QUARTERLY STATEMENT

OF THE

National Life Insurance Company

Of

Montpelier
in the state of VT

to the Insurance Department
of the State of

For the Period Ended
March 31, 2013

2013

66680201320100101

QUARTERLY STATEMENT

As of March 31, 2013

of the Condition and Affairs of the

National Life Insurance Company

NAIC Group Code.....634, 634 (Current Period) (Prior Period) NAIC Company Code..... 66680 Employer's ID Number..... 03-0144090

Organized under the Laws of Vermont State of Domicile or Port of Entry Vermont Country of Domicile US

Incorporated/Organized..... November 13, 1848 Commenced Business..... January 17, 1850

Statutory Home Office	1 National Life Drive..... Montpelier ..... VT ..... US ..... 05604 *(Street and Number) (City or Town, State, Country and Zip Code)*	
Main Administrative Office	1 National Life Drive..... Montpelier ..... VT ..... US ..... 05604 *(Street and Number) (City or Town, State, Country and Zip Code)*	802-229-3333 *(Area Code) (Telephone Number)*
Mail Address	1 National Life Drive..... Montpelier ..... VT ..... US ..... *(Street and Number or P. O. Box) (City or Town, State, Country and Zip Code)*	
Primary Location of Books and Records	1 National Life Drive..... Montpelier ..... VT ..... US ..... 05604 *(Street and Number) (City or Town, State, Country and Zip Code)*	802-229-3333 *(Area Code) (Telephone Number)*
Internet Web Site Address	www.nationallifegroup.com	
Statutory Statement Contact	Crystal Lynn Dermody Waldo *(Name)*	802-229-3053 *(Area Code) (Telephone Number) (Extension)*
	Statereporting@nationallifegroup.com *(E-Mail Address)*	802-229-7282 *(Fax Number)*

OFFICERS

Name	Title	Name	Title
1. Mehran (nmn) Assadi	President & CEO	2. Kerry Anne Jung	Secretary
3. Donald Paul Messier	VP - Treasurer	4. Craig Alan Smith	VP - Appointed Actuary

OTHER

Christian William Thwaites	Executive Vice President	Wade Hampton Mayo	Executive Vice President
Thomas Hyde Brownell	SVP - Chief Investment Officer	Gregory Donald Woodworth	SVP - General Counsel
Ruth Barra Smith	Executive Vice President	Robert Earl Cotton	SVP - Chief Financial Officer
William David Whitsell	SVP - Operations		

DIRECTORS OR TRUSTEES

Mehran (nmn) Assadi	David Rudolph Coates	Deborah Gillian Ellinger	Bruce Michael Lisman
Thomas Henry MacLeay	Vera Louise McCarren	Roger Blaine Porter	Eugene Miles Prentice III
Harris Henry Simmons	James Holly Douglas		

State of........ Vermont
County of..... Washington

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

(Signature)	(Signature)	(Signature)
Mehran (nmn) Assadi	Kerry Anne Jung	Donald Paul Messier
1. (Printed Name)	2. (Printed Name)	3. (Printed Name)
President & CEO	Secretary	VP - Treasurer
(Title)	(Title)	(Title)

Subscribed and sworn to before me
This 7th day of May 2013

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

ASSETS

	Current Statement Date 1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	4 December 31 Prior Year Net Admitted Assets
1. Bonds	5,349,347,070	0	5,349,347,070	5,365,244,542
2. Stocks:				
2.1 Preferred stocks	0	0	0	0
2.2 Common stocks	647,829,155	0	647,829,155	624,751,527
3. Mortgage loans on real estate:				
3.1 First liens	635,162,173	0	635,162,173	619,480,636
3.2 Other than first liens	0	0	0	0
4. Real estate:				
4.1 Properties occupied by the company (less $...........0 encumbrances)	52,040,922	0	52,040,922	50,359,272
4.2 Properties held for the production of income (less $...........0 encumbrances)	34,008	0	34,008	34,256
4.3 Properties held for sale (less $..........0 encumbrances)	0	0	0	0
5. Cash ($.....(5,238,713)), cash equivalents ($..........0) and short-term investments ($.....11,050,000)	5,811,287	0	5,811,287	34,664,963
6. Contract loans (including $..........0 premium notes)	558,443,051	0	558,443,051	563,872,439
7. Derivatives	24,520,295	0	24,520,295	13,005,164
8. Other invested assets	316,022,611	0	316,022,611	327,022,178
9. Receivables for securities	4,143,464	0	4,143,464	1,316,258
10. Securities lending reinvested collateral assets	0	0	0	0
11. Aggregate write-ins for invested assets	3,014	0	3,014	3,014
12. Subtotals, cash and invested assets (Lines 1 to 11)	7,593,357,051	0	7,593,357,051	7,599,754,250
13. Title plants less $..........0 charged off (for Title insurers only)	0	0	0	0
14. Investment income due and accrued	79,899,721	0	79,899,721	78,235,978
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	8,228,907	2,915	8,225,992	17,096,108
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including $..........0 earned but unbilled premiums)	38,449,528	0	38,449,528	43,236,611
15.3 Accrued retrospective premiums	0	0	0	0
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers	3,116,086	0	3,116,086	4,132,529
16.2 Funds held by or deposited with reinsured companies	0	0	0	0
16.3 Other amounts receivable under reinsurance contracts	0	0	0	0
17. Amounts receivable relating to uninsured plans	0	0	0	0
18.1 Current federal and foreign income tax recoverable and interest thereon	14,805,306	0	14,805,306	0
18.2 Net deferred tax asset	169,517,169	44,297,177	125,219,992	127,841,943
19. Guaranty funds receivable or on deposit	2,947,132	0	2,947,132	2,925,384
20. Electronic data processing equipment and software	2,539,193	0	2,539,193	2,334,598
21. Furniture and equipment, including health care delivery assets ($..........0)	2,819,815	2,819,815	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	2,247,971	0	2,247,971	17,848,737
24. Health care ($..........0) and other amounts receivable	2,284,552	2,284,552	0	0
25. Aggregate write-ins for other than invested assets	330,183,178	58,414,186	271,768,992	269,647,859
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 through 25)	8,250,395,610	107,818,646	8,142,576,965	8,163,053,997
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts	728,708,553	0	728,708,553	692,770,615
28. Total (Lines 26 and 27)	8,979,104,163	107,818,646	8,871,285,517	8,855,824,613

DETAILS OF WRITE-INS

1101. Other real estate deposits	3,014	0	3,014	3,014
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)	3,014	0	3,014	3,014
2501. Corporate owned life insurance	218,419,972	0	218,419,972	218,536,795
2502. Note receivable from NLVF	33,623,247	0	33,623,247	33,623,247
2503. Cash value of deferred compensation life insurance policies	14,962,343	0	14,962,343	14,826,918
2598. Summary of remaining write-ins for Line 25 from overflow page	63,177,617	58,414,186	4,763,430	2,660,899
2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above)	330,183,178	58,414,186	271,768,992	269,647,859

LIABILITIES, SURPLUS AND OTHER FUNDS

		1 Current Statement Date	2 December 31 Prior Year
1.	Aggregate reserve for life contracts $.....5,560,148,085 less $..........0 included in Line 6.3 (including $.....20,445,973 Modco Reserve)	5,560,148,085	5,599,496,600
2.	Aggregate reserve for accident and health contracts (including $....414,056,791 Modco Reserve)	525,744,684	526,636,934
3.	Liability for deposit-type contracts (including $..........0 Modco Reserve)	293,853,357	298,376,839
4.	Contract claims:		
	4.1 Life	33,100,932	31,661,613
	4.2 Accident and health	1,986,437	2,012,771
5.	Policyholders' dividends $.....1,142,590 and coupons $..........0 due and unpaid	1,142,590	3,198,904
6.	Provision for policyholders' dividends and coupons payable in following calendar year - estimated amounts:		
	6.1 Dividends apportioned for payment (including $..........0 Modco)	94,247,284	96,267,791
	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 $.....194,356 accident and health premiums	3,069,187	2,967,423
9.	Contract liabilities not included elsewhere:		
	9.1 Surrender values on canceled contracts	0	0
	9.2 Provision for experience rating refunds, including the liability of $..........0 accident and health experience rating refunds of which $..........0 is for medical loss ratio rebate per the Public Health Service Act	0	0
	9.3 Other amounts payable on reinsurance, including $..........0 assumed and $..........0 ceded	0	0
	9.4 Interest Maintenance Reserve	65,208,779	66,316,953
10.	Commissions to agents due or accrued - life and annuity contracts $..........0, accident and health $.....42,353 and deposit-type contract funds $..........0	2,470,097	2,522,322
11.	Commissions and expense allowances payable on reinsurance assumed	0	0
12.	General expenses due or accrued	24,812,077	35,736,788
13.	Transfers to Separate Accounts due or accrued (net) (including $..........0 accrued for expense allowances recognized in reserves, net of reinsured allowances)	(8,804,832)	(9,973,219)
14.	Taxes, licenses and fees due or accrued, excluding federal income taxes	1,867,673	1,631,179
15.1	Current federal and foreign income taxes, including $..........0 on realized capital gains (losses)	0	497,306
15.2	Net deferred tax liability	0	0
16.	Unearned investment income	10,786	10,304
17.	Amounts withheld or retained by company as agent or trustee	317,819	(282,891)
18.	Amounts held for agents' account, including $..........0 agents' credit balances	44,400	2,219
19.	Remittances and items not allocated	12,948,606	11,825,004
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	76,326,554	77,474,537
22.	Borrowed money $..........0 and interest thereon $..........0	0	0
23.	Dividends to stockholders declared and unpaid	0	0
24.	Miscellaneous liabilities:		
	24.01 Asset valuation reserve	77,557,709	70,627,810
	24.02 Reinsurance in unauthorized and certified ($..........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	0
	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	7,944,120	2,668,553
	24.09 Payable for securities	0	4,662
	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	67,075,192	60,585,510
26.	Total liabilities excluding Separate Accounts business (Lines 1 to 25)	6,841,071,535	6,880,265,912
27.	From Separate Accounts statement	723,985,081	688,502,586
28.	Total liabilities (Lines 26 and 27)	7,565,056,615	7,568,768,498
29.	Common capital stock	2,500,000	2,500,000
30.	Preferred capital stock	0	0
31.	Aggregate write-ins for other than special surplus funds	0	0
32.	Surplus notes	200,000,000	200,000,000
33.	Gross paid in and contributed surplus	126,976,355	126,976,355
34.	Aggregate write-ins for special surplus funds	5,384,538	4,914,023
35.	Unassigned funds (surplus)	971,368,009	952,665,737
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 $.....4,723,472 in Separate Accounts Statement)	1,303,728,902	1,284,556,116
38.	Totals of Lines 29, 30 and 37	1,306,228,902	1,287,056,116
39.	Totals of Lines 28 and 38 (Page 2, Line 28, Col. 3)	8,871,285,517	8,855,824,613

DETAILS OF WRITE-INS

2501.	Defined benefit pension & other postretirement benefit unfunded obligation	28,082,135	27,117,492
2502.	Miscellaneous	15,855,718	18,783,585
2503.	Reinsurance reserve adjustment	9,887,206	1,445,445
2598.	Summary of remaining write-ins for Line 25 from overflow page	13,250,133	13,238,988
2599.	Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above)	67,075,192	60,585,510
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.	Separate account annuity mortality fluctuation fund	4,723,472	4,268,030
3402.	Permanent surplus (Guaranty Fund)	500,000	500,000
3403.	Separate account special contingency fund	161,066	145,993
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)	5,384,538	4,914,023

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	90,739,860	91,130,758	421,129,074
2.	Considerations for supplementary contracts with life contingencies	157,021	100,528	927,788
3.	Net investment income	94,505,176	92,257,185	408,939,499
4.	Amortization of Interest Maintenance Reserve (IMR)	1,180,290	1,266,240	4,869,621
5.	Separate Accounts net gain from operations excluding unrealized gains or losses	10,888	(2,115)	158,122
6.	Commissions and expense allowances on reinsurance ceded	1,424,193	1,614,719	6,308,851
7.	Reserve adjustments on reinsurance ceded	(864,449)	(2,623,830)	11,261,828
8.	Miscellaneous Income:			
	8.1 Income from fees associated with investment management, administration and contract guarantees from Separate Accounts	5,802,165	6,282,945	24,479,600
	8.2 Charges and fees for deposit-type contracts	0	0	0
	8.3 Aggregate write-ins for miscellaneous income	(2,331,076)	(3,198,569)	(8,289,450)
9.	Totals (Lines 1 to 8.3)	190,624,069	186,827,860	869,784,931
10.	Death benefits	50,888,198	55,818,936	173,229,300
11.	Matured endowments (excluding guaranteed annual pure endowments)	670,236	1,582,626	8,989,048
12.	Annuity benefits	10,804,405	11,530,004	40,792,332
13.	Disability benefits and benefits under accident and health contracts	5,020,333	4,646,171	20,479,139
14.	Coupons, guaranteed annual pure endowments and similar benefits	0	0	0
15.	Surrender benefits and withdrawals for life contracts	87,274,898	71,492,722	283,556,325
16.	Group conversions	0	0	0
17.	Interest and adjustments on contract or deposit-type contract funds	2,591,743	2,678,263	12,450,425
18.	Payments on supplementary contracts with life contingencies	1,057,103	1,101,646	4,395,292
19.	Increase in aggregate reserves for life and accident and health contracts	(40,240,765)	(20,850,351)	61,536,602
20.	Totals (Lines 10 to 19)	118,066,150	128,000,018	605,428,462
21.	Commissions on premiums, annuity considerations and deposit-type contract funds (direct business only)	11,537,680	8,584,336	34,675,837
22.	Commissions and expense allowances on reinsurance assumed	467	(228)	1,747
23.	General insurance expenses	30,068,961	30,671,811	117,670,527
24.	Insurance taxes, licenses and fees, excluding federal income taxes	4,228,033	3,660,853	11,695,380
25.	Increase in loading on deferred and uncollected premiums	(2,238,689)	(2,045,898)	1,083,078
26.	Net transfers to or (from) Separate Accounts net of reinsurance	(6,383,886)	(11,707,812)	(43,420,240)
27.	Aggregate write-ins for deductions	1,484,397	2,137,388	4,398,680
28.	Totals (Lines 20 to 27)	156,763,113	159,300,467	731,533,471
29.	Net gain from operations before dividends to policyholders and federal income taxes (Line 9 minus Line 28)	33,860,956	27,527,393	138,251,460
30.	Dividends to policyholders	16,086,376	19,855,045	93,848,419
31.	Net gain from operations after dividends to policyholders and before federal income taxes (Line 29 minus Line 30)	17,774,580	7,672,348	44,403,041
32.	Federal and foreign income taxes incurred (excluding tax on capital gains)	345,066	(2,394,200)	(32,282,064)
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)	17,429,514	10,066,548	76,685,105
34.	Net realized capital gains (losses) (excluding gains (losses) transferred to the IMR) less capital gains tax of $.....(704,993) (excluding taxes of $.....101,363 transferred to the IMR)	(1,390,147)	(1,372,039)	(12,127,373)
35.	Net income (Line 33 plus Line 34)	16,039,367	8,694,509	64,557,731
	CAPITAL AND SURPLUS ACCOUNT			
36.	Capital and surplus, December 31, prior year	1,287,056,116	1,142,659,354	1,142,659,354
37.	Net income (Line 35)	16,039,367	8,694,509	64,557,731
38.	Change in net unrealized capital gains (losses) less capital gains tax of $..........0	17,676,860	25,801,650	65,463,176
39.	Change in net unrealized foreign exchange capital gain (loss)	(37,664)	0	10,280
40.	Change in net deferred income tax	2,870,763	1,125,067	(31,090,705)
41.	Change in nonadmitted assets	(9,926,551)	(6,385,415)	32,723,266
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	(6,929,900)	(10,897,920)	(10,138,068)
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	444,554	416,559	460,282
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	19,852,955
	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	0	0	(30,000,000)
53.	Aggregate write-ins for gains and losses in surplus	(964,643)	0	32,557,844
54.	Net change in capital and surplus (Lines 37 through 53)	19,172,787	18,754,449	144,396,762
55.	Capital and surplus as of statement date (Lines 36 + 54)	1,306,228,902	1,161,413,803	1,287,056,116
	DETAILS OF WRITE-INS			
08.301.	Miscellaneous Income	3,794,344	2,965,513	13,555,487
08.302.	Change in Coli	2,055,197	1,951,850	8,977,727
08.303.	Modco Interest	(8,180,617)	(8,115,932)	(30,822,665)
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)	(2,331,076)	(3,198,569)	(8,289,450)
2701.	Change in agents deferred comp	1,480,928	2,137,325	4,503,084
2702.	Miscellaneous deductions	3,469	0	205
2703.	Fines and Penalties	0	63	(104,609)
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)	1,484,397	2,137,388	4,398,680
5301.	Change in defined benefit pension & other postretirement benefit unfunded obligation	(964,643)	0	32,557,844
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)	(964,643)	0	32,557,844

CASH FLOW

		1 Current Year to Date	2 Prior Year To Date	3 Prior Year Ended December 31
	CASH FROM OPERATIONS			
1.	Premiums collected net of reinsurance	106,894,842	109,322,550	423,840,735
2.	Net investment income	89,767,306	86,729,819	417,928,784
3.	Miscellaneous income	2,125,260	298,256	25,444,639
4.	Total (Lines 1 through 3)	198,787,408	196,350,625	867,214,158
5.	Benefit and loss related payments	163,432,166	154,474,249	568,566,222
6.	Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts	(7,552,273)	(12,932,042)	(45,935,496)
7.	Commissions, expenses paid and aggregate write-ins for deductions	50,111,118	35,550,478	163,863,203
8.	Dividends paid to policyholders	20,163,197	22,758,061	109,512,478
9.	Federal and foreign income taxes paid (recovered) net of $.....(603,630) tax on capital gains (losses)	15,044,047	(24,024,390)	(54,044,553)
10.	Total (Lines 5 through 9)	241,198,256	175,826,357	741,961,854
11.	Net cash from operations (Line 4 minus Line 10)	(42,410,848)	20,524,268	125,252,304
	CASH FROM INVESTMENTS			
12.	Proceeds from investments sold, matured or repaid:			
	12.1 Bonds	154,457,239	147,361,503	609,177,235
	12.2 Stocks	3,451,063	6,215,036	11,103,549
	12.3 Mortgage loans	4,820,398	6,743,783	58,583,794
	12.4 Real estate	131,002	0	4,430,528
	12.5 Other invested assets	13,261,284	12,657,439	57,701,941
	12.6 Net gains or (losses) on cash, cash equivalents and short-term investments	0	0	0
	12.7 Miscellaneous proceeds	0	29,752,524	165,617
	12.8 Total investment proceeds (Lines 12.1 to 12.7)	176,120,986	202,730,284	741,162,663
13.	Cost of investments acquired (long-term only):			
	13.1 Bonds	137,428,518	177,956,815	683,510,312
	13.2 Stocks	2,337,207	5,599,179	9,889,700
	13.3 Mortgage loans	20,501,937	0	39,265,419
	13.4 Real estate	2,288,375	2,687,400	8,797,504
	13.5 Other invested assets	12,916,999	25,515,420	61,183,827
	13.6 Miscellaneous applications	8,417,211	11,304,973	1,107,083
	13.7 Total investments acquired (Lines 13.1 to 13.6)	183,890,247	223,063,786	803,753,845
14.	Net increase (decrease) in contract loans and premium notes	(5,429,388)	(4,138,848)	446,202
15.	Net cash from investments (Line 12.8 minus Line 13.7 and Line 14)	(2,339,874)	(16,194,654)	(63,037,383)
	CASH FROM FINANCING AND MISCELLANEOUS SOURCES			
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	1,570,376	3,757,102	(12,956,286)
	16.5 Dividends to stockholders	0	0	30,000,000
	16.6 Other cash provided (applied)	14,326,669	(15,349,030)	(51,747,570)
17.	Net cash from financing and miscellaneous sources (Lines 16.1 through 16.4 minus Line 16.5 plus Line 16.6)	15,897,046	(11,591,928)	(94,703,856)
	RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS			
18.	Net change in cash, cash equivalents and short-term investments (Line 11 plus Line 15 plus Line 17)	(28,853,677)	(7,262,314)	(32,488,935)
19.	Cash, cash equivalents and short-term investments:			
	19.1 Beginning of year	34,664,964	67,153,898	67,153,898
	19.2 End of period (Line 18 plus Line 19.1)	5,811,287	59,891,584	34,664,964

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

20.0001		0	0	0

EXHIBIT 1

DIRECT PREMIUMS AND DEPOSIT-TYPE CONTRACTS

	1 Current Year To Date	2 Prior Year To Date	3 Prior Year Ended December 31
1. Industrial life	0	0	0
2. Ordinary life insurance	91,229,464	90,984,474	433,121,204
3. Ordinary individual annuities	7,068,679	8,277,459	31,648,590
4. Credit life (group and individual)	0	0	0
5. Group life insurance	0	0	0
6. Group annuities	253,078	115,011	6,806,992
7. A&H - group	0	0	0
8. A&H - credit (group and individual)	0	0	0
9. A&H - other	7,433,129	7,801,385	31,340,128
10. Aggregate of all other lines of business	0	0	0
11. Subtotal	105,984,350	107,178,329	502,916,913
12. Deposit-type contracts	0	32,436	32,436
13. Total	105,984,350	107,210,764	502,949,349

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

The financial statements of National Life Insurance Company ("the Company") are presented on the basis of accounting practices prescribed or permitted by the Vermont Department of Financial Regulation ("the Department").

The Department recognizes only statutory accounting practices prescribed or permitted by the State of Vermont for determining and reporting the financial condition and results of operations of an insurance company, for determining its solvency under Vermont Insurance Law. The National Association of Insurance Commissioners' ("NAIC") Accounting Practices and Procedures Manual – as of March 2011 ("NAIC SAP"), has been adopted as a component of prescribed or permitted practices by the Department. NAIC SAP consists of Statements of Statutory Accounting Principles ("SSAPs") and other authoritative guidance. The Commissioner of the Vermont Department of Financial Regulation ("the Vermont Commissioner") has the right to permit specific practices that deviate from the NAIC SAP.

		State of Domicile	March 2013	December 2012
(1)	Net Income (Loss) Vermont State basis		$16,039,367	$64,557,731
(2)	State Prescribed Practice (Income)	VT	-0-	-0-
(3)	State Permitted Practice (Income)	VT	-0-	-0-
(4)	Net Income, NAIC SAP		$16,039,367	$64,557,731
(5)	Statutory Surplus Vermont basis		$1,306,228,902	$1,287,056,116
(6)	State Prescribed Practice (Surplus)	VT	-0-	-0-
(7)	State Permitted Practice (Surplus)	VT	-0-	-0-
(8)	Statutory Surplus, NAIC SAP		$1,306,228,902	$1,287,056,116

Note 2 - Accounting Changes and Corrections of Errors

No significant change.

Note 3 - Business Combinations and Goodwill

No significant change.

Note 4 - Discontinued Operations

No significant change.

NOTES TO FINANCIAL STATEMENTS

Note 5 - Investments

D. Loan-Backed Securities

1. Prepayment assumptions used in the calculation of the effective yield and valuation of loan-backed bonds and structured securities are based on available industry sources and information provided by lenders. The retrospective adjustment methodology is used for the valuation of securities held by the Company.

2. All securities within the scope of this statement with a recognized other-than-temporary impairment, disclosed in the aggregate, classified on the basis for the other-than-temporary impairment:

	1 Amortized Cost Basis Before Other-than-Temporary Impairment	2 Other-than-Temporary Impairment Recognized in Loss 2a Interest	 2b Non-interest	3 Fair Value C1 - (C2a + C2b)
OTTI recognized 1st Quarter				
a. Intent to sell	0	0	0	0
b. Inability or lack of intent to retain the investment in the security for a period of time sufficient to recover the amortized cost basis				
c. Total 1st Quarter	0	0	0	0
OTTI recognized 2nd Quarter				
d. Intent to sell	0	0	0	0
e. Inability or lack of intent to retain the investment in the security for a period of time sufficient to recover the amortized cost basis				
f. Total 2nd Quarter	0	0	0	0
OTTI recognized 3rd Quarter				
g. Intent to sell	0	0	0	0
h. Inability or lack of intent to retain the investment in the security for a period of time sufficient to recover the amortized cost basis				
i. Total 3rd Quarter	0	0	0	0
OTTI recognized 4th Quarter				
j. Intent to sell	0	0	0	0
k. Inability or lack of intent to retain the investment in the security for a period of time sufficient to recover the amortized cost basis	0	0	0	0
l. Total 4th Quarter	0	0	0	0
m. Annual Aggregate Total			0	

3. For each security, by CUSIP, with a recognized other-than-temporary impairment, currently held by the reporting entity, as the present value of cash flows expected to be collected is less than the amortized cost basis of the securities:

1 CUSIP	2 Book/Adj Carrying Value Amortized Cost before current period OTTI	3 Projected Cash Flows	4 Recognized other-than-temporary impairment	5 Amortized cost after other-than-temporary impairment	6 Fair Value at the time of OTTI	7 Date of Financial Statement Where Reported
	0	0	0	0	0	0
Total			0			

4. All Impaired securities (fair value is less than cost or amortized cost) for which other-than-temporary impairment has not been recognized in earnings as a realized loss (including securities with a recognized other-than-temporary impairment for non-interest related declines when a non-recognized interest related impairment remains):

a	The aggregate amount of unrealized losses				
	1.	Less than 12 Months		$ 459,566	
	2.	12 Months or Longer		$ 0	
b	The aggregate related fair value of securities with unrealized losses				
	1.	Less than 12 Months		$ 1,216,129	
	2.	12 Months or Longer		$ 0	

E. Repurchase Agreements and/or Securities Lending Transactions

(3) Collateral Received

b. The fair value of that collateral and of the portion of that collateral that it has sold or repledged was $0 as of March 31, 2013, and December 31, 2012, respectively.

Note 6 - Joint Ventures, Partnerships and Limited Liability Companies

No significant change.

Note 7 - Investment Income

No significant change.

Note 8 - Derivative Instruments

No significant change.

Note 9 - Income Taxes

No significant change.

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

No significant change.

Note 11 - Debt

No significant change.

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

	Pension Benefits 2013	Pension Benefits 2012	Other Benefits 2013	Other Benefits 2012
	(in 000s)		(in 000s)	
(6) Components of net periodic benefit cost				
Service cost	$ 123	$ 1,542	$ -	$ 241
Interest cost	821	3,567	19	412
Expected (return) on plan assets	(213)	(2,923)	-	-
Amortization of unrecognized transition obligation or transition asset	-	-	22	127
Amortization of unrecognized gains and losses	566	2,119	(23)	(31)
Amount of prior service cost recognized	-	(17)	(32)	(31)
Total net periodic benefit cost	$ 1,297	$ 4,288	$ (14)	$ 718

The change in net periodic benefit cost from 2012 to 2013 is due to the transfer of sponsorship of certain employee related pension and medical plans from the Company to its parent, NLV Financial Corporation ("NLVF"). The Company has no ongoing obligation in connection with this transfer outside of contributing towards the annual cost for the Company's employees who participate in the plan.

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

No significant change.

NOTES TO FINANCIAL STATEMENTS

Note 14 - Contingencies

No significant change.

Note 15 - Leases

No significant change.

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

No significant change.

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

A. Transfers of Receivables reported as Sales - None

B. Transfer and Servicing of Financial Assets - None

C. Wash Sales - None

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

No significant change.

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

No significant change.

Note 20 - Fair Value Measurements

A. (1) Assets Measured at Fair Value on a Recurring Basis

Assets at Fair Value	Level 1	Level 2	Level 3	Total
Bonds				
Industrial & Miscellaneous	$ -	$ 10,629,613	$ -	$ 10,629,613
Total Bonds	$ -	$ 10,629,613	$ -	$ 10,629,613
Common stock				
Industrial & Miscellaneous	$ 29,902,468	$ -	$ -	$ 29,902,468
Derivatives				
OTC-Options Long	$ -	$ 24,434,730	$ -	$ 24,434,730
Futures	85,565	-	-	85,565
Total Derivatives	$ 85,565	$ 24,434,730	$ -	$ 24,520,295
Other Invested Assets				
Partnerships	$ -	$ -	$ 199,658,637	$ 199,658,637
Short Term	$ 11,050,000	$ -	$ -	$ 11,050,000
Separate Account Assets	678,024,791	50,683,762	-	728,708,553
Total Assets at Fair Value	$ 719,062,824	$ 85,748,105	$ 199,658,637	$ 1,004,469,566
Liabilities at Fair Value				
Derivatives				
OTC-Options Short	$ -	$ 7,944,120	$ -	$ 7,944,120
Total Liabilities at Fair Value	$ -	$ 7,944,120	$ -	$ 7,944,120

NOTES TO FINANCIAL STATEMENTS

B. Fair value measurements in Level 3 of the fair value hierarchy

Assets	Beginning Balance 01/01/2013	Transfers into Level 3	Transfers out of Level 3	Net Investment Gains/Loss in Earnings (Realized & Unrealized)	Unrealized	Purchases	Issuances	Sales	Settlement	Ending Balance 03/31/2013
Other Invested Assets										
Partnerships	$207,875,914	-	-	$(1,347,053)	$(6,525,938)	$12,986,818	-	$(13,331,104)	-	$199,658,637

C. Fair value of admitted assets

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	(Level 1)	(Level 2)	(Level 3)	Not Practicable Carrying Value
Bonds	$6,037,121,715	$5,349,347,070	$ 7,753,273	$6,022,508,885	$ 6,859,557	-
Preferred Stock	-	-	-	-	-	-
Common Stock	$ 647,829,155	$ 647,829,155	$ 29,902,468	-	$ 617,926,687	-
Mortgage Loans	-	$ 635,162,173	-	-	-	$635,162,173
Real Estate	$ 46,420,304	$ 52,074,930	-	$ 46,386,296	$ 34,008	-
Short Term Investments	$ 11,050,000	$ 11,050,000	$ 11,050,000	-	-	-
Cash Equivalents	-	-	-	-		-
Derivative Asset	$ 24,520,295	$ 24,520,295	$ 85,565	$ 24,434,730	-	-
Other Invested Assets	$ 234,594,875	$ 316,022,611	-	$ 33,221,285	$ 201,373,590	$ 87,795,772
Separate Account Assets	$ 728,708,553	$ 728,708,553	$ 678,024,791	$ 50,683,762	-	-
Derivative Liability	$ 7,944,120	$ 7,944,120	-	$ 7,944,120	-	-

D. Not practicable to estimate fair value

Type or Class of Financial Instrument	Carrying Value	Effective Interest Rate	Maturity Date	Explanation
Mortgage Loans	$ 635,162,173			A
Other Invested Assets	$ 87,795,772			A

A – It was not practicable to determine the fair value of these financial instruments as a quoted market price is not available.

Note 21 - Other Items

No significant change.

Note 22 - Events Subsequent

No significant change.

Note 23 - Reinsurance

No significant change.

Note 24 - Retrospectively Rated Contracts & Contracts Subject to Redetermination

No significant change.

Note 25 - Change in Incurred Losses and Loss Adjustment Expenses

N/A

Note 26 - Intercompany Pooling Arrangements

No significant change.

NOTES TO FINANCIAL STATEMENTS

Note 27 - Structured Settlements

No significant change.

Note 28 - Health Care Receivables

No significant change.

Note 29 - Participating Policies

No significant change.

Note 30 - Premium Deficiency Reserves

No significant change.

Note 31 - Reserves for Life Contracts and Annuity Contracts

No significant change.

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

No significant change.

Note 33 - Premiums and Annuity Considerations Deferred and Uncollected

No significant change.

Note 34 - Separate Accounts

No significant change.

Note 35 - Loss/Claim Adjustment Expenses

No significant change.

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES - GENERAL

1.1 Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act? Yes [ ] No [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 Have there been any substantial changes in the organizational chart since the prior quarter end? Yes [ ] No [X]

3.2 If the response to 3.1 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 [ ] N/A [X]
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. 12/312009.......................

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). 2/18/2011........................

6.4 By what department or departments?
Vermont Department of Financial Regulation

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 [ ] No [X]

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

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

8.4 If 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
Equity Services, Inc.	Montpelier, VT				Yes
Sentinel Financial Services Company	Montpelier, VT				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]

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

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 [X] No [ ]

10.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: $..................................0

PART 1 - INVESTMENT

11.1 Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.) Yes [ ] No [X]

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

12. Amount of real estate and mortgages held in other invested assets in Schedule BA: $..................................0

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	$ 3,928,944	$ 3,935,873
14.22 Preferred Stock	$ 0	$ 0
14.23 Common Stock	$ 595,232,244	$ 617,926,688
14.24 Short-Term Investments	$ 0	$ 0
14.25 Mortgage Loans on Real Estate	$ 0	$ 0
14.26 All Other	$ 0	$ 0
14.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26)	$ 599,161,188	$ 621,862,561
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 [X] No [ ]

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

16. For the reporting entity's security lending program, state the amount of the following as 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 reporting 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
JP Morgan Chase	4 Chase Metrotech Center 14th Floor Brooklyn, NY 11245

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

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 Central Registration Depository	2 Name(s)	3 Address
109396	Sentinel Asset Management, Inc.	Montpelier, VT

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:

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	$0
1.13	Commercial mortgages	$635,162,173
1.14	Total mortgages in good standing	$635,162,173
1.2	Long-term mortgages in good standing with restructured terms	
1.21	Total mortgages in good standing with restructured terms	$0
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	$0
1.34	Total mortgages with interest overdue more than three months	$0
1.4	Long-term mortgage loans in process of foreclosure	
1.41	Farm mortgages	$0
1.42	Residential mortgages	$0
1.43	Commercial mortgages	$0
1.44	Total mortgages in process of foreclosure	$0
1.5	Total mortgage loans (Lines 1.14 + 1.21 + 1.34 + 1.44) (Page 2, Column 3, Lines 3.1 + 3.2)	$635,162,173
1.6	Long-term mortgages foreclosed, properties transferred to real estate in current quarter	
1.61	Farm mortgages	$0
1.62	Residential mortgages	$0
1.63	Commercial mortgages	$0
1.64	Total mortgages foreclosed and transferred to real estate	$0

2. Operating Percentages:

2.1	A&H loss percent	0.0
2.2	A&H cost containment percent	0.0
2.3	A&H expense percent excluding cost containment expenses	0.0

3.1	Do you act as a custodian for health savings accounts?	Yes [ ] No [X]
3.2	If yes, please provide the amount of custodial funds held as of the reporting date	$0
3.3	Do you act as an administrator for health savings accounts?	Yes [ ] No [X]
3.4	If yes, please provide the balance of the funds administered as of the reporting date	$0

SCHEDULE S - CEDED REINSURANCE

Showing All New Reinsurance Treaties - Current Year to Date

1 NAIC Company Code	2 Federal ID Number	3 Effective Date	4 Name of Reinsurer	5 Domiciliary Jurisdiction	6 Type of Reinsurance Ceded	7 Is Insurer Authorized? (YES or NO)
Life Non-Affiliates						
97071................	13-3126819..........	01/01/2013	Generali USA Life..	MO......................................	ADB/I..................	Yes...................

SCHEDULE T - PREMIUMS AND ANNUITY CONSIDERATIONS

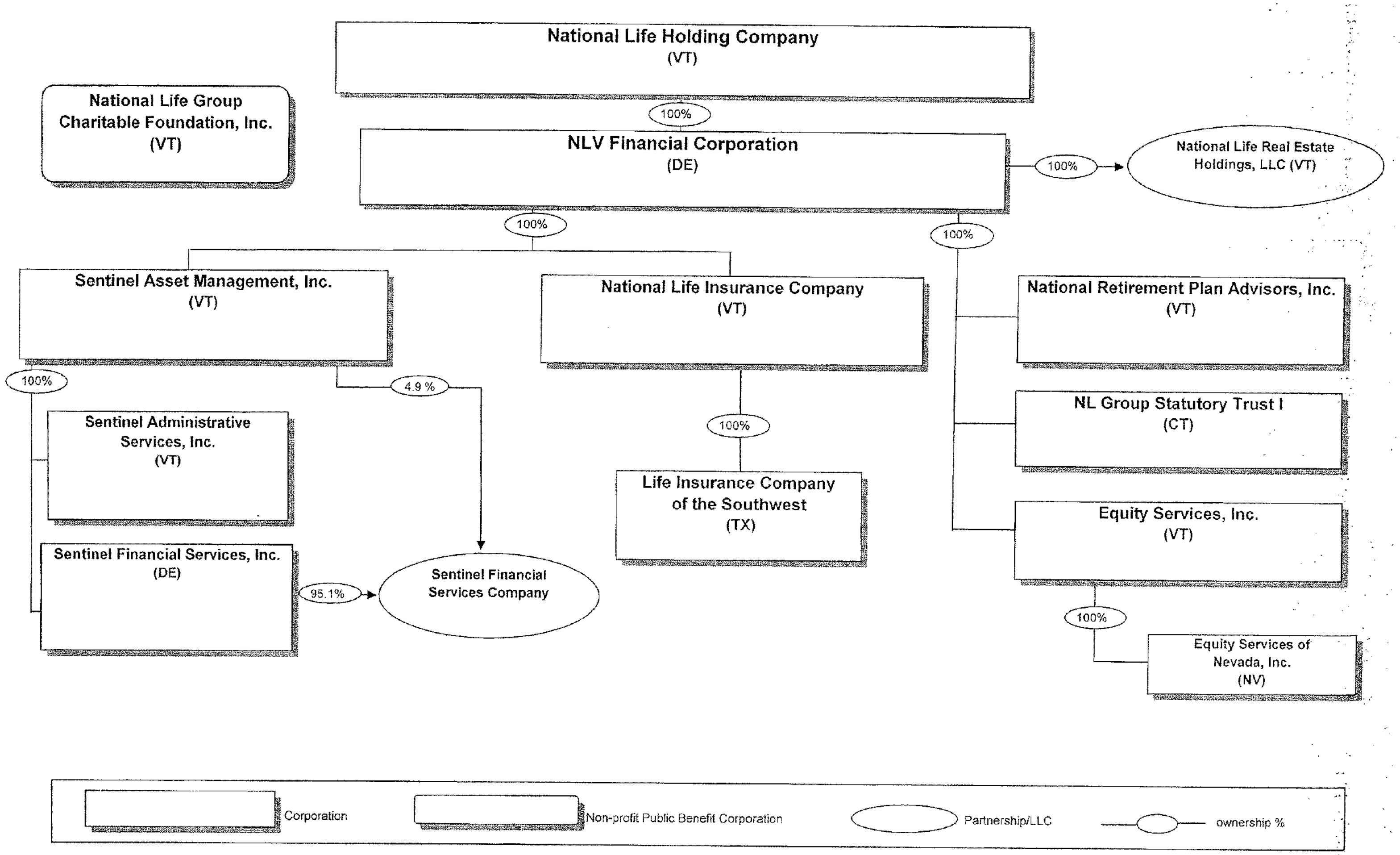
Current Year to Date - Allocated by States and Territories

	1	Direct Business Only					
		Life Contracts		4	5	6	7
		2	3				
States, Etc.	Active Status	Life Insurance Premiums	Annuity Considerations	Accident and Health Insurance Premiums, Including Policy, Membership and Other Fees	Other Considerations	Total Columns 2 through 5	Deposit-Type Contracts
1. Alabama AL	L	(187,049)	5,832	182,088	0	871	0
2. Alaska AK	L	14,898	-	10,220	0	25,117	0
3. Arizona AZ	L	777,231	39,046	48,791	0	865,068	0
4. Arkansas AR	L	51,964	-	6,049	0	58,013	0
5. California CA	L	7,552,393	39,590	728,469	0	8,320,452	0
6. Colorado CO	L	525,744	25,000	58,183	0	608,926	0
7. Connecticut CT	L	1,546,249	128,718	155,421	0	1,830,388	0
8. Delaware DE	L	500,229	40,782	13,812	0	554,824	0
9. District of Columbia DC	L	54,408	-	10,129	0	64,537	0
10. Florida FL	L	6,640,078	1,016,153	418,665	0	8,074,896	0
11. Georgia GA	L	3,448,835	131,625	339,652	0	3,920,111	0
12. Hawaii HI	L	80,481	-	6,842	0	87,323	0
13. Idaho ID	L	156,842	6,995	3,503	0	167,340	0
14. Illinois IL	L	3,713,681	153,484	162,287	0	4,029,453	0
15. Indiana IN	L	920,597	1,800	40,750	0	963,147	0
16. Iowa IA	L	170,807	36,676	11,259	0	218,741	0
17. Kansas KS	L	891,956	45,300	22,797	0	960,053	0
18. Kentucky KY	L	348,535	87,739	21,964	0	458,238	0
19. Louisiana LA	L	337,379	200	55,930	0	393,509	0
20. Maine ME	L	1,514,732	12,221	63,006	0	1,589,959	0
21. Maryland MD	L	2,270,380	113,911	72,696	0	2,456,987	0
22. Massachusetts MA	L	1,714,728	126,116	159,297	0	2,000,141	0
23. Michigan MI	L	1,468,620	69,411	307,599	0	1,845,630	0
24. Minnesota MN	L	1,540,847	133,324	161,040	0	1,835,211	0
25. Mississippi MS	L	180,271	-	20,135	0	200,406	0
26. Missouri MO	L	3,918,986	3,300	36,522	0	3,958,809	0
27. Montana MT	L	137,907	-	11,286	0	149,193	0
28. Nebraska NE	L	278,090	275,075	42,257	0	595,423	0
29. Nevada NV	L	268,349	-	20,960	0	289,309	0
30. New Hampshire NH	L	771,505	52,650	57,344	0	881,500	0
31. New Jersey NJ	L	6,286,512	14,071	399,692	0	6,700,275	0
32. New Mexico NM	L	90,846	150	9,058	0	100,053	0
33. New York NY	L	15,146,972	2,391,612	1,072,646	0	18,611,230	0
34. North Carolina NC	L	5,522,752	69,238	167,225	0	5,759,214	0
35. North Dakota ND	L	9,960	25	2,247	0	12,233	0
36. Ohio OH	L	4,086,912	29,016	147,100	0	4,263,028	0
37. Oklahoma OK	L	130,869	15,395	9,007	0	155,271	0
38. Oregon OR	L	612,318	6,091	35,050	0	653,460	0
39. Pennsylvania PA	L	4,068,484	103,069	362,014	0	4,533,566	0
40. Rhode Island RI	L	589,783	38,047	66,109	0	693,939	0
41. South Carolina SC	L	824,813	1,550	49,048	0	875,411	0
42. South Dakota SD	L	86,892	1,500	12,726	0	101,118	0
43. Tennessee TN	L	1,062,229	93,567	87,280	0	1,243,075	0
44. Texas TX	L	2,451,348	60,135	187,158	0	2,698,642	0
45. Utah UT	L	957,008	105,813	23,166	0	1,085,987	0
46. Vermont VT	L	3,723,656	771,243	87,055	0	4,581,954	0
47. Virginia VA	L	3,272,186	31,000	193,496	0	3,496,682	0
48. Washington WA	L	453,190	250	31,804	0	485,244	0
49. West Virginia WV	L	143,762	-	10,140	0	153,902	0
50. Wisconsin WI	L	2,760,811	36,000	48,521	0	2,845,332	0
51. Wyoming WY	L	24,426	-	3,732	0	28,158	0
52. American Samoa AS	N	0	0	0	0	0	0
53. Guam GU	N	0	0	0	0	0	0
54. Puerto Rico PR	N	1,864	0	240	0	2,103	0
55. US Virgin Islands VI	N	19,654	0	0	0	19,654	0
56. Northern Mariana Islands MP	N	0	0	0	0	0	0
57. Canada CAN	N	0	0	0	0	0	0
58. Aggregate Other Alien OT	XXX	600,340	40,150	9,639	0	650,129	0
59. Subtotal	(a) 51	94,537,261	6,352,869	6,263,105	0	107,153,235	0
90. Reporting entity contributions for employee benefit plans	XXX	186,159	168,654	0	0	354,813	0
91. Dividends or refunds applied to purchase paid-up additions and annuities	XXX	11,358,768	800,234	0	0	12,159,002	0
92. Dividends or refunds applied to shorten endowment or premium paying period	XXX	0	0	0	0	0	0
93. Premium or annuity considerations waived under disability or other contract provisions	XXX	1,244,490	0	995,681	0	2,240,170	0
94. Aggregate other amounts not allocable by State	XXX	9,680	0	0	0	9,680	0
95. Totals (Direct Business)	XXX	107,336,357	7,321,757	7,258,786	0	121,916,900	0
96. Plus Reinsurance Assumed	XXX	98,226	0	0	0	98,226	0
97. Totals (All Business)	XXX	107,434,583	7,321,757	7,258,786	0	122,015,126	0
98. Less Reinsurance Ceded	XXX	9,446,319	7,173	5,823,813	0	15,277,305	0
99. Totals (All Business) less Reinsurance Ceded	XXX	97,988,264	7,314,585	1,434,973	0	106,737,821	0
DETAILS OF WRITE-INS							
58001. Other Foreign	XXX	600,340	40,150	9,639	0	650,129	0
58002.	XXX	0	0	0	0	0	0
58003.	XXX	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
58999. Total (Lines 58001 thru 58003 plus 58998) (Line 58 above)	XXX	600,340	40,150	9,639	0	650,129	0
9401. Other Foreign	XXX	9,680	0	0	0	9,680	0
9402.	XXX	0	0	0	0	0	0
9403.	XXX	0	0	0	0	0	0
9498. Summary of remaining write-ins for line 94 from overflow page	XXX	0	0	0	0	0	0
9499. Total (Lines 9401 thru 9403 plus 9498) (Line 94 above)	XXX	9,680	0	0	0	9,680	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



SCHEDULE Y

PART 1A - DETAIL OF INSURANCE HOLDING COMPANY SYSTEM

1 Group Code	2 Group Name	3 NAIC Company Code	4 Federal ID Number	5 Federal RSSD	6 CIK	7 Name of Securities Exchange if Publicly Traded (U.S. or International)	8 Names of Parent, Subsidiaries or Affiliates	9 Domiciliary Location	10 Relationship to Reporting Entity	11 Directly Controlled by (Name of Entity/Person)	12 Type of Control (Ownership Board, Management Attorney-in-Fact, Influence, Other)	13 If Control is Ownership Provide Percentage	14 Ultimate Controlling Entity(ies)/Person(s)	15 *
Members														
0000	National Life Group	00000	03-0359221	0	0		National Life Holding Company	VT	UDP		Board	0.000		0
0000	National Life Group	00000	20-4818866	0	0		National Life Group Charitable Foundation, Inc.	VT	NIA	National Life Holding Company	Management	100.000	National Life Holding Company	0
0000	National Life Group	00000	03-0359222	0	0		NLV Financial Corporation	DE	UDP	National Life Holding Company	Board	0.000	National Life Holding Company	0
0634	National Life Group	66680	03-0144090	0	0		National Life Insurance Company	VT	UDP	NLV Financial Corporation	Board	0.000	National Life Holding Company	0
0634	National Life Group	65528	75-0953004	0	0		Life Insurance Company of the Southwest	TX		National Life Insurance Company	Ownership	100.000	National Life Holding Company	0
0000	National Life Group	00000	03-0221140	0	0		Sentinel Asset Management, Inc.	VT	NIA	NLV Financial Corporation	Board	0.000	National Life Holding Company	0
0000	National Life Group	00000	03-0316212	0	0		Sentinel Administrative Services, Inc.	VT	NIA	Sentinel Asset Management, Inc.	Ownership	100.000	National Life Holding Company	0
0000	National Life Group	00000	51-0102130	0	0		Sentinel Financial Services, Inc.	DE	NIA	Sentinel Asset Management, Inc.	Ownership	100.000	National Life Holding Company	0
0000	National Life Group	00000	03-0335801	0	0		Sentinel Financial Services Company	VT	NIA	Sentinel Financial Services, Inc.	Ownership	95.100	National Life Holding Company	0
0000	National Life Group	00000	03-0355801	0	0		Sentinel Financial Services Company	VT	NIA	Sentinel Asset Management, Inc.	Ownership	4.900	National Life Holding Company	0
0000	National Life Group	00000	27-1362376	0	0		National Life Real Estate Holdings, LLC	VT	NIA	NLV Financial Corporation	Ownership	100.000	National Life Holding Company	0
0000	National Life Group	00000	03-0223461	0	0		National Retirement Plan Advisors, Inc.	VT	NIA	NLV Financial Corporation	Ownership	100.000	National Life Holding Company	0
0000	National Life Group	00000		0	0		NL Group Statutory Trust I	CT	NIA	NLV Financial Corporation	Ownership	100.000	National Life Holding Company	0
0000	National Life Group	00000	03-0221141	0	0		Equity Services, Inc.	VT	NIA	NLV Financial Corporation	Ownership	100.000	National Life Holding Company	0
0000	National Life Group	00000	03-0221141	0	0		Equity Services of Nevada, Inc.	NV	NIA	Equity Services, Inc.	Ownership	100.000	National Life Holding Company	0

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

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

		Response
1.	Will the Trusteed Surplus Statement be filed with the state of domicile and the NAIC with this statement?	NO
2.	Will the Medicare Part D Coverage Supplement be filed with the state of domicile and the NAIC with this statement?	NO
3.	Will the Reasonableness of Assumptions Certification required by Actuarial Guideline XXXV be filed with the state of domicile and electronically with the NAIC?	NO
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?	NO
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?	NO
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?	NO
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?	YES

Explanations:

1.
2.
3.
4.
5.
6.
7.

Bar Code:

66680201349000001

66680201336500001

66680201344500001

66680201344600001

66680201344700001

66680201344800001

Overflow Page for Write-Ins

Additional Write-ins for Assets:

	Current Statement Date			4
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	December 31, Prior Year Net Admitted Assets
2504. Items not allocated	4,774,935	11,505	4,763,430	2,660,899
2505. Software applications	53,125,019	53,125,019	0	0
2506. Prepaid expenses	4,985,738	4,985,738	0	0
2507. Miscellaneous Adjustment	291,924	291,924	0	0
2597. Summary of remaining write-ins for Line 25	63,177,617	58,414,186	4,763,430	2,660,899

Additional Write-ins for Liabilities:

	1 Current Statement Date	2 December 31 Prior Year
2504. Guaranty fund	5,216,753	5,261,974
2505. Accumulated post retirement benefits	3,766,717	3,834,200
2506. Provision for sales practice litigation	2,459,319	2,468,999
2507. Commission accumulation liability	946,529	1,032,838
2508. Accrued interest on death claims	710,815	640,978
2509. Medical plan liability	150,000	0
2597. Summary of remaining write-ins for Line 25	13,250,133	13,238,988

Additional Write-ins for Liabilities:

	1 Current Statement Date	2 December 31 Prior Year
3404.	0	0
3497. Summary of remaining write-ins for Line 34	0	0

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	50,389,995	46,372,671
2. Cost of acquired:		
2.1 Actual cost at time of acquisition	0	0
2.2 Additional investment made after acquisition	2,288,375	8,797,504
3. Current year change in encumbrances	0	(236,050)
4. Total gain (loss) on disposals	99,562	1,998,364
5. Deduct amounts received on disposals	131,002	4,430,528
6. Total foreign exchange change in book/adjusted carrying value	0	0
7. Deduct current year's other than temporary impairment recognized	0	0
8. Deduct current year's depreciation	572,000	2,111,967
9. Book/adjusted carrying value at end of current period (Lines 1+2+3+4-5+6-7-8)	52,074,930	50,389,995
10. Deduct total nonadmitted amounts	0	0
11. Statement value at end of current period (Line 9 minus Line 10)	52,074,930	50,389,995

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	619,480,634	641,089,534
2. Cost of acquired:		
2.1 Actual cost at time of acquisition	20,500,000	39,250,000
2.2 Additional investment made after acquisition	1,937	15,419
3. Capitalized deferred interest and other	0	130,526
4. Accrual of discount	0	0
5. Unrealized valuation increase (decrease)	0	0
6. Total gain (loss) on disposals	0	0
7. Deduct amounts received on disposals	4,820,398	58,583,794
8. Deduct amortization of premium and mortgage interest points and commitment fees	0	0
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	2,421,051
11. Book value/recorded investment excluding accrued interest at end of current period (Lines 1+2+3+4+5+6-7-8+9-10)	635,162,173	619,480,634
12. Total valuation allowance	0	0
13. Subtotal (Line 11 plus Line 12)	635,162,173	619,480,634
14. Deduct total nonadmitted amounts	0	0
15. Statement value at end of current period (Line 13 minus Line 14)	635,162,173	619,480,634

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	327,022,175	324,756,526
2. Cost of acquired:		
2.1 Actual cost at time of acquisition	0	4,392,908
2.2 Additional investment made after acquisition	12,916,999	56,790,919
3. Capitalized deferred interest and other	0	0
4. Accrual of discount	3,896	19,585
5. Unrealized valuation increase (decrease)	(6,525,938)	10,294,055
6. Total gain (loss) on disposals	0	1,233
7. Deduct amounts received on disposals	13,261,284	57,701,941
8. Deduct amortization of premium and depreciation	2,786,186	8,710,396
9. Total foreign exchange change in book/adjusted carrying value	0	0
10. Deduct current year's other than temporary impairment recognized	1,347,053	2,820,713
11. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5+6-7-8+9-10)	316,022,609	327,022,175
12. Deduct total nonadmitted amounts	0	0
13. Statement value at end of current period (Line 11 minus Line 12)	316,022,609	327,022,175

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	5,989,996,069	5,864,655,258
2. Cost of bonds and stocks acquired	139,765,724	693,400,012
3. Accrual of discount	3,966,395	12,327,156
4. Unrealized valuation increase (decrease)	24,202,798	55,169,123
5. Total gain (loss) on disposals	632,655	4,104,829
6. Deduct consideration for bonds and stocks disposed of	157,908,303	620,280,784
7. Deduct amortization of premium	3,441,449	11,083,571
8. Total foreign exchange change in book/adjusted carrying value	(37,664)	10,280
9. Deduct current year's other than temporary impairment recognized	0	8,306,234
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9)	5,997,176,225	5,989,996,069
11. Deduct total nonadmitted amounts	0	0
12. Statement value at end of current period (Line 10 minus Line 11)	5,997,176,225	5,989,996,069

SCHEDULE D - PART 1B

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

	1 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
BONDS								
1. Class 1 (a)	3,126,043,163	256,595,916	326,457,343	2,664,521	3,058,846,256	0	0	3,126,043,163
2. Class 2 (a)	1,998,478,185	67,712,718	33,123,174	2,324,936	2,035,392,665	0	0	1,998,478,185
3. Class 3 (a)	197,379,033	4,106,500	7,859,325	(4,605,920)	189,020,288	0	0	197,379,033
4. Class 4 (a)	48,317,597	4,212,500	279,902	(3,952,640)	48,297,555	0	0	48,317,597
5. Class 5 (a)	14,478,179	0	4,980,009	4,041,202	13,539,373	0	0	14,478,179
6. Class 6 (a)	14,798,383	0	659	503,206	15,300,929	0	0	14,798,383
7. Total Bonds	5,399,494,540	332,627,634	372,700,412	975,305	5,360,397,066	0	0	5,399,494,540
PREFERRED STOCK								
8. Class 1	0	0	0	0	0	0	0	0
9. Class 2	0	0	0	0	0	0	0	0
10. Class 3	0	0	0	0	0	0	0	0
11. Class 4	0	0	0	0	0	0	0	0
12. Class 5	0	0	0	0	0	0	0	0
13. Class 6	0	0	0	0	0	0	0	0
14. Total Preferred Stock	0	0	0	0	0	0	0	0
15. Total Bonds and Preferred Stock	5,399,494,540	332,627,634	372,700,412	975,305	5,360,397,066	0	0	5,399,494,540

(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 $.....11,050,000; NAIC 2 $............0; NAIC 3 $............0; NAIC 4 $............0; NAIC 5 $............0; NAIC 6 $............0.

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	11,050,000	XXX	11,050,000	465	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	34,250,000	59,650,000
2. Cost of short-term investments acquired	66,600,000	344,000,000
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	89,800,000	369,400,000
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)	11,050,000	34,250,000
11. Deduct total nonadmitted amounts	0	0
12. Statement value at end of current period (Line 10 minus Line 11)	11,050,000	34,250,000

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)	10,172,390
2.	Cost paid/(consideration received) on additions	2,272,726
3.	Unrealized valuation increase (decrease)	6,183,152
4.	Total gain (loss) on termination recognized	2,087,453
5.	Considerations received (paid) on terminations	4,225,106
6.	Amortization	0
7.	Adjustment to the book/adjusted carrying value of hedge item	0
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)	16,490,615
10.	Deduct nonadmitted assets	0
11.	Statement value at end of current period (Line 9 minus Line 10)	16,490,615

SCHEDULE DB - PART B - VERIFICATION

Futures Contracts

1.	Book/adjusted carrying value, December 31, prior year (Line 6, prior year)				164,220
2.	Cumulative cash change (Section 1, Broker Name/Net Cash Deposits Footnote - Cumulative Cash Change column)				(78,658)
3.1	Add:				
	Change in variation margin on open contracts - Highly Effective Hedges:				
3.11	Section 1, Column 15, current year to date minus	12,740			
3.12	Section 1, Column 15, prior year	5,258	7,482		
	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	0	7,482	
3.2	Add:				
	Change in adjustment to basis of hedged item:				
3.21	Section 1, Column 17, current year to date minus	12,739			
3.22	Section 1, Column 17, prior year	0	12,739		
	Change in amount recognized:				
3.23	Section 1, Column 19, current year to date minus	0			
3.24	Section 1, Column 19, prior year	5,257	(5,257)	7,482	
3.3	Subtotal (Line 3.1 minus Line 3.2)				0
4.1	Cumulative variation margin on terminated contracts during the year		(230,098)		
4.2	Less:				
4.21	Amount used to adjust basis of hedged item	0			
4.22	Amount recognized	(230,098)	(230,098)		
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)				85,562
7.	Deduct nonadmitted assets				0
8.	Statement value at end of current period (Line 6 minus Line 7)				85,562

SCHEDULE DB - PART C - SECTION 1

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

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

NONE

SCHEDULE DB - PART C - SECTION 2

Reconciliation (Synthetic Asset) Transactions Open

	First Quarter		Second Quarter		Third Quarter		Fourth Quarter		Year-To-Date	
	1 Number of Positions	2 Total Replication (Synthetic Asset) Transactions Statement Value	3 Number of Positions	4 Total Replication (Synthetic Asset) Transactions Statement Value	5 Number of Positions	6 Total Replication (Synthetic Asset) Transactions Statement Value	7 Number of Positions	8 Total Replication (Synthetic Asset) Transactions Statement Value	9 Number of Positions	10 Total Replication (Synthetic Asset) Transactions Statement Value
1. Beginning Inventory	0	0	0	0	0	0	0	0	0	0
2. Add: Opened or acquired transactions	0	0	0	0	0	0	0	0	0	0
3. Add: Increases in replication (synthetic asset) transactions statement value	XXX	0	XXX	0	XXX	0	XXX	0	XXX	0
4. Less: Closed or disposed of transactions	0	0	0	0	0	0	0	0	0	0
5. Less: Positions disposed of for failing effectiveness criteria	0	0	0	0	0	0	0	0	0	0
6. Less: Decreases in replication (synthetic asset) transactions statement value	XXX	0	XXX	0	XXX	0	XXX	0	XXX	0
7. Ending Inventory	0	0	0	0	0	0	0	0	0	0

NONE

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	16,490,609	
2.	Part B, Section 1, Column 15 plus Part B, Section 1 Footnote - Total Ending Cash Balance	85,564	
3.	Total (Line 1 plus Line 2)		16,576,173
4.	Part D, Section 1, Column 5	24,520,292	
5.	Part D, Section 1, Column 6	(7,944,119)	
6.	Total (Line 3 minus Line 4 minus Line 5)		0
		Fair Value Check	
7.	Part A, Section 1, Column 16	16,490,609	
8.	Part B, Section 1, Column 13	85,564	
9.	Total (Line 7 plus Line 8)		16,576,173
10.	Part D, Section 1, Column 8	24,520,292	
11.	Part D, Section 1, Column 9	(7,944,119)	
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	49,000	
15.	Part D, Section 1, Column 11	49,000	
16.	Total (Line 13 plus Line 14 minus Line 15)		0

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	128,599,116	1,298,211,807
3. Accrual of discount	0	0
4. Unrealized valuation increase (decrease)	0	0
5. Total gain (loss) on disposals	0	(210)
6. Deduct consideration received on disposals	128,599,116	1,298,211,597
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

SCHEDULE A - PART 2

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

1	Location 2	3	4	5	6	7	8	9
Description of Property	City	State	Date Acquired	Name of Vendor	Actual Cost at Time of Acquisition	Amount of Encumbrances	Book/Adjusted Carrying Value Less Encumbrances	Additional Investment Made After Acquisition
Acquired by Purchase								
04 Home Office	Montpelier	VT	Various	Various	0	0	0	2,288,375
0199999. Totals					0	0	0	2,288,375
0399999. Totals					0	0	0	2,288,375

SCHEDULE A - PART 3

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

1	Location 2	3	4	5	6	7	8	Change in Book/Adjusted Carrying Value Less Encumbrances 9	10	11	12	13	14	15	16	17	18	19	20
Description of Property	City	State	Disposal Date	Name of Purchaser	Actual Cost	Expended for Additions, Permanent Improvements and Changes in Encumbrances	Book/Adjusted Carrying Value Less Encumbrances Prior Year	Current Year's Depreciation	Current Year's Other Than Temporary Impairment Recognized	Current Year's Change in Encumbrances	Total Change in B./A.C.V. (11 - 9 - 10)	Total Foreign Exchange Change in B./A.C.V.	Book/Adjusted Carrying Value Less Encumbrances on Disposal	Amounts Received During Year	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Gross Income Earned Less Interest Incurred on Encumbrances	Taxes, Repairs, and Expenses Incurred
Property Disposed																			
31 71 Independence Green	Montpelier	VT	01/31/2013	Bonnie S. Smoren	100,474	0	31,756	316	0	0	(316)	0	31,440	131,002	0	99,562	99,562	0	0
0199999. Totals					100,474	0	31,756	316	0	0	(316)	0	31,440	131,002	0	99,562	99,562	0	0
0399999. Totals					100,474	0	31,756	316	0	0	(316)	0	31,440	131,002	0	99,562	99,562	0	0

SCHEDULE B - PART 2

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

1 Loan Number	Location 2 City	Location 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
Mortgages in Good Standing								
Commercial Mortgages - All Other								
329485	CHAPEL HILL	NC		09/18/1997	8.190	0	1,937	10,504,000
329714	COLUMBUS	OH		02/08/2013	3.875	10,000,000	0	15,300,000
329715	WASHINGTON	DC		02/28/2013	3.250	10,500,000	0	23,900,000
0599999. Total - Mortgages in Good Standing - Commercial Mortgages - All Other				XXX	XXX	20,500,000	1,937	49,704,000
0899999. Total - Mortgages in Good Standing				XXX	XXX	20,500,000	1,937	49,704,000
3399999. Total Mortgages				XXX	XXX	20,500,000	1,937	49,704,000

SCHEDULE B - PART 3

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

1 Loan Number	Location 2 City	Location 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 8 Unrealized Valuation Increase (Decrease)	9 Current Year's (Amortization)/ Accretion	10 Current Year's Other Than Temporary Impairment Recognized	11 Capitalized Deferred Interest and Other	12 Total Change in Book Value (8+9-10+11)	13 Total Foreign Exchange Change in Book Value	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
Mortgages With Partial Repayments																	
329419	PITTSBURGH	PA		05/08/1995		850,757	0	0	0	0	0	0	0	76,312	0	0	0
329421	CHITTENANGO	NY		05/31/1995		1,536,027	0	0	0	0	0	0	0	36,261	0	0	0
329481	EUGENE	OR		06/26/1997		7,753,866	0	0	0	0	0	0	0	132,635	0	0	0
329485	CHAPEL HILL	NC		09/18/1997		3,171,365	0	0	0	0	0	0	0	53,094	0	0	0
329487	TULSA	OK		05/13/1998		6,138,767	0	0	0	0	0	0	0	72,309	0	0	0
329492	PHOENIX	AZ		01/30/1998		2,094,831	0	0	0	0	0	0	0	83,213	0	0	0
329494	PORTLAND	OR		04/30/1998		309,252	0	0	0	0	0	0	0	184,392	0	0	0
329501	ISSAQUAH	WA		08/27/1998		6,482,022	0	0	0	0	0	0	0	101,787	0	0	0
329503	WEST DES MOINES	IA		09/15/1999		11,613,826	0	0	0	0	0	0	0	86,940	0	0	0
329515	OKLAHOMA CITY	OK		11/06/1998		1,428,428	0	0	0	0	0	0	0	48,439	0	0	0
329529	SPOKANE	WA		08/04/1999		3,026,394	0	0	0	0	0	0	0	89,136	0	0	0
329534	WEST CHICAGO	IL		05/18/1999		2,724,708	0	0	0	0	0	0	0	58,222	0	0	0
329535	PINEVILLE	NC		05/11/1999		2,057,803	0	0	0	0	0	0	0	16,503	0	0	0
329536	PIKESVILLE	MD		05/26/1999		1,950,352	0	0	0	0	0	0	0	59,550	0	0	0
329538	CHESTERTON	IN		09/03/1999		2,127,075	0	0	0	0	0	0	0	40,515	0	0	0
329544	PONTIAC	IL		01/27/2000		1,796,274	0	0	0	0	0	0	0	30,877	0	0	0
329546	LUDINGTON	MI		02/28/2000		2,364,568	0	0	0	0	0	0	0	34,035	0	0	0
329555	FRESNO	CA		10/02/2000		6,073,609	0	0	0	0	0	0	0	64,925	0	0	0
329557	SALINA	NY		04/26/2001		1,328,331	0	0	0	0	0	0	0	84,353	0	0	0
329564	CHARLOTTE	NC		02/08/2001		3,416,624	0	0	0	0	0	0	0	53,535	0	0	0
329568	ONTARIO	CA		01/23/2002		5,876,856	0	0	0	0	0	0	0	56,497	0	0	0

Statement as of March 31, 2013 of the **National Life Insurance Company**

SCHEDULE B - PART 3

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

1	Location 2	3	4	5	6	7	Change in Book Value/Recorded Investment 8	9	10	11	12	13	14	15	16	17	18
Loan Number	City	State	Loan Type	Date Acquired	Disposal Date	Book Value/ Recorded Investment Excluding Accrued Interest Prior Year	Unrealized Valuation Increase (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Capitalized Deferred Interest and Other	Total Change in Book Value (8+9-10+11)	Total Foreign Exchange Change in Book Value	Book Value/ Recorded Investment Excluding Accrued Interest on Disposal	Consideration	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal
329570	SOUTHAVEN	MS		02/21/2002		3,048,336	0	0	0	0	0	0	0	29,019	0	0	0
329575	YORKVILLE	IL		04/03/2002		3,375,521	0	0	0	0	0	0	0	31,105	0	0	0
329579	GREENVILLE	SC		07/22/2002		4,778,825	0	0	0	0	0	0	0	25,721	0	0	0
329585	STREAMWOOD	IL		05/23/2002		4,348,068	0	0	0	0	0	0	0	38,340	0	0	0
329590	SCOTTSDALE	AZ		09/17/2002		4,921,619	0	0	0	0	0	0	0	82,887	0	0	0
329591	DAVIDSON	NC		09/12/2003		2,131,075	0	0	0	0	0	0	0	22,781	0	0	0
329593	KIRKLAND	WA		11/27/2002		3,200,025	0	0	0	0	0	0	0	28,965	0	0	0
329594	CHARLOTTE	NC		12/18/2002		7,933,067	0	0	0	0	0	0	0	51,231	0	0	0
329595	MILL CREEK	WA		04/01/2003		3,148,965	0	0	0	0	0	0	0	28,984	0	0	0
329598	HANFORD	CA		10/31/2003		5,955,004	0	0	0	0	0	0	0	52,510	0	0	0
329600	SAN DIEGO	CA		06/12/2003		8,422,227	0	0	0	0	0	0	0	62,205	0	0	0
329601	CINCINNATI	OH		09/12/2003		5,424,704	0	0	0	0	0	0	0	52,378	0	0	0
329602	HICKORY	NC		10/28/2003		10,764,995	0	0	0	0	0	0	0	84,079	0	0	0
329604	PHOENIX	AZ		08/14/2003		5,584,636	0	0	0	0	0	0	0	53,734	0	0	0
329608	HAMPTON	VA		02/02/2004		2,943,420	0	0	0	0	0	0	0	41,759	0	0	0
329609	GREENSBORO	NC		11/26/2003		9,524,421	0	0	0	0	0	0	0	54,315	0	0	0
329610	CHARLOTTE	NC		04/02/2004		7,057,560	0	0	0	0	0	0	0	43,173	0	0	0
329611	HOUSTON	TX		02/02/2004		6,521,625	0	0	0	0	0	0	0	35,921	0	0	0
329613	CHARLOTTE	NC		07/15/2004		5,246,126	0	0	0	0	0	0	0	36,258	0	0	0
329614	CHARLOTTE	NC		06/28/2004		5,246,674	0	0	0	0	0	0	0	32,697	0	0	0
329615	CHARLOTTE	NC		06/28/2004		5,072,511	0	0	0	0	0	0	0	31,612	0	0	0
329623	COLUMBIA	MD		08/17/2004		6,118,927	0	0	0	0	0	0	0	53,166	0	0	0
329626	LOUISBURG	NC		09/24/2004		3,262,693	0	0	0	0	0	0	0	27,215	0	0	0
329627	CAPE CANAVERAL	FL		08/20/2004		6,895,928	0	0	0	0	0	0	0	101,174	0	0	0
329628	PUYALLUP	WA		11/16/2004		1,889,153	0	0	0	0	0	0	0	25,311	0	0	0
329630	PLYMOUTH	MN		11/10/2004		9,004,862	0	0	0	0	0	0	0	77,011	0	0	0
329632	CHARLOTTE	NC		04/28/2005		4,612,276	0	0	0	0	0	0	0	30,328	0	0	0
329633	MURRIETA	CA		08/31/2005		10,886,960	0	0	0	0	0	0	0	77,670	0	0	0
329636	WOODRIDGE	IL		05/13/2005		6,411,652	0	0	0	0	0	0	0	88,339	0	0	0
329638	PLYMOUTH	MN		08/16/2005		5,993,629	0	0	0	0	0	0	0	34,833	0	0	0
329640	GAINESVILLE	VA		02/02/2006		5,396,390	0	0	0	0	0	0	0	27,108	0	0	0
329641	TUSTIN	CA		10/12/2005		8,156,275	0	0	0	0	0	0	0	44,766	0	0	0
329644	VALDOSTA	GA		10/07/2005		3,668,168	0	0	0	0	0	0	0	29,348	0	0	0
329645	WINSTON-SALEM	NC		12/05/2005		1,405,480	0	0	0	0	0	0	0	18,323	0	0	0
329647	STATESVILLE	NC		02/13/2006		1,633,849	0	0	0	0	0	0	0	20,897	0	0	0
329649	CINCINNATI	OH		03/15/2006		3,446,636	0	0	0	0	0	0	0	25,510	0	0	0
329650	ROSEBURG	OR		01/27/2006		12,025,412	0	0	0	0	0	0	0	52,373	0	0	0
329651	SAN ANTONIO	TX		04/27/2006		2,129,886	0	0	0	0	0	0	0	26,291	0	0	0

Statement as of March 31, 2013 of the **National Life Insurance Company**

SCHEDULE B - PART 3

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

1 Loan Number	Location: 2 City	Location: 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: 8 Unrealized Valuation Increase (Decrease)	9 Current Year's (Amortization)/Accretion	10 Current Year's Other Than Temporary Impairment Recognized	11 Capitalized Deferred Interest and Other	12 Total Change in Book Value (8+9-10+11)	13 Total Foreign Exchange Change in Book Value	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
329653	RICHMOND	VA		04/27/2006		5,648,071	0	0	0	0	0	0	0	68,587	0	0	0
329654	SCOTTSDALE	AZ		06/14/2006		6,101,155	0	0	0	0	0	0	0	43,983	0	0	0
329656	ST PAUL	MN		06/14/2006		8,958,780	0	0	0	0	0	0	0	47,161	0	0	0
329657	BOULDER	CO		05/18/2006		4,328,675	0	0	0	0	0	0	0	17,197	0	0	0
329658	TIMONIUM	MD		07/10/2006		4,055,724	0	0	0	0	0	0	0	33,775	0	0	0
329659	HOUSTON	TX		08/21/2006		4,818,472	0	0	0	0	0	0	0	33,375	0	0	0
329660	AUSTIN	TX		10/16/2006		2,222,265	0	0	0	0	0	0	0	22,050	0	0	0
329662	CINCINNATI	OH		08/29/2006		2,018,491	0	0	0	0	0	0	0	13,828	0	0	0
329663	ASHEVILLE	NC		09/21/2006		5,284,461	0	0	0	0	0	0	0	23,138	0	0	0
329664	DENVER	CO		09/14/2006		10,143,889	0	0	0	0	0	0	0	37,602	0	0	0
329665	AUSTELL	GA		09/21/2006		8,788,387	0	0	0	0	0	0	0	60,075	0	0	0
329668	BUTLER	WI		09/11/2006		9,211,205	0	0	0	0	0	0	0	39,392	0	0	0
329669	WISCONSIN RAPIDS	WI		11/22/2006		7,400,338	0	0	0	0	0	0	0	40,334	0	0	0
329672	CHARLOTTE	NC		12/18/2006		965,103	0	0	0	0	0	0	0	6,819	0	0	0
329673	PINE TOWNSHIP	PA		12/13/2006		5,131,519	0	0	0	0	0	0	0	21,844	0	0	0
329674	NEW BEDFORD	MA		02/02/2007		5,018,611	0	0	0	0	0	0	0	22,618	0	0	0
329675	WYOMING	MI		04/16/2007		4,265,973	0	0	0	0	0	0	0	46,305	0	0	0
329676	CHARLOTTE	NC		05/22/2007		10,566,960	0	0	0	0	0	0	0	56,329	0	0	0
329678	MACON	GA		04/26/2007		1,358,309	0	0	0	0	0	0	0	18,258	0	0	0
329679	WEST FALMOUTH	ME		03/29/2007		2,152,219	0	0	0	0	0	0	0	7,468	0	0	0
329680	SAN ANTONIO	TX		08/02/2007		10,674,703	0	0	0	0	0	0	0	37,648	0	0	0
329682	N OLMSTEAD	OH		07/12/2007		2,628,534	0	0	0	0	0	0	0	17,268	0	0	0
329685	CINCINNATI	OH		07/19/2007		1,252,811	0	0	0	0	0	0	0	8,173	0	0	0
329686	SOUTHFIELD	MI		07/31/2007		1,758,448	0	0	0	0	0	0	0	2,592	0	0	0
329687	FRANKFORT	KY		06/27/2007		3,027,805	0	0	0	0	0	0	0	31,538	0	0	0
329688	SCOTTSDALE	AZ		02/05/2008		7,285,849	0	0	0	0	0	0	0	73,174	0	0	0
329689	MORENO VALLEY	CA		10/10/2007		13,365,399	0	0	0	0	0	0	0	56,936	0	0	0
329690	UNION CITY	TN		07/27/2007		3,249,191	0	0	0	0	0	0	0	33,547	0	0	0
329693	SILVERDALE	WA		01/04/2008		2,792,065	0	0	0	0	0	0	0	10,981	0	0	0
329694	BLOOMFIELD HILLS	MI		11/05/2007		2,780,681	0	0	0	0	0	0	0	20,669	0	0	0
329695	FLORENCE	KY		12/12/2007		1,314,786	0	0	0	0	0	0	0	5,122	0	0	0
329696	BOCA RATON	FL		12/05/2007		7,905,548	0	0	0	0	0	0	0	31,843	0	0	0
329698	CINCINNATI	OH		04/09/2008		3,742,928	0	0	0	0	0	0	0	22,349	0	0	0
329699	DAYTON	OH		06/20/2008		2,374,222	0	0	0	0	0	0	0	13,782	0	0	0
329700	FOREST PARK	OH		06/27/2008		5,780,000	0	0	0	0	0	0	0	21,670	0	0	0
329701	RENTON	WA		06/02/2010		14,176,729	0	0	0	0	0	0	0	95,673	0	0	0
329702	EDEN PRAIRIE	MN		06/22/2010		7,473,867	0	0	0	0	0	0	0	36,746	0	0	0

SCHEDULE B - PART 3

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

1	Location		4	5	6	7	Change in Book Value/Recorded Investment						14	15	16	17	18
	2	3					8	9	10	11	12	13					
Loan Number	City	State	Loan Type	Date Acquired	Disposal Date	Book Value/ Recorded Investment Excluding Accrued Interest Prior Year	Unrealized Valuation Increase (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Capitalized Deferred Interest and Other	Total Change in Book Value (8+9-10+11)	Total Foreign Exchange Change in Book Value	Book Value/ Recorded Investment Excluding Accrued Interest on Disposal	Consideration	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal
329703	OVERLAND	MO		06/22/2010		7,665,505	0	0	0	0	0	0	0	37,689	0	0	0
329704	TORRANCE	CA		06/22/2010		5,509,582	0	0	0	0	0	0	0	27,089	0	0	0
329705	CARLSBAD	CA		06/22/2010		5,270,035	0	0	0	0	0	0	0	25,911	0	0	0
329706	GRESHAM	OR		07/15/2010		9,861,440	0	0	0	0	0	0	0	30,772	0	0	0
329708	WESTBURY	NY		12/01/2011		17,670,670	0	0	0	0	0	0	0	52,023	0	0	0
329710	SALEM	NH		09/12/2012		7,721,918	0	0	0	0	0	0	0	42,519	0	0	0
329712	MINNEAPOLIS	MN		12/28/2012		7,500,000	0	0	0	0	0	0	0	21,457	0	0	0
329713	RIVERSIDE	CA		11/15/2012		4,800,000	0	0	0	0	0	0	0	28,102	0	0	0
329714	COLUMBUS	OH		02/08/2013		0	0	0	0	0	0	0	0	19,804	0	0	0
920003	METAIRIE	LA		10/24/1997		1,281,560	0	0	0	0	0	0	0	35,065	0	0	0
329431A	DES PLAINES	IL		08/16/1995		3,110,766	0	0	0	0	0	0	0	13,590	0	0	0
329431B	CHICAGO	IL		01/19/2005		1,154,469	0	0	0	0	0	0	0	6,598	0	0	0
329477D	EL PASO	TX		06/10/2007		4,404,502	0	0	0	0	0	0	0	46,138	0	0	0
329507A	NORTHBROOK	IL		09/14/1998		3,010,269	0	0	0	0	0	0	0	20,204	0	0	0
329507B	NORTHBROOK	IL		06/20/2005		1,256,862	0	0	0	0	0	0	0	10,055	0	0	0
329606A	CHARLOTTE	NC		10/22/2003		9,158,442	0	0	0	0	0	0	0	68,617	0	0	0
329606B	CHARLOTTE	NC		09/04/2007		2,385,502	0	0	0	0	0	0	0	12,055	0	0	0
0299999. Total - Mortgages With Partial Repayments						573,493,010	0	0	0	0	0	0	0	4,820,398	0	0	0
0599999. Total Mortgages						573,493,010	0	0	0	0	0	0	0	4,820,398	0	0	0

Statement as of March 31, 2013 of the **National Life Insurance Company**

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 3 City	Location 4 State	5 Name of Vendor or General Partner	6 NAIC Desig-nation	7 Date Originally Acquired	8 Type and Strategy	9 Actual Cost at Time of Acquisition	10 Additional Investment Made After Acquisition	11 Amount of Encumbrances	12 Commitment for Additional Investment	13 Percentage of Ownership
Joint Venture or Partnership Interests That Have Underlying Characteristics of Common Stocks - Unaffiliated												
717200 00 0	ArcLight Energy Partners	Wilmington	DE	ArcLight Energy Partners		12/01/2011	0	0	696,555	0	6,621,481	0.5
717600 00 1	Avista Capital Partners III	Wilmington	DE	Avista Capital Partners III		06/26/2012	0	0	16,930	0	3,384,105	2.1
713300 00 2	Avista Capital Partners LP	Wilmington	DE	Avista Capital Partners LP		04/28/2006	0	0	67,146	0	1,092,858	0.7
709900 00 5	B - III A Capital Partners	Wilmington	DE	B - III A Capital Partners		12/09/1999	0	0	16,000	0	0	8.0
711400 00 2	B IV Capital Partners	Wilmington	DE	B IV Capital Partners		12/13/2002	0	0	18,287	0	487,217	1.1
714800 00 0	Banc Fund VIII LP	Chicago	IL	Banc Fund VIII LP		04/30/2008	0	0	600,000	0	2,800,000	1.5
707200 00 2	Concord Partners III (Ticonderoga)	Wilmington	DE	Concord Partners III (Ticonderoga)		06/25/2001	0	0	24,162	0	0	8.2
716900 00 0	CrossHarbor Institutional Ptners II	Wilmington	DE	CrossHarbor Institutional Ptners II		10/07/2011	0	0	54,450	0	3,519,146	1.2
710300 00 5	DLJ Merchant Banking Partners III LP	Wilmington	DE	DLJ Merchant Banking Partners III LP		09/29/2000	0	0	50,484	0	0	0.7
716200 00 1	Energy Fund XV	Wilmington	DE	Energy Fund XV		03/07/2011	0	0	1,040,366	0	3,441,331	0.2
714100 00 5	EnerTech Capital Partners III LP	Wilmington	DE	EnerTech Capital Partners III LP		11/06/2007	0	0	119,134	0	445,356	3.5
710500 00 0	FreshTracks Capital LP	Wilmington	DE	FreshTracks Capital LP		03/12/2001	0	0	81,345	0	42,500	9.3
712400 00 1	GaMark Partners II LP	Wilmington	DE	GaMark Partners II LP		10/03/1997	0	0	243,735	0	0	3.0
714300 00 1	GS Mezzanine Partners V	George Town	DC	GS Mezzanine Partners V		11/30/2007	0	0	143,176	0	4,251,744	0.2
709700 00 9	GS Special Opportunities (Asisa) fund LP	Wilmington	DE	GS Special Opportunities (Asisa) fund LP		04/20/1999	0	0	33,653	0	0	0.6
715700 00 1	Littlejohn Fund IV	Wilmington	DE	Littlejohn Fund IV		06/09/2010	0	0	58,516	0	3,971,271	1.7
713500 00 7	LS Power Equity II	Wilmington	DE	LS Power Equity II		02/02/2007	0	0	429,678	0	0	0.6
717400 00 0	Msouth Equity Partners II LP	Wilmington	DE	Msouth Equity Partners II LP		02/29/2012	0	0	426,306	0	3,713,453	1.2
714700 00 2	Msouth Equity Partners LP	Wilmington	DE	Msouth Equity Partners LP		04/30/2008	0	0	152,566	0	592,513	1.9
716300 00 9	Newstone Capital Partners II	Wilmington	DE	Newstone Capital Partners II		03/14/2011	0	0	367,312	0	4,669,165	1.3
714200 00 3	Northstar Mezz Partners V	Wilmington	DE	Northstar Mezz Partners V		11/28/2007	0	0	104,594	0	315,897	1.0
713000 00 8	Northstar Mezzanine Partners IV	Wilmington	DE	Northstar Mezzanine Partners IV		01/19/2006	0	0	63,143	0	138,802	1.7
711500 00 9	Perseus Market Opportuni Fund LP	Dover	DE	Perseus Market Opportuni Fund LP		09/05/2003	0	0	21,674	0	0	1.2
711300 00 4	Siguler Guff Distressed	Wilmington	DE	Siguler Guff Distressed		09/09/2002	0	0	131,705	0	150,000	1.2
714600 00 4	Siguler Guff Distressed Fund III (T) Lp	Wilmington	DE	Siguler Guff Distressed Fund III (T) Lp		04/08/2008	0	0	647,878	0	2,827,310	8.0
713200 00 4	TA X LP	Wilmington	DE	TA X LP		09/11/2000	0	0	22,320	0	105,000	0.1
715900 00 0	TA XI	Wilmington	DE	TA XI		07/30/2010	0	0	93,750	0	3,862,500	0.4
714500 00 6	TCW Crescent Mezzanine Partners V LP	Wilmington	DE	TCW Crescent Mezzanine Partners V LP		03/20/2008	0	0	504,534	0	1,670,276	0.6
715000 00 6	TCW Special Mortgage Credit Fund II	Wilmington	DE	TCW Special Mortgage Credit Fund II		08/15/2008	0	0	3,629,112	0	0	1.5
713900 00 9	TCW Special Mtg Credits Fund LP	Wilmington	DE	TCW Special Mtg Credits Fund LP		07/27/2007	0	0	2,789,421	0	0	1.2
709400 00 6	Ticonderoga e-Services I	Wilmington	DE	Ticonderoga e-Services I		12/29/1998	0	0	4,784	0	126,863	3.2
710000 00 1	Wilshire Assoc Private Markets Fund III	Wilmington	DE	Wilshire Assoc Private Markets Fund III		08/23/2001	0	0	15,912	0	275,000	2.0
710900 00 2	Wilshire Assoc Private Markets IV	Wilmington	DE	Wilshire Assoc Private Markets IV		11/02/2004	0	0	159,812	0	263,480	3.3
711600 00 7	Wilshire Private Mkts Fund VI	Wilmington	DE	Wilshire Private Mkts Fund VI		11/02/2004	0	0	88,557	0	1,397,991	1.5
1599999. Total - Joint Venture or Partnership Interests That Have Underlying Characteristics of Common Stocks - Unaffiliated								0	12,916,999	0	50,165,259	XXX
3999999. Subtotal - Unaffiliated								0	12,916,999	0	50,165,259	XXX
4199999. Totals								0	12,916,999	0	50,165,259	XXX

Statement as of March 31, 2013 of the **National Life Insurance Company**

SCHEDULE BA - PART 3

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

1	2	Location		5	6	7	8	Changes in Book/Adjusted Carrying Value						15	16	17	18	19	20
		3	4					9	10	11	12	13	14						
CUSIP Identification	Name or Description	City	State	Name of Purchaser or Nature of Disposal	Date Originally Acquired	Disposal Date	Book/Adjusted Carrying Value Less Encumbrances, Prior Year	Unrealized Valuation Increase (Decrease)	Current Year's (Depreciation) or (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Capitalized Deferred Interest and Other	Total Change in B./A.C.V. (9+10-11+12)	Total Foreign Exchange Change in B./A.C.V.	Book/Adjusted Carrying Value Less Encumbrances on Disposal	Consideration	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Investment Income
Joint Venture or Partnership Interests That Have Underlying Characteristics of Common Stocks - Unaffiliated																			
717200 00 0	ArcLight Energy Partners Fd V	Wilmington	DE	Capital Distribution	12/01/2011	02/06/2013	191,438	0	0	0	0	0	0	191,438	191,438	0	0	0	0
713300 00 2	Avista Capital Partners	Wilmington	DE	Capital Distribution	04/28/2006	03/19/2013	95,429	0	0	0	0	0	0	95,429	95,429	0	0	0	51,335
717600 00 1	Avista Capital Partners III LP	Wilmington	DE	Capital Distribution	06/26/2012	01/29/2013	227,661	0	0	0	0	0	0	227,661	227,661	0	0	0	16,930
709900 00 5	B III - A Capital Partners	Wilmington	DE	Capital Distribution	12/09/1999	01/31/2013	16,000	0	0	0	0	0	0	16,000	16,000	0	0	0	16,000
711400 00 2	B IV Capital Partners	Wilmington	DE	Capital Distribution	12/13/2002	01/31/2013	18,287	0	0	0	0	0	0	18,287	18,287	0	0	0	18,287
711100 00 8	Banc Fund VI	Chicago	IL	Capital Distribution	06/19/2002	02/04/2013	125,000	0	0	0	0	0	0	125,000	125,000	0	0	0	0
711100 00 8	Banc Fund VI	Chicago	IL	Capital Distribution	06/19/2002	03/06/2013	125,000	0	0	0	0	0	0	125,000	125,000	0	0	0	0
707200 00 2	Concord Partners III	Wilmington	DE	Capital Distribution	06/25/2001	02/14/2013	24,162	0	0	0	0	0	0	24,162	24,162	0	0	0	24,162
716900 00 6	CrossHarbor Institutional II	Wilmington	DE	Capital Distribution	10/07/2011	03/08/2013	194,118	0	0	0	0	0	0	194,118	194,118	0	0	0	54,450
710300 00 5	DLJ Merchant Banking III	Wilmington	DE	Capital Distribution	09/29/2000	03/15/2013	45,207	0	0	0	0	0	0	45,207	45,207	0	0	0	41,068
714100 00 5	EnerTech Capital Partners III	Wilmington	DE	Capital Distribution	11/06/2007	02/20/2013	89,134	0	0	0	0	0	0	89,134	89,134	0	0	0	89,134
716200 00 1	Energy Fund XV	Wilmington	DE	Capital Distribution	03/07/2011	02/04/2013	240,550	0	0	0	0	0	0	240,550	240,550	0	0	0	97,839
710500 00 0	FreshTracks Capital	Wilmington	DE	Capital Distribution	03/12/2001	01/08/2013	139,535	0	0	0	0	0	0	139,535	139,535	0	0	0	81,345
714300 00 1	GS Mezzanine Partners V	George Town	DC	Capital Distribution	11/30/2007	02/14/2013	417,770	0	0	0	0	0	0	417,770	417,770	0	0	0	102,385
709700 00 9	GS Special Opportunities Asia Fund	Wilmington	DE	Capital Distribution	04/20/1999	03/29/2013	33,653	0	0	0	0	0	0	33,653	33,653	0	0	0	33,653
712400 00 1	GarMark Partners II	Wilmington	DE	Capital Distribution	07/18/2005	01/25/2013	178,874	0	0	0	0	0	0	178,874	178,874	0	0	0	178,874
709100 00 2	Green Mountain Partners II	Wilmington	DE	Capital Distribution	07/24/1998	01/02/2013	1,665	0	0	0	0	0	0	1,665	1,665	0	0	0	0
711200 00 6	Green Mountain Partners III	Wilmington	DE	Capital Distribution	07/11/2002	01/02/2013	2,641	0	0	0	0	0	0	2,641	2,641	0	0	0	0
713500 00 7	LS Power Equity Partners II	Wilmington	DE	Capital Distribution	02/02/2007	02/08/2013	396,237	0	0	0	0	0	0	396,237	396,237	0	0	0	297,370
713500 00 7	LS Power Equity Partners II	Wilmington	DE	Capital Distribution	02/02/2007	03/12/2013	15,108	0	0	0	0	0	0	16,207	16,207	0	0	0	0
715700 00 1	Littlejohn Fund IV	Wilmington	DE	Capital Distribution	06/09/2010	02/28/2013	17,157	0	0	0	0	0	0	17,325	17,325	0	0	0	0
714700 00 2	MSouth Equity Partners	Wilmington	DE	Capital Distribution	04/30/2008	02/15/2013	139,712	0	0	0	0	0	0	139,712	139,712	0	0	0	139,712
716300 00 9	Newstone Capital Partners II	Wilmington	DE	Capital Distribution	03/14/2011	02/07/2013	27,155	0	0	0	0	0	0	27,155	27,155	0	0	0	27,155
714200 00 3	Northstar Mezzanine Partners V	Wilmington	DE	Capital Distribution	11/28/2007	01/31/2013	88,439	0	0	0	0	0	0	88,439	88,439	0	0	0	75,473
714200 00 3	Northstar Mezzanine Partners V	Wilmington	DE	Capital Distribution	11/28/2007	03/06/2013	28,438	0	0	0	0	0	0	29,121	29,121	0	0	0	29,121
713000 00 8	Northstar Mezzanine Ptners IV	Wilmington	DE	Capital Distribution	01/19/2006	01/31/2013	57,243	0	0	0	0	0	0	57,243	57,243	0	0	0	46,641
713000 00 8	Northstar Mezzanine Ptners IV	Wilmington	DE	Capital Distribution	01/19/2006	03/06/2013	48,493	0	0	0	0	0	0	49,505	49,505	0	0	0	16,502
714600 00 4	Siguler Guff Distressed III	Wilmington	DE	Capital Distribution	04/08/2008	03/08/2013	2,491,839	0	0	0	0	0	0	2,491,839	2,491,839	0	0	0	647,878
714600 00 4	Siguler Guff Distressed III	Wilmington	DE	Capital Distribution	04/08/2008	03/28/2013	1,744	0	0	0	0	0	0	1,875	1,875	0	0	0	0
711300 00 4	Siguler Guff Distressed Opport Fund	Wilmington	DE	Capital Distribution	09/09/2002	02/28/2013	280,224	0	0	0	0	0	0	280,224	280,224	0	0	0	131,705
713200 00 4	TA X	Wilmington	DE	Capital Distribution	04/25/2006	03/27/2013	60,000	0	0	0	0	0	0	60,000	60,000	0	0	0	22,320
714500 00 6	TCW Crescent Mezzanine V	Wilmington	DE	Capital Distribution	03/20/2008	01/15/2013	585,880	0	0	0	0	0	0	585,880	585,880	0	0	0	204,634
713900 00 9	TCW Special Mtg Credits Fund	Wilmington	DE	Capital Distribution	07/27/2007	01/30/2013	683,275	0	0	0	0	0	0	683,275	683,275	0	0	0	683,275
713900 00 9	TCW Special Mtg Credits Fund	Wilmington	DE	Capital Distribution	07/27/2007	02/27/2013	600,055	0	0	0	0	0	0	600,055	600,055	0	0	0	600,055
713900 00 9	TCW Special Mtg Credits Fund	Wilmington	DE	Capital Distribution	07/27/2007	03/27/2013	3,221,056	0	0	0	0	0	0	1,506,090	1,506,090	0	0	0	1,506,090
715000 00 6	TCW Special Mtg Credits II	Wilmington	DE	Capital Distribution	08/15/2008	01/30/2013	545,170	0	0	0	0	0	0	545,170	545,170	0	0	0	545,170
715000 00 6	TCW Special Mtg Credits II	Wilmington	DE	Capital Distribution	08/15/2008	02/27/2013	603,243	0	0	0	0	0	0	603,243	603,243	0	0	0	603,243
715000 00 6	TCW Special Mtg Credits II	Wilmington	DE	Capital Distribution	08/15/2008	03/27/2013	4,722,587	0	0	0	0	0	0	2,480,699	2,480,699	0	0	0	2,480,699
709400 00 6	Ticonderoga e-Services Fund I	Wilmington	DE	Capital Distribution	12/29/1998	02/14/2013	4,784	0	0	0	0	0	0	4,784	4,784	0	0	0	4,784
710000 00 1	Wilshire Assoc Private Mkt III	Wilmington	DE	Capital Distribution	08/23/2001	03/15/2013	70,000	0	0	0	0	0	0	70,000	70,000	0	0	0	15,912
711600 00 7	Wilshire Private Mkts Fund VI	Wilmington	DE	Capital Distribution	11/02/2004	02/14/2013	162,500	0	0	0	0	0	0	162,500	162,500	0	0	0	88,557

SCHEDULE BA - PART 3

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

1	2	Location		5	6	7	8	Changes in Book/Adjusted Carrying Value						15	16	17	18	19	20
		3	4					9	10	11	12	13	14						
CUSIP Identification	Name or Description	City	State	Name of Purchaser or Nature of Disposal	Date Originally Acquired	Disposal Date	Book/Adjusted Carrying Value Less Encumbrances, Prior Year	Unrealized Valuation Increase (Decrease)	Current Year's (Depreciation) or (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Capitalized Deferred Interest and Other	Total Change in B./A.C.V. (9+10-11+12)	Total Foreign Exchange Change in B./A.C.V.	Book/Adjusted Carrying Value Less Encumbrances on Disposal	Consideration	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Investment Income
710900 00 2	Wilshire Private Mkts IV	Wilmington	DE	Capital Distribution	12/20/1999	02/21/2013	198,582	0	0	0	0	0	0	198,582	198,582	0	0	0	159,812
1599999. Total - Joint Venture or Partnership Interests That Have Underlying Characteristics of Common Stocks - Unaffiliated							17,215,045	0	0	0	0	0	0	13,261,284	13,261,284	0	0	0	9,131,571
3999999. Subtotal - Unaffiliated							17,215,045	0	0	0	0	0	0	13,261,284	13,261,284	0	0	0	9,131,571
4199999. Totals							17,215,045	0	0	0	0	0	0	13,261,284	13,261,284	0	0	0	9,131,571

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)
Bonds - U.S. Government									
38374N HE 0	Government Natl Mtg Assn 6.500% 06/20/36		03/01/2013	Interest Capitalization		305,219	305,219	0	1FE
38374U WN 7	Government Natl Mtg Assn 5.000% 06/20/39		03/01/2013	Interest Capitalization		298,945	298,945	0	1FE
0599999.	Total - Bonds - U.S. Government					604,164	604,164	0	XXX
Bonds - U.S. Special Revenue and Special Assessment									
31292S A3 4	FREDDIE MAC C09026 2.500% 01/01/43		02/12/2013	Credit Suisse		9,881,113	9,974,625	9,698	1FE
3132J6 GQ 1	Federal Home Loan Mtg 2.500% 01/01/43		03/11/2013	Banc of America Securities		24,330,529	24,906,492	22,485	1FE
3138NY W3 5	Fannie Mae AR2465 2.500% 01/01/43		01/22/2013	Banc of America Securities		15,159,375	15,000,000	25,000	1FE
31393Y PB 5	Federal Natl Mtg Assn 4.500% 05/25/34		03/01/2013	Interest Capitalization		341,796	341,796	0	1FE
31394B 5Q 3	Federal Natl Mtg Assn R 6.000% 02/25/35		03/01/2013	Interest Capitalization		224,683	224,683	0	1FE
31394R LB 3	Federal Home Ln Mtg Cor 5.000% 02/15/34		03/01/2013	Interest Capitalization		658,274	658,274	0	1FE
31396J 2V 6	Federal Home Ln Mtg Cor 6.000% 03/15/36		03/01/2013	Interest Capitalization		269,445	269,445	0	1FE
31396K FU 1	Federal Natl Mtg Assn R 6.500% 08/25/36		03/01/2013	Interest Capitalization		260,041	260,041	0	1FE
31396K G4 8	Federal Natl Mtg Assn R 6.500% 09/25/36		03/01/2013	Interest Capitalization		386,627	386,627	0	1FE
31396V X9 4	Federal Natl Mtg Assn R 6.000% 05/25/37		03/01/2013	Interest Capitalization		147,561	147,561	0	1FE
31396W UB 0	Federal Natl Mtg Assn R 6.000% 07/25/37		03/01/2013	Interest Capitalization		129,063	129,063	0	1FE
31397A 6C 2	Federal Home Ln Mtg Cor 5.000% 08/15/36		03/01/2013	Interest Capitalization		159,738	159,738	0	1FE
31397L C8 0	Federal Natl Mtg Assn R 6.000% 03/25/38		03/01/2013	Interest Capitalization		444,028	444,028	0	1FE
3199999.	Total - Bonds - U.S. Special Revenue & Special Assessments					52,392,273	52,902,373	57,183	XXX
Bonds - Industrial and Miscellaneous									
01741R AE 2	Allegheny Technologies 5.950% 01/15/21		02/22/2013	Barclays Capital		5,651,181	5,065,000	69,802	2FE
018490 AQ 5	Allergan Inc 2.800% 03/15/23		03/07/2013	Goldman Sachs & Company		2,991,420	3,000,000	0	1FE
042735 BC 3	Arrow Electronics Inc 4.500% 03/01/23		02/12/2013	JP Morgan		992,020	1,000,000	0	2FE
11283W AA 2	Brookfield Residential 6.500% 12/15/20		02/11/2013	Credit Suisse		2,115,000	2,000,000	21,667	4FE
14149Y AY 4	Cardinal Health Inc 3.200% 03/15/23		02/19/2013	Banc of America Securities		2,993,790	3,000,000	0	2FE
205887 BK 7	Conagra Inc 4.950% 08/15/20		01/31/2013	Exchange		5,980,000	5,980,000	0	2FE
205887 BM 3	Conagra Inc 6.625% 08/15/39		01/31/2013	Exchange		2,000,000	2,000,000	0	2FE
226566 AM 9	CRICKET COMMUNICATIONS 7.750% 10/15/20		01/04/2013	Credit Suisse		1,030,000	1,000,000	18,083	5FE
23157# AF 6	CURTISS WRIGHT No. RF-1 3.700% 02/26/23		02/26/2013	Direct-Private Placement		3,000,000	3,000,000	0	2Z
23157# AG 4	CURTISS WRIGHT No. RG-1 3.850% 02/26/25		02/26/2013	Direct-Private Placement		2,000,000	2,000,000	0	2Z
247126 AH 8	Delphi Auto System 5.000% 02/15/23		02/11/2013	JP Morgan		1,000,000	1,000,000	0	3FE
29379V AZ 6	Enterprise Products Ope 3.350% 03/15/23		03/11/2013	JP Morgan		2,997,240	3,000,000	0	2FE
30251B AD 0	FMR LLC 4.950% 02/01/33		01/29/2013	Citigroup Global		2,996,220	3,000,000	0	1FE
337915 AA 0	FIRSTMERIT CORPORATION 4.350% 02/04/23		03/11/2013	Various		7,635,705	7,500,000	15,950	2FE
33938E AP 2	FLEXTRONICS INTL LTD 4.625% 02/15/20		02/13/2013	Banc of America Securities		1,002,500	1,000,000	0	3FE
35671D AX 3	Freeport McMoran Copper 3.875% 03/15/23		02/28/2013	JP Morgan		4,272,478	4,275,000	0	2FE
49427R AJ 1	KILROY REALTY LP 3.800% 01/15/23		01/07/2013	Seaport Group		2,006,780	2,000,000	0	2FE
552676 AP 3	MDC HOLDINGS INC 5.625% 02/01/20		03/11/2013	Seaport Group		2,220,000	2,000,000	13,438	2FE
608190 AJ 3	Mohawk Industries Inc 3.850% 02/01/23		01/30/2013	Various		3,996,570	4,000,000	909	2FE
61751N AH 5	MORGAN STANLEY CAPITAL 5.508% 02/12/44		01/07/2013	Barclays Capital		3,053,438	3,000,000	4,131	2FM

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)
651587 AD 9	NewMarket Corp 4.100% 12/15/22		01/14/2013	JP Morgan		1,023,060	1,000,000	3,075	2FE
690742 AD 3	OWENS CORNING INC 4.200% 12/15/22		02/12/2013	Banc of America Securities		4,082,920	4,000,000	52,733	2FE
712704 AA 3	PEOPLES UNITED FINANCIA 3.650% 12/06/22		03/04/2013	Stifel Nicolaus and Co		2,412,722	2,360,000	21,774	1FE
855030 AM 4	Staples Inc 4.375% 01/12/23		01/07/2013	Barclays Capital		1,996,160	2,000,000	0	2FE
903243 AB 9	URS Corp 5.000% 04/01/22		02/13/2013	Libertas Partners		1,629,717	1,555,000	29,249	2FE
98212B AD 5	WPX Energy Inc 6.000% 01/15/22		02/12/2013	CIBC World Markets		2,104,000	2,000,000	10,000	3FE
98310W AL 2	WYNDHAM WORLDWIDE 3.900% 03/01/23		02/19/2013	JP Morgan		1,996,520	2,000,000	0	2FE
59151K AH 1	Methanex Corp 3.250% 12/15/19	A	03/11/2013	Barclays Capital		3,023,490	3,000,000	23,563	2FE
896356 AD 4	TRINIDAD DRILLING LTD 7.875% 01/15/19	A	01/04/2013	Wells Fargo Funds		1,067,500	1,000,000	38,063	4FE
893830 BC 2	Transocean Inc 3.800% 10/15/22	F	01/04/2013	Credit Suisse		5,161,650	5,000,000	61,222	2FE
3899999	Total - Bonds - Industrial & Miscellaneous					84,432,081	82,735,000	383,659	XXX
8399997	Total - Bonds - Part 3					137,428,518	136,241,537	440,842	XXX
8399999	Total - Bonds					137,428,518	136,241,537	440,842	XXX
Common Stocks - Industrial and Miscellaneous									
00141M 57 2	AIM Global Equity		03/31/2013	Sentinel Group Fds	673.000	8,396	XXX	0	L
315805 42 4	Fidelity Advisors Leverage		03/29/2013	Sentinel Group Fds	117.000	5,164	XXX	0	L
315807 83 4	Fidelity Advisors Growth		03/29/2013	Sentinel Group Fds	92.000	4,097	XXX	0	L
315808 40 2	Fidelity Advisors Equity		03/31/2013	Sentinel Group Fds	40.000	1,134	XXX	0	L
68380E 81 7	Oppenheimer Small & Mid		03/29/2013	Sentinel Group Fds	37.000	1,295	XXX	0	L
68380T 40 0	Oppenheimer International		03/29/2013	Sentinel Group Fds	1,348.000	8,746	XXX	0	L
817270 20 0	Sentinel Group Fds Inc		03/31/2013	Sentinel Group Fds	3,194.000	58,862	XXX	0	L
817270 30 9	Sentinel Group Fds Inc		03/31/2013	Sentinel Group Fds	36,168.000	1,342,373	XXX	0	L
817270 35 8	Sentinel Group Fds Inc		03/22/2013	Sentinel Group Fds	50,913.000	542,663	XXX	0	L
817270 50 7	Sentinel Group Fds Inc		03/31/2013	Sentinel Group Fds	795.000	17,202	XXX	0	L
817270 56 4	Sentinel Group Fds Inc		03/31/2013	Sentinel Group Fds	7,059.000	91,794	XXX	0	L
817270 60 6	Sentinel Group Fds Inc		03/31/2013	Sentinel Group Fds	6,804.000	72,463	XXX	0	L
817270 80 4	Sentinel Group Fds Inc		03/31/2013	Sentinel Group Fds	7,299.000	52,002	XXX	0	L
817270 85 3	Sentinel Group Fds Inc		03/31/2013	Sentinel Group Fds	6,800.000	61,264	XXX	0	L
817270 88 7	Sentinel Group Fds Inc		03/31/2013	Sentinel Group Fds	4,025.000	69,212	XXX	0	L
81728B 10 6	Sentinel Group Fds Inc		03/31/2013	Sentinel Group Fds	32.000	538	XXX	0	L
9099999	Total - Common Stocks - Industrial & Miscellaneous					2,337,205	XXX	0	XXX
Common Stocks - Mutual Funds									
817270 37 4	Sentinel Group Fds Inc		03/31/2013	Sentinel Group Fds	2.000	2	XXX	0	L
9299999	Total - Common Stocks - Mutual Funds					2	XXX	0	XXX
9799997	Total - Common Stocks - Part 3					2,337,207	XXX	0	XXX
9799999	Total - Common Stocks					2,337,207	XXX	0	XXX
9899999	Total - Preferred and Common Stocks					2,337,207	XXX	0	XXX
9999999	Total - Bonds, Preferred and Common Stocks					139,765,725	XXX	440,842	XXX

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

SCHEDULE D - PART 4

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

1 CUSIP Identification	2 Description	3 Foreign	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: 11 Unrealized Valuation Increase/ (Decrease)	12 Current Year's (Amortization)/ Accretion	13 Current Year's Other Than Temporary Impairment Recognized	14 Total Change in B./A.C.V. (11+12-13)	15 Total Foreign Exchange Change in B./A.C.V.	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 Designation or Market Indicator (a)
Bonds - U.S. Government																					
125990 NN 7	GMAC 1997 C - FHA Project 7.111% 05/25/19		03/01/2013	Paydown		164,314	164,314	158,704	161,784	0	2,530	0	2,530	0	164,314	0	0	0	1,950	05/25/2019	1FE
36202D FB 2	Government Natl Mtg Assn 8.000% 11/20/14		03/01/2013	Paydown		1,810	1,810	1,843	1,818	0	(8)	0	(8)	0	1,810	0	0	0	24	11/20/2014	1FE
36211H ZG 9	Government Natl Mtg Assn 8.000% 08/15/14		03/01/2013	Paydown		1,641	1,641	1,680	1,643	0	(1)	0	(1)	0	1,641	0	0	0	22	08/15/2014	1FE
36211N TD 0	Government Natl Mtg Assn 8.000% 10/15/14		03/01/2013	Paydown		7,258	7,258	7,448	7,283	0	(25)	0	(25)	0	7,258	0	0	0	95	10/15/2014	1FE
36211S N8 6	Government Natl Mtg Assn 8.000% 12/15/14		03/01/2013	Paydown		1,252	1,252	1,282	1,253	0	(2)	0	(2)	0	1,252	0	0	0	17	12/15/2014	1FE
36211W VV 7	Government Natl Mtg Assn 8.000% 12/15/14		03/01/2013	Paydown		3,995	3,995	4,089	4,000	0	(5)	0	(5)	0	3,995	0	0	0	53	12/15/2014	1FE
36225A WN 6	Government Natl Mtg Assn 6.500% 10/15/27		03/01/2013	Paydown		32,287	32,287	32,164	32,171	0	116	0	116	0	32,287	0	0	0	373	10/15/2027	1FE
38373M 4Z 0	Government Natl Mtg Assn 1.530% 10/16/48		03/01/2013	Paydown		0	0	933,489	923,819	0	(923,819)	0	(923,819)	0	0	0	0	0	41,262	10/16/2048	1FE
38374E DL 8	Government Natl Mtg Assn 5.500% 11/16/33		03/01/2013	Paydown		12,719	12,719	12,826	12,738	0	(20)	0	(20)	0	12,719	0	0	0	175	11/16/2033	1FE
38374M 6Y 0	Government Natl Mtg Assn 6.000% 04/20/35		03/01/2013	Paydown		1,794,671	1,794,671	1,844,515	1,799,522	0	(4,851)	0	(4,851)	0	1,794,671	0	0	0	17,283	04/20/2035	1FE
38376G ZX 1	Government Natl Mtg Assn 0.991% 04/16/37		03/01/2013	Paydown		0	0	42,125	40,513	0	(40,513)	0	(40,513)	0	0	0	0	0	957	04/16/2037	1FE
3837H0 JB 0	Government Natl Mtg Assn 8.050% 06/16/25		03/01/2013	Paydown		5,578	5,578	5,743	5,684	0	(105)	0	(105)	0	5,578	0	0	0	91	06/16/2025	1FE
585995 AA 1	Northeast 1985-1 FHA 8.581% 12/24/20		03/01/2013	Paydown		138,238	138,238	144,450	140,555	0	(2,316)	0	(2,316)	0	138,238	0	0	0	2,091	12/24/2020	1FE
621999 DP 3	FHA-Insured 236 Project 8.100% 06/01/12		01/01/2013	Various		20,516	0	0	0	0	0	0	0	0	0	0	20,516	20,516	956	06/01/2012	1FE
621999 EB 3	FHA-Insured 236 Project 7.930% 07/01/14		03/01/2013	Paydown		74,472	74,472	78,568	74,754	0	(282)	0	(282)	0	74,472	0	0	0	986	07/01/2014	1FE
621999 EE 7	FHA-Insured 236 Project 8.125% 07/01/15		03/01/2013	Paydown		39,197	39,197	41,352	39,491	0	(294)	0	(294)	0	39,197	0	0	0	542	07/01/2015	1FE
75933* B4 5	Reilly - FHA Project Pool 6.930% 07/01/15		03/01/2013	Paydown		68,897	68,897	72,686	69,417	0	(521)	0	(521)	0	68,897	0	0	0	797	07/01/2015	1FE
75933* B6 0	Reilly - FHA Project Pool 8.767% 12/01/18		03/01/2013	Paydown		28,833	28,833	30,851	29,465	0	(632)	0	(632)	0	28,833	0	0	0	431	12/01/2018	1FE
75933* B7 8	Reilly - FHA Project Pool 7.110% 10/24/19		03/01/2013	Paydown		35,539	35,539	36,150	35,680	0	(141)	0	(141)	0	35,539	0	0	0	409	10/24/2019	1FE
812185 A9 7	Seamans - FHA Project P 6.875% 02/24/16		03/01/2013	Paydown		21,702	21,702	21,055	21,414	0	289	0	289	0	21,702	0	0	0	(1,737)	02/24/2016	1FE
91203* B8 6	USGI - FHA Project Pool 8.930% 10/24/19		03/01/2013	Paydown		3,818	3,818	3,992	3,874	0	(56)	0	(56)	0	3,818	0	0	0	57	10/24/2019	1FE
91203* B9 4	USGI - FHA Project Pool 7.278% 07/24/18		03/01/2013	Paydown		16,984	16,984	16,963	16,922	0	62	0	62	0	16,984	0	0	0	149	07/24/2018	1FE
0599999.	Total - Bonds - U.S. Government					2,473,721	2,453,205	3,491,975	3,423,800	0	(970,594)	0	(970,594)	0	2,453,205	0	20,516	20,516	66,983	XXX	XXX
Bonds - U.S. Special Revenue and Special Assessment																					
31283G 3V 7	Federal Home Ln Mtg Cor 6.500% 04/01/26		03/01/2013	Paydown		4,166	4,166	4,243	4,231	0	(65)	0	(65)	0	4,166	0	0	0	46	04/01/2026	1FE
3128M7 T9 7	FREDDIE MAC G05676 4.000% 11/01/39		03/01/2013	Paydown		4,402,608	4,402,608	4,603,477	4,600,082	0	(197,474)	0	(197,474)	0	4,402,608	0	0	0	30,459	11/01/2039	1FE
3128M8 FH 2	FREDDIE MAC G06168 3.500% 11/01/40		03/01/2013	Paydown		4,250,668	4,250,668	4,145,066	4,147,328	0	103,340	0	103,340	0	4,250,668	0	0	0	24,277	11/01/2040	1FE
3128M9 CN 0	FREDDIE MAC G06977 3.000% 04/01/42		03/01/2013	Paydown		796,337	796,337	813,135	812,911	0	(16,574)	0	(16,574)	0	796,337	0	0	0	3,582	04/01/2042	1FE
3128S2 RN 3	FREDDIE MAC T61393 3.000% 10/01/42		03/01/2013	Paydown		611,129	611,129	627,839	627,814	0	(16,685)	0	(16,685)	0	611,129	0	0	0	3,053	10/01/2042	1FE
3128S2 SG 7	FREDDIE MAC T61419 3.000% 11/01/42		03/01/2013	Paydown		75,546	75,546	77,612	77,609	0	(2,063)	0	(2,063)	0	75,546	0	0	0	378	11/01/2042	1FE
3128S2 SH 5	FREDDIE MAC T61420 3.000% 11/01/42		03/01/2013	Paydown		19,933	19,933	20,478	20,478	0	(544)	0	(544)	0	19,933	0	0	0	101	11/01/2042	1FE
31292S A3 4	FREDDIE MAC C09026 2.500% 01/01/43		03/01/2013	Paydown		25,098	25,098	24,862	0	0	235	0	235	0	25,098	0	0	0	52	01/01/2043	1FE
312931 A6 5	FREDDIE MAC A84529 4.500% 02/01/39		03/01/2013	Paydown		2,319,884	2,319,884	2,261,887	2,263,515	0	56,369	0	56,369	0	2,319,884	0	0	0	18,299	02/01/2039	1FE
312933 A7 9	FREDDIE MAC A86330 4.500% 05/01/39		03/01/2013	Paydown		2,629,570	2,629,570	2,563,831	2,565,410	0	64,160	0	64,160	0	2,629,570	0	0	0	19,152	05/01/2039	1FE
3132GR HF 1	FREDDIE MAC Q06230 3.500% 02/01/42		03/01/2013	Paydown		1,903,942	1,903,942	1,974,447	1,973,314	0	(69,372)	0	(69,372)	0	1,903,942	0	0	0	10,280	02/01/2042	1FE

Statement as of March 31, 2013 of the **National Life Insurance Company**

SCHEDULE D - PART 4

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

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identification	Description	Foreign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B./A.C.V. (11+12-13)	Total Foreign Exchange Change in B./A.C.V.	Book/ Adjusted Carrying Value At Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/ Stock Dividends Received During Year	Stated Contractual Maturity Date	NAIC Designation or Market Indicator (a)
3132GS TW 9	FREDDIE MAC Q07465 3.500% 04/01/42		03/01/2013	Paydown		1,180,063	1,180,063	1,218,046	1,217,481	0	(37,419)	0	(37,419)	0	1,180,063	0	0	0	6,530	04/01/2042	1FE
31383S WV 8	Federal Natl Mtg Assn P 7.500% 10/01/29		03/01/2013	Paydown		401	401	400	400	0	1	0	1	0	401	0	0	0	5	10/01/2029	1FE
31384U WS 9	Federal Natl Mtg Assn P 6.500% 10/01/28		03/01/2013	Paydown		13,780	13,780	13,812	13,792	0	(12)	0	(12)	0	13,780	0	0	0	151	10/01/2028	1FE
3138AX CF 6	Fannie Mae AJ5469 3.500% 11/01/41		03/01/2013	Paydown		2,205,943	2,205,943	2,227,313	2,226,629	0	(20,686)	0	(20,686)	0	2,205,943	0	0	0	12,926	11/01/2041	1FE
3138M0 BE 9	Fannie Mae AO8136 3.000% 08/01/42		03/01/2013	Paydown		624,087	624,087	640,177	640,062	0	(15,975)	0	(15,975)	0	624,087	0	0	0	3,870	08/01/2042	1FE
3138NY W3 5	Fannie Mae AR2465 2.500% 01/01/43		03/01/2013	Paydown		69,755	69,755	70,496	0	0	(741)	0	(741)	0	69,755	0	0	0	232	01/01/2043	1FE
31392G DB 8	Federal Natl Mtg Assn R 6.000% 12/25/32		03/01/2013	Paydown		102,454	102,454	104,983	104,824	0	(2,370)	0	(2,370)	0	102,454	0	0	0	890	12/25/2032	1FE
31392U RR 7	Federal Home Ln Mtg Cor 6.000% 09/15/32		03/01/2013	Paydown		547,840	547,840	558,626	555,421	0	(7,581)	0	(7,581)	0	547,840	0	0	0	5,108	09/15/2032	1FE
31393C PX 5	Federal Natl Mtg Assn R 5.500% 06/25/33		03/01/2013	Paydown		1,392,747	1,392,747	1,397,099	1,390,423	0	2,325	0	2,325	0	1,392,747	0	0	0	13,581	06/25/2033	1FE
31394L JD 5	Federal Home Ln Mtg Cor 4.500% 10/15/33		03/01/2013	Paydown		3,649,432	3,649,432	3,634,270	3,632,126	0	17,306	0	17,306	0	3,649,432	0	0	0	26,229	10/15/2033	1FE
31394U ZR 6	Federal Natl Mtg Assn R 6.000% 11/25/34		03/01/2013	Paydown		326,958	326,958	333,497	327,334	0	(376)	0	(376)	0	326,958	0	0	0	4,904	11/25/2034	1FE
31395B DF 7	Federal Natl Mtg Assn R 5.500% 03/25/36		03/01/2013	Paydown		1,557,902	1,557,902	1,491,204	1,508,134	0	49,768	0	49,768	0	1,557,902	0	0	0	13,135	03/25/2036	1FE
31395D BL 2	Federal Natl Mtg Assn R 6.000% 05/25/36		03/01/2013	Paydown		1,642,208	1,642,208	1,615,009	1,628,676	0	13,532	0	13,532	0	1,642,208	0	0	0	16,276	05/25/2036	1FE
31395D SY 6	Federal Natl Mtg Assn R 6.000% 05/25/36		03/01/2013	Paydown		1,579,420	1,579,420	1,554,988	1,561,138	0	18,281	0	18,281	0	1,579,420	0	0	0	16,900	05/25/2036	1FE
31395E UL 9	Federal Home Ln Mtg Cor 6.000% 08/15/34		03/01/2013	Paydown		564,612	564,612	573,138	574,391	0	(9,779)	0	(9,779)	0	564,612	0	0	0	4,704	08/15/2034	1FE
31395N QJ 9	Federal Natl Mtg Assn R 6.500% 03/25/23		03/01/2013	Paydown		5,644,687	5,644,687	5,761,109	5,634,296	0	10,391	0	10,391	0	5,644,687	0	0	0	57,164	03/25/2023	1FE
31395N Y2 7	Federal Natl Mtg Assn R 6.500% 07/25/36		03/01/2013	Paydown		806,696	806,696	829,384	822,694	0	(15,998)	0	(15,998)	0	806,696	0	0	0	7,718	07/25/2036	1FE
31395T KM 5	Federal Home Ln Mtg Cor 5.500% 11/15/33		03/01/2013	Paydown		2,732,397	2,732,397	2,749,474	2,736,808	0	(4,412)	0	(4,412)	0	2,732,397	0	0	0	24,515	11/15/2033	1FE
31396F G4 9	Federal Home Ln Mtg Cor 4.500% 11/15/35		03/01/2013	Paydown		4,429,607	4,429,607	4,249,435	4,239,387	0	190,220	0	190,220	0	4,429,607	0	0	0	30,619	11/15/2035	1FE
31396K L3 4	Federal Natl Mtg Assn R 6.500% 09/25/36		03/01/2013	Paydown		3,119,181	3,119,181	3,189,363	3,161,729	0	(42,548)	0	(42,548)	0	3,119,181	0	0	0	31,816	09/25/2036	1FE
31396K TC 6	Federal Natl Mtg Assn R 6.500% 12/25/23		03/01/2013	Paydown		5,168,886	5,168,886	5,314,261	5,164,824	0	4,062	0	4,062	0	5,168,886	0	0	0	49,613	12/25/2023	1FE
31396L CS 7	Federal Natl Mtg Assn R 6.500% 10/25/46		03/01/2013	Paydown		2,108,428	2,108,428	2,137,259	2,111,976	0	(3,549)	0	(3,549)	0	2,108,428	0	0	0	22,385	10/25/2046	1FE
31396P K7 5	Federal Natl Mtg Assn R 6.500% 08/25/36		03/01/2013	Paydown		1,577,747	1,577,747	1,571,830	1,571,637	0	6,110	0	6,110	0	1,577,747	0	0	0	17,174	08/25/2036	1FE
31396Q Q9 3	Federal Natl Mtg Assn R 4.000% 09/25/29		03/01/2013	Paydown		3,377,962	3,377,962	3,183,729	3,242,556	0	135,405	0	135,405	0	3,377,962	0	0	0	23,585	09/25/2029	1FE
31396T SL 8	Federal Home Ln Mtg Cor 6.000% 06/15/36		03/01/2013	Paydown		2,518,847	2,518,847	2,511,763	2,512,166	0	6,681	0	6,681	0	2,518,847	0	0	0	25,731	06/15/2036	1FE
31397H K5 6	Federal Home Ln Mtg Cor 5.900% 09/15/31		03/01/2013	Paydown		3,241,134	3,241,134	3,254,961	3,242,175	0	(1,041)	0	(1,041)	0	3,241,134	0	0	0	31,870	09/15/2031	1FE
31397P V3 1	Federal Home Ln Mtg Cor 5.000% 01/15/38		03/01/2013	Paydown		3,421,370	3,421,370	3,406,395	3,404,856	0	16,514	0	16,514	0	3,421,370	0	0	0	27,951	01/15/2038	1FE
31397R ZH 2	Federal Home Ln Mtg Cor 4.500% 04/15/38		03/01/2013	Paydown		3,682,499	3,682,499	3,521,390	3,596,339	0	86,160	0	86,160	0	3,682,499	0	0	0	29,184	04/15/2038	1FE
31402C PL 0	Federal Natl Mtg Assn 5.000% 11/01/33		03/01/2013	Paydown		391,570	391,570	399,157	398,806	0	(7,235)	0	(7,235)	0	391,570	0	0	0	3,179	11/01/2033	1FE
31402E 6W 3	Federal Natl Mtg Assn P 6.500% 09/01/33		03/01/2013	Paydown		1,303	1,303	1,358	1,344	0	(42)	0	(42)	0	1,303	0	0	0	14	09/01/2033	1FE
31403M WL 9	Federal Natl Mtg Assn P 6.500% 11/01/33		03/01/2013	Paydown		887	887	925	916	0	(28)	0	(28)	0	887	0	0	0	10	11/01/2033	1FE
31404L X6 2	Fannie Mae 772101 5.000% 10/01/33		03/01/2013	Paydown		628,836	628,836	641,020	640,453	0	(11,617)	0	(11,617)	0	628,836	0	0	0	5,234	10/01/2033	1FE
31405F D4 1	Federal Natl Mtg Assn P 6.500% 01/01/33		03/01/2013	Paydown		36,369	36,369	37,903	37,550	0	(1,181)	0	(1,181)	0	36,369	0	0	0	229	01/01/2033	1FE
31407B TX 7	Federal Natl Mtg Assn P 5.000% 07/01/35		03/01/2013	Paydown		469,401	469,401	440,100	441,183	0	28,218	0	28,218	0	469,401	0	0	0	3,911	07/01/2035	1FE
31412P CF 6	Federal Natl Mtg Assn 4.500% 03/01/29		03/01/2013	Paydown		1,841,288	1,841,288	1,806,189	1,807,426	0	33,862	0	33,862	0	1,841,288	0	0	0	12,944	03/01/2029	1FE
31416M 3A 0	Fannie Mae AA4392 4.000% 04/01/39		03/01/2013	Paydown		1,072,226	1,072,226	1,083,619	1,083,201	0	(10,974)	0	(10,974)	0	1,072,226	0	0	0	7,323	04/01/2039	1FE

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

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identification	Description	Foreign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B./A.C.V. (11+12-13)	Total Foreign Exchange Change in B./A.C.V.	Book/ Adjusted Carrying Value At Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/ Stock Dividends Received During Year	Stated Contractual Maturity Date	NAIC Designation or Market Indicator (a)
31416W JZ 6	Fannie Mae AB1179 4.500% 02/01/35		03/01/2013	Paydown		127,694	127,694	132,882	132,715	0	(5,020)	0	(5,020)	0	127,694	0	0	0	541	02/01/2035	1FE
31417D ZZ 9	Fannie Mae AB7059 2.500% 11/01/42		03/01/2013	Paydown		246,241	246,241	252,243	252,209	0	(5,969)	0	(5,969)	0	246,241	0	0	0	992	11/01/2042	1FE
31417K LX 3	Fannie Mae AC1241 5.000% 07/01/39		03/01/2013	Paydown		900,041	900,041	919,167	918,614	0	(18,573)	0	(18,573)	0	900,041	0	0	0	6,974	07/01/2039	1FE
31418A DV 7	Fannie Mae MA1015 3.000% 03/01/42		03/01/2013	Paydown		462,359	462,359	461,420	461,419	0	940	0	940	0	462,359	0	0	0	1,994	03/01/2042	1FE
31418A N6 1	Federal Natl Mtg Assn 2.500% 12/01/42		03/01/2013	Paydown		399,802	399,802	404,050	404,016	0	(4,214)	0	(4,214)	0	399,802	0	0	0	2,173	12/01/2042	1FE
31419B 7B 5	Fannie Mae AE1789 4.000% 10/01/40		03/01/2013	Paydown		3,898,269	3,898,269	3,948,216	3,947,147	0	(48,877)	0	(48,877)	0	3,898,269	0	0	0	24,282	10/01/2040	1FE
31419C 2B 8	Fannie Mae AE2569 3.500% 09/01/40		03/01/2013	Paydown		1,549,800	1,549,800	1,468,557	1,470,903	0	78,897	0	78,897	0	1,549,800	0	0	0	8,227	09/01/2040	1FE
31419C ZF 3	Fannie Mae AE2541 3.500% 09/01/40		03/01/2013	Paydown		998,730	998,730	950,861	951,355	0	47,375	0	47,375	0	998,730	0	0	0	5,866	09/01/2040	1FE
31419C ZJ 5	Fannie Mae AE2544 3.500% 09/01/40		03/01/2013	Paydown		1,555,884	1,555,884	1,567,553	1,567,064	0	(11,180)	0	(11,180)	0	1,555,884	0	0	0	8,792	09/01/2040	1FE
911760 JT 4	US Dept Veterans Affair 7.016% 04/15/26		03/01/2013	Paydown		5,100	5,100	5,099	5,097	0	2	0	2	0	5,100	0	0	0	60	04/15/2026	1FE
92261U AC 8	VA Vende Mtg Trust REMI 0.486% 01/15/37		03/01/2013	Paydown		0	0	58,691	55,880	0	(55,880)	0	(55,880)	0	0	0	0	0	2,281	01/15/2037	1FE
3199999.	Total - Bonds - U.S. Special Revenue & Assessment					88,911,724	88,911,724	88,809,298	88,492,264	0	324,100	0	324,100	0	88,911,724	0	0	0	709,471	XXX	XXX
Bonds - Industrial and Miscellaneous																					
00111@ AA 2	AES Hawaii Inc 6.870% 06/30/22		03/31/2013	Redemption 100.0000		123,000	123,000	123,000	123,000	0	0	0	0	0	123,000	0	0	0	2,113	06/30/2022	4
04004# AA 2	Center Operating Company 8.200% 09/30/23		03/31/2013	Redemption 100.0000		84,295	84,295	84,295	84,295	0	0	0	0	0	84,295	0	0	0	1,728	09/30/2023	3FE
05577@ AG 5	BNSF RAILWAY Series A N 6.550% 02/26/21		02/26/2013	Redemption 100.0000		47,344	47,344	47,344	47,344	0	0	0	0	0	47,344	0	0	0	1,551	02/26/2021	1
05577@ AH 3	BNSF RAILWAY Series B N 6.550% 02/26/21		02/26/2013	Redemption 100.0000		45,565	45,565	45,565	45,565	0	0	0	0	0	45,565	0	0	0	1,492	02/26/2021	1
05577@ AJ 9	BNSF RAILWAY Series C N 6.550% 02/26/21		02/26/2013	Redemption 100.0000		14,210	14,210	14,210	14,210	0	0	0	0	0	14,210	0	0	0	465	02/26/2021	1
05577@ AK 6	BNSF RAILWAY Series D N 6.550% 02/26/21		02/26/2013	Redemption 100.0000		14,328	14,328	14,328	14,328	0	0	0	0	0	14,328	0	0	0	469	02/26/2021	1
05577@ AM 2	BNSF RAILWAY Series E N 6.550% 02/26/21		02/26/2013	Redemption 100.0000		5,947	5,947	5,947	5,947	0	0	0	0	0	5,947	0	0	0	195	02/26/2021	1
08181* AC 8	Wal-Mart 1st Mtg 9.450% 01/10/17		03/10/2013	Redemption 100.0000		128,412	128,412	128,412	128,412	0	0	0	0	0	128,412	0	0	0	2,028	01/10/2017	1FE
084423 AJ 1	Berkley WR 5.875% 02/15/13		02/15/2013	Maturity		3,000,000	3,000,000	2,984,860	2,999,759	0	241	0	241	0	3,000,000	0	0	0	88,125	02/15/2013	2FE
08861@ AA 7	Walgreen Company 6.043% 08/15/31		03/15/2013	Redemption 100.0000		16,281	16,281	16,281	16,281	0	0	0	0	0	16,281	0	0	0	164	08/15/2031	1FE
14155# AA 8	Cardinals Ballpark LLC 5.770% 09/30/27		03/30/2013	Redemption 100.0000		138,239	138,239	138,239	138,239	0	0	0	0	0	138,239	0	0	0	3,988	09/30/2027	2
14912L 3S 8	Caterpillar Financial 4.250% 02/08/13		02/08/2013	Maturity		6,500,000	6,500,000	6,491,615	6,499,810	0	190	0	190	0	6,500,000	0	0	0	138,125	02/08/2013	1FE
16937# AB 6	China Basin Ballpark 8.090% 09/30/17		03/31/2013	Redemption 100.0000		155,547	155,547	155,547	155,547	0	0	0	0	0	155,547	0	0	0	6,292	09/30/2017	2
18683K AD 3	CLIFFS NATURAL RESOURCE 4.875% 04/01/21		03/26/2013	Nomura Securities		1,510,185	1,500,000	1,488,945	1,490,545	0	230	0	230	0	1,490,775	0	19,410	19,410	0	04/01/2021	2FE
22944@ AA 9	Fusco Park Street Series 6.460% 07/15/26		03/15/2013	Redemption 100.0000		155,080	155,080	155,080	155,080	0	0	0	0	0	155,080	0	0	0	1,673	07/15/2026	1FE
302508 BA 3	FMR LLC 4.750% 03/01/13		03/01/2013	Maturity		125,000	125,000	126,793	125,086	0	(86)	0	(86)	0	125,000	0	0	0	2,969	03/01/2013	1FE
30256Y AA 1	FPL Energy Marcus Hook 7.590% 07/10/18		01/10/2013	Redemption 100.0000		182,729	182,729	182,729	182,729	0	0	0	0	0	182,729	0	0	0	6,935	07/10/2018	3FE
30257F AA 1	FPL Energy National Wind 6.125% 03/25/19		03/25/2013	Redemption 100.0000		157,696	157,696	156,218	156,877	0	25	0	25	0	156,902	0	794	794	4,829	03/25/2019	4FE
33632* UJ 4	Phillips Petroleum Alaska 7.950% 12/10/20		03/10/2013	Redemption 100.0000		108,736	108,736	108,736	108,736	0	0	0	0	0	108,736	0	0	0	1,444	12/10/2020	1
33632* UE 5	Baker Hughes Inc 8.036% 09/28/15		03/28/2013	Redemption 100.0000		270,723	270,723	270,723	270,723	0	0	0	0	0	270,723	0	0	0	10,878	09/28/2015	1
35669# AA 2	Freeport LNG Development 6.500% 12/19/25		03/31/2013	Redemption 100.0000		120,253	120,253	120,253	120,253	0	0	0	0	0	120,253	0	0	0	1,954	06/30/2025	2FE
361452 AA 3	GATX Rail Corp 8.100% 01/13/20		01/13/2013	Redemption 100.0000		417,149	417,149	417,149	417,149	0	0	0	0	0	417,149	0	0	0	16,895	01/13/2020	2FE
369604 AY 9	General Electric Co 5.000% 02/01/13		02/01/2013	Maturity		5,000,000	5,000,000	4,985,845	4,999,851	0	149	0	149	0	5,000,000	0	0	0	125,000	02/01/2013	1FE

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

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value 11	12	13	14	15	16	17	18	19	20	21	22
CUSIP Identification	Description	Foreign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B./A.C.V. (11+12-13)	Total Foreign Exchange Change in B./A.C.V.	Book/ Adjusted Carrying Value At Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/ Stock Dividends Received During Year	Stated Contractual Maturity Date	NAIC Designation or Market Indicator (a)
49238# AB 3	Kerr-McGee BoomVang 7.370% 01/30/19		01/30/2013	Redemption 100.0000		129,098	129,098	129,098	129,098	0	0	0	0	0	129,098	0	0	0	4,757	01/30/2019	2
49240# AB 9	Kerr-McGee Nansen Platf 7.220% 01/30/18		01/30/2013	Redemption 100.0000		102,627	102,627	102,627	102,627	0	0	0	0	0	102,627	0	0	0	3,705	01/30/2018	2
56602# AA 8	Marriott International 8.550% 11/17/22		01/17/2013	Redemption 100.0000		35,623	35,623	35,623	35,623	0	0	0	0	0	35,623	0	0	0	254	11/17/2022	2
56602# AA 8	Marriott International 8.550% 11/17/22		03/17/2013	Redemption 100.0000		72,026	72,026	72,026	72,026	0	0	0	0	0	72,026	0	0	0	1,284	11/17/2022	2FE
62963# AA 9	Natural Resource Partne 5.550% 06/19/23		01/11/2013	Capital Group		1,286,955	1,262,500	1,262,500	1,262,500	0	0	0	0	0	1,262,500	0	24,455	24,455	5,450	06/19/2023	2
636180 BE 0	National Fuel Gas Co 5.250% 03/01/13		03/01/2013	Maturity		5,000,000	5,000,000	5,019,580	5,000,403	0	(403)	0	(403)	0	5,000,000	0	0	0	131,250	03/01/2013	2FE
64079* AB 8	Neptune Regional 6.210% 06/30/27		03/31/2013	Redemption 100.0000		44,294	44,294	44,294	44,294	0	0	0	0	0	44,294	0	0	0	688	06/30/2027	2FE
74041# AA 0	Shell Oil Prefco X LP 8.450% 07/30/17		01/30/2013	Redemption 100.0000		605,734	605,734	605,734	605,734	0	0	0	0	0	605,734	0	0	0	25,592	07/30/2017	1
74043A AL 5	Preferred Term XXIII 14 5.792% 09/22/36		03/22/2013	Redemption 8.2400		658	7,991	658	659	0	0	0	0	0	659	0	0	0	109,749	09/22/2036	6FE
751028 AE 1	Ralcorp Holdings Inc 6.625% 08/15/39		01/31/2013	Redemption 100.0000		2,000,000	2,000,000	2,055,610	2,053,862	0	(63)	0	(63)	0	2,053,799	0	(53,799)	(53,799)	76,097	08/15/2039	2FE
751028 AF 8	Ralcorp Holdings Inc 4.950% 08/15/20		01/31/2013	Redemption 100.0000		5,980,000	5,980,000	5,937,643	5,943,685	0	313	0	313	0	5,943,998	0	36,002	36,002	166,394	08/15/2020	2FE
77340R AB 3	Rockies Express Pipeline 6.250% 07/15/13		02/19/2013	Call 100.0000		4,750,000	4,750,000	4,747,530	4,749,729	0	67	0	67	0	4,749,796	0	204	204	286,944	07/15/2013	3FE
85171R AA 2	Springleaf Finance Corp 6.900% 12/15/17		03/05/2013	JP Morgan		5,025,000	5,000,000	4,964,500	4,979,366	0	643	0	643	0	4,980,009	0	44,991	44,991	79,542	12/15/2017	5FE
861832 A# 0	Stonehenge Capital Fund 8.424% 12/15/16		03/15/2013	Redemption 100.0000		26,335	26,335	26,335	26,335	0	0	0	0	0	26,335	0	0	0	555	12/15/2016	1
87612# AA 1	Target Corporation 5.066% 01/15/25		03/15/2013	Redemption 100.0000		104,540	104,540	104,540	104,540	0	0	0	0	0	104,540	0	0	0	884	01/15/2025	1FE
88031V AA 7	Tenaska Gateway Partner 6.052% 12/30/23		12/30/2012	Redemption 100.0000		65,907	65,907	65,939	65,931	0	0	0	0	0	65,931	0	(24)	(24)	0	12/30/2023	2FE
90783W AA 1	UNP RR CO 2006 PASS TRS 5.866% 07/02/30		01/02/2013	Redemption 100.0000		134,201	134,201	132,376	132,568	0	0	0	0	0	132,568	0	1,633	1,633	3,936	07/02/2030	1FE
909279 BF 7	UNITED AIRLINES INC 9.875% 08/01/13		02/01/2013	Call 100.0000		801,000	801,000	819,023	801,565	0	(565)	0	(565)	0	801,000	0	0	0	39,549	08/01/2013	3FE
911312 AG 1	United Parcel Service 4.500% 01/15/13		01/15/2013	Maturity		3,000,000	3,000,000	2,987,250	2,999,893	0	107	0	107	0	3,000,000	0	0	0	67,500	01/15/2013	1FE
94768N AF 1	Webster Bank 5.875% 01/15/13		01/15/2013	Various		7,000,000	7,000,000	7,280,340	7,001,378	0	(1,378)	0	(1,378)	0	7,000,000	0	0	0	205,625	01/15/2013	2FE
94978# AH 0	CVS Corporation 7.530% 01/10/24		03/10/2013	Redemption 100.0000		78,334	78,334	78,334	78,334	0	0	0	0	0	78,334	0	0	0	979	01/10/2024	2
981468 AA 9	World Financial Props T 6.910% 09/01/13		03/01/2013	Redemption 100.0000		52,493	52,493	52,493	52,493	0	0	0	0	0	52,493	0	0	0	606	09/01/2013	1FM
03938L AP 9	Arcelormittal 7.000% 10/15/39	F	01/09/2013	Credit Suisse		2,070,000	2,000,000	2,042,820	2,041,525	0	(20)	0	(20)	0	2,041,506	0	28,494	28,494	37,083	10/15/2039	3FE
87019E AL 9	SWEDBANK AB 2.900% 01/14/13	F	01/14/2013	Maturity		340,000	340,000	344,954	340,052	0	(52)	0	(52)	0	340,000	0	0	0	4,930	01/14/2013	1FE
893830 AR 0	Transocean Inc 5.250% 03/15/13	F	03/15/2013	Maturity		5,000,000	5,000,000	5,008,120	5,000,333	0	(333)	0	(333)	0	5,000,000	0	0	0	131,250	03/15/2013	2FE
92769X AF 2	VIRGIN MEDIA SECURED FI 5.250% 01/15/21	F	02/11/2013	Citigroup Global		1,046,250	1,000,000	1,015,400	1,013,141	0	(158)	0	(158)	0	1,012,983	0	33,267	33,267	30,333	01/15/2021	2FE
3899999.	Total - Bonds - Industrial & Miscellaneous					63,071,794	62,903,237	63,197,461	62,937,460	0	(1,093)	0	(1,093)	0	62,936,368	0	135,427	135,427	1,834,248	XXX	XXX
8399997.	Total - Bonds - Part 4					154,457,239	154,268,166	155,498,734	154,853,524	0	(647,587)	0	(647,587)	0	154,301,297	0	155,943	155,943	2,610,702	XXX	XXX
8399999.	Total - Bonds					154,457,239	154,268,166	155,498,734	154,853,524	0	(647,587)	0	(647,587)	0	154,301,297	0	155,943	155,943	2,610,702	XXX	XXX
Common Stocks - Industrial and Miscellaneous																					
00141M 57 2	AIM Global Equity		03/20/2013	Sentinel Group Fds	1.000	19	XXX	25	17	8	0	0	8	0	25	0	(6)	(6)	0	XXX	L
26817R 10 8	Dynegy Inc		01/11/2013	Weeden & Co	1.000	20	XXX	19	19	0	0	0	0	0	19	0	1	1	0	XXX	L
315805 42 4	Fidelity Advisors Leverage		03/22/2013	Sentinel Group Fds	0.000	12	XXX	8	11	(2)	0	0	(2)	0	8	0	4	4	0	XXX	L
315807 83 4	Fidelity Advisors Growth		03/31/2013	Sentinel Group Fds	0.000	5	XXX	4	5	(1)	0	0	(1)	0	4	0	1	1	0	XXX	L
315808 40 2	Fidelity Advisors Equity		03/22/2013	Sentinel Group Fds	0.000	1	XXX	1	1	0	0	0	0	0	1	0	0	0	0	XXX	L
68380T 40 0	Oppenheimer International		03/31/2013	Sentinel Group Fds	0.000	0	XXX	0	0	0	0	0	0	0	0	0	0	0	0	XXX	L

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										11	12	13	14	15							
CUSIP Identification	Description	Foreign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B./A.C.V. (11+12-13)	Total Foreign Exchange Change in B./A.C.V.	Book/ Adjusted Carrying Value At Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/ Stock Dividends Received During Year	Stated Contractual Maturity Date	NAIC Designation or Market Indicator (a)
817270 20 0	Sentinel Group Fds Inc.		03/31/2013	Various	3,415.000	60,430	XXX	59,652	59,418	235	0	0	235	0	59,652	0	778	778	1	XXX	L
817270 30 9	Sentinel Group Fds Inc.		03/31/2013	Various	19,577.000	725,748	XXX	461,668	668,345	(206,677)	0	0	(206,677)	0	461,668	0	264,080	264,080	12	XXX	L
817270 35 8	Sentinel Group Fds Inc.		03/25/2013	Sentinel Group Fds	18,652.000	198,667	XXX	199,392	0	0	0	0	0	0	199,392	0	(725)	(725)	980	XXX	L
817270 50 7	Sentinel Group Fds Inc.		03/31/2013	Sentinel Group Fds	15,701.000	339,202	XXX	279,695	310,408	(30,713)	0	0	(30,713)	0	279,695	0	59,507	59,507	0	XXX	L
817270 56 4	Sentinel Group Fds Inc.		03/31/2013	Sentinel Group Fds	281.000	3,661	XXX	3,140	3,543	(403)	0	0	(403)	0	3,140	0	521	521	11	XXX	L
817270 60 6	Sentinel Group Fds Inc.		03/31/2013	Various	25,553.000	273,045	XXX	278,855	276,478	2,377	0	0	2,377	0	278,855	0	(5,811)	(5,811)	955	XXX	L
817270 80 4	Sentinel Group Fds Inc.		03/31/2013	Sentinel Group Fds	45,807.000	328,542	XXX	291,135	294,079	(2,944)	0	0	(2,944)	0	291,135	0	37,407	37,407	0	XXX	L
817270 85 3	Sentinel Group Fds Inc.		03/31/2013	Sentinel Group Fds	9,021.000	81,282	XXX	83,176	81,553	1,623	0	0	1,623	0	83,176	0	(1,894)	(1,894)	244	XXX	L
817270 88 7	Sentinel Group Fds Inc.		03/31/2013	Sentinel Group Fds	32,670.000	557,968	XXX	445,923	538,398	(92,476)	0	0	(92,476)	0	445,923	0	112,046	112,046	0	XXX	L
81728B 10 6	Sentinel Group Fds Inc.		03/31/2013	Sentinel Group Fds	51,768.000	882,451	XXX	871,647	828,802	42,845	0	0	42,845	0	871,647	0	10,805	10,805	0	XXX	L
9099999.	Total - Common Stocks - Industrial & Miscellaneous					3,451,053	XXX	2,974,340	3,061,077	(286,128)	0	0	(286,128)	0	2,974,340	0	476,714	476,714	2,203	XXX	XXX
Common Stocks - Mutual Funds																					
817270 37 4	Sentinel Group Fds Inc.		03/22/2013	Sentinel Group Fds	10.000	10	XXX	10	10	0	0	0	0	0	10	0	0	0	0	XXX	L
9299999.	Total - Common Stocks - Mutual Funds					10	XXX	10	10	0	0	0	0	0	10	0	0	0	0	XXX	XXX
9799997	Total - Common Stocks - Part 4					3,451,063	XXX	2,974,350	3,061,087	(286,128)	0	0	(286,128)	0	2,974,350	0	476,714	476,714	2,203	XXX	XXX
9799999.	Total - Common Stocks					3,451,063	XXX	2,974,350	3,061,087	(286,128)	0	0	(286,128)	0	2,974,350	0	476,714	476,714	2,203	XXX	XXX
9899999.	Total - Preferred and Common Stocks					3,451,063	XXX	2,974,350	3,061,087	(286,128)	0	0	(286,128)	0	2,974,350	0	476,714	476,714	2,203	XXX	XXX
9999999.	Total - Bonds, Preferred and Common Stocks					157,908,302	XXX	158,473,084	157,914,611	(286,128)	(647,587)	0	(933,715)	0	157,275,647	0	632,657	632,657	2,612,905	XXX	XXX

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

Statement as of March 31, 2013 of the **National Life Insurance Company**

SCHEDULE DB - PART A - SECTION 1

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

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Purchased Options - Hedging Effective - Call Options and Warrants																						
S&P 500 OTC Call Option 9PG833SL SPX	Multiple	N/A	Equity/Index	Credit Suisse FB Int E58DKGMJYYYJLN8C38	04/20/2012	04/19/2013	4,715	0	1,379.0000	468,624	0	0	893,828		893,828	520,458	0	0	0	0		0001
S&P 500 OTC Call Option 9PG833SP SPX	Multiple	N/A	Equity/Index	Credit Suisse FB Int E58DKGMJYYYJLN8C38	04/20/2012	04/19/2013	1,886	0	1,379.0000	187,450	0	0	357,531		357,531	208,183	0	0	0	0		0001
S&P 500 OTC Call Option 9PG833SN SPX	Multiple	N/A	Equity/Index	Credit Suisse FB Int E58DKGMJYYYJLN8C38	04/20/2012	04/19/2013	2,176	0	1,379.0000	216,273	0	0	412,507		412,507	240,194	0	0	0	0		0001
S&P 500 OTC Call Option 9PG833TJ SPX	Multiple	N/A	Equity/Index	JP Morgan Chase & Co 8I5DZWZKVSZI1NUHU7	05/21/2012	05/21/2013	2,508	0	1,316.0000	268,983	0	0	627,791		627,791	300,470	0	0	0	0		0001
S&P 500 OTC Call Option 9PG833TH SPX	Multiple	N/A	Equity/Index	JP Morgan Chase & Co 8I5DZWZKVSZI1NUHU7	05/21/2012	05/21/2013	2,128	0	1,316.0000	228,228	0	0	532,671		532,671	254,944	0	0	0	0		0001
S&P 500 OTC Call Option 9PG833TF SPX	Multiple	N/A	Equity/Index	JP Morgan Chase & Co 8I5DZWZKVSZI1NUHU7	05/21/2012	05/21/2013	4,179	0	1,316.0000	448,198	0	0	1,046,068		1,046,068	500,663	0	0	0	0		0001
S&P 500 OTC Call Option 9PG833TZ SPX	Multiple	N/A	Equity/Index	Barclays Bank PLC G5GSEF7VJP5I7OUK55	06/21/2012	06/21/2013	6,714	0	1,326.0000	703,963	0	0	1,613,782		1,613,782	760,874	0	0	0	0		0001
S&P 500 OTC Call Option 9PG833UB SPX	Multiple	N/A	Equity/Index	Barclays Bank PLC G5GSEF7VJP5I7OUK55	06/21/2012	06/21/2013	2,490	0	1,326.0000	261,077	0	0	598,498		598,498	282,183	0	0	0	0		0001
S&P 500 OTC Call Option 9PG833UD SPX	Multiple	N/A	Equity/Index	Barclays Bank PLC G5GSEF7VJP5I7OUK55	06/21/2012	06/21/2013	5,055	0	1,326.0000	530,017	0	0	1,215,024		1,215,024	572,865	0	0	0	0		0001
S&P 500 OTC Call Option 9PG833UW SPX	Multiple	N/A	Equity/Index	JP Morgan Chase & Co 8I5DZWZKVSZI1NUHU7	07/20/2012	07/19/2013	5,431	0	1,363.0000	521,756	0	0	1,126,365		1,126,365	552,278	0	0	0	0		0001
S&P 500 OTC Call Option 9PG833UY SPX	Multiple	N/A	Equity/Index	JP Morgan Chase & Co 8I5DZWZKVSZI1NUHU7	07/20/2012	07/19/2013	2,275	0	1,363.0000	218,559	0	0	471,825		471,825	231,345	0	0	0	0		0001
S&P 500 OTC Call Option 9PG833VA SPX	Multiple	N/A	Equity/Index	JP Morgan Chase & Co 8I5DZWZKVSZI1NUHU7	07/20/2012	07/19/2013	3,816	0	1,363.0000	366,603	0	0	791,421		791,421	388,049	0	0	0	0		0001
S&P 500 OTC Call Option 9PG833VY SPX	Multiple	N/A	Equity/Index	Credit Suisse FB Int E58DKGMJYYYJLN8C38	08/21/2012	08/21/2013	4,953	0	1,413.0000	505,355	0	0	808,914		808,914	421,728	0	0	0	0		0001
S&P 500 OTC Call Option 9PG833WA SPX	Multiple	N/A	Equity/Index	Credit Suisse FB Int E58DKGMJYYYJLN8C38	08/21/2012	08/21/2013	1,698	0	1,413.0000	173,247	0	0	277,314		277,314	144,578	0	0	0	0		0001
S&P 500 OTC Call Option 9PG833WC SPX	Multiple	N/A	Equity/Index	Credit Suisse FB Int E58DKGMJYYYJLN8C38	08/21/2012	08/21/2013	3,043	0	1,413.0000	310,477	0	0	496,977		496,977	259,099	0	0	0	0		0001
S&P 500 OTC Call Option 9PG833XG SPX	Multiple	N/A	Equity/Index	Barclays Bank PLC G5GSEF7VJP5I7OUK55	09/21/2012	09/20/2013	2,808	0	1,460.0000	259,543	0	0	358,000		358,000	193,274	0	0	0	0		0001
S&P 500 OTC Call Option 9PG833XE SPX	Multiple	N/A	Equity/Index	Barclays Bank PLC G5GSEF7VJP5I7OUK55	09/21/2012	09/20/2013	1,849	0	1,460.0000	170,903	0	0	235,734		235,734	127,266	0	0	0	0		0001
S&P 500 OTC Call Option 9PG833XC SPX	Multiple	N/A	Equity/Index	Barclays Bank PLC G5GSEF7VJP5I7OUK55	09/21/2012	09/20/2013	6,095	0	1,460.0000	563,361	0	0	777,069		777,069	419,517	0	0	0	0		0001
S&P 500 OTC Call Option 9PG833YK SPX	Multiple	N/A	Equity/Index	Credit Suisse FB Int E58DKGMJYYYJLN8C38	10/19/2012	10/21/2013	2,931	0	1,433.0000	268,421	0	0	449,859		449,859	223,644	0	0	0	0		0001
S&P 500 OTC Call Option 9PG833YG SPX	Multiple	N/A	Equity/Index	Credit Suisse FB Int E58DKGMJYYYJLN8C38	10/19/2012	10/21/2013	6,070	0	1,433.0000	555,891	0	0	931,643		931,643	463,159	0	0	0	0		0001
S&P 500 OTC Call Option 9PG833YI SPX	Multiple	N/A	Equity/Index	Credit Suisse FB Int E58DKGMJYYYJLN8C38	10/19/2012	10/21/2013	1,954	0	1,433.0000	178,947	0	0	299,906		299,906	149,096	0	0	0	0		0001
S&P 500 OTC Call Option 9PG833ZI SPX	Multiple	N/A	Equity/Index	Barclays Bank PLC G5GSEF7VJP5I7OUK55	11/21/2012	11/21/2013	2,732	0	1,391.0000	233,340	0	0	519,953		519,953	231,471	0	0	0	0		0001

SCHEDULE DB - PART A - SECTION 1

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S&P 500 OTC Call Option 9PG833ZK SPX	Multiple	N/A	Equity/Index	Credit Suisse FB Int E58DKGMJYYYJLN8C38	11/21/2012	11/21/2013	2,947	0	1,391.0000	251,703	0	0	561,752		561,752	252,937	0	0	0	0		0001
S&P 500 OTC Call Option 9PG833ZY SPX	Multiple	N/A	Equity/Index	Credit Suisse FB Int E58DKGMJYYYJLN8C38	11/21/2012	11/21/2013	5,607	0	1,391.0000	478,894	0	0	1,068,797		1,068,797	481,242	0	0	0	0		0001
S&P 500 OTC Call Option 9PG834DG SPX	Multiple	N/A	Equity/Index	Barclays Bank PLC G5GSEF7VJP5I7OUK55	03/21/2013	03/21/2014	2,588	0	1,546.0000	0	213,821	0	245,324		245,324	31,504	0	0	0	0		0001
S&P 500 OTC Call Option 9PG834DC SPX	Multiple	N/A	Equity/Index	Barclays Bank PLC G5GSEF7VJP5I7OUK55	03/21/2013	03/21/2014	4,787	0	1,546.0000	0	395,502	0	453,774		453,774	58,272	0	0	0	0		0001
S&P 500 OTC Call Option 9PG834DE SPX	Multiple	N/A	Equity/Index	Credit Suisse FB Int E58DKGMJYYYJLN8C38	03/21/2013	03/21/2014	1,811	0	1,546.0000	0	150,331	0	171,976		171,976	21,645	0	0	0	0		0001
S&P 500 OTC Call Option 9PG837FG PXA	Multiple	N/A	Equity/Index	Barclays Bank PLC G5GSEF7VJP5I7OUK55	11/21/2012	02/19/2013	1,582	0	1,391.0000	73,278	0	0	229,997		229,997	132,823	0	0	0	0		0001
S&P 500 OTC Call Option 9PG837EO PXA	Multiple	N/A	Equity/Index	Merrill Lynch Intl. GGDZP1UYGU9STUHRD	04/20/2012	04/19/2013	1,161	0	1,379.0000	60,500	0	0	60,282		60,282	31,815	0	0	0	0		0001
S&P 500 OTC Call Option 9PG837EQ PXA	Multiple	N/A	Equity/Index	Merrill Lynch Intl. GGDZP1UYGU9STUHRD	05/21/2012	05/21/2013	1,216	0	1,316.0000	72,972	0	0	160,756		160,756	52,212	0	0	0	0		0001
S&P 500 OTC Call Option 9PG837ES PXA	Multiple	N/A	Equity/Index	Credit Suisse FB Int E58DKGMJYYYJLN8C38	06/21/2012	06/21/2013	1,660	0	1,326.0000	92,860	0	0	238,994		238,994	89,421	0	0	0	0		0001
S&P 500 OTC Call Option 9PG837EU PXA	Multiple	N/A	Equity/Index	Barclays Bank PLC G5GSEF7VJP5I7OUK55	07/20/2012	07/19/2013	1,468	0	1,363.0000	75,808	0	0	181,051		181,051	89,855	0	0	0	0		0001
S&P 500 OTC Call Option 9PG837EX PXA	Multiple	N/A	Equity/Index	Barclays Bank PLC G5GSEF7VJP5I7OUK55	08/21/2012	08/21/2013	1,061	0	1,413.0000	56,074	0	0	93,964		93,964	60,421	0	0	0	0		0001
S&P 500 OTC Call Option 9PG837FB PXA	Multiple	N/A	Equity/Index	Barclays Bank PLC G5GSEF7VJP5I7OUK55	09/21/2012	09/20/2013	1,096	0	1,460.0000	52,170	0	0	60,964		60,964	45,534	0	0	0	0		0001
S&P 500 OTC Call Option 9PG837FE PXA	Multiple	N/A	Equity/Index	Barclays Bank PLC G5GSEF7VJP5I7OUK55	10/19/2012	10/21/2013	1,605	0	1,433.0000	77,522	0	0	145,663		145,663	97,615	0	0	0	0		0001
S&P 500 OTC Call Option 9PG837FO PXA	Multiple	N/A	Equity/Index	Barclays Bank PLC G5GSEF7VJP5I7OUK55	03/21/2013	03/21/2014	1,035	0	1,546.0000	0	46,399	0	55,621		55,621	9,222	0	0	0	0		0001
S&P 500 OTC Call Option 9PG834AI SPX	Multiple	N/A	Equity/Index	Credit Suisse FB Int E58DKGMJYYYJLN8C38	12/21/2012	12/20/2013	9,160	0	1,430.0000	841,071	0	0	1,482,014		1,482,014	687,370	0	0	0	0		0001
S&P 500 OTC Call Option 9PG834AK SPX	Multiple	N/A	Equity/Index	Credit Suisse FB Int E58DKGMJYYYJLN8C38	12/21/2012	12/20/2013	2,727	0	1,430.0000	250,393	0	0	441,207		441,207	204,635	0	0	0	0		0001
S&P 500 OTC Call Option 9PG834AM SPX	Multiple	N/A	Equity/Index	Credit Suisse FB Int E58DKGMJYYYJLN8C38	12/21/2012	12/20/2013	3,496	0	1,430.0000	321,003	0	0	565,625		565,625	262,341	0	0	0	0		0001
S&P 500 OTC Call Option 9PG834BG SPX	Multiple	N/A	Equity/Index	Merrill Lynch Intl. GGDZP1UYGU9STUHRD	01/18/2013	01/21/2014	6,326	0	1,486.0000	0	533,914	0	795,185		795,185	261,271	0	0	0	0		0001
S&P 500 OTC Call Option 9PG834BI SPX	Multiple	N/A	Equity/Index	Credit Suisse FB Int E58DKGMJYYYJLN8C38	01/18/2013	01/21/2014	2,557	0	1,486.0000	0	217,729	0	320,576		320,576	102,848	0	0	0	0		0001
S&P 500 OTC Call Option 9PG834BK SPX	Multiple	N/A	Equity/Index	Credit Suisse FB Int E58DKGMJYYYJLN8C38	01/18/2013	01/21/2014	3,028	0	1,486.0000	0	257,834	0	379,627		379,627	121,792	0	0	0	0		0001
S&P 500 OTC Call Option 9PG834CG SPX	Multiple	N/A	Equity/Index	Credit Suisse FB Int E58DKGMJYYYJLN8C38	02/21/2013	02/21/2014	2,396	0	1,502.0000	0	197,981	0	282,073		282,073	84,091	0	0	0	0		0001
S&P 500 OTC Call Option 9PG834CI SPX	Multiple	N/A	Equity/Index	Credit Suisse FB Int E58DKGMJYYYJLN8C38	02/21/2013	02/21/2014	4,326	0	1,502.0000	0	357,457	0	509,285		509,285	151,828	0	0	0	0		0001
S&P 500 OTC Call Option 9PG834CE SPX	Multiple	N/A	Equity/Index	Barclays Bank PLC G5GSEF7VJP5I7OUK55	02/21/2013	02/21/2014	5,924	0	1,502.0000	0	477,060	0	694,190		694,190	217,130	0	0	0	0		0001

SCHEDULE DB - PART A - SECTION 1

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S&P Asian OTC Call Option 9PG837EU SPXA	Multiple	N/A	Equity/Index	Barclays Bank PLC G5GSEF7VJP5I7OUK55	12/21/2012	12/20/2013	1,468	0	1,430.0000	75,998	0	0	177,189		177,189	111,821	0	0	0	0		0001
S&P Asian OTC Call Option 9PG837FI SPXA	Multiple	N/A	Equity/Index	Merrill Lynch Intl. GGDZP1UYGU9STUHR	01/18/2013	01/21/2014	1,481	0	1,486.0000	0	66,245	0	122,575		122,575	56,330	0	0	0	0		0001
S&P Asian OTC Call Option 9PG837FK SPXA	Multiple	N/A	Equity/Index	Merrill Lynch Intl. GGDZP1UYGU9STUHR	02/21/2013	02/21/2014	1,198	0	1,502.0000	0	52,736	0	93,587		93,587	40,851	0	0	0	0		0001
0019999. Total-Purchased Options-Hedging Effective-Call Options and Warrants										10,419,462	2,967,009	0	24,434,728	XXX	24,434,728	11,202,164	0	0	0	0	XXX	XXX
0079999. Total-Purchased Options-Hedging Effective										10,419,462	2,967,009	0	24,434,728	XXX	24,434,728	11,202,164	0	0	0	0	XXX	XXX
0369999. Total-Purchased Options-Call Options and Warrants										10,419,462	2,967,009	0	24,434,728	XXX	24,434,728	11,202,164	0	0	0	0	XXX	XXX
0429999. Total-Purchased Options										10,419,462	2,967,009	0	24,434,728	XXX	24,434,728	11,202,164	0	0	0	0	XXX	XXX
Written Options - Hedging Effective - Call Options and Warrants																						
S&P 500 OTC Call Option 9PG833SQ SPX	Multiple	N/A	Equity/Index	Credit Suisse FB Int E58DKGMJYYYJLN8C38	04/20/2012	04/19/2013	1,886	0	1,496.0000	(83,720)	0	0	(141,718)		(141,718)	(109,149)	0	0	0	0		0001
S&P 500 OTC Call Option 9PG833SO SPX	Multiple	N/A	Equity/Index	Credit Suisse FB Int E58DKGMJYYYJLN8C38	04/20/2012	04/19/2013	2,176	0	1,523.0000	(76,486)	0	0	(108,878)		(108,878)	(87,343)	0	0	0	0		0001
S&P 500 OTC Call Option 9PG833SM SPX	Multiple	N/A	Equity/Index	Credit Suisse FB Int E58DKGMJYYYJLN8C38	04/20/2012	04/19/2013	4,715	0	1,565.0000	(112,453)	0	0	(84,743)		(84,743)	(67,930)	0	0	0	0		0001
S&P 500 OTC Call Option 9PG833TK SPX	Multiple	N/A	Equity/Index	JP Morgan Chase & Co 8I5DZWZKVSZI1NUHU7	05/21/2012	05/21/2013	2,508	0	1,421.0000	(140,598)	0	0	(371,159)		(371,159)	(227,552)	0	0	0	0		0001
S&P 500 OTC Call Option 9PG833TI SPX	Multiple	N/A	Equity/Index	JP Morgan Chase & Co 8I5DZWZKVSZI1NUHU7	05/21/2012	05/21/2013	2,128	0	1,454.0000	(93,249)	0	0	(249,412)		(249,412)	(164,608)	0	0	0	0		0001
S&P 500 OTC Call Option 9PG833TG SPX	Multiple	N/A	Equity/Index	JP Morgan Chase & Co 8I5DZWZKVSZI1NUHU7	05/21/2012	05/21/2013	4,179	0	1,487.0000	(139,119)	0	0	(366,291)		(366,291)	(258,410)	0	0	0	0		0001
S&P 500 OTC Call Option 9PG833UE SPX	Multiple	N/A	Equity/Index	Barclays Bank PLC G5GSEF7VJP5I7OUK55	06/21/2012	06/21/2013	5,055	0	1,432.0000	(268,724)	0	0	(710,956)		(710,956)	(423,486)	0	0	0	0		0001
S&P 500 OTC Call Option 9PG833UC SPX	Multiple	N/A	Equity/Index	Barclays Bank PLC G5GSEF7VJP5I7OUK55	06/21/2012	06/21/2013	2,490	0	1,465.0000	(102,314)	0	0	(277,199)		(277,199)	(177,032)	0	0	0	0		0001
S&P 500 OTC Call Option 9PG833UA SPX	Multiple	N/A	Equity/Index	Barclays Bank PLC G5GSEF7VJP5I7OUK55	06/21/2012	06/21/2013	6,714	0	1,498.0000	(208,268)	0	0	(561,665)		(561,665)	(381,885)	0	0	0	0		0001
S&P 500 OTC Call Option 9PG833VB SPX	Multiple	N/A	Equity/Index	JP Morgan Chase & Co 8I5DZWZKVSZI1NUHU7	07/20/2012	07/19/2013	3,816	0	1,475.0000	(169,545)	0	0	(411,669)		(411,669)	(252,166)	0	0	0	0		0001
S&P 500 OTC Call Option 9PG833UZ SPX	Multiple	N/A	Equity/Index	JP Morgan Chase & Co 8I5DZWZKVSZI1NUHU7	07/20/2012	07/19/2013	2,275	0	1,506.0000	(78,124)	0	0	(190,291)		(190,291)	(122,920)	0	0	0	0		0001
S&P 500 OTC Call Option 9PG833UX SPX	Multiple	N/A	Equity/Index	JP Morgan Chase & Co 8I5DZWZKVSZI1NUHU7	07/20/2012	07/19/2013	5,431	0	1,540.0000	(135,449)	0	0	(321,367)		(321,367)	(218,543)	0	0	0	0		0001
S&P 500 OTC Call Option 9PG833WD SPX	Multiple	N/A	Equity/Index	Credit Suisse FB Int E58DKGMJYYYJLN8C38	08/21/2012	08/21/2013	3,043	0	1,530.0000	(147,068)	0	0	(217,932)		(217,932)	(138,244)	0	0	0	0		0001
S&P 500 OTC Call Option 9PG833WB SPX	Multiple	N/A	Equity/Index	Credit Suisse FB Int E58DKGMJYYYJLN8C38	08/21/2012	08/21/2013	1,698	0	1,562.0000	(64,066)	0	0	(87,539)		(87,539)	(57,815)	0	0	0	0		0001
S&P 500 OTC Call Option 9PG833VZ SPX	Multiple	N/A	Equity/Index	Credit Suisse FB Int E58DKGMJYYYJLN8C38	08/21/2012	08/21/2013	4,953	0	1,597.0000	(138,585)	0	0	(163,337)		(163,337)	(111,425)	0	0	0	0		0001
S&P 500 OTC Call Option 9PG833XH SPX	Multiple	N/A	Equity/Index	Barclays Bank PLC G5GSEF7VJP5I7OUK55	09/21/2012	09/20/2013	2,808	0	1,581.0000	(109,484)	0	0	(131,367)		(131,367)	(84,146)	0	0	0	0		0001

Statement as of March 31, 2013 of the **National Life Insurance Company**

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) Paid	12 Current Year Initial Cost of Premium (Received) Paid	13 Current Year Income	14 Book/ Adjusted Carrying Value	15 Code	16 Fair Value	17 Unrealized Valuation Increase (Decrease)	18 Total Foreign Exchange Change in B./A.C.V.	19 Current Year's (Amortization) Accretion	20 Adjustment to Carrying Value of Hedged Items	21 Potential Exposure	22 Credit Quality of Reference Entity	23 Hedge Effectiveness at Inception and at Quarter-end (b)
S&P 500 OTC Call Option 9PG833XF SPX	Multiple	N/A	Equity/Index	Barclays Bank PLC G5GSEF7VJP5I7OUK55	09/21/2012	09/20/2013	1,849	0	1,621.0000	(50,496)	0	0	(52,537)		(52,537)	(34,558)	0	0	0	0		0001
S&P 500 OTC Call Option 9PG833XD SPX	Multiple	N/A	Equity/Index	Barclays Bank PLC G5GSEF7VJP5I7OUK55	09/21/2012	09/20/2013	6,095	0	1,650.0000	(124,582)	0	0	(112,060)		(112,060)	(74,006)	0	0	0	0		0001
S&P 500 OTC Call Option 9PG833YL SPX	Multiple	N/A	Equity/Index	Credit Suisse FB Int E58DKGMJYYYJLN8C38	10/19/2012	10/21/2013	2,931	0	1,551.0000	(116,771)	0	0	(202,590)		(202,590)	(119,495)	0	0	0	0		0001
S&P 500 OTC Call Option 9PG833YJ SPX	Multiple	N/A	Equity/Index	Credit Suisse FB Int E58DKGMJYYYJLN8C38	10/19/2012	10/21/2013	1,954	0	1,584.0000	(58,815)	0	0	(99,985)		(99,985)	(61,112)	0	0	0	0		0001
S&P 500 OTC Call Option 9PG833YH SPX	Multiple	N/A	Equity/Index	Credit Suisse FB Int E58DKGMJYYYJLN8C38	10/19/2012	10/21/2013	6,070	0	1,620.0000	(130,505)	0	0	(209,769)		(209,769)	(132,178)	0	0	0	0		0001
S&P 500 OTC Call Option 9PG833ZL SPX	Multiple	N/A	Equity/Index	Credit Suisse FB Int E58DKGMJYYYJLN8C38	11/21/2012	11/21/2013	2,947	0	1,506.0000	(106,593)	0	0	(303,225)		(303,225)	(161,726)	0	0	0	0		0001
S&P 500 OTC Call Option 9PG833ZJ SPX	Multiple	N/A	Equity/Index	Barclays Bank PLC G5GSEF7VJP5I7OUK55	11/21/2012	11/21/2013	2,732	0	1,534.0000	(75,622)	0	0	(231,761)		(231,761)	(128,056)	0	0	0	0		0001
S&P 500 OTC Call Option 9PG833ZZ SPX	Multiple	N/A	Equity/Index	Credit Suisse FB Int E58DKGMJYYYJLN8C38	11/21/2012	11/21/2013	5,607	0	1,572.0000	(106,869)	0	0	(349,408)		(349,408)	(201,947)	0	0	0	0		0001
S&P 500 OTC Call Option 9PG834DH SPX	Multiple	N/A	Equity/Index	Barclays Bank PLC G5GSEF7VJP5I7OUK55	03/21/2013	03/21/2014	2,588	0	1,677.0000	0	(72,593)	0	(91,799)		(91,799)	(19,206)	0	0	0	0		0001
S&P 500 OTC Call Option 9PG834DF SPX	Multiple	N/A	Equity/Index	Credit Suisse FB Int E58DKGMJYYYJLN8C38	03/21/2013	03/21/2014	1,811	0	1,704.0000	0	(38,918)	0	(50,154)		(50,154)	(11,236)	0	0	0	0		0001
S&P 500 OTC Call Option 9PG834DD SPX	Multiple	N/A	Equity/Index	Barclays Bank PLC G5GSEF7VJP5I7OUK55	03/21/2013	03/21/2014	4,787	0	1,751.0000	0	(58,832)	0	(81,297)		(81,297)	(22,465)	0	0	0	0		0001
S&P 500 OTC Call Option 9PG834AN SPX	Multiple	N/A	Equity/Index	Credit Suisse FB Int E58DKGMJYYYJLN8C38	12/21/2012	12/20/2013	3,496	0	1,548.0000	(140,504)	0	0	(280,500)		(280,500)	(152,000)	0	0	0	0		0001
S&P 500 OTC Call Option 9PG834AL SPX	Multiple	N/A	Equity/Index	Credit Suisse FB Int E58DKGMJYYYJLN8C38	12/21/2012	12/20/2013	2,727	0	1,577.0000	(86,200)	0	0	(175,251)		(175,251)	(97,950)	0	0	0	0		0001
S&P 500 OTC Call Option 9PG834AJ SPX	Multiple	N/A	Equity/Index	Credit Suisse FB Int E58DKGMJYYYJLN8C38	12/21/2012	12/20/2013	9,160	0	1,616.0000	(200,512)	0	0	(415,340)		(415,340)	(240,612)	0	0	0	0		0001
S&P 500 OTC Call Option 9PG834BL SPX	Multiple	N/A	Equity/Index	Credit Suisse FB Int E58DKGMJYYYJLN8C38	01/18/2013	01/21/2014	3,028	0	1,609.0000	0	(101,711)	0	(164,024)		(164,024)	(62,313)	0	0	0	0		0001
S&P 500 OTC Call Option 9PG834BJ SPX	Multiple	N/A	Equity/Index	Credit Suisse FB Int E58DKGMJYYYJLN8C38	01/18/2013	01/21/2014	2,557	0	1,638.0000	0	(64,615)	0	(106,303)		(106,303)	(41,687)	0	0	0	0		0001
S&P 500 OTC Call Option 9PG834BH SPX	Multiple	N/A	Equity/Index	Merrill Lynch Intl. GGDZP1UYGU9STUHRD	01/18/2013	01/21/2014	6,326	0	1,679.0000	0	(98,686)	0	(167,720)		(167,720)	(69,034)	0	0	0	0		0001
S&P 500 OTC Call Option 9PG834CJ SPX	Multiple	N/A	Equity/Index	Credit Suisse FB Int E58DKGMJYYYJLN8C38	02/21/2013	02/21/2014	4,326	0	1,630.0000	0	(129,996)	0	(212,009)		(212,009)	(82,013)	0	0	0	0		0001
S&P 500 OTC Call Option 9PG834CH SPX	Multiple	N/A	Equity/Index	Credit Suisse FB Int E58DKGMJYYYJLN8C38	02/21/2013	02/21/2014	2,396	0	1,656.0000	0	(55,060)	0	(93,241)		(93,241)	(38,181)	0	0	0	0		0001
S&P 500 OTC Call Option 9PG834CF SPX	Multiple	N/A	Equity/Index	Barclays Bank PLC G5GSEF7VJP5I7OUK55	02/21/2013	02/21/2014	5,924	0	1,698.0000	0	(73,872)	0	(149,623)		(149,623)	(75,751)	0	0	0	0		0001
0439999. Total-Written Options-Hedging Effective-Call Options and Warrants										(3,264,721)	(694,283)	0	(7,944,119)	XXX	(7,944,119)	(4,708,180)	0	0	0	0	XXX	XXX
0499999. Total-Written Options-Hedging Effective										(3,264,721)	(694,283)	0	(7,944,119)	XXX	(7,944,119)	(4,708,180)	0	0	0	0	XXX	XXX
0789999. Total-Written Options-Call Options and Warrants										(3,264,721)	(694,283)	0	(7,944,119)	XXX	(7,944,119)	(4,708,180)	0	0	0	0	XXX	XXX
0849999. Total-Written Options										(3,264,721)	(694,283)	0	(7,944,119)	XXX	(7,944,119)	(4,708,180)	0	0	0	0	XXX	XXX

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) Paid	12 Current Year Initial Cost of Premium (Received) Paid	13 Current Year Income	14 Book/ Adjusted Carrying Value	15 Code	16 Fair Value	17 Unrealized Valuation Increase (Decrease)	18 Total Foreign Exchange Change in B./A.C.V.	19 Current Year's (Amortization) Accretion	20 Adjustment to Carrying Value of Hedged Items	21 Potential Exposure	22 Credit Quality of Reference Entity	23 Hedge Effectiveness at Inception and at Quarter-end (b)
1399999. Total-Hedging Effective										7,154,741	2,272,726	0	16,490,609	XXX	16,490,609	6,493,984	0	0	0	0	XXX	XXX
1449999. TOTAL										7,154,741	2,272,726	0	16,490,609	XXX	16,490,609	6,493,984	0	0	0	0	XXX	XXX

(b)

Code	Financial or Economic Impact of the Hedge at the End of the Reporting Period
0001	The hedge effectiveness cannot be measured at inception. At 03/31/2013, the change in fair value of the derivative hedging instrument over the previous quarter was 101% of the opposite change in the fair value of the hedged item attributable to the hedged risk, which is within the 80-125 percent range allowed by SSAP 86 for a hi

SCHEDULE DB - PART B - SECTION 1

Futures Contracts Open as of the Current Statement Date

1	2	3	4	5	6	7	8	9	10	11	12	13	14	Highly Effective Hedges 15	16	17	All Other 18	19	20	21	22
Ticker Symbol	Number of Contracts	Notional Amount	Description	Description of Item(s) Hedged, Used for Income General or Replicated	Schedule/ Exhibit Identifier	Type(s) of Risk (a)	Date of Maturity or Expiration	Exchange	Trade Date	Transaction Price	Reporting Date Price	Fair Value	Book/ Adjusted Carrying Value	Cumulative Variation Margin	Deferred Variation Margin	Change in Variation Margin Gain (Loss) Used to Adjust Basis of Hedged Item	Cumulative Variation Margin	Change in Variation Margin Gain (Loss) Recognized in Current Year	Potential Exposure	Hedge Effectiveness at Inception and at Quarter-end (b)	Value of One (1) Point
Short Futures																					
Hedging Effective																					
ESM3	(14)	700	S&P500 EMINI FUT.	Multiple	N/A	Equity /Index	06/21/2013	CME 8I5DZWZKVSZI1NUHU7	03/11/2013	1,544.5000	1,562.7000	12,740	85,564	12,740	0	0	0	12,740	49,000	001	50
1339999. Total-Short Futures-Hedging Effective												12,740	85,564	12,740	0	0	0	12,740	49,000	XXX	XXX
1389999. Total-Short Futures												12,740	85,564	12,740	0	0	0	12,740	49,000	XXX	XXX
1399999. Total-Hedging Effective												12,740	85,564	12,740	0	0	0	12,740	49,000	XXX	XXX
1449999. TOTAL												12,740	85,564	12,740	0	0	0	12,740	49,000	XXX	XXX

(b)

Code	Financial or Economic Impact of the Hedge at the End of the Reporting Period
001	The hedge effectiveness cannot be measured at inception. At 03/31/2013, the change in fair value of the derivative hedging instrument over the previous quarter was 102% of the opposite change in the fair value of the hedged item attributable to the hedged risk, which is within the 80-125 percent range allowed by SSAP 86 for a highly effective hedge.

Broker Name	Beginning Cash Balance	Cumulative Cash Balance	Ending Cash Balance
Brokers			
JPMorgan	(5,834)	(78,658)	72,824
Total Net Cash Deposits	(5,834)	(78,658)	72,824

SCHEDULE DB - PART D - SECTION 1

Counterparty Exposure for Derivative Instruments Open as of Current Statement Date

1		2	3	4	Book Adjusted Carrying Value			Fair Value			11	12
Description of Exchange, Counterparty or Central Clearinghouse		Master Agreement (Y or N)	Credit Support Annex (Y or N)	Fair Value of Acceptable Collateral	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	Potential Exposure	Off-Balance Sheet Exposure
Exchange Traded Derivatives												
0199999. Aggregate Sum of Exchange Traded		XXX	XXX	XXX	85,564	0	85,564	85,564	0	85,564	49,000	49,000
NAIC 1 Designation												
Barclays Bank PLC	G5GSEF7VJP5I7OUK5573	Y	Y	0	7,655,797	(2,400,264)	5,255,533	7,655,797	(2,400,264)	5,255,533	0	0
Credit Suisse FB Int	E58DKGMJYYYJLN8C3868	Y	Y	2,330,000	10,950,405	(3,465,946)	5,154,459	10,950,405	(3,465,946)	5,154,459	0	0
JP Morgan Chase & Co	8I5DZWZKVSZI1NUHU748	Y	Y	0	4,596,141	(1,910,189)	2,685,952	4,596,141	(1,910,189)	2,685,952	0	0
Merrill Lynch Intl	GGDZP1UYGU9STUHRDP48	Y	Y	970,000	1,232,385	(167,720)	94,665	1,232,385	(167,720)	94,665	0	0
0299999. Total NAIC 1 Designation				3,300,000	24,434,728	(7,944,119)	13,190,609	24,434,728	(7,944,119)	13,190,609	0	0
0999999. Totals				3,300,000	24,520,292	(7,944,119)	13,276,173	24,520,292	(7,944,119)	13,276,173	49,000	49,000

SCHEDULE DB - PART D - SECTION 2

Collateral for Derivative Instruments Open as of Current Statement Date

1 Exchange, Counterparty or Central Clearinghouse		2 Type of Asset Pledged	3 CUSIP Identification	4 Description	5 Fair Value	6 Par Value	7 Book Adjusted Carrying Value	8 Maturity Date	9 Type of Margin (I, V or IV)
Collateral Pledged to Reporting Entity									
Credit Suisse FB Int	E58DKGMJYYYJLN8C3868	Cash			2,330,000	2,330,000	XXX		I
Merrill Lynch Intl	GGDZP1UYGU9STUHRDP48	Cash			970,000	970,000	XXX		I
0299999. Totals					3,300,000	3,300,000	0	XXX	XXX

SCHEDULE DL - PART 1
SECURITIES LENDING COLLATERAL ASSETS
Reinvested Collateral Assets Owned Current Statement Date

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

General Interrogatories:

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

NONE

SCHEDULE DL - PART 2
SECURITIES LENDING COLLATERAL ASSETS
Reinvested Collateral Assets Owned Current Statement Date

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

General Interrogatory:

1. Total activity for the year to date: Fair Value $..........0 Book/Adjusted Carrying Value $..........0
2. Average balance for the year to date: Fair Value $..........0 Book/Adjusted Carrying Value $..........0

NONE

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 6 First Month	7 Second Month	8 Third Month	9 *
Open Depositories									
JP Morgan Chase	New York, NY		0.000	0	0	4,779,143	(11,359,515)	(5,570,166)	XXX
State Street Bank	Boston, MA		0.000	0	0	593,420	1,464,304	643,038	XXX
Banknorth Vermont	Burlington, VT		0.000	0	0	(818)	3,146,014	(2,289,714)	XXX
BNY Mellon	Pittsburgh, PA		0.000	0	0	3,140,017	1,230,857	1,767,925	XXX
0199998. Deposits in 4 depositories that do not exceed the allowable limit in any one depository (see Instructions) - Open Depositories		XXX	XXX	0	0	366,747	(21,646)	209,805	XXX
0199999. Total Open Depositories		XXX	XXX	0	0	8,878,509	(5,539,987)	(5,239,113)	XXX
0399999. Total Cash on Deposit		XXX	XXX	0	0	8,878,509	(5,539,987)	(5,239,113)	XXX
0499999. Cash in Company's Office		XXX	XXX	XXX	XXX	400	400	400	XXX
0599999. Total Cash		XXX	XXX	0	0	8,878,909	(5,539,587)	(5,238,713)	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

NONE