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

June 30, 2013

2013

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QUARTERLY STATEMENT

As of June 30, 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

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
Sean Nigel Woodroffe #	SVP & Chief People Officer		

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 3rd day of August 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	5,370,653,903		5,370,653,903	5,365,244,542
2. Stocks:				
2.1 Preferred stocks			0	
2.2 Common stocks	678,374,678		678,374,678	624,751,527
3. Mortgage loans on real estate:				
3.1 First liens	611,557,477		611,557,477	619,480,636
3.2 Other than first liens			0	
4. Real estate:				
4.1 Properties occupied by the company (less $..........0 encumbrances)	51,967,553		51,967,553	50,359,272
4.2 Properties held for the production of income (less $..........0 encumbrances)	34,143		34,143	34,256
4.3 Properties held for sale (less $..........0 encumbrances)			0	
5. Cash ($.....2,394,483), cash equivalents ($.....25,099,580) and short-term investments ($.....36,850,000)	64,344,063		64,344,063	34,664,963
6. Contract loans (including $..........0 premium notes)	555,756,966		555,756,966	563,872,439
7. Derivatives	23,365,400		23,365,400	13,005,164
8. Other invested assets	318,285,822		318,285,822	327,022,178
9. Receivables for securities			0	1,316,258
10. Securities lending reinvested collateral assets			0	
11. Aggregate write-ins for invested assets	0	0	0	3,014
12. Subtotals, cash and invested assets (Lines 1 to 11)	7,674,340,005	0	7,674,340,005	7,599,754,250
13. Title plants less $..........0 charged off (for Title insurers only)			0	
14. Investment income due and accrued	79,427,423		79,427,423	78,235,978
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	7,560,033	2,091	7,557,942	17,096,108
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including $..........0 earned but unbilled premiums)	37,051,223		37,051,223	43,236,611
15.3 Accrued retrospective premiums			0	
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers	2,345,018		2,345,018	4,132,529
16.2 Funds held by or deposited with reinsured companies			0	
16.3 Other amounts receivable under reinsurance contracts			0	
17. Amounts receivable relating to uninsured plans			0	
18.1 Current federal and foreign income tax recoverable and interest thereon	16,168,797		16,168,797	
18.2 Net deferred tax asset	164,925,330	37,496,240	127,429,090	127,841,943
19. Guaranty funds receivable or on deposit	2,997,317		2,997,317	2,925,384
20. Electronic data processing equipment and software	2,515,156		2,515,156	2,334,598
21. Furniture and equipment, including health care delivery assets ($..........0)	2,911,993	2,911,993	0	
22. Net adjustment in assets and liabilities due to foreign exchange rates			0	
23. Receivables from parent, subsidiaries and affiliates			0	17,848,737
24. Health care ($..........0) and other amounts receivable	2,742,486	2,742,486	0	
25. Aggregate write-ins for other than invested assets	336,776,372	62,327,191	274,449,181	269,647,859
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 through 25)	8,329,761,152	105,480,000	8,224,281,152	8,163,053,997
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts	721,917,435		721,917,435	692,770,615
28. Total (Lines 26 and 27)	9,051,678,587	105,480,000	8,946,198,587	8,855,824,613

DETAILS OF WRITE-INS

	1	2	3	4
1101. Other real estate deposits			0	3,014
1102.			0	
1103.			0	
1198. Summary of remaining write-ins for Line 11 from overflow page	0	0	0	0
1199. Totals (Lines 1101 thru 1103 plus 1198) (Line 11 above)	0	0	0	3,014
2501. Corporate owned life insurance	220,528,035		220,528,035	218,536,795
2502. Note receivable from NLVF	33,623,247		33,623,247	33,623,247
2503. Prepaid def comp ins CSV	15,101,162		15,101,162	14,826,918
2598. Summary of remaining write-ins for Line 25 from overflow page	67,523,928	62,327,191	5,196,737	2,660,899
2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above)	336,776,372	62,327,191	274,449,181	269,647,859

LIABILITIES, SURPLUS AND OTHER FUNDS

		1 Current Statement Date	2 December 31 Prior Year
1.	Aggregate reserve for life contracts $.....5,554,876,078 less $..........0 included in Line 6.3 (including $.....20,062,657 Modco Reserve)	5,554,876,078	5,599,496,600
2.	Aggregate reserve for accident and health contracts (including $....413,694,238 Modco Reserve)	525,220,508	526,636,934
3.	Liability for deposit-type contracts (including $..........0 Modco Reserve)	289,558,236	298,376,839
4.	Contract claims:		
	4.1 Life	36,437,188	31,661,613
	4.2 Accident and health	2,112,364	2,012,771
5.	Policyholders' dividends $.....1,383,295 and coupons $..........0 due and unpaid	1,383,295	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)	94,025,488	96,267,791
	6.2 Dividends not yet apportioned (including $..........0 Modco)		
	6.3 Coupons and similar benefits (including $..........0 Modco)		
7.	Amount provisionally held for deferred dividend policies not included in Line 6		
8.	Premiums and annuity considerations for life and accident and health contracts received in advance less $..........0 discount; including $.....191,415 accident and health premiums	2,242,463	2,967,423
9.	Contract liabilities not included elsewhere:		
	9.1 Surrender values on canceled contracts		
	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		
	9.3 Other amounts payable on reinsurance, including $..........0 assumed and $..........0 ceded		
	9.4 Interest Maintenance Reserve	64,320,635	66,316,953
10.	Commissions to agents due or accrued - life and annuity contracts $..........0, accident and health $.....45,119 and deposit-type contract funds $..........0	1,887,615	2,522,322
11.	Commissions and expense allowances payable on reinsurance assumed		
12.	General expenses due or accrued	27,273,956	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)	(8,271,784)	(9,973,219)
14.	Taxes, licenses and fees due or accrued, excluding federal income taxes	2,155,554	1,631,179
15.1	Current federal and foreign income taxes, including $..........0 on realized capital gains (losses)		497,306
15.2	Net deferred tax liability		
16.	Unearned investment income	14,237	10,304
17.	Amounts withheld or retained by company as agent or trustee	73,213	(282,891)
18.	Amounts held for agents' account, including $..........0 agents' credit balances	64,920	2,219
19.	Remittances and items not allocated	9,493,324	11,825,004
20.	Net adjustment in assets and liabilities due to foreign exchange rates		
21.	Liability for benefits for employees and agents if not included above	75,986,950	77,474,537
22.	Borrowed money $..........0 and interest thereon $..........0		
23.	Dividends to stockholders declared and unpaid		
24.	Miscellaneous liabilities:		
	24.01 Asset valuation reserve	81,690,034	70,627,810
	24.02 Reinsurance in unauthorized and certified ($..........0) companies		
	24.03 Funds held under reinsurance treaties with unauthorized and certified ($..........0) reinsurers		
	24.04 Payable to parent, subsidiaries and affiliates	4,016,993	
	24.05 Drafts outstanding		
	24.06 Liability for amounts held under uninsured plans		
	24.07 Funds held under coinsurance		
	24.08 Derivatives	7,563,194	2,668,553
	24.09 Payable for securities	35,456,287	4,662
	24.10 Payable for securities lending		
	24.11 Capital notes $..........0 and interest thereon $..........0		
25.	Aggregate write-ins for liabilities	64,056,794	60,585,510
26.	Total liabilities excluding Separate Accounts business (Lines 1 to 25)	6,871,637,542	6,880,265,912
27.	From Separate Accounts statement	717,065,111	688,502,586
28.	Total liabilities (Lines 26 and 27)	7,588,702,653	7,568,768,498
29.	Common capital stock	2,500,000	2,500,000
30.	Preferred capital stock		
31.	Aggregate write-ins for other than special surplus funds	0	0
32.	Surplus notes	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	5,517,105	4,914,023
35.	Unassigned funds (surplus)	1,022,502,474	952,665,737
36.	Less treasury stock, at cost:		
	36.1 .....0.000 shares common (value included in Line 29 $..........0)		
	36.2 .....0.000 shares preferred (value included in Line 30 $..........0)		
37.	Surplus (Total Lines 31 + 32 + 33 + 34 + 35 - 36) (including $.....4,852,324 in Separate Accounts Statement)	1,354,995,934	1,284,556,116
38.	Totals of Lines 29, 30 and 37	1,357,495,934	1,287,056,116
39.	Totals of Lines 28 and 38 (Page 2, Line 28, Col. 3)	8,946,198,587	8,855,824,613

DETAILS OF WRITE-INS

2501.	Minimum Pension Obligation Accrual - ABO	28,082,135	27,117,492
2502.	Miscellaneous	13,646,832	18,783,585
2503.	Guaranty Fund	4,886,474	5,261,974
2598.	Summary of remaining write-ins for Line 25 from overflow page	17,441,352	9,422,460
2599.	Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above)	64,056,794	60,585,510
3101.			
3102.			
3103.			
3198.	Summary of remaining write-ins for Line 31 from overflow page	0	0
3199.	Totals (Lines 3101 thru 3103 plus 3198) (Line 31 above)	0	0
3401.	Separate account annuity mortality fluctuation fund	4,852,324	4,268,030
3402.	Permanent surplus (Guaranty Fund)	500,000	500,000
3403.	Separate account special contingency fund	164,781	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)	5,517,105	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	180,888,607	181,592,504	421,129,074
2. Considerations for supplementary contracts with life contingencies	618,359	396,404	927,788
3. Net investment income	194,200,568	184,619,496	408,939,499
4. Amortization of Interest Maintenance Reserve (IMR)	2,362,676	2,556,213	4,869,621
5. Separate Accounts net gain from operations excluding unrealized gains or losses	22,293	7,771	158,122
6. Commissions and expense allowances on reinsurance ceded	2,913,301	3,217,922	6,308,851
7. Reserve adjustments on reinsurance ceded	(1,398,205)	3,126,319	11,261,828
8. Miscellaneous Income:			
8.1 Income from fees associated with investment management, administration and contract guarantees from Separate Accounts	11,596,832	12,429,010	24,479,600
8.2 Charges and fees for deposit-type contracts			
8.3 Aggregate write-ins for miscellaneous income	(3,882,582)	(4,751,105)	(8,289,450)
9. Totals (Lines 1 to 8.3)	387,321,850	383,194,534	869,784,931
10. Death benefits	93,881,676	99,975,086	173,229,300
11. Matured endowments (excluding guaranteed annual pure endowments)	2,481,618	2,360,910	8,989,048
12. Annuity benefits	21,250,243	22,661,927	40,792,332
13. Disability benefits and benefits under accident and health contracts	10,525,261	9,977,029	20,479,139
14. Coupons, guaranteed annual pure endowments and similar benefits			
15. Surrender benefits and withdrawals for life contracts	158,435,567	142,828,218	283,556,325
16. Group conversions			
17. Interest and adjustments on contract or deposit-type contract funds	4,961,724	5,117,723	12,450,425
18. Payments on supplementary contracts with life contingencies	2,170,488	2,255,686	4,395,292
19. Increase in aggregate reserves for life and accident and health contracts	(46,036,948)	(18,403,267)	61,536,602
20. Totals (Lines 10 to 19)	247,669,629	266,773,311	605,428,462
21. Commissions on premiums, annuity considerations and deposit-type contract funds (direct business only)	19,204,485	16,048,773	34,675,837
22. Commissions and expense allowances on reinsurance assumed	270	308	1,747
23. General insurance expenses	60,575,835	62,425,835	117,670,527
24. Insurance taxes, licenses and fees, excluding federal income taxes	7,153,531	6,610,005	11,695,380
25. Increase in loading on deferred and uncollected premiums	(4,235,484)	(2,811,327)	1,083,078
26. Net transfers to or (from) Separate Accounts net of reinsurance	(17,059,402)	(23,972,513)	(43,420,240)
27. Aggregate write-ins for deductions	1,744,522	1,939,931	4,398,680
28. Totals (Lines 20 to 27)	315,053,385	327,014,323	731,533,471
29. Net gain from operations before dividends to policyholders and federal income taxes (Line 9 minus Line 28)	72,268,466	56,180,211	138,251,460
30. Dividends to policyholders	35,217,533	42,573,144	93,848,419
31. Net gain from operations after dividends to policyholders and before federal income taxes (Line 29 minus Line 30)	37,050,933	13,607,066	44,403,041
32. Federal and foreign income taxes incurred (excluding tax on capital gains)	(1,433,824)	(10,377,382)	(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)	38,484,757	23,984,448	76,685,105
34. Net realized capital gains (losses) (excluding gains (losses) transferred to the IMR) less capital gains tax of $.....(3,061,585) (excluding taxes of $.....2,042,557 transferred to the IMR)	587,952	(2,019,942)	(12,127,373)
35. Net income (Line 33 plus Line 34)	39,072,709	21,964,506	64,557,731

CAPITAL AND SURPLUS ACCOUNT

	1	2	3
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)	39,072,709	21,964,506	64,557,731
38. Change in net unrealized capital gains (losses) less capital gains tax of $..........0	52,159,389	46,981,684	65,463,176
39. Change in net unrealized foreign exchange capital gain (loss)	(18,429)		10,280
40. Change in net deferred income tax	(1,721,077)	(5,127,637)	(31,090,705)
41. Change in nonadmitted assets	(7,587,905)	(6,525,774)	32,723,266
42. Change in liability for reinsurance in unauthorized and certified companies			
43. Change in reserve on account of change in valuation basis, (increase) or decrease			
44. Change in asset valuation reserve	(11,062,225)	(15,292,121)	(10,138,068)
45. Change in treasury stock			
46. Surplus (contributed to) withdrawn from Separate Accounts during period			
47. Other changes in surplus in Separate Accounts Statement	562,000	223,109	460,282
48. Change in surplus notes			
49. Cumulative effect of changes in accounting principles			
50. Capital changes:			
50.1 Paid in			
50.2 Transferred from surplus (Stock Dividend)			
50.3 Transferred to surplus			
51. Surplus adjustment:			
51.1 Paid in			19,852,955
51.2 Transferred to capital (Stock Dividend)			
51.3 Transferred from capital			
51.4 Change in surplus as a result of reinsurance			
52. Dividends to stockholders			(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)	70,439,818	42,223,767	144,396,762
55. Capital and surplus as of statement date (Lines 36 + 54)	1,357,495,934	1,184,883,121	1,287,056,116

DETAILS OF WRITE-INS

		1	2	3
08.301.	Miscellaneous Income	7,866,218	6,600,907	13,555,487
08.302.	Change in Coli	4,163,261	4,000,234	8,977,727
08.303.	Modco Interest	(15,912,061)	(15,352,245)	(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)	(3,882,582)	(4,751,105)	(8,289,450)
2701.	Change in agents deferred comp	1,735,035	1,939,754	4,503,084
2702.	Miscellaneous deductions	8,776	103	205
2703.	Fines and Penalties	711	74	(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)	1,744,522	1,939,931	4,398,680
5301.	Minimum pension obligation	(964,643)		32,557,844
5302.				
5303.				
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	200,744,270	203,025,653	423,840,735
2.	Net investment income	194,448,980	189,636,350	417,928,784
3.	Miscellaneous income	5,364,492	10,362,347	25,444,639
4.	Total (Lines 1 through 3)	400,557,742	403,024,350	867,214,158
5.	Benefit and loss related payments	297,660,250	282,223,737	568,566,222
6.	Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts	(18,760,837)	(26,509,766)	(45,935,496)
7.	Commissions, expenses paid and aggregate write-ins for deductions	92,117,421	96,911,968	163,863,203
8.	Dividends paid to policyholders	39,275,445	45,453,109	109,512,478
9.	Federal and foreign income taxes paid (recovered) net of $.....(1,019,028) tax on capital gains (losses)	14,213,251	(38,877,064)	(54,044,553)
10.	Total (Lines 5 through 9)	424,505,530	359,201,984	741,961,854
11.	Net cash from operations (Line 4 minus Line 10)	(23,947,787)	43,822,366	125,252,304
	CASH FROM INVESTMENTS			
12.	Proceeds from investments sold, matured or repaid:			
	12.1 Bonds	356,100,326	296,811,605	609,177,235
	12.2 Stocks	4,728,535	7,143,169	11,103,549
	12.3 Mortgage loans	37,425,092	22,990,047	58,583,794
	12.4 Real estate	131,002		4,430,528
	12.5 Other invested assets	30,262,256	21,372,906	57,701,941
	12.6 Net gains or (losses) on cash, cash equivalents and short-term investments			
	12.7 Miscellaneous proceeds	36,770,897		165,617
	12.8 Total investment proceeds (Lines 12.1 to 12.7)	465,418,107	348,317,727	741,162,663
13.	Cost of investments acquired (long-term only):			
	13.1 Bonds	356,472,168	332,999,199	683,510,312
	13.2 Stocks	3,801,341	6,131,759	9,889,700
	13.3 Mortgage loans	29,501,937	10,600,000	39,265,419
	13.4 Real estate	2,795,124	4,813,030	8,797,504
	13.5 Other invested assets	31,460,571	40,442,095	61,183,827
	13.6 Miscellaneous applications	5,380,520	18,040,555	1,107,083
	13.7 Total investments acquired (Lines 13.1 to 13.6)	429,411,661	413,026,638	803,753,845
14.	Net increase (decrease) in contract loans and premium notes	(8,115,472)	(657,329)	446,202
15.	Net cash from investments (Line 12.8 minus Line 13.7 and Line 14)	44,121,919	(64,051,582)	(63,037,383)
	CASH FROM FINANCING AND MISCELLANEOUS SOURCES			
16.	Cash provided (applied):			
	16.1 Surplus notes, capital notes			
	16.2 Capital and paid in surplus, less treasury stock			0
	16.3 Borrowed funds			
	16.4 Net deposits on deposit-type contracts and other insurance liabilities	(921,613)	846,625	(12,956,286)
	16.5 Dividends to stockholders			30,000,000
	16.6 Other cash provided (applied)	10,426,580	(22,059,514)	(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)	9,504,968	(21,212,889)	(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)	29,679,099	(41,442,104)	(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)	64,344,063	25,711,794	34,664,964

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

20.0001				

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			
2. Ordinary life insurance	181,420,387	182,727,985	433,121,204
3. Ordinary individual annuities	16,573,353	17,312,561	31,648,590
4. Credit life (group and individual)			
5. Group life insurance			
6. Group annuities	1,539,423	1,540,422	6,806,992
7. A&H - group			
8. A&H - credit (group and individual)			
9. A&H - other	15,121,417	15,865,006	31,340,128
10. Aggregate of all other lines of business	0	0	0
11. Subtotal	214,654,580	217,445,974	502,916,913
12. Deposit-type contracts		32,436	32,436
13. Total	214,654,580	217,478,410	502,949,349

DETAILS OF WRITE-INS

1001.			
1002.			
1003.			
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 2013 ("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	June 2013	December 2012
(1)	Net Income (Loss) Vermont State basis		$39,072,709	$64,557,731
(2)	State Prescribed Practice (Income)	VT	-0-	-0-
(3)	State Permitted Practice (Income)	VT	-0-	-0-
(4)	Net Income, NAIC SAP		$39,072,709	$64,557,731
(5)	Statutory Surplus Vermont basis		$1,357,495,934	$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		$1,357,495,934	$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.

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
	NONE	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		$ (828,150)	
	2.	12 Months or Longer		$ (5,399)	
b	The aggregate related fair value of securities with unrealized losses				
	1.	Less than 12 Months		$ 6,510,154	
	2.	12 Months or Longer		$ -	

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 June 30, 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	$ 246	$ 3,084	$ -	$ 482
Interest cost	1,642	7,134	38	824
Expected (return) on plan assets	(426)	(5,846)	-	-
Amortization of unrecognized transition obligation or transition asset	-	-	44	254
Amortization of unrecognized gains and losses	1,132	4,238	(46)	(62)
Amount of prior service cost recognized	-	(34)	(64)	(62)
Total net periodic benefit cost	$ 2,594	$ 8,576	$ (28)	$ 1,436

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	$ -	$ 11,082,807	$ -	$ 11,082,807
Total Bonds	$ -	$ 11,082,807	$ -	$ 11,082,807
Common stock				
Industrial & Miscellaneous	$ 30,498,003	-	$ 647,876,675	$ 678,374,678
Derivatives				
OTC-Options Long	-	$ 23,280,375	-	$ 23,280,375
Futures	$ 85,025	$ -	-	$ 85,025
Total Derivatives	$ 85,025	$ 23,280,375	-	$ 23,365,400
Other Invested Assets				
Partnerships	-	-	$ 204,651,351	$ 204,651,351
Short Term	$ 36,850,000	-	-	$ 36,850,000
Separate Account Assets	$ 661,795,283	$ 60,122,152	-	$ 721,917,435
Total Assets at Fair Value	$ 729,228,311	$ 94,485,334	$ 852,528,026	$ 1,676,241,671
Liabilities at Fair Value				
Derivatives				
OTC-Options Short	-	$ 7,563,194	-	$ 7,563,194
Total Liabilities at Fair Value	-	$ 7,563,194	-	$ 7,563,194

NOTES TO FINANCIAL STATEMENTS

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

Assets	Beginning Balance 01/01/2013	Transfer into Level 3	Transfers out of Level 3	Net Investment Gain/Loss in Earnings (Realized & Unrealized)	Unrealized	Purchases	Issuances	Sales	Settlement	Ending Balance 06/30/2013
Common Stocks										
Parent, Subsidiary & Affiliate										
	$595,232,244	-	-	-	$52,644,431	-	-	-	-	$647,876,675
Other Invested Assets										
Partnerships										
	$207,875,914	-	-	($1,858,098)	($2,564,780)	$31,805,115	-	($30,606,800)	-	$204,651,351
Total Assets	$803,108,158	-	-	($1,858,098)	$50,079,651	$31,805,115	-	($30,606,800)	-	$852,528,026

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	$ 5,842,722,229	$5,370,653,903	$ 7,547,395	$5,827,783,661	$ 7,391,173	-
Preferred Stock	-	-	-	-	-	-
Common Stock	$ 678,374,678	$ 678,374,678	$ 30,498,003	-	$ 647,876,675	-
Mortgage Loans	-	$ 611,557,477	-	-	-	$611,557,477
Real Estate	$ 46,420,439	$ 52,001,696	-	$ 46,386,296	$ 34,143	-
Short Term Investments	$ 36,850,000	$ 36,850,000	$ 36,850,000	-	-	-
Cash Equivalents	-	$ 25,099,580	-	-	-	$ 25,099,580
Derivative Asset	$ 23,365,400	$ 23,365,400	$ 85,025	$ 23,280,375	-	-
Other Invested Assets	$ 238,582,221	$ 318,285,822	-	$ 33,938,575	$ 204,643,646	$ 85,074,555
Separate Account Assets	$ 721,917,435	$ 721,917,435	$ 661,795,283	$ 60,122,152	-	-
Derivative Liability	$ 7,563,194	$ 7,563,194	-	$ 7,563,194	-	-

D. Not practicable to estimate fair value

Type or Class of Financial Instrument	Carrying Value	Effective Interest Rate	Maturity Date	Explanation
Mortgage Loans	$ 611,557,477			A
Other Invested Assets	$ 85,074,555			A
Cash Equivalents	$ 25,099,580			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. 12/31/2009......................

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

6.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). 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 [ ] No [X]

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

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	$ 3,943,126
14.22	Preferred Stock	$ 0	$ 0
14.23	Common Stock	$ 595,232,244	$ 647,876,675
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	$ 651,819,801
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	$
1.12	Residential mortgages	$611,557,477
1.13	Commercial mortgages	$
1.14	Total mortgages in good standing	$611,557,477
1.2	Long-term mortgages in good standing with restructured terms	
1.21	Total mortgages in good standing with restructured terms	$
1.3	Long-term mortgage loans upon which interest is overdue more than three months	
1.31	Farm mortgages	$
1.32	Residential mortgages	$
1.33	Commercial mortgages	$
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	$
1.42	Residential mortgages	$
1.43	Commercial mortgages	$
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)	$611,557,477
1.6	Long-term mortgages foreclosed, properties transferred to real estate in current quarter	
1.61	Farm mortgages	$
1.62	Residential mortgages	$
1.63	Commercial mortgages	$
1.64	Total mortgages foreclosed and transferred to real estate	$0

2. Operating Percentages:

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

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	$	
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	$	

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

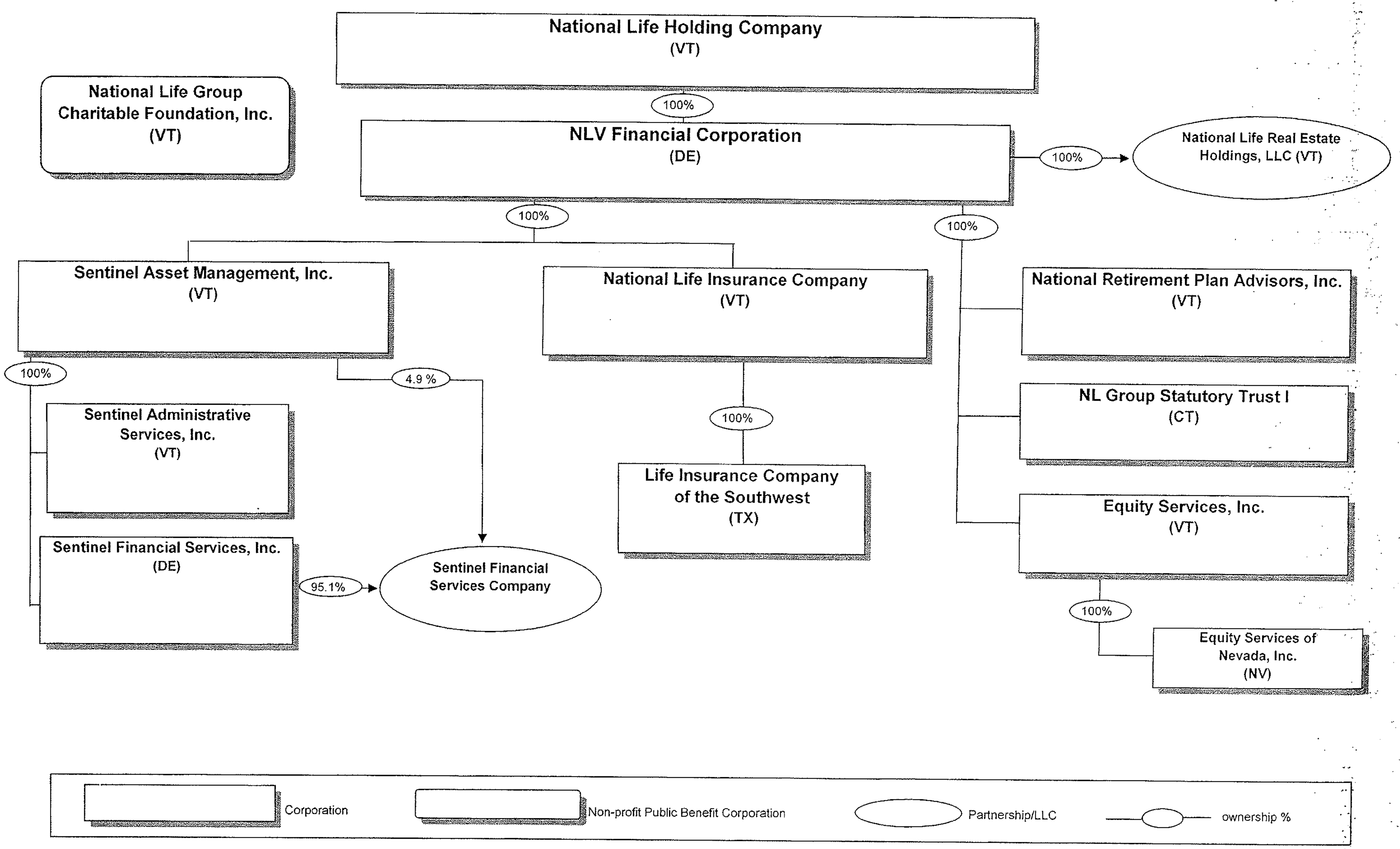
Current Year to Date - Allocated by States and Territories

	States, Etc.	1 Active Status	Direct Business Only: Life Contracts: 2 Life Insurance Premiums	3 Annuity Considerations	4 Accident and Health Insurance Premiums, Including Policy, Membership and Other Fees	5 Other Considerations	6 Total Columns 2 through 5	7 Deposit-Type Contracts
1.	Alabama AL	L	394,946	8,575	321,688		725,209	
2.	Alaska AK	L	25,317		11,574		36,891	
3.	Arizona AZ	L	1,806,610	140,141	96,783		2,043,534	
4.	Arkansas AR	L	157,873		18,985		176,858	
5.	California CA	L	15,183,173	180,481	1,452,597		16,816,251	
6.	Colorado CO	L	810,817	78,950	143,869		1,033,636	
7.	Connecticut CT	L	3,206,430	278,406	330,579		3,815,415	
8.	Delaware DE	L	1,055,294	46,882	28,708		1,130,884	
9.	District of Columbia DC	L	152,745		18,274		171,019	
10.	Florida FL	L	13,663,510	1,955,937	852,718		16,472,165	
11.	Georgia GA	L	7,011,793	866,881	655,806		8,534,480	
12.	Hawaii HI	L	120,201		19,755		139,956	
13.	Idaho ID	L	326,971	5,942	12,183		345,096	
14.	Illinois IL	L	7,025,845	205,678	319,468		7,550,991	
15.	Indiana IN	L	1,704,091	4,100	87,220		1,795,411	
16.	Iowa IA	L	351,617	41,372	26,068		419,057	
17.	Kansas KS	L	1,347,869	95,300	43,860		1,487,029	
18.	Kentucky KY	L	800,382	88,410	45,340		934,132	
19.	Louisiana LA	L	685,998	600	106,834		793,432	
20.	Maine ME	L	2,862,857	308,601	132,451		3,303,909	
21.	Maryland MD	L	3,608,077	164,344	160,322		3,932,743	
22.	Massachusetts MA	L	2,837,730	282,896	311,507		3,432,133	
23.	Michigan MI	L	2,866,023	127,407	608,924		3,602,354	
24.	Minnesota MN	L	2,915,922	260,861	307,137		3,483,920	
25.	Mississippi MS	L	258,984		35,493		294,477	
26.	Missouri MO	L	5,247,186	5,500	73,622		5,326,308	
27.	Montana MT	L	202,877		12,155		215,032	
28.	Nebraska NE	L	482,853	581,150	78,429		1,142,432	
29.	Nevada NV	L	521,046		41,661		562,707	
30.	New Hampshire NH	L	1,474,379	71,627	108,247		1,654,253	
31.	New Jersey NJ	L	10,857,797	291,079	793,218		11,942,094	
32.	New Mexico NM	L	226,376	300	17,174		243,850	
33.	New York NY	L	30,233,468	5,481,018	2,182,308		37,896,794	
34.	North Carolina NC	L	9,563,467	198,164	352,722		10,114,353	
35.	North Dakota ND	L	119,898	50	4,338		124,286	
36.	Ohio OH	L	5,206,041	98,254	298,882		5,603,177	
37.	Oklahoma OK	L	259,666	21,347	14,598		295,611	
38.	Oregon OR	L	1,205,732	76,541	70,406		1,352,679	
39.	Pennsylvania PA	L	7,459,039	606,240	737,682		8,802,961	
40.	Rhode Island RI	L	1,247,291	295,771	153,840		1,696,902	
41.	South Carolina SC	L	1,441,876	56,100	92,184		1,590,160	
42.	South Dakota SD	L	163,281	2,667	24,368		190,316	
43.	Tennessee TN	L	1,764,254	363,562	161,847		2,289,663	
44.	Texas TX	L	4,646,381	283,900	363,764		5,294,045	
45.	Utah UT	L	1,664,637	177,937	50,951		1,893,525	
46.	Vermont VT	L	6,967,095	1,637,823	187,217		8,792,135	
47.	Virginia VA	L	5,772,240	174,218	363,762		6,310,220	
48.	Washington WA	L	987,409	550	66,094		1,054,053	
49.	West Virginia WV	L	269,432		15,875		285,307	
50.	Wisconsin WI	L	3,105,438	51,000	95,325		3,251,763	
51.	Wyoming WY	L	56,341		5,307		61,648	
52.	American Samoa AS	N					0	
53.	Guam GU	N					0	
54.	Puerto Rico PR	N	3,161		871		4,032	
55.	US Virgin Islands VI	N	35,002				35,002	
56.	Northern Mariana Islands MP	N					0	
57.	Canada CAN	N					0	
58.	Aggregate Other Alien OT	XXX	877,058	240,300	22,521	0	1,139,879	0
59.	Subtotal	(a) 51	173,241,796	15,856,862	12,537,511	0	201,636,169	0
90.	Reporting entity contributions for employee benefit plans	XXX	372,318	1,454,999			1,827,317	
91.	Dividends or refunds applied to purchase paid-up additions and annuities	XXX	24,477,749	800,914			25,278,663	
92.	Dividends or refunds applied to shorten endowment or premium paying period	XXX					0	
93.	Premium or annuity considerations waived under disability or other contract provisions	XXX	2,729,532		2,299,518		5,029,050	
94.	Aggregate other amounts not allocable by State	XXX	14,056	0	0	0	14,056	0
95.	Totals (Direct Business)	XXX	200,835,450	18,112,775	14,837,029	0	233,785,254	0
96.	Plus Reinsurance Assumed	XXX	271,129				271,129	
97.	Totals (All Business)	XXX	201,106,580	18,112,775	14,837,029	0	234,056,383	0
98.	Less Reinsurance Ceded	XXX	22,012,038	11,618	11,908,910		33,932,566	
99.	Totals (All Business) less Reinsurance Ceded	XXX	179,094,542	18,101,157	2,928,119	0	200,123,817	0
	DETAILS OF WRITE-INS							
58001.	Other Foreign	XXX	877,058	240,300	22,521		1,139,879	
58002.		XXX					0	
58003.		XXX					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	877,058	240,300	22,521	0	1,139,879	0
9401.	Other Foreign	XXX	14,056				14,056	
9402.		XXX					0	
9403.		XXX					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	14,056	0	0	0	14,056	0

(L) - Licensed or Chartered - Licensed Insurance Carrier or Domicilied 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				National Life Holding Company	VT	UDP		Board			
0000	National Life Group	00000	20-4818866				National Life Group Charitable Foundation, Inc.	VT	NIA	National Life Holding Company	Management	100.000	National Life Holding Company	
0000	National Life Group	00000	03-0359222				NLV Financial Corporation	DE	UDP	National Life Holding Company	Board		National Life Holding Company	
0634	National Life Group	66680	03-0144090				National Life Insurance Company	VT	UDP	NLV Financial Corporation	Board		National Life Holding Company	
0634	National Life Group	65528	75-0953004				Life Insurance Company of the Southwest	TX		National Life Insurance Company	Ownership	100.000	National Life Holding Company	
0000	National Life Group	00000	03-0221140				Sentinel Asset Management, Inc.	VT	NIA	NLV Financial Corporation	Board		National Life Holding Company	
0000	National Life Group	00000	03-0316212				Sentinel Administrative Services, Inc.	VT	NIA	Sentinel Asset Management, Inc.	Ownership	100.000	National Life Holding Company	
0000	National Life Group	00000	51-0102130				Sentinel Financial Services, Inc.	DE	NIA	Sentinel Asset Management, Inc.	Ownership	100.000	National Life Holding Company	
0000	National Life Group	00000	03-0335801				Sentinel Financial Services Company	VT	NIA	Sentinel Financial Services, Inc.	Ownership	95.100	National Life Holding Company	
0000	National Life Group	00000	03-0355801				Sentinel Financial Services Company	VT	NIA	Sentinel Asset Management, Inc.	Ownership	4.900	National Life Holding Company	
0000	National Life Group	00000	27-1362376				National Life Real Estate Holdings, LLC	VT	NIA	NLV Financial Corporation	Ownership	100.000	National Life Holding Company	
0000	National Life Group	00000	03-0223461				National Retirement Plan Advisors, Inc.	VT	NIA	NLV Financial Corporation	Ownership	100.000	National Life Holding Company	
0000	National Life Group	00000					NL Group Statutory Trust I	CT	NIA	NLV Financial Corporation	Ownership	100.000	National Life Holding Company	
0000	National Life Group	00000	03-0221141				Equity Services, Inc.	VT	NIA	NLV Financial Corporation	Ownership	100.000	National Life Holding Company	
0000	National Life Group	00000	03-0221141				Equity Services of Nevada, Inc.	NV	NIA	Equity Services, Inc.	Ownership	100.000	National Life Holding Company	

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

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

		Response
1.	Will the Trusteed Surplus Statement be filed with the state of domicile and the NAIC with this statement?	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:

* 6 6 6 8 0 2 0 1 3 4 9 0 0 0 0 0 2 *

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* 6 6 6 8 0 2 0 1 3 4 4 7 0 0 0 0 2 *

* 6 6 6 8 0 2 0 1 3 4 4 8 0 0 0 0 2 *

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	5,064,467		5,064,467	2,660,899
2505. Other assets	132,270		132,270	
2506. Software applications	58,208,743	58,208,743	0	
2507. Prepaid expenses	3,974,323	3,974,323	0	
2508. Miscellaneous	144,125	144,125	0	
2597. Summary of remaining write-ins for Line 25	67,523,928	62,327,191	5,196,737	2,660,899

Additional Write-ins for Liabilities:

	1 Current Statement Date	2 December 31 Prior Year
2504. Accumulated post retirement benefits	3,699,234	3,834,200
2505. Provision for sales practice litigation	2,454,943	2,468,999
2506. Reinsurance reserve adjustment	9,679,687	1,445,445
2507. Commission Accumulation Liability	888,694	1,032,838
2508. Accrued interest on death claims	718,794	640,978
2597. Summary of remaining write-ins for Line 25	17,441,352	9,422,460

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		
2.2 Additional investment made after acquisition	2,795,124	8,797,504
3. Current year change in encumbrances		(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		
7. Deduct current year's other than temporary impairment recognized		
8. Deduct current year's depreciation	1,151,983	2,111,967
9. Book/adjusted carrying value at end of current period (Lines 1+2+3+4-5+6-7-8)	52,001,696	50,389,995
10. Deduct total nonadmitted amounts		
11. Statement value at end of current period (Line 9 minus Line 10)	52,001,696	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	29,500,000	39,250,000
2.2 Additional investment made after acquisition	1,937	15,419
3. Capitalized deferred interest and other		130,526
4. Accrual of discount		
5. Unrealized valuation increase (decrease)		
6. Total gain (loss) on disposals		
7. Deduct amounts received on disposals	37,425,092	58,583,794
8. Deduct amortization of premium and mortgage interest points and commitment fees		
9. Total foreign exchange change in book value/recorded investment excluding accrued interest		
10. Deduct current year's other than temporary impairment recognized		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)	611,557,479	619,480,634
12. Total valuation allowance		
13. Subtotal (Line 11 plus Line 12)	611,557,479	619,480,634
14. Deduct total nonadmitted amounts		
15. Statement value at end of current period (Line 13 minus Line 14)	611,557,479	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	4,375,390	4,392,908
2.2 Additional investment made after acquisition	27,085,181	56,790,919
3. Capitalized deferred interest and other		
4. Accrual of discount	6,937	19,585
5. Unrealized valuation increase (decrease)	(2,572,486)	10,294,055
6. Total gain (loss) on disposals		1,233
7. Deduct amounts received on disposals	30,262,256	57,701,941
8. Deduct amortization of premium and depreciation	5,511,022	8,710,396
9. Total foreign exchange change in book/adjusted carrying value		
10. Deduct current year's other than temporary impairment recognized	1,858,098	2,820,713
11. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5+6-7-8+9-10)	318,285,821	327,022,175
12. Deduct total nonadmitted amounts		
13. Statement value at end of current period (Line 11 minus Line 12)	318,285,821	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	360,273,508	693,400,012
3. Accrual of discount	7,406,554	12,327,156
4. Unrealized valuation increase (decrease)	54,731,876	55,169,123
5. Total gain (loss) on disposals	3,831,018	4,104,829
6. Deduct consideration for bonds and stocks disposed of	360,828,862	620,280,784
7. Deduct amortization of premium	6,363,150	11,083,571
8. Total foreign exchange change in book/adjusted carrying value	(18,429)	10,280
9. Deduct current year's other than temporary impairment recognized		8,306,234
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9)	6,049,028,584	5,989,996,069
11. Deduct total nonadmitted amounts		
12. Statement value at end of current period (Line 10 minus Line 11)	6,049,028,584	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)	3,058,846,256	493,735,881	470,729,187	16,620,457	3,058,846,256	3,098,473,406		3,126,043,162
2. Class 2 (a)	2,035,392,665	90,554,201	49,880,911	(15,098,378)	2,035,392,665	2,060,967,578		1,998,478,186
3. Class 3 (a)	189,020,288	16,662,965	16,128,830	(3,675,040)	189,020,288	185,879,384		197,379,034
4. Class 4 (a)	48,297,555	16,935,938	5,125,000	889,946	48,297,555	60,998,439		48,317,597
5. Class 5 (a)	13,539,373		3,625,518	1,729,644	13,539,373	11,643,499		14,478,179
6. Class 6 (a)	15,300,929		1,112,946	453,193	15,300,929	14,641,177		14,798,382
7. Total Bonds	5,360,397,066	617,888,985	546,602,392	919,822	5,360,397,066	5,432,603,483	0	5,399,494,540
PREFERRED STOCK								
8. Class 1								
9. Class 2								
10. Class 3								
11. Class 4								
12. Class 5								
13. Class 6								
14. Total Preferred Stock	0	0	0	0	0	0	0	0
15. Total Bonds and Preferred Stock	5,360,397,066	617,888,985	546,602,392	919,822	5,360,397,066	5,432,603,483	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 $.....61,949,580; 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	36,850,000	XXX	36,850,000	15,090	

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	174,600,000	344,000,000
3. Accrual of discount		
4. Unrealized valuation increase (decrease)		
5. Total gain (loss) on disposals		
6. Deduct consideration received on disposals	172,000,000	369,400,000
7. Deduct amortization of premium		
8. Total foreign exchange change in book/adjusted carrying value		
9. Deduct current year's other than temporary impairment recognized		
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9)	36,850,000	34,250,000
11. Deduct total nonadmitted amounts		
12. Statement value at end of current period (Line 10 minus Line 11)	36,850,000	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	4,769,188
3.	Unrealized valuation increase (decrease)	5,318,163
4.	Total gain (loss) on termination recognized	5,022,504
5.	Considerations received (paid) on terminations	9,565,060
6.	Amortization	
7.	Adjustment to the book/adjusted carrying value of hedge item	
8.	Total foreign exchange change in book/adjusted carrying value	
9.	Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 - 5 + 6 + 7 + 8)	15,717,185
10.	Deduct nonadmitted assets	
11.	Statement value at end of current period (Line 9 minus Line 10)	15,717,185

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)				(79,196)
3.1	Add:				
	Change in variation margin on open contracts - Highly Effective Hedges:				
3.11	Section 1, Column 15, current year to date minus	400			
3.12	Section 1, Column 15, prior year	5,258	(4,858)		
	Change in variation margin on open contracts - All Other:				
3.13	Section 1, Column 18, current year to date minus				
3.14	Section 1, Column 18, prior year		0	(4,858)	
3.2	Add:				
	Change in adjustment to basis of hedged item:				
3.21	Section 1, Column 17, current year to date minus	398			
3.22	Section 1, Column 17, prior year		398		
	Change in amount recognized:				
3.23	Section 1, Column 19, current year to date minus				
3.24	Section 1, Column 19, prior year	5,257	(5,257)	(4,859)	
3.3	Subtotal (Line 3.1 minus Line 3.2)				1
4.1	Cumulative variation margin on terminated contracts during the year		(333,591)		
4.2	Less:				
4.21	Amount used to adjust basis of hedged item				
4.22	Amount recognized	(333,591)	(333,591)		
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				
5.2	Total gain (loss) adjusted into the hedged item(s) for the terminations in prior year				
6.	Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3.3 - 4.3 - 5.1 - 5.2)				85,025
7.	Deduct nonadmitted assets				
8.	Statement value at end of current period (Line 6 minus Line 7)				85,025

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
2. Add: Opened or acquired transactions									0	0
3. Add: Increases in replication (synthetic asset) transactions statement value	XXX		XXX		XXX		XXX		XXX	0
4. Less: Closed or disposed of transactions									0	0
5. Less: Positions disposed of for failing effectiveness criteria									0	0
6. Less: Decreases in replication (synthetic asset) transactions statement value	XXX		XXX		XXX		XXX		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	15,717,179	
2.	Part B, Section 1, Column 15 plus Part B, Section 1 Footnote - Total Ending Cash Balance	85,025	
3.	Total (Line 1 plus Line 2)		15,802,204
4.	Part D, Section 1, Column 5	23,365,398	
5.	Part D, Section 1, Column 6	(7,563,194)	
6.	Total (Line 3 minus Line 4 minus Line 5)		0
		Fair Value Check	
7.	Part A, Section 1, Column 16	15,717,179	
8.	Part B, Section 1, Column 13	85,025	
9.	Total (Line 7 plus Line 8)		15,802,204
10.	Part D, Section 1, Column 8	23,365,398	
11.	Part D, Section 1, Column 9	(7,563,194)	
12.	Total (Line 9 minus Line 10 minus Line 11)		0
		Potential Exposure Check	
13.	Part A, Section 1, Column 21		
14.	Part B, Section 1, Column 20	35,000	
15.	Part D, Section 1, Column 11	35,000	
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	
2. Cost of cash equivalents acquired	419,444,451	1,298,211,807
3. Accrual of discount		
4. Unrealized valuation increase (decrease)		
5. Total gain (loss) on disposals		(210)
6. Deduct consideration received on disposals	394,344,871	1,298,211,597
7. Deduct amortization of premium		
8. Total foreign exchange change in book/ adjusted carrying value		
9. Deduct current year's other than temporary impairment recognized		
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9)	25,099,580	0
11. Deduct total nonadmitted amounts		
12. Statement value at end of current period (Line 10 minus Line 11)	25,099,580	0

SCHEDULE A - PART 2

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

1	Location 2	Location 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				506,749
0199999. Totals					0	0	0	506,749
0399999. Totals					0	0	0	506,749

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	Location 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

NONE

SCHEDULE B - PART 2

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

1	Location		4	5	6	7	8	9
	2	3						
Loan Number	City	State	Loan Type	Date Acquired	Rate of Interest	Actual Cost at Time of Acquisition	Additional Investment Made After Acquisition	Value of Land and Buildings
Mortgages in Good Standing								
Commercial Mortgages - All Other								
329716	ANN ARBOR	MI		05/28/2013	3.650	9,000,000		28,900,000
0599999. Total - Mortgages in Good Standing - Commercial Mortgages - All Other				XXX	XXX	9,000,000	0	28,900,000
0899999. Total - Mortgages in Good Standing				XXX	XXX	9,000,000	0	28,900,000
3399999. Total Mortgages				XXX	XXX	9,000,000	0	28,900,000

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
Mortgages Closed by Repayment																	
329494	PORTLAND	OR		12/01/2005	05/06/2013	309,252					0		62,625	62,625			0
329501	ISSAQUAH	WA		12/01/2005	04/05/2013	6,482,022					0		6,380,235	6,380,235			0
329595	MILL CREEK	WA		12/01/2005	04/10/2013	3,148,965					0		3,119,981	3,119,981			0
329600	SAN DIEGO	CA		12/01/2005	04/25/2013	8,422,227					0		8,339,080	8,339,080			0
329664	DENVER	CO		09/14/2006	05/31/2013	10,143,889					0		10,080,873	10,080,873			0
0199999. Total - Mortgages Closed by Repayment						28,506,355	0	0	0	0	0	0	27,982,794	27,982,794	0	0	0
Mortgages With Partial Repayments																	
329419	PITTSBURGH	PA		12/01/2005		850,757					0			78,139			0
329421	CHITTENANGO	NY		12/01/2005		1,536,027					0			37,085			0
329481	EUGENE	OR		12/01/2005		7,753,866					0			135,470			0
329485	CHAPEL HILL	NC		12/01/2005		3,171,365					0			54,157			0
329487	TULSA	OK		12/01/2005		6,138,767					0			49,013			0
329492	PHOENIX	AZ		12/01/2005		2,094,831					0			84,842			0
329494	PORTLAND	OR		12/01/2005		309,252					0			62,235			0
329503	WEST DES MOINES	IA		12/01/2005		11,613,826					0			88,581			0
329515	OKLAHOMA CITY	OK		12/01/2005		1,428,428					0			49,353			0
329529	SPOKANE	WA		12/01/2005		3,026,394					0			90,762			0
329534	WEST CHICAGO	IL		12/01/2005		2,724,708					0			59,302			0
329535	PINEVILLE	NC		12/01/2005		2,057,803					0			16,800			0
329536	PIKESVILLE	MD		12/01/2005		1,950,352					0			60,617			0
329538	CHESTERTON	IN		12/01/2005		2,127,075					0			40,427			0
329544	PONTIAC	IL		12/01/2005		1,796,274					0			30,725			0
329546	LUDINGTON	MI		12/01/2005		2,364,568					0			33,690			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
329555	FRESNO	CA		12/01/2005		6,073,609					0			66,356			0
329557	SALINA	NY		12/01/2005		1,328,331					0			86,211			0
329564	CHARLOTTE	NC		12/01/2005		3,416,624					0			54,681			0
329568	ONTARIO	CA		12/01/2005		5,876,856					0			57,634			0
329570	SOUTHAVEN	MS		12/01/2005		3,048,336					0			29,603			0
329575	YORKVILLE	IL		12/01/2005		3,375,521					0			30,313			0
329579	GREENVILLE	SC		12/01/2005		4,778,825					0			26,231			0
329585	STREAMWOOD	IL		12/01/2005		4,348,068					0			37,252			0
329590	SCOTTSDALE	AZ		12/01/2005		4,921,619					0			84,572			0
329591	DAVIDSON	NC		12/01/2005		2,131,075					0			23,283			0
329593	KIRKLAND	WA		12/01/2005		3,200,025					0			28,255			0
329594	CHARLOTTE	NC		12/01/2005		7,933,067					0			52,107			0
329598	HANFORD	CA		12/01/2005		5,955,004					0			51,282			0
329600	SAN DIEGO	CA		12/01/2005		8,422,227					0			20,943			0
329601	CINCINNATI	OH		12/01/2005		5,424,704					0			53,150			0
329602	HICKORY	NC		12/01/2005		10,764,995					0			85,355			0
329604	PHOENIX	AZ		12/01/2005		5,584,636					0			54,544			0
329608	HAMPTON	VA		12/01/2005		2,943,420					0			42,580			0
329609	GREENSBORO	NC		12/01/2005		9,524,421					0			55,189			0
329610	CHARLOTTE	NC		12/01/2005		7,057,560					0			43,857			0
329611	HOUSTON	TX		12/01/2005		6,521,625					0			36,485			0
329613	CHARLOTTE	NC		12/01/2005		5,246,126					0			36,782			0
329614	CHARLOTTE	NC		12/01/2005		5,246,674					0			33,188			0
329615	CHARLOTTE	NC		12/01/2005		5,072,511					0			32,086			0
329623	COLUMBIA	MD		12/01/2005		6,118,927					0			53,975			0
329626	LOUISBURG	NC		12/01/2005		3,262,693					0			27,652			0
329627	CAPE CANAVERAL	FL		12/01/2005		6,895,928					0			102,727			0
329628	PUYALLUP	WA		12/01/2005		1,889,153					0			25,056			0
329630	PLYMOUTH	MN		12/01/2005		9,004,862					0			78,168			0
329632	CHARLOTTE	NC		12/01/2005		4,612,276					0			30,758			0
329633	MURRIETA	CA		12/01/2005		10,886,960					0			78,890			0
329636	WOODRIDGE	IL		12/01/2005		6,411,652					0			89,615			0
329638	PLYMOUTH	MN		12/01/2005		5,993,629					0			35,337			0
329640	GAINESVILLE	VA		02/02/2006		5,396,390					0			27,517			0
329641	TUSTIN	CA		12/01/2005		8,156,275					0			45,384			0
329644	VALDOSTA	GA		12/01/2005		3,668,168					0			29,781			0
329645	WINSTON-SALEM	NC		12/05/2005		1,405,480					0			18,587			0
329647	STATESVILLE	NC		02/13/2006		1,633,849					0			21,193			0

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
329649	CINCINNATI	OH		03/15/2006		3,446,636					0			25,907			0
329650	ROSEBURG	OR		01/27/2006		12,025,412					0			53,151			0
329651	SAN ANTONIO	TX		04/27/2006		2,129,886					0			26,679			0
329653	RICHMOND	VA		04/27/2006		5,648,071					0			69,638			0
329654	SCOTTSDALE	AZ		06/14/2006		6,101,155					0			42,644			0
329656	ST PAUL	MN		06/14/2006		8,958,780					0			47,872			0
329657	BOULDER	CO		05/18/2006		4,328,675					0			5,793			0
329658	TIMONIUM	MD		07/10/2006		4,055,724					0			34,334			0
329659	HOUSTON	TX		08/21/2006		4,818,472					0			33,916			0
329660	AUSTIN	TX		10/16/2006		2,222,265					0			22,417			0
329662	CINCINNATI	OH		08/29/2006		2,018,491					0			14,055			0
329663	ASHEVILLE	NC		09/21/2006		5,284,461					0			23,521			0
329664	DENVER	CO		09/14/2006		10,143,889					0			25,414			0
329665	AUSTELL	GA		09/21/2006		8,788,387					0			61,057			0
329668	BUTLER	WI		09/11/2006		9,211,205					0			40,059			0
329669	WISCONSIN RAPIDS	WI		11/22/2006		7,400,338					0			41,013			0
329672	CHARLOTTE	NC		12/18/2006		965,103					0			6,922			0
329673	PINE TOWNSHIP	PA		12/13/2006		5,131,519					0			22,179			0
329674	NEW BEDFORD	MA		02/02/2007		5,018,611					0			22,971			0
329675	WYOMING	MI		04/16/2007		4,265,973					0			47,023			0
329676	CHARLOTTE	NC		05/22/2007		10,566,960					0			76,428			0
329678	MACON	GA		04/26/2007		1,358,309					0			18,545			0
329679	WEST FALMOUTH	ME		03/29/2007		2,152,219					0			7,586			0
329680	SAN ANTONIO	TX		08/02/2007		10,674,703					0			38,220			0
329682	N OLMSTEAD	OH		07/12/2007		2,628,534					0			17,537			0
329685	CINCINNATI	OH		07/19/2007		1,252,811					0			8,302			0
329687	FRANKFORT	KY		06/27/2007		3,027,805					0			32,050			0
329688	SCOTTSDALE	AZ		02/05/2008		7,285,849					0			74,309			0
329689	MORENO VALLEY	CA		10/10/2007		13,365,399					0			57,820			0
329690	UNION CITY	TN		07/27/2007		3,249,191					0			34,092			0
329693	SILVERDALE	WA		01/04/2008		2,792,065					0			11,163			0
329694	BLOOMFIELD HILLS	MI		11/05/2007		2,780,681					0			10,507			0
329695	FLORENCE	KY		12/12/2007		1,314,786					0			5,208			0
329696	BOCA RATON	FL		12/05/2007		7,905,548					0			32,363			0
329698	CINCINNATI	OH		04/09/2008		3,742,928					0			22,714			0
329699	DAYTON	OH		06/20/2008		2,374,222					0			14,008			0
329700	FOREST PARK	OH		06/27/2008		5,780,000					0			21,898			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
329701	RENTON	WA		06/02/2010		14,176,729					0			91,554			0
329702	EDEN PRAIRIE	MN		06/22/2010		7,473,867					0			37,347			0
329703	OVERLAND	MO		06/22/2010		7,665,505					0			38,304			0
329704	TORRANCE	CA		06/22/2010		5,509,582					0			27,531			0
329705	CARLSBAD	CA		06/22/2010		5,270,035					0			26,334			0
329706	GRESHAM	OR		07/15/2010		9,861,440					0			31,295			0
329708	WESTBURY	NY		12/01/2011		17,670,670					0			105,156			0
329710	SALEM	NH		09/12/2012		7,721,918					0			42,999			0
329712	MINNEAPOLIS	MN		12/28/2012		7,500,000					0			32,457			0
329713	RIVERSIDE	CA		11/15/2012		4,800,000					0			28,384			0
329714	COLUMBUS	OH		02/08/2013							0			59,797			0
920003	METAIRIE	LA		12/01/2005		1,281,560					0			35,771			0
329477D	EL PASO	TX		06/10/2007		4,404,502					0			46,889			0
329507A	NORTHBROOK	IL		12/01/2005		3,010,269					0			19,364			0
329507B	NORTHBROOK	IL		12/01/2005		1,256,862					0			9,801			0
329606A	CHARLOTTE	NC		12/01/2005		9,158,442					0			69,582			0
329606B	CHARLOTTE	NC		09/04/2007		2,385,502					0			12,243			0
0299999. Total - Mortgages With Partial Repayments						557,838,340	0	0	0	0	0	0	0	4,621,900	0	0	0
0599999. Total Mortgages						586,344,695	0	0	0	0	0	0	27,982,794	32,604,694	0	0	0

SCHEDULE BA - PART 2

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

1 CUSIP Identification	2 Name or Description	Location 3 City	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												
713300 00 2	Avista Capital Partners	Wilmington	DE	Avista Capital Partners		04/28/2006			15,070			0.7
715200 00 2	Avista Capital Partners II	Wilmington	DE	Avista Capital Partners II		12/31/2008			333,929			0.8
717600 00 1	Avista Capital Partners III	Wilmington	DE	Avista Capital Partners III		06/26/2012			50,127			2.1
714800 00 0	Banc Fund VIII	Chicago	IL	Banc Fund VIII		04/30/2008			994,304			1.5
716500 00 4	Centerbridge Capital Partners II	Wilmington	DE	Centerbridge Capital Partners II		05/09/2011			1,920,470			0.7
717900 00 5	Court Square Capital	Wilmington	DE	Court Square Capital		05/29/2013		1,576,754				
716900 00 6	CrossHarbor Institutional II	Wilmington	DE	CrossHarbor Institutional II		10/07/2011			235,294			1.2
717800 00 7	Crescent Mezzanine Partners VI	Wilmington	DE	Crescent Mezzanine Partners VI		04/24/2013		2,798,636				
709800 00 7	DLJ Investment Partners II	Wilmington	DE	DLJ Investment Partners II		11/23/1999			3,071			0.5
712800 00 2	Diamond Castle Partners IV	Wilmington	DE	Diamond Castle Partners IV		10/26/2005			2,212,170			1.3
716200 00 1	Energy Fund XV	Wilmington	DE	Energy Fund XV		03/07/2011			129,007			0.2
714100 00 5	EnerTech Capital Partners III	Wilmington	DE	EnerTech Capital Partners III		11/06/2007			15,000			3.5
714300 00 1	GS Mezzanine Partners V	George Town	DC	GS Mezzanine Partners V		11/30/2007			685,250			0.2
712400 00 1	GarMark Partners II	Wilington	DE	GarMark Partners II		07/18/2005			435,460			3.0
709100 00 2	Green Mountain Partners II	Wilington	DE	Green Mountain Partners II		07/24/1998			38,958			1.7
713500 00 7	LS Power Equity Partners II	Wilington	DE	LS Power Equity Partners II		02/02/2007			1,688,392			0.6
712200 00 5	LS Power Equity Partners	Wilington	DE	LS Power Equity Partners		05/06/2005			661,389			1.4
715700 00 1	Littlejohn Fund IV	Wilington	DE	Littlejohn Fund IV		06/09/2010			333,452			1.7
714700 00 2	MSouth Equity Partners	Wilington	DE	MSouth Equity Partners		04/30/2008			1,350,644			1.9
717400 00 6	MSouth Equity Partners II LP	Wilington	DE	MSouth Equity Partners II LP		02/29/2012			62,540			1.2
716300 00 9	Newstone Capital Partners II	Wilington	DE	Newstone Capital Partners II		03/14/2011			202,561			1.3
714200 00 3	Northstar Mezzanine Partners V	Wilington	DE	Northstar Mezzanine Partners V		11/28/2007			318,804			1.0
713000 00 8	Northstar Mezzanine Partners IV	Wilington	DE	Northstar Mezzanine Partners IV		01/19/2006			74,944			1.7
711500 00 9	Perseus Market Opportunity Fund	Dover	DE	Perseus Market Opportunity Fund		09/05/2003			16,110			1.2
716600 00 2	Siguler Guff Distressed RE Opportunitie	Wilington	DE	Siguler Guff Distressed RE Opportunitie		04/11/2011			300,000			1.6
714600 00 4	Siguler Guff Distressed III	Wilington	DE	Siguler Guff Distressed III		04/08/2008			362,127			8.0
711300 00 4	Siguler Guff Distressed Opport	Wilington	DE	Siguler Guff Distressed Opport		09/09/2002			128,203			1.2
716100 00 3	TA Subordinated Debt Fund III	Wilington	DE	TA Subordinated Debt Fund III		11/08/2010			206,250			1.0
715900 00 7	TA XI	Wilington	DE	TA XI		07/30/2010			223,125			0.4
713400 00 0	TCW Crescent Mezzanine IV	Wilington	DE	TCW Crescent Mezzanine IV		05/12/2006			69,385			1.0
714500 00 6	TCW Crescent Mezzanine V	Wilington	DE	TCW Crescent Mezzanine V		03/20/2008			356,693			0.6
711900 00 1	VSS Communications Partners IV	Wilington	DE	VSS Communications Partners IV		03/14/2005			74,882			1.2
710000 00 1	Wilshire Assoc Private Mkt III	Wilington	DE	Wilshire Assoc Private Mkt III		08/23/2001			10,000			2.0
711600 00 7	Wilshire Private Mkts Fund VI	Wilington	DE	Wilshire Private Mkts Fund VI		11/02/2004			136,098			1.5
710900 00 2	Wilshire Private Mkts IV	Wilington	DE	Wilshire Private Mkts IV		12/20/1999			69,803			3.3
1599999. Total - Joint Venture or Partnership Interests That Have Underlying Characteristics of Common Stocks - Unaffiliated								4,375,390	13,713,512	0	0	XXX
Joint Venture or Partnership Interests That Have Underlying Characteristics of Real Estate - Unaffiliated												
715100 00 4	Thor Urban Property Fund II	Winter Park	FL	Thor Urban Property Fund II		10/30/2008			445,666			1.5
1799999. Total - Joint Venture or Partnership Interests That Have Underlying Characteristics of Real Estate - Unaffiliated								0	445,666	0	0	XXX
3999999. Subtotal - Unaffiliated								4,375,390	14,159,178	0	0	XXX
4199999. Totals								4,375,390	14,159,178	0	0	XXX

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																			
710400 00 3	Adams Capital Management III	Wilmington	DE	Capital Distribution	11/17/2000	04/24/2013	375,000					0		375,000	375,000			0	
713300 00 2	Avista Capital Partners	Wilmington	DE	Capital Distribution	04/28/2006	06/28/2013	64,556					0		64,556	64,556			0	15,070
715200 00 2	Avista Capital Partners II	Wilmington	DE	Capital Distribution	12/31/2008	06/05/2013	72,658					0		75,221	75,221			0	75,221
715200 00 2	Avista Capital Partners II	Wilmington	DE	Capital Distribution	12/31/2008	06/19/2013	7,972					0		8,336	8,336			0	
717600 00 1	Avista Capital Partners III LP	Wilmington	DE	Capital Distribution	06/26/2012	06/24/2013	86,839					0		86,839	86,839			0	50,127
714800 00 0	Banc Fund VIII	Chicago	IL	Capital Distribution	04/30/2008	04/25/2013	90,532					0		94,304	94,304			0	94,304
711100 00 8	Banc Fund VI	Chicago	IL	Capital Distribution	06/19/2002	04/08/2013	125,000					0		125,000	125,000			0	
711100 00 8	Banc Fund VI	Chicago	IL	Capital Distribution	06/19/2002	05/15/2013	125,000					0		125,000	125,000			0	
711100 00 8	Banc Fund VI	Chicago	IL	Capital Distribution	06/19/2002	06/20/2013	125,000					0		125,000	125,000			0	
716500 00 4	Centerbridge Capital Prtner II	Wilmington	DE	Capital Distribution	05/09/2011	04/19/2013	775,044					0		775,044	775,044			0	267,900
716500 00 4	Centerbridge Capital Prtner II	Wilmington	DE	Capital Distribution	05/09/2011	05/15/2013	332,654					0		416,902	416,902			0	105,130
707200 00 2	Concord Partners III	Wilmington	DE	Capital Distribution	06/25/2001	04/25/2013	7,727					0		7,727	7,727			0	
716900 00 6	CrossHarbor Institutional II	Wilmington	DE	Capital Distribution	10/07/2011	04/18/2013	146,166					0		146,166	146,166			0	
709800 00 7	DLJ Investment Partners II	Wilmington	DE	Capital Distribution	11/23/1999	04/08/2013	1,754					0		1,819	1,819			0	1,819
712800 00 2	Diamond Castle Partners IV	Wilmington	DE	Capital Distribution	10/26/2005	05/14/2013	2,547,641					0		2,547,641	2,547,641			0	2,059,872
716200 00 1	Energy Fund XV	Wilmington	DE	Capital Distribution	03/07/2011	04/30/2013	200,000					0		200,000	200,000			0	
716200 00 1	Energy Fund XV	Wilmington	DE	Capital Distribution	03/07/2011	05/06/2013	24,198					0		24,198	24,198			0	20,889
716200 00 1	Energy Fund XV	Wilmington	DE	Capital Distribution	03/07/2011	05/17/2013	310,853					0		311,909	311,909			0	97,339
716200 00 1	Energy Fund XV	Wilmington	DE	Capital Distribution	03/07/2011	06/10/2013	147,426					0		150,384	150,384			0	10,779
714300 00 1	GS Mezzanine Partners V	George Town	DC	Capital Distribution	11/30/2007	04/30/2013	499,722					0		499,722	499,722			0	35,250
712400 00 1	GarMark Partners II	Wilmington	DE	Capital Distribution	07/18/2005	04/12/2013	2,044,074					0		2,044,074	2,044,074			0	356,758
712400 00 1	GarMark Partners II	Wilmington	DE	Capital Distribution	07/18/2005	05/31/2013	205,024					0		217,037	217,037			0	72,640
709100 00 2	Green Mountain Partners II	Wilmington	DE	Capital Distribution	07/24/1998	04/02/2013	46,428					0		46,428	46,428			0	29,536
709100 00 2	Green Mountain Partners II	Wilmington	DE	Capital Distribution	07/24/1998	05/24/2013	9,422					0		9,422	9,422			0	9,422
712200 00 5	LS Power Equity Partners	Wilmington	DE	Capital Distribution	05/06/2005	04/25/2013	1,476,384					0		1,476,384	1,476,384			0	581,360
712200 00 5	LS Power Equity Partners	Wilmington	DE	Capital Distribution	05/06/2005	06/28/2013	(75,650)					0		80,029	80,029			0	80,029
713500 00 7	LS Power Equity Partners II	Wilmington	DE	Capital Distribution	02/02/2007	05/06/2013	1					0		1	1			0	1
713500 00 7	LS Power Equity Partners II	Wilmington	DE	Capital Distribution	02/02/2007	05/10/2013	76,225					0		97,245	97,245			0	
713500 00 7	LS Power Equity Partners II	Wilmington	DE	Capital Distribution	02/02/2007	05/21/2013	448,286					0		577,714	577,714			0	385,331
713500 00 7	LS Power Equity Partners II	Wilmington	DE	Capital Distribution	02/02/2007	06/12/2013	116,864					0		162,075	162,075			0	
714700 00 2	MSouth Equity Partners	Wilmington	DE	Capital Distribution	04/30/2008	05/30/2013	1,669,049					0		1,678,600	1,678,600			0	1,331,788
716300 00 9	Newstone Capital Partners II	Wilmington	DE	Capital Distribution	03/14/2011	06/04/2013	69,230					0		71,506	71,506			0	71,506
714200 00 3	Northstar Mezzanine Partners V	Wilmington	DE	Capital Distribution	11/28/2007	04/05/2013	135,377					0		137,930	137,930			0	47,079
714200 00 3	Northstar Mezzanine Partners V	Wilmington	DE	Capital Distribution	11/28/2007	04/30/2013	101,928					0		108,217	108,217			0	13,090
714200 00 3	Northstar Mezzanine Partners V	Wilmington	DE	Capital Distribution	11/28/2007	05/15/2013	170,445					0		181,711	181,711			0	10,919
714200 00 3	Northstar Mezzanine Partners V	Wilmington	DE	Capital Distribution	11/28/2007	06/05/2013	50,492					0		54,026	54,026			0	29,312
713000 00 8	Northstar Mezzanine Ptners IV	Wilmington	DE	Capital Distribution	01/19/2006	06/06/2013	231,557					0		231,557	231,557			0	74,944
714600 00 4	Siguler Guff Distressed III	Wilmington	DE	Capital Distribution	04/08/2008	04/26/2013	1,131,648					0		1,131,648	1,131,648			0	362,127
714600 00 4	Siguler Guff Distressed III	Wilmington	DE	Capital Distribution	04/08/2008	06/26/2013	1,795					0		1,875	1,875			0	
711300 00 4	Siguler Guff Distressed Opport Fund	Wilmington	DE	Capital Distribution	09/09/2002	05/10/2013	130,819					0		130,819	130,819			0	128,203
716100 00 3	TA Subordinated Debt Fund III	Wilmington	DE	Capital Distribution	11/08/2010	06/28/2013	57,708					0		62,500	62,500			0	62,500
715900 00 7	TA XI	Wilmington	DE	Capital Distribution	07/30/2010	06/28/2013	215,625					0		225,000	225,000			0	73,125

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
713400 00 0	TCW Crescent Mezzanine IV	Wilmington	DE	Capital Distribution	05/12/2006	04/22/2013	69,348					0		69,348	69,348			0	69,348
714500 00 6	TCW Crescent Mezzanine V	Wilmington	DE	Capital Distribution	03/20/2008	04/10/2013	688,609					0		688,609	688,609			0	205,159
714500 00 6	TCW Crescent Mezzanine V	Wilmington	DE	Capital Distribution	03/20/2008	05/31/2013	910,136					0		940,353	940,353			0	151,534
713900 00 9	TCW Special Mtg Credits Fund	Wilmington	DE	SOLD	07/27/2007	04/26/2013						0						0	
715000 00 6	TCW Special Mtg Credits II	Wilmington	DE	SOLD	08/15/2008	04/26/2013						0						0	
709400 00 6	Ticonderoga e-Services Fund I	Wilmington	DE	Capital Distribution	12/29/1998	04/25/2013	1,276					0		1,276	1,276			0	
711900 00 1	VSS Communications Partners IV	Wilmington	DE	Capital Distribution	03/14/2005	06/26/2013	74,653					0		76,221	76,221			0	
710000 00 1	Wilshire Assoc Private Mkt III	Wilmington	DE	Capital Distribution	08/23/2001	06/27/2013	9,885					0		10,000	10,000			0	
711600 00 7	Wilshire Private Mkts Fund VI	Wilmington	DE	Capital Distribution	11/02/2004	05/16/2013	132,500					0		132,500	132,500			0	83,049
711600 00 7	Wilshire Private Mkts Fund VI	Wilmington	DE	Capital Distribution	11/02/2004	06/21/2013	85,284					0		87,500	87,500			0	53,049
710900 00 2	Wilshire Private Mkts IV	Wilmington	DE	Capital Distribution	12/20/1999	05/16/2013	94,957					0		94,957	94,957			0	62,848
710900 00 2	Wilshire Private Mkts IV	Wilmington	DE	Capital Distribution	12/20/1999	05/22/2013	13,248					0		13,640	13,640			0	6,954
1599999. Total - Joint Venture or Partnership Interests That Have Underlying Characteristics of Common Stocks - Unaffiliated							16,458,369	0	0	0	0	0	0	17,000,970	17,000,970	0	0	0	7,185,311
Any Other Class of Asset - Unaffiliated																			
LN3634 62 0	Energy Future Holdings-TXU Syndicate Ba	Dover	DE	Conversion	11/09/2012	05/09/2013	22,981		(7)			(7)		22,979	22,979			0	210
3799999. Total - Any Other Class of Asset - Unaffiliated							22,981	0	(7)	0	0	(7)	0	22,979	22,979	0	0	0	210
3999999. Subtotal - Unaffiliated							16,481,350	0	(7)	0	0	(7)	0	17,023,949	17,023,949	0	0	0	7,185,521
4199999. Totals							16,481,350	0	(7)	0	0	(7)	0	17,023,949	17,023,949	0	0	0	7,185,521

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		06/01/2013	Interest Capitalization		310,206	310,206		1FE
38374U WN 7	Government Natl Mtg Assn 5.000% 06/20/39		06/01/2013	Interest Capitalization		302,698	302,698		1FE
0599999.	Total - Bonds - U.S. Government					612,904	612,904	0	XXX
Bonds - U.S. Special Revenue and Special Assessment									
3136A8 BQ 2	Federal Natl Mtg Assn R 3.000% 09/25/32		05/15/2013	Greenwich Capital		11,925,000	12,000,000	19,000	1FE
3136A9 BK 3	FederaL Natl Mtg Assn R 3.500% 10/25/42		06/28/2013	Greenwich Capital		7,473,092	7,264,245	1,412	1FE
3136AD XX 2	Federal Natl Mtg Assn R 3.000% 04/25/33		05/02/2013	Nomura Securities		14,288,750	14,000,000	7,000	1FE
3136AE U2 1	Federal Natl Mtg Assn R 3.000% 06/25/33		06/21/2013	Nomura Securities		19,520,156	21,000,000	43,750	1FE
3137AU HF 9	Federal Home Ln Mtg Co 3.000% 09/15/32		05/03/2013	Morgan Stanley DWD		10,115,234	10,000,000	5,833	1FE
3137B1 A9 3	Federal Home Ln Mtg Cor 3.000% 03/15/33		05/15/2013	Barclays Capital		7,967,500	8,000,000	12,667	1FE
31393Y PB 5	Federal Natl Mtg Assn 4.500% 05/25/34		06/01/2013	Interest Capitalization		345,656	345,656		1FE
31394B 5Q 3	Federal Natl Mtg Assn R 6.000% 02/25/35		06/01/2013	Interest Capitalization		228,070	228,070		1FE
31394R LB 3	Federal Home Ln Mtg Cor 5.000% 02/15/34		04/01/2013	Interest Capitalization		221,256	221,256		1FE
31396J 2V 6	Federal Home Ln Mtg Cor 6.000% 03/15/36		06/01/2013	Interest Capitalization		273,507	273,507		1FE
31396K FU 1	Federal Natl Mtg Assn R 6.500% 08/25/36		06/01/2013	Interest Capitalization		264,289	264,289		1FE
31396K G4 8	Federal Natl Mtg Assn R 6.500% 09/25/36		06/01/2013	Interest Capitalization		392,943	392,943		1FE
31396V X9 4	Federal Natl Mtg Assn R 6.000% 05/25/37		06/01/2013	Interest Capitalization		149,786	149,786		1FE
31396W UB 0	Federal Natl Mtg Assn R 6.000% 07/25/37		06/01/2013	Interest Capitalization		131,009	131,009		1FE
31397A 6C 2	Federal Home Ln Mtg Cor 5.000% 08/15/36		06/01/2013	Interest Capitalization		161,743	161,743		1FE
31397L C8 0	Federal Natl Mtg Assn R 6.000% 03/25/38		06/01/2013	Interest Capitalization		450,722	450,722		1FE
31398S MR 1	Federal Natl Mtg Assn R 6.000% 12/25/40		05/01/2013	Banc of America Securities		5,456,499		50,192	1FE
3199999.	Total - Bonds - U.S. Special Revenue & Special Assessments					79,365,212	74,883,226	139,854	XXX
Bonds - Industrial and Miscellaneous									
00130H BT 1	AES Corporation 4.875% 05/15/23		06/20/2013	Credit Suisse		3,553,125	3,750,000	27,219	3FE
00434N AA 3	ACCESS MIDSTREAM PARTNE 4.875% 05/15/23		06/20/2013	Wells Fargo Funds		2,368,750	2,500,000	13,542	3FE
007903 AU 1	Advanced Micro Devices 7.750% 08/01/20		06/12/2013	JP Morgan		714,375	750,000	21,958	4FE
017175 AC 4	ALLEGHANY CORP 4.950% 06/27/22		05/03/2013	Wells Fargo Funds		5,712,050	5,000,000	90,063	2FE
042735 BC 3	Arrow Electronics Inc 4.500% 03/01/23		05/15/2013	Seaport Group		5,126,150	5,000,000	56,250	2FE
052769 AB 2	Autodesk Inc 3.600% 12/15/22		04/16/2013	Banc of America Securities		3,057,870	3,000,000	37,800	2FE
10112R AV 6	BOSTON PROPERTIES LP 3.125% 09/01/23		06/27/2013	Wells Fargo Funds		4,639,850	5,000,000	35,156	2FE
10112R AW 4	BOSTON PROPERTIES LP 3.800% 02/01/24		06/20/2013	Wells Fargo Funds		1,964,640	2,000,000		2FE
109641 AG 5	Brinker International 3.875% 05/15/23		05/08/2013	Banc of America Securities		3,009,480	3,000,000		2FE
127055 AH 4	Cabot Corp 3.700% 07/15/22		05/03/2013	Barclays Capital		2,094,580	2,000,000	23,228	2FE
17121E AD 9	CHRYSLER GP/CG CO-ISSUE 8.250% 06/15/21		06/20/2013	Credit Suisse		2,170,000	2,000,000	4,583	4FE
18451Q AK 4	CLEAR CHANNEL WORLDWIDE 6.500% 11/15/22		06/20/2013	Credit Suisse		3,063,750	3,000,000	21,667	4FE
20449E XN 1	Compass Bank 6.400% 10/01/17		05/10/2013	Banc of America Securities		5,871,736	5,200,000	40,676	2FE
21925A AA 3	CORNERSTONE CHEMICAL CO 9.375% 03/15/18		06/27/2013	Imperial Capital LLC		2,090,000	2,000,000	59,375	4FE
29717P AE 7	ESSEX PORTFOLIO LP 3.250% 05/01/23		04/08/2013	Wells Fargo Funds		3,966,080	4,000,000		2FE
313747 AT 4	Federal Realty Investme 2.750% 06/01/23		05/06/2013	Wells Fargo Funds		6,912,430	7,000,000		1FE

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)
31620M AK 2	Fidelity National 3.500% 04/15/23		05/02/2013	Barclays Capital		5,078,650	5,000,000	10,694	2FE
345397 VU 4	Ford Mtr Cr Co 5.875% 08/02/21		05/03/2013	Citigroup Global		5,864,250	5,000,000	78,333	2FE
37331N AD 3	GEORGIA-PACIFIC LLC 3.734% 07/15/23		06/20/2013	JP Morgan		4,888,550	5,000,000	2,074	2FE
378272 AF 5	GLENCORE FUNDING LLC 4.125% 05/30/23		06/26/2013	Nomura Securities		5,296,140	6,000,000	21,313	2FE
44107T AT 3	HOST HOTELS & RESORTS L 4.750% 03/01/23		06/20/2013	Wells Fargo Funds		2,528,975	2,500,000	37,604	2FE
45867U AA 8	INTERFACE SEC SYS HDGS/ 9.250% 01/15/18		06/27/2013	Imperial Capital LLC		2,055,000	2,000,000	84,278	4FE
494580 AB 9	KINDRED HEALTHCARE INC 8.250% 06/01/19		06/20/2013	BNP Paribas		3,075,000	3,000,000	16,500	4FE
526057 BM 5	Lennar Corporation 4.750% 11/15/22		06/27/2013	Various		6,015,470	6,224,000	38,198	3FE
56081# AP 5	MAJOR LEAGUE BB No. RT- 3.160% 12/10/23		05/10/2013	Direct-Private Placement		5,000,000	5,000,000		1FE
56081# AQ 3	MAJOR LEAGUE BB No. 3.310% 12/10/25		05/10/2013	Direct-Private Placement		3,000,000	3,000,000		1FE
637417 AF 3	Natl Retail Properties 3.300% 04/15/23		04/09/2013	Citigroup Global		1,985,180	2,000,000		2FE
651229 AM 8	Newell Rubbermaid Inc 4.000% 06/15/22		06/27/2013	Cantor Fitzgerald		5,037,400	5,000,000	9,444	2FE
693656 AA 8	PVH CORP 4.500% 12/15/22		06/20/2013	BNP Paribas		1,940,000	2,000,000	2,500	3FE
720198 AA 8	PIEDMONT OPERATING PART 3.400% 06/01/23		05/30/2013	Janney Montgomery		4,848,150	5,000,000	11,806	2FE
754907 AA 1	RAYONIER INC 3.750% 04/01/22		06/13/2013	Cantor Fitzgerald		3,024,870	3,000,000	24,063	2FE
759509 AE 2	Reliance Steel & Alumin 4.500% 04/15/23		04/09/2013	Various		3,012,970	3,000,000		2FE
796038 AA 5	SAMSON INVESTMENT COMPA 9.750% 02/15/20		06/12/2013	Credit Suisse		767,813	750,000	25,010	4FE
958254 AA 2	WESTERN GAS PARTNERS 5.375% 06/01/21		06/27/2013	Wells Fargo Funds		5,379,250	5,000,000	23,142	2FE
008916 AL 2	Agrium Inc 3.500% 06/01/23	A	05/30/2013	Janney Montgomery		1,500,750	1,500,000	583	2FE
067901 AP 3	BARRICK GOLD CORP 4.100% 05/01/23	A	06/26/2013	Nomura Securities		1,675,880	2,000,000	13,439	2FE
097751 BF 7	BOMBARDIER INC 6.125% 01/15/23	A	06/20/2013	Wells Fargo Funds		2,785,620	2,731,000	74,809	3FE
012605 AA 9	ALBEA BEAUTY HOLDINGS S 8.375% 11/01/19	F	06/20/2013	Wells Fargo Funds		3,000,000	3,000,000	37,688	4FE
45687A AH 5	INGERSOLL-RAND GL HLD C 4.250% 06/15/23	F	06/17/2013	Banc of America Securities		4,990,750	5,000,000		2FE
3899999.	Total - Bonds - Industrial & Miscellaneous					139,065,534	137,905,000	942,995	XXX
8399997.	Total - Bonds - Part 3					219,043,650	213,401,130	1,082,849	XXX
8399999.	Total - Bonds					219,043,650	213,401,130	1,082,849	XXX
Common Stocks - Industrial and Miscellaneous									
315808 40 2	Fidelity Advisors Equity		04/05/2013	Sentinel Group Fds	1.000	36	XXX		L
68380T 40 0	Oppenheimer Internation		06/28/2013	Sentinel Group Fds	74.000	467	XXX		L
817270 20 0	Sentinel Group Fds Inc		06/21/2013	Sentinel Group Fds	2,314.000	43,249	XXX		L
817270 30 9	Sentinel Group Fds Inc		06/30/2013	Sentinel Group Fds	6,597.000	249,070	XXX		L
817270 35 8	Sentinel Group Fds Inc		06/26/2013	Sentinel Group Fds	5,576.000	59,974	XXX		L
817270 50 7	Sentinel Group Fds Inc		06/30/2013	Sentinel Group Fds	4,814.000	107,764	XXX		L
817270 56 4	Sentinel Group Fds Inc		06/26/2013	Sentinel Group Fds	1,158.000	15,236	XXX		L
817270 60 6	Sentinel Group Fds Inc		06/26/2013	Sentinel Group Fds	3,908.000	41,961	XXX		L
817270 80 4	Sentinel Group Fds Inc		06/30/2013	Sentinel Group Fds	71,365.000	514,861	XXX		L
817270 85 3	Sentinel Group Fds Inc		06/26/2013	Sentinel Group Fds	3,548.000	31,920	XXX		L
817270 88 7	Sentinel Group Fds Inc		06/30/2013	Sentinel Group Fds	8,520.000	146,328	XXX		L
81728B 10 6	Sentinel Group Fds Inc		06/30/2013	Sentinel Group Fds	21.000	375	XXX		L
872590 10 4	T-Mobile US Inc		05/01/2013	Tax Free Exchange	17,860.000	252,891	XXX		L

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)
9099999.	Total - Common Stocks - Industrial & Miscellaneous					1,464,132	XXX	0	XXX
Common Stocks - Mutual Funds									
817270 37 4	Sentinel Group Fds Inc.		06/03/2013	Sentinel Group Fds	2.000	2	XXX		L
9299999.	Total - Common Stocks - Mutual Funds					2	XXX	0	XXX
9799997.	Total - Common Stocks - Part 3					1,464,134	XXX	0	XXX
9799999.	Total - Common Stocks					1,464,134	XXX	0	XXX
9899999.	Total - Preferred and Common Stocks					1,464,134	XXX	0	XXX
9999999.	Total - Bonds, Preferred and Common Stocks					220,507,784	XXX	1,082,849	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	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)
Bonds - U.S. Government																					
125990 NN 7	GMAC 1997 C - FHA Proje 7.111% 05/25/19		06/01/2013	Paydown		167,290	167,290	161,579	164,715		2,575		2,575		167,290			0	4,958	05/25/2019	1FE
36202D FB 2	Government Natl Mtg Assn 8.000% 11/20/14		06/01/2013	Paydown		12,993	12,993	13,233	13,049		(56)		(56)		12,993			0	507	11/20/2014	1FE
36211H ZG 9	Government Natl Mtg Assn 8.000% 08/15/14		06/01/2013	Paydown		1,677	1,677	1,716	1,678		(1)		(1)		1,677			0	56	08/15/2014	1FE
36211N TD 0	Government Natl Mtg Assn 8.000% 10/15/14		06/01/2013	Paydown		6,839	6,839	7,019	6,863		(24)		(24)		6,839			0	228	10/15/2014	1FE
36211S N8 6	Government Natl Mtg Assn 8.000% 12/15/14		06/01/2013	Paydown		1,279	1,279	1,310	1,280		(2)		(2)		1,279			0	43	12/15/2014	1FE
36211W VV 7	Government Natl Mtg Assn 8.000% 12/15/14		06/01/2013	Paydown		4,080	4,080	4,176	4,086		(5)		(5)		4,080			0	136	12/15/2014	1FE
36225A WN 6	Government Natl Mtg Assn 6.500% 10/15/27		06/01/2013	Paydown		32,277	32,277	32,154	32,161		116		116		32,277			0	872	10/15/2027	1FE
38373M 4Z 0	Government Natl Mtg Assn 1.535% 10/16/48		06/01/2013	Paydown				346,620	343,030		(343,030)		(343,030)					0	92,085	10/16/2048	1FE
38374E DL 8	Government Natl Mtg Assn 5.500% 11/16/33		06/01/2013	Paydown		748,903	748,903	755,222	750,059		(1,156)		(1,156)		748,903			0	16,911	11/16/2033	1FE
38374E T5 6	Government Natl Mtg Assn 6.000% 04/16/20		06/01/2013	Paydown		2,352,394	2,352,394	2,431,420	2,364,429		(12,035)		(12,035)		2,352,394			0	59,205	04/16/2020	1FE
38374M 6Y 0	Government Natl Mtg Assn 6.000% 04/20/35		06/01/2013	Paydown		1,509,469	1,509,469	1,551,392	1,513,549		(4,080)		(4,080)		1,509,469			0	37,995	04/20/2035	1FE
38376G ZX 1	Government Natl Mtg Assn 0.958% 04/16/37		06/01/2013	Paydown				589,690	567,133		(567,133)		(567,133)					0	50,410	04/16/2037	1FE
3837H0 JB 0	Government Natl Mtg Assn 8.050% 06/16/25		06/01/2013	Paydown		115,909	115,909	119,332	118,094		(2,186)		(2,186)		115,909			0	5,032	06/16/2025	1FE
585995 AA 1	Northeast 1985-1 FHA 8.581% 12/24/20		06/01/2013	Paydown		141,162	141,162	147,504	143,527		(2,365)		(2,365)		141,162			0	5,174	12/24/2020	1FE
621999 EB 3	FHA-Insured 236 Project 7.930% 07/01/14		06/01/2013	Paydown		75,973	75,973	80,152	76,261		(288)		(288)		75,973			0	2,513	07/01/2014	1FE
621999 EE 7	FHA-Insured 236 Project 8.125% 07/01/15		06/01/2013	Paydown		40,035	40,035	42,237	40,336		(301)		(301)		40,035			0	1,383	07/01/2015	1FE
75933* B4 5	Reilly - FHA Project Pool 6.930% 07/01/15		06/01/2013	Paydown		70,109	70,109	73,965	70,639		(530)		(530)		70,109			0	2,026	07/01/2015	1FE
75933* B6 0	Reilly - FHA Project Pool 8.767% 12/01/18		06/01/2013	Paydown		29,459	29,459	31,522	30,105		(645)		(645)		29,459			0	1,100	12/01/2018	1FE
75933* B7 8	Reilly - FHA Project Pool 7.110% 10/24/19		06/01/2013	Paydown		36,164	36,164	36,786	36,308		(143)		(143)		36,164			0	1,040	10/24/2019	1FE
812185 A9 7	Seamans - FHA Project P 6.875% 02/24/16		06/01/2013	Paydown		23,064	23,064	22,376	22,329		735		735		23,064			0	788	02/24/2016	1FE
91203* B8 6	USGI - FHA Project Pool 8.930% 10/24/19		06/01/2013	Paydown		3,904	3,904	4,082	3,961		(57)		(57)		3,904			0	147	10/24/2019	1FE
91203* B9 4	USGI - FHA Project Pool 7.278% 07/24/18		06/01/2013	Paydown		17,295	17,295	17,274	17,232		63		63		17,295			0	375	07/24/2018	1FE
0599999.	Total - Bonds - U.S. Government					5,390,275	5,390,275	6,470,761	6,320,824	0	(930,548)	0	(930,548)	0	5,390,275	0	0	0	282,984	XXX	XXX
Bonds - U.S. Special Revenue and Special Assessment																					
31283G 3V 7	Federal Home Ln Mtg Cor 6.500% 04/01/26		06/01/2013	Paydown		4,377	4,377	4,457	4,445		(68)		(68)		4,377			0	119	04/01/2026	1FE
3128M7 T9 7	FREDDIE MAC G05676 4.000% 11/01/39		06/01/2013	Paydown		3,609,065	3,609,065	3,773,729	3,770,946		(161,880)		(161,880)		3,609,065			0	59,025	11/01/2039	1FE
3128M8 FH 2	FREDDIE MAC G06168 3.500% 11/01/40		06/01/2013	Paydown		2,944,412	2,944,412	2,871,262	2,872,830		71,583		71,583		2,944,412			0	42,108	11/01/2040	1FE
3128M9 CN 0	FREDDIE MAC G06977 3.000% 04/01/42		06/01/2013	Paydown		581,097	581,097	593,355	593,192		(12,094)		(12,094)		581,097			0	7,563	04/01/2042	1FE
3128S2 RN 3	FREDDIE MAC T61393 3.000% 10/01/42		06/01/2013	Paydown		653,660	653,660	671,533	671,506		(17,846)		(17,846)		653,660			0	8,166	10/01/2042	1FE
3128S2 SG 7	FREDDIE MAC T61419 3.000% 11/01/42		06/01/2013	Paydown		660,043	660,043	678,091	678,063		(18,021)		(18,021)		660,043			0	8,247	11/01/2042	1FE
3128S2 SH 5	FREDDIE MAC T61420 3.000% 11/01/42		06/01/2013	Paydown		152,692	152,692	156,867	156,861		(4,169)		(4,169)		152,692			0	2,237	11/01/2042	1FE
31292S A3 4	FREDDIE MAC C09026 2.500% 01/01/43		06/01/2013	Paydown		92,871	92,871	92,000			871		871		92,871			0	607	01/01/2043	1FE
312931 A6 5	FREDDIE MAC A84529 4.500% 02/01/39		06/01/2013	Paydown		1,509,208	1,509,208	1,471,477	1,472,537		36,671		36,671		1,509,208			0	25,471	02/01/2039	1FE
312933 A7 9	FREDDIE MAC A86330 4.500% 05/01/39		06/01/2013	Paydown		2,110,290	2,110,290	2,057,532	2,058,799		51,490		51,490		2,110,290			0	39,608	05/01/2039	1FE
3132GR HF 1	FREDDIE MAC Q06230 3.500% 02/01/42		06/01/2013	Paydown		733,286	733,286	760,441	760,004		(26,718)		(26,718)		733,286			0	10,790	02/01/2042	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)
3132GS TW 9	FREDDIE MAC Q07465 3.500% 04/01/42		06/01/2013	Paydown		987,956	987,956	1,019,756	1,019,283		(31,327)		(31,327)		987,956			0	13,975	04/01/2042	1FE
3132J6 GQ 1	Federal Home Loan Mtg 2.500% 01/01/43		06/01/2013	Paydown		145,310	145,310	141,950			3,360		3,360		145,310			0	607	01/01/2043	1FE
31383S WV 8	Federal Natl Mtg Assn P 7.500% 10/01/29		06/01/2013	Paydown		409	409	408	408		1		1		409			0	13	10/01/2029	1FE
31384U WS 9	Federal Natl Mtg Assn P 6.500% 10/01/28		06/01/2013	Paydown		14,310	14,310	14,343	14,322		(12)		(12)		14,310			0	388	10/01/2028	1FE
3138AX CF 6	Fannie Mae AJ5469 3.500% 11/01/41		06/01/2013	Paydown		1,153,628	1,153,628	1,164,804	1,164,446		(10,818)		(10,818)		1,153,628			0	16,475	11/01/2041	1FE
3138M0 BE 9	Fannie Mae AO8136 3.000% 08/01/42		06/01/2013	Paydown		713,192	713,192	731,579	731,448		(18,256)		(18,256)		713,192			0	9,418	08/01/2042	1FE
3138NY W3 5	Fannie Mae AR2465 2.500% 01/01/43		06/01/2013	Paydown		153,528	153,528	155,159			(1,631)		(1,631)		153,528			0	1,363	01/01/2043	1FE
31392G DB 8	Federal Natl Mtg Assn R 6.000% 12/25/32		06/01/2013	Paydown		321,636	321,636	329,576	329,075		(7,440)		(7,440)		321,636			0	8,697	12/25/2032	1FE
31392U RR 7	Federal Home Ln Mtg Cor 6.000% 09/15/32		06/01/2013	Paydown		447,045	447,045	455,847	453,231		(6,186)		(6,186)		447,045			0	11,182	09/15/2032	1FE
31393C PX 5	Federal Natl Mtg Assn R 5.500% 06/25/33		06/01/2013	Paydown		1,727,469	1,727,469	1,732,867	1,724,586		2,883		2,883		1,727,469			0	39,473	06/25/2033	1FE
31393U L7 6	Federal Natl Mtg Assn R 5.500% 04/25/22		06/01/2013	Paydown		2,157,089	2,157,089	2,157,089	2,157,089				0		2,157,089			0	51,473	04/25/2022	1FE
31394L JD 5	Federal Home Ln Mtg Cor 4.500% 10/15/33		06/01/2013	Paydown		2,026,477	2,026,477	2,018,058	2,016,867		9,610		9,610		2,026,477			0	37,691	10/15/2033	1FE
31394R LB 3	Federal Home Ln Mtg Cor 5.000% 02/15/34		06/01/2013	Paydown		3,102,335	3,102,335	3,074,373	3,071,831		17,632		17,632		3,102,335			0	34,604	02/15/2034	1FE
31394U ZR 6	Federal Natl Mtg Assn R 6.000% 11/25/34		06/01/2013	Paydown		2,506,577	2,506,577	2,556,708	2,509,457		(2,880)		(2,880)		2,506,577			0	63,835	11/25/2034	1FE
31395B DF 7	Federal Natl Mtg Assn R 5.500% 03/25/36		06/01/2013	Paydown		1,160,373	1,160,373	1,110,694	1,123,304		37,069		37,069		1,160,373			0	25,440	03/25/2036	1FE
31395D BL 2	Federal Natl Mtg Assn R 6.000% 05/25/36		06/01/2013	Paydown		1,693,423	1,693,423	1,665,375	1,679,468		13,954		13,954		1,693,423			0	42,710	05/25/2036	1FE
31395D SY 6	Federal Natl Mtg Assn R 6.000% 05/25/36		06/01/2013	Paydown		1,360,868	1,360,868	1,339,817	1,345,116		15,752		15,752		1,360,868			0	34,129	05/25/2036	1FE
31395E UL 9	Federal Home Ln Mtg Cor 6.000% 08/15/34		06/01/2013	Paydown		596,284	596,284	605,287	606,611		(10,328)		(10,328)		596,284			0	15,239	08/15/2034	1FE
31395N QJ 9	Federal Natl Mtg Assn R 6.500% 03/25/23		06/01/2013	Paydown		4,788,941	4,788,941	4,887,713	4,780,126		8,815		8,815		4,788,941			0	127,040	03/25/2023	1FE
31395N Y2 7	Federal Natl Mtg Assn R 6.500% 07/25/36		06/01/2013	Paydown		728,762	728,762	749,259	743,215		(14,452)		(14,452)		728,762			0	20,035	07/25/2036	1FE
31395T KM 5	Federal Home Ln Mtg Cor 5.500% 11/15/33		06/01/2013	Paydown		2,100,261	2,100,261	2,113,388	2,103,653		(3,391)		(3,391)		2,100,261			0	47,588	11/15/2033	1FE
31396F G4 9	Federal Home Ln Mtg Cor 4.500% 11/15/35		06/01/2013	Paydown		3,892,501	3,892,501	3,734,176	3,725,346		167,155		167,155		3,892,501			0	70,532	11/15/2035	1FE
31396K L3 4	Federal Natl Mtg Assn R 6.500% 09/25/36		06/01/2013	Paydown		2,082,408	2,082,408	2,129,262	2,110,814		(28,405)		(28,405)		2,082,408			0	57,161	09/25/2036	1FE
31396K TC 6	Federal Natl Mtg Assn R 6.500% 12/25/23		06/01/2013	Paydown		5,968,829	5,968,829	6,136,702	5,964,138		4,691		4,691		5,968,829			0	164,259	12/25/2023	1FE
31396L CS 7	Federal Natl Mtg Assn R 6.500% 10/25/46		06/01/2013	Paydown		1,080,641	1,080,641	1,095,419	1,082,460		(1,819)		(1,819)		1,080,641			0	31,218	10/25/2046	1FE
31396P K7 5	Federal Natl Mtg Assn R 6.500% 08/25/36		06/01/2013	Paydown		1,099,415	1,099,415	1,095,293	1,095,158		4,257		4,257		1,099,415			0	29,098	08/25/2036	1FE
31396Q Q9 3	Federal Natl Mtg Assn R 4.000% 09/25/29		06/01/2013	Paydown		3,110,132	3,110,132	2,931,300	2,985,463		124,670		124,670		3,110,132			0	51,156	09/25/2029	1FE
31396T SL 8	Federal Home Ln Mtg Cor 6.000% 06/15/36		06/01/2013	Paydown		2,073,316	2,073,316	2,067,485	2,067,817		5,499		5,499		2,073,316			0	50,294	06/15/2036	1FE
31396X HW 7	Federal Natl Mtg Assn R 6.000% 08/25/37		06/01/2013	Paydown		739,276	739,276	723,682	730,633		8,644		8,644		739,276			0	20,611	08/25/2037	1FE
31397H K5 6	Federal Home Ln Mtg Cor 5.900% 09/15/31		06/01/2013	Paydown		4,493,119	4,493,119	4,512,288	4,494,562		(1,444)		(1,444)		4,493,119			0	107,515	09/15/2031	1FE
31397P V3 1	Federal Home Ln Mtg Cor 5.000% 01/15/38		06/01/2013	Paydown		2,606,780	2,606,780	2,595,370	2,594,197		12,583		12,583		2,606,780			0	52,546	01/15/2038	1FE
31397R ZH 2	Federal Home Ln Mtg Cor 4.500% 04/15/38		06/01/2013	Paydown		3,093,798	3,093,798	2,958,444	3,021,412		72,386		72,386		3,093,798			0	57,102	04/15/2038	1FE
31398F 5C 1	Federal Home Ln Mtg Cor 4.500% 10/25/39		06/01/2013	Paydown		6,887,931	6,887,931	6,560,754	6,724,653		163,278		163,278		6,887,931			0	139,842	10/25/2039	1FE
31402C PL 0	Federal Natl Mtg Assn 5.000% 11/01/33		06/01/2013	Paydown		352,231	352,231	359,055	358,739		(6,508)		(6,508)		352,231			0	7,333	11/01/2033	1FE
31402E 6W 3	Federal Natl Mtg Assn P 6.500% 09/01/33		06/01/2013	Paydown		1,325	1,325	1,381	1,367		(42)		(42)		1,325			0	36	09/01/2033	1FE
31403M WL 9	Federal Natl Mtg Assn P 6.500% 11/01/33		06/01/2013	Paydown		903	903	941	931		(29)		(29)		903			0	24	11/01/2033	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)
31404L X6 2	Fannie Mae 772101 5.000% 10/01/33		06/01/2013	Paydown		507,674	507,674	517,510	517,052		(9,378)		(9,378)		507,674			0	10,661	10/01/2033	1FE
31405F D4 1	Federal Natl Mtg Assn P 6.500% 01/01/33		06/01/2013	Paydown		6,049	6,049	6,304	6,246		(196)		(196)		6,049			0	164	01/01/2033	1FE
31407B TX 7	Federal Natl Mtg Assn P 5.000% 07/01/35		06/01/2013	Paydown		321,387	321,387	301,325	302,067		19,320		19,320		321,387			0	6,832	07/01/2035	1FE
31412P CF 6	Federal Natl Mtg Assn 4.500% 03/01/29		06/01/2013	Paydown		1,010,296	1,010,296	991,038	991,717		18,580		18,580		1,010,296			0	18,597	03/01/2029	1FE
31416M 3A 0	Fannie Mae AA4392 4.000% 04/01/39		06/01/2013	Paydown		1,049,406	1,049,406	1,060,555	1,060,146		(10,741)		(10,741)		1,049,406			0	17,533	04/01/2039	1FE
31416W JZ 6	Fannie Mae AB1179 4.500% 02/01/35		06/01/2013	Paydown		223,889	223,889	232,984	232,691		(8,803)		(8,803)		223,889			0	4,643	02/01/2035	1FE
31417D ZZ 9	Fannie Mae AB7059 2.500% 11/01/42		06/01/2013	Paydown		245,803	245,803	251,794	251,761		(5,958)		(5,958)		245,803			0	2,643	11/01/2042	1FE
31417K LX 3	Fannie Mae AC1241 5.000% 07/01/39		06/01/2013	Paydown		1,091,715	1,091,715	1,114,914	1,114,244		(22,528)		(22,528)		1,091,715			0	23,527	07/01/2039	1FE
31418A DV 7	Fannie Mae MA1015 3.000% 03/01/42		06/01/2013	Paydown		694,465	694,465	693,054	693,054		1,411		1,411		694,465			0	8,906	03/01/2042	1FE
31418A N6 1	Federal Natl Mtg Assn 2.500% 12/01/42		06/01/2013	Paydown		359,511	359,511	363,331	363,301		(3,790)		(3,790)		359,511			0	4,173	12/01/2042	1FE
31419B 7B 5	Fannie Mae AE1789 4.000% 10/01/40		06/01/2013	Paydown		3,626,836	3,626,836	3,673,305	3,672,310		(45,474)		(45,474)		3,626,836			0	58,721	10/01/2040	1FE
31419C 2B 8	Fannie Mae AE2569 3.500% 09/01/40		06/01/2013	Paydown		1,412,498	1,412,498	1,338,452	1,340,591		71,907		71,907		1,412,498			0	21,168	09/01/2040	1FE
31419C ZF 3	Fannie Mae AE2541 3.500% 09/01/40		06/01/2013	Paydown		772,009	772,009	735,007	735,388		36,620		36,620		772,009			0	11,412	09/01/2040	1FE
31419C ZJ 5	Fannie Mae AE2544 3.500% 09/01/40		06/01/2013	Paydown		765,489	765,489	771,230	770,990		(5,500)		(5,500)		765,489			0	11,351	09/01/2040	1FE
911760 JT 4	US Dept Veterans Affair 7.017% 04/15/26		06/01/2013	Paydown		35,049	35,049	35,044	35,033		16		16		35,049			0	1,199	04/15/2026	1FE
92261U AC 8	VA Vende Mtg Trust REMI 0.485% 01/15/37		06/01/2013	Paydown				49,418	47,051		(47,051)		(47,051)					0	4,174	01/15/2037	1FE
3199999.	Total - Bonds - U.S. Special Revenue & Assessment					90,541,555	90,541,555	90,191,611	89,704,051	0	435,525	0	435,525	0	90,541,555	0	0	0	1,849,747	XXX	XXX
Bonds - Industrial and Miscellaneous																					
00111@ AA 2	AES Hawaii Inc 6.870% 06/30/22		06/30/2013	Redemption 100.0000		125,000	125,000	125,000	125,000				0		125,000			0	4,294	06/30/2022	4
03235M AA 0	Amtrak Penn Stn Lease T 9.250% 06/15/17		06/15/2013	Redemption 100.0000		284,800	284,800	284,800	284,800				0		284,800			0	13,528	06/15/2017	1
04004# AA 2	Center Operating Compan 8.200% 09/30/23		06/30/2013	Redemption 100.0000		85,977	85,977	85,977	85,977				0		85,977			0	3,525	09/30/2023	3FE
08181* AC 8	Wal-Mart 1st Mtg 9.450% 01/10/17		06/10/2013	Redemption 100.0000		131,470	131,470	131,470	131,470				0		131,470			0	5,182	01/10/2017	1FE
086516 AL 5	Best Buy Co 5.500% 03/15/21		04/30/2013	Citigroup Global		2,020,000	2,000,000	2,018,760	2,016,130		(544)		(544)		2,015,586		4,414	4,414	69,667	03/15/2021	3FE
08861@ AA 7	Walgreen Company 6.043% 08/15/31		06/15/2013	Redemption 100.0000		16,515	16,515	16,515	16,515				0		16,515			0	416	08/15/2031	1FE
126410 LN 7	CSX Equipment Trust Cer 8.375% 10/15/14		04/15/2013	Redemption 100.0000		148,172	148,172	148,172	148,172				0		148,172			0	6,205	10/15/2014	1FE
14059# AB 3	Capitol City Property M 6.530% 06/01/21		06/01/2013	Redemption 100.0000		162,421	162,421	162,421	162,421				0		162,421			0	5,303	06/01/2021	1
14149Y AS 7	Cardinal Health Inc 5.500% 06/15/13		06/15/2013	Maturity		2,000,000	2,000,000	1,992,740	1,999,268		732		732		2,000,000			0	55,000	06/15/2013	2FE
17880@ AA 5	Columbia Gas Of Oh (les 9.350% 06/01/14		06/01/2013	Redemption 100.0000		204,628	204,628	204,628	204,628				0		204,628			0	9,566	06/01/2014	2
21079U AA 3	CONTINENTAL AIRLINES IN 7.250% 11/10/19		05/10/2013	Redemption 100.0000		25,222	25,222	25,222	25,222				0		25,222			0	914	11/10/2019	2FE
22237L FQ 0	Countrywide Financial 6.730% 04/17/13		04/17/2013	Maturity		8,000,000	8,000,000	8,686,130	8,025,620		(25,620)		(25,620)		8,000,000			0	269,200	04/17/2013	1FE
228255 AH 8	Crown Cork & Seal Co In 7.375% 12/15/26		05/30/2013	Imperial Capital LLC		5,656,250	5,000,000	3,875,000	3,992,847		14,503		14,503		4,007,350		1,648,900	1,648,900	173,108	12/15/2026	3FE
22944@ AA 9	Fusco Park Street Serie 6.460% 07/15/26		06/15/2013	Redemption 100.0000		157,599	157,599	157,599	157,599				0		157,599			0	4,245	07/15/2026	1FE
26138E AG 4	Dr Pepper Snapple Group 6.120% 05/01/13		05/01/2013	Maturity		5,000,000	5,000,000	5,037,510	5,002,820		(2,820)		(2,820)		5,000,000			0	153,000	05/01/2013	2FE
26441C AA 3	Duke Energy Corp 5.650% 06/15/13		06/15/2013	Maturity		5,000,000	5,000,000	4,990,150	4,998,988		1,012		1,012		5,000,000			0	141,250	06/15/2013	2FE
291228 AA 2	Emigrant Bancorp 144A 6.250% 06/15/14		06/10/2013	Imperial Capital LLC		1,992,500	2,000,000	1,979,020	1,996,063		1,120		1,120		1,997,183		(4,683)	(4,683)	59,201	06/15/2014	5FE
31953* AL 6	BNSF Railway Series A N 5.960% 10/15/27		05/15/2013	Redemption 100.0000		65,454	65,454	65,454	65,454				0		65,454			0	1,951	10/15/2027	1

Statement as of June 30, 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 Desig-nation or Market Indicator (a)
31953* AM 4	BNSF Railway Series B N 5.960% 10/15/27		05/15/2013	Redemption 100.0000		6,666	6,666	6,666	6,666				0		6,666			0	199	10/15/2027	1
31953* AN 2	BNSF Railway Series C N 5.960% 10/15/27		05/15/2013	Redemption 100.0000		42,184	42,184	42,184	42,184				0		42,184			0	1,257	10/15/2027	1
31953* AP 7	BNSF Railway Series D N 5.960% 10/15/27		05/15/2013	Redemption 100.0000		17,084	17,084	17,084	17,084				0		17,084			0	509	10/15/2027	1
31953* AQ 5	BNSF Railway Series E N 5.960% 10/15/27		05/15/2013	Redemption 100.0000		22,661	22,661	22,661	22,661				0		22,661			0	675	10/15/2027	1
31953* AR 3	BNSF Railway Series F N 5.960% 12/13/27		05/15/2013	Redemption 100.0000		19,974	19,974	19,974	19,974				0		19,974			0	595	12/13/2027	1
319963 AP 9	First Data Corp 9.875% 09/24/15		04/25/2013	Call 102.4690		154,728	151,000	144,205	147,989		303		303		148,292		6,436	6,436	8,491	09/24/2015	5FE
33632$ UJ 4	Phillips Petroleum Alas 7.950% 12/10/20		06/10/2013	Redemption 100.0000		110,911	110,911	110,911	110,911				0		110,911			0	3,677	12/10/2020	1
33716M AA 5	First Tennessee Bank 4.625% 05/15/13		05/15/2013	Maturity		4,500,000	4,500,000	4,271,369	4,489,011		10,989		10,989		4,500,000			0	104,063	05/15/2013	2FE
35669# AA 2	Freeport LNG Developmen 6.500% 12/19/25		06/30/2013	Redemption 100.0000		122,093	122,093	122,093	122,093				0		122,093			0	3,968	06/30/2025	2FE
37247D AB 2	Genworth Financial Inc 6.500% 06/15/34		06/04/2013	Nomura Securities		5,290,750	5,000,000	4,948,440	4,954,817		425		425		4,955,242		335,508	335,508	155,278	06/15/2034	2FE
41242* AB 8	Hardwood Funding (NBA) 4.950% 06/07/13		06/07/2013	Maturity		5,000,000	5,000,000	5,000,000	5,000,000				0		5,000,000			0	123,750	06/07/2013	2
413875 AJ 4	Harris Corporation 5.000% 10/01/15		05/28/2013	Call 100.0000		2,000,000	2,000,000	1,987,500	1,995,945		560		560		1,996,506		3,494	3,494	280,604	10/01/2015	2FE
448579 AA 0	HYATT HOTELS CORPS 5.750% 08/15/15		05/10/2013	Call 100.0000		1,000,000	1,000,000	1,025,380	1,012,704		(1,621)		(1,621)		1,011,084		(11,084)	(11,084)	153,506	08/15/2015	2FE
46849L SB 8	Jackson Natl Life Fund 5.375% 05/08/13		05/08/2013	Maturity		5,000,000	5,000,000	4,996,100	4,999,692		308		308		5,000,000			0	134,400	05/08/2013	1FE
484168 AC 3	Kaneb Pipeline 5.875% 06/01/13		06/01/2013	Maturity		4,000,000	4,000,000	3,904,520	3,994,381		5,619		5,619		4,000,000			0	117,500	06/01/2013	3FE
494492 AA 9	Kincaid Generation 144A 7.330% 06/15/20		05/21/2013	Call 100.0000		4,149,221	4,149,221	4,149,221	4,149,221				0		4,149,221			0	1,130,739	06/15/2020	2FE
50180L BF 6	Lehman UBS Comm Mtg Tru 6.320% 04/15/41		06/11/2013	Paydown			1,729,879	34,598	34,598				0		34,598		(34,598)	(34,598)		04/15/2041	1FM
55277J AC 2	MF GLOBAL HLDGS LTD 6.250% 08/08/16		06/10/2013	Barclays Capital		1,057,500	2,000,000	694,800	696,696				0		696,696		360,804	360,804		08/08/2016	6
55277J AC 2	MF GLOBAL HLDGS LTD 6.250% 08/08/16		05/30/2013	Miller Tabek		338,750	500,000	173,700	174,174				0		174,174		164,576	164,576		08/08/2016	6FE
56081# AC 4	Major League Baseball T 4.880% 12/10/13		05/10/2013	Redemption 100.0000		568,966	568,966	568,966	568,966				0		568,966			0	19,673	12/10/2013	1
56602# AA 8	Marriott International 8.550% 11/17/22		06/17/2013	Redemption 100.0000		109,975	109,975	109,975	109,975				0		109,975			0	3,921	11/17/2022	2
57772K AA 9	Maxim Integrated Produc 3.450% 06/14/13		06/14/2013	Maturity		4,000,000	4,000,000	3,995,040	3,999,219		781		781		4,000,000			0	69,000	06/14/2013	2FE
608753 AG 4	MOLYCORP INC 10.000% 06/01/20		05/29/2013	Miller Tabek		249,375	250,000	248,750	248,843		45		45		248,888		487	487	12,642	06/01/2020	5FE
62425* AA 5	Mountain Prairie Wind N 6.560% 03/25/30		06/15/2013	Redemption 100.0000		63,249	63,249	63,249	63,249				0		63,249			0	2,075	03/25/2030	2FE
63615# AB 7	National Football Leagu 6.560% 10/15/17		04/15/2013	Redemption 100.0000		250,949	250,949	250,949	250,949				0		250,949			0	8,231	10/15/2017	1
64079* AB 8	Neptune Regional 6.210% 06/30/27		06/30/2013	Redemption 100.0000		44,294	44,294	44,294	44,294				0		44,294			0	1,375	06/30/2027	2FE
64953B AP 3	NEW YORK LIFE GLOBAL FD 4.650% 05/09/13		05/09/2013	Maturity		250,000	250,000	258,408	250,825		(825)		(825)		250,000			0	5,813	05/09/2013	1FE
650094 BV 6	New York Tel Co 7.000% 06/15/13		06/15/2013	Maturity		6,000,000	6,000,000	5,856,840	5,993,437		6,563		6,563		6,000,000			0	210,000	06/15/2013	1FE
670346 AJ 4	Nucor Corporation 5.000% 06/01/13		06/01/2013	Maturity		2,000,000	2,000,000	1,987,800	1,998,868		1,133		1,133		2,000,000			0	50,000	06/01/2013	1FE
678026 AD 7	Oil States Internationa 6.500% 06/01/19		04/30/2013	Wells Fargo Funds		2,155,000	2,000,000	2,027,500	2,021,343		(1,426)		(1,426)		2,019,917		135,083	135,083	54,889	06/01/2019	3FE
69359* AA 0	PGA Tour Investments 7.400% 06/15/19		06/15/2013	Redemption 100.0000		231,155	231,155	231,155	231,155				0		231,155			0	8,551	06/15/2019	5
743674 AR 4	Protective Life 4.300% 06/01/13		06/01/2013	Maturity		1,050,000	1,050,000	874,125	1,030,293		19,708		19,708		1,050,000			0	22,575	06/01/2013	2FE
790849 AF 0	St Jude Medical Inc 4.875% 07/15/19		05/02/2013	Call 100.0000		1,500,000	1,500,000	1,480,950	1,486,446		592		592		1,487,038		12,962	12,962	414,742	07/15/2019	1FE
795770 AN 6	Salton Sea Funding 7.475% 11/30/18		05/31/2013	Redemption 100.0000		128,633	128,633	128,633	128,633				0		128,633			0	4,808	11/30/2018	2FE
832696 C* 7	J M Smucker Company R-5 5.550% 04/01/22		04/01/2013	Redemption 100.0000		875,000	875,000	875,000	875,000				0		875,000			0	24,281	04/01/2022	2
861832 A# 0	Stonehenge Capital Fund 8.424% 12/15/16		06/15/2013	Redemption 100.0000		26,890	26,890	26,890	26,890				0		26,890			0	1,133	12/15/2016	1

SCHEDULE D - PART 4

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

1 CUSIP Identification	2 Description	3 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)
87612# AA 1	Target Corporation 5.066% 01/15/25		06/15/2013	Redemption 100.0000		105,870	105,870	105,870	105,870				0		105,870			0	2,236	01/15/2025	1FE
88031V AA 7	Tenaska Gateway Partner 6.052% 12/30/23		03/30/2013	Redemption 100.0000		65,867	65,867	65,899	65,891				0		65,891		(23)	(23)	997	12/30/2023	2FE
94978# AH 0	CVS Corporation 7.530% 01/10/24		06/10/2013	Redemption 100.0000		79,874	79,874	79,874	79,874				0		79,874			0	2,493	01/10/2024	2
96432Y AA 9	White Pine Hydro Portf 7.260% 07/20/15		05/08/2013	Call 100.0000		1,000,000	1,000,000	1,000,000	1,000,000				0		1,000,000			0	68,080	07/20/2015	5
981468 AA 9	World Financial Props T 6.910% 09/01/13		06/01/2013	Call 100.0000		72,239	72,239	72,239	72,239				0		72,239			0	2,496	09/01/2013	1FM
981468 AA 9	World Financial Props T 6.910% 09/01/13		05/01/2013	Redemption 100.0000		35,501	35,501	35,501	35,501				0		35,501			0	920	09/01/2013	1FM
984121 BV 4	Xerox Corp 5.650% 05/15/13		05/15/2013	Maturity		2,000,000	2,000,000	1,996,700	1,999,733		267		267		2,000,000			0	56,500	05/15/2013	2FE
716745 AB 0	Petroplus Finance LTD 1 7.000% 05/01/17	F	04/16/2013	Credit Suisse		526,250	2,105,000	242,075	242,075				0		242,075		284,175	284,175		05/01/2017	6
761655 AA 7	Rexam PLC 144A 6.750% 06/01/13	F	06/01/2013	Maturity		3,500,000	3,500,000	3,484,705	3,498,525		1,475		1,475		3,500,000			0	118,125	06/01/2013	2FE
97180$ SR 0	Airbus Industries Reg 8.740% 06/29/15	F	06/29/2013	Redemption 100.0000		208,410	208,410	208,410	208,410				0		208,410			0	9,108	06/29/2015	1
97180$ SS 8	Airbus Industries Reg 8.740% 06/29/15	F	06/29/2013	Redemption 100.0000		208,410	208,410	208,410	208,410				0		208,410			0	9,108	06/29/2015	1
97180$ ST 6	Airbus Industries Reg 8.740% 06/29/15	F	06/29/2013	Redemption 100.0000		208,410	208,410	208,410	208,410				0		208,410			0	9,108	06/29/2015	1
97180$ SU 3	Airbus Industries Reg 8.740% 06/29/15	F	06/29/2013	Redemption 100.0000		208,410	208,410	208,410	208,410				0		208,410			0	9,108	06/29/2015	1
G5963# AA 1	Meggitt PLC 5.360% 06/10/13	F	06/10/2013	Maturity		4,000,000	4,000,000	4,000,000	4,000,000				0		4,000,000			0	107,200	06/10/2013	2
H2654# AA 1	Flughafen Zurich AG 6.330% 04/11/15	F	04/11/2013	Redemption 100.0000		1,000,000	1,000,000	1,000,000	1,000,000				0		1,000,000			0	31,650	04/11/2015	1
3899999.	Total - Bonds - Industrial & Miscellaneous					96,631,257	99,926,033	93,603,001	93,691,528	0	33,279	0	33,279	0	93,724,807	0	2,906,451	2,906,451	4,535,604	XXX	XXX
Bonds - Hybrid Securities																					
003723 AA 1	ABN Amro NA Holding Co 6.473% Perpet		04/03/2013	Call 100.0000		5,000,000	5,000,000	5,000,000	5,000,000				0		5,000,000			0	68,941	01/01/9999	4FE
780097 AS 0	Royal Bank of Scotland 6.990% Perpet	F	05/14/2013	Imperial Capital LLC		4,080,000	4,000,000	4,000,000	4,000,000				0		4,000,000		80,000	80,000	172,420	01/01/9999	3FE
4899999.	Total - Bonds - Hybrid Securities					9,080,000	9,000,000	9,000,000	9,000,000	0	0	0	0	0	9,000,000	0	80,000	80,000	241,361	XXX	XXX
8399997.	Total - Bonds - Part 4					201,643,087	204,857,863	199,265,373	198,716,403	0	(461,744)	0	(461,744)	0	198,656,637	0	2,986,451	2,986,451	6,909,696	XXX	XXX
8399999.	Total - Bonds					201,643,087	204,857,863	199,265,373	198,716,403	0	(461,744)	0	(461,744)	0	198,656,637	0	2,986,451	2,986,451	6,909,696	XXX	XXX
Common Stocks - Industrial and Miscellaneous																					
00141M 57 2	AIM Global Equity		06/19/2013	Sentinel Group Fds	1.000	19	XXX	25	17	8			8		25		(6)	(6)		XXX	L
315805 42 4	Fidelity Advisors Leverage		06/21/2013	Sentinel Group Fds		13	XXX	9	11	(2)			(2)		9		4	4		XXX	L
315807 83 4	Fidelity Advisors Growth		06/21/2013	Sentinel Group Fds		5	XXX	3	4	(1)			(1)		3		1	1		XXX	L
315808 40 2	Fidelity Advisors Equity		06/21/2013	Sentinel Group Fds		1	XXX	1	1				0		1			0		XXX	L
591708 10 2	MetroPCS		05/01/2013	Tax Free Exchange	17,860.000	252,891	XXX	252,891	355,047	(102,156)			(102,156)		252,891			0	72,315	XXX	U
591708 10 2	MetroPCS		05/01/2013	No Broker	17,860.000		XXX						0					0	72,315	XXX	U
817270 20 0	Sentinel Group Fds Inc		06/21/2013	Various	11.000	203	XXX	186	190	(4)			(4)		186		17	17	1	XXX	L
817270 30 9	Sentinel Group Fds Inc		06/26/2013	Various	8,200.000	323,386	XXX	148,718	279,948	(131,230)			(131,230)		148,718		174,668	174,668	750	XXX	L
817270 35 8	Sentinel Group Fds Inc		06/21/2013	Sentinel Group Fds	5.000	49	XXX	50					0		50		(1)	(1)	1	XXX	L
817270 50 7	Sentinel Group Fds Inc		06/21/2013	Sentinel Group Fds	192.000	4,321	XXX	3,520	3,801	(281)			(281)		3,520		801	801		XXX	L
817270 56 4	Sentinel Group Fds Inc		06/21/2013	Sentinel Group Fds	23,526.000	307,721	XXX	263,306	296,665	(33,359)			(33,359)		263,306		44,415	44,415	1,271	XXX	L
817270 60 6	Sentinel Group Fds Inc		06/21/2013	Various	23,079.000	247,939	XXX	248,824	249,716	(892)			(892)		248,824		(885)	(885)	1,598	XXX	L
817270 80 4	Sentinel Group Fds Inc		06/26/2013	Sentinel Group Fds	2,458.000	18,304	XXX	19,978	15,782	4,196			4,196		19,978		(1,675)	(1,675)		XXX	L

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 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)
817270 85 3	Sentinel Group Fds Inc.	.....	06/21/2013	Sentinel Group Fds.	.........3,306.000	29,753	...........XXX.......	30,531	29,886	645	....	....	645	....	30,531	....	.........(778)	.........(778)	172	......XXX...	L..........
817270 88 7	Sentinel Group Fds Inc.	.....	06/21/2013	Sentinel Group Fds.	.............14.000	234	...........XXX.......	211	228	.............(17)	....	....	...............(17)	....	211	....	23	23	....	......XXX...	L..........
81728B 10 6	Sentinel Group Fds Inc.	.....	06/21/2013	Sentinel Group Fds.	.........5,106.000	92,613	...........XXX.......	97,289	81,743	15,546	....	....	15,546	....	97,289	....	.......(4,675)	.......(4,675)	....	......XXX...	L..........
872590 10 4	T-Mobile US Inc.	.....	05/24/2013	Direct.	...............1.000	10	...........XXX.......	7	....	....	....	....	0	....	7	....	3	3	....	......XXX...	L..........
9099999.	Total - Common Stocks - Industrial & Miscellaneous					1,277,462	..........XXX.......	1,065,549	1,313,039	.....(247,547)	0	0	.......(247,547)	0	1,065,549	0	211,912	211,912	148,423	......XXX...	..XXX....
Common Stocks - Mutual Funds																					
817270 37 4	Sentinel Group Fds Inc.	.....	06/21/2013	Sentinel Group Fds.	.............10.000	10	...........XXX.......	10	10	....	....	....	0	....	10	....	....	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					1,277,472	..........XXX.......	1,065,559	1,313,049	.....(247,547)	0	0	.......(247,547)	0	1,065,559	0	211,912	211,912	148,423	......XXX...	..XXX....
9799999.	Total - Common Stocks					1,277,472	..........XXX.......	1,065,559	1,313,049	.....(247,547)	0	0	.......(247,547)	0	1,065,559	0	211,912	211,912	148,423	......XXX...	..XXX....
9899999.	Total - Preferred and Common Stocks					1,277,472	..........XXX.......	1,065,559	1,313,049	.....(247,547)	0	0	.......(247,547)	0	1,065,559	0	211,912	211,912	148,423	......XXX...	..XXX....
9999999.	Total - Bonds, Preferred and Common Stocks					202,920,559	..........XXX.......	200,330,932	200,029,452	.....(247,547)	.....(461,744)	0	.......(709,291)	0	199,722,196	0	..3,198,363	..3,198,363	..7,058,119	......XXX...	..XXX....

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

SCHEDULE DB - PART A - SECTION 1

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

1 Description	2 Description of Item(s) Hedged, Used for Income Generation or Replicated	3 Schedule /Exhibit Identifier	4 Type(s) of Risk (a)	5 Exchange, Counterparty or Central Clearinghouse	6 Trade Date	7 Date of Maturity or Expiration	8 Number of Contracts	9 Notional Amount	10 Strike Price, Rate of Indexed Received (Paid)	11 Cumulative Prior Year(s) Initial Cost of Premium (Received) 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)
Purchased Options - Hedging Effective - Call Options and Warrants																						
S&P 500 OTC Call Option 9PG833UW SPX	Multiple	N/A	Equity/Index	JP Morgan Chase & Co 8I5DZWZKVSZI1NUHU748	07/20/2012	07/19/2013	4,156		1,363.0000	399,267			1,008,422		1,008,422	569,110						0001
S&P 500 OTC Call Option 9PG833UY SPX	Multiple	N/A	Equity/Index	JP Morgan Chase & Co 8I5DZWZKVSZI1NUHU748	07/20/2012	07/19/2013	2,275		1,363.0000	218,559			552,011		552,011	311,531						0001
S&P 500 OTC Call Option 9PG833VA SPX	Multiple	N/A	Equity/Index	JP Morgan Chase & Co 8I5DZWZKVSZI1NUHU748	07/20/2012	07/19/2013	3,816		1,363.0000	366,603			925,923		925,923	522,551						0001
S&P 500 OTC Call Option 9PG833VY SPX	Multiple	N/A	Equity/Index	Credit Suisse FB Int E58DKGMJYYYJLN8C3868	08/21/2012	08/21/2013	4,953		1,413.0000	505,355			957,799		957,799	570,613						0001
S&P 500 OTC Call Option 9PG833WA SPX	Multiple	N/A	Equity/Index	Credit Suisse FB Int E58DKGMJYYYJLN8C3868	08/21/2012	08/21/2013	1,698		1,413.0000	173,247			328,355		328,355	195,619						0001
S&P 500 OTC Call Option 9PG833WC SPX	Multiple	N/A	Equity/Index	Credit Suisse FB Int E58DKGMJYYYJLN8C3868	08/21/2012	08/21/2013	3,043		1,413.0000	310,477			588,448		588,448	350,571						0001
S&P 500 OTC Call Option 9PG833XG SPX	Multiple	N/A	Equity/Index	Barclays Bank PLC G5GSEF7VJP5I7OUK5573	09/21/2012	09/20/2013	2,808		1,460.0000	259,543			434,343		434,343	269,617						0001
S&P 500 OTC Call Option 9PG833XE SPX	Multiple	N/A	Equity/Index	Barclays Bank PLC G5GSEF7VJP5I7OUK5573	09/21/2012	09/20/2013	1,849		1,460.0000	170,903			286,004		286,004	177,536						0001
S&P 500 OTC Call Option 9PG833XC SPX	Multiple	N/A	Equity/Index	Barclays Bank PLC G5GSEF7VJP5I7OUK5573	09/21/2012	09/20/2013	6,095		1,460.0000	563,361			942,778		942,778	585,226						0001
S&P 500 OTC Call Option 9PG833YK SPX	Multiple	N/A	Equity/Index	Credit Suisse FB Int E58DKGMJYYYJLN8C3868	10/19/2012	10/21/2013	2,931		1,433.0000	268,421			535,468		535,468	309,253						0001
S&P 500 OTC Call Option 9PG833YG SPX	Multiple	N/A	Equity/Index	Credit Suisse FB Int E58DKGMJYYYJLN8C3868	10/19/2012	10/21/2013	6,070		1,433.0000	555,891			1,108,936		1,108,936	640,452						0001
S&P 500 OTC Call Option 9PG833YI SPX	Multiple	N/A	Equity/Index	Credit Suisse FB Int E58DKGMJYYYJLN8C3868	10/19/2012	10/21/2013	1,954		1,433.0000	178,947			356,979		356,979	206,169						0001
S&P 500 OTC Call Option 9PG833ZI SPX	Multiple	N/A	Equity/Index	Barclays Bank PLC G5GSEF7VJP5I7OUK5573	11/21/2012	11/21/2013	2,732		1,391.0000	233,340			609,832		609,832	321,350						0001
S&P 500 OTC Call Option 9PG833ZK SPX	Multiple	N/A	Equity/Index	Credit Suisse FB Int E58DKGMJYYYJLN8C3868	11/21/2012	11/21/2013	2,947		1,391.0000	251,703			656,825		656,825	348,009						0001
S&P 500 OTC Call Option 9PG833ZY SPX	Multiple	N/A	Equity/Index	Credit Suisse FB Int E58DKGMJYYYJLN8C3868	11/21/2012	11/21/2013	5,607		1,391.0000	478,894			1,249,683		1,249,683	662,127						0001
S&P 500 OTC Call Option 9PG834DG SPX	Multiple	N/A	Equity/Index	Barclays Bank PLC G5GSEF7VJP5I7OUK5573	03/21/2013	03/21/2014	2,588		1,546.0000		213,821		313,841		313,841	100,020						0001
S&P 500 OTC Call Option 9PG834DC SPX	Multiple	N/A	Equity/Index	Barclays Bank PLC G5GSEF7VJP5I7OUK5573	03/21/2013	03/21/2014	4,787		1,546.0000		395,502		580,508		580,508	185,006						0001
S&P 500 OTC Call Option 9PG834DE SPX	Multiple	N/A	Equity/Index	Credit Suisse FB Int E58DKGMJYYYJLN8C3868	03/21/2013	03/21/2014	1,811		1,546.0000		150,331		217,628		217,628	67,297						0001
S&P 500 OTC Call Option 9PG834EI SPX	Multiple	N/A	Equity/Index	Merrill Lynch Intl. GGDZP1UYGU9STUHRDP48	04/19/2013	04/21/2014	2,122		1,555.0000		186,460		255,364		255,364	68,903						0001
S&P 500 OTC Call Option 9PG834EG SPX	Multiple	N/A	Equity/Index	Merrill Lynch Intl. GGDZP1UYGU9STUHRDP48	04/19/2013	04/21/2014	6,044		1,555.0000		531,086		727,341		727,341	196,255						0001
S&P 500 OTC Call Option 9PG834EK SPX	Multiple	N/A	Equity/Index	Merrill Lynch Intl. GGDZP1UYGU9STUHRDP48	04/19/2013	04/21/2014	3,344		1,555.0000		293,837		402,420		402,420	108,583						0001
S&P 500 OTC Call Option 9PG834FI SPX	Multiple	N/A	Equity/Index	Credit Suisse FB Int E58DKGMJYYYJLN8C3868	05/21/2013	05/21/2014	5,032		1,669.0000		482,518		318,731		318,731	(163,787)						0001

SCHEDULE DB - PART A - SECTION 1

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S&P 500 OTC Call Option 9PG834FM SPX	Multiple	N/A	Equity/Index	Credit Suisse FB Int E58DKGMJYYYJLN8C3868	05/21/2013	05/21/2014	2,936		1,669.0000		281,533		185,969		185,969	(95,564)						0001
S&P 500 OTC Call Option 9PG834FK SPX	Multiple	N/A	Equity/Index	Credit Suisse FB Int E58DKGMJYYYJLN8C3868	05/21/2013	05/21/2014	1,737		1,669.0000		166,561		110,023		110,023	(56,538)						0001
S&P 500 OTC Call Option 9PG834IA SPX	Multiple	N/A	Equity/Index	Credit Suisse FB Int E58DKGMJYYYJLN8C3868	06/21/2013	06/20/2014	2,198		1,592.0000		221,910		232,948		232,948	11,038						0001
S&P 500 OTC Call Option 9PG834IC SPX	Multiple	N/A	Equity/Index	Credit Suisse FB Int E58DKGMJYYYJLN8C3868	06/21/2013	06/20/2014	4,961		1,592.0000		500,863		525,776		525,776	24,914						0001
S&P 500 OTC Call Option 9PG834HY SPX	Multiple	N/A	Equity/Index	Credit Suisse FB Int E58DKGMJYYYJLN8C3868	06/21/2013	06/20/2014	5,840		1,592.0000		589,606		618,934		618,934	29,328						0001
S&P 500 OTC Call Option 9PG837EU PXA	Multiple	N/A	Equity/Index	Barclays Bank PLC G5GSEF7VJP5I7OUK5573	07/20/2012	07/19/2013	1,468		1,363.0000	75,808			201,463		201,463	110,268						0001
S&P 500 OTC Call Option 9PG837EX PXA	Multiple	N/A	Equity/Index	Barclays Bank PLC G5GSEF7VJP5I7OUK5573	08/21/2012	08/21/2013	1,061		1,413.0000	56,074			112,432		112,432	78,889						0001
S&P 500 OTC Call Option 9PG837FB PXA	Multiple	N/A	Equity/Index	Barclays Bank PLC G5GSEF7VJP5I7OUK5573	09/21/2012	09/20/2013	1,096		1,460.0000	52,170			80,764		80,764	65,335						0001
S&P 500 OTC Call Option 9PG837FE PXA	Multiple	N/A	Equity/Index	Barclays Bank PLC G5GSEF7VJP5I7OUK5573	10/19/2012	10/21/2013	1,605		1,433.0000	77,522			181,455		181,455	133,407						0001
S&P 500 OTC Call Option 9PG837FG PXA	Multiple	N/A	Equity/Index	Barclays Bank PLC G5GSEF7VJP5I7OUK5573	11/21/2012	11/21/2013	1,582		1,391.0000	73,278			272,460		272,460	199,181						0001
S&P 500 OTC Call Option 9PG837FO PXA	Multiple	N/A	Equity/Index	Barclays Bank PLC G5GSEF7VJP5I7OUK5573	03/21/2013	03/21/2014	1,035		1,546.0000		46,399		75,395		75,395	28,996						0001
S&P 500 OTC Call Option 9PG837FR PXA	Multiple	N/A	Equity/Index	Merrill Lynch Intl. GGDZP1UYGU9STUHRDP48	04/19/2013	04/21/2014	1,093		1,555.0000		50,999		81,323		81,323	30,324						0001
S&P 500 OTC Call Option 9PG837FT PXA	Multiple	N/A	Equity/Index	JP Morgan Chase & Co 8I5DZWZKVSZI1NUHU748	05/21/2013	05/21/2014	1,138		1,669.0000		57,560		22,795		22,795	(34,765)						0001
S&P 500 OTC Call Option 9PG837FZ PXA	Multiple	N/A	Equity/Index	Barclays Bank PLC G5GSEF7VJP5I7OUK5573	06/21/2013	06/20/2014	1,444		1,592.0000		80,026		86,365		86,365	6,338						0001
S&P 500 OTC Call Option 9PG834AI SPX	Multiple	N/A	Equity/Index	Credit Suisse FB Int E58DKGMJYYYJLN8C3868	12/21/2012	12/20/2013	9,160		1,430.0000	841,071			1,766,524		1,766,524	971,880						0001
S&P 500 OTC Call Option 9PG834AK SPX	Multiple	N/A	Equity/Index	Credit Suisse FB Int E58DKGMJYYYJLN8C3868	12/21/2012	12/20/2013	2,727		1,430.0000	250,393			525,907		525,907	289,336						0001
S&P 500 OTC Call Option 9PG834AM SPX	Multiple	N/A	Equity/Index	Credit Suisse FB Int E58DKGMJYYYJLN8C3868	12/21/2012	12/20/2013	3,496		1,430.0000	321,003			674,210		674,210	370,927						0001
S&P 500 OTC Call Option 9PG834BG SPX	Multiple	N/A	Equity/Index	Merrill Lynch Intl. GGDZP1UYGU9STUHRDP48	01/18/2013	01/21/2014	6,326		1,486.0000		533,914		975,112		975,112	441,198						0001
S&P 500 OTC Call Option 9PG834BI SPX	Multiple	N/A	Equity/Index	Credit Suisse FB Int E58DKGMJYYYJLN8C3868	01/18/2013	01/21/2014	2,557		1,486.0000		217,729		393,738		393,738	176,009						0001
S&P 500 OTC Call Option 9PG834BK SPX	Multiple	N/A	Equity/Index	Credit Suisse FB Int E58DKGMJYYYJLN8C3868	01/18/2013	01/21/2014	3,028		1,486.0000		257,834		466,264		466,264	208,430						0001
S&P 500 OTC Call Option 9PG834CG SPX	Multiple	N/A	Equity/Index	Credit Suisse FB Int E58DKGMJYYYJLN8C3868	02/21/2013	02/21/2014	2,396		1,502.0000		197,981		347,370		347,370	149,388						0001
S&P 500 OTC Call Option 9PG834CI SPX	Multiple	N/A	Equity/Index	Credit Suisse FB Int E58DKGMJYYYJLN8C3868	02/21/2013	02/21/2014	4,326		1,502.0000		357,457		627,179		627,179	269,722						0001
S&P 500 OTC Call Option 9PG834CE SPX	Multiple	N/A	Equity/Index	Barclays Bank PLC G5GSEF7VJP5I7OUK5573	02/21/2013	02/21/2014	5,924		1,502.0000		477,060		862,003		862,003	384,943						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 G5GSEF7VJP5I7OUK5573	12/21/2012	12/20/2013	1,468		1,430.0000	75,998			217,431		217,431	152,063						0001
S&P Asian OTC Call Option 9PG837FI SPXA	Multiple	N/A	Equity/Index	Merrill Lynch Intl. GGDZP1UYGU9STUHRDP48	01/18/2013	01/21/2014	1,481		1,486.0000		66,245		157,336		157,336	91,091						0001
S&P Asian OTC Call Option 9PG837FK SPXA	Multiple	N/A	Equity/Index	Merrill Lynch Intl. GGDZP1UYGU9STUHRDP48	02/21/2013	02/21/2014	1,198		1,502.0000		52,736		121,558		121,558	68,822						0001
0019999. Total-Purchased Options-Hedging Effective-Call Options and Warrants										6,757,828	6,409,968	0	23,280,373	XXX	23,280,373	10,706,971	0	0	0	0	XXX	XXX
0079999. Total-Purchased Options-Hedging Effective										6,757,828	6,409,968	0	23,280,373	XXX	23,280,373	10,706,971	0	0	0	0	XXX	XXX
0369999. Total-Purchased Options-Call Options and Warrants										6,757,828	6,409,968	0	23,280,373	XXX	23,280,373	10,706,971	0	0	0	0	XXX	XXX
0429999. Total-Purchased Options										6,757,828	6,409,968	0	23,280,373	XXX	23,280,373	10,706,971	0	0	0	0	XXX	XXX
Written Options - Hedging Effective - Call Options and Warrants																						
S&P 500 OTC Call Option 9PG833VB SPX	Multiple	N/A	Equity/Index	JP Morgan Chase & Co 8I5DZWZKVSZI1NUHU748	07/20/2012	07/19/2013	3,816		1,475.0000	(169,545)			(504,967)		(504,967)	(345,465)						0001
S&P 500 OTC Call Option 9PG833UZ SPX	Multiple	N/A	Equity/Index	JP Morgan Chase & Co 8I5DZWZKVSZI1NUHU748	07/20/2012	07/19/2013	2,275		1,506.0000	(78,124)			(235,217)		(235,217)	(167,845)						0001
S&P 500 OTC Call Option 9PG833UX SPX	Multiple	N/A	Equity/Index	JP Morgan Chase & Co 8I5DZWZKVSZI1NUHU748	07/20/2012	07/19/2013	4,156		1,540.0000	(103,651)			(302,241)		(302,241)	(223,556)						0001
S&P 500 OTC Call Option 9PG833WD SPX	Multiple	N/A	Equity/Index	Credit Suisse FB Int E58DKGMJYYYJLN8C3868	08/21/2012	08/21/2013	3,043		1,530.0000	(147,068)			(272,989)		(272,989)	(193,301)						0001
S&P 500 OTC Call Option 9PG833WB SPX	Multiple	N/A	Equity/Index	Credit Suisse FB Int E58DKGMJYYYJLN8C3868	08/21/2012	08/21/2013	1,698		1,562.0000	(64,066)			(110,867)		(110,867)	(81,143)						0001
S&P 500 OTC Call Option 9PG833VZ SPX	Multiple	N/A	Equity/Index	Credit Suisse FB Int E58DKGMJYYYJLN8C3868	08/21/2012	08/21/2013	4,953		1,597.0000	(138,585)			(206,330)		(206,330)	(154,418)						0001
S&P 500 OTC Call Option 9PG833XH SPX	Multiple	N/A	Equity/Index	Barclays Bank PLC G5GSEF7VJP5I7OUK5573	09/21/2012	09/20/2013	2,808		1,581.0000	(109,484)			(172,105)		(172,105)	(124,884)						0001
S&P 500 OTC Call Option 9PG833XF SPX	Multiple	N/A	Equity/Index	Barclays Bank PLC G5GSEF7VJP5I7OUK5573	09/21/2012	09/20/2013	1,849		1,621.0000	(50,496)			(70,012)		(70,012)	(52,033)						0001
S&P 500 OTC Call Option 9PG833XD SPX	Multiple	N/A	Equity/Index	Barclays Bank PLC G5GSEF7VJP5I7OUK5573	09/21/2012	09/20/2013	6,095		1,650.0000	(124,582)			(148,629)		(148,629)	(110,575)						0001
S&P 500 OTC Call Option 9PG833YL SPX	Multiple	N/A	Equity/Index	Credit Suisse FB Int E58DKGMJYYYJLN8C3868	10/19/2012	10/21/2013	2,931		1,551.0000	(116,771)			(259,529)		(259,529)	(176,434)						0001
S&P 500 OTC Call Option 9PG833YJ SPX	Multiple	N/A	Equity/Index	Credit Suisse FB Int E58DKGMJYYYJLN8C3868	10/19/2012	10/21/2013	1,954		1,584.0000	(58,815)			(131,215)		(131,215)	(92,342)						0001
S&P 500 OTC Call Option 9PG833YH SPX	Multiple	N/A	Equity/Index	Credit Suisse FB Int E58DKGMJYYYJLN8C3868	10/19/2012	10/21/2013	6,070		1,620.0000	(130,505)			(282,160)		(282,160)	(204,569)						0001
S&P 500 OTC Call Option 9PG833ZL SPX	Multiple	N/A	Equity/Index	Credit Suisse FB Int E58DKGMJYYYJLN8C3868	11/21/2012	11/21/2013	2,947		1,506.0000	(106,593)			(377,245)		(377,245)	(235,746)						0001
S&P 500 OTC Call Option 9PG833ZJ SPX	Multiple	N/A	Equity/Index	Barclays Bank PLC G5GSEF7VJP5I7OUK5573	11/21/2012	11/21/2013	2,732		1,534.0000	(75,622)			(295,320)		(295,320)	(191,615)						0001
S&P 500 OTC Call Option 9PG833ZZ SPX	Multiple	N/A	Equity/Index	Credit Suisse FB Int E58DKGMJYYYJLN8C3868	11/21/2012	11/21/2013	5,607		1,572.0000	(106,869)			(457,504)		(457,504)	(310,043)						0001
S&P 500 OTC Call Option 9PG834DH SPX	Multiple	N/A	Equity/Index	Barclays Bank PLC G5GSEF7VJP5I7OUK5573	03/21/2013	03/21/2014	2,588		1,677.0000		(72,593)		(131,416)		(131,416)	(58,823)						0001

Statement as of June 30, 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 9PG834DF SPX	Multiple	N/A	Equity/Index	Credit Suisse FB Int E58DKGMJYYYJLN8C3868..	03/21/2013	03/21/2014	1,811		1,704.0000		(38,918)		(72,102)		(72,102)	(33,184)						0001
S&P 500 OTC Call Option 9PG834DD SPX	Multiple	N/A	Equity/Index	Barclays Bank PLC G5GSEF7VJP5I7OUK5573...	03/21/2013	03/21/2014	4,787		1,751.0000		(58,832)		(124,731)		(124,731)	(65,899)						0001
S&P 500 OTC Call Option 9PG834EL SPX	Multiple	N/A	Equity/Index	Merrill Lynch Intl. GGDZP1UYGU9STUHRDP48	04/19/2013	04/21/2014	3,344		1,687.0000		(108,178)		(171,038)		(171,038)	(62,859)						0001
S&P 500 OTC Call Option 9PG834EJ SPX	Multiple	N/A	Equity/Index	Merrill Lynch Intl. GGDZP1UYGU9STUHRDP48	04/19/2013	04/21/2014	2,122		1,719.0000		(51,140)		(83,815)		(83,815)	(32,675)						0001
S&P 500 OTC Call Option 9PG834EH SPX	Multiple	N/A	Equity/Index	Merrill Lynch Intl. GGDZP1UYGU9STUHRDP48	04/19/2013	04/21/2014	6,044		1,761.0000		(93,078)		(160,717)		(160,717)	(67,639)						0001
S&P 500 OTC Call Option 9PG834FN SPX	Multiple	N/A	Equity/Index	Credit Suisse FB Int E58DKGMJYYYJLN8C3868..	05/21/2013	05/21/2014	2,936		1,807.0000		(115,884)		(58,272)		(58,272)	57,612						0001
S&P 500 OTC Call Option 9PG834FL SPX	Multiple	N/A	Equity/Index	Credit Suisse FB Int E58DKGMJYYYJLN8C3868..	05/21/2013	05/21/2014	1,737		1,844.0000		(51,745)		(23,104)		(23,104)	28,642						0001
S&P 500 OTC Call Option 9PG834FJ SPX	Multiple	N/A	Equity/Index	Credit Suisse FB Int E58DKGMJYYYJLN8C3868..	05/21/2013	05/21/2014	5,032		1,886.0000		(107,081)		(41,050)		(41,050)	66,031						0001
S&P 500 OTC Call Option 9PG834ID SPX	Multiple	N/A	Equity/Index	Credit Suisse FB Int E58DKGMJYYYJLN8C3868..	06/21/2013	06/20/2014	4,961		1,724.0000		(214,067)		(229,844)		(229,844)	(15,776)						0001
S&P 500 OTC Call Option 9PG834IB SPX	Multiple	N/A	Equity/Index	Credit Suisse FB Int E58DKGMJYYYJLN8C3868..	06/21/2013	06/20/2014	2,198		1,760.0000		(71,413)		(76,792)		(76,792)	(5,379)						0001
S&P 500 OTC Call Option 9PG834HZ SPX	Multiple	N/A	Equity/Index	Credit Suisse FB Int E58DKGMJYYYJLN8C3868..	06/21/2013	06/20/2014	5,840		1,799.0000		(133,911)		(144,220)		(144,220)	(10,309)						0001
S&P 500 OTC Call Option 9PG834AN SPX	Multiple	N/A	Equity/Index	Credit Suisse FB Int E58DKGMJYYYJLN8C3868..	12/21/2012	12/20/2013	3,496		1,548.0000	(140,504)			(361,015)		(361,015)	(232,515)						0001
S&P 500 OTC Call Option 9PG834AL SPX	Multiple	N/A	Equity/Index	Credit Suisse FB Int E58DKGMJYYYJLN8C3868..	12/21/2012	12/20/2013	2,727		1,577.0000	(86,200)			(231,169)		(231,169)	(153,868)						0001
S&P 500 OTC Call Option 9PG834AJ SPX	Multiple	N/A	Equity/Index	Credit Suisse FB Int E58DKGMJYYYJLN8C3868..	12/21/2012	12/20/2013	9,160		1,616.0000	(200,512)			(568,443)		(568,443)	(393,714)						0001
S&P 500 OTC Call Option 9PG834BL SPX	Multiple	N/A	Equity/Index	Credit Suisse FB Int E58DKGMJYYYJLN8C3868..	01/18/2013	01/21/2014	3,028		1,609.0000		(101,711)		(221,722)		(221,722)	(120,011)						0001
S&P 500 OTC Call Option 9PG834BJ SPX	Multiple	N/A	Equity/Index	Credit Suisse FB Int E58DKGMJYYYJLN8C3868..	01/18/2013	01/21/2014	2,557		1,638.0000		(64,615)		(147,801)		(147,801)	(83,185)						0001
S&P 500 OTC Call Option 9PG834BH SPX	Multiple	N/A	Equity/Index	Merrill Lynch Intl. GGDZP1UYGU9STUHRDP48	01/18/2013	01/21/2014	6,326		1,679.0000		(98,686)		(248,123)		(248,123)	(149,437)						0001
S&P 500 OTC Call Option 9PG834CJ SPX	Multiple	N/A	Equity/Index	Credit Suisse FB Int E58DKGMJYYYJLN8C3868..	02/21/2013	02/21/2014	4,326		1,630.0000		(129,996)		(287,977)		(287,977)	(157,981)						0001
S&P 500 OTC Call Option 9PG834CH SPX	Multiple	N/A	Equity/Index	Credit Suisse FB Int E58DKGMJYYYJLN8C3868..	02/21/2013	02/21/2014	2,396		1,656.0000		(55,060)		(129,635)		(129,635)	(74,575)						0001
S&P 500 OTC Call Option 9PG834CF SPX	Multiple	N/A	Equity/Index	Barclays Bank PLC G5GSEF7VJP5I7OUK5573..	02/21/2013	02/21/2014	5,924		1,698.0000		(73,872)		(223,878)		(223,878)	(150,005)						0001
0439999. Total-Written Options-Hedging Effective-Call Options and Warrants										(2,007,992)	(1,640,780)	0	(7,563,194)	XXX	(7,563,194)	(4,379,518)	0	0	0	0	XXX	XXX
0499999. Total-Written Options-Hedging Effective										(2,007,992)	(1,640,780)	0	(7,563,194)	XXX	(7,563,194)	(4,379,518)	0	0	0	0	XXX	XXX
0789999. Total-Written Options-Call Options and Warrants										(2,007,992)	(1,640,780)	0	(7,563,194)	XXX	(7,563,194)	(4,379,518)	0	0	0	0	XXX	XXX
0849999. Total-Written Options										(2,007,992)	(1,640,780)	0	(7,563,194)	XXX	(7,563,194)	(4,379,518)	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										4,749,836	4,769,188	0	15,717,179	XXX	15,717,179	6,327,453	0	0	0	0	XXX	XXX
1449999. TOTAL										4,749,836	4,769,188	0	15,717,179	XXX	15,717,179	6,327,453	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 06/30/2013, 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 highly e

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			All Other	19	20	21	22
														15	16	17	18				
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
Long Futures																					
Hedging Effective																					
ESU3	10	500	S&P500 EMINI FUT	Multiple	N/A	Equity/Index	09/20/2013	CME	06/26/2013	1,598.5000	1,599.3000	400	85,025	400			400	400	35,000	0001	50
1279999. Total-Long Futures-Hedging Effective												400	85,025	400	0	0	400	400	35,000	XXX	XXX
1329999. Total-Long Futures												400	85,025	400	0	0	400	400	35,000	XXX	XXX
1399999. Total-Hedging Effective												400	85,025	400	0	0	400	400	35,000	XXX	XXX
1449999. TOTAL												400	85,025	400	0	0	400	400	35,000	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 06/30/2013, 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 highly effective hedge.

Broker Name	Beginning Cash Balance	Cumulative Cash Change	Ending Cash Balance
Brokers			
JP Morgan	164,221	(79,196)	84,625
Total Net Cash Deposits	164,221	(79,196)	84,625

Statement as of June 30, 2013 of the **National Life Insurance Company**

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
				5	6	7	8	9	10		
Description of Exchange, Counterparty or Central Clearinghouse	Master Agreement (Y or N)	Credit Support Annex (Y or N)	Fair Value of Acceptable Collateral	Contracts With Book Adjusted Carrying Value > 0	Contracts With Book Adjusted Carrying Value < 0	Exposure Net of Collateral	Contracts With Fair Value > 0	Contracts With Fair Value < 0	Exposure Net of Collateral	Potential Exposure	Off-Balance Sheet Exposure
Exchange Traded Derivatives											
0199999. Aggregate Sum of Exchange Traded	XXX	XXX	XXX	85,025		85,025	85,025		85,025	35,000	35,000
NAIC 1 Designation											
Barclays Bank PLC G5GSEF7VJP5I7OUK5573	Y	Y		5,257,074	(1,166,091)	4,090,983	5,257,074	(1,166,091)	4,090,983		0
Credit Suisse FB Int E58DKGMJYYYJLN8C3868	Y	Y	2,680,000	12,793,694	(4,690,985)	5,422,709	12,793,694	(4,690,985)	5,422,709		0
JP Morgan Chase & Co 8I5DZWZKVSZI1NUHU748	Y	Y		2,509,151	(1,042,425)	1,466,726	2,509,151	(1,042,425)	1,466,726		0
Merrill Lynch Intl GGDZP1UYGU9STUHRDP48	Y	Y	1,140,000	2,720,454	(663,693)	916,761	2,720,454	(663,693)	916,761		0
0299999. Total NAIC 1 Designation			3,820,000	23,280,373	(7,563,194)	11,897,179	23,280,373	(7,563,194)	11,897,179	0	0
0999999. Totals			3,820,000	23,365,398	(7,563,194)	11,982,204	23,365,398	(7,563,194)	11,982,204	35,000	35,000

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			2,680,000	2,680,000	XXX		I
Merrill Lynch Intl	GGDZP1UYGU9STUHRDP4 8	Cash			1,140,000	1,140,000	XXX		I
0299999. Totals					3,820,000	3,820,000	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		2	3	4	5	Book Balance at End of Each Month During Current Quarter			9
			Rate	Amount of Interest	Amount of Interest Accrued	6	7	8	
Depository		Code	of Interest	Received During Current Quarter	at Current Statement Date	First Month	Second Month	Third Month	*
Open Depositories									
JP Morgan Chase	New York, NY					2,146,209	9,728,342	(929,569)	XXX
State Street Bank	Boston, MA					762,723	627,109	791,331	XXX
Banknorth Vermont	Burlington, VT					103,814	911,005	269,479	XXX
BNY Mellon	Pittsburgh, PA					1,787,991	965,204	2,079,680	XXX
Chittenden Bank	Montpelier, VT					263,764	14,618	(45,129)	XXX
0199998. Deposits in 3 depositories that do not exceed the allowable limit in any one depository (see Instructions) - Open Depositories		XXX	XXX			114,962	200,865	228,291	XXX
0199999. Total Open Depositories		XXX	XXX	0	0	5,179,462	12,447,143	2,394,083	XXX
0399999. Total Cash on Deposit		XXX	XXX	0	0	5,179,462	12,447,143	2,394,083	XXX
0499999. Cash in Company's Office		XXX	XXX	XXX	XXX	400	400	400	XXX
0599999. Total Cash		XXX	XXX	0	0	5,179,862	12,447,543	2,394,483	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
Bonds - U.S. Special Revenue & Special Assessment Obligations and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their U.S. Political Subdivision - Issuer Obligations							
FHLB		06/20/2013	0.030	07/03/2013	4,899,947	45	
FHLB		06/21/2013	0.040	07/05/2013	10,499,837	117	
FHLB		06/26/2013	0.030	07/24/2013	2,999,930	13	
Federal Home Loan Mtg Corp		06/20/2013	0.040	07/08/2013	6,699,866	82	
2599999. U.S. Special Revenue & Special Assessment Obligations - Issuer Obligations					25,099,580	257	0
3199999. Total - U.S. Special Revenue & Special Assessment Obligations and all Non-Guaranteed Obligations					25,099,580	257	0
Total Bonds							
7799999. Subtotals - Issuer Obligations					25,099,580	257	0
8399999. Subtotals - Bonds					25,099,580	257	0
8699999. Total - Cash Equivalents					25,099,580	257	0