



LIFE AND ACCIDENT AND HEALTH COMPANIES - ASSOCIATION EDITION

ANNUAL STATEMENT

FOR THE YEAR ENDED DECEMBER 31, 2013
OF THE CONDITION AND AFFAIRS OF THE

Western -Southern Life Assurance Company

NAIC Group Code 0836 0836 NAIC Company Code 92622 Employer's ID Number 31-1000236
(Current) (Prior)

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

Incorporated/Organized 12/01/1980 Commenced Business 03/05/1981

Statutory Home Office _____ 400 Broadway _____, Cincinnati , OH, US 45202
(Street and Number) _____ (City or Town, State, Country and Zip Code)

(City or Town, State, County and Zip Code) (Area Code) (Telephone Number)

Mail Address _____, Cincinnati, OH, US 45202
(Street and Number or P.O. Box) (City or Town, State, Country and Zip Code)

Cincinnati , OH, US 45202, **513-629-1800**
(City or Town, State, Country and Zip Code) (Area Code) (Telephone Number)

Internet Website Address WWW.WesternSouthernLife.com

Statutory Statement Contact Bradley J. Hunkler, 513-629-2980
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(E-mail Address) (FAX Number)

OFFICERS

Chairman of Board,
President & CEO John Finn Barrett
Secretary and Counsel Donald Joseph Ruebbling

OTHER

OTHER	
Edward Joseph Babbitt	VP & Sr Counsel
Kim Rehling Chiodi	Sr VP
James Joseph DeLuca	VP
Anthony Michael Garcia	Sr VP & Chf Mkt Officer
Noreen Joyce Hayes	Sr VP
Bradley Joseph Hunkler	VP, Chief Accounting Officer
Richard Anthony Krawczeski	VP
Constance Marie Maccarone	Sr VP
Nora Eyre Moushey	Sr VP & Chf Actuary
Douglas Ivan Ross	VP & Chf Tech Off
Luc Paul Sicotte	VP
Thomas Martin Stapleton	VP
Robert Lewis Walker	Sr VP & Chf Fin Off
Troy Dale Brodie	VP
Keith Terrill Clark, MD	VP & Medical Director
Bryan Chalmer Dunn	Sr VP
Stephen Paul Hamilton	VP
David Todd Henderson	VP & Chief Risk Officer
Robert Scott Kahn	VP
Michael Joseph Laatsch	VP
Jill Tripp McGruder	Sr VP
Jonathan David Niemeyer	Sr VP & General Counsel
Mario Joseph San Marco	VP
Denise Lynn Sparks	VP
David Eugene Theurich	VP
Keith Walker Brown	VP & Chf Underwriter
Robert John DalSanto	VP
Lisa Beth Fangman	VP
Daniel Wayne Harris	VP
Kevin Louis Howard	VP & Assoc Gen Counsel
Philip Earl King	VP & Auditor
Harold Victor Lyons	VP
Jimmy Joe Miller	Sr VP
Gene Anthony Patterson	VP
Nicholas Peter Sargent	Sr VP & Chf Inv Off
Jeffrey Laurence Stainton	VP & Assoc Gen Counsel
James Joseph Vance	VP & Treasurer

DIRECTORS OR TRUSTEES

John Finn Barrett	Donald Allen Bliss	James Norman Clark
Jo Ann Davidson	James Kirby Risk III #	George Victor Voinovich
George Herbert Walker III	Thomas Luke Williams	John Peter Zanotti #

State of Ohio County of Hamilton SS: SS

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

John Finn Barrett
Chairman of Board, President & CEO

Donald Joseph Wuebbling
Secretary and Counsel

Bradley Joseph Hunkler
VP, Chief Accounting Officer

Subscribed and sworn to before me this
7th day of February, 2014.

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

ASSETS

	Current Year			Prior Year
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	4 Net Admitted Assets
1. Bonds (Schedule D)	10,853,300,923	0	10,853,300,923	10,221,039,102
2. Stocks (Schedule D):				
2.1 Preferred stocks	2,121,638	0	2,121,638	2,121,638
2.2 Common stocks	286,597,112	40,975,962	245,621,150	162,917,912
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens	720,752,455	0	720,752,455	783,939,708
3.2 Other than first liens.....			0	0
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$ encumbrances)			0	0
4.2 Properties held for the production of income (less \$ encumbrances)		0	0	24,356,091
4.3 Properties held for sale (less \$ encumbrances)		0	0	0
5. Cash (\$ 17,536,429 , Schedule E - Part 1), cash equivalents (\$ 37,196,228 , Schedule E - Part 2) and short-term investments (\$ 166,139,893 , Schedule DA)	220,872,550	0	220,872,550	138,256,904
6. Contract loans (including \$ premium notes)	41,510,867	0	41,510,867	43,562,924
7. Derivatives (Schedule DB)	39,843,325	0	39,843,325	4,020,446
8. Other invested assets (Schedule BA)	187,338,812	0	187,338,812	133,473,739
9. Receivables for securities	2,115,352	0	2,115,352	3,860,770
10. Securities lending reinvested collateral assets (Schedule DL)	17,451,647	0	17,451,647	15,645,187
11. Aggregate write-ins for invested assets	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11)	12,371,904,681	40,975,962	12,330,928,719	11,533,194,421
13. Title plants less \$ charged off (for Title insurers only)			0	0
14. Investment income due and accrued	103,514,489	0	103,514,489	101,890,952
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	923,497	0	923,497	1,113,459
15.2 Deferred premiums and agents' balances and installments booked but deferred and not yet due (including \$ earned but unbilled premiums)		19,452,974	19,452,974	19,784,815
15.3 Accrued retrospective premiums			0	0
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers	802,809	0	802,809	652,888
16.2 Funds held by or deposited with reinsured companies	642,246,570	0	642,246,570	634,109,669
16.3 Other amounts receivable under reinsurance contracts			0	0
17. Amounts receivable relating to uninsured plans			0	0
18.1 Current federal and foreign income tax recoverable and interest thereon			0	39,190,812
18.2 Net deferred tax asset		0	0	6,410,460
19. Guaranty funds receivable or on deposit	2,181,823	0	2,181,823	3,968,383
20. Electronic data processing equipment and software			0	0
21. Furniture and equipment, including health care delivery assets (\$)			0	0
22. Net adjustment in assets and liabilities due to foreign exchange rates			0	0
23. Receivables from parent, subsidiaries and affiliates			0	0
24. Health care (\$) and other amounts receivable	163,608	163,608	0	508,886
25. Aggregate write-ins for other than invested assets	8,573,671	0	8,573,671	7,826,708
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	13,149,764,122	41,139,570	13,108,624,552	12,348,651,453
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts	38,182,690	0	38,182,690	39,231,640
28. Total (Lines 26 and 27)	13,187,946,812	41,139,570	13,146,807,242	12,387,883,093
DETAILS OF WRITE-INS				
1101.				
1102.				
1103.				
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. CSV of Company Owned Life Insurance	8,573,671	0	8,573,671	7,826,708
2502.				
2503.				
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)	8,573,671	0	8,573,671	7,826,708

ANNUAL STATEMENT FOR THE YEAR 2013 OF THE Western-Southern Life Assurance Company
LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Year	2 Prior Year
1. Aggregate reserve for life contracts \$ 9,973,439,365 (Exh. 5, Line 9999999) less \$ included in Line 6.3 (including \$ Modco Reserve)	9,973,439,365	9,845,765,533
2. Aggregate reserve for accident and health contracts (including \$ Modco Reserve)	0	0
3. Liability for deposit-type contracts (Exhibit 7, Line 14, Col. 1) (including \$ Modco Reserve)	1,350,802,665	1,038,343,322
4. Contract claims:		
4.1 Life (Exhibit 8, Part 1, Line 4.4, Col. 1 less sum of Cols. 9, 10 and 11)	47,743,765	19,626,862
4.2 Accident and health (Exhibit 8, Part 1, Line 4.4, sum of Cols. 9, 10 and 11)	0	0
5. Policyholders' dividends \$ and coupons \$ due and unpaid (Exhibit 4, Line 10)	0	0
6. Provision for policyholders' dividends and coupons payable in following calendar year - estimated amounts:		
6.1 Dividends apportioned for payment (including \$ Modco)		
6.2 Dividends not yet apportioned (including \$ Modco)		
6.3 Coupons and similar benefits (including \$ Modco)		
7. Amount provisionally held for deferred dividend policies not included in Line 6		
8. Premiums and annuity considerations for life and accident and health contracts received in advance less \$ discount; including \$ 0 accident and health premiums (Exhibit 1, Part 1, Col. 1, sum of lines 4 and 14)	527,396	372,996
9. Contract liabilities not included elsewhere:		
9.1 Surrender values on canceled contracts		
9.2 Provision for experience rating refunds, including the liability of \$ accident and health experience rating refunds of which \$ 0 is for medical loss ratio rebate per the Public Health Service Act		
9.3 Other amounts payable on reinsurance including \$ 225,000 assumed and \$ 1,089,470 ceded	1,314,470	1,341,796
9.4 Interest maintenance reserve (IMR, Line 6)	10,322,287	19,309,015
10. Commissions to agents due or accrued-life and annuity contracts \$ 1,206,232 accident and health \$ and deposit-type contract funds \$	1,206,232	1,201,550
11. Commissions and expense allowances payable on reinsurance assumed	0	5,000,983
12. General expenses due or accrued (Exhibit 2, Line 12, Col. 6)		
13. Transfers to Separate Accounts due or accrued (net) (including \$ (148,566) accrued for expense allowances recognized in reserves, net of reinsured allowances)	(2,674,060)	(2,495,689)
14. Taxes, licenses and fees due or accrued, excluding federal income taxes (Exhibit 3, Line 9, Col. 5)	3,429,705	6,593,739
15.1 Current federal and foreign income taxes including \$ (334,282) on realized capital gains (losses)	19,328,230	
15.2 Net deferred tax liability	3,552,377	
16. Unearned investment income	1,121,284	1,217,351
17. Amounts withheld or retained by company as agent or trustee	54,347	806,517
18. Amounts held for agents' account, including \$ agents' credit balances		
19. Remittances and items not allocated	12,613,127	13,573,759
20. Net adjustment in assets and liabilities due to foreign exchange rates		
21. Liability for benefits for employees and agents if not included above		
22. Borrowed money \$ 0 and interest thereon \$		
23. Dividends to stockholders declared and unpaid		
24. Miscellaneous liabilities:		
24.01 Asset valuation reserve (AVR, Line 16, Col. 7)	153,939,820	127,457,894
24.02 Reinsurance in unauthorized and certified (\$ 0) companies	0	0
24.03 Funds held under reinsurance treaties with unauthorized and certified (\$) reinsurers		
24.04 Payable to parent, subsidiaries and affiliates	10,565,928	29,945,170
24.05 Drafts outstanding		
24.06 Liability for amounts held under uninsured plans		
24.07 Funds held under coinsurance		
24.08 Derivatives	5,819,512	
24.09 Payable for securities	1,105,201	3,974,528
24.10 Payable for securities lending	305,521,434	205,150,350
24.11 Capital notes \$ and interest thereon \$		
25. Aggregate write-ins for liabilities	32,210,979	5,741,157
26. Total Liabilities excluding Separate Accounts business (Lines 1 to 25)	11,931,944,064	11,322,926,833
27. From Separate Accounts Statement	38,182,690	39,231,640
28. Total Liabilities (Lines 26 and 27)	11,970,126,754	11,362,158,473
29. Common capital stock	2,500,000	2,500,000
30. Preferred capital stock		
31. Aggregate write-ins for other than special surplus funds	0	0
32. Surplus notes	0	0
33. Gross paid in and contributed surplus (Page 3, Line 33, Col. 2 plus Page 4, Line 51.1, Col. 1)	791,308,064	791,308,064
34. Aggregate write-ins for special surplus funds	0	0
35. Unassigned funds (surplus)	382,872,424	231,916,556
36. Less treasury stock, at cost:		
36.1 shares common (value included in Line 29 \$)		
36.2 shares preferred (value included in Line 30 \$)		
37. Surplus (Total Lines 31+32+33+34+35-36) (including \$ 0 in Separate Accounts Statement)	1,174,180,488	1,023,224,620
38. Totals of Lines 29, 30 and 37 (Page 4, Line 55)	1,176,680,488	1,025,724,620
39. Totals of Lines 28 and 38 (Page 2, Line 28, Col. 3)	13,146,807,242	12,387,883,093
DETAILS OF WRITE-INS		
2501. Unfunded Commitment to Low Income Housing Tax Credit Property	12,891,592	4,975,991
2502. Uncashed drafts and checks pending escheatment to the state	811,463	765,166
2503. Counter Party Collateral - Derivative	18,507,924	
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)	32,210,979	5,741,157
3101.		
3102.		
3103.		
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.		
3402.		
3403.		
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

ANNUAL STATEMENT FOR THE YEAR 2013 OF THE Western-Southern Life Assurance Company
SUMMARY OF OPERATIONS

	1 Current Year	2 Prior Year
1. Premiums and annuity considerations for life and accident and health contracts (Exhibit 1, Part 1, Line 20.4, Col. 1, less Col. 11)	935,672,443	1,553,344,365
2. Considerations for supplementary contracts with life contingencies	2,290,470	1,839,223
3. Net investment income (Exhibit of Net Investment Income, Line 17)	546,468,168	578,145,668
4. Amortization of interest maintenance reserve (IMR, Line 5)	8,392,550	7,286,312
5. Separate Accounts net gain from operations excluding unrealized gains or losses	0	0
6. Commissions and expense allowances on reinsurance ceded (Exhibit 1, Part 2, Line 26.1, Col. 1)	0	0
7. Reserve adjustments on reinsurance ceded	0	0
8. Miscellaneous Income:		
8.1 Income from fees associated with investment management, administration and contract guarantees from Separate Accounts	435,863	492,163
8.2 Charges and fees for deposit-type contracts	3,691	3,827
8.3 Aggregate write-ins for miscellaneous income	34,179,148	9,264,041
9. Total (Lines 1 to 8.3)	1,527,442,333	2,150,375,599
10. Death benefits	217,785,400	117,738,579
11. Matured endowments (excluding guaranteed annual pure endowments)	1,980,236	1,776,433
12. Annuity benefits (Exhibit 8, Part 2, Line 6.4, Cols. 4 + 8)	255,867,735	265,100,376
13. Disability benefits and benefits under accident and health contracts	2,773,043	2,833,655
14. Coupons, guaranteed annual pure endowments and similar benefits	0	0
15. Surrender benefits and withdrawals for life contracts	595,599,019	558,424,584
16. Group conversions	0	0
17. Interest and adjustments on contract or deposit-type contract funds	10,886,762	34,290,918
18. Payments on supplementary contracts with life contingencies	3,189,266	3,266,386
19. Increase in aggregate reserves for life and accident and health contracts	127,673,652	838,044,803
20. Totals (Lines 10 to 19)	1,215,755,113	1,821,475,734
21. Commissions on premiums, annuity considerations, and deposit-type contract funds (direct business only) (Exhibit 1, Part 2, Line 31, Col. 1)	49,490,038	48,703,100
22. Commissions and expense allowances on reinsurance assumed (Exhibit 1, Part 2, Line 26.2, Col. 1)	3,103,615	150,815,814
23. General insurance expenses (Exhibit 2, Line 10, Cols. 1, 2, 3 and 4)	77,516,916	74,085,552
24. Insurance taxes, licenses and fees, excluding federal income taxes (Exhibit 3, Line 7, Cols. 1 + 2 + 3)	7,203,683	10,884,500
25. Increase in loading on deferred and uncollected premiums	356,162	524,572
26. Net transfers to or (from) Separate Accounts net of reinsurance	(7,104,160)	(10,074,393)
27. Aggregate write-ins for deductions	4,121,648	15,052,018
28. Totals (Lines 20 to 27)	1,350,443,015	2,111,466,897
29. Net gain from operations before dividends to policyholders and federal income taxes (Line 9 minus Line 28)	176,999,318	38,908,702
30. Dividends to policyholders	0	0
31. Net gain from operations after dividends to policyholders and before federal income taxes (Line 29 minus Line 30)	176,999,318	38,908,702
32. Federal and foreign income taxes incurred (excluding tax on capital gains)	66,249,358	(2,398,921)
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)	110,749,960	41,307,623
34. Net realized capital gains (losses) (excluding gains (losses) transferred to the IMR) less capital gains tax of \$ 3,395,946 (excluding taxes of \$ (319,942) transferred to the IMR)	(1,905,396)	(7,022,346)
35. Net income (Line 33 plus Line 34)	108,844,564	34,285,277
CAPITAL AND SURPLUS ACCOUNT		
36. Capital and surplus, December 31, prior year (Page 3, Line 38, Col. 2)	1,025,724,620	986,859,523
37. Net income (Line 35)	108,844,564	34,285,277
38. Change in net unrealized capital gains (losses) less capital gains tax of \$ 28,563,289	57,796,211	26,281,855
39. Change in net unrealized foreign exchange capital gain (loss)		
40. Change in net deferred income tax	18,600,452	(11,790,007)
41. Change in nonadmitted assets	(7,803,433)	(4,326,439)
42. Change in liability for reinsurance in unauthorized and certified companies		
43. Change in reserve on account of change in valuation basis, (increase) or decrease	0	0
44. Change in asset valuation reserve	(26,481,926)	(35,585,589)
45. Change in treasury stock (Page 3, Lines 36.1 and 36.2, Col. 2 minus Col. 1)	0	0
46. Surplus (contributed to) withdrawn from Separate Accounts during period		
47. Other changes in surplus in Separate Accounts Statement		
48. Change in surplus notes		
49. Cumulative effect of changes in accounting principles		
50. Capital changes:		
50.1 Paid in		
50.2 Transferred from surplus (Stock Dividend)		
50.3 Transferred to surplus		
51. Surplus adjustment:		
51.1 Paid in	0	30,000,000
51.2 Transferred to capital (Stock Dividend)		
51.3 Transferred from capital		
51.4 Change in surplus as a result of reinsurance		
52. Dividends to stockholders	0	0
53. Aggregate write-ins for gains and losses in surplus	0	0
54. Net change in capital and surplus for the year (Lines 37 through 53)	150,955,868	38,865,097
55. Capital and surplus, December 31, current year (Lines 36 + 54) (Page 3, Line 38)	1,176,680,488	1,025,724,620
DETAILS OF WRITE-INS		
08.301. Miscellaneous Income	21,312	123,129
08.302. Company Owned Life Insurance	1,657,354	862,163
08.303. Reinsurance Assumed - Interest on Coinsurance Funds Withheld	32,500,482	8,278,749
08.398. Summary of remaining write-ins for Line 8.3 from overflow page	0	0
08.399. Totals (Lines 08.301 thru 08.303 plus 08.398)(Line 8.3 above)	34,179,148	9,264,041
2701. Pension Expense	3,485,491	14,184,814
2702. Securities lending interest expense	635,003	867,204
2703. Miscellaneous Expense	1,154	0
2798. Summary of remaining write-ins for Line 27 from overflow page	0	0
2799. Totals (Lines 2701 thru 2703 plus 2798)(Line 27 above)	4,121,648	15,052,018
5301.		
5302.		
5303.		
5398. Summary of remaining write-ins for Line 53 from overflow page	0	0
5399. Totals (Lines 5301 thru 5303 plus 5398)(Line 53 above)	0	0

ANNUAL STATEMENT FOR THE YEAR 2013 OF THE Western-Southern Life Assurance Company
CASH FLOW

	1 Current Year	2 Prior Year
Cash from Operations		
1. Premiums collected net of reinsurance	938,282,954	745,104,189
2. Net investment income	575,730,632	608,590,841
3. Miscellaneous income	26,481,801	1,143,890
4. Total (Lines 1 through 3)	1,540,495,387	1,354,838,920
5. Benefit and loss related payments	1,060,141,625	933,646,465
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts	(6,925,789)	(10,495,799)
7. Commissions, expenses paid and aggregate write-ins for deductions	148,110,059	132,054,204
8. Dividends paid to policyholders	0	0
9. Federal and foreign income taxes paid (recovered) net of \$ 3,076,004 tax on capital gains (losses)	10,806,320	42,403,011
10. Total (Lines 5 through 9)	1,212,132,215	1,097,607,881
11. Net cash from operations (Line 4 minus Line 10)	328,363,172	257,231,039
Cash from Investments		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds	2,512,299,519	2,379,496,101
12.2 Stocks	16,075,506	10,866,670
12.3 Mortgage loans	177,898,311	137,351,407
12.4 Real estate	35,250,000	0
12.5 Other invested assets	3,024,953	4,266,854
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments	(8,875)	50,920
12.7 Miscellaneous proceeds	1,745,418	16,848,496
12.8 Total investment proceeds (Lines 12.1 to 12.7)	2,746,284,832	2,548,880,448
13. Cost of investments acquired (long-term only):		
13.1 Bonds	3,178,992,747	2,728,898,357
13.2 Stocks	54,991,730	5,033,174
13.3 Mortgage loans	114,790,726	166,234,313
13.4 Real estate	613,283	0
13.5 Other invested assets	56,947,898	3,754,505
13.6 Miscellaneous applications	10,153,428	8,002
13.7 Total investments acquired (Lines 13.1 to 13.6)	3,416,489,812	2,903,928,351
14. Net increase (decrease) in contract loans and premium notes	(2,052,057)	(1,052,120)
15. Net cash from investments (Line 12.8 minus Line 13.7 minus Line 14)	(668,152,923)	(353,995,783)
Cash from Financing and Miscellaneous Sources		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes	0	0
16.2 Capital and paid in surplus, less treasury stock	0	30,000,000
16.3 Borrowed funds	0	0
16.4 Net deposits on deposit-type contracts and other insurance liabilities	312,459,343	130,146,771
16.5 Dividends to stockholders	0	0
16.6 Other cash provided (applied)	109,946,054	(85,763,849)
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6)	422,405,397	74,382,922
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS		
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17)	82,615,646	(22,381,822)
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year	138,256,904	160,638,726
19.2 End of year (Line 18 plus Line 19.1)	220,872,550	138,256,904

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

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ANNUAL STATEMENT FOR THE YEAR 2013 OF THE Western-Southern Life Assurance Company

ANALYSIS OF OPERATIONS BY LINES OF BUSINESS

	1 Total	2 Industrial Life	Ordinary			6 Credit Life (Group and Individual)	Group		Accident and Health			12 Aggregate of All Other Lines of Business
			3 Life Insurance	4 Individual Annuities	5 Supplementary Contracts		7 Life Insurance (a)	8 Annuities	9 Group	10 Credit (Group and Individual)	11 Other	
1. Premiums and annuity considerations for life and accident and health contracts	935,672,443	0	343,127,357	592,545,086	0	0	0	0	0	0	0	0
2. Considerations for supplementary contracts with life contingencies	2,290,470	0	0	0	2,290,470	0	0	0	0	0	0	0
3. Net investment income	546,468,168	0	75,978,568	438,092,383	3,770,198	0	0	0	0	0	0	28,627,019
4. Amortization of Interest Maintenance Reserve (IMR)	8,392,550	0	1,010,389	6,399,615	50,137	0	0	0	0	0	0	932,409
5. Separate Accounts net gain from operations excluding unrealized gains or losses	0											
6. Commissions and expense allowances on reinsurance ceded	0	0	0	0			0	0	0	0	0	
7. Reserve adjustments on reinsurance ceded	0											
8. Miscellaneous Income:												
8.1 Fees associated with income from investment management, administration and contract guarantees from Separate Accounts	435,863			435,863								
8.2 Charges and fees for deposit-type contracts	3,691			3,691								
8.3 Aggregate write-ins for miscellaneous income	34,179,148	0	11,208,412	21,313,382	0	0	0	0	0	0	0	1,657,354
9. Totals (Lines 1 to 8.3)	1,527,442,333	0	431,324,726	1,058,790,020	6,110,805	0	0	0	0	0	0	31,216,782
10. Death benefits	217,785,400	0	217,785,400	0	0	0	0	0	0	0	0	0
11. Matured endowments (excluding guaranteed annual pure endowments)	1,980,236		1,980,236	0								
12. Annuity benefits	255,867,735	0		255,867,735								
13. Disability benefits and benefits under accident and health contracts	2,773,043	0	2,773,043	0	0	0	0	0	0	0	0	
14. Coupons, guaranteed annual pure endowments and similar benefits	0											
15. Surrender benefits and withdrawals for life contracts	595,599,019		40,078,539	555,520,480								
16. Group conversions	0											
17. Interest and adjustments on contract or deposit-type contract funds	10,886,762	0	201,396	9,020,690	1,664,676	0	0	0	0	0	0	
18. Payments on supplementary contracts with life contingencies	3,189,266	0			3,189,266	0	0	0	0	0	0	0
19. Increase in aggregate reserves for life and accident and health contracts	127,673,652	0	86,025,102	41,165,063	483,487	0	0	0	0	0	0	0
20. Totals (Lines 10 to 19)	1,215,755,113	0	348,843,716	861,573,968	5,337,429	0	0	0	0	0	0	0
21. Commissions on premiums, annuity considerations and deposit-type contract funds (direct business only)	49,490,038	0	24,381,665	25,108,373	0	0	0	0	0	0	0	0
22. Commissions and expense allowances on reinsurance assumed	3,103,615	0	2,019,264	1,084,351	0	0	0	0	0	0	0	0
23. General insurance expenses	77,516,916	0	37,383,585	11,492,491	291,510	0	0	0	0	0	0	28,349,330
24. Insurance taxes, licenses and fees, excluding federal income taxes	7,203,683	0	6,910,367	58,308	11,952	0	0	0	0	0	0	223,056
25. Increase in loading on deferred and uncollected premiums	356,162	0	356,162	0	0	0	0	0	0	0	0	0
26. Net transfers to or (from) Separate Accounts net of reinsurance	(7,104,160)											
27. Aggregate write-ins for deductions	4,121,648	0	1,850,925	664,250	20,930	0	0	0	0	0	0	1,585,543
28. Totals (Lines 20 to 27)	1,350,443,015	0	421,745,684	892,877,581	5,661,821	0	0	0	0	0	0	30,157,929
29. Net gain from operations before dividends to policyholders and federal income taxes (Line 9 minus Line 28)	176,999,318	0	9,579,042	165,912,439	448,984	0	0	0	0	0	0	1,058,853
30. Dividends to policyholders	0											0
31. Net gain from operations after dividends to policyholders and before federal income taxes (Line 29 minus Line 30)	176,999,318	0	9,579,042	165,912,439	448,984	0	0	0	0	0	0	1,058,853
32. Federal income taxes incurred (excluding tax on capital gains)	66,249,358		3,352,665	58,069,354	157,144							4,670,195
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)	110,749,960	0	6,226,377	107,843,085	291,840	0	0	0	0	0	0	(3,611,342)
DETAILS OF WRITE-INS												
08.301. Miscellaneous Income	21,312				21,312							
08.302. Company Owned Life Insurance	1,657,354											1,657,354
08.303. Reinsurance Assumed - Interest on Coinsurance Funds Withheld	32,500,482		11,208,412	21,292,070								
08.398. Summary of remaining write-ins for Line 8.3 from overflow page	0	0	0	0	0	0	0	0	0	0	0	0
08.399. Totals (Lines 08.301 thru 08.303 plus 08.398) (Line 8.3 above)	34,179,148	0	11,208,412	21,313,382	0	0	0	0	0	0	0	1,657,354
2701. Pension Expense	3,485,491		1,850,925	664,250	20,930							949,386
2702. Securities lending interest expense	635,003											635,003
2703. Miscellaneous Expense	1,154											1,154
2798. Summary of remaining write-ins for Line 27 from overflow page	0	0	0	0	0	0	0	0	0	0	0	0
2799. Totals (Lines 2701 thru 2703 plus 2798) (Line 27 above)	4,121,648	0	1,850,925	664,250	20,930	0	0	0	0	0	0	1,585,543

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

ANNUAL STATEMENT FOR THE YEAR 2013 OF THE Western-Southern Life Assurance Company

ANALYSIS OF INCREASE IN RESERVES DURING THE YEAR

	1 Total	2 Industrial Life	Ordinary			6 Credit Life (Group and Individual)	Group				
			3 Life Insurance	4 Individual Annuities	5 Supplementary Contracts		7 Life Insurance	8 Annuities			
Involving Life or Disability Contingencies (Reserves)											
(Net of Reinsurance Ceded)											
1. Reserve December 31, prior year	9,845,765,536	0	1,515,965,350	8,307,995,005	21,805,181	0	0	0			
2. Tabular net premiums or considerations	826,345,422		225,664,044	598,090,392	2,590,986						
3. Present value of disability claims incurred	116,644		116,644	0	XXX						
4. Tabular interest	326,926,182		75,682,282	250,393,599	850,301						
5. Tabular less actual reserve released	17,573,159		1,442,617	15,660,978	469,564						
6. Increase in reserve on account of change in valuation basis	0		0	0	0						
7. Other increases (net)	1,347,562		1,724,540	(376,978)	0						
8. Totals (Lines 1 to 7)	11,018,074,505	0	1,820,595,477	9,171,762,996	25,716,032	0	0	0			
9. Tabular cost	139,140,061		139,140,061	0	XXX						
10. Reserves released by death	13,907,214		13,907,214	XXX	XXX			XXX			
11. Reserves released by other terminations (net)	882,654,470		64,138,239	817,367,266	1,148,965						
12. Annuity, supplementary contract and disability payments involving life contingencies	10,163,166		2,830,193	5,054,574	2,278,399						
13. Net transfers to or (from) Separate Accounts	(1,229,772)		0	(1,229,772)	0						
14. Total Deductions (Lines 9 to 13)	1,044,635,139	0	220,015,707	821,192,068	3,427,364	0	0	0			
15. Reserve December 31, current year	9,973,439,366	0	1,600,579,770	8,350,570,928	22,288,668	0	0	0			

ANNUAL STATEMENT FOR THE YEAR 2013 OF THE Western-Southern Life Assurance Company
EXHIBIT OF NET INVESTMENT INCOME

		1 Collected During Year	2 Earned During Year
1. U.S. Government bonds	(a)	8,593,753	8,350,752
1.1 Bonds exempt from U.S. tax	(a)	0	
1.2 Other bonds (unaffiliated)	(a)	487,140,815	489,274,453
1.3 Bonds of affiliates	(a)	0	0
2.1 Preferred stocks (unaffiliated)	(b)	135,987	135,987
2.11 Preferred stocks of affiliates	(b)	0	0
2.2 Common stocks (unaffiliated) .....	.....	4,514,568	4,706,369
2.21 Common stocks of affiliates .....	.....	0	0
3. Mortgage loans	(c)	46,508,002	46,363,044
4. Real estate	(d)	3,396,771	3,121,771
5. Contract loans .....	.....	2,931,402	3,030,258
6. Cash, cash equivalents and short-term investments	(e)	410,591	384,458
7. Derivative instruments	(f)	1,489,606	710,382
8. Other invested assets .....	.....	(1,212,211)	(1,212,211)
9. Aggregate write-ins for investment income .....	.....	1,093,990	1,093,990
10. Total gross investment income .....	.....	555,003,274	555,959,253
11. Investment expenses	(g)	8,502,951	
12. Investment taxes, licenses and fees, excluding federal income taxes	(g)	501,252	
13. Interest expense	(h)	0	
14. Depreciation on real estate and other invested assets	(i)	486,352	
15. Aggregate write-ins for deductions from investment income .....	.....	0	
16. Total deductions (Lines 11 through 15) .....	.....	9,490,555	
17. Net investment income (Line 10 minus Line 16) .....	.....	546,468,698	
DETAILS OF WRITE-INS			
0901. Securities Lending Fee Expense .....	.....	914,692	914,692
0902. Miscellaneous .....	.....	179,298	179,298
0903. .....	.....	0	0
0998. Summary of remaining write-ins for Line 9 from overflow page .....	.....	0	0
0999. Totals (Lines 0901 thru 0903 plus 0998) (Line 9, above) .....	.....	1,093,990	1,093,990
1501. .....	.....	0	
1502. .....	.....	0	
1503. .....	.....	0	
1598. Summary of remaining write-ins for Line 15 from overflow page .....	.....	0	
1599. Totals (Lines 1501 thru 1503 plus 1598) (Line 15, above) .....	.....	0	

(a) Includes \$ 14,647,726 accrual of discount less \$ 42,638,161 amortization of premium and less \$ 14,247,397 paid for accrued interest on purchases.

(b) Includes \$ accrual of discount less \$ amortization of premium and less \$ paid for accrued dividends on purchases.

(c) Includes \$ 0 accrual of discount less \$ 79,668 amortization of premium and less \$ 0 paid for accrued interest on purchases.

(d) Includes \$ 0 for company's occupancy of its own buildings; and excludes \$ 0 interest on encumbrances.

(e) Includes \$ 36 accrual of discount less \$ 322,285 amortization of premium and less \$ 375,836 paid for accrued interest on purchases.

(f) Includes \$ accrual of discount less \$ amortization of premium.

(g) Includes \$ investment expenses and \$ investment taxes, licenses and fees, excluding federal income taxes, attributable to Segregated and Separate Accounts.

(h) Includes \$ interest on surplus notes and \$ interest on capital notes.

(i) Includes \$ depreciation on real estate and \$ depreciation on other invested assets.

EXHIBIT OF CAPITAL GAINS (LOSSES)

	1 Realized Gain (Loss) On Sales or Maturity	2 Other Realized Adjustments	3 Total Realized Capital Gain (Loss) (Columns 1 + 2)	4 Change in Unrealized Capital Gain (Loss)	5 Change in Unrealized Foreign Exchange Capital Gain (Loss)
1. U.S. Government bonds	22,365	0	22,365	0	0
1.1 Bonds exempt from U.S. tax	0	0	0	0	0
1.2 Other bonds (unaffiliated)	(1,640,202)	(18,577,082)	(20,217,284)	13,753,950	0
1.3 Bonds of affiliates	0	0	0	0	0
2.1 Preferred stocks (unaffiliated)	0	0	0	0	0
2.11 Preferred stocks of affiliates	0	0	0	0	0
2.2 Common stocks (unaffiliated)	10,013,245	0	10,013,245	36,745,053	0
2.21 Common stocks of affiliates	0	0	0	4,750,103	0
3. Mortgage loans	0	0	0	(400,000)	0
4. Real estate	10,766,978	0	10,766,978	0	0
5. Contract loans	(21,079)	0	(21,079)	0	0
6. Cash, cash equivalents and short-term investments	12,205	0	12,205	0	0
7. Derivative instruments	0	0	0	28,645,342	0
8. Other invested assets	0	0	0	2,865,052	0
9. Aggregate write-ins for capital gains (losses)	0	0	0	0	0
10. Total capital gains (losses)	19,153,512	(18,577,082)	576,430	86,359,500	0
DETAILS OF WRITE-INS					
0901. .....	.....	.....	.....	.....	.....
0902. .....	.....	.....	.....	.....	.....
0903. .....	.....	.....	.....	.....	.....
0998. Summary of remaining write-ins for Line 9 from overflow page	0	0	0	0	0
0999. Totals (Lines 0901 thru 0903 plus 0998) (Line 9, above)	0	0	0	0	0

ANNUAL STATEMENT FOR THE YEAR 2013 OF THE Western-Southern Life Assurance Company

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

	1 Total	2 Industrial Life	Ordinary		5 Credit Life (Group and Individual)	Group		Accident and Health			11 Aggregate of All Other Lines of Business
			3 Life Insurance	4 Individual Annuities		6 Life Insurance	7 Annuities	8 Group	9 Credit (Group and Individual)	10 Other	
FIRST YEAR (other than single)											
1. Uncollected	26,757	0	26,757	0	0	0	0	0	0	0	0
2. Deferred and accrued	1,613,984	0	1,613,984	0	0	0	0	0	0	0	0
3. Deferred, accrued and uncollected:											
3.1 Direct	1,669,532	0	1,669,532	0	0	0	0	0	0	0	0
3.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0	0
3.3 Reinsurance ceded	28,791	0	28,791	0	0	0	0	0	0	0	0
3.4 Net (Line 1 + Line 2)	1,640,741	0	1,640,741	0	0	0	0	0	0	0	0
4. Advance	28,681	0	28,681	0	0	0	0	0	0	0	0
5. Line 3.4 - Line 4	1,612,060	0	1,612,060	0	0	0	0	0	0	0	0
6. Collected during year:											
6.1 Direct	26,893,215	0	14,546,420	12,346,795	0	0	0	0	0	0	0
6.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0	0
6.3 Reinsurance ceded	380,154	0	380,154	0	0	0	0	0	0	0	0
6.4 Net	26,513,061	0	14,166,266	12,346,795	0	0	0	0	0	0	0
7. Line 5 + Line 6.4	28,125,121	0	15,778,326	12,346,795	0	0	0	0	0	0	0
8. Prior year (uncollected + deferred and accrued - advance)	1,732,360	0	1,732,360	0	0	0	0	0	0	0	0
9. First year premiums and considerations:											
9.1 Direct	26,777,753	0	14,430,958	12,346,795	0	0	0	0	0	0	0
9.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0	0
9.3 Reinsurance ceded	384,992	0	384,992	0	0	0	0	0	0	0	0
9.4 Net (Line 7 - Line 8)	26,392,761	0	14,045,966	12,346,795	0	0	0	0	0	0	0
SINGLE											
10. Single premiums and considerations:											
10.1 Direct	632,621,801	0	67,446,879	565,174,922	0	0	0	0	0	0	0
10.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0	0
10.3 Reinsurance ceded	2,262	0	0	2,262	0	0	0	0	0	0	0
10.4 Net	632,619,539	0	67,446,879	565,172,660	0	0	0	0	0	0	0
RENEWAL											
11. Uncollected	(527,392)	0	(527,392)	0	0	0	0	0	0	0	0
12. Deferred and accrued	13,910,380	0	13,910,380	0	0	0	0	0	0	0	0
13. Deferred, accrued and uncollected:											
13.1 Direct	14,443,667	0	14,443,667	0	0	0	0	0	0	0	0
13.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0	0
13.3 Reinsurance ceded	1,060,679	0	1,060,679	0	0	0	0	0	0	0	0
13.4 Net (Line 11 + Line 12)	13,382,988	0	13,382,988	0	0	0	0	0	0	0	0
14. Advance	498,715	0	498,715	0	0	0	0	0	0	0	0
15. Line 13.4 - Line 14	12,884,273	0	12,884,273	0	0	0	0	0	0	0	0
16. Collected during year:											
16.1 Direct	158,439,946	0	139,770,785	18,669,161	0	0	0	0	0	0	0
16.2 Reinsurance assumed	155,432,406	0	139,075,936	(3,643,530)	0	0	0	0	0	0	0
16.3 Reinsurance ceded	16,983,544	0	16,983,544	0	0	0	0	0	0	0	0
16.4 Net	276,888,808	0	261,863,177	15,025,631	0	0	0	0	0	0	0
17. Line 15 + Line 16.4	289,773,081	0	274,747,450	15,025,631	0	0	0	0	0	0	0
18. Prior year (uncollected + deferred and accrued - advance)	13,112,938	0	13,112,938	0	0	0	0	0	0	0	0
19. Renewal premiums and considerations:											
19.1 Direct	158,235,367	0	139,566,206	18,669,161	0	0	0	0	0	0	0
19.2 Reinsurance assumed	135,432,406	0	139,075,936	(3,643,530)	0	0	0	0	0	0	0
19.3 Reinsurance ceded	17,007,630	0	17,007,630	0	0	0	0	0	0	0	0
19.4 Net (Line 17 - Line 18)	276,660,143	0	261,634,512	15,025,631	0	0	0	0	0	0	0
TOTAL											
20. Total premiums and annuity considerations:											
20.1 Direct	817,634,921	0	221,444,043	596,190,878	0	0	0	0	0	0	0
20.2 Reinsurance assumed	135,432,406	0	139,075,936	(3,643,530)	0	0	0	0	0	0	0
20.3 Reinsurance ceded	17,394,884	0	17,392,622	2,262	0	0	0	0	0	0	0
20.4 Net (Lines 9.4 + 10.4 + 19.4)	935,672,443	0	343,127,357	592,545,086	0	0	0	0	0	0	0

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

	1 Total	2 Industrial Life	Ordinary		5 Credit Life (Group and Individual)	Group		Accident and Health			11 Aggregate of All Other Lines of Business
			3 Life Insurance	4 Individual Annuities		6 Life Insurance	7 Annuities	8 Group	9 Credit (Group and Individual)	10 Other	
DIVIDENDS AND COUPONS APPLIED (included in Part 1)											
21. To pay renewal premiums	0										
22. All other	0										
REINSURANCE COMMISSIONS AND EXPENSE ALLOWANCES INCURRED											
23. First year (other than single):											
23.1 Reinsurance ceded	0										
23.2 Reinsurance assumed	0										
23.3 Net ceded less assumed	0	0	0	0	0	0	0	0	0	0	0
24. Single:											
24.1 Reinsurance ceded	0										
24.2 Reinsurance assumed	0										
24.3 Net ceded less assumed	0	0	0	0	0	0	0	0	0	0	0
25. Renewal:											
25.1 Reinsurance ceded	0										
25.2 Reinsurance assumed	3,103,615		2,019,264	1,084,351							
25.3 Net ceded less assumed	(3,103,615)	0	(2,019,264)	(1,084,351)	0	0	0	0	0	0	0
26. Totals:											
26.1 Reinsurance ceded (Page 6, Line 6)	0	0	0	0	0	0	0	0	0	0	0
26.2 Reinsurance assumed (Page 6, Line 22)	3,103,615	0	2,019,264	1,084,351	0	0	0	0	0	0	0
26.3 Net ceded less assumed	(3,103,615)	0	(2,019,264)	(1,084,351)	0	0	0	0	0	0	0
COMMISSIONS INCURRED (direct business only)											
27. First year (other than single)	11,535,077		10,640,548	894,529							
28. Single	27,428,588		4,313,412	23,115,176							
29. Renewal	10,526,373		9,427,705	1,098,668							
30. Deposit-type contract funds	0										
31. Totals (to agree with Page 6, Line 21)	49,490,038	0	24,381,665	25,108,373	0	0	0	0	0	0	0

ANNUAL STATEMENT FOR THE YEAR 2013 OF THE Western-Southern Life Assurance Company
EXHIBIT 2 - GENERAL EXPENSES

	Insurance				5	6		
	1 Life	Accident and Health		4 All Other Lines of Business				
		2 Cost Containment	3 All Other					
1. Rent	4,168,031			1,590,591	200,572	5,959,194		
2. Salaries and wages	26,083,576			9,764,343	3,573,043	39,420,962		
3.11 Contributions for benefit plans for employees	1,950,918			1,429,415	894,919	4,275,252		
3.12 Contributions for benefit plans for agents	5,751,860					5,751,860		
3.21 Payments to employees under non-funded benefit plans						0		
3.22 Payments to agents under non-funded benefit plans						0		
3.31 Other employee welfare	211,120			439,323	7,724	658,167		
3.32 Other agent welfare	146,221			3,090	99	149,410		
4.1 Legal fees and expenses	24,787			6,283,115	2,757	6,310,659		
4.2 Medical examination fees	965,485			2,523		968,008		
4.3 Inspection report fees	236,046			8,981	131	245,158		
4.4 Fees of public accountants and consulting actuaries	128,513			482,868		611,381		
4.5 Expense of investigation and settlement of policy claims	240,883			114,053		354,936		
5.1 Traveling expenses	816,527			517,407	84,516	1,418,450		
5.2 Advertising	325,869			2,263,577	1	2,589,447		
5.3 Postage, express, telegraph and telephone	1,286,231			724,892	3,160	2,014,283		
5.4 Printing and stationery	620,098			34,117	275	654,490		
5.5 Cost or depreciation of furniture and equipment	235,551			192,879	4,074	432,504		
5.6 Rental of equipment	347,828			463,050	1,528	812,406		
5.7 Cost or depreciation of EDP equipment and software	950,651			446,948	717	1,398,316		
6.1 Books and periodicals	24,020			47,963	231	72,214		
6.2 Bureau and association fees	34,956			495,704	790	531,450		
6.3 Insurance, except on real estate	215,042			20,837	500	236,379		
6.4 Miscellaneous losses	21,945			208,202	129	230,276		
6.5 Collection and bank service charges	688,612			225,791		914,403		
6.6 Sundry general expenses	747,309			341,605	1,090,703	2,179,617		
6.7 Group service and administration fees	(1,225)			14,983		13,758		
6.8 Reimbursements by uninsured plans						0		
7.1 Agency expense allowance						0		
7.2 Agents' balances charged off (less \$ recovered)	3,801					3,801		
7.3 Agency conferences other than local meetings	675,033					675,033		
9.1 Real estate expenses	2,048			2,430	1,886,781	1,891,259		
9.2 Investment expenses not included elsewhere	8,036			16,305	74,065	98,406		
9.3 Aggregate write-ins for expenses	2,257,814	0	0	2,214,341	676,236	5,148,391		
10. General expenses incurred	49,167,586	0	0	28,349,333	8,502,951	(a) 86,019,870		
11. General expenses unpaid December 31, prior year	4,388,092			306,147	306,744	5,000,983		
12. General expenses unpaid December 31, current year						0		
13. Amounts receivable relating to uninsured plans, prior year						0		
14. Amounts receivable relating to uninsured plans, current year						0		
15. General expenses paid during year (Lines 10+11-12-13+14)	53,555,678	0	0	28,655,480	8,809,695	91,020,853		
DETAILS OF WRITE-INS								
09.301. Equipment and software maintenance	1,839,663			1,331,624	159,464	3,330,751		
09.302. Consulting	418,151			882,717	516,772	1,817,640		
09.303.								
09.398. Summary of remaining write-ins for Line 9.3 from overflow page	0	0	0	0	0	0		
09.399. Totals (Lines 09.301 thru 09.303 plus 09.398) (Line 9.3 above)	2,257,814	0	0	2,214,341	676,236	5,148,391		

(a) Includes management fees of \$ 81,099,443 to affiliates and \$ 807,395 to non-affiliates.

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

	Insurance			4 Investment	5 Total
	1 Life	2 Accident and Health	3 All Other Lines of Business		
1. Real estate taxes .....				.471,857	.471,857
2. State insurance department licenses and fees	967,834				967,834
3. State taxes on premiums	4,004,085				4,004,085
4. Other state taxes, including \$ for employee benefits	546,004			2,567	549,953
5. U.S. Social Security taxes	2,427,177			52,044	2,507,234
6. All other taxes	(964,471)			168,444	(796,027)
7. Taxes, licenses and fees incurred	6,980,629	0		223,055	7,704,936
8. Taxes, licenses and fees unpaid December 31, prior year	2,625,356				2,625,356
9. Taxes, licenses and fees unpaid December 31, current year	1,247,882				1,247,882
10. Taxes, licenses and fees paid during year (Lines 7 + 8 - 9)	8,358,103	0	223,055	501,252	9,082,410

EXHIBIT 4 - DIVIDENDS OR REFUNDS

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

NONE

EXHIBIT 5 - AGGREGATE RESERVE FOR LIFE CONTRACTS

1 Valuation Standard	2 Total	3 Industrial	4 Ordinary	5 Credit (Group and Individual)	6 Group
0100001. 1958 CSO 6% CRVM, 83-86	321,758,331		321,758,331		
0100002. 1958 CSO 5.5% CRVM, 87-88	49,188,547		49,188,547		
0100003. 1958 CSO 4.5% CRVM, 82	29,754,047		29,754,047		
0100004. 1958 CSO/CET 4%, 82-88	21,893,051		21,893,051		
0100005. 1958 CSO/CET 3%, 85-88	5,644		5,644		
0100006. 1980 CSO 5.5% CRVM, 89-92	88,006,830		88,006,830		
0100007. 1980 CSO 5.5%, 90-92	1,991,476		1,991,476		
0100008. 1980 CSO 5% CRVM, 93-94	28,275,825		28,275,825		
0100009. 1980 CSO 5%, 93-94	1,885,892		1,885,892		
0100010. 1980 CSO/CET 4.5% CRVM, 95-05	292,256,937		292,256,937		
0100011. 1980 CSO/CET 4.5%, 95-03	57,302,556		57,302,556		
0100012. 1980 CSO/CET 4%, 06-08	41,236,170		41,236,170		
0100013. 1980 CSO/CET 4% CRVM, 88-04	17,633,833		17,633,833		
0100014. 2001 CSO 4.5% CRVM, 04-05	221,468,077		221,468,077		
0100015. 2001 CSO 4.5%, 04-05	19,433,920		19,433,920		
0100016. 2001 CSO 4% CRVM, 06-12	290,516,565		290,516,565		
0100017. 2001 CSO 4%, 06-09	32,769,460		32,769,460		
0100018. 2001 CSO 3.5% CRVM, 13 (N.B.)	75,570,085		75,570,085		
0199997. Totals (Gross)	1,590,947,246	0	1,590,947,246	0	0
0199998. Reinsurance ceded	15,475,186		15,475,186		
0199999. Life Insurance: Totals (Net)	1,575,472,060	0	1,575,472,060	0	0
0200001. 83a 8.25%, PROJ. SCALE G IMMEDIATE	65,132	XXX	65,132	XXX	
0200002. 83a 7.75%, PROJ. SCALE G IMMEDIATE	31,991	XXX	31,991	XXX	
0200003. 83a 7.55%, PROJ. SCALE G IMMEDIATE	1,107,164	XXX	1,107,164	XXX	
0200004. 83a 7.40%, PROJ. SCALE G IMMEDIATE	11,839	XXX	11,839	XXX	
0200005. 83a 7.25%, PROJ. SCALE G IMMEDIATE	543,126	XXX	543,126	XXX	
0200006. 83a 7.15%, PROJ. SCALE G IMMEDIATE	222,534	XXX	222,534	XXX	
0200007. 83a 7.05%, PROJ. SCALE G IMMEDIATE	109,376	XXX	109,376	XXX	
0200008. 83a 6.75%, PROJ. SCALE G IMMEDIATE	834,111	XXX	834,111	XXX	
0200009. 83a 6.70%, PROJ. SCALE G IMMEDIATE	166,055	XXX	166,055	XXX	
0200010. 83a 6.65%, PROJ. SCALE G IMMEDIATE	803,537	XXX	803,537	XXX	
0200011. 83a 6.55%, PROJ. SCALE G IMMEDIATE	94,647	XXX	94,647	XXX	
0200012. 83a 6.50%, PROJ. SCALE G IMMEDIATE	39,609	XXX	39,609	XXX	
0200013. 83a 6.45%, PROJ. SCALE G IMMEDIATE	58,818	XXX	58,818	XXX	
0200014. 83a 6.35%, PROJ. SCALE G IMMEDIATE	317,330	XXX	317,330	XXX	
0200015. 83a 6.20%, PROJ. SCALE G IMMEDIATE	650,820	XXX	650,820	XXX	
0200016. 83a 6.15%, PROJ. SCALE G IMMEDIATE	555,184	XXX	555,184	XXX	
0200017. 83a 6.00%, PROJ. SCALE G IMMEDIATE	16,578	XXX	16,578	XXX	
0200018. 83a 5.85%, PROJ. SCALE G IMMEDIATE	294,347	XXX	294,347	XXX	
0200019. 83a 5.70%, PROJ. SCALE G IMMEDIATE	13,912	XXX	13,912	XXX	
0200020. 2000 IAM Annuity 5.50%	404,585	XXX	404,585	XXX	
0200021. 2000 IAM Annuity 5.25%	2,616,151	XXX	2,616,151	XXX	
0200022. 2000 IAM Annuity 3.55%	24,811,203	XXX	24,811,203	XXX	
0200023. 2000 IAM Annuity 3.15%	4,372	XXX	4,372	XXX	
0200024. 2000 IAM Annuity 3.10%	34,642	XXX	34,642	XXX	
0200025. 2000 IAM Annuity 2.50%	6,807	XXX	6,807	XXX	
0200026. 2000 IAM Annuity 6.95%, Projection Scale G	19,585	XXX	19,585	XXX	
0200027. 2000 IAM Annuity 6.80%, Projection Scale G	300,801	XXX	300,801	XXX	
0200028. 2000 IAM Annuity 6.25%, Projection Scale G	1,106,625	XXX	1,106,625	XXX	
0200029. 2000 IAM Annuity 6.00%, Projection Scale G	772,779	XXX	772,779	XXX	
0200030. 2000 IAM Annuity 5.95%, Projection Scale G	537,321	XXX	537,321	XXX	
0200031. 2000 IAM Annuity 5.75%, Projection Scale G	938,614	XXX	938,614	XXX	
0200032. 2000 IAM Annuity 5.65%, Projection Scale G	26,148	XXX	26,148	XXX	
0200033. 2000 IAM Annuity 5.60%, Projection Scale G	73,307	XXX	73,307	XXX	
0200034. 2000 IAM Annuity 5.55%, Projection Scale G	461,433	XXX	461,433	XXX	
0200035. 2000 IAM Annuity 5.50%, Projection Scale G	1,900,355	XXX	1,900,355	XXX	
0200036. 2000 IAM Annuity 5.40%, Projection Scale G	513,163	XXX	513,163	XXX	
0200037. 2000 IAM Annuity 5.25%, Projection Scale G	42,419	XXX	42,419	XXX	
0200038. 2000 IAM Annuity 5.20%, Projection Scale G	25,829	XXX	25,829	XXX	
0200039. 2000 IAM Annuity 5.05%, Projection Scale G	30,090	XXX	30,090	XXX	
0200040. 2000 IAM Annuity 5.00%, Projection Scale G	31,040	XXX	31,040	XXX	
0200041. 2000 IAM Annuity 4.90%, Projection Scale G	1,225,572	XXX	1,225,572	XXX	
0200042. 2000 IAM Annuity 4.80%, Projection Scale G	134,646	XXX	134,646	XXX	
0200043. 2000 IAM Annuity 4.40%, Projection Scale G	234,364	XXX	234,364	XXX	
0200044. 2000 IAM Annuity 4.30%, Projection Scale G	400,974	XXX	400,974	XXX	
0200045. 2000 IAM Annuity 4.25%, Projection Scale G	501,843	XXX	501,843	XXX	
0200046. 2000 IAM Annuity 4.05%, Projection Scale G	34,579	XXX	34,579	XXX	
0200047. 2000 IAM Annuity 3.95%, Projection Scale G	49,633	XXX	49,633	XXX	
0200048. 2000 IAM Annuity 3.75%, Projection Scale G	531,703	XXX	531,703	XXX	
0200049. 2000 IAM Annuity 3.50%, Projection Scale G	3,624,399	XXX	3,624,399	XXX	
0200050. 2000 IAM Annuity 3.30%, Projection Scale G	65,914	XXX	65,914	XXX	
0200051. 2000 IAM Annuity, Generational Improvement [5.50%, 5.75%]	2,841,284	XXX	2,841,284	XXX	
0200052. 2000 IAM Annuity, Generational Improvement [5.25%, 5.50%]	21,871	XXX	21,871	XXX	
0200053. 2000 IAM Annuity, Generational Improvement [5.00%, 5.25%]	135,273	XXX	135,273	XXX	
0200054. 2000 IAM Annuity, Generational Improvement [4.75%, 5.00%]	472,481	XXX	472,481	XXX	
0200055. 2000 IAM Annuity, Generational Improvement [4.50%, 4.75%]	633,226	XXX	633,226	XXX	
0200056. 2000 IAM Annuity, Generational Improvement [4.25%, 4.50%]	372,538	XXX	372,538	XXX	
0200057. 2000 IAM Annuity, Generational Improvement [4.00%, 4.25%]	535,992	XXX	535,992	XXX	
0200058. 2000 IAM Annuity, Generational Improvement [3.75%, 4.00%]	309,098	XXX	309,098	XXX	
0200059. 2000 IAM Annuity, Generational Improvement [3.50%, 3.75%]	589,560	XXX	589,560	XXX	
0200060. 2000 IAM Annuity, Generational Improvement [3.25%, 3.50%]	13,625	XXX	13,625	XXX	

EXHIBIT 5 - AGGREGATE RESERVE FOR LIFE CONTRACTS

1 Valuation Standard	2 Total	3 Industrial	4 Ordinary	5 Credit (Group and Individual)	6 Group
0200061. 2000 IAM Annuity, Generational Improvement [3.00%, 3.25%]	493,894	XXX	493,894	XXX	
0200062. 2000 IAM Annuity, Generational Improvement [2.75%, 3.00%]	46,991	XXX	46,991	XXX	
0200063. 2000 IAM Annuity, Generational Improvement [2.50%, 2.75%]	669,059	XXX	669,059	XXX	
0200064. Deferred 6.25% CARVM: 83a 3%	5,903,358	XXX	5,903,358	XXX	
0200065. Deferred 6.00% CARVM: 83a 3%	81,907,302	XXX	81,907,302	XXX	
0200066. Deferred 5.75% CARVM: 83a 3%	134,706,911	XXX	134,706,911	XXX	
0200067. Deferred 5.50% CARVM: 83a 3%	398,128,858	XXX	398,128,858	XXX	
0200068. Deferred 5.25% CARVM: 83a 3%	174,404,487	XXX	174,404,487	XXX	
0200069. Deferred 5.00% CARVM: 83a 3%	52,122,044	XXX	52,122,044	XXX	
0200070. Deferred 4.00% CARVM: 83a 3%	78,211,535	XXX	78,211,535	XXX	
0200071. Deferred 5.50% CARVM: 2000 IAM 3%	84,428,592	XXX	84,428,592	XXX	
0200072. Deferred 5.25% CARVM: 2000 IAM 3%	50,704,733	XXX	50,704,733	XXX	
0200073. Deferred 5.00% CARVM: 2000 IAM 3%	1,327,933,360	XXX	1,327,933,360	XXX	
0200074. Deferred 4.75% CARVM: 2000 IAM 3%	2,011,956,138	XXX	2,011,956,138	XXX	
0200075. Deferred 4.50% CARVM: 2000 IAM 3%	1,609,344,321	XXX	1,609,344,321	XXX	
0200076. Deferred 4.25% CARVM: 2000 IAM 3%	811,366,826	XXX	811,366,826	XXX	
0200077. Deferred 3.75% CARVM: 2000 IAM 3%	1,025,452,878	XXX	1,025,452,878	XXX	
0200078. Deferred 3.50% CARVM: 2000 IAM 3%	11,000,485	XXX	11,000,485	XXX	
0200079. AG 43	173,662	XXX	173,662	XXX	
0200080. A2000 4.5% CARVM 1998-2009	215,823,803	XXX	215,823,803	XXX	
0200081. A2000 5.0% CARVM 1998-2009	115,365,173	XXX	115,365,173	XXX	
0200082. Account Value Basis 4.69% 1973-N.B.	107,152,496	XXX	107,152,496	XXX	
0299997. Totals (Gross)	8,350,618,856	XXX	8,350,618,856	XXX	0
0299998. Reinsurance ceded	47,928	XXX	47,928	XXX	
0299999. Annuities: Totals (Net)	8,350,570,928	XXX	8,350,570,928	XXX	0
0300001. 83 Table 'a' 8.25% Proj. Scale G	32,913		32,913		
0300002. 83 Table 'a' 7.75% Proj. Scale G	40,455		40,455		
0300003. 83 Table 'a' 7.25% Proj. Scale G	572,120		572,120		
0300004. 83 Table 'a' 6.75% Proj. Scale G	846,128		846,128		
0300005. 83 Table 'a' 6.70% Proj. Scale G	163,410		163,410		
0300006. 83 Table 'a' 6.20% Proj. Scale G	95,017		95,017		
0300007. Annuity 2000 3.15% No Proj.	1,436,477		1,436,477		
0300008. Annuity 2000 3.10% No Proj.	1,254,625		1,254,625		
0300009. Annuity 2000 3.05% No Proj.	2,120,218		2,120,218		
0300010. Annuity 2000 [2.75%-3.00%] No Proj.	1,570,015		1,570,015		
0300011. Annuity 2000 [2.50%-2.75%] No Proj.	2,319,818		2,319,818		
0300012. Annuity 2000 6.25% Scale G Proj.	410,810		410,810		
0300013. Annuity 2000 6.00% Scale G Proj.	69,462		69,462		
0300014. Annuity 2000 5.75% Scale G Proj.	486,873		486,873		
0300015. Annuity 2000 5.60% Scale G Proj.	28,371		28,371		
0300016. Annuity 2000 5.50% Scale G Proj.	1,177,323		1,177,323		
0300017. Annuity 2000 5.40% Scale G Proj.	299,623		299,623		
0300018. Annuity 2000 4.90% Scale G Proj.	635,816		635,816		
0300019. Annuity 2000 4.25% Scale G Proj.	211,153		211,153		
0300020. Annuity 2000 3.75% Scale G Proj.	511,815		511,815		
0300021. Annuity 2000 3.50% Scale G Proj.	8,006,228		8,006,228		
0399997. Totals (Gross)	22,288,668	0	22,288,668	0	0
0399998. Reinsurance ceded	0				
0399999. SCWLC: Totals (Net)	22,288,668	0	22,288,668	0	0
0400001. 1959 ADB and 1958 CSO/CET 2.5%	27,108		27,108		
0400002. 1959 ADB and 1980 CSO/CET 2.5%	159,740		159,740		
0400003. 1959 ADB and 1958 CSO [4.5%, 6%]	10,213		10,213		
0400004. 1959 ADB and 1980 CSO [4%, 5.5%]	6,578		6,578		
0400005. 1959 ADB and 2001 CSO [3.5%, 4%] (N.B.)	4,022		4,022		
0499997. Totals (Gross)	207,661	0	207,661	0	0
0499998. Reinsurance ceded	301		301		
0499999. Accidental Death Benefits: Totals (Net)	207,360	0	207,360	0	0
0500001. 75% 1930-31 Met. and 1958 CSO 2.5%	98,138		98,138		
0500002. 75% 1930-31 Met. and 1980 CSO 2.5%	49,983		49,983		
0500003. 1952 Ben. 5, Period 2 and 1958 CSO [4%, 6%]	4,741		4,741		
0500004. 1952 Ben. 5, Period 2 and 1980 CSO [4%, 5.5%]	1,972,872		1,972,872		
0500005. 1952 Ben. 5, Period 2 and 2001 CSO [3.5%, 4%] (N.B.)	2,995		2,995		
0500006. Special Related to Premium or Face Amount	1,375		1,375		
0599997. Totals (Gross)	2,130,104	0	2,130,104	0	0
0599998. Reinsurance ceded	7,770		7,770		
0599999. Disability-Active Lives: Totals (Net)	2,122,334	0	2,122,334	0	0
0600001. 52 Intercompany Disability 2.5%	22,738,589		22,738,589		
0699997. Totals (Gross)	22,738,589	0	22,738,589	0	0
0699998. Reinsurance ceded	0				
0699999. Disability-Disabled Lives: Totals (Net)	22,738,589	0	22,738,589	0	0
0700001. Accelerated Death Benefit	39,427		39,427		
0799997. Totals (Gross)	39,427	0	39,427	0	0
0799998. Reinsurance ceded	0				
0799999. Miscellaneous Reserves: Totals (Net)	39,427	0	39,427	0	0
9999999. Totals (Net) - Page 3, Line 1	9,973,439,366	0	9,973,439,366	0	0

ANNUAL STATEMENT FOR THE YEAR 2013 OF THE Western-Southern Life Assurance Company
EXHIBIT 5 - INTERROGATORIES

1.1 Has the reporting entity ever issued both participating and non-participating contracts? Yes [] No [X]
 1.2 If not, state which kind is issued.
 Non-participating
 2.1 Does the reporting entity at present issue both participating and non-participating contracts? Yes [] No [X]
 2.2 If not, state which kind is issued.
 Non-participating
 3. Does the reporting entity at present issue or have in force contracts that contain non-guaranteed elements? Yes [X] No []
 If so, attach a statement that contains the determination procedures, answers to the interrogatories and an actuarial opinion as described in the instructions.
 4. Has the reporting entity any assessment or stipulated premium contracts in force? Yes [] No [X]
 If so, state:
 4.1 Amount of insurance? \$
 4.2 Amount of reserve? \$
 4.3 Basis of reserve:

 4.4 Basis of regular assessments:

 4.5 Basis of special assessments:

 4.6 Assessments collected during the year \$
 5. If the contract loan interest rate guaranteed in any one or more of its currently issued contracts is less than 5%, not in advance, state the contract loan rate guarantees on any such contracts.
 6. Does the reporting entity hold reserves for any annuity contracts that are less than the reserves that would be held on a standard basis? Yes [] No [X]
 6.1 If so, state the amount of reserve on such contracts on the basis actually held: \$
 6.2 That would have been held (on an exact or approximate basis) using the actual ages of the annuitants; the interest rate(s) used in 6.1; and the same mortality basis used by the reporting entity for the valuation of comparable annuity benefits issued to standard lives. If the reporting entity has no comparable annuity benefits for standard lives to be valued, the mortality basis shall be the table most recently approved by the state of domicile for valuing individual annuity benefits: \$
 Attach statement of methods employed in their valuation.
 7. Does the reporting entity have any Synthetic GIC contracts or agreements in effect as of December 31 of the current year? Yes [] No [X]
 7.1 If yes, state the total dollar amount of assets covered by these contracts or agreements \$
 7.2 Specify the basis (fair value, amortized cost, etc.) for determining the amount:

 7.3 State the amount of reserves established for this business: \$
 7.4 Identify where the reserves are reported in the blank:

 8. Does the reporting entity have any Contingent Deferred Annuity contracts or agreements in effect as of December 31 of the current year? Yes [] No [X]
 8.1 If yes, state the total dollar amount of account value covered by these contracts or agreements: \$
 8.2 State the amount of reserves established for this business: \$
 8.3 Identify where the reserves are reported in the blank:

 9. Does the reporting entity have any Guaranteed Lifetime Income Benefit contracts, agreements or riders in effect as of December 31 of the current year? Yes [] No [X]
 9.1 If yes, state the total dollar amount of any account value associated with these contracts, agreements or riders: \$
 9.2 State the amount of reserves established for this business: \$
 9.3 Identify where the reserves are reported in the blank:

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

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

NONE

Exhibit 6 - Aggregate Reserves for Accident and Health Contracts
N O N E

ANNUAL STATEMENT FOR THE YEAR 2013 OF THE Western-Southern Life Assurance Company

EXHIBIT 7 - DEPOSIT TYPE CONTRACTS

	1 Total	2 Guaranteed Interest Contracts	3 Annuities Certain	4 Supplemental Contracts	5 Dividend Accumulations or Refunds	6 Premium and Other Deposit Funds
1. Balance at the beginning of the year before reinsurance	1,038,343,322	984,011,693	13,310,155	40,923,568	0	97,906
2. Deposits received during the year	2,226,194,149	2,215,539,999	2,722,531	7,907,161		24,458
3. Investment earnings credited to the account	7,176,572	5,631,921	435,171	1,106,764		2,716
4. Other net change in reserves	0					
5. Fees and other charges assessed	0					
6. Surrender charges	0					
7. Net surrender or withdrawal payments	1,920,911,377	1,906,913,983	3,022,886	10,935,232		39,276
8. Other net transfers to or (from) Separate Accounts	0					
9. Balance at the end of current year before reinsurance (Lines 1+2+3+4-5-6-7-8)	1,350,802,666	1,298,269,630	13,444,971	39,002,261	0	85,804
10. Reinsurance balance at the beginning of the year	0	0	0	0	0	0
11. Net change in reinsurance assumed	0					
12. Net change in reinsurance ceded	0					
13. Reinsurance balance at the end of the year (Lines 10+11-12)	0	0	0	0	0	0
14. Net balance at the end of current year after reinsurance (Lines 9 + 13)	1,350,802,666	1,298,269,630	13,444,971	39,002,261	0	85,804

ANNUAL STATEMENT FOR THE YEAR 2013 OF THE Western-Southern Life Assurance Company

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

	1 Total	2 Industrial Life	Ordinary			6 Credit Life (Group and Individual)	Group		Accident and Health		
			3 Life Insurance	4 Individual Annuities	5 Supplementary Contracts		7 Life Insurance	8 Annuities	9 Group	10 Credit (Group and Individual)	11 Other
1. Due and unpaid:											
1.1 Direct	0										
1.2 Reinsurance assumed	0										
1.3 Reinsurance ceded	0										
1.4 Net	0	0	0	0	0	0	0	0	0	0	0
2. In course of settlement:											
2.1 Resisted	2.11 Direct 75,000		75,000								
	2.12 Reinsurance assumed 0										
	2.13 Reinsurance ceded 0										
	2.14 Net 75,000	0	(b) 75,000	(b) 0	0	(b) 0	(b) 0	0	0	0	0
2.2 Other	2.21 Direct 11,920,407		11,920,407								
	2.22 Reinsurance assumed 0										
	2.23 Reinsurance ceded 1,540,000		1,540,000								
	2.24 Net 10,380,407	0	(b) 10,380,407	(b) 0	0	(b) 0	(b) 0	0	(b) 0	(b) 0	(b) 0
3. Incurred but unreported:											
3.1 Direct	28,640,864		28,640,864								
3.2 Reinsurance assumed	8,942,248		8,942,248								
3.3 Reinsurance ceded	294,754		294,754								
3.4 Net	37,288,358	0	(b) 37,288,358	(b) 0	0	(b) 0	(b) 0	0	(b) 0	(b) 0	(b) 0
4. TOTALS	4.1 Direct 40,636,271	0	40,636,271	0	0	0	0	0	0	0	0
	4.2 Reinsurance assumed 8,942,248	0	8,942,248	0	0	0	0	0	0	0	0
	4.3 Reinsurance ceded 1,834,754	0	1,834,754	0	0	0	0	0	0	0	0
	4.4 Net 47,743,765	(a) 0	(a) 47,743,765	0	0	0	(a) 0	0	0	0	0

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

(b) Include only portion of disability and accident and health claim liabilities applicable to assumed "accrued" benefits. Reserves (including reinsurance assumed and net of reinsurance ceded) for unaccrued benefits for Ordinary Life Insurance \$ 284,105

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

Credit (Group and Individual) Accident and Health \$, and Other Accident and Health \$ are included in Page 3, Line 2 (See Exhibit 6, Claim Reserve).

ANNUAL STATEMENT FOR THE YEAR 2013 OF THE Western-Southern Life Assurance Company
EXHIBIT 8 - CLAIMS FOR LIFE AND ACCIDENT AND HEALTH CONTRACTS

PART 2 - Incurred During the Year

	1 Total	2 Industrial Life (a)	Ordinary			6 Credit Life (Group and Individual)	Group		Accident and Health		
			3 Life Insurance (b)	4 Individual Annuities	5 Supplementary Contracts		7 Life Insurance (c)	8 Annuities	9 Group	10 Credit (Group and Individual)	11 Other
1. Settlements During the Year:											
1.1 Direct	347,688,355		103,253,254	241,245,835	3,189,266						
1.2 Reinsurance assumed	114,074,236		99,363,999	14,710,237							
1.3 Reinsurance ceded	8,133,893		8,133,893								
1.4 Net	(d) 453,628,698	0	194,483,360	255,956,072	3,189,266	0	0	0	0	0	0
2. Liability December 31, current year from Part 1:											
2.1 Direct	40,636,271	0	40,636,271	0	0	0	0	0	0	0	0
2.2 Reinsurance assumed	8,942,248	0	8,942,248	0	0	0	0	0	0	0	0
2.3 Reinsurance ceded	1,834,754	0	1,834,754	0	0	0	0	0	0	0	0
2.4 Net	47,743,765	0	47,743,765	0	0	0	0	0	0	0	0
3. Amounts recoverable from reinsurers December 31, current year	802,809		802,809								
4. Liability December 31, prior year:											
4.1 Direct	13,473,113	0	13,384,776	88,337	0	0	0	0	0	0	0
4.2 Reinsurance assumed	7,559,321	0	7,559,321	0	0	0	0	0	0	0	0
4.3 Reinsurance ceded	1,405,572	0	1,405,572	0	0	0	0	0	0	0	0
4.4 Net	19,626,862	0	19,538,525	88,337	0	0	0	0	0	0	0
5. Amounts recoverable from reinsurers December 31, prior year	652,888		652,888								
6. Incurred Benefits											
6.1 Direct	374,851,513	0	130,504,749	241,157,498	3,189,266	0	0	0	0	0	0
6.2 Reinsurance assumed	115,457,163	0	100,746,926	14,710,237	0	0	0	0	0	0	0
6.3 Reinsurance ceded	8,712,996	0	8,712,996	0	0	0	0	0	0	0	0
6.4 Net	481,595,680	0	222,538,679	255,867,735	3,189,266	0	0	0	0	0	0

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

\$..... in Line 6.1, and \$ in Line 6.4.

(b) Including matured endowments (but not guaranteed annual pure endowments) amounting to \$ 1,980,236 in Line 1.1, \$ 1,980,236 in Line 1.4.

\$..... 1,980,236 in Line 6.1, and \$ 1,980,236 in Line 6.4.

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

\$..... in Line 6.1, and \$ in Line 6.4.

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

ANNUAL STATEMENT FOR THE YEAR 2013 OF THE Western-Southern Life Assurance Company
EXHIBIT OF NON-ADMITTED ASSETS

	1 Current Year Total Nonadmitted Assets	2 Prior Year Total Nonadmitted Assets	3 Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1. Bonds (Schedule D)	0	0	0
2. Stocks (Schedule D):			
2.1 Preferred stocks	0	0	0
2.2 Common stocks	40,975,962	33,254,574	(7,721,388)
3. Mortgage loans on real estate (Schedule B):			
3.1 First liens	0	0	0
3.2 Other than first liens			0
4. Real estate (Schedule A):			
4.1 Properties occupied by the company			0
4.2 Properties held for the production of income		0	0
4.3 Properties held for sale			0
5. Cash (Schedule E - Part 1), cash equivalents (Schedule E - Part 2) and short-term investments (Schedule DA)	0	0	0
6. Contract loans	0	0	0
7. Derivatives (Schedule DB)	0	0	0
8. Other invested assets (Schedule BA)	0	0	0
9. Receivables for securities	0	0	0
10. Securities lending reinvested collateral assets (Schedule DL)	0	0	0
11. Aggregate write-ins for invested assets	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11)	40,975,962	33,254,574	(7,721,388)
13. Title plants (for Title insurers only)			0
14. Investment income due and accrued	0	0	0
15. Premiums and considerations:			
15.1 Uncollected premiums and agents' balances in the course of collection	0	0	0
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due			0
15.3 Accrued retrospective premiums			0
16. Reinsurance:			
16.1 Amounts recoverable from reinsurers	0	0	0
16.2 Funds held by or deposited with reinsured companies	0	0	0
16.3 Other amounts receivable under reinsurance contracts			0
17. Amounts receivable relating to uninsured plans			0
18.1 Current federal and foreign income tax recoverable and interest thereon		0	0
18.2 Net deferred tax asset	0	0	0
19. Guaranty funds receivable or on deposit	0	0	0
20. Electronic data processing equipment and software			0
21. Furniture and equipment, including health care delivery assets			0
22. Net adjustment in assets and liabilities due to foreign exchange rates			0
23. Receivables from parent, subsidiaries and affiliates			0
24. Health care and other amounts receivable	163,608	81,564	(82,044)
25. Aggregate write-ins for other than invested assets	0	0	0
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	41,139,570	33,336,138	(7,803,432)
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts	0	0	0
28. Total (Lines 26 and 27)	41,139,570	33,336,138	(7,803,432)
DETAILS OF WRITE-INS			
1101.		0	0
1102.		0	0
1103.		0	0
1198. Summary of remaining write-ins for Line 11 from overflow page	0	0	0
1199. Totals (Lines 1101 thru 1103 plus 1198)(Line 11 above)	0	0	0
2501.		0	0
2502.		0	0
2503.		0	0
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0	0
2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above)	0	0	0

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

A. Accounting Practices

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

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

A reconciliation of the Company's net income and capital and surplus between NAIC SAP and practices prescribed and permitted by the State of Ohio is shown below:

	State of Domicile	2013	2012
NET INCOME			
(1) State basis (Page 4, Line 35, Column 1 & 2)	Ohio	\$ 108,844,564	\$ 34,285,277
(2) State Prescribed Practices that increase/(decrease) NAIC SAP:		0	0
(3) State Permitted Practices that increase/(decrease) NAIC SAP:		0	0
(4) NAIC SAP (1-2-3=4)	Ohio	<u>\$ 108,844,564</u>	<u>\$ 34,285,277</u>
SURPLUS			
(5) State basis (Page 3, Line 38, Columns 1 & 2)	Ohio	\$ 1,176,680,488	\$ 1,025,724,620
(6) State Prescribed Practices that increase/(decrease) NAIC SAP:		0	0
(7) State Permitted Practices that increase/(decrease) NAIC SAP:		0	0
(8) NAIC SAP (5-6-7=8)	Ohio	<u>\$ 1,176,680,488</u>	<u>\$ 1,025,724,620</u>

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

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

C. Accounting Policy

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

In addition, the Company uses the following accounting policies:

- (1) Short-term investments are stated at amortized cost.
- (2) Bonds not backed by other loans are stated at either amortized cost using the interest method or the lower of amortized cost or fair market value.
- (3) Unaffiliated common stocks are stated at fair market value, except for Federal Home Loan Bank (FHLB) stock, which is carried at cost, adjusted for stock dividends, and is restricted. Common stocks of non-life subsidiaries and non-life affiliates in which the Company has an interest of 10% or more are carried on the GAAP equity basis.
- (4) Preferred stocks are stated at either cost or the lower of cost or fair market value.
- (5) Mortgage loans on real estate are stated at the aggregate unpaid principal balance plus unamortized premium less unaccrued discount.
- (6) Loan-backed and structured securities are stated at amortized cost, except those with an initial NAIC designation of 6, which are stated at the lower of amortized cost or fair value. Loan backed and structured securities with an initial NAIC designation of 6 could have a final designation of 1 through 5 as determined by the SVO financial modeling process or the SVO modified filing exempt process. The retrospective adjustment method is used to determine amortized cost for all loan-backed and structured securities, except for those which an other-than-temporary impairment has been recognized, which use the prospective adjustment method to determine amortized cost.
- (7) The Company owns 100% of the capital stock of its non-life insurance subsidiaries, which are stated at GAAP equity.
- (8) The Company owns real estate limited partnerships and limited liability companies. The Company carries these interests based on the underlying GAAP equity of the investee. Undistributed earnings allocated to the Company are reported in the change in net unrealized capital gains or losses. Distributions from earnings of the entity are reported as net investment income when received. Because of the indirect nature of these investments, there is an inherent reduction in transparency and liquidity and increased complexity in valuing the underlying investments. As a result, these investments are actively managed by Company management via detailed evaluation of the investment performance relative to risk.
- (9) The Company has entered into replication transactions. A replication transaction is a derivative transaction entered into in conjunction with a cash instrument to reproduce the credit risk of an otherwise permissible investment. The Company replicates debt securities by combining a AAA rated security as a cash component with a credit default swap which, in effect, converts the high quality asset into a higher yielding debt security. Generally, a premium is received by the Company on a periodic basis and is recognized in investment income. The credit default swap is carried at fair value on the balance sheet with changes in fair value recorded in surplus. In the event the representative issuer defaults on its debt obligation referenced in the credit default swap contract, a payment equal to the notional amount of the contract less recovery on the defaulted security will be made by the Company and recognized as a capital loss. The Company complies with the specific rules established related to AVR for replication transactions.

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

The Company has entered into an interest rate swap and swaptions in an effort to mitigate the risk of rising interest rates on long maturity bonds. The interest rate swap is forward starting and allows the Company to pay a fixed interest rate in exchange for receipt of a floating

NOTES TO FINANCIAL STATEMENTS

interest rate. The swaptions provide the Company an option to enter into an interest rate swap with the counterparty on specified terms. The derivative instruments are not designated as a hedge for accounting purposes. These instruments are carried at fair value on the balance sheet with changes in fair value recorded in surplus. If the instruments are terminated prior to maturity, proceeds are exchanged equal to the fair value of the contract and a realized gain or loss would be recognized.

- (10) Anticipated investment income is not a factor in calculating deficiency reserves.
- (11) The Company had no accident and health contracts on its books during the statement periods.
- (12) The Company does not capitalize assets. Therefore, the Company does not have a capitalization policy.
- (13) The Company has no pharmaceutical rebate receivables on its books during the statement periods.
- (14) The Company monitors investments to determine if there has been an other-than-temporary decline in fair value. Factors management considers for each identified security include the following:
 - the length of time and the extent to which the fair value is below the book/adjusted carry value;
 - the financial condition and near term prospects of the issuer, including specific events that may affect its operations;
 - for equity securities and debt securities with credit related declines in fair value, the Company's intent and ability to hold the security long enough for it to recover its value to book/adjusted carry value;
 - for debt securities with interest related declines in fair value, the Company's intent to sell the security before recovery of its book/adjusted carry value;
 - for loan-backed securities, the Company's intent and ability to hold the security long enough for it to recover its value to book/adjusted carry value;
 - for loan-backed securities, the Company's intent to sell the security before recovery of its book/adjusted carry value.

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

2. Accounting Changes and Corrections of Errors

The Company did not make any accounting changes in 2013.

The Company made the following accounting changes in 2012:

Effective January 1, 2012, the Company adopted Statement of Statutory Accounting Principle No. 101, *Income Taxes, a Replacement of SSAP No. 10R and SSAP No. 10* (SSAP 101). SSAP 101 amends the deferred tax asset admittance test set forth in SSAP 10R, *Income Taxes – A Temporary Replacement of SSAP 10* (SSAP 10R), by limiting the admissibility thresholds based on current period risk-based capital levels and modifying disclosure requirements. In addition, SSAP 101 no longer requires admitted deferred tax assets above certain thresholds to be classified as aggregate write-ins for other than special surplus funds.

The adoption of SSAP 101 did not impact the Company's statutory surplus at January 1, 2012. In addition, the Company reclassified \$12.6 million on the Liabilities, Surplus and Other Funds page from aggregate write-ins for other than special surplus funds (line 34) to unassigned funds (line 35).

3. Business Combinations and Goodwill. None.

4. Discontinued Operations. None.

5. Investments

A. Mortgage Loans, including Mezzanine Real Estate Loans

- (1) The minimum and maximum lending rates for mortgage loans issued during 2013 were:

Farm loans	None
City loans	4.20% and 5.70%
Purchase money mortgages	None
Mezzanine loans	None

- (2) The maximum percentage of any one loan to the value of security at the time of the loan, exclusive of insured or guaranteed or purchase money mortgage was: 80%.

- (3) Taxes, assessments and any amounts advanced and not included in mortgage loan total.

	Current Year	Prior Year
	\$ -	\$ -

- (4) Age Analysis of Mortgage Loans

	Residential			Commercial			
	Farm	Insured	All Other	Insured	All Other	Mezzanine	

a. Current Year

1. Recorded Investment (All)

(a) Current	\$ -	\$ -	\$ -	\$ -	\$ 713,068,665	\$ 7,683,790	\$ 720,752,455
(b) 30-59 Days Past Due	-	-	-	-	-	-	-
(c) 60-89 Days Past Due	-	-	-	-	-	-	-
(d) 90-179 Days Past Due	-	-	-	-	-	-	-
(e) 180+ Days Past Due	-	-	-	-	-	-	-

2. Accruing Interest 90-179 Days Past Due

(a) Recorded Investment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(b) Interest Accrued	-	-	-	-	-	-	-

3. Accruing Interest 180+ Days Past Due

(a) Recorded Investment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(b) Interest Accrued	-	-	-	-	-	-	-

4. Interest Reduced

(a) Recorded Investment	\$ -	\$ -	\$ -	\$ -	\$ 5,231,646	\$ -	\$ 5,231,646
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NOTES TO FINANCIAL STATEMENTS

(b) Interest Accrued	-	-	-	-	-	-	-	-																																																															
(c) Percent Reduced	0.00%	0.00%	0.00%	0.00%	1.00%	0.00%	0.00%	1.00%																																																															
b. Prior Year																																																																							
1. Recorded Investment																																																																							
(a) Current	\$ -	\$ -	\$ -	\$ -	\$ 770,393,058	\$ 13,546,650	\$ 783,939,708																																																																
(b) 30-59 Days Past Due	-	-	-	-	-	-	-																																																																
(c) 60-89 Days Past Due	-	-	-	-	-	-	-																																																																
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(a) Recorded Investment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -																																																															
(b) Interest Accrued	-	-	-	-	-	-	-																																																																
3. Accruing Interest 180+ Days Past Due																																																																							
(a) Recorded Investment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -																																																															
(b) Interest Accrued	-	-	-	-	-	-	-																																																																
4. Interest Reduced																																																																							
(a) Recorded Investment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -																																																															
(b) Interest Accrued	-	-	-	-	-	-	-																																																																
(c) Percent Reduced	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%																																																															
(5) Investment in Impaired Loans With or Without Allowance for Credit Losses:																																																																							
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	Farm	Insured	All Other	Insured	All Other	Mezzanine	Total																																																																
a. Current Year																																																																							
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1. With Allowance for Credit Losses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -																																																															
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b. Prior Year	1. With Allowance for Credit Losses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -																																																															
2. No Allowance for Credit Losses	-	-	-	-	-	-	-	-																																																															
(6) Investment in Impaired Loans – Average Recorded Investment, Interest Income Recognized, Recorded Investment on Nonaccrual Status and Amount of Interest Income Recognized Using a Cash-Basis Method of Accounting:																																																																							
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	Farm	Insured	All Other	Insured	All Other	Mezzanine	Total																																																																
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Method of Accounting	-	-	-	-	-	-	-	-																																																															
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(8) The Company recognizes interest income on its impaired loans upon receipt.																																																																							
B. Debt Restructuring. None.																																																																							

NOTES TO FINANCIAL STATEMENTS

C. Reverse Mortgages. None.

D. Loan-Backed Securities

(1) Prepayment assumptions are derived from Bloomberg and broker dealer prepayment models or from empirical data.

(2) The following is an aggregate total of all loan-backed securities, for the year ended December 31, 2013, within the scope of this statement with a recognized other-than-temporary impairment, classified on the basis for the other-than-temporary impairment of either the intent to sell or inability or lack of intent to retain the investment in the security for a period of time sufficient to recover the amortized cost basis:

	1 Amortized Cost Basis Before Other-Than- Temporary Impairment	2 Other-Than- Temporary Impairment Recognized in Loss		3 Fair Value 1- (2a+2b)
		2a Interest	2b Non-interest	
OTTI recognized 1st Quarter				
a Intent to Sell	\$ -	\$ -	\$ -	\$ -
b Inability or lack of intent to retain the investment in the security for a period of time sufficient to recover the amortized cost basis	\$ -	\$ -	\$ -	\$ -
c Total 1st Quarter	\$ -	\$ -	\$ -	\$ -
OTTI recognized 2nd Quarter				
d Intent to Sell	\$ -	\$ -	\$ -	\$ -
e Inability or lack of intent to retain the investment in the security for a period of time sufficient to recover the amortized cost basis	\$ -	\$ -	\$ -	\$ -
f Total 2nd Quarter	\$ -	\$ -	\$ -	\$ -
OTTI recognized 3rd Quarter				
g Intent to Sell	\$ -	\$ -	\$ -	\$ -
h Inability or lack of intent to retain the investment in the security for a period of time sufficient to recover the amortized cost basis	\$ -	\$ -	\$ -	\$ -
i Total 3rd Quarter	\$ -	\$ -	\$ -	\$ -
OTTI recognized 4th Quarter				
j Intent to Sell	\$ 36,650,000	\$ 5,821,053	\$ -	\$ 30,828,947
k Inability or lack of intent to retain the investment in the security for a period of time sufficient to recover the amortized cost basis	\$ -	\$ -	\$ -	\$ -
l Total 4th Quarter	\$ 36,650,000	\$ 5,821,053	\$ -	\$ 30,828,947
m Annual Aggregate Total		\$ 5,821,053	\$ -	

(3) The following is a list of each loan-backed and structured security with a recognized other-than-temporary impairment, the year ended December 31, 2013, as the present value of future cash flows expected to be collected is less than the amortized cost basis of the securities:

CUSIP	Book/Adj Carrying Value	Amortized Cost Before Current Period OTTI	Present Value of Future Cash Flows	Recognized Other-Than- Temporary Impairment	Amortized Cost After Other-Than- Temporary Impairment	Fair Value	Date of Financial Statement Where Reported
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For the year ended December 31, 2013:

05949CNH5	\$ 8,907,247	\$ 8,780,773	\$ 126,474	\$ 8,780,773	\$ 8,774,215	12/31/2013
05949CPJ9	6,226,599	6,025,870	200,729	6,025,870	5,247,630	12/31/2013
05951FAG9	4,978,067	4,766,426	211,641	4,766,426	4,132,435	12/31/2013
12628KAF9	10,424,020	10,005,379	418,641	10,005,379	7,721,513	12/31/2013
12628LAJ9	6,637,000	6,334,761	302,239	6,334,761	5,200,301	12/31/2013
12667G7H0	5,293,709	5,285,281	8,428	5,285,281	5,060,679	12/31/2013
12667GAH6	7,125,004	6,981,702	143,302	6,981,702	6,769,429	12/31/2013
12668ANW1	7,078,558	7,018,732	59,826	7,018,732	6,826,590	12/31/2013
126694HK7	3,624,849	3,598,751	26,098	3,598,751	3,597,940	12/31/2013
126694JX7	1,863,678	1,838,200	25,478	1,838,200	1,823,375	12/31/2013
126694KZ0	1,270,895	1,119,771	151,124	1,119,771	1,109,433	12/31/2013
12669GW56	6,450,245	6,322,137	128,108	6,322,137	6,319,205	12/31/2013
225470QY2	9,023,687	8,071,786	951,901	8,071,786	3,649,986	12/31/2013
22943HAG1	7,495,359	6,924,176	571,183	6,924,176	5,784,287	12/31/2013
251510FX6	5,203,950	5,122,352	81,598	5,122,352	4,613,040	12/31/2013
32051GSD8	2,423,227	2,368,143	55,084	2,368,143	2,279,578	12/31/2013
3622MPAP3	2,094,772	2,074,805	19,967	2,074,805	805,459	12/31/2013
45660LS83	4,121,278	4,065,533	55,745	4,065,533	4,001,295	12/31/2013
46628SAH6	3,931,273	3,831,273	100,000	3,831,273	3,566,197	12/31/2013
46628SAJ2	4,512,899	4,428,097	84,802	4,428,097	6,015,584	12/31/2013
525221EC7	6,590,833	6,281,463	309,370	6,281,463	5,715,235	12/31/2013
52522HAN2	10,246,224	9,058,680	1,187,544	9,058,680	8,539,396	12/31/2013
52523KAJ3	6,270,556	6,248,941	21,615	6,248,941	4,840,905	12/31/2013
52524MAV1	6,946,189	6,670,380	275,809	6,670,380	4,728,573	12/31/2013

NOTES TO FINANCIAL STATEMENTS

CUSIP	Book/Adj Carrying Value Amortized Cost Before Current Period	Present Value of Future Cash Flows	Recognized Other-Than- Temporary Impairment	Amortized Cost After Other-Than- Temporary Impairment	Fair Value	Date of Financial Statement Where Reported
OTTI						
61749EAF4	7,645,644	7,365,860	279,784	7,365,860	6,849,882	12/31/2013
61751DAH7	4,419,818	4,086,035	333,783	4,086,035	3,918,563	12/31/2013
61752RAL6	2,607,895	2,449,755	158,140	2,449,755	2,149,945	12/31/2013
759950GY8	2,593,663	2,548,732	44,931	2,548,732	2,335,928	12/31/2013
76111XZU0	169,662	155,050	14,612	155,050	151,522	12/31/2013
76114AAB6	15,262,115	14,788,186	473,929	14,788,186	13,346,928	12/31/2013
863579P85	379,725	374,977	4,748	374,977	375,770	12/31/2013
872225AF4	31,307	6,962	24,345	6,962	1,438	12/31/2013
90342NAQ0	36,650,000	30,828,947	5,821,053	30,828,947	30,829,980	12/31/2013
93935BAH3	3,428,512	3,280,226	148,286	3,280,226	3,002,174	12/31/2013
93935WAD6	9,816,831	9,585,722	231,109	9,585,722	8,698,343	12/31/2013
949772AU1	984,839	968,894	15,945	968,894	350,253	12/31/2013
126694JX7	2,211,291	2,000,837	210,454	2,000,837	1,988,871	9/30/2013
45660L3T4	6,326,835	6,124,425	202,410	6,124,425	5,723,062	9/30/2013
52523KAJ3	6,677,350	6,325,615	351,735	6,325,615	4,174,606	9/30/2013
86359DSR9	3,230,883	3,164,085	66,798	3,164,085	3,164,343	9/30/2013
93935WAD6	10,932,899	10,187,217	745,682	10,187,217	9,070,669	9/30/2013
05950PAJ2	10,241,799	9,576,392	665,407	9,576,392	8,812,895	6/30/2013
12628LAJ9	7,218,877	7,195,291	23,586	7,195,291	6,148,238	6/30/2013
12667GXD0	3,075,498	2,922,825	152,673	2,922,825	2,782,295	6/30/2013
32051GSD8	2,768,558	2,705,531	63,027	2,705,531	2,586,348	6/30/2013
Total		XXX	XXX	\$ 15,549,143	XXX	XXX

(4) The following is an aggregate total of all impaired loan-backed securities (fair value is less than cost or amortized cost) for which an other-than-temporary impairment has not been recognized in earnings as a realized loss, including securities with a recognized other-than-temporary impairment for non-interest related declines when a non-recognized interest related impairment remains as of December 31, 2013:

- a. The aggregate amount of unrealized losses:

1. Less than 12 months	\$41,116,542
2. 12 months or longer	\$25,857,873
- b. The aggregate related fair value of securities with unrealized losses:

1. Less than 12 months	\$1,337,497,815
2. 12 months or longer	\$251,842,434

(5) See Note 1C (14) for the factors management considers when evaluating for an other-than-temporary decline in fair value.

E. Repurchase Agreements and/or Securities Lending Transactions

At December 31, 2013, the Company has loaned \$299.0 million (fair value) of various debt securities, preferred stocks and common stocks as part of a securities lending program administered by Deutsche Bank. At December 31, 2012, the Company had loaned \$200.4 million (fair value) of various debt securities, preferred stocks and common stocks as part of a securities lending program administered by The Bank of New York Mellon. The Company maintains effective control over all loaned securities and, therefore, continues to report such securities as invested assets in the balance sheets.

- (1) The Company requires at the initial transaction that the fair value of the cash collateral received must be equal to 102% of the fair value of the loaned securities. The Company monitors the ratio of the fair value of the collateral to loaned securities to ensure it does not fall below 100%. If the fair value of the collateral falls below 100% of the fair value of the securities loaned, the Company non-admits that portion of the loaned security. At December 31, 2013 and 2012, the Company did not non-admit any portion of the loaned securities.
- (2) Not applicable.
- (3)
 - a. At December 31, 2013, the fair value of the collateral that could be requested to be returned on demand by the borrower is \$296.6 million. The fair value of the collateral contractually obligated under 30-day terms is \$8.6 million. At December 31, 2013, the fair value of the total collateral is \$305.2 million, \$287.8 million of which is managed by an affiliated agent and \$17.4 million of which is managed by an unaffiliated agent. At December 31, 2012, the fair value of the total collateral was \$205.3 million, \$189.4 million of which was managed by an affiliated agent and \$15.9 million of which was managed by an unaffiliated agent.
 - b. The aggregate fair value of the reinvested collateral is \$305.2 million.
 - c. The Company receives cash collateral in an amount in excess of the fair value of the securities lent. The Company reinvests the cash collateral primarily in investment-grade debt securities and cash equivalents.
- (4) The Company reports all collateral on the balance sheet with an offsetting liability recognized for the obligation to return the collateral. Collateral for the securities lending program is either managed by an affiliated agent of the Company or is managed by Deutsche Bank, an unaffiliated agent. Collateral managed by an affiliated agent is invested primarily in investment-grade debt securities and cash equivalents and is included in the applicable amount on the balance sheet because the funds are available for the general use of the Company. Collateral managed by an unaffiliated agent is invested in cash equivalents and is included in securities lending reinvested collateral assets on the balance sheet at December 31, 2013 and 2012.

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

	Amortized Cost	Fair Value
Open	\$ -	\$ -
30 Days or less	158,125,340	158,123,441
31 to 60 Days	23,305,363	23,305,176
61 to 90 Days	20,011,580	20,019,248
91 to 120 Days	4,050,103	4,049,352
121 to 180 Days	509,137	508,929
181 to 365 Days	11,487,162	11,488,647
1 to 2 Years	-	-
2 to 3 Years	-	-
Greater Than 3 Years	87,705,000	87,716,799
Total Collateral	<u>\$ 305,193,685</u>	<u>\$ 305,211,592</u>

NOTES TO FINANCIAL STATEMENTS

- b. At December 31, 2013, all of the collateral held for the securities lending program was invested in tradable securities that could be sold and used to pay for the \$305.5 million in collateral calls that could come due under a worst-case scenario.
- (6) The Company does not accept collateral that is not permitted by contract or custom to sell or repledge.
- (7) The Company does not have any transactions that extend beyond one year from the reporting date.

F. Real Estate. None.

G. Low Income Housing Tax Credit Property Investments

- (1) There is a range of 7 to 15 years of unexpired tax credits remaining. The required holding period is 18 to 20 years.
- (2) The reviews are annual regulatory reviews which are in place to ensure each property qualifies for the tax credits.
- (3) The Company's investments in low income housing tax credit properties do not exceed 10% of admitted assets.
- (4) The Company did not recognize any impairment during the statement periods.
- (5) There were no write-downs or reclassifications made during the year due to the forfeiture or ineligibility of tax credits, etc.

H. Restricted Assets

(1) Restricted Assets (Including Pledged)

Restricted Asset Category	Gross Restricted Current Year				
	1	2	3	4	5
Total General Account (G/A)	G/A Supporting S/A Activity (a)	Total Separate Account (S/A) Restricted Assets	S/A Assets Supporting G/A Activity (b)	Total (1 plus 3)	
a. Subject to contractual obligation for which liability is not shown	\$ -	\$ -	\$ -	\$ -	\$ -
b. Collateral held under security lending agreements	-	-	-	-	-
c. Subject to repurchase agreements	-	-	-	-	-
d. Subject to reverse repurchase agreements	-	-	-	-	-
e. Subject to dollar repurchase agreements	-	-	-	-	-
f. Subject to dollar reverse repurchase agreements	-	-	-	-	-
g. Placed under option contracts	-	-	-	-	-
h. Letter stock or securities restricted as to sale	45,510,700	-	-	-	45,510,700
i. On deposit with states	2,755,393	-	-	-	2,755,393
j. On deposit with other regulatory bodies	-	-	-	-	-
k. Pledged as collateral not captured in other categories	1,497,943,181	-	-	-	1,497,943,181
l. Other restricted assets	-	-	-	-	-
m. Total Restricted assets	\$ 1,546,209,274	\$ -	\$ -	\$ -	\$ 1,546,209,274
(a) Subset of column 1					
(b) Subset of column 3					

Restricted Asset Category	Gross Restricted			Percentage	
	6	7	8	9	10
Total From Prior Year	Increase/ (Decrease) (5 minus 6)	Total Current Year Admitted Restricted	Gross Restricted to Total Assets	Admitted Restricted to Total Admitted Assets	
a. Subject to contractual obligation for which liability is not shown	\$ -	\$ -	\$ -	0.000%	0.000%
b. Collateral held under security lending agreements	-	-	-	-	-
c. Subject to repurchase agreements	-	-	-	-	-
d. Subject to reverse repurchase agreements	-	-	-	-	-
e. Subject to dollar repurchase agreements	-	-	-	-	-
f. Subject to dollar reverse repurchase agreements	-	-	-	-	-
g. Placed under option contracts	-	-	-	-	-
h. Letter stock or securities restricted as to sale	43,109,500	2,401,200	45,510,700	0.345	0.345
i. On deposit with states	2,778,193	(22,800)	2,755,393	0.021	0.021
j. On deposit with other regulatory bodies	-	-	-	-	-
k. Pledged as collateral not captured in other categories	1,242,206,515	255,736,666	1,497,943,181	11.358	11.394
l. Other restricted assets	-	-	-	-	-
m. Total Restricted assets	\$ 1,288,094,208	\$ 258,115,066	\$ 1,546,209,274	11.724%	11.761%
(a) Subset of column 1					
(b) Subset of column 3					

NOTES TO FINANCIAL STATEMENTS

(2) Detail of Assets Pledged as Collateral Not Captured in Other Categories (Contracts That Share Similar Characteristics, Such as Reinsurance and Derivatives, Are Reported in the Aggregate)

Description of Assets	Gross Restricted Current Year				
	1	2	3	4	5
Total General Account (G/A)	G/A Supporting S/A Activity (a)	Total Separate Account (S/A) Restricted Assets	S/A Assets Supporting G/A Activity (b)	Total (1 plus 3)	
Federal Home Loan Bank	\$ 1,493,185,068	\$ -	\$ -	\$ -	\$ 1,493,185,068
Cash collateral for variation margin on swaps		4,758,113	-	-	4,758,113
Total	\$ 1,497,943,181	\$ -	\$ -	\$ -	\$ 1,497,943,181
(a) Subset of column 1					
(b) Subset of column 3					

Description of Assets	Gross Restricted					Percentage	
	6	7	8	9	10	Gross Restricted to Total Assets	Admitted Restricted to Total Admitted Assets
Total From Prior Year	Increase/ (Decrease) (5 minus 6)	Total Current Year Admitted Restricted					
Federal Home Loan Bank	\$ 1,242,206,515	\$ 250,978,553	\$ 1,493,185,068	11.322%	11.358%		
Cash collateral for variation margin on swaps	-	4,758,113	4,758,113	0.036	0.036		
Total	\$ 1,242,206,515	\$ 255,736,666	\$ 1,497,943,181	11.358%	11.394%		
(a) Subset of column 1							
(b) Subset of column 3							

(3) Detail of Other Restricted Assets (Contracts That Share Similar Characteristics, Such as Reinsurance and Derivatives, Are Reported in the Aggregate)

Description of Assets	Gross Restricted Current Year				
	1	2	3	4	5
Total General Account (G/A)	G/A Supporting S/A Activity (a)	Total Separate Account (S/A) Restricted Assets	S/A Assets Supporting G/A Activity (b)	Total (1 plus 3)	
Total	\$ -	\$ -	\$ -	\$ -	\$ -
(a) Subset of column 1					
(b) Subset of column 3					

Description of Assets	Gross Restricted					Percentage	
	6	7	8	9	10	Gross Restricted to Total Assets	Admitted Restricted to Total Admitted Assets
Total From Prior Year	Increase/ (Decrease) (5 minus 6)	Total Current Year Admitted Restricted					
Total	\$ -	\$ -	\$ -	0.000%	0.000%		
(a) Subset of column 1							
(b) Subset of column 3							

6. Joint Ventures, Partnerships and Limited Liability Companies

- A. The Company has no investments in joint ventures, partnerships or limited liability companies that exceed 10% of its admitted assets.
- B. The Company did not recognize any impairment write down for its investments in joint ventures, partnerships or limited liability companies during the statement period.

7. Investment Income

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

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

Due and accrued income is excluded from investment income on mortgage loans which are in foreclosure, delinquent more than one year or where collection of interest is uncertain.

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

8. Derivative Instruments

The Company entered into replication transactions. The discussion of accounting policies, risk, and objectives are shown in Note 1C. The net gain recognized in unrealized gains and losses during the reporting period related to replication transactions was \$349,267. The Company has entered into a collateral agreement with the counterparty whereby the Company is required to post assets on the counterparty's behalf. The posted amount is equal to the difference between the net positive fair value of the credit default swap and an agreed upon threshold that is based on the credit rating of the Company. At December 31, 2013, \$2,334,753 of cash collateral has been posted by the counterparty.

The Company entered into an interest rate swap (the swap). The discussion of accounting policies, risks and objectives are shown in Note 1C. The notional amount of the swap is \$60,000,000. No net gain or loss has been recognized in unrealized gains or losses as of December 31, 2013 because the swap qualifies for hedge accounting. The Company has entered into a collateral agreement with the counterparty whereby under certain conditions the counterparty is required to post assets on the Company's behalf. The posted amount is equal to the difference between the net positive fair value of the swap and agreed upon thresholds that are based on the credit rating of the counterparty. Inversely, if the net fair value of the swap is negative, then the Company may be required to post assets instead using similar thresholds. At December 31, 2013, no collateral has been posted by the Company or the counterparty.

The Company entered into an interest rate swap and swaptions. The discussion of accounting policies, risks, and objectives are shown in Note 1C. The net gain recognized in unrealized gains and losses during the reporting period related to the derivative instruments was \$28,296,077. The Company has entered

NOTES TO FINANCIAL STATEMENTS

into a collateral agreement with the counterparty whereby under certain conditions the counterparty is required to post assets on the Company's behalf. The posted amount is equal to the difference between the net positive fair value of the swap and the agreed upon thresholds that are based on the credit rating of the counterparty. Inversely, if the net fair value of the swap is negative, then the Company may be required to post assets instead using similar thresholds. At December 31, 2013, \$11,415,058 cash collateral has been posted by the counterparty.

9. Income Taxes

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

(1)

- (a) Gross deferred tax assets
- (b) Statutory valuation allowance adjustments
- (c) Adjusted gross deferred tax assets (1a – 1b)
- (d) Deferred tax assets nonadmitted
- (e) Subtotal net admitted deferred tax assets (1c – 1d)
- (f) Deferred tax liabilities
- (g) Net admitted deferred tax asset/(net deferred tax liability) (1e – 1f)

12/31/2013		
(1)	(2)	(3) (Col 1+2) Total
Ordinary	Capital	
\$ 85,380,550	\$ 13,708,540	\$ 99,089,090
- - -	- - -	- - -
85,380,550	13,708,540	99,089,090
- - -	- - -	- - -
85,380,550	13,708,540	99,089,090
40,271,859	62,369,608	102,641,467
\$ 45,108,691	\$ (48,661,068)	\$ (3,552,377)

- (a) Gross deferred tax assets
- (b) Statutory valuation allowance adjustments
- (c) Adjusted gross deferred tax assets (1a – 1b)
- (d) Deferred tax assets nonadmitted
- (e) Subtotal net admitted deferred tax assets (1c – 1d)
- (f) Deferred tax liabilities
- (g) Net admitted deferred tax asset/(net deferred tax liability) (1e – 1f)

12/31/2012		
(4)	(5)	(6) (Col 4+5) Total
Ordinary	Capital	
\$ 73,759,814	\$ 22,334,232	\$ 96,094,046
- - -	- - -	- - -
73,759,814	22,334,232	96,094,046
- - -	- - -	- - -
73,759,814	22,334,232	96,094,046
39,514,751	50,168,834	89,683,585
\$ 34,245,063	\$ (27,834,602)	\$ 6,410,461

Change:

- (a) Gross deferred tax assets
- (b) Statutory valuation allowance adjustments
- (c) Adjusted gross deferred tax assets (1a – 1b)
- (d) Deferred tax assets nonadmitted
- (e) Subtotal net admitted deferred tax assets (1c – 1d)
- (f) Deferred tax liabilities
- (g) Net admitted deferred tax asset/(net deferred tax liability) (1e – 1f)

Change		
(7) (Col 1-4) Ordinary	(8) (Col 2-5) Capital	(9) (Col 7+8) Total
\$ 11,620,736	\$ (8,625,692)	\$ 2,995,044
- - -	- - -	- - -
11,620,736	(8,625,692)	2,995,044
- - -	- - -	- - -
11,620,736	(8,625,692)	2,995,044
757,108	12,200,774	12,957,882
\$ 10,863,628	\$ (20,826,466)	\$ (9,962,838)

(2)

Admission Calculation Components SSAP No. 101

- (a) Federal income taxes paid in prior years recoverable through loss carrybacks
- (b) Adjusted gross deferred tax assets expected to be realized (excluding the amount of deferred tax assets from 2(a) above) after application of the threshold limitation. (the lesser of 2(b)1 and 2(b)2 below)
 - 1. Adjusted gross deferred tax assets expected to be realized following the balance sheet date.
 - 2. Adjusted gross deferred tax assets allowed per limitation threshold.
- (c) Adjusted gross deferred tax assets (excluding the amount of deferred tax assets from 2(a) and 2(b) above) offset by gross deferred tax liabilities
- (d) Deferred tax assets admitted as the result of application of SSAP No. 101

Total (2(a) + 2(b) + 2(c))

12/31/2013		
(1)	(2)	(3) (Col 1+2) Total
Ordinary	Capital	
\$ 37,380,957	\$ -	\$ 37,380,957
- - -	- - -	- - -
XXX	XXX	\$ 176,062,728
\$ 47,999,593	\$ 13,708,540	\$ 61,708,133
\$ 85,380,550	\$ 13,708,540	\$ 99,089,090

- (a) Federal income taxes paid in prior years recoverable through loss carrybacks
- (b) Adjusted gross deferred tax assets expected to be realized (excluding the amount of deferred tax assets from 2(a) above) after application of the threshold limitation. (the lesser of 2(b)1 and 2(b)2 below)
 - 1. Adjusted gross deferred tax assets expected to be realized following the balance sheet date.
 - 2. Adjusted gross deferred tax assets allowed per limitation threshold.
- (c) Adjusted gross deferred tax assets (excluding the amount of deferred tax assets from 2(a) and 2(b) above) offset by gross deferred tax liabilities
- (d) Deferred tax assets admitted as the result of application of SSAP No. 101

Total (2(a) + 2(b) + 2(c))

12/31/2012		
(4)	(5)	(6) (Col 4+5) Total
Ordinary	Capital	
\$ 36,994,615	\$ -	\$ 36,994,615
- - -	- - -	- - -
XXX	XXX	\$ 144,116,789
\$ 36,765,199	\$ 22,334,232	\$ 59,099,431
\$ 73,759,814	\$ 22,334,232	\$ 96,094,046

NOTES TO FINANCIAL STATEMENTS

	Change		
	(7) (Col 1-4) Ordinary	(8) (Col 2-5) Capital	(9) (Col 7+8) Total
(a) Federal income taxes paid in prior years recoverable through loss carrybacks	\$ 386,342	\$ -	\$ 386,342
(b) Adjusted gross deferred tax assets expected to be realized (excluding the amount of deferred tax assets from 2(a) above) after application of the threshold limitation. (the lesser of 2(b)1 and 2(b)2 below)	\$ -	\$ -	\$ -
1. Adjusted gross deferred tax assets expected to be realized following the balance sheet date.	\$ -	\$ -	\$ -
2. Adjusted gross deferred tax assets allowed per limitation threshold.	XXX	XXX	\$ 31,945,939
(c) Adjusted gross deferred tax assets (excluding the amount of deferred tax assets from 2(a) and 2(b) above) offset by gross deferred tax liabilities	\$ 11,234,394	\$ (8,625,692)	\$ 2,608,702
(d) Deferred tax assets admitted as the result of application of SSAP No. 101 Total (2(a) + 2(b) + 2(c))	\$ 11,620,736	\$ (8,625,692)	\$ 2,995,044
(3)			
(a) Ratio percentage used to determine recovery period and threshold limitation amount.	963%	824%	
(b) Amount of adjusted capital and surplus used to determine recovery period and threshold limitation in 2(b)2 above.	\$ 138,198,641	\$ 139,180,487	
(4)			
Impact of tax planning strategies:			
(a) Determination of adjusted gross deferred tax assets and net admitted deferred tax assets, by tax character as a percentage.			
(1) Adjusted Gross DTAs amount from Note 9A1(c)	85,380,550	13,708,540	
(2) % of total adjusted gross DTAs By Tax Character Attributable to the Impact of Tax Planning Strategies	0.00%	0.00%	
(3) Net Admitted Adjusted Gross DTAs amount from Note 9A1(c)	85,380,550	13,708,540	
(4) % of total net admitted adjusted gross DTAs By Tax Character Admitted because of the Impact of Tax Planning Strategies	0.00%	0.00%	
Impact of tax planning strategies:			
(a) Determination of adjusted gross deferred tax assets and net admitted deferred tax assets, by tax character as a percentage.			
(1) Adjusted Gross DTAs amount from Note 9A1(c)	73,759,814	22,334,232	
(2) % of total adjusted gross DTAs By Tax Character Attributable to the Impact of Tax Planning Strategies	0.00%	0.00%	
(3) Net Admitted Adjusted Gross DTAs amount from Note 9A1(c)	73,759,814	22,334,232	
(4) % of total net admitted adjusted gross DTAs By Tax Character Admitted because of the Impact of Tax Planning Strategies	0.00%	0.00%	
Impact of tax planning strategies:			
(a) Determination of adjusted gross deferred tax assets and net admitted deferred tax assets, by tax character as a percentage.			
(1) Adjusted Gross DTAs amount from Note 9A1(c)	11,620,736	(8,625,692)	
(2) % of total adjusted gross DTAs By Tax Character Attributable to the Impact of Tax Planning Strategies	0.00%	0.00%	
(3) Net Admitted Adjusted Gross DTAs amount from Note 9A1(c)	11,620,736	(8,625,692)	
(4) % of total net admitted adjusted gross DTAs By Tax Character Admitted because of the Impact of Tax Planning Strategies	0.00%	0.00%	
(b) Does the Company's tax-planning strategies include the use of reinsurance? Yes <u> </u> No <u> </u> x <u> </u>			
B. Deferred tax liabilities are not recognized for the following amounts: None.			
C. Current income taxes incurred consist of the following major components:			
(1) Current income tax			
(a) Federal	\$ 70,145,577	\$ 594,026	\$ 69,551,551
(b) Foreign	-	6,224	(6,224)
(c) Subtotal	70,145,577	600,250	69,545,327
(d) Federal income tax on net capital gains	3,076,004	(151,885)	3,227,889
(e) Utilization of capital loss carry-forwards	-	-	-
(f) Other	(3,896,221)	(2,999,171)	(897,050)
(g) Federal and foreign income taxes incurred	\$ 69,325,360	\$ (2,550,806)	\$ 71,876,166
(2) Deferred tax assets			
(a) Ordinary:			
(1) Discounting of unpaid losses	\$ -	\$ -	\$ -
(2) Unearned premium revenue	22,305,268	22,042,120	263,148
(3) Policyholder reserves	23,806,608	12,298,166	11,508,442
(4) Investments	38,205,019	38,067,474	137,545
(5) Deferred acquisition costs	-	-	-
(6) Policyholder dividends accrual	-	-	-
(7) Fixed assets	-	-	-

NOTES TO FINANCIAL STATEMENTS

(8)	Compensation and benefits accrual	-	-	-
(9)	Pension accrual	-	-	-
(10)	Receivables – nonadmitted	57,263	28,547	28,716
(11)	Net operating loss carry-forward	-	-	-
(12)	Tax credit carry-forward	-	-	-
(13)	Other	1,006,392	1,314,507	(308,115)
	(99) Subtotal	85,380,550	73,750,814	11,629,736
(b)	Statutory valuation allowance adjustment	-	-	-
(c)	Nonadmitted	-	-	-
(d)	Admitted ordinary deferred tax assets (2a99 – 2b – 2c)	85,380,550	73,750,814	11,629,736
(e)	Capital:			
(1)	Investments	13,708,540	22,334,232	(8,625,692)
(2)	Net capital loss carry-forward	-	-	-
(3)	Real estate	-	-	-
(4)	Other	-	-	-
	(99) Subtotal	13,708,540	22,334,232	(8,625,692)
(f)	Statutory valuation allowance adjustment	-	-	-
(g)	Nonadmitted	-	-	-
(h)	Admitted capital deferred tax assets (2e99– 2f – 2g)	13,708,540	22,334,232	(8,625,692)
(i)	Admitted deferred tax assets (2d + 2h)	\$ 99,089,090	\$ 96,085,046	\$ 3,004,044
(3)	Deferred tax liabilities			
(a)	Ordinary:			
(1)	Investments	\$ 16,831,075	\$ 19,084,112	\$ (2,253,037)
(2)	Fixed assets	38,488	947,636	(909,148)
(3)	Deferred and uncollected premium	7,131,765	7,314,396	(182,631)
(4)	Policyholder reserves	16,270,531	12,168,607	4,101,924
(5)	Other	-	-	-
	(99) Subtotal	40,271,859	39,514,751	757,108
(b)	Capital:			
(1)	Investments	62,369,608	50,168,834	12,200,774
(2)	Real estate	-	-	-
(3)	Other	-	-	-
	(99) Subtotal	62,369,608	50,168,834	12,200,774
(c)	Deferred tax liabilities (3a99 + 3b99)	\$ 102,641,467	\$ 89,683,585	\$ 12,957,882
(4)	Net deferred tax assets (liabilities) (2i – 3c)	\$ (3,552,377)	\$ 6,401,461	\$ (9,953,838)

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

	12/31/2013	Effective Tax Rate	12/31/2012	Effective Tax Rate
Provision computed at statutory rate	\$ 61,949,761	35.00%	\$ 13,618,046	35.00%
Dividend received deduction	(64,922)	(0.04)	(40,285)	(0.10)
Tax credits	(5,334,813)	(3.01)	(7,084,517)	(18.21)
Nonadmitted assets	(2,437,158)	(1.38)	(1,695,084)	(4.36)
Other	(3,589,708)	(2.02)	2,218,110	5.70
Total statutory income taxes	\$ 50,523,160	28.55%	\$ 7,016,270	18.03%
 Federal and foreign income taxes incurred	 \$ 66,249,358	 37.43%	 \$ (2,398,921)	 (6.17)%
Change in net deferred income taxes*	(15,726,198)	(8.88)	9,415,191	24.20
Total statutory income taxes	\$ 50,523,160	28.55%	\$ 7,016,270	18.03%

* Excludes change in net deferred income taxes on realized gains/losses of \$(2,874,254) and \$2,374,818 for the year ended December 31, 2013 and 2012, respectively.

E. At December 31, 2013, the Company had \$0 of operating loss carry forwards.

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

2013	\$ 64,464,687
2012	\$ 1,138,341
2011	\$ 46,855,535

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

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

The Western and Southern Life Insurance Company (Western and Southern), parent of the Company, files a consolidated income tax return with its eligible subsidiaries, including the Company. The provision for federal income taxes is allocated to the Company using a separate return method based upon a written tax sharing agreement. Under the agreement, the benefits from losses of subsidiaries are retained by the subsidiary companies. Western and Southern pays all federal income taxes due for all members in the consolidated return. Western and Southern then immediately charges or reimburses, as the case may be, these members an amount consistent with the method described in the tax sharing agreement. At December 31, 2013, the Company has a liability of \$19.3 million from Western and Southern on line 15.1 of page 3.

10. Information Concerning Parent, Subsidiaries and Affiliates

A,B. The Company paid a capital contribution of \$3.0 million to IFS on February 22, 2013. The payment was in the form of cash.
 &C. The Company received a capital contribution of \$30.0 million from Western and Southern on December 21, 2012. The capital contribution was in the form of cash.

The Company paid a capital contribution of \$5.0 million to IFS on February 24, 2012. The payment was in the form of cash.

NOTES TO FINANCIAL STATEMENTS

D. The Company did not have any amounts receivable from parent, subsidiaries and affiliates as of December 31, 2013 or 2012. The Company had \$10.6 million and \$29.9 million payable to parent, subsidiaries and affiliates as of December 31, 2013 and 2012, respectively. The terms of the settlement generally require that these amounts be settled in cash within 30 days.

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

F. Western and Southern performs certain administrative and special services, as well as provides facilities and equipment to the Company to assist with their business operations. These services, facilities and equipment include but are not limited to the following: accounting, actuarial, audit, tax and legal services, administrative support services such as payroll and personnel functions, policyholder services, underwriting and electronic data processing equipment. There are also a number of other service arrangements with affiliates where the provider renders specified services for a stated fee, including agreements for certain investment advisory services as well as marketing and product development. The charges for services, facilities and equipment are considered reasonable and in accordance with the requirements of applicable insurance law and regulations.

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

H. The Company does not own any shares of an upstream affiliate either directly or through its subsidiaries.

I. The Company does not have an investment in an SCA entity that exceeds 10% of the admitted assets of the insurer.

J. In 2013, the Company did not recognize any impairment for its investments in SCA entities.

K. Not applicable.

L. Not applicable.

11. Debt

A. The Company has no capital notes outstanding. The Company does not hold any dollar reverse repurchase agreements.

B. FHLB (Federal Home Loan Bank) Agreements treated as debt. None.

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

A. Defined Benefit Plan

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

B. Defined Contribution Plan. None.

C. Multi-employer Plans. Not applicable.

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

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

(1) The Company has one class of common stock with a par value of \$1 per share. At December 31, 2013, the Company had 10,000,000 shares authorized, 2,500,000 shares issued and 2,500,000 shares outstanding.

(2) The Company has no preferred stock outstanding.

(3) The ability of the Company to pay dividends is limited by state insurance laws. Under Ohio insurance laws, the Company may pay dividends, without the approval of the Ohio Director of Insurance, only from earned surplus and those dividends may not exceed (when added to other dividends paid in the preceding 12 months) the greater of (i) 10% of the Company's surplus as of the prior December 31, or (ii) the Company's net income for the twelve month period ending the prior December 31. Dividends are noncumulative.

(4) None.

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

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

(7) There are no advances of surplus.

(8) There was no stock held by the Company, including stock of affiliated companies, for special purposes.

(9) The Company does not hold any special surplus funds.

(10) The portion of unassigned funds (surplus) represented or reduced by cumulative unrealized gains and losses: \$115,104,468.

(11) There were no surplus debentures or similar item outstanding during the statement periods.

(12) There have been no restatements of surplus due to quasi-reorganizations.

(13) Not applicable.

14. Contingencies

A. Contingent Commitments

The Company has future commitments to joint ventures, limited partnerships and limited liability companies, excluding those related to Low Income Housing Tax Credits, in the amount of \$13,953,802.

The Company has future commitments to joint ventures, limited partnerships and limited liability companies investing in Low Income Housing Tax Credit properties in the amount of \$12,891,592.

B. Assessments

The Company is not aware of any material assessments.

NOTES TO FINANCIAL STATEMENTS

C. Gain Contingencies

The Company is not aware of any gain contingencies.

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

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

E. All Other Contingencies

The Company is currently being audited on behalf of multiple state treasurers and controllers concerning the identification, reporting and escheatment of unclaimed insurance policy benefits and other allegedly abandoned funds. The audits focus on identifying unreported death claims, matured annuities and retained asset accounts, and the use of the Social Security Death Master File to identify deceased insurance policy, annuity contract, and retained asset account holders. The Company has reached an agreement with numerous states regarding this audit activity that will result in outreach and payments to beneficiaries, escheatment of funds deemed abandoned under state laws, and accelerated escheatment of funds deemed abandoned pursuant to agreements with regulators. As of December 31, 2013, the Company has recorded a liability of \$26 million for estimated losses as a result of these audits.

The West Virginia Treasurer (who has not settled with the Company) has brought suit seeking to require the Company to annually check the Social Security Death Master File for deceased insureds, and alleging that the Company's previous failure to do so has rendered its unclaimed property reports incomplete and fraudulent. The Treasurer seeks attorney fees, interest and penalties for allegedly willful misconduct and fraudulent reporting, and other, varied relief (including identification and payment of death claims). In late December 2013, the trial court dismissed the actions against the Company. The Treasurer has since filed a notice of appeal to the Supreme Court of Appeals of West Virginia. The amount of loss, if any, that the Company may ultimately recognize as a result of this litigation cannot be reasonably estimated.

The Company is also currently the subject of multistate insurance department regulatory inquiries and examinations with a similar focus as the state treasurer and controller audits regarding processes and procedures for identifying deceased insurance policy, annuity contract, and retained asset account holders. The examination activity may result in (but is not necessarily limited to) required outreach and payments to beneficiaries, changes to procedures, and administrative contributions. The amount of loss, if any, that the Company may ultimately recognize as a result of these examinations cannot be reasonably estimated.

15. Leases

- A. The Company did not have any material lease obligations at December 31, 2013.
- B. The Company is not involved in any contracts in which it acts as a lessor.

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

The table below summarizes the face amount of the Company's financial instruments with off balance sheet risk. The accounting policies associated with the derivative transactions are described in Note 1C.

	Assets		Liabilities	
	2013	2012	2013	2012
Swaps	475,500,000	153,000,000	60,000,000	-
Futures	-	-	-	-
Options	-	-	-	-
Total	475,500,000	153,000,000	60,000,000	-

See the Schedule DB of the Company's annual statement for additional detail.

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

- A. Transfers of Receivables Reported as Sales. None.
- B. (1) See Note 5E for information regarding securities lending.
 - (2) Not applicable.
 - (3) Not applicable.
 - (4) Not applicable.
 - (5) Not applicable.
 - (6) Not applicable.
 - (7) Not applicable.
- C. The Company did not have any wash sales for securities with a NAIC designation of 3 or below, or unrated.

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

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

20. Fair Value Measurements

A.

- (1) Fair Value Measurements at December 31, 2013

	Level 1	Level 2	Level 3	Total
Assets at fair value				
Bonds				
U.S. governments	\$ -	\$ -	\$ -	\$ -
Industrial and miscellaneous	-	2,375,394	-	2,375,394
RMBS	-	1,128,417	-	1,128,417
CMBS	-	-	-	-
Hybrid securities	-	-	-	-
Parent, subsidiaries and affiliates	-	-	-	-
Total bonds	\$ -	\$ 3,503,811	\$ -	\$ 3,503,811
Preferred stock				
Industrial and miscellaneous	\$ -	\$ -	\$ -	\$ -

NOTES TO FINANCIAL STATEMENTS

	Level 1	Level 2	Level 3	Total
Parent, subsidiaries and affiliates	-	-	-	-
Total preferred stock	\$	-	\$	-
Common stock				
Industrial and miscellaneous	\$	199,113,220	\$	-
Parent, subsidiaries and affiliates	-	-	-	-
Mutual funds	-	-	-	-
Total common stock	\$	199,113,220	\$	-
Derivative assets				
Interest rate contracts	\$	-	\$	36,107,164
Options, purchased	-	-	145,675	-
Foreign exchange contracts	-	-	-	-
Credit default swaps	-	-	3,590,490	3,590,490
Credit contracts	-	-	-	-
Commodity futures contracts	-	-	-	-
Commodity forward contracts	-	-	-	-
Total derivative assets	\$	-	\$	36,252,839
Separate account assets*	\$	32,091,240	\$	-
Total assets at fair value	\$	231,204,460	\$	39,756,650
				\$
				3,590,490
				\$
				274,551,600

	Level 1	Level 2	Level 3	Total
Liabilities at fair value				
Derivative liabilities				
Interest rate contracts	\$	-	\$	-
Options, written	-	-	(5,819,511)	-
Total derivative liabilities	\$	-	\$	(5,819,511)
Total liabilities at fair value	\$	-	\$	(5,819,511)

* Separate account assets measured at fair value in this table do not include assets backing market value adjusted annuities, which are held at amortized cost, with the exception of securities rated NAIC 6 where the security's fair value is below amortized cost.

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

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

Year ended at 12/31/2013

	Balance at 01/01/2013	Transfers in Level 3	Transfers out of Level 3	Total Gains (Losses)	Total Gains (Losses)	Purchases, Issuances, Sales, & Settlements	Net
	Derivative assets	\$ 4,020,447	\$ -	\$ -	\$ -	\$ 349,267	\$ (779,224)
Total	\$ 4,020,447	\$ -	\$ -	\$ -	\$ 349,267	\$ 779,224)	\$ 3,590,490
							Balance at 12/31/2013

Gross Purchases, Issuances, Sales, and Settlements

Year ended at 12/31/2013

	Purchases	Issuances	Sales	Settlements	Settlements	Net Purchases, Issuances, Sales, & Settlements
	Derivative assets	\$ -	\$ -	\$ (779,224)	\$ (779,224)	\$ (779,224)
Total	\$ -	\$ -	\$ -	\$ (779,224)	\$ (779,224)	\$ (779,224)

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

(4) Investments in Level 2 include NAIC rated 6 residential mortgage-backed securities representing subordinated tranches in securitization trusts containing residential mortgage loans originated during the period of 2005 to 2007. These securities are currently rated below investment grade. The Company determined fair value as of the balance sheet date through the use of third-party pricing services utilizing market observable inputs.

Investments in Level 2 include NAIC rated 6 industrial and miscellaneous bonds. These securities are currently rated below investment grade. The Company determined fair value as of the balance sheet date through the use of third-party pricing services utilizing market observable inputs.

Derivative instruments included in Level 2 consist of interest rate swaps and options. The fair values of these instruments are determined through the use of third-party pricing services utilizing market observable inputs.

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

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

Assets held in separate accounts carried at fair value consisted of mutual funds. The fair values of these assets have been determined using the same methodologies as for common stock.

B. Not applicable.

NOTES TO FINANCIAL STATEMENTS

C. The carrying amounts and fair values of the Company's significant financial instruments were as follows:

	Aggregate Fair Value	Admitted Assets	(Level 1)	(Level 2)	(Level 3)	Not Practicable (Carrying Value)
Assets:						
Bonds	\$ 11,284,428,358	\$10,853,300,923	\$ 56,795,641	\$ 10,765,314,921	\$ 462,317,796	\$ -
Common stocks:						
Unaffiliated**	244,623,920	244,623,920	244,623,920	-	-	-
Preferred stock	2,537,500	2,121,638	-	-	2,537,500	-
Mortgage loans	756,987,000	720,752,455	-	-	756,987,000	-
Cash, cash equivalents and short-term investments						
	220,873,653	220,872,551	220,873,653	-	-	-
Other invested assets, surplus notes						
	14,906,652	13,629,332	-	14,906,652	-	-
Securities lending reinvested collateral assets						
	17,451,647	17,451,647	17,451,647	-	-	-
Derivative assets						
	39,843,329	39,843,329	-	36,252,839	3,590,490	-
Separate acct. assets						
	38,504,316	38,182,672	33,757,290	4,747,026	-	-
Liabilities:						
Life and annuity reserves for investment-type contracts and deposit fund liabilities						
	(9,643,518,000)	(9,211,334,000)	\$ -	\$ -	(9,643,518,000)	\$ -
Derivative liabilities						
	(9,086,192)	(5,819,511)	-	(5,819,511)	(3,266,681)	-
Securities lending liability						
	(305,521,434)	(305,521,434)	-	-	(305,521,434)	-
Separate acct. liabilities*						
	(3,730,000)	(3,566,000)	-	-	(3,730,000)	-

*Variable annuity contracts are considered insurance contracts and therefore, are not included in separate account liabilities for purposes of this disclosure

** Includes FHLB common stock which is held at cost.

The following discussion describes the valuation methodologies utilized by the Company for assets and liabilities measured or disclosed at fair value. Fair value estimates are made at a specific point in time, based on available market information and judgments about the financial instrument, including discount rates, estimates of timing, amount of expected future cash flows and the credit standing of the issuer. Such estimates do not consider the tax impact of the realization of unrealized gains or losses. For Level 3 investments, the fair value estimates cannot be substantiated by comparison to independent markets. In addition, the disclosed fair value may not be realized in the immediate settlement of the financial instrument. As described below, certain fair values are determined through the use of third-party pricing services. Management does not adjust prices received from third-parties; however, we do analyze the third-party pricing services' valuation methodologies and related inputs and perform additional evaluation to determine the appropriate level within the fair value hierarchy. Care should be exercised in deriving conclusions about the Company's business, its value or financial position based on the fair value information of financial instruments presented below.

Debt Securities and Surplus Notes

The fair values of actively traded debt securities, asset/mortgage-backed securities, and surplus notes have been determined through the use of third-party pricing services utilizing market observable inputs. Less liquid private placement securities and auction rate securities trading in less liquid or illiquid markets with limited or no pricing information are valued using either broker quotes or by discounting the expected cash flows using current market-consistent rates applicable to the yield, credit quality and maturity of each security.

Equity Securities

The fair values of actively traded equity securities have been determined utilizing publicly quoted prices obtained from third-party pricing services. The fair values of certain equity securities for which no publicly quoted prices are available have been determined through the use of third-party pricing services utilizing market observable inputs. Actively traded mutual funds are valued using the net asset values of the funds.

Mortgage Loans

The fair values for mortgage loans, consisting principally of commercial real estate loans, are estimated using discounted cash flow analyses, using interest rates currently being offered for similar loans collateralized by properties with similar investment risk. The fair values for mortgage loans in default are established at the lower of the fair value of the underlying collateral less costs to sell or the carrying amount of the loan.

Derivative Instruments

The fair values of free-standing derivative instruments, primarily call options and interest rate contracts, are determined through the use of third-party pricing services utilizing market observable inputs.

The fair values of interest rate swaps qualifying for hedge accounting treatment and credit default swaps are determined using valuation models incorporating significant unobservable inputs, including projected discounted cash flows, applicable swap curves and implied volatilities.

Cash, Cash Equivalents and Short-Term Investments

The fair values of cash, cash equivalents and short-term investments are based on quoted market prices.

NOTES TO FINANCIAL STATEMENTS

Securities Lending Reinvested Collateral Assets

The fair value of securities lending reinvested collateral assets are from third-party sources utilizing publicly quoted prices.

Assets Held in Separate Accounts

Assets held in separate accounts include debt securities and mutual funds. The fair values of these assets have been determined using the same methodologies as similar assets held in the general account.

Life and Annuity Reserves for Investment-type Contracts and Deposit Fund Liabilities

The fair value of liabilities for investment-type contracts is based on the present value of estimated liability cash flows. Present values reflect the Company's margin for uncertainty of the timing of liability cash flows. Key assumptions to the cash flow model include the timing of policyholder withdrawals and the level of interest credited to contract balances.

Fair values for insurance reserves are not required to be disclosed. However, the estimated fair values of all insurance reserves and investment contracts are taken into consideration in the Company's overall management of interest rate risk.

Securities Lending Liability

The liability represents the Company's obligation to return collateral related to securities lending transactions. The liability is short-term in nature and therefore, the fair value of the obligation approximates the carrying amount.

Separate Account Liabilities

Certain separate account liabilities are classified as investment contracts and are carried at an amount equal to the related separate account assets. Carrying value is a reasonable estimate of the fair value as it represents the exit value as evidenced by withdrawal transactions between contract holders and the Company.

21. Other Items

- A. Extraordinary Items. None.
- B. Troubled Debt Restructuring. None.
- C. Other Disclosures and Unusual Items. None.
- D. Business Interruption Insurance Recoveries. None.
- E. State Transferable Tax Credits. None.
- F. Subprime Mortgage Related Risk Exposure

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

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

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

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

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

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

	Actual Cost	Book/Adjusted Carrying Value (excluding interest)	Fair Value	Other-Than-Temporary Impairment Losses Recognized
a. Residential mortgage-backed securities	\$ 81,243,902	\$ 82,008,832	\$ 84,285,616	\$ 44,931
b. Commercial mortgage-backed securities	-	-	-	-
c. Collateralized debt obligations	-	-	-	-
d. Structured securities	-	-	-	-
g. Total	\$ 81,243,902	\$ 82,008,832	\$ 84,285,616	\$ 44,931

The percentage of book value of these debt securities that have underlying loans with primarily variable interest rates is 22.50%.

G. Retained Assets

- (1) The Company offered retained asset accounts as an optional form of settlement for life insurance policy proceeds in 2013. The retained asset account option provided to beneficiaries was not the default method for satisfying life insurance claims in 2013, as a signature of the beneficiary authorizing the creation of such an account was required for this method of settlement.

NOTES TO FINANCIAL STATEMENTS

The Company's retained asset accounts are transferred to the parent company, Western and Southern. Accounts established after 2004 are serviced by Western and Southern and accounts established prior to 2004 are serviced by an unaffiliated bank, with the assets and liabilities related to these retained assets accounts remaining on the parent company's financial statements.

The interest rate paid to retained asset account holders during 2013 was 0.5%. This rate did not change during 2013. Accountholders are not charged for routine administrative fees associated with these retained asset accounts; provided, however, that accountholders are responsible for certain fees associated with insufficient funds checks/drafts and stop-payment orders.

(2) Not applicable.

(3) Not applicable.

H. Offsetting and Netting Assets and Liabilities

Information related to the Company's derivative instruments and the effects of offsetting on the balance sheet are as follows:

	12/31/2013	12/31/2012
Derivative Assets		
Gross amount of recognized assets	\$ 39,843,328	\$ 4,020,445
Gross amounts offset	-	-
Net amount of assets	\$ 39,843,328	\$ 4,020,445
Derivative Liabilities		
Gross amount of recognized liabilities	\$ (5,819,511)	\$ -
Gross amounts offset	-	-
Net amount of liabilities	\$ (5,819,511)	\$ -

22. Events Subsequent

The Company recognizes in the financial statements the effects of all subsequent events that provide additional evidence about conditions that existed at the Balance Sheet date. For non-recognized subsequent events that must be disclosed to keep the financial statements from being misleading, the Company is required to disclose the nature of the event as well as an estimate of its financial effect, or a statement that such an estimate cannot be made. Management has evaluated subsequent events through the issuance of these financial statements on February 25, 2014.

23. Reinsurance

A. Ceded Reinsurance Report

Section 1 – General Interrogatories

- (1) Are any of the reinsurers, listed in Schedule S as non-affiliated, owned in excess of 10% or controlled, either directly or indirectly, by the company or by any representative, officer, trustee, or director of the company? Yes () No (X)
- (2) Have any policies issued by the company been reinsured with a company chartered in a country other than the United States (excluding U.S. Branches of such companies) that is owned in excess of 10% or controlled directly or indirectly by an insured, a beneficiary, a creditor or an insured or any other person not primarily engaged in the insurance business? Yes () No (X)

Section 2 – Ceded Reinsurance Report – Part A

- (1) Does the company have any reinsurance agreements in effect under which the reinsurer may unilaterally cancel any reinsurance for reasons other than for nonpayment of premium or other similar credits? Yes () No (X)
 - a. If yes, what is the estimated amount of the aggregate reduction in surplus of a unilateral cancellation by the reinsurer as of the date of this statement, for those agreements in which cancellation results in a net obligation of the reporting entity to the reinsurer, and for which such obligation is not presently accrued? Where necessary, the reporting entity may consider the current or anticipated experience of the business reinsured in making this estimate.
 - b. What is the total amount of reinsurance credits taken, whether as an asset or as a reduction of liability, for these agreements in this statement?
- (2) Does the reporting entity have any reinsurance agreements in effect such that the amount of losses paid or accrued through the statement date may result in a payment to the reinsurer of amounts that, in aggregate and allowing for offset of mutual credits from other reinsurance agreements with the same reinsurer, exceed the total direct premium collected under the reinsured policies? Yes () No (X)

Section 3 – Ceded Reinsurance Report – Part A

- (1) What is the estimated amount of the aggregate reduction in surplus, (for agreements other than those under which the reinsurer may unilaterally cancel for reasons other than for nonpayment of premium or other similar credits that are reflected in Section 2 above) of termination of ALL reinsurance agreements, by either party, as of the date of this statement? Where necessary, the company may consider the current or anticipated experience of the business reinsured in making this estimate. \$0
- (2) Have any new agreements been executed or existing agreements amended, since January 1 of the year of this statement, to include policies or contracts that were in force or which had existing reserves established by the company as of the effective date of the agreement? Yes () No (X)

If yes, what is the amount of reinsurance credits, whether an asset or a reduction of liability, taken for such new agreements or amendments?

- B. The Company had no uncollectible reinsurance balances written off through income or expense during the year.
- C. The Company had no commutation of reinsurance reflected in income or expense during the year.
- D. Certified Reinsurer Rating Downgraded or Status Subject to Revocation. None.
24. Retrospectively Rated Contracts and Contracts Subject to Redetermination. None.
25. Change in Incurred Losses and Loss Adjustment Expenses. None.
26. Intercompany Pooling Arrangements. None.
27. Structured Settlements. None.
28. Health Care Receivables. None.
29. Participating Policies. None.

NOTES TO FINANCIAL STATEMENTS

30. Premium Deficiency Reserves. None.

31. Reserves for Life Contracts and Annuity Contracts

- (1) The Company waives deduction of deferred fractional premiums upon death of insured and returns any portion of the final premium beyond the date of death. Surrender values are not promised in excess of the legally computed reserves.
- (2) Policies issued to substandard lives are charged an extra premium plus the regular gross premium for the true age. Mean reserves are based on appropriate multiples of standard rates of mortality.
- (3) As of December 31, 2013, the Company had \$357,726,567 of insurance in force for which the gross premiums are less than the net premiums according to the standard valuation set by the state of Ohio. Reserves to cover this insurance totaled \$5,436,488 at year-end and are reported in Exhibit 5, Life Insurance and Annuities sections.
- (4) The tabular interest, the tabular less actual reserve released, and the tabular cost have been determined by formula as described in the instructions.
- (5) The determination of tabular interest on funds not involving life has been determined by formula as described in the instructions.
- (6) The details for other changes: None.

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

	General Account	Separate Account with Guarantees	Separate Account Nonguaranteed	Total	% of Total
A. Subject to discretionary withdrawal:					
(1) With fair value adjustment	\$ -	\$ 3,566,175	\$ -	\$ 3,566,175	0.0%
(2) At book value less surrender charge of 5% or more	2,117,073,235	-	-	2,117,073,235	21.7%
(3) At fair value	-	-	31,940,022	31,940,022	0.3%
(4) Total with adjustment or at market value (Total of 1 through 3)	2,117,073,235	3,566,175	31,940,022	2,152,579,432	22.0%
(5) At book value without adjustment (minimal or no charge or adjustment)	6,214,243,845	-	-	6,214,243,845	63.7%
B. Not subject to discretionary withdrawal	<u>1,392,393,110</u>	<u>-</u>	<u>-</u>	<u>1,392,393,110</u>	<u>14.3%</u>
C. Total (gross: direct + assumed)	<u>9,723,710,190</u>	<u>3,566,175</u>	<u>31,940,022</u>	<u>9,759,216,387</u>	<u>100.0%</u>
D. Reinsurance ceded	<u>47,928</u>	<u>-</u>	<u>-</u>	<u>47,928</u>	
E. Total (net)* (C) - (D)	<u>\$ 9,723,662,262</u>	<u>\$ 3,566,175</u>	<u>\$ 31,940,022</u>	<u>\$ 9,759,168,459</u>	

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

F. Life & Accident & Health Annual Statement:

	Amount
1. Exhibit 5, Annuities Section, Total (net)	\$ 8,350,570,928
2. Exhibit 5, Supplementary Contracts with Life Contingencies Section, Total (net)	22,288,668
3. Exhibit 7, Exhibit of Deposit-Type Contracts, Line 14, Column 1	1,350,802,666
4. Subtotal	<u>9,723,662,262</u>
Separate Accounts Annual Statement	
5. Exhibit 3, Line 0299999, Column 2	35,506,197
6. Exhibit 3, Line 0399999, Column 2	-
7. Policyholder dividend and coupon accumulations	-
8. Policyholder premiums	-
9. Guaranteed interest contracts	-
10. Other contract deposit funds	-
11. Subtotal	<u>35,506,197</u>
12. Combined Total	<u>\$ 9,759,168,459</u>

G. FHLB (Federal Home Loan Bank) Agreements

1. The Company is a member of the Federal Home Loan Bank (FHLB) of Cincinnati. Through its membership, the Company has issued funding agreements to the FHLB of Cincinnati in exchange for cash advances in the amount of \$1,341,940,000. The Company uses these funds in an investment spread strategy, consistent with its other investment spread operations. As such, the Company applies SSAP No. 52 accounting treatment to these funds, consistent with its other deposit-type contracts. It is not part of the Company's strategy to utilize these funds for operations, and any funds obtained from the FHLB of Cincinnati for use in general operations would be accounted for consistent with SSAP No. 15 as borrowed money. The table below indicates the amount of FHLB of Cincinnati stock purchased, collateral pledged, assets and liabilities related to the agreement with FHLB of Cincinnati.	Current Year	Prior Year
2. FHLB stock purchased/owned as part of the agreement	\$ 45,510,700	\$ 43,109,500
3. Collateral pledged to the FHLB	1,493,185,068	1,242,206,515
4. Borrowing capacity currently available	19,856,386	109,291,106
5. Total reserves related to funding agreement	1,298,269,629	984,011,693
6. Agreement assets and liabilities		
General Account:		
a. Assets	1,421,634,507	1,074,897,180
b. Liabilities	1,298,269,629	984,011,693
Separate Account:		
c. Assets	-	-
d. Liabilities	-	-

NOTES TO FINANCIAL STATEMENTS

33. Premiums and Annuity Considerations Deferred and Uncollected

A. Deferred and uncollected life insurance premiums and annuity considerations as of December 31, 2013, were as follows:

Type	Gross	Net of Loading
(1) Industrial	\$ -	\$ -
(2) Ordinary new business	1,669,532	1,136,101
(3) Ordinary renewal	14,443,667	19,240,370
(4) Credit Life	-	-
(5) Group Life	-	-
(6) Group Annuity	-	-
(7) Totals	<u>\$ 16,113,199</u>	<u>\$ 20,376,471</u>

34. Separate Accounts

A. Separate Account Activity

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

- Variable Annuities
- Market Value Adjusted Annuities

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

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

As of December 31, 2013 and 2012, the Company's separate account statement included legally insulated assets of \$38,182,672 and \$39,231,639, respectively. The assets legally insulated from the general account as of December 31, 2013 are attributed to the following products:

Product	Separate Account Assets (Not Legally Insulated)	
	Legally Insulated Assets	\$
Variable Annuities	\$ 32,091,240	-
Market Value Adjusted Annuities	6,091,432	-
Total	<u>\$ 38,182,672</u>	<u>\$ -</u>

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

As of December 31, 2013, the Company's general account had a maximum guarantee for separate account liabilities of \$507,971. To compensate the general account for the risk taken, the separate accounts have paid risk charges as follows for the past five years:

2013	\$ 3,108
2012	\$ 3,180
2011	\$ 3,345
2010	\$ 3,667
2009	\$ XXX

The Company's general account has paid the following amounts towards separate account guarantees for the past five years:

2013	\$ 547
2012	\$ -
2011	\$ -
2010	\$ -
2009	\$ XXX

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

B. General Nature and Characteristics of Separate Account Business

The Company's guaranteed separate account consists of non-indexed, guaranteed rate options that include a market value adjustment. The guaranteed rate options were sold as a fixed annuity product. These options carry a minimum interest guarantee based on the guarantee period selected by the policyholder. The fixed annuity product provides a death benefit equal to the account value.

The Company's nonguaranteed separate accounts consist of variable annuities. The net investment experience of variable annuities is credited directly to the policyholder and can be positive or negative. Variable annuities include guaranteed minimum death benefits that vary by product and include optional death benefits available on some products. The death benefits include the following: account value, return of premium paid, a death benefit that accumulates at a specified interest rate, a death benefit that is adjusted after 7 years to the current account value, and a death benefit that is adjusted periodically to the current account value. Reserves for the minimum guaranteed death benefit are held in Exhibit 5, Annuities Section, of the Company's general account annual statement.

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

Information regarding the separate accounts of the Company as of and for the year ended December 31, 2013 is as follows:

	Nonindexed Guarantee Less than/equal to 4%	Nonguaranteed Separate Accounts	Total
(1) Premiums, considerations or deposits for year ended 12/31/ 2013	\$ -	\$ 333,123	\$ 333,123
(2) Reserves at 12/31/2013	\$ -	\$ 31,940,022	\$ 31,940,022
(2) For accounts with assets at:			
a. Fair value	\$ 3,566,175	\$ -	\$ 3,566,175
b. Amortized cost			
c. Total reserves*	<u>\$ 3,566,175</u>	<u>\$ 31,940,022</u>	<u>\$ 35,506,197</u>

NOTES TO FINANCIAL STATEMENTS

		Nonindexed Guarantee Less than/equal to 4%	Nonguaranteed Separate Accounts	Total
(3)	By withdrawal characteristics:			
a.	Subject to discretionary withdrawal:	\$ 3,566,175	\$ -	\$ 3,566,175
b.	With FV adjustment	-	-	-
c.	At book value without FV adjustment and with current surrender charge of 5% or more	-	-	-
d.	At fair value	-	31,940,022	31,940,022
e.	At book value without FV adjustment and with current surrender charge less than 5%	-	-	-
f.	Subtotal	3,566,175	31,940,022	35,506,197
g.	Not subject to discretionary withdrawal	-	-	-
h.	Total	<u>\$ 3,566,175</u>	<u>\$ 31,940,022</u>	<u>\$ 35,506,197</u>

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

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

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

(1)	Transfers as reported in the Summary of Operations of the Separate Accounts Statement:			
a.	Transfers to Separate Accounts (Page 4, Line 1.4)	\$ 333,123		
b.	Transfers from Separate Accounts (Page 4, Line 10)	7,464,184		
c.	Net transfers to (from) Separate Accounts (a)-(b)	<u>(7,131,061)</u>		
(2)	Reconciling Adjustments:			
a.	Policy deductions and other expenses (Page 4, Line 9.302)	27,273		
b.	Other account adjustments	<u>(372)</u>		
(3)	Transfers as Reported in the Summary of Operations of the Life, Accident & Health Annual Statement (1c) + (2) = (Page 4, Line 26)	<u>\$ (7,104,160)</u>		

35. Loss/Claim Adjustment Expenses. None.

ANNUAL STATEMENT FOR THE YEAR 2013 OF THE Western-Southern Life Assurance Company
GENERAL INTERROGATORIES

**PART 1 - COMMON INTERROGATORIES
 GENERAL**

1.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer? Yes [X] No []
 If yes, complete Schedule Y, Parts 1, 1A and 2

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

1.3 State Regulating? Ohio

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

2.2 If yes, date of change: _____

3.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/2012

3.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. 12/31/2012

3.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). 10/02/2013

3.4 By what department or departments?
 Ohio Department of Insurance

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

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

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

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

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

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

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

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

6.2 If yes, give full information:

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

7.2 If yes,
 7.21 State the percentage of foreign control; %
 7.22 State the nationality(s) of the foreign person(s) or entity(s) or if the entity is a mutual or reciprocal, the nationality of its manager or attorney-in-fact; and identify the type of entity(s) (e.g., individual, corporation or government, manager or attorney in fact).

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

ANNUAL STATEMENT FOR THE YEAR 2013 OF THE Western-Southern Life Assurance Company
GENERAL INTERROGATORIES

8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board? Yes [] No [X]
 8.2 If response to 8.1 is yes, please identify the name of the bank holding company:
 8.3 Is the company affiliated with one or more banks, thrifts or securities firms? Yes [] No [X]
 8.4 If response to 8.3 is yes, please provide 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

9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?

10.1 Has the insurer been granted any exemptions to the prohibited non-audit services provided by the certified independent public accountant requirements as allowed in Section 7H of the Annual Financial Reporting Model Regulation (Model Audit Rule), or substantially similar state law or regulation? Yes [] No [X]
 10.2 If the response to 10.1 is yes, provide information related to this exemption:
 10.3 Has the insurer been granted any exemptions related to the other requirements of the Annual Financial Reporting Model Regulation as allowed for in Section 17A of the Model Regulation, or substantially similar state law or regulation? Yes [] No [X]
 10.4 If the response to 10.3 is yes, provide information related to this exemption:
 10.5 Has the reporting entity established an Audit Committee in compliance with the domiciliary state insurance laws? Yes [X] No [] N/A []
 10.6 If the response to 10.5 is no or n/a, please explain:
 11. What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with an actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?
 Nora Moushey
 400 Broadway
 Cincinnati, OH 45202
 Officer of the Company
 12.1 Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly? Yes [X] No []
 12.11 Name of real estate holding company Various
 12.12 Number of parcels involved 7
 12.13 Total book/adjusted carrying value \$ 43,109,969
 12.2 If, yes provide explanation:
 13. **FOR UNITED STATES BRANCHES OF ALIEN REPORTING ENTITIES ONLY:**
 13.1 What changes have been made during the year in the United States manager or the United States trustees of the reporting entity?
 13.2 Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located? Yes [] No []
 13.3 Have there been any changes made to any of the trust indentures during the year? Yes [] No []
 13.4 If answer to (13.3) is yes, has the domiciliary or entry state approved the changes? Yes [] No [] N/A []
 14.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards? Yes [X] No []
 (a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
 (b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
 (c) Compliance with applicable governmental laws, rules and regulations;
 (d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
 (e) Accountability for adherence to the code.
 14.11 If the response to 14.1 is No, please explain:
 14.2 Has the code of ethics for senior managers been amended? Yes [] No [X]
 14.21 If the response to 14.2 is yes, provide information related to amendment(s).
 14.3 Have any provisions of the code of ethics been waived for any of the specified officers? Yes [] No [X]
 14.31 If the response to 14.3 is yes, provide the nature of any waiver(s).

ANNUAL STATEMENT FOR THE YEAR 2013 OF THE Western-Southern Life Assurance Company
GENERAL INTERROGATORIES

15.1 Is the reporting entity the beneficiary of a Letter of Credit that is unrelated to reinsurance where the issuing or confirming bank is not on the SVO Bank List? Yes [] No [X]

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

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

BOARD OF DIRECTORS

16. Is the purchase or sale of all investments of the reporting entity passed upon either by the board of directors or a subordinate committee thereof? Yes [X] No []

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

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

FINANCIAL

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

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

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

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

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

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

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

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

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

22.2 If answer is yes:

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

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

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

INVESTMENT

24.01 Were all the stocks, bonds and other securities owned December 31 of current year, over which the reporting entity has exclusive control, in the actual possession of the reporting entity on said date? (other than securities lending programs addressed in 24.03)..... Yes [X] No []

24.02 If no, give full and complete information relating thereto

24.03 For security lending programs, provide a description of the program including value for collateral and amount of loaned securities, and whether collateral is carried on or off-balance sheet. (an alternative is to reference Note 17 where this information is also provided)
 DESCRIPTION OF PROGRAM IS PROVIDED IN NOTE 5E

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

24.05 If answer to 24.04 is yes, report amount of collateral for conforming programs. \$

24.06 If answer to 24.04 is no, report amount of collateral for other programs. \$ 305,193,685

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

24.08 Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%? Yes [X] No [] N/A []

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

ANNUAL STATEMENT FOR THE YEAR 2013 OF THE Western-Southern Life Assurance Company
GENERAL INTERROGATORIES

24.10 For the reporting entity's security lending program state the amount of the following as December 31 of the current year:

24.101 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2	\$ 305,211,591
24.102 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2	\$ 305,193,685
24.103 Total payable for securities lending reported on the liability page.	\$ 305,521,434

25.1 Were any of the stocks, bonds or other assets of the reporting entity owned at December 31 of the current year not exclusively under the control of the reporting entity, or has the reporting entity sold or transferred any assets subject to a put option contract that is currently in force? (Exclude securities subject to Interrogatory 21.1 and 24.03). Yes [X] No []

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

25.21 Subject to repurchase agreements	\$
25.22 Subject to reverse repurchase agreements	\$
25.23 Subject to dollar repurchase agreements	\$
25.24 Subject to reverse dollar repurchase agreements	\$
25.25 Pledged as collateral	\$ 1,497,943,181
25.26 Placed under option agreements	\$
25.27 Letter stock or other securities restricted as to sale	\$ 45,510,700
25.28 On deposit with state or other regulatory body	\$ 2,755,393
25.29 Other	\$

25.3 For category (25.27) provide the following:

1 Nature of Restriction	2 Description	3 Amount
Not redeemable for at least five years	FHLB of Cincinnati stock	\$ 45,510,700

26.1 Does the reporting entity have any hedging transactions reported on Schedule DB? Yes [X] No []

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

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

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

28. Excluding items in Schedule E - Part 3 - Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 1, III - General Examination Considerations, F. Outsourcing of Critical Functions, Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook? Yes [X] No []

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

1 Name of Custodian(s)	2 Custodian's Address
BANK OF NEW YORK MELLON	ONE WALL STREET, NY NY 12086
FEDERAL HOME LOAN BANK	CINCINNATI OH 45202
DEUTSCHE BANK TRUST COMPANY AMERICAS	60 WALL STREET NY NY 10005

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

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

28.03 Have there been any changes, including name changes, in the custodian(s) identified in 28.01 during the current year? Yes [] No [X]

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

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

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

1 Central Registration Depository Number(s)	2 Name	3 Address
107126	FT. WASHINGTON INVESTMENT ADVISORS	303 BROADWAY, SUITE 1200, CINCINNATI OH 45202

ANNUAL STATEMENT FOR THE YEAR 2013 OF THE Western-Southern Life Assurance Company
GENERAL INTERROGATORIES

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

1 CUSIP #	2 Name of Mutual Fund	3 Book/Adjusted Carrying Value
29.2999 - Total		0

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

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

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

	1 Statement (Admitted) Value	2 Fair Value	3 Excess of Statement over Fair Value (-), or Fair Value over Statement (+)
30.1 Bonds	11,056,637,045	11,487,765,582	431,128,537
30.2 Preferred stocks	2,121,638	2,537,500	415,862
30.3 Totals	11,058,758,683	11,490,303,082	431,544,399

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

Fair values were generally obtained from IDC, Princeton Financial Spread Pricing Module and/or an Internal Pricing Committee/Internal Pricing Models.

31.1 Was the rate used to calculate fair value determined by a broker or custodian for any of the securities in Schedule D? Yes [X] No []
 31.2 If the answer to 31.1 is yes, does the reporting entity have a copy of the broker's or custodian's pricing policy (hard copy or electronic copy) for all brokers or custodians used as a pricing source? Yes [] No [X]
 31.3 If the answer to 31.2 is no, describe the reporting entity's process for determining a reliable pricing source for purposes of disclosure of fair value for Schedule D:
 Rates used to calculate fair value determined by a broker or custodian are reviewed by an internal pricing committee based upon asset class expertise to determine if rates are reasonable given current market conditions.

32.1 Have all the filing requirements of the Purposes and Procedures Manual of the NAIC Securities Valuation Office been followed? Yes [X] No []
 32.2 If no, list exceptions:

ANNUAL STATEMENT FOR THE YEAR 2013 OF THE Western-Southern Life Assurance Company
GENERAL INTERROGATORIES

OTHER

33.1 Amount of payments to trade associations, service organizations and statistical or rating bureaus, if any?\$557,165

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

1 Name	2 Amount Paid
AMERICAN COUNCIL OF LIFE INSURANCE	164,976
MOODY'S	219,500

34.1 Amount of payments for legal expenses, if any?\$5,122,413

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

1 Name	2 Amount Paid
WOLLMUTH MAHER & DEUTSCH LLP	4,638,174

35.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers or departments of government, if any?\$0

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

1 Name	2 Amount Paid
.....

ANNUAL STATEMENT FOR THE YEAR 2013 OF THE Western-Southern Life Assurance Company
GENERAL INTERROGATORIES

PART 2 - LIFE INTERROGATORIES

1.1	Does the reporting entity have any direct Medicare Supplement Insurance in force?	Yes [] No [X]
1.2	If yes, indicate premium earned on U.S. business only	\$
1.3	What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit?	\$
1.31	Reason for excluding:	
1.4	Indicate amount of earned premium attributable to Canadian and/or Other Alien not included in Item (1.2) above.	\$
1.5	Indicate total incurred claims on all Medicare Supplement insurance.	\$
1.6	Individual policies:	Most current three years: 1.61 Total premium earned \$ 0 1.62 Total incurred claims \$ 0 1.63 Number of covered lives 0
1.7	Group policies:	All years prior to most current three years 1.64 Total premium earned \$ 0 1.65 Total incurred claims \$ 0 1.66 Number of covered lives 0
2.	Health Test:	Most current three years: 1.71 Total premium earned \$ 0 1.72 Total incurred claims \$ 0 1.73 Number of covered lives 0
		All years prior to most current three years 1.74 Total premium earned \$ 0 1.75 Total incurred claims \$ 0 1.76 Number of covered lives 0
3.1	Does this reporting entity have Separate Accounts?	Yes [X] No []
3.2	If yes, has a Separate Accounts Statement been filed with this Department?	Yes [X] No [] N/A []
3.3	What portion of capital and surplus funds of the reporting entity covered by assets in the Separate Accounts statement, is not currently distributable from the Separate Accounts to the general account for use by the general account?	\$ 148,566
3.4	State the authority under which Separate Accounts are maintained:	
3.5	Was any of the reporting entity's Separate Accounts business reinsured as of December 31?	Yes [] No [X]
3.6	Has the reporting entity assumed by reinsurance any Separate Accounts business as of December 31?	Yes [] No [X]
3.7	If the reporting entity has assumed Separate Accounts business, how much, if any, reinsurance assumed receivable for reinsurance of Separate Accounts reserve expense allowances is included as a negative amount in the liability for "Transfers to Separate Accounts due or accrued (net)"?	
4.1	Are personnel or facilities of this reporting entity used by another entity or entities or are personnel or facilities of another entity or entities used by this reporting entity (except for activities such as administration of jointly underwritten group contracts and joint mortality or morbidity studies)?	Yes [X] No []
4.2	Net reimbursement of such expenses between reporting entities:	4.21 Paid \$ 81,099,442 4.22 Received \$
5.1	Does the reporting entity write any guaranteed interest contracts?	Yes [] No [X]
5.2	If yes, what amount pertaining to these lines is included in:	5.21 Page 3, Line 1 \$
5.22	Page 4, Line 1 \$	
6.	FOR STOCK REPORTING ENTITIES ONLY:	
6.1	Total amount paid in by stockholders as surplus funds since organization of the reporting entity:	\$ 791,308,064
7.	Total dividends paid stockholders since organization of the reporting entity:	7.11 Cash \$ 177,000,000 7.12 Stock \$

ANNUAL STATEMENT FOR THE YEAR 2013 OF THE Western-Southern Life Assurance Company
GENERAL INTERROGATORIES

8.1 Does the company reinsurance any Workers' Compensation Carve-Out business defined as: Yes [] No [X]

Reinsurance (including retrocessional reinsurance) assumed by life and health insurers of medical, wage loss and death benefits of the occupational illness and accident exposures, but not the employers liability exposures, of business originally written as workers' compensation insurance.

8.2 If yes, has the reporting entity completed the Workers' Compensation Carve-Out Supplement to the Annual Statement? Yes [] No []

8.3 If 8.1 is yes, the amounts of earned premiums and claims incurred in this statement are:

	1 Reinsurance Assumed	2 Reinsurance Ceded	3 Net Retained
8.31 Earned premium	0		
8.32 Paid claims	0		
8.33 Claim liability and reserve (beginning of year)	0		
8.34 Claim liability and reserve (end of year)	0		
8.35 Incurred claims	0	0	0

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

	1 Attachment Point	2 Earned Premium	3 Claim Liability and Reserve
8.41 <\$25,000		
8.42 \$25,000 - 99,999		
8.43 \$100,000 - 249,999		
8.44 \$250,000 - 999,999		
8.45 \$1,000,000 or more		

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

9.1 Does the company have variable annuities with guaranteed benefits? Yes [X] No []

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

Type	1 Guaranteed Death Benefit	2 Guaranteed Living Benefit	3 Waiting Period Remaining	4 Account Value Related to Col. 3	5 Total Related Account Values	6 Gross Amount of Reserve	7 Location of Reserve	8 Portion Reinsured	9 Reinsurance Reserve Credit
Maximum Anniversary Value	None	N/A	N/A .....	.....	1,088,659	13,764	Exhibit 5	100	13,764
6% Roll-Up	None	N/A	N/A .....	.....	700,028	34,164	Exhibit 5	100	34,164
Return of Premium	None	N/A	N/A .....	.....	37,740,950	173,662	Exhibit 5 .....	.....	.....

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

10.1 Amount of loss reserves established by these annuities during the current year: \$

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

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

11.1 Do you act as a custodian for health savings accounts? Yes [] No [X]

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

11.3 Do you act as an administrator for health savings accounts? Yes [] No [X]

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

FIVE-YEAR HISTORICAL DATA

Show amounts in whole dollars only, no cents; show percentages to one decimal place, i.e. 17.6.

Show amounts of life insurance in this exhibit in thousands (OMIT \$000)

	1 2013	2 2012	3 2011	4 2010	5 2009
Life Insurance in Force					
(Exhibit of Life Insurance)					
1. Ordinary - whole life and endowment (Line 34, Col. 4)	10,708,297	11,046,903	11,426,140	11,823,132	12,280,007
2. Ordinary - term (Line 21, Col. 4, less Line 34, Col. 4)	51,645,811	54,116,004	14,598,379	14,826,422	14,759,084
3. Credit life (Line 21, Col. 6)	0	0	0	0	0
4. Group, excluding FEGLI/SGLI (Line 21, Col. 9 less Lines 43 & 44, Col. 4)	0	0	0	0	0
5. Industrial (Line 21, Col. 2)	0	0	0	0	0
6. FEGLI/SGLI (Lines 43 & 44, Col. 4)	0	0	0	0	0
7. Total (Line 21, Col. 10)	62,354,108	65,162,907	26,024,519	26,649,554	27,039,091
New Business Issued					
(Exhibit of Life Insurance)					
8. Ordinary - whole life and endowment (Line 34, Col. 2)	575,730	625,510	582,858	533,855	503,901
9. Ordinary - term (Line 2, Col. 4, less Line 34, Col. 2)	1,136,563	1,107,426	1,214,927	1,456,011	1,660,483
10. Credit life (Line 2, Col. 6)	0	0	0	0	0
11. Group (Line 2, Col. 9)	0	0	0	0	0
12. Industrial (Line 2, Col. 2)	0	0	0	0	0
13. Total (Line 2, Col. 10)	1,712,293	1,732,936	1,797,785	1,989,866	2,164,384
Premium Income - Lines of Business					
(Exhibit 1 - Part 1)					
14. Industrial life (Line 20.4, Col. 2)	0	0	0	0	0
15.1 Ordinary-life insurance (Line 20.4, Col. 3)	343,127,357	528,424,263	170,599,554	158,304,024	148,462,714
15.2 Ordinary-individual annuities (Line 20.4, Col. 4)	592,545,086	1,024,920,102	717,167,077	866,379,544	1,048,217,926
16. Credit life (group and individual) (Line 20.4, Col. 5)	0	0	0	0	0
17.1 Group life insurance (Line 20.4, Col. 6)	0	0	0	0	0
17.2 Group annuities (Line 20.4, Col. 7)	0	0	0	0	0
18.1 A & H-group (Line 20.4, Col. 8)	0	0	0	0	0
18.2 A & H-credit (group and individual) (Line 20.4, Col. 9)	0	0	0	0	0
18.3 A & H-other (Line 20.4, Col. 10)	0	0	0	0	0
19. Aggregate of all other lines of business (Line 20.4, Col. 11)	0	0	0	0	0
20. Total	935,672,443	1,553,344,365	887,766,631	1,024,683,568	1,196,680,640
Balance Sheet (Pages 2 & 3)					
21. Total admitted assets excluding Separate Accounts business (Page 2, Line 26, Col. 3)	13,108,624,552	12,348,651,453	11,349,084,234	11,669,151,372	10,817,411,827
22. Total liabilities excluding Separate Accounts business (Page 3, Line 26)	11,931,944,064	11,322,926,833	10,362,224,711	10,636,817,940	9,812,371,263
23. Aggregate life reserves (Page 3, Line 1)	9,973,439,365	9,845,765,533	8,977,598,745	8,725,764,535	8,294,120,686
24. Aggregate A & H reserves (Page 3, Line 2)	0	0	0	0	0
25. Deposit-type contract funds (Page 3, Line 3)	1,350,802,665	1,038,343,322	908,196,551	1,272,867,622	1,197,738,481
26. Asset valuation reserve (Page 3, Line 24.01)	153,939,820	127,457,894	91,872,305	69,890,642	14,031,890
27. Capital (Page 3, Lines 29 and 30)	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000
28. Surplus (Page 3, Line 37)	1,174,180,488	1,023,224,620	984,359,523	1,029,833,432	1,002,540,564
Cash Flow (Page 5)					
29. Net Cash from Operations (Line 11)	328,363,172	257,231,039	372,284,944	511,869,803	767,832,835
Risk-Based Capital Analysis					
30. Total adjusted capital	1,330,620,308	1,153,182,514	1,078,731,828	1,102,224,074	1,019,072,454
31. Authorized control level risk - based capital	138,198,641	139,180,487	141,705,404	139,255,124	134,543,228
Percentage Distribution of Cash, Cash Equivalents and Invested Assets					
(Page 2, Col. 3) (Line No. /Page 2, Line 12, Col. 3) x 100.0					
32. Bonds (Line 1) .....	.88.0	.88.6	.88.4	.87.1	.88.3
33. Stocks (Lines 2.1 and 2.2)	2.0	1.4	1.3	1.4	1.2
34. Mortgage loans on real estate(Lines 3.1 and 3.2)	5.8	6.8	6.7	6.3	6.3
35. Real estate (Lines 4.1, 4.2 and 4.3)	0.0	0.2	0.2	0.2	0.2
36. Cash, cash equivalents and short-term investments (Line 5)	1.8	1.2	1.4	3.4	2.6
37. Contract loans (Line 6)	0.3	0.4	0.4	0.4	0.4
38. Derivatives (Page 2, Line 7)	0.3	0.0	0.0	0.0	XXX
39. Other invested assets (Line 8)	1.5	1.2	1.1	0.9	0.9
40. Receivables for securities (Line 9)	0.0	0.0	0.0	0.0	0.0
41. Securities lending reinvested collateral assets (Line 10)	0.1	0.1	0.2	0.2	XXX
42. Aggregate write-ins for invested assets (Line 11)	0.0	0.0	0.0	0.0	0.0
43. Cash, cash equivalents and invested assets (Line 12)	100.0	100.0	100.0	100.0	100.0

ANNUAL STATEMENT FOR THE YEAR 2013 OF THE Western-Southern Life Assurance Company

FIVE-YEAR HISTORICAL DATA

(Continued)

	1 2013	2 2012	3 2011	4 2010	5 2009
Investments in Parent, Subsidiaries and Affiliates					
44. Affiliated bonds (Schedule D Summary, Line 12, Col. 1)	0		0	0	0
45. Affiliated preferred stocks (Schedule D Summary, Line 18, Col. 1)	0		0	0	0
46. Affiliated common stocks (Schedule D Summary Line 24, Col. 1),	41,973,192	34,223,089	29,797,198	30,870,807	33,328,116
47. Affiliated short-term investments (subtotal included in Schedule DA Verification, Col. 5, Line 10)	0	0	0	0	0
48. Affiliated mortgage loans on real estate	0		0	0	0
49. All other affiliated	153,807,468	97,169,991	89,722,800	88,824,879	81,783,555
50. Total of above Lines 44 to 49	195,780,660	131,393,080	119,519,998	119,695,686	115,111,671
51. Total Investment in Parent included in Lines 44 to 49 above	0				
Total Nonadmitted and Admitted Assets					
52. Total nonadmitted assets (Page 2, Line 28, Col. 2)	41,139,570	33,336,138	29,009,699	22,064,664	35,497,822
53. Total admitted assets (Page 2, Line 28, Col. 3)	13,146,807,242	12,387,883,093	11,394,862,743	11,725,339,580	10,884,697,327
Investment Data					
54. Net investment income (Exhibit of Net Investment Income)	546,468,698	578,145,667	603,042,447	602,096,156	584,333,271
55. Realized capital gains (losses) (Page 4, Line 34, Column 1)	(1,905,396)	(7,022,346)	(19,641,635)	(22,311,833)	(149,996,126)
56. Unrealized capital gains (losses) (Page 4, Line 38, Column 1)	57,796,211	26,281,855	(13,069,195)	20,380,759	35,272,001
57. Total of above Lines 54, 55 and 56	602,359,513	597,405,176	570,331,617	600,165,082	469,609,146
Benefits and Reserve Increases (Page 6)					
58. Total contract benefits - life (Lines 10, 11, 12, 13, 14 and 15 Col. 1, minus Lines 10, 11, 12, 13, 14 and 15 Cols. 9, 10 and 11)	1,074,005,433	945,873,627	892,583,648	867,086,392	856,080,421
59. Total contract benefits - A & H (Lines 13 & 14, Cols. 9, 10 & 11)	0	0	0	0	0
60. Increase in life reserves - other than group and annuities (Line 19, Cols. 2 and 3)	86,025,102	369,928,141	37,155,324	21,894,805	13,821,244
61. Increase in A & H reserves (Line 19, Cols. 9, 10 & 11)	0	0	0	0	0
62. Dividends to policyholders (Line 30, Col. 1)	0	0	0	0	0
Operating Percentages					
63. Insurance expense percent (Page 6, Col. 1, Lines 21, 22 & 23, less Line 6)/(Page 6, Col. 1, Line 1 plus Exhibit 7, Col. 2, Line 2) x 100.0	4.1	8.7	9.4	11.8	11.5
64. Lapse percent (ordinary only) [(Exhibit of Life Insurance, Col. 4, Lines 14 & 15) / 1/2 (Exhibit of Life Insurance, Col. 4, Lines 1 & 21)] x 100.0	3.0	5.3	7.9	7.7	7.4
65. A & H loss percent (Schedule H, Part 1, Lines 5 and 6, Col. 2)	0.0	0.0	0.0	0.0	0.0
66. A & H cost containment percent (Schedule H, Pt. 1, Line 4, Col. 2)			0.0	0.0	0.0
67. A & H expense percent excluding cost containment expenses (Schedule H, Pt. 1, Line 10, Col. 2)			0.0	0.0	0.0
A & H Claim Reserve Adequacy					
68. Incurred losses on prior years' claims - group health (Schedule H, Part 3, Line 3.1 Col. 2)			0	0	0
69. Prior years' claim liability and reserve - group health (Schedule H, Part 3, Line 3.2 Col. 2)			0	0	0
70. Incurred losses on prior years' claims-health other than group (Schedule H, Part 3, Line 3.1 Col. 1 less Col. 2)	0	0	0	0	0
71. Prior years' claim liability and reserve-health other than group (Schedule H, Part 3, Line 3.2 Col. 1 less Col. 2)	0	0	0	0	0
Net Gains From Operations After Federal Income Taxes by Lines of Business (Page 6, Line 33)					
72. Industrial life (Col. 2)	0	0	0	0	0
73. Ordinary - life (Col. 3)	6,226,377	(88,201,070)	9,038,161	13,357,943	19,597,370
74. Ordinary - individual annuities (Col. 4)	107,843,085	116,289,148	88,156,965	72,445,439	66,586,602
75. Ordinary-supplementary contracts (Col. 5)	291,840	15,620	(51,626)	772,712	1,531,649
76. Credit life (Col. 6)	0	0	0	0	0
77. Group life (Col. 7)	0	0	0	0	0
78. Group annuities (Col. 8)	0	0	0	0	0
79. A & H-group (Col. 9)	0	0	0	0	0
80. A & H-credit (Col. 10)	0	0	0	0	0
81. A & H-other (Col. 11)	0	0	0	0	0
82. Aggregate of all other lines of business (Col. 12)	(3,611,342)	13,203,925	26,818,618	16,335,745	4,891,080
83. Total (Col. 1)	110,749,960	41,307,623	123,962,118	102,911,839	92,606,701

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

Yes [] No []

If no, please explain:

ANNUAL STATEMENT FOR THE YEAR 2013 OF THE Western-Southern Life Assurance Company

EXHIBIT OF LIFE INSURANCE

	Industrial		Ordinary		Credit Life (Group and Individual)		Group		10 Total Amount of Insurance (a)	
	1 Number of Policies	2 Amount of Insurance (a)	3 Number of Policies	4 Amount of Insurance (a)	5 Number of Individual Policies and Group Certificates	6 Amount of Insurance (a)	Number of			
							7 Policies	8 Certificates		
1. In force end of prior year .....	.0	0	10,109,813	65,162,907	0	0	0	0	65,162,907
2. Issued during year		0	17,736	1,712,293		0			1,712,293	
3. Reinsurance assumed			272	32,198					0	
4. Revived during year									32,198	
5. Increased during year (net)									0	
6. Subtotals, Lines 2 to 5 .....	.0	0	18,008	1,744,491	0	0	0	0	1,744,491
7. Additions by dividends during year	XXX		XXX		XXX		XXX	XXX	0	
8. Aggregate write-ins for increases	0	0	0	0	0	0	0	0	0	
9. Totals (Lines 1 and 6 to 8) .....	.0	0	10,127,821	66,907,398	0	0	0	0	66,907,398
Deductions during year:										
10. Death			2,561	103,178			XXX		103,178	
11. Maturity			251	13,655			XXX		13,655	
12. Disability							XXX		0	
13. Expiry			135	17,042					17,042	
14. Surrender			5,252	317,066					317,066	
15. Lapse			15,091	1,601,016					1,601,016	
16. Conversion			1,858	178,802			XXX	XXX	178,802	
17. Decreased (net)			635,004	2,322,531					2,322,531	
18. Reinsurance									0	
19. Aggregate write-ins for decreases	0	0	0	0	0	0	0	0	0	
20. Totals (Lines 10 to 19) .....	.0	0	660,152	4,553,290	0	0	0	0	4,553,290
21. In force end of year (Line 9 minus Line 20)	0	0	9,467,669	62,354,108	0	0	0	0	62,354,108	
22. Reinsurance ceded end of year	XXX		XXX	7,702,075	XXX		XXX	XXX	7,702,075	
23. Line 21 minus Line 22	XXX	0	XXX	54,652,033	XXX	(b)	0	XXX	54,652,033	
DETAILS OF WRITE-INS										
0801.										
0802.										
0803.										
0898. Summary of remaining write-ins for Line 8 from overflow page	0	0	0	0	0	0	0	0	0	
0899. TOTALS (Lines 0801 thru 0803 plus 0898) (Line 8 above)	0	0	0	0	0	0	0	0	0	
1901.										
1902.										
1903.										
1998. Summary of remaining write-ins for Line 19 from overflow page	0	0	0	0	0	0	0	0	0	
1999. TOTALS (Lines 1901 thru 1903 plus 1998) (Line 19 above)	0	0	0	0	0	0	0	0	0	

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

(b) Group \$; Individual \$

EXHIBIT OF LIFE INSURANCE (Continued)

ADDITIONAL INFORMATION ON INSURANCE IN FORCE END OF YEAR

	Industrial		Ordinary	
	1 Number of Policies	2 Amount of Insurance (a)	3 Number of Policies	4 Amount of Insurance (a)
24. Additions by dividends	XXX		XXX	
25. Other paid-up insurance			4,419	35,599
26. Debit ordinary insurance	XXX	XXX	499	2,393

ADDITIONAL INFORMATION ON ORDINARY INSURANCE

Term Insurance Excluding Extended Term Insurance	Issued During Year (Included in Line 2)		In Force End of Year (Included in Line 21)	
	1 Number of Policies	2 Amount of Insurance (a)	3 Number of Policies	4 Amount of Insurance (a)
27. Term policies - decreasing				
28. Term policies - other	6,957	1,072,685	9,258,251	50,963,653
29. Other term insurance - decreasing	XXX		XXX	236
30. Other term insurance	XXX	63,878	XXX	662,860
31. Totals (Lines 27 to 30)	6,957	1,136,563	9,258,251	51,626,749
Reconciliation to Lines 2 and 21:				
32. Term additions	XXX		XXX	
33. Totals, extended term insurance	XXX	XXX	1,419	19,062
34. Totals, whole life and endowment	10,779	575,730	207,999	10,708,297
35. Totals (Lines 31 to 34)	17,736	1,712,293	9,467,669	62,354,108

CLASSIFICATION OF AMOUNT OF INSURANCE (a) BY PARTICIPATING STATUS

	Issued During Year (Included in Line 2)		In Force End of Year (Included in Line 21)	
	1 Non-Participating	2 Participating	3 Non-Participating	4 Participating
36. Industrial				
37. Ordinary	1,712,293		62,354,108	
38. Credit Life (Group and Individual)				
39. Group				
40. Totals (Lines 36 to 39)	1,712,293	0	62,354,108	0

ADDITIONAL INFORMATION ON CREDIT LIFE AND GROUP INSURANCE

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

ADDITIONAL ACCIDENTAL DEATH BENEFITS

46. Amount of additional accidental death benefits in force end of year under ordinary policies (a)	719,321
-----------------------------------------------------------------------------------------------------------	---------------

BASIS OF CALCULATION OF ORDINARY TERM INSURANCE

47. State basis of calculation of (47.1) decreasing term insurance contained in Family Income, Mortgage Protection, etc., policies and riders and of (47.2) term insurance on wife and children under Family, Parent and Children, etc., policies and riders included above.
47.1 Current Commuted Values
47.2 Spouse - Actual Amount; Child - total amount under each policy or rider equals 2 times actual amount

POLICIES WITH DISABILITY PROVISIONS

Disability Provisions	Industrial		Ordinary		Credit		Group	
	1 Number of Policies	2 Amount of Insurance (a)	3 Number of Policies	4 Amount of Insurance (a)	5 Number of Policies	6 Amount of Insurance (a)	7 Number of Certificates	8 Amount of Insurance (a)
48. Waiver of Premium		75,556		5,275,115				
49. Disability Income		366		9,234				
50. Extended Benefits		XXX		XXX				
51. Other		54		444				
52. Total	0	(b) 0	75,976	(b) 5,284,793	0	(b) 0	0	(b) 0

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

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

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

SUPPLEMENTARY CONTRACTS

	Ordinary		Group	
	1 Involving Life Contingencies	2 Not Involving Life Contingencies	3 Involving Life Contingencies	4 Not Involving Life Contingencies
1. In force end of prior year	758	1,963	0	0
2. Issued during year	44	204		
3. Reinsurance assumed				
4. Increased during year (net)				
5. Total (Lines 1 to 4)	802	2,167	0	0
Deductions during year:				
6. Decreased (net)	46	354		
7. Reinsurance ceded				
8. Totals (Lines 6 and 7)	46	354	0	0
9. In force end of year	756	1,813	0	0
10. Amount on deposit		(a) 3,552,433		(a)
11. Income now payable	756	1,583		
12. Amount of income payable	(a) 2,195,075	(a) 8,736,836	(a)	(a)

ANNUITIES

	Ordinary		Group	
	1 Immediate	2 Deferred	3 Contracts	4 Certificates
1. In force end of prior year	2,472	306,274	0	0
2. Issued during year	120	11,981		
3. Reinsurance assumed				
4. Increased during year (net)				
5. Totals (Lines 1 to 4)	2,592	318,255	0	0
Deductions during year:				
6. Decreased (net)	171	23,610		
7. Reinsurance ceded				
8. Totals (Lines 6 and 7)	171	23,610	0	0
9. In force end of year	2,421	294,645	0	0
Income now payable:				
10. Amount of income payable	(a) 8,084,423	XXX	XXX	(a)
Deferred fully paid:				
11. Account balance	XXX	(a) 7,318,042,273	XXX	(a)
Deferred not fully paid:				
12. Account balance	XXX	(a) 975,292,787	XXX	(a)

ACCIDENT AND HEALTH INSURANCE

	Group		Credit		Other	
	1 Certificates	2 Premiums in Force	3 Policies	4 Premiums in Force	5 Policies	6 Premiums in Force
1. In force end of prior year	0		0		0	
2. Issued during year						
3. Reinsurance assumed						
4. Increased during year (net)		XXX		XXX		XXX
5. Totals (Lines 1 to 4)	0	XXX	0	XXX	0	XXX
Deductions during year:						
6. Conversions		XXX	XXX	XXX	XXX	XXX
7. Decreased (net)		XXX		XXX		XXX
8. Reinsurance ceded		XXX		XXX		XXX
9. Totals (Lines 6 to 8)	0	XXX	0	XXX	0	XXX
10. In force end of year	0	(a)	0	(a)	0	(a)

DEPOSIT FUNDS AND DIVIDEND ACCUMULATIONS

	Group		1 Deposit Funds Contracts	2 Dividend Accumulations Contracts
	1 Certificates	2 Premiums in Force	3 Policies	4 Premiums in Force
1. In force end of prior year	68			0
2. Issued during year				
3. Reinsurance assumed				
4. Increased during year (net)				
5. Totals (Lines 1 to 4)	68			0
Deductions During Year:				
6. Decreased (net)				
7. Reinsurance ceded				
8. Totals (Lines 6 and 7)		0		0
9. In force end of year			68	0
10. Amount of account balance		(a) 85,804	(a)	

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

ANNUAL STATEMENT FOR THE YEAR 2013 OF THE Western-Southern Life Assurance Company
SCHEDULE T - PREMIUMS AND ANNUITY CONSIDERATIONS

Allocated by States and Territories

States, Etc.	1	Direct Business Only					
		Life Contracts		3	4	5	6
		Active Status	Life Insurance Premiums	Annuity Considerations	Accident and Health Insurance Premiums, Including Policy, Membership and Other Fees	Other Considerations	Total Columns 2 through 5
1. Alabama	AL	L	728,830	6,505,239			7,234,069
2. Alaska	AK	N	41,326	.650			41,976
3. Arizona	AZ	L	1,182,961	1,312,786			2,495,747
4. Arkansas	AR	L	369,999	10,834,318			11,204,317
5. California	CA	L	6,605,143	9,715,157			16,320,300
6. Colorado	CO	L	888,987	6,093,166			6,982,153
7. Connecticut	CT	L	1,057,355	8,197,268			9,254,623
8. Delaware	DE	L	556,480	1,826,440			2,382,920
9. District of Columbia	DC	L	178,502	.61,328			.239,830
10. Florida	FL	L	13,461,664	33,759,498			47,221,162
11. Georgia	GA	L	1,694,379	7,157,208			8,851,587
12. Hawaii	HI	L	288,170	15,067,552			15,355,722
13. Idaho	ID	L	41,542	216,964			258,506
14. Illinois	IL	L	12,706,483	59,022,107			71,728,590
15. Indiana	IN	L	19,456,332	34,765,541			54,221,873
16. Iowa	IA	L	323,389	11,549,304			11,872,693
17. Kansas	KS	L	673,876	4,493,331			5,167,207
18. Kentucky	KY	L	9,281,577	8,317,919			17,599,496
19. Louisiana	LA	L	6,452,833	46,121,008			52,573,841
20. Maine	ME	N	14,236	24,514			38,750
21. Maryland	MD	L	2,788,356	5,870,973			8,659,329
22. Massachusetts	MA	L	468,154	324,787			.792,941
23. Michigan	MI	L	11,820,834	46,540,040			58,360,874
24. Minnesota	MN	L	1,951,480	2,202,515			4,153,995
25. Mississippi	MS	L	2,007,037	29,535,102			31,542,139
26. Missouri	MO	L	3,905,585	36,284,825			40,190,410
27. Montana	MT	L	31,201	970,996			1,002,197
28. Nebraska	NE	L	80,121	1,551,979			1,632,100
29. Nevada	NV	L	225,954	.6,045			.231,999
30. New Hampshire	NH	N	15,348	.300			15,648
31. New Jersey	NJ	L	769,666	1,409,475			2,179,141
32. New Mexico	NM	L	199,056	9,238,000			9,437,056
33. New York	NY	N	133,193	.17,005			.150,198
34. North Carolina	NC	L	17,622,340	13,255,440			.30,877,780
35. North Dakota	ND	L	17,853	.50,000			.67,853
36. Ohio	OH	L	64,309,751	42,956,393			107,266,144
37. Oklahoma	OK	L	466,674	20,664,329			21,131,003
38. Oregon	OR	L	164,480	1,788,048			1,952,528
39. Pennsylvania	PA	L	17,784,641	21,800,607			39,585,248
40. Rhode Island	RI	N	10,534	.480			.11,014
41. South Carolina	SC	L	2,002,004	10,885,964			12,887,968
42. South Dakota	SD	L	53,520	592,957			.646,477
43. Tennessee	TN	L	2,670,236	1,941,975			.4,612,211
44. Texas	TX	L	4,736,820	.47,969,525			.52,706,345
45. Utah	UT	L	94,185	.350			.94,535
46. Vermont	VT	L	6,439				.6,439
47. Virginia	VA	L	1,351,243	8,948,311			10,299,554
48. Washington	WA	L	333,224	721,886			1,055,110
49. West Virginia	WV	L	4,507,247	4,789,839			9,297,086
50. Wisconsin	WI	L	2,286,037	.18,129,002			20,415,039
51. Wyoming	WY	L	48,533				.48,533
52. American Samoa	AS	N					0
53. Guam	GU	L	5,615	2,702,433			2,708,048
54. Puerto Rico	PR	N	7,366				.7,366
55. U.S. Virgin Islands	VI	N	335				.335
56. Northern Mariana Islands	MP	N					0
57. Canada	CAN	N					0
58. Aggregate Other Alien	OT	XXX	58,919	0	0	0	58,919
59. Subtotal		(a)	47	218,938,045	596,190,879	0	815,128,924
60. Reporting entity contributions for employee benefits plans			XXX	0	0	0	0
61. Dividends or refunds applied to purchase paid-up additions and annuities			XXX	0	0	0	0
62. Dividends or refunds applied to shorten endowment or premium paying period			XXX	0	0	0	0
63. Premium or annuity considerations waived under disability or other contract provisions			XXX	2,826,037	0	0	2,826,037
64. Aggregate or other amounts not allocable by State			XXX	0	0	0	0
65. Totals (Direct Business)			XXX	221,764,082	596,190,879	0	817,954,961
66. Plus reinsurance assumed			XXX	139,075,936	(3,643,530)	0	135,432,406
67. Totals (All Business)			XXX	360,840,018	592,547,349	0	953,387,367
68. Less reinsurance ceded			XXX	17,310,704	.2,262	0	.17,312,966
69. Totals (All Business) less Reinsurance Ceded			XXX	343,529,314	592,545,087	(b) 0	936,074,401
70. DETAILS OF WRITE-INS							
58001. Mexico		XXX		10,845	0	0	10,845
58002. Other Foreign		XXX		48,074			48,074
58003.		XXX					
58998. Summary of remaining write-ins for Line 58 from overflow page		XXX		0	0	0	0
58999. Totals (Lines 58001 through 58003 plus 58998)(Line 58 above)		XXX		58,919	0	0	58,919
9401.		XXX					
9402.		XXX					
9403.		XXX					
9498. Summary of remaining write-ins for Line 94 from overflow page		XXX		0	0	0	0
9499. Totals (Lines 9401 through 9403 plus 9498)(Line 94 above)		XXX		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.

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

By state of residence of the policyholder

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

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

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

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

ANNUAL STATEMENT FOR THE YEAR 2013 OF THE Western-Southern Life Assurance Company
OVERFLOW PAGE FOR WRITE-INS

NONE

ALPHABETICAL INDEX

ANNUAL STATEMENT BLANK

Analysis of Increase in Reserves During The Year	7
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