



## QUARTERLY STATEMENT

**As of June 30, 2014**  
of the Condition and Affairs of the

# Universal Guaranty Life Insurance Company

NAIC Group Code..... (Current Period) (Prior Period)	NAIC Company Code..... 70130	Employer's ID Number..... 31-0727974
Organized under the Laws of Ohio	State of Domicile or Port of Entry Ohio	Country of Domicile US
Incorporated/Organized..... November 15, 1966	Commenced Business..... December 31, 1966	
Statutory Home Office	65 East State Street, Suite 2100..... Columbus .... OH .... US .... 43215-4260 (Street and Number) (City or Town, State, Country and Zip Code)	
Main Administrative Office	5250 S 6th Street Rd..... Springfield .... IL .... US .... 62703-5158 (Street and Number) (City or Town, State, Country and Zip Code)	877-881-1777 (Area Code) (Telephone Number)
Mail Address	P.O. Box 5147..... Springfield .... IL .... US .... 62703-5158 (Street and Number or P. O. Box) (City or Town, State, Country and Zip Code)	
Primary Location of Books and Records	5250 S 6th Street Rd..... Springfield .... IL .... US .... 62703-5158 (Street and Number) (City or Town, State, Country and Zip Code)	877-881-1777 (Area Code) (Telephone Number)
Internet Web Site Address	www.utgins.com	
Statutory Statement Contact	Julie Ann Abel (Name) accounting@utgins.com (E-Mail Address)	217-241-6300-344 (Area Code) (Telephone Number) (Extension) 217-241-6590 (Fax Number)

## OFFICERS

Name	Title	Name	Title
1. James Patrick Rousey	President	2. Theodore Clayton Miller	Secretary/CFO
3. Julie Ann Abel	Treasurer	4.	
<b>OTHER</b>			
Julie Ann Abel	Vice President	Jacob Joncarl Andrew	Vice President
Michael Keith Borden	Vice President	Jesse Thomas Correll	Chief Executive Officer
Douglas Paul Ditto	Vice President	Douglas August Dockter	Vice President
Kendra Ann Lynn	Vice President	Theodore Clayton Miller	Senior Vice President

## OTHER

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

## **DIRECTORS OR TRUSTEES**

John Sanford Albin      Randall Lanier Attkisson      Joseph Anthony Brinck II      Jesse Thomas Correll  
Ward Forrest Correll      Howard Lape Dayton Jr      Peter Loyd Ochs      James Patrick Rousey

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

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

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(Signature)  
James Patrick Rousey  
1. (Printed Name)  
President  
(Title)

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(Signature)  
Theodore Clayton Miller  
2. (Printed Name)  
Secretary/CFO  
(Title)

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(Signature)  
Julie Ann Abel  
3. (Printed Name)  
Treasurer  
(Title)

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Subscribed and sworn to before me  
This 1st day of August, 2014

- a. Is this an original filing?
- b. If no:
  - 1. State the amendment number
  - 2. Date filed
  - 3. Number of pages attached

Yes [X] No [ ]

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**ASSETS**

	Current Statement Date			4 December 31 Prior Year Net Admitted Assets
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	
1. Bonds.....	168,405,895	0	168,405,895	171,046,831
2. Stocks:				
2.1 Preferred stocks.....	17,343,947	0	17,343,947	20,122,285
2.2 Common stocks.....	35,363,109	0	35,363,109	33,250,321
3. Mortgage loans on real estate:				
3.1 First liens.....	26,355,415	0	26,355,415	27,285,269
3.2 Other than first liens.....	0	0	0	0
4. Real estate:				
4.1 Properties occupied by the company (less \$.....0 encumbrances).....	1,109,171	0	1,109,171	1,185,108
4.2 Properties held for the production of income (less \$.....0 encumbrances).....	0	0	0	0
4.3 Properties held for sale (less \$.....0 encumbrances).....	11,370,295	3,392	11,366,903	17,791,622
5. Cash (\$....13,771,451), cash equivalents (\$.....0) and short-term investments (\$....5,920,881).....	19,692,332	0	19,692,332	17,703,167
6. Contract loans (including \$.....0 premium notes).....	11,493,320	0	11,493,320	11,860,960
7. Derivatives.....	37,743	0	37,743	194,000
8. Other invested assets.....	45,101,245	291,972	44,809,273	41,146,026
9. Receivables for securities.....	5,541	0	5,541	0
10. Securities lending reinvested collateral assets.....	0	0	0	0
11. Aggregate write-ins for invested assets.....	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11).....	336,278,013	295,364	335,982,649	341,585,589
13. Title plants less \$.....0 charged off (for Title insurers only).....	0	0	0	0
14. Investment income due and accrued.....	2,467,562	0	2,467,562	2,432,939
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection.....	(59,996)	0	(59,996)	(97,451)
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$.....0 earned but unbilled premiums).....	954,157	0	954,157	944,806
15.3 Accrued retrospective premiums.....	0	0	0	0
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers.....	213,247	0	213,247	301,105
16.2 Funds held by or deposited with reinsured companies.....	0	0	0	0
16.3 Other amounts receivable under reinsurance contracts.....	189,364	0	189,364	109,872
17. Amounts receivable relating to uninsured plans.....	0	0	0	0
18.1 Current federal and foreign income tax recoverable and interest thereon.....	1,290,149	0	1,290,149	1,290,149
18.2 Net deferred tax asset.....	616,423	0	616,423	924,893
19. Guaranty funds receivable or on deposit.....	66,031	0	66,031	72,534
20. Electronic data processing equipment and software.....	0	0	0	0
21. Furniture and equipment, including health care delivery assets (\$.....0).....	0	0	0	0
22. Net adjustment in assets and liabilities due to foreign exchange rates.....	0	0	0	0
23. Receivables from parent, subsidiaries and affiliates.....	21,928	0	21,928	0
24. Health care (\$.....0) and other amounts receivable.....	0	0	0	0
25. Aggregate write-ins for other than invested assets.....	489,571	0	489,571	497,272
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 through 25).....	342,526,449	295,364	342,231,085	348,061,708
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....	0	0	0	0
28. Total (Lines 26 and 27).....	342,526,449	295,364	342,231,085	348,061,708

**DETAILS OF WRITE-INS**

1101. ....	0	0	0	0
1102. ....	0	0	0	0
1103. ....	0	0	0	0
1198. Summary of remaining write-ins for Line 11 from overflow page.....	0	0	0	0
1199. Totals (Lines 1101 thru 1103 plus 1198) (Line 11 above).....	0	0	0	0
2501. Due from Unaffiliate.....	489,571	0	489,571	497,272
2502. ....	0	0	0	0
2503. ....	0	0	0	0
2598. Summary of remaining write-ins for Line 25 from overflow page.....	0	0	0	0
2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above).....	489,571	0	489,571	497,272

**LIABILITIES, SURPLUS AND OTHER FUNDS**

	1 Current Statement Date	2 December 31 Prior Year
1. Aggregate reserve for life contracts \$.....0 less \$.....0 included in Line 6.3 (including \$.....0 Modco Reserve).....	259,224,736	267,683,884
2. Aggregate reserve for accident and health contracts (including \$.....0 Modco Reserve).....	161,572	178,243
3. Liability for deposit-type contracts (including \$.....0 Modco Reserve).....	11,238,507	11,214,337
4. Contract claims:		
4.1 Life.....	3,141,611	2,853,441
4.2 Accident and health.....	60,226	60,972
5. Policyholders' dividends \$.....0 and coupons \$.....0 due and unpaid.....	0	0
6. Provision for policyholders' dividends and coupons payable in following calendar year - estimated amounts:		
6.1 Dividends apportioned for payment (including \$.....0 Modco).....	484,853	506,927
6.2 Dividends not yet apportioned (including \$.....0 Modco).....	0	0
6.3 Coupons and similar benefits (including \$.....0 Modco).....	0	0
7. Amount provisionally held for deferred dividend policies not included in Line 6.....	0	0
8. Premiums and annuity considerations for life and accident and health contracts received in advance less \$.....0 discount; including \$.....0 accident and health premiums.....	64,637	70,798
9. Contract liabilities not included elsewhere:		
9.1 Surrender values on canceled contracts.....	0	0
9.2 Provision for experience rating refunds, including the liability of \$.....0 accident and health experience rating refunds of which \$.....0 is for medical loss ratio rebate per the Public Health Service Act.....	58,342	72,096
9.3 Other amounts payable on reinsurance, including \$.....0 assumed and \$.....0 ceded.....	0	0
9.4 Interest Maintenance Reserve.....	12,364,776	12,563,997
10. Commissions to agents due or accrued - life and annuity contracts \$.....0, accident and health \$.....0 and deposit-type contract funds \$.....0.....	0	0
11. Commissions and expense allowances payable on reinsurance assumed.....	0	0
12. General expenses due or accrued.....	2,004,989	1,413,675
13. Transfers to Separate Accounts due or accrued (net) (including \$.....0 accrued for expense allowances recognized in reserves, net of reinsured allowances).....	0	0
14. Taxes, licenses and fees due or accrued, excluding federal income taxes.....	642,269	559,463
15.1 Current federal and foreign income taxes, including \$.....0 on realized capital gains (losses).....	0	0
15.2 Net deferred tax liability.....	0	0
16. Unearned investment income.....	241,012	216,633
17. Amounts withheld or retained by company as agent or trustee.....	3,011,275	2,007,966
18. Amounts held for agents' account, including \$.....0 agents' credit balances.....	0	0
19. Remittances and items not allocated.....	0	0
20. Net adjustment in assets and liabilities due to foreign exchange rates.....	0	0
21. Liability for benefits for employees and agents if not included above.....	0	0
22. Borrowed money \$.....0 and interest thereon \$.....0.....	0	0
23. Dividends to stockholders declared and unpaid.....	0	0
24. Miscellaneous liabilities:		
24.01 Asset valuation reserve.....	14,130,928	13,234,093
24.02 Reinsurance in unauthorized and certified (\$.....0) companies.....	0	0
24.03 Funds held under reinsurance treaties with unauthorized and certified (\$.....0) reinsurers.....	0	0
24.04 Payable to parent, subsidiaries and affiliates.....	0	169,926
24.05 Drafts outstanding.....	0	0
24.06 Liability for amounts held under uninsured plans.....	0	0
24.07 Funds held under coinsurance.....	0	0
24.08 Derivatives.....	158,214	353,907
24.09 Payable for securities.....	541,433	0
24.10 Payable for securities lending.....	0	0
24.11 Capital notes \$.....0 and interest thereon \$.....0.....	0	0
25. Aggregate write-ins for liabilities.....	3,888	3,532
26. Total liabilities excluding Separate Accounts business (Lines 1 to 25).....	307,533,268	313,163,889
27. From Separate Accounts statement.....	0	0
28. Total liabilities (Lines 26 and 27).....	307,533,268	313,163,889
29. Common capital stock.....	2,000,000	2,000,000
30. Preferred capital stock.....	0	0
31. Aggregate write-ins for other than special surplus funds.....	0	0
32. Surplus notes.....	0	0
33. Gross paid in and contributed surplus.....	18,655,343	18,655,343
34. Aggregate write-ins for special surplus funds.....	0	0
35. Unassigned funds (surplus).....	14,042,474	14,242,476
36. Less treasury stock, at cost:		
36.1 .....0.000 shares common (value included in Line 29 \$.....0).....	0	0
36.2 .....0.000 shares preferred (value included in Line 30 \$.....0).....	0	0
37. Surplus (Total Lines 31 + 32 + 33 + 34 + 35 - 36) (including \$.....0 in Separate Accounts Statement).....	32,697,817	32,897,819
38. Totals of Lines 29, 30 and 37.....	34,697,817	34,897,819
39. Totals of Lines 28 and 38 (Page 2, Line 28, Col. 3).....	342,231,085	348,061,708

**DETAILS OF WRITE-INS**

2501. Short Stock.....	3,888	3,532
2502. ....	0	0
2503. ....	0	0
2598. Summary of remaining write-ins for Line 25 from overflow page.....	0	0
2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above).....	3,888	3,532
3101. ....	0	0
3102. ....	0	0
3103. ....	0	0
3198. Summary of remaining write-ins for Line 31 from overflow page.....	0	0
3199. Totals (Lines 3101 thru 3103 plus 3198) (Line 31 above).....	0	0
3401. ....	0	0
3402. ....	0	0
3403. ....	0	0
3498. Summary of remaining write-ins for Line 34 from overflow page.....	0	0
3499. Totals (Lines 3401 thru 3403 plus 3498) (Line 34 above).....	0	0

**SUMMARY OF OPERATIONS**

	1 Current Year to Date	2 Prior Year to Date	3 Prior Year Ended December 31
1. Premiums and annuity considerations for life and accident and health contracts.....	3,949,188	4,375,546	8,165,081
2. Considerations for supplementary contracts with life contingencies.....	21,739	0	0
3. Net investment income.....	8,176,233	7,975,187	21,251,673
4. Amortization of Interest Maintenance Reserve (IMR).....	469,679	449,494	963,918
5. Separate Accounts net gain from operations excluding unrealized gains or losses.....	0	0	0
6. Commissions and expense allowances on reinsurance ceded.....	(2,995,146)	98,493	133,137
7. Reserve adjustments on reinsurance ceded.....	0	0	0
8. Miscellaneous Income:			
8.1 Income from fees associated with investment management, administration and contract guarantees from Separate Accounts.....	0	0	0
8.2 Charges and fees for deposit-type contracts.....	0	0	0
8.3 Aggregate write-ins for miscellaneous income.....	972,372	972,394	1,913,145
9. Totals (Lines 1 to 8.3).....	10,594,065	13,871,114	32,426,954
10. Death benefits.....	10,890,212	9,758,618	16,788,915
11. Matured endowments (excluding guaranteed annual pure endowments).....	263,524	159,847	301,636
12. Annuity benefits.....	258,495	205,927	380,671
13. Disability benefits and benefits under accident and health contracts.....	22,910	47,747	83,881
14. Coupons, guaranteed annual pure endowments and similar benefits.....	0	0	0
15. Surrender benefits and withdrawals for life contracts.....	3,310,883	3,534,416	6,383,250
16. Group conversions.....	0	0	0
17. Interest and adjustments on contract or deposit-type contract funds.....	222,925	230,911	449,017
18. Payments on supplementary contracts with life contingencies.....	118,693	127,208	250,313
19. Increase in aggregate reserves for life and accident and health contracts.....	(8,489,573)	(4,501,311)	(7,493,086)
20. Totals (Lines 10 to 19).....	6,598,069	9,563,363	17,144,597
21. Commissions on premiums, annuity considerations and deposit-type contract funds (direct business only).....	10,434	11,800	23,224
22. Commissions and expense allowances on reinsurance assumed.....	6,716	8,019	15,706
23. General insurance expenses.....	5,210,680	3,993,748	8,216,280
24. Insurance taxes, licenses and fees, excluding federal income taxes.....	231,411	61,677	166,724
25. Increase in loading on deferred and uncollected premiums.....	(10,817)	1,794	(40,849)
26. Net transfers to or (from) Separate Accounts net of reinsurance.....	0	0	0
27. Aggregate write-ins for deductions.....	0	0	0
28. Totals (Lines 20 to 27).....	12,046,493	13,640,401	25,525,682
29. Net gain from operations before dividends to policyholders and federal income taxes (Line 9 minus Line 28).....	(1,452,428)	230,713	6,901,272
30. Dividends to policyholders.....	244,243	277,385	492,232
31. Net gain from operations after dividends to policyholders and before federal income taxes (Line 29 minus Line 30).....	(1,696,671)	(46,672)	6,409,040
32. Federal and foreign income taxes incurred (excluding tax on capital gains).....	(247,280)	(6,474)	132,065
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).....	(1,449,391)	(40,198)	6,276,975
34. Net realized capital gains (losses) (excluding gains (losses) transferred to the IMR) less capital gains tax of \$.....0 (excluding taxes of \$.....0 transferred to the IMR).....	893,510	112,464	(1,434,096)
35. Net income (Line 33 plus Line 34).....	(555,881)	72,266	4,842,879
<b>CAPITAL AND SURPLUS ACCOUNT</b>			
36. Capital and surplus, December 31, prior year.....	34,897,819	32,243,089	32,243,089
37. Net income (Line 35).....	(555,881)	72,266	4,842,879
38. Change in net unrealized capital gains (losses) less capital gains tax of \$.....0	2,161,339	673,670	1,599,712
39. Change in net unrealized foreign exchange capital gain (loss).....	0	0	0
40. Change in net deferred income tax.....	43,375	(381,009)	(750,132)
41. Change in nonadmitted assets.....	48,000	(3,392)	223,608
42. Change in liability for reinsurance in unauthorized and certified companies.....	0	0	0
43. Change in reserve on account of change in valuation basis, (increase) or decrease.....	0	0	0
44. Change in asset valuation reserve.....	(896,835)	(1,553,038)	(561,336)
45. Change in treasury stock.....	0	0	0
46. Surplus (contributed to) withdrawn from Separate Accounts during period.....	0	0	0
47. Other changes in surplus in Separate Accounts Statement.....	0	0	0
48. Change in surplus notes.....	0	0	0
49. Cumulative effect of changes in accounting principles.....	0	0	0
50. Capital changes:			
50.1 Paid in.....	0	0	0
50.2 Transferred from surplus (Stock Dividend).....	0	0	0
50.3 Transferred to surplus.....	0	0	0
51. Surplus adjustment:			
51.1 Paid in.....	0	0	0
51.2 Transferred to capital (Stock Dividend).....	0	0	0
51.3 Transferred from capital.....	0	0	0
51.4 Change in surplus as a result of reinsurance.....	0	0	0
52. Dividends to stockholders.....	(1,000,000)	0	(2,700,000)
53. Aggregate write-ins for gains and losses in surplus.....	0	0	0
54. Net change in capital and surplus (Lines 37 through 53).....	(200,003)	(1,191,503)	2,654,731
55. Capital and surplus as of statement date (Lines 36 + 54).....	34,697,817	31,051,585	34,897,819

**DETAILS OF WRITE-INS**

08.301. Miscellaneous Income.....	158	346	597
08.302. Third Party Administration Income.....	972,214	972,048	1,912,548
08.303. ....	0	0	0
08.398. Summary of remaining write-ins for Line 8.3 from overflow page.....	0	0	0
08.399. Totals (Lines 08.301 thru 08.303 plus 08.398) (Line 8.3 above).....	972,372	972,394	1,913,145
2701. ....	0	0	0
2702. ....	0	0	0
2703. ....	0	0	0
2798. Summary of remaining write-ins for Line 27 from overflow page.....	0	0	0
2799. Totals (Lines 2701 thru 2703 plus 2798) (Line 27 above).....	0	0	0
5301. ....	0	0	0
5302. ....	0	0	0
5303. ....	0	0	0
5398. Summary of remaining write-ins for Line 53 from overflow page.....	0	0	0
5399. Totals (Lines 5301 thru 5303 plus 5398) (Line 53 above).....	0	0	0

**Universal Guaranty Life Insurance Company**  
**CASH FLOW**

	1 Current Year to Date	2 Prior Year To Date	3 Prior Year Ended December 31
<b>CASH FROM OPERATIONS</b>			
1. Premiums collected net of reinsurance.....	3,928,341	4,344,657	8,331,412
2. Net investment income.....	7,475,638	6,811,430	16,673,882
3. Miscellaneous income.....	1,073,736	1,070,887	2,046,282
4. Total (Lines 1 through 3).....	12,477,715	12,226,974	27,051,576
5. Benefit and loss related payments.....	14,688,083	12,212,232	24,172,478
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts.....	0	0	0
7. Commissions, expenses paid and aggregate write-ins for deductions.....	4,785,121	3,767,062	7,979,284
8. Dividends paid to policyholders.....	266,317	296,299	524,993
9. Federal and foreign income taxes paid (recovered) net of \$.....0 tax on capital gains (losses).....	0	3,465,000	3,465,000
10. Total (Lines 5 through 9).....	19,739,521	19,740,593	36,141,755
11. Net cash from operations (Line 4 minus Line 10).....	(7,261,806)	(7,513,619)	(9,090,179)
<b>CASH FROM INVESTMENTS</b>			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds.....	14,200,536	21,295,081	37,849,247
12.2 Stocks.....	4,831,586	4,114,299	4,652,916
12.3 Mortgage loans.....	3,706,972	12,902,977	32,720,945
12.4 Real estate.....	6,573,357	1,162,255	1,762,917
12.5 Other invested assets.....	4,082,978	2,686,676	6,190,793
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments.....	0	0	0
12.7 Miscellaneous proceeds.....	541,433	6,919,408	(0)
12.8 Total investment proceeds (Lines 12.1 to 12.7).....	33,936,862	49,080,696	83,176,818
13. Cost of investments acquired (long-term only):			
13.1 Bonds.....	11,436,600	16,132,719	34,443,048
13.2 Stocks.....	1,342,232	10,598,047	13,299,871
13.3 Mortgage loans.....	1,744,405	2,872,364	16,761,525
13.4 Real estate.....	45,001	4,587,689	6,017,329
13.5 Other invested assets.....	7,196,980	4,730,933	7,420,568
13.6 Miscellaneous applications.....	5,541	910,536	152,637
13.7 Total investments acquired (Lines 13.1 to 13.6).....	21,770,759	39,832,288	78,094,978
14. Net increase or (decrease) in contract loans and premium notes.....	(367,640)	(532,404)	(730,612)
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14).....	12,533,743	9,780,812	5,812,452
<b>CASH FROM FINANCING AND MISCELLANEOUS SOURCES</b>			
16. Cash provided (applied):			
16.1 Surplus notes, capital notes.....	0	0	0
16.2 Capital and paid in surplus, less treasury stock.....	0	0	0
16.3 Borrowed funds.....	0	0	0
16.4 Net deposits on deposit-type contracts and other insurance liabilities.....	0	0	0
16.5 Dividends to stockholders.....	1,000,000	0	2,700,000
16.6 Other cash provided (applied).....	(2,282,773)	(4,673,031)	1,345,705
17. Net cash from financing and miscellaneous sources (Lines 16.1 through 16.4 minus Line 16.5 plus Line 16.6).....	(3,282,773)	(4,673,031)	(1,354,295)
<b>RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS</b>			
18. Net change in cash, cash equivalents and short-term investments (Line 11 plus Line 15 plus Line 17).....	1,989,165	(2,405,837)	(4,632,022)
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year.....	17,703,167	22,335,189	22,335,189
19.2 End of period (Line 18 plus Line 19.1).....	19,692,332	19,929,352	17,703,167

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

20,0001 .....	0	0	0
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**EXHIBIT 1****DIRECT PREMIUMS AND DEPOSIT-TYPE CONTRACTS**

	1 Current Year To Date	2 Prior Year To Date	3 Prior Year Ended December 31
1. Industrial life.....	158,416	183,716	353,762
2. Ordinary life insurance.....	5,063,174	5,370,658	10,230,257
3. Ordinary individual annuities.....	139,571	148,473	401,402
4. Credit life (group and individual).....	0	0	0
5. Group life insurance.....	83,995	94,795	185,596
6. Group annuities.....	0	0	0
7. A&H - group.....	0	0	0
8. A&H - credit (group and individual).....	0	0	0
9. A&H - other.....	11,899	13,322	25,281
10. Aggregate of all other lines of business.....	0	0	0
11. Subtotal.....	5,457,055	5,810,964	11,196,298
12. Deposit-type contracts.....	0	0	0
13. Total.....	5,457,055	5,810,964	11,196,298

**DETAILS OF WRITE-INS**

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

**NOTES TO FINANCIAL STATEMENTS****Note 1 - Summary of Significant Accounting Policies**

## A. Accounting Practices

	State of Domicile	2014	2013
<b>NET INCOME</b>			
(1) Universal Guaranty Life Insurance Company state basis (Page 4, Line 35, Columns 1 & 2)	OH	(555,881)	4,842,879
(2) State Prescribed Practices that increase/decrease NAIC SAP			
(3) State Permitted Practices that increase/decrease NAIC SAP			
(4) NAIC SAP (1 – 2 – 3 = 4)	OH	(555,881)	4,842,879
<b>SURPLUS</b>			
(5) Universal Guaranty Life Insurance Company state basis (Page 3, line 37, Columns 1 & 2)	OH	34,697,817	34,897,819
(6) State Prescribed Practices that increase/decrease NAIC SAP			
(7) State Permitted Practices that increase/decrease NAIC SAP			
(8) NAIC SAP (5 – 6 – 7 = 8)	OH	34,697,817	34,897,819

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

The Company had no accounting changes or corrections of errors during the current reporting period.

**Note 3 - Business Combinations and Goodwill**

No significant change.

**Note 4 - Discontinued Operations**

The Company had no discontinued operations during the current reporting period.

**Note 5 - Investments**

## D. Loan-Backed Securities

- (1) Prepayment assumptions for all loan-backed securities were obtained from Bloomberg.
- (2) N/A
- (3) N/A
- (4) N/A
- (5) The Company regularly reviews its investment portfolio for factors that may indicate that a decline in fair value of an investment is other than temporary. Based on an evaluation of the issues, including, but not limited to, intentions to sell or ability to hold the fixed maturity with unrealized losses for a period of time sufficient for them to recover; the length of time and amount of the unrealized loss; and the credit ratings of the issuers of the investments. The Company does not consider these investments to be other-than-temporarily impaired at June 30, 2014.

## E. Repurchase Agreements and/or Securities Lending Transactions

The Company has no repurchase agreements and/or securities lending transactions.

## I. Working Capital Finance Investments

The Company has no working capital finance investments.

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

No significant change.

**Note 7 - Investment Income**

No significant change.

**Note 8 - Derivative Instruments**

No significant change.

**Note 9 - Income Taxes**

No significant change.

**NOTES TO FINANCIAL STATEMENTS****Note 10 - Information Concerning Parent, Subsidiaries, Affiliates and Other Related Parties**

On April 22, 2014, the Company paid an ordinary dividend to UTG, Inc. of \$1,000,000. During 2013, the Company paid two cash dividends to UTG, Inc. of \$1,700,000 and \$1,000,000 on July 5, 2013 and December 26, 2013, respectively.

**Note 11 - Debt**

## B. FHLB (Federal Home Loan Bank) Agreements

(1)

## (2) a. FHLB Capital Stock – Aggregate Totals

## 1. Current Period

		1 Total 2 + 3	2 General Account	3 Separate Accounts
(a)	Membership Stock – Class A			
(b)	Membership Stock – Class B	548,967	548,967	
(c)	Activity Stock			
(d)	Excess Stock			
(e)	Aggregate Total	548,967	548,967	
(f)	Actual or estimated borrowing capacity as determined by the insurer		XXX	XXX

## 2. Prior Year

		1 Total 2 + 3	2 General Account	3 Separate Accounts
(a)	Membership Stock – Class A			
(b)	Membership Stock – Class B	526,967	526,967	
(c)	Activity Stock			
(d)	Excess Stock			
(e)	Aggregate Total	526,967	526,967	
(f)	Actual or estimated borrowing capacity as determined by the insurer		XXX	XXX

## b. Membership Stock (Class A and B) Eligible for Redemption

	Current Period Total	Not Eligible for Redemption	Less Than 6 Months	6 Months to Less than 1 Year	1 to Less than 3 Years	3 to 5 Years
1. Class A						
2. Class B						

## (3) Collateral Pledged to FHLB

## a. Amount Pledged as of Reporting Date

## 1. Current Period Total General and Protected Cell Accounts

	Fair Value	Carrying Value	Aggregate Total Borrowing
Total Collateral Pledged	6,468,506	5,569,103	

## 2. Current Period General Account

	Fair Value	Carrying Value	Aggregate Total Borrowing
Total Collateral Pledged	6,468,506	5,569,103	

## 3. Current Period Protected Cell Accounts

	Fair Value	Carrying Value	Aggregate Total Borrowing
Total Collateral Pledged			

## 4. Prior Year Total General and Protected Cell Accounts

	Fair Value	Carrying Value	Aggregate Total Borrowing
Total Collateral Pledged	6,417,691	5,564,619	

## b. Maximum Amount Pledged During Reporting Period

## 1. Current Period Total General and Protected Cell Accounts

	Fair Value	Carrying Value	Amount of Borrowed at Time of Maximum Collateral
Total Collateral Pledged	6,468,506	5,569,103	

## 2. Current Period General Account

	Fair Value	Carrying Value	Amount of Borrowed at Time of Maximum Collateral
Total Collateral Pledged	6,468,506	5,569,103	

## 3. Current Period Protected Cell Accounts

	Fair Value	Carrying Value	Amount of Borrowed at Time of Maximum Collateral
Total Collateral Pledged			

**NOTES TO FINANCIAL STATEMENTS**

## 4. Prior Year Total General and Protected Cell Accounts

	Fair Value	Carrying Value	Amount of Borrowed at Time of Maximum Collateral
Total Collateral Pledged	6,417,691	5,564,619	

## (4) Borrowing from FHLB

## a. Amount as of the Reporting Date

## 1. Current Year

	1 Total 2 + 3	2 General Account	3 Separate Account	4 Funding Agreements Established
(a) Debt				
(b) Funding Agreements				
(c) Other				
(d) Aggregate Total				

## 2. Prior Year-end

	1 Total 2 + 3	2 General Account	3 Separate Account	4 Funding Agreements Established
(a) Debt				
(b) Funding Agreements				
(c) Other				
(d) Aggregate Total				

## b. Maximum Amount During Reporting Period (Current Year)

	1 Total 2 + 3	2 General Account	3 Separate Account
1. Debt			
2. Funding Agreements			
3. Other			
4. Aggregate Total			

## c. FHLB Prepayment Obligations

	Does the company have prepayment obligations under the following arrangements?
1. Debt	
2. Funding Agreements	
3. Other	

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

A. The Company had a deferred compensation and pension plan for long-term former agents. At the end of the current reporting period the Company maintained a liability of \$0 for this plan.

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

No significant change.

**Note 14 - Contingencies**

The Company committed to invest an additional \$2,000,000 to Llano Music, LLC during the current reporting period.

**Note 15 - Leases**

The Company is not involved in any material lease transactions.

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

The Company is not involved in any off-balance sheet risk or financial instruments with concentrations of credit risk.

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

The Company had no transactions of this type during the current reporting period.

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

The Company experienced no gain or loss during the current reporting period from uninsured plans.

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

No direct premium was written or produced during the current reporting period by a managing general agent or third party administrator.

**Note 20 - Fair Value**

A.

## (1) Fair Value Measurements at Reporting Date

Assets at Fair Value	Level 1	Level 2	Level 3	Total
Bonds	0	0	2,023,380	2,023,380
Common Stock	10,554,337	6,889,586	17,919,186	35,363,109
Preferred Stock	0	0	0	0
Derivatives (Assets)	37,743	0	0	37,743
Other Invested Assets	0	0	44,809,273	44,809,273
<b>Total</b>	<b>10,592,080</b>	<b>6,889,586</b>	<b>64,751,839</b>	<b>82,233,505</b>

Liabilities at Fair Value	Level 1	Level 2	Level 3	Total
Short Stock	3,888	0		3,888
Derivatives (Liabilities)	158,214	0	0	158,214
<b>Total</b>	<b>162,102</b>	<b>0</b>	<b>0</b>	<b>162,102</b>

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

a. Assets	Beginning Balance at Period	Transfers Into Level 3	Transfers Out of Level 3	Total Gains and (Losses) Included in Net Income	Total Gains and (Losses) Included in Surplus	Purchases	Issuances	Sales	Settlements	Ending Balance at Period
Bonds	1,649,923	0	0	82,287	438,713	0	0	(147,543)	0	2,023,380
Common Stock	18,411,818	0	0	0	218,713	0	0	(711,345)	0	17,919,186
Other Invested Assets	41,146,026	0	0	(42,389)	591,638	7,196,978	0	(4,082,980)	0	44,809,273
<b>Total</b>	<b>61,207,767</b>	<b>0</b>	<b>0</b>	<b>39,898</b>	<b>1,249,064</b>	<b>7,196,978</b>	<b>0</b>	<b>(4,941,868)</b>	<b>0</b>	<b>64,751,839</b>

## (3) NONE

## (4) The Company measures its assets and liabilities recorded at fair value based on the framework set forth in the statutory accounting guidance. The framework establishes a fair value hierarchy of three levels based upon the transparency of information used in measuring the fair value of assets or liabilities as of the measurement date. The fair value hierarchy prioritizes the inputs in the valuation techniques used to measure fair value into three categories.

Level 1 – Valuation is based upon quoted prices for identical assets or liabilities in active markets that the Company is able to access. Level 1 fair value is not subject to valuation adjustments.

Level 2 - Valuation is based upon quoted prices for similar assets and liabilities in active markets or quoted prices for identical or similar instruments in markets that are not active. In addition, the Company may use various valuation techniques or pricing models that use observable inputs to measure fair value.

Level 3 - Valuation is based upon unobservable inputs that are supported by little or no market activity and are significant to the fair value of the assets or liabilities. Unobservable inputs reflect the Company's own assumptions about inputs that market participants would use in pricing the assets or liability.

The Company determines the existence of an active market for an asset or liability based on its judgment as to whether transactions for the asset or liability occur in such markets with sufficient frequency and volume to provide reliable pricing information. If the Company concludes that there has been significant decrease in the volume and level of activity for an investment in relation to normal market activity for such investment, adjustments to transactions and quoted prices are made to estimate fair value.

## (5) NONE

B. NONE

C.

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	(Level 1)	(Level 2)	(Level 3)	Not Practicable (Carrying Value)
Bonds	180,564,226	168,405,895	19,416,971	159,123,875	2,023,380	0
Preferred Stock	17,343,947	17,343,947	0	0	17,343,947	0
Common Stock	35,363,109	35,363,109	10,554,337	6,889,586	17,919,186	
Mortgage Loans	26,355,415	26,355,415	0	0	15,027,772	11,327,643
Real Estate	12,476,074	12,476,074	0	0	0	12,476,074
Cash	13,771,451	13,771,451	13,771,451	0	0	0
Short Term	5,920,881	5,920,881	1,087,901	0	4,832,980	0
Contract Loans	11,493,320	11,493,320		0	11,493,320	0
Derivatives (Assets)	37,743	37,743	37,743	0	0	0
Other Invested Assets	44,809,273	44,809,273		0	44,809,273	0
Receivable for Securities	5,541	5,541		0	0	5,541
Derivatives (Liabilities)	158,214	158,214	158,214	0	0	0
Short Stock	3,888	3,888	3,888	0	0	0
Payable for Securities	541,433	541,433		0	0	541,433
<b>Total</b>	<b>348,844,515</b>	<b>336,686,184</b>	<b>45,030,505</b>	<b>166,013,461</b>	<b>113,449,858</b>	<b>24,350,691</b>

D. NONE

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**NOTES TO FINANCIAL STATEMENTS**

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**Note 21 - Other Items**

## H. Offsetting and Netting of Assets and Liabilities

The Company does not offset or net assets and liabilities.

**Note 22 - Events Subsequent**

The Company is not aware of any events occurring subsequent to the close of the books for this statement that may have a material effect on its financial condition or results or operation.

**Note 23 - Reinsurance**

Effective January 1, 2014, the Company sold a small block of its life insurance business to an outside third party through a reinsurance transaction following regulatory approvals. The transaction resulted in the transfer of policy reserves of approximately \$3.5 million with the Company receiving a ceding commission allowance of approximately \$600,000. The Company entered into the arrangement to satisfy California regulations relating to the merger of American Capitol Insurance Company that was effective January 1, 2012.

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

The Company has no contracts with these provisions in force.

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

The Company experienced no change in incurred losses and loss adjustment expenses.

**Note 26 - Intercompany Pooling Arrangements**

The Company has no inter-company pooling arrangements.

**Note 27 - Structured Settlements**

The Company has no structured settlements.

**Note 28 - Health Care Receivables**

The Company has no health care receivables.

**Note 29 - Participating Policies**

No significant change.

**Note 30 - Premium Deficiency Reserves**

No significant change.

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

No significant change.

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

No significant change.

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

No significant change.

**Note 34 - Separate Accounts**

The Company maintains no separate accounts.

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

The Company has no loss/claim adjustment expenses.

# Universal Guaranty Life Insurance Company

## GENERAL INTERROGATORIES

### PART 1 - COMMON INTERROGATORIES - GENERAL

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

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

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

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

3.1 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 and 1A.

3.2 Have there been any substantial changes in the organizational chart since the prior quarter end? Yes [ ] No [X]

3.3 If the response to 3.2 is yes, provide a brief description of those changes.  
.....

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

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

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

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

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

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

6.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). ....4/21/2011.....

6.4 By what department or departments?  
Ohio Department of Insurance  
.....

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

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

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

7.2 If yes, give full information:  
.....

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

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

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

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

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

9.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards? Yes [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.

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

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

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

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

**Universal Guaranty Life Insurance Company**  
**GENERAL INTERROGATORIES**

**PART 1 - COMMON INTERROGATORIES - GENERAL**

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

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**PART 1 - FINANCIAL**

10.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement?

Yes [ ] No [X]

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

\$.....0

**PART 1 - INVESTMENT**

11.1 Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.)

Yes [ ] No [X]

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

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12. Amount of real estate and mortgages held in other invested assets in Schedule BA: \$.....34,453,381

13. Amount of real estate and mortgages held in short-term investments: \$.....0

14.1 Does the reporting entity have any investments in parent, subsidiaries and affiliates?

Yes [X] No [ ]

14.2 If yes, please complete the following:

	1 Prior Year-End Book/Adjusted Carrying Value	2 Current Quarter Book/Adjusted Carrying Value
14.21 Bonds.....	\$ .....0	\$ .....0
14.22 Preferred Stock.....	\$ .....4,000,000	\$ .....4,000,000
14.23 Common Stock.....	\$ .....9,576,432	\$ .....8,633,766
14.24 Short-Term Investments.....	\$ .....0	\$ .....0
14.25 Mortgage Loans on Real Estate.....	\$ .....0	\$ .....0
14.26 All Other.....	\$ .....22,048,231	\$ .....24,233,627
14.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26).....	\$ .....35,624,663	\$ .....36,867,393
14.28 Total Investment in Parent included in Lines 14.21 to 14.26 above.....	\$ .....0	\$ .....0

15.1 Has the reporting entity entered into any hedging transactions reported on Schedule DB?

Yes [ ] No [X]

15.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state?

If no, attach a description with this statement.

---

16. For the reporting entity's security lending program, state the amount of the following as of current statement date:

16.1 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2:	\$.....0
16.2 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2:	\$.....0
16.3 Total payable for securities lending reported on the liability page:	\$.....0

17. 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 [ ]

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

1 Name of Custodian(s)	2 Custodian Address
TD Ameritrade	PO Box 2209, Omaha, NE 68103
The Federal Home Loan Bank of Cincinnati	PO Box 598, Cincinnati, OH 45201
J.P. Morgan Clearing Corp.	3 Chase Metrotech Center, Brooklyn, NY 11245
Frost National Bank	P.O. Box 1600 San Antonio, Texas 78296
Regions Bank	1901 6th Avenue North, 28th Floor Birmingham, AL 35203
Charles Schwab	211 Main Street, San Francisco, CA 94105
Hilliard Lyons	446 East Main Street, Bowling Green, KY 42101
Goldman Sachs Execution & Clearing, LP	200 West Street, 2nd Floor, New York, NY 10282

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

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

17.3 Have there been any changes, including name changes, in the custodian(s) identified in 17.1 during the current quarter?

Yes [ ] No [X]

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

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

**PART 1 - INVESTMENT**

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

1	2	3
Central Registration Depository	Name(s)	Address

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

18.2 If no, list exceptions:

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**Universal Guaranty Life Insurance Company**  
**GENERAL INTERROGATORIES (continued)**

**PART 2 - LIFE & HEALTH**

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

	Amount
1.1 Long-term mortgages in good standing	
1.11 Farm mortgages.....	\$.....0
1.12 Residential mortgages.....	\$.....32,157
1.13 Commercial mortgages.....	\$.....15,493,611
1.14 Total mortgages in good standing.....	<u>\$.....15,525,768</u>
1.2 Long-term mortgages in good standing with restructured terms	
1.21 Total mortgages in good standing with restructured terms.....	\$.....3,768,343
1.3 Long-term mortgage loans upon which interest is overdue more than three months	
1.31 Farm mortgages.....	\$.....0
1.32 Residential mortgages.....	\$.....0
1.33 Commercial mortgages.....	\$.....4,746,057
1.34 Total mortgages with interest overdue more than three months.....	<u>\$.....4,746,057</u>
1.4 Long-term mortgage loans in process of foreclosure	
1.41 Farm mortgages.....	\$.....0
1.42 Residential mortgages.....	\$.....0
1.43 Commercial mortgages.....	\$.....2,315,247
1.44 Total mortgages in process of foreclosure.....	<u>\$.....2,315,247</u>
1.5 Total mortgage loans (Lines 1.14 + 1.21 + 1.34 + 1.44) (Page 2, Column 3, Lines 3.1 + 3.2)	\$.....26,355,415
1.6 Long-term mortgages foreclosed, properties transferred to real estate in current quarter	
1.61 Farm mortgages.....	\$.....0
1.62 Residential mortgages.....	\$.....0
1.63 Commercial mortgages.....	\$.....56,576
1.64 Total mortgages foreclosed and transferred to real estate.....	<u>\$.....56,576</u>
2. Operating Percentages:	
2.1 A&H loss percent.....	<u>0.0</u>
2.2 A&H cost containment percent.....	<u>0.0</u>
2.3 A&H expense percent excluding cost containment expenses.....	<u>0.0</u>
3.1 Do you act as a custodian for health savings accounts?.....	Yes [ <input type="checkbox"/> ] No [ <input checked="" type="checkbox"/> ]
3.2 If yes, please provide the amount of custodial funds held as of the reporting date.....	\$.....0
3.3 Do you act as an administrator for health savings accounts?.....	Yes [ <input type="checkbox"/> ] No [ <input checked="" type="checkbox"/> ]
3.4 If yes, please provide the balance of the funds administered as of the reporting date.....	\$.....0

**SCHEDULE S - CEDED REINSURANCE**

Showing All New Reinsurance Treaties - Current Year to Date

1 NAIC Company Code	2 ID Number	3 Effective Date	4 Name of Reinsurer	5 Domiciliary Jurisdiction	6 Type of Reinsurance Ceded	7 Type of Reinsurer	8 Certified Reinsurer Rating (1 through 6)	9 Effective Date of Certified Reinsurer Rating
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**NONE**

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

Current Year to Date - Allocated by States and Territories

States, Etc.	Active Status	1	Direct Business Only						Deposit-Type Contracts	
			Life Contracts		4 Accident and Health Insurance Premiums, Including Policy, Mem- bership and Other Fees	5	6	7		
			2	3 Annuity Considerations						
1. Alabama.....	AL.....	L.....	28,689	377	0	0	29,066	0	0	
2. Alaska.....	AK.....	N.....	419	40	0	0	459	0	0	
3. Arizona.....	AZ.....	L.....	13,266	1,023	.42	0	14,331	0	0	
4. Arkansas.....	AR.....	L.....	84,723	300	0	0	85,023	0	0	
5. California.....	CA.....	N.....	18,236	649	.84	0	18,969	0	0	
6. Colorado.....	CO.....	L.....	31,050	1,858	.75	0	32,983	0	0	
7. Connecticut.....	CT.....	N.....	1,859	0	0	0	1,859	0	0	
8. Delaware.....	DE.....	L.....	1,277	0	0	0	1,277	0	0	
9. District of Columbia.....	DC.....	N.....	2,418	0	0	0	2,418	0	0	
10. Florida.....	FL.....	N.....	171,517	2,216	.42	0	173,775	0	0	
11. Georgia.....	GA.....	L.....	76,788	267	.42	0	77,097	0	0	
12. Hawaii.....	HI.....	N.....	.491	0	0	0	.491	0	0	
13. Idaho.....	ID.....	L.....	1,994	0	0	0	1,994	0	0	
14. Illinois.....	IL.....	L.....	731,824	30,349	.61	0	762,234	0	0	
15. Indiana.....	IN.....	L.....	140,599	11,450	3,551	0	155,600	0	0	
16. Iowa.....	IA.....	L.....	120,222	27,426	0	0	147,648	0	0	
17. Kansas.....	KS.....	L.....	251,380	1,632	.2,632	0	.255,644	0	0	
18. Kentucky.....	KY.....	L.....	37,034	1,533	.244	0	38,811	0	0	
19. Louisiana.....	LA.....	L.....	168,807	840	0	0	169,647	0	0	
20. Maine.....	ME.....	N.....	.69	0	0	0	.69	0	0	
21. Maryland.....	MD.....	N.....	5,401	578	0	0	5,979	0	0	
22. Massachusetts.....	MA.....	L.....	.2,021	.80	0	0	2,101	0	0	
23. Michigan.....	MI.....	N.....	98,791	1,705	.84	0	100,580	0	0	
24. Minnesota.....	MN.....	L.....	7,553	.39	0	0	7,592	0	0	
25. Mississippi.....	MS.....	L.....	135,718	297	0	0	136,015	0	0	
26. Missouri.....	MO.....	L.....	163,166	9,539	.65	0	172,770	0	0	
27. Montana.....	MT.....	L.....	21,172	.80	0	0	21,252	0	0	
28. Nebraska.....	NE.....	L.....	.44,150	3,267	0	0	47,417	0	0	
29. Nevada.....	NV.....	L.....	3,603	0	0	0	3,603	0	0	
30. New Hampshire.....	NH.....	N.....	.261	0	0	0	.261	0	0	
31. New Jersey.....	NJ.....	N.....	3,586	1,133	0	0	4,719	0	0	
32. New Mexico.....	NM.....	L.....	16,250	744	0	0	16,994	0	0	
33. New York.....	NY.....	N.....	6,892	293	0	0	7,185	0	0	
34. North Carolina.....	NC.....	L.....	82,400	1,781	0	0	84,181	0	0	
35. North Dakota.....	ND.....	L.....	1,075	0	.74	0	1,149	0	0	
36. Ohio.....	OH.....	L.....	1,303,038	11,490	.524	0	1,315,052	0	0	
37. Oklahoma.....	OK.....	L.....	127,803	2,412	.29	0	130,244	0	0	
38. Oregon.....	OR.....	L.....	11,776	0	0	0	11,776	0	0	
39. Pennsylvania.....	PA.....	L.....	114,241	9,471	2	0	123,714	0	0	
40. Rhode Island.....	RI.....	L.....	.208	0	0	0	.208	0	0	
41. South Carolina.....	SC.....	L.....	.85,150	.91	0	0	85,241	0	0	
42. South Dakota.....	SD.....	L.....	1,505	.20	.10	0	1,535	0	0	
43. Tennessee.....	TN.....	L.....	120,452	.590	.101	0	121,143	0	0	
44. Texas.....	TX.....	L.....	487,623	7,853	.32	0	.495,508	0	0	
45. Utah.....	UT.....	L.....	2,972	160	0	0	3,132	0	0	
46. Vermont.....	VT.....	N.....	0	.797	0	0	.797	0	0	
47. Virginia.....	VA.....	L.....	.84,127	2,159	0	0	.86,286	0	0	
48. Washington.....	WA.....	L.....	8,692	151	0	0	8,843	0	0	
49. West Virginia.....	WV.....	L.....	309,379	3,091	.4,205	0	.316,675	0	0	
50. Wisconsin.....	WI.....	L.....	13,175	1,750	0	0	14,925	0	0	
51. Wyoming.....	WY.....	N.....	.58,204	.40	0	0	.58,244	0	0	
52. American Samoa.....	AS.....	N.....	0	0	0	0	0	0	0	
53. Guam.....	GU.....	N.....	0	0	0	0	0	0	0	
54. Puerto Rico.....	PR.....	N.....	0	0	0	0	0	0	0	
55. US Virgin Islands.....	VI.....	N.....	0	0	0	0	0	0	0	
56. Northern Mariana Islands.....	MP.....	N.....	0	0	0	0	0	0	0	
57. Canada.....	CAN.....	N.....	0	0	0	0	0	0	0	
58. Aggregate Other Alien.....	OT.....	XXX.....	0	0	0	0	0	0	0	
59. Subtotal.....		(a).....37	5,203,046	.139,571	11,899	0	.5,354,516	0	0	
90. Reporting entity contributions for employee benefit plans.....		XXX.....	0	0	0	0	0	0	0	
91. Dividends or refunds applied to purchase paid-up additions and annuities.....		XXX.....	72,682	0	0	0	.72,682	0	0	
92. Dividends or refunds applied to shorten endowment or premium paying period.....		XXX.....	0	0	0	0	0	0	0	
93. Premium or annuity considerations waived under disability or other contract provisions.....		XXX.....	.29,857	0	0	0	.29,857	0	0	
94. Aggregate other amounts not allocable by State.....		XXX.....	0	0	0	0	0	0	0	
95. Totals (Direct Business).....		XXX.....	5,305,585	.139,571	11,899	0	.5,457,055	0	0	
96. Plus Reinsurance Assumed.....		XXX.....	14,885	0	.170	0	.15,055	0	0	
97. Totals (All Business).....		XXX.....	5,320,470	.139,571	12,069	0	.5,472,110	0	0	
98. Less Reinsurance Ceded.....		XXX.....	1,560,269	0	.5,239	0	.1,565,508	0	0	
99. Totals (All Business) less Reinsurance Ceded.....		XXX.....	3,760,201	.139,571	6,830	0	.3,906,602	0	0	

## DETAILS OF WRITE-INS

58001.....		XXX.....	0	0	0	0	0	0	0
58002.....		XXX.....	0	0	0	0	0	0	0
58003.....		XXX.....	0	0	0	0	0	0	0
58998. Summary of remaining write-ins for line 58 from overflow page.....		XXX.....	0	0	0	0	0	0	0
58999. Total (Lines 58001 thru 58003 plus 58998) (Line 58 above).....		XXX.....	0	0	0	0	0	0	0
9401.....		XXX.....	0	0	0	0	0	0	0
9402.....		XXX.....	0	0	0	0	0	0	0
9403.....		XXX.....	0	0	0	0	0	0	0
9498. Summary of remaining write-ins for line 94 from overflow page.....		XXX.....	0	0	0	0	0	0	0
9499. Total (Lines 9401 thru 9403 plus 9498) (Line 94 above).....		XXX.....	0	0	0	0	0	0	0

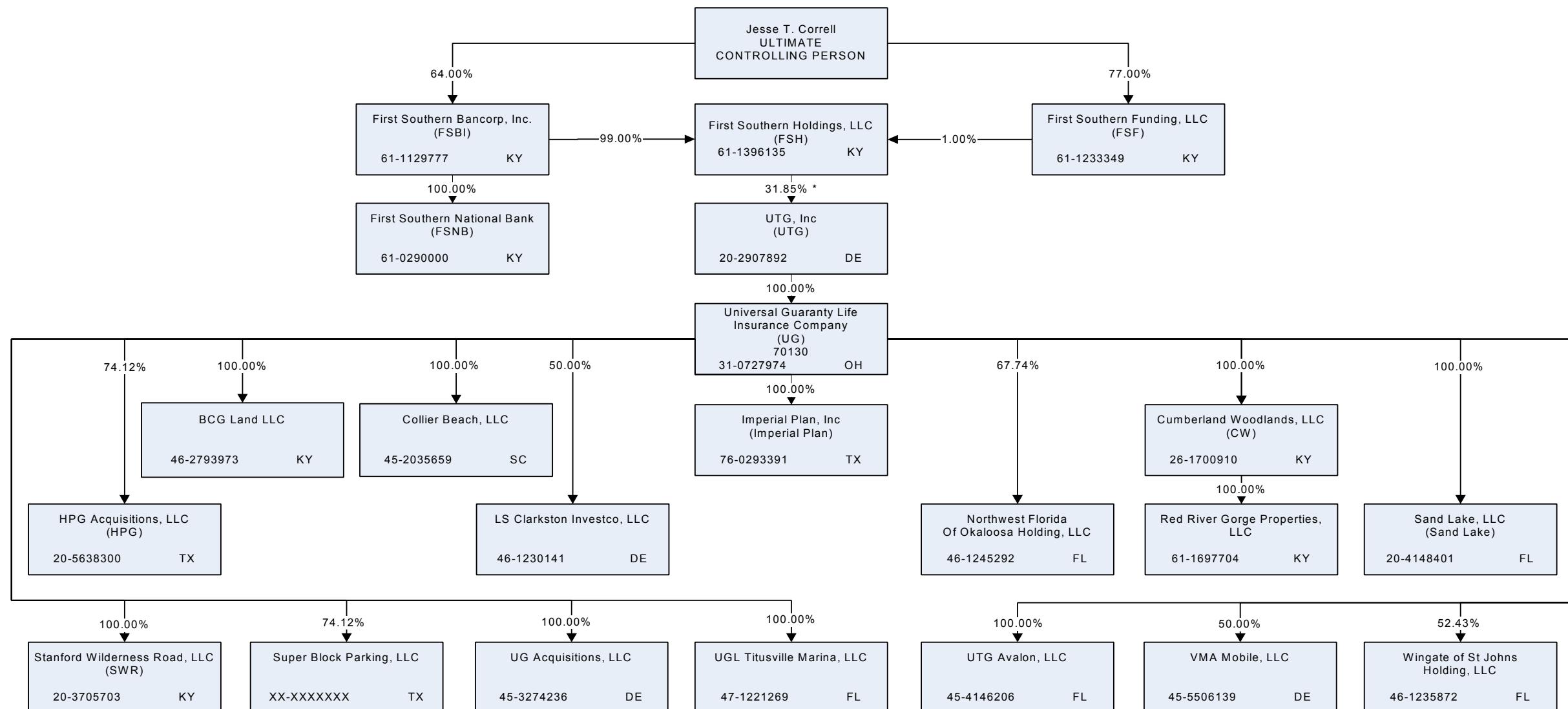
(L) - Licensed or Chartered - Licensed Insurance Carrier or Domiciled RRG; (R) - Registered - Non-domiciled RRGs; (Q) - Qualified - Qualified or Accredited Reinsurer;

(E) - Eligible - Reporting Entities eligible or approved to write Surplus Lines in the state; (N) - None of the above - Not allowed to write business in the state.

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

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

## PART 1 – ORGANIZATIONAL CHART



\* Jesse T. Correll owns or controls 56.23% of UTG, Inc.

**SCHEDULE Y****PART 1A - DETAIL OF INSURANCE HOLDING COMPANY SYSTEM**

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Group Code	Group Name	NAIC Company Code	Federal ID Number	Federal RSSD	CIK	Name of Securities Exchange if Publicly Traded (U.S. or International)	Names of Parent, Subsidiaries or Affiliates	Domiciliary Location	Relationship to Reporting Entity	Directly Controlled by (Name of Entity/Person)	Type of Control (Ownership Board, Management Attorney-in-Fact, Influence, Other)	If Control is Ownership Provide Percentage	Ultimate Controlling Entity(ies)/Person(s)	*
<b>Members</b>														
0.....		0.....	61-1129777	0.....	0.....		First Southern Bancorp, Inc.....	KY.....	UIP.....	Jesse T. Correll.....	Ownership.....	64.000	Jesse T. Correll.....	0.....
0.....		0.....	61-1233349	0.....	0.....		First Southern Funding, LLC.....	KY.....	NIA.....	Jesse T. Correll.....	Ownership.....	77.000	Jesse T. Correll.....	0.....
0.....		0.....	61-1396135	0.....	0.....		First Southern Holdings, LLC.....	KY.....	UIP.....	First Southern Bancorp, Inc.....	Ownership.....	99.000	Jesse T. Correll.....	0.....
0.....		0.....	61-0290000	702612.....	0.....		First Southern National Bank.....	KY.....	NIA.....	First Southern Bancorp, Inc.....	Ownership.....	100.000	Jesse T. Correll.....	0.....
0.....		0.....	20-2907892	0.....	0000832480	Over the counter	UTG, Inc.....	DE.....	DS.....	First Southern Holdings, LLC.....	Ownership.....	31.850	Jesse T. Correll.....	0.....
0.....		0.....	31-0727974	0.....	0.....		Universal Guaranty Life Insurance Co.....	OH.....	RE.....	UTG, Inc.....	Ownership.....	100.000	Jesse T. Correll.....	0.....
0.....		0.....	76-0293391	0.....	0.....		Imperial Plan, Inc.....	TX.....	DS.....	Universal Guaranty Life Insurance Co.....	Ownership.....	100.000	Jesse T. Correll.....	0.....
0.....		0.....	46-1854283	0.....	0.....		6326 Security Blvd Baltimore, LLC.....	MD.....	DS.....	Universal Guaranty Life Insurance Co.....	Ownership.....	100.000	Jesse T. Corell.....	0.....
0.....		0.....	46-2793973	0.....	0.....		BCG Land LLC.....	KY.....	DS.....	Universal Guaranty Life Insurance Co.....	Ownership.....	100.000	Jesse T. Corell.....	0.....
0.....		0.....	45-2035659	0.....	0.....		Collier Beach, LLC.....	SC.....	DS.....	Universal Guaranty Life Insurance Co.....	Ownership.....	100.000	Jesse T. Correll.....	0.....
0.....		0.....	26-1700910	0.....	0.....		Cumberland Woodlands, LLC.....	KY.....	DS.....	Universal Guaranty Life Insurance Co.....	Ownership.....	100.000	Jesse T. Correll.....	0.....
0.....		0.....	61-1697704	0.....	0.....		Red River Gorge Properties, LLC.....	KY.....	DS.....	Cumberland Woodlands, LLC.....	Ownership.....	100.000	Jesse T. Correll.....	0.....
0.....		0.....	20-5638300	0.....	0.....		HPG Acquisitions, LLC.....	TX.....	DS.....	Universal Guaranty Life Insurance Co.....	Ownership.....	74.120	Jesse T. Correll.....	0.....
0.....		0.....	46-1230141	0.....	0.....		LS Clarkston Investco, LLC.....	DE.....	DS.....	Universal Guaranty Life Insurance Co.....	Ownership.....	50.000	Jesse T. Correll.....	0.....
0.....		0.....	46-1245292	0.....	0.....		Northwest Florida of Okaloosa Holding, LLC.....	FL.....	DS.....	Universal Guaranty Life Insurance Co.....	Ownership.....	67.740	Jesse T. Correll.....	0.....
0.....		0.....	20-4148401	0.....	0.....		Sand Lake, LLC.....	FL.....	DS.....	Universal Guaranty Life Insurance Co.....	Ownership.....	100.000	Jesse T. Correll.....	0.....
0.....		0.....	20-3705703	0.....	0.....		Stanford Wilderness Road, LLC.....	KY.....	DS.....	Universal Guaranty Life Insurance Co.....	Ownership.....	100.000	Jesse T. Correll.....	0.....
0.....		0.....	0.....	0.....	0.....		Super Block Parking, LLC.....	TX.....	DS.....	Universal Guaranty Life Insurance Co.....	Ownership.....	74.150	Jesse T. Correll.....	0.....
0.....		0.....	45-3274236	0.....	0.....		UG Acquisitions, LLC.....	DE.....	DS.....	Universal Guaranty Life Insurance Co.....	Ownership.....	100.000	Jesse T. Correll.....	0.....
0.....		0.....	47-1221269	0.....	0.....		UGL Titusville Marina, LLC.....	FL.....	DS.....	Universal Guaranty Life Insurance Co.....	Ownership.....	100.000	Jesse T. Correll.....	0.....
0.....		0.....	45-4146206	0.....	0.....		UTG Avalon, LLC.....	FL.....	DS.....	Universal Guaranty Life Insurance Co.....	Ownership.....	100.000	Jesse T. Correll.....	0.....
0.....		0.....	45-5506139	0.....	0.....		VMA Mobile, LLC.....	DE.....	DS.....	Universal Guaranty Life Insurance Co.....	Ownership.....	50.000	Jesse T. Correll.....	0.....
0.....		0.....	46-1235872	0.....	0.....		Wingate of St Johns Holding, LLC.....	FL.....	DS.....	Universal Guaranty Life Insurance Co.....	Ownership.....	52.430	Jesse T. Correll.....	0.....

Q13

**Asterisk****Explanation**

0	Jesse T. Correll owns or controls 56.23% of UTG, Inc.
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**SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES**

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

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

**Explanations:**

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

**Bar Code:**

**NONE**

**Universal Guaranty Life Insurance Company**  
**SCHEDULE A - VERIFICATION**

## Real Estate

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year.....	18,980,122	15,250,626
2. Cost of acquired:		
2.1 Actual cost at time of acquisition.....	56,576	6,017,329
2.2 Additional investment made after acquisition.....	45,000	0
3. Current year change in encumbrances.....	0	0
4. Total gain (loss) on disposals.....	116,422	(199,528)
5. Deduct amounts received on disposals.....	6,573,357	1,762,917
6. Total foreign exchange change in book/adjusted carrying value.....	0	0
7. Deduct current year's other than temporary impairment recognized.....	0	26,926
8. Deduct current year's depreciation.....	145,298	298,462
9. Book/adjusted carrying value at end of current period (Lines 1+2+3+4-5+6-7-8).....	12,479,465	18,980,122
10. Deduct total nonadmitted amounts.....	3,392	3,392
11. Statement value at end of current period (Line 9 minus Line 10).....	12,476,073	18,976,730

**SCHEDULE B - VERIFICATION**

## Mortgage Loans

	1 Year to Date	2 Prior Year Ended December 31
1. Book value/recorded investment excluding accrued interest, December 31 of prior year.....	27,285,269	44,008,507
2. Cost of acquired:		
2.1 Actual cost at time of acquisition.....	1,620,000	14,942,514
2.2 Additional investment made after acquisition.....	124,405	1,819,011
3. Capitalized deferred interest and other.....	0	0
4. Accrual of discount.....	1,113,391	5,652,753
5. Unrealized valuation increase (decrease).....	0	0
6. Total gain (loss) on disposals.....	0	(11,135)
7. Deduct amounts received on disposals.....	3,763,548	39,015,348
8. Deduct amortization of premium and mortgage interest points and commitment fees.....	24,102	111,033
9. Total foreign exchange change in book value/recorded investment excluding accrued interest.....	0	0
10. Deduct current year's other than temporary impairment recognized.....	0	0
11. Book value/recorded investment excluding accrued interest at end of current period (Lines 1+2+3+4+5+6-7-8+9-10).....	26,355,415	27,285,269
12. Total valuation allowance.....	0	0
13. Subtotal (Line 11 plus Line 12).....	26,355,415	27,285,269
14. Deduct total nonadmitted amounts.....	0	0
15. Statement value at end of current period (Line 13 minus Line 14).....	26,355,415	27,285,269

**SCHEDULE BA - VERIFICATION**

## Other Long-Term Invested Assets

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year.....	41,485,998	32,953,674
2. Cost of acquired:		
2.1 Actual cost at time of acquisition.....	4,246,885	10,023,004
2.2 Additional investment made after acquisition.....	2,950,093	3,691,967
3. Capitalized deferred interest and other.....	0	0
4. Accrual of discount.....	0	0
5. Unrealized valuation increase (decrease).....	543,634	1,182,995
6. Total gain (loss) on disposals.....	(42,389)	0
7. Deduct amounts received on disposals.....	4,082,978	6,190,793
8. Deduct amortization of premium and depreciation.....	0	0
9. Total foreign exchange change in book/adjusted carrying value.....	0	0
10. Deduct current year's other than temporary impairment recognized.....	0	174,849
11. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5+6-7-8+9-10).....	45,101,243	41,485,998
12. Deduct total nonadmitted amounts.....	291,972	339,972
13. Statement value at end of current period (Line 11 minus Line 12).....	44,809,271	41,146,026

**SCHEDULE D - VERIFICATION**

## Bonds and Stocks

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year.....	224,419,440	218,309,266
2. Cost of bonds and stocks acquired.....	12,778,833	47,742,920
3. Accrual of discount.....	41,145	56,612
4. Unrealized valuation increase (decrease).....	1,828,175	714,818
5. Total gain (loss) on disposals.....	1,372,268	1,834,531
6. Deduct consideration for bonds and stocks disposed of.....	19,032,122	42,502,160
7. Deduct amortization of premium.....	294,785	736,547
8. Total foreign exchange change in book/adjusted carrying value.....	0	0
9. Deduct current year's other than temporary impairment recognized.....	0	1,000,000
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9).....	221,112,954	224,419,440
11. Deduct total nonadmitted amounts.....	0	0
12. Statement value at end of current period (Line 10 minus Line 11).....	221,112,954	224,419,440

**SCHEDULE D - PART 1B**

Showing the Acquisitions, Dispositions and Non-Trading Activity

During the Current Quarter for all Bonds and Preferred Stock by NAIC Designation

NAIC Designation	1 Book/Adjusted Carrying Value Beginning of Current Quarter	2 Acquisitions During Current Quarter	3 Dispositions During Current Quarter	4 Non-Trading Activity During Current Quarter	5 Book/Adjusted Carrying Value End of First Quarter	6 Book/Adjusted Carrying Value End of Second Quarter	7 Book/Adjusted Carrying Value End of Third Quarter	8 Book/Adjusted Carrying Value December 31 Prior Year
<b>BONDS</b>								
1. NAIC 1 (a).....	71,294,564	641,825	978,048	2,598,640	71,294,564	81,181,536	0	76,058,601
2. NAIC 2 (a).....	82,491,154	2,535,431	3,050,618	(2,161,968)	82,491,154	72,189,442	0	77,825,613
3. NAIC 3 (a).....	7,676,142	0	122	4,547,655	7,676,142	12,223,676	0	13,861,783
4. NAIC 4 (a).....	7,163,930	0	0	(5,103,275)	7,163,930	2,060,655	0	5,106,947
5. NAIC 5 (a).....	215,253	0	0	0	215,253	215,253	0	215,347
6. NAIC 6 (a).....	1,623,234	0	0	0	1,623,234	1,623,234	0	1,649,923
7. Total Bonds.....	170,464,277	3,177,256	4,028,788	(118,948)	170,464,277	169,493,796	0	174,718,214
<b>PREFERRED STOCK</b>								
8. NAIC 1.....	3,331,022	0	0	0	3,331,022	3,331,022	0	3,331,022
9. NAIC 2.....	0	0	0	0	0	0	0	0
10. NAIC 3.....	8,456,250	0	6,250	0	8,456,250	8,450,000	0	8,456,250
11. NAIC 4.....	0	0	0	0	0	0	0	0
12. NAIC 5.....	8,335,013	0	2,778,338	0	8,335,013	5,556,675	0	8,335,013
13. NAIC 6.....	0	0	0	0	0	0	0	0
14. Total Preferred Stock.....	20,122,285	0	2,784,588	0	20,122,285	17,337,697	0	20,122,285
15. Total Bonds and Preferred Stock.....	190,586,562	3,177,256	6,813,376	(118,948)	190,586,562	186,831,493	0	194,840,499

(a) Book/Adjusted Carrying Value column for the end of the current reporting period includes the following amount of non-rated short-term and cash equivalent bonds by NAIC designation:

NAIC 1 \$.....0; NAIC 2 \$.....0; NAIC 3 \$.....0; NAIC 4 \$.....0; NAIC 5 \$.....0; NAIC 6 \$.....0.

**Universal Guaranty Life Insurance Company**  
**SCHEDULE DA - PART 1**

Short-Term Investments

	1 Book/Adjusted Carrying Value	2 Par Value	3 Actual Cost	4 Interest Collected Year To Date	5 Paid for Accrued Interest Year To Date
9199999.....	5,920,881	XXX.....	.5,920,881	4,131	.0

**SCHEDULE DA - VERIFICATION**

Short-Term Investments

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year.....	3,671,384	5,457,039
2. Cost of short-term investments acquired.....	5,932,216	6,036,563
3. Accrual of discount.....	0	0
4. Unrealized valuation increase (decrease).....	0	0
5. Total gain (loss) on disposals.....	0	0
6. Deduct consideration received on disposals.....	3,682,719	7,822,218
7. Deduct amortization of premium.....	0	0
8. Total foreign exchange change in book/adjusted carrying value.....	0	0
9. Deduct current year's other than temporary impairment recognized.....	0	0
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9).....	.5,920,881	3,671,384
11. Deduct total nonadmitted amounts.....	0	0
12. Statement value at end of current period (Line 10 minus Line 11).....	.5,920,881	3,671,384

**SCHEDULE DB - PART A - VERIFICATION****Options, Caps, Floors, Collars, Swaps and Forwards**

1. Book/adjusted carrying value, December 31, prior year (Line 9, prior year).	(159,906)
2. Cost paid/(consideration received) on additions.....	(74,308)
3. Unrealized valuation increase (decrease).....	141,727
4. Total gain (loss) on termination recognized.....	(34,688)
5. Considerations received (paid) on terminations.....	(7,345)
6. Amortization.....	0
7. Adjustment to the book/adjusted carrying value of hedge item.....	(642)
8. Total foreign exchange change in book/adjusted carrying value.....	0
9. Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 - 5 + 6 + 7 + 8).	(120,472)
10. Deduct nonadmitted assets.....	0
11. Statement value at end of current period (Line 9 minus Line 10).	(120,472)

**SCHEDULE DB - PART B - VERIFICATION****Futures Contracts**

1. Book/adjusted carrying value, December 31, prior year (Line 6, prior year).	0
2. Cumulative cash change (Section 1, Broker Name/Net Cash Deposits Footnote - Cumulative Cash Change column).	0
3.1 Add:	
Change in variation margin on open contracts - Highly Effective Hedges:	
3.11 Section 1, Column 15, current year to date minus.....	0
3.12 Section 1, Column 15, prior year.....	0
Change in variation margin on open contracts - All Other:	
3.13 Section 1, Column 18, current year to date minus.....	0
3.14 Section 1, Column 18, prior year.....	0
3.2 Add:	
Change in adjustment to basis of hedged item:	
3.21 Section 1, Column 17, current year to date minus.....	0
3.22 Section 1, Column 17, prior year.....	0
Change in amount recognized:	
3.23 Section 1, Column 19, current year to date minus.....	0
3.24 Section 1, Column 19, prior year.....	0
3.3 Subtotal (Line 3.1 minus Line 3.2).	0
4.1 Cumulative variation margin on terminated contracts during the year.....	0
4.2 Less:	
4.21 Amount used to adjust basis of hedged item.....	0
4.22 Amount recognized.....	0
4.3 Subtotal (Line 4.1 minus Line 4.2).	0
5. Dispositions gains (losses) on contracts terminated in prior year:	
5.1 Total gain (loss) recognized for terminations in prior year.....	0
5.2 Total gain (loss) adjusted into the hedged item(s) for the terminations in prior year.....	0
6. Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3.3 - 4.3 - 5.1 - 5.2).	0
7. Deduct nonadmitted assets.....	0
8. Statement value at end of current period (Line 6 minus Line 7).	0

**Sch. DB-Pt C-Sn 1**  
**NONE**

**Sch. DB-Pt C-Sn 2**  
**NONE**

**Universal Guaranty Life Insurance Company**  
**SCHEDULE DB - VERIFICATION**

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

Book/Adjusted Carrying Value Check

1. Part A, Section 1, Column 14.....	(120,471)
2. Part B, Section 1, Column 15 plus Part B, Section 1 Footnote - Total Ending Cash Balance.....	0
3. Total (Line 1 plus Line 2).....	(120,471)
4. Part D, Section 1, Column 5.....	37,743
5. Part D, Section 1, Column 6.....	(158,214)
6. Total (Line 3 minus Line 4 minus Line 5).....	0

Fair Value Check

7. Part A, Section 1, Column 16.....	(120,471)
8. Part B, Section 1, Column 13.....	0
9. Total (Line 7 plus Line 8).....	(120,471)
10. Part D, Section 1, Column 8.....	37,743
11. Part D, Section 1, Column 9.....	(158,214)
12. Total (Line 9 minus Line 10 minus Line 11).....	0

Potential Exposure Check

13. Part A, Section 1, Column 21.....	0
14. Part B, Section 1, Column 20.....	0
15. Part D, Section 1, Column 11.....	0
16. Total (Line 13 plus Line 14 minus Line 15).....	0

**Universal Guaranty Life Insurance Company**  
**SCHEDULE E- VERIFICATION**

## Cash Equivalents

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

**NONE**

**SCHEDULE A - PART 2**

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

1 Description of Property	Location 2 City		3 State	4 Date Acquired	5 Name of Vendor					6 Actual Cost at Time of Acquisition	7 Amount of Encumbrances	8 Book/Adjusted Carrying Value Less Encumbrances	9 Additional Investment Made After Acquisition
------------------------------	-----------------------	--	------------	--------------------	---------------------	--	--	--	--	---	-----------------------------	---	---

**NONE****SCHEDULE A - PART 3**

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

1 Description of Property	Location 2 City		4 Disposal Date	5 Name of Purchaser	6 Actual Cost	7 Expended for Additions, Permanent Improvements and Changes in Encumbrances	8 Book/Adjusted Carrying Value Less Encumbrances	Change in Book/Adjusted Carrying Value Less Encumbrances					14 Book/Adjusted Carrying Value Less Encumbrances on Disposal	15 Amounts Received During Year	16 Foreign Exchange Gain (Loss) on Disposal	17 Realized Gain (Loss) on Disposal	18 Total Gain (Loss) on Disposal	19 Gross Income Earned Less Interest Incurred on Encumbrances	20 Taxes, Repairs, and Expenses Incurred
	2 State	3						9 Current Year's Depreciation	10 Current Year's Other Than Temporary Impairment Recognized	11 Current Year's Change in Encumbrances	12 Total Change in B./A.C.V. (11 - 9 - 10)	13 Total Foreign Exchange Change in B./A.C.V.							
<b>Property Disposed</b>																			
Mauldin Property.....	Humphreys & Perry Counties	TN..	06/27/2014	Kenn-Tenn Properties, Inc.....	3,710,050	.....0	.....0	.....0	.....0	.....0	.....0	.....0	3,710,050	3,826,472	.....0	116,422	116,422	.....0	24,231
0199999. Totals.....					3,710,050	.....0	.....0	.....0	.....0	.....0	.....0	.....0	3,710,050	3,826,472	.....0	116,422	116,422	.....0	24,231
<b>Property Transferred</b>																			
Concord Wilshire Atlantic Four.....	Titusville.....	FL..	04/16/2014	Internal transfer.....	2,746,885	.....0	2,746,885	.....0	.....0	.....0	.....0	.....0	2,746,885	2,746,885	.....0	.....0	.....0	40,188	2,961
0299999. Totals.....					2,746,885	.....0	2,746,885	.....0	.....0	.....0	.....0	.....0	2,746,885	2,746,885	.....0	.....0	.....0	40,188	2,961
0399999. Totals.....					6,456,935	.....0	2,746,885	.....0	.....0	.....0	.....0	.....0	6,456,935	6,573,357	.....0	116,422	116,422	40,188	27,192

**SCHEDULE B - PART 2**

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

1 Loan Number	Location 2 City		3 State	4 Loan Type	5 Date Acquired	6 Rate of Interest	7 Actual Cost at Time of Acquisition	8 Additional Investment Made After Acquisition	9 Value of Land and Buildings		
<b>Mortgages in Good Standing</b>											
<b>Commercial Mortgages - All Other</b>											
024F839.....	Pearl.....		MS.....		06/23/2014.....	.6,000.....	1,620,000.....	.0.....	2,330,000.....		
0599999. Total - Mortgages in Good Standing - Commercial Mortgages - All Other.....					XXX.....	XXX.....	1,620,000.....	.0.....	2,330,000.....		
0899999. Total - Mortgages in Good Standing.....					XXX.....	XXX.....	1,620,000.....	.0.....	2,330,000.....		
<b>Restructured Mortgages</b>											
<b>Commercial Mortgages - All Other</b>											
300F031 300F029.....	Columbus.....		OH.....		12/30/2009.....	.4,000.....	0.....	.9,864.....	1,520,000.....		
1399999. Total - Restructured Mortgages - Commercial Mortgages - All Other.....					XXX.....	XXX.....	0.....	.9,864.....	1,520,000.....		
1699999. Total - Restructured Mortgages.....					XXX.....	XXX.....	0.....	.9,864.....	1,520,000.....		
<b>Mortgages with Overdue Interest over 90 Days, Not in Process of Foreclosure</b>											
<b>Commercial Mortgages - All Other</b>											
024F741.....	Ft Pierce.....		FL.....		01/19/2010.....	.7,490.....	0.....	1,222.....	4,553,103.....		
2199999. Total - Mortgages with Overdue Interest over 90 Days, Not in Process of Foreclosure - Commercial Mortgages - All Other.....					XXX.....	XXX.....	0.....	1,222.....	4,553,103.....		
2499999. Total - Mortgages with Overdue Interest over 90 Days, Not in Process of Foreclosure.....					XXX.....	XXX.....	0.....	1,222.....	4,553,103.....		
3399999. Total Mortgages.....					XXX.....	XXX.....	1,620,000.....	11,086.....	8,403,103.....		

**SCHEDULE B - PART 3**

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

1 Loan Number	Location 2 City		3 State	4 Loan Type	5 Date Acquired	6 Disposal Date	7 Book Value/ Recorded Investment Excluding Accrued Interest Prior Year	Change in Book Value/Recorded Investment			12 Total Change in Book Value (8+9+10+11)	13 Total Foreign Exchange Change in Book Value	14 Book Value/ Recorded Investment Excluding Accrued Interest on Disposal	15 Consideration	16 Foreign Exchange Gain (Loss) on Disposal	17 Realized Gain (Loss) on Disposal	18 Total Gain (Loss) on Disposal	
	8 Unrealized Valuation Increase (Decrease)	9 Current Year's (Amortization)/ Accretion	10 Current Year's Other Than Temporary Impairment Recognized	11 Capitalized Deferred Interest and Other														
<b>Mortgages Closed by Repayment</b>																		
300F032.....	Columbus.....	OH.....		12/30/2009.....			0.....	0.....	443.....	0.....	0.....	443.....	0.....	443.....	0.....	0.....	0.....	0.....
0199999. Total - Mortgages Closed by Repayment.....							0.....	0.....	443.....	0.....	0.....	443.....	0.....	443.....	0.....	0.....	0.....	0.....
<b>Mortgages With Partial Repayments</b>																		
024F609.....	Phoenix.....	AZ.....		09/30/2009.....			0.....	0.....	0.....	0.....	0.....	0.....	0.....	20,211.....	20,211.....	0.....	0.....	0.....
024F624.....	Wheeling.....	WV.....		12/14/2009.....			0.....	0.....	0.....	0.....	0.....	0.....	0.....	164.....	164.....	0.....	0.....	0.....
024F630.....	Wickliff.....	OH.....		12/14/2009.....			0.....	0.....	0.....	0.....	0.....	0.....	0.....	1,755.....	1,755.....	0.....	0.....	0.....
024F718.....	Columbus.....	OH.....		12/14/2009.....			0.....	0.....	0.....	0.....	0.....	0.....	0.....	395,714.....	395,714.....	0.....	0.....	0.....
024F734.....	St. Paul.....	MN.....		12/28/2009.....			1,766,585.....	0.....	0.....	0.....	0.....	0.....	0.....	23,482.....	23,482.....	0.....	0.....	0.....
024F737.....	Birmingham.....	AL.....		12/28/2009.....			797,298.....	0.....	0.....	0.....	0.....	0.....	0.....	7,746.....	7,746.....	0.....	0.....	0.....
024F738.....	Brunswick County.....	NC.....		12/28/2009.....			737,149.....	0.....	0.....	0.....	0.....	0.....	0.....	33,813.....	33,813.....	0.....	0.....	0.....
024F748.....	Lancaster.....	KY.....		03/12/2010.....			1,652,358.....	0.....	0.....	0.....	0.....	0.....	0.....	13,360.....	13,360.....	0.....	0.....	0.....
024F803.....	Phoenix.....	AZ.....		09/21/2010.....			2,462,153.....	0.....	0.....	0.....	0.....	0.....	0.....	25,925.....	25,925.....	0.....	0.....	0.....
024F820.....	Guilford.....	IN.....		09/28/2011.....			104,843.....	0.....	0.....	0.....	0.....	0.....	0.....	2,006.....	2,006.....	0.....	0.....	0.....
024F832.....	Atlanta.....	GA.....		03/19/2013.....			0.....	0.....	0.....	0.....	0.....	0.....	0.....	15,146.....	15,146.....	0.....	0.....	0.....
024F833.....	Danville.....	KY.....		04/11/2013.....			0.....	0.....	0.....	0.....	0.....	0.....	0.....	11,433.....	11,433.....	0.....	0.....	0.....
024F834.....	Los Lunas.....	NM.....		07/31/2013.....			0.....	0.....	0.....	0.....	0.....	0.....	0.....	451,186.....	451,186.....	0.....	0.....	0.....
024F835.....	Las Vegas.....	NV.....		09/04/2013.....			5,500,000.....	0.....	0.....	0.....	0.....	0.....	0.....	35,951.....	35,951.....	0.....	0.....	0.....

**SCHEDULE B - PART 3**

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

1 Loan Number	Location		4 Loan Type	5 Date Acquired	6 Disposal Date	7 Book Value/ Recorded Investment Excluding Accrued Interest Prior Year	Change in Book Value/Recorded Investment					14 Book Value/ Recorded Investment Excluding Accrued Interest on Disposal	15	16 Foreign Exchange Gain (Loss) on Disposal	17 Realized Gain (Loss) on Disposal	18 Total Gain (Loss) on Disposal	
	2 City	State					8 Unrealized Valuation Increase (Decrease)	9 Current Year's (Amortization)/ Accretion	10 Current Year's Other Than Temporary Impairment Recognized	11 Capitalized Deferred Interest and Other	12 Total Change in Book Value (8+9+10+11)						
300F019.....	Toledo.....	OH.....	.....	12/30/2009.....	.....	.....89,827	.....0	.....0	.....0	.....0	.....0	.....0	.....1,000	.....1,000	.....0	.....0	.....0
300F031 300F029.....	Columbus.....	OH.....	.....	12/30/2009.....	.....	.....185,250	.....0	.....0	.....0	.....0	.....0	.....0	.....9,052	.....9,052	.....0	.....0	.....0
ML-0218011.....	Winchester.....	TN.....	.....	12/30/2009.....	.....	.....36,943	.....0	.....0	.....0	.....0	.....0	.....0	.....838	.....838	.....0	.....0	.....0
0299999. Total - Mortgages With Partial Repayments.....						.....13,332,406	.....0	.....0	.....0	.....0	.....0	.....0	.....1,048,782	.....1,048,782	.....0	.....0	.....0
0599999. Total Mortgages.....						.....13,332,406	.....0	.....443	.....0	.....0	.....443	.....0	.....1,049,225	.....1,049,225	.....0	.....0	.....0

**SCHEDULE BA - PART 2**

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

1 CUSIP Identification	2 Name or Description	Location		5 Name of Vendor or General Partner	NAIC Designa- tion	6 Date Originally Acquired	7 Type and Strategy	9 Actual Cost at Time of Acquisition	10 Additional Investment Made After Acquisition	11 Amount of Encumbrances	12 Commitment for Additional Investment	13 Percentage of Ownership	
		3 City	4 State										
<b>Mineral Rights - Unaffiliated</b>													
	MM-Appalachia IV, LP.....	Various.....	OH, PA, WV	Master Mineral Holdings, Inc.....		11/08/2013.....	0	0	288,750	0	1,056,000	16.5	
0599999. Total - Mineral Rights - Unaffiliated.....								0	288,750	0	1,056,000	XXX.....	
<b>Joint Venture or Partnership Interests That Have Underlying Characteristics of Real Estate - Affiliated</b>													
	Collier Beach, LLC.....	Hilton Head.....	SC.....	Collier Beach, LLC.....		05/02/2011.....	0	0	21,223	0	0	0	100.0
	PGS Pooler Investco, LLC.....	Pooler.....	GA.....	PEM Real Estate Group.....		06/30/2014.....	0	1,500,000	0	0	0	0	27.3
	Sand Lake, LLC.....	Palm Coast.....	FL.....	Various.....		12/07/2010.....	0	0	836	0	0	0	100.0
	UGL - Titusville Marina, LLC.....	Titusville.....	FL.....	Internal transfer.....		04/16/2014.....	0	2,746,885	0	0	0	0	100.0
	UTG Avalon, LLC.....	St. Lucie County.....	FL.....	UTG Avalon, LLC.....		04/06/2011.....	0	0	158,125	0	0	0	100.0
	UG Acquisitions, LLC.....	Scottsdale.....	AZ.....	UG Acquisitions, LLC.....		04/06/2011.....	0	0	133,333	0	0	0	100.0
1899999. Total - Joint Venture or Partnership Interests That Have Underlying Characteristics of Real Estate - Affiliated.....							4,246,885		313,517	0	0	0	XXX.....
<b>Joint Venture or Partnership Interests That Have Underlying Characteristics of Other - Unaffiliated</b>													
	Llano Music, LLC.....	Nashville.....	TN.....	Capital Contribution.....		09/22/2010.....	0	0	120,000	0	2,137,000	19.0	
2199999. Total - Joint Venture or Partnership Interests That Have Underlying Characteristics of Other - Unaffiliated.....								0	120,000	0	2,137,000	XXX.....	
<b>Non-Collateral Loans - Unaffiliated</b>													
	Loan to Dew Learning, LLC.....	Alpharetta.....	GA.....	Capital Contribution.....		12/12/2013.....	0	0	975,000	0	0	0	33.3
2799999. Total - Non-Collateral Loans - Unaffiliated.....								0	975,000	0	0	0	XXX.....
4499999. Subtotal - Unaffiliated.....								0	1,383,750	0	0	3,193,000	XXX.....
4599999. Subtotal - Affiliated.....							4,246,885		313,517	0	0	0	XXX.....
4699999. Totals.....							4,246,885		1,697,267	0	0	3,193,000	XXX.....

**SCHEDULE BA - PART 3**

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

1 CUSIP Identification	2 Name or Description	Location		5 Name of Purchaser or Nature of Disposal	6 Date Originally Acquired	7 Disposal Date	8 Book/Adjusted Carrying Value Less Encumbrances, Prior Year	Changes in Book/Adjusted Carrying Value						15 Book/Adjusted Carrying Value Less Encumbrances on Disposal	16 Consideration	17 Foreign Exchange Gain (Loss) on Disposal	18 Realized Gain (Loss) on Disposal	19 Total Gain (Loss) on Disposal	20 Investment Income
		3 City	4 State					9 Unrealized Valuation Increase (Decrease)	10 Current Year's (Depreciation) or (Amortization)/ Accretion	11 Current Year's Other Than Temporary Impairment Recognized	12 Capitalized Deferred Interest and Other	13 Total Change in B/A.C.V (9+10-11+12)	14 Total Foreign Exchange Change in B/A.C.V.						
<b>Mineral Rights - Unaffiliated</b>																			
	MM-Marcellus II, LP.....	North Gauley.....	WV.....	Return of Capital.....	06/30/2011	06/18/2014	..1,024,638	0	0	0	0	0	0	9,403	9,403	0	0	0	0
	MM-Marcellus III, LP.....	North Gauley.....	WV.....	Return of Capital.....	06/30/2011	06/11/2014	..866,972	0	0	0	0	0	0	25,375	25,375	0	0	0	0
	MM-Marcellus HBPI, LP.....	North Gauley.....	WV.....	Return of Capital.....	04/02/2012	06/11/2014	..1,596,729	0	0	0	0	0	0	29,340	29,340	0	0	0	0
0599999. Total - Mineral Rights - Unaffiliated.....							3,488,339	0	0	0	0	0	0	64,118	64,118	0	0	0	0
<b>Joint Venture or Partnership Interests That Have Underlying Characteristics of Real Estate - Unaffiliated</b>																			
	LS Clarkston Investco, LLC.....	Clarkston.....	GA.....	Return of Capital.....	11/09/2012	06/03/2014	..3,149,350	0	0	0	0	0	0	.952,706	.952,706	0	0	0	0
	Resource Land Fund III, LLC.....	Colorado Springs.....	CO.....	Return of Capital.....	01/19/2006	05/05/2014	..1,449,189	0	0	0	0	0	0	30,000	30,000	0	0	0	0
1799999. Total - Joint Venture or Partnership Interests That Have Underlying Characteristics of Real Estate - Unaffiliated.....							4,598,539	0	0	0	0	0	0	.982,706	.982,706	0	0	0	0
<b>Joint Venture or Partnership Interests That Have Underlying Characteristics of Real Estate - Affiliated</b>																			
	6326 Security Blvd Baltimore, LLC.....	Woodlawn.....	MD.....	Amalgamated Transit Union Local 1300.....	06/04/2013	05/28/2014	..485,297	..89,703	0	0	0	0	0	..575,000	..529,041	0	(45,959)	(45,959)	0
	BCG Land, LLC.....	Boyd, Carter & Greenup County	KY.....	Return of Capital.....	07/08/2013	06/04/2014	..5,600,000	0	0	0	0	0	0	106,599	106,599	0	0	0	0
	Collier Beach.....	Hilton Head.....	SC.....	Return of Capital.....	05/02/2011	06/13/2014	..1,999,286	0	0	0	0	0	0	23,969	23,969	0	0	0	0

**SCHEDULE BA - PART 3**

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

1 CUSIP Identification	2 Name or Description	Location		5 Name of Purchaser or Nature of Disposal	6 Date Originally Acquired	7 Disposal Date	8 Book/Adjusted Carrying Value Less Encumbrances, Prior Year	Changes in Book/Adjusted Carrying Value						15 Book/Adjusted Carrying Value Less Encumbrances on Disposal	16 Consideration	17 Foreign Exchange Gain (Loss) on Disposal	18 Realized Gain (Loss) on Disposal	19 Total Gain (Loss) on Disposal	20 Investment Income	
		3 City	4 State					9 Unrealized Valuation Increase (Decrease)	10 Current Year's (Depreciation) or (Amortization)/ Accretion	11 Current Year's Other Than Temporary Impairment Recognized	12	13	14 Total Change in B./A.C.V (9+10-11+12)							
	Super Block Parking, LLC.....	Midland.....	TX....	Return of Capital.....	06/19/2013	04/24/2014	.....2,705,812	.....0	.....0	.....0	.....0	.....0	.....0	.....148,230	.....148,230	.....0	.....0	.....0	.....0	
	UG Acquisitions, LLC.....	Scottsdale.....	AZ....	Return of Capital.....	08/01/2011	06/11/2014	.....2,939,324	.....0	.....0	.....0	.....0	.....0	.....0	.....1,804,690	.....1,804,691	.....0	.....0	.....0	.....428,185	
1899999. Total - Joint Venture or Partnership Interests That Have Underlying Characteristics of Real Estate - Affiliated.....					13,729,719		.89,703		.0		.0		.89,703		2,658,488	2,612,530	0	(45,959)	(45,959)	428,185
4499999. Subtotal - Unaffiliated.....							8,086,878		.0		.0		.0		1,046,824	1,046,824	0	0	0	0
4599999. Subtotal - Affiliated.....					13,729,719		.89,703		.0		.0		.89,703		2,658,488	2,612,530	0	(45,959)	(45,959)	428,185
4699999. Totals.....							21,816,597		.89,703		.0		.89,703		3,705,312	3,659,354	0	(45,959)	(45,959)	428,185

**SCHEDULE D - PART 3**

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

1 CUSIP Identification	2 Description	3 Foreign	4 Date Acquired	5 Name of Vendor	6 Number of Shares of Stock	7 Actual Cost	8 Par Value	9 Paid for Accrued Interest and Dividends	10 NAIC Designation or Market Indicator (a)
<b>Bonds - Industrial and Miscellaneous</b>									
067901 AQ 1	Barrick Gold Corporation.....		..04/08/2014	Raymond James & Assoc Inc.....		.....958,718	.....1,000,000	.....18,222	2FE.....
18383M 65 4	Guggenheim Exchg TRD FD Enhanced.....		..04/01/2014	Charles Schwab Bluegrass.....		.....43,742	.....0	.....0	2.....
46429B 65 5	iSHARES ETF Floating Rate Bond ETF.....		..04/01/2014	Charles Schwab Bluegrass.....		.....43,734	.....0	.....0	1.....
46428T 45 7	iSHARES TR Barclays BD 1-3 Yr Treas.....		..04/01/2014	Charles Schwab Bluegrass.....		.....43,729	.....0	.....0	1.....
502413 BD 8	L-3 Communications Corp.....		..05/21/2014	Carolina Capital.....		.....1,009,608	.....1,000,000	.....0	2FE.....
92343V BY 9	Verizon Communications Inc.....		..06/27/2014	Carolina Capital.....		.....523,363	.....500,000	.....6,052	2FE.....
3899999. Total Bonds - Industrial and Miscellaneous.....						.....2,622,894	.....2,500,000	.....24,274	XXX.....
8399997. Total Bonds - Part 3.....						.....2,622,894	.....2,500,000	.....24,274	XXX.....
8399999. Total Bonds.....						.....2,622,894	.....2,500,000	.....24,274	XXX.....
<b>Common Stocks - Industrial and Miscellaneous</b>									
008474 10 8	Agnico Eagle Mines LTD.....		..06/11/2014	Ameritrade.....	.....312,000	.....9,976	.....XXX	.....0	L.....
020283 10 7	Almaden Mineral LTD.....		..06/23/2014	Ameritrade.....	.....4,000,000	.....6,008	.....XXX	.....0	L.....
29268A 10 3	Energold Drilling Corp.....		..06/13/2014	Ameritrade.....	.....7,600,000	.....12,577	.....XXX	.....0	L.....
26922V 10 1	ETFS Platinum Trust.....		..06/27/2014	Ameritrade.....	.....70,000	.....10,111	.....XXX	.....0	L.....
78355W 10 6	Guggenheim ETF S&P 500 Equal WT In.....		..04/01/2014	Charles Schwab Bluegrass.....	.....829,000	.....60,898	.....XXX	.....0	L.....
78355W 30 4	Guggenheim ETF S&P 500 Pure Value.....		..04/01/2014	Charles Schwab Bluegrass.....	.....1,063,000	.....54,856	.....XXX	.....0	L.....
45409B 10 7	IQ Hedge Multi STRT ETF Multi Stra.....		..04/01/2014	Charles Schwab Bluegrass.....	.....1,871,000	.....54,854	.....XXX	.....0	L.....
46428Q 10 9	iSHARES Silver Trust.....		..06/20/2014	Ameritrade.....	.....3,150,000	.....62,566	.....XXX	.....0	L.....
697900 10 8	Pan America Silver Corp.....		..06/11/2014	Ameritrade.....	.....625,000	.....8,366	.....XXX	.....0	L.....
72201R 78 3	Pimco ETF 0-5 YR High Yield Corp.....		..04/01/2014	Charles Schwab Bluegrass.....	.....410,000	.....43,726	.....XXX	.....0	L.....
72765Q 20 5	Platinum Group Metals.....		..06/27/2014	Ameritrade.....	.....1,600,000	.....1,908	.....XXX	.....0	L.....
808524 83 9	SCH US AGG Bond ETF.....		..04/01/2014	Charles Schwab Bluegrass.....	.....855,000	.....43,612	.....XXX	.....0	L.....
808524 30 0	SCHW US LCAP GRO ETF.....		..04/01/2014	Charles Schwab Bluegrass.....	.....1,188,000	.....55,128	.....XXX	.....0	L.....
78463V 10 7	SPDR Gold Trust SPDR Gold Shares.....		..06/25/2014	Ameritrade.....	.....100,000	.....12,715	.....XXX	.....0	L.....
852066 10 9	Sprott Inc.....		..06/17/2014	Ameritrade.....	.....4,000,000	.....12,209	.....XXX	.....0	U.....
882610 10 8	Texas PAC LD TR SUB SH.....		..05/22/2014	Goldman Sachs.....	.....4,565,000	.....636,411	.....XXX	.....0	A.....
9099999. Total Common Stocks - Industrial and Miscellaneous.....						.....1,085,921	.....XXX	.....0	XXX.....
9799997. Total Common Stocks - Part 3.....						.....1,085,921	.....XXX	.....0	XXX.....
9799999. Total Common Stocks.....						.....1,085,921	.....XXX	.....0	XXX.....
9899999. Total Preferred and Common Stocks.....						.....1,085,921	.....XXX	.....0	XXX.....
9999999. Total Bonds, Preferred and Common Stocks.....						.....3,708,815	.....XXX	.....24,274	XXX.....

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues:....1.

**SCHEDULE D - PART 4**

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

1 CUSIP Identification	2 Description	3 F o r e i g n Disposal Date	4 Name of Purchaser	5 Number of Shares of Stock	6 Consideration	7 Par Value	8 Actual Cost	9 Prior Year Book/ Adjusted Carrying Value	Change in Book/Adjusted Carrying Value					16 Book/ Adjusted Carrying Value At Disposal Date	17 Foreign Exchange Gain (Loss) on Disposal	18 Realized Gain (Loss) on Disposal	19 Total Gain (Loss) on Disposal	20 Bond Interest/ Stock Dividends Received During Year	21 Stated Contractual Maturity Date	22 NAIC Design- ation or Market Indicator (a)						
									11 Unrealized Valuation Increase/ (Decrease)	12 Current Year's (Amortization)/ Accretion	13 Other Than Temporary Impairment	14 Total Change in B.A.C.V. (11+12-13)	15 Foreign Exchange Change in B.A.C.V.													
<b>Bonds - U.S. Special Revenue and Special Assessment</b>																										
31340Y DB 2	FHLMC CMO SER 12 CLASS 12-A.....	06/15/2014	PRINCIPAL RECEIPT.....			122	122	126	122	0	0	0	0	0	122	0	0	0	0	0	0	0	0	0	0	
31360F CN 3	FNMA 4577.....	06/25/2014	PRINCIPAL RECEIPT.....			37	37	38	37	0	0	0	0	0	37	0	0	0	0	0	0	0	0	0	0	1
31293E AF 7	FG C18106.....	06/15/2014	PRINCIPAL RECEIPT.....			63	63	63	63	0	0	0	0	0	63	0	0	0	0	0	0	0	0	0	0	2
31335H WK 5	FG C90650.....	06/15/2014	PRINCIPAL RECEIPT.....			1,542	1,542	1,563	1,555	0	(13)	0	(13)	0	1,542	0	0	0	0	0	0	0	0	0	0	31
3128H3 L5 8	FG E95748.....	06/15/2014	PRINCIPAL RECEIPT.....			1,430	1,430	1,452	1,437	0	(7)	0	(7)	0	1,430	0	0	0	0	0	0	0	0	0	0	30
3128PK 2R 4	FG J07984.....	06/15/2014	PRINCIPAL RECEIPT.....			12,782	12,782	12,798	12,791	0	(9)	0	(9)	0	12,782	0	0	0	0	0	0	0	0	0	0	234
312905 RA 2	FHR 1070 H.....	06/15/2014	PRINCIPAL RECEIPT.....			355	355	333	354	0	1	0	1	0	355	0	0	0	0	0	0	0	0	0	0	11
31371K 3D 1	FN 254696.....	06/25/2014	PRINCIPAL RECEIPT.....			5,356	5,356	5,515	5,406	0	(50)	0	(50)	0	5,356	0	0	0	0	0	0	0	0	0	0	124
31371L NE 5	FN 255189.....	06/25/2014	PRINCIPAL RECEIPT.....			2,845	2,845	2,758	2,769	0	76	0	76	0	2,845	0	0	0	0	0	0	0	0	0	0	58
31371M DT 1	FN 255814.....	06/25/2014	PRINCIPAL RECEIPT.....			11,029	11,029	10,991	10,995	0	34	0	34	0	11,029	0	0	0	0	0	0	0	0	0	0	256
31391W QC 8	FN 679151.....	06/25/2014	PRINCIPAL RECEIPT.....			72	72	73	72	0	0	0	0	0	72	0	0	0	0	0	0	0	0	0	0	1
31404B SF 0	FN 763818.....	06/25/2014	PRINCIPAL RECEIPT.....			952	952	975	972	0	(20)	0	(20)	0	952	0	0	0	0	0	0	0	0	0	0	22
31404V FC 7	FN 779663.....	06/25/2014	PRINCIPAL RECEIPT.....			12,078	12,078	12,195	12,165	0	(86)	0	(86)	0	12,078	0	0	0	0	0	0	0	0	0	0	244
31406F BF 7	FN 808338.....	06/25/2014	PRINCIPAL RECEIPT.....			3,637	3,637	3,641	3,639	0	(2)	0	(2)	0	3,637	0	0	0	0	0	0	0	0	0	0	73
31407M XZ 3	FN 835096.....	06/25/2014	PRINCIPAL RECEIPT.....			6,727	6,727	6,763	6,762	0	(35)	0	(35)	0	6,727	0	0	0	0	0	0	0	0	0	0	154
31407S JP 8	FN 839170.....	06/25/2014	PRINCIPAL RECEIPT.....			288	288	290	290	0	(2)	0	(2)	0	288	0	0	0	0	0	0	0	0	0	0	7
31413M D6 1	FN 949325.....	06/25/2014	PRINCIPAL RECEIPT.....			3,903	3,903	3,923	3,915	0	(12)	0	(12)	0	3,903	0	0	0	0	0	0	0	0	0	0	90
31414C F8 6	FN 961991.....	06/25/2014	PRINCIPAL RECEIPT.....			57,588	57,588	57,274	57,300	0	288	0	288	0	57,588	0	0	0	0	0	0	0	0	0	1,325	
3199999. Total Bonds - U.S. Special Revenue and Special Assessment.....						120,806	120,806	120,771	120,644	0	163	0	163	0	120,806	0	0	0	0	0	0	0	0	0	2,668	
<b>Bonds - Industrial and Miscellaneous</b>																										
026709 AH 8	AHT I 5.....	04/25/2014	PRINCIPAL RECEIPT.....			133	133	125	133	0	0	0	0	0	133	0	0	0	0	0	0	0	0	0	4	
496902 AJ 6	Kinross Gold Corp.....	04/07/2014	Falcon Square.....			2,012,202	2,000,000	2,025,708	2,021,476	0	(623)	0	(623)	0	2,020,854	0	(8,652)	(8,652)	0	62,354	0	0	0	0	2FE....	
502413 AY 3	L-3 Communications Corp.....	05/21/2014	Carolina Capital.....			1,125,182	1,000,000	1,040,578	1,031,642	0	(1,878)	0	(1,878)	0	1,029,764	0	95,418	95,418	0	32,067	0	0	0	0	2015/2019 2FE....	
76110W WE 2	RASC 2004-K2 A14.....	06/25/2014	PRINCIPAL RECEIPT.....			15,880	15,880	15,893	15,888	0	(8)	0	(8)	0	15,880	0	0	0	0	0	0	0	0	0	0	285
808524 85 4	SCH Intm US TRSR ETF.....	04/01/2014	Charles Schwab Bluegrass.....			20,440	0	21,121	21,121	0	0	0	0	0	21,121	0	(681)	(681)	0	86	0	0	0	0	1....	
808524 86 2	SCH ST US TRSR ETF.....	04/01/2014	Charles Schwab Bluegrass.....			36,925	0	36,943	36,943	0	0	0	0	0	36,943	0	(18)	(18)	0	46	0	0	0	0	1....	
3899999. Total Bonds - Industrial and Miscellaneous.....						3,210,762	3,016,013	3,140,368	3,127,203	0	(2,509)	0	(2,509)	0	3,124,695	0	86,067	86,067	0	94,842	0	0	0	0	XXX....	
8399997. Total Bonds - Part 4.....						3,331,568	3,136,819	3,261,139	3,247,847	0	(2,346)	0	(2,346)	0	3,245,501	0	86,067	86,067	0	97,510	0	0	0	0	XXX....	
8399999. Total Bonds.....						3,331,568	3,136,819	3,261,139	3,247,847	0	(2,346)	0	(2,346)	0	3,245,501	0	86,067	86,067	0	97,510	0	0	0	0	XXX....	
<b>Preferred Stocks - Industrial and Miscellaneous</b>																										
309562 20 5	Farmers Cap Bank Corp Cum Per PFD.....	05/15/2014	Redemption.....			3,750,000	3,750,000	1,000,00	2,778,338	2,778,338	0	0	0	0	0	2,778,338	0	971,663	971,663	0	46,875	0	0	0	P5A....	
69321# 10 3	PBEX, LLC.....	04/01/2014	Return of Capital.....			0.000	6,250	1,000,00	6,250	6,250	0	0	0	0	0	6,250	0	0	0	0	0	0	0	0	0	P3U....
8499999. Total Preferred Stocks - Industrial and Miscellaneous.....						3,756,250	XXX.....	2,784,588	2,784,588	0	0	0	0	0	2,784,588	0	971,663	971,663	0	46,875	0	0	0	0	XXX....	
8999997. Total Preferred Stocks - Part 4.....						3,756,250	XXX.....	2,784,588	2,784,588	0	0	0	0	0	2,784,588	0	971,663	971,663	0	46,875	0	0	0	0	XXX....	
8999999. Total Preferred Stocks.....						3,756,250	XXX.....	2,784,588	2,784,588	0	0	0	0	0	2,784,588	0	971,663	971,663	0	46,875	0	0	0	0	XXX....	

**SCHEDULE D - PART 4**

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

1 CUSIP Identification	2 Description	3 F o r e i g n	4 Disposal Date	5 Name of Purchaser	6 Number of Shares of Stock	7 Consideration	8 Par Value	9 Actual Cost	10 Prior Year Book/ Adjusted Carrying Value	Change in Book/Adjusted Carrying Value					16 Book/ Adjusted Carrying Value At Disposal Date	17 Foreign Exchange Gain (Loss) on Disposal	18 Realized Gain (Loss) on Disposal	19 Total Gain (Loss) on Disposal	20 Bond Interest/ Stock Dividends Received During Year	21 Stated Contractual Maturity Date	22 NAIC Design- ation or Market Indicator (a)		
										11 Unrealized Valuation Increase/ (Decrease)	12 Current Year's (Amortization)/ Accretion	13 Other Than Temporary Impairment	14 Total Change in B./A.C.V. (11+12-13)	15 Total Foreign Exchange Change in B./A.C.V.									
<b>Common Stocks - Industrial and Miscellaneous</b>																							
461556 10 2	Investors Heritage Capital Corp.....		06/20/2014	HILLIARD LYONS, INC.....	3,341,000	68,720	XXX	60,328	60,205	123	0	0	123	0	60,328	0	8,393	8,393	668	XXX..	U.....		
808524 79 7	SCH US Div Equity ETF.....		04/01/2014	Charles Schwab Bluegrass.....	571,000	21,105	XXX	18,194	20,933	(2,739)	0	0	(2,739)	0	18,194	0	2,911	2,911	141	XXX..	L.....		
81369Y 20 9	Sector SPDR Health Fund Shares.....		04/01/2014	Charles Schwab Bluegrass.....	565,000	33,364	XXX	22,261	31,324	(9,063)	0	0	(9,063)	0	22,261	0	11,103	11,103	116	XXX..	L.....		
81369Y 30 8	Sector SPDR TR Con STPLSShares.....		04/01/2014	Charles Schwab Bluegrass.....	659,000	28,390	XXX	24,179	28,324	(4,145)	0	0	(4,145)	0	24,179	0	4,211	4,211	143	XXX..	L.....		
78464A 72 2	SPDR S&P Pharmaceuticals.....		04/01/2014	Charles Schwab Bluegrass.....	415,000	39,367	XXX	24,598	36,508	(11,909)	0	0	(11,909)	0	24,598	0	14,769	14,769	56	XXX..	L.....		
852066 10 9	Sprott Inc.....		06/26/2014	Ameritrade.....	2,000,000	5,541	XXX	6,244	0	0	0	0	0	6,244	0	(703)	(703)	0	XXX..	L.....			
9099999. Total Common Stocks - Industrial and Miscellaneous.....					196,487	XXX	155,804	177,294	(27,733)	0	0	(27,733)	0	155,804	0	40,684	40,684	1,124	XXX..	XXX....			
<b>Common Stocks - Parent, Subsidiaries and Affiliates</b>																							
23087# 10 4	Cumberland Woodlands, LLC.....		05/21/2014	Return of Capital.....	0.000	400,000	XXX	400,000	400,000	0	0	0	0	0	400,000	0	0	0	0	0	XXX..	U.....	
9199999. Total Common Stocks - Parent, Subsidiaries and Affiliates.....						400,000	XXX	400,000	400,000	0	0	0	0	0	400,000	0	0	0	0	0	XXX..	XXX....	
97999997 Total Common Stocks - Part 4.....					596,487	XXX	555,804	577,294	(27,733)	0	0	(27,733)	0	555,804	0	40,684	40,684	1,124	XXX..	XXX....			
97999999. Total Common Stocks.....					596,487	XXX	555,804	577,294	(27,733)	0	0	(27,733)	0	555,804	0	40,684	40,684	1,124	XXX..	XXX....			
98999999. Total Preferred and Common Stocks.....					4,352,737	XXX	3,340,392	3,361,882	(27,733)	0	0	(27,733)	0	3,340,392	0	1,012,347	1,012,347	47,999	XXX..	XXX....			
9999999. Total Bonds, Preferred and Common Stocks.....					7,684,305	XXX	6,601,531	6,609,729	(27,733)	(2,346)	0	(30,079)	0	6,585,893	0	1,098,414	1,098,414	145,509	XXX..	XXX....			

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues:....2.

**SCHEDULE DB - PART A - SECTION 1**

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

1 Description	2 Description of Item(s) Hedged, Used for Income Generation or Replicated	3 Schedule /Exhibit Identifier	4 Type(s) of Risk (a)	5 Exchange, Counterparty or Central Clearinghouse	6 Trade Date	7 Date of Maturity or Expiration	8 Number of Contracts	9 Notional Amount	10 Strike Price, Rate of Indexed Received (Paid)	11 Cumulative Prior Year(s) Initial Cost of Premium (Received)	12 Current Year Initial Cost of Premium (Received)	13 Current Year Income	14 Book/ Adjusted Carrying Value	15 Code	16 Fair Value	17 Unrealized Valuation Increase (Decrease)	18 Total Foreign Exchange Change in B.I.A.C.V.	19 Current Year's (Amortization) Accretion	20 Adjustment to Carrying Value of Hedged Items	21 Potential Exposure	22 Credit Quality of Reference Entity	23 Hedge Effectiveness at Inception and at Quarter-end (b)
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**Purchased Options - Other - Put Options**

ERX.....		N/A.....	CBOE.....	07/31/2013	01/17/2015	200	1,300,000	65.0000	339,315	0	0	37,500	37,500	(143,500)	0	0	0	0	0	0	0	
SPY.....		N/A.....	AMER.....	06/27/2014	10/18/2014	1	18,800	188.0000	0	318	0	243	243	(75)	0	0	0	0	0	0	0	
0309999. Total-Purchased Options-Other-Put Options.....									339,315	318	0	37,743	XXX	37,743	(143,575)	0	0	0	0	0	0	XXX.....
0359999. Total-Purchased Options-Other.....									339,315	318	0	37,743	XXX	37,743	(143,575)	0	0	0	0	0	0	XXX.....
0379999. Total-Purchased Options-Put Options.....									339,315	318	0	37,743	XXX	37,743	(143,575)	0	0	0	0	0	0	XXX.....
0429999. Total-Purchased Options.....									339,315	318	0	37,743	XXX	37,743	(143,575)	0	0	0	0	0	0	XXX.....

**Written Options - Other - Call Options and Warrants**

USO.....		N/A.....	CBOE.....	05/08/2013	01/17/2015	(47)	(94,000)	20.0000	(66,634)	0	0	(88,712)	(88,712)	(16,802)	0	0	0	0	0	0	0	
0719999. Total-Written Options-Other-Call Options and Warrants.....									(66,634)	0	0	(88,712)	XXX	(88,712)	(16,802)	0	0	0	0	0	0	XXX.....

**Written Options - Other - Put Options**

TLT.....		N/A.....	CBOE.....	01/28/2013	01/17/2015	(644)	(5,152,000)	80.0000	(104,269)	0	0	(1,932)	(1,932)	57,376	0	0	0	0	0	0	0	
TLT.....		N/A.....	CBOE.....	12/19/2012	01/17/2015	(902)	(7,667,000)	85.0000	(195,388)	0	0	(3,608)	(3,608)	114,554	0	0	0	0	0	0	0	
TLT.....		N/A.....	CBOE.....	12/19/2012	01/17/2015	(365)	(3,285,000)	90.0000	(88,412)	0	0	(3,468)	(3,468)	83,220	0	0	0	0	0	0	0	
0729999. Total-Written Options-Other-Put Options.....									(388,069)	(74,626)	0	(69,502)	XXX	(69,502)	269,282	0	0	0	0	0	0	XXX.....
0779999. Total-Written Options-Other.....									(454,703)	(74,626)	0	(158,214)	XXX	(158,214)	252,480	0	0	0	0	0	0	XXX.....
0789999. Total-Written Options-Call Options and Warrants.....									(66,634)	0	0	(88,712)	XXX	(88,712)	(16,802)	0	0	0	0	0	0	XXX.....
0799999. Total-Written Options-Put Options.....									(388,069)	(74,626)	0	(69,502)	XXX	(69,502)	269,282	0	0	0	0	0	0	XXX.....
0849999. Total-Written Options.....									(454,703)	(74,626)	0	(158,214)	XXX	(158,214)	252,480	0	0	0	0	0	0	XXX.....
1439999. Total-Other.....									(115,388)	(74,308)	0	(120,471)	XXX	(120,471)	108,905	0	0	0	0	0	0	XXX.....
1449999. TOTAL.....									(115,388)	(74,308)	0	(120,471)	XXX	(120,471)	108,905	0	0	0	0	0	0	XXX.....

(a) Code Description of Hedged Risk(s)

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**NONE**

(b) Code Financial or Economic Impact of the Hedge at the End of the Reporting Period

0	
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**NONE**

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

Futures Contracts Open as of the Current Statement Date

1 Ticker Symbol	2 Number of Contracts	3 Notional Amount	4 Description	5 Description of Item(s) Hedged, Used for Income General or Replicated	6 Schedule/ Exhibit Identifier	7 Type(s) (a)	8 Date of Maturity or Expiration	9 Exchang	10 Trade Date	11 Transaction Price	12 Reporting Date Price	13 Fair Value	14 Book/ Adjusted Carrying Value	Highly Effective Hedges			18 Cumulative Variation Margin for All Other Hedges	19 Change in Variation Margin Gain (Loss) Recognized in Current Year	20 Potential Exposure	21 Hedge Effectiveness at Inception and at Quarter-end (b)	22 Value of One (1) Point	
														15	16	17 Change in Variation Margin Gain (Loss) Used to Adjust Basis of Hedged Item						

**NONE**

(a)

Code	Description of Hedged Risk(s)

**NONE**(b)  
QE07

Code	Financial or Economic Impact of the Hedge at the End of the Reporting Period
0	

**NONE**

Broker Name	Beginning Cash Balance	Cumulative Cash Change	Ending Cash Balance
<b>Brokers</b>			
	.....0	.....0	.....0
Total Net Cash Deposits.....	.....0	.....0	.....0

**NONE**

**SCHEDULE DB - PART D - SECTION 1**

Counterparty Exposure for Derivative Instruments Open as of Current Statement Date

1 Description of Exchange, Counterparty or Central Clearinghouse	2 Master Agreement (Y or N)	3 Credit Support Annex (Y or N)	4 Fair Value of Acceptable Collateral	Book Adjusted Carrying Value			Fair Value			11 Potential Exposure	12 Off-Balance Sheet Exposure	
				5 Contracts With Book Adjusted Carrying Value > 0	6 Contracts With Book Adjusted Carrying Value < 0	7 Exposure Net of Collateral	8 Contracts With Fair Value > 0	9 Contracts With Fair Value < 0	10 Exposure Net of Collateral			
<b>Exchange Traded Derivatives</b>												
0199999. Aggregate Sum of Exchange Traded.....	....XXX.....	....XXX.....	....XXX.....	.....37,743	.....(158,214)	.....37,743	.....37,743	.....(158,214)	.....37,743	.....0	.....0	.....0
0999999. Totals.....	.....0	.....37,743	.....(158,214)	.....37,743	.....37,743	.....37,743	.....37,743	.....(158,214)	.....37,743	.....0	.....0	.....0

**Sch. DB-Pt D-Sn 2**  
**NONE**

**Sch. DL-Pt. 1**  
**NONE**

**Sch. DL-Pt. 2**  
**NONE**

**Universal Guaranty Life Insurance Company**  
**SCHEDULE E - PART 1 - CASH**

Month End Depository Balances

1 Depository	2 Code	3 Rate of Interest	4 Amount of Interest Received During Current Quarter	5 Amount of Interest Accrued at Current Statement Date	Book Balance at End of Each Month During Current Quarter			9 * 
					6 First Month	7 Second Month	8 Third Month	
<b>Open Depositories</b>								
Charles Schwab .....	Louisville, KY.....	.....0.010	.....8	.....0	.....26,845	.....26,675	.....27,437	XXX..
JP Morgan Chase.....	Springfield, IL.....	.....0.000	.....0	.....0	.....61,070	.....208,431	.....54,651	XXX..
JP Morgan Chase (AC).....	Springfield, IL.....	.....0.000	.....0	.....0	.....21,670	.....52,478	.....12,593	XXX..
FSNB Policy.....	Stanford, KY.....	.....0.000	.....0	.....0	.....1,988,275	.....12,272,572	.....(62,706)	XXX..
FSNB Policy (AC).....	Stanford, KY.....	.....0.000	.....0	.....0	.....(136,470)	.....(153,661)	.....126,098	XXX..
FSNB Money Market.....	Stanford, KY.....	.....0.000	.....0	.....0	.....21,088	.....21,088	.....21,088	XXX..
FSNB Reinsurance.....	Stanford, KY.....	.....0.050	.....16	.....0	.....83,583	.....20,002	.....20,002	XXX..
FSNB Non-Policy Freedom.....	Stanford, KY.....	.....0.000	.....0	.....0	.....528,328	.....673,549	.....562,470	XXX..
FSNB NP-Somerset Plaza.....	Stanford, KY.....	.....0.000	.....0	.....0	.....94,254	.....126,751	.....149,001	XXX..
Hilliard Lyons.....	Louisville, KY.....	.....0.010	.....32	.....0	.....750,391	.....53,526	.....122,247	XXX..
Illinois National Bank.....	Springfield, IL.....	.....0.000	.....0	.....0	.....743,189	.....1,060,581	.....146,404	XXX..
Illinois National Bank (AC).....	Springfield, IL.....	.....0.000	.....0	.....0	.....20,821	.....77,532	.....56,524	XXX..
TD Ameritrade.....	Omaha, NE.....	.....0.010	.....6	.....0	.....130,923	.....130,925	.....133,677	XXX..
Federal Home Loan Bank.....	Cincinnati, OH.....	.....0.004	.....16	.....0	.....1,016,875	.....1,034,278	.....1,039,617	XXX..
NorthPoint Trading Partners, LLC/Goldman Sachs 1.....	Alpharetta, GA.....	.....0.000	.....0	.....0	.....670,147	.....369,799	.....443,668	XXX..
NorthPoint Trading Partners, LLC/Goldman Sachs 3.....	Alpharetta, GA.....	.....0.000	.....0	.....0	.....150,523	.....159,111	.....167,566	XXX..
NorthPoint Trading Partners, LLC/JP Morgan.....	Alpharetta, GA.....	.....0.010	.....215	.....0	.....5,792,888	.....580,394	.....10,738,609	XXX..
Deposits in 1 depository (Pioneer).....	Iaeger, WV.....	.....0.000	.....0	.....0	.....12,188	.....12,319	.....12,505	XXX..
0199999. Total Open Depositories.....	....XXX.....	....XXX.....	....293	....0	....11,976,588	....16,726,350	....13,771,451	XXX..
0399999. Total Cash on Deposit.....	....XXX.....	....XXX.....	....293	....0	....11,976,588	....16,726,350	....13,771,451	XXX..
0599999. Total Cash.....	....XXX.....	....XXX.....	....293	....0	....11,976,588	....16,726,350	....13,771,451	XXX..

**SCHEDULE E - PART 2 - CASH EQUIVALENTS**

Show Investments Owned End of Current Quarter

1 Description	2 Code	3 Date Acquired	4 Rate of Interest	5 Maturity Date	6 Book/Adjusted Carrying Value	7 Amount of Interest Due & Accrued	8 Amount Received During Year
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**NONE**