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, 2014

2014

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QUARTERLY STATEMENT

As of June 30, 2014

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 ..... 05604 *(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	Jaime Lauren Cohen *(Name)*	802-229-3770 *(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. Matthew Charles Frazee #	VP, Treasurer & Controller	4. Craig Alan Smith	VP & Appointed Actuary

OTHER

Wade Hampton Mayo	Executive Vice President	Thomas Hyde Brownell	EVP & Chief Investment Officer
Gregory Donald Woodworth	SVP & General Counsel	Ruth Barra Smith	Executive Vice President
Robert Earl Cotton	EVP & Chief Financial Officer	William David Whitsell	SVP
Sean Nigel Woodroffe	SVP & Chief People Officer		

DIRECTORS OR TRUSTEES

Mehran (nmn) Assadi	David Rudolph Coates	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.

Mehran Assadi	Kerry A Jung	Matt
(Signature)	(Signature)	(Signature)
Mehran (nmn) Assadi	Kerry Anne Jung	Matthew Charles Frazee
1. (Printed Name)	2. (Printed Name)	3. (Printed Name)
President & CEO	Secretary	VP, Treasurer & Controller
(Title)	(Title)	(Title)

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

Jaime Cohen

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	5,412,831,184	0	5,412,831,184	5,374,250,890
2. Stocks:				
2.1 Preferred stocks	0	0	0	0
2.2 Common stocks	746,231,105	0	746,231,105	719,825,097
3. Mortgage loans on real estate:				
3.1 First liens	551,470,242	0	551,470,242	589,898,177
3.2 Other than first liens	0	0	0	0
4. Real estate:				
4.1 Properties occupied by the company (less $...........0 encumbrances)	53,058,957	0	53,058,957	53,925,784
4.2 Properties held for the production of income (less $...........0 encumbrances)	6,068,600	0	6,068,600	0
4.3 Properties held for sale (less $..........0 encumbrances)	0	0	0	0
5. Cash ($.....8,944,864), cash equivalents ($..........0) and short-term investments ($.....22,000,000)	30,944,864	0	30,944,864	62,728,369
6. Contract loans (including $..........0 premium notes)	560,120,275	0	560,120,275	559,523,006
7. Derivatives	30,805,295	0	30,805,295	36,803,547
8. Other invested assets	332,392,791	0	332,392,791	326,496,690
9. Receivables for securities	59,509	0	59,509	0
10. Securities lending reinvested collateral assets	0	0	0	0
11. Aggregate write-ins for invested assets	255,954	0	255,954	0
12. Subtotals, cash and invested assets (Lines 1 to 11)	7,724,238,776	0	7,724,238,776	7,723,451,561
13. Title plants less $..........0 charged off (for Title insurers only)	0	0	0	0
14. Investment income due and accrued	76,489,403	0	76,489,403	75,596,380
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	7,976,443	2,222	7,974,221	17,904,950
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including $..........0 earned but unbilled premiums)	36,114,461	0	36,114,461	43,044,348
15.3 Accrued retrospective premiums	0	0	0	0
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers	1,765,843	0	1,765,843	2,103,198
16.2 Funds held by or deposited with reinsured companies	0	0	0	0
16.3 Other amounts receivable under reinsurance contracts	0	0	0	0
17. Amounts receivable relating to uninsured plans	0	0	0	0
18.1 Current federal and foreign income tax recoverable and interest thereon	39,096,749	0	39,096,749	51,308,451
18.2 Net deferred tax asset	149,211,554	24,075,313	125,136,241	116,162,155
19. Guaranty funds receivable or on deposit	1,029,526	0	1,029,526	1,029,526
20. Electronic data processing equipment and software	84,475,825	80,257,302	4,218,523	4,399,760
21. Furniture and equipment, including health care delivery assets ($..........0)	5,463,268	5,463,268	0	0
22. Net adjustment in assets and liabilities due to foreign exchange rates	0	0	0	0
23. Receivables from parent, subsidiaries and affiliates	3,200,000	0	3,200,000	0
24. Health care ($..........0) and other amounts receivable	3,640,670	3,640,670	0	0
25. Aggregate write-ins for other than invested assets	286,463,350	4,512,425	281,950,925	276,580,862
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 through 25)	8,419,165,868	117,951,200	8,301,214,668	8,311,581,190
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts	798,116,405	0	798,116,405	779,725,737
28. Total (Lines 26 and 27)	9,217,282,273	117,951,200	9,099,331,073	9,091,306,927

DETAILS OF WRITE-INS

	1	2	3	4
1101. Other real estate deposits	255,954	0	255,954	0
1102.	0	0	0	0
1103.	0	0	0	0
1198. Summary of remaining write-ins for Line 11 from overflow page	0	0	0	0
1199. Totals (Lines 1101 thru 1103 plus 1198) (Line 11 above)	255,954	0	255,954	0
2501. Corporate owned life insurance	228,863,460	0	228,863,460	224,750,987
2502. Note receivable from NLVF	33,623,247	0	33,623,247	33,623,247
2503. Cash value of deferred compensation life insurance policies	13,857,644	0	13,857,644	14,640,622
2598. Summary of remaining write-ins for Line 25 from overflow page	10,118,999	4,512,425	5,606,574	3,566,006
2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above)	286,463,350	4,512,425	281,950,925	276,580,862

LIABILITIES, SURPLUS AND OTHER FUNDS

		1 Current Statement Date	2 December 31 Prior Year
1.	Aggregate reserve for life contracts $.....5,581,086,245 less $..........0 included in Line 6.3 (including $.....20,397,685 Modco Reserve)	5,581,086,245	5,607,619,250
2.	Aggregate reserve for accident and health contracts (including $....410,746,960 Modco Reserve)	520,956,767	523,874,976
3.	Liability for deposit-type contracts (including $..........0 Modco Reserve)	290,686,174	287,621,451
4.	Contract claims:		
	4.1 Life	41,294,108	39,407,518
	4.2 Accident and health	2,014,502	1,684,940
5.	Policyholders' dividends $.....1,583,012 and coupons $..........0 due and unpaid	1,583,012	3,052,420
6.	Provision for policyholders' dividends and coupons payable in following calendar year - estimated amounts:		
	6.1 Dividends apportioned for payment (including $..........0 Modco)	79,139,400	82,119,429
	6.2 Dividends not yet apportioned (including $..........0 Modco)	0	0
	6.3 Coupons and similar benefits (including $..........0 Modco)	0	0
7.	Amount provisionally held for deferred dividend policies not included in Line 6	0	0
8.	Premiums and annuity considerations for life and accident and health contracts received in advance less $..........0 discount; including $.....224,864 accident and health premiums	3,360,915	2,741,758
9.	Contract liabilities not included elsewhere:		
	9.1 Surrender values on canceled contracts	0	0
	9.2 Provision for experience rating refunds, including the liability of $..........0 accident and health experience rating refunds of which $..........0 is for medical loss ratio rebate per the Public Health Service Act	0	0
	9.3 Other amounts payable on reinsurance, including $..........0 assumed and $..........0 ceded	0	0
	9.4 Interest Maintenance Reserve	60,278,197	62,513,831
10.	Commissions to agents due or accrued - life and annuity contracts $..........0, accident and health $.....43,246 and deposit-type contract funds $..........0	2,305,601	4,241,850
11.	Commissions and expense allowances payable on reinsurance assumed	0	0
12.	General expenses due or accrued	30,330,985	36,294,671
13.	Transfers to Separate Accounts due or accrued (net) (including $..........0 accrued for expense allowances recognized in reserves, net of reinsured allowances)	(3,533,530)	(4,595,092)
14.	Taxes, licenses and fees due or accrued, excluding federal income taxes	1,428,073	2,382,626
15.1	Current federal and foreign income taxes, including $..........0 on realized capital gains (losses)	0	0
15.2	Net deferred tax liability	0	0
16.	Unearned investment income	4,462	5,638
17.	Amounts withheld or retained by company as agent or trustee	(216,481)	665,748
18.	Amounts held for agents' account, including $..........0 agents' credit balances	61,607	0
19.	Remittances and items not allocated	16,014,449	12,882,178
20.	Net adjustment in assets and liabilities due to foreign exchange rates	0	0
21.	Liability for benefits for employees and agents if not included above	76,329,378	77,459,311
22.	Borrowed money $..........0 and interest thereon $..........0	0	0
23.	Dividends to stockholders declared and unpaid	0	0
24.	Miscellaneous liabilities:		
	24.01 Asset valuation reserve	90,083,628	81,644,751
	24.02 Reinsurance in unauthorized and certified ($..........0) companies	0	0
	24.03 Funds held under reinsurance treaties with unauthorized and certified ($..........0) reinsurers	0	0
	24.04 Payable to parent, subsidiaries and affiliates	21,079,992	16,569,605
	24.05 Drafts outstanding	0	0
	24.06 Liability for amounts held under uninsured plans	0	0
	24.07 Funds held under coinsurance	0	0
	24.08 Derivatives	7,454,311	13,118,568
	24.09 Payable for securities	34,589	2,118,600
	24.10 Payable for securities lending	0	0
	24.11 Capital notes $..........0 and interest thereon $..........0	0	0
25.	Aggregate write-ins for liabilities	48,234,516	50,558,035
26.	Total liabilities excluding Separate Accounts business (Lines 1 to 25)	6,870,010,900	6,903,982,064
27.	From Separate Accounts statement	792,326,115	774,180,606
28.	Total liabilities (Lines 26 and 27)	7,662,337,015	7,678,162,670
29.	Common capital stock	2,500,000	2,500,000
30.	Preferred capital stock	0	0
31.	Aggregate write-ins for other than special surplus funds	0	0
32.	Surplus notes	200,000,000	200,000,000
33.	Gross paid in and contributed surplus	126,976,355	126,976,355
34.	Aggregate write-ins for special surplus funds	6,466,130	6,213,655
35.	Unassigned funds (surplus)	1,101,051,573	1,077,454,246
36.	Less treasury stock, at cost:		
	36.1 .....0.000 shares common (value included in Line 29 $..........0)	0	0
	36.2 .....0.000 shares preferred (value included in Line 30 $..........0)	0	0
37.	Surplus (Total Lines 31 + 32 + 33 + 34 + 35 - 36) (including $..........0 in Separate Accounts Statement)	1,434,494,058	1,410,644,257
38.	Totals of Lines 29, 30 and 37	1,436,994,058	1,413,144,257
39.	Totals of Lines 28 and 38 (Page 2, Line 28, Col. 3)	9,099,331,073	9,091,306,927

DETAILS OF WRITE-INS

2501.	Liability for pension and postretirement unfunded benefits	20,211,075	22,688,824
2502.	Reinsurance reserve adjustment	13,328,988	11,239,611
2503.	Miscellaneous	6,057,374	7,532,481
2598.	Summary of remaining write-ins for Line 25 from overflow page	8,637,079	9,097,120
2599.	Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above)	48,234,516	50,558,035
3101.		0	0
3102.		0	0
3103.		0	0
3198.	Summary of remaining write-ins for Line 31 from overflow page	0	0
3199.	Totals (Lines 3101 thru 3103 plus 3198) (Line 31 above)	0	0
3401.	Separate account annuity mortality fluctuation fund	5,790,290	5,545,131
3402.	Permanent surplus (Guaranty Fund)	500,000	500,000
3403.	Separate account special contingency fund	175,840	168,525
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)	6,466,130	6,213,655

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	187,529,193	180,888,607	418,345,272
2. Considerations for supplementary contracts with life contingencies	594,342	618,359	1,505,687
3. Net investment income	176,442,498	194,200,568	408,243,252
4. Amortization of Interest Maintenance Reserve (IMR)	2,394,787	2,362,676	4,757,933
5. Separate Accounts net gain from operations excluding unrealized gains or losses	1,301,488	22,293	203,652
6. Commissions and expense allowances on reinsurance ceded	6,137,860	2,913,301	5,728,737
7. Reserve adjustments on reinsurance ceded	(1,850,138)	(1,398,205)	(2,006,540)
8. Miscellaneous Income:			
8.1 Income from fees associated with investment management, administration and contract guarantees from Separate Accounts	11,252,412	11,596,832	23,130,467
8.2 Charges and fees for deposit-type contracts	0	0	0
8.3 Aggregate write-ins for miscellaneous income	(1,285,356)	(3,882,582)	(6,115,964)
9. Totals (Lines 1 to 8.3)	382,517,086	387,321,850	853,792,497
10. Death benefits	114,362,216	93,881,676	188,618,733
11. Matured endowments (excluding guaranteed annual pure endowments)	2,579,557	2,481,618	4,159,354
12. Annuity benefits	27,639,037	21,250,243	41,992,653
13. Disability benefits and benefits under accident and health contracts	11,189,242	10,525,261	20,969,550
14. Coupons, guaranteed annual pure endowments and similar benefits	0	0	0
15. Surrender benefits and withdrawals for life contracts	128,911,626	158,435,567	287,498,346
16. Group conversions	0	0	0
17. Interest and adjustments on contract or deposit-type contract funds	4,440,977	4,961,724	9,621,711
18. Payments on supplementary contracts with life contingencies	2,153,620	2,170,488	4,254,884
19. Increase in aggregate reserves for life and accident and health contracts	(29,451,215)	(46,036,948)	5,360,393
20. Totals (Lines 10 to 19)	261,825,060	247,669,629	562,475,623
21. Commissions on premiums, annuity considerations and deposit-type contract funds (direct business only)	21,231,282	19,204,485	39,789,546
22. Commissions and expense allowances on reinsurance assumed	456	270	(1,974)
23. General insurance expenses	77,750,646	60,575,835	130,915,745
24. Insurance taxes, licenses and fees, excluding federal income taxes	7,231,159	7,153,531	12,545,657
25. Increase in loading on deferred and uncollected premiums	(1,619,571)	(4,235,484)	(1,979,262)
26. Net transfers to or (from) Separate Accounts net of reinsurance	(9,528,977)	(17,059,402)	(32,385,560)
27. Aggregate write-ins for deductions	370,536	1,744,522	6,383,496
28. Totals (Lines 20 to 27)	357,260,591	315,053,385	717,743,271
29. Net gain from operations before dividends to policyholders and federal income taxes (Line 9 minus Line 28)	25,256,495	72,268,466	136,049,226
30. Dividends to policyholders	28,882,879	35,217,533	79,171,668
31. Net gain from operations after dividends to policyholders and before federal income taxes (Line 29 minus Line 30)	(3,626,384)	37,050,933	56,877,559
32. Federal and foreign income taxes incurred (excluding tax on capital gains)	(17,151,242)	(1,433,824)	(36,704,172)
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)	13,524,858	38,484,757	93,581,731
34. Net realized capital gains (losses) (excluding gains (losses) transferred to the IMR) less capital gains tax of $.....(622,743) (excluding taxes of $.....77,018 transferred to the IMR)	(213,731)	587,952	(5,057,142)
35. Net income (Line 33 plus Line 34)	13,311,127	39,072,709	88,524,589
CAPITAL AND SURPLUS ACCOUNT			
36. Capital and surplus, December 31, prior year	1,413,144,257	1,287,056,116	1,287,056,116
37. Net income (Line 35)	13,311,127	39,072,709	88,524,589
38. Change in net unrealized capital gains (losses) less capital gains tax of $..........0	24,780,175	52,159,389	99,840,311
39. Change in net unrealized foreign exchange capital gain (loss)	0	(18,429)	9,709
40. Change in net deferred income tax	313,672	(1,721,077)	(17,748,525)
41. Change in nonadmitted assets	(6,035,987)	(7,587,905)	(14,023,118)
42. Change in liability for reinsurance in unauthorized and certified companies	0	0	0
43. Change in reserve on account of change in valuation basis, (increase) or decrease	0	0	0
44. Change in asset valuation reserve	(8,438,878)	(11,062,225)	(11,016,942)
45. Change in treasury stock	0	0	0
46. Surplus (contributed to) withdrawn from Separate Accounts during period	0	0	0
47. Other changes in surplus in Separate Accounts Statement	(1,056,329)	562,000	1,073,449
48. Change in surplus notes	0	0	0
49. Cumulative effect of changes in accounting principles	0	0	0
50. Capital changes:			
50.1 Paid in	0	0	0
50.2 Transferred from surplus (Stock Dividend)	0	0	0
50.3 Transferred to surplus	0	0	0
51. Surplus adjustment:			
51.1 Paid in	0	0	0
51.2 Transferred to capital (Stock Dividend)	0	0	0
51.3 Transferred from capital	0	0	0
51.4 Change in surplus as a result of reinsurance	0	0	0
52. Dividends to stockholders	0	0	(25,000,000)
53. Aggregate write-ins for gains and losses in surplus	976,021	(964,643)	4,428,668
54. Net change in capital and surplus (Lines 37 through 53)	23,849,801	70,439,818	126,088,141
55. Capital and surplus as of statement date (Lines 36 + 54)	1,436,994,058	1,357,495,934	1,413,144,257

DETAILS OF WRITE-INS

08.301.	Miscellaneous Income	10,132,451	7,866,218	17,498,110
08.302.	Change in COLI	4,112,474	4,163,261	8,386,212
08.303.	Miscellaneous Income-MODCO Interest	(15,530,281)	(15,912,061)	(32,000,286)
08.398.	Summary of remaining write-ins for Line 8.3 from overflow page	0	0	0
08.399.	Totals (Lines 08.301 thru 08.303 plus 08.398) (Line 8.3 above)	(1,285,356)	(3,882,582)	(6,115,964)
2701.	Changes in Agents Deferred Comp	375,777	1,735,035	6,346,024
2702.	Fines & Penalties	0	8,776	28,617
2703.	Miscellaneous Deductions	(5,241)	711	8,855
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)	370,536	1,744,522	6,383,496
5301.	Change in liability for pension and postretirement unfunded benefits	976,021	(964,643)	4,428,668
5302.		0	0	0
5303.		0	0	0
5398.	Summary of remaining write-ins for Line 53 from overflow page	0	0	0
5399.	Totals (Lines 5301 thru 5303 plus 5398) (Line 53 above)	976,021	(964,643)	4,428,668

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	207,222,333	200,744,270	420,989,527
2.	Net investment income	182,451,262	194,448,980	415,912,940
3.	Miscellaneous income	14,545,620	5,364,492	21,328,470
4.	Total (Lines 1 through 3)	404,219,214	400,557,742	858,230,936
5.	Benefit and loss related payments	288,722,769	297,660,250	550,962,514
6.	Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts	(10,590,539)	(18,760,837)	(37,763,687)
7.	Commissions, expenses paid and aggregate write-ins for deductions	117,386,310	92,117,421	188,389,202
8.	Dividends paid to policyholders	33,332,316	39,275,445	93,466,514
9.	Federal and foreign income taxes paid (recovered) net of $.....(622,743) tax on capital gains (losses)	(29,908,669)	14,213,251	16,683,658
10.	Total (Lines 5 through 9)	398,942,187	424,505,530	811,738,201
11.	Net cash from operations (Line 4 minus Line 10)	5,277,028	(23,947,787)	46,492,735
	CASH FROM INVESTMENTS			
12.	Proceeds from investments sold, matured or repaid:			
	12.1 Bonds	273,717,335	356,100,326	676,058,313
	12.2 Stocks	4,739,602	4,728,535	10,608,542
	12.3 Mortgage loans	42,305,762	37,425,092	116,923,152
	12.4 Real estate	475,000	131,002	157,594
	12.5 Other invested assets	28,185,160	30,262,256	52,810,955
	12.6 Net gains or (losses) on cash, cash equivalents and short-term investments	0	0	0
	12.7 Miscellaneous proceeds	(433,197)	36,770,897	3,433,210
	12.8 Total investment proceeds (Lines 12.1 to 12.7)	348,989,662	465,418,107	859,991,766
13.	Cost of investments acquired (long-term only):			
	13.1 Bonds	311,330,198	356,472,168	679,174,266
	13.2 Stocks	2,201,493	3,801,341	7,133,384
	13.3 Mortgage loans	10,000,000	29,501,937	91,775,000
	13.4 Real estate	669,127	2,795,124	5,997,477
	13.5 Other invested assets	44,755,930	31,460,571	67,231,483
	13.6 Miscellaneous applications	2,399,474	5,380,520	14,874,461
	13.7 Total investments acquired (Lines 13.1 to 13.6)	371,356,222	429,411,661	866,186,071
14.	Net increase or (decrease) in contract loans and premium notes	597,269	(8,115,472)	(4,349,433)
15.	Net cash from investments (Line 12.8 minus Line 13.7 and Line 14)	(22,963,830)	44,121,919	(1,844,873)
	CASH FROM FINANCING AND MISCELLANEOUS SOURCES			
16.	Cash provided (applied):			
	16.1 Surplus notes, capital notes	0	0	0
	16.2 Capital and paid in surplus, less treasury stock	0	0	0
	16.3 Borrowed funds	0	0	0
	16.4 Net deposits on deposit-type contracts and other insurance liabilities	3,064,722	(921,613)	(10,755,389)
	16.5 Dividends to stockholders	0	0	25,000,000
	16.6 Other cash provided (applied)	(17,161,426)	10,426,580	19,170,933
17.	Net cash from financing and miscellaneous sources (Lines 16.1 through 16.4 minus Line 16.5 plus Line 16.6)	(14,096,703)	9,504,968	(16,584,456)
	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)	(31,783,505)	29,679,099	28,063,406
19.	Cash, cash equivalents and short-term investments:			
	19.1 Beginning of year	62,728,370	34,664,964	34,664,964
	19.2 End of period (Line 18 plus Line 19.1)	30,944,865	64,344,063	62,728,370

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

20.0001	0	0	0

EXHIBIT 1

DIRECT PREMIUMS AND DEPOSIT-TYPE CONTRACTS

	1 Current Year To Date	2 Prior Year To Date	3 Prior Year Ended December 31
1. Industrial life	0	0	0
2. Ordinary life insurance	178,461,092	181,420,387	429,169,441
3. Ordinary individual annuities	16,710,425	16,573,353	28,234,179
4. Credit life (group and individual)	0	0	0
5. Group life insurance	0	0	0
6. Group annuities	15,830,386	1,539,423	9,660,385
7. A&H - group	0	0	0
8. A&H - credit (group and individual)	0	0	0
9. A&H - other	13,671,349	15,121,417	29,196,105
10. Aggregate of all other lines of business	0	0	0
11. Subtotal	224,673,252	214,654,580	496,260,110
12. Deposit-type contracts	0	0	0
13. Total	224,673,252	214,654,580	496,260,110

DETAILS OF WRITE-INS

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

NOTES TO FINANCIAL STATEMENTS

Note 1 - Summary of Significant Accounting Policies

A. Accounting Practices

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

The Department recognizes only statutory accounting practices prescribed or permitted by the State of Vermont for determining and reporting the financial condition and results of operations of an insurance company, for determining its solvency under Vermont Insurance Law. The National Association of Insurance Commissioners' ("NAIC") *Accounting Practices and Procedures Manual* ("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.

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

	State of Domicile	2014	2013
NET INCOME			
(1) National Life Insurance Company state basis (Page 4, Line 35, Columns 1 & 2)	Vermont	13,311,127	88,524,589
(2) State Prescribed Practices that increase/decrease NAIC SAP			
(3) State Permitted Practices that increase/decrease NAIC SAP			
(4) NAIC SAP (1 – 2 – 3 = 4)	Vermont	13,311,127	88,524,589
SURPLUS			
(5) National Life Insurance Company state basis (Page 3, line 37, Columns 1 & 2)	Vermont	1,436,994,058	1,413,144,257
(6) State Prescribed Practices that increase/decrease NAIC SAP			
(7) State Permitted Practices that increase/decrease NAIC SAP			
(8) NAIC SAP (5 – 6 – 7 = 8)	Vermont	1,436,994,058	1,413,144,257

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	2a	2b	c
		Amortized Cost Basis Before Other-than-Temporary Impairment	Other-than-Temporary Impairment Recognized in Loss		Fair Value 1 – (2a + 2b)
OTTI recognized 1st Quarter			Interest	Non-Interest	
a.	Intent to sell	-	-	-	-
b.	Inability or lack of intent to retain the investment in the security for a period of time sufficient to recover the amortized cost basis	-	-	-	-
c.	Total 1st Quarter	-	-	-	-
OTTI recognized 2nd Quarter					
d.	Intent to sell	-	-	-	
e.	Inability or lack of intent to retain the investment in the security for a period of time sufficient to recover the amortized cost basis	-	-	-	-

NOTES TO FINANCIAL STATEMENTS

f.	Total 2nd Quarter	-	-	-	-
OTTI recognized 3rd Quarter					
g.	Intent to sell				
h.	Inability or lack of intent to retain the investment in the security for a period of time sufficient to recover the amortized cost basis				
i.	Total 4th Quarter				
OTTI recognized 4th Quarter					
j.	Intent to sell				
k.	Inability or lack of intent to retain the investment in the security for a period of time sufficient to recover the amortized cost basis				
l.	Total 4th Quarter				
m.	Annual aggregate total	XXX	-	-	XXX

(3) Recognized OTTI securities

For each security, by CUSIP, with an other-than-temporary impairment recognized in the current reporting period 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:

CUSIP	Book/Adjusted Carrying Value Amortized Cost Before Current Period OTTI	Present Value of Projected Cash Flows	Recognized Other-Than-Temporary Impairment	Amortized Cost After Other-Than-Temporary Impairment	Fair Value at Time of OTTI	Date of Financial Statement Where Reported
	-	-	-	-	-	
Total			-			

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

a.	The aggregate amount of unrealized losses:	1.	Less than 12 Months	34,294
		2.	12 Months or Longer	-
b.	The aggregate related fair value of securities with unrealized losses:	1.	Less than12 Months	3,797,371
		2.	12 Months or Longer	-

E. Repurchase Agreements and/or Securities Lending Transactions

(1) The Company does not have any open repurchase agreements or securities lending transactions.

(2) The Company does not have any of its assets pledged as collateral in a repurchase agreement or securities lending transaction.

(3) Collateral Received

b. The fair value of that collateral and of the portion of that collateral that it has sold or repledged N/A

I. Working Capital Finance Investments

(2) Aggregate Maturity Distribution on the Underlying Working Capital Finance Programs - N/A

		Book/Adjusted Carrying Value
(a)	Up to 180 Days	-
(b)	181 to 365 Days	-
(c)	Total	-

(3) Default of Working Capital Finance Investments - N/A

Note 6 - Joint Ventures, Partnerships and Limited Liability Companies

No significant change.

Note 7 - Investment Income

No significant change.

Note 8 - Derivative Instruments

NOTES TO FINANCIAL STATEMENTS

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

B. FHLB (Federal Home Loan Bank) Agreements

(1) The Company is a member of the Federal Home Loan Bank (FHLB) of Boston which provides National Life with access to a secured asset-based borrowing capacity. It is part of the Company's strategy to utilize this borrowing capacity for funding agreements and for backup liquidity. The Company has received advances from FHLB in connection with funding agreements, which are considered operating leverage and included in policyholder account liabilities. The proceeds have been invested in a discrete pool of fixed income assets. The Company has a maximum borrowing capacity of approximately $1.7 billion, based on its membership investment base.

(2) a. FHLB Capital Stock – Aggregate Totals

1. Current Period

		1 Total 2 + 3	2 General Account	3 Separate Accounts
(a)	Membership Stock – Class A			
(b)	Membership Stock – Class B	5,813,826	5,813,826	
(c)	Activity Stock	4,500,000	4,500,000	
(d)	Excess Stock	373,174	373,174	
(e)	Aggregate Total	10,687,000	10,687,000	
(f)	Actual or estimated borrowing capacity as determined by the insurer	1,682,940,169	XXX	XXX

2. Prior Year

		1 Total 2 + 3	2 General Account	3 Separate Accounts
(a)	Membership Stock – Class A			
(b)	Membership Stock – Class B	5,970,633	5,970,633	
(c)	Activity Stock	4,500,000	4,500,000	
(d)	Excess Stock	216,367	216,367	
(e)	Aggregate Total	10,687,000	10,687,000	
(f)	Actual or estimated borrowing capacity as determined by the insurer	1,583,043,071	XXX	XXX

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

		Current Period Total	Not Eligible for Redemption	Less Than 6 Months	6 Months to Less than 1 Year	1 to Less than 3 Years	3 to 5 Years
1.	Class A						
2.	Class B	373,174	373,174				

(3) Collateral Pledged to FHLB

a. Amount Pledged as of Reporting Date

1. Current Period Total General and Protected Cell Accounts

	Fair Value	Carrying Value	Aggregate Total Borrowing
Total Collateral Pledged	106,625,284	101,129,482	100,000,000

2. Current Period General Account

	Fair Value	Carrying Value	Aggregate Total Borrowing
Total Collateral Pledged	106,625,284	101,129,482	100,000,000

3. Current Period Protected Cell Accounts

	Fair Value	Carrying Value	Aggregate Total Borrowing
Total Collateral Pledged			

4. Prior Year Total General and Protected Cell Accounts

	Fair Value	Carrying Value	Aggregate Total Borrowing
Total Collateral Pledged	110,039,267	104,967,279	100,000,000

NOTES TO FINANCIAL STATEMENTS

b. Maximum Amount Pledged During Reporting Period

1. Current Period Total General and Protected Cell Accounts

	Fair Value	Carrying Value	Amount of Borrowed at Time of Maximum Collateral
Total Collateral Pledged	107,182,278	102,414,038	100,000,000

2. Current Period General Account

	Fair Value	Carrying Value	Amount of Borrowed at Time of Maximum Collateral
Total Collateral Pledged	107,182,278	102,414,038	100,000,000

3. Current Period Protected Cell Accounts

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

4. Prior Year Total General and Protected Cell Accounts

	Fair Value	Carrying Value	Amount of Borrowed at Time of Maximum Collateral
Total Collateral Pledged	111,061,598	102,894,008	100,000,000

(4) Borrowing from FHLB

a. Amount as of the Reporting Date

1. Current Year

		1 Total 2 + 3	2 General Account	3 Separate Account	4 Funding Agreements Established
(a)	Debt				
(b)	Funding Agreements	100,000,000	100,000,000		
(c)	Other				
(d)	Aggregate Total	100,000,000	100,000,000		

2. Prior Year-end

		1 Total 2 + 3	2 General Account	3 Separate Account	4 Funding Agreements Established
(a)	Debt				
(b)	Funding Agreements	100,000,000	100,000,000		
(c)	Other				
(d)	Aggregate Total	100,000,000	100,000,000		

b. Maximum Amount During Reporting Period (Current Year)

		1 Total 2 + 3	2 General Account	3 Separate Account
1.	Debt			
2.	Funding Agreements	100,000,000	100,000,000	
3.	Other			
4.	Aggregate Total	100,000,000	100,000,000	

c. FHLB Prepayment Obligations

		Does the company have prepayment obligations under the following arrangements?
1.	Debt	NO
2.	Funding Agreements	NO
3.	Other	NO

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

A. Defined Benefit Plan

The Company sponsors a non-contributory qualified defined benefit plan for fulltime employees for the general agents. The plan was amended effective January 1, 2004 to freeze plan benefits. No new participants were admitted to the plan after December 31, 2003, and there was no benefit increase after December 31, 2003 for current participants. This plan is a separately funded plan. In addition, the Company sponsors other non-qualified pension plans, including a non-contributory defined benefit plan for general agents contracted prior to July 1, 2001, that provides benefits based on years of service and sales levels. The non-qualified defined benefit pension plans are not separately funded.

The Company also sponsors a defined benefit post-retirement plan that provides medical and life insurance benefits to agents. Spouses of participants and dependents generally qualify for the medical plans. This plan was frozen as of January 1, 2007. Substantially all agents who began service prior to January 1, 2007 may be eligible for medical retiree coverage if they are employed until retirement age and meet certain minimum service requirements while working

NOTES TO FINANCIAL STATEMENTS

for the Company. Medical coverage is contributory, with retiree contributions adjusted annually, and contain cost sharing features such as deductibles and copayments. This post-retirement plan is not separately funded, and theCompany therefore pays for the plan benefits from operating cash flows.

(4)	Components of net periodic benefit cost		Pension Benefits		Postretirement Benefits		Postemployment	
			2014	2013	2014	2013	2014	2013
	a.	Service cost	279,976	245,134				
	b.	Interest cost	1,888,818	1,641,685	39,398	38,741		
	c.	Expected return on plan assets	(466,791)	(426,302)				
	d.	Transition asset or obligation				44,776		
	e.	Gains and losses	982,958	1,132,938	(62,464)	(49,323)		
	f.	Prior service cost or credit			(63,000)	(63,000)		
	g.	Gain or loss recognized due to a settlements curtailment						
	h.	Total net periodic benefit cost	2,684,961	2,593,455	(86,066)	(28,806)		

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

No significant change.

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

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

A.

(1) Fair Value Measurements at Reporting Date

Assets at Fair Value	Level 1	Level 2	Level 3	Total
Bonds		11,841,924		11,841,924
Common Stock	27,779,687			27,779,687
Derivatives	371,015	30,434,280		30,805,295
Partnerships			225,706,352	225,706,352
Short Term	22,000,000			22,000,000
Separate Account Assets	734,729,394	52,847,964	10,539,047	798,116,405
Total	784,880,096	95,124,168	236,245,399	1,116,249,663

Liabilities at Fair Value	Level 1	Level 2	Level 3	Total
Derivatives		7,454,311		7,454,311
Total		7,454,311		7,454,311

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

a. Assets	Beginning Balance at Period	Transfers Into Level 3	Transfers Out of Level 3	Total Gains and (Losses) Included in Net Income	Total Gains and (Losses) Included in Surplus	Purchases	Issuances	Sales	Settlements	Ending Balance at Period
Partnerships	221,852,095			(1,365,557)	2,172,943	18,295,049		(15,248,177)		225,706,353
Separate Account Assets	10,378,559				145,489	15,000				10,539,047
Total	232,230,654			(1,365,557)	2,318,431	18,310,049		(15,248,177)		236,245,401

NOTES TO FINANCIAL STATEMENTS

b. Liabilities	Beginning Balance at Period	Transfers Into Level 3	Transfers Out of Level 3	Total Gains and (Losses) Included in Net Income	Total Gains and (Losses) Included in Surplus	Purchases	Issuances	Sales	Settlements	Ending Balance at Period
Total										

(3) The Company recognizes transfers between levels on the actual date of the event or change in circumstances that caused the transfer. There were no significant transfers in or out of any levels during 2014.

(4) The following is a description of the valuation techniques:

Bonds – Bonds are stated at amortized cost with the exception of those bonds that are rated an NAIC 6 or that have been impaired. Those bonds are carried at lower of cost or fair value and are included in Levels 2 and 3 of the fair value hierarchy.

Common stock – Fair values of common stocks are based on unadjusted quoted market prices from pricing services as well as primary and secondary brokers/dealers. Actively traded common stocks with readily available market prices are categorized into Level 1 of the fair value hierarchy.

Partnerships - Investments in limited partnerships do not have a readily determinable fair value and as such, the Company values them at its pro-rata share of the limited partnership's NAV, or its equivalent. Since these valuations have significant unobservable inputs, they are generally categorized as Level 3 in the fair value hierarchy.

Derivative assets and liabilities – Derivative assets and liabilities include option, futures, and swaption contracts. Fair value of these over the counter ("OTC") derivative products is calculated using models such as the Black-Scholes option-pricing model, which uses pricing inputs, observed from actively quoted markets and is widely accepted by the financial services industry. A substantial majority of the Company's OTC derivative products use pricing models and are categorized as Level 2 of the fair value hierarchy.

Short term investments – Short-term investments consists of money market funds with observable market pricing and are categorized into Level 1.

Separate account assets – Separate account assets are categorized into Level 1 where the balances represent mutual funds with observable market pricing, into Level 2 where the balances represent bonds carried at estimated fair value, and level 3 for limited partnerships.

(5) For additional information on derivatives see 20(A)1-4 above.

B.

C.

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	(Level 1)	(Level 2)	(Level 3)	Not Practicable (Carrying Value)
Bonds	5,938,962,679	5,412,831,184	7,511,908	5,931,450,771		
Common Stock	27,779,687	746,231,105	27,779,687			
Mortgage Loans		551,470,242				551,470,242
Real Estate	55,750,000	59,127,557		55,750,000		
Short Term	22,000,000	22,000,000	22,000,000			
Derivative Asset	30,805,295	30,805,295	371,015	30,434,280		
Other Invested Assets	340,458,100	332,392,791		41,008,570	225,706,353	73,743,177
Separate Account Assets	798,116,405	798,116,405	734,729,394	52,847,964	10,539,047	
Derivative Liability	7,454,311	7,454,311		7,454,311		

D. Not Practicable to Estimate Fair Value

Type of Class or Financial Instrument	Carrying Value	Effective Interest Rate	Maturity Date	Explanation
Mortgage Loans	551,470,242	0.000		A - It was not practicable to determine the fair value of these financial insturments as a quoted market price is not available.
Other Invested Assets	73,743,177	0.000		A - It was not practicable to determine the fair value of these financial insturments as a quoted market price is not available.

Note 21 - Other Items

H. Offsetting and Netting of Assets and Liabilities - N/A

J. Risk Sharing Provisions of the Affordable Care Act - N/A

Note 22 - Events Subsequent

No significant change.

Note 23 - Reinsurance

No significant change.

Note 24 - Retrospectively Rated Contracts & Contracts Subject to Redetermination

NOTES TO FINANCIAL STATEMENTS

No significant change.

Note 25 - Change in Incurred Losses and Loss Adjustment Expenses

None

Note 26 - Intercompany Pooling Arrangements

No significant change.

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

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

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

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

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

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

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

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

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

6.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). ....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	No	No	No	Yes
Sentinel Financial Services Company	Montpelier, VT	No	No	No	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).

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES - GENERAL

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

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

PART 1 - FINANCIAL

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

10.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: $............................4,255,459

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	$ 3,958,474	$ 3,974,452
14.22 Preferred Stock	$ 0	$ 0
14.23 Common Stock	$ 690,159,660	$ 718,451,418
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)	$ 694,118,134	$ 722,425,870
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 of current statement date:
16.1 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2: $...............................0
16.2 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2: $...............................0
16.3 Total payable for securities lending reported on the liability page: $...............................0

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

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

1 Name of Custodian(s)	2 Custodian Address
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
265	Equity Services, Inc.	Montpelier, VT

PART 1 - INVESTMENT

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

18.2 If no, list exceptions:

GENERAL INTERROGATORIES (continued)

PART 2 - LIFE & HEALTH

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

		Amount
1.1	Long-term mortgages in good standing	
1.11	Farm mortgages	$0
1.12	Residential mortgages	$0
1.13	Commercial mortgages	$551,470,242
1.14	Total mortgages in good standing	$551,470,242
1.2	Long-term mortgages in good standing with restructured terms	
1.21	Total mortgages in good standing with restructured terms	$0
1.3	Long-term mortgage loans upon which interest is overdue more than three months	
1.31	Farm mortgages	$0
1.32	Residential mortgages	$0
1.33	Commercial mortgages	$0
1.34	Total mortgages with interest overdue more than three months	$0
1.4	Long-term mortgage loans in process of foreclosure	
1.41	Farm mortgages	$0
1.42	Residential mortgages	$0
1.43	Commercial mortgages	$0
1.44	Total mortgages in process of foreclosure	$0
1.5	Total mortgage loans (Lines 1.14 + 1.21 + 1.34 + 1.44) (Page 2, Column 3, Lines 3.1 + 3.2)	$551,470,242
1.6	Long-term mortgages foreclosed, properties transferred to real estate in current quarter	
1.61	Farm mortgages	$0
1.62	Residential mortgages	$0
1.63	Commercial mortgages	$0
1.64	Total mortgages foreclosed and transferred to real estate	$0

2. Operating Percentages:

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

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

SCHEDULE S - CEDED REINSURANCE

Showing All New Reinsurance Treaties - Current Year to Date

1 NAIC Company Code	2 ID Number	3 Effective Date	4 Name of Reinsurer	5 Domiciliary Jurisdiction	6 Type of Reinsurance Ceded	7 Type of Reinsurer	8 Certified Reinsurer Rating (1 through 6)	9 Effective Date of Certified Reinsuer Rating

NONE

SCHEDULE T - PREMIUMS AND ANNUITY CONSIDERATIONS

Current Year to Date - Allocated by States and Territories

	1	Direct Business Only					
		Life Contracts		4	5	6	7
		2	3				
States, Etc.	Active Status	Life Insurance Premiums	Annuity Considerations	Accident and Health Insurance Premiums, Including Policy, Membership and Other Fees	Other Considerations	Total Columns 2 through 5	Deposit-Type Contracts
1. Alabama AL	L	1,119,837	7,453	308,369	0	1,435,659	0
2. Alaska AK	L	31,582	0	11,562	0	43,144	0
3. Arizona AZ	L	1,646,286	164,764	104,967	0	1,916,017	0
4. Arkansas AR	L	159,492	0	20,182	0	179,674	0
5. California CA	L	13,636,032	219,215	1,330,551	0	15,185,798	0
6. Colorado CO	L	608,592	115,750	144,375	0	868,717	0
7. Connecticut CT	L	3,395,443	171,410	296,204	0	3,863,057	0
8. Delaware DE	L	902,861	76,700	26,628	0	1,006,189	0
9. District of Columbia DC	L	89,284	0	15,286	0	104,570	0
10. Florida FL	L	14,747,105	3,282,282	832,165	0	18,861,552	0
11. Georgia GA	L	7,579,992	439,264	599,989	0	8,619,245	0
12. Hawaii HI	L	80,741	300	15,262	0	96,303	0
13. Idaho ID	L	289,377	16,685	12,377	0	318,439	0
14. Illinois IL	L	6,825,588	129,931	301,226	0	7,256,745	0
15. Indiana IN	L	1,674,817	4,300	89,576	0	1,768,693	0
16. Iowa IA	L	600,626	28,500	25,768	0	654,894	0
17. Kansas KS	L	1,269,048	80,300	36,513	0	1,385,861	0
18. Kentucky KY	L	715,497	92,781	38,160	0	846,438	0
19. Louisiana LA	L	633,852	700	104,650	0	739,202	0
20. Maine ME	L	2,800,855	59,454	124,489	0	2,984,798	0
21. Maryland MD	L	3,089,199	85,944	151,330	0	3,326,473	0
22. Massachusetts MA	L	3,374,411	484,040	273,255	0	4,131,706	0
23. Michigan MI	L	2,538,441	135,000	569,200	0	3,242,641	0
24. Minnesota MN	L	2,723,817	68,000	293,605	0	3,085,422	0
25. Mississippi MS	L	249,241	0	22,452	0	271,693	0
26. Missouri MO	L	3,987,743	39,900	67,314	0	4,094,957	0
27. Montana MT	L	180,251	0	18,807	0	199,058	0
28. Nebraska NE	L	455,293	85,150	72,665	0	613,108	0
29. Nevada NV	L	406,542	0	40,059	0	446,601	0
30. New Hampshire NH	L	1,377,482	145,628	104,791	0	1,627,901	0
31. New Jersey NJ	L	9,410,435	230,836	730,500	0	10,371,771	0
32. New Mexico NM	L	228,676	25,400	15,675	0	269,751	0
33. New York NY	L	35,801,286	7,275,064	2,055,025	0	45,131,375	0
34. North Carolina NC	L	8,529,097	171,708	336,963	0	9,037,768	0
35. North Dakota ND	L	159,324	50	3,377	0	162,751	0
36. Ohio OH	L	5,003,998	122,933	285,732	0	5,412,663	0
37. Oklahoma OK	L	277,987	18,564	10,041	0	306,592	0
38. Oregon OR	L	1,534,726	34,197	67,679	0	1,636,602	0
39. Pennsylvania PA	L	7,256,106	218,646	691,064	0	8,165,816	0
40. Rhode Island RI	L	1,170,804	317,908	139,530	0	1,628,242	0
41. South Carolina SC	L	1,344,085	6,125	76,612	0	1,426,822	0
42. South Dakota SD	L	173,576	3,000	16,422	0	192,998	0
43. Tennessee TN	L	1,687,599	218,559	159,863	0	2,066,021	0
44. Texas TX	L	3,762,580	401,103	320,797	0	4,484,480	0
45. Utah UT	L	1,559,752	140,173	40,507	0	1,740,432	0
46. Vermont VT	L	6,949,281	928,845	171,804	0	8,049,930	0
47. Virginia VA	L	5,939,969	147,207	299,741	0	6,386,917	0
48. Washington WA	L	884,110	750	54,827	0	939,687	0
49. West Virginia WV	L	260,263	0	11,432	0	271,695	0
50. Wisconsin WI	L	3,144,469	56,301	87,599	0	3,288,369	0
51. Wyoming WY	L	55,650	0	5,147	0	60,797	0
52. American Samoa AS	N	0	0	0	0	0	0
53. Guam GU	N	0	0	0	0	0	0
54. Puerto Rico PR	N	3,089	0	871	0	3,960	0
55. US Virgin Islands VI	N	26,684	0	0	0	26,684	0
56. Northern Mariana Islands MP	N	0	0	0	0	0	0
57. Canada CAN	N	0	0	0	0	0	0
58. Aggregate Other Alien OT	XXX	1,715,241	300	22,676	0	1,738,217	0
59. Subtotal	(a) 51	174,068,114	16,251,120	11,655,661	0	201,974,895	0
90. Reporting entity contributions for employee benefit plans	XXX	399,993	15,740,660	0	0	16,140,654	0
91. Dividends or refunds applied to purchase paid-up additions and annuities	XXX	19,870,580	549,030	0	0	20,419,610	0
92. Dividends or refunds applied to shorten endowment or premium paying period	XXX	0	0	0	0	0	0
93. Premium or annuity considerations waived under disability or other contract provisions	XXX	3,192,098	0	2,310,449	0	5,502,547	0
94. Aggregate other amounts not allocable by State	XXX	13,763	0	0	0	13,763	0
95. Totals (Direct Business)	XXX	197,544,548	32,540,810	13,966,110	0	244,051,469	0
96. Plus Reinsurance Assumed	XXX	(131,801)	0	0	0	(131,801)	0
97. Totals (All Business)	XXX	197,412,747	32,540,810	13,966,110	0	243,919,668	0
98. Less Reinsurance Ceded	XXX	26,063,516	7,628	11,220,533	0	37,291,678	0
99. Totals (All Business) less Reinsurance Ceded	XXX	171,349,231	32,533,182	2,745,577	0	206,627,990	0

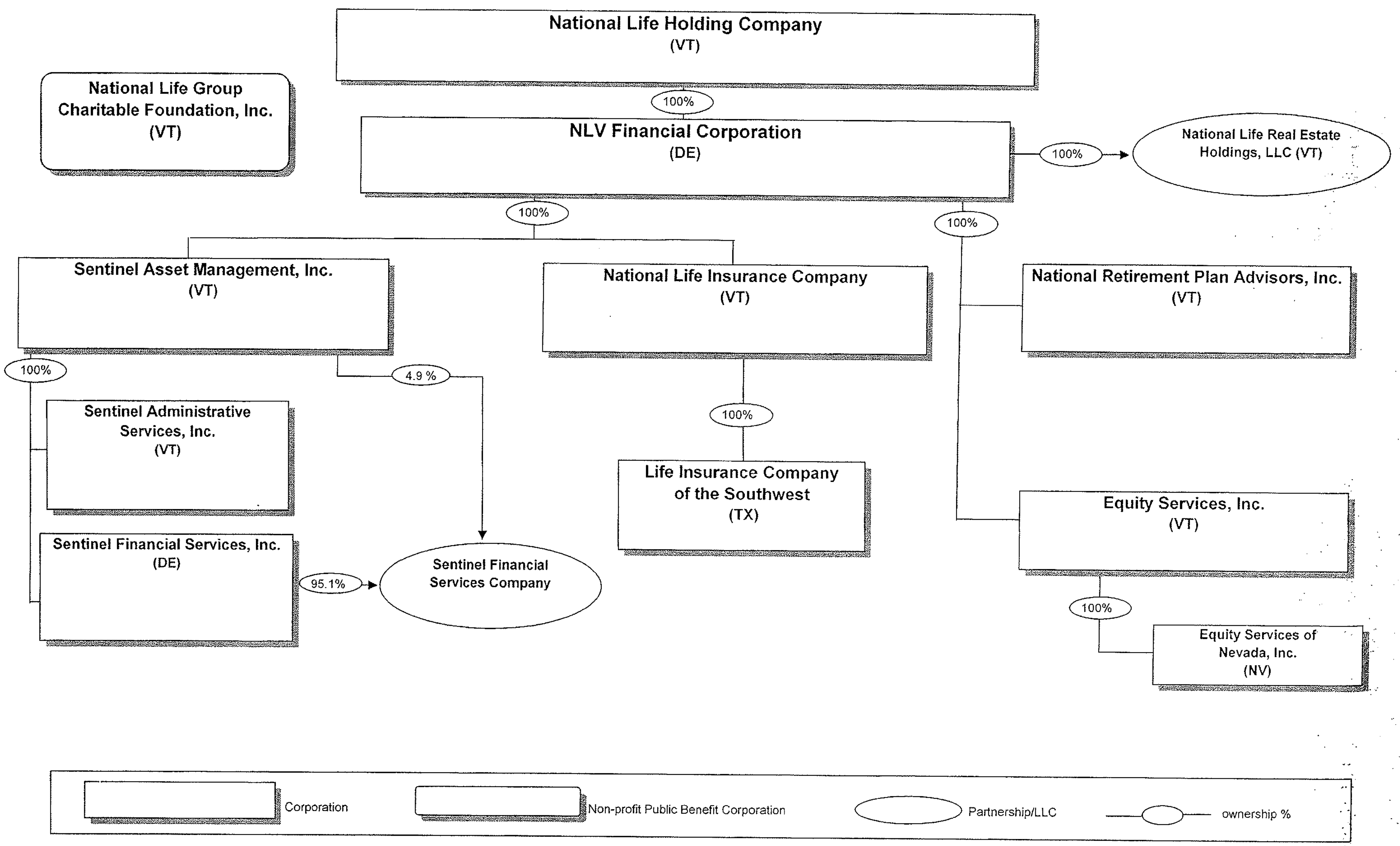
DETAILS OF WRITE-INS

	1	2	3	4	5	6	7
58001. Other Foreign	XXX	1,715,241	300	22,676	0	1,738,217	0
58002.	XXX	0	0	0	0	0	0
58003.	XXX	0	0	0	0	0	0
58998. Summary of remaining write-ins for line 58 from overflow page	XXX	0	0	0	0	0	0
58999. Total (Lines 58001 thru 58003 plus 58998) (Line 58 above)	XXX	1,715,241	300	22,676	0	1,738,217	0
9401. Amount not allocable by State	XXX	13,763	0	0	0	13,763	0
9402.	XXX	0	0	0	0	0	0
9403.	XXX	0	0	0	0	0	0
9498. Summary of remaining write-ins for line 94 from overflow page	XXX	0	0	0	0	0	0
9499. Total (Lines 9401 thru 9403 plus 9498) (Line 94 above)	XXX	13,763	0	0	0	13,763	0

(L) - Licensed or Chartered - Licensed Insurance Carrier or Domiciled RRG; (R) - Registered - Non-domiciled RRGs; (Q) - Qualified - Qualified or Accredited Reinsurer;
(E) - Eligible - Reporting Entities eligible or approved to write Surplus Lines in the state; (N) - None of the above - Not allowed to write business in the state.
(a) Insert the number of L responses except for Canada and Other Alien.

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

PART 1 – ORGANIZATIONAL CHART



SCHEDULE Y

PART 1A - DETAIL OF INSURANCE HOLDING COMPANY SYSTEM

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

Asterisk	Explanation
0	

NONE

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 4 4 9 0 0 0 0 0 2 *

* 6 6 6 8 0 2 0 1 4 3 6 5 0 0 0 0 2 *

* 6 6 6 8 0 2 0 1 4 4 4 5 0 0 0 0 2 *

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

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

* 6 6 6 8 0 2 0 1 4 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	5,606,574	0	5,606,574	3,566,006
2505. Prepaid expenses	3,343,992	3,343,992	0	0
2506. Miscellaneous	1,168,433	1,168,433	0	0
2597. Summary of remaining write-ins for Line 25	10,118,999	4,512,425	5,606,574	3,566,006

Additional Write-ins for Liabilities:

	1 Current Statement Date	2 December 31 Prior Year
2504. Accumulated post-retirement benefits	3,338,708	3,564,268
2505. Provision for sales practice litigation	2,412,463	2,426,226
2506. Guaranty fund	1,622,863	1,701,492
2507. Commission accumulation liability	699,909	805,847
2508. Accrued interest on death claims	563,136	599,286
2597. Summary of remaining write-ins for Line 25	8,637,079	9,097,120

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	53,925,784	50,389,995
2. Cost of acquired:		
2.1 Actual cost at time of acquisition	6,080,000	0
2.2 Additional investment made after acquisition	669,127	5,997,477
3. Current year change in encumbrances	0	0
4. Total gain (loss) on disposals	207,187	92,491
5. Deduct amounts received on disposals	475,000	157,594
6. Total foreign exchange change in book/adjusted carrying value	0	0
7. Deduct current year's other than temporary impairment recognized	0	0
8. Deduct current year's depreciation	1,279,541	2,396,585
9. Book/adjusted carrying value at end of current period (Lines 1+2+3+4-5+6-7-8)	59,127,557	53,925,784
10. Deduct total nonadmitted amounts	0	0
11. Statement value at end of current period (Line 9 minus Line 10)	59,127,557	53,925,784

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	589,898,178	619,480,634
2. Cost of acquired:		
2.1 Actual cost at time of acquisition	10,000,000	91,775,000
2.2 Additional investment made after acquisition	0	0
3. Capitalized deferred interest and other	69,291	3,112
4. Accrual of discount	0	0
5. Unrealized valuation increase (decrease)	0	0
6. Total gain (loss) on disposals	(488,301)	(1,390,420)
7. Deduct amounts received on disposals	48,385,762	116,923,152
8. Deduct amortization of premium and mortgage interest points and commitment fees	0	0
9. Total foreign exchange change in book value/recorded investment excluding accrued interest	0	0
10. Deduct current year's other than temporary impairment recognized	(376,836)	3,046,996
11. Book value/recorded investment excluding accrued interest at end of current period (Lines 1+2+3+4+5+6-7-8+9-10)	551,470,242	589,898,178
12. Total valuation allowance	0	0
13. Subtotal (Line 11 plus Line 12)	551,470,242	589,898,178
14. Deduct total nonadmitted amounts	0	0
15. Statement value at end of current period (Line 13 minus Line 14)	551,470,242	589,898,178

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	326,496,689	327,022,175
2. Cost of acquired:		
2.1 Actual cost at time of acquisition	8,827,733	10,910,088
2.2 Additional investment made after acquisition	35,928,197	56,321,395
3. Capitalized deferred interest and other	0	0
4. Accrual of discount	260,647	12,359
5. Unrealized valuation increase (decrease)	(3,515,806)	355,508
6. Total gain (loss) on disposals	0	0
7. Deduct amounts received on disposals	28,185,160	52,810,955
8. Deduct amortization of premium and depreciation	5,824,902	11,615,557
9. Total foreign exchange change in book/adjusted carrying value	0	0
10. Deduct current year's other than temporary impairment recognized	1,594,607	3,698,324
11. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5+6-7-8+9-10)	332,392,790	326,496,689
12. Deduct total nonadmitted amounts	0	0
13. Statement value at end of current period (Line 11 minus Line 12)	332,392,790	326,496,689

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	6,094,075,987	5,989,996,069
2. Cost of bonds and stocks acquired	313,531,690	686,307,650
3. Accrual of discount	5,442,369	12,622,050
4. Unrealized valuation increase (decrease)	28,295,982	99,484,804
5. Total gain (loss) on disposals	915,773	7,073,032
6. Deduct consideration for bonds and stocks disposed of	278,456,934	686,666,855
7. Deduct amortization of premium	4,742,580	12,587,424
8. Total foreign exchange change in book/adjusted carrying value	0	9,709
9. Deduct current year's other than temporary impairment recognized	0	2,163,048
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9)	6,159,062,287	6,094,075,987
11. Deduct total nonadmitted amounts	0	0
12. Statement value at end of current period (Line 10 minus Line 11)	6,159,062,287	6,094,075,987

SCHEDULE D - PART 1B

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

NAIC Designation	1 Book/Adjusted Carrying Value Beginning of Current Quarter	2 Acquisitions During Current Quarter	3 Dispositions During Current Quarter	4 Non-Trading Activity During Current Quarter	5 Book/Adjusted Carrying Value End of First Quarter	6 Book/Adjusted Carrying Value End of Second Quarter	7 Book/Adjusted Carrying Value End of Third Quarter	8 Book/Adjusted Carrying Value December 31 Prior Year
BONDS								
1. NAIC 1 (a)	3,005,216,406	270,795,380	293,917,423	22,440,194	3,005,216,406	3,004,534,556	0	3,098,086,507
2. NAIC 2 (a)	2,123,295,573	103,644,517	63,567,972	(37,923,463)	2,123,295,573	2,125,448,655	0	2,054,465,331
3. NAIC 3 (a)	229,872,328	(360,000)	5,249,747	13,765,894	229,872,328	238,028,476	0	216,779,067
4. NAIC 4 (a)	52,302,398	590,625	3,821,528	(598,695)	52,302,398	48,472,800	0	54,849,437
5. NAIC 5 (a)	5,187,059	0	248,577	1,566,295	5,187,059	6,504,776	0	6,207,317
6. NAIC 6 (a)	11,335,926	0	0	505,995	11,335,926	11,841,921	0	11,463,232
7. Total Bonds	5,427,209,690	374,670,522	366,805,247	(243,780)	5,427,209,690	5,434,831,184	0	5,441,850,891
PREFERRED STOCK								
8. NAIC 1	0	0	0	0	0	0	0	0
9. NAIC 2	0	0	0	0	0	0	0	0
10. NAIC 3	0	0	0	0	0	0	0	0
11. NAIC 4	0	0	0	0	0	0	0	0
12. NAIC 5	0	0	0	0	0	0	0	0
13. NAIC 6	0	0	0	0	0	0	0	0
14. Total Preferred Stock	0	0	0	0	0	0	0	0
15. Total Bonds and Preferred Stock	5,427,209,690	374,670,522	366,805,247	(243,780)	5,427,209,690	5,434,831,184	0	5,441,850,891

(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 $.....22,000,000; NAIC 2 $............0; NAIC 3 $............0; NAIC 4 $............0; NAIC 5 $............0; NAIC 6 $............0.

SCHEDULE DA - PART 1

Short-Term Investments

	1 Book/Adjusted Carrying Value	2 Par Value	3 Actual Cost	4 Interest Collected Year To Date	5 Paid for Accrued Interest Year To Date
9199999	22,000,000	XXX	22,000,000	3,717	0

SCHEDULE DA - VERIFICATION

Short-Term Investments

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year	67,600,000	34,250,000
2. Cost of short-term investments acquired	249,000,000	550,700,000
3. Accrual of discount	0	0
4. Unrealized valuation increase (decrease)	0	0
5. Total gain (loss) on disposals	0	0
6. Deduct consideration received on disposals	294,600,000	517,350,000
7. Deduct amortization of premium	0	0
8. Total foreign exchange change in book/adjusted carrying value	0	0
9. Deduct current year's other than temporary impairment recognized	0	0
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9)	22,000,000	67,600,000
11. Deduct total nonadmitted amounts	0	0
12. Statement value at end of current period (Line 10 minus Line 11)	22,000,000	67,600,000

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)	23,401,913
2.	Cost paid/(consideration received) on additions	6,142,015
3.	Unrealized valuation increase (decrease)	(1,794,766)
4.	Total gain (loss) on termination recognized	8,204,024
5.	Considerations received (paid) on terminations	12,973,212
6.	Amortization	0
7.	Adjustment to the book/adjusted carrying value of hedge item	0
8.	Total foreign exchange change in book/adjusted carrying value	0
9.	Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 - 5 + 6 + 7 + 8)	22,979,974
10.	Deduct nonadmitted assets	0
11.	Statement value at end of current period (Line 9 minus Line 10)	22,979,974

SCHEDULE DB - PART B - VERIFICATION

Futures Contracts

1.	Book/adjusted carrying value, December 31, prior year (Line 6, prior year)				283,070
2.	Cumulative cash change (Section 1, Broker Name/Net Cash Deposits Footnote - Cumulative Cash Change column)				87,945
3.1	Add:				
	Change in variation margin on open contracts - Highly Effective Hedges:				
3.11	Section 1, Column 15, current year to date minus	(2,265)			
3.12	Section 1, Column 15, prior year	72,900	(75,165)		
	Change in variation margin on open contracts - All Other:				
3.13	Section 1, Column 18, current year to date minus	0			
3.14	Section 1, Column 18, prior year	0	0	(75,165)	
3.2	Add:				
	Change in adjustment to basis of hedged item:				
3.21	Section 1, Column 17, current year to date minus	0			
3.22	Section 1, Column 17, prior year	0	0		
	Change in amount recognized:				
3.23	Section 1, Column 19, current year to date minus	(2,265)			
3.24	Section 1, Column 19, prior year	72,900	(75,165)	(75,165)	
3.3	Subtotal (Line 3.1 minus Line 3.2)				(0)
4.1	Cumulative variation margin on terminated contracts during the year		45,149		
4.2	Less:				
4.21	Amount used to adjust basis of hedged item	0			
4.22	Amount recognized	45,149	45,149		
4.3	Subtotal (Line 4.1 minus Line 4.2)				0
5.	Dispositions gains (losses) on contracts terminated in prior year:				
5.1	Total gain (loss) recognized for terminations in prior year				0
5.2	Total gain (loss) adjusted into the hedged item(s) for the terminations in prior year				0
6.	Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3.3 - 4.3 - 5.1 - 5.2)				371,015
7.	Deduct nonadmitted assets				0
8.	Statement value at end of current period (Line 6 minus Line 7)				371,015

Sch. DB-Pt C-Sn 1
NONE

Sch. DB-Pt C-Sn 2
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	22,979,972	
2.	Part B, Section 1, Column 15 plus Part B, Section 1 Footnote - Total Ending Cash Balance	368,750	
3.	Total (Line 1 plus Line 2)		23,348,722
4.	Part D, Section 1, Column 5	30,803,031	
5.	Part D, Section 1, Column 6	(7,454,309)	
6.	Total (Line 3 minus Line 4 minus Line 5)		(0)
		Fair Value Check	
7.	Part A, Section 1, Column 16	22,979,972	
8.	Part B, Section 1, Column 13	(2,265)	
9.	Total (Line 7 plus Line 8)		22,977,707
10.	Part D, Section 1, Column 8	30,434,281	
11.	Part D, Section 1, Column 9	(7,456,574)	
12.	Total (Line 9 minus Line 10 minus Line 11)		0
		Potential Exposure Check	
13.	Part A, Section 1, Column 21	0	
14.	Part B, Section 1, Column 20	152,765	
15.	Part D, Section 1, Column 11	152,765	
16.	Total (Line 13 plus Line 14 minus Line 15)		0

SCHEDULE E- VERIFICATION

Cash Equivalents

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year	0	0
2. Cost of cash equivalents acquired	164,999,629	560,543,756
3. Accrual of discount	0	0
4. Unrealized valuation increase (decrease)	0	0
5. Total gain (loss) on disposals	0	0
6. Deduct consideration received on disposals	164,999,629	560,543,756
7. Deduct amortization of premium	0	0
8. Total foreign exchange change in book/ adjusted carrying value	0	0
9. Deduct current year's other than temporary impairment recognized	0	0
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9)	0	0
11. Deduct total nonadmitted amounts	0	0
12. Statement value at end of current period (Line 10 minus Line 11)	0	0

SCHEDULE A - PART 2

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

1	Location		4	5	6	7	8	9
	2	3						
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	01/01/1957	Various	0	0	0	216,438
04D North Building	Montpelier	VT	01/01/1985	Various	0	0	0	5,935
07 22 Mountainview	Montpelier	VT	01/01/1957	Various	0	0	0	1,339
0199999. Totals					0	0	0	223,712
Acquired by Internal Transfer								
190 - Founders Blvd	Batavia	OH	04/22/2014	Internal Transfer	6,080,000	0	6,068,600	0
0299999. Totals					6,080,000	0	6,068,600	0
0399999. Totals					6,080,000	0	6,068,600	223,712

SCHEDULE A - PART 3

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

1	Location		4	5	6	7	8	Change in Book/Adjusted Carrying Value Less Encumbrances					14	15	16	17	18	19	20
	2	3						9	10	11	12	13							
Description of Property	City	State	Disposal Date	Name of Purchaser	Actual Cost	Expended for Additions, Permanent Improvements and Changes in Encumbrances	Book/Adjusted Carrying Value Less Encumbrances Prior Year	Current Year's Depreciation	Current Year's Other Than Temporary Impairment Recognized	Current Year's Change in Encumbrances	Total Change in B./A.C.V. (11 - 9 - 10)	Total Foreign Exchange Change in B./A.C.V.	Book/Adjusted Carrying Value Less Encumbrances on Disposal	Amounts Received During Year	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Gross Income Earned Less Interest Incurred on Encumbrances	Taxes, Repairs, and Expenses Incurred
Property Disposed																			
32 Supply Building	Berlin	VT	04/01/2014	Malone Junction Road Properties, LLC	590,863	0	275,199	7,386	0	0	(7,386)	0	267,813	475,000	0	207,187	207,187	0	1,006
0199999. Totals					590,863	0	275,199	7,386	0	0	(7,386)	0	267,813	475,000	0	207,187	207,187	0	1,006
0399999. Totals					590,863	0	275,199	7,386	0	0	(7,386)	0	267,813	475,000	0	207,187	207,187	0	1,006

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				Actual	Additional	
						Cost	Investment	Value of
			Loan	Date	Rate of	at Time	Made After	Land and
Loan Number	City	State	Type	Acquired	Interest	of Acquisition	Acquisition	Buildings

NONE

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				Book Value/ Recorded Investment Excluding Accrued Interest	8	9	10	11	12	13	Book Value/ Recorded Investment Excluding Accrued Interest				
Loan Number	City	State	Loan Type	Date Acquired	Disposal Date	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	on Disposal	Consideration	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal
Mortgages Closed by Repayment																	
0329557	SALINA	NY		04/26/2001	05/28/2014	979,604	0	0	0	0	0	0	825,085	825,085	0	0	0
0329610	CHARLOTTE	NC		04/02/2004	05/19/2014	6,880,722	0	0	0	0	0	0	6,819,263	6,819,263	0	0	0
0329615	CHARLOTTE	NC		06/28/2004	05/19/2014	4,943,189	0	0	0	0	0	0	4,898,342	4,898,342	0	0	0
0329627	CAPE CANAVERAL	FL		08/20/2004	06/30/2014	6,481,818	0	0	0	0	0	0	6,265,104	6,265,097	0	0	0
329431A	DES PLAINES	IL		08/16/1995	06/26/2014	3,097,176	0	0	0	0	0	0	3,097,176	3,097,176	0	0	0
329431B	CHICAGO	IL		01/19/2005	06/26/2014	1,147,871	0	0	0	0	0	0	1,147,871	1,147,871	0	0	0
0199999. Total - Mortgages Closed by Repayment						23,530,380	0	0	0	0	0	0	23,052,841	23,052,834	0	0	0
Mortgages With Partial Repayments																	
0329419	PITTSBURGH	PA		05/08/1995		534,372	0	0	0	0	0	0	0	85,894	0	0	0
0329481	EUGENE	OR		06/26/1997		7,206,072	0	0	0	0	0	0	0	147,430	0	0	0
0329485	CHAPEL HILL	NC		09/18/1997		2,954,383	0	0	0	0	0	0	0	58,754	0	0	0
0329492	PHOENIX	AZ		01/30/1998		1,752,078	0	0	0	0	0	0	0	91,683	0	0	0
0329515	OKLAHOMA CITY	OK		11/06/1998		1,229,120	0	0	0	0	0	0	0	53,184	0	0	0
0329529	SPOKANE	WA		08/04/1999		2,659,978	0	0	0	0	0	0	0	97,565	0	0	0
0329534	WEST CHICAGO	IL		05/18/1999		2,485,260	0	0	0	0	0	0	0	63,826	0	0	0
0329536	PIKESVILLE	MD		05/26/1999		1,705,673	0	0	0	0	0	0	0	65,080	0	0	0
0329538	CHESTERTON	IN		09/03/1999		1,962,503	0	0	0	0	0	0	0	43,661	0	0	0
0329544	PONTIAC	IL		01/27/2000		1,670,891	0	0	0	0	0	0	0	33,400	0	0	0
0329546	LUDINGTON	MI		02/28/2000		2,226,778	0	0	0	0	0	0	0	36,676	0	0	0
0329555	FRESNO	CA		10/02/2000		5,805,196	0	0	0	0	0	0	0	72,401	0	0	0
0329557	SALINA	NY		04/26/2001		979,604	0	0	0	0	0	0	0	62,482	0	0	0
0329564	CHARLOTTE	NC		02/08/2001		3,195,510	0	0	0	0	0	0	0	59,514	0	0	0
0329568	ONTARIO	CA		01/23/2002		5,643,953	0	0	0	0	0	0	0	62,418	0	0	0
0329570	SOUTHAVEN	MS		02/21/2002		2,928,707	0	0	0	0	0	0	0	32,060	0	0	0
0329575	YORKVILLE	IL		04/03/2002		3,251,018	0	0	0	0	0	0	0	32,760	0	0	0
0329579	GREENVILLE	SC		07/22/2002		4,672,840	0	0	0	0	0	0	0	28,373	0	0	0
0329585	STREAMWOOD	IL		05/23/2002		4,194,806	0	0	0	0	0	0	0	40,367	0	0	0
0329590	SCOTTSDALE	AZ		09/17/2002		4,579,820	0	0	0	0	0	0	0	91,665	0	0	0
0329591	DAVIDSON	NC		09/12/2003		2,036,896	0	0	0	0	0	0	0	25,404	0	0	0
0329593	KIRKLAND	WA		11/27/2002		3,084,148	0	0	0	0	0	0	0	30,377	0	0	0
0329594	CHARLOTTE	NC		12/18/2002		7,722,826	0	0	0	0	0	0	0	55,763	0	0	0
0329598	HANFORD	CA		10/31/2003		5,745,077	0	0	0	0	0	0	0	54,775	0	0	0
0329608	HAMPTON	VA		02/02/2004		2,771,395	0	0	0	0	0	0	0	46,027	0	0	0

SCHEDULE B - PART 3

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

1	Location		4	5	6	7	Change in Book Value/Recorded Investment						14	15	16	17	18
	2	3					8	9	10	11	12	13					
Loan Number	City	State	Loan Type	Date Acquired	Disposal Date	Book Value/ Recorded Investment Excluding Accrued Interest Prior Year	Unrealized Valuation Increase (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Capitalized Deferred Interest and Other	Total Change in Book Value (8+9-10+11)	Total Foreign Exchange Change in Book Value	Book Value/ Recorded Investment Excluding Accrued Interest on Disposal	Consideration	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal
0329610	CHARLOTTE	NC		04/02/2004		6,880,722	0	0	0	0	0	0	0	15,486	0	0	0
0329613	CHARLOTTE	NC		07/15/2004		5,097,921	0	0	0	0	0	0	0	38,953	0	0	0
0329615	CHARLOTTE	NC		06/28/2004		4,943,189	0	0	0	0	0	0	0	11,295	0	0	0
0329623	COLUMBIA	MD		08/17/2004		5,901,358	0	0	0	0	0	0	0	57,338	0	0	0
0329626	LOUISBURG	NC		09/24/2004		3,151,179	0	0	0	0	0	0	0	29,475	0	0	0
0329627	CAPE CANAVERAL	FL		08/20/2004		6,481,818	0	0	0	0	0	0	0	109,182	0	0	0
0329628	PUYALLUP	WA		11/16/2004		1,787,048	0	0	0	0	0	0	0	26,824	0	0	0
0329630	PLYMOUTH	MN		11/10/2004		8,689,804	0	0	0	0	0	0	0	82,973	0	0	0
0329632	CHARLOTTE	NC		04/28/2005		4,488,362	0	0	0	0	0	0	0	32,538	0	0	0
0329633	MURRIETA	CA		08/31/2005		10,568,881	0	0	0	0	0	0	0	83,965	0	0	0
0329640	GAINESVILLE	VA		02/02/2006		5,285,480	0	0	0	0	0	0	0	29,214	0	0	0
0329641	TUSTIN	CA		10/12/2005		7,973,469	0	0	0	0	0	0	0	47,944	0	0	0
0329644	VALDOSTA	GA		10/07/2005		3,548,150	0	0	0	0	0	0	0	31,581	0	0	0
0329645	WINSTON-SALEM	NC		12/05/2005		1,330,585	0	0	0	0	0	0	0	19,685	0	0	0
0329647	STATESVILLE	NC		02/13/2006		1,548,467	0	0	0	0	0	0	0	22,420	0	0	0
0329649	CINCINNATI	OH		03/15/2006		3,342,189	0	0	0	0	0	0	0	27,557	0	0	0
0329650	ROSEBURG	OR		01/27/2006		11,811,208	0	0	0	0	0	0	0	56,378	0	0	0
0329651	SAN ANTONIO	TX		04/27/2006		2,022,370	0	0	0	0	0	0	0	28,291	0	0	0
0329653	RICHMOND	VA		04/27/2006		5,367,350	0	0	0	0	0	0	0	74,007	0	0	0
0329654	SCOTTSDALE	AZ		06/14/2006		5,926,253	0	0	0	0	0	0	0	45,380	0	0	0
0329656	ST PAUL	MN		06/14/2006		8,765,826	0	0	0	0	0	0	0	50,825	0	0	0
0329658	TIMONIUM	MD		07/10/2006		3,917,232	0	0	0	0	0	0	0	36,665	0	0	0
0329659	HOUSTON	TX		08/21/2006		4,681,689	0	0	0	0	0	0	0	36,170	0	0	0
0329660	AUSTIN	TX		10/16/2006		2,131,840	0	0	0	0	0	0	0	23,947	0	0	0
0329662	CINCINNATI	OH		08/29/2006		1,961,800	0	0	0	0	0	0	0	15,004	0	0	0
0329663	ASHEVILLE	NC		09/21/2006		5,189,588	0	0	0	0	0	0	0	25,116	0	0	0
0329665	AUSTELL	GA		09/21/2006		8,542,133	0	0	0	0	0	0	0	65,146	0	0	0
0329668	BUTLER	WI		09/11/2006		9,049,588	0	0	0	0	0	0	0	42,844	0	0	0
0329669	WISCONSIN RAPIDS	WI		11/22/2006		7,234,881	0	0	0	0	0	0	0	43,847	0	0	0
0329672	CHARLOTTE	NC		12/18/2006		937,203	0	0	0	0	0	0	0	7,349	0	0	0
0329674	NEW BEDFORD	MA		02/02/2007		4,926,002	0	0	0	0	0	0	0	24,436	0	0	0
0329675	WYOMING	MI		04/16/2007		4,076,401	0	0	0	0	0	0	0	50,008	0	0	0
0329676	CHARLOTTE	NC		05/22/2007		10,336,499	0	0	0	0	0	0	0	60,704	0	0	0
0329678	MACON	GA		04/26/2007		1,283,538	0	0	0	0	0	0	0	19,738	0	0	0
0329679	WEST FALMOUTH	ME		03/29/2007		2,121,630	0	0	0	0	0	0	0	8,078	0	0	0
0329680	SAN ANTONIO	TX		08/02/2007		10,520,642	0	0	0	0	0	0	0	40,598	0	0	0
0329682	N OLMSTEAD	OH		07/12/2007		2,557,832	0	0	0	0	0	0	0	18,654	0	0	0
0329685	CINCINNATI	OH		07/19/2007		1,219,340	0	0	0	0	0	0	0	8,836	0	0	0
0329687	FRANKFORT	KY		06/27/2007		2,898,547	0	0	0	0	0	0	0	34,183	0	0	0
0329688	SCOTTSDALE	AZ		02/05/2008		6,986,271	0	0	0	0	0	0	0	79,030	0	0	0
0329689	MORENO VALLEY	CA		10/10/2007		13,132,294	0	0	0	0	0	0	0	61,497	0	0	0
0329690	UNION CITY	TN		07/27/2007		3,111,698	0	0	0	0	0	0	0	36,361	0	0	0
0329693	SILVERDALE	WA		01/04/2008		2,747,036	0	0	0	0	0	0	0	11,924	0	0	0

SCHEDULE B - PART 3

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

1	Location		4	5	6	7	Change in Book Value/Recorded Investment						14	15	16	17	18
	2	3				Book Value/ Recorded Investment Excluding Accrued Interest Prior Year	8	9	10	11	12	13	Book Value/ Recorded Investment Excluding Accrued Interest on Disposal				
Loan Number	City	State	Loan Type	Date Acquired	Disposal Date		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		Consideration	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal
0329694	BLOOMFIELD HILLS	MI		11/05/2007		2,717,276	0	0	0	0	0	0	0	16,797	0	0	0
0329695	FLORENCE	KY		12/12/2007		1,293,775	0	0	0	0	0	0	0	5,567	0	0	0
0329696	BOCA RATON	FL		12/05/2007		7,775,019	0	0	0	0	0	0	0	34,531	0	0	0
0329698	CINCINNATI	OH		04/09/2008		3,651,319	0	0	0	0	0	0	0	24,235	0	0	0
0329699	DAYTON	OH		06/20/2008		2,317,719	0	0	0	0	0	0	0	14,954	0	0	0
0329701	RENTON	WA		06/02/2010		13,797,906	0	0	0	0	0	0	0	99,203	0	0	0
0329702	EDEN PRAIRIE	MN		06/22/2010		7,323,240	0	0	0	0	0	0	0	39,848	0	0	0
0329703	OVERLAND	MO		06/22/2010		7,511,016	0	0	0	0	0	0	0	40,870	0	0	0
0329704	TORRANCE	CA		06/22/2010		5,398,542	0	0	0	0	0	0	0	29,375	0	0	0
0329705	CARLSBAD	CA		06/22/2010		5,163,823	0	0	0	0	0	0	0	28,098	0	0	0
0329706	GRESHAM	OR		07/15/2010		9,735,182	0	0	0	0	0	0	0	33,474	0	0	0
0329708	WESTBURY	NY		12/01/2011		17,352,942	0	0	0	0	0	0	0	82,430	0	0	0
0329709	SAUGUS	MA		05/24/2012		10,511,597	0	0	0	0	0	0	0	45,389	0	0	0
0329710	SALEM	NH		09/12/2012		7,548,942	0	0	0	0	0	0	0	44,974	0	0	0
0329711	SAN PEDRO	CA		10/18/2012		8,583,273	0	0	0	0	0	0	0	51,024	0	0	0
0329712	MINNEAPOLIS	MN		12/28/2012		7,380,180	0	0	0	0	0	0	0	33,796	0	0	0
0329713	RIVERSIDE	CA		11/15/2012		4,685,889	0	0	0	0	0	0	0	29,540	0	0	0
0329714	COLUMBUS	OH		02/08/2013		9,799,055	0	0	0	0	0	0	0	62,156	0	0	0
0329716	ANN ARBOR	MI		05/28/2013		8,734,178	0	0	0	0	0	0	0	77,698	0	0	0
0329717	LINCOLN	NE		07/16/2013		13,616,136	0	0	0	0	0	0	0	83,388	0	0	0
0329718	HUNTINGTON	NY		09/04/2013		6,223,564	0	0	0	0	0	0	0	78,016	0	0	0
0329719	S JORDAN	UT		09/17/2013		22,930,241	0	0	0	0	0	0	0	106,435	0	0	0
0329720	SAN FRANCISCO	CA		10/22/2013		19,220,231	0	0	0	0	0	0	0	90,656	0	0	0
0329721	FT WORTH	TX		02/21/2014		0	0	0	0	0	0	0	0	59,553	0	0	0
0920003	METAIRIE	LA		10/24/1997		1,137,007	0	0	0	0	0	0	0	38,740	0	0	0
329477D	EL PASO	TX		06/10/2007		4,215,393	0	0	0	0	0	0	0	50,019	0	0	0
329507A	NORTHBROOK	IL		09/14/1998		2,923,660	0	0	0	0	0	0	0	20,910	0	0	0
329507B	NORTHBROOK	IL		06/20/2005		1,213,426	0	0	0	0	0	0	0	10,412	0	0	0
329510A	NORTHBROOK	IL		09/14/1998		3,237,004	0	0	0	0	0	0	0	19,367	0	0	0
329510B	NORTHBROOK	IL		06/20/2005		1,296,989	0	0	0	0	0	0	0	9,338	0	0	0
0299999. Total - Mortgages With Partial Repayments						524,768,741	0	0	0	0	0	0	0	4,503,778	0	0	0
Mortgages Transferred																	
0329635	BATAVIA	OH		05/25/2005	05/12/2014	6,080,000	0	0	(576,836)	62,829	639,665	0	6,719,666	6,080,000	0	(639,666)	(639,666)
0499999. Total - Mortgages Transferred						6,080,000	0	0	(576,836)	62,829	639,665	0	6,719,666	6,080,000	0	(639,666)	(639,666)
0599999. Total Mortgages						554,379,121	0	0	(576,836)	62,829	639,665	0	29,772,507	33,636,612	0	(639,666)	(639,666)

SCHEDULE BA - PART 2

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

1	2	Location		5	6	7	8	9	10	11	12	13
		3	4									
CUSIP Identification	Name or Description	City	State	Name of Vendor or General Partner	NAIC Desig-nation	Date Originally Acquired	Type and Strategy	Actual Cost at Time of Acquisition	Additional Investment Made After Acquisition	Amount of Encumbrances	Commitment for Additional Investment	Percentage of Ownership
Joint Venture or Partnership Interests That Have Underlying Characteristics of Common Stocks - Unaffiliated												
718600 00 0	A & M Capital Partners LP	Wilmington	DE	A & M Capital Partners LP		12/31/2013	3	0	511,721	0	12,239,582	2.8
717200 00 0	ArcLight Energy Partners Fd V	Wilmington	DE	ArcLight Energy Partners Fd V		12/01/2011	0	0	2,184,012	0	2,349,641	0.3
713300 00 2	Avista Capital Partners	Wilmington	DE	Avista Capital Partners		04/28/2006	3	0	245,286	0	0	0.6
715200 00 2	Avista Capital Partners II	Wilmington	DE	Avista Capital Partners II		12/31/2008	3	0	848,006	0	79,888	0.8
717600 00 1	Avista Capital Partners III LP	Wilmington	DE	Avista Capital Partners III LP		06/26/2012	3	0	3,292,538	0	0	1.1
709900 00 5	B - III A Capital Partners	Wilmington	DE	B - III A Capital Partners		12/09/1999	0	0	20,400	0	0	8.0
711400 00 2	B IV Capital Partners	Wilmington	DE	B IV Capital Partners		12/13/2002	0	0	91,998	0	487,217	1.1
714800 00 0	Banc Fund VIII	Chicago	IL	Banc Fund VIII		04/30/2008	1	0	1,020,000	0	0	1.5
711100 00 8	Banc Fund VI	Chicago	IL	Banc Fund VI		06/19/2002	0	0	655,058	0	0	1.6
716500 00 4	Centerbridge Capital Prtner II	Wilmington	DE	Centerbridge Capital Prtner II		05/09/2011	3	0	615,903	0	136,198	0.2
717900 00 5	Court Square Capital Part III	Wilmington	DE	Court Square Capital Part III		05/29/2013	3	0	783,567	0	12,704,971	1.0
717800 00 7	Crescent Mezzanine Partners VI	Wilmington	DE	Crescent Mezzanine Partners VI		04/24/2013	2	0	1,888,930	0	0	0.4
716900 00 6	CrossHarbor Institutional II	Wilmington	DE	CrossHarbor Institutional II		10/07/2011	0	0	352,941	0	1,695,617	1.3
711700 00 5	DDJ Total Return Loan Fund	Wilmington	DE	DDJ Total Return Loan Fund		12/17/2004	2	0	245,032	0	0	2.4
712800 00 2	Diamond Castle Partners IV	Wilmington	DE	Diamond Castle Partners IV		10/26/2005	3	0	170,756	0	740,511	0.7
710300 00 5	DLJ Merchant Banking III	Wilmington	DE	DLJ Merchant Banking III		09/29/2000	3	0	1,115,596	0	0	0.2
716200 00 1	Energy Fund XV	Wilmington	DE	Energy Fund XV		03/07/2011	0	0	654,352	0	2,791,331	0.7
718100 00 1	Energy XVI LP	Wilmington	DE	Energy XVI LP		09/23/2013	0	0	600,000	0	13,087,500	0.3
714100 00 5	EnerTech Capital Partners III	Wilmington	DE	EnerTech Capital Partners III		11/06/2007	1	0	112,500	0	227,856	3.5
712400 00 1	GarMark Partners II	Wilmington	DE	GarMark Partners II		07/18/2005	2	0	288,953	0	0	3.0
719200 00 8	Green Hill Equity Partners V	Wilmington	DE	Green Hill Equity Partners V		06/23/2014	0	787,500	0	0	14,212,500	4.7
719100 00 0	Greenbriar Equity Fund III	Wilmington	DE	Greenbriar Equity Fund III		04/24/2011	0	2,732,587	0	0	7,468,954	0.0
714300 00 1	GS Mezzanine Partners V	George Town	CI	GS Mezzanine Partners V		11/30/2007	2	0	1,328,031	0	2,011,360	0.2
712900 00 0	JH Whitney VI	Dover	DE	JH Whitney VI		12/30/2005	3	0	1,586,576	0	0	1.0
715700 00 1	Littlejohn Fund IV	Wilmington	DE	Littlejohn Fund IV		06/09/2010	3	0	2,062,160	0	1,484,809	0.8
712200 00 5	LS Power Equity Partners	Wilmington	DE	LS Power Equity Partners		05/06/2005	0	0	46,641	0	0	1.3
713500 00 7	LS Power Equity Partners II	Wilmington	DE	LS Power Equity Partners II		02/02/2007	0	0	1,003,974	0	0	0.6
718900 00 4	LS Power Equity Ptners III	Wilmington	DE	LS Power Equity Ptners III		03/11/2014	0	0	104,859	0	9,895,141	0.0
714700 00 2	MSouth Equity Partners	Wilmington	DE	MSouth Equity Partners		04/30/2008	3	0	92,870	0	567,876	1.9
717400 00 6	MSouth Equity Partners II LP	Wilmington	DE	MSouth Equity Partners II LP		02/29/2012	3	0	224,391	0	2,896,008	1.1
716300 00 9	Newstone Capital Partners II	Wilmington	DE	Newstone Capital Partners II		03/14/2011	2	0	1,766,313	0	2,971,235	1.3
714200 00 3	Northstar Mezzanine Partners V	Wilmington	DE	Northstar Mezzanine Partners V		11/28/2007	2	0	159,559	0	0	1.0
718400 00 5	Northstar Mezzanine Pters VI	Wilmington	DE	Northstar Mezzanine Pters VI		11/26/2013	2	0	2,764,430	0	5,892,115	2.0
713000 00 8	Northstar Mezzanine Ptners IV	Wilmington	DE	Northstar Mezzanine Ptners IV		01/19/2006	2	0	847,249	0	111,233	1.7
718200 00 9	Pamlico Capital III LP	Wilmington	DE	Pamlico Capital III LP		10/15/2013	3	0	2,116,216	0	8,282,303	1.5
711500 00 9	Perseus Market Opportunity	Dover	DE	Perseus Market Opportunity		09/05/2003	3	0	32,867	0	0	1.5
718000 00 3	Pine Brook Capital Partners II	Wilmington	DE	Pine Brook Capital Partners II		07/15/2013	3	0	423,903	0	7,956,299	0.5
714600 00 4	Siguler Guff Distressed III	Wilmington	DE	Siguler Guff Distressed III		04/08/2008	0	0	785,181	0	177,310	0.6
711300 00 4	Siguler Guff Distressed Opport	Wilmington	DE	Siguler Guff Distressed Opport		09/09/2002	0	0	69,236	0	150,000	1.1
716600 00 2	Siguler Guff Distressed RE	Wilmington	DE	Siguler Guff Distressed RE		04/11/2011	0	0	1,548,560	0	3,600,000	1.6
716100 00 3	TA Subordinated Debt Fund III	Wilmington	DE	TA Subordinated Debt Fund III		11/08/2010	2	0	145,238	0	606,250	0.5
713200 00 4	TA X	Wilmington	DE	TA X		04/25/2006	3	0	165,990	0	105,000	0.1
715900 00 7	TA XI	Wilmington	DE	TA XI		07/30/2010	3	0	1,039,163	0	2,681,250	0.2
713400 00 0	TCW Crescent Mezzanine IV	Wilmington	DE	TCW Crescent Mezzanine IV		05/12/2006	2	0	466,228	0	1,188,872	1.0

SCHEDULE BA - PART 2

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

1	2	Location 3	Location 4	5	6	7	8	9	10	11	12	13
CUSIP Identification	Name or Description	City	State	Name of Vendor or General Partner	NAIC Desig-nation	Date Originally Acquired	Type and Strategy	Actual Cost at Time of Acquisition	Additional Investment Made After Acquisition	Amount of Encumbrances	Commitment for Additional Investment	Percentage of Ownership
714500 00 6	TCW Crescent Mezzanine V	Wilmington	DE	TCW Crescent Mezzanine V		03/20/2008	2	0	398,607	0	1,562,233	0.6
711900 00 1	VSS Communications Partners IV	Wilmington	DE	VSS Communications Partners IV		03/14/2005	3	0	231,611	0	0	1.2
710000 00 1	Wilshire Assoc Private Mkt III	Wilmington	DE	Wilshire Assoc Private Mkt III		08/23/2001	3	0	31,377	0	215,000	1.9
711600 00 7	Wilshire Private Mkts Fund VI	Wilmington	DE	Wilshire Private Mkts Fund VI		11/02/2004	3	0	112,231	0	1,327,671	1.5
710900 00 2	Wilshire Private Mkts IV	Wilmington	DE	Wilshire Private Mkts IV		12/20/1999	3	0	188,039	0	263,480	1.4
1599999. Total - Joint Venture or Partnership Interests That Have Underlying Characteristics of Common Stocks - Unaffiliated								3,520,087	35,439,048	0	122,167,211	XXX
Surplus Debentures - Unaffiliated												
368770 AA 1	General American Life Ins Co Surplus Nt			Jefferies & Co.	1FE	05/30/2014	0	4,786,500	0	0	0	0.0
2399999. Total - Surplus Debentures - Unaffiliated								4,786,500	0	0	0	XXX
Non-Guaranteed State Low Income Housing Tax Credit - Unaffiliated												
719300 00 6	Vermont Tax Credit (Hickory) Hickory St	Rutland	VT	Vermont Tax Credit (Hickory) Hickory St		06/03/2014	0	210,000	0	0	0	0.0
3799999. Total - Non-Guaranteed State Low Income Housing Tax Credit - Unaffiliated								210,000	0	0	0	XXX
4499999. Subtotal - Unaffiliated								8,516,587	35,439,048	0	122,167,211	XXX
4699999. Totals								8,516,587	35,439,048	0	122,167,211	XXX

SCHEDULE BA - PART 3

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

1	2	Location 3	Location 4	5	6	7	8	Changes in Book/Adjusted Carrying Value 9	10	11	12	13	14	15	16	17	18	19	20
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																			
718600 00 0	A & M Capital Partners LP	Wilmington	DE	Capital Distribution	12/31/2013	04/09/2014	194,270	0	0	0	0	0	0	194,270	194,270	0	0	0	11,721
713300 00 2	Avista Capital Partners	Wilmington	DE	Capital Distribution	04/28/2006	05/05/2014	358,254	0	0	0	0	0	0	358,254	358,254	0	0	0	138,000
715200 00 2	Avista Capital Partners II	Wilmington	DE	Capital Distribution	12/31/2008	05/20/2014	461,893	0	0	0	0	0	0	461,893	461,893	0	0	0	461,893
714800 00 0	Banc Fund VIII	Dover	IL	Capital Distribution	04/30/2008	05/12/2014	160,000	0	0	0	0	0	0	160,000	160,000	0	0	0	160,000
711100 00 8	Banc Fund VI	Dover	IL	Capital Distribution	06/19/2002	04/02/2014	125,000	0	0	0	0	0	0	125,000	125,000	0	0	0	125,000
711100 00 8	Banc Fund VI	Dover	IL	Capital Distribution	06/19/2002	04/17/2014	125,000	0	0	0	0	0	0	125,000	125,000	0	0	0	125,000
711100 00 8	Banc Fund VI	Dover	IL	Capital Distribution	06/19/2002	05/05/2014	125,000	0	0	0	0	0	0	125,000	125,000	0	0	0	125,000
711100 00 8	Banc Fund VI	Dover	IL	Capital Distribution	06/19/2002	05/23/2014	125,000	0	0	0	0	0	0	125,000	125,000	0	0	0	125,000
716500 00 4	Centerbridge Capital Prtner II	Wilmington	DE	Capital Distribution	05/09/2011	05/19/2014	317,296	0	0	0	0	0	0	317,296	317,296	0	0	0	52,035
716500 00 4	Centerbridge Capital Prtner II	Wilmington	DE	Capital Distribution	05/09/2011	06/30/2014	114,123	0	0	0	0	0	0	114,123	114,123	0	0	0	6,894
713100 00 6	CrossHarbor Institutional Part	Wilmington	DE	Capital Distribution	03/29/2006	06/27/2014	224,871	0	0	0	0	0	0	224,871	224,871	0	0	0	0
710300 00 5	DLJ Merchant Banking III	Wilmington	DE	Capital Distribution	09/29/2000	05/14/2014	22,073	0	0	0	0	0	0	22,073	22,073	0	0	0	22,073
710300 00 5	DLJ Merchant Banking III	Wilmington	DE	Capital Distribution	09/29/2000	06/23/2014	241,789	0	0	0	0	0	0	241,789	241,789	0	0	0	195,497
716200 00 1	Energy Fund XV	Wilmington	DE	Capital Distribution	03/07/2011	05/06/2014	65,699	0	0	0	0	0	0	65,699	65,699	0	0	0	65,699
712400 00 1	GarMark Partners II	Wilmington	DE	Capital Distribution	07/18/2005	05/06/2014	597,109	0	0	0	0	0	0	597,109	597,109	0	0	0	0
719100 00 0	Greenbriar Equity Fund III	Wilmington	DE	Capital Distribution	04/24/2014	04/24/2014	103,562	0	0	0	0	0	0	103,562	103,562	0	0	0	0
719100 00 0	Greenbriar Equity Fund III	Wilmington	DE	Capital Distribution	04/24/2014	06/30/2014	214,705	0	0	0	0	0	0	214,705	214,705	0	0	0	0
712900 00 0	JH Whitney VI	Dover	DE	Capital Distribution	12/30/2005	04/09/2014	2,195,634	0	0	0	0	0	0	2,195,634	2,195,634	0	0	0	1,581,234
713500 00 7	LS Power Equity Partners II	Wilmington	DE	Capital Distribution	02/02/2007	04/03/2014	439,705	0	0	0	0	0	0	439,705	439,705	0	0	0	286,569

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
713500 00 7	LS Power Equity Partners II	Wilmington	DE	Capital Distribution	02/02/2007	04/11/2014	171,799	0	0	0	0	0	0	171,799	171,799	0	0	0	0
713500 00 7	LS Power Equity Partners II	Wilmington	DE	Capital Distribution	02/02/2007	04/18/2014	272,672	0	0	0	0	0	0	272,672	272,672	0	0	0	200,011
713500 00 7	LS Power Equity Partners II	Wilmington	DE	Capital Distribution	02/02/2007	05/06/2014	56,413	0	0	0	0	0	0	56,413	56,413	0	0	0	23,942
713500 00 7	LS Power Equity Partners II	Wilmington	DE	Capital Distribution	02/02/2007	05/16/2014	153,334	0	0	0	0	0	0	153,334	153,334	0	0	0	0
715700 00 1	Littlejohn Fund IV	Wilmington	DE	Capital Distribution	06/09/2010	05/29/2014	41,712	0	0	0	0	0	0	41,712	41,712	0	0	0	31,056
715700 00 1	Littlejohn Fund IV	Wilmington	DE	Capital Distribution	06/09/2010	06/24/2014	730,374	0	0	0	0	0	0	730,374	730,374	0	0	0	301,282
714700 00 2	MSouth Equity Partners	Wilmington	DE	Capital Distribution	04/30/2008	06/19/2014	285,299	0	0	0	0	0	0	285,299	285,299	0	0	0	92,870
716300 00 9	Newstone Capital Partners II	Wilmington	DE	Capital Distribution	03/14/2011	04/07/2014	39,783	0	0	0	0	0	0	39,783	39,783	0	0	0	39,783
716300 00 9	Newstone Capital Partners II	Wilmington	DE	Capital Distribution	03/14/2011	05/13/2014	137,500	0	0	0	0	0	0	137,500	137,500	0	0	0	12,500
716300 00 9	Newstone Capital Partners II	Wilmington	DE	Capital Distribution	03/14/2011	06/24/2014	90,000	0	0	0	0	0	0	90,000	90,000	0	0	0	0
714200 00 3	Northstar Mezzanine Partners V	Wilmington	DE	Capital Distribution	11/28/2007	04/08/2014	116,331	0	0	0	0	0	0	116,331	116,331	0	0	0	21,981
714200 00 3	Northstar Mezzanine Partners V	Wilmington	DE	Capital Distribution	11/28/2007	04/15/2014	107,622	0	0	0	0	0	0	107,622	107,622	0	0	0	15,407
714200 00 3	Northstar Mezzanine Partners V	Wilmington	DE	Capital Distribution	11/28/2007	06/12/2014	182,839	0	0	0	0	0	0	182,839	182,839	0	0	0	47,636
718400 00 5	Northstar Mezzanine Pters VI	Wilmington	DE	Capital Distribution	11/26/2013	05/02/2014	736,146	0	0	0	0	0	0	736,146	736,146	0	0	0	0
718200 00 9	Pamlico Capital III LP	Wilmington	DE	Capital Distribution	10/15/2013	04/14/2014	18,133	0	0	0	0	0	0	18,133	18,133	0	0	0	0
711500 00 9	Perseus Market Opportunity Fund	Dover	DE	Capital Distribution	09/05/2003	05/02/2014	2,102	0	0	0	0	0	0	2,102	2,102	0	0	0	0
714600 00 4	Siguler Guff Distressed III	Wilmington	DE	Capital Distribution	04/08/2008	06/26/2014	1,500	0	0	0	0	0	0	1,500	1,500	0	0	0	0
714600 00 4	Siguler Guff Distressed III	Wilmington	DE	Capital Distribution	04/08/2008	06/30/2014	1,077,270	0	0	0	0	0	0	1,077,270	1,077,270	0	0	0	560,181
711300 00 4	Siguler Guff Distressed Opport Fund	Wilmington	DE	Capital Distribution	09/09/2002	06/30/2014	92,314	0	0	0	0	0	0	92,314	92,314	0	0	0	69,236
716100 00 3	TA Subordinated Debt Fund III	Wilmington	DE	Capital Distribution	11/08/2010	04/17/2014	150,000	0	0	0	0	0	0	150,000	150,000	0	0	0	32,700
716100 00 3	TA Subordinated Debt Fund III	Wilmington	DE	Capital Distribution	11/08/2010	06/12/2014	75,000	0	0	0	0	0	0	75,000	75,000	0	0	0	45,975
713200 00 4	TA X	Wilmington	DE	Capital Distribution	04/25/2006	05/07/2014	37,500	0	0	0	0	0	0	37,500	37,500	0	0	0	2,025
713200 00 4	TA X	Wilmington	DE	Capital Distribution	04/25/2006	06/30/2014	60,000	0	0	0	0	0	0	60,000	60,000	0	0	0	20,760
715900 00 7	TA XI	Wilmington	DE	Capital Distribution	07/30/2010	04/17/2014	656,250	0	0	0	0	0	0	656,250	656,250	0	0	0	628,688
715900 00 7	TA XI	Wilmington	DE	Capital Distribution	07/30/2010	05/07/2014	150,000	0	0	0	0	0	0	150,000	150,000	0	0	0	73,350
715900 00 7	TA XI	Wilmington	DE	Capital Distribution	07/30/2010	06/05/2014	75,000	0	0	0	0	0	0	75,000	75,000	0	0	0	0
713400 00 0	TCW Crescent Mezzanine IV	Wilmington	DE	Capital Distribution	05/12/2006	05/06/2014	798,989	0	0	0	0	0	0	798,989	798,989	0	0	0	437,651
713400 00 0	TCW Crescent Mezzanine IV	Wilmington	DE	Capital Distribution	05/12/2006	06/12/2014	417,482	0	0	0	0	0	0	417,482	417,482	0	0	0	7
714500 00 6	TCW Crescent Mezzanine V	Wilmington	DE	Capital Distribution	03/20/2008	04/23/2014	706,864	0	0	0	0	0	0	706,864	706,864	0	0	0	123,836
714500 00 6	TCW Crescent Mezzanine V	Wilmington	DE	Capital Distribution	03/20/2008	05/29/2014	269,661	0	0	0	0	0	0	269,661	269,661	0	0	0	102,068
710000 00 1	Wilshire Assoc Private Mkt III	Wilmington	DE	Capital Distribution	08/23/2001	05/27/2014	75,000	0	0	0	0	0	0	75,000	75,000	0	0	0	0
711600 00 7	Wilshire Private Mkts Fund VI	Wilmington	DE	Capital Distribution	11/02/2004	06/18/2014	82,500	0	0	0	0	0	0	82,500	82,500	0	0	0	22,374
710900 00 2	Wilshire Private Mkts IV	Wilmington	DE	Capital Distribution	12/20/1999	05/16/2014	182,750	0	0	0	0	0	0	182,750	182,750	0	0	0	120,027
714300 00 1	GS Mezzanine Partners V	Wilmington	DE	Capital Distribution	11/30/2007	04/30/2014	460,000	0	0	0	0	0	0	460,000	460,000	0	0	0	127,168
714300 00 1	GS Mezzanine Partners V	Wilmington	DE	Capital Distribution	11/30/2007	05/20/2014	173,673	0	0	0	0	0	0	173,673	173,673	0	0	0	45,763
1599999. Total - Joint Venture or Partnership Interests That Have Underlying Characteristics of Common Stocks - Unaffiliated							14,894,795	0	0	0	0	0	0	14,894,795	14,894,796	0	0	0	6,679,891
4499999. Subtotal - Unaffiliated							14,894,795	0	0	0	0	0	0	14,894,795	14,894,796	0	0	0	6,679,891
4699999. Totals							14,894,795	0	0	0	0	0	0	14,894,795	14,894,796	0	0	0	6,679,891

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 REMIC Ser 200		06/01/2014	Interest Capitalization		330,981	330,981	0	1FE
0599999. Total Bonds - U.S Government						330,981	330,981	0	XXX
Bonds - U.S. Special Revenue and Special Assessment									
3137BA UM 2	Federal Home Ln Mtg Corp REMIC Ser 434		06/05/2014	Wells Fargo Brokerage Services		7,457,500	8,000,000	6,000	1FE
3138EK RA 5	Fannie Mae AL3180 3.000% 01/01/43		05/07/2014	Nomura Securities		13,114,422	13,312,022	12,203	1FE
3138W1 F4 4	Fannie Mae AR3786 3.000% 02/01/43		05/13/2014	Nomura Securities		2,536,255	2,586,365	2,371	1FE
31394B 5Q 3	Federal Natl Mtg Assn REMIC Ser 2005-7		06/01/2014	Interest Capitalization		242,137	242,137	0	1FE
31396W UB 0	Federal Natl Mtg Assn REMIC Ser 2007-6		04/01/2014	Interest Capitalization		46,132	46,132	0	1FE
31417E WF 4	Fannie Mae AB7845 3.000% 02/01/43		04/14/2014	Citigroup Global		15,742,162	16,101,940	14,760	1FE
31417E ZA 2	Fannie Mae AB7936 3.000% 02/01/43		04/14/2014	Nomura Securities		3,934,678	4,038,803	3,702	1FE
3199999. Total Bonds - U.S. Special Revenue and Special Assessment						43,073,286	44,327,399	39,036	XXX
Bonds - Industrial and Miscellaneous									
02076X AC 6	ALPHA NATURAL RESOURCES 6.250% 06/01/2		05/09/2014	Miller Tabek		590,625	750,000	21,224	5FE
024836 AB 4	AMERICAN CAMPUS CMNTYS 4.125% 07/01/24		06/17/2014	Deutsche Bank		2,995,830	3,000,000	0	2FE
044209 AF 1	Ashland Inc 4.750% 08/15/22		11/25/2013	RBC Capital Markets		(2,375,000)	(2,500,000)	(34,722)	3FE
126650 BJ 8	CVS Caremark Corp 6.250% 06/01/27		05/07/2014	Wells Fargo Funds		3,776,236	3,050,000	85,252	2FE
12738A AC 5	CADENCE FINANCIAL CORP 7.250% 06/28/29		06/09/2014	US Bancorp Piper Jaffrey		1,000,000	1,000,000	0	2FE
12739J AA 9	CADENCE BANK NA 6.250% 06/28/29		06/09/2014	US Bancorp Piper Jaffrey		1,000,000	1,000,000	0	2FE
212015 AM 3	Continental Resources Inc 3.800% 06/01		06/05/2014	Wells Fargo Funds		5,012,950	5,000,000	11,083	2FE
212015 AP 6	Continental Resources Inc 4.900% 06/01		05/12/2014	Banc of America Securities		2,991,510	3,000,000	0	2FE
22003B AH 9	CORPORATE OFFICE PROP LP 5.250% 02/15/		04/14/2014	US Bancorp Piper Jaffrey		5,331,200	5,000,000	45,208	2FE
25389J AK 2	DIGITAL REALTY TRUST LP 3.625% 10/01/2		05/07/2014	Banc of America Securities		1,890,720	2,000,000	8,257	2FE
26884T AL 6	ERAC USA FINANCE COMPANY 3.850% 11/15/		05/19/2014	Banc of America Securities		2,994,900	3,000,000	0	2FE
29717P AH 0	ESSEX PORTFOLIO LP 5.200% 03/15/21		04/01/2014	Tax Free Exchange		1,058,090	1,000,000	2,311	2FE
30068D AA 5	EXCEL TRUST LP 4.625% 05/15/24		05/07/2014	Seaport Group		5,030,400	5,000,000	0	2FE
30290U AJ 8	FREMF MORTGAGE TRUST SERIES 2012K22 CLAS		03/26/2014	Citigroup Global		0	0	1,041	1FE
31620M AK 2	Fidelity National Information 3.500% 0		04/15/2014	Citigroup Global		2,904,240	3,000,000	1,750	2FE
33616C AA 8	First Republic Bank 2.375% 06/17/19		06/10/2014	Banc of America Securities		1,997,280	2,000,000	0	1FE
445658 CD 7	J B Hunt Transport Serv Inc 3.850% 03/		05/07/2014	Jefferies & Co.		5,104,200	5,000,000	35,292	2FE
466313 AG 8	Jabil Circuit Inc 4.700% 09/15/22		06/11/2014	Citigroup Global		5,025,000	5,000,000	59,403	2FE
46631B AS 4	JP Morgan Chase Com Mtg Sec Co REMIC Se		04/01/2014	Interest Capitalization		1,177	1,177	0	1FM
50180L BF 6	Lehman UBS Comm Mtg Trust REMIC Ser 20		06/11/2014	Interest Capitalization		23,062	23,062	0	1FM
529043 AD 3	Lexington Realty Trust 4.400% 06/15/24		05/13/2014	JP Morgan		2,497,075	2,500,000	0	2FE
71270Q EB 8	PEOPLES UNITED BANK 4.000% 07/15/24		06/23/2014	Jefferies & Co.		2,485,225	2,500,000	0	2FE
74348T AN 2	PROSPECT CAPITAL CORP 5.000% 07/15/19		04/02/2014	Barclays Capital		3,000,000	3,000,000	0	2FE
75884R AT 0	Regency Centers LP 3.750% 06/15/24		05/13/2014	Wells Fargo Funds		2,984,460	3,000,000	0	2FE
841504 AB 9	SOUTHEAST SUPPLY HEADER 4.250% 06/15/2		06/05/2014	Various		10,046,700	10,000,000	0	2FE
86765B AN 9	Sunoco Logistics Part OP 4.250% 04/01/		04/16/2014	Citigroup Global		5,120,300	5,000,000	11,215	2FE

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)
90265E AJ 9	UDR INC 3.750% 07/01/24		06/17/2014	Citigroup Global		1,993,040	2,000,000	0	2FE
92277G AD 9	VENTAS REALTY LP 3.750% 05/01/24		04/10/2014	Citigroup Global		4,965,200	5,000,000	0	2FE
957576 AA 9	Western & Southern Finance 144A 5.750%		06/06/2014	Jefferies & Co.		3,957,765	3,500,000	81,618	1FE
981811 AE 2	WORTHINGTON INDUSTRIES 4.550% 04/15/26		04/15/2014	JP Morgan		5,060,350	5,000,000	3,792	2FE
984121 CJ 0	Xerox Corp 3.800% 05/15/24		06/03/2014	Citigroup Global		4,969,150	5,000,000	14,250	2FE
****** ** *	SCHAHIN II FINAN CO SPV 5.875% 09/25/2	F	04/30/2014	Barclays Capital		1,987,741	2,265,000	14,074	2FE
15639K AA 0	CENTRICA PLC 4.000% 10/16/23	F	04/15/2014	Banc of America Securities		5,012,000	5,000,000	2,778	1FE
31572U AE 6	FIBRIA OVERSEAS FINANCE 5.250% 05/12/2	F	06/05/2014	Goldman Sachs & Company		2,015,000	2,000,000	8,167	3FE
46128M AF 8	INVERSIONES CMPC SA 4.375% 05/15/23	F	04/16/2014	Barclays Capital		2,437,500	2,500,000	47,700	2FE
67576J AA 9	ODEBRECHT OIL & FINANCE 7.000% 06/17/2	F	06/10/2014	Barclays Capital		2,037,500	2,000,000	0	2FE
81180W AK 7	SEAGATE HDD CAYMAN 4.750% 01/01/25	F	06/05/2014	Citigroup Global		3,945,000	4,000,000	6,333	2FE
G1696# BB 1	Bunzl Finance PLC Series A Note A-5 4	F	05/15/2014	Direct-Private Placement		3,000,000	3,000,000	0	2Z
G1696# BD 7	Bunzl Finance PLC Series C Note C-9 4	F	05/15/2014	Direct-Private Placement		1,000,000	1,000,000	0	2Z
Q3971@ AC 3	GPT RE LIMITED Series C - No. C-10/C-11	F	06/06/2014	Direct-Private Placement		15,000,000	15,000,000	0	1Z
3899999. Total Bonds - Industrial and Miscellaneous						129,866,426	128,589,239	426,026	XXX
8399997. Total Bonds - Part 3						173,270,693	173,247,619	465,062	XXX
8399999. Total Bonds						173,270,693	173,247,619	465,062	XXX
Common Stocks - Industrial and Miscellaneous									
00141M 57 2	Invesco Global Low Vol Equity A		06/20/2014	Sentinel Group Fds	45.340	718	XXX	0	L
315805 42 4	Fidelity Advisors Leveraged Co		04/08/2014	Sentinel Group Fds	9.220	499	XXX	0	L
315807 83 4	Fidelity Advisors Growth Opportunity		06/16/2014	Sentinel Group Fds	39.600	2,304	XXX	0	L
315808 40 2	Fidelity Advisors Equity Income		04/04/2014	Sentinel Group Fds	3.520	114	XXX	0	L
68380E 81 7	Oppenheimer Small & Mid Cap Value		06/18/2014	Sentinel Group Fds	0.390	18	XXX	0	L
68380T 40 0	Oppenheimer International Bond		06/02/2014	Sentinel Group Fds	47.400	291	XXX	0	L
817270 20 0	Sentinel Group Fds Inc Balanced A		06/26/2014	Sentinel Group Fds	6,502.800	128,568	XXX	0	L
817270 30 9	Sentinel Group Fds Inc Common Stock A		06/26/2014	Sentinel Group Fds	2,228.830	99,426	XXX	0	L
817270 35 8	Sentinel Group Fds Inc Total Return Bond		06/26/2014	Sentinel Group Fds	657.800	7,115	XXX	0	L
817270 50 7	Sentinel Group Fds Inc Mid Cap Cl A		06/26/2014	Sentinel Group Fds	195.380	4,812	XXX	0	L
817270 56 4	Sentinel Group Fds Inc Conservative Stra		06/24/2014	Sentinel Group Fds	364.750	5,113	XXX	0	L
817270 60 6	Sentinel Group Fds Inc Government Sec A		06/26/2014	Sentinel Group Fds	633.810	6,384	XXX	0	L
817270 80 4	Sentinel Group Fds Inc Small Company A		06/26/2014	Sentinel Group Fds	672.350	4,761	XXX	0	L
817270 85 3	Sentinel Group Fds Inc Low Duration Bond		06/26/2014	Sentinel Group Fds	658.900	5,842	XXX	0	L
817270 88 7	Sentinel Group Fds Inc International Equ		06/26/2014	Sentinel Group Fds	112.480	2,310	XXX	0	L
81728B 10 6	Sentinel Group Fds Inc Capital Growth A		06/26/2014	Sentinel Group Fds	4.750	75	XXX	0	L
9099999. Total Common Stocks - Industrial and Miscellaneous						268,350	XXX	0	XXX
Common Stocks - Mutual Funds									
817270 37 4	Sentinel Group Fds Inc Daily Income US G		06/02/2014	Sentinel Group Fds	2.120	2	XXX	0	L
9299999. Total Common Stocks - Mutual Funds						2	XXX	0	XXX
9799997. Total Common Stocks - Part 3						268,352	XXX	0	XXX

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)
9799999. Total Common Stocks						268,352	XXX	0	XXX
9899999. Total Preferred and Common Stocks						268,352	XXX	0	XXX
9999999. Total Bonds, Preferred and Common Stocks						173,539,045	XXX	465,062	XXX

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

Statement as of June 30, 2014 of the **National Life Insurance Company**

SCHEDULE D - PART 4

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

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identification	Description	Foreign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B./A.C.V. (11+12-13)	Total Foreign Exchange Change in B./A.C.V.	Book/ Adjusted Carrying Value At Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/ Stock Dividends Received During Year	Stated Contractual Maturity Date	NAIC Designation or Market Indicator (a)
Bonds - U.S. Government																					
125990 NN 7	GMAC 1997 C - FHA Projects 7.111% 05/2		06/01/2014	Paydown		158,263	158,263	152,860	156,068	0	2,195	0	2,195	0	158,263	0	0	0	4,700	05/25/2019	1FE
3620A7 ZK 4	Government National Mortgage A 721746		06/01/2014	Paydown		487,142	487,142	509,482	509,415	0	(22,273)	0	(22,273)	0	487,142	0	0	0	8,435	08/15/2040	1FE
36211H ZG 9	Government Natl Mtg Assn Pool 513843 8		04/01/2014	Paydown		918	918	939	917	0	1	0	1	0	918	0	0	0	24	08/15/2014	1FE
36211N TD 0	Government Natl Mtg Assn Pool 518148 8		06/01/2014	Paydown		5,018	5,018	5,149	5,020	0	(2)	0	(2)	0	5,018	0	0	0	153	10/15/2014	1FE
36211S N8 6	Government Natl Mtg Assn Pool 521615 8		06/01/2014	Paydown		1,392	1,392	1,426	1,390	0	1	0	1	0	1,392	0	0	0	46	12/15/2014	1FE
36211W VV 7	Government Natl Mtg Assn Pool 525428 8		06/01/2014	Paydown		1,210	1,210	1,238	1,219	0	(10)	0	(10)	0	1,210	0	0	0	40	12/15/2014	1FE
36225A WN 6	Government Natl Mtg Assn Pool 780653 6		06/01/2014	Paydown		21,760	21,760	21,677	21,682	0	78	0	78	0	21,760	0	0	0	596	10/15/2027	1FE
36241L UE 4	Government National Mortgage A GN 783281		06/01/2014	Paydown		1,285,493	1,285,493	1,371,862	1,370,996	0	(85,503)	0	(85,503)	0	1,285,493	0	0	0	23,149	07/15/2040	1FE
38373M 4Z 0	Government Natl Mtg Assn SERIES 20093 CL		06/01/2014	Paydown		0	0	182,011	179,112	0	(179,112)	0	(179,112)	0	0	0	0	0	11,808	10/16/2048	1FE
38374E DL 8	Government Natl Mtg Assn REMIC Ser 200		06/01/2014	Paydown		413,930	413,930	417,422	414,723	0	(793)	0	(793)	0	413,930	0	0	0	9,785	11/16/2033	1FE
38374E T5 6	Government Natl Mtg Assn REMIC Ser 200		05/01/2014	Paydown		734,163	734,163	758,826	733,784	0	379	0	379	0	734,163	0	0	0	15,993	04/16/2020	1FE
38374M 6Y 0	Government Natl Mtg Assn REMIC Ser 200		06/01/2014	Paydown		775,253	775,253	796,785	775,783	0	(530)	0	(530)	0	775,253	0	0	0	19,923	04/20/2035	1FE
38374U WN 7	Government Natl Mtg Assn REMIC Ser 200		06/01/2014	Paydown		1,832,047	1,832,047	1,815,666	1,822,360	0	9,686	0	9,686	0	1,832,047	0	0	0	39,306	06/20/2039	1FE
38376G ZX 1	Government Natl Mtg Assn 2011-9 IO 0		06/01/2014	Paydown		0	0	40,756	37,666	0	(37,666)	0	(37,666)	0	0	0	0	0	1,998	04/16/2037	1FE
585995 AA 1	Northeast 1985-1 FHA Project Pool 1985-1		06/01/2014	Paydown		154,058	154,058	160,981	156,256	0	(2,197)	0	(2,197)	0	154,058	0	0	0	5,679	12/24/2020	1FE
621999 EB 3	FHA-Insured 236 Project Loan Metro Sakur		04/01/2014	Paydown		110,093	110,093	116,148	110,033	0	60	0	60	0	110,093	0	0	0	2,936	07/01/2014	1FE
621999 EE 7	FHA-Insured 236 Project Loan Petero Amer		06/01/2014	Paydown		43,574	43,574	45,971	43,724	0	(150)	0	(150)	0	43,574	0	0	0	1,520	07/01/2015	1FE
75933* B4 5	Reilly - FHA Project Pool 136 - Proj 236		06/01/2014	Paydown		75,178	75,178	79,312	75,451	0	(273)	0	(273)	0	75,178	0	0	0	2,172	07/01/2015	1FE
75933* B6 0	Reilly - FHA Project Pool 41 8.767% 12		06/01/2014	Paydown		32,104	32,104	34,351	32,669	0	(565)	0	(565)	0	32,104	0	0	0	1,214	12/01/2018	1FE
75933* B7 8	Reilly - FHA Project Pool 20 - Proj 236		06/01/2014	Paydown		38,779	38,779	39,445	38,887	0	(109)	0	(109)	0	38,779	0	0	0	1,115	10/24/2019	1FE
812185 A9 7	Seamans - FHA Project Pool 86-5 6.875%		06/01/2014	Paydown		14,383	14,383	13,954	14,264	0	119	0	119	0	14,383	0	0	0	395	02/24/2016	1FE
91203* B8 6	USGI - FHA Project Pool 2055 Section 23		06/01/2014	Paydown		4,252	4,252	4,446	4,302	0	(51)	0	(51)	0	4,252	0	0	0	161	10/24/2019	1FE
91203* B9 4	USGI - FHA Project Pool 86 7.278% 07/2		06/01/2014	Paydown		14,474	14,474	14,457	14,419	0	56	0	56	0	14,474	0	0	0	269	07/24/2018	1FE
0599999. Total Bonds - U.S Government						6,203,484	6,203,484	6,585,164	6,520,140	0	(316,659)	0	(316,659)	0	6,203,484	0	0	0	151,417	XXX	XXX
Bonds - U.S. Special Revenue and Special Assessment																					
31283G 3V 7	Federal Home Ln Mtg Corp Pool G00812 6		06/01/2014	Paydown		4,425	4,425	4,506	4,492	0	(67)	0	(67)	0	4,425	0	0	0	115	04/01/2026	1FE
3128M7 T9 7	FREDDIE MAC G05676 4.000% 11/01/39		06/01/2014	Paydown		1,044,677	1,044,677	1,092,340	1,091,123	0	(46,446)	0	(46,446)	0	1,044,677	0	0	0	17,603	11/01/2039	1FE
3128M8 FH 2	FREDDIE MAC G06168 3.500% 11/01/40		06/01/2014	Paydown		956,824	956,824	933,052	933,833	0	22,991	0	22,991	0	956,824	0	0	0	14,324	11/01/2040	1FE
3128M9 CN 0	FREDDIE MAC G06977 3.000% 04/01/42		06/01/2014	Paydown		213,989	213,989	218,503	218,363	0	(4,374)	0	(4,374)	0	213,989	0	0	0	2,689	04/01/2042	1FE
3128S2 RN 3	FREDDIE MAC T61393 3.000% 10/01/42		06/01/2014	Paydown		569,473	569,473	585,044	584,797	0	(15,324)	0	(15,324)	0	569,473	0	0	0	8,398	10/01/2042	1FE
3128S2 SG 7	FREDDIE MAC T61419 3.000% 11/01/42		06/01/2014	Paydown		70,652	70,652	72,584	72,546	0	(1,893)	0	(1,893)	0	70,652	0	0	0	884	11/01/2042	1FE
3128S2 SH 5	FREDDIE MAC T61420 3.000% 11/01/42		06/01/2014	Paydown		20,231	20,231	20,784	20,775	0	(544)	0	(544)	0	20,231	0	0	0	251	11/01/2042	1FE
31292S A3 4	FREDDIE MAC C09026 2.500% 01/01/43		06/01/2014	Paydown		121,571	121,571	120,432	120,450	0	1,122	0	1,122	0	121,571	0	0	0	1,269	01/01/2043	1FE
312931 A6 5	FREDDIE MAC A84529 4.500% 02/01/39		06/01/2014	Paydown		312,083	312,083	304,280	304,497	0	7,585	0	7,585	0	312,083	0	0	0	5,389	02/01/2039	1FE
312933 A7 9	FREDDIE MAC A86330 4.500% 05/01/39		06/01/2014	Paydown		222,710	222,710	217,142	217,305	0	5,405	0	5,405	0	222,710	0	0	0	4,643	05/01/2039	1FE

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)
3132GR HF 1	FREDDIE MAC Q06230 3.500% 02/01/42		06/01/2014	Paydown		601,119	601,119	623,379	622,728	0	(21,609)	0	(21,609)	0	601,119	0	0	0	9,486	02/01/2042	1FE
3132GS TW 9	FREDDIE MAC Q07465 3.500% 04/01/42		06/01/2014	Paydown		565,354	565,354	583,552	582,988	0	(17,633)	0	(17,633)	0	565,354	0	0	0	8,248	04/01/2042	1FE
3132J6 GQ 1	Federal Home Loan Mtg Corp Q15206 2.5		06/01/2014	Paydown		347,114	347,114	339,087	339,213	0	7,900	0	7,900	0	347,114	0	0	0	3,477	01/01/2043	1FE
3136A9 BK 3	FederaL Natl Mtg Assn REMIC Ser 2012-1		06/01/2014	Paydown		155,797	155,797	160,277	160,036	0	(4,238)	0	(4,238)	0	155,797	0	0	0	2,272	10/25/2042	1FE
31383S WV 8	Federal Natl Mtg Assn Pool 511960 7.50		06/01/2014	Paydown		296	296	295	295	0	1	0	1	0	296	0	0	0	9	10/01/2029	1FE
31384U WS 9	Federal Natl Mtg Assn Pool 534457 6.50		06/01/2014	Paydown		14,805	14,805	14,839	14,813	0	(8)	0	(8)	0	14,805	0	0	0	401	10/01/2028	1FE
3138AX BL 4	Fannie Mae AJ5442 4.500% 11/01/41		06/01/2014	Paydown		894,124	894,124	956,433	955,741	0	(61,617)	0	(61,617)	0	894,124	0	0	0	16,486	11/01/2041	1FE
3138AX CF 6	Fannie Mae AJ5469 3.500% 11/01/41		06/01/2014	Paydown		385,593	385,593	389,328	389,217	0	(3,625)	0	(3,625)	0	385,593	0	0	0	5,660	11/01/2041	1FE
3138EK RA 5	Fannie Mae AL3180 3.000% 01/01/43		06/01/2014	Paydown		80,145	80,145	78,955	0	0	1,190	0	1,190	0	80,145	0	0	0	200	01/01/2043	1FE
3138M0 BE 9	Fannie Mae AO8136 3.000% 08/01/42		06/01/2014	Paydown		244,596	244,596	250,902	250,723	0	(6,127)	0	(6,127)	0	244,596	0	0	0	3,001	08/01/2042	1FE
3138NY W3 5	Fannie Mae AR2465 2.500% 01/01/43		06/01/2014	Paydown		235,568	235,568	238,071	238,009	0	(2,441)	0	(2,441)	0	235,568	0	0	0	2,487	01/01/2043	1FE
3138W9 G8 7	Fannie Mae AS0222 4.000% 08/01/43		06/01/2014	Paydown		150,162	150,162	156,896	156,819	0	(6,657)	0	(6,657)	0	150,162	0	0	0	2,554	08/01/2043	1FE
3138WT UM 6	Fannie Mae AT5987 3.000% 04/01/43		06/01/2014	Paydown		93,910	93,910	90,674	90,682	0	3,228	0	3,228	0	93,910	0	0	0	1,159	04/01/2043	1FE
31392G DB 8	Federal Natl Mtg Assn REMIC Ser 2002-8		06/01/2014	Paydown		25,436	25,436	26,063	26,043	0	(608)	0	(608)	0	25,436	0	0	0	636	12/25/2032	1FE
31392U RR 7	Federal Home Ln Mtg Corp REMIC Ser 250		06/01/2014	Paydown		228,365	228,365	232,861	231,356	0	(2,991)	0	(2,991)	0	228,365	0	0	0	5,665	09/15/2032	1FE
31393C PX 5	Federal Natl Mtg Assn REMIC Ser 2003-5		06/01/2014	Paydown		632,272	632,272	634,248	631,247	0	1,025	0	1,025	0	632,272	0	0	0	14,347	06/25/2033	1FE
31393U L7 6	Federal Natl Mtg Assn REMIC Ser 2003-1		06/01/2014	Paydown		1,704,982	1,704,982	1,704,982	1,704,982	0	0	0	0	0	1,704,982	0	0	0	40,100	04/25/2022	1FE
31393Y PB 5	Federal Natl Mtg Assn SERIES 200429 CLAS		06/01/2014	Paydown		1,334,487	1,334,487	1,326,046	1,328,475	0	6,012	0	6,012	0	1,334,487	0	0	0	26,155	05/25/2034	1FE
31394D YS 3	Federal Natl Mtg Assn REMIC Ser 2005-5		06/01/2014	Paydown		584,748	584,748	584,839	583,496	0	1,252	0	1,252	0	584,748	0	0	0	13,114	05/25/2035	1FE
31394L JD 5	Federal Home Ln Mtg Corp SERIES 2691 CLA		06/01/2014	Paydown		738,851	738,851	735,781	735,375	0	3,476	0	3,476	0	738,851	0	0	0	14,590	10/15/2033	1FE
31394R LB 3	Federal Home Ln Mtg Corp REMIC Ser 275		06/01/2014	Paydown		1,827,909	1,827,909	1,811,434	1,818,150	0	9,759	0	9,759	0	1,827,909	0	0	0	39,960	02/15/2034	1FE
31394U ZR 6	Federal Natl Mtg Assn REMIC Ser 2005-1		06/01/2014	Paydown		1,087,714	1,087,714	1,109,469	1,091,164	0	(3,450)	0	(3,450)	0	1,087,714	0	0	0	26,785	11/25/2034	1FE
31395B DF 7	Federal Natl Mtg Assn REMIC Ser 2006-9		06/01/2014	Paydown		426,030	426,030	407,791	411,826	0	14,204	0	14,204	0	426,030	0	0	0	9,948	03/25/2036	1FE
31395D BL 2	Federal Natl Mtg Assn REMIC Ser 2006-4		06/01/2014	Paydown		676,366	676,366	665,164	671,146	0	5,220	0	5,220	0	676,366	0	0	0	16,671	05/25/2036	1FE
31395D SY 6	Federal Natl Mtg Assn REMIC Ser 2006-3		06/01/2014	Paydown		671,962	671,962	661,568	663,974	0	7,989	0	7,989	0	671,962	0	0	0	18,401	05/25/2036	1FE
31395E UL 9	Federal Home Ln Mtg Corp REMIC Ser 284		06/01/2014	Paydown		398,268	398,268	404,282	405,125	0	(6,857)	0	(6,857)	0	398,268	0	0	0	10,369	08/15/2034	1FE
31395J ZL 3	Federal Home Ln Mtg Corp REMIC Ser 289		06/01/2014	Paydown		777,745	777,745	788,439	782,421	0	(4,676)	0	(4,676)	0	777,745	0	0	0	16,134	11/15/2034	1FE
31395N Y2 7	Federal Natl Mtg Assn REMIC Ser 2006-5		06/01/2014	Paydown		448,803	448,803	461,426	455,783	0	(6,980)	0	(6,980)	0	448,803	0	0	0	12,722	07/25/2036	1FE
31395T KM 5	Federal Home Ln Mtg Corp REMIC Ser 295		06/01/2014	Paydown		679,156	679,156	683,401	679,595	0	(439)	0	(439)	0	679,156	0	0	0	15,125	11/15/2033	1FE
31395X N4 3	Federal Home Ln Mtg Corp REMIC Ser 301		06/01/2014	Paydown		337,513	337,513	334,032	335,111	0	2,402	0	2,402	0	337,513	0	0	0	8,305	08/15/2035	1FE
31396F G4 9	Federal Home Ln Mtg Corp REMIC Ser 306		06/01/2014	Paydown		1,091,845	1,091,845	1,047,434	1,044,806	0	47,039	0	47,039	0	1,091,845	0	0	0	21,000	11/15/2035	1FE
31396J 2V 6	Federal Home Ln Mtg Corp REMIC Ser 312		06/01/2014	Paydown		1,242,753	1,242,753	1,224,475	1,235,687	0	7,067	0	7,067	0	1,242,753	0	0	0	32,717	03/15/2036	1FE
31396K FU 1	Federal Natl Mtg Assn REMIC Ser 2006-7		06/01/2014	Paydown		1,155,462	1,155,462	1,177,721	1,157,827	0	(2,365)	0	(2,365)	0	1,155,462	0	0	0	30,865	08/25/2036	1FE
31396K G4 8	Federal Natl Mtg Assn REMIC Ser 2006-8		06/01/2014	Paydown		1,574,822	1,574,822	1,584,989	1,572,321	0	2,500	0	2,500	0	1,574,822	0	0	0	42,878	09/25/2036	1FE
31396K L3 4	Federal Natl Mtg Assn REMIC Ser 2006-8		06/01/2014	Paydown		564,506	564,506	577,208	570,314	0	(5,808)	0	(5,808)	0	564,506	0	0	0	15,353	09/25/2036	1FE
31396L CS 7	Federal Natl Mtg Assn REMIC Ser 2006-9		06/01/2014	Paydown		11,743	11,743	11,904	11,742	0	1	0	1	0	11,743	0	0	0	318	10/25/2046	1FE

Statement as of June 30, 2014 of the **National Life Insurance Company**

SCHEDULE D - PART 4

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

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identification	Description	Foreign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B./A.C.V. (11+12-13)	Total Foreign Exchange Change in B./A.C.V.	Book/ Adjusted Carrying Value At Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/ Stock Dividends Received During Year	Stated Contractual Maturity Date	NAIC Designation or Market Indicator (a)
31396P K7 5	Federal Natl Mtg Assn REMIC Ser 2007-1		06/01/2014	Paydown		393,734	393,734	392,257	392,201	0	1,533	0	1,533	0	393,734	0	0	0	9,508	08/25/2036	1FE
31396Q Q9 3	Federal Natl Mtg Assn REMIC Ser 2009-6		06/01/2014	Paydown		662,491	662,491	624,398	632,320	0	30,172	0	30,172	0	662,491	0	0	0	11,130	09/25/2029	1FE
31396T SL 8	Federal Home Ln Mtg Corp REMIC Ser 317		06/01/2014	Paydown		980,820	980,820	978,061	978,272	0	2,548	0	2,548	0	980,820	0	0	0	25,401	06/15/2036	1FE
31396T UC 5	Federal Home Ln Mtg Corp REMIC Ser 317		06/01/2014	Paydown		1,524,852	1,524,852	1,530,809	1,524,818	0	34	0	34	0	1,524,852	0	0	0	36,928	06/15/2036	1FE
31396V X9 4	Federal Natl Mtg Assn REMIC Ser 2007-3		06/01/2014	Paydown		714,795	714,795	671,244	700,056	0	14,739	0	14,739	0	714,795	0	0	0	18,048	05/25/2037	1FE
31396W UB 0	Federal Natl Mtg Assn REMIC Ser 2007-6		06/01/2014	Paydown		291,323	291,323	273,242	281,524	0	8,350	0	8,350	0	291,323	0	0	0	3,642	07/25/2037	1FE
31396X HW 7	Federal Natl Mtg Assn REMIC Ser 2007-7		06/01/2014	Paydown		574,689	574,689	562,567	569,540	0	5,149	0	5,149	0	574,689	0	0	0	14,018	08/25/2037	1FE
31397A 6C 2	Federal Home Ln Mtg Corp REMIC Ser 3209		06/01/2014	Paydown		759,818	759,818	732,832	748,954	0	10,864	0	10,864	0	759,818	0	0	0	15,645	08/15/2036	1FE
31397L C8 0	Federal Natl Mtg Assn REMIC Ser 2008-5		06/01/2014	Paydown		1,977,197	1,977,197	1,873,241	1,940,782	0	36,414	0	36,414	0	1,977,197	0	0	0	49,129	03/25/2038	1FE
31397P V3 1	Federal Home Ln Mtg Corp REMIC Ser 340		06/01/2014	Paydown		881,607	881,607	877,748	877,333	0	4,274	0	4,274	0	881,607	0	0	0	17,735	01/15/2038	1FE
31397R ZH 2	Federal Home Ln Mtg Corp REMIC Ser 344		06/01/2014	Paydown		851,643	851,643	814,384	834,491	0	17,152	0	17,152	0	851,643	0	0	0	15,786	04/15/2038	1FE
31398F 5C 1	Federal Home Ln Mtg Corp REMIC Ser 200		06/01/2014	Paydown		1,705,309	1,705,309	1,624,307	1,674,262	0	31,047	0	31,047	0	1,705,309	0	0	0	36,683	10/25/2039	1FE
31398S MR 1	Federal Natl Mtg Assn REMIC Ser 2010-13		06/25/2014	Paydown		0	0	170,922	170,760	0	(170,760)	0	(170,760)	0	0	0	0	0	21,695	12/25/2040	1FE
31398V C3 8	Federal Home Ln Mtg Corp REMIC Ser 364		06/01/2014	Paydown		3,666,143	3,666,143	3,677,600	3,662,698	0	3,445	0	3,445	0	3,666,143	0	0	0	68,309	01/15/2038	1FE
31402C PL 0	Federal Natl Mtg Assn 725027 5.000% 1		06/01/2014	Paydown		107,027	107,027	109,101	108,990	0	(1,963)	0	(1,963)	0	107,027	0	0	0	2,221	11/01/2033	1FE
31402E 6W 3	Federal Natl Mtg Assn Pool 727285 6.50		06/01/2014	Paydown		1,417	1,417	1,477	1,460	0	(43)	0	(43)	0	1,417	0	0	0	38	09/01/2033	1FE
31403M WL 9	Federal Natl Mtg Assn Pool 753151 6.50		06/01/2014	Paydown		965	965	1,006	995	0	(30)	0	(30)	0	965	0	0	0	26	11/01/2033	1FE
31404L X6 2	Fannie Mae 772101 5.000% 10/01/33		06/01/2014	Paydown		166,129	166,129	169,348	169,180	0	(3,051)	0	(3,051)	0	166,129	0	0	0	3,455	10/01/2033	1FE
31405F D4 1	Federal Natl Mtg Assn Pool 787723 6.50		06/01/2014	Paydown		6,367	6,367	6,636	6,566	0	(199)	0	(199)	0	6,367	0	0	0	173	01/01/2033	1FE
31407B TX 7	Federal Natl Mtg Assn Pool 825966 5.00		06/01/2014	Paydown		185,912	185,912	174,307	174,779	0	11,133	0	11,133	0	185,912	0	0	0	3,931	07/01/2035	1FE
31412P CF 6	Federal Natl Mtg Assn 930770 4.500% 0		06/01/2014	Paydown		422,614	422,614	414,558	414,960	0	7,654	0	7,654	0	422,614	0	0	0	7,978	03/01/2029	1FE
31416M 3A 0	Fannie Mae AA4392 4.000% 04/01/39		06/01/2014	Paydown		182,708	182,708	184,650	184,584	0	(1,875)	0	(1,875)	0	182,708	0	0	0	3,163	04/01/2039	1FE
31416W JZ 6	Fannie Mae AB1179 4.500% 02/01/35		06/01/2014	Paydown		14,427	14,427	15,013	14,937	0	(511)	0	(511)	0	14,427	0	0	0	271	02/01/2035	1FE
31417D ZZ 9	Fannie Mae AB7059 2.500% 11/01/42		06/01/2014	Paydown		258,481	258,481	264,782	264,625	0	(6,144)	0	(6,144)	0	258,481	0	0	0	2,709	11/01/2042	1FE
31417E WF 4	Fannie Mae AB7845 3.000% 02/01/43		06/01/2014	Paydown		84,117	84,117	82,238	0	0	1,879	0	1,879	0	84,117	0	0	0	210	02/01/2043	1FE
31417E ZA 2	Fannie Mae AB7936 3.000% 02/01/43		06/01/2014	Paydown		28,334	28,334	27,604	0	0	731	0	731	0	28,334	0	0	0	71	02/01/2043	1FE
31417K LX 3	Fannie Mae AC1241 5.000% 07/01/39		06/01/2014	Paydown		554,818	554,818	566,607	566,237	0	(11,419)	0	(11,419)	0	554,818	0	0	0	11,298	07/01/2039	1FE
31418A DV 7	Fannie Mae MA1015 3.000% 03/01/42		06/01/2014	Paydown		337,698	337,698	337,012	337,012	0	686	0	686	0	337,698	0	0	0	4,190	03/01/2042	1FE
31418A N6 1	Federal Natl Mtg Assn MA1312 2.500% 1		06/01/2014	Paydown		394,991	394,991	399,188	399,073	0	(4,082)	0	(4,082)	0	394,991	0	0	0	4,116	12/01/2042	1FE
31419B 7B 5	Fannie Mae AE1789 4.000% 10/01/40		06/01/2014	Paydown		839,404	839,404	850,159	849,849	0	(10,445)	0	(10,445)	0	839,404	0	0	0	13,827	10/01/2040	1FE
31419C 2B 8	Fannie Mae AE2569 3.500% 09/01/40		06/01/2014	Paydown		336,028	336,028	318,412	318,947	0	17,080	0	17,080	0	336,028	0	0	0	4,736	09/01/2040	1FE
31419C ZF 3	Fannie Mae AE2541 3.500% 09/01/40		06/01/2014	Paydown		222,128	222,128	211,481	211,656	0	10,472	0	10,472	0	222,128	0	0	0	2,905	09/01/2040	1FE
31419C ZJ 5	Fannie Mae AE2544 3.500% 09/01/40		06/01/2014	Paydown		70,414	70,414	70,942	70,925	0	(511)	0	(511)	0	70,414	0	0	0	1,131	09/01/2040	1FE
911760 JT 4	US Dept Veterans Affairs Vendee Mtg Tr 1		06/01/2014	Paydown		5,381	5,381	5,380	5,374	0	7	0	7	0	5,381	0	0	0	156	04/15/2026	1FE
92261U AC 8	VA Vende Mtg Trust REMIC Ser 2008-1 C		06/01/2014	Paydown		0	0	39,316	35,923	0	(35,923)	0	(35,923)	0	0	0	0	0	3,343	01/15/2037	1FE
3199999. Total Bonds - U.S. Special Revenue and Special Assessment						44,730,737	44,730,737	44,699,741	44,641,494	0	(101,002)	0	(101,002)	0	44,730,737	0	0	0	956,768	XXX	XXX

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)
Bonds - Industrial and Miscellaneous																					
00111@ AA 2	AES Hawaii Inc 6.870% 06/30/22		06/30/2014	Redemption 100.0000		135,000	135,000	135,000	135,000	0	0	0	0	0	135,000	0	0	0	4,637	06/30/2022	4
01877K AA 1	Alliance Pipeline LP 144A 7.770% 06/30		06/30/2014	Redemption 100.0000		170,001	170,001	170,001	170,001	0	0	0	0	0	170,001	0	0	0	6,605	06/30/2015	1FE
03073E AF 2	Amerisourcebergen Corp 5.875% 09/15/15		06/23/2014	Call 100.0000		6,000,000	6,000,000	6,001,590	6,000,339	0	(91)	0	(91)	0	6,000,247	0	(247)	(247)	650,508	09/15/2015	1FE
03235M AA 0	Amtrak Penn Stn Lease Tr 2001 144A 9.2		06/15/2014	Redemption 100.0000		311,733	311,733	311,733	311,733	0	0	0	0	0	311,733	0	0	0	14,807	06/15/2017	1
04004# AA 2	Center Operating Company AKA Dallas Aren		06/30/2014	Redemption 100.0000		93,046	93,046	93,046	93,046	0	0	0	0	0	93,046	0	0	0	3,815	09/30/2023	3FE
044209 AF 1	Ashland Inc 4.750% 08/15/22		04/01/2014	RBC Capital Markets		(2,374,549)	(2,500,000)	(2,375,000)	(2,375,000)	0	0	0	0	0	(2,375,000)	0	451	451	(35,174)	08/15/2022	3FE
05348E AH 2	Avalon Bay Communities 5.375% 04/15/14		04/15/2014	Maturity		7,000,000	7,000,000	6,974,940	6,999,084	0	916	0	916	0	7,000,000	0	0	0	188,125	04/15/2014	2FE
05564E BL 9	BRE PROPERTIES INC 5.200% 03/15/21		04/01/2014	Tax Free Exchange		1,058,090	1,000,000	1,072,130	1,059,859	0	(1,769)	0	(1,769)	0	1,058,090	0	0	0	28,311	03/15/2021	2FE
08181* AC 8	Wal-Mart 1st Mtg 9.450% 01/10/17		06/10/2014	Redemption 100.0000		144,446	144,446	144,446	144,446	0	0	0	0	0	144,446	0	0	0	5,694	01/10/2017	1FE
08861@ AA 7	Walgreen Company 6.043% 08/15/31		06/15/2014	Redemption 100.0000		17,541	17,541	17,541	17,541	0	0	0	0	0	17,541	0	0	0	442	08/15/2031	1FE
126410 LN 7	CSX Equipment Trust Cert 8.375% 10/15/		04/15/2014	Redemption 100.0000		165,057	165,057	165,057	165,057	0	0	0	0	0	165,057	0	0	0	6,912	10/15/2014	1FE
14059# AB 3	Capitol City Property Mgt 6.530% 06/01		06/01/2014	Redemption 100.0000		173,201	173,201	173,201	173,201	0	0	0	0	0	173,201	0	0	0	5,655	06/01/2021	1
165167 CD 7	Chesapeake Energy Corp 9.500% 02/15/15		06/09/2014	Call 100.0000		1,000,000	1,000,000	963,480	991,451	0	3,227	0	3,227	0	994,677	0	5,323	5,323	138,393	02/15/2015	3FE
21079U AA 3	CONTINENTAL AIRLINES INC 7.250% 11/10/		05/10/2014	Redemption 100.0000		25,388	25,388	25,388	25,388	0	0	0	0	0	25,388	0	0	0	920	11/10/2019	2FE
22541Q 2D 3	CS First Boston Mtg Sec Corp REMIC Ser		06/01/2014	Paydown		489,360	489,360	491,348	491,307	0	(1,946)	0	(1,946)	0	489,360	0	0	0	5,167	01/25/2034	1FM
226566 AM 9	CRICKET COMMUNICATIONS I 7.750% 10/15/		04/14/2014	Call 100.0000		1,000,000	1,000,000	1,030,000	1,025,844	0	(1,291)	0	(1,291)	0	1,024,554	0	(24,554)	(24,554)	180,685	10/15/2020	1FE
22944@ AA 9	Fusco Park Street Series 2008 A-1 6.46		06/15/2014	Redemption 100.0000		168,087	168,087	168,087	168,087	0	0	0	0	0	168,087	0	0	0	4,528	07/15/2026	1FE
22959# AA 9	CSOLAR IV SOUTH No. R-16 5.371% 09/30/		06/30/2014	Redemption 100.0000		49,338	49,338	49,338	49,338	0	0	0	0	0	49,338	0	0	0	1,325	09/30/2038	2FE
30257F AA 1	FPL Energy National Wind 144A 6.125% 0		04/22/2014	Call 100.0000		629,152	629,152	623,253	626,181	0	(74)	0	(74)	0	626,108	0	3,044	3,044	22,158	03/25/2019	4FE
31953* AL 6	BNSF Railway Series A Note A-16 5.960%		05/15/2014	Redemption 100.0000		65,381	65,381	65,381	65,381	0	0	0	0	0	65,381	0	0	0	1,948	10/15/2027	1
31953* AM 4	BNSF Railway Series B Note B-16 5.960%		05/15/2014	Redemption 100.0000		6,662	6,662	6,662	6,662	0	0	0	0	0	6,662	0	0	0	199	10/15/2027	1
31953* AN 2	BNSF Railway Series C Note C-16 5.960%		05/15/2014	Redemption 100.0000		42,157	42,157	42,157	42,157	0	0	0	0	0	42,157	0	0	0	1,256	10/15/2027	1
31953* AP 7	BNSF Railway Series D Note D-16 5.960%		05/15/2014	Redemption 100.0000		17,073	17,073	17,073	17,073	0	0	0	0	0	17,073	0	0	0	509	10/15/2027	1
31953* AQ 5	BNSF Railway Series E Note E-16 5.960%		05/15/2014	Redemption 100.0000		22,647	22,647	22,647	22,647	0	0	0	0	0	22,647	0	0	0	675	10/15/2027	1
31953* AR 3	BNSF Railway Series F Note F-16 5.960%		05/15/2014	Redemption 100.0000		19,961	19,961	19,961	19,961	0	0	0	0	0	19,961	0	0	0	595	12/13/2027	1
33632$ UJ 4	Phillips Petroleum Alaska 7.950% 12/10		06/10/2014	Redemption 100.0000		120,057	120,057	120,057	120,057	0	0	0	0	0	120,057	0	0	0	3,980	12/10/2020	1
35669# AA 2	Freeport LNG Development 6.500% 12/19/		06/30/2014	Redemption 100.0000		129,004	129,004	129,004	129,004	0	0	0	0	0	129,004	0	0	0	4,193	06/30/2025	2FE
36246L AE 1	GS MORTGAGE SECURITIES TRUST SERIES 2007		06/01/2014	Paydown		30,312	30,312	32,107	31,382	0	(1,070)	0	(1,070)	0	30,312	0	0	0	739	08/10/2045	1FM
418056 AR 8	Hasbro Inc 6.125% 05/15/14		05/15/2014	Maturity		3,000,000	3,000,000	2,997,930	2,999,827	0	173	0	173	0	3,000,000	0	0	0	91,875	05/15/2014	2FE
428236 AV 5	Hewlett-Packard Co 4.750% 06/02/14		06/02/2014	Maturity		5,000,000	5,000,000	4,999,650	4,999,939	0	61	0	61	0	5,000,000	0	0	0	118,750	06/02/2014	2FE
43739E BJ 5	HOMEBANC MORTGAGE TRUST SERIES 20053 CLA		06/25/2014	Paydown		167,205	167,205	151,529	151,466	0	15,738	0	15,738	0	167,205	0	0	0	278	07/25/2035	1FM
452308 AH 2	Illinois Tool Works Inc 5.150% 04/01/1		04/01/2014	Maturity		7,000,000	7,000,000	7,001,900	7,000,108	0	(108)	0	(108)	0	7,000,000	0	0	0	180,250	04/01/2014	1FE
46631B AS 4	JP Morgan Chase Com Mtg Sec Co REMIC Se		06/01/2014	Paydown		(895,486)	252	8	(479,585)	0	(389,028)	0	(389,028)	0	(868,614)	0	(26,872)	(26,872)	(1,997)	06/15/2049	1FM

Statement as of June 30, 2014 of the **National Life Insurance Company**

SCHEDULE D - PART 4

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

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identification	Description	Foreign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B./A.C.V. (11+12-13)	Total Foreign Exchange Change in B./A.C.V.	Book/ Adjusted Carrying Value At Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/ Stock Dividends Received During Year	Stated Contractual Maturity Date	NAIC Designation or Market Indicator (a)
46849L AB 7	Jackson Natl Life Fund 144A 5.890% 05/		05/01/2014	Maturity		5,000,000	5,000,000	5,000,000	5,000,000	0	0	0	0	0	5,000,000	0	0	0	74,750	05/01/2014	1FE
494580 AB 9	KINDRED HEALTHCARE INC 8.250% 06/01/19		05/09/2014	Call 106.6531		3,199,592	3,000,000	3,075,000	3,066,521	0	(6,101)	0	(6,101)	0	3,060,420	0	139,172	139,172	108,625	06/01/2019	4FE
56602# AA 8	Marriott International Aka Marbeth Lease		06/17/2014	Redemption 100.0000		119,755	119,755	119,755	119,755	0	0	0	0	0	119,755	0	0	0	4,270	11/17/2022	2
61748A AE 6	Morgan Stanley 4.750% 04/01/14		04/01/2014	Maturity		7,500,000	7,500,000	7,326,450	7,494,358	0	5,642	0	5,642	0	7,500,000	0	0	0	178,125	04/01/2014	2FE
62425* AA 5	Mountain Prairie Wind Notes 30 and 31		06/15/2014	Redemption 100.0000		71,451	71,451	71,451	71,451	0	0	0	0	0	71,451	0	0	0	2,344	03/25/2030	2FE
63615# AB 7	National Football League 6.560% 10/15/		04/15/2014	Redemption 100.0000		267,682	267,682	267,682	267,682	0	0	0	0	0	267,682	0	0	0	8,780	10/15/2017	1
64079* AB 8	Neptune Regional Transmission 6.210% 0		06/30/2014	Redemption 100.0000		45,715	45,715	45,715	45,715	0	0	0	0	0	45,715	0	0	0	1,419	06/30/2027	2FE
69352J AK 3	PPL Energy Supply LLC 6.000% 12/15/36		04/17/2014	Wells Fargo Funds		1,983,680	2,000,000	1,976,960	1,979,369	0	130	0	130	0	1,979,499	0	4,181	4,181	42,667	12/15/2036	2FE
69359* AA 0	PGA Tour Investments Finance 7.400% 06		06/15/2014	Redemption 100.0000		248,577	248,577	248,577	248,577	0	0	0	0	0	248,577	0	0	0	9,196	06/15/2019	5
74340X AJ 0	Prologis Trust 5.625% 11/15/16		06/16/2014	Call 100.0000		5,000,000	5,000,000	4,970,500	4,989,802	0	1,516	0	1,516	0	4,991,318	0	8,682	8,682	742,557	11/15/2016	2FE
760719 AL 8	Republic NY Corp 9.500% 04/15/14		04/15/2014	Maturity		6,500,000	6,500,000	7,059,075	6,515,681	0	(15,681)	0	(15,681)	0	6,500,000	0	0	0	308,750	04/15/2014	1FE
795770 AN 6	Salton Sea Funding 7.475% 11/30/18		05/30/2014	Redemption 100.0000		152,076	152,076	152,076	152,076	0	0	0	0	0	152,076	0	0	0	5,684	11/30/2018	3FE
81744Y AB 2	SEQUOIA MORTGAGE TRUST SERIES 20134 CLAS		06/01/2014	Paydown		154,833	154,833	138,769	0	0	16,064	0	16,064	0	154,833	0	0	0	1,275	04/25/2043	1FM
832696 C* 7	J M Smucker Company R-50 5.550% 04/01/		04/01/2014	Redemption 100.0000		875,000	875,000	875,000	875,000	0	0	0	0	0	875,000	0	0	0	24,281	04/01/2022	2
861832 A# 0	Stonehenge Capital Fund Series 2005-B		06/15/2014	Redemption 100.0000		29,227	29,227	29,227	29,227	0	0	0	0	0	29,227	0	0	0	1,231	12/15/2016	1
87612# AA 1	Target Corporation 5.066% 01/15/25		06/15/2014	Redemption 100.0000		111,360	111,360	111,360	111,360	0	0	0	0	0	111,360	0	0	0	2,352	01/15/2025	1FE
88031V AA 7	Tenaska Gateway Partners 144A 6.052% 1		06/30/2014	Redemption 100.0000		72,045	72,045	72,080	72,067	0	(1)	0	(1)	0	72,065	0	(21)	(21)	2,180	12/30/2023	2FE
94978# AH 0	CVS Corporation 7.530% 01/10/24		06/10/2014	Redemption 100.0000		86,333	86,333	86,333	86,333	0	0	0	0	0	86,333	0	0	0	2,691	01/10/2024	2
989701 AL 1	Zions Bancorp 5.650% 05/15/14		05/15/2014	Maturity		3,000,000	3,000,000	2,996,100	2,999,816	0	184	0	184	0	3,000,000	0	0	0	84,750	05/15/2014	3FE
292506 AA 0	Encana Holdings Finance Corp 5.800% 05	A	04/28/2014	Various		11,565,000	11,565,000	11,575,226	11,565,607	0	(592)	0	(592)	0	11,565,015	0	(15)	(15)	335,115	05/01/2014	2FE
92658T AM 0	Videotron LTEE 9.125% 04/15/18	A	04/24/2014	Call 103.0420		377,134	366,000	399,855	379,116	0	(1,653)	0	(1,653)	0	377,463	0	(329)	(329)	11,967	04/15/2018	3FE
034863 AA 8	ANGLO AMERICAN CAPITAL 9.375% 04/08/14	F	04/08/2014	Maturity		5,000,000	5,000,000	5,043,750	5,002,828	0	(2,828)	0	(2,828)	0	5,000,000	0	0	0	234,375	04/08/2014	2FE
20272B AF 1	COMMONWEALTH BANK AUST 3.625% 06/25/14.	F	06/25/2014	Maturity		250,000	250,000	249,490	249,947	0	53	0	53	0	250,000	0	0	0	4,531	06/25/2014	1FE
705006 AB 0	Pearson PLC 144A 5.700% 06/01/14	F	06/01/2014	Maturity		5,000,000	5,000,000	4,989,350	4,999,434	0	566	0	566	0	5,000,000	0	0	0	142,500	06/01/2014	2FE
92769X AC 9	VIRGIN MEDIA SECURED FIN 6.500% 01/15/	F	05/22/2014	Call 103.2500		3,097,500	3,000,000	3,022,500	3,009,089	0	(1,604)	0	(1,604)	0	3,007,485	0	90,015	90,015	85,042	01/15/2018	3FE
92931N AB 6	WPP Finance (USA) Corp 5.875% 06/15/14	F	06/15/2014	Maturity		6,000,000	6,000,000	5,975,520	5,998,547	0	1,453	0	1,453	0	6,000,000	0	0	0	176,250	06/15/2014	2FE
97180$ SR 0	Airbus Industries Reg N327NW 8.740% 06	F	06/29/2014	Redemption 100.0000		220,801	220,801	220,801	220,801	0	0	0	0	0	220,801	0	0	0	9,649	06/29/2015	1
97180$ SS 8	Airbus Industries Reg N328NW 8.740% 06	F	06/29/2014	Redemption 100.0000		220,801	220,801	220,801	220,801	0	0	0	0	0	220,801	0	0	0	9,649	06/29/2015	1
97180$ ST 6	Airbus Industries Reg N329NW 8.740% 06	F	06/29/2014	Redemption 100.0000		220,801	220,801	220,801	220,801	0	0	0	0	0	220,801	0	0	0	9,649	06/29/2015	1
97180$ SU 3	Airbus Industries Reg N330NW 8.740% 06	F	06/29/2014	Redemption 100.0000		220,801	220,801	220,801	220,801	0	0	0	0	0	220,801	0	0	0	9,649	06/29/2015	1
G9298# AM 3	URENCO LTD Series A Note RA-10 5.820%	F	06/30/2014	Maturity		4,000,000	4,000,000	4,000,000	4,000,000	0	0	0	0	0	4,000,000	0	0	0	116,400	06/30/2014	2
H2654# AA 1	Flughafen Zurich AG 6.330% 04/11/15	F	04/11/2014	Redemption 100.0000		1,000,000	1,000,000	1,000,000	1,000,000	0	0	0	0	0	1,000,000	0	0	0	31,650	04/11/2015	1
3899999. Total Bonds - Industrial and Miscellaneous						102,570,028	102,990,319	103,601,650	102,610,544	0	(378,114)	0	(378,114)	0	102,371,197	0	198,830	198,830	4,419,116	XXX	XXX
8399997. Total Bonds - Part 4						153,504,249	153,924,540	154,886,555	153,772,178	0	(795,775)	0	(795,775)	0	153,305,418	0	198,830	198,830	5,527,301	XXX	XXX
8399999. Total Bonds						153,504,249	153,924,540	154,886,555	153,772,178	0	(795,775)	0	(795,775)	0	153,305,418	0	198,830	198,830	5,527,301	XXX	XXX

Common Stocks - Industrial and Miscellaneous

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)
00141M 57 2	Invesco Global Low Vol Equity A		06/18/2014	Sentinel Group Fds	1.570	25	XXX	21	23	(1)	0	0	(1)	0	21	0	4	4	0	XXX	L
315805 42 4	Fidelity Advisors Leveraged Co		06/20/2014	Sentinel Group Fds	1.010	58	XXX	31	54	(23)	0	0	(23)	0	31	0	26	26	0	XXX	L
315807 83 4	Fidelity Advisors Growth Opportunity		06/18/2014	Sentinel Group Fds	0.210	13	XXX	8	12	(4)	0	0	(4)	0	8	0	5	5	0	XXX	L
315808 40 2	Fidelity Advisors Equity Income		06/20/2014	Sentinel Group Fds	0.280	10	XXX	7	9	(2)	0	0	(2)	0	7	0	2	2	0	XXX	L
817270 20 0	Sentinel Group Fds Inc Balanced A		06/20/2014	Various	8.730	179	XXX	153	153	(20)	0	0	(20)	0	153	0	26	26	0	XXX	L
817270 30 9	Sentinel Group Fds Inc Common Stock A		06/26/2014	Various	3,875.790	167,195	XXX	125,477	166,187	(40,718)	0	0	(40,718)	0	125,477	0	41,718	41,718	455	XXX	L
817270 35 8	Sentinel Group Fds Inc Total Return Bond		06/20/2014	Sentinel Group Fds	10.410	113	XXX	111	106	1	0	0	1	0	111	0	2	2	1	XXX	L
817270 50 7	Sentinel Group Fds Inc Mid Cap Cl A		06/20/2014	Sentinel Group Fds	6.260	157	XXX	97	148	(52)	0	0	(52)	0	97	0	60	60	0	XXX	L
817270 56 4	Sentinel Group Fds Inc Conservative Stra		06/26/2014	Sentinel Group Fds	5,657.960	80,287	XXX	76,640	77,854	(1,214)	0	0	(1,214)	0	76,640	0	3,647	3,647	792	XXX	L
817270 60 6	Sentinel Group Fds Inc Government Sec A		06/20/2014	Various	12.330	124	XXX	130	123	7	0	0	7	0	130	0	(5)	(5)	2	XXX	L
817270 80 4	Sentinel Group Fds Inc Small Company A		06/20/2014	Sentinel Group Fds	642.900	4,606	XXX	4,958	4,455	502	0	0	502	0	4,958	0	(351)	(351)	0	XXX	L
817270 85 3	Sentinel Group Fds Inc Low Duration Bond		06/26/2014	Sentinel Group Fds	9,853.120	87,496	XXX	89,213	86,707	2,505	0	0	2,505	0	89,213	0	(1,717)	(1,717)	856	XXX	L
817270 88 7	Sentinel Group Fds Inc International Equ		06/20/2014	Sentinel Group Fds	171.260	3,516	XXX	2,681	3,489	(808)	0	0	(808)	0	2,681	0	835	835	0	XXX	L
81728B 10 6	Sentinel Group Fds Inc Capital Growth A		06/26/2014	Sentinel Group Fds	206.150	3,222	XXX	3,930	3,170	756	0	0	756	0	3,930	0	(709)	(709)	0	XXX	L
9099999. Total Common Stocks - Industrial and Miscellaneous						347,001	XXX	303,457	342,490	(39,071)	0	0	(39,071)	0	303,457	0	43,543	43,543	2,106	XXX	XXX
Common Stocks - Mutual Funds																					
817270 37 4	Sentinel Group Fds Inc Daily Income US G		06/20/2014	Sentinel Group Fds	16.280	16	XXX	16	16	0	0	0	0	0	16	0	0	0	0	XXX	L
9299999. Total Common Stocks - Mutual Funds						16	XXX	16	16	0	0	0	0	0	16	0	0	0	0	XXX	XXX
9799997 Total Common Stocks - Part 4						347,017	XXX	303,473	342,506	(39,071)	0	0	(39,071)	0	303,473	0	43,543	43,543	2,106	XXX	XXX
9799999. Total Common Stocks						347,017	XXX	303,473	342,506	(39,071)	0	0	(39,071)	0	303,473	0	43,543	43,543	2,106	XXX	XXX
9899999. Total Preferred and Common Stocks						347,017	XXX	303,473	342,506	(39,071)	0	0	(39,071)	0	303,473	0	43,543	43,543	2,106	XXX	XXX
9999999. Total Bonds, Preferred and Common Stocks						153,851,266	XXX	155,190,028	154,114,684	(39,071)	(795,775)	0	(834,846)	0	153,608,891	0	242,373	242,373	5,529,407	XXX	XXX

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

SCHEDULE DB - PART A - SECTION 1

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Purchased Options - Hedging Effective - Call Options and Warrants																						
S&P 500 OTC Call Option 9PG834IS SPX	Multiple	N/A	Equity/Index	Bank of America EYKN6V0ZCB8VD9IULB80	07/19/2013	07/21/2014	1,891	0	1,692.0000	189,743	0	0	505,314		505,314	167,952	0	0	0	0		0001
S&P 500 OTC Call Option 9PG834IU SPX	Multiple	N/A	Equity/Index	Credit Suisse FB Int E58DKGMJYYYJLN8C3868	07/19/2013	07/21/2014	3,664	0	1,692.0000	349,069	0	0	977,927		977,927	330,588	0	0	0	0		0001
S&P 500 OTC Call Option 9PG834IQ SPX	Multiple	N/A	Equity/Index	Barclays Bank PLC G5GSEF7VJP5I7OUK5573	07/19/2013	07/21/2014	4,787	0	1,692.0000	448,733	0	0	1,277,856		1,277,856	437,430	0	0	0	0		0001
S&P 500 OTC Call Option 9PG834KE SPX	Multiple	N/A	Equity/Index	Credit Suisse FB Int E58DKGMJYYYJLN8C3868	08/21/2013	08/21/2014	4,018	0	1,643.0000	373,795	0	0	1,259,554		1,259,554	373,646	0	0	0	0		0001
S&P 500 OTC Call Option 9PG834KA SPX	Multiple	N/A	Equity/Index	Credit Suisse FB Int E58DKGMJYYYJLN8C3868	08/21/2013	08/21/2014	6,148	0	1,643.0000	571,948	0	0	1,927,262		1,927,262	571,722	0	0	0	0		0001
S&P 500 OTC Call Option 9PG834KC SPX	Multiple	N/A	Equity/Index	Credit Suisse FB Int E58DKGMJYYYJLN8C3868	08/21/2013	08/21/2014	1,583	0	1,643.0000	147,266	0	0	496,235		496,235	147,208	0	0	0	0		0001
S&P 500 OTC Call Option 9PG834LA SPX	Multiple	N/A	Equity/Index	Credit Suisse FB Int E58DKGMJYYYJLN8C3868	09/20/2013	09/19/2014	1,708	0	1,710.0000	163,029	0	0	422,191		422,191	130,757	0	0	0	0		0001
S&P 500 OTC Call Option 9PG834KY SPX	Multiple	N/A	Equity/Index	Credit Suisse FB Int E58DKGMJYYYJLN8C3868	09/20/2013	09/19/2014	6,965	0	1,710.0000	664,809	0	0	1,721,641		1,721,641	533,210	0	0	0	0		0001
S&P 500 OTC Call Option 9PG834LC SPX	Multiple	N/A	Equity/Index	Credit Suisse FB Int E58DKGMJYYYJLN8C3868	09/20/2013	09/19/2014	3,579	0	1,710.0000	341,616	0	0	884,674		884,674	273,993	0	0	0	0		0001
S&P 500 OTC Call Option 9PG834ME SPX	Multiple	N/A	Equity/Index	Credit Suisse FB Int E58DKGMJYYYJLN8C3868	10/21/2013	10/21/2014	3,720	0	1,745.0000	342,389	0	0	803,586		803,586	242,708	0	0	0	0		0001
S&P 500 OTC Call Option 9PG834MA SPX	Multiple	N/A	Equity/Index	Credit Suisse FB Int E58DKGMJYYYJLN8C3868	10/21/2013	10/21/2014	6,723	0	1,745.0000	618,785	0	0	1,452,288		1,452,288	438,635	0	0	0	0		0001
S&P 500 OTC Call Option 9PG834MC SPX	Multiple	N/A	Equity/Index	Credit Suisse FB Int E58DKGMJYYYJLN8C3868	10/21/2013	10/21/2014	1,742	0	1,745.0000	160,334	0	0	376,303		376,303	113,655	0	0	0	0		0001
S&P 500 OTC Call Option 9PG834NG SPX	Multiple	N/A	Equity/Index	Credit Suisse FB Int E58DKGMJYYYJLN8C3868	11/21/2013	11/21/2014	3,787	0	1,796.0000	375,405	0	0	652,500		652,500	192,795	0	0	0	0		0001
S&P 500 OTC Call Option 9PG834NC SPX	Multiple	N/A	Equity/Index	Bank of America EYKN6V0ZCB8VD9IULB80	11/21/2013	11/21/2014	6,565	0	1,796.0000	648,425	0	0	1,131,467		1,131,467	328,978	0	0	0	0		0001
S&P 500 OTC Call Option 9PG834NE SPX	Multiple	N/A	Equity/Index	Credit Suisse FB Int E58DKGMJYYYJLN8C3868	11/21/2013	11/21/2014	2,244	0	1,796.0000	222,448	0	0	386,641		386,641	114,241	0	0	0	0		0001
S&P 500 OTC Call Option 9PG834OE SPX	Multiple	N/A	Equity/Index	Barclays Bank PLC G5GSEF7VJP5I7OUK5573	12/20/2013	12/19/2014	4,878	0	1,818.0000	483,410	0	0	765,925		765,925	215,542	0	0	0	0		0001
S&P 500 OTC Call Option 9PG834OA SPX	Multiple	N/A	Equity/Index	Barclays Bank PLC G5GSEF7VJP5I7OUK5573	12/20/2013	12/19/2014	8,552	0	1,818.0000	847,503	0	0	1,342,803		1,342,803	377,883	0	0	0	0		0001
S&P 500 OTC Call Option 9PG834OC SPX	Multiple	N/A	Equity/Index	Barclays Bank PLC G5GSEF7VJP5I7OUK5573	12/20/2013	12/19/2014	2,211	0	1,818.0000	219,110	0	0	347,163		347,163	97,696	0	0	0	0		0001
S&P 500 OTC Call Option 9PG834OW SPX	Multiple	N/A	Equity/Index	Credit Suisse FB Int E58DKGMJYYYJLN8C3868	01/21/2014	01/21/2015	7,360	0	1,844.0000	0	715,834	0	1,050,765		1,050,765	334,931	0	0	0	0		0001
S&P 500 OTC Call Option 9PG834OY SPX	Multiple	N/A	Equity/Index	Credit Suisse FB Int E58DKGMJYYYJLN8C3868	01/21/2014	01/21/2015	2,262	0	1,844.0000	0	220,002	0	322,939		322,939	102,937	0	0	0	0		0001
S&P 500 OTC Call Option 9PG834PA SPX	Multiple	N/A	Equity/Index	JP Morgan Chase & Co 8I5DZWZKVSZI1NUHU748	01/21/2014	01/21/2015	3,829	0	1,844.0000	0	372,409	0	550,070		550,070	177,661	0	0	0	0		0001
S&P 500 OTC Call Option 9PG834PW SPX	Multiple	N/A	Equity/Index	Credit Suisse FB Int E58DKGMJYYYJLN8C3868	02/21/2014	02/20/2015	6,557	0	1,836.0000	0	625,341	0	1,000,793		1,000,793	375,452	0	0	0	0		0001

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S&P 500 OTC Call Option 9PG834PY SPX	Multiple	N/A	Equity/Index	Credit Suisse FB Int E58DKGMJYYYJLN8C3868	02/21/2014	02/20/2015	2,108	0	1,836.0000	0	201,040	0	321,744		321,744	120,704	0	0	0	0		0001
S&P 500 OTC Call Option 9PG834QA SPX	Multiple	N/A	Equity/Index	Credit Suisse FB Int E58DKGMJYYYJLN8C3868	02/21/2014	02/20/2015	4,869	0	1,836.0000	0	464,357	0	743,154		743,154	278,798	0	0	0	0		0001
S&P 500 OTC Call Option 9PG834RC SPX	Multiple	N/A	Equity/Index	Credit Suisse FB Int E58DKGMJYYYJLN8C3868	03/21/2014	03/20/2015	1,623	0	1,867.0000	0	162,300	0	220,030		220,030	57,730	0	0	0	0		0001
S&P 500 OTC Call Option 9PG834RE SPX	Multiple	N/A	Equity/Index	Credit Suisse FB Int E58DKGMJYYYJLN8C3868	03/21/2014	03/20/2015	3,257	0	1,867.0000	0	325,700	0	441,550		441,550	115,850	0	0	0	0		0001
S&P 500 OTC Call Option 9PG834RA SPX	Multiple	N/A	Equity/Index	Credit Suisse FB Int E58DKGMJYYYJLN8C3868	03/21/2014	03/20/2015	6,075	0	1,867.0000	0	607,500	0	823,586		823,586	216,086	0	0	0	0		0001
S&P 500 OTC Call Option 9PG834SE SPX	Multiple	N/A	Equity/Index	Credit Suisse FB Int E58DKGMJYYYJLN8C3868	04/21/2014	04/21/2015	1,982	0	1,872.0000	0	193,602	0	273,963		273,963	80,361	0	0	0	0		0001
S&P 500 OTC Call Option 9PG834SC SPX	Multiple	N/A	Equity/Index	Barclays Bank PLC G5GSEF7VJP5I7OUK5573	04/21/2014	04/21/2015	6,817	0	1,872.0000	0	654,091	0	939,171		939,171	285,080	0	0	0	0		0001
S&P 500 OTC Call Option 9PG834SG SPX	Multiple	N/A	Equity/Index	Credit Suisse FB Int E58DKGMJYYYJLN8C3868	04/21/2014	04/21/2015	4,065	0	1,872.0000	0	397,069	0	561,887		561,887	164,818	0	0	0	0		0001
S&P 500 OTC Call Option 9PG834TI SPX	Multiple	N/A	Equity/Index	Credit Suisse FB Int E58DKGMJYYYJLN8C3868	05/21/2014	05/21/2015	1,764	0	1,888.0000	0	167,580	0	232,457		232,457	64,877	0	0	0	0		0001
S&P 500 OTC Call Option 9PG834TG SPX	Multiple	N/A	Equity/Index	Bank of America EYKN6V0ZCB8VD9IULB80	05/21/2014	05/21/2015	6,213	0	1,888.0000	0	570,105	0	823,019		823,019	252,914	0	0	0	0		0001
S&P 500 OTC Call Option 9PG834TK SPX	Multiple	N/A	Equity/Index	Credit Suisse FB Int E58DKGMJYYYJLN8C3868	05/21/2014	05/21/2015	3,676	0	1,888.0000	0	349,220	0	484,417		484,417	135,197	0	0	0	0		0001
S&P 500 OTC Call Option 9PG834VA SPX	Multiple	N/A	Equity/Index	Bank of America EYKN6V0ZCB8VD9IULB80	06/20/2014	06/19/2015	6,200	0	1,963.0000	0	589,000	0	576,943		576,943	(12,057)	0	0	0	0		0001
S&P 500 OTC Call Option 9PG834UW SPX	Multiple	N/A	Equity/Index	Bank of America EYKN6V0ZCB8VD9IULB80	06/20/2014	06/19/2015	6,628	0	1,963.0000	0	629,660	0	616,771		616,771	(12,889)	0	0	0	0		0001
S&P 500 OTC Call Option 9PG834UY SPX	Multiple	N/A	Equity/Index	Bank of America EYKN6V0ZCB8VD9IULB80	06/20/2014	06/19/2015	1,885	0	1,963.0000	0	179,075	0	175,409		175,409	(3,666)	0	0	0	0		0001
S&P 500 OTC Call Option 9PG837GD SPXA	Multiple	N/A	Equity/Index	Bank of America EYKN6V0ZCB8VD9IULB80	07/19/2013	07/21/2014	1,300	0	1,692.0000	65,338	0	0	154,061		154,061	20,749	0	0	0	0		0001
S&P 500 OTC Call Option 9PG837GI SPXA	Multiple	N/A	Equity/Index	Bank of America EYKN6V0ZCB8VD9IULB80	08/21/2013	08/21/2014	1,096	0	1,643.0000	56,356	0	0	211,168		211,168	30,520	0	0	0	0		0001
S&P 500 OTC Call Option 9PG837GM SPXA	Multiple	N/A	Equity/Index	Bank of America EYKN6V0ZCB8VD9IULB80	09/20/2013	09/19/2014	1,000	0	1,710.0000	50,960	0	0	148,720		148,720	31,568	0	0	0	0		0001
S&P 500 OTC Call Option 9PG837GQ SPXA	Multiple	N/A	Equity/Index	RBC Capital Markets ES7IP3U3RHIGC71XBU11	10/21/2013	10/21/2014	1,427	0	1,745.0000	69,937	0	0	192,906		192,906	49,452	0	0	0	0		0001
S&P 500 OTC Call Option 9PG837GU SPXA	Multiple	N/A	Equity/Index	Bank of America EYKN6V0ZCB8VD9IULB80	11/21/2013	11/21/2014	1,632	0	1,796.0000	85,288	0	0	165,317		165,317	46,229	0	0	0	0		0001
S&P 500 OTC Call Option 9PG837GY SPXA	Multiple	N/A	Equity/Index	Bank of America EYKN6V0ZCB8VD9IULB80	12/20/2013	12/19/2014	1,380	0	1,818.0000	72,767	0	0	126,585		126,585	34,991	0	0	0	0		0001
S&P 500 OTC Call Option 9PG837HB SPXA	Multiple	N/A	Equity/Index	Bank of America EYKN6V0ZCB8VD9IULB80	01/21/2014	01/21/2015	1,345	0	1,844.0000	0	68,192	0	104,304		104,304	36,112	0	0	0	0		0001
S&P 500 OTC Call Option 9PG837HF SPXA	Multiple	N/A	Equity/Index	Bank of America EYKN6V0ZCB8VD9IULB80	02/21/2014	02/20/2015	1,263	0	1,836.0000	0	65,638	0	124,391		124,391	58,753	0	0	0	0		0001
S&P 500 OTC Call Option 9PG837HJ SPXA	Multiple	N/A	Equity/Index	Credit Suisse FB Int E58DKGMJYYYJLN8C3868	03/21/2014	03/20/2015	1,039	0	1,867.0000	0	55,077	0	85,950		85,950	30,873	0	0	0	0		0001

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S&P 500 OTC Call Option 9PG837HN SPXA	Multiple	N/A	Equity/Index	Barclays Bank PLC G5GSEF7VJP5I7OUK5573...	04/21/2014	04/21/2015	1,149	0	1,872.0000	0	58,932	0	98,446		98,446	39,514	0	0	0	0		0001
S&P 500 OTC Call Option 9PG837HR SPXA	Multiple	N/A	Equity/Index	JP Morgan Chase & Co 8I5DZWZKVSZI1NUHU748...	05/21/2014	05/21/2015	1,054	0	1,888.0000	0	51,741	0	89,864		89,864	38,123	0	0	0	0		0001
S&P 500 OTC Call Option 9PG837HW SPXA	Multiple	N/A	Equity/Index	JP Morgan Chase & Co 8I5DZWZKVSZI1NUHU748...	06/20/2014	06/19/2015	1,396	0	1,963.0000	0	67,134	0	61,541		61,541	(5,593)	0	0	0	0		0001
0019999. Total-Purchased Options-Hedging Effective-Call Options and Warrants										7,568,463	7,790,599	0	28,453,251	XXX	28,453,251	8,234,714	0	0	0	0	XXX	XXX
Purchased Options - Hedging Effective - Put Options																						
IRS SWAPTION BC 10x10 SLA209HE SLA2	Multiple	N/A	Equity/Index	Barclays Bank PLC G5GSEF7VJP5I7OUK5573...	12/12/2013	12/12/2023	########	0	9.7600	940,000	0	0	620,155		620,155	(265,915)	0	0	0	0		0/0
IRS SWAPTION CS 20x10 SLU8F7DM SLU8	Multiple	N/A	Equity/Index	Credit Suisse FB Int E58DKGMJYYYJLN8C3868..	12/12/2013	12/12/2033	########	0	9.3550	965,000	0	0	921,930		921,930	211,411	0	0	0	0		0/0
IRS SWAPTION CS 5x10 SLU8F7DE SLU8	Multiple	N/A	Equity/Index	Credit Suisse FB Int E58DKGMJYYYJLN8C3868..	12/12/2013	12/12/2018	########	0	9.6450	1,642,500	0	0	438,945		438,945	(892,926)	0	0	0	0		0/0
0029999. Total-Purchased Options-Hedging Effective-Put Options										3,547,500	0	0	1,981,030	XXX	1,981,030	(947,430)	0	0	0	0	XXX	XXX
0079999. Total-Purchased Options-Hedging Effective										11,115,963	7,790,599	0	30,434,281	XXX	30,434,281	7,287,284	0	0	0	0	XXX	XXX
0369999. Total-Purchased Options-Call Options and Warrants										7,568,463	7,790,599	0	28,453,251	XXX	28,453,251	8,234,714	0	0	0	0	XXX	XXX
0379999. Total-Purchased Options-Put Options										3,547,500	0	0	1,981,030	XXX	1,981,030	(947,430)	0	0	0	0	XXX	XXX
0429999. Total-Purchased Options										11,115,963	7,790,599	0	30,434,281	XXX	30,434,281	7,287,284	0	0	0	0	XXX	XXX
Written Options - Hedging Effective - Call Options and Warrants																						
S&P 500 OTC Call Option 9PG834IV SPX	Multiple	N/A	Equity/Index	Credit Suisse FB Int E58DKGMJYYYJLN8C3868..	07/19/2013	07/21/2014	3,664	0	1,827.0000	(137,656)	0	0	(486,850)		(486,850)	(193,706)	0	0	0	0		0001
S&P 500 OTC Call Option 9PG834IT SPX	Multiple	N/A	Equity/Index	Bank of America EYKN6V0ZCB8VD9IULB80..	07/19/2013	07/21/2014	1,891	0	1,870.0000	(59,831)	0	0	(173,101)		(173,101)	(65,425)	0	0	0	0		0001
S&P 500 OTC Call Option 9PG834IR SPX	Multiple	N/A	Equity/Index	Barclays Bank PLC G5GSEF7VJP5I7OUK5573...	07/19/2013	07/21/2014	4,787	0	1,912.0000	(80,182)	0	0	(247,299)		(247,299)	(67,409)	0	0	0	0		0001
S&P 500 OTC Call Option 9PG834KF SPX	Multiple	N/A	Equity/Index	Credit Suisse FB Int E58DKGMJYYYJLN8C3868..	08/21/2013	08/21/2014	4,018	0	1,778.0000	(143,443)	0	0	(726,677)		(726,677)	(257,238)	0	0	0	0		0001
S&P 500 OTC Call Option 9PG834KD SPX	Multiple	N/A	Equity/Index	Credit Suisse FB Int E58DKGMJYYYJLN8C3868..	08/21/2013	08/21/2014	1,583	0	1,815.0000	(40,905)	0	0	(230,550)		(230,550)	(83,221)	0	0	0	0		0001
S&P 500 OTC Call Option 9PG834KB SPX	Multiple	N/A	Equity/Index	Credit Suisse FB Int E58DKGMJYYYJLN8C3868..	08/21/2013	08/21/2014	6,148	0	1,856.0000	(106,360)	0	0	(661,693)		(661,693)	(233,238)	0	0	0	0		0001
S&P 500 OTC Call Option 9PG834LD SPX	Multiple	N/A	Equity/Index	Credit Suisse FB Int E58DKGMJYYYJLN8C3868..	09/20/2013	09/19/2014	3,579	0	1,847.0000	(136,002)	0	0	(429,543)		(429,543)	(141,759)	0	0	0	0		0001
S&P 500 OTC Call Option 9PG834LB SPX	Multiple	N/A	Equity/Index	Credit Suisse FB Int E58DKGMJYYYJLN8C3868..	09/20/2013	09/19/2014	1,708	0	1,896.0000	(43,281)	0	0	(135,425)		(135,425)	(39,526)	0	0	0	0		0001
S&P 500 OTC Call Option 9PG834KZ SPX	Multiple	N/A	Equity/Index	Credit Suisse FB Int E58DKGMJYYYJLN8C3868..	09/24/2013	09/19/2014	6,965	0	1,933.0000	(126,484)	0	0	(361,836)		(361,836)	(76,311)	0	0	0	0		0001
S&P 500 OTC Call Option 9PG834MF SPX	Multiple	N/A	Equity/Index	Credit Suisse FB Int E58DKGMJYYYJLN8C3868..	10/21/2013	10/21/2014	3,720	0	1,889.0000	(121,086)	0	0	(342,238)		(342,238)	(98,361)	0	0	0	0		0001
S&P 500 OTC Call Option 9PG834MD SPX	Multiple	N/A	Equity/Index	Credit Suisse FB Int E58DKGMJYYYJLN8C3868..	10/21/2013	10/21/2014	1,742	0	1,932.0000	(38,150)	0	0	(107,227)		(107,227)	(24,783)	0	0	0	0		0001

SCHEDULE DB - PART A - SECTION 1

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

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23
Description	Description of Item(s) Hedged, Used for Income Generation or Replicated	Schedule /Exhibit Identifier	Type(s) of Risk (a)	Exchange, Counterparty or Central Clearinghouse	Trade Date	Date of Maturity or Expiration	Number of Contracts	Notional Amount	Strike Price, Rate of Indexed Received (Paid)	Cumulative Prior Year(s) Initial Cost of Premium (Received) Paid	Current Year Initial Cost of Premium (Received) Paid	Current Year Income	Book/ Adjusted Carrying Value	Code	Fair Value	Unrealized Valuation Increase (Decrease)	Total Foreign Exchange Change in B./A.C.V.	Current Year's (Amortization) Accretion	Adjustment to Carrying Value of Hedged Items	Potential Exposure	Credit Quality of Reference Entity	Hedge Effectiveness at Inception and at Quarter-end (b)
S&P 500 OTC Call Option 9PG834MB SPX	Multiple	N/A	Equity/Index	Credit Suisse FB Int E58DKGMJYYYJLN8C3868	10/21/2013	10/21/2014	6,723	0	1,972.0000	(98,021)	0	0	(255,601)		(255,601)	(29,773)	0	0	0	0		0001
S&P 500 OTC Call Option 9PG834NH SPX	Multiple	N/A	Equity/Index	Credit Suisse FB Int E58DKGMJYYYJLN8C3868	11/21/2013	11/21/2014	3,787	0	1,943.0000	(141,444)	0	0	(231,859)		(231,859)	(50,743)	0	0	0	0		0001
S&P 500 OTC Call Option 9PG834NF SPX	Multiple	N/A	Equity/Index	Credit Suisse FB Int E58DKGMJYYYJLN8C3868	11/21/2013	11/21/2014	2,244	0	1,980.0000	(62,069)	0	0	(92,037)		(92,037)	(12,486)	0	0	0	0		0001
S&P 500 OTC Call Option 9PG834ND SPX	Multiple	N/A	Equity/Index	Bank of America EYKN6V0ZCB8VD9IULB80	11/21/2013	11/21/2014	6,565	0	2,030.0000	(115,544)	0	0	(135,165)		(135,165)	16,497	0	0	0	0		0001
S&P 500 OTC Call Option 9PG834OF SPX	Multiple	N/A	Equity/Index	Barclays Bank PLC G5GSEF7VJP5I7OUK5573	12/20/2013	12/19/2014	4,878	0	1,970.0000	(174,730)	0	0	(257,304)		(257,304)	(42,892)	0	0	0	0		0001
S&P 500 OTC Call Option 9PG834OD SPX	Multiple	N/A	Equity/Index	Barclays Bank PLC G5GSEF7VJP5I7OUK5573	12/20/2013	12/19/2014	2,211	0	2,014.0000	(53,064)	0	0	(71,200)		(71,200)	(2,868)	0	0	0	0		0001
S&P 500 OTC Call Option 9PG834OB SPX	Multiple	N/A	Equity/Index	Barclays Bank PLC G5GSEF7VJP5I7OUK5573	12/20/2013	12/19/2014	8,552	0	2,055.0000	(139,996)	0	0	(158,803)		(158,803)	26,462	0	0	0	0		0001
S&P 500 OTC Call Option 9PG834PB SPX	Multiple	N/A	Equity/Index	JP Morgan Chase & Co 8I5DZWZKVSZI1NUHU748	01/21/2014	01/21/2015	3,829	0	1,988.0000	0	(138,725)	0	(195,568)		(195,568)	(56,844)	0	0	0	0		0001
S&P 500 OTC Call Option 9PG834OZ SPX	Multiple	N/A	Equity/Index	Credit Suisse FB Int E58DKGMJYYYJLN8C3868	01/21/2014	01/21/2015	2,262	0	2,016.0000	0	(64,852)	0	(86,602)		(86,602)	(21,750)	0	0	0	0		0001
S&P 500 OTC Call Option 9PG834OX SPX	Multiple	N/A	Equity/Index	Credit Suisse FB Int E58DKGMJYYYJLN8C3868	01/21/2014	01/21/2015	7,360	0	2,084.0000	0	(110,621)	0	(121,183)		(121,183)	(10,562)	0	0	0	0		0001
S&P 500 OTC Call Option 9PG834QB SPX	Multiple	N/A	Equity/Index	Credit Suisse FB Int E58DKGMJYYYJLN8C3868	02/21/2014	02/20/2015	4,869	0	1,988.0000	0	(156,782)	0	(276,640)		(276,640)	(119,859)	0	0	0	0		0001
S&P 500 OTC Call Option 9PG834PZ SPX	Multiple	N/A	Equity/Index	Credit Suisse FB Int E58DKGMJYYYJLN8C3868	02/21/2014	02/20/2015	2,108	0	2,015.0000	0	(52,784)	0	(93,597)		(93,597)	(40,813)	0	0	0	0		0001
S&P 500 OTC Call Option 9PG834PX SPX	Multiple	N/A	Equity/Index	Credit Suisse FB Int E58DKGMJYYYJLN8C3868	02/21/2014	02/20/2015	6,557	0	2,076.0000	0	(88,323)	0	(152,248)		(152,248)	(63,925)	0	0	0	0		0001
S&P 500 OTC Call Option 9PG834RF SPX	Multiple	N/A	Equity/Index	Credit Suisse FB Int E58DKGMJYYYJLN8C3868	03/21/2014	03/20/2015	3,257	0	2,023.0000	0	(113,539)	0	(153,322)		(153,322)	(39,783)	0	0	0	0		0001
S&P 500 OTC Call Option 9PG834RD SPX	Multiple	N/A	Equity/Index	Credit Suisse FB Int E58DKGMJYYYJLN8C3868	03/21/2014	03/20/2015	1,623	0	2,060.0000	0	(41,435)	0	(53,624)		(53,624)	(12,188)	0	0	0	0		0001
S&P 500 OTC Call Option 9PG834RB SPX	Multiple	N/A	Equity/Index	Credit Suisse FB Int E58DKGMJYYYJLN8C3868	03/21/2014	03/20/2015	6,075	0	2,113.0000	0	(97,261)	0	(111,448)		(111,448)	(14,187)	0	0	0	0		0001
S&P 500 OTC Call Option 9PG834SH SPX	Multiple	N/A	Equity/Index	Credit Suisse FB Int E58DKGMJYYYJLN8C3868	04/21/2014	04/21/2015	4,065	0	2,028.0000	0	(132,275)	0	(209,285)		(209,285)	(77,010)	0	0	0	0		0001
S&P 500 OTC Call Option 9PG834SF SPX	Multiple	N/A	Equity/Index	Credit Suisse FB Int E58DKGMJYYYJLN8C3868	04/21/2014	04/21/2015	1,982	0	2,066.0000	0	(45,566)	0	(73,467)		(73,467)	(27,901)	0	0	0	0		0001
S&P 500 OTC Call Option 9PG834SD SPX	Multiple	N/A	Equity/Index	Barclays Bank PLC G5GSEF7VJP5I7OUK5573	04/21/2014	04/21/2015	6,817	0	2,117.0000	0	(85,622)	0	(148,452)		(148,452)	(62,831)	0	0	0	0		0001
S&P 500 OTC Call Option 9PG834TL SPX	Multiple	N/A	Equity/Index	Credit Suisse FB Int E58DKGMJYYYJLN8C3868	05/21/2014	05/21/2015	3,676	0	2,045.0000	0	(115,316)	0	(182,323)		(182,323)	(67,007)	0	0	0	0		0001
S&P 500 OTC Call Option 9PG834TJ SPX	Multiple	N/A	Equity/Index	Credit Suisse FB Int E58DKGMJYYYJLN8C3868	05/21/2014	05/21/2015	1,764	0	2,083.0000	0	(39,690)	0	(63,665)		(63,665)	(23,975)	0	0	0	0		0001
S&P 500 OTC Call Option 9PG834TH SPX	Multiple	N/A	Equity/Index	Bank of America EYKN6V0ZCB8VD9IULB80	05/21/2014	05/21/2015	6,213	0	2,132.0000	0	(70,952)	0	(140,665)		(140,665)	(69,712)	0	0	0	0		0001
S&P 500 OTC Call Option 9PG834VB SPX	Multiple	N/A	Equity/Index	Bank of America EYKN6V0ZCB8VD9IULB80	06/20/2014	06/19/2015	6,200	0	2,119.0000	0	(189,596)	0	(184,990)		(184,990)	4,606	0	0	0	0		0001

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 9PG834UZ SPX	Multiple	N/A	Equity/Index	Bank of America EYKN6V0ZCB8VD9IULB80	06/20/2014	06/19/2015	1,885	0	2,186.0000	0	(30,480)	0	(29,660)		(29,660)	820	0	0	0	0		0001
S&P 500 OTC Call Option 9PG834UX SPX	Multiple	N/A	Equity/Index	Bank of America EYKN6V0ZCB8VD9IULB80	06/20/2014	06/19/2015	6,628	0	2,220.0000	0	(74,764)	0	(73,162)		(73,162)	1,602	0	0	0	0		0001
0439999. Total-Written Options-Hedging Effective-Call Options and Warrants										(1,818,248)	(1,648,583)	0	(7,454,309)	XXX	(7,454,309)	(2,078,099)	0	0	0	0	XXX	XXX
0499999. Total-Written Options-Hedging Effective										(1,818,248)	(1,648,583)	0	(7,454,309)	XXX	(7,454,309)	(2,078,099)	0	0	0	0	XXX	XXX
0789999. Total-Written Options-Call Options and Warrants										(1,818,248)	(1,648,583)	0	(7,454,309)	XXX	(7,454,309)	(2,078,099)	0	0	0	0	XXX	XXX
0849999. Total-Written Options										(1,818,248)	(1,648,583)	0	(7,454,309)	XXX	(7,454,309)	(2,078,099)	0	0	0	0	XXX	XXX
1399999. Total-Hedging Effective										9,297,715	6,142,016	0	22,979,972	XXX	22,979,972	5,209,185	0	0	0	0	XXX	XXX
1449999. TOTAL										9,297,715	6,142,016	0	22,979,972	XXX	22,979,972	5,209,185	0	0	0	0	XXX	XXX

(a)

Code	Description of Hedged Risk(s)

NONE

(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 6/30/2014, the change in fair value of the derivative hedging instrument is 100% 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.

Statement as of June 30, 2014 of the **National Life Insurance Company**

SCHEDULE DB - PART B - SECTION 1

Futures Contracts Open as of the Current Statement Date

1 Ticker Symbol	2 Number of Contracts	3 Notional Amount	4 Description	5 Description of Item(s) Hedged, Used for Income General or Replicated	6 Schedule/ Exhibit Identifier	7 Type(s) of Risk (a)	8 Date of Maturity or Expiration	9 Exchange	10 Trade Date	11 Transaction Price	12 Reporting Date Price	13 Fair Value	14 Book/ Adjusted Carrying Value	Highly Effective Hedges: 15 Cumulative Variation Margin	Highly Effective Hedges: 16 Deferred Variation Margin	Highly Effective Hedges: 17 Change in Variation Margin Gain (Loss) Used to Adjust Basis of Hedged Item	18 Cumulative Variation Margin for All Other Hedges	19 Change in Variation Margin Gain (Loss) Recognized in Current Year	20 Potential Exposure	21 Hedge Effectiveness at Inception and at Quarter-end (b)	22 Value of One (1) Point
Long Futures																					
Hedging Effective																					
MUU4	28	1,400	ICUS MSCI Emerging Mkts	Multiple	N/A	Equity/Index	09/19/2014	CME 549300HIIRNTNKXV3M12	06/30/2014	1,045.7929	1,040.7000	(7,130)	230,854	(7,130)	0	0	0	(7,130)	79,240	001	50
ESU4	17	850	S&P500 EMINI FUT	Multiple	N/A	Equity/Index	09/19/2014	CME SNZ20JLFK8MNNCLQOF39	06/30/2014	1,946.6765	1,952.4000	4,865	140,161	4,865	0	0	0	4,865	73,525	001	50
1279999. Total-Long Futures-Hedging Effective												(2,265)	371,015	(2,265)	0	0	0	(2,265)	152,765	XXX	XXX
1329999. Total-Long Futures												(2,265)	371,015	(2,265)	0	0	0	(2,265)	152,765	XXX	XXX
1399999. Total-Hedging Effective												(2,265)	371,015	(2,265)	0	0	0	(2,265)	152,765	XXX	XXX
1449999. TOTAL												(2,265)	371,015	(2,265)	0	0	0	(2,265)	152,765	XXX	XXX

(a)

Code	Description of Hedged Risk(s)

NONE

(b)

Code	Financial or Economic Impact of the Hedge at the End of the Reporting Period
001	The hedge effectiveness cannot be measured at inception. At 06/30/2014, the change in fair value of the derivative hedging instrument over the previous quarter was 100% 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	283,070	87,945	371,015
Total Net Cash Deposits	283,070	87,945	371,015

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	368,750	0	368,750	0	(2,265)	0	152,765	0
NAIC 1 Designation											
Bank of America EYKN6V0ZCB8VD9IULB80	Y	Y	4,058,000	4,863,469	(736,743)	68,726	4,863,469	(736,743)	68,726	0	0
Barclays Bank PLC G5GSEF7VJP5I7OUK5573	Y	Y	0	5,391,519	(883,058)	4,508,461	5,391,519	(883,058)	4,508,461	0	0
Credit Suisse FB Int E58DKGMJYYYJLN8C3868	Y	Y	12,320,000	19,284,912	(5,638,940)	1,325,972	19,284,912	(5,638,940)	1,325,972	0	0
JP Morgan Chase & Co 8I5DZWZKVSZI1NUHU748	Y	Y	0	701,475	(195,568)	505,907	701,475	(195,568)	505,907	0	0
RBC Capital Markets ES7IP3U3RHIGC71XBU11	Y	Y	0	192,906	0	192,906	192,906	0	192,906	0	0
0299999. Total NAIC 1 Designation			16,378,000	30,434,281	(7,454,309)	6,601,972	30,434,281	(7,454,309)	6,601,972	0	0
0999999. Totals			16,378,000	30,803,031	(7,454,309)	6,970,722	30,434,281	(7,456,574)	6,601,972	152,765	0

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 by Reporting Entity									
Bank of America	EYKN6V0ZCB8VD9IULB80	Cash			4,058,000	4,058,000	4,058,000		V
Credit Suisse FB Int	E58DKGMJYYYJLN8C3868	Cash			12,320,000	12,320,000	12,320,000		V
0199999. Totals					16,378,000	16,378,000	16,378,000	XXX	XXX

Sch. DL-Pt. 1
NONE

Sch. DL-Pt. 2
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		0.000	0	0	(9,796,114)	6,272,646	3,888,767	XXX
State Street Bank	Boston, MA		0.000	0	0	1,138,605	457,114	1,281,468	XXX
Banknorth Vermont	Burlington, VT		0.000	0	0	1,359,798	(1,141,462)	(99,360)	XXX
BNY Mellon	Pittsburgh, PA		0.000	0	0	1,100,438	1,669,896	3,532,703	XXX
0199998. Deposits in.....4 depositories that do not exceed the allowable limit in any one depository (see Instructions) - Open Depositories		XXX	XXX	0	0	215,892	103,818	340,885	XXX
0199999. Total Open Depositories		XXX	XXX	0	0	(5,981,381)	7,362,011	8,944,464	XXX
0399999. Total Cash on Deposit		XXX	XXX	0	0	(5,981,381)	7,362,011	8,944,464	XXX
0499999. Cash in Company's Office		XXX	XXX	XXX	XXX	400	400	400	XXX
0599999. Total Cash		XXX	XXX	0	0	(5,980,981)	7,362,411	8,944,864	XXX

SCHEDULE E - PART 2 - CASH EQUIVALENTS

Show Investments Owned End of Current Quarter

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

NONE