/A		CBOE	04/16/2012	01/18/2014	(28)	(182,000)	65.0000	0	(12,916)	0	(22,470)		(22,470)	(9,554)	0	0	0	0			
PG		N/A		CBOE	01/20/2012	01/19/2013	(1)	(5,500)	55.0000	(960)	0	0	(673)		(673)	599	0	0	0	0			
PG		N/A		CBOE	04/16/2012	01/18/2014	(19)	(123,500)	65.0000	0	(9,352)	0	(5,558)		(5,558)	3,794	0	0	0	0			
SPX		N/A		CBOE	04/09/2012	12/21/2013	(5)	(500,000)	1,000.0000	0	(204,392)	0	(185,825)		(185,825)	18,567	0	0	0	0			
T		N/A		CBOE	04/16/2012	01/18/2014	(59)	(177,000)	30.0000	0	(13,512)	0	(34,515)		(34,515)	(21,003)	0	0	0	0			
TBT		N/A		CBOE	03/04/2011	01/19/2013	(100)	(600,000)	60.0000	(27,884)	0	0	(150)		(150)	500	0	0	0	0			
USO		N/A		CBOE	02/11/2011	01/19/2013	(25)	(125,000)	50.0000	(5,471)	0	0	(325)		(325)	3,962	0	0	0	0			
WM		N/A		CBOE	04/16/2012	01/18/2014	(10)	(35,000)	35.0000	0	(3,268)	0	(1,975)		(1,975)	1,293	0	0	0	0			
WMT		N/A		CBOE	04/13/2012	01/18/2014	(50)	(300,000)	60.0000	0	(23,885)	0	(58,000)		(58,000)	(34,115)	0	0	0	0			
0719999. Total-Written Options-Other-Call Options and Warrants											(79,275)	(5,471,505)	0	(6,737,187)	XXX	(6,737,187)	(1,211,203)	0	0	0	0	XXX	XXX
<b>Written Options - Other - Put Options</b>																							
HYG		N/A		CBOE	03/07/2012	09/22/2012	(100)	(880,000)	88.0000	0	(34,884)	0	(13,500)		(13,500)	21,384	0	0	0	0			
HYG		N/A		CBOE	03/07/2012	09/22/2012	(100)	(890,000)	89.0000	0	(39,884)	0	(16,500)		(16,500)	23,384	0	0	0	0			
HYG		N/A		CBOE	03/07/2012	09/22/2012	(100)	(900,000)	90.0000	0	(45,884)	0	(20,000)		(20,000)	25,884	0	0	0	0			
Intel		N/A		CBOE	11/18/2010	01/19/2013	(300)	(450,000)	15.0000	(44,727)	0	0	(4,650)		(4,650)	11,100	0	0	0	0			
SPX		N/A		CBOE	08/16/2010	12/22/2012	(125)	(3,125,000)	250.0000	(82,855)	0	0	(625)		(625)	4,374	0	0	0	0			
SPX		N/A		CBOE	08/16/2010	12/22/2012	(431)	(12,930,000)	300.0000	(423,292)	0	0	(2,155)		(2,155)	35,259	0	0	0	0			
SPX		N/A		CBOE	07/06/2010	12/22/2012	(50)	(2,000,000)	400.0000	(114,942)	0	0	(375)		(375)	8,875	0	0	0	0			
SPX		N/A		CBOE	12/13/2010	12/22/2012	(10)	(600,000)	600.0000	(15,988)	0	0	(725)		(725)	6,875	0	0	0	0			
SPX		N/A		CBOE	08/08/2011	12/21/2013	(43)	(2,795,000)	650.0000	(145,299)	0	0	(47,515)		(47,515)	70,520	0	0	0	0			
SPX		N/A		CBOE	02/22/2011	12/22/2012	(60)	(4,200,000)	700.0000	(139,931)	0	0	(8,850)		(8,850)	70,350	0	0	0	0			

QE06

### SCHEDULE DB - PART A - SECTION 1

Showing all Options, Caps, Floors, Collars, Swaps and Forwards Open as of Current Statement Date

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23
Description	Description of Items Hedged or Used for Income Generation	Schedule /Exhibit Identifier	Type(s) of Risk	Exchange or Counterparty	Trade Date	Date of Maturity or Expiration	Number of Contracts	Notional Amount	Strike Price, Rate of Indexed Received (Paid)	Prior Year Initial Cost of Premium (Received) Paid	Current Year Initial Cost of Premium (Received) Paid	Current Year Income	Book/ Adjusted Carrying Value	Code	Fair Value	Unrealized Valuation Increase (Decrease)	Total Foreign Exchange Change in B./A.C.V.	Current Year's (Amortization) Accretion	Adjustment to Carrying Value of Hedged Items	Potential Exposure	Credit Quality of Reference Entity	Hedge Effectiveness at Inception and at Quarter-end (a)
SPX.....		N/A.....		CBOE.....	02/22/2011	12/21/2013	(10)	(700,000)	700.0000	(42,188)	0	0	(14,350)		(14,350)	19,600	0	0	0	0		
SPX.....		N/A.....		CBOE.....	12/06/2010	12/22/2012	(10)	(800,000)	800.0000	(43,308)	-	0	(2,875)		(2,875)	18,575	0	0	0	0		
TBT.....		N/A.....		CBOE.....	03/29/2012	01/18/2014	(1)	(1,800)	18.0000	0	(276)	0	(418)		(418)	(142)	0	0	0	0		
0729999. Total-Written Options-Other-Put Options.....										(1,052,530)	(120,928)	0	(132,538)	XXX	(132,538)	316,037	0	0	0	0	XXX	XXX
0779999. Total-Written Options-Other.....										(1,131,805)	(5,592,434)	0	(6,869,725)	XXX	(6,869,725)	(895,166)	0	0	0	0	XXX	XXX
0789999. Total-Written Options-Call Options and Warrants.....										(79,275)	(5,471,505)	0	(6,737,187)	XXX	(6,737,187)	(1,211,203)	0	0	0	0	XXX	XXX
0799999. Total-Written Options-Put Options.....										(1,052,530)	(120,928)	0	(132,538)	XXX	(132,538)	316,037	0	0	0	0	XXX	XXX
0849999. Total-Written Options.....										(1,131,805)	(5,592,434)	0	(6,869,725)	XXX	(6,869,725)	(895,166)	0	0	0	0	XXX	XXX
1439999. Total-Other.....										(999,598)	699,002	0	857,264	XXX	857,264	472,257	0	0	0	0	XXX	XXX
1449999. TOTAL.....										(999,598)	699,002	0	857,264	XXX	857,264	472,257	0	0	0	0	XXX	XXX

QE06.1

**SCHEDULE DB - PART B - SECTION 1**

Futures Contracts Open as of the Current Statement Date

1 Ticker Symbol	2 Number of Contracts	3 Notional Amount	4 Description	5 Description of Hedged Item(s)	6 Schedule/ Exhibit Identifier	7 Type(s) of Risk	8 Date of Maturity or Expiration	9 Exchange	10 Trade Date	11 Transaction Price	12 Reporting Date Price	13 Fair Value	14 Book/ Adjusted Carrying Value	Change in Variation Margin				19 Potential Exposure	20 Hedge Effectiveness at Inception and at Quarter-end (a)
														15 Cumulative	16 Gain (Loss) Recognized in Current Year	17 Gain (Loss) Used to Adjust Basis of Hedged Item	18 Deferred		

**NONE**

QE07

Broker Name	Net Cash Deposits
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**NONE**

### SCHEDULE DB - PART D

#### Counterparty Exposure for Derivative Instruments Open as of Current Statement Date

1 Description Counterparty or Exchange Traded	2 Master Agreement (Y or N)	3 Credit Support Annex (Y or N)	4 Fair Value of Acceptable Collateral	Book Adjusted Carrying Value			Fair Value			11 Potential Exposure	12 Off-Balance Sheet Exposure
				5 Contracts With Book Adjusted Carrying Value > 0	6 Contracts With Book Adjusted Carrying Value < 0	7 Exposure Net of Collateral	8 Contracts With Fair Value > 0	9 Contracts With Fair Value < 0	10 Exposure Net of Collateral		
<b>Exchange Traded Derivatives</b>											
0199999. Exchange Traded.....	...XXX.....	...XXX.....	.....XXX.....	.....7,726,989	.....(6,869,725)	.....7,726,989	.....7,726,989	.....(6,869,725)	.....7,726,989	.....0	.....0
0899999. Totals.....			.....0	.....7,726,989	.....(6,869,725)	.....7,726,989	.....7,726,989	.....(6,869,725)	.....7,726,989	.....0	.....0

QE08

**SCHEDULE DL - PART 1**

**SECURITIES LENDING COLLATERAL ASSETS**

Reinvested Collateral Assets Owned Current Statement Date

1 CUSIP Identification	2 Description	3 Code	4 NAIC Designation /Market Indicator	5 Fair Value	6 Book/Adjusted Carrying Value	7 Maturity Dates
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General Interrogatories:

1. The activity for the year to date: Fair Value \$.....0 Book/Adjusted Carrying Value \$.....0
2. Average balance for the year to date: Fair Value \$.....0 Book/Adjusted Carrying Value \$.....0
3. Reinvested securities lending collateral assets book/adjusted carrying value included in this schedule by NAIC designation:  
 NAIC 1: \$.....0 NAIC 2: \$.....0 NAIC 3: \$.....0 NAIC 4: \$.....0 NAIC 5: \$.....0 NAIC 6: \$.....0

**NONE**

**SCHEDULE DL - PART 2**

**SECURITIES LENDING COLLATERAL ASSETS**

Reinvested Collateral Assets Owned Current Statement Date

1 CUSIP Identification	2 Description	3 Code	4 NAIC Designation /Market Indicator	5 Fair Value	6 Book/Adjusted Carrying Value	7 Maturity Dates
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General Interrogatory:

1. The activity for the year to date: Fair Value \$.....0 Book/Adjusted Carrying Value \$.....0
2. Average balance for the year to date: Fair Value \$.....0 Book/Adjusted Carrying Value \$.....0
3. Grand Total Schedule DL Part 1 and Part 2: Fair Value \$.....0 Book/Adjusted Carrying Value \$.....0

**NONE**

Statement as of June 30, 2012 of the **Universal Guaranty Life Insurance Company**  
**SCHEDULE E - PART 1 - CASH**

Month End Depository Balances

1 Depository	2 Code	3 Rate of Interest	4 Amount of Interest Received During Current Quarter	5 Amount of Interest Accrued at Current Statement Date	Book Balance at End of Each Month During Current Quarter			9 *
					6 First Month	7 Second Month	8 Third Month	
<b>Open Depositories</b>								
JP Morgan Chase.....	Springfield, IL.....	0.000	0	0	188,591	182,129	89,385	XXX.
JP Morgan Chase.....	Springfield, IL.....	0.000	0	0	29,632	83,216	60,087	XXX.
FSNB Policy.....	Stanford, KY.....	0.000	0	0	1,468,641	3,842,377	2,350,091	XXX.
FSNB Policy.....	Stanford, KY.....	0.000	0	0	191,395	(36,990)	94,437	XXX.
FSNB Money Market.....	Stanford, KY.....	0.230	1,132	0	520,890	220,944	220,985	XXX.
FSNB Money Market.....	Stanford, KY.....	0.000	2	0	28,703	0	0	XXX.
FSNB Reinsurance.....	Stanford, KY.....	0.180	37	0	83,400	83,412	83,424	XXX.
FSNB Non-Policy Freedom.....	Stanford, KY.....	0.000	0	0	115,357	154,280	86,036	XXX.
FSNB Non-Policy Freedom.....	Stanford, KY.....	0.000	0	0	70,135	69,995	19,995	XXX.
FSNB NP-Somerset Plaza.....	Stanford, KY.....	0.000	0	0	213,193	223,947	230,726	XXX.
First Southern Nat'l Bank (Lakeside Partners).....	Stanford, KY.....	0.000	0	0	3,210	3,210	1,510	XXX.
Illinois National Bank.....	Springfield, IL.....	0.000	0	0	169,154	139,676	98,069	XXX.
Illinois National Bank.....	Springfield, IL.....	0.000	0	0	49,728	49,689	19,647	XXX.
Interactive Brokers.....	Greenwich, CT.....	0.000	0	0	1,052,958	1,052,948	1,052,938	XXX.
Interactive Brokers.....	Greenwich, CT.....	0.000	0	0	9,960	9,920	0	XXX.
Interactive Brokers.....	Greenwich, CT.....	0.000	0	0	369,425	369,415	369,405	XXX.
Interactive Brokers.....	Greenwich, CT.....	0.000	0	0	9,960	9,920	0	XXX.
TD Ameritrade.....	Omaha, NE.....	0.010	1	0	19,927	69,092	69,275	XXX.
TD Ameritrade.....	Omaha, NE.....	0.000	0	0	49,165	0	0	XXX.
Frost National Bank.....	Houston, TX.....	0.000	0	0	27,264	27,785	29,000	XXX.
Federal Home Loan Bank.....	Cincinnati, OH.....	0.002	45	0	4,227,785	108,703	175,958	XXX.
NorthPoint Trading Partners, LLC/Goldman Sachs 1.....	Alpharetta, GA.....	0.000	0	0	1,373,998	1,609,006	1,555,483	XXX.
NorthPoint Trading Partners, LLC/Goldman Sachs 1.....	Alpharetta, GA.....	0.000	0	0	2,378,066	1,120	0	XXX.
NorthPoint Trading Partners, LLC/Goldman Sachs 2.....	Alpharetta, GA.....	0.000	0	0	815,304	5,989,960	2,435,980	XXX.
NorthPoint Trading Partners, LLC/Goldman Sachs 2.....	Alpharetta, GA.....	0.000	0	0	397,218	0	0	XXX.
NorthPoint Trading Partners, LLC/Goldman Sachs 3.....	Alpharetta, GA.....	0.000	0	0	3,913,828	483,476	497,471	XXX.
NorthPoint Trading Partners, LLC/JP Morgan.....	Alpharetta, GA.....	0.010	86	0	17,558,529	7,572,958	5,006,374	XXX.
NorthPoint Trading Partners, LLC/JP Morgan.....	Alpharetta, GA.....	0.000	3	0	1,355,126	0	0	XXX.
Deposits in 1 Depository.....	laeger, WV.....	0.000	0	0	8,556	8,735	8,964	XXX.
0199999. Total Open Depositories.....	XXX.....	XXX.....	1,306	0	36,699,098	22,328,923	14,555,240	XXX.
0399999. Total Cash on Deposit.....	XXX.....	XXX.....	1,306	0	36,699,098	22,328,923	14,555,240	XXX.
0599999. Total Cash.....	XXX.....	XXX.....	1,306	0	36,699,098	22,328,923	14,555,240	XXX.

## SCHEDULE E - PART 2 - CASH EQUIVALENTS

Show Investments Owned End of Current Quarter

1	2	3	4	5	6	7	8
Description	Code	Date Acquired	Rate of Interest	Maturity Date	Book/Adjusted Carrying Value	Amount of Interest Due & Accrued	Amount Received During Year

NONE

QE12