

ANNUAL STATEMENT

OF THE

STANDARD INSURANCE COMPANY



TheStandard®

**OF PORTLAND
IN THE STATE OF OREGON**

Book 1 of 2

TO THE

INSURANCE DEPARTMENT

OF THE

STATE OF

**FOR THE YEAR ENDED
DECEMBER 31, 2011**

LIFE AND ACCIDENT AND HEALTH

2011

2011



LIFE AND ACCIDENT AND HEALTH COMPANIES - ASSOCIATION EDITION

ANNUAL STATEMENT
FOR THE YEAR ENDED DECEMBER 31, 2011
OF THE CONDITION AND AFFAIRS OF THE

Standard Insurance Company

NAIC Group Code	1348 (Current)	1348 (Prior)	NAIC Company Code	69019	Employer's ID Number	93-0242990
Organized under the Laws of	Oregon			State of Domicile or Port of Entry	Oregon	
Country of Domicile	United States of America					
Incorporated/Organized	02/24/1906			Commenced Business	04/12/1906	
Statutory Home Office	1100 Southwest Sixth Avenue (Street and Number)			Portland , OR 97204-1093 (City or Town, State and Zip Code)		
Main Administrative Office	1100 Southwest Sixth Avenue (Street and Number)					
	Portland , OR 97204-1093 (City or Town, State and Zip Code)			971-321-7000 (Area Code) (Telephone Number)		
Mail Address	PO Box 711 (Street and Number or P.O. Box)			Portland , OR 97207-0711 (City or Town, State and Zip Code)		
Primary Location of Books and Records	1100 Southwest Sixth Avenue (Street and Number)					
	Portland , OR 97204-1093 (City or Town, State and Zip Code)			971-321-7564 (Area Code) (Telephone Number)		
Internet Website Address	www.standard.com					
Statutory Statement Contact	Barry James Walton (Name)			971-321-7564 (Area Code) (Telephone Number)		
	barry.walton@standard.com (E-mail Address)			971-321-7540 (FAX Number)		

OFFICERS

President & Chief Executive Officer	John Gregory Ness	Chief Financial Officer	Floyd Fitz-Hubert Chadee
Corporate Secretary	Holley Young Franklin JD	Corporate Actuary	Sally Ann Manafi FSA

OTHER

Robert Michael Erickson CMA	Controller
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DIRECTORS OR TRUSTEES

Virginia Lynn Anderson	Frederick William Buckman	Stanley Russel Fallis
Duane Charles McDougall	John Gregory Ness	Eric Edmond Parsons
George Joseph Puentes	Mary Frances Sammons	Esther Kay Stepp
Michael Glenn Thorne	Ronald Ernest Timpe	

State of	Oregon	SS:
County of	Multnomah	

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

John Gregory Ness President & Chief Executive Officer	Floyd Fitz-Hubert Chadee Chief Financial Officer	Holley Young Franklin Corporate Secretary
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Subscribed and sworn to before me this	
15th day of	February 2012

Linda R. Seger
Notary Public
09/18/2014

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.....	

ANNUAL STATEMENT FOR THE YEAR 2011 OF THE STANDARD INSURANCE COMPANY

ASSETS

	Current Year			Prior Year
	1	2	3	4
	Assets	Nonadmitted Assets	Net Admitted Assets (Cols. 1 - 2)	Net Admitted Assets
1. Bonds (Schedule D)	6,091,137,180	0	6,091,137,180	5,908,888,772
2. Stocks (Schedule D):				
2.1 Preferred stocks	93,322	0	93,322	93,322
2.2 Common stocks	0	0	0	0
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens	4,791,807,947	0	4,791,807,947	4,402,480,142
3.2 Other than first liens	0	0	0	0
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$0 encumbrances)	33,795,218	0	33,795,218	34,523,778
4.2 Properties held for the production of income (less \$0 encumbrances)	2,137,838	0	2,137,838	3,105,513
4.3 Properties held for sale (less \$0 encumbrances)	972,759	0	972,759	0
5. Cash (\$20,302,023 , Schedule E - Part 1), cash equivalents (\$0 , Schedule E - Part 2) and short-term investments (\$20,396,344 , Schedule DA)	40,698,366	0	40,698,366	57,470,939
6. Contract loans (including \$0 premium notes)	3,219,379	0	3,219,379	3,274,413
7. Derivatives (Schedule DB)	7,166,523	0	7,166,523	13,322,985
8. Other invested assets (Schedule BA)	60,465,714	0	60,465,714	19,549,737
9. Receivables for securities	36,145,891	0	36,145,891	66,055,611
10. Securities lending reinvested collateral assets (Schedule DL)	0	0	0	0
11. Aggregate write-ins for invested assets	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11)	11,067,640,137	0	11,067,640,137	10,508,765,212
13. Title plants less \$0 charged off (for Title insurers only)	0	0	0	0
14. Investment income due and accrued	109,471,752	0	109,471,752	108,414,176
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	93,454,205	1,510,464	91,943,741	81,143,339
15.2 Deferred premiums and agents' balances and installments booked but deferred and not yet due (including \$0 earned but unbilled premiums)	198,513	0	198,513	198,901
15.3 Accrued retrospective premiums	21,921,088	463,830	21,457,258	11,559,602
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers	6,047,302	0	6,047,302	5,928,351
16.2 Funds held by or deposited with reinsured companies	0	0	0	0
16.3 Other amounts receivable under reinsurance contracts	2,415,126	2,400,000	15,126	16,705
17. Amounts receivable relating to uninsured plans	4,326,005	0	4,326,005	1,673,997
18.1 Current federal and foreign income tax recoverable and interest thereon	24,116,105	0	24,116,105	10,957,964
18.2 Net deferred tax asset	209,731,691	117,940,252	91,791,439	95,675,188
19. Guaranty funds receivable or on deposit	1,485,874	0	1,485,874	833,367
20. Electronic data processing equipment and software	34,827,794	33,669,499	1,158,295	1,383,516
21. Furniture and equipment, including health care delivery assets (\$0)	8,048,256	8,048,256	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	717,664	0	717,664	2,679,996
24. Health care (\$0) and other amounts receivable	0	0	0	0
25. Aggregate write-ins for other than invested assets	108,529,258	108,357,985	171,273	221,273
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	11,692,930,770	272,390,286	11,420,540,484	10,829,451,587
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts	4,593,548,661	0	4,593,548,661	4,787,388,436
28. Total (Lines 26 and 27)	16,286,479,431	272,390,286	16,014,089,145	15,616,840,023
DETAILS OF WRITE-INS				
1101.				
1102.				
1103.				
1198. Summary of remaining write-ins for Line 11 from overflow page	0	0	0	0
1199. Totals (Lines 1101 thru 1103 plus 1198)(Line 11 above)	0	0	0	0
2501. Mortgage participations - excess interest retained (SSAP 37)	2,239,532	2,239,532	0	0
2502. Prepaid pension funds (SSAP 89)	89,620,805	89,620,805	0	0
2503. Prepaid expenses	15,570,922	15,570,922	0	0
2598. Summary of remaining write-ins for Line 25 from overflow page	1,097,999	926,726	171,273	221,273
2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above)	108,529,258	108,357,985	171,273	221,273

ANNUAL STATEMENT FOR THE YEAR 2011 OF THE STANDARD INSURANCE COMPANY

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Year	2 Prior Year
1. Aggregate reserve for life contracts \$ 5,269,212,116 (Exh. 5, Line 9999999) less \$ 0 included in Line 6.3 (including \$ 0 Modco Reserve)	5,269,212,116	4,849,415,710
2. Aggregate reserve for accident and health contracts (Exhibit 6, Line 17, Col. 1) (including \$ 0 Modco Reserve)	3,802,535,030	3,649,663,331
3. Liability for deposit-type contracts (Exhibit 7, Line 14, Col. 1) (including \$ 0 Modco Reserve)	503,795,333	464,170,080
4. Contract claims:		
4.1 Life (Exhibit 8, Part 1, Line 4.4, Col. 1 less sum of Cols. 9, 10 and 11)	105,736,380	99,381,210
4.2 Accident and health (Exhibit 8, Part 1, Line 4.4, sum of Cols. 9, 10 and 11)	56,113,092	58,125,752
5. Policyholders' dividends \$ 4,520 and coupons \$ 0 due and unpaid (Exhibit 4, Line 10)	4,520	2,591
6. Provision for policyholders' dividends and coupons payable in following calendar year - estimated amounts:		
6.1 Dividends apportioned for payment (including \$ 0 Modco)	112,202	106,252
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 \$ 8,776,477 accident and health premiums (Exhibit 1, Part 1, Col. 1, sum of lines 4 and 14)	12,220,212	12,202,891
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 \$ 18,358,101 accident and health experience rating refunds of which \$ 0 is for medical loss ratio rebate per the Public Health Service Act	39,313,904	35,985,043
9.3 Other amounts payable on reinsurance including \$ 1,045,690 assumed and \$ 6,149,103 ceded	7,194,793	6,440,189
9.4 Interest maintenance reserve (IMR, Line 6)	19,802,365	12,615,724
10. Commissions to agents due or accrued-life and annuity contracts \$ 4,634,317 accident and health \$ 8,081,733 and deposit-type contract funds \$ 2,435,827	15,151,877	13,097,632
11. Commissions and expense allowances payable on reinsurance assumed	0	0
12. General expenses due or accrued (Exhibit 2, Line 12, Col. 6)	209,027,016	183,809,058
13. Transfers to Separate Accounts due or accrued (net) (including \$ 0 accrued for expense allowances recognized in reserves, net of reinsured allowances)	(194,513)	(1,913)
14. Taxes, licenses and fees due or accrued, excluding federal income taxes (Exhibit 3, Line 9, Col. 5)	4,389,972	3,264,343
15.1 Current federal and foreign income taxes including \$ 6,156,182 on realized capital gains (losses)	6,156,182	7,018,457
15.2 Net deferred tax liability	0	0
16. Unearned investment income	101,736	102,798
17. Amounts withheld or retained by company as agent or trustee	5,778,821	5,322,438
18. Amounts held for agents' account, including \$ 105,361 agents' credit balances	105,361	57,902
19. Remittances and items not allocated	77,738,015	115,595,046
20. Net adjustment in assets and liabilities due to foreign exchange rates	0	0
21. Liability for benefits for employees and agents if not included above	0	0
22. Borrowed money \$ 0 and interest thereon \$ 0	0	0
23. Dividends to stockholders declared and unpaid	0	0
24. Miscellaneous liabilities:		
24.01 Asset valuation reserve (AVR, Line 16, Col. 7)	105,914,712	94,619,809
24.02 Reinsurance in unauthorized companies	0	0
24.03 Funds held under reinsurance treaties with unauthorized reinsurers	0	0
24.04 Payable to parent, subsidiaries and affiliates	3,179,265	545,843
24.05 Drafts outstanding	0	0
24.06 Liability for amounts held under uninsured plans	225,452	166,489
24.07 Funds held under coinsurance	0	0
24.08 Derivatives	0	0
24.09 Payable for securities	0	9,282,704
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	37,693,338	36,948,392
26. Total Liabilities excluding Separate Accounts business (Lines 1 to 25)	10,281,307,181	9,657,937,770
27. From Separate Accounts Statement	4,593,548,661	4,787,388,436
28. Total Liabilities (Lines 26 and 27)	14,874,855,842	14,445,326,207
29. Common capital stock	423,838,694	423,838,694
30. Preferred capital stock	0	0
31. Aggregate write-ins for other than special surplus funds	(1,147,638)	(1,147,638)
32. Surplus notes	0	0
33. Gross paid in and contributed surplus (Page 3, Line 33, Col. 2 plus Page 4, Line 51.1, Col. 1)	24,120,198	23,336,706
34. Aggregate write-ins for special surplus funds	48,522,356	57,376,313
35. Unassigned funds (surplus)	643,899,694	668,109,741
36. Less treasury stock, at cost:		
36.1 0 shares common (value included in Line 29 \$ 0)	0	0
36.2 0 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)	715,394,610	747,675,122
38. Totals of Lines 29, 30 and 37 (Page 4, Line 55)	1,139,233,304	1,171,513,816
39. Totals of Lines 28 and 38 (Page 2, Line 28, Col. 3)	16,014,089,146	15,616,840,023
DETAILS OF WRITE-INS		
2501. Accrued interest and other liabilities	26,277,414	23,801,500
2502. Guaranty association assessments	535,000	810,000
2503. Long-term contracts payable	10,557,789	11,688,820
2598. Summary of remaining write-ins for Line 25 from overflow page	323,135	648,072
2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above)	37,693,338	36,948,392
3101. Nonqualified defined benefit plan adjustment	(1,147,638)	(1,147,638)
3102.		
3103.		
3198. Summary of remaining write-ins for Line 31 from overflow page	0	0
3199. Totals (Lines 3101 thru 3103 plus 3198)(Line 31 above)	(1,147,638)	(1,147,638)
3401. Special Surplus associated with SSAP 10R	48,522,356	57,376,313
3402.		
3403.		
3498. Summary of remaining write-ins for Line 34 from overflow page	0	0
3499. Totals (Lines 3401 thru 3403 plus 3498)(Line 34 above)	48,522,356	57,376,313

ANNUAL STATEMENT FOR THE YEAR 2011 OF THE STANDARD INSURANCE COMPANY

SUMMARY OF OPERATIONS

	1 Current Year	2 Prior Year
1. Premiums and annuity considerations for life and accident and health contracts (Exhibit 1, Part 1, Line 20.4, Col. 1, less Col. 11)	3,547,415,859	3,263,491,415
2. Considerations for supplementary contracts with life contingencies	2,402,258	631,970
3. Net investment income (Exhibit of Net Investment Income, Line 17)	590,217,828	575,063,763
4. Amortization of interest maintenance reserve (IMR, Line 5)	4,246,263	1,899,695
5. Separate Accounts net gain from operations excluding unrealized gains or losses	0	0
6. Commissions and expense allowances on reinsurance ceded (Exhibit 1, Part 2, Line 26.1, Col. 1)	17,754,966	18,868,414
7. Reserve adjustments on reinsurance ceded	0	0
8. Miscellaneous Income:		
8.1 Income from fees associated with investment management, administration and contract guarantees from Separate Accounts	32,907,488	31,442,819
8.2 Charges and fees for deposit-type contracts	0	0
8.3 Aggregate write-ins for miscellaneous income	2,027,106	1,649,188
9. Total (Lines 1 to 8.3)	4,196,971,768	3,893,047,264
10. Death benefits	613,167,630	561,848,043
11. Matured endowments (excluding guaranteed annual pure endowments)	0	0
12. Annuity benefits (Exhibit 8, Part 2, Line 6.4, Cols. 4 + 8)	602,004,504	577,021,467
13. Disability benefits and benefits under accident and health contracts	943,763,868	890,040,825
14. Coupons, guaranteed annual pure endowments and similar benefits	0	0
15. Surrender benefits and withdrawals for life contracts	728,592,913	548,214,059
16. Group conversions	0	0
17. Interest and adjustments on contract or deposit-type contract funds	9,245,852	8,847,189
18. Payments on supplementary contracts with life contingencies	4,330,509	3,949,778
19. Increase in aggregate reserves for life and accident and health contracts	572,607,753	391,857,905
20. Totals (Lines 10 to 19)	3,473,713,029	2,981,779,266
21. Commissions on premiums, annuity considerations, and deposit-type contract funds (direct business only) (Exhibit 1, Part 2, Line 31, Col. 1)	172,479,756	163,068,360
22. Commissions and expense allowances on reinsurance assumed (Exhibit 1, Part 2, Line 26.2, Col. 1)	4,678,560	5,490,252
23. General insurance expenses (Exhibit 2, Line 10, Cols. 1, 2, 3 and 4)	410,261,574	399,788,576
24. Insurance taxes, licenses and fees, excluding federal income taxes (Exhibit 3, Line 7, Cols. 1 + 2 + 3)	54,942,400	53,527,948
25. Increase in loading on deferred and uncollected premiums	265,541	342,658
26. Net transfers to or (from) Separate Accounts net of reinsurance	(108,422,645)	(21,255,892)
27. Aggregate write-ins for deductions	4,462,646	2,580,926
28. Totals (Lines 20 to 27)	4,012,380,860	3,585,322,094
29. Net gain from operations before dividends to policyholders and federal income taxes (Line 9 minus Line 28)	184,590,908	307,725,170
30. Dividends to policyholders	114,717	104,624
31. Net gain from operations after dividends to policyholders and before federal income taxes (Line 29 minus Line 30)	184,476,191	307,620,546
32. Federal and foreign income taxes incurred (excluding tax on capital gains)	40,452,142	110,768,250
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)	144,024,049	196,852,296
34. Net realized capital gains (losses) (excluding gains (losses) transferred to the IMR) less capital gains tax of \$0 (excluding taxes of \$6,156,179 transferred to the IMR)	(16,865,983)	(6,712,413)
35. Net income (Line 33 plus Line 34)	127,158,066	190,139,883
CAPITAL AND SURPLUS ACCOUNT		
36. Capital and surplus, December 31, prior year (Page 3, Line 38, Col. 2)	1,171,513,816	1,193,707,583
37. Net income (Line 35)	127,158,066	190,139,883
38. Change in net unrealized capital gains (losses) less capital gains tax of \$(4,629,055)	(8,596,813)	(2,955,638)
39. Change in net unrealized foreign exchange capital gain (loss)	0	0
40. Change in net deferred income tax	13,290,606	6,263,859
41. Change in nonadmitted assets	(59,952,968)	21,098,232
42. Change in liability for reinsurance in unauthorized companies	0	439,394
43. Change in reserve on account of change in valuation basis, (increase) or decrease (Exh. 5A, Line 9999999, Col. 4)	0	0
44. Change in asset valuation reserve	(11,294,903)	(5,831,789)
45. Change in treasury stock (Page 3, Lines 36.1 and 36.2, Col. 2 minus Col. 1)	0	0
46. Surplus (contributed to) withdrawn from Separate Accounts during period	0	0
47. Other changes in surplus in Separate Accounts Statement	0	0
48. Change in surplus notes	0	0
49. Cumulative effect of changes in accounting principles	0	0
50. Capital changes:		
50.1 Paid in	0	0
50.2 Transferred from surplus (Stock Dividend)	0	0
50.3 Transferred to surplus	0	0
51. Surplus adjustment:		
51.1 Paid in	783,492	1,848,909
51.2 Transferred to capital (Stock Dividend)	0	0
51.3 Transferred from capital	0	0
51.4 Change in surplus as a result of reinsurance	(1,081,912)	(1,093,641)
52. Dividends to stockholders	(87,800,000)	(244,000,000)
53. Aggregate write-ins for gains and losses in surplus	(4,786,083)	11,897,024
54. Net change in capital and surplus for the year (Lines 37 through 53)	(32,280,516)	(22,193,767)
55. Capital and surplus, December 31, current year (Lines 36 + 54) (Page 3, Line 38)	1,139,233,300	1,171,513,816
DETAILS OF WRITE-INS		
08.301. Other Income	2,027,106	1,649,188
08.302.		
08.303.		
08.398. Summary of remaining write-ins for Line 8.3 from overflow page	0	0
08.399. Totals (Lines 08.301 thru 08.303 plus 08.398)(Line 8.3 above)	2,027,106	1,649,188
2701. Modco reserve adjustments	4,066,107	1,091,125
2702. Other expenses	396,539	1,489,801
2703.		
2798. Summary of remaining write-ins for Line 27 from overflow page	0	0
2799. Totals (Lines 2701 thru 2703 plus 2798)(Line 27 above)	4,462,646	2,580,926
5301. Special Surplus associated with SSAP 10R	(8,853,957)	11,897,024
5302. Adjustment due to accounting error	4,067,874	0
5303.		
5398. Summary of remaining write-ins for Line 53 from overflow page	0	0
5399. Totals (Lines 5301 thru 5303 plus 5398)(Line 53 above)	(4,786,083)	11,897,024

ANNUAL STATEMENT FOR THE YEAR 2011 OF THE STANDARD INSURANCE COMPANY

CASH FLOW

	1	2
	Current Year	Prior Year
Cash from Operations		
1. Premiums collected net of reinsurance	3,532,853,701	3,259,950,116
2. Net investment income	612,150,863	598,983,323
3. Miscellaneous income	52,689,560	51,960,421
4. Total (Lines 1 through 3)	4,197,694,125	3,910,893,860
5. Benefit and loss related payments	2,896,066,760	2,577,113,460
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts	(108,230,045)	(21,224,066)
7. Commissions, expenses paid and aggregate write-ins for deductions	669,688,525	611,486,896
8. Dividends paid to policyholders	106,838	100,325
9. Federal and foreign income taxes paid (recovered) net of \$0 tax on capital gains (losses)	59,845,244	115,466,201
10. Total (Lines 5 through 9)	3,517,477,322	3,282,942,816
11. Net cash from operations (Line 4 minus Line 10)	680,216,803	627,951,044
Cash from Investments		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds	859,366,168	733,039,467
12.2 Stocks	0	60,361
12.3 Mortgage loans	609,071,582	624,108,020
12.4 Real estate	0	0
12.5 Other invested assets	0	0
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments	(245)	0
12.7 Miscellaneous proceeds	45,461,415	21,082,362
12.8 Total investment proceeds (Lines 12.1 to 12.7)	1,513,898,920	1,378,290,210
13. Cost of investments acquired (long-term only):		
13.1 Bonds	1,045,723,481	824,446,788
13.2 Stocks	0	0
13.3 Mortgage loans	1,019,501,990	890,248,791
13.4 Real estate	2,327,292	2,299,447
13.5 Other invested assets	47,852,214	12,126,601
13.6 Miscellaneous applications	18,920,152	47,533,625
13.7 Total investments acquired (Lines 13.1 to 13.6)	2,134,325,129	1,776,655,252
14. Net increase (decrease) in contract loans and premium notes	0	177,574
15. Net cash from investments (Line 12.8 minus Line 13.7 minus Line 14)	(620,426,209)	(398,542,616)
Cash from Financing and Miscellaneous Sources		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes	0	0
16.2 Capital and paid in surplus, less treasury stock	0	0
16.3 Borrowed funds	0	0
16.4 Net deposits on deposit-type contracts and other insurance liabilities	39,625,253	4,797,576
16.5 Dividends to stockholders	87,800,000	244,000,000
16.6 Other cash provided (applied)	(28,388,419)	70,565,299
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6)	(76,563,166)	(168,637,125)
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS		
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17)	(16,772,572)	60,771,304
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year	57,470,939	(3,300,365)
19.2 End of year (Line 18 plus Line 19.1)	40,698,366	57,470,939

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

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ANNUAL STATEMENT FOR THE YEAR 2011 OF THE STANDARD INSURANCE COMPANY

ANALYSIS OF OPERATIONS BY LINES OF BUSINESS

	1	2	Ordinary			6	Group		Accident and Health			12
			3	4	5		7	8	9	10	11	
	Total	Industrial Life	Life Insurance	Individual Annuities	Supplementary Contracts	Credit Life (Group and Individual)	Life Insurance (a)	Annuities	Group	Credit (Group and Individual)	Other	Aggregate of All Other Lines of Business
1. Premiums and annuity considerations for life and accident and health contracts	3,547,415,859	0	1,526,501	349,713,420	0	0	780,806,572	1,126,687,199	1,130,456,374	0	158,225,793	0
2. Considerations for supplementary contracts with life contingencies	2,402,258	0	0	263,920	2,138,338	0	0	0	0	0	0	0
3. Net investment income	590,217,829	0	0	153,659,362	7,771,116	0	80,452,592	90,332,839	199,989,409	0	53,160,920	4,851,591
4. Amortization of Interest Maintenance Reserve (IMR)	4,246,263	0	0	1,073,283	55,909	0	578,017	675,901	1,397,728	0	362,132	103,293
5. Separate Accounts net gain from operations excluding unrealized gains or losses	0	0	0	0	0	0	0	0	0	0	0	0
6. Commissions and expense allowances on reinsurance ceded	17,754,966	0	3,422,252	0	0	0	0	0	0	0	14,332,714	0
7. Reserve adjustments on reinsurance ceded	0	0	0	0	0	0	0	0	0	0	0	0
8. Miscellaneous Income:												
8.1 Fees associated with income from investment management, administration and contract guarantees from Separate Accounts	32,907,488	0	0	0	0	0	0	32,907,488	0	0	0	0
8.2 Charges and fees for deposit-type contracts	0	0	0	0	0	0	0	0	0	0	0	0
8.3 Aggregate write-ins for miscellaneous income	2,027,105	0	0	0	0	0	0	(10,935)	1,659,789	0	1,613	376,638
9. Totals (Lines 1 to 8.3)	4,196,971,768	0	4,948,753	504,709,985	9,965,363	0	861,837,181	1,250,592,492	1,333,503,300	0	226,083,172	5,331,522
10. Death benefits	613,167,630	0	5,228,909	0	0	0	607,938,721	0	0	0	0	0
11. Matured endowments (excluding guaranteed annual pure endowments)	0	0	0	0	0	0	0	0	0	0	0	0
12. Annuity benefits	602,004,504	0	0	14,624,911	0	0	0	587,379,593	0	0	0	0
13. Disability benefits and benefits under accident and health contracts	943,763,868	0	0	0	0	0	0	0	857,490,549	0	86,273,319	0
14. Coupons, guaranteed annual pure endowments and similar benefits	0	0	0	0	0	0	0	0	0	0	0	0
15. Surrender benefits and withdrawals for life contracts	728,592,913	0	105,813	185,976,808	0	0	0	542,510,292	0	0	0	0
16. Group conversions	0	0	0	0	0	0	0	0	0	0	0	0
17. Interest and adjustments on contract or deposit-type contract funds	9,245,852	0	46,475	1,664,522	3,014,281	0	3,193,458	109,244	1,217,872	0	0	0
18. Payments on supplementary contracts with life contingencies	4,330,509	0	0	686,389	3,644,120	0	0	0	0	0	0	0
19. Increase in aggregate reserves for life and accident and health contracts	572,607,753	0	234,690	240,521,320	24,886	0	35,741,496	143,213,661	119,562,390	0	33,309,310	0
20. Totals (Lines 10 to 19)	3,473,713,029	0	5,615,887	443,473,950	6,683,287	0	646,873,675	1,273,212,790	978,270,811	0	119,582,629	0
21. Commissions on premiums, annuity considerations and deposit-type contract funds (direct business only)	172,479,756	0	0	13,868,076	0	0	35,413,174	13,728,944	64,391,181	0	45,090,789	(12,408)
22. Commissions and expense allowances on reinsurance assumed	4,678,560	0	0	0	0	0	0	0	0	0	4,678,560	0
23. General insurance expenses	410,261,573	0	0	8,511,172	0	0	97,694,894	49,446,552	227,283,338	0	27,325,617	0
24. Insurance taxes, licenses and fees, excluding federal income taxes	54,942,399	0	0	660,757	0	0	18,086,619	1,402,793	29,733,402	0	5,058,828	0
25. Increase in loading on deferred and uncollected premiums	265,541	0	12,422	0	0	0	253,119	0	0	0	0	0
26. Net transfers to or (from) Separate Accounts net of reinsurance	(108,422,645)	0	0	0	0	0	0	(108,422,645)	0	0	0	0
27. Aggregate write-ins for deductions	4,462,647	0	(67,541)	0	0	0	799,942	117,121	3,358,296	0	1,032	253,797
28. Totals (Lines 20 to 27)	4,012,380,860	0	5,560,768	466,513,956	6,683,287	0	799,121,423	1,229,485,555	1,303,037,028	0	201,737,454	241,389
29. Net gain from operations before dividends to policyholders and federal income taxes (Line 9 minus Line 28)	184,590,908	0	(612,015)	38,196,029	3,282,076	0	62,715,758	21,106,937	30,466,272	0	24,345,718	5,090,133
30. Dividends to policyholders	114,717	0	114,717	0	0	0	0	0	0	0	0	0
31. Net gain from operations after dividends to policyholders and before federal income taxes (Line 29 minus Line 30)	184,476,191	0	(726,732)	38,196,029	3,282,076	0	62,715,758	21,106,937	30,466,272	0	24,345,718	5,090,133
32. Federal income taxes incurred (excluding tax on capital gains)	40,452,142	0	(1,221,500)	5,656,159	1,098,477	0	23,629,683	2,827,904	(215,285)	0	7,231,017	1,445,687
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)	144,024,049	0	494,768	32,539,870	2,183,599	0	39,086,075	18,279,033	30,681,557	0	17,114,701	3,644,446
DETAILS OF WRITE-INS												
08.301. Other Income	2,027,105	0	0	0	0	0	0	(10,935)	1,659,789	0	1,613	376,638
08.302.												
08.303.												
08.398. Summary of remaining write-ins for Line 8.3 from overflow page	0	0	0	0	0	0	0	0	0	0	0	0
08.399. Totals (Lines 08.301 thru 08.303 plus 08.398) (Line 8.3 above)	2,027,105	0	0	0	0	0	0	(10,935)	1,659,789	0	1,613	376,638
2701. Modco Reserve Adjustment	4,066,107	0	(67,541)	0	0	0	786,997	0	3,346,651	0	0	0
2702. Other Expenses	396,540	0	0	0	0	0	12,945	117,121	11,645	0	1,032	253,797
2703.												
2798. Summary of remaining write-ins for Line 27 from overflow page	0	0	0	0	0	0	0	0	0	0	0	0
2799. Totals (Lines 2701 thru 2703 plus 2798) (Line 27 above)	4,462,647	0	(67,541)	0	0	0	799,942	117,121	3,358,296	0	1,032	253,797

(a) Includes the following amounts for FEGLI/SGL: Line 1 0 , Line 10 0 , Line 16 0 , Line 23 0 , Line 24 0

ANNUAL STATEMENT FOR THE YEAR 2011 OF THE STANDARD INSURANCE COMPANY

ANALYSIS OF INCREASE IN RESERVES DURING THE YEAR

	1 Total	2 Industrial Life	Ordinary			6 Credit Life (Group and Individual)	Group	
			3 Life Insurance	4 Individual Annuities	5 Supplementary Contracts		7 Life Insurance	8 Annuities
Involving Life or Disability Contingencies (Reserves)								
(Net of Reinsurance Ceded)								
1. Reserve December 31, prior year	4,849,415,710	0	6,170,170	2,442,254,252	29,002,287	0	787,559,009	1,584,429,992
2. Tabular net premiums or considerations	2,168,716,937	0	1,450,176	349,504,634	2,175,972	0	688,540,563	1,127,045,592
3. Present value of disability claims incurred	127,304,027	0	0	0	XXX	0	127,304,027	0
4. Tabular interest	188,448,416	0	315,545	90,374,138	1,619,255	0	43,185,870	52,953,608
5. Tabular less actual reserve released	(42,264,041)	0	0	1,970,125	418,708	0	(44,779,411)	126,536
6. Increase in reserve on account of change in valuation basis	0	0	0	0	0	0	0	0
7. Other increases (net)	1,047,947	0	1,037,902	0	0	0	0	10,045
8. Totals (Lines 1 to 7)	7,292,668,996	0	8,973,794	2,884,103,150	33,216,222	0	1,601,810,058	2,764,565,772
9. Tabular cost	698,617,929	0	1,554,569	0	XXX	0	697,063,360	0
10. Reserves released by death	31,109,711	0	742,755	XXX	XXX	0	30,366,956	XXX
11. Reserves released by other terminations (net)	780,608,189	0	271,610	186,497,350	298,457	0	51,079,231	542,461,540
12. Annuity, supplementary contract and disability payments involving life contingencies	621,484,895	0	0	14,624,911	4,035,557	0	0	602,824,428
13. Net transfers to or (from) Separate Accounts	(108,363,848)	0	0	0	0	0	0	(108,363,848)
14. Total Deductions (Lines 9 to 13)	2,023,456,876	0	2,568,935	201,122,261	4,334,014	0	778,509,547	1,036,922,120
15. Reserve December 31, current year	5,269,212,120	0	6,404,859	2,682,980,889	28,882,208	0	823,300,511	1,727,643,653

ANNUAL STATEMENT FOR THE YEAR 2011 OF THE STANDARD INSURANCE COMPANY

EXHIBIT OF NET INVESTMENT INCOME

		1	2
		Collected During Year	Earned During Year
1.	U.S. Government bonds	(a) .....17,760,654	.....17,668,993
1.1	Bonds exempt from U.S. tax	(a) .....0	.....0
1.2	Other bonds (unaffiliated)	(a) .....295,738,300	.....295,143,983
1.3	Bonds of affiliates	(a) .....0	.....0
2.1	Preferred stocks (unaffiliated)	(b) .....0	.....16,099
2.11	Preferred stocks of affiliates	(b) .....0	.....0
2.2	Common stocks (unaffiliated) .....	.....0	.....0
2.21	Common stocks of affiliates .....	.....0	.....0
3.	Mortgage loans	(c) .....298,176,838	.....299,925,500
4.	Real estate	(d) .....16,219,659	.....16,163,285
5	Contract loans .....	.....141,522	.....141,522
6	Cash, cash equivalents and short-term investments	(e) .....28,401	.....19,335
7	Derivative instruments	(f) .....0	.....0
8.	Other invested assets .....	.....479,232	.....479,232
9.	Aggregate write-ins for investment income .....	.....0	.....0
10.	Total gross investment income	628,544,606	629,557,949
11.	Investment expenses		(g) .....27,002,090
12.	Investment taxes, licenses and fees, excluding federal income taxes		(g) .....2,219,003
13.	Interest expense		(h) .....0
14.	Depreciation on real estate and other invested assets		(i) .....3,050,767
15.	Aggregate write-ins for deductions from investment income .....		.....7,068,261
16.	Total deductions (Lines 11 through 15) .....		.....39,340,121
17.	Net investment income (Line 10 minus Line 16)		590,217,828
DETAILS OF WRITE-INS			
0901.	.....	
0902.	.....	
0903.	.....	
0998.	Summary of remaining write-ins for Line 9 from overflow page .....	.....0	.....0
0999.	Totals (Lines 0901 thru 0903 plus 0998) (Line 9, above)	0	0
1501.	Bond Management Fee .....		.....1,263,766
1502.	Mortgage Loan Service Fee .....		.....5,804,495
1503.	.....	
1598.	Summary of remaining write-ins for Line 15 from overflow page .....		.....0
1599.	Totals (Lines 1501 thru 1503 plus 1598) (Line 15, above)		7,068,261

- (a) Includes \$5,769,773 accrual of discount less \$25,892,745 amortization of premium and less \$5,823,064 paid for accrued interest on purchases.
- (b) Includes \$0 accrual of discount less \$0 amortization of premium and less \$0 paid for accrued dividends on purchases.
- (c) Includes \$200,681 accrual of discount less \$18,614 amortization of premium and less \$0 paid for accrued interest on purchases.
- (d) Includes \$8,104,856 for company's occupancy of its own buildings; and excludes \$0 interest on encumbrances.
- (e) Includes \$0 accrual of discount less \$0 amortization of premium and less \$0 paid for accrued interest on purchases.
- (f) Includes \$0 accrual of discount less \$0 amortization of premium.
- (g) Includes \$0 investment expenses and \$0 investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.
- (h) Includes \$0 interest on surplus notes and \$0 interest on capital notes.
- (i) Includes \$3,050,767 depreciation on real estate and \$0 depreciation on other invested assets.

EXHIBIT OF CAPITAL GAINS (LOSSES)

		1	2	3	4	5
		Realized Gain (Loss) On Sales or Maturity	Other Realized Adjustments	Total Realized Capital Gain (Loss) (Columns 1 + 2)	Change in Unrealized Capital Gain (Loss)	Change in Unrealized Foreign Exchange Capital Gain (Loss)
1.	U.S. Government bonds .....	.....0	.....0	.....0	.....0	.....0
1.1	Bonds exempt from U.S. tax .....	.....0	.....0	.....0	.....0	.....0
1.2	Other bonds (unaffiliated) .....	.....17,855,544	.....(1,841,477)	.....16,014,067	.....0	.....0
1.3	Bonds of affiliates .....	.....0	.....0	.....0	.....0	.....0
2.1	Preferred stocks (unaffiliated) .....	.....0	.....0	.....0	.....0	.....0
2.11	Preferred stocks of affiliates .....	.....0	.....0	.....0	.....0	.....0
2.2	Common stocks (unaffiliated) .....	.....0	.....0	.....0	.....0	.....0
2.21	Common stocks of affiliates .....	.....0	.....0	.....0	.....0	.....0
3.	Mortgage loans .....	.....(21,421,441)	.....0	.....(21,421,441)	.....0	.....0
4.	Real estate .....	.....0	.....0	.....0	.....0	.....0
5.	Contract loans .....	.....0	.....0	.....0	.....0	.....0
6.	Cash, cash equivalents and short-term investments .....	.....0	.....(245)	.....(245)	.....0	.....0
7.	Derivative instruments .....	.....6,458,651	.....0	.....6,458,651	.....(6,700,867)	.....0
8.	Other invested assets .....	.....0	.....(327,929)	.....(327,929)	.....(6,608,308)	.....0
9.	Aggregate write-ins for capital gains (losses) .....	.....0	.....0	.....0	.....83,306	.....0
10.	Total capital gains (losses)	2,892,754	(2,169,651)	723,103	(13,225,869)	0
DETAILS OF WRITE-INS						
0901.	Loss on Disposition of Real Estate Investments .....	.....0	.....0	.....0	.....0	.....0
0902.	Provision Adjust to Mortgage Loans .....	.....0	.....0	.....0	.....83,306	.....0
0903.	.....				
0998.	Summary of remaining write-ins for Line 9 from overflow page .....	.....0	.....0	.....0	.....0	.....0
0999.	Totals (Lines 0901 thru 0903 plus 0998) (Line 9, above)	0	0	0	83,306	0

ANNUAL STATEMENT FOR THE YEAR 2011 OF THE STANDARD INSURANCE COMPANY

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

	1	2	Ordinary		5	Group		Accident and Health			11
	Total	Industrial Life	Life Insurance	Individual Annuities	Credit Life (Group and Individual)	Life Insurance	Annuities	Group	Credit (Group and Individual)	Other	Aggregate of All Other Lines of Business
FIRST YEAR (other than single)											
1. Uncollected	(1,239,882)	0	18,516	0	0	0	0	0	0	(1,258,398)	0
2. Deferred and accrued	110,601	0	110,601	0	0	0	0	0	0	0	0
3. Deferred , accrued and uncollected:											
3.1 Direct	173,571	0	125,211	0	0	0	0	0	0	48,361	0
3.2 Reinsurance assumed	5,330	0	3,907	0	0	0	0	0	0	1,423	0
3.3 Reinsurance ceded	1,308,182	0	0	0	0	0	0	0	0	1,308,182	0
3.4 Net (Line 1 + Line 2)	(1,129,281)	0	129,117	0	0	0	0	0	0	(1,258,398)	0
4. Advance	160,470	0	20,408	0	0	0	0	0	0	140,061	0
5. Line 3.4 - Line 4	(1,289,751)	0	108,709	0	0	0	0	0	0	(1,398,460)	0
6. Collected during year:											
6.1 Direct	51,564,252	0	387,991	1,573,555	0	0	28,007,417	0	0	21,595,289	0
6.2 Reinsurance assumed	329,597	0	30,290	0	0	0	0	0	0	299,306	0
6.3 Reinsurance ceded	4,918,738	0	3,190	0	0	0	0	0	0	4,915,548	0
6.4 Net	46,975,110	0	415,091	1,573,555	0	0	28,007,417	0	0	16,979,047	0
7. Line 5 + Line 6.4	45,685,360	0	523,800	1,573,555	0	0	28,007,417	0	0	15,580,587	0
8. Prior year (uncollected + deferred and accrued - advance)	(1,328,192)	0	117,677	0	0	0	0	0	0	(1,445,869)	0
9. First year premiums and considerations:											
9.1 Direct	51,542,032	0	379,886	1,573,555	0	0	28,007,417	0	0	21,581,174	0
9.2 Reinsurance assumed	326,961	0	29,427	0	0	0	0	0	0	297,534	0
9.3 Reinsurance ceded	4,855,442	0	3,190	0	0	0	0	0	0	4,852,252	0
9.4 Net (Line 7 - Line 8)	47,013,551	0	406,123	1,573,555	0	0	28,007,417	0	0	17,026,456	0
SINGLE											
10. Single premiums and considerations:											
10.1 Direct	364,961,205	0	20,856,208	344,104,997	0	0	0	0	0	0	0
10.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0	0
10.3 Reinsurance ceded	20,812,296	0	20,812,296	0	0	0	0	0	0	0	0
10.4 Net	344,148,909	0	43,912	344,104,997	0	0	0	0	0	0	0
RENEWAL											
11. Uncollected	112,619,685	0	30,491	0	0	47,845,437	2,624,507	61,891,721	0	227,529	0
12. Deferred and accrued	(39,011,514)	0	302,390	0	0	(20,955,803)	0	(18,358,101)	0	0	0
13. Deferred, accrued and uncollected:											
13.1 Direct	71,519,884	0	5,875,531	0	0	23,430,389	2,624,507	38,621,998	0	967,460	0
13.2 Reinsurance assumed	12,563,633	0	11,603	0	0	3,643,715	0	8,680,314	0	228,001	0
13.3 Reinsurance ceded	10,475,346	0	5,554,253	0	0	184,470	0	3,768,692	0	967,931	0
13.4 Net (Line 11 + Line 12)	73,608,171	0	332,881	0	0	26,889,634	2,624,507	43,533,620	0	227,529	0
14. Advance	12,059,743	0	4,033	0	0	3,419,294	0	6,679,067	0	1,957,349	0
15. Line 13.4 - Line 14	61,548,429	0	328,848	0	0	23,470,340	2,624,507	36,854,553	0	(1,729,820)	0
16. Collected during year:											
16.1 Direct	3,124,728,139	0	30,385,903	4,034,867	0	762,937,063	1,098,710,143	1,085,346,916	0	143,313,247	0
16.2 Reinsurance assumed	130,365,390	0	89,968	0	0	14,040,410	0	72,887,940	0	43,347,073	0
16.3 Reinsurance ceded	115,712,617	0	29,406,805	0	0	2,450,542	0	39,548,807	0	44,306,463	0
16.4 Net	3,139,380,912	0	1,069,066	4,034,867	0	774,526,931	1,098,710,143	1,118,686,049	0	142,353,856	0
17. Line 15 + Line 16.4	3,200,929,340	0	1,397,914	4,034,867	0	797,997,271	1,101,334,650	1,155,540,602	0	140,624,037	0
18. Prior year (uncollected + deferred and accrued - advance)	44,675,942	0	321,448	0	0	17,190,699	2,654,868	25,084,228	0	(575,301)	0
19. Renewal premiums and considerations:											
19.1 Direct	3,142,548,605	0	29,765,866	4,034,867	0	768,886,117	1,098,679,782	1,098,373,754	0	142,808,219	0
19.2 Reinsurance assumed	129,374,395	0	92,019	0	0	14,344,388	0	71,627,812	0	43,310,176	0
19.3 Reinsurance ceded	115,669,601	0	28,781,419	0	0	2,423,933	0	39,545,192	0	44,919,057	0
19.4 Net (Line 17 - Line 18)	3,156,253,398	0	1,076,466	4,034,867	0	780,806,572	1,098,679,782	1,130,456,374	0	141,199,337	0
TOTAL											
20. Total premiums and annuity considerations:											
20.1 Direct	3,559,051,842	0	51,001,960	349,713,420	0	768,886,117	1,126,687,199	1,098,373,754	0	164,389,393	0
20.2 Reinsurance assumed	129,701,356	0	121,446	0	0	14,344,388	0	71,627,812	0	43,607,710	0
20.3 Reinsurance ceded	141,337,339	0	49,596,905	0	0	2,423,933	0	39,545,192	0	49,771,309	0
20.4 Net (Lines 9.4 + 10.4 + 19.4)	3,547,415,859	0	1,526,501	349,713,420	0	780,806,572	1,126,687,199	1,130,456,374	0	158,225,793	0

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

	1	2	Ordinary		5	Group		Accident and Health			11
			3	4		6	7	8	9	10	
	Total	Industrial Life	Life Insurance	Individual Annuities	Credit Life (Group and Individual)	Life Insurance	Annuities	Group	Credit (Group and Individual)	Other	Aggregate of All Other Lines of Business
DIVIDENDS AND COUPONS APPLIED (included in Part 1)											
21. To pay renewal premiums	29,016	.0	29,016	.0	.0	.0	.0	.0	.0	.0	.0
22. All other	43,912	.0	43,912	.0	.0	.0	.0	.0	.0	.0	.0
REINSURANCE COMMISSIONS AND EXPENSE ALLOWANCES INCURRED											
23. First year (other than single):											
23.1 Reinsurance ceded	3,937,497	.0	.0	.0	.0	.0	.0	.0	.0	3,937,497	.0
23.2 Reinsurance assumed .....	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
23.3 Net ceded less assumed	3,937,497	.0	.0	.0	.0	.0	.0	.0	.0	3,937,497	.0
24. Single:											
24.1 Reinsurance ceded .....	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
24.2 Reinsurance assumed .....	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
24.3 Net ceded less assumed .....	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
25. Renewal:											
25.1 Reinsurance ceded	13,817,470	.0	3,422,252	.0	.0	.0	.0	.0	.0	10,395,218	.0
25.2 Reinsurance assumed	4,678,560	.0	.0	.0	.0	.0	.0	.0	.0	4,678,560	.0
25.3 Net ceded less assumed	9,138,910	0	3,422,252	0	0	0	0	0	0	5,716,658	0
26. Totals:											
26.1 Reinsurance ceded (Page 6, Line 6)	17,754,966	.0	3,422,252	.0	.0	.0	.0	.0	.0	14,332,714	.0
26.2 Reinsurance assumed (Page 6, Line 22)	4,678,560	0	0	0	0	0	0	0	0	4,678,560	0
26.3 Net ceded less assumed	13,076,407	.0	3,422,252	.0	.0	.0	.0	.0	.0	9,654,155	.0
COMMISSIONS INCURRED (direct business only)											
27. First year (other than single)	45,749,078	.0	.0	49,082	.0	6,702,962	1,222,945	12,987,402	.0	24,799,094	(12,408)
28. Single	13,775,814	.0	.0	13,775,814	.0	.0	.0	.0	.0	.0	.0
29. Renewal	112,954,865	.0	.0	43,181	.0	28,710,212	12,505,999	51,403,779	.0	20,291,695	.0
30. Deposit-type contract funds	0	0	0	0	0	0	0	0	0	0	0
31. Totals (to agree with Page 6, Line 21)	172,479,756	0	0	13,868,076	0	35,413,174	13,728,944	64,391,181	0	45,090,789	(12,408)

ANNUAL STATEMENT FOR THE YEAR 2011 OF THE STANDARD INSURANCE COMPANY

EXHIBIT 2 - GENERAL EXPENSES

	Insurance				5	6
	1	Accident and Health		4		
		2	3			
	Life	Cost Containment	All Other	All Other Lines of Business	Investment	Total
1. Rent	8,463,203	.0	11,242,509	.0	1,146,696	20,852,408
2. Salaries and wages	88,959,345	.0	133,609,445	.0	12,501,798	235,070,587
3.11 Contributions for benefit plans for employees	12,345,501	.0	20,579,886	.0	3,138,677	36,064,064
3.12 Contributions for benefit plans for agents .....	.0	.0	.0	.0	.0	.0
3.21 Payments to employees under non-funded benefit plans .....	.0	.0	.0	.0	.0	.0
3.22 Payments to agents under non-funded benefit plans .....	.0	.0	.0	.0	.0	.0
3.31 Other employee welfare	2,292,995	.0	3,400,513	.0	217,386	5,910,895
3.32 Other agent welfare .....	.0	.0	.0	.0	.0	.0
4.1 Legal fees and expenses	248,682	.0	433,052	.0	311,601	993,336
4.2 Medical examination fees	1,262,821	.0	3,398,132	.0	.0	4,660,953
4.3 Inspection report fees	30,791	.0	613,384	.0	.0	644,175
4.4 Fees of public accountants and consulting actuaries	462,992	.0	636,473	.0	68,571	1,168,036
4.5 Expense of investigation and settlement of policy claims	342,838	.0	23,498,807	.0	3,646	23,845,291
5.1 Traveling expenses	4,866,518	.0	5,272,929	.0	731,205	10,870,652
5.2 Advertising	1,956,220	.0	3,649,893	.0	152,187	5,758,301
5.3 Postage, express, telegraph and telephone	3,032,682	.0	3,942,059	.0	434,170	7,408,912
5.4 Printing and stationery	2,554,855	.0	2,701,409	.0	234,496	5,490,760
5.5 Cost or depreciation of furniture and equipment	2,010,211	.0	3,272,227	.0	97,879	5,380,316
5.6 Rental of equipment	1,987,501	.0	3,350,290	.0	100,438	5,438,228
5.7 Cost or depreciation of EDP equipment and software	14,894,007	.0	24,606,299	.0	734,411	40,234,717
6.1 Books and periodicals	127,823	.0	108,679	.0	42,031	278,534
6.2 Bureau and association fees	453,157	.0	741,116	.0	59,125	1,253,398
6.3 Insurance, except on real estate	859,201	.0	1,385,941	.0	505,459	2,750,601
6.4 Miscellaneous losses .....	.0	.0	.0	.0	.0	.0
6.5 Collection and bank service charges	340,801	.0	552,289	.0	.0	893,090
6.6 Sundry general expenses	2,516,333	.0	4,098,711	.0	381,377	6,996,421
6.7 Group service and administration fees	5,048,961	.0	12,837,948	.0	22	17,886,931
6.8 Reimbursements by uninsured plans .....	.0	.0	(10,170,497)	.0	.0	(10,170,497)
7.1 Agency expense allowance .....	.0	.0	.0	.0	.0	.0
7.2 Agents' balances charged off (less \$ recovered) .....	.0	.0	.0	.0	.0	.0
7.3 Agency conferences other than local meetings	130,783	.0	162,301	.0	.0	293,083
9.1 Real estate expenses	171,064	.0	191,185	.0	.0	362,249
9.2 Investment expenses not included elsewhere	291,856	.0	491,488	.0	5,844,528	6,627,872
9.3 Aggregate write-ins for expenses	1,475	.0	2,487	.0	296,386	300,349
	0	0	0	0	0	0
10. General expenses incurred	155,652,619	.0	254,608,955	.0	27,002,090	(a) 437,263,664
11. General expenses unpaid December 31, prior year	19,677,521	.0	162,020,229	.0	2,111,308	183,809,058
12. General expenses unpaid December 31, current year	25,037,566	.0	181,991,979	.0	1,997,471	209,027,016
13. Amounts receivable relating to uninsured plans, prior year .....	.0	.0	1,673,997	.0	.0	1,673,997
14. Amounts receivable relating to uninsured plans, current year	0	0	4,326,005	0	0	4,326,005
15. General expenses paid during year (Lines 10+11-12-13+14)	150,292,574	0	237,289,213	0	27,115,927	414,697,713
DETAILS OF WRITE-INS						
09.301.						
09.302.						
09.303.						
09.398. Summary of remaining write-ins for Line 9.3 from overflow page .....	.0	.0	.0	.0	.0	.0
09.399. Totals (Lines 09.301 thru 09.303 plus 09.398) (Line 9.3 above)	0	0	0	0	0	0

(a) Includes management fees of \$ 14,994,442 to affiliates and \$ 1,263,766 to non-affiliates.

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

		Insurance			4	5
		1	2	3		
					Investment	Total
1.	Real estate taxes .....	.0	.0	.0	2,197,995	2,197,995
2.	State insurance department licenses and fees	865,994	1,391,632	.0	.0	2,257,625
3.	State taxes on premiums	12,997,209	21,589,955	.0	.0	34,587,164
4.	Other state taxes, including \$0 for employee benefits	1,403,664	2,366,820	.0	.0	3,770,484
5.	U.S. Social Security taxes	4,116,680	8,151,164	.0	21,008	12,288,852
6.	All other taxes	766,623	1,292,659	0	0	2,059,283
7.	Taxes, licenses and fees incurred	20,150,170	34,792,230	.0	2,219,003	57,161,403
8.	Taxes, licenses and fees unpaid December 31, prior year	1,184,897	2,065,935	.0	13,511	3,264,343
9.	Taxes, licenses and fees unpaid December 31, current year.....	1,628,594	2,746,090	0	15,288	4,389,972
10.	Taxes, licenses and fees paid during year (Lines 7 + 8 - 9)	19,706,473	34,112,075	0	2,217,226	56,035,774

EXHIBIT 4 - DIVIDENDS OR REFUNDS

	1	2
	Life	Accident and Health
1. Applied to pay renewal premiums	29,016	.0
2. Applied to shorten the endowment or premium-paying period .....	.0	.0
3. Applied to provide paid-up additions	43,912	.0
4. Applied to provide paid-up annuities .....	.0	.0
5. Total Lines 1 through 4	72,928	.0
6. Paid in cash	28,787	.0
7. Left on deposit	5,124	.0
8. Aggregate write-ins for dividend or refund options .....	.0	.0
9. Total Lines 5 through 8	106,839	.0
10. Amount due and unpaid	4,520	.0
11. Provision for dividends or refunds payable in the following calendar year	112,202	.0
12. Terminal dividends .....	.0	.0
13. Provision for deferred dividend contracts .....	.0	.0
14. Amount provisionally held for deferred dividend contracts not included in Line 13 .....	.0	.0
15. Total Lines 10 through 14	116,722	.0
16. Total from prior year	108,843	.0
17. Total dividends or refunds (Lines 9 + 15 - 16)	114,718	0
DETAILS OF WRITE-INS		
0801. ....	.0	.0
0802.		
0803.		
0898. Summary of remaining write-ins for Line 8 from overflow page .....	.0	.0
0899. Totals (Lines 0801 thru 0803 plus 0898) (Line 8 above)	0	0

ANNUAL STATEMENT FOR THE YEAR 2011 OF THE STANDARD INSURANCE COMPANY

EXHIBIT 5 - AGGREGATE RESERVE FOR LIFE CONTRACTS

1	2	3	4	5	6
Valuation Standard	Total	Industrial	Ordinary	Credit (Group and Individual)	Group
0100001. 1958 CSO 3 1/2% 1958-1975	218,185	0	0	0	218,185
0100002. 1958 CSO 4% 1976-1987	1,200,116	0	0	0	1,200,116
0100003. 1980 CSO 4 1/2% 1995-2003	20,014,779	0	0	0	20,014,779
0100004. 1980 CSO 5 1/2% 1988-1992	3,816,292	0	0	0	3,816,292
0100005. 1980 CSO 5% 1993-1994	2,590,081	0	0	0	2,590,081
0100006. 2001 CSO 4 1/2% 2004-2005	8,082,047	0	0	0	8,082,047
0100007. 2001 CSO 4% 2006-2011 NB	14,858,297	0	0	0	14,858,297
0100008. AE 3.50% NLP CNF 1906-1941	92,019	0	92,019	0	0
0100009. AM(5) 3.00% NLP CNF 1941-1947	919,404	0	919,404	0	0
0100010. AM(5) 3.00% ILL CNF 1941-1947	338,347	0	338,347	0	0
0100011. 1941 CSO 2.25% NLP CNF 1947-1964	7,854,645	0	7,854,645	0	0
0100012. 1941 CSO 2.25% CRVM CNF 1947-1964	2,098,618	0	2,098,618	0	0
0100013. 1941 CSO 2.25% NJ CNF 1947-1964	2,009,290	0	2,009,290	0	0
0100014. 1958 CSO 2.50% NLP CNF 1970-1982	5,211	0	5,211	0	0
0100015. 1958 CSO 2.50% CRVM CNF 1970-1982	40,224	0	40,224	0	0
0100016. 1958 CSO 3.00% NLP CNF 1964-1970	11,602,046	0	11,602,046	0	0
0100017. 1958 CSO 3.00% NJ CNF 1964-1970	7,756,816	0	7,756,816	0	0
0100018. 1958 CSO 3.50% NLP CNF 1970-1992	32,801,240	0	32,801,240	0	0
0100019. 1958 CSO 3.50% CRVM CNF 1970-1982	30,403,019	0	30,403,019	0	0
0100020. 1958 CSO 4.00% NLP CNF 1978-1982	9,378,903	0	9,378,903	0	0
0100021. 1958 CSO 4.00% CRVM CNF 1974-1982	15,343,480	0	15,343,480	0	0
0100022. 1958 CSO 4.50% NLP CNF 1981-1988	23,093,120	0	23,093,120	0	0
0100023. 1958 CSO 4.50% CRVM 1981-1988	79,000,109	0	79,000,109	0	0
0100024. 1958 CSO 5.50% NLP CNF 1979-1988	19,638,830	0	19,638,830	0	0
0100025. 1980 CSO 4.00% NLP CNF 1988-1999	54,589,218	0	54,589,218	0	0
0100026. 1980 CSO 4.00% CRVM 1988-1999, 2006-2008	69,490,946	0	69,490,946	0	0
0100027. 1980 CSO 4.50% NLP CNF 1983-2005	29,310,910	0	29,310,910	0	0
0100028. 1980 CSO 4.50% CRVM 1995-2005	47,403,706	0	47,403,706	0	0
0100029. 1980 CSO 5.00% NLP 1993-1994	21,278,696	0	21,278,696	0	0
0100030. 1980 CSO 5.00% CRVM 1993-1994	18,282,886	0	18,282,886	0	0
0100031. 1980 CSO 5.50% NLP 1987-1992	78,471,710	0	78,471,710	0	0
0100032. 1980 CSO 5.50% CRVM 1986-1992	152,219,802	0	152,219,802	0	0
0100033. 1980 CSO 6.00% NLP CNF 1983-1986	8,063,000	0	8,063,000	0	0
0100034. 1980 CSO 6.00% CRVM CNF 1983-1986	15,439,858	0	15,439,858	0	0
0100035. 2001 CSO 4.00% CRVM CNF 2009-2011 NB	1,649,937	0	1,649,937	0	0
0199997. Totals (Gross)	789,355,787	0	738,575,990	0	50,779,797
0199998. Reinsurance ceded	732,171,129	0	732,171,129	0	0
0199999. Life Insurance: Totals (Net)	57,184,658	0	6,404,861	0	50,779,797
0200001. 1955 AA 3.50% 1941-1945, 1953	1,671	XXX	1,671	XXX	0
0200002. 1971 IAM 3.50% 1964-1967, 1970-1973	701,102	XXX	701,102	XXX	0
0200003. 1971 IAM 4.00% 1974-1979	26,706,838	XXX	26,706,838	XXX	0
0200004. 1971 IAM 4.50% 1980-1982	54,750,689	XXX	54,750,689	XXX	0
0200005. 1971 IAM 6.00% 1975-1979, 1983	78,303	XXX	78,303	XXX	0
0200006. 1971 IAM 8.50% 1984-1985	28,591,869	XXX	28,591,869	XXX	0
0200007. 1971 IAM 8.75% 1983	12,154,280	XXX	12,154,280	XXX	0
0200008. 1971 IAM 10.00% 1984-1985	81,398	XXX	81,398	XXX	0
0200009. 1983 IAM 5.50% 1994, 1996-1997	16,719,993	XXX	16,719,993	XXX	0
0200010. 1983 IAM 5.75% 1993	8,190,892	XXX	8,190,892	XXX	0
0200011. 1983 IAM 6.00% 1995	7,477,215	XXX	7,477,215	XXX	0
0200012. 1983 IAM 6.25% 1992, 1994	18,727,966	XXX	18,727,966	XXX	0
0200013. 1983 IAM 6.50% 1987, 1990, 1993	24,838,026	XXX	24,838,026	XXX	0
0200014. 1983 IAM 6.75% 1991	18,253,327	XXX	18,253,327	XXX	0
0200015. 1983 IAM 6.99% 1995	2,959,601	XXX	2,959,601	XXX	0
0200016. 1983 IAM 7.00% 1988-1989	25,483,934	XXX	25,483,934	XXX	0
0200017. 1983 IAM 7.25% 1986	5,513,471	XXX	5,513,471	XXX	0
0200018. 1983 IAM 7.50% 1992	291,864	XXX	291,864	XXX	0
0200019. 1983 IAM 8.00% 1987, 1990-1991	646,247	XXX	646,247	XXX	0
0200020. 1983 IAM 8.25% 1990-1991	1,622,412	XXX	1,622,412	XXX	0
0200021. 1983 IAM 8.75% 1988-1989	1,440,056	XXX	1,440,056	XXX	0
0200022. 1983 IAM 9.25% 1986	79,786	XXX	79,786	XXX	0
0200023. ANNUITY 2000 2.50% 2010	95,898	XXX	95,898	XXX	0
0200024. ANNUITY 2000 3.40% 2004	5,040,057	XXX	5,040,057	XXX	0
0200025. ANNUITY 2000 3.50% 2003	4,224,063	XXX	4,224,063	XXX	0
0200026. ANNUITY 2000 3.75% 2005	5,040,147	XXX	5,040,147	XXX	0
0200027. ANNUITY 2000 3.90% 2011 NB	49,612,259	XXX	49,612,259	XXX	0
0200028. ANNUITY 2000 4.07% 2011 NB	1,703,536	XXX	1,703,536	XXX	0
0200029. ANNUITY 2000 4.00% 2005	28,857,985	XXX	28,857,985	XXX	0
0200030. ANNUITY 2000 4.15% 2011 NB	255,137,190	XXX	255,137,190	XXX	0
0200031. ANNUITY 2000 4.20% 2004, 2008	92,345,613	XXX	92,345,613	XXX	0
0200032. ANNUITY 2000 4.25% 2007, 2009, 2011 NB	21,109,768	XXX	21,109,768	XXX	0
0200033. ANNUITY 2000 4.10% 2003	187,723	XXX	187,723	XXX	0
0200034. ANNUITY 2000 4.50% 2003, 2006, 2010	183,749,481	XXX	183,749,481	XXX	0
0200035. ANNUITY 2000 4.75% 2005-2008, 2010	666,632,802	XXX	666,632,802	XXX	0
0200036. ANNUITY 2000 4.90% 2010	34,543,221	XXX	34,543,221	XXX	0
0200037. ANNUITY 2000 4.98% 2005	2,999,860	XXX	2,999,860	XXX	0
0200038. ANNUITY 2000 5.00% 2008-2009	724,807,431	XXX	724,807,431	XXX	0
0200039. ANNUITY 2000 5.25% 1998-1999	4,310,660	XXX	4,310,660	XXX	0
0200040. ANNUITY 2000 5.14% 2006	3,121,721	XXX	3,121,721	XXX	0
0200041. ANNUITY 2000 5.37% 2007	8,481,916	XXX	8,481,916	XXX	0
0200042. ANNUITY 2000 5.50% 2001-2002, 2008-2009	265,372,720	XXX	265,372,720	XXX	0
0200043. ANNUITY 2000 5.75% 2000	36,972,610	XXX	36,972,610	XXX	0
0200044. ANNUITY 2000 5.69% 2009	27,193,862	XXX	27,193,862	XXX	0
0200045. ANNUITY 2000 6.25% 1998-1999, 2002	777,905	XXX	777,905	XXX	0
0200046. ANNUITY 2000 6.50% 2002	586,220	XXX	586,220	XXX	0
0200047. ANNUITY 2000 6.75% 2001	128,793	XXX	128,793	XXX	0
0200048. ANNUITY 2000 7.00% 2000	790,683	XXX	790,683	XXX	0
0200049. SS 83 IAM 5.50% 1993	235,401	XXX	235,401	XXX	0
0200050. SS 83 IAM 6.25% 1989	72,581	XXX	72,581	XXX	0
0200051. SS 83 IAM 6.50% 1993	1,615,851	XXX	1,615,851	XXX	0
0200052. SS 83 IAM 7.25% 1990-1991	230,717	XXX	230,717	XXX	0
0200053. SS 83 IAM 7.50% 1989, 1992	807,716	XXX	807,716	XXX	0

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EXHIBIT 5 - AGGREGATE RESERVE FOR LIFE CONTRACTS

1	2	3	4	5	6
Valuation Standard	Total	Industrial	Ordinary	Credit (Group and Individual)	Group
0200054. SS 83 IAM 7.75% 1988	62,575	XXX	62,575	XXX	0
0200055. SS 83 IAM 8.00% 1991	73,137	XXX	73,137	XXX	0
0200056. SS 83 IAM 8.25% 1990	393,057	XXX	393,057	XXX	0
0200057. SS 83 IAM 8.75% 1988-1989	354,789	XXX	354,789	XXX	0
0200058. 1951 PENSION 4.00% 1972-1983	1,317,806	XXX	0	XXX	1,317,806
0200059. 1951 PENSION 10.00% 1984-1985	1,786,159	XXX	0	XXX	1,786,159
0200060. 1983 GAM 6.00% 1987	396,448	XXX	0	XXX	396,448
0200061. 1983 GAM 6.25% 1989	154,833	XXX	0	XXX	154,833
0200062. 1983 GAM 6.50% 1986	616,031	XXX	0	XXX	616,031
0200063. 1983 GAM 7.25% 1987	260,323	XXX	0	XXX	260,323
0200064. 1983 GAM 7.75% 1988-1989	223,895	XXX	0	XXX	223,895
0200065. 1983 GAM 8.00% 1986-1987	1,620,869	XXX	0	XXX	1,620,869
0200066. 1983 GAM 8.25% 1989	151,919	XXX	0	XXX	151,919
0200067. 1983 GAM 8.75% 1986, 1988-1989	3,385,786	XXX	0	XXX	3,385,786
0200068. 1983 GAM 9.25% 1986	1,333,128	XXX	0	XXX	1,333,128
0200069. 1983 IAM 5.25% 1993	237,669	XXX	0	XXX	237,669
0200070. 1983 IAM 6.00% 1990, 1996-1997	440,744	XXX	0	XXX	440,744
0200071. 1983 IAM 6.25% 1993, 1996-1997	4,811,109	XXX	0	XXX	4,811,109
0200072. 1983 IAM 6.50% 1993-1995	3,494,617	XXX	0	XXX	3,494,617
0200073. 1983 IAM 6.75% 1992	26,453	XXX	0	XXX	26,453
0200074. 1983 IAM 6.99% 1995	2,001,164	XXX	0	XXX	2,001,164
0200075. 1983 IAM 7.25% 1990-1991	166,220	XXX	0	XXX	166,220
0200076. 1983 IAM 7.75% 1992	2,319,561	XXX	0	XXX	2,319,561
0200077. 1983 IAM 8.00% 1987, 1990-1991	59,374	XXX	0	XXX	59,374
0200078. 1983 IAM 8.25% 1990-1991	3,387,267	XXX	0	XXX	3,387,267
0200079. ANNUITY 2000 6.25% 1998-1999, 2002	2,646,293	XXX	0	XXX	2,646,293
0200080. 1994 GAM 4.47% 2011 NB	1,870,563	XXX	0	XXX	1,870,563
0200081. 1994 GAM 4.50% 2004-2005	3,418,564	XXX	0	XXX	3,418,564
0200082. 1994 GAM 4.67% 2006	1,080,119	XXX	0	XXX	1,080,119
0200083. 1994 GAM 4.70% 2003	2,540,098	XXX	0	XXX	2,540,098
0200084. 1994 GAM 5.06% 2010	1,543,958	XXX	0	XXX	1,543,958
0200085. 1994 GAM 5.12% 2007	773,205	XXX	0	XXX	773,205
0200086. 1994 GAM 5.25% 2008	1,485,518	XXX	0	XXX	1,485,518
0200087. 1994 GAM 5.50% 1999	17,643	XXX	0	XXX	17,643
0200088. 1994 GAM 5.79% 2009	541,364	XXX	0	XXX	541,364
0200089. 1994 GAM 6.25% 1999	3,348,140	XXX	0	XXX	3,348,140
0200090. 1994 GAM 6.50% 2002	1,359,569	XXX	0	XXX	1,359,569
0200091. 1994 GAM 6.75% 2000-2001	3,739,478	XXX	0	XXX	3,739,478
0200092. 1994 GAM 7.00% 2000	4,358,288	XXX	0	XXX	4,358,288
0200093. 1994 GAM 3.00% 1962-2011 NB	1,670,729,476	XXX	0	XXX	1,670,729,476
0299997. Totals (Gross)	4,410,624,539	XXX	2,682,980,888	XXX	1,727,643,651
0299998. Reinsurance ceded	0	XXX	0	XXX	0
0299999. Annuities: Totals (Net)	4,410,624,539	XXX	2,682,980,888	XXX	1,727,643,651
0300001. 1969-1971 US Life Modified 4% 1971-2011 NB	22,679,253	0	0	0	22,679,253
0300002. Annuity 2000 5.50%, 2004, 2007	157,213	0	157,213	0	0
0300003. 55 AA 3.50% 1944-1968	13,117	0	13,117	0	0
0300004. 55 AA 4.00% 1969-1974	4,889	0	4,889	0	0
0300005. 71 IAM 3.50% 1975-1983	172,661	0	172,661	0	0
0300006. 71 IAM 6.00% 1975-1983	103,619	0	103,619	0	0
0300007. 71 IAM 10.00% 1984-1985	209,016	0	209,016	0	0
0300008. 83 IAM 6.25% 1994, 1996-1997	2,206,752	0	2,206,752	0	0
0300009. 83 IAM 6.50% 1993	620,117	0	620,117	0	0
0300010. 83 IAM 6.99% 1995	1,781,043	0	1,781,043	0	0
0300011. 83 IAM 7.50% 1992	378,941	0	378,941	0	0
0300012. 83 IAM 8.00% 1986-1987, 1991	895,648	0	895,648	0	0
0300013. 83 IAM 8.25% 1990	1,023,324	0	1,023,324	0	0
0300014. 83 IAM 8.75% 1988-1989	1,297,762	0	1,297,762	0	0
0300015. 83 IAM 9.25% 1986	326,989	0	326,989	0	0
0300016. ANNUITY 2000 3.75% 2005	1,341,074	0	1,341,074	0	0
0300017. ANNUITY 2000 4.07% 2004	751,694	0	751,694	0	0
0300018. ANNUITY 2000 4.25% 2011 NB	96,279	0	96,279	0	0
0300019. ANNUITY 2000 4.50% 2006, 2010	1,518,538	0	1,518,538	0	0
0300020. ANNUITY 2000 4.51% 2011 NB	1,974,594	0	1,974,594	0	0
0300021. ANNUITY 2000 4.75% 2007-2008	102,701	0	102,701	0	0
0300022. ANNUITY 2000 4.81% 2006	624,442	0	624,442	0	0
0300023. ANNUITY 2000 4.85% 2003	541,427	0	541,427	0	0
0300024. ANNUITY 2000 4.86% 2005	1,948,052	0	1,948,052	0	0
0300025. ANNUITY 2000 4.96% 2007	1,565,916	0	1,565,916	0	0
0300026. ANNUITY 2000 5.00% 2009, 2010	654,267	0	654,267	0	0
0300027. ANNUITY 2000 5.23% 2009	540,638	0	540,638	0	0
0300028. ANNUITY 2000 5.50% 2008	2,059,111	0	2,059,111	0	0
0300029. ANNUITY 2000 6.25% 1998-1999	1,850,551	0	1,850,551	0	0
0300030. ANNUITY 2000 6.50% 2002	1,617,644	0	1,617,644	0	0
0300031. ANNUITY 2000 6.75% 2001	837,987	0	837,987	0	0
0300032. ANNUITY 2000 7.00% 2000	1,823,414	0	1,823,414	0	0
0399997. Totals (Gross)	51,718,673	0	29,039,420	0	22,679,253
0399998. Reinsurance ceded	157,213	0	157,213	0	0
0399999. SCWLC: Totals (Net)	51,561,460	0	28,882,207	0	22,679,253
0400001. 1959 ADB 3.00% 1964-2000	62,363	0	62,363	0	0
0499997. Totals (Gross)	62,363	0	62,363	0	0
0499998. Reinsurance ceded	62,363	0	62,363	0	0
0499999. Accidental Death Benefits: Totals (Net)	0	0	0	0	0
0500001. 1952 Period 2, 3.00% Table 1964-2000	715,978	0	715,978	0	0
0599997. Totals (Gross)	715,978	0	715,978	0	0
0599998. Reinsurance ceded	715,978	0	715,978	0	0
0599999. Disability-Active Lives: Totals (Net)	0	0	0	0	0
0600001. 1970 Inter-co Group Val Table 4 1/2% 1952-1987, 1995-2005	204,150,423	0	0	0	204,150,423
0600002. 1970 Inter-co Group Val Table 5 1/2% 1988-1992	20,909,294	0	0	0	20,909,294

ANNUAL STATEMENT FOR THE YEAR 2011 OF THE STANDARD INSURANCE COMPANY

EXHIBIT 5 - AGGREGATE RESERVE FOR LIFE CONTRACTS

1	2	3	4	5	6
Valuation Standard	Total	Industrial	Ordinary	Credit (Group and Individual)	Group
0600003. 1970 Inter-co Group Val Table 5% 1993-1994	18,198,805	0	0	0	18,198,805
0600004. 1970 Inter-co Group Val Table 4% 2006-2011 NB					
	474,642,568	0	0	0	474,642,568
0600005. 1970 Inter-co Group Val Table 3 1/2% 1952-1974					
	231,322	0	0	0	231,322
0600006. 1970 Inter-co Group Val Table 4% 1975-1979, 2006-2011 NB	287,614	0	0	0	287,614
0600007. 1970 Inter-co Group Val Table 4 1/2% 1980-1982, 1995-2005	28,449,602	0	0	0	28,449,602
0600008. 1970 Inter-co Group Val Table 6% 1983-1986	271,828	0	0	0	271,828
0600009. 1970 Inter-co Group Val Table 5 1/2% 1987-1992					
	1,718,483	0	0	0	1,718,483
0600010. 1970 Inter-co Group Val Table 5% 1993-1994	1,294,954	0	0	0	1,294,954
0600011. 1969-1971 US Life Modified 4% 1971-2011 NB	2,675,948	0	0	0	2,675,948
0600012. 1952 Disability Study - 1958 CSO 3.00% 1964-2000	1,594,727	0	1,594,727	0	0
0699997. Totals (Gross)	754,425,567	0	1,594,727	0	752,830,840
0699998. Reinsurance ceded	4,584,109	0	1,594,727	0	2,989,382
0699999. Disability-Disabled Lives: Totals (Net)	749,841,458	0	0	0	749,841,458
0700001.	0	0	0	0	0
0799997. Totals (Gross)	0	0	0	0	0
0799998. Reinsurance ceded	0	0	0	0	0
0799999. Miscellaneous Reserves: Totals (Net)	0	0	0	0	0
9999999. Totals (Net) - Page 3, Line 1	5,269,212,116	0	2,718,267,957	0	2,550,944,159

EXHIBIT 5 - INTERROGATORIES

1.1

Has the reporting entity ever issued both participating and non-participating contracts?.....

Yes [X] No []

1.2

If not, state which kind is issued.
.....

2.1

Does the reporting entity at present issue both participating and non-participating contracts?.....

Yes [] No [X]

2.2

If not, state which kind is issued.
Non-participating

3.

Does the reporting entity at present issue or have in force contracts that contain non-guaranteed elements?.....

Yes [X] No []

If so, attach a statement that contains the determination procedures, answers to the interrogatories and an actuarial opinion as described in the instructions.

4.

Has the reporting entity any assessment or stipulated premium contracts in force?.....

Yes [] No [X]

If so, state:

4.1

Amount of insurance?

\$.....0

4.2

Amount of reserve?

\$.....0

4.3

Basis of reserve:
.....

4.4

Basis of regular assessments:
.....

4.5

Basis of special assessments:
.....

4.6

Assessments collected during the year

\$.....0

5.

If the contract loan interest rate guaranteed in any one or more of its currently issued contracts is less than 5%, not in advance, state the contract loan rate guarantees on any such contracts.
.....

6.

Does the reporting entity hold reserves for any annuity contracts that are less than the reserves that would be held on a standard basis?

Yes [] No [X]

6.1

If so, state the amount of reserve on such contracts on the basis actually held:.....

\$.....0

6.2

That would have been held (on an exact or approximate basis) using the actual ages of the annuitants; the interest rate(s) used in 6.1; and the same mortality basis used by the reporting entity for the valuation of comparable annuity benefits issued to standard lives. If the reporting entity has no comparable annuity benefits for standard lives to be valued, the mortality basis shall be the table most recently approved by the state of domicile for valuing individual annuity benefits:

\$.....0

Attach statement of methods employed in their valuation.

7.

Does the reporting entity have any Synthetic GIC contracts or agreements in effect as of December 31 of the current year?

Yes [] No [X]

7.1

If yes, state the total dollar amount of assets covered by these contracts or agreements

\$.....0

7.2

Specify the basis (fair value, amortized cost, etc.) for determining the amount:
.....

7.3

State the amount of reserves established for this business:

\$.....0

7.4

Identify where the reserves are reported in the blank:
.....

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

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

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ANNUAL STATEMENT FOR THE YEAR 2011 OF THE STANDARD INSURANCE COMPANY

EXHIBIT 6 - AGGREGATE RESERVES FOR ACCIDENT AND HEALTH CONTRACTS

	1	2	3	4	Other Individual Contracts				
					5	6	7	8	9
	Total	Group Accident and Health	Credit Accident and Health (Group and Individual)	Collectively Renewable	Non-Cancelable	Guaranteed Renewable	Non-Renewable for Stated Reasons Only	Other Accident Only	All Other
ACTIVE LIFE RESERVE									
1. Unearned premium reserves	34,821,498	0	0	0	29,365,906	5,455,592	0	0	0
2. Additional contract reserves (a)	198,220,836	0	0	0	174,716,395	23,504,441	0	0	0
3. Additional actuarial reserves-Asset/Liability analysis	0	0	0	0	0	0	0	0	0
4. Reserve for future contingent benefits	0	0	0	0	0	0	0	0	0
5. Reserve for rate credits	0	0	0	0	0	0	0	0	0
6. Aggregate write-ins for reserves	0	0	0	0	0	0	0	0	0
7. Totals (Gross)	233,042,334	0	0	0	204,082,301	28,960,033	0	0	0
8. Reinsurance ceded	46,223,915	0	0	0	43,712,659	2,511,256	0	0	0
9. Totals (Net)	186,818,419	0	0	0	160,369,642	26,448,777	0	0	0
CLAIM RESERVE									
10. Present value of amounts not yet due on claims	3,721,666,924	3,059,685,615	0	0	619,331,539	42,649,770	0	0	0
11. Additional actuarial reserves-Asset/Liability analysis	0	0	0	0	0	0	0	0	0
12. Reserve for future contingent benefits	0	0	0	0	0	0	0	0	0
13. Aggregate write-ins for reserves	0	0	0	0	0	0	0	0	0
14. Totals (Gross)	3,721,666,924	3,059,685,615	0	0	619,331,539	42,649,770	0	0	0
15. Reinsurance ceded	105,950,313	26,020,117	0	0	73,112,405	6,817,791	0	0	0
16. Totals (Net)	3,615,716,611	3,033,665,498	0	0	546,219,134	35,831,979	0	0	0
17. TOTAL (Net)	3,802,535,030	3,033,665,498	0	0	706,588,776	62,280,756	0	0	0
18. TABULAR FUND INTEREST	170,310,014	137,216,777	0	0	31,051,939	2,041,298	0	0	0
DETAILS OF WRITE-INS									
0601.	0	0	0	0	0	0	0	0	0
0602.									
0603.									
0698. Summary of remaining write-ins for Line 6 from overflow page	0	0	0	0	0	0	0	0	0
0699. TOTALS (Lines 0601 thru 0603 plus 0698) (Line 6 above)	0	0	0	0	0	0	0	0	0
1301.	0	0	0	0	0	0	0	0	0
1302.									
1303.									
1398. Summary of remaining write-ins for Line 13 from overflow page	0	0	0	0	0	0	0	0	0
1399. TOTALS (Lines 1301 thru 1303 plus 1398) (Line 13 above)	0	0	0	0	0	0	0	0	0

(a) Attach statement as to valuation standard used in calculating this reserve, specifying reserve bases, interest rates and methods.

Up through 12/31/1987, 1964 CDT 3.0%, 58CSO, 2 year preliminary term 01/01/1988
through 12/31/1992, 1985 CIDA 5.5%, 80CSO, 2 year preliminary term 01/01/1993
through 12/31/1994, 1985 CIDA 5.0%, 80CSO, 2 year preliminary term 01/01/1995
through 12/31/2005, 1985 CIDA 4.5%, 80CSO, 2 year preliminary term 01/01/2006
through 12/31/2008, 1985 CIDA 4.0%, 80CSO, 2 year preliminary term 01/01/2009
through present, 1985 CIDA 4.0%, 2001 CSO, 2 year preliminary term

Acquired from Minnesota Life in 2000
Up through 12/31/2003, 1985 CIDA 5.0%, 80CSO, 2 year preliminary term
01/01/2004 through 12/31/2008, 1985 CIDA 4.0%, 80CSO, 2 year preliminary term

EXHIBIT 7 - DEPOSIT TYPE CONTRACTS

	1	2	3	4	5	6
	Total	Guaranteed Interest Contracts	Annuities Certain	Supplemental Contracts	Dividend Accumulations or Refunds	Premium and Other Deposit Funds
1. Balance at the beginning of the year before reinsurance	486,275,608	0	58,714,197	220,190,794	19,889,291	187,481,325
2. Deposits received during the year	287,082,033	0	31,939,296	211,370,599	836,142	42,935,997
3. Investment earnings credited to the account	8,068,660	0	881,629	3,762,785	889,797	2,534,449
4. Other net change in reserves	0	0	0	0	0	0
5. Fees and other charges assessed	2,200	0	0	2,200	0	0
6. Surrender charges	0	0	0	0	0	0
7. Net surrender or withdrawal payments	255,490,109	0	14,088,148	191,397,766	1,655,404	48,348,791
8. Other net transfers to or (from) Separate Accounts	0	0	0	0	0	0
9. Balance at the end of current year before reinsurance (Lines 1+2+3+4-5-6-7-8)	525,933,993	0	77,446,974	243,924,212	19,959,826	184,602,980
10. Reinsurance balance at the beginning of the year	(22,105,528)	0	0	(551,615)	(19,865,298)	(1,688,615)
11. Net change in reinsurance assumed	0	0	0	0	0	0
12. Net change in reinsurance ceded	33,132	0	0	(19,253)	67,787	(15,402)
13. Reinsurance balance at the end of the year (Lines 10+11-12)	(22,138,660)	0	0	(532,362)	(19,933,085)	(1,673,213)
14. Net balance at the end of current year after reinsurance (Lines 9 + 13)	503,795,333	0	77,446,974	243,391,850	26,741	182,929,767

ANNUAL STATEMENT FOR THE YEAR 2011 OF THE STANDARD INSURANCE COMPANY

EXHIBIT 8 - CLAIMS FOR LIFE AND ACCIDENT AND HEALTH CONTRACTS

PART 1 - Liability End of Current Year

		1	2	Ordinary			6	Group		Accident and Health		
				3	4	5		7	8	9	10	11
		Total	Industrial Life	Life Insurance	Individual Annuities	Supplementary Contracts	Credit Life (Group and Individual)	Life Insurance	Annuities	Group	Credit (Group and Individual)	Other
1.	Due and unpaid:											
	1.1 Direct	448,536	.0	.0	.0	.0	.0	.0	.0	448,536	.0	.0
	1.2 Reinsurance assumed	4,457,144	.0	.0	.0	.0	.0	2,170,797	.0	2,286,347	.0	.0
	1.3 Reinsurance ceded	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
	1.4 Net	4,905,680	.0	.0	.0	.0	.0	2,170,797	.0	2,734,883	.0	.0
2.	In course of settlement:											
	2.1 Resisted											
	2.11 Direct	2,548,400	.0	.0	.0	.0	.0	2,548,400	.0	.0	.0	.0
	2.12 Reinsurance assumed	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
	2.13 Reinsurance ceded	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
	2.14 Net	2,548,400	.0	(b) .0	(b) .0	.0	(b) .0	(b) 2,548,400	.0	.0	.0	.0
	2.2 Other											
	2.21 Direct	45,262,943	.0	2,853,263	.0	.0	.0	29,355,046	.0	9,440,008	.0	3,614,626
	2.22 Reinsurance assumed	4,789,620	.0	.0	.0	.0	.0	190,300	.0	50,077	.0	4,549,243
	2.23 Reinsurance ceded	4,604,241	.0	2,456,263	.0	.0	.0	.0	.0	728,000	.0	1,419,978
	2.24 Net	45,448,322	.0	(b) 397,000	(b) .0	.0	(b) .0	(b) 29,545,346	.0	(b) 8,762,085	(b) .0	(b) 6,743,891
3.	Incurred but unreported:											
	3.1 Direct	106,866,581	.0	1,753,659	.0	.0	.0	71,219,657	.0	32,850,615	.0	1,042,650
	3.2 Reinsurance assumed	5,558,816	.0	.0	.0	.0	.0	.0	.0	4,869,731	.0	689,085
	3.3 Reinsurance ceded	3,478,327	.0	1,738,659	.0	.0	.0	159,820	.0	1,579,848	.0	.0
	3.4 Net	108,947,070	.0	(b) 15,000	(b) .0	.0	(b) .0	(b) 71,059,837	.0	(b) 36,140,498	(b) .0	(b) 1,731,735
4.	TOTALS											
	4.1 Direct	155,126,460	.0	4,606,922	.0	.0	.0	103,123,103	.0	42,739,159	.0	4,657,276
	4.2 Reinsurance assumed	14,805,580	.0	.0	.0	.0	.0	2,361,097	.0	7,206,155	.0	5,238,328
	4.3 Reinsurance ceded	8,082,568	.0	4,194,922	.0	.0	.0	159,820	.0	2,307,848	.0	1,419,978
	4.4 Net	161,849,472	(a) 0	(a) 412,000	.0	.0	.0	(a) 105,324,380	.0	47,637,466	.0	8,475,626

(a) Including matured endowments (but not guaranteed annual pure endowments) unpaid amounting to \$0 in Column 2, \$0 in Column 3 and \$0 in Column 7.

(b) Include only portion of disability and accident and health claim liabilities applicable to assumed "accrued" benefits. Reserves (including reinsurance assumed and net of reinsurance ceded) for unaccrued benefits for Ordinary Life Insurance \$0

Individual Annuities \$0 , Credit Life (Group and Individual) \$0 , and Group Life \$749,841,458 , are included in Page 3, Line 1, (See Exhibit 5, Section on Disability Disabled Lives); and for Group Accident and Health \$3,033,665,498

Credit (Group and Individual) Accident and Health \$0 , and Other Accident and Health \$582,051,114 are included in Page 3, Line 2 (See Exhibit 6, Claim Reserve).

ANNUAL STATEMENT FOR THE YEAR 2011 OF THE STANDARD INSURANCE COMPANY

EXHIBIT 8 - CLAIMS FOR LIFE AND ACCIDENT AND HEALTH CONTRACTS

PART 2 - Incurred During the Year

	1 Total	2 Industrial Life (a)	Ordinary			6 Credit Life (Group and Individual)	Group		Accident and Health		
			3 Life Insurance (b)	4 Individual Annuities	5 Supplementary Contracts		7 Life Insurance (c)	8 Annuities	9 Group	10 Credit (Group and Individual)	11 Other
1. Settlements During the Year:											
1.1 Direct	2,049,728,863	0	38,928,866	14,624,911	4,330,508	0	590,039,500	587,379,593	787,577,067	0	26,848,418
1.2 Reinsurance assumed	185,076,592	0	136,095	0	0	0	15,731,597	0	99,788,670	0	69,420,230
1.3 Reinsurance ceded	75,762,503	0	33,914,052	0	0	0	5,434,045	0	26,362,576	0	10,051,831
1.4 Net	(d) 2,159,042,952	0	5,150,909	14,624,911	4,330,508	0	600,337,052	587,379,593	861,003,161	0	86,216,818
2. Liability December 31, current year from Part 1:											
2.1 Direct	155,126,460	0	4,606,922	0	0	0	103,123,103	0	42,739,159	0	4,657,276
2.2 Reinsurance assumed	14,805,580	0	0	0	0	0	2,361,097	0	7,206,155	0	5,238,328
2.3 Reinsurance ceded	8,082,568	0	4,194,922	0	0	0	159,820	0	2,307,848	0	1,419,978
2.4 Net	161,849,472	0	412,000	0	0	0	105,324,380	0	47,637,466	0	8,475,626
3. Amounts recoverable from reinsurers December 31, current year	6,047,302	0	0	0	0	0	680,000	0	4,214,748	0	1,152,554
4. Liability December 31, prior year:											
4.1 Direct	151,975,134	0	3,851,348	0	0	0	99,062,462	0	44,253,429	0	4,807,895
4.2 Reinsurance assumed	13,985,180	0	0	0	0	0	1,574,868	0	7,540,597	0	4,869,715
4.3 Reinsurance ceded	8,453,353	0	3,517,348	0	0	0	1,590,120	0	1,815,444	0	1,530,441
4.4 Net	157,506,962	0	334,000	0	0	0	99,047,210	0	49,978,582	0	8,147,170
5. Amounts recoverable from reinsurers December 31, prior year	5,928,351	0	0	0	0	0	2,004,500	0	3,043,252	0	880,599
6. Incurred Benefits											
6.1 Direct	2,052,880,189	0	39,684,440	14,624,911	4,330,508	0	594,100,141	587,379,593	786,062,797	0	26,697,799
6.2 Reinsurance assumed	185,896,992	0	136,095	0	0	0	16,517,826	0	99,454,228	0	69,788,843
6.3 Reinsurance ceded	75,510,670	0	34,591,626	0	0	0	2,679,245	0	28,026,476	0	10,213,323
6.4 Net	2,163,266,511	0	5,228,909	14,624,911	4,330,508	0	607,938,722	587,379,593	857,490,549	0	86,273,319

(a) Including matured endowments (but not guaranteed annual pure endowments) amounting to \$0 in Line 1.1, \$0 in Line 1.4.
\$0 in Line 6.1, and \$0 in Line 6.4.

(b) Including matured endowments (but not guaranteed annual pure endowments) amounting to \$47,255 in Line 1.1, \$0 in Line 1.4.
\$47,255 in Line 6.1, and \$0 in Line 6.4.

(c) Including matured endowments (but not guaranteed annual pure endowments) amounting to \$0 in Line 1.1, \$0 in Line 1.4.
\$0 in Line 6.1, and \$0 in Line 6.4.

(d) Includes \$3,721,305 premiums waived under total and permanent disability benefits.

ANNUAL STATEMENT FOR THE YEAR 2011 OF THE STANDARD INSURANCE COMPANY

EXHIBIT OF NON-ADMITTED ASSETS

	1	2	3
	Current Year Total Nonadmitted Assets	Prior Year Total Nonadmitted Assets	Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1. Bonds (Schedule D)	0	0	0
2. Stocks (Schedule D):			
2.1 Preferred stocks	0	0	0
2.2 Common stocks	0	0	0
3. Mortgage loans on real estate (Schedule B):			
3.1 First liens	0	53,466	53,466
3.2 Other than first liens	0	0	0
4. Real estate (Schedule A):			
4.1 Properties occupied by the company	0	0	0
4.2 Properties held for the production of income	0	0	0
4.3 Properties held for sale	0	0	0
5. Cash (Schedule E - Part 1), cash equivalents (Schedule E - Part 2) and short-term investments (Schedule DA)	0	0	0
6. Contract loans	0	0	0
7. Derivatives (Schedule DB)	0	0	0
8. Other invested assets (Schedule BA)	0	0	0
9. Receivables for securities	0	0	0
10. Securities lending reinvested collateral assets (Schedule DL)	0	0	0
11. Aggregate write-ins for invested assets	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11)	0	53,466	53,466
13. Title plants (for Title insurers only)	0	0	0
14. Investment income due and accrued	0	0	0
15. Premiums and considerations:			
15.1 Uncollected premiums and agents' balances in the course of collection	1,510,464	1,613,082	102,618
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due	0	0	0
15.3 Accrued retrospective premiums	463,830	713,825	249,995
16. Reinsurance:			
16.1 Amounts recoverable from reinsurers	0	0	0
16.2 Funds held by or deposited with reinsured companies	0	0	0
16.3 Other amounts receivable under reinsurance contracts	2,400,000	2,700,000	300,000
17. Amounts receivable relating to uninsured plans	0	0	0
18.1 Current federal and foreign income tax recoverable and interest thereon	0	0	0
18.2 Net deferred tax asset	117,940,252	96,136,843	(21,803,409)
19. Guaranty funds receivable or on deposit	0	0	0
20. Electronic data processing equipment and software	33,669,499	39,712,678	6,043,179
21. Furniture and equipment, including health care delivery assets	8,048,256	8,569,327	521,071
22. Net adjustment in assets and liabilities due to foreign exchange rates	0	0	0
23. Receivables from parent, subsidiaries and affiliates	0	0	0
24. Health care and other amounts receivable	0	0	0
25. Aggregate write-ins for other than invested assets	108,357,985	54,084,141	(54,273,844)
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	272,390,286	203,583,362	(68,806,924)
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts	0	0	0
28. Total (Lines 26 and 27)	272,390,286	203,583,362	(68,806,924)
DETAILS OF WRITE-INS			
1101.			
1102.			
1103.			
1198. Summary of remaining write-ins for Line 11 from overflow page	0	0	0
1199. Totals (Lines 1101 thru 1103 plus 1198)(Line 11 above)	0	0	0
2501. Mortgage participations – excess interest retained	2,239,532	2,969,727	730,195
2502. Prepaid pension funds (SSAP 89)	89,620,805	40,790,737	(48,830,068)
2503. Prepaid expenses	15,570,922	9,277,763	(6,293,159)
2598. Summary of remaining write-ins for Line 25 from overflow page	926,726	1,045,914	119,188
2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above)	108,357,985	54,084,141	(54,273,844)

ANNUAL STATEMENT FOR THE YEAR 2011 OF THE STANDARD INSURANCE COMPANY

NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Accounting Practices

Standard Insurance Company (“the Company”) is a stock life insurance company domiciled in the State of Oregon and licensed to do business in all states except for New York. The Company is also licensed in the District of Columbia, and the U.S. Territories of Guam and the Virgin Islands. The Company markets group life and accidental death and dismemberment (“AD&D”) insurance, group and individual accident and health (“A&H”) insurance products, group dental and group vision insurance, and group and individual annuity products through brokers and its own representatives.

The accompanying statutory basis financial statements of the Company have been prepared in conformity with accounting practices prescribed or permitted by the Oregon Department of Consumer and Business Services—Insurance Division (“Oregon Insurance Division”). Only statutory accounting practices so prescribed or permitted by the State of Oregon can be used in determining and reporting the financial condition and results of operations of an insurance company under Oregon Insurance Law.

The National Association of Insurance Commissioners’ (“NAIC”) Accounting Practices and Procedures manual, (“NAIC SAP”), including the Statements of Statutory Accounting Principles (“SSAP”) as updated by the NAIC, has been adopted by the Oregon Insurance Division as a component of prescribed or permitted accounting practices under Oregon Insurance Division Bulletin INS 2007-5. The Oregon Insurance Division has not adopted accounting practices that differ from 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 Oregon is shown below:

(In thousands)	2011	2010
Statutory Net Income, Oregon basis	\$ 127,419	\$ 190,140
Net Income in conformity with NAIC SAP	\$ 127,419	\$ 190,140
Statutory capital and surplus, Oregon basis	\$ 1,139,494	\$ 1,171,514
SAP	\$ 1,139,494	\$ 1,171,514

B. Use of Estimates

The preparation of financial statements in conformity with Statutory Accounting Principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities. It also requires the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates.

C. Accounting Policies

Life premiums are recognized as income over the premium paying period of the related policies. A&H premiums are earned ratably over the terms of the related insurance and reinsurance contracts or policies. Annuity considerations with life contingencies or purchase rate guarantees are recognized as revenue when received. Expenses incurred in connection with acquiring new insurance business, including acquisition costs such as sales commissions, are charged to operations as incurred.

Initial gains on indemnity reinsurance of in-force blocks of business have unique accounting treatment. A portion of the initial gain (equal to the tax effect of the initial gain in surplus) is reported as commissions and expense allowances on reinsurance ceded in the statement of operations. The remainder of the initial gain is reported on a net-of-tax basis as a write-in for gain or loss in surplus in the Capital and Surplus Account. In subsequent years, the ceding entity recognizes income on the reinsurance ceded line for the net-of-tax profits that emerge on the reinsured block of business with a corresponding decrease in the write-in for gain or loss in surplus. (SSAP No. 61, *Life, Deposit-Type and Accident and Health Reinsurance*, paragraph 64.d)

Real estate holdings are stated at lower of amortized cost or fair value. Fair market value of real estate is determined through third party or internal appraisals.

For all investments, impairments are recorded when it is determined that the decline in fair value of an investment below its amortized cost basis is other than temporary. The Company reflects other than temporary impairment charges in net realized capital losses and permanently adjusts the book value of the investment to reflect the impairment. Factors considered in evaluating whether a decline in value is other than temporary include: (i) the length of time and the extent to which the fair value has been less than amortized cost, (ii) the financial conditions and near-term prospects of the issuer, and (iii) our intent and ability to retain the investment for a period of time sufficient to allow for any anticipated recovery in market value. In addition, for securities expected to be sold, an other than temporary impairment charge is recognized if the Company does not expect the realizable market value of a security to recover to amortized cost prior to the expected date of sale. Once an impairment charge has been recorded, the Company continues to review the other than temporarily impaired securities for further potential

ANNUAL STATEMENT FOR THE YEAR 2011 OF THE STANDARD INSURANCE COMPANY

NOTES TO FINANCIAL STATEMENTS

impairment on an ongoing basis. The Company records temporary impairments and allowance for loan losses as unrealized capital losses.

Investments in low income housing partnerships are accounted for in accordance with SSAP No. 93 (“SSAP 93”), *Accounting for Low Income Housing Tax Credit Property Investments*. The investments are admitted assets, valued in accordance with accounting principles generally accepted in the United States of America (“GAAP”) under the equity method adjusted for impairments based on the tax credit analysis required by SSAP 93. Impairment charges are recorded as realized capital losses.

The Company accounts for transferable state tax credits in accordance with SSAP No. 94, *Accounting for Transferable State Tax Credits*. Transferable state tax credits (credits) are recorded at cost and gains are deferred until the value of the credits utilized exceeds the cost of the credits or until the credits are sold to other entities. Losses to the credits are recognized when the Company identifies the credits cannot be used.

The NAIC issued SSAP No. 100, *Fair Value Measurements*, with an effective date of December 31, 2010. The Company adopted this revised SSAP for all loan backed and asset backed securities. This statement provides a framework for the treatment of measuring fair value. The adoption of this SSAP did not have a material impact to the Company’s result. See Note 20 for additional details.

The Company uses the following additional accounting policies:

- 1) Short-term investments are stated at amortized cost.
- 2) Bonds not backed by other loans and structured securities are stated at amortized cost using the scientific (constant) yield to worst method, which is determined by the call or maturity date that produces the lowest asset value.
- 3) Common stocks are stated at fair value in accordance with the guidance provided in SSAP No. 30, *Investments in Common Stock (excluding investments in common stock of subsidiary, controlled, or affiliated entities)*.
- 4) Preferred stocks are stated in accordance with the guidance provided in SSAP No. 32, *Investments in Preferred Stock (including investments in preferred stock of subsidiary, controlled, or affiliated entities)*.
- 5) Mortgage loans are stated at the unpaid principal balances adjusted for unamortized discounts, premiums, and allowance for losses.
- 6) Asset backed securities are stated at amortized cost using the constant yield method with capitalized prepayments. The retrospective adjustment method is used to value all securities.
- 7) The Company does not own investments in any subsidiaries, controlled and affiliated companies.
- 8) Real estate limited partnership interests are valued on the GAAP equity method.
- 9) The Company’s derivative instruments that do not meet the criteria to qualify for hedge accounting are accounted for at fair value and the related changes in fair values are recorded as unrealized gains or losses.
- 10) Should the Company determine the need for premium deficiency reserves, investment income would be anticipated as a factor in the premium deficiency calculation, in accordance with SSAP No. 54, *Individual and Group Accident and Health Contracts*.
- 11) Claim liabilities for accident and health policies are established using a combination of industry morbidity tables and company adjusted formulas. The present value of future benefits is calculated for each claim reported and approved. Interest rates are reviewed annually as determined by the Oregon Insurance Division and NAIC model guidelines. Incurred but not reported (“IBNR”) reserves are established at the policy level and formulas are reviewed as appropriate to ensure that reserve run-outs demonstrate sufficient adequacy. Claim adjustment expenses for accident and health policies are developed using estimates of expected claim duration and administration costs based on company experience. Future costs are adjusted for inflation.
- 12) The Company has not modified its capitalization policy from the prior period.
- 13) The Company does not have pharmaceutical rebate receivables.

2. ACCOUNTING CHANGES AND CORRECTION OF ERRORS

In the first quarter, the Company identified that certain tax amounts were previously paid on behalf of the parent that should have been adjusted as of December 31, 2010. A correction of \$4.1 million was made in the first quarter to record an intercompany receivable from the parent for reimbursement of the taxes paid by the Company. This resulted in the recognition of an additional \$4.1 million in surplus. The correction had no impact on net income for the current reporting period that began January 1, 2011.

3. BUSINESS COMBINATIONS AND GOODWILL

Not applicable

4. DISCONTINUED OPERATIONS

None

ANNUAL STATEMENT FOR THE YEAR 2011 OF THE STANDARD INSURANCE COMPANY
NOTES TO FINANCIAL STATEMENTS

5. INVESTMENTS

A. Mortgage Loans, including Mezzanine Real Estate Loans

- 1) The minimum and maximum lending rates for mortgage loans during 2011 were:

Farm mortgages	N/A
Residential mortgages	N/A
Commercial mortgages	4.75% and 10.75%
Purchase money mortgages	N/A
Cash flow mortgages	N/A

- 2) During 2011, the Company did not reduce interest rates of any outstanding mortgage loans.

- 3) The maximum percentage of any one loan to the value of security at the time of the loan, exclusive of insured or guaranteed or purchase money mortgage was 75%.

(In thousands)	2011	2010
4) As of year end, the Company held mortgages with interest more than 180 days past due with a recorded investment, excluding accrued interest	\$ 212	\$ 1,434
a. Total interest due on mortgages with interest more than 180 days past due	41	76
5) Taxes, assessments and any amounts advanced and not included in the mortgage loan total	253	155
6) Current year impaired loans with a related allowance for credit losses	25,222	25,285
a. Related allowances for credit losses	5,999	6,082
7) Other than temporary impaired mortgage loans without an allowance for credit losses	9,374	-
8) Average recorded investment in impaired loans	19,213	903
9) Interest income recognized during the period the loans were impaired	1,165	-
10) Amount of interest income recognized on a cash basis during the period the loans were impaired	-	-
11) Allowance for credit losses:		
a. Balance at beginning of period	\$ 6,082	\$ 745
b. Additions charged to operations	584	24,029
c. Direct write-downs charged against the allowances	(670)	(18,692)
d. Recoveries of amounts previously charged off	3	-
e. Balance at end of period	<u>\$ 5,999</u>	<u>\$ 6,082</u>

- 12) The Company recognizes interest income on its impaired loans upon receipt.

B. Debt Restructuring

(In thousands)	2011	2010
1) The total recorded investment in restructured loans, as of year-end	\$ 32,212	\$ 23,530
2) The realized capital losses related to these loans	\$ -	\$ -
3) Total contractual commitments to extend credit to debtors owning receivables whose terms have been modified in troubled debt restructurings	\$ -	\$ -
4) The Company accrues interest income on impaired loans to the extent it is deemed collectible and the loan continues to perform under its original or restructured contractual terms. Interest income on non-performing loans is generally recognized on a cash basis.		

ANNUAL STATEMENT FOR THE YEAR 2011 OF THE STANDARD INSURANCE COMPANY

NOTES TO FINANCIAL STATEMENTS

C. Reverse Mortgages

None

D. Loan-Backed Securities

- 1) Asset backed securities totaled \$97.3 million at December 31, 2011 and were reported at amortized cost.
- 2) Prepayment assumptions for single class and multi-class mortgage-backed/asset-backed securities were obtained from BNY Mellon.
- 3) The Company did not recognize any other than temporary impairments on loan-backed securities.
- 4) Loan-Backed Securities

(In thousands)	2011		2010	
a. The aggregate amount of unrealized losses:				
1. Less than 12 Months	\$	-	\$	8
2. 12 Months or Longer	\$	-	\$	-
b. The aggregate related fair value of securites with unrealized losses:				
1. Less than 12 Months	\$	-	\$	992
2. 12 Months or Longer	\$	-	\$	-

E. Repurchase Agreements

None

F. Real Estate

- 1) The Company recorded no impairment losses on real estate investments in 2011.
- 2) The Company did not sell any real estate in 2011.
- 3) The Company held \$973 thousand of real estate for sale at December 31, 2011.
- 4) The Company does not engage in retail land sales operations.
- 5) The Company does not have any real estate investments with participating mortgage loan features.

G. Low Income Housing Tax Credits

- 1) For the year ended December 31, 2011, the Company had twenty-three low income housing tax credit investments. The remaining years of unexpired tax credits ranged from one to twelve. The length of time remaining for holding periods ranged from one to seventeen years.
- 2) None of the properties are subject to regulatory review.
- 3) No low income housing tax credit investment exceeded 10% of the total admitted assets.
- 4) The Company recognized an impairment loss of \$328 thousand and \$1.8 million in low income housing tax credit investments during 2011 and 2010, respectively. Impairment is recognized when the book value of an investment is less than the present value of future tax credits generated by the investment.
- 5) No write-downs due to the forfeiture or ineligibility of tax credits were made in 2011.

6. JOINT VENTURES, PARTNERSHIPS AND LIMITED LIABILITY COMPANIES

- A. The Company has no investments in Joint Ventures, Partnerships or Limited Liability Companies that exceed 10% of its admitted assets.
- B. The Company recognized an impairment loss of \$0.3 million and \$1.8 million in low income housing tax credit investments during 2011 and 2010, respectively.

7. INVESTMENT INCOME

- A. All investment income due and accrued with amounts that are over 90 days past due is excluded from surplus.
- B. There was no investment income excluded from surplus in 2011.

ANNUAL STATEMENT FOR THE YEAR 2011 OF THE STANDARD INSURANCE COMPANY

NOTES TO FINANCIAL STATEMENTS

8. DERIVATIVE INSTRUMENTS

- A. The structure of our derivative transactions limits our exposure to counterparty non-performance. The Company further limits its exposure by transacting with counterparties with high credit ratings.
- B. The Company markets equity-indexed annuities. These contracts permit the holder to elect an interest rate return or an indexed return, where interest credited to the contracts is based on the performance of the Standard and Poor’s (“the S&P”) 500 index, subject to an upper limit or cap. Policyholders may elect to rebalance between interest crediting options at renewal dates annually. At each renewal date, the Company has the opportunity to re-price the indexed component by changing the cap, subject to minimum guarantees. The Company purchases S&P 500 index call spread options in conjunction with its sales of indexed annuities. These investments are highly correlated to the portfolio allocation decisions of its policyholders, such that the Company is economically hedged with respect to index-based interest rate guarantees for the current reset period.
- C. The Company’s derivative instruments do not qualify for hedge accounting and are accounted for at fair value with the related changes in fair values recorded as unrealized gains or losses.
- D. The Company’s net unrealized losses from derivatives in 2011 were \$6.7 million.
- E. The Company held no derivatives that qualified for hedge accounting.
- F. The Company held no derivatives that qualified as cash flow hedges.

9. INCOME TAXES

- A. The components of the net admitted deferred tax asset (“DTA”) at December 31 are as follows:

1)	2011			2010			Change		
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	(Col 1+2)			(Col 4+5)			(Col 1-4)	(Col 2-5)	(Col 7+8)
(In thousands)	Ordinary	Capital	Total	Ordinary	Capital	Total	Ordinary	Capital	Total
a) Gross deferred tax assets	\$ 221,056	\$ 156	\$ 221,212	\$ 207,218	\$ 12,087	\$ 219,305	\$ 13,838	\$ (11,931)	\$ 1,907
b) Statutory valuation allowance adjustment	-	-	-	-	-	-	-	-	-
c) Adjusted gross deferred tax assets (1a - 1b)	221,056	156	221,212	207,218	12,087	219,305	13,838	(11,931)	1,907
d) Deferred tax liabilities	9,306	2,174	11,481	16,295	11,198	27,493	(6,989)	(9,023)	(16,012)
e) Subtotal (net deferred tax assets) (1c - 1d)	211,750	(2,018)	209,731	190,923	889	191,812	20,827	(2,908)	17,919
f) Deferred tax assets nonadmitted	119,959	(2,018)	117,940	95,248	889	96,137	24,711	(2,908)	21,803
g) Net admitted deferred tax assets (1e - 1f)	<u>\$ 91,791</u>	<u>\$ -</u>	<u>\$ 91,791</u>	<u>\$ 95,675</u>	<u>\$ -</u>	<u>\$ 95,675</u>	<u>\$ (3,884)</u>	<u>\$ -</u>	<u>\$ (3,884)</u>

- 2) The Company elected to admit DTAs pursuant to SSAP No. 10R, *Income Taxes – A Temporary Replacement of SSAP No. 10* (“SSAP 10R”) for December 31, 2011 and December 31, 2010.
- 3) As a result of applying paragraph 10.e. of SSAP 10R, ordinary admitted adjusted gross DTAs for 2011 were increased by \$48.5 million. There were no capital admitted adjusted gross DTAs for 2011. As a result of applying paragraph 10.e. of SSAP 10R for 2010 admitted adjusted gross DTAs increased by \$57.4 million for ordinary and decreased \$0 for capital, respectively. The change in 2011 from 2010 due to application of paragraph 10.e. of SSAP 10R decreased the admitted adjusted gross DTA by \$8.9 million and \$0 for ordinary and capital, respectively.

ANNUAL STATEMENT FOR THE YEAR 2011 OF THE STANDARD INSURANCE COMPANY

NOTES TO FINANCIAL STATEMENTS

4) The amount of each result or component of the calculation, by tax character, of paragraphs 10.a., 10.b.i., 10.b.ii., 10.c., 10.e.i, 10.e.ii.a, 10.e.ii.b., and 10.e.iii. are as follows:

(In thousands)	2011			2010			Change		
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	(Col 1+2)			(Col 4+5)			(Col 1-4)	(Col 2-5)	(Col 7+8)
	Ordinary	Capital	Total	Ordinary	Capital	Total	Ordinary	Capital	Total
Admission Calculation Components									
SSAP No. 10R, Paragraphs 10.a., 10.b, and 10.c.:									
a) SSAP No. 10R, paragraph 10.a.	\$ 43,269	\$ -	\$ 43,269	\$ 38,299	\$ -	\$ 38,299	\$ 4,970	\$ -	\$ 4,970
b) SSAP No. 10R, paragraph 10.b.	-	-	-	-	-	-	-	-	-
(the lesser of paragraph 10.b.i. and 10.b.ii. below									
c) SSAP No. 10R, paragraph 10.b.i.	-	-	-	-	-	-	-	-	-
d) SSAP No. 10R, paragraph 10.b.ii.	XXX	XXX	109,838	XXX	XXX	106,956	XXX	XXX	2,882
e) SSAP No. 10R, paragraph 10.c.	9,306	2,174	11,481	16,295	11,198	27,493	(6,989)	(9,023)	(16,012)
f) Total (4a + 4b + 4e)	\$ 52,575	\$ 2,174	\$ 54,750	\$ 54,594	\$ 11,198	\$ 65,792	\$ (2,019)	\$ (9,023)	\$ (11,042)

Admission Calculation Components

SSAP No. 10R, Paragraph 10.e.:

g) SSAP No. 10R, paragraph 10.e.i	\$ 91,792	\$ -	\$ 91,791	\$ 95,675	\$ -	\$ 95,675	\$ (3,884)	\$ -	\$ (3,884)
h) SSAP No. 10R, paragraph 10.e.ii.	-	-	-	-	-	-	-	-	-
(the lesser of paragraph 10.e.ii.a. and 10.e.ii.b. below									
i) SSAP No. 10R, paragraph 10.e.ii.a.	-	-	-	-	-	-	-	-	-
j) SSAP No. 10R, paragraph 10.e.ii.b.	XXX	XXX	164,758	XXX	XXX	160,434	XXX	XXX	4,323
k) SSAP No. 10R, paragraph 10.e.iii.	9,306	2,174	11,481	16,296	11,198	27,493	(6,989)	(9,023)	(16,012)
l) Total (4g + 4h + 4k)	\$ 101,098	\$ 2,174	\$ 103,272	\$ 111,971	\$ 11,198	\$ 123,168	\$ (10,873)	\$ (9,023)	\$ (19,896)

Used in SSAP No. 10R, paragraph 10.d.

m) Total adjusted capital	XXX	XXX	\$ 1,196,626	XXX	XXX	\$ 1,208,757	XXX	XXX	\$ (12,131)
n) Authorized control level	XXX	XXX	\$ 191,430	XXX	XXX	\$ 192,799	XXX	XXX	\$ (1,369)

The Company's risk-based capital level used for the purposes of SSAP 10R, threshold test, is based on authorized control level of \$191.4 million and total adjusted capital of \$1.20 billion, which is an action level trend test result of 313%.

5)	2011			2010			Change		
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	(Col 1+2)			(Col 4+5)			(Col 1-4)	(Col 2-5)	(Col 7+8)
	Ordinary	Capital	Total	Ordinary	Capital	Total	Ordinary	Capital	Total
(In thousands)	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent
Impact of tax planning strategies									
a) Adjusted gross DTAs	0%	0%	0%	0%	6%	6%	0%	-6%	-6%
(% of total adjusted gross DTAs)									
b) Net admitted adjusted gross DTAs	0%	0%	0%	0%	0%	0%	0%	0%	0%
(% of total net admitted adjusted gross DTAs)									

6)	2011			2010			Change		
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	(Col 1+2)			(Col 4+5)			(Col 1-4)	(Col 2-5)	(Col 7+8)
	Ordinary	Capital	Total	Ordinary	Capital	Total	Ordinary	Capital	Total
(In thousands)									
SSAP No. 10R, paragraphs 10.a, 10.b., and 10.c.:									
a) Admitted deferred tax assets	\$ 52,575	\$ 2,174	\$ 54,749	\$ 54,594	\$ 11,198	\$ 65,792	\$ (2,019)	\$ (9,024)	\$ (11,043)
b) Admitted assets	XXX	XXX	\$ 15,965,828	XXX	XXX	\$ 15,559,464	XXX	XXX	\$ 406,364
c) Adjusted statutory surplus*	XXX	XXX	\$ 1,098,383	XXX	XXX	\$ 1,069,560	XXX	XXX	\$ 28,823
d) Total adjusted capital from DTAs	XXX	XXX	\$ 1,196,626	XXX	XXX	\$ 1,208,757	XXX	XXX	\$ (12,131)

Increases due to SSAP No. 10R, paragraph 10.e.

e) Admitted deferred taxassets	\$ 48,522	\$ -	\$ 48,522	\$ 57,376	\$ -	\$ 57,376	\$ (8,854)	\$ -	\$ (8,854)
f) Admitted assets	XXX	XXX	\$ 48,522	XXX	XXX	\$ 57,376	XXX	XXX	\$ (8,854)
g) Statutory surplus	XXX	XXX	\$ 48,522	XXX	XXX	\$ 57,376	XXX	XXX	\$ (8,854)

*As reported on the statutory balance sheet for the most recently filed statement with the domiciliary state commissioner adjusted in accordance with SSAP 10R, paragraph 10.b.ii.

ANNUAL STATEMENT FOR THE YEAR 2011 OF THE STANDARD INSURANCE COMPANY

NOTES TO FINANCIAL STATEMENTS

B. There are no temporary differences for which deferred tax liabilities are not recognized.

C. Current income taxes incurred consist of the following major components:

(In thousands)	2011	2010	Change
1) Current income tax			
a) Federal	\$ 40,452	\$ 110,768	\$ (70,316)
b) Foreign	-	-	-
c) Subtotal	40,452	110,768	(70,316)
d) Federal income tax on net capital gains	17,277	12,736	4,541
e) Utilization of capital loss carry-forwards	(11,121)	(5,718)	(5,403)
f) Other	-	-	-
g) Federal and foreign income taxes incurred	<u>\$ 46,608</u>	<u>\$ 117,786</u>	<u>\$ (71,178)</u>
2) Deferred Tax Assets			
a) Ordinary			
1) Discounting of unpaid losses	\$ 51,202	\$ 44,259	\$ 6,943
2) Unearned premium reserve	467	475	(8)
3) Policyholder reserves	-	-	-
4) Investments	10,933	8,677	2,256
5) Deferred acquisition costs	59,956	57,364	2,592
6) Policyholder dividends accrual	-	-	-
7) Fixed assets	3,222	14,146	(10,924)
8) Compensation and benefits accrual	-	-	-
9) Pension accrual	-	-	-
10) Receivables - nonadmitted	-	-	-
11) Net operating loss carry-forward	-	-	-
12) Tax credit carry-forward	-	-	-
13) Other (including items < 5% of total ordinary tax assets)	7,658	2,750	4,908
14) Provision for ERR	13,760	12,595	1,165
15) Ceding Commission/VOBA/Reinsurance	8,276	9,086	(810)
16) Accrued Expenses	65,582	57,866	7,716
17) Write-ins for other than Invested Asset	-	-	-
99) Subtotal	<u>\$ 221,056</u>	<u>\$ 207,218</u>	<u>\$ 13,838</u>
b) Statutory valuation allowance adjustment	\$ -	\$ -	\$ -
c) Nonadmitted	\$ 119,959	\$ 95,248	\$ 24,711
d) Admitted ordinary deferred tax assets (2a99 - 2b - 2c)	\$ 101,097	\$ 111,970	\$ (10,873)
e) Capital:			
1) Investments	\$ -	\$ -	\$ -
2) Net capital loss carry-forward	156	12,087	(11,931)
3) Real estate	-	-	-
4) Other (including items < 5% of total capital liabilities)	-	-	-
99) Subtotal	<u>\$ 156</u>	<u>\$ 12,087</u>	<u>\$ (11,931)</u>
f) Statutory valuation allowance adjustment	\$ -	\$ -	\$ -
g) Nonadmitted	\$ (2,018)	\$ 889	\$ (2,907)
h) Admitted capital deferred tax assets (2e99 - 2f - 2g)	\$ 2,174	\$ 11,198	\$ (9,024)
i) Admitted deferred tax assets (2d + 2h)	\$ 103,271	\$ 123,168	\$ (19,897)
3) Deferred tax liabilities:			
a) Ordinary			
1) Investments	\$ 8,755	\$ 85	\$ 8,670
2) Fixed assets	-	11,211	(11,211)
3) Deferred and uncollected premium	-	-	-
4) Policyholder reserves	-	-	-
5) Other (including items < 5% of total ordinary tax liabilities)	551	4,999	(4,448)
99) Subtotal	<u>\$ 9,306</u>	<u>\$ 16,295</u>	<u>\$ (6,989)</u>
b) Capital:			
1) Investments	\$ 2,174	\$ 1,909	\$ 265
2) Real estate	-	9,289	(9,289)
3) Other (including items < 5% of total capital liabilities)	-	-	-
99) Subtotal	<u>\$ 2,174</u>	<u>\$ 11,198</u>	<u>\$ (9,024)</u>
c) Deferred tax liabilities (3a99 + 3b99)	\$ 11,480	\$ 27,493	\$ (16,013)
4) Net deferred tax assets/liabilities (2i - 3c)	\$ 89,618	\$ 84,478	\$ 5,140

ANNUAL STATEMENT FOR THE YEAR 2011 OF THE STANDARD INSURANCE COMPANY
NOTES TO FINANCIAL STATEMENTS

- D. The provision for federal income taxes incurred is different from that which would be obtained by applying the statutory Federal income tax rate to income before income taxes. The significant items causing this difference at December 31, 2011, and December 31, 2010, were as follows:

(In thousands)	2011	2010
Provision computed at statutory rate	\$ 60,818	\$ 107,774
Tax credits	(7,994)	(2,673)
Dividend received deduction	(3,066)	(3,115)
Tax exempt interest	(130)	(186)
Meals & entertainment disallowance	369	414
Change in non-admitted assets	(16,451)	6,956
Change in net unrealized capital gains	(3,009)	(3,494)
Prior year over accrual and adjustments	(2,918)	525
Change in IMR	2,515	3,897
Other miscellaneous expenses	(1,445)	(168)
Total statutory income taxes	<u>\$ 28,689</u>	<u>\$ 109,931</u>
Federal income tax expense incurred	\$ 46,608	\$ 117,787
(Increase)/decrease in net deferred income taxes	(17,919)	(7,855)
Total statutory income taxes	<u>\$ 28,689</u>	<u>\$ 109,931</u>

E. Additional Disclosures

- At December 31, 2011, the Company has a \$0 capital loss carryforward. The Company has no net operating loss or tax credit carryforwards.
- The following are income taxes incurred in the current and prior years that will be available for recoupment in the event of future net losses:

(In thousands)	Ordinary	Capital	Total
2011	\$ 45,480	\$ -	\$ 45,480
2010	111,045	-	111,045
2009	<u>107,521</u>	<u>-</u>	<u>107,521</u>
Total	<u>\$264,046</u>	<u>\$ -</u>	<u>\$ 264,046</u>

- The Company does not have any deposits reported as admitted assets under Section 6603 of the Internal Revenue Code.

F. Consolidated Income Tax Return

- The Company is a member of an affiliated group included in the consolidated federal income tax return of StanCorp Financial Group ("StanCorp"). In addition to the Company, other subsidiaries included in the consolidated StanCorp return are The Standard Life Insurance Company of New York ("SNY"), StanCorp Investment Advisers, Inc. ("SIA"), Standard Management, Inc., StanCorp Equities, Inc. ("SEI"), and Standard Retirement Services, Inc. ("SRS").
- The method of allocation between the companies is subject to written agreement, approved by the board of directors. The tax liability is allocated in the ratio of the subsidiary's tax liability on a separate return basis to the total taxes of all the members on a separate return basis. Each member is required to use current operating losses and other credits first without considering the current year's profits and losses of other members of the affiliated group. StanCorp is required to pay the Company for excess tax credits and losses to the extent they are utilized in the consolidated return. The above-mentioned written agreement states that balances are to be settled within 30 days of receiving notice of such allocation from StanCorp.

10. INFORMATION CONCERNING PARENT, SUBSIDIARIES AND AFFILIATES

- A.-C. The Company purchases mortgage loans originated by its affiliate, StanCorp Mortgage Investors, LLC ("SMI"). Total mortgage loans purchased from SMI during 2011 were \$1.01 billion. Mortgage loans sold to SMI during 2011 were \$42.4 million.

The Company sold mortgage loans at fair value to SNY during 2011 in the amount of \$12.3 million.

In March 2011 the Company distributed an ordinary cash dividend of \$12.8 million to its parent, StanCorp.

In May 2011 the Company distributed an ordinary cash dividend of \$30.0 million to its parent, StanCorp.

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In June 2011 the Company distributed an ordinary cash dividend of \$15.0 million to its parent, StanCorp.

In December 2011 the Company distributed ordinary cash dividends of \$30.0 million to its parent, StanCorp.

D. At December 31, 2011, the Company reported the following amounts due to (from) its parent and affiliates:

(In thousands)	2011	2010
StanCorp Financial Group, Inc.	\$ 793	\$ (376)
StanCorp Mortgage Investors, LLC	(63)	(2,181)
StanCorp Investment Advisers, Inc.	434	60
StanCorp Real Estate, LLC	259	72
StanCorp Equities, Inc.	601	266
The Standard Life Insurance Company of New York	257	82
Standard Retirement Services, Inc.	201	(57)
Adaptu	(21)	-
	<u>\$ 2,461</u>	<u>\$ (2,134)</u>

A modified coinsurance (“MODCO”) agreement between the Company and SNY resulted in an additional \$931 thousand and \$4.1 million due from SNY for the years ended 2011 and 2010, respectively.

All amounts due to or from the Company and its parent, subsidiaries or affiliates are generally settled monthly and accrue interest if not settled within 30 days.

E. The Company has made no guarantee or agreement for the benefit of an affiliate which results in material contingent exposure of the Company’s assets or liabilities.

F. The Company provides management, administrative, and investment services to Standard Management, Inc. and SEI, and charges each company a management fee.

The Company provides management and administrative services to SMI, and StanCorp Real Estate, LLC (“SRE”), and charges each company a service fee. The Company pays an asset management fee for investment services provided by these two companies. Asset management fees are allocated to general expenses, per Exhibit 2, based upon the underlying nature of the affiliates' expenses incurred.

The Company has an Administrative Services Agreement with its affiliate SNY whereby the Company will provide at SNY’s request and direction the following services: distribution and producer management, marketing support, product development and administration, policyholder and absence management services, reinsurance, underwriting, policyholder services, claims processing and payment, actuarial and financial services, information technology services, legal services, government relations, general services, human resources, management services, and administrative services only (“ASO”).

The Company has an Administrative Services Agreement with SNY whereby SNY will perform certain claims processing, payment services and absence management services on certain new and on-going long term and short term disability, claims state mandated disability life, standalone accidental death and dismemberment claims incurred under group policies issued are reinsured by the Company.

The Company has entered into an Administrative Services and Treasury Agreement, and an Underwriting and Service Agreement with SEI. The Company engages SEI, a broker-dealer registered with the SEC under the Securities Exchange Act of 1934 and a member of the Financial Industry Regulatory Authority (“FINRA”), to act as principal underwriter of certain variable annuity contracts (“contracts”), and to perform certain duties and functions that are necessary and proper for the distribution of the contracts as required under applicable federal and state securities laws and FINRA regulations. The Company provides administrative and other services to SEI to attain synergies, economies of scale, and expense savings. The services provided by SEI include compliance and licensing services, sales and services relating to the contracts.

An Intercompany Administrative Services Agreement effective January 1, 2007 was made between the Company and the following affiliates: StanCorp, SIA, Standard Management, Inc., SMI, SRE and SRS. The companies agreed that each company that receives services performed by another company pursuant to this agreement shall reimburse the provider for the services at the provider’s cost or at market rates if the provider also provides similar services to external clients, as determined by the provider of the services.

G. All outstanding shares of the Company are owned by its parent, StanCorp, a holding company domiciled in the State of Oregon.

H. The Company does not own any share of the stock of its parent, StanCorp.

NOTES TO FINANCIAL STATEMENTS

- I. The Company has no investments in its Parent, Subsidiaries and Affiliates that exceed 10% of its admitted assets.
- J. The Company did not recognize any impairment write-down for its investments in subsidiaries, controlled or affiliated companies during the statement period.
- K. The Company does not have an investment in a foreign insurance subsidiary.
- L. The Company does not hold an investment in a downstream noninsurance holding company.

11. DEBT

- A. The Company has no outstanding debt at December 31, 2011.
- B. The Company does not have any Federal Home Loan Bank agreements outstanding at December 31, 2011.

12. RETIREMENT PLANS, DEFERRED COMPENSATION, POSTEMPLOYMENT BENEFITS AND COMPENSATED ABSENCES AND OTHER POSTRETIREMENT BENEFIT PLANS

- A. **Defined Benefit Plans** – The Company has two non-contributory defined benefit pension plans: the employee plan and the agent plan. The defined benefit plans provide benefits based on years of service and final average pay. Participation in the defined benefit pension plans is generally limited to eligible employees whose date of employment began before 2003.

Under the employee pension plan, a participant is entitled to a normal retirement benefit once the participant reaches age 65. A participant can also receive a normal, unreduced retirement benefit once the sum of his or her age plus years of service is at least 90.

The Company sponsors and administers a postretirement benefit plan that includes medical, prescription drug benefits and group term life insurance. The group term life insurance benefit was curtailed as of December 31, 2011. Eligible retirees are required to contribute specified amounts for medical and prescription drug benefits that are determined periodically, and are based on retirees' length of service and age at retirement. Participation in the postretirement benefit plan is limited to employees who had reached the age of 40, or whose combined age and length of service was equal to or greater than 45 years as of January 1, 2006. This plan is closed to new participants.

Annual pension expense was determined under the provision of Statement of Financial Accounting Standards ("SFAS") No. 87, *Employers' Accounting for Pensions* and SFAS No. 132(R), *Employers; Disclosures about Pensions and Other Postretirement Benefits*, as modified by SSAP No. 89, *Pensions*, and SSAP No. 14, *Post Retirement Plans Other than Pensions*.

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A summary of assets, obligations and assumptions of the Pension, Post Employment and Other Postretirement Benefit Plans was as follows at December 31, 2011 and 2010:

(In thousands)	Pension Benefits		Other Benefits	
	2011	2010	2011	2010
1) Change in Benefit Obligation				
a. Benefit obligation, beginning of year	\$ 323,748	\$ 295,116	\$ 20,420	\$ 20,151
b. Service cost	9,225	8,930	2,322	2,630
c. Interest cost	17,478	16,596	1,099	1,133
d. Contributed by plan participants	-	-	-	-
e. Actuarial gain (loss)	29,026	9,898	3,429	(2,774)
f. Foreign currency exchange rate changes	-	-	-	-
g. Benefits paid	(7,820)	(6,792)	(542)	(719)
h. Plan amendments	-	-	(2,456)	-
I. Business combinations, divestitures, and settlements	-	-	-	-
j. Benefit obligation, end of year	<u>\$ 371,657</u>	<u>\$ 323,748</u>	<u>\$ 24,272</u>	<u>\$ 20,421</u>
2) Change in Plan Assets				
a. Fair value of plan assets, beginning of year	\$ 292,633	\$ 264,605	\$ 18,189	\$ 18,135
b. Actual return on plan assets	6,944	34,821	2,786	289
c. Foreign currency exchange rate changes	-	-	-	-
d. Employer contributions	58,000	-	245	484
e. Plan participants' contributions	-	-	-	-
f. Benefits paid	(7,820)	(6,792)	(542)	(719)
g. Business combinations, divestitures, and settlements	-	-	-	-
h. Fair value of plan assets, end of year	<u>\$ 349,757</u>	<u>\$ 292,634</u>	<u>\$ 20,678</u>	<u>\$ 18,189</u>
3) Funded Status, end of year				
a. Funded status end of year	\$ (21,900)	\$ (31,115)	\$ (3,595)	\$ (2,232)
b. Unamortized prior service cost	4,914	5,587	(2,904)	-
c. Unrecognized net gain or (loss)	106,607	66,319	104	(542)
d. Remaining net obligation or net asset at initial date of application	-	-	-	(1,463)
e. Prepaid asset (accrued liabilities)	<u>\$ 89,621</u>	<u>\$ 40,791</u>	<u>\$ (6,395)</u>	<u>\$ (4,237)</u>
4) Accumulated benefit obligation for vested employees and partially vested employees to the extent vested	\$ 337,483	\$ 280,888	N/A	N/A
5) a. Non-vested projected benefit obligation, end of year	\$ -	\$ -	N/A	N/A
b. Non-vested accumulated benefit obligation, end of year	\$ -	\$ -	N/A	N/A
6) Components of Net Periodic Benefit Cost				
a. Service cost	\$ 9,312	\$ 9,017	\$ 2,208	\$ 2,529
b. Interest cost	17,478	16,596	1,099	1,133
c. Expected return on plan assets	(22,114)	(19,969)	(808)	(851)
d. Amortization of unrecognized transition	-	(434)	-	-
e. Amount of recognized gains and losses	3,821	4,075	-	-
f. Amount of prior service cost recognized	673	673	(94)	(94)
g. Amount of gain or loss recognized due to settlement or curtailment	-	-	-	-
h. Total net periodic benefit cost	<u>\$ 9,170</u>	<u>\$ 9,958</u>	<u>\$ 2,405</u>	<u>\$ 2,717</u>

ANNUAL STATEMENT FOR THE YEAR 2011 OF THE STANDARD INSURANCE COMPANY

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7) A minimum pension liability adjustment is required when the actuarial present value of accumulated benefits exceeds plan assets and accrued pension liabilities. The minimum pension liability adjustment, less allowable intangible assets, net of tax benefit, is reported as income in the statement of operations and capital and surplus. At December 31, 2011 there was no minimum pension liability.

8) Weighted-average assumptions as of year end

	Pension Benefits		Other Benefits	
	2011	2010	2011	2010
a. Discount rate	5.50 %	5.75 %	5.50 %	5.75 %
b. Rate of compensation increase	4.50	4.50	5.00	5.00
c. Expected long-term rate of return on plan a:	7.68	7.66	4.50	4.75

9) Measurement dates of December 31, 2011 and December 31, 2010, respectively, were used to determine the above.

10) The assumed health care cost trend rate used in measuring the accumulated postretirement benefit obligation was 7.60% in the first year and declined ratably to 4.50% over the next fifteen years for medical benefits other than HMO, was 7.10% in the first year and declined ratably to 4.50% over the next fifteen years for HMO medical benefits, and was 8.4% in the first year and declined ratably to 4.50% over the next fifteen years for prescription drug benefits.

11) Assumed health care cost trend rates have a significant effect on the amounts reported for the health care plans. A one-percentage-point change in assumed health care cost trend rates would have the following effects:

(In thousands)	1 Percentage Point Increase	1 Percentage Point Decrease
a. Effect on total of service cost, newly eligible cost, and interest cost components	\$ 388	\$ (317)
b. Effect on postretirement benefit obligation	2,785	(2,327)

12) The defined benefit pension plan asset allocation as of the measurement dates, December 31, 2011 and December 31, 2010, respectively, and the target asset allocation, presented as a percentage of total plan assets were as follows:

	2011	2010	Target Allocation
Debt Securities	45.8 %	49.9 %	50.0 %
Equity Securities	54.2	50.1	50.0
Total	100.0 %	100.0 %	100.0 %

The investment goal of the employee pension plan is to produce long run portfolio returns that are consistent with reasonable contribution rates and a well-funded plan. To manage the overall risk of the portfolio, the portfolio is rebalanced as necessary to keep the allocation within tolerance levels of the target allocation. The portfolio is diversified across a number of equity asset categories and stable value assets. The investment goal of the agent pension plan is to invest in stable value assets in order to maintain its funded status.

13) The following estimated future payments, which reflect expected future service, as appropriate, are expected to be paid in the years indicated:

(In thousands)	Amount
2012	\$ 10,536
2013	11,702
2014	12,654
2015	13,868
2016	15,143
2017 - 2021	95,632

14) The Company made contributions of \$58 million and \$6.0 million to the employee pension plan and made contributions of \$0.2 million and \$0.2 million to other postretirement benefit plans in 2011 and 2010, respectively. The Company is not obligated to make any contributions to its pension plans and expects to make contributions of \$0.5 million to its postretirement benefit plan in 2012. In addition, no plan assets are expected to be returned to the Company in 2012.

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- 15) There were no securities of the Company or related parties included in the plan assets.
- 16) Unrecognized Gain/Loss (outside of a corridor of 10% of the greater of plan assets or Projected Benefit Obligation) and Prior Service Cost are both amortized straight-line over the expected future working lifetime of active participants. For the Field Plan where all of the participants are inactive, amortization is straight-line over the average life expectancy of plan participants.
- 17) The Company does not have any substantive commitments that are used in determining the benefit obligation.
- 18) The Company did not have any special or contractual termination benefits recognized during the year.
- 19) There were no significant changes in the benefit obligation or plan assets that have not already been disclosed.

B. Defined Contribution Plan

Substantially all eligible employees are covered by a qualified deferred compensation plan sponsored by the Company under which a portion of the employee contribution is matched. Employees not eligible for the employee pension plan are eligible for an additional non-elective employer contribution. Contributions to the plan for 2011 and 2010 were \$10.3 million and \$10.0 million, respectively.

In addition, eligible executive officers are covered by a non-qualified supplemental retirement plan. The unfunded status was \$28.5 million and \$26.7 million at December 31, 2011 and 2010, respectively. Expenses related to the plan were \$2.5 million and \$2.8 million in 2011 and 2010, respectively.

Eligible executive officers, directors, agents and group producers may participate in one of several non-qualified deferred compensation plans under which a portion of the deferred compensation may be matched. The liability for the plans was \$10.7 million and \$10.5 million at December 31, 2011 and 2010, respectively.

C. Multiemployer Plans

Not applicable

D. Consolidated/Holding Company Plans – Pension or Postretirement

The Company administers the above employee benefit plans on behalf of StanCorp and all its subsidiaries. Costs are allocated between the members of the affiliated group based on number of employees. Costs allocated to the Company's parent and affiliates were 22% and 11% of total plan costs for 2011 and 2010, respectively.

E. Postemployment Benefits and Compensated Absences

Not applicable

F. Impact of Medicare Modernization Act on Postretirement Benefits (INT 04-17)

1) Recognition of the Existence of the Act

The Medicare Prescription Drug, Improvement and Modernization Act of 2003 ("the Act") was signed into law in December of 2003. The Act includes the following two new features to Medicare Part D that could affect the measurement of the accumulated postretirement benefit obligation ("APBO") and net periodic postretirement cost for the Plan:

A federal subsidy (based on 28% of an individual beneficiary's annual prescription drug costs between \$250 and \$5,000), which is not taxable, to sponsors of retiree healthcare benefit plans that provide a prescription drug benefit that is at least actuarially equivalent to Medicare Part D; and

The opportunity for a retiree to obtain a prescription drug benefit under Medicare.

The Company is unable to conclude whether the benefits provided by the Plan are actuarially equivalent to Medicare Part D under the Act. As a result, the effects of the Act on accumulated postretirement benefit obligation are not reflected in the financial statement or the accompanying notes.

2) Effects of the Subsidy in Measuring the Net Postretirement Benefit Cost

The effect of the Act was a \$982 thousand reduction in the Company's net periodic postretirement benefit cost for 2011. The total reduction is composed of: \$668 thousand decrease in newly eligible cost, \$317 thousand decrease in interest cost and \$4 thousand increase in amortization of prior service cost. The benefit obligations as of December 31, 2011, were reduced \$7.0 million due to projected subsidy payments under the Medicare Prescription Drug, Improvement and Modernization Act of 2003.

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3) Disclosure of Gross Benefit Payments

The Company's benefit payments for 2011 were \$427 thousand including the prescription drug benefit. The Company estimates gross benefit payments for the next fiscal year, 2012, to be \$1.3 million prior to reflecting the prescription drug benefit. The estimated value of the prescription drug subsidy to the Company in 2012 is \$180 thousand.

13. CAPITAL AND SURPLUS, SHAREHOLDERS' DIVIDEND RESTRICTIONS AND QUASI-REORGANIZATIONS.

- A. The Company has 1,000 shares authorized, issued and outstanding. All the shares are owned by its parent company, StanCorp.
- B. The Company has no preferred stock outstanding.
- C. Ordinary dividends, which do not require the approval of the domiciliary commissioner, are limited by the laws of the Company's state of domicile, Oregon. Within the limitations of (E) below, there are no restrictions placed on the portion of the Company's profits that may be paid as ordinary dividends to shareholders.
- D. See Note 10 A–C concerning dates and amounts of dividends paid.
- E. Ordinary dividends paid for the period of twelve months, which includes the proposed dividend date, may not exceed the net income before capital gains or losses reported on the 31st day of December immediately preceding. For 2011 this limit was \$196.9 million.
- F. There were no restrictions placed on the Company's surplus, including for whom the surplus is being held.
- G. There were no advances to surplus not repaid.
- H. The Company does not hold stock, including stock of affiliated companies, for special purposes.
- I. The change in the balance in Aggregate write-ins for special surplus funds was due to decrease in the additional admitted DTA pursuant to SSAP 10R.
- J. The portion of unassigned surplus reduced by cumulative net unrealized losses net of federal taxes was \$20.5 million.
- K. The Company has no surplus debentures.
- L. Impact of quasi-reorganization
Not applicable
- M. The effective date(s) of all quasi-reorganizations in the prior 10 years
Not applicable

14. CONTINGENCIES

A. Contingent Commitments

The Company has commitments to contribute equity capital to third party joint ventures totaling approximately \$68.4 million. The contributions are payable on demand.

The Company has certain software maintenance, licensing and telecommunications commitments that expire in various years through 2012, with renewal options for a two-year period. Future minimum payments under these commitments are:

<u>(In thousands)</u>	<u>Year</u>	<u>Amount</u>
	2012	\$ 195

Total expenses for these agreements were \$5.8 million and \$8.9 million for the years ended December 31, 2011 and 2010, respectively.

B. Guaranty Fund and Other Assessments

Insolvency regulations exist in many of the jurisdictions in which the Company does business. Such regulations may require insurance companies operating within the jurisdiction to participate in guaranty associations. The associations levy assessments against their members for the purpose of paying benefits due to policyholders of impaired or insolvent insurance companies. At December 31, 2011, the Company maintained a reserve of \$535 thousand for future assessments with respect to currently impaired, insolvent, or failed insurers.

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The guaranty association assessments levied against the Company were \$936 thousand and \$72 thousand for the years ended December 31, 2011 and 2010, respectively.

- C. The Company does not have any gain contingencies.
- D. Claims Related Extra Contractual Obligations and Bad Faith Losses Stemming from Lawsuits

The company had no material claims relating to extra contractual obligations or bad faith losses from lawsuits as of December 31, 2011.

- E. All Other Contingencies

In the normal course of business, the Company is involved in various legal actions and other state and Federal proceedings. A number of these actions or proceedings were pending as of December 31, 2011. In some instances, lawsuits include claims for punitive damages and similar types of relief in unspecified or substantial amounts, in addition to amounts for alleged contractual liability or other compensatory damages. In the opinion of management, the ultimate liability, if any, arising from these actions or proceedings is not expected to have a material adverse effect on the Company’s business, financial position, results of operations, or cash flows.

In addition to product-specific reinsurance arrangements, the Company maintains reinsurance coverage for certain catastrophe losses related to group life and AD&D, with partial coverage of nuclear, biological and chemical acts of terrorism. Through a combination of this agreement and our participation in a catastrophe reinsurance pool discussed below, we have coverage of up to \$480 million per event.

The Company currently participates in a catastrophe reinsurance pool with other insurance companies. This pool spreads catastrophe losses on group life and AD&D over approximately 23 participating members. The annual fee paid by the Company in 2011 to participate in the pool was less than \$30 thousand. As a member of the pool, we are exposed to maximum potential losses experienced by other participating members of up to \$106.6 million for a single event for losses submitted by a single company, and a maximum of \$266.8 million for a single event for losses submitted by multiple companies. The Company’s percentage share of losses experienced by pool members will change over time as it is a function of our group life and AD&D in force relative to the total group life and AD&D in force for all pool participants. The reinsurance pool does not exclude war, nuclear, biological or chemical acts of terrorism.

During 2011, the Company identified opportunities to improve IT service efficiencies and entered into a contract with a third party service provider. As part of the contract with the third party service provider, the Company would be obligated to pay approximately \$4.7 million if the contract were terminated within the next twelve months.

Years currently open for audit by the Internal Revenue Service are 2008 through 2011.

15. LEASES

- A. Lessee Leasing Arrangements

- 1) General description of the lessees leasing arrangements

The Company leases certain buildings and equipment under non-cancelable operating lease agreements that expire in various years through 2020 with renewal options for periods ranging from one to twelve years. Rental expense for 2011 and 2010 was approximately \$15.6 million, and \$16.5 million, respectively. There was no rental expense for subleased properties in 2011 or 2010.

(In thousands)	Beginning Accrued Liability	Charged to Expense, Net	Expenditures	Ending Accrued Liability
Lease terminations	\$ 660	\$ 1,744	\$ 1,402	\$ 1,002

- 2) Leases having initial or remaining non-cancelable lease terms in excess of one year

At January 1, 2012, the minimum aggregate rental commitments are as follows:

(In thousands)	Amount
2012	\$ 13,489
2013	9,320
2014	3,812
2015	1,897
2016	1,168
Thereafter	1,412
Total	<u>\$ 31,098</u>

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3) The Company is not involved in any sale-leaseback transactions.

B. Lessor Leases

The Company owns and leases real estate. It is an insignificant part of the Company's business activities. The Company has no leveraged lease transactions.

16. INFORMATION ABOUT FINANCIAL INSTRUMENTS WITH OFF-BALANCE SHEET RISK AND FINANCIAL INSTRUMENTS WITH CONCENTRATIONS OF CREDIT RISK

A. Financial Instruments with Off-Balance Sheet Risk

None

B. Financial Instruments with Concentrations of Credit Risk

The Company's fixed maturity securities totaled \$6.09 billion at December 31, 2011. The Company believes that it maintains prudent diversification across industries, issuers and maturities. The Company's corporate bond industry diversification targets are based on the Bank of America Merrill Lynch U.S. Corporate Master Index, which is reasonably reflective of the mix of issuers broadly available in the market. The Company also targets a specified level of government, agency and municipal securities in its portfolio for credit quality and additional liquidity. The weighted-average credit quality of the Company's fixed maturity securities investment portfolio was A (Standard & Poor's) at December 31, 2011. The percentage of fixed maturity securities below investment-grade was 5.6% and 5.2% at December 31, 2011 and 2010, respectively.

At December 31, 2011, commercial mortgage loans in the Company's investment portfolio totaled \$4.79 billion. Commercial mortgage loans in California accounted for 27.4% of the Company's commercial mortgage loan portfolio at December 31, 2011. Through this concentration of commercial mortgage loans in California, the Company is exposed to potential losses from an economic downturn in California as well as to certain catastrophes, such as earthquakes and fires that may affect certain areas of the state. Borrowers are required to maintain fire insurance coverage. Our commercial mortgage loan portfolio within California is diversified by both location and type of property in an effort to reduce certain catastrophe and economic exposure. However, diversification may not always eliminate the risk of such losses. Historically, the delinquency rate of our California-based commercial mortgage loans has been substantially below the industry average and is consistent with our experience in other states. The Company does not expect a catastrophe or earthquake damage in California to have a material adverse effect on our business, financial position, results of operations or cash flows. Currently, our California exposure is primarily in Los Angeles County, Orange County, San Diego County and the Bay Area Counties. We have a smaller concentration of commercial mortgage loans in the Inland Empire and the San Joaquin Valley where there has been greater economic decline. Due to the concentration of commercial mortgage loans in California, a continued economic decline in California could have a material adverse effect on our business, financial position, results of operations or cash flows.

17. SALE, TRANSFER AND SERVICING OF FINANCIAL ASSETS AND EXTINGUISHMENTS OF LIABILITIES

A. Transfers of Receivables Reported as Sales

None

B. Transfers and Servicing of Financial Assets

None

C. Wash Sales

1) In the course of the Company's asset management, securities may be sold and reacquired within 30 days of the sale date to enhance the Company's yield on its investment portfolio.

2) No wash sales occurred during the year ended December 31, 2011.

18. GAIN OR LOSS TO THE REPORTING ENTITY FROM UNINSURED PLANS AND THE UNINSURED PORTION OF PARTIALLY INSURED PLANS

A. ASO Plans

Administration fees from services provided to uninsured and partially insured A&H plans were \$10.2 million. Expenses were not segregated. The net gain or loss from administrative services contracts was considered immaterial.

B. ASC Plans

Not applicable

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C. Medicare of Other Similarly Structured Cost Based Reimbursement Contract

Not applicable

19. DIRECT PREMIUM WRITTEN/PRODUCED BY MANAGING GENERAL AGENTS/THIRD PARTY ADMINISTRATORS

No individual managing general agent/third party administrator wrote direct premiums equal to or greater than 5% of surplus.

20. FAIR VALUE

Assets and liabilities recorded at fair value are disclosed using a three-level hierarchy. The classification of assets and liabilities within the hierarchy is based on whether the inputs to the valuation methodology used for measurement are observable or unobservable. Observable inputs reflect market-derived or market-based information obtained from independent sources while unobservable inputs reflect our estimates about market data.

The fair value hierarchy prioritizes the inputs to valuation techniques used to measure fair value into three broad levels: Level 1 inputs are based upon quoted prices in active markets for identical assets or liabilities that the Company can access at the measurement date. Level 2 inputs are based upon quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, and model-based valuation techniques for which all significant assumptions are observable in the market. Level 3 inputs are generated from model-based techniques that use significant assumptions not observable in the market. These unobservable assumptions reflect the Company's estimates of assumptions that market participants would use in pricing the asset or liability.

Fixed maturity securities which are rated class 6 or 6FE by the NAIC SVO are reported at the lower of book value or fair value. The fair values for fixed maturity securities with a rating of class 6 or 6FE were valued using Level 2 measurements.

In order to assist management in determining the values of these assets, the Company utilizes an independent pricing service. The pricing service incorporates a variety of market observable information in their valuation techniques, including:

- Reported trading prices.
- Benchmark yields.
- Broker-dealer quotes.
- Benchmark securities.
- Bids and offers.
- Credit ratings.
- Relative credit information.
- Other reference data.

The pricing service also takes into account perceived market movements and sector news, as well as a bond's terms and conditions, including any features specific to that issue that may influence risk, and thus marketability. Depending on the security, the priority of the use of observable market inputs may change as some observable market inputs may not be relevant or additional inputs may be necessary. The Company generally obtains one value from its primary external pricing service. On a case-by-case basis, the Company may obtain further quotes or prices from additional parties as needed.

The pricing service provides quoted market prices when available. Quoted prices are not always available due to bond market inactivity. The pricing service obtains a broker quote when sufficient information, such as security structure or other market information, is not available to produce a valuation. Valuations and quotes obtained from third party commercial pricing services are non-binding and do not represent quotes on which one may execute the disposition of the assets.

The Company performs control procedures over the external valuations at least quarterly through a combination of procedures that include the evaluation of methodologies used by the pricing service, analytical reviews and performance analysis of the prices against statistics and trends, back testing of sales activity and maintenance of a securities watch list. As necessary, the Company compares prices received from the pricing service to prices independently estimated by the Company utilizing discounted cash flow models through performing independent valuations of inputs and assumptions similar to those used by the pricing service in order to ensure prices represent a reasonable estimate of fair value. Although the Company does identify differences from time to time as a result of these validation procedures, the Company did not make any significant adjustments as of December 31, 2011.

The Company values S&P 500 index options using the Black-Scholes option pricing model and parameters derived from market sources. The Company's valuations maximize the use of observable inputs, which include direct price quotes from the Chicago Board Options Exchange ("CBOE") and values for on-the-run treasury securities and London Interbank Offered Rate rates as reported by Bloomberg. Inputs to the valuations that are not directly observable are estimated from the best sources available to the Company. Unobservable inputs to these valuations include estimates of future gross dividends to be paid on the stocks underlying the S&P 500 index, estimates of bid-ask spreads, and estimates of implied volatilities on options. Valuation parameters are calibrated to replicate the actual end-of-day market quotes for options trading on the CBOE. The Company

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performs additional validation procedures such as the daily observation of market activity and conditions and the tracking and analyzing of actual quotes provided by banking counterparties each time the Company purchases options from them. Additionally, in order to further validate the values derived through the procedures noted above, the Company obtains indicators of value from representative investment banks. The Company uses the income approach valuation technique to determine the fair value of index-based interest guarantees. The liability is the present value of future cash flows attributable to the projected index growth in excess of cash flows driven by fixed interest rate guarantees for the indexed annuity product. Level 3 assumptions for policyholder behavior and future index interest rate declarations significantly influence the calculation.

A.

1) Fair value measurements at reporting date:

(In thousands)	Level 1	Level 2	Level 3	Total
a. Assets at fair value				
Fixed maturity securities with other-than temporary impairments	\$ -	\$ 15,464	\$ -	\$ 15,464
Commercial mortgage loans measured for impairment	-	-	25,222	25,222
S&P 500 index options	-	-	7,167	7,167
Separate Accounts	<u>4,444,380</u>	<u>149,169</u>	<u>-</u>	<u>4,593,549</u>
Total assets at fair value	<u>\$ 4,444,380</u>	<u>\$ 164,633</u>	<u>\$ 32,389</u>	<u>\$ 4,641,402</u>
b. Liabilities at fair value				
Indexed based interest guarantees	\$ -	\$ -	\$ 49,518	\$ 49,518
Total liabilities at fair value	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 49,518</u>	<u>\$ 49,518</u>

2) Fair value measurements in Level 3 of the fair value hierarchy:

(In thousands)	Balance at 12/31/2010	Transfers in to 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	Balance at 12/31/2011
a. Assets at fair value										
S&P 500 index options	\$ 13,323	\$ -	\$ -	\$ 6,459	\$ (6,701)	\$ 9,638	\$ -	\$ -	\$ (15,552)	\$ 7,167
Total assets at fair value	<u>\$ 13,323</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,459</u>	<u>\$ (6,701)</u>	<u>\$ 9,638</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (15,552)</u>	<u>\$ 7,167</u>
b. Liabilities at fair value										
Indexed based interest guarantees	\$ 48,522	\$ -	\$ -	\$ -	\$ 1,304	\$ -	\$ 1,822	\$ -	\$ (2,130)	\$ 49,518
Total liabilities at fair value	<u>\$ 48,522</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,304</u>	<u>\$ -</u>	<u>\$ 1,822</u>	<u>\$ -</u>	<u>\$ (2,130)</u>	<u>\$ 49,518</u>

21. OTHER ITEMS

A. Extraordinary Items

None

B. Troubled Debt Restructuring

None

C. Other Disclosures

Assets in the amount of \$5.5 million at December 31, 2011 and 2010, were on deposit with government authorities or trustees as required by law.

The Company participates in a reinsurance and third-party administration arrangement with Northwestern Mutual Life Insurance Company (“Northwestern Mutual”) under which Northwestern Mutual group long term and short term disability products are sold using Northwestern Mutual’s agency distribution system. Generally, the Company assumes 60% of the risk, and receives 60% of the premiums for the policies issued. If the Company were to become unable to meet its obligations, Northwestern Mutual would retain

ANNUAL STATEMENT FOR THE YEAR 2011 OF THE STANDARD INSURANCE COMPANY

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the reinsured liabilities. Therefore, in accordance with an agreement with Northwestern Mutual, the Company established a trust for the benefit of Northwestern Mutual with the market value of assets in the trust equal to Northwestern Mutual’s reinsurance receivable from the Company. The market value of assets required to be maintained in the trust at December 31, 2011, was \$230.6 million. Premiums assumed by the Company for the Northwestern Mutual business accounted for approximately 3% of our total premiums for each of the three years 2011 and 2010. In addition to assuming risk, the Company provides product design, pricing, underwriting, legal support, claims management and other administrative services under the arrangement.

In the fourth quarter of 2011, the Company entered into a Yearly Renewable Term (“YRT”) reinsurance agreement, with Canada Life Assurance Company to cede a share of the Company’s group life insurance risk in order to reduce its losses and provide relief in the event of a catastrophe.

The company maintains a strategic marketing alliance with Ameritas that offers the Company’s policyholders more flexible dental coverage options and access to Ameritas’ nationwide preferred provider organization panel of dentists. As part of this alliance, the Company and Ameritas entered into a reinsurance agreement. In 2011, the agreement provided for 24.2% of the net dental premiums written by the Company and the risk associated with this premium to be ceded to Ameritas.

Effective October 1, 2002, the Company entered into a reinsurance agreement with TIAA to assume TIAA’s group disability and group life insurance business. This business included approximately 1,800 group insurance contracts, representing 650,000 insured individuals. The Company paid a ceding commission of approximately \$75 million and received approximately \$705 million in assets and corresponding statutory liabilities. If the Company were to become unable to meet its obligations, TIAA would retain the reinsured liabilities. Therefore, in accordance with the agreement with TIAA, the Company established a trust for the benefit of TIAA with the market value of assets in the trust equal to TIAA’s reinsurance receivable from the Company. The market value of assets required to be maintained in the trust is determined quarterly. The market value of assets required to be maintained in the trust at December 31, 2011, was \$282.8 million.

Effective October 1, 2000, the Company assumed, through a reinsurance agreement, the individual disability insurance business of Minnesota Life. The Company paid a ceding commission of approximately \$55 million and received approximately \$500 million in assets and corresponding statutory liabilities. If the Company were to become unable to meet its obligations, Minnesota Life would retain the reinsured liabilities. Therefore, in accordance with the agreement with Minnesota Life, the Company established a trust for the benefit of Minnesota Life with the market value of assets in the trust equal to Minnesota Life’s reinsurance receivable from the Company. The market value of assets required to be maintained in the trust is determined quarterly. The market value of assets required to be maintained in the trust at December 31, 2011, was \$579.6 million. Accompanying the transaction was a national marketing agreement that provides access to Minnesota Life agents, some of whom now market the Company’s individual disability insurance products. The national marketing agreement remains in effect through 2012.

Effective January 1, 2001, the Company ceded to Protective Life, through a reinsurance agreement, the Company’s individual life insurance product line. The Company received a ceding commission of approximately \$90 million and transferred to Protective Life approximately \$790 million in assets and corresponding statutory liabilities. If Protective Life were to become unable to meet its obligations, the Company would retain the reinsured liabilities. Therefore, the liabilities remain on the Company’s consolidated balance sheets, and an equal amount is recorded as a recoverable from the reinsurer. In accordance with the agreement, Protective Life established a trust for the benefit of the Company with assets in the trust required to be equal to the Company’s reinsurance receivable from Protective Life. The amount of assets required to be maintained in the trust is determined quarterly.

Gross and discounted group A&H reserves at December 31, 2011:

(In thousands)	Exhibit 6	Gross	Discounted
	Long-term Disability	\$ 4,006,099	\$ 3,008,550
	Short-term Disability	24,879	24,879
	Vision	11	11
	Dental	226	226
		<u>\$ 4,031,215</u>	<u>\$ 3,033,666</u>

(In thousands)	Exhibit 8	Gross	Discounted
	Long-term Disability	\$ 23,597	\$ 23,222
	Short-term Disability	5,573	5,573
	Vision	214	214
	Dental	4,356	4,356
	AD&D	14,272	14,272
		<u>48,012</u>	<u>47,637</u>
		<u>\$ 4,079,227</u>	<u>\$ 3,081,303</u>

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D. Balance That is Reasonably Possible to be Uncollectible

At December 31, 2011 and 2010, the Company had admitted assets of \$2.6 million and \$436 thousand, respectively in accounts receivable for uninsured plans and amounts due from agents. The Company routinely assesses the collectability of these receivables. Based upon Company experience, the potential loss is immaterial to the Company’s financial condition.

E. Business Interruption Insurance Recoveries

Not applicable

F. Subprime Exposure

- 1) The Company considered all direct and indirect exposure to subprime assets in completing this analysis. The Company’s investment portfolio consists of no direct exposure to the subprime mortgage sector. The portfolio has indirect exposure to subprime assets through investments in debt securities issued by bond insurers, mortgage insurers, mortgage lenders, investment banks and commercial banks. The difference between book adjusted carrying value and fair value represents unrealized gains or losses due to the change in the market value of these securities.

There were no impairments on bonds related to subprime exposure during 2011.

Bonds issued by Wells Fargo, Bank of America, AIG Sun America, and Citi Group, all rated 1FE, represent \$108.7 million of the \$132.5 million disclosed on line 3(f) of this note.

- 2) The company did not have direct exposure through investments in subprime mortgage loans as of December 31, 2011.
- 3) Direct exposure to subprime mortgage risk through investments in the following securities.

As of December 31, 2011	1	2	3	4
		Book/Adjust		Other than
		ed Carrying		Temporary
		Value		Impairment
		(excluding		Losses
(In thousands)	Acutal Costs	interest)	Fair Value	Recognized
a. Residential mortgage backed securities	None	None	None	None
b. Commercial mortgage backed securities	None	None	None	None
c. Collateralized debt obligations	None	None	None	None
d. Stuctured securities	None	None	None	None
e. Equity investments in subsidiary, controlled or affiliated entities with significant subprime exposure	None	None	None	None
f. Other assets (debt securities of companies with significant subprime exposure)	\$ 135,079	\$ 129,923	\$ 132,470	None
g. Total	\$ 135,079	\$ 129,923	\$ 132,470	None

- 4) The Company did not have any underwriting exposure to subprime mortgage risk through Mortgage Guaranty or Financial Guaranty insurance coverage as of December 31, 2011.

G. Retained Assets

- 1) Retained asset accounts are reported as deposit-type accounts on the Company’s books. Many of the Company’s group contracts contain a retained provision and have a minimum amount of either \$10,000 or \$25,000, depending on the contract provisions. When a claim is received for a group that has this provision, the claim will be settled by sending the beneficiary a checkbook issued by Northern Trust, unless the beneficiary selects a lump-sum payment. The beneficiary can write checks for any amount up to the settlement amount plus any interest that is added to the account. If the account balance drops below \$500, Northern Trust issues a check to the beneficiary for the balance and closes the account. Interest is added to the accounts monthly. Interest rates paid to retained asset account holders in 2011 were as follows:

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<u>Month</u>	<u>Interest Rate</u>
January	0.15%
February	0.16%
March	0.12%
April	0.11%
May	0.07%
June	0.06%
July	0.02%
August	0.07%
September	0.01%
October	0.01%
November	0.02%
December	0.02%

Interest rates were changed 10 times during 2011.

2)

	In Force			
	As of End of 2011		As of End of 2010	
	(a)	(b)	(c)	(d)
(Balance in thousands)	Number	Balance	Number	Balance
Up to and including 12 months	905	\$ 62,865	925	\$ 53,201
13 to 24 months	474	21,425	553	24,397
25 to 36 months	356	14,857	427	13,907
37 to 36 months	300	9,530	365	9,096
49 to 60 months	266	6,372	206	5,904
Over 60 months	809	17,123	823	16,526
Total	<u>3,110</u>	<u>\$132,172</u>	<u>3,299</u>	<u>\$123,031</u>

3)

	Individual		Group	
	(1)	(2)	(3)	(4)
(Balance/Amount in thousands)	Number	Balance/ Amount	Number	Balance/ Amount
Number/balance of retained asset account at January 1, 2011	-	\$ -	3,299	\$123,031
Number/amount of retained asset accounts issued/added during 2011	-	-	1,673	180,897
Investment earnings credited to retained asset accounts during 2011	N/A	-	N/A	88
Fees and other charges assessed to retained asset accounts during 2011	N/A	-	N/A	(2)
Number/amount of retained asset accounts transferred to state unclaimed property funds during 2011	-	-	0	0
Number/amount of retained asset accounts closed/withdrawn during 2011	-	-	(1,862)	(171,842)
Number/balance of retained asset account at December 31, 2011	<u>-</u>	<u>\$ -</u>	<u>3,110</u>	<u>\$132,172</u>

22. EVENTS SUBSEQUENT

Type I Subsequent events have been considered through February 15, 2012 for the statutory statement issued on March 1, 2012.

There were no subsequent events to be reported.

Type II Subsequent events have been considered through February 15, 2012 for the statutory statement issued on March 1, 2012.

There were no subsequent events to be reported

ANNUAL STATEMENT FOR THE YEAR 2011 OF THE STANDARD INSURANCE COMPANY

NOTES TO FINANCIAL STATEMENTS

23. REINSURANCE

A. Ceded Reinsurance Report

Section 1 – General Interrogatories

- 1) Are any of the reinsurers, listed in Schedule S as non-affiliated, owned in excess of 10% or controlled, either directly or indirectly, by the company or by any representative, officer, trustee, or director of the company?

Yes ()

No (X)

- 2) Have any policies issued by the company been reinsured with a company chartered in a country other than the United States (excluding U.S. Branches of such companies) that is owned in excess of 10% or controlled directly or indirectly by an insured, a beneficiary, a creditor or an insured or any other person not primarily engaged in the insurance business?

Yes ()

No (X)

Section 2 – Ceded Reinsurance Report – Part A

- 1) Does the company have any reinsurance agreements in effect under which the reinsurer may unilaterally cancel any reinsurance for reasons other than for nonpayment of premium or other similar credits?

Yes ()

No (X)

- 2) Does the company have any reinsurance agreements in effect such that the amount of losses paid or accrued through the statement date may result in a payment to the reinsurer of amounts that, in aggregate and allowing for offset of mutual credits from other reinsurance agreements with the same reinsurer, exceed the total direct premium collected under the reinsured policies?

Yes ()

No (X)

Section 3 – Ceded Reinsurance Report – Part B

- 1) What is the estimated amount of the aggregate reduction in surplus, (for agreements other than those under which the reinsurer may unilaterally cancel for reasons other than for nonpayment of premium or other similar credits that are reflected in section 2 above) of termination of all reinsurance agreements, by either party, as of the date of this statement? Where necessary the company may consider the current or anticipated experience of the business reinsured in making this estimate.

Not Applicable

- 2) Have any new agreements been executed or existing agreements amended, since January 1 of the year of this statement, to include policies or contracts that were in force or which had existing reserves established by the company as of the effective date of the agreement?

Yes (X)

No ()

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

The amount of the credit is \$0.

B. Uncollectible Reinsurance

None

C. Commutation of Reinsurance Reflected in Income and Expenses

The Company did not commute any ceded reinsurance during the year.

24. RETROSPECTIVELY RATED CONTRACTS & CONTRACTS SUBJECT TO REDETERMINATION

- A. The Company estimates accrued retrospective premium adjustments for its group insurance business by a mathematical calculation of the amount for each policyholder based on the agreement with the policyholder and the Company's rules for experience rating calculations.
- B. The Company records accrued retrospective premium as an adjustment to earned premium.
- C. The amount of net premiums written by the Company at December 31, 2011 that were subject to retrospective rating features was \$557.9 million, representing 29.9% of total net premiums written for group life and health.

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- D. The Company does not have any medical loss ratio rebates required pursuant to the Public health Service Act.

25. CHANGE IN INCURRED LOSSES AND LOSS ADJUSTMENT EXPENSES

Reserves as of December 31, 2010 were \$3.68 billion. As of December 31, 2011, \$715.0 million has been paid for incurred losses and loss adjustment expenses attributable to insured events of prior years. Reserves remaining for prior years were \$3.05 billion as of December 31, 2011, as a result of re-estimation of unpaid claims and claim adjustment expenses. There was an \$86.0 million increase of prior year development from December 31, 2010 to December 31, 2011. Original estimates are increased or decreased as additional information becomes known regarding individual claims. Prior years' effects are combined with current experience in determining retrospective premium, premium refunds, and renewal rates for the larger group contracts.

26. INTERCOMPANY POOLING ARRANGEMENTS

Not applicable

27. STRUCTURED SETTLEMENTS

The Company has not purchased any structured settlements to fulfill obligations of claimants.

28. HEALTH CARE RECEIVABLES

Not applicable

29. PARTICIPATING POLICIES

For individual life insurance contracts, 38% of the \$1.5 million net premium earned in 2011 was from participating contracts. Dividends paid in 2011 equaled \$107 thousand. The Company accounts for dividends based on dividends paid plus the increase in provision assuming policies in-force on the valuation date remain in-force. No additional income was allocated to participating individual life policyholders.

30. PREMIUM DEFICIENCY RESERVES

In accordance with SSAP No. 54, Individual and Group Accident and Health Contracts, the premium deficiency reserve held as of December 31, 2011 for all individual and group accident and health contracts was \$0. Since premium deficiency reserves are currently unnecessary, no calculation involving anticipated investment income was performed as of December 31, 2011.

31. RESERVES FOR LIFE CONTRACTS AND DEPOSIT-TYPE CONTRACTS

A. Practices, methods, premium deficiency, tabular interest and other.

- 1) The Company waives deduction of deferred fractional premiums and returns unearned premium beyond the month of death. Continuous or semi continuous reserves are used to account for these benefits, except for those under a small block of second to die coverages, which use curtate reserves. There are no surrender values in excess of the legally computed reserves. Effective January 1, 2001, substantially all individual life policies became 100% reinsured under a coinsurance reinsurance agreement with Protective Life.
- 2) The reserve for a substandard policy where a flat extra premium is charged is the sum of the standard policy reserve plus one half (1/2) of the extra premium. For a substandard policy with a table rating, the extra reserve is based on appropriate multiples of standard rates of mortality. As of December 31, 2011, there was no reserve net of reinsurance ceded associated with substandard ratings for individual life policies.
- 3) As of December 31, 2011, the Company had \$319.8 million of insurance in-force for which the gross premiums are less than the net premiums according to the standard valuation law set by the State of Oregon. Reserves to cover the above insurance total \$0 net of reinsurance ceded, at year-end.
- 4) The Tabular Interest (page 7, line 4) has been determined by formula except some annuity products have Tabular Interest determined from the basic data for such items.

The Tabular Less Actual Reserve Released (page 7, line 5) has been determined by formula.

The Tabular Cost (page 7, line 9) has been determined by formula.

- 5) For the determination of Tabular Interest on deposit funds not involving life contingencies the amount of interest credited to the withdrawable account balance is used. For immediate annuities not involving life contingencies, the Tabular Interest was calculated as the change in statutory reserves, plus benefit payments, less premium.

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6) The details for other changes:

ORDINARY					GROUP		
					Credit Life		
		Industrial	Life	Individual	Supplementary	Group and	Life
(In thousands)	ITEM	Total	Life	Insurance	Annuities	Contracts	Individual Insurance Annuities
	See						
	Note	\$1,048		\$ 1,038			\$ 10
	Below						

Note: The increase for Ordinary Life Insurance reflects additional reserves for extra mortality expected on group conversion policies issued in 2011. The increase for Group Annuities reflects amounts credited to plan balances as a result of a plan achieving certain asset growth threshold levels.

32. ANALYSIS OF ANNUITY ACTUARIAL RESERVES AND DEPOSIT LIABILITIES BY WITHDRAWAL CHARACTERISTICS

Withdrawal Characteristics of Annuity Actuarial Reserves and Deposit - Type Contract Funds and other Liabilities without Life or Disability Contingencies:

(In thousands)			Separate	Separate	Total	% of Total
	General	Account with	Account	Nonguaranteed		
	Account	Guarantees				
A. Subject to discretionary withdrawal:						
1) With market value adjustment	\$2,808,511	\$ -	\$ -	\$ -	\$2,808,511	29.4%
2) At book value less current surrender charge of 5% or more	315,293	-	-	-	315,293	3.3%
3) At fair value	-	-	-	4,593,549	4,593,549	48.1%
4) Total with adjustment or at market value (Total of 1 through 3)	3,123,804	-	-	4,593,549	7,717,353	80.8%
5) At book value without adjustment (minimal or no charge or adjustment)	1,390,498	-	-	-	1,390,498	14.5%
B. Not subject to discretionary withdrawal	451,679	-	-	-	451,679	4.7%
C. Total (Gross: Direct + Assumed)	4,965,981	-	-	4,593,549	9,559,530	100.0%
D. Reinsurance ceded	-	-	-	-	-	
E. Total (net)* (C) - (D)	4,965,981	\$ -	\$ -	4,593,549	\$9,559,530	

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

F. Life & accident & health annual statement:	
1) Exhibit 5, annuities section, total (net)	\$ 4,410,625
2) Exhibit 5, supplementary contracts with life contingencies section, total (net)	51,561
3) Exhibit of deposit-type contracts, line 14, column 1	503,795
4) Subtotal	4,965,981

Separate accounts annual statement:	
5) Exhibit 6, line B.10, column 2	-
6) Exhibit 6, line c.5, column 2	-
7) Page 3, line 2, column 3	4,593,549
8) Page 3, line 3.1, column 3	-
9) Page 3, line 3.2, column 3	-
10) Page 3, line 3.3, column 3	-
11) Subtotal	4,593,549
12) Combined total	\$ 9,559,530

ANNUAL STATEMENT FOR THE YEAR 2011 OF THE STANDARD INSURANCE COMPANY
NOTES TO FINANCIAL STATEMENTS

33. PREMIUM AND ANNUITY CONSIDERATIONS DEFERRED AND UNCOLLECTED

- A. Deferred and uncollected life insurance premiums and annuity considerations as of December 31, 2011, were as follows

(In thousands)	Type	Gross	Net of Loading
	1) Industrial	\$ -	\$ -
	2) Ordinary new business	129	21
	3) Ordinary renewal	333	206
	4) Credit Life	-	-
	5) Group Life	26,890	24,842
	6) Group Annuity	2,625	2,625
	Total	<u>\$ 29,977</u>	<u>\$ 27,694</u>

34. SEPARATE ACCOUNTS

- A. General Nature and Characteristics of Separate Accounts Business:

Separate account assets and liabilities are reported at market value and represent funds administered and invested by the Company for the benefit of variable group annuity contract holders. Funds are subject to discretionary withdrawal at market value without restriction. All funds are non-guaranteed. Contract holders have the right to purchase annuities during the term of the contracts with specified guaranteed maximum rates.

Information regarding the separate accounts of the Company is as follows:

(In thousands)	Indexed	Non-indexed Guarantee less than / equal to 4%	Non-indexed Guarantee more than 4%	Non- guaranteed Separate accounts	Total
1) Premiums, considerations or deposits for year ended December 31, 2011	\$ -	\$ -	\$ -	\$ 740,510	\$ 740,510
<u>Reserves at December 31, 2011</u>					
2) For Accounts with assets at:					
a. Fair value	-	-	-	4,593,354	4,593,354
b. Amortized cost	-	-	-	-	-
c. Total reserves *	-	-	-	4,593,354	4,593,354
3) By withdrawal characteristics:					
a. Subject to discretionary withdrawal	-	-	-	4,593,354	4,593,354
b. With MV adjustment	-	-	-	-	-
c. At book value without MV adjustment and with current surrender charge of 5% or more	-	-	-	-	-
d. At fair value	-	-	-	-	-
e. At book value without MV adjust and with current surrender charge less than 5% withdrawal	-	-	-	-	-
f. Subtotal	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,593,354</u>	<u>4,593,354</u>
g. Not subject to discretionary withdrawal	-	-	-	-	-
h. Total	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,593,354</u>	<u>\$ 4,593,354</u>

4. Reserves for asset default risk in lieu of AVR

Not applicable

5. Transfers as reported in the summary of operations of the separate accounts statement

The Company transferred \$740.5 million of premiums and considerations to the Separate Account in 2011. Other inter-fund transfers and unconfirmed trades totaled \$39.7 million.

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B. Reconciliation of Net Transfers to or (From) Separate Accounts:

1) Transfers as reported in the summary of operations of the separate accounts statement:

(In thousands)	
a. Transfers to separate accounts (Page 4, Line 1.4)	\$ 740,510
b. Transfers from separate accounts (Page 4, Line 10)	<u>848,932</u>
c. Net transfers to or (from) separate accounts (a) – (b)	<u>\$ (108,422)</u>

2) Reconciling adjustments

None

3) Transfers as reported in the summary of operations
of the life, accident & health annual statement
(Page 4, Line 26)

\$ (108,422)

35. LOSS/CLAIM ADJUSTMENT EXPENSES

The balance in the liability for unpaid A&H claim adjustment expenses as of December 31, 2011 and 2010 was \$203.9 million and \$141.9 million, respectively.

The Company incurred \$222.0 million and paid \$160.0 million of claim adjustment expenses in the current year, of which \$59.4 million of the paid amount was attributable to insured or covered events of prior years. The Company did not increase or decrease the provision for insured events of prior years.

The Company did not take into account estimated anticipated salvage and subrogation in its determination of the liability for unpaid claims/losses.

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES
GENERAL

1.1

Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer?

Yes ☒ No ☐

1.2

If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent, or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations?

Yes ☒ No ☐ N/A ☐

1.3

State Regulating?

Oregon

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 ☐

2.2

If yes, date of change:

05/16/2011

3.1

State as of what date the latest financial examination of the reporting entity was made or is being made.

12/31/2009

3.2

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

12/31/2009

3.3

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

06/21/2011

3.4

By what department or departments?
State of Oregon Department of Consumer and Business Services - Insurance Division

3.5

Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments?

Yes ☐ No ☐ N/A ☒

3.6

Have all of the recommendations within the latest financial examination report been complied with?

Yes ☒ No ☐ N/A ☐

4.1

During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity), receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
4.11 sales of new business?
4.12 renewals?

Yes ☐ No ☒
Yes ☐ No ☒

4.2

During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
4.21 sales of new business?
4.22 renewals?

Yes ☐ No ☒
Yes ☐ No ☒

5.1

Has the reporting entity been a party to a merger or consolidation during the period covered by this statement?

Yes ☐ No ☒

5.2

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

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

6.1

Has the reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period?

Yes ☐ No ☒

6.2

If yes, give full information:

7.1

Does any foreign (non-United States) person or entity directly or indirectly control 10% or more of the reporting entity?

Yes ☐ No ☒

7.2

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

0.0 %

1 Nationality	2 Type of Entity

ANNUAL STATEMENT FOR THE YEAR 2011 OF THE STANDARD INSURANCE COMPANY

GENERAL INTERROGATORIES

8.1

Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board?

Yes [] No [X]

8.2

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

8.3

Is the company affiliated with one or more banks, thrifts or securities firms?

Yes [X] No []

8.4

If response to 8.3 is yes, please provide the names and locations (city and state of the main office) of any affiliates regulated by a federal financial regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Office of Thrift Supervision (OTS), 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 OTS	6 FDIC	7 SEC
StanCorp Equities, Inc.	Portland, Oregon	NO	NO	NO	NO	YES
StanCorp Investment Advisers, Inc.	Portland, Oregon	NO	NO	NO	NO	YES

9.

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

Deloitte & Touche LLP
111 SW Fifth Avenue, Suite 3900
Portland, OR 97204

10.1

Has the insurer been granted any exemptions to the prohibited non-audit services provided by the certified independent public accountant requirements as allowed in Section 7H of the Annual Financial Reporting Model Regulation (Model Audit Rule), or substantially similar state law or regulation?

Yes [] No [X]

10.2

If the response to 10.1 is yes, provide information related to this exemption:

10.3

Has the insurer been granted any exemptions related to the other requirements of the Annual Financial Reporting Model Regulation as allowed for in Section 17A of the Model Regulation, or substantially similar state law or regulation?

Yes [] No [X]

10.4

If the response to 10.3 is yes, provide information related to this exemption:

10.5

Has the reporting entity established an Audit Committee in compliance with the domiciliary state insurance laws?

Yes [X] No [] N/A []

10.6

If the response to 10.5 is no or n/a, please explain

11.

What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with an actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?

Sally Manafi
PO Box 711
Portland, OR 97207
Officer of Standard Insurance Company

12.1

Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly?

Yes [X] No []

12.11

Name of real estate holding company

12.12

Number of parcels involved

0

12.13

Total book/adjusted carrying value

\$ 60,465,714

12.2

If, yes provide explanation:

See Schedule BA Part 1, Joint Venture Interests - Other - Unaffiliated, Non-Guaranteed Federal low Income Housing Tax Credit - Unaffiliated

13.

FOR UNITED STATES BRANCHES OF ALIEN REPORTING ENTITIES ONLY:

13.1

What changes have been made during the year in the United States manager or the United States trustees of the reporting entity?

13.2

Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located?

Yes [] No []

13.3

Have there been any changes made to any of the trust indentures during the year?

Yes [] No []

13.4

If answer to (13.3) is yes, has the domiciliary or entry state approved the changes?

Yes [] No [] N/A []

14.1

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

Yes [X] No []

(a)

Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;

(b)

Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;

(c)

Compliance with applicable governmental laws, rules and regulations;

(d)

The prompt internal reporting of violations to an appropriate person or persons identified in the code; and

(e)

Accountability for adherence to the code.

14.11

If the response to 14.1 is No, please explain:

14.2

Has the code of ethics for senior managers been amended?

Yes [] No [X]

14.21

If the response to 14.2 is yes, provide information related to amendment(s).

14.3

Have any provisions of the code of ethics been waived for any of the specified officers?

Yes [] No [X]

14.31

If the response to 14.3 is yes, provide the nature of any waiver(s).

ANNUAL STATEMENT FOR THE YEAR 2011 OF THE STANDARD INSURANCE COMPANY

GENERAL INTERROGATORIES

- 15.1 Is the reporting entity the beneficiary of a Letter of Credit that is unrelated to reinsurance with a NAIC rating of 3 or below? Yes ☐ No ☒
- 15.2 If the response to 15.1 is yes, indicate the American Bankers Association (ABA) Routing Number and the name of the issuing or confirming bank of the Letter of Credit and describe the circumstances in which the Letter of Credit is triggered.

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

BOARD OF DIRECTORS

16. Is the purchase or sale of all investments of the reporting entity passed upon either by the board of directors or a subordinate committee thereof? Yes ☒ No ☐
17. Does the reporting entity keep a complete permanent record of the proceedings of its board of directors and all subordinate committees thereof? Yes ☒ No ☐
18. Has the reporting entity an established procedure for disclosure to its board of directors or trustees of any material interest or affiliation on the part of any of its officers, directors, trustees or responsible employees that is in conflict with the official duties of such person? Yes ☒ No ☐

FINANCIAL

19. Has this statement been prepared using a basis of accounting other than Statutory Accounting Principles (e.g., Generally Accepted Accounting Principles)? Yes ☐ No ☒
- 20.1 Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):

20.11 To directors or other officers\$0

20.12 To stockholders not officers\$0

20.13 Trustees, supreme or grand (Fraternal Only)\$0
- 20.2 Total amount of loans outstanding at the end of year (inclusive of Separate Accounts, exclusive of policy loans):

20.21 To directors or other officers\$0

20.22 To stockholders not officers\$0

20.23 Trustees, supreme or grand (Fraternal Only)\$0
- 21.1 Were any assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reported in the statement? Yes ☐ No ☒
- 21.2 If yes, state the amount thereof at December 31 of the current year:

21.21 Rented from others\$0

21.22 Borrowed from others\$0

21.23 Leased from others\$0

21.24 Other\$0
- 22.1 Does this statement include payments for assessments as described in the Annual Statement Instructions other than guaranty fund or guaranty association assessments? Yes ☐ No ☒
- 22.2 If answer is yes:

22.21 Amount paid as losses or risk adjustment\$0

22.22 Amount paid as expenses\$0

22.23 Other amounts paid\$0
- 23.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? Yes ☐ No ☒
- 23.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount:\$0

INVESTMENT

- 24.1 Were all the stocks, bonds and other securities owned December 31 of current year, over which the reporting entity has exclusive control, in the actual possession of the reporting entity on said date? (other than securities lending programs addressed in 24.3) Yes ☒ No ☐
- 24.2 If no, give full and complete information relating thereto
- 24.3 For security lending programs, provide a description of the program including value for collateral and amount of loaned securities, and whether collateral is carried on or off-balance sheet. (an alternative is to reference Note 17 where this information is also provided) The Company does not participate in a securities lending program
- 24.4 Does the Company's security lending program meet the requirements for a conforming program as outlined in the Risk-Based Capital Instructions? Yes ☐ No ☐ N/A ☒
- 24.5 If answer to 24.4 is yes, report amount of collateral for conforming programs.\$0
- 24.6 If answer to 24.4 is no, report amount of collateral for other programs.\$0
- 24.7 Does your securities lending program require 102% (domestic securities) and 105% (foreign securities) from the counterparty at the outset of the contract? Yes ☐ No ☐ N/A ☒
- 24.8 Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%? Yes ☐ No ☐ N/A ☒
- 24.9 Does the reporting entity or the reporting entity 's securities lending agent utilize the Master Securities lending Agreement (MSLA) to conduct securities lending? Yes ☐ No ☐ N/A ☒

ANNUAL STATEMENT FOR THE YEAR 2011 OF THE STANDARD INSURANCE COMPANY

GENERAL INTERROGATORIES

25.1 Were any of the stocks, bonds or other assets of the reporting entity owned at December 31 of the current year not exclusively under the control of the reporting entity, or has the reporting entity sold or transferred any assets subject to a put option contract that is currently in force? (Exclude securities subject to Interrogatory 21.1 and 24.3). Yes [X] No []

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

25.21 Subject to repurchase agreements	\$	0
25.22 Subject to reverse repurchase agreements	\$	0
25.23 Subject to dollar repurchase agreements	\$	0
25.24 Subject to reverse dollar repurchase agreements	\$	0
25.25 Pledged as collateral	\$	0
25.26 Placed under option agreements	\$	0
25.27 Letter stock or other securities restricted as to sale	\$	0
25.28 On deposit with state or other regulatory body	\$	5,452,257
25.29 Other	\$	0

25.3 For category (25.27) provide the following:

1 Nature of Restriction	2 Description	3 Amount

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

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

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

27.2 If yes, state the amount thereof at December 31 of the current year. \$ 0

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

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

1 Name of Custodian(s)	2 Custodian's Address
BNY Mellon	IIS - Syracuse Client Services 2nd Floor 111 Sanders Creek Parkway East Syracuse, NY 13057

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

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

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

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

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

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

1 Central Registration Depository Number(s)	2 Name	3 Address
110228	StanCorp Investment Advisers, Inc	1100 SW Sixth Avenue Portland, OR 97204
104578	Pine Bridge Investments	2929 Allen Parkway Houston, TX 77019

ANNUAL STATEMENT FOR THE YEAR 2011 OF THE STANDARD INSURANCE COMPANY

GENERAL INTERROGATORIES

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

29.2 If yes, complete the following schedule:

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

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

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

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

	1	2	3
	Statement (Admitted) Value	Fair Value	Excess of Statement over Fair Value (-), or Fair Value over Statement (+)
30.1 Bonds	6,111,533,524	6,666,191,205	554,657,681
30.2 Preferred stocks	93,322	164,874	71,552
30.3 Totals	6,111,626,846	6,666,356,079	554,729,233

30.4 Describe the sources or methods utilized in determining the fair values:
Market values are provided by the Bank of New York via various pricing vendors that they subscribe to. Private placement were priced internally using a systematic approach to matrix price the securities.

31.1 Was the rate used to calculate fair value determined by a broker or custodian for any of the securities in Schedule D? Yes [X] No []

31.2 If the answer to 31.1 is yes, does the reporting entity have a copy of the broker's or custodian's pricing policy (hard copy or electronic copy) for all brokers or custodians used as a pricing source? Yes [X] No []

31.3 If the answer to 31.2 is no, describe the reporting entity's process for determining a reliable pricing source for purposes of disclosure of fair value for Schedule D:
.....

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

32.2 If no, list exceptions:
.....

ANNUAL STATEMENT FOR THE YEAR 2011 OF THE STANDARD INSURANCE COMPANY

GENERAL INTERROGATORIES

OTHER

33.1 Amount of payments to trade associations, service organizations and statistical or rating bureaus, if any?\$208,818

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

1 Name	2 Amount Paid
LIMRA International	96,156
.....

34.1 Amount of payments for legal expenses, if any?\$482,604

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

1 Name	2 Amount Paid
Jackson Lewis LLP	167,705
.....

35.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers or departments of government, if any?\$42,000

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

1 Name	2 Amount Paid
John Powell & Associates	42,000
.....

ANNUAL STATEMENT FOR THE YEAR 2011 OF THE STANDARD INSURANCE COMPANY

GENERAL INTERROGATORIES

PART 2 - LIFE INTERROGATORIES

1.1

Does the reporting entity have any direct Medicare Supplement Insurance in force?

Yes [] No [X]

1.2

If yes, indicate premium earned on U.S. business only

\$ 0

1.3

What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit?

\$ 0

1.31 Reason for excluding:

1.4

Indicate amount of earned premium attributable to Canadian and/or Other Alien not included in Item (1.2) above.

\$ 0

1.5

Indicate total incurred claims on all Medicare Supplement insurance.

\$ 0

1.6

Individual policies:

Most current three years:

1.61 Total premium earned \$ 0

1.62 Total incurred claims \$ 0

1.63 Number of covered lives 0

All years prior to most current three years

1.64 Total premium earned \$ 0

1.65 Total incurred claims \$ 0

1.66 Number of covered lives 0

1.7

Group policies:

Most current three years:

1.71 Total premium earned \$ 0

1.72 Total incurred claims \$ 0

1.73 Number of covered lives 0

All years prior to most current three years

1.74 Total premium earned \$ 0

1.75 Total incurred claims \$ 0

1.76 Number of covered lives 0

2.

Health Test:

1

2

Current Year

Prior Year

2.1 Premium Numerator 82,585,689 82,876,832

2.2 Premium Denominator 3,547,415,859 3,263,491,415

2.3 Premium Ratio (2.1/2.2) 0.023 0.025

2.4 Reserve Numerator 90,934,590 91,390,352

2.5 Reserve Denominator 9,233,596,618 8,656,586,003

2.6 Reserve Ratio (2.4/2.5) 0.010 0.011

3.1

Does this reporting entity have Separate Accounts?

Yes [X] No []

3.2

If yes, has a Separate Accounts Statement been filed with this Department?

Yes [X] No [] N/A []

3.3

What portion of capital and surplus funds of the reporting entity covered by assets in the Separate Accounts statement, is not currently distributable from the Separate Accounts to the general account for use by the general account?

\$ 0

3.4

State the authority under which Separate Accounts are maintained:

Oregon Code 733.220

3.5

Was any of the reporting entity's Separate Accounts business reinsured as of December 31?

Yes [] No [X]

3.6

Has the reporting entity assumed by reinsurance any Separate Accounts business as of December 31?

Yes [] No [X]

3.7

If the reporting entity has assumed Separate Accounts business, how much, if any, reinsurance assumed receivable for reinsurance of Separate Accounts reserve expense allowances is included as a negative amount in the liability for "Transfers to Separate Accounts due or accrued (net)?"

0

4.1

Are personnel or facilities of this reporting entity used by another entity or entities or are personnel or facilities of another entity or entities used by this reporting entity (except for activities such as administration of jointly underwritten group contracts and joint mortality or morbidity studies)?

Yes [X] No []

4.2

Net reimbursement of such expenses between reporting entities:

4.21 Paid \$ 29,797,106

4.22 Received \$ 3,961,787

5.1

Does the reporting entity write any guaranteed interest contracts?

Yes [] No [X]

5.2

If yes, what amount pertaining to these lines is included in:

5.21 Page 3, Line 1 \$ 0

5.22 Page 4, Line 1 \$ 0

6.

FOR STOCK REPORTING ENTITIES ONLY:

6.1

Total amount paid in by stockholders as surplus funds since organization of the reporting entity:

\$ 289,119,857

7.

Total dividends paid stockholders since organization of the reporting entity:

7.11 Cash \$ 1,390,727,500

7.12 Stock \$ 0

ANNUAL STATEMENT FOR THE YEAR 2011 OF THE STANDARD INSURANCE COMPANY

GENERAL INTERROGATORIES

8.1 Does the company reinsure any Workers' Compensation Carve-Out business defined as: Yes [] No [X]
Reinsurance (including retrocessional reinsurance) assumed by life and health insurers of medical, wage loss and death benefits of the occupational illness and accident exposures, but not the employers liability exposures, of business originally written as workers' compensation insurance.

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

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

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

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

	Attachment Point	1 Earned Premium	2 Claim Liability and Reserve
8.41	<\$25,000	.0	.0
8.42	\$25,000 - 99,999	.0	.0
8.43	\$100,000 - 249,999	.0	.0
8.44	\$250,000 - 999,999	.0	.0
8.45	\$1,000,000 or more	.0	.0

8.5 What portion of earned premium reported in 8.31, Column 1 was assumed from pools?\$0

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

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

Type		3	4	5	6	7	8	9
1	2	Waiting Period Remaining	Account Value Related to Col. 3	Total Related Account Values	Gross Amount of Reserve	Location of Reserve	Portion Reinsured	Reinsurance Reserve Credit
Guaranteed Death Benefit	Guaranteed Living Benefit							

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

10.1 Amount of loss reserves established by these annuities during the current year:\$0

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

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

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

11.2 If yes, please provide the amount of custodial funds held as of the reporting date.\$0

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

11.4 If yes, please provide the balance of funds administered as of the reporting date.\$0

ANNUAL STATEMENT FOR THE YEAR 2011 OF THE STANDARD INSURANCE COMPANY

FIVE-YEAR HISTORICAL DATA

Show amounts in whole dollars only, no cents; show percentages to one decimal place, i.e. 17.6.
Show amounts of life insurance in this exhibit in thousands (OMIT \$000)

	1 2011	2 2010	3 2009	4 2008	5 2007
Life Insurance in Force (Exhibit of Life Insurance)					
1. Ordinary - whole life and endowment (Line 34, Col. 4)	1,985,995	2,139,219	2,284,620	2,450,469	2,615,029
2. Ordinary - term (Line 21, Col. 4, less Line 34, Col. 4)	917,056	959,138	1,039,129	1,128,899	1,263,696
3. Credit life (Line 21, Col. 6)	0	0	0	0	0
4. Group, excluding FEGLI/SGLI (Line 21, Col. 9 less Lines 43 & 44, Col. 4)	336,252,796	319,248,601	292,724,810	298,107,263	302,749,672
5. Industrial (Line 21, Col. 2)	0	0	0	0	0
6. FEGLI/SGLI (Lines 43 & 44, Col. 4)	0	0	0	0	0
7. Total (Line 21, Col. 10)	339,155,848	322,346,958	296,048,559	301,686,631	306,628,397
New Business Issued (Exhibit of Life Insurance)					
8. Ordinary - whole life and endowment (Line 34, Col. 2)	6,164	7,480	8,284	5,388	8,085
9. Ordinary - term (Line 2, Col. 4, less Line 34, Col. 2)	0	0	0	0	1
10. Credit life (Line 2, Col. 6)	0	0	0	0	0
11. Group (Line 2, Col. 9)	58,815,141	64,545,837	41,835,766	45,657,445	59,815,493
12. Industrial (Line 2, Col. 2)	0	0	0	0	0
13. Total (Line 2, Col. 10)	58,821,305	64,553,317	41,844,050	45,662,833	59,823,579
Premium Income - Lines of Business (Exhibit 1 - Part 1)					
14. Industrial life (Line 20.4, Col. 2)	0	0	0	0	0
15.1 Ordinary-life insurance (Line 20.4, Col. 3)	1,526,501	1,435,279	1,619,644	1,346,655	1,528,511
15.2 Ordinary-individual annuities (Line 20.4, Col. 4)	349,713,420	319,535,087	362,128,250	867,424,959	188,050,151
16 Credit life (group and individual) (Line 20.4, Col. 5)	0	0	0	0	0
17.1 Group life insurance (Line 20.4, Col. 6)	780,806,572	730,867,970	711,552,684	736,867,396	702,188,187
17.2 Group annuities (Line 20.4, Col. 7)	1,126,687,199	962,144,989	998,485,140	1,124,151,455	1,179,282,543
18.1 A & H-group (Line 20.4, Col. 8)	1,130,456,374	1,101,188,533	1,121,513,497	1,165,546,711	1,180,266,351
18.2 A & H-credit (group and individual) (Line 20.4, Col. 9)	0	0	0	0	0
18.3 A & H-other (Line 20.4, Col. 10)	158,225,793	148,319,556	164,065,464	137,370,884	122,482,069
19. Aggregate of all other lines of business (Line 20.4, Col. 11)	0	0	0	0	0
20. Total	3,547,415,859	3,263,491,415	3,359,364,680	4,032,708,061	3,373,797,812
Balance Sheet (Pages 2 & 3)					
21. Total admitted assets excluding Separate Accounts business (Page 2, Line 26, Col. 3)	11,420,540,484	10,829,451,587	10,350,439,368	9,798,546,871	8,878,986,629
22. Total liabilities excluding Separate Accounts business (Page 3, Line 26)	10,281,307,181	9,657,937,770	9,156,731,785	8,686,245,686	7,864,605,737
23. Aggregate life reserves (Page 3, Line 1)	5,269,212,116	4,849,415,710	4,512,650,960	4,120,560,978	3,334,733,412
24. Aggregate A & H reserves (Page 3, Line 2)	3,802,535,030	3,649,663,331	3,594,432,107	3,553,185,867	3,481,500,151
25. Deposit-type contract funds (Page 3, Line 3)	503,795,333	464,170,080	459,372,504	410,977,385	378,567,135
26. Asset valuation reserve (Page 3, Line 24.01)	105,914,712	94,619,809	88,788,020	77,984,643	101,444,889
27. Capital (Page 3, Lines 29 and 30)	423,838,694	423,838,694	423,838,694	423,838,694	423,838,694
28. Surplus (Page 3, Line 37)	715,394,610	747,675,122	769,868,889	688,462,491	590,542,198
Cash Flow (Page 5)					
29. Net Cash from Operations (Line 11)	680,216,803	627,951,044	695,204,876	1,057,176,104	584,842,212
Risk-Based Capital Analysis					
30. Total adjusted capital	1,245,148,016	1,266,133,626	1,282,495,603	1,190,285,828	1,115,825,781
31. Authorized control level risk - based capital	192,646,826	194,237,496	182,661,227	190,165,173	186,020,875
Percentage Distribution of Cash, Cash Equivalents and Invested Assets (Page 2, Col. 3) (Line No. /Page 2, Line 12, Col. 3) x 100.0					
32. Bonds (Line 1)	55.0	56.2	57.9	54.9	56.2
33. Stocks (Lines 2.1 and 2.2)	0.0	0.0	0.0	0.0	0.0
34. Mortgage loans on real estate(Lines 3.1 and 3.2)	43.3	41.9	41.3	41.9	41.5
35. Real estate (Lines 4.1, 4.2 and 4.3)	0.3	0.4	0.4	0.4	0.5
36. Cash, cash equivalents and short-term investments (Line 5)	0.4	0.5	0.0	2.6	1.2
37. Contract loans (Line 6)	0.0	0.0	0.0	0.0	0.0
38. Derivatives (Page 2, Line 7)	0.1	0.1	XXX	XXX	XXX
39. Other invested assets (Line 8)	0.5	0.2	0.1	0.1	0.1
40. Receivables for securities (Line 9)	0.3	0.6	0.3	0.0	0.5
41. Securities lending reinvested collateral assets (Line 10)	0.0	0.0	XXX	XXX	XXX
42. Aggregate write-ins for invested assets (Line 11)	0.0	0.0	0.1	0.0	0.1
43. Cash, cash equivalents and invested assets (Line 12)	100.0	100.0	100.0	100.0	100.0

FIVE-YEAR HISTORICAL DATA

(Continued)

	1 2011	2 2010	3 2009	4 2008	5 2007
Investments in Parent, Subsidiaries and Affiliates					
44. Affiliated bonds (Schedule D Summary, Line 12, Col. 1)	0	0	0	0	0
45. Affiliated preferred stocks (Schedule D Summary, Line 18, Col. 1)	0	0	0	0	0
46. Affiliated common stocks (Schedule D Summary Line 24, Col. 1),	0	0	0	0	0
47. Affiliated short-term investments (subtotal included in Schedule DA Verification, Col. 5, Line 10)	0	0	0	0	0
48. Affiliated mortgage loans on real estate	0	0	0	0	0
49. All other affiliated	0	0	0	0	0
50. Total of above Lines 44 to 49	0	0	0	0	0
Total Nonadmitted and Admitted Assets					
51. Total nonadmitted assets (Page 2, Line 28, Col. 2) ..	272,390,286	203,583,362	236,578,617	283,677,307	235,709,805
52. Total admitted assets (Page 2, Line 28, Col. 3)	16,014,089,145	15,616,840,023	14,524,928,886	12,874,451,392	13,265,338,273
Investment Data					
53. Net investment income (Exhibit of Net Investment Income)	590,217,828	575,063,763	556,489,967	523,443,628	483,968,312
54. Realized capital gains (losses) (Page 4, Line 34, Column 1)	(16,865,983)	13,340,313	(18,025,939)	(131,972,725)	47,024,400
55. Unrealized capital gains (losses) (Page 4, Line 38, Column 1)	(8,596,813)	(4,547,137)	5,436,501	(5,281,445)	(4,034,212)
56. Total of above Lines 53, 54 and 55	564,755,032	583,856,939	543,900,528	386,189,458	526,958,500
Benefits and Reserve Increases (Page 6)					
57. Total contract benefits - life (Lines 10, 11, 12, 13, 14 and 15 Col. 1, minus Lines 10, 11,12, 13, 14 and 15 Cols. 9, 10 and 11)	1,943,765,047	1,687,083,569	1,520,109,502	1,535,980,517	1,506,229,899
58. Total contract benefits - A & H (Lines 13 & 14, Cols. 9, 10 & 11)	943,763,868	890,040,825	872,952,079	862,846,114	844,512,202
59. Increase in life reserves - other than group and annuities (Line 19, Cols. 2 and 3)	234,690	(580,783)	737,981	(73,857)	(1,113)
60. Increase in A & H reserves (Line 19, Cols. 9, 10 & 11)	152,871,700	55,231,224	33,099,785	71,685,716	123,606,005
61. Dividends to policyholders (Line 30, Col. 1)	114,717	104,624	101,508	92,310	86,652
Operating Percentages					
62. Insurance expense percent (Page 6, Col. 1, Lines 21, 22 & 23, less Line 6)/(Page 6, Col. 1, Line 1 plus Exhibit 7, Col. 2, Line 2) x 100.0	16.1	16.8	16.3	14.0	15.4
63. Lapse percent (ordinary only) [(Exhibit of Life Insurance, Col. 4, Lines 14 & 15) / 1/2 (Exhibit of Life Insurance, Col. 4, Lines 1 & 21)] x 100.0	6.0	6.6	6.8	7.5	5.4
64. A & H loss percent (Schedule H, Part 1, Lines 5 and 6, Col. 2)	85.1	75.8	71.1	71.8	74.4
65. A & H cost containment percent (Schedule H, Pt. 1, Line 4, Col. 2)	0.0	0.0	0.0	0.0	0.0
66. A & H expense percent excluding cost containment expenses (Schedule H, Pt. 1, Line 10, Col. 2)	30.2	30.3	29.2	29.5	28.7
A & H Claim Reserve Adequacy					
67. Incurred losses on prior years' claims - group health (Schedule H, Part 3, Line 3.1 Col. 2)	3,005,274,787	2,907,121,726	2,852,992,956	2,822,148,306	2,749,492,582
68. Prior years' claim liability and reserve - group health (Schedule H, Part 3, Line 3.2 Col. 2)	2,964,081,689	2,926,955,014	2,929,805,063	2,891,136,908	2,776,931,226
69. Incurred losses on prior years' claims-health other than group (Schedule H, Part 3, Line 3.1 Col. 1 less Col. 2)	609,006,466	593,080,877	594,161,899	563,793,123	540,321,717
70. Prior years' claim liability and reserve-health other than group (Schedule H, Part 3, Line 3.2 Col. 1 less Col. 2)	574,183,658	567,800,772	542,307,980	515,190,798	509,444,282
Net Gains From Operations After Federal Income Taxes by Lines of Business (Page 6, Line 33)					
71. Industrial life (Col. 2)	0	0	0	0	0
72. Ordinary - life (Col. 3)	494,768	351,289	694,458	201,593	3,727,375
73. Ordinary - individual annuities (Col. 4)	32,539,870	18,996,127	8,481,488	(9,206,578)	6,981,304
74. Ordinary-supplementary contracts (Col. 5)	2,183,599	1,631,596	913,850	(138,155)	512,116
75. Credit life (Col. 6)	0	0	0	0	0
76. Group life (Col. 7)	39,086,075	37,560,279	47,861,496	64,921,655	50,595,507
77. Group annuities (Col. 8)	18,279,033	12,240,254	3,055,182	11,687,156	11,447,185
78. A & H-group (Col. 9)	30,681,557	95,940,770	143,388,042	146,394,293	100,883,747
79. A & H-credit (Col. 10)	0	0	0	0	0
80. A & H-other (Col. 11)	17,114,701	22,087,619	25,473,096	8,063,175	16,460,884
81. Aggregate of all other lines of business (Col. 12)	3,644,446	8,044,364	14,417,182	10,404,003	8,143,060
82. Total (Col. 1)	144,024,049	196,852,296	244,284,794	232,327,143	198,751,177

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



ANNUAL STATEMENT FOR THE YEAR 2011 OF THE STANDARD INSURANCE COMPANY

DIRECT BUSINESS IN THE STATE OF Grand Total

DURING THE YEAR 2011

NAIC Group Code 1348

LIFE INSURANCE

NAIC Company Code 69019

DIRECT PREMIUMS AND ANNUITY CONSIDERATIONS	1	2	3	4	5
	Ordinary	Credit Life (Group and Individual)	Group	Industrial	Total
1. Life insurance	32,118,715	0	762,294,822	0	794,413,537
2. Annuity considerations	349,713,420	0	2,013,434	0	351,726,854
3. Deposit-type contract funds	31,790,148	XXX	149,144	XXX	31,939,292
4. Other considerations	0	0	1,124,669,430	0	1,124,669,430
5. Totals (Sum of Lines 1 to 4)	413,622,283	0	1,889,126,830	0	2,302,749,113
DIRECT DIVIDENDS TO POLICYHOLDERS					
Life insurance:					
6.1 Paid in cash or left on deposit	2,702,496	0	0	0	2,702,496
6.2 Applied to pay renewal premiums	2,239,158	0	0	0	2,239,158
6.3 Applied to provide paid-up additions or shorten the endowment or premium-paying period	20,835,407	0	0	0	20,835,407
6.4 Other	512,323	0	0	0	512,323
6.5 Totals (Sum of Lines 6.1 to 6.4)	26,289,385	0	0	0	26,289,385
Annuities:					
7.1 Paid in cash or left on deposit	0	0	0	0	0
7.2 Applied to provide paid-up annuities	0	0	0	0	0
7.3 Other	0	0	0	0	0
7.4 Totals (Sum of Lines 7.1 to 7.3)	0	0	0	0	0
8. Grand Totals (Lines 6.5 plus 7.4)	26,289,385	0	0	0	26,289,385
DIRECT CLAIMS AND BENEFITS PAID					
9. Death benefits	38,684,084	0	590,039,493	0	628,723,577
10. Matured endowments	47,255	0	0	0	47,255
11. Annuity benefits	14,253,834	0	587,378,407	0	601,632,241
12. Surrender values and withdrawals for life contracts	215,611,251	0	542,461,540	0	758,072,792
13. Aggregate write-ins for miscellaneous direct claims and benefits paid	0	0	492,083	0	492,083
14. All other benefits, except accident and health	0	0	0	0	0
15. Totals	268,596,425	0	1,720,371,524	0	1,988,967,948
DETAILS OF WRITE-INS					
1301. Miscellaneous direct claims period certain	0	0	492,083	0	492,083
1302.					
1303.					
1398. Summary of Line 13 from overflow page	0	0	0	0	0
1399. Totals (Lines 1301 thru 1303 plus 1398) (Line 13 above)	0	0	492,083	0	492,083

DIRECT DEATH BENEFITS AND MATURED ENDOWMENTS INCURRED	Ordinary		Credit Life (Group and Individual)		Group		Industrial		Total	
	1	2	3	4	5	6	7	8	9	10
	No.	Amount	No. of Ind.Pols. & Gr. Certifs.	Amount	No. of Certifs.	Amount	No.	Amount	No.	Amount
16. Unpaid December 31, prior year	36	2,089,496	0	0	3,536	99,062,459	0	0	3,572	101,151,955
17. Incurred during current year	729	39,495,106	0	0	20,593	596,854,877	0	0	21,322	636,349,983
Settled during current year:										
18.1 By payment in full	721	38,731,339	0	0	19,941	588,028,392	0	0	20,662	626,759,731
18.2 By payment on compromised claims	0	0	0	0	19	989,700	0	0	19	989,700
18.3 Totals paid	721	38,731,339	0	0	19,960	589,018,092	0	0	20,681	627,749,431
18.4 Reduction by compromise	0	0	0	0	3	1,886,150	0	0	3	1,886,150
18.5 Amount rejected	0	0	0	0	21	1,889,992	0	0	21	1,889,992
18.6 Total settlements	721	38,731,339	0	0	19,984	592,794,234	0	0	20,705	631,525,573
19. Unpaid Dec. 31, current year (16+17-18.6)	44	2,853,263	0	0	4,145	103,123,102	0	0	4,189	105,976,365
POLICY EXHIBIT						No. of Policies				
20. In force December 31, prior year	37,046	3,094,777,779	0 (a)	0	15,920	311,951,114,000	0	0	52,966	315,045,891,779
21. Issued during year	132	6,163,979	0	0	1,798	58,815,141,000	0	0	1,930	58,821,304,979
22. Other changes to in force (Net)	(2,049)	(201,479,451)	0	0	(1,898)	(42,194,744,000)	0	0	(3,947)	(42,396,223,451)
23. In force December 31 of current year	35,129	2,899,462,307	0 (a)	0	15,820	328,571,511,000	0	0	50,949	331,470,973,307

(a) Includes Individual Credit Life Insurance prior year \$ 0 , current year \$ 0

Includes Group Credit Life Insurance Loans less than or equal to 60 months at issue, prior year \$ 0 , current year \$ 0

Loans greater than 60 months at issue BUT NOT GREATER THAN 120 MONTHS, prior year \$ 0 , current year \$ 0

ACCIDENT AND HEALTH INSURANCE

	1	2	3	4	5
	Direct Premiums	Direct Premiums Earned	Dividends Paid Or Credited On Direct Business	Direct Losses Paid	Direct Losses Incurred
24. Group Policies (b)	1,082,107,544	1,098,373,754	0	787,577,072	933,957,812
24.1 Federal Employees Health Benefits Program premium (b)	0	0	0	0	0
24.2 Credit (Group and Individual)	0	0	0	0	0
24.3 Collectively renewable policies (b)	0	0	0	0	0
24.4 Medicare Title XVIII exempt from state taxes or fees Other Individual Policies:	0	0	0	0	0
25.1 Non-cancelable (b)	133,683,024	131,892,113	0	18,218,635	37,507,741
25.2 Guaranteed renewable (b)	31,225,511	30,457,314	0	8,629,783	12,701,364
25.3 Non-renewable for stated reasons only (b)	0	0	0	0	0
25.4 Other accident only	0	0	0	0	0
25.5 All other (b)	0	0	0	0	0
25.6 Totals (sum of Lines 25.1 to 25.5)	164,908,535	162,349,427	0	26,848,418	50,209,105
26. Totals (Lines 24 + 24.1 + 24.2 + 24.3 + 24.4 + 25.6)	1,247,016,079	1,260,723,181	0	814,425,490	984,166,917

(b) For health business on indicated lines report: Number of persons insured under PPO managed care products 294,708 and number of persons insured under indemnity only products 27,064 .

ANNUAL STATEMENT FOR THE YEAR 2011 OF THE STANDARD INSURANCE COMPANY

EXHIBIT OF LIFE INSURANCE

	Industrial		Ordinary		Credit Life (Group and Individual)		Group			10 Total Amount of Insurance (a)
	1	2	3	4	5	6	Number of		9	
	Number of Policies	Amount of Insurance (a)	Number of Policies	Amount of Insurance (a)	Number of Individual Policies and Group Certificates	Amount of Insurance (a)	7 Policies	8 Certificates	Amount of Insurance (a)	
1. In force end of prior year	0	0	37,186	3,098,357	0	0	16,445	4,472,929	319,248,601	322,346,958
2. Issued during year	0	0	132	6,164	0	0	1,798	590,729	58,815,141	58,821,305
3. Reinsurance assumed	0	0	11	9	0	0	26	13,941	393,483	393,492
4. Revived during year	0	0	3	423	0	0	0	0	0	423
5. Increased during year (net)	0	0	4	5,229	0	0	222	(25,438)	(8,847,603)	(8,842,374)
6. Subtotals, Lines 2 to 5	0	0	150	11,825	0	0	2,046	579,232	50,361,021	50,372,846
7. Additions by dividends during year	XXX	0	XXX	34,906	XXX	0	XXX	XXX	0	34,906
8. Aggregate write-ins for increases	0	0	0	0	0	0	0	0	0	0
9. Totals (Lines 1 and 6 to 8)	0	0	37,336	3,145,088	0	0	18,491	5,052,161	369,609,622	372,754,710
Deductions during year:										
10. Death	0	0	697	30,558	0	0	XXX	26,781	592,144	622,702
11. Maturity	0	0	19	83	0	0	XXX	0	0	83
12. Disability	0	0	0	0	0	0	XXX	0	0	0
13. Expiry	0	0	40	2,270	0	0	0	0	0	2,270
14. Surrender	0	0	960	105,866	0	0	0	0	0	105,866
15. Lapse	0	0	336	74,852	0	0	2,120	411,076	32,764,682	32,839,534
16. Conversion	0	0	14	1,602	0	0	XXX	XXX	XXX	1,602
17. Decreased (net)	0	0	(10)	26,805	0	0	0	0	0	26,805
18. Reinsurance	0	0	0	0	0	0	0	0	0	0
19. Aggregate write-ins for decreases	0	0	0	0	0	0	0	0	0	0
20. Totals (Lines 10 to 19)	0	0	2,056	242,036	0	0	2,120	437,857	33,356,826	33,598,862
21. In force end of year (Line 9 minus Line 20)	0	0	35,280	2,903,052	0	0	16,371	4,614,304	336,252,796	339,155,848
22. Reinsurance ceded end of year	XXX	0	XXX	2,875,312	XXX	0	XXX	XXX	52,131,262	55,006,574
23. Line 21 minus Line 22	XXX	0	XXX	27,740	XXX	(b)	XXX	XXX	284,121,534	284,149,274
DETAILS OF WRITE-INS										
0801.										
0802.										
0803.										
0898. Summary of remaining write-ins for Line 8 from overflow page	0	0	0	0	0	0	0	0	0	0
0899. TOTALS (Lines 0801 thru 0803 plus 0898) (Line 8 above)	0	0	0	0	0	0	0	0	0	0
1901.										
1902.										
1903.										
1998. Summary of remaining write-ins for Line 19 from overflow page	0	0	0	0	0	0	0	0	0	0
1999. TOTALS (Lines 1901 thru 1903 plus 1998) (Line 19 above)	0	0	0	0	0	0	0	0	0	0

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

(b) Group \$0 ; Individual \$0

ANNUAL STATEMENT FOR THE YEAR 2011 OF THE STANDARD INSURANCE COMPANY

EXHIBIT OF LIFE INSURANCE (Continued)

ADDITIONAL INFORMATION ON INSURANCE IN FORCE END OF YEAR

	Industrial		Ordinary	
	1 Number of Policies	2 Amount of Insurance (a)	3 Number of Policies	4 Amount of Insurance (a)
24. Additions by dividends	XXX	0	XXX	516,861
25. Other paid-up insurance	0	0	5,673	67,288
26. Debit ordinary insurance	XXX	XXX	0	0

ADDITIONAL INFORMATION ON ORDINARY INSURANCE

	Issued During Year (Included in Line 2)		In Force End of Year (Included in Line 21)	
	1 Number of Policies	2 Amount of Insurance (a)	3 Number of Policies	4 Amount of Insurance (a)
Term Insurance Excluding Extended Term Insurance				
27. Term policies - decreasing	0	0	29	73
28. Term policies - other	0	0	2,198	376,660
29. Other term insurance - decreasing	XXX	0	XXX	47
30. Other term insurance	XXX	0	XXX	14,757
31. Totals (Lines 27 to 30)	0	0	2,227	391,537
Reconciliation to Lines 2 and 21:				
32. Term additions	XXX	0	XXX	516,861
33. Totals, extended term insurance	XXX	XXX	95	8,657
34. Totals, whole life and endowment	132	6,164	32,958	1,985,995
35. Totals (Lines 31 to 34)	132	6,164	35,280	2,903,050

CLASSIFICATION OF AMOUNT OF INSURANCE (a) BY PARTICIPATING STATUS

	Issued During Year (Included in Line 2)		In Force End of Year (Included in Line 21)	
	1 Non-Participating	2 Participating	3 Non-Participating	4 Participating
36. Industrial	0	0	0	0
37. Ordinary	6,164	0	1,827,927	1,075,124
38. Credit Life (Group and Individual)	0	0	0	0
39. Group	58,815,141	0	336,252,796	0
40. Totals (Lines 36 to 39)	58,821,305	0	338,080,723	1,075,124

ADDITIONAL INFORMATION ON CREDIT LIFE AND GROUP INSURANCE

	Credit Life		Group	
	1 Number of Individual Policies and Group Certificates	2 Amount of Insurance (a)	3 Number of Certificates	4 Amount of Insurance (a)
41. Amount of insurance included in Line 2 ceded to other companies	XXX	0	XXX	280,969
42. Number in force end of year if the number under shared groups is counted on a pro-rata basis	0	XXX	4,614,304	XXX
43. Federal Employees' Group Life Insurance included in Line 21	0	0	0	0
44. Servicemen's Group Life Insurance included in Line 21	0	0	0	0
45. Group Permanent Insurance included in Line 21	0	0	0	0

ADDITIONAL ACCIDENTAL DEATH BENEFITS

46. Amount of additional accidental death benefits in force end of year under ordinary policies (a)	31,512
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BASIS OF CALCULATION OF ORDINARY TERM INSURANCE

47. State basis of calculation of (47.1) decreasing term insurance contained in Family Income, Mortgage Protection, etc., policies and riders and of (47.2) term insurance on wife and children under Family, Parent and Children, etc., policies and riders included above.	
47.1	
47.2	

POLICIES WITH DISABILITY PROVISIONS

	Industrial		Ordinary		Credit		Group	
	1 Number of Policies	2 Amount of Insurance (a)	3 Number of Policies	4 Amount of Insurance (a)	5 Number of Policies	6 Amount of Insurance (a)	7 Number of Certificates	8 Amount of Insurance (a)
48. Waiver of Premium	0	0	6,438	44,603	0	0	15,978	287,295,314
49. Disability Income	0	0	25	40	0	0	0	0
50. Extended Benefits	0	0	XXX	XXX	0	0	0	0
51. Other	0	0	0	0	0	0	0	0
52. Total	0	(b) 0	6,463	(b) 44,643	0	(b) 0	15,978	(b) 287,295,314

(a) Amounts of life insurance in this exhibit shall be shown in thousands (omit 000)
(b) See Paragraph 9 of the Annual Audited Financial Reports in the General section of the annual statement instructions

ANNUAL STATEMENT FOR THE YEAR 2011 OF THE STANDARD INSURANCE COMPANY

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

SUPPLEMENTARY CONTRACTS				
	Ordinary		Group	
	1 Involving Life Contingencies	2 Not Involving Life Contingencies	3 Involving Life Contingencies	4 Not Involving Life Contingencies
1. In force end of prior year	1,952	6,990	0	55
2. Issued during year	64	599	0	11
3. Reinsurance assumed	0	0	0	0
4. Increased during year (net)	0	0	0	0
5. Total (Lines 1 to 4)	2,016	7,589	0	66
Deductions during year:				
6. Decreased (net)	169	480	0	14
7. Reinsurance ceded	0	0	0	0
8. Totals (Lines 6 and 7)	169	480	0	14
9. In force end of year	1,847	7,109	0	52
10. Amount on deposit	0	(a) 228,827,794	0	(a) 66,354
11. Income now payable	1,847	365	0	52
12. Amount of income payable	(a) 3,601,475	(a) 3,778,639	(a) 0	(a) 438,813

ANNUITIES				
	Ordinary		Group	
	1 Immediate	2 Deferred	3 Contracts	4 Certificates
1. In force end of prior year	2,100	32,041	1,989	1,698
2. Issued during year	282	4,293	106	4
3. Reinsurance assumed	0	0	0	0
4. Increased during year (net)	0	0	0	0
5. Totals (Lines 1 to 4)	2,382	36,334	2,095	1,702
Deductions during year:				
6. Decreased (net)	94	1,638	259	113
7. Reinsurance ceded	0	0	0	0
8. Totals (Lines 6 and 7)	94	1,638	259	113
9. In force end of year	2,288	34,696	1,836	1,589
Income now payable:				
10. Amount of income payable	(a) 28,914,837	XXX	XXX	(a) 6,782,509
Deferred fully paid:				
11. Account balance	XXX	(a) 2,375,429,003	XXX	(a) 951,343
Deferred not fully paid:				
12. Account balance	XXX	(a) 256,671,011	XXX	(a) 0

ACCIDENT AND HEALTH INSURANCE						
	Group		Credit		Other	
	1 Certificates	2 Premiums in Force	3 Policies	4 Premiums in Force	5 Policies	6 Premiums in Force
1. In force end of prior year	34,579	1,150,252,495	0	0	120,973	199,945,844
2. Issued during year	3,425	188,753,046	0	0	11,233	13,457,171
3. Reinsurance assumed	2,717	(1,281,335)	0	0	0	(2,233,639)
4. Increased during year (net)	(3,793)	XXX	0	XXX	0	XXX
5. Totals (Lines 1 to 4)	36,928	XXX	0	XXX	132,206	XXX
Deductions during year:						
6. Conversions	0	XXX	XXX	XXX	XXX	XXX
7. Decreased (net)	2,883	XXX	0	XXX	7,366	XXX
8. Reinsurance ceded	0	XXX	0	XXX	0	XXX
9. Totals (Lines 6 to 8)	2,883	XXX	0	XXX	7,366	XXX
10. In force end of year	34,045	(a) 1,180,610,398	0	(a) 0	124,840	(a) 211,169,376

DEPOSIT FUNDS AND DIVIDEND ACCUMULATIONS			
	1		2
	Deposit Funds		Dividend Accumulations
	Contracts		Contracts
1. In force end of prior year	303		36
2. Issued during year	52		0
3. Reinsurance assumed	0		0
4. Increased during year (net)	1,038		4,388
5. Totals (Lines 1 to 4)	1,393		4,424
Deductions During Year:			
6. Decreased (net)	0		3
7. Reinsurance ceded	1,038		4,388
8. Totals (Lines 6 and 7)	1,038		4,391
9. In force end of year	355		33
10. Amount of account balance	(a) 182,929,765	(a)	26,742

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

ANNUAL STATEMENT FOR THE YEAR 2011 OF THE STANDARD INSURANCE COMPANY

FORM FOR CALCULATING THE INTEREST MAINTENANCE RESERVE

INTEREST MAINTENANCE RESERVE		1 Amount
1. Reserve as of December 31, Prior Year		12,615,724
2. Current year's realized pre-tax capital gains/(losses) of \$17,589,083 transferred into the reserve net of taxes of \$6,156,179		11,432,904
3. Adjustment for current year's liability gains/(losses) released from the reserve		0
4. Balance before reduction for amount transferred to Summary of Operations (Line 1 + Line 2 + Line 3)		24,048,627
5. Current year's amortization released to Summary of Operations (Amortization, Line 1, Column 4)		4,246,263
6. Reserve as of December 31, current year (Line 4 minus Line 5)		19,802,365

AMORTIZATION				
Year of Amortization	1 Reserve as of December 31, Prior Year	2 Current Year's Realized Capital Gains/(Losses) Transferred into the Reserve Net of Taxes	3 Adjustment for Current Year's Liability Gains/(Losses) Released From the Reserve	4 Balance Before Reduction for Current Year's Amortization (Cols. 1 + 2 + 3)
1. 2011	2,852,099	1,394,164	0	4,246,263
2. 2012	2,092,168	2,597,014	0	4,689,183
3. 2013	1,727,287	2,132,066	0	3,859,352
4. 2014	1,226,161	1,665,028	0	2,891,189
5. 2015	706,073	1,186,324	0	1,892,398
6. 2016	525,337	681,772	0	1,207,109
7. 2017	526,565	385,862	0	912,427
8. 2018	532,298	317,637	0	849,934
9. 2019	450,323	243,821	0	694,144
10. 2020	313,075	169,356	0	482,430
11. 2021	276,415	89,653	0	366,068
12. 2022	263,294	50,188	0	313,482
13. 2023	237,951	52,520	0	290,471
14. 2024	173,110	54,494	0	227,605
15. 2025	118,351	58,229	0	176,580
16. 2026	77,804	59,832	0	137,635
17. 2027	37,696	58,387	0	96,083
18. 2028	31,961	50,446	0	82,407
19. 2029	59,096	42,348	0	101,445
20. 2030	68,076	34,660	0	102,737
21. 2031	61,383	25,341	0	86,725
22. 2032	57,975	19,646	0	77,621
23. 2033	46,795	16,810	0	63,605
24. 2034	39,589	13,722	0	53,310
25. 2035	35,980	10,834	0	46,814
26. 2036	30,169	7,492	0	37,662
27. 2037	23,619	5,320	0	28,939
28. 2038	15,689	4,216	0	19,905
29. 2039	7,726	3,112	0	10,838
30. 2040	1,659	2,007	0	3,666
31. 2041 and Later	0	602	0	602
32. Total (Lines 1 to 31)	12,615,723	11,432,904	0	24,048,627

ANNUAL STATEMENT FOR THE YEAR 2011 OF THE STANDARD INSURANCE COMPANY

ASSET VALUATION RESERVE

	Default Component			Equity Component			7 Total Amount (Cols. 3 + 6)
	1 Other Than Mortgage Loans	2 Mortgage Loans	3 Total (Cols. 1 + 2)	4 Common Stock	5 Real Estate and Other Invested Assets	6 Total (Cols. 4 + 5)	
1. Reserve as of December 31, prior year	40,479,692	53,943,906	94,423,598	0	196,211	196,211	94,619,809
2. Realized capital gains/(losses) net of taxes - General Account	3,174,361	(13,890,736)	(10,716,375)	0	(347,467)	(347,467)	(11,063,842)
3. Realized capital gains/(losses) net of taxes - Separate Accounts	0	0	0	0	0	0	0
4. Unrealized capital gains/(losses) net of deferred taxes - General Account	(4,355,563)	54,149	(4,301,414)	0	(4,295,400)	(4,295,400)	(8,596,814)
5. Unrealized capital gains/(losses) net of deferred taxes - Separate Accounts	0	0	0	0	0	0	0
6. Capital gains credited/(losses charged) to contract benefits, payments or reserves	0	0	0	0	0	0	0
7. Basic contribution	9,366,767	24,350,667	33,717,433	0	438,188	438,188	34,155,621
8. Accumulated balances (Lines 1 through 5 - 6 + 7)	48,665,256	64,457,986	113,123,242	0	(4,008,468)	(4,008,468)	109,114,774
9. Maximum reserve	43,257,008	74,309,396	117,566,404	0	4,237,309	4,237,309	121,803,714
10. Reserve objective	30,164,641	46,915,951	77,080,592	0	3,729,193	3,729,193	80,809,786
11. 20% of (Line 10 - Line 8)	(3,700,123)	(3,508,407)	(7,208,530)	0	1,547,532	1,547,532	(5,660,998)
12. Balance before transfers (Lines 8 + 11)	44,965,133	60,949,579	105,914,712	0	(2,460,936)	(2,460,936)	103,453,776
13. Transfers	0	0	0	0	0	0	XXX
14. Voluntary contribution	0	0	0	0	0	0	0
15. Adjustment down to maximum/up to zero	(1,708,126)	1,708,126	0	0	2,460,936	2,460,936	2,460,936
16. Reserve as of December 31, current year (Lines 12 + 13 + 14 + 15)	43,257,007	62,657,705	105,914,712	0	0	0	105,914,712

ASSET VALUATION RESERVE
BASIC CONTRIBUTION, RESERVE OBJECTIVE AND MAXIMUM RESERVE CALCULATIONS
DEFAULT COMPONENT

Line Num- ber	NAIC Designation	Description	1	2	3	4	Basic Contribution		Reserve Objective		Maximum Reserve	
			Book/Adjusted Carrying Value	Reclassify Related Party Encumbrances	Add Third Party Encumbrances	Balance for AVR Reserve Calculations (Cols. 1 + 2 + 3)	5	6	7	8	9	10
							Factor	Amount (Cols.4 x 5)	Factor	Amount (Cols. 4 x 7)	Factor	Amount (Cols. 4 x 9)
LONG-TERM BONDS												
1.		Exempt Obligations	353,530,317	XXX	XXX	353,530,317	0.0000	.0	0.0000	.0	0.0000	.0
2.	1	Highest Quality	3,836,523,202	XXX	XXX	3,836,523,202	0.0004	1,534,609	0.0023	8,824,003	0.0030	11,509,570
3.	2	High Quality	1,535,117,097	XXX	XXX	1,535,117,097	0.0019	2,916,722	0.0058	8,903,679	0.0090	13,816,054
4.	3	Medium Quality	247,105,250	XXX	XXX	247,105,250	0.0093	2,298,079	0.0230	5,683,421	0.0340	8,401,579
5.	4	Low Quality	114,186,658	XXX	XXX	114,186,658	0.0213	2,432,176	0.0530	6,051,893	0.0750	8,563,999
6.	5	Lower Quality	3,782,528	XXX	XXX	3,782,528	0.0432	163,405	0.1100	416,078	0.1700	643,030
7.	6	In or Near Default	892,125	XXX	XXX	892,125	0.0000	.0	0.2000	178,425	0.2000	178,425
8.		Total Unrated Multi-class Securities Acquired by Conversion	0	XXX	XXX	0	XXX	0	XXX	0	XXX	0
9.		Total Bonds (Sum of Lines 1 through 8)	6,091,137,177	XXX	XXX	6,091,137,177	XXX	9,344,992	XXX	30,057,499	XXX	43,112,656
PREFERRED STOCK												
10.	1	Highest Quality	0	XXX	XXX	0	0.0004	.0	0.0023	.0	0.0030	.0
11.	2	High Quality	0	XXX	XXX	0	0.0019	.0	0.0058	.0	0.0090	.0
12.	3	Medium Quality	0	XXX	XXX	0	0.0093	.0	0.0230	.0	0.0340	.0
13.	4	Low Quality	0	XXX	XXX	0	0.0213	.0	0.0530	.0	0.0750	.0
14.	5	Lower Quality	0	XXX	XXX	0	0.0432	.0	0.1100	.0	0.1700	.0
15.	6	In or Near Default	93,322	XXX	XXX	93,322	0.0000	.0	0.2000	18,664	0.2000	18,664
16.		Affiliated Life with AVR	0	XXX	XXX	0	0.0000	0	0.0000	0	0.0000	0
17.		Total Preferred Stocks (Sum of Lines 10 through 16)	93,322	XXX	XXX	93,322	XXX	0	XXX	18,664	XXX	18,664
SHORT - TERM BONDS												
18.		Exempt Obligations	0	XXX	XXX	0	0.0000	.0	0.0000	.0	0.0000	.0
19.	1	Highest Quality	20,396,344	XXX	XXX	20,396,344	0.0004	8,159	0.0023	46,912	0.0030	61,189
20.	2	High Quality	0	XXX	XXX	0	0.0019	.0	0.0058	.0	0.0090	.0
21.	3	Medium Quality	0	XXX	XXX	0	0.0093	.0	0.0230	.0	0.0340	.0
22.	4	Low Quality	0	XXX	XXX	0	0.0213	.0	0.0530	.0	0.0750	.0
23.	5	Lower Quality	0	XXX	XXX	0	0.0432	.0	0.1100	.0	0.1700	.0
24.	6	In or Near Default	0	XXX	XXX	0	0.0000	0	0.2000	0	0.2000	0
25.		Total Short - Term Bonds (Sum of Lines 18 through 24)	20,396,344	XXX	XXX	20,396,344	XXX	8,159	XXX	46,912	XXX	61,189

ASSET VALUATION RESERVE (Continued)
BASIC CONTRIBUTION, RESERVE OBJECTIVE AND MAXIMUM RESERVE CALCULATIONS
DEFAULT COMPONENT

Line Number	NAIC Designation	Description	1	2	3	4	Basic Contribution		Reserve Objective		Maximum Reserve	
			Book/Adjusted Carrying Value	Reclassify Related Party Encumbrances	Add Third Party Encumbrances	Balance for AVR Reserve Calculations (Cols. 1 + 2 + 3)	5	6	7	8	9	10
							Factor	Amount (Cols.4 x 5)	Factor	Amount (Cols. 4 x 7)	Factor	Amount (Cols. 4 x 9)
DERIVATIVE INSTRUMENTS												
26.		Exchange Traded	0	XXX	XXX	0	0.0004	0	0.0023	0	0.0030	0
27.	1	Highest Quality	0	XXX	XXX	0	0.0004	0	0.0023	0	0.0030	0
28.	2	High Quality	7,166,523	XXX	XXX	7,166,523	0.0019	13,616	0.0058	41,566	0.0090	64,499
29.	3	Medium Quality	0	XXX	XXX	0	0.0093	0	0.0230	0	0.0340	0
30.	4	Low Quality	0	XXX	XXX	0	0.0213	0	0.0530	0	0.0750	0
31.	5	Lower Quality	0	XXX	XXX	0	0.0432	0	0.1100	0	0.1700	0
32.	6	In or Near Default	0	XXX	XXX	0	0.0000	0	0.2000	0	0.2000	0
33.		Total Derivative Instruments	7,166,523	XXX	XXX	7,166,523	XXX	13,616	XXX	41,566	XXX	64,499
34.		Total (Lines 9 + 17 + 25 + 33)	6,118,793,366	XXX	XXX	6,118,793,366	XXX	9,366,767	XXX	30,164,641	XXX	43,257,008
MORTGAGE LOANS												
In Good Standing:												
35.		Farm Mortgages	0	0	XXX	0	0.0050 (a)	0	0.0096 (a)	0	0.0152 (a)	0
36.		Residential Mortgages - Insured or Guaranteed	0	0	XXX	0	0.0003	0	0.0006	0	0.0010	0
37.		Residential Mortgages - All Other	1,657,117	0	XXX	1,657,117	0.0013	2,154	0.0030	4,971	0.0040	6,628
38.		Commercial Mortgages - Insured or Guaranteed	0	0	XXX	0	0.0003	0	0.0006	0	0.0010	0
39.		Commercial Mortgages - All Other	4,760,430,299	0	XXX	4,760,430,299	0.0050 (a)	23,802,151	0.0096 (a)	45,700,131	0.0152 (a)	72,358,541
40.		In Good Standing With Restructured Terms	29,021,369	0	XXX	29,021,369	0.0179 (b)	519,483	0.0397 (b)	1,152,148	0.0640 (b)	1,857,368
Overdue, Not in Process:												
41.		Farm Mortgages	0	0	XXX	0	0.0420	0	0.0760	0	0.1200	0
42.		Residential Mortgages - Insured or Guaranteed	0	0	XXX	0	0.0005	0	0.0012	0	0.0020	0
43.		Residential Mortgages - All Other	0	0	XXX	0	0.0025	0	0.0058	0	0.0090	0
44.		Commercial Mortgages - Insured or Guaranteed	0	0	XXX	0	0.0005	0	0.0012	0	0.0020	0
45.		Commercial Mortgages - All Other	639,966	0	XXX	639,966	0.0420	26,879	0.0760	48,637	0.1200	76,796
In Process of Foreclosure:												
46.		Farm Mortgages	0	0	XXX	0	0.0000	0	0.1700	0	0.1700	0
47.		Residential Mortgages - Insured or Guaranteed	0	0	XXX	0	0.0000	0	0.0040	0	0.0040	0
48.		Residential Mortgages - All Other	0	0	XXX	0	0.0000	0	0.0130	0	0.0130	0
49.		Commercial Mortgages - Insured or Guaranteed	0	0	XXX	0	0.0000	0	0.0040	0	0.0040	0
50.		Commercial Mortgages - All Other	59,196	0	XXX	59,196	0.0000	0	0.1700	10,063	0.1700	10,063
51.		Total Schedule B Mortgages (Sum of Lines 35 through 50)	4,791,807,947	0	XXX	4,791,807,947	XXX	24,350,667	XXX	46,915,951	XXX	74,309,396
52.		Schedule DA Mortgages	0	0	XXX	0	0.0000 (c)	0	0.0000 (c)	0	0.0000 (c)	0
53.		Total Mortgage Loans on Real Estate (Lines 51 + 52)	4,791,807,947	0	XXX	4,791,807,947	XXX	24,350,667	XXX	46,915,951	XXX	74,309,396

(a) Times the company's experience adjustment factor (EAF).
(b) Column 9 is the greater of 6.4% without any EAF adjustments or a company's EAF adjusted In Good Standing (IGS) factor plus 150 basis points. Columns 5 and 7 are 28% and 62% respectively of Column 9.
(c) Determined using the same factors and breakdowns used for directly owned mortgage loans.

ASSET VALUATION RESERVE
BASIC CONTRIBUTION, RESERVE OBJECTIVE AND MAXIMUM RESERVE CALCULATIONS
EQUITY AND OTHER INVESTED ASSET COMPONENT

Line Num- ber	NAIC Designation	Description	1	2	3	4	Basic Contribution		Reserve Objective		Maximum Reserve	
			Book/Adjusted Carrying Value	Reclassify Related Party Encumbrances	Add Third Party Encumbrances	Balance for AVR Reserve Calculations (Cols. 1 + 2 + 3)	5	6	7	8	9	10
							Factor	Amount (Cols.4 x 5)	Factor	Amount (Cols. 4 x 7)	Factor	Amount (Cols. 4 x 9)
COMMON STOCK												
1.		Unaffiliated - Public	0	XXX	XXX	0	0.0000	0	0.1300 (d)	0	0.1300 (d)	0
2.		Unaffiliated - Private	0	XXX	XXX	0	0.0000	0	0.1600	0	0.1600	0
3.		Federal Home Loan Bank	0	XXX	XXX	0	0.0000	0	0.0050	0	0.0080	0
4.		Affiliated - Life with AVR	0	XXX	XXX	0	0.0000	0	0.0000	0	0.0000	0
Affiliated - Investment Subsidiary:												
5.		Fixed Income - Exempt Obligations	0	0	0	0	XXX	0	XXX	0	XXX	0
6.		Fixed Income - Highest Quality	0	0	0	0	XXX	0	XXX	0	XXX	0
7.		Fixed Income - High Quality	0	0	0	0	XXX	0	XXX	0	XXX	0
8.		Fixed Income - Medium Quality	0	0	0	0	XXX	0	XXX	0	XXX	0
9.		Fixed Income - Low Quality	0	0	0	0	XXX	0	XXX	0	XXX	0
10.		Fixed Income - Lower Quality	0	0	0	0	XXX	0	XXX	0	XXX	0
11.		Fixed Income - In/Near Default	0	0	0	0	XXX	0	XXX	0	XXX	0
12.		Unaffiliated Common Stock - Public	0	0	0	0	0.0000	0	0.1300 (d)	0	0.1300 (d)	0
13.		Unaffiliated Common Stock - Private	0	0	0	0	0.0000	0	0.1600	0	0.1600	0
14.		Mortgage Loans	0	0	0	0	0.0000 (c)	0	0.0000 (c)	0	0.0000 (c)	0
15.		Real Estate	0	0	0	0	0.0000 (e)	0	0.0000 (e)	0	0.0000 (e)	0
16.		Affiliated - Certain Other (See SVO Purposes and Procedures Manual)	0	XXX	XXX	0	0.0000	0	0.1300	0	0.1300	0
17.		Affiliated - All Other	0	XXX	XXX	0	0.0000	0	0.1600	0	0.1600	0
18.		Total Common Stock (Sum of Lines 1 through 17)	0	0	0	0	XXX	0	XXX	0	XXX	0
REAL ESTATE												
19.		Home Office Property (General Account only)	33,803,691	0	0	33,803,691	0.0000	0	0.0750	2,535,277	0.0750	2,535,277
20.		Investment Properties	3,102,124	0	0	3,102,124	0.0000	0	0.0750	232,659	0.0750	232,659
21.		Properties Acquired in Satisfaction of Debt	0	0	0	0	0.0000	0	0.1100	0	0.1100	0
22.		Total Real Estate (Sum of Lines 19 through 21)	36,905,815	0	0	36,905,815	XXX	0	XXX	2,767,936	XXX	2,767,936
OTHER INVESTED ASSETS												
INVESTMENTS WITH THE UNDERLYING CHARACTERISTICS OF BONDS												
23.		Exempt Obligations	0	XXX	XXX	0	0.0000	0	0.0000	0	0.0000	0
24.	1	Highest Quality	0	XXX	XXX	0	0.0004	0	0.0023	0	0.0030	0
25.	2	High Quality	0	XXX	XXX	0	0.0019	0	0.0058	0	0.0090	0
26.	3	Medium Quality	0	XXX	XXX	0	0.0093	0	0.0230	0	0.0340	0
27.	4	Low Quality	0	XXX	XXX	0	0.0213	0	0.0530	0	0.0750	0
28.	5	Lower Quality	0	XXX	XXX	0	0.0432	0	0.1100	0	0.1700	0
29.	6	In or Near Default	0	XXX	XXX	0	0.0000	0	0.2000	0	0.2000	0
30.		Total with Bond Characteristics (Sum of Lines 23 through 29)	0	XXX	XXX	0	XXX	0	XXX	0	XXX	0

ASSET VALUATION RESERVE (Continued)
BASIC CONTRIBUTION, RESERVE OBJECTIVE AND MAXIMUM RESERVE CALCULATIONS
EQUITY AND OTHER INVESTED ASSET COMPONENT

Line Num- ber	NAIC Designation	Description	1	2	3	4	Basic Contribution		Reserve Objective		Maximum Reserve	
			Book/Adjusted Carrying Value	Reclassify Related Party Encumbrances	Add Third Party Encumbrances	Balance for AVR Reserve Calculations (Cols. 1 + 2 + 3)	5	6	7	8	9	10
							Factor	Amount (Cols.4 x 5)	Factor	Amount (Cols. 4 x 7)	Factor	Amount (Cols. 4 x 9)
		INVESTMENTS WITH THE UNDERLYING CHARACTERISTICS OF PREFERRED STOCKS										
31.	1	Highest Quality	0	XXX	XXX	0	0.0004	0	0.0023	0	0.0030	0
32.	2	High Quality	0	XXX	XXX	0	0.0019	0	0.0058	0	0.0090	0
33.	3	Medium Quality	0	XXX	XXX	0	0.0093	0	0.0230	0	0.0340	0
34.	4	Low Quality	0	XXX	XXX	0	0.0213	0	0.0530	0	0.0750	0
35.	5	Lower Quality	0	XXX	XXX	0	0.0432	0	0.1100	0	0.1700	0
36.	6	In or Near Default	0	XXX	XXX	0	0.0000	0	0.2000	0	0.2000	0
37.		Affiliated Life with AVR	0	XXX	XXX	0	0.0000	0	0.0000	0	0.0000	0
38.		Total with Preferred Stock Characteristics (Sum of Lines 31 through 37)	0	XXX	XXX	0	XXX	0	XXX	0	XXX	0
		INVESTMENTS WITH THE UNDERLYING CHARACTERISTICS OF MORTGAGE LOANS										
		In Good Standing:										
39.		Farm Mortgages	0	0	XXX	0	0.0063 (a)	0	0.0120 (a)	0	0.0190 (a)	0
40.		Residential Mortgages - Insured or Guaranteed	0	0	XXX	0	0.0003	0	0.0006	0	0.0010	0
41.		Residential Mortgages - All Other	0	XXX	XXX	0	0.0013	0	0.0030	0	0.0040	0
42.		Commercial Mortgages - Insured or Guaranteed	0	0	XXX	0	0.0003	0	0.0006	0	0.0010	0
43.		Commercial Mortgages - All Other	0	0	XXX	0	0.0063 (a)	0	0.0120 (a)	0	0.0190 (a)	0
44.		In Good Standing With Restructured Terms	0	0	XXX	0	0.2800 (b)	0	0.6200 (b)	0	1.0000 (b)	0
		Overdue, Not in Process:										
45.		Farm Mortgages	0	0	XXX	0	0.0420	0	0.0760	0	0.1200	0
46.		Residential Mortgages - Insured or Guaranteed	0	0	XXX	0	0.0005	0	0.0012	0	0.0020	0
47.		Residential Mortgages - All Other	0	0	XXX	0	0.0025	0	0.0058	0	0.0090	0
48.		Commercial Mortgages - Insured or Guaranteed	0	0	XXX	0	0.0005	0	0.0012	0	0.0020	0
49.		Commercial Mortgages - All Other	0	0	XXX	0	0.0420	0	0.0760	0	0.1200	0
		In Process of Foreclosure:										
50.		Farm Mortgages	0	0	XXX	0	0.0000	0	0.1700	0	0.1700	0
51.		Residential Mortgages - Insured or Guaranteed	0	0	XXX	0	0.0000	0	0.0040	0	0.0040	0
52.		Residential Mortgages - All Other	0	0	XXX	0	0.0000	0	0.0130	0	0.0130	0
53.		Commercial Mortgages - Insured or Guaranteed	0	0	XXX	0	0.0000	0	0.0040	0	0.0040	0
54.		Commercial Mortgages - All Other	0	0	XXX	0	0.0000	0	0.1700	0	0.1700	0
55.		Total with Mortgage Loan Characteristics (Sum of Lines 39 through 54)	0	0	XXX	0	XXX	0	XXX	0	XXX	0

ASSET VALUATION RESERVE (Continued)
BASIC CONTRIBUTION, RESERVE OBJECTIVE AND MAXIMUM RESERVE CALCULATIONS
EQUITY AND OTHER INVESTED ASSET COMPONENT

Line Num- ber	NAIC Designation	Description	1 Book/Adjusted Carrying Value	2 Reclassify Related Party Encumbrances	3 Add Third Party Encumbrances	4 Balance for AVR Reserve Calculations (Cols. 1 + 2 + 3)	Basic Contribution		Reserve Objective		Maximum Reserve	
							5 Factor	6 Amount (Cols.4 x 5)	7 Factor	8 Amount (Cols. 4 x 7)	9 Factor	10 Amount (Cols. 4 x 9)
		INVESTMENTS WITH THE UNDERLYING CHARACTERISTICS OF COMMON STOCK										
56.		Unaffiliated Public	0	XXX	XXX	0	0.0000	0	0.1300 (d)	0	0.1300 (d)	0
57.		Unaffiliated Private	0	XXX	XXX	0	0.0000	0	0.1600	0	0.1600	0
58.		Affiliated Life with AVR	0	XXX	XXX	0	0.0000	0	0.0000	0	0.0000	0
59.		Affiliated Certain Other (See SVO Purposes & Procedures Manual)	0	XXX	XXX	0	0.0000	0	0.1300	0	0.1300	0
60.		Affiliated Other - All Other	0	XXX	XXX	0	0.0000	0	0.1600	0	0.1600	0
61.		Total with Common Stock Characteristics (Sum of Lines 56 through 60)	0	XXX	XXX	0	XXX	0	XXX	0	XXX	0
		INVESTMENTS WITH THE UNDERLYING CHARACTERISTICS OF REAL ESTATE										
62.		Home Office Property (General Account only)	0	0	0	0	0.0000	0	0.0750	0	0.0750	0
63.		Investment Properties	0	0	0	0	0.0000	0	0.0750	0	0.0750	0
64.		Properties Acquired in Satisfaction of Debt	0	0	0	0	0.0000	0	0.1100	0	0.1100	0
65.		Total with Real Estate Characteristics (Lines 62 through 64)	0	0	0	0	XXX	0	XXX	0	XXX	0
		LOW INCOME HOUSING TAX CREDIT INVESTMENTS										
66.		Guaranteed Federal Low Income Housing Tax Credit	0	0	0	0	0.0003	0	0.0006	0	0.0010	0
67.		Non-guaranteed Federal Low Income Housing Tax Credit	56,710,313	0	0	56,710,313	0.0063	357,275	0.0120	680,524	0.0190	1,077,496
68.		State Low Income Housing Tax Credit	2,963,839	0	0	2,963,839	0.0273	80,913	0.0600	177,830	0.0975	288,974
69.		All Other Low Income Housing Tax Credit	0	0	0	0	0.0273	0	0.0600	0	0.0975	0
70.		Total LIHTC	59,674,152	0	0	59,674,152	XXX	438,188	XXX	858,354	XXX	1,366,470
		ALL OTHER INVESTMENTS										
71.		Other Invested Assets - Schedule BA	791,562	XXX	0	791,562	0.0000	0	0.1300	102,903	0.1300	102,903
72.		Other Short-Term Invested Assets - Schedule DA	0	XXX	0	0	0.0000	0	0.1300	0	0.1300	0
73.		Total All Other (Sum of Lines 71 + 72)	791,562	XXX	0	791,562	XXX	0	XXX	102,903	XXX	102,903
74.		Total Other Invested Assets - Schedules BA & DA (Sum of Lines 30, 38, 55, 61, 65, 70 and 73)	60,465,714	0	0	60,465,714	XXX	438,188	XXX	961,257	XXX	1,469,373

(a) Times the company's experience adjustment factor (EAF).
(b) Column 9 is the greater of 6.4% without any EAF adjustments or a company's EAF adjusted In Good Standing (IGS) factor plus 150 basis points. Columns 5 and 7 are 28% and 62% respectively of Column 9.
(c) Determined using the same factors and breakdowns used for directly owned mortgage loans.
(d) Times the company's weighted average portfolio beta (Minimum .10, Maximum .20).
(e) Determined using the same factors and breakdowns used for directly owned real estate.

ANNUAL STATEMENT FOR THE YEAR 2011 OF THE STANDARD INSURANCE COMPANY

ASSET VALUATION RESERVE (Continued)

BASIC CONTRIBUTION, RESERVE OBJECTIVE AND MAXIMUM RESERVE CALCULATIONS REPLICATIONS (SYNTHETIC) ASSETS

1 RSAT Number	2 Type	3 CUSIP	4 Description of Asset(s)	5 NAIC Designation or Other Description of Asset	6 Value of Asset	7 AVR Basic Contribution	8 AVR Reserve Objective	9 AVR Maximum Reserve
NONE								
0599999 - Total								

ANNUAL STATEMENT FOR THE YEAR 2011 OF THE STANDARD INSURANCE COMPANY

SCHEDULE F

Showing all claims for death losses and all other contract claims resisted or compromised during the year, and
all claims for death losses and all other contract claims resisted December 31 of current year

1	2	3	4	5	6	7	8
Contract Numbers	Claim Numbers	State of Residence of Claimant	Year of Claim for Death or Disability	Amount Claimed	Amount Paid During the Year	Amount Resisted Dec. 31 of Current Year	Why Compromised or Resisted
645290	C24402	IN	2009	500,000	0	0	Did not pay Bank based on claim under "equitable lien" theory or file interpleader at Bank's request
399101	C44134	CO	2009	10,000	8,500	0	Does not meet definition
645708	C44146	NE	2009	429,000	107,000	0	AL - due to annual earnings
124457	C48019	MD	2009	25,000	0	0	Life denial: Policy exclusions -suicide
645523	C73469	MA	2009	189,000	189,000	0	Beneficiary designation
128253	C50431	PA	2010	155,000	85,000	0	Partial life denial: EOI not approved or not provided
644025	C52881	TX	2010	40,000	0	0	Deceased not covered under contract
136302	C56279	MN	2010	50,000	2,000	0	Beneficiary designation
641517	C59852	OK	2010	400,000	0	0	No EOI submitted (AL)
134892	C60589	KY	2010	71,000	0	0	Partial life denial: EOI not approved or not provided
645879	C60731	LA	2010	30,000	0	0	Company would not pay benefit in face of competing claims
645553	C62903	NM	2010	330,000	10,000	0	Beneficiary designation
643381	C63188	MD	2010	100,000	66,000	0	Dispute among beneficiaries
642599	C64139	GA	2010	95,000	35,000	0	Age reduction
644025	C65425	TX	2010	10,000	0	0	DL spouse - coverage not elected
645743	C65493	NM	2010	6,000	0	0	PO submitted in error- dep spouse not eligible
641718	C66233	FL	2010	75,000	0	0	WOP - term'd at 65, member 65 on DOD
645277	C66441	IL	2010	270,000	18,000	0	Member on LTD, unable to continue AL - per policy
643417	C66658	CO	2010	10,000	10,000	0	Dep child did not meet def.
136659	C67365	CT	2010	227,592	0	0	Not eligible, member died after contract term'd
605174	C69035	WA	2010	1,000	0	0	Not covered, not an active mbr, no prems paid
643892	C69644	CA	2010	78,000	39,000	0	Recission
644027	C70033	TX	2010	5,000	5,000	0	Beneficiary designation
135262	C71724	IN	2010	220,000	160,500	0	Age reduction
645273	C72374	WA	2010	20,000	0	0	DL - did not meet age req, not eligible
148522	C71882	TN	2011	65,000	45,000	0	NO EOI submitted (AL)
496755	C80457	TX	2011	50,000	41,500	0	Not eligible for full amount
647511	C80983	TX	2011	113,850	89,700	0	Age reduction
645553	C82383	NM	2011	50,000	50,000	0	No EOI provided
606814	C84844	OR	2011	45,000	25,000	0	BL schedule reduced from 25k to 5k
643862	C86424	MI	2011	10,000	3,500	0	Age reduction
491905	C88791	OR	2011	62,000	0	0	AWR not met
647267	C89966	MN	2011	2,000	0	0	DL - did not meet def of child - age req.
0399999. Death Claims - Group				3,744,442	989,700	0	XXX
0599999. Death Claims - Disposed Of				3,744,442	989,700	0	XXX
640887	C03608	CA	2009	97,000	45,000	0	AD&D denial: Policy exclusions
145449	C18679	FL	2009	99,000	0	0	AD&D denial: Policy exclusions (zero claimed)
642682	C34050	NV	2009	10,000	0	0	AD&D denial: Policy exclusions (zero claimed)
646546	C41032	CA	2009	349,000	56,000	0	AD&D denial: Policy exclusions
643147	C61678	CA	2009	88,463	40,000	0	Dismemberment - hearing
603073	C70575	OR	2009	25,000	0	0	Dismemberment - did not meet definiton of covered loss
645548	C48193	OK	2010	50,000	0	0	AD&D denial: Policy exclusions
641797	C48706	OK	2010	14,000	0	0	Benefit amount
646595	C50662	OR	2010	255,000	250,000	0	AD&D denial: Policy exclusions - dismemberment
641788	C50883	CA	2010	60,201	0	0	AD&D denial: Policy exclusions - medical dismemberment
643152	C58982	IL	2010	200,000	0	0	AD&D denial: Policy exclusions
144663	C59038	MA	2010	480,000	0	0	AD&D denial: Policy exclusions (zero claimed)
645480	C59928	MA	2010	214,000	0	0	AD&D denial: policy exclusions
647272	C61940	GA	2010	200,000	0	0	Policy exclusions apply
144272	C63046	OH	2010	120,000	120,000	0	POL
625371	C64443	PA	2010	110,000	10,000	0	Seatbelt
132221	C65169	OK	2010	323,000	0	0	AD&D denial - policy exclusions
136810	C65976	IL	2010	1,200,000	0	0	POL
136173	C66947	MD	2010	56,000	0	0	Policy exclusions apply
648039	C67320	WA	2010	73,000	0	0	Policy exclusions apply
641762	C67487	WA	2010	25,000	0	0	Policy exclusions apply
645431	C67576	OK	2010	150,000	0	0	Policy exclusions apply
640891	C69491	TX	2010	5,000	0	0	Dismemberment - medical exclusion
143200	C74078	NJ	2010	50,000	0	0	Dismemberment - did not meet definiton of covered loss
603073	C79324	OR	2010	100,000	0	0	Policy exclusions apply - suicide
645789	C79522	NJ	2011	30,000	30,000	0	Manner not listed as accidental
152213	C79563	TX	2011	50,000	0	0	Policy exclusions apply
645553	C82383	NM	2011	50,000	50,000	0	No EOI provided
646905	C87683	CA	2011	55,000	0	0	Policy exclusions apply
0899999. Additional Accidental Death Benefits-Group				4,538,664	601,000	0	XXX
1099999. Additional Accidental Death Benefits Claims - Disposed Of				4,538,664	601,000	0	XXX
1599999. Disability Benefits Claims - Disposed Of				0	0	0	XXX
2099999. Matured Endowments Claims - Disposed Of				0	0	0	XXX
2599999. Annuities with Life Contingency Claims - Disposed Of				0	0	0	XXX

ANNUAL STATEMENT FOR THE YEAR 2011 OF THE STANDARD INSURANCE COMPANY

SCHEDULE F

Showing all claims for death losses and all other contract claims resisted or compromised during the year, and all claims for death losses and all other contract claims resisted December 31 of current year

1	2	3	4	5	6	7	8
Contract Numbers	Claim Numbers	State of Residence of Claimant	Year of Claim for Death or Disability	Amount Claimed	Amount Paid During the Year	Amount Resisted Dec. 31 of Current Year	Why Compromised or Resisted
2699999. Claims Disposed of During Current Year				8,283,106	1,590,700	0	XXX
629075	A80576	PA	2003	42,000	0	42,000	Plaintiff alleges add'l life benefits due
643621	B24436	LA	2005	125,000	0	85,000	Lower coverage amounts paid; increased coverage denied
642682	B50684	NV	2006	240,000	0	240,000	Claim denied based on "slayer" doctrine
642427	C24821	OH	2009	385,400	0	385,400	Not eligible
610516	C28686	WA	2010	132,000	0	132,000	Claimant not eligible for benefits; failed to apply for conversion policy
138227	C37938	AL	2009	25,000	0	25,000	Not a covered loss
641276	C58311	LA	2010	27,000	0	25,000	No EOI submitted
144439	C59555	GA	2010	150,000	0	150,000	Not eligible
152381	C76627	FL	2011	150,000	0	100,000	AWR not met
501035	C87110	AZ	2011	25,000	0	25,000	Member did not meet AWR
645862	C87642	TX	2011	50,000	0	50,000	No EOI submitted
2999999. Death Claims - Group				1,351,400	0	1,259,400	XXX
3199999. Death Claims - Resisted				1,351,400	0	1,259,400	XXX
642067	B75397	IL	2007	12,000	0	12,000	Policy exclusions
643381	C20717	TX	2009	438,000	0	438,000	Policy exclusions
399997	C29068	CO	2009	48,000	0	48,000	Policy exclusions
641797	C33055	MO	2009	102,000	0	102,000	Proof of Loss
645775	C54616	OH	2010	214,000	0	214,000	Policy exclusions - illness
647544	C55800	AR	2010	166,000	0	83,000	Policy exclusions
642695	C63921	TX	2010	50,000	0	50,000	Proof of Loss
645785	C78723	FL	2011	78,000	0	78,000	Policy exclusion - illness - natural death
645783	C78725	FL	2011	210,000	0	210,000	Policy exclusion - illness - natural death
642723	C83006	AZ	2011	54,000	0	54,000	Policy exclusion - medical condition - natural death
3499999. Additional Accidental Death Benefits-Group				1,372,000	0	1,289,000	XXX
3699999. Additional Accidental Death Benefits Claims - Resisted				1,372,000	0	1,289,000	XXX
4199999. Disability Benefits Claims - Resisted				0	0	0	XXX
4699999. Matured Endowments Claims - Resisted				0	0	0	XXX
5199999. Annuities with Life Contingencies Claims - Resisted				0	0	0	XXX
5299999. Claims Resisted During Current Year				2,723,400	0	2,548,400	XXX
5399999 - Totals				11,006,506	1,590,700	2,548,400	XXX

ANNUAL STATEMENT FOR THE YEAR 2011 OF THE STANDARD INSURANCE COMPANY

SCHEDULE H - ACCIDENT AND HEALTH EXHIBIT

	Total		Group Accident and Health		Credit Accident and Health (Group and Individual)		Collectively Renewable		Other Individual Contracts									
									Non-Cancelable		Guaranteed Renewable		Non-Renewable for Stated Reasons Only		Other Accident Only		All Other	
	1 Amount	2 %	3 Amount	4 %	5 Amount	6 %	7 Amount	8 %	9 Amount	10 %	11 Amount	12 %	13 Amount	14 %	15 Amount	16 %	17 Amount	18 %
PART 1. - ANALYSIS OF UNDERWRITING OPERATIONS																		
1. Premiums written	1,288,371,786	XXX	1,129,877,108	XXX	0	XXX	0	XXX	135,299,146	XXX	23,195,532	XXX	0	XXX	0	XXX	0	XXX
2. Premiums earned	1,287,090,322	XXX	1,130,456,374	XXX	0	XXX	0	XXX	134,093,299	XXX	22,540,649	XXX	0	XXX	0	XXX	0	XXX
3. Incurred claims	1,079,340,882	83.9	977,052,939	86.4	0	0.0	0	0.0	90,871,210	67.8	11,416,734	50.6	0	0.0	0	0.0	0	0.0
4. Cost containment expenses	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
5. Incurred claims and cost containment expenses (Lines 3 and 4)	1,079,340,882	83.9	977,052,939	86.4	0	0.0	0	0.0	90,871,210	67.8	11,416,734	50.6	0	0.0	0	0.0	0	0.0
6. Increase in contract reserves	15,702,840	1.2	0	0.0	0	0.0	0	0.0	11,202,931	8.4	4,499,909	20.0	0	0.0	0	0.0	0	0.0
7. Commissions (a)	99,827,816	7.8	64,391,181	5.7	0	0.0	0	0.0	29,562,325	22.0	5,874,310	26.1	0	0.0	0	0.0	0	0.0
8. Other general insurance expenses	254,608,955	19.8	227,283,338	20.1	0	0.0	0	0.0	22,794,020	17.0	4,531,597	20.1	0	0.0	0	0.0	0	0.0
9. Taxes, licenses and fees	34,792,230	2.7	29,733,402	2.6	0	0.0	0	0.0	4,318,474	3.2	740,354	3.3	0	0.0	0	0.0	0	0.0
10. Total other expenses incurred	389,229,001	30.2	321,407,921	28.4	0	0.0	0	0.0	56,674,819	42.3	11,146,261	49.4	0	0.0	0	0.0	0	0.0
11. Aggregate write-ins for deductions	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
12. Gain from underwriting before dividends or refunds	(197,182,401)	(15.3)	(168,004,486)	(14.9)	0	0.0	0	0.0	(24,655,660)	(18.4)	(4,522,254)	(20.1)	0	0.0	0	0.0	0	0.0
13. Dividends or refunds	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
14. Gain from underwriting after dividends or refunds	(197,182,401)	(15.3)	(168,004,486)	(14.9)	0	0.0	0	0.0	(24,655,660)	(18.4)	(4,522,254)	(20.1)	0	0.0	0	0.0	0	0.0
DETAILS OF WRITE-INS																		
1101.	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
1102.																		
1103.																		
1198. Summary of remaining write-ins for Line 11 from overflow page	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
1199. Totals (Lines 1101 thru 1103 plus 1198)(Line 11 above)	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0

(a) Includes \$0 reported as "Contract, membership and other fees retained by agents."

ANNUAL STATEMENT FOR THE YEAR 2011 OF THE STANDARD INSURANCE COMPANY

SCHEDULE H - ACCIDENT AND HEALTH EXHIBIT (Continued)

	1	2	3	4	Other Individual Contracts				
					5	6	7	8	9
	Total	Group Accident and Health	Credit Accident and Health (Group and Individual)	Collectively Renewable	Non-Cancelable	Guaranteed Renewable	Non-Renewable for Stated Reasons Only	Other Accident Only	All Other
PART 2. - RESERVES AND LIABILITIES									
A. Premium Reserves:									
1. Unearned premiums	34,082,087	0	0	0	28,626,495	5,455,592	0	0	0
2. Advance premiums	8,776,477	6,679,067	0	0	1,867,443	229,967	0	0	0
3. Reserve for rate credits	18,358,101	18,358,101	0	0	0	0	0	0	0
4. Total premium reserves, current year	61,216,665	25,037,168	0	0	30,493,938	5,685,559	0	0	0
5. Total premium reserves, prior year	59,935,202	25,616,434	0	0	29,288,091	5,030,677	0	0	0
6. Increase in total premium reserves	1,281,463	(579,266)	0	0	1,205,847	654,882	0	0	0
B. Contract Reserves:									
1. Additional reserves (a)	152,736,331	0	0	0	131,743,146	20,993,185	0	0	0
2. Reserve for future contingent benefits	0	0	0	0	0	0	0	0	0
3. Total contract reserves, current year	152,736,331	0	0	0	131,743,146	20,993,185	0	0	0
4. Total contract reserves, prior year	137,033,492	0	0	0	120,540,216	16,493,276	0	0	0
5. Increase in contract reserves	15,702,840	0	0	0	11,202,931	4,499,909	0	0	0
C. Claim Reserves and Liabilities:									
1. Total current year	3,671,829,703	3,081,302,964	0	0	553,842,507	36,684,232	0	0	0
2. Total prior year	3,538,265,347	2,964,081,689	0	0	541,143,573	33,040,085	0	0	0
3. Increase	133,564,356	117,221,275	0	0	12,698,934	3,644,146	0	0	0

PART 3. - TEST OF PRIOR YEAR'S CLAIM RESERVES AND LIABILITIES									
1. Claims paid during the year:									
1.1 On claims incurred prior to current year	671,959,202	589,323,810	0	0	75,509,796	7,125,596	0	0	0
1.2 On claims incurred during current year	273,817,324	270,507,854	0	0	2,662,479	646,991	0	0	0
2. Claim reserves and liabilities, December 31, current year:									
2.1 On claims incurred prior to current year	2,942,322,051	2,415,950,977	0	0	499,133,874	27,237,199	0	0	0
2.2 On claims incurred during current year	729,507,652	665,351,987	0	0	54,708,633	9,447,033	0	0	0
3. Test:									
3.1 Lines 1.1 and 2.1	3,614,281,253	3,005,274,787	0	0	574,643,671	34,362,795	0	0	0
3.2 Claim reserves and liabilities, December 31, prior year	3,538,265,347	2,964,081,689	0	0	541,143,573	33,040,085	0	0	0
3.3 Line 3.1 minus Line 3.2	76,015,906	41,193,098	0	0	33,500,098	1,322,710	0	0	0

PART 4. - REINSURANCE									
A. Reinsurance Assumed:									
1. Premiums written	115,994,141	72,345,806	0	0	43,534,133	114,202	0	0	0
2. Premiums earned	115,718,590	71,627,812	0	0	43,974,968	115,810	0	0	0
3. Incurred claims	138,620,556	68,432,062	0	0	70,207,266	(18,773)	0	0	0
4. Commissions	4,678,560	0	0	0	4,666,809	11,751	0	0	0
B. Reinsurance Ceded:									
1. Premiums written	89,327,899	39,556,590	0	0	41,738,834	8,032,475	0	0	0
2. Premiums earned	89,351,449	39,545,192	0	0	41,773,782	8,032,475	0	0	0
3. Incurred claims	43,446,581	25,336,925	0	0	16,843,798	1,265,858	0	0	0
4. Commissions	14,332,714	0	0	0	11,651,416	2,681,298	0	0	0

(a) Includes \$0 premium deficiency reserve.

ANNUAL STATEMENT FOR THE YEAR 2011 OF THE STANDARD INSURANCE COMPANY

SCHEDULE H - PART 5 - HEALTH CLAIMS

	1 Medical	2 Dental	3 Other	4 Total
A. Direct:				
1. Incurred Claims	0	81,049,283	903,117,624	984,166,907
2. Beginning Claim Reserves and Liabilities	0	6,062,086	2,638,094,186	2,644,156,272
3. Ending Claim Reserves and Liabilities	0	5,607,098	2,808,290,595	2,813,897,693
4. Claims Paid	0	81,504,271	732,921,215	814,425,486
B. Assumed Reinsurance:				
5. Incurred Claims.....	0	530,587	138,089,969	138,620,556
6. Beginning Claim Reserves and Liabilities	0	68,895	998,129,597	998,198,492
7. Ending Claim Reserves and Liabilities	0	74,612	967,535,535	967,610,147
8. Claims Paid	0	524,870	168,684,031	169,208,901
C. Ceded Reinsurance:				
9. Incurred Claims.....	0	19,052,572	24,394,009	43,446,581
10. Beginning Claim Reserves and Liabilities	0	2,857,141	105,156,126	108,013,267
11. Ending Claim Reserves and Liabilities	0	2,850,929	112,194,512	115,045,441
12. Claims Paid	0	19,058,784	17,355,623	36,414,407
D. Net:				
13. Incurred Claims.....	0	62,527,298	1,016,813,584	1,079,340,882
14. Beginning Claim Reserves and Liabilities	0	3,273,840	3,531,067,657	3,534,341,497
15. Ending Claim Reserves and Liabilities	0	2,830,781	3,663,631,618	3,666,462,399
16. Claims Paid	0	62,970,357	884,249,623	947,219,980
E. Net Incurred Claims and Cost Containment Expenses:				
17. Incurred Claims and Cost Containment Expenses	0	62,527,298	1,016,813,584	1,079,340,882
18. Beginning Reserves and Liabilities	0	3,273,840	3,531,067,657	3,534,341,497
19. Ending Reserves and Liabilities	0	2,830,781	3,663,631,619	3,666,462,400
20. Paid Claims and Cost Containment Expenses	0	62,970,357	884,249,622	947,219,979

ANNUAL STATEMENT FOR THE YEAR 2011 OF THE STANDARD INSURANCE COMPANY

SCHEDULE S - PART 1 - SECTION 1

Reinsurance Assumed Life Insurance, Annuities, Deposit Funds and Other Liabilities Without Life or Disability Contingencies, and Related Benefits Listed by Reinsured Company as of December 31, Current Year

1 NAIC Company Code	2 Federal ID Number	3 Effective Date	4 Name of Reinsured	5 Domiciliary Jurisdiction	6 Type of Reinsurance Assumed	7 Amount of In Force at End of Year	8 Reserve	9 Premiums	10 Reinsurance Payable on Paid and Unpaid Losses	11 Modified Coinsurance Reserve	12 Funds Withheld Under Coinsurance
89009	13-4119477	08/24/2000	The Standard Life Insurance Company of New York	White Plains, NY	MCO/G	7,609,571,400	10,547,648	14,344,388	2,170,797	10,547,648	0
89009	13-4119477	08/24/2000	The Standard Life Insurance Company of New York	White Plains, NY	MCO/I	3,587,891	968,823	121,446	0	968,823	0
0199999. General Account - U.S. Affiliates						7,613,159,291	11,516,471	14,465,834	2,170,797	11,516,471	0
0399999. Total General Account - Affiliates						7,613,159,291	11,516,471	14,465,834	2,170,797	11,516,471	0
69345	13-1624203	10/01/2002	TIAA-CREF Life Insurance Company	New York, NY	CO/G	71,714,325	32,253,802	0	190,300	0	0
00000	AA-9995053	10/01/2001	Special Pooled Risk Administrators Inc.	Meluchen, NJ	CAT/G	0	0	0	0	0	0
0499999. General Account - U.S. Non-Affiliates						71,714,325	32,253,802	0	190,300	0	0
0699999. Total General Account - Non-Affiliates						71,714,325	32,253,802	0	190,300	0	0
0799999. Total General Account						7,684,873,616	43,770,273	14,465,834	2,361,097	11,516,471	0
1099999. Total Separate Accounts - Affiliates						0	0	0	0	0	0
1399999. Total Separate Accounts - Non-Affiliates						0	0	0	0	0	0
1499999. Total Separate Accounts						0	0	0	0	0	0
1599999. Total U.S. (Sum of 0199999, 0499999, 0899999 and 1199999)						7,684,873,616	43,770,273	14,465,834	2,361,097	11,516,471	0
1699999. Total Non-U.S. (Sum of 0299999, 0599999, 0999999 and 1299999)						0	0	0	0	0	0
1799999 - Totals						7,684,873,616	43,770,273	14,465,834	2,361,097	11,516,471	0

SCHEDULE S - PART 1 - SECTION 2

[illegible]

SCHEDULE S - PART 2

[illegible]

ANNUAL STATEMENT FOR THE YEAR 2011 OF THE STANDARD INSURANCE COMPANY

SCHEDULE S - PART 3 - SECTION 1

Reinsurance Ceded Life Insurance, Annuities, Deposit Funds and Other Liabilities Without Life or Disability Contingencies, and Related Benefits Listed by Reinsuring Company as of December 31, Current Year

1 NAIC Company Code	2 Federal ID Number	3 Effective Date	4 Name of Company	5 Domiciliary Jurisdiction	6 Type of Reinsurance Ceded	7 Amount in Force at End of Year	Reserve Credit Taken		10 Premiums	Outstanding Surplus Relief		13 Modified Coinsurance Reserve	14 Funds Withheld Under Coinsurance
							8	9		11	12		
							Current Year	Prior Year		Current Year	Prior Year		
0399999. Total General Account - Authorized Affiliates						0	0	0	0	0	0	0	0
82627	06-0839705	07/01/1978	Swiss Re Life & Health	Stamford, CT	YRT/G	0	827,493	871,973	0	0	0	0	0
93572	43-1235868	01/01/1997	RGA Reinsurance Company	Chesterfield, MO	YRT/G	3,354,738,788	2,150,939	2,407,297	1,993,815	0	0	0	0
93572	43-1235868	01/01/1997	RGA Reinsurance Company	Chesterfield, MO	YRT/L	0	0	0	0	0	0	0	0
82627	06-0839705	01/01/1997	Swiss Re Life & Health	Stamford, CT	YRT/G	0	10,950	10,900	0	0	0	0	0
80659	38-0397420	12/31/2011	Canada Life Assurance Company	MI	YRT/G	48,776,523,197	0	0	0	0	0	0	0
62383	42-0813782	07/01/2009	Centurion Life Insurance Company	Des Moines, IA	CAT/G	0	0	0	44,250	0	0	0	0
16535	36-4233459	10/01/2011	Zurich American Insurance Company	New York, NY	CAT/G	0	0	0	25,141	0	0	0	0
68136	63-0169720	01/01/2001	Protective Life	Birmingham, AL	CO/L	2,875,312,014	756,840,070	756,070,454	49,596,905	0	0	0	0
0499999. General Account - Authorized U.S. Non-Affiliates						55,006,573,999	759,829,452	759,360,624	51,660,111	0	0	0	0
0699999. Total General Account - Authorized Non-Affiliates						55,006,573,999	759,829,452	759,360,624	51,660,111	0	0	0	0
0799999. Total General Account Authorized						55,006,573,999	759,829,452	759,360,624	51,660,111	0	0	0	0
1099999. Total General Account - Unauthorized Affiliates						0	0	0	0	0	0	0	0
00000	AA-1120053	07/01/2007	Arch Insurance Company (Europe) Ltd.	UK	CAT/G	0	0	0	24,024	0	0	0	0
00000	AA-1120242	07/01/2005	Brit Insurance Limited	UK	CAT/G	0	0	0	77,027	0	0	0	0
00000	AA-5340310	10/01/2011	General Insurance Corporation of India	IN	CAT/G	0	0	0	15,452	0	0	0	0
00000	AA-1127200	07/01/2006	Lloyds Syndicate #1200 (Heritage)	UK	CAT/G	0	0	0	22,877	0	0	0	0
00000	AA-1126033	07/01/2006	Lloyds Syndicate #33 (Hiscox)	UK	CAT/G	0	0	0	49,567	0	0	0	0
00000	AA-1126510	10/01/2011	Lloyd's Syndicate # 0510 KLN (Kiln)	UK	CAT/G	0	0	0	9,554	0	0	0	0
00000	AA-1127400	10/01/2011	Lloyd's Syndicate # 1400 DRE (Alterra)	UK	CAT/G	0	0	0	9,271	0	0	0	0
00000	AA-1128001	10/01/2011	Lloyd's Syndicate # 2001 AML (Amlin)	UK	CAT/G	0	0	0	6,464	0	0	0	0
00000	AA-1126623	07/01/2009	Lloyd's Syndicate # 3623 AFB (Beazley)	UK	CAT/G	0	0	0	108,363	0	0	0	0
00000	AA-1440076	07/01/2006	Sirius International Ins. Corp. (publ) UK Branch	UK	CAT/G	0	0	0	38,128	0	0	0	0
1299999. General Account - Unauthorized Non-U.S. Non-Affiliates						0	0	0	360,727	0	0	0	0
1399999. Total General Account - Unauthorized Non-Affiliates						0	0	0	360,727	0	0	0	0
1499999. Total General Account Unauthorized						0	0	0	360,727	0	0	0	0
1599999. Total General Account Authorized and Unauthorized						55,006,573,999	759,829,452	759,360,624	52,020,838	0	0	0	0
1899999. Total Separate Accounts - Authorized Affiliates						0	0	0	0	0	0	0	0
2199999. Total Separate Accounts - Authorized Non-Affiliates						0	0	0	0	0	0	0	0
2299999. Total Separate Accounts Authorized						0	0	0	0	0	0	0	0
2599999. Total Separate Accounts - Unauthorized Affiliates						0	0	0	0	0	0	0	0
2899999. Total Separate Accounts - Unauthorized Non-Affiliates						0	0	0	0	0	0	0	0
2999999. Total Separate Accounts Unauthorized						0	0	0	0	0	0	0	0
3099999. Total Separate Accounts Authorized and Unauthorized						0	0	0	0	0	0	0	0
3199999. Total U.S. (Sum of 0199999, 0499999, 0899999, 1199999, 1699999, 1999999, 2399999 and 2699999)						55,006,573,999	759,829,452	759,360,624	51,660,111	0	0	0	0
3299999. Total Non-U.S. (Sum of 0299999, 0599999, 0999999, 1299999, 1799999, 2099999, 2499999 and 2799999)						0	0	0	360,727	0	0	0	0
3399999 - Totals						55,006,573,999	759,829,452	759,360,624	52,020,838	0	0	0	0

ANNUAL STATEMENT FOR THE YEAR 2011 OF THE STANDARD INSURANCE COMPANY

SCHEDULE S - PART 3 - SECTION 2

Reinsurance Ceded Accident and Health Insurance Listed by Reinsuring Company as of December 31, Current Year

1	2	3	4	5	6	7	8	9	Outstanding Surplus Relief		12	13
NAIC Company Code	Federal ID Number	Effective Date	Name of Company	Domiciliary Jurisdiction	Type	Premiums	Unearned Premiums (Estimated)	Reserve Credit Taken Other than for Unearned Premiums	10	11	Modified Coinsurance Reserve	Funds Withheld Under Coinsurance
									Current Year	Prior Year		
0399999. Total General Account - Authorized Affiliates						0	0	0	0	0	0	0
16535	36-4233459	10/01/2011	Zurich American Insurance Company	New York, NY	CAT/G.	19,180	0	0	0	0	0	0
61301	47-0098400	06/01/2002	Ameritas Life Insurance Corp. Des Moines, IA	Lincoln, NE	CO/G.	32,325,716	0	66,279	0	0	0	0
62383	42-0813782	07/01/2009	Centurion Life Insurance Company	IA	CAT/G.	33,365	0	0	0	0	0	0
66346	58-0828824	02/01/2000	Munich American Reassurance Co. Blue Bell, PA	Atlanta, GA	YRT/G.	952,522	0	1,903,141	0	0	0	0
76694	23-2044256	06/26/2001	London Life Reinsurance Company	Blue Bell, PA	YRT/G.	0	0	852,805	0	0	0	0
82627	06-0839705	07/01/1978	Swiss Re Life & Health	Stamford, CT	YRT/G.	0	0	3,480,028	0	0	0	0
93572	43-1235868	07/01/1994	RGA Reinsurance Company	Chesterfield, MO	YRT/G.	5,939,989	0	19,717,867	0	0	0	0
66346	58-0828824	01/01/1999	Munich American Reassuarnc Company	Atlanta, GA	YRT/I	2,924,515	0	11,601,765	0	0	0	0
66346	58-0828824	11/01/2000	Munich American Reassuarnc Company	Atlanta, GA	CO/I	16,072,261	5,338,185	38,921,696	0	0	0	0
66346	58-0828824	07/01/2005	Munich American Reassuarnc Company	Atlanta, GA	CO/I	3,417,860	883,830	2,527,845	0	0	0	0
66346	58-0828824	07/01/2005	Munich American Reassuarnc Company	Atlanta, GA	CO/I	15,730,514	4,945,299	16,224,340	0	0	0	0
66346	58-0828824	07/01/2001	Munich American Reassuarnc Company	Atlanta, GA	CO/I	1,740,884	614,182	4,232,947	0	0	0	0
66346	58-0828824	06/01/1999	Munich American Reassuarnc Company	Atlanta, GA	CO/I	778,072	266,803	1,950,395	0	0	0	0
67598	04-1768571	04/26/1974	Paul Revere Life	Worcester, MA	YRT/I	0	0	2,493,253	0	0	0	0
66346	58-0828824	11/01/2010	Munich American Reassuarnc Company	Atlanta, GA	CO/I	1,507,890	122,648	274,532	0	0	0	0
66346	58-0828824	11/01/2010	Munich American Reassuarnc Company	Atlanta, GA	CO/I	141,656	11,135	27,673	0	0	0	0
66346	58-0828824	10/01/2000	Munich American Reassuarnc Company	Atlanta, GA	CO/I	1,701,535	739,411	8,872,097	0	0	0	0
66346	58-0828824	06/30/2002	Munich American Reassuarnc Company	Atlanta, GA	YRT/I	5,756,121	0	26,106,074	0	0	0	0
0499999. General Account - Authorized U.S. Non-Affiliates						89,042,081	12,921,493	139,252,737	0	0	0	0
0699999. Total General Account - Authorized Non-Affiliates						89,042,081	12,921,493	139,252,737	0	0	0	0
0799999. Total General Account Authorized						89,042,081	12,921,493	139,252,737	0	0	0	0
1099999. Total General Account - Unauthorized Affiliates						0	0	0	0	0	0	0
00000	AA-9995053	10/01/2001	Special Pooled Risk Administrators Inc.	Meluchen, NJ	CAT/G.	0	0	0	0	0	0	0
1199999. General Account - Unauthorized U.S. Non-Affiliates						0	0	0	0	0	0	0
00000	AA-1120053	07/01/2007	Arch Insurance Company (Europe) Ltd.	UK	CAT/G.	17,973	0	0	0	0	0	0
00000	AA-1120242	07/01/2005	Brit Insurance Limited	UK	CAT/G.	58,639	0	0	0	0	0	0
00000	AA-5340310	10/01/2011	General Insurance Corporation of India	IN	CAT/G.	11,788	0	0	0	0	0	0
00000	AA-1127200	07/01/2006	Lloyds Syndicate #1200 (Heritage)	UK	CAT/G.	17,416	0	0	0	0	0	0
00000	AA-1126033	07/01/2006	Lloyds Syndicate #33 (Hiscox)	UK	CAT/G.	37,734	0	0	0	0	0	0
00000	AA-1126510	10/01/2011	Lloyd's Syndicate # 0510 KLN (Kiln)	UK	CAT/G.	7,289	0	0	0	0	0	0
00000	AA-1127400	10/01/2011	Lloyd's Syndicate # 1400 DRE (Alterra)	UK	CAT/G.	7,073	0	0	0	0	0	0
00000	AA-1128001	10/01/2011	Lloyd's Syndicate # 2001 AML (Amlin)	UK	CAT/G.	4,931	0	0	0	0	0	0
00000	AA-1126623	07/01/2009	Lloyd's Syndicate # 3623 AFB (Beazley)	UK	CAT/G.	82,550	0	0	0	0	0	0
00000	AA-1440076	07/01/2006	Sirius International Ins. Corp. (publ) UK Branch	UK	CAT/G.	29,026	0	0	0	0	0	0
1299999. General Account - Unauthorized Non-U.S. Non-Affiliates						274,419	0	0	0	0	0	0
1399999. Total General Account - Unauthorized Non-Affiliates						274,419	0	0	0	0	0	0
1499999. Total General Account Unauthorized						274,419	0	0	0	0	0	0
1599999. Total General Account Authorized and Unauthorized						89,316,500	12,921,493	139,252,737	0	0	0	0
1899999. Total Separate Accounts - Authorized Affiliates						0	0	0	0	0	0	0
2199999. Total Separate Accounts - Authorized Non-Affiliates						0	0	0	0	0	0	0
2299999. Total Separate Accounts Authorized						0	0	0	0	0	0	0
2599999. Total Separate Accounts - Unauthorized Affiliates						0	0	0	0	0	0	0
2899999. Total Separate Accounts - Unauthorized Non-Affiliates						0	0	0	0	0	0	0
2999999. Total Separate Accounts Unauthorized						0	0	0	0	0	0	0
3099999. Total Separate Accounts Authorized and Unauthorized						0	0	0	0	0	0	0
3199999. Total U.S. (Sum of 0199999, 0499999, 0899999, 1199999, 1699999, 1999999, 2399999 and 2699999)						89,042,081	12,921,493	139,252,737	0	0	0	0
3299999. Total Non-U.S. (Sum of 0299999, 0599999, 0999999, 1299999, 1799999, 2099999, 2499999 and 2799999)						274,419	0	0	0	0	0	0
3399999 - Totals						89,316,500	12,921,493	139,252,737	0	0	0	0

ANNUAL STATEMENT FOR THE YEAR 2011 OF THE STANDARD INSURANCE COMPANY

SCHEDULE S - PART 4

Reinsurance Ceded to Unauthorized Companies

1	2	3	4	5	6	7	8	9	Letter of Credit Issuing or Confirming Bank (a)			13	14	15	16	17
									10	11	12					
NAIC Company Code	Federal ID Number	Effective Date	Name of Reinsurer	Reserve Credit Taken	Paid and Unpaid Losses Recoverable (Debit)	Other Debits	Total (Cols.5+6+7)	Letters of Credit	American Bankers Association (ABA) Routing Number	Letter of Credit Code	Bank Name	Trust Agreements	Funds Deposited by and Withheld from Reinsurers	Other	Miscellaneous Balances (Credit)	Sum of Cols. 9+13+14+15 +16 but not in Excess of Col. 8
0399999.	Total General Account -	Life and Annuity Affiliates		0	0	0	0	0	XXX	XXX	XXX	0	0	0	0	0
.....00000	AA-1120053	07/01/2007	Arch Insurance Company (Europe) Ltd.	0	0	0	0	0	0			0	0	0	0	0
.....00000	AA-1120242	07/01/2005	Brit Insurance Limited	0	0	0	0	0	0			0	0	0	0	0
.....00000	AA-5340310	10/01/2011	General Insurance Corporation of India	0	0	0	0	0	0			0	0	0	0	0
.....00000	AA-1127200	07/01/2006	Lloyds Syndicate #1200 (Heritage)	0	0	0	0	0	0			0	0	0	0	0
.....00000	AA-1126033	07/01/2006	Lloyds Syndicate #33 (Hiscox)	0	0	0	0	0	0			0	0	0	0	0
.....00000	AA-1126510	10/01/2011	Lloyd's Syndicate # 0510 KLN (Kiln)	0	0	0	0	0	0			0	0	0	0	0
.....00000	AA-1127400	10/01/2011	Lloyd's Syndicate # 1400 DRE (Alterra)	0	0	0	0	0	0			0	0	0	0	0
.....00000	AA-1128001	10/01/2011	Lloyd's Syndicate # 2001 AML (Amlin)	0	0	0	0	0	0			0	0	0	0	0
.....00000	AA-1126623	07/01/2009	Lloyd's Syndicate # 3623 AFB (Beazley)	0	0	0	0	0	0			0	0	0	0	0
.....00000	AA-1440076	07/01/2006	Sirius International Ins. Corp. (publ) UK Branch	0	0	0	0	0	0			0	0	0	0	0
0599999.	General Account -	Life and Annuity Non-U.S. Non-Affiliates		0	0	0	0	0	XXX	XXX	XXX	0	0	0	0	0
0699999.	Total General Account -	Life and Annuity Non-Affiliates		0	0	0	0	0	XXX	XXX	XXX	0	0	0	0	0
0799999.	Total General Account	Life and Annuity		0	0	0	0	0	XXX	XXX	XXX	0	0	0	0	0
1099999.	Total General Account -	Accident and Health Affiliates		0	0	0	0	0	XXX	XXX	XXX	0	0	0	0	0
.....00000	AA-1120053	07/01/2007	Arch Insurance Company (Europe) Ltd.	0	0	0	0	0	0			0	0	0	0	0
.....00000	AA-1120242	07/01/2005	Brit Insurance Limited	0	0	0	0	0	0			0	0	0	0	0
.....00000	AA-5340310	10/01/2011	General Insurance Corporation of India	0	0	0	0	0	0			0	0	0	0	0
.....00000	AA-1127200	07/01/2006	Lloyds Syndicate #1200 (Heritage)	0	0	0	0	0	0			0	0	0	0	0
.....00000	AA-1126033	07/01/2006	Lloyds Syndicate #33 (Hiscox)	0	0	0	0	0	0			0	0	0	0	0
.....00000	AA-1126510	10/01/2011	Lloyd's Syndicate # 0510 KLN (Kiln)	0	0	0	0	0	0			0	0	0	0	0
.....00000	AA-1127400	10/01/2011	Lloyd's Syndicate # 1400 DRE (Alterra)	0	0	0	0	0	0			0	0	0	0	0
.....00000	AA-1128001	10/01/2011	Lloyd's Syndicate # 2001 AML (Amlin)	0	0	0	0	0	0			0	0	0	0	0
.....00000	AA-1126623	07/01/2009	Lloyd's Syndicate # 3623 AFB (Beazley)	0	0	0	0	0	0			0	0	0	0	0
.....00000	AA-1440076	07/01/2006	Sirius International Ins. Corp. (publ) UK Branch	0	0	0	0	0	0			0	0	0	0	0
1299999.	General Account -	Accident and Health Non-U.S. Non-Affiliates		0	0	0	0	0	XXX	XXX	XXX	0	0	0	0	0
1399999.	Total General Account -	Accident and Health Non-Affiliates		0	0	0	0	0	XXX	XXX	XXX	0	0	0	0	0
1499999.	Total General Account	Accident and Health		0	0	0	0	0	XXX	XXX	XXX	0	0	0	0	0
1599999.	Total General Account			0	0	0	0	0	XXX	XXX	XXX	0	0	0	0	0
1899999.	Total Separate Accounts -	Affiliates		0	0	0	0	0	XXX	XXX	XXX	0	0	0	0	0
2199999.	Total Separate Accounts -	Non-Affiliates		0	0	0	0	0	XXX	XXX	XXX	0	0	0	0	0
2299999.	Total Separate Accounts			0	0	0	0	0	XXX	XXX	XXX	0	0	0	0	0
2399999.	Total U.S. (Sum of 0199999, 0499999, 0899999, 1199999, 1699999 and 1999999)			0	0	0	0	0	XXX	XXX	XXX	0	0	0	0	0
2499999.	Total Non-U.S. (Sum of 0299999, 0599999, 0999999, 1299999, 1799999 and 2099999)			0	0	0	0	0	XXX	XXX	XXX	0	0	0	0	0
2599999.	Total			0	0	0	0	0	XXX	XXX	XXX	0	0	0	0	0

(a)	American Bankers Association	
	Code	(ABA) Routing Number
		Bank Name

SCHEDULE S - PART 5
Five Year Exhibit of Reinsurance Ceded Business
(000 OMITTED)

	1 2011	2 2010	3 2009	4 2008	5 2007
A. OPERATIONS ITEMS					
1. Premiums and annuity considerations for life and accident and health contracts	141,337	140,967	115,729	131,810	130,240
2. Commissions and reinsurance expense allowances	17,755	18,868	16,907	16,290	15,566
3. Contract claims	75,511	71,308	74,651	63,333	60,631
4. Surrender benefits and withdrawals for life contracts	0	0	0	0	0
5. Dividends to policyholders	0	0	0	0	0
6. Reserve adjustments on reinsurance ceded	0	0	0	0	0
7. Increase in aggregate reserve for life and accident and health contracts	14,212	5,933	(12,985)	15,900	16,814
B. BALANCE SHEET ITEMS					
8. Premiums and annuity considerations for life and accident and health contracts deferred and uncollected	11,784	11,902	8,230	10,961	8,232
9. Aggregate reserves for life and accident and health contracts	912,004	897,792	891,859	904,844	888,945
10. Liability for deposit-type contracts	0	0	0	0	0
11. Contract claims unpaid	8,083	8,453	7,747	7,551	5,655
12. Amounts recoverable on reinsurance	6,047	5,928	5,097	4,477	4,439
13. Experience rating refunds due or unpaid	15	17	1,794	1,148	51
14. Policyholders' dividends (not included in Line 10)	0	0	0	0	0
15. Commissions and reinsurance expense allowances unpaid	0	0	0	0	0
16. Unauthorized reinsurance offset	0	0	439	0	0
C. UNAUTHORIZED REINSURANCE (DEPOSITS BY AND FUNDS WITHHELD FROM)					
17. Funds deposited by and withheld from (F)	0	0	0	0	0
18. Letters of credit (L)	0	0	0	0	0
19. Trust agreements (T)	0	0	0	0	0
20. Other (O)	0	0	0	0	0

SCHEDULE S - PART 6

Restatement of Balance Sheet to Identify Net Credit for Ceded Reinsurance

	1 As Reported (net of ceded)	2 Restatement Adjustments	3 Restated (gross of ceded)
ASSETS (Page 2, Col. 3)			
1. Cash and invested assets (Line 12)	11,067,640,137	0	11,067,640,137
2. Reinsurance (Line 16)	6,062,428	(6,062,428)	0
3. Premiums and considerations (Line 15)	113,599,512	11,783,528	125,383,040
4. Net credit for ceded reinsurance	XXX	941,390,522	941,390,522
5. All other admitted assets (balance)	233,238,407	0	233,238,407
6. Total assets excluding Separate Accounts (Line 26)	11,420,540,484	947,111,623	12,367,652,107
7. Separate Account assets (Line 27)	4,593,548,661	0	4,593,548,661
8. Total assets (Line 28)	16,014,089,145	947,111,623	16,961,200,768
LIABILITIES, CAPITAL AND SURPLUS (Page 3)			
9. Contract reserves (Lines 1 and 2)	9,071,747,146	889,865,020	9,961,612,166
10. Liability for deposit-type contracts (Line 3)	503,795,333	22,138,660	525,933,993
11. Claim reserves (Line 4)	161,849,472	8,082,568	169,932,040
12. Policyholder dividends/reserves (Lines 5 through 7)	116,722	26,926,653	27,043,375
13. Premium & annuity considerations received in advance (Line 8)	12,220,212	98,721	12,318,934
14. Other contract liabilities (Line 9)	66,311,062	0	66,311,062
15. Reinsurance in unauthorized companies (Line 24.02)	0	0	0
16. Funds held under reinsurance treaties with unauthorized reinsurers (Line 24.03)	0	0	0
17. All other liabilities (balance)	465,267,234	0	465,267,234
18. Total liabilities excluding Separate Accounts (Line 26)	10,281,307,181	947,111,623	11,228,418,804
19. Separate Account liabilities (Line 27)	4,593,548,661	0	4,593,548,661
20. Total liabilities (Line 28)	14,874,855,842	947,111,623	15,821,967,465
21. Capital & surplus (Line 38)	1,139,233,304	XXX	1,139,233,304
22. Total liabilities, capital & surplus (Line 39)	16,014,089,146	947,111,623	16,961,200,769
NET CREDIT FOR CEDED REINSURANCE			
23. Contract reserves	889,865,020		
24. Claim reserves	8,082,568		
25. Policyholder dividends/reserves	26,926,653		
26. Premium & annuity considerations received in advance	98,721		
27. Liability for deposit-type contracts	22,138,660		
28. Other contract liabilities	0		
29. Reinsurance ceded assets	6,062,428		
30. Other ceded reinsurance recoverables	0		
31. Total ceded reinsurance recoverables	953,174,051		
32. Premiums and considerations	11,783,528		
33. Reinsurance in unauthorized companies	0		
34. Funds held under reinsurance treaties with unauthorized reinsurers	0		
35. Other ceded reinsurance payables/offsets	0		
36. Total ceded reinsurance payable/offsets	11,783,528		
37. Total net credit for ceded reinsurance	941,390,522		

ANNUAL STATEMENT FOR THE YEAR 2011 OF THE STANDARD INSURANCE COMPANY

SCHEDULE T - PREMIUMS AND ANNUITY CONSIDERATIONS

Allocated by States and Territories

			Direct Business Only						
			1	Life Contracts		4 Accident and Health Insurance Premiums, Including Policy, Membership and Other Fees	5	6	7
			2	3	Other Considerations		Total Columns 2 through 5	Deposit-Type Contracts	
States, Etc.	Active Status	Life Insurance Premiums	Annuity Considerations						
1. Alabama	AL	L	8,655,735	7,525,827	13,765,039	3,682,747	33,629,348	54,434	
2. Alaska	AK	L	3,479,803	1,062,383	3,260,893	9,513,752	17,316,831	0	
3. Arizona	AZ	L	14,076,686	7,110,222	20,396,425	17,503,638	59,086,971	913,519	
4. Arkansas	AR	L	5,049,255	1,505,585	6,946,168	1,228,822	14,729,830	191,298	
5. California	CA	L	106,368,703	52,511,859	222,536,339	127,861,746	509,278,647	890,739	
6. Colorado	CO	L	20,197,486	16,515,685	38,955,567	62,711,504	138,380,242	518,136	
7. Connecticut	CT	L	11,366,790	5,896,160	18,874,033	863,328	37,000,311	148,201	
8. Delaware	DE	L	1,332,488	1,271,307	2,404,712	4,294,384	9,302,891	0	
9. District of Columbia	DC	L	11,646,510	156,645	10,040,880	1,956,170	23,800,205	0	
10. Florida	FL	L	45,865,751	22,561,858	68,979,235	27,889,569	165,296,413	1,087,404	
11. Georgia	GA	L	17,969,284	5,164,705	45,729,126	10,386,412	79,249,527	101,400	
12. Hawaii	HI	L	6,581,936	3,537,993	2,167,249	7,425,734	19,712,912	0	
13. Idaho	ID	L	10,141,466	258,801	9,401,780	7,079,263	26,881,310	546,738	
14. Illinois	IL	L	23,727,352	17,576,152	42,335,532	5,991,870	89,630,906	2,266,217	
15. Indiana	IN	L	8,579,827	6,487,907	10,999,780	16,622,318	42,689,832	753,351	
16. Iowa	IA	L	7,353,514	6,296,828	11,035,434	14,364,303	39,050,079	0	
17. Kansas	KS	L	6,571,483	1,785,220	9,801,694	13,004,808	31,163,205	343,427	
18. Kentucky	KY	L	5,345,349	3,074,120	10,042,800	27,647,810	46,110,079	144,805	
19. Louisiana	LA	L	9,096,704	2,780,445	14,305,239	29,406,997	55,589,385	434,168	
20. Maine	ME	L	1,700,536	1,004,761	5,936,910	82,624	8,724,831	0	
21. Maryland	MD	L	19,516,706	4,922,857	13,194,553	3,947,531	41,581,647	0	
22. Massachusetts	MA	L	15,059,898	8,728,327	29,213,882	2,286,058	55,288,165	4,492,137	
23. Michigan	MI	L	9,505,878	10,434,010	14,794,554	20,552,675	55,287,117	844,669	
24. Minnesota	MN	L	23,286,355	14,505,778	36,005,657	944,700	74,742,490	658,040	
25. Mississippi	MS	L	1,882,804	1,866,890	5,819,728	2,291,320	11,860,742	0	
26. Missouri	MO	L	38,836,596	6,347,009	27,241,419	33,404,143	105,829,167	1,279,771	
27. Montana	MT	L	7,040,375	259,413	4,322,460	504,577	12,126,825	35,347	
28. Nebraska	NE	L	3,496,922	1,674,660	9,041,615	396,358	14,609,555	98,971	
29. Nevada	NV	L	8,011,865	2,148,434	14,381,863	2,728,299	27,270,461	105,214	
30. New Hampshire	NH	L	1,638,360	914,418	4,927,229	99,353	7,579,360	116,763	
31. New Jersey	NJ	L	11,015,663	6,200,410	25,289,752	18,728,888	61,234,713	1,366,756	
32. New Mexico	NM	L	23,607,580	599,567	7,022,973	9,486,586	40,716,706	0	
33. New York	NY	N	5,552,128	1,385,266	4,707,101	69	11,644,564	0	
34. North Carolina	NC	L	16,731,569	8,104,213	24,788,302	4,891,536	54,515,620	31,800	
35. North Dakota	ND	L	2,072,966	1,047,884	3,255,935	199,968	6,576,753	209,714	
36. Ohio	OH	L	21,676,327	16,339,890	24,217,703	44,457,308	106,691,228	2,938,722	
37. Oklahoma	OK	L	9,361,507	2,109,387	10,447,625	30,468,206	52,386,725	0	
38. Oregon	OR	L	50,717,172	20,345,500	69,759,942	265,746,120	406,568,734	2,003,164	
39. Pennsylvania	PA	L	21,745,575	14,473,086	42,103,236	9,084,795	87,406,692	1,545,418	
40. Rhode Island	RI	L	3,488,703	176,441	4,832,705	69	8,497,918	0	
41. South Carolina	SC	L	6,129,011	6,424,354	15,371,643	8,879,717	36,804,725	163,423	
42. South Dakota	SD	L	1,216,424	1,275,266	2,100,329	730,474	5,322,493	0	
43. Tennessee	TN	L	10,149,605	10,715,038	18,163,497	3,410,740	42,438,880	67,637	
44. Texas	TX	L	77,952,870	17,140,334	102,212,082	158,789,793	356,095,079	1,078,403	
45. Utah	UT	L	7,116,610	2,264,600	13,225,609	59,779,769	82,386,588	365,530	
46. Vermont	VT	L	2,073,512	141,981	5,451,828	5,372,085	13,039,406	39,588	
47. Virginia	VA	L	13,938,633	9,638,969	23,595,372	11,119,415	58,292,389	129,173	
48. Washington	WA	L	38,432,858	9,778,148	92,640,826	36,069,340	176,921,172	5,505,477	
49. West Virginia	WV	L	3,506,466	1,301,058	9,386,382	0	14,193,906	49,485	
50. Wisconsin	WI	L	11,258,197	5,510,625	16,281,897	560,229	33,610,948	420,244	
51. Wyoming	WY	L	581,378	847,491	1,880,616	221,510	3,530,995	0	
52. American Samoa	AS	N	0	0	2,479	0	2,479	0	
53. Guam	GU	L	2,044,777	0	2,838,847	0	4,883,624	0	
54. Puerto Rico	PR	N	5,883	0	103,656	0	109,539	0	
55. U.S. Virgin Islands	VI	L	1,539	0	96,010	0	97,549	0	
56. Northern Mariana Islands	MP	N	1,478	0	0	0	1,478	0	
57. Canada	CN	N	306,732	0	266,883	0	573,615	0	
58. Aggregate Other Alien	OT	XXX	345,957	21,087	115,053	0	482,097	0	
59. Subtotal	(a) 52		794,413,537	351,726,854	1,247,016,078	1,124,669,430	3,517,825,899	31,939,291	
90. Reporting entity contributions for employee benefits plans	XXX		642,242	0	3,239,374	0	3,881,616	0	
91. Dividends or refunds applied to purchase paid-up additions and annuities	XXX		20,835,407	0	0	0	20,835,407	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		197,527	0	0	0	197,527	0	
94. Aggregate or other amounts not allocable by State	XXX		0	0	0	0	0	0	
95. Totals (Direct Business)	XXX		816,088,713	351,726,851	1,250,255,451	1,124,669,433	3,542,740,449	31,939,290	
96. Plus reinsurance assumed	XXX		14,160,668	0	116,534,319	0	130,694,987	0	
97. Totals (All Business)	XXX		830,249,381	351,726,851	1,366,789,769	1,124,669,433	3,673,435,436	31,939,290	
98. Less reinsurance ceded	XXX		54,194,435	0	88,770,818	0	142,965,253	0	
99. Totals (All Business) less Reinsurance Ceded	XXX		776,054,946	351,726,851	(b) 1,278,018,951	1,124,669,433	3,530,470,183	31,939,290	
DETAILS OF WRITE-INS									
5801. United Kingdom	XXX		92,617	0	19,031	0	111,648	0	
5802. Japan	XXX		45,866	0	8,131	0	53,997	0	
5803. Australia	XXX		43,118	0	5,325	0	48,443	0	
5898. Summary of remaining write-ins for Line 58 from overflow page	XXX		164,356	21,087	82,566	0	268,009	0	
5899. Totals (Lines 5801 through 5803 plus 5898)(Line 58 above)	XXX		345,957	21,087	115,053	0	482,097	0	
9401.	XXX								
9402.	XXX								
9403.	XXX								
9498. Summary of remaining write-ins for Line 94 from overflow page	XXX		0	0	0	0	0	0	
9499. Totals (Lines 9401 through 9403 plus 9498)(Line 94 above)	XXX		0	0	0	0	0	0	

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

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

Individual insurance premiums, annuity and other considerations are allocated to the state to which the premium statements are mailed. Group insurance premiums (for groups with less than 500 lives) are allocated to the state to which the billing statements are mailed. For groups with 500 or more lives, insurance premiums are allocated among the states where the insureds reside or work, based upon data furnished by the policyholder.

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

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

ANNUAL STATEMENT FOR THE YEAR 2011 OF THE STANDARD INSURANCE COMPANY

SCHEDULE T - PART 2
INTERSTATE COMPACT - EXHIBIT OF PREMIUMS WRITTEN

Allocated by States and Territories

			Direct Business Only					
			1	2	3	4	5	6
States, Etc.			Life (Group and Individual)	Annuities (Group and Individual)	Disability Income (Group and Individual)	Long-Term Care (Group and Individual)	Deposit-Type Contracts	Totals
1.	Alabama	AL	8,655,735	7,525,827	13,151,307	0	54,434	29,387,303
2.	Alaska	AK	3,479,803	1,062,383	2,882,979	0	0	7,425,165
3.	Arizona	AZ	14,076,686	7,110,222	18,490,364	0	913,519	40,590,791
4.	Arkansas	AR	5,049,255	1,505,585	6,579,782	0	191,298	13,325,920
5.	California	CA	106,368,703	52,511,859	209,724,491	0	890,739	369,495,792
6.	Colorado	CO	20,197,486	16,515,685	36,161,380	0	518,136	73,392,687
7.	Connecticut	CT	11,366,790	5,896,160	18,026,121	0	148,201	35,437,272
8.	Delaware	DE	1,332,488	1,271,307	2,229,298	0	0	4,833,093
9.	District of Columbia	DC	11,646,510	156,645	9,218,188	0	0	21,021,343
10.	Florida	FL	45,865,751	22,561,858	63,905,571	0	1,087,404	133,420,584
11.	Georgia	GA	17,969,284	5,164,705	44,215,614	0	101,408	67,451,011
12.	Hawaii	HI	6,581,936	3,537,993	2,082,646	0	0	12,202,575
13.	Idaho	ID	10,141,466	258,801	8,188,203	0	546,738	19,135,208
14.	Illinois	IL	23,727,352	17,576,152	40,089,459	0	2,266,217	83,659,180
15.	Indiana	IN	8,579,827	6,487,907	10,532,033	0	753,351	26,353,118
16.	Iowa	IA	7,353,514	6,296,828	10,561,738	0	0	24,212,080
17.	Kansas	KS	6,571,483	1,785,220	9,196,855	0	343,427	17,896,985
18.	Kentucky	KY	5,345,349	3,074,120	9,578,630	0	144,805	18,142,904
19.	Louisiana	LA	9,096,704	2,780,445	13,567,751	0	434,168	25,879,068
20.	Maine	ME	1,700,536	1,004,761	5,810,032	0	0	8,515,329
21.	Maryland	MD	19,516,706	4,922,857	12,168,574	0	0	36,608,137
22.	Massachusetts	MA	15,059,898	8,728,327	27,981,705	0	4,492,137	56,262,067
23.	Michigan	MI	9,505,878	10,434,010	14,204,148	0	844,669	34,988,705
24.	Minnesota	MN	23,286,355	14,505,778	33,492,030	0	658,040	71,942,203
25.	Mississippi	MS	1,882,804	1,866,890	5,684,860	0	0	9,434,554
26.	Missouri	MO	38,836,596	6,347,009	25,365,936	0	1,279,771	71,829,312
27.	Montana	MT	7,040,375	259,413	3,715,959	0	35,347	11,051,094
28.	Nebraska	NE	3,496,922	1,674,660	8,479,010	0	98,971	13,749,563
29.	Nevada	NV	8,011,865	2,148,434	13,726,878	0	105,214	23,992,391
30.	New Hampshire	NH	1,638,360	914,418	4,779,037	0	116,763	7,448,578
31.	New Jersey	NJ	11,015,663	6,200,410	21,695,255	0	1,366,756	40,278,084
32.	New Mexico	NM	23,607,580	599,567	5,653,071	0	0	29,860,218
33.	New York	NY	5,552,128	1,385,266	4,216,459	0	0	11,153,853
34.	North Carolina	NC	16,731,569	8,104,213	22,562,245	0	31,800	47,429,827
35.	North Dakota	ND	2,072,966	1,047,884	3,145,290	0	209,714	6,475,854
36.	Ohio	OH	21,676,327	16,339,890	21,459,797	0	2,938,722	62,414,736
37.	Oklahoma	OK	9,361,507	2,109,387	8,915,898	0	0	20,386,792
38.	Oregon	OR	50,717,172	20,345,500	64,532,739	0	2,003,164	137,598,575
39.	Pennsylvania	PA	21,745,575	14,473,086	40,220,207	0	1,545,418	77,984,286
40.	Rhode Island	RI	3,488,703	176,441	4,597,545	0	0	8,262,689
41.	South Carolina	SC	6,129,011	6,424,354	14,930,555	0	163,423	27,647,343
42.	South Dakota	SD	1,216,424	1,275,266	2,054,408	0	0	4,546,098
43.	Tennessee	TN	10,149,605	10,715,038	17,233,113	0	67,637	38,165,393
44.	Texas	TX	77,952,870	17,140,334	93,514,837	0	1,078,403	189,686,444
45.	Utah	UT	7,116,610	2,264,600	12,710,709	0	365,530	22,457,449
46.	Vermont	VT	2,073,512	141,981	5,257,350	0	39,588	7,512,431
47.	Virginia	VA	13,938,633	9,638,969	22,526,917	0	129,173	46,233,692
48.	Washington	WA	38,432,858	9,778,148	88,855,486	0	5,505,477	142,571,969
49.	West Virginia	WV	3,506,466	1,301,058	9,012,565	0	49,485	13,869,574
50.	Wisconsin	WI	11,258,197	5,510,625	15,755,340	0	420,244	32,944,406
51.	Wyoming	WY	581,378	847,491	1,817,419	0	0	3,246,288
52.	American Samoa	AS	0	0	2,479	0	0	2,479
53.	Guam	GU	2,044,777	0	2,801,419	0	0	4,846,196
54.	Puerto Rico	PR	5,883	0	103,656	0	0	109,539
55.	U.S. Virgin Islands	VI	1,539	0	55,304	0	0	56,843
56.	Northern Mariana Islands	MP	1,478	0	0	0	0	1,478
57.	Canada	CN	306,732	0	240,076	0	0	546,808
58.	Aggregate Other Alien	OT	345,957	21,087	115,053	0	0	482,097
59.	Total		794,413,537	351,726,854	1,167,775,772	0	31,939,291	2,345,855,454

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMEBERS OF A HOLDING COMPANY GROUP
PART 1 - ORGANIZATION CHART

Company	FEIN	NAIC	State	Ownership
StanCorp Financial Group, Inc ("SFG")	93-1253576		OR	
Standard Insurance Company	93-0242990	69019	OR	100% owned by SFG
The Standard Life Insurance Company of New York	13-4119477	89009	NY	100% owned by SFG
Standard Management, Inc.	93-0928203		OR	100% owned by SFG
StanCorp Equities, Inc.	93-0930972		OR	100% owned by SFG
StanCorp Investment Advisers, Inc.	93-1296382		OR	100% owned by SFG
Standard Retirement Services	25-1838406		OR	100% owned by SFG
Stancorp Mortgage Investors, LLC ("SMI")	93-1191029		OR	100% owned by SFG
2001 Lawrenceville-Suwanee Road LLC	27-5102694		OR	51% owned by SMI
16200 East River Road LLC	27-4593098		OR	100% owned by SMI
StanCorp Mortgage Investors Pass-Through, LLC	26-1758088		OR	100% owned by SFG
StanCorp Real Estate, LLC ("SRE")	93-1191030		OR	100% owned by SFG
5130 Hull Street LLC			OR	100% owned by SRE
7 Upper Newport Plaza LLC	27-3026658		OR	100% owned by SRE
2809 West Broadway LLC	27-3034980		OR	100% owned by SRE
3305 Peachtree Industrial Blvd LLC	37-1574842		OR	51% owned by SRE
7924 Victoria Drive LLC	27-1433940		OR	66% owned by SRE
1300 Westwood Avenue LLC	45-4432062		OR	100% owned by SRE
1901-1915 Whitcomb Street LLC	27-1430092		OR	51% owned by SRE
74824 Lennon Place LLC	27-1561612		OR	51% owned by SRE
1801 Chamberlayne Avenue LLC	27-1561807		OR	81.44% owned by SRE
1160 South Elm Road LLC	27-1460055		OR	100% owned by SRE
3501 Lapeer Road LLC	27-1460023		OR	100% owned by SRE
2429 Nicollet Avenue South LLC	27-1071824		OR	100% owned by SRE
5515 Tezel Road LLC	27-3758274		OR	100% owned by SRE
2301 Avenue J LLC	27-0469845		OR	100% owned by SRE
8910 Astronaut Boulevard LLC	27-3016823		OR	75.5% owned by SRE
7076 Corporate Way LLC	45-4412758		OR	100% owned by SRE
835 Beachway Drive LLC	27-3633174		OR	51% owned by SRE
811 South Brawley Avenue LLC	27-0442855		OR	57.5% owned by SRE
4696 Overland Road LLC	27-4067623		OR	100% owned by SRE
1701 Dalton Road LLC	27-4120143		OR	51% owned by SRE
1561 State Route 209 LLC	27-5257528		OR	100% owned by SRE
8409 Staples Mill Road LLC	27-3781445		OR	54.36% owned by SRE

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMEBERS OF A HOLDING COMPANY GROUP
PART 1 - ORGANIZATION CHART

Company	FEIN	NAIC	State	Ownership
1353 Ransom Road LLC	27-1071735		OR	51% owned by SRE
100 Ville Drive LLC	27-4419403		OR	100% owned by SRE
35 West Mayflower Avenue LLC	27-4437646		OR	51% owned by SRE
4451-4481 North Keystone Avenue LLC	27-4437566		OR	51% owned by SRE
24155 Drake Road LLC	27-4437475		OR	100% owned by SRE
401 and 528 South Eighth Street LLC	27-4286722		OR	51% owned by SRE
8195 Dexter Road LLC	27-4420364		OR	100% owned by SRE
36800 Plymouth Road LLC	27-4261582		OR	63.5% owned by SRE
1857 Paterson Avenue LLC	27-4594698		OR	51% owned by SRE
5525 Canal Road LLC	27-4205189		OR	51% owned by SRE
10260 East Colfax Avenue LLC	27-5351585		OR	51% owned by SRE
4688 Golden Pond Park Court LLC	27-0444658		OR	100% owned by SRE
3600 West Vegas Drive LLC	27-5012068		OR	100% owned by SRE
10320 W McDowell Road Building LLC	27-5447919		OR	100% owned by SRE
333 Buckhead Avenue LLC	27-5447799		OR	51% owned by SRE
415 Franklin Street LLC	27-4592874		OR	52.42% owned by SRE
466 Franklin Street LLC	27-4592928		OR	52.42% owned by SRE
1131 Delaware Avenue LLC	27-4592967		OR	52.42% owned by SRE
16000 West 9 Mile Road LLC	45-2323959		OR	51% owned by SRE
1627 East 18th Street and 1808 N Boise Avenue LLC	45-2440011		OR	51% owned by SRE
North Stone Avenue Commercial Retail LLC	45-2494052		OR	100% owned by SRE
Commercial Office Union Street South LLC	45-2591776		OR	51% owned by SRE
9 and 17-21 Union Street North LLC	45-2493973		OR	80% owned by SRE
West Congress Office, LLC	45-2439866		OR	51% owned by SRE
220 South Claybrook Street LLC	45-2585116		OR	51% owned by SRE
1615 Maxwell Drive LLC	45-3173706		OR	51% owned by SRE
2560 28th Street LLC	45-2592371		OR	51% owned by SRE
93643 McKenna Drive LLC	45-3515380		OR	100% owned by SRE
51779 Van Dyke Avenue LLC	45-2796827		OR	51% owned by SRE
1301 Riverwoods Drive LLC	45-2754808		OR	100% owned by SRE
1130 East March Lane LLC	45-2972593		OR	51% owned by SRE
5701 Shingle Creek Parkway LLC	45-2876368		OR	51% owned by SRE
320 South Iowa Street LLC	45-3322980		OR	51% owned by SRE
2500 SW 64th Avenue LLC	45-1565948		OR	100% owned by SRE

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMEBERS OF A HOLDING COMPANY GROUP
PART 1 - ORGANIZATION CHART

Company	FEIN	NAIC	State	Ownership
8910 Research Blvd LLC	45-3193763		OR	51% owned by SRE
13091 Pond Springs Road LLC	45-3193834		OR	51% owned by SRE
854 Rockaway Avenue LLC	26-4600874		OR	51% owned by SRE
5439 South Decatur Boulevard LLC	45-4345308		OR	100% owned by SRE
1870 West Granada Boulevard LLC	45-3305925		OR	51% owned by SRE
3506 South Nova Road LLC	45-3305775		OR	51% owned by SRE
4120 15th Street LLC	45-3850451		OR	100% owned by SRE
14250 Burnhaven Drive LLC	45-2606175		OR	69.23% owned by SRE
2716 Dixie Highway LLC	45-3707942		OR	51% owned by SRE
651 North Cherokee Lane LLC	45-3322846		OR	51% owned by SRE
21 Lawrence Paquette Industrial Drive LLC	27-4330298		OR	100% owned by SRE
1381-1399 Florin Road LLC	45-3789788		OR	100% owned by SRE
7201 Crestwood Boulevard LLC	45-3515470		OR	63.5% owned by SRE
425 Peachtree Hills Avenue Units 11 and 12 LLC	45-3642881		OR	80% owned by SRE
425 Peachtree Hills Avenue Units 29C, 30C, 31C and 31B LLC	45-3647008		OR	80% owned by SRE
425 Peachtree Hills Avenue Units 29A, 30B, and 31A LLC	45-3649739		OR	80% owned by SRE
Adaptu, LLC	27-3296886		OR	100% owned by SFG
Stonemill Business Park	93-1289767		OR	100% owned by SFG
Standard Insurance Company Continuing Health & Welfare Benefits Trust	93-1097066		OR	100% owned by SFG
Standard Insurance Company Employee Health & Welfare Benefits Trust	93-1097064		OR	100% owned by SFG
The Standard Charitable Foundation	20-3997125		OR	100% owned by SFG

ANNUAL STATEMENT FOR THE YEAR 2011 OF THE STANDARD INSURANCE COMPANY

SCHEDULE Y

PART 1A - DETAIL OF INSURANCE HOLDING COMPANY SYSTEM

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Group Code	Group Name	NAIC Company Code	Federal ID Number	Federal RSSD	CIK	Name of Securities Exchange if Publicly Traded (U.S. or International)	Names of Parent, Subsidiaries Or Affiliates	Domi-ciliary Location	Relationship to Reporting Entity	Directly Controlled by (Name of Entity/Person)	Type of Control (Ownership, Board, Management, Attorney-in-Fact, Influence, Other)	If Control is Owner-ship Provide Percen-tage	Ultimate Controlling Entity(ies)/Person(s)	*
1348	StanCorp Financial Group, Inc.		93-1253576			New York Stock Exchange	StanCorp Financial Group, Inc.	OR	UDP		Board of Directors	0.000	StanCorp Financial Group, Inc.	
1348	StanCorp Financial Group, Inc.	69019	93-0242990		0000879088		Standard Insurance Company	OR	JA	StanCorp Financial Group, Inc.	Ownership	100.000	StanCorp Financial Group, Inc.	
1348	StanCorp Financial Group, Inc.	89009	13-4119477				The Standard Life Insurance Company of New York	NY	JA	StanCorp Financial Group, Inc.	Ownership	100.000	StanCorp Financial Group, Inc.	
			93-0928203				Standard Management, Inc.	OR	NIA	StanCorp Financial Group, Inc.	Ownership	100.000	StanCorp Financial Group, Inc.	
			93-0930972				StanCorp Equities, Inc.	OR	NIA	StanCorp Financial Group, Inc.	Ownership	100.000	StanCorp Financial Group, Inc.	
			93-1296382				StanCorp Investment Advisers, Inc.	OR	NIA	StanCorp Financial Group, Inc.	Ownership	100.000	StanCorp Financial Group, Inc.	
			25-1838406				Standard Retirement Services, Inc.	OR	NIA	StanCorp Financial Group, Inc.	Ownership	100.000	StanCorp Financial Group, Inc.	
			93-1191029				StanCorp Mortgage Investors, LLC	OR	NIA	StanCorp Financial Group, Inc.	Ownership	100.000	StanCorp Financial Group, Inc.	
			27-5102694				2001 Lawrenceville-Suwanee Road LLC	OR	NIA	StanCorp Mortgage Investors, LLC	Ownership	51.000	StanCorp Financial Group, Inc.	
			27-4593098				16200 East River Road LLC	OR	NIA	StanCorp Mortgage Investors, LLC	Ownership	100.000	StanCorp Financial Group, Inc.	
			26-1758088				StanCorp Mortgage Investors Pass-Through, LLC	OR	NIA	StanCorp Financial Group, Inc.	Ownership	100.000	StanCorp Financial Group, Inc.	
			93-1191030				StanCorp Real Estate, LLC	OR	NIA	StanCorp Financial Group, Inc.	Ownership	100.000	StanCorp Financial Group, Inc.	
			27-3026658				5130 Hull Street LLC	OR	NIA	StanCorp Real Estate, LLC	Ownership	100.000	StanCorp Financial Group, Inc.	
			27-3034980				7 Upper Newport Plaza LLC	OR	NIA	StanCorp Real Estate, LLC	Ownership	100.000	StanCorp Financial Group, Inc.	
			37-1574842				2809 West Broadway LLC	OR	NIA	StanCorp Real Estate, LLC	Ownership	100.000	StanCorp Financial Group, Inc.	
			27-1433940				3305 Peachtree Industrial Blvd LLC	OR	NIA	StanCorp Real Estate, LLC	Ownership	51.000	StanCorp Financial Group, Inc.	
			45-4432062				7924 Victoria Drive LLC	OR	NIA	StanCorp Real Estate, LLC	Ownership	66.000	StanCorp Financial Group, Inc.	
			27-1430092				1300 Westwood Avenue LLC	OR	NIA	StanCorp Real Estate, LLC	Ownership	100.000	StanCorp Financial Group, Inc.	
			27-1561612				1901-1915 Whitcomb Street LLC	OR	NIA	StanCorp Real Estate, LLC	Ownership	51.000	StanCorp Financial Group, Inc.	
			27-1561807				74824 Lennon Place LLC	OR	NIA	StanCorp Real Estate, LLC	Ownership	51.000	StanCorp Financial Group, Inc.	
			27-1460055				1801 Chamberlayne Avenue LLC	OR	NIA	StanCorp Real Estate, LLC	Ownership	81.440	StanCorp Financial Group, Inc.	
			27-1460023				1160 South Elm Road LLC	OR	NIA	StanCorp Real Estate, LLC	Ownership	100.000	StanCorp Financial Group, Inc.	
			27-1071824				3501 Lapeer Road LLC	OR	NIA	StanCorp Real Estate, LLC	Ownership	100.000	StanCorp Financial Group, Inc.	
			27-3758274				2429 Nicollet Avenue South LLC	OR	NIA	StanCorp Real Estate, LLC	Ownership	100.000	StanCorp Financial Group, Inc.	
			27-0469845				5515 Tezel Road LLC	OR	NIA	StanCorp Real Estate, LLC	Ownership	100.000	StanCorp Financial Group, Inc.	
			27-3016823				2301 Avenue J LLC	OR	NIA	StanCorp Real Estate, LLC	Ownership	100.000	StanCorp Financial Group, Inc.	
			45-4412758				8910 Astronaut Boulevard LLC	OR	NIA	StanCorp Real Estate, LLC	Ownership	75.500	StanCorp Financial Group, Inc.	
			27-3633174				7076 Corporate Way LLC	OR	NIA	StanCorp Real Estate, LLC	Ownership	100.000	StanCorp Financial Group, Inc.	
			27-0442855				835 Beachway Drive LLC	OR	NIA	StanCorp Real Estate, LLC	Ownership	51.000	StanCorp Financial Group, Inc.	
			27-4067623				811 South Brawley Avenue LLC	OR	NIA	StanCorp Real Estate, LLC	Ownership	57.500	StanCorp Financial Group, Inc.	
			27-4120143				4696 Overland Road LLC	OR	NIA	StanCorp Real Estate, LLC	Ownership	100.000	StanCorp Financial Group, Inc.	
			27-5257528				1701 Dalton Road LLC	OR	NIA	StanCorp Real Estate, LLC	Ownership	51.000	StanCorp Financial Group, Inc.	
			27-3781445				1561 State Route 209 LLC	OR	NIA	StanCorp Real Estate, LLC	Ownership	100.000	StanCorp Financial Group, Inc.	
			27-1071735				8409 Staples Mill Road LLC	OR	NIA	StanCorp Real Estate, LLC	Ownership	54.360	StanCorp Financial Group, Inc.	
			27-4419403				1353 Ransom Road LLC	OR	NIA	StanCorp Real Estate, LLC	Ownership	51.000	StanCorp Financial Group, Inc.	
			27-4437646				100 Ville Drive LLC	OR	NIA	StanCorp Real Estate, LLC	Ownership	100.000	StanCorp Financial Group, Inc.	
			27-4437566				35 West Mayflower Avenue LLC	OR	NIA	StanCorp Real Estate, LLC	Ownership	51.000	StanCorp Financial Group, Inc.	
			27-4286722				4451-4481 North Keystone Avenue LLC	OR	NIA	StanCorp Real Estate, LLC	Ownership	51.000	StanCorp Financial Group, Inc.	
			27-4420364				24155 Drake Road LLC	OR	NIA	StanCorp Real Estate, LLC	Ownership	100.000	StanCorp Financial Group, Inc.	
			27-4261582				401 and 528 South Eighth Street LLC	OR	NIA	StanCorp Real Estate, LLC	Ownership	51.000	StanCorp Financial Group, Inc.	
			27-4594698				8195 Dexter Road LLC	OR	NIA	StanCorp Real Estate, LLC	Ownership	100.000	StanCorp Financial Group, Inc.	
			27-4205189				36800 Plymouth Road LLC	OR	NIA	StanCorp Real Estate, LLC	Ownership	63.500	StanCorp Financial Group, Inc.	
			27-5351585				1857 Paterson Avenue LLC	OR	NIA	StanCorp Real Estate, LLC	Ownership	51.000	StanCorp Financial Group, Inc.	
			27-0444658				5525 Canal Road LLC	OR	NIA	StanCorp Real Estate, LLC	Ownership	51.000	StanCorp Financial Group, Inc.	
			27-5012068				10260 East Colfax Avenue LLC	OR	NIA	StanCorp Real Estate, LLC	Ownership	51.000	StanCorp Financial Group, Inc.	
			27-5447919				4688 Golden Pond Park Court LLC	OR	NIA	StanCorp Real Estate, LLC	Ownership	100.000	StanCorp Financial Group, Inc.	
			27-5447799				3600 West Vegas Drive LLC	OR	NIA	StanCorp Real Estate, LLC	Ownership	100.000	StanCorp Financial Group, Inc.	
							10320 W McDowell Road Building LLC	OR	NIA	StanCorp Real Estate, LLC	Ownership	100.000	StanCorp Financial Group, Inc.	
							333 Buckhead Avenue LLC	OR	NIA	StanCorp Real Estate, LLC	Ownership	51.000	StanCorp Financial Group, Inc.	

ANNUAL STATEMENT FOR THE YEAR 2011 OF THE STANDARD INSURANCE COMPANY

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

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Group Code	Group Name	NAIC Company Code	Federal ID Number	Federal RSSD	CIK	Name of Securities Exchange if Publicly Traded (U.S. or International)	Names of Parent, Subsidiaries Or Affiliates	Domi-ciliary Location	Relationship to Reporting Entity	Directly Controlled by (Name of Entity/Person)	Type of Control (Ownership, Board, Management, Attorney-in-Fact, Influence, Other)	If Control is Owner-ship Provide Percen-tage	Ultimate Controlling Entity(ies)/Person(s)	*
			27-4592874				415 Franklin Street LLC	OR	NIA	StanCorp Real Estate, LLC	Ownership	52.420	StanCorp Financial Group, Inc.	
			27-4592928				466 Franklin Street LLC	OR	NIA	StanCorp Real Estate, LLC	Ownership	52.420	StanCorp Financial Group, Inc.	
			27-4592967				1131 Delaware Avenue LLC	OR	NIA	StanCorp Real Estate, LLC	Ownership	52.420	StanCorp Financial Group, Inc.	
			45-2323959				16000 West 9 Mile Road LLC	OR	NIA	StanCorp Real Estate, LLC	Ownership	51.000	StanCorp Financial Group, Inc.	
			45-2440011				1627 East 18th Street and 1808 N Boise Avenue LLC	OR	NIA	StanCorp Real Estate, LLC	Ownership	51.000	StanCorp Financial Group, Inc.	
			45-2494052				North Stone Avenue Commercial Retail LLC	OR	NIA	StanCorp Real Estate, LLC	Ownership	100.000	StanCorp Financial Group, Inc.	
			45-2591776				Commercial Office Union Street South LLC	OR	NIA	StanCorp Real Estate, LLC	Ownership	51.000	StanCorp Financial Group, Inc.	
			45-2493973				9 and 17-21 Union Street North LLC	OR	NIA	StanCorp Real Estate, LLC	Ownership	80.000	StanCorp Financial Group, Inc.	
			45-2439866				West Congress Office, LLC	OR	NIA	StanCorp Real Estate, LLC	Ownership	51.000	StanCorp Financial Group, Inc.	
			45-2585116				220 South Claybrook Street LLC	OR	NIA	StanCorp Real Estate, LLC	Ownership	51.000	StanCorp Financial Group, Inc.	
			45-3173706				1615 Maxwell Drive LLC	OR	NIA	StanCorp Real Estate, LLC	Ownership	51.000	StanCorp Financial Group, Inc.	
			45-2592371				2560 28th Street LLC	OR	NIA	StanCorp Real Estate, LLC	Ownership	51.000	StanCorp Financial Group, Inc.	
			45-3515380				93643 McKenna Drive LLC	OR	NIA	StanCorp Real Estate, LLC	Ownership	100.000	StanCorp Financial Group, Inc.	
			45-2796827				51779 Van Dyke Avenue LLC	OR	NIA	StanCorp Real Estate, LLC	Ownership	51.000	StanCorp Financial Group, Inc.	
			45-2754808				1301 Riverwoods Drive LLC	OR	NIA	StanCorp Real Estate, LLC	Ownership	100.000	StanCorp Financial Group, Inc.	
			45-2972593				1130 East March Lane LLC	OR	NIA	StanCorp Real Estate, LLC	Ownership	51.000	StanCorp Financial Group, Inc.	
			45-2876368				5701 Shingle Creek Parkway LLC	OR	NIA	StanCorp Real Estate, LLC	Ownership	51.000	StanCorp Financial Group, Inc.	
			45-3322980				320 South Iowa Street LLC	OR	NIA	StanCorp Real Estate, LLC	Ownership	51.000	StanCorp Financial Group, Inc.	
			45-1565948				2500 SW 64th Avenue LLC	OR	NIA	StanCorp Real Estate, LLC	Ownership	100.000	StanCorp Financial Group, Inc.	
			45-3193763				8910 Research Blvd LLC	OR	NIA	StanCorp Real Estate, LLC	Ownership	51.000	StanCorp Financial Group, Inc.	
			45-3193834				13091 Pond Springs Road LLC	OR	NIA	StanCorp Real Estate, LLC	Ownership	51.000	StanCorp Financial Group, Inc.	
			26-4600874				854 Rockaway Avenue LLC	OR	NIA	StanCorp Real Estate, LLC	Ownership	51.000	StanCorp Financial Group, Inc.	
			45-4345308				5439 South Decatur Boulevard LLC	OR	NIA	StanCorp Real Estate, LLC	Ownership	100.000	StanCorp Financial Group, Inc.	
			45-3305925				1870 West Granada Boulevard LLC	OR	NIA	StanCorp Real Estate, LLC	Ownership	51.000	StanCorp Financial Group, Inc.	
			45-3305775				3506 South Nova Road LLC	OR	NIA	StanCorp Real Estate, LLC	Ownership	51.000	StanCorp Financial Group, Inc.	
			45-3850451				4120 15th Street LLC	OR	NIA	StanCorp Real Estate, LLC	Ownership	100.000	StanCorp Financial Group, Inc.	
			45-2606175				14250 Burnhaven Drive LLC	OR	NIA	StanCorp Real Estate, LLC	Ownership	69.230	StanCorp Financial Group, Inc.	
			45-3707942				2716 Dixie Highway LLC	OR	NIA	StanCorp Real Estate, LLC	Ownership	51.000	StanCorp Financial Group, Inc.	
			45-3322846				651 North Cherokee Lane LLC	OR	NIA	StanCorp Real Estate, LLC	Ownership	51.000	StanCorp Financial Group, Inc.	
			27-4330298				21 Lawrence Paquette Industrial Drive LLC	OR	NIA	StanCorp Real Estate, LLC	Ownership	100.000	StanCorp Financial Group, Inc.	
			45-3789788				1381-1399 Florin Road LLC	OR	NIA	StanCorp Real Estate, LLC	Ownership	100.000	StanCorp Financial Group, Inc.	
			45-3515470				7201 Crestwood Boulevard LLC	OR	NIA	StanCorp Real Estate, LLC	Ownership	63.500	StanCorp Financial Group, Inc.	
			45-3642881				425 Peachtree Hills Avenue Units 11 and 12 LLC	OR	NIA	StanCorp Real Estate, LLC	Ownership	80.000	StanCorp Financial Group, Inc.	
			45-3647008				425 Peachtree Hills Avenue Units 29C, 30C, 31C and 31B LLC	OR	NIA	StanCorp Real Estate, LLC	Ownership	80.000	StanCorp Financial Group, Inc.	
			45-3649739				425 Peachtree Hills Avenue Units 29A, 30B, and 31A LLC	OR	NIA	StanCorp Real Estate, LLC	Ownership	80.000	StanCorp Financial Group, Inc.	
			27-3296886				Adaptu, LLC	OR	NIA	StanCorp Financial Group, Inc.	Ownership	100.000	StanCorp Financial Group, Inc.	
			93-1289767				Stonemill Business Park	OR	NIA	StanCorp Financial Group, Inc.	Ownership	100.000	StanCorp Financial Group, Inc.	
			93-1097066				Standard Insurance Company Continuing Health & Welfare Benefits Trust	OR	NIA	StanCorp Financial Group, Inc.	Ownership	100.000	StanCorp Financial Group, Inc.	
			93-1097064				Standard Insurance Company Employee Health & Welfare Benefits Trust	OR	NIA	StanCorp Financial Group, Inc.	Ownership	100.000	StanCorp Financial Group, Inc.	
			20-3997125				The Standard Charitable Foundation	OR	NIA	StanCorp Financial Group, Inc.	Ownership	100.000	StanCorp Financial Group, Inc.	

ANNUAL STATEMENT FOR THE YEAR 2011 OF THE STANDARD INSURANCE COMPANY

Asterisk	Explanation

ANNUAL STATEMENT FOR THE YEAR 2011 OF THE STANDARD INSURANCE COMPANY

SCHEDULE Y

PART 2 - SUMMARY OF INSURER'S TRANSACTIONS WITH ANY AFFILIATES

[illegible]

ANNUAL STATEMENT FOR THE YEAR 2011 OF THE STANDARD INSURANCE COMPANY

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

The following supplemental reports are required to be filed as part of your statement filing unless specifically waived by the domiciliary state. However, in the event that your domiciliary state waives the filing requirement, your response of WAIVED 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.

		Responses
MARCH FILING		
1.	Will the Supplemental Compensation Exhibit be filed with the state of domicile by March 1?	YES
2.	Will the confidential Risk-based Capital Report be filed with the NAIC by March 1?	YES
3.	Will the confidential Risk-based Capital Report be filed with the state of domicile, if required, by March 1?	YES
4.	Will an actuarial opinion be filed by March 1?	YES
APRIL FILING		
5.	Will Management's Discussion and Analysis be filed by April 1?	YES
6.	Will the Life, Health & Annuity Guaranty Association Model Act Assessment Base Reconciliation Exhibit be filed with the state of domicile and the NAIC by April 1?	YES
7.	Will the Adjustment Form (if required) be filed with the state of domicile and the NAIC by April 1?	YES
8.	Will the Supplemental Investment Risks Interrogatories be filed by April 1?	YES
JUNE FILING		
9.	Will an audited financial report be filed by June 1?	YES
10.	Will Accountant's Letter of Qualifications be filed with the state of domicile and electronically with the NAIC by June 1?	YES
AUGUST FILING		
11.	Will Communication of Internal Control Related Matters Noted in Audit be filed with the state of domicile by August 1?	YES

The following supplemental reports are required to be filed as part of your annual 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.

MARCH FILING		
12.	Will Schedule SIS (Stockholder Information Supplement) be filed with the state of domicile by March 1?	NO
13.	Will the Medicare Supplement Insurance Experience Exhibit be filed with the state of domicile and the NAIC by March 1?	NO
14.	Will the Trusteed Surplus Statement be filed with the state of domicile and the NAIC by March 1?	NO
15.	Will the actuarial opinion on participating and non-participating policies as required in Interrogatories 1 and 2 to Exhibit 5 be filed with the state of domicile and electronically with the NAIC by March 1?	SEE EXPLANATION
16.	Will the actuarial opinion on non-guaranteed elements as required in interrogatory #3 to Exhibit 5 be filed with the state of domicile and electronically with the NAIC by March 1?	YES
17.	Will the actuarial opinion on X-Factors be filed with the state of domicile and electronically with the NAIC by March 1?	NO
18.	Will the actuarial opinion on Separate Accounts Funding Guaranteed Minimum Benefit be filed with the state of domicile and electronically with the NAIC by March 1?	NO
19.	Will the actuarial opinion on Synthetic Guaranteed Investment Contracts be filed with the state of domicile and electronically with the NAIC by March 1?	NO
20.	Will the Reasonableness of Assumptions Certification required by Actuarial Guideline XXXV be filed with the state of domicile and electronically with the NAIC by March 1?	NO
21.	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 by March 1?	YES
22.	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 by March 1?	NO
23.	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 by March 1?	NO
24.	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 by March 1?	NO
25.	Will the C-3 RBC Certifications required under C-3 Phase I be filed with the state of domicile and electronically with the NAIC by March 1?	YES
26.	Will the C-3 RBC Certifications required under C-3 Phase II be filed with the state of domicile and electronically with the NAIC by March 1?	NO

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

27.	Will the Actuarial Certifications Related to Annuity Nonforfeiture Ongoing Compliance for Equity Indexed Annuities be filed with the state of domicile and electronically with the NAIC by March 1?	NO
28.	Will the actuarial opinion required by the Modified Guaranteed Annuity Model Regulation be filed with the state of domicile and electronically with the NAIC by March 1?	NO
29.	Will the Actuarial Certifications Related to Hedging required by Actuarial Guideline XLIII be filed with the state of domicile and electronically with the NAIC by March 1?	NO
30.	Will the Financial Officer Certification Related to Clearly Defined Hedging Strategy required by Actuarial Guideline XLIII be filed with the state of domicile and electronically with the NAIC by March 1?	NO
31.	Will the Management Certification That the Valuation Reflects Management's Intent required by Actuarial Guideline XLIII be filed with the state of domicile and electronically with the NAIC by March 1?	NO
32.	Will the Actuarial Certification Related to the Reserves required by Actuarial Guideline XLIII be filed with the state of domicile and electronically with the NAIC by March 1?	NO
33.	Will the Actuarial Certification regarding the use of 2001 Preferred Class Tables required by the Model Regulation Permitting the Recognition of Preferred Mortality Tables for Use in Determining Minimum Reserve Liabilities be filed with the state of domicile and electronically with the NAIC by March 1?	NO
34.	Will the Worker's Compensation Carve-Out Supplement be filed by March 1?	NO
35.	Will Supplemental Schedule O be filed with the state of domicile and the NAIC by March 1?	YES
36.	Will the Medicare Part D Coverage Supplement be filed with the state of domicile and the NAIC by March 1?	NO
37.	Will an approval from the reporting entity's state of domicile for relief related to the five-year rotation requirement for lead audit partner be filed electronically with the NAIC by March 1?	NO
38.	Will an approval from the reporting entity's state of domicile for relief related to the one-year cooling off period for independent CPA be filed electronically with the NAIC by March 1?	NO
39.	Will an approval from the reporting entity's state of domicile for relief related to the Requirements for Audit Committees be filed electronically with the NAIC by March 1?	NO














APRIL FILING

40.	Will the Long-Term Care Experience Reporting Forms be filed with the state of domicile and the NAIC by April 1?	NO
41.	Will the Interest-Sensitive Life Insurance Products Report Forms be filed with the state of domicile and the NAIC by April 1?	NO
42.	Will the Credit Insurance Experience Exhibit be filed with the state of domicile and the NAIC by April 1?	NO
43.	Will the Accident and Health Policy Experience Exhibit be filed by April 1?	YES
44.	Will the Analysis of Annuity Operations by Lines of Business be filed with the state of domicile and the NAIC by April 1?	YES
45.	Will the Analysis of Increase in Annuity Reserves During the Year be filed with the state of domicile and the NAIC by April 1?	YES
46.	Will the Supplemental Health Care Exhibit (Parts 1, 2 and 3) be filed with the state of domicile and the NAIC by April 1?	NO
47.	Will the regulator only (non-public) Supplemental Health Care Exhibit's Expense Allocation Report be filed with the state of domicile and the NAIC by April 1?	NO

AUGUST FILING

48.	Will Management's Report of Internal Control Over Financial Reporting be filed with the state of domicile by August 1?	YES
-----	--	-----

Explanations:	
12.	
13.	
14.	
15.	See Attachement to Exhibit 5- Interrogatories 1 & 2
17.	
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Bar Codes:		
12.	SIS Stockholder Information Supplement [Document Identifier 420]	 6 9 0 1 9 2 0 1 1 4 2 0 0 0 0 0 0
13.	Medicare Supplement Insurance Experience Exhibit [Document Identifier 360]	 6 9 0 1 9 2 0 1 1 3 6 0 0 0 0 0 0
14.	Trusted Surplus Statement [Document Identifier 490]	 6 9 0 1 9 2 0 1 1 4 9 0 0 0 0 0 0
17.	Actuarial Opinion on X-Factors [Document Identifier 442]	 6 9 0 1 9 2 0 1 1 4 4 2 0 0 0 0 0
18.	Actuarial Opinion on Separate Accounts Funding Guaranteed Minimum Benefit [Document Identifier 443]	 6 9 0 1 9 2 0 1 1 4 4 3 0 0 0 0 0
19.	Actuarial Opinion on Synthetic Guaranteed Investment Contracts [Document Identifier 444]	 6 9 0 1 9 2 0 1 1 4 4 4 0 0 0 0 0
20.	Reasonableness of Assumptions Certification required by Actuarial Guideline XXXV [Document Identifier 445]	 6 9 0 1 9 2 0 1 1 4 4 5 0 0 0 0 0
22.	Reasonableness of Assumptions Certification for Implied Guaranteed Rate Method required by Actuarial Guideline XXXVI [Document Identifier 447]	 6 9 0 1 9 2 0 1 1 4 4 7 0 0 0 0 0
23.	Reasonableness and Consistency of Assumptions Certification required by Actuarial Guideline XXXVI [Document Identifier 448]	 6 9 0 1 9 2 0 1 1 4 4 8 0 0 0 0 0
24.	Reasonableness and Consistency of Assumptions Certification required by Actuarial Guideline XXXVI (Updated Market Value) [Document Identifier 449]	 6 9 0 1 9 2 0 1 1 4 4 9 0 0 0 0 0
26.	C-3 RBC Certifications Required Under C-3 Phase II [Document Identifier 451]	 6 9 0 1 9 2 0 1 1 4 5 1 0 0 0 0 0
27.	Actuarial Certifications Related to Annuity Nonforfeiture Ongoing Compliance for Equity Indexed Annuities [Document Identifier 452]	 6 9 0 1 9 2 0 1 1 4 5 2 0 0 0 0 0
28.	Modified Guaranteed Annuity Model Regulation [Document Identifier 453]	 6 9 0 1 9 2 0 1 1 4 5 3 0 0 0 0 0

ANNUAL STATEMENT FOR THE YEAR 2011 OF THE STANDARD INSURANCE COMPANY

29.	Actuarial Certifications Related to Hedging required by Actuarial Guideline XLIII [Document Identifier 436]	 690192011436000000
30.	Financial Officer Certification Related to Clearly Defined Hedging Strategy required by Actuarial Guideline XLIII [Document Identifier 437]	 690192011437000000
31.	Management Certification That the Valuation Reflects Management's Intent required by Actuarial Guideline XLIII [Document Identifier 438]	 690192011438000000
32.	Actuarial Certification Related to the Reserves required by Actuarial Guideline XLIII [Document Identifier 439]	 690192011439000000
33.	Actuarial Certification regarding the use of 2001 Preferred Class Tables required by the Model Regulation Permitting the Recognition of Preferred Mortality Tables for Use in Determining Minimum Reserve Liabilities [Document Identifier 454]	 690192011454000000
34.	Workers' Compensation Carve-Out Supplement [Document Identifier 495]	 690192011495000000
36.	Medicare Part D Coverage Supplement [Document Identifier 365]	 690192011365000000
37.	Relief from the five-year rotation requirement for lead audit partner [Document Identifier 224]	 690192011224000000
38.	Relief from the one-year cooling off period for independent CPA [Document Identifier 225]	 690192011225000000
39.	Relief from the Requirements for Audit Committees [Document Identifier 226]	 690192011226000000
40.	Long-Term Care Experience Reporting Forms [Document Identifier 306]	 690192011306000000
41.	Interest-Sensitive Life Insurance Products Report Forms [Document Identifier 280]	 690192011280000000
42.	Credit Insurance Experience Exhibit [Document Identifier 230]	 690192011230000000
46.	Supplemental Health Care Exhibit (Parts 1, 2 and 3) [Document Identifier 216]	 690192011216000000
47.	Supplemental Health Care Exhibit's Expense Allocation Report [Document Identifier 217]	 690192011217000000

ANNUAL STATEMENT FOR THE YEAR 2011 OF THE STANDARD INSURANCE COMPANY

OVERFLOW PAGE FOR WRITE-INS

Additional Write-ins for Assets Line 25

	Current Year			Prior Year
	1	2	3	4
	Assets	Nonadmitted Assets	Net Admitted Assets (Cols. 1 - 2)	Net Admitted Assets
2504. Other assets	1,097,999	926,726	171,273	221,273
2597. Summary of remaining write-ins for Line 25 from overflow page	1,097,999	926,726	171,273	221,273

Additional Write-ins for Liabilities Line 25

	1	2
	Current Year	Prior Year
2504. Funds held for escheatment	323,135	613,628
2505. Other Miscellaneous	0	34,444
2597. Summary of remaining write-ins for Line 25 from overflow page	323,135	648,072

Additional Write-ins for Exhibit of Nonadmitted Assets Line 25

	1	2	3
	Current Year Total Nonadmitted Assets	Prior Year Total Nonadmitted Assets	Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
2504. Miscellaneous non-invested assets	926,726	1,045,914	119,188
2597. Summary of remaining write-ins for Line 25 from overflow page	926,726	1,045,914	119,188

Additional Write-ins for Schedule T Line 58

	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
5804. Papua New Guinea	XXX	25,310	.0	2,286	0	27,596	.0
5805. Brazil	XXX	16,126	.0	2,575	0	18,701	.0
5806. France	XXX	11,033	.0	1,683	0	12,716	.0
5807. Venezuela	XXX	10,544	.0	953	0	11,497	.0
5808. New Zealand	XXX	8,684	.0	5,330	0	14,014	.0
5809. Bolivia	XXX	8,670	.0	784	0	9,454	.0
5810. Indonesia	XXX	8,227	.0	912	0	9,139	.0
5811. Philippines	XXX	7,409	.0	844	0	8,253	.0
5812. Panama	XXX	6,092	.0	551	0	6,643	.0
5813. Paraguay	XXX	5,858	.0	529	0	6,387	.0
5814. Netherlands	XXX	5,055	.0	1,010	0	6,065	.0
5815. Senegal	XXX	4,665	.0	632	0	5,297	.0
5816. Other	XXX	4,575	.0	9,609	0	14,184	.0
5817. Thailand	XXX	4,452	.0	402	0	4,854	.0
5818. Cote D'Ivoire	XXX	3,749	.0	339	0	4,088	.0
5819. Chile	XXX	3,529	.0	701	0	4,230	.0
5820. Singapore	XXX	3,382	.0	807	0	4,189	.0
5821. Columbia	XXX	2,578	.0	233	0	2,811	.0
5822. Guinea	XXX	2,578	.0	233	0	2,811	.0
5823. Kenya	XXX	2,572	.0	717	0	3,289	.0
5824. Taiwan	XXX	2,290	.0	733	0	3,023	.0
5825. Italy	XXX	2,100	.0	5,191	0	7,291	.0
5826. Costa Rica	XXX	1,858	.0	147	0	2,005	.0
5827. Mexico	XXX	1,832	.0	2,724	0	4,556	.0
5828. Russia	XXX	1,395	.0	231	0	1,626	.0
5829. Spain	XXX	1,374	.0	2,336	0	3,710	.0
5830. Ecuador	XXX	1,198	.0	277	0	1,475	.0
5831. Argentina	XXX	960	.0	293	0	1,253	.0
5832. Germany	XXX	916	21,087	458	0	22,461	.0
5833. South Africa	XXX	916	.0	293	0	1,209	.0
5834. Hong Kong	XXX	866	.0	147	0	1,013	.0
5835. Mongolia	XXX	703	.0	64	0	767	.0
5836. Switzerland	XXX	619	.0	1,281	0	1,900	.0
5837. Cameroon	XXX	458	.0	147	0	605	.0
5838. Estonia	XXX	458	.0	147	0	605	.0
5839. Ghana	XXX	458	.0	147	0	605	.0
5840. Mali	XXX	458	.0	147	0	605	.0
5841. China	XXX	259	.0	5,954	0	6,213	.0
5842. Cambodia	XXX	150	.0	0	0	150	.0
5843. Armed Forces – Europe	XXX	.0	.0	16,288	0	16,288	.0
5844. Armed Forces – Pacific	XXX	.0	.0	12,968	0	12,968	.0
5845. Denmark	XXX	.0	.0	929	0	929	.0
5846. Norway	XXX	.0	.0	318	0	318	.0
5847. Israel	XXX	.0	.0	216	0	216	.0
5897. Summary of remaining write-ins for Line 58 from overflow page	XXX	164,356	21,087	82,566	0	268,009	0

SUMMARY INVESTMENT SCHEDULE

Investment Categories	Gross Investment Holdings		Admitted Assets as Reported in the Annual Statement			
	1	2	3	4	5	6
	Amount	Percentage	Amount	Securities Lending Reinvested Collateral Amount	Total (Col. 3 + 4) Amount	Percentage
1. Bonds:						
1.1 U.S. treasury securities	8,014,287	0.072	8,014,287	0	8,014,287	0.072
1.2 U.S. government agency obligations (excluding mortgage-backed securities):						
1.21 Issued by U.S. government agencies	9,011,803	0.081	9,011,803	0	9,011,803	0.081
1.22 Issued by U.S. government sponsored agencies	312,768,130	2.826	312,768,130	0	312,768,130	2.826
1.3 Non-U.S. government (including Canada, excluding mortgaged-backed securities)	61,691,988	0.557	61,691,988	0	61,691,988	0.557
1.4 Securities issued by states, territories, and possessions and political subdivisions in the U.S. :						
1.41 States, territories and possessions general obligations	163,662,232	1.479	163,662,232	0	163,662,232	1.479
1.42 Political subdivisions of states, territories and possessions and political subdivisions general obligations	0	0.000	0	0	0	0.000
1.43 Revenue and assessment obligations	0	0.000	0	0	0	0.000
1.44 Industrial development and similar obligations	0	0.000	0	0	0	0.000
1.5 Mortgage-backed securities (includes residential and commercial MBS):						
1.51 Pass-through securities:						
1.511 Issued or guaranteed by GNMA	0	0.000	0	0	0	0.000
1.512 Issued or guaranteed by FNMA and FHLMC	24,649,127	0.223	24,649,127	0	24,649,127	0.223
1.513 All other	31,065,488	0.281	31,065,488	0	31,065,488	0.281
1.52 CMOs and REMICs:						
1.521 Issued or guaranteed by GNMA, FNMA, FHLMC or VA	0	0.000	0	0	0	0.000
1.522 Issued by non-U.S. Government issuers and collateralized by mortgage-backed securities issued or guaranteed by agencies shown in Line 1.521	0	0.000	0	0	0	0.000
1.523 All other	0	0.000	0	0	0	0.000
2. Other debt and other fixed income securities (excluding short-term):						
2.1 Unaffiliated domestic securities (includes credit tenant loans and hybrid securities)	4,462,770,133	40.323	4,462,770,133	0	4,462,770,133	40.323
2.2 Unaffiliated non-U.S. securities (including Canada)	1,017,503,990	9.194	1,017,503,990	0	1,017,503,990	9.194
2.3 Affiliated securities	0	0.000	0	0	0	0.000
3. Equity interests:						
3.1 Investments in mutual funds	0	0.000	0	0	0	0.000
3.2 Preferred stocks:						
3.21 Affiliated	0	0.000	0	0	0	0.000
3.22 Unaffiliated	93,322	0.001	93,322	0	93,322	0.001
3.3 Publicly traded equity securities (excluding preferred stocks):						
3.31 Affiliated	0	0.000	0	0	0	0.000
3.32 Unaffiliated	0	0.000	0	0	0	0.000
3.4 Other equity securities:						
3.41 Affiliated	0	0.000	0	0	0	0.000
3.42 Unaffiliated	0	0.000	0	0	0	0.000
3.5 Other equity interests including tangible personal property under lease:						
3.51 Affiliated	0	0.000	0	0	0	0.000
3.52 Unaffiliated	0	0.000	0	0	0	0.000
4. Mortgage loans:						
4.1 Construction and land development	14,572,388	0.132	14,572,388	0	14,572,388	0.132
4.2 Agricultural	0	0.000	0	0	0	0.000
4.3 Single family residential properties	1,657,117	0.015	1,657,117	0	1,657,117	0.015
4.4 Multifamily residential properties	0	0.000	0	0	0	0.000
4.5 Commercial loans	4,775,578,442	43.149	4,775,578,442	0	4,775,578,442	43.149
4.6 Mezzanine real estate loans	0	0.000	0	0	0	0.000
5. Real estate investments:						
5.1 Property occupied by company	33,795,218	0.305	33,795,218	0	33,795,218	0.305
5.2 Property held for production of income (including \$0 of property acquired in satisfaction of debt)	2,137,838	0.019	2,137,838	0	2,137,838	0.019
5.3 Property held for sale (including \$0 property acquired in satisfaction of debt)	972,759	0.009	972,759	0	972,759	0.009
6. Contract loans	3,219,379	0.029	3,219,379	0	3,219,379	0.029
7. Derivatives	7,166,523	0.065	7,166,523	0	7,166,523	0.065
8. Receivables for securities	36,145,891	0.327	36,145,891	0	36,145,891	0.327
9. Securities Lending (Line 10, Asset Page reinvested collateral)	0	0.000	0	XXX	XXX	XXX
10. Cash, cash equivalents and short-term investments	40,698,366	0.368	40,698,366	0	40,698,366	0.368
11. Other invested assets	60,465,714	0.546	60,465,714	0	60,465,714	0.546
12. Total invested assets	11,067,640,135	100.000	11,067,640,135	0	11,067,640,135	100.000

ANNUAL STATEMENT FOR THE YEAR 2011 OF THE STANDARD INSURANCE COMPANY

SCHEDULE A - VERIFICATION BETWEEN YEARS

Real Estate

1.	Book/adjusted carrying value, December 31 of prior year	37,629,291
2.	Cost of acquired:	
	2.1 Actual cost at time of acquisition (Part 2, Column 6)	0
	2.2 Additional investment made after acquisition (Part 2, Column 9)	2,327,292
		2,327,292
3.	Current year change in encumbrances:	
	3.1 Totals, Part 1, Column 13	0
	3.2 Totals, Part 3, Column 11	0
		0
4.	Total gain (loss) on disposals, Part 3, Column 18	0
5.	Deduct amounts received on disposals, Part 3, Column 15	0
6.	Total foreign exchange change in book/adjusted carrying value:	
	6.1 Totals, Part 1, Column 15	0
	6.2 Totals, Part 3, Column 13	0
		0
7.	Deduct current year's other than temporary impairment recognized:	
	7.1 Totals, Part 1, Column 12	0
	7.2 Totals, Part 3, Column 10	0
		0
8.	Deduct current year's depreciation:	
	8.1 Totals, Part 1, Column 11	3,050,768
	8.2 Totals, Part 3, Column 9	0
		3,050,768
9.	Book/adjusted carrying value at the end of current period (Lines 1+2+3+4-5+6-7-8)	36,905,815
10.	Deduct total nonadmitted amounts	0
11.	Statement value at end of current period (Line 9 minus Line 10)	36,905,815

SCHEDULE B - VERIFICATION BETWEEN YEARS

Mortgage Loans

1.	Book value/recorded investment excluding accrued interest, December 31 of prior year	4,408,615,801
2.	Cost of acquired:	
	2.1 Actual cost at time of acquisition (Part 2, Column 7)	997,534,454
	2.2 Additional investment made after acquisition (Part 2, Column 8)	21,967,536
		1,019,501,990
3.	Capitalized deferred interest and other:	
	3.1 Totals, Part 1, Column 12	0
	3.2 Totals, Part 3, Column 11	0
		0
4.	Accrual of discount	200,681
5.	Unrealized valuation increase (decrease):	
	5.1 Totals, Part 1, Column 9	0
	5.2 Totals, Part 3, Column 8	0
		0
6.	Total gain (loss) on disposals, Part 3, Column 18	(21,421,441)
7.	Deduct amounts received on disposals, Part 3, Column 15	609,071,582
8.	Deduct amortization of premium and mortgage interest points and commitment fees	18,614
9.	Total foreign exchange change in book value/recorded investment excluding accrued interest:	
	9.1 Totals, Part 1, Column 13	0
	9.2 Totals, Part 3, Column 13	0
		0
10.	Deduct current year's other than temporary impairment recognized:	
	10.1 Totals, Part 1, Column 11	0
	10.2 Totals, Part 3, Column 10	0
		0
11.	Book value/recorded investment excluding accrued interest at end of current period (Lines 1+2+3+4+5+6-7-8+9-10)	4,797,806,835
12.	Total valuation allowance	(5,998,887)
13.	Subtotal (Line 11 plus 12)	4,791,807,948
14.	Deduct total nonadmitted amounts	0
15.	Statement value of mortgages owned at end of current period (Line 13 minus Line 14)	4,791,807,948

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SCHEDULE BA - VERIFICATION BETWEEN YEARS

Other Long-Term Invested Assets

1.	Book/adjusted carrying value, December 31 of prior year	19,549,737
2.	Cost of acquired:	
	2.1 Actual cost at time of acquisition (Part 2, Column 8)	27,571,022
	2.2 Additional investment made after acquisition (Part 2, Column 9)	20,281,192
		47,852,214
3.	Capitalized deferred interest and other:	
	3.1 Totals, Part 1, Column 16	0
	3.2 Totals, Part 3, Column 12	0
		0
4.	Accrual of discount	0
5.	Unrealized valuation increase (decrease):	
	5.1 Totals, Part 1, Column 13	(6,608,308)
	5.2 Totals, Part 3, Column 9	0
		(6,608,308)
6.	Total gain (loss) on disposals, Part 3, Column 19	0
7.	Deduct amounts received on disposals, Part 3, Column 16	0
8.	Deduct amortization of premium and depreciation	0
9.	Total foreign exchange change in book/adjusted carrying value:	
	9.1 Totals, Part 1, Column 17	0
	9.2 Totals, Part 3, Column 14	0
		0
10.	Deduct current year's other than temporary impairment recognized:	
	10.1 Totals, Part 1, Column 15	327,929
	10.2 Totals, Part 3, Column 11	0
		327,929
11.	Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5+6-7-8+9-10)	60,465,714
12.	Deduct total nonadmitted amounts	0
13.	Statement value at end of current period (Line 11 minus Line 12)	60,465,714

SCHEDULE D - VERIFICATION BETWEEN YEARS

Bonds and Stocks

1.	Book/adjusted carrying value, December 31 of prior year	5,908,982,094
2.	Cost of bonds and stocks acquired, Part 3, Column 7	1,045,723,481
3.	Accrual of discount	5,769,773
4.	Unrealized valuation increase (decrease):	
	4.1. Part 1, Column 12	0
	4.2. Part 2, Section 1, Column 15	0
	4.3. Part 2, Section 2, Column 13	0
	4.4. Part 4, Column 11	0
		0
5.	Total gain (loss) on disposals, Part 4, Column 19	17,855,544
6.	Deduction consideration for bonds and stocks disposed of, Part 4, Column 7	859,366,168
7.	Deduct amortization of premium	25,892,745
8.	Total foreign exchange change in book/adjusted carrying value:	
	8.1. Part 1, Column 15	0
	8.2. Part 2, Section 1, Column 19	0
	8.3. Part 2, Section 2, Column 16	0
	8.4. Part 4, Column 15	0
		0
9.	Deduct current year's other than temporary impairment recognized:	
	9.1. Part 1, Column 14	1,006,222
	9.2. Part 2, Section 1, Column 17	0
	9.3. Part 2, Section 2, Column 14	0
	9.4. Part 4, Column 13	835,255
		1,841,477
10.	Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9)	6,091,230,502
11.	Deduct total nonadmitted amounts	0
12.	Statement value at end of current period (Line 10 minus Line 11)	6,091,230,502

SCHEDULE D - SUMMARY BY COUNTRY

Long-Term Bonds and Stocks OWNED December 31 of Current Year

Description		1 Book/Adjusted Carrying Value	2 Fair Value	3 Actual Cost	4 Par Value of Bonds
BONDS					
Governments (Including all obligations guaranteed by governments)	1. United States	329,794,220	388,073,499	338,092,044	320,769,835
	2. Canada	27,138,134	30,563,368	27,809,623	26,500,000
	3. Other Countries	34,553,854	41,490,871	36,466,037	32,295,000
	4. Totals	391,486,208	460,127,738	402,367,704	379,564,835
U.S. States, Territories and Possessions (Direct and guaranteed)					
	5. Totals	163,662,234	177,676,396	164,831,720	162,098,485
U.S. Political Subdivisions of States, Territories and Possessions (Direct and guaranteed)					
	6. Totals	0	0	0	0
U.S. Special revenue and special assessment obligations and all non-guaranteed obligations of agencies and authorities of governments and their political subdivisions					
	7. Totals	55,714,614	61,455,291	55,647,165	56,214,284
Industrial and Miscellaneous and Hybrid Securities (unaffiliated)	8. United States	4,462,770,133	4,858,460,570	4,510,385,394	4,398,870,830
	9. Canada	225,990,925	248,616,259	226,852,430	223,784,017
	10. Other Countries	791,513,066	839,458,608	798,600,753	782,305,717
	11. Totals	5,480,274,124	5,946,535,437	5,535,838,577	5,404,960,564
Parent, Subsidiaries and Affiliates	12. Totals	0	0	0	0
	13. Total Bonds	6,091,137,180	6,645,794,862	6,158,685,166	6,002,838,168
PREFERRED STOCKS					
Industrial and Miscellaneous (unaffiliated)	14. United States	93,322	164,872	93,322	
	15. Canada	0	0	0	
	16. Other Countries	0	0	0	
	17. Totals	93,322	164,872	93,322	
Parent, Subsidiaries and Affiliates	18. Totals	0	0	0	
	19. Total Preferred Stocks	93,322	164,872	93,322	
COMMON STOCKS					
Industrial and Miscellaneous (unaffiliated)	20. United States	0	0	0	
	21. Canada	0	0	0	
	22. Other Countries	0	0	0	
	23. Totals	0	0	0	
Parent, Subsidiaries and Affiliates	24. Totals	0	0	0	
	25. Total Common Stocks	0	0	0	
	26. Total Stocks	93,322	164,872	93,322	
	27. Total Bonds and Stocks	6,091,230,502	6,645,959,734	6,158,778,488	

ANNUAL STATEMENT FOR THE YEAR 2011 OF THE STANDARD INSURANCE COMPANY
SCHEDULE D - PART 1A - SECTION 1

Quality and Maturity Distribution of All Bonds Owned December 31, at Book/Adjusted Carrying Values by Major Types of Issues and NAIC Designations

	1	2	3	4	5	6	7	8	9	10	11
Quality Rating per the NAIC Designation	1 Year or Less	Over 1 Year Through 5 Years	Over 5 Years Through 10 Years	Over 10 Years Through 20 Years	Over 20 Years	Total Current Year	Col. 6 as a % of Line 9.7	Total from Col. 6 Prior Year	% From Col. 7 Prior Year	Total Publicly Traded	Total Privately Placed (a)
1. U.S. Governments											
1.1 Class 1	28,574,742	141,380,645	86,377,999	60,877,065	12,583,769	329,794,220	5.4	339,940,623	5.7	329,325,773	468,447
1.2 Class 2	0	0	0	0	0	0	0.0	0	0.0	0	0
1.3 Class 3	0	0	0	0	0	0	0.0	0	0.0	0	0
1.4 Class 4	0	0	0	0	0	0	0.0	0	0.0	0	0
1.5 Class 5	0	0	0	0	0	0	0.0	0	0.0	0	0
1.6 Class 6	0	0	0	0	0	0	0.0	0	0.0	0	0
1.7 Totals	28,574,742	141,380,645	86,377,999	60,877,065	12,583,769	329,794,220	5.4	339,940,623	5.7	329,325,773	468,447
2. All Other Governments											
2.1 Class 1	0	33,399,510	14,486,787	13,805,691	0	61,691,988	1.0	63,187,118	1.1	56,691,988	5,000,000
2.2 Class 2	0	0	0	0	0	0	0.0	0	0.0	0	0
2.3 Class 3	0	0	0	0	0	0	0.0	0	0.0	0	0
2.4 Class 4	0	0	0	0	0	0	0.0	0	0.0	0	0
2.5 Class 5	0	0	0	0	0	0	0.0	0	0.0	0	0
2.6 Class 6	0	0	0	0	0	0	0.0	0	0.0	0	0
2.7 Totals	0	33,399,510	14,486,787	13,805,691	0	61,691,988	1.0	63,187,118	1.1	56,691,988	5,000,000
3. U.S. States, Territories and Possessions etc., Guaranteed											
3.1 Class 1	16,368,331	49,085,790	63,591,765	21,621,261	12,095,085	162,762,232	2.7	164,177,335	2.8	162,762,232	0
3.2 Class 2	0	900,000	0	0	0	900,000	0.0	2,396,748	0.0	900,000	0
3.3 Class 3	0	0	0	0	0	0	0.0	0	0.0	0	0
3.4 Class 4	0	0	0	0	0	0	0.0	0	0.0	0	0
3.5 Class 5	0	0	0	0	0	0	0.0	0	0.0	0	0
3.6 Class 6	0	0	0	0	0	0	0.0	0	0.0	0	0
3.7 Totals	16,368,331	49,985,790	63,591,765	21,621,261	12,095,085	163,662,232	2.7	166,574,083	2.8	163,662,232	0
4. U.S. Political Subdivisions of States, Territories and Possessions , Guaranteed											
4.1 Class 1	0	0	0	0	0	0	0.0	0	0.0	0	0
4.2 Class 2	0	0	0	0	0	0	0.0	0	0.0	0	0
4.3 Class 3	0	0	0	0	0	0	0.0	0	0.0	0	0
4.4 Class 4	0	0	0	0	0	0	0.0	0	0.0	0	0
4.5 Class 5	0	0	0	0	0	0	0.0	0	0.0	0	0
4.6 Class 6	0	0	0	0	0	0	0.0	0	0.0	0	0
4.7 Totals	0	0	0	0	0	0	0.0	0	0.0	0	0
5. U.S. Special Revenue & Special Assessment Obligations, etc., Non-Guaranteed											
5.1 Class 1	0	417,499	561,375	30,086,613	24,649,127	55,714,614	0.9	67,782,567	1.1	55,714,614	0
5.2 Class 2	0	0	0	0	0	0	0.0	0	0.0	0	0
5.3 Class 3	0	0	0	0	0	0	0.0	0	0.0	0	0
5.4 Class 4	0	0	0	0	0	0	0.0	0	0.0	0	0
5.5 Class 5	0	0	0	0	0	0	0.0	0	0.0	0	0
5.6 Class 6	0	0	0	0	0	0	0.0	0	0.0	0	0
5.7 Totals	0	417,499	561,375	30,086,613	24,649,127	55,714,614	0.9	67,782,567	1.1	55,714,614	0

ANNUAL STATEMENT FOR THE YEAR 2011 OF THE STANDARD INSURANCE COMPANY
SCHEDULE D - PART 1A - SECTION 1 (Continued)

Quality and Maturity Distribution of All Bonds Owned December 31, at Book/Adjusted Carrying Values by Major Types of Issues and NAIC Designations

Quality Rating per the NAIC Designation	1 1 Year or Less	2 Over 1 Year Through 5 Years	3 Over 5 Years Through 10 Years	4 Over 10 Years Through 20 Years	5 Over 20 Years	6 Total Current Year	7 Col. 6 as a % of Line 9.7	8 Total from Col. 6 Prior Year	9 % From Col. 7 Prior Year	10 Total Publicly Traded	11 Total Privately Placed (a)
6. Industrial & Miscellaneous (Unaffiliated)											
6.1 Class 1	431,456,230	1,398,940,541	1,189,585,084	371,884,476	208,620,476	3,600,486,807	58.9	3,656,079,915	61.5	3,131,866,417	468,620,390
6.2 Class 2	154,160,842	776,370,526	530,713,665	59,460,672	13,511,392	1,534,217,097	25.1	1,312,984,874	22.1	1,329,130,160	205,086,937
6.3 Class 3	16,520,386	88,506,351	122,945,477	19,133,037	0	247,105,251	4.0	215,415,164	3.6	213,788,101	33,317,150
6.4 Class 4	2,195,850	45,888,268	63,525,272	2,577,268	0	114,186,658	1.9	117,201,318	2.0	91,408,695	22,777,963
6.5 Class 5	0	2,491,029	949,500	342,000	0	3,782,529	0.1	4,152,603	0.1	3,609,725	172,804
6.6 Class 6	0	892,125	0	0	0	892,125	0.0	1,221	0.0	0	892,125
6.7 Totals	604,333,308	2,313,088,840	1,907,718,998	453,397,453	222,131,868	5,500,670,467	90.0	5,305,835,095	89.3	4,769,803,098	730,867,369
7. Hybrid Securities											
7.1 Class 1	0	0	0	0	0	0	0.0	0	0.0	0	0
7.2 Class 2	0	0	0	0	0	0	0.0	0	0.0	0	0
7.3 Class 3	0	0	0	0	0	0	0.0	0	0.0	0	0
7.4 Class 4	0	0	0	0	0	0	0.0	0	0.0	0	0
7.5 Class 5	0	0	0	0	0	0	0.0	0	0.0	0	0
7.6 Class 6	0	0	0	0	0	0	0.0	0	0.0	0	0
7.7 Totals	0	0	0	0	0	0	0.0	0	0.0	0	0
8. Parent, Subsidiaries and Affiliates											
8.1 Class 1	0	0	0	0	0	0	0.0	0	0.0	0	0
8.2 Class 2	0	0	0	0	0	0	0.0	0	0.0	0	0
8.3 Class 3	0	0	0	0	0	0	0.0	0	0.0	0	0
8.4 Class 4	0	0	0	0	0	0	0.0	0	0.0	0	0
8.5 Class 5	0	0	0	0	0	0	0.0	0	0.0	0	0
8.6 Class 6	0	0	0	0	0	0	0.0	0	0.0	0	0
8.7 Totals	0	0	0	0	0	0	0.0	0	0.0	0	0

ANNUAL STATEMENT FOR THE YEAR 2011 OF THE STANDARD INSURANCE COMPANY
SCHEDULE D - PART 1A - SECTION 1 (Continued)

Quality and Maturity Distribution of All Bonds Owned December 31, at Book/Adjusted Carrying Values by Major Types of Issues and NAIC Designations

	1	2	3	4	5	6	7	8	9	10	11
Quality Rating per the NAIC Designation	1 Year or Less	Over 1 Year Through 5 Years	Over 5 Years Through 10 Years	Over 10 Years Through 20 Years	Over 20 Years	Total Current Year	Col. 6 as a % of Line 9.7	Total from Col. 6 Prior Year	% From Col. 7 Prior Year	Total Publicly Traded	Total Privately Placed (a)
9. Total Bonds Current Year											
9.1 Class 1	(d) 476,399,303	1,623,223,985	1,354,603,010	498,275,106	257,948,457	4,210,449,861	68.9	XXX	XXX	3,736,361,024	474,088,837
9.2 Class 2	(d) 154,160,842	777,270,526	530,713,665	59,460,672	13,511,392	1,535,117,097	25.1	XXX	XXX	1,330,030,160	205,086,937
9.3 Class 3	(d) 16,520,386	88,506,351	122,945,477	19,133,037	0	247,105,251	4.0	XXX	XXX	213,788,101	33,317,150
9.4 Class 4	(d) 2,195,850	45,888,268	63,525,272	2,577,268	0	114,186,658	1.9	XXX	XXX	91,408,695	22,777,963
9.5 Class 5	(d) 0	2,491,029	949,500	342,000	0	(c) 3,782,529	0.1	XXX	XXX	3,609,725	172,804
9.6 Class 6	(d) 0	892,125	0	0	0	(c) 892,125	0.0	XXX	XXX	0	892,125
9.7 Totals	649,276,381	2,538,272,284	2,072,736,924	579,788,083	271,459,849	(b) 6,111,533,521	100.0	XXX	XXX	5,375,197,705	736,335,816
9.8 Line 9.7 as a % of Col. 6	10.6	41.5	33.9	9.5	4.4	100.0	XXX	XXX	XXX	88.0	12.0
10. Total Bonds Prior Year											
10.1 Class 1	428,979,565	1,772,045,923	1,272,082,180	578,597,632	239,462,257	XXX	XXX	4,291,167,557	72.2	3,804,698,401	486,469,156
10.2 Class 2	168,979,880	666,234,762	408,036,920	64,471,899	7,658,162	XXX	XXX	1,315,381,622	22.1	1,141,317,780	174,063,842
10.3 Class 3	6,019,635	62,062,665	115,103,381	29,986,964	2,242,518	XXX	XXX	215,415,164	3.6	185,424,615	29,990,549
10.4 Class 4	1,320,031	27,721,436	78,802,110	9,357,740	0	XXX	XXX	117,201,318	2.0	74,180,011	43,021,307
10.5 Class 5	0	2,561,978	1,590,625	0	0	XXX	XXX	(c) 4,152,603	0.1	2,446,731	1,705,871
10.6 Class 6	0	1,221	0	0	0	XXX	XXX	(c) 1,221	0.0	1,221	0
10.7 Totals	605,299,111	2,530,627,986	1,875,615,216	682,414,235	249,362,938	XXX	XXX	(b) 5,943,319,486	100.0	5,208,068,760	735,250,726
10.8 Line 10.7 as a % of Col. 8	10.2	42.6	31.6	11.5	4.2	XXX	XXX	100.0	XXX	87.6	12.4
11. Total Publicly Traded Bonds											
11.1 Class 1	419,805,037	1,370,724,412	1,234,956,492	469,452,064	241,423,018	3,736,361,023	61.1	3,804,698,401	64.0	3,736,361,023	XXX
11.2 Class 2	147,849,422	655,741,395	462,195,938	54,904,894	9,338,511	1,330,030,160	21.8	1,141,317,780	19.2	1,330,030,160	XXX
11.3 Class 3	16,099,333	74,334,471	104,221,260	19,133,037	0	213,788,101	3.5	185,424,615	3.1	213,788,101	XXX
11.4 Class 4	2,195,850	37,513,122	50,583,191	1,116,533	0	91,408,696	1.5	74,180,011	1.2	91,408,696	XXX
11.5 Class 5	0	2,318,225	949,500	342,000	0	3,609,725	0.1	2,446,731	0.0	3,609,725	XXX
11.6 Class 6	0	0	0	0	0	0	0.0	1,221	0.0	0	XXX
11.7 Totals	585,949,642	2,140,631,625	1,852,906,381	544,948,528	250,761,529	5,375,197,705	88.0	5,208,068,760	87.6	5,375,197,705	XXX
11.8 Line 11.7 as a % of Col. 6	10.9	39.8	34.5	10.1	4.7	100.0	XXX	XXX	XXX	100.0	XXX
11.9 Line 11.7 as a % of Line 9.7, Col. 6, Section 9	9.6	35.0	30.3	8.9	4.1	88.0	XXX	XXX	XXX	88.0	XXX
12. Total Privately Placed Bonds											
12.1 Class 1	56,594,266	252,499,573	119,646,518	28,823,042	16,525,439	474,088,838	7.8	486,469,156	8.2	XXX	474,088,838
12.2 Class 2	6,311,420	121,529,131	68,517,727	4,555,778	4,172,881	205,086,937	3.4	174,063,842	2.9	XXX	205,086,937
12.3 Class 3	421,053	14,171,880	18,724,217	0	0	33,317,150	0.5	29,990,549	0.5	XXX	33,317,150
12.4 Class 4	0	8,375,146	12,942,081	1,460,735	0	22,777,962	0.4	43,021,307	0.7	XXX	22,777,962
12.5 Class 5	0	172,804	0	0	0	172,804	0.0	1,705,871	0.0	XXX	172,804
12.6 Class 6	0	892,125	0	0	0	892,125	0.0	0	0.0	XXX	892,125
12.7 Totals	63,326,739	397,640,659	219,830,543	34,839,555	20,698,320	736,335,816	12.0	735,250,726	12.4	XXX	736,335,816
12.8 Line 12.7 as a % of Col. 6	8.6	54.0	29.9	4.7	2.8	100.0	XXX	XXX	XXX	XXX	100.0
12.9 Line 12.7 as a % of Line 9.7, Col. 6, Section 9	1.0	6.5	3.6	0.6	0.3	12.0	XXX	XXX	XXX	XXX	12.0

(a) Includes \$ 682,971,549 freely tradable under SEC Rule 144 or qualified for resale under SEC Rule 144A.
(b) Includes \$ 0 current year, \$ 50,000 prior year of bonds with Z designations and \$ 0 , current year \$ 0 prior year of bonds with Z* designations. The letter "Z" means the NAIC designation was not assigned by the Securities Valuation Office (SVO) at the date of the statement. "Z*" means the SVO could not evaluate the obligation because valuation procedures for the security class are under regulatory review.
(c) Includes \$ 0 current year, \$ 66,426 prior year of bonds with 5* designations and \$ 0 , current year \$ 0 prior year of bonds with 6* designations. "5*" means the NAIC designation was assigned by the (SVO) in reliance on the insurer's certification that the issuer is current in all principal and interest payments. "6*" means the NAIC designation was assigned by the SVO due to inadequate certification of principal and interest payments.
(d) Includes the following amount of non-rated short-term and cash equivalent bonds by NAIC designation: NAIC 1 \$ 0 ; NAIC 2 \$ 0 ; NAIC 3 \$ 0 ; NAIC 4 \$ 0 ; NAIC 5 \$ 0 ; NAIC 6 \$ 0

ANNUAL STATEMENT FOR THE YEAR 2011 OF THE STANDARD INSURANCE COMPANY
SCHEDULE D - PART 1A - SECTION 2

Maturity Distribution of All Bonds Owned December 31, at Book/Adjusted Carrying Values by Major Type and Subtype of Issues

Distribution by Type	1 1 Year or Less	2 Over 1 Year Through 5 Years	3 Over 5 Years Through 10 Years	4 Over 10 Years Through 20 Years	5 Over 20 Years	6 Total Current Year	7 Col. 6 as a % of Line 9.5	8 Total from Col. 6 Prior Year	9 % From Col. 7 Prior Year	10 Total Publicly Traded	11 Total Privately Placed
1. U.S. Governments											
1.1 Issuer Obligations	28,569,767	141,361,525	82,317,046	60,877,065	8,544,152	321,669,555	5.3	339,940,622	5.7	321,201,108	468,447
1.2 Residential Mortgage-Backed Securities	4,975	19,120	4,060,953	0	4,039,617	8,124,665	0.1	0	0.0	8,124,665	0
1.3 Commercial Mortgage-Backed Securities	0	0	0	0	0	0	0.0	0	0.0	0	0
1.4 Other Loan-Backed and Structured Securities	0	0	0	0	0	0	0.0	0	0.0	0	0
1.5 Totals	28,574,742	141,380,645	86,377,999	60,877,065	12,583,769	329,794,220	5.4	339,940,622	5.7	329,325,773	468,447
2. All Other Governments											
2.1 Issuer Obligations	0	33,399,510	14,486,787	13,805,691	0	61,691,988	1.0	63,187,118	1.1	56,691,988	5,000,000
2.2 Residential Mortgage-Backed Securities	0	0	0	0	0	0	0.0	0	0.0	0	0
2.3 Commercial Mortgage-Backed Securities	0	0	0	0	0	0	0.0	0	0.0	0	0
2.4 Other Loan-Backed and Structured Securities	0	0	0	0	0	0	0.0	0	0.0	0	0
2.5 Totals	0	33,399,510	14,486,787	13,805,691	0	61,691,988	1.0	63,187,118	1.1	56,691,988	5,000,000
3. U.S. States, Territories and Possessions, Guaranteed											
3.1 Issuer Obligations	16,368,331	49,985,790	63,591,765	21,621,261	12,095,085	163,662,232	2.7	166,574,083	2.8	163,662,232	0
3.2 Residential Mortgage-Backed Securities	0	0	0	0	0	0	0.0	0	0.0	0	0
3.3 Commercial Mortgage-Backed Securities	0	0	0	0	0	0	0.0	0	0.0	0	0
3.4 Other Loan-Backed and Structured Securities	0	0	0	0	0	0	0.0	0	0.0	0	0
3.5 Totals	16,368,331	49,985,790	63,591,765	21,621,261	12,095,085	163,662,232	2.7	166,574,083	2.8	163,662,232	0
4. U.S. Political Subdivisions of States, Territories and Possessions, Guaranteed											
4.1 Issuer Obligations	0	0	0	0	0	0	0.0	0	0.0	0	0
4.2 Residential Mortgage-Backed Securities	0	0	0	0	0	0	0.0	0	0.0	0	0
4.3 Commercial Mortgage-Backed Securities	0	0	0	0	0	0	0.0	0	0.0	0	0
4.4 Other Loan-Backed and Structured Securities	0	0	0	0	0	0	0.0	0	0.0	0	0
4.5 Totals	0	0	0	0	0	0	0.0	0	0.0	0	0
5. U.S. Special Revenue & Special Assessment Obligations etc., Non-Guaranteed											
5.1 Issuer Obligations	0	0	0	0	0	0	0.0	0	0.0	0	0
5.2 Residential Mortgage-Backed Securities	0	417,499	561,375	30,086,613	24,649,127	55,714,614	0.9	67,782,567	1.1	55,714,614	0
5.3 Commercial Mortgage-Backed Securities	0	0	0	0	0	0	0.0	0	0.0	0	0
5.4 Other Loan-Backed and Structured Securities	0	0	0	0	0	0	0.0	0	0.0	0	0
5.5 Totals	0	417,499	561,375	30,086,613	24,649,127	55,714,614	0.9	67,782,567	1.1	55,714,614	0
6. Industrial and Miscellaneous											
6.1 Issuer Obligations	600,265,086	2,290,485,475	1,905,983,864	451,897,900	218,572,603	5,467,204,928	89.5	5,259,530,217	88.5	4,738,451,768	728,753,160
6.2 Residential Mortgage-Backed Securities	0	0	0	0	0	0	0.0	0	0.0	0	0
6.3 Commercial Mortgage-Backed Securities	0	0	0	0	3,559,265	3,559,265	0.1	3,549,336	0.1	3,559,265	0
6.4 Other Loan-Backed and Structured Securities	4,068,222	22,603,365	1,735,134	1,499,553	0	29,906,274	0.5	42,755,541	0.7	27,792,065	2,114,209
6.5 Totals	604,333,308	2,313,088,840	1,907,718,998	453,397,453	222,131,868	5,500,670,467	90.0	5,305,835,094	89.3	4,769,803,098	730,867,369
7. Hybrid Securities											
7.1 Issuer Obligations	0	0	0	0	0	0	0.0	0	0.0	0	0
7.2 Residential Mortgage-Backed Securities	0	0	0	0	0	0	0.0	0	0.0	0	0
7.3 Commercial Mortgage-Backed Securities	0	0	0	0	0	0	0.0	0	0.0	0	0
7.4 Other Loan-Backed and Structured Securities	0	0	0	0	0	0	0.0	0	0.0	0	0
7.5 Totals	0	0	0	0	0	0	0.0	0	0.0	0	0
8. Parent, Subsidiaries and Affiliates											
8.1 Issuer Obligations	0	0	0	0	0	0	0.0	0	0.0	0	0
8.2 Residential Mortgage-Backed Securities	0	0	0	0	0	0	0.0	0	0.0	0	0
8.3 Commercial Mortgage-Backed Securities	0	0	0	0	0	0	0.0	0	0.0	0	0
8.4 Other Loan-Backed and Structured Securities	0	0	0	0	0	0	0.0	0	0.0	0	0
8.5 Totals	0	0	0	0	0	0	0.0	0	0.0	0	0

ANNUAL STATEMENT FOR THE YEAR 2011 OF THE STANDARD INSURANCE COMPANY
SCHEDULE D - PART 1A - SECTION 2 (Continued)

Maturity Distribution of All Bonds Owned December 31, at Book/Adjusted Carrying Values by Major Type and Subtype of Issues

Distribution by Type	1 1 Year or Less	2 Over 1 Year Through 5 Years	3 Over 5 Years Through 10 Years	4 Over 10 Years Through 20 Years	5 Over 20 Years	6 Total Current Year	7 Col. 6 as a % of Line 9.5	8 Total from Col. 6 Prior Year	9 % From Col. 7 Prior Year	10 Total Publicly Traded	11 Total Privately Placed
9. Total Bonds Current Year											
9.1 Issuer Obligations	645,203,184	2,515,232,300	2,066,379,462	548,201,917	239,211,840	6,014,228,703	98.4	XXX	XXX	5,280,007,096	734,221,607
9.2 Residential Mortgage-Backed Securities	4,975	436,619	4,622,328	30,086,613	28,688,744	63,839,279	1.0	XXX	XXX	63,839,279	0
9.3 Commercial Mortgage-Backed Securities	0	0	0	0	3,559,265	3,559,265	0.1	XXX	XXX	3,559,265	0
9.4 Other Loan-Backed and Structured Securities	4,068,222	22,603,365	1,735,134	1,499,553	0	29,906,274	0.5	XXX	XXX	27,792,065	2,114,209
9.5 Totals	649,276,381	2,538,272,284	2,072,736,924	579,788,083	271,459,849	6,111,533,521	100.0	XXX	XXX	5,375,197,705	736,335,816
9.6 Line 9.5 as a % of Col. 6	10.6	41.5	33.9	9.5	4.4	100.0	XXX	XXX	XXX	88.0	12.0
10. Total Bonds Prior Year											
10.1 Issuer Obligations	604,443,318	2,487,357,891	1,873,532,977	646,734,597	217,163,257	XXX	XXX	5,829,232,040	98.1	5,094,661,263	734,570,777
10.2 Residential Mortgage-Backed Securities	0	0	1,402,291	34,180,596	32,199,680	XXX	XXX	67,782,567	1.1	67,782,567	0
10.3 Commercial Mortgage-Backed Securities	0	3,549,336	0	0	0	XXX	XXX	3,549,336	0.1	3,549,336	0
10.4 Other Loan-Backed and Structured Securities	855,793	39,720,758	679,948	1,499,042	0	XXX	XXX	42,755,541	0.7	42,075,594	679,947
10.5 Totals	605,299,111	2,530,627,985	1,875,615,216	682,414,235	249,362,937	XXX	XXX	5,943,319,484	100.0	5,208,068,760	735,250,724
10.6 Line 10.5 as a % of Col. 8	10.2	42.6	31.6	11.5	4.2	XXX	XXX	100.0	XXX	87.6	12.4
11. Total Publicly Traded Bonds											
11.1 Issuer Obligations	581,945,372	2,117,901,359	1,846,784,930	514,861,915	218,513,520	5,280,007,096	86.4	5,094,661,263	85.7	5,280,007,096	XXX
11.2 Residential Mortgage-Backed Securities	4,975	436,619	4,622,328	30,086,613	28,688,744	63,839,279	1.0	67,782,567	1.1	63,839,279	XXX
11.3 Commercial Mortgage-Backed Securities	0	0	0	0	3,559,265	3,559,265	0.1	3,549,336	0.1	3,559,265	XXX
11.4 Other Loan-Backed and Structured Securities	3,999,295	22,293,647	1,499,123	0	0	27,792,065	0.5	42,075,594	0.7	27,792,065	XXX
11.5 Totals	585,949,642	2,140,631,625	1,852,906,381	544,948,528	250,761,529	5,375,197,705	88.0	5,208,068,760	87.6	5,375,197,705	XXX
11.6 Line 11.5 as a % of Col. 6	10.9	39.8	34.5	10.1	4.7	100.0	XXX	XXX	XXX	100.0	XXX
11.7 Line 11.5 as a % of Line 9.5, Col. 6, Section 9	9.6	35.0	30.3	8.9	4.1	88.0	XXX	XXX	XXX	88.0	XXX
12. Total Privately Placed Bonds											
12.1 Issuer Obligations	63,257,812	397,330,941	219,594,532	33,340,002	20,698,320	734,221,607	12.0	734,570,777	12.4	XXX	734,221,607
12.2 Residential Mortgage-Backed Securities	0	0	0	0	0	0	0.0	0	0.0	XXX	0
12.3 Commercial Mortgage-Backed Securities	0	0	0	0	0	0	0.0	0	0.0	XXX	0
12.4 Other Loan-Backed and Structured Securities	68,927	309,718	236,011	1,499,553	0	2,114,209	0.0	679,947	0.0	XXX	2,114,209
12.5 Totals	63,326,739	397,640,659	219,830,543	34,839,555	20,698,320	736,335,816	12.0	735,250,724	12.4	XXX	736,335,816
12.6 Line 12.5 as a % of Col. 6	8.6	54.0	29.9	4.7	2.8	100.0	XXX	XXX	XXX	XXX	100.0
12.7 Line 12.5 as a % of Line 9.5, Col. 6, Section 9	1.0	6.5	3.6	0.6	0.3	12.0	XXX	XXX	XXX	XXX	12.0

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SCHEDULE DA - VERIFICATION BETWEEN YEARS

Short-Term Investments

	1	2	3	4	5
	Total	Bonds	Mortgage Loans	Other Short-term Investment Assets (a)	Investments in Parent, Subsidiaries and Affiliates
1. Book/adjusted carrying value, December 31 of prior year	34,430,714	34,430,714	0	0	0
2. Cost of short-term investments acquired	246,266,140	246,266,140	0	0	0
3. Accrual of discount	0	0	0	0	0
4. Unrealized valuation increase (decrease)	0	0	0	0	0
5. Total gain (loss) on disposals	0	0	0	0	0
6. Deduct consideration received on disposals	260,300,510	260,300,510	0	0	0
7. Deduct amortization of premium	0	0	0	0	0
8. Total foreign exchange change in book/adjusted carrying value	0	0	0	0	0
9. Deduct current year's other than temporary impairment recognized	0	0	0	0	0
10. Book adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9)	20,396,344	20,396,344	0	0	0
11. Deduct total nonadmitted amounts	0	0	0	0	0
12. Statement value at end of current period (Line 10 minus Line 11)	20,396,344	20,396,344	0	0	0

(a) Indicate the category of such assets, for example, joint ventures, transportation equipment:

ANNUAL STATEMENT FOR THE YEAR 2011 OF THE STANDARD INSURANCE COMPANY

SCHEDULE DB - PART A - VERIFICATION BETWEEN YEARS

Options, Caps, Floors, Collars, Swaps and Forwards

1.	Book/adjusted carrying value, December 31, prior year (Line 9, prior year)	13,322,985
2.	Cost paid/(consideration received) on additions:	
2.1	Current year paid/(consideration received) at time of acquisition, still open, Section 1, Column 12	9,637,448
2.2	Current year paid/(consideration received) at time of acquisition, terminated, Section 2, Column 14	09,637,448
3.	Unrealized valuation increase/(decrease):	
3.1	Section 1, Column 17	(2,470,925)
3.2	Section 2, Column 19	(4,229,940)(6,700,865)
4.	Total gain (loss) on termination recognized, Section 2, Column 22	6,458,651
5.	Considerations received/(paid) on terminations, Section 2, Column 15	15,551,695
6.	Amortization:	
5.1	Section 1, Column 19	0
5.2	Section 2, Column 21	00
7.	Adjustment to the book/adjusted carrying value of hedged item:	
7.1	Section 1, Column 20	0
7.2	Section 2, Column 23	00
8.	Total foreign exchange change in book/adjusted carrying value:	
8.1	Section 1, Column 18	0
8.2	Section 2, Column 20	00
9.	Book/adjusted carrying value at end of current period (Lines 1+2+3+4-5+6+7+8)	7,166,524
10.	Deduct nonadmitted assets	0
11.	Statement value at end of current period (Line 9 minus Line 10)	7,166,524

SCHEDULE DB - PART B - VERIFICATION BETWEEN YEARS

Futures Contracts

1.	Book/adjusted carrying value, December 31 of prior year	
2.	Net cash deposits (Section 1, Broker Name/Net Cash Deposits Footnote)	
3.1	Change in variation margin on open contracts:	
3.11	Section 1, Column 15, current year minus	
3.12	Section 1, Column 15, prior year	
3.2	Add:	
	Change in adjustment to basis of hedged item:	
3.21	Section 1, Column 17, current year to date minus	
3.22	Section 1, Column 17, prior year	
	Change in amount recognized:	
3.23	Section 1, Column 16, current year to date minus	
3.24	Section 1, Column 16, prior year	
3.3	Subtotal (Line 3.1 minus Line 3.2)	
4.1	Variation margin on terminated contracts during the year (Section 2, Column 16)	
4.2:	Less:	
4.21	Amount used to adjust basis of hedged item (Section 2, Column 17) ..	
4.22	Amount recognized (Section 2, Column 16)	
4.3	Subtotal (Line 4.1 minus Line 4.2)	
5.	Dispositions gains (losses) on contracts terminated in prior year:	
5.1	Recognized	
5.2	Used to adjust basis of hedged items	
6.	Book/adjusted carrying value at end of current period (Lines 1+2+3.3-4.3-5.1-5.2)	
7.	Deduct total nonadmitted amounts	
8.	Statement value at end of current period (Line 6 minus Line 7)	

Schedule DB - Part C - Section 1 - Replication (Synthetic Asset) Transactions (RSATs) Open
N O N E

Schedule DB-Part C-Section 2-Reconciliation of Replication (Synthetic Asset) Transactions Open
N O N E

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.....	7,166,523
2.	Part B, Section 1, Column 14.....	0
3.	Total (Line 1 plus Line 2).....	7,166,523
4.	Part D, Column 5.....	7,166,523
5.	Part D, Column 6.....	0
6.	Total (Line 3 minus Line 4 minus Line 5).....	0
Fair Value Check		
7.	Part A, Section 1, Column 16.....	7,166,523
8.	Part B, Section 1, Column 13.....	0
9.	Total (Line 7 plus Line 8).....	7,166,523
10.	Part D, Column 8.....	7,166,523
11.	Part D, Column 9.....	0
12.	Total (Line 9 minus Line 10 minus Line 11).....	0
Potential Exposure Check		
13.	Part A, Section 1, Column 21.....	7,166,523
14.	Part B, Section 1, Column 19.....	0
15.	Part D, Column 11.....	7,166,523
16.	Total (Line 13 plus Line 14 minus Line 15).....	0

ANNUAL STATEMENT FOR THE YEAR 2011 OF THE STANDARD INSURANCE COMPANY

SCHEDULE E - VERIFICATION BETWEEN YEARS

(Cash Equivalents)

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

NONE

(a) Indicate the category of such assets, for example, joint ventures, transportation equipment: