

**QUARTERLY STATEMENT**  
**OF THE**  
**PENN MUTUAL LIFE INSURANCE**  
**COMPANY**

**Of**  
**Philadelphia**  
**in the state of PA**

**to the Insurance Department**  
**of the State of**

For the Period Ended  
September 30, 2016

**2016**



# QUARTERLY STATEMENT

As of September 30, 2016  
of the Condition and Affairs of the

## PENN MUTUAL LIFE INSURANCE COMPANY

NAIC Group Code.....850, 850 (Current Period) (Prior Period)	NAIC Company Code..... 67644	Employer's ID Number..... 23-0952300
Organized under the Laws of Pennsylvania Incorporated/Organized..... February 24, 1847	State of Domicile or Port of Entry Pennsylvania Commenced Business..... May 25, 1847	Country of Domicile US
Statutory Home Office	The Penn Mutual Life Insurance Company..... Philadelphia ..... PA ..... US ..... 19172 <i>(Street and Number) (City or Town, State, Country and Zip Code)</i>	
Main Administrative Office	600 Dresher Road..... Horsham ..... PA ..... US ..... 19044 <i>(Street and Number) (City or Town, State, Country and Zip Code)</i>	215-956-8000 <i>(Area Code) (Telephone Number)</i>
Mail Address	The Penn Mutual Life Insurance Company..... Philadelphia ..... PA ..... US ..... 19172 <i>(Street and Number or P. O. Box) (City or Town, State, Country and Zip Code)</i>	
Primary Location of Books and Records	600 Dresher Road..... Horsham ..... PA ..... US ..... 19044 <i>(Street and Number) (City or Town, State, Country and Zip Code)</i>	215-956-8000 <i>(Area Code) (Telephone Number)</i>
Internet Web Site Address	www.pennmutual.com	
Statutory Statement Contact	Bethanne Doyle Adamsky <i>(Name)</i> adamsky.bethanne@pennmual.com <i>(E-Mail Address)</i>	215-956-8120 <i>(Area Code) (Telephone Number) (Extension)</i> 215-956-8145 <i>(Fax Number)</i>

### OFFICERS

Name	Title	Name	Title
1. Eileen Claire McDonnell	Chairman & Chief Executive Officer	2. Susan Twine Deakins	Executive VP, Chief Financial Officer and Treasurer
3. Franklin Luther Best Jr.	VP, General Counsel, Insurance Operations, and Corporate Secretary	4. David Michael O'Malley #	President & Chief Operating Officer

### OTHER

Thomas Henry Harris	Executive VP, Distribution	Kevin Terance Reynolds	Senior VP & Chief Legal Officer
Nina Marie Mulrooney	Senior VP, General Auditor	Jay T Lewellen	VP & Chief Actuary
Raymond Gerard Caucci	Senior VP, Product Management, Underwriting and Ad	Gregory Joseph Driscoll #	Senior VP, Service Operations & Chief Information
Jeffrey Fleischman	Senior VP, Chief Marketing & Digital Officer		

### DIRECTORS OR TRUSTEES

Joan Pauline Carter	Robert Eugene Chappell	William Roland Cook	Charisse Ranielle Lillie
Anthony M Santomero	Edmond Felix Notebaert	Robert Henry Rock	Eileen Claire McDonnell
Helen Pomerantz Pudlin	Susan Doenges Waring	James Stephen Hunt	David Michael O'Malley #

State of..... Pennsylvania  
County of..... Montgomery

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

(Signature)	(Signature)	(Signature)
Eileen Claire McDonnell	Susan Twine Deakins	Franklin Luther Best Jr.
1. (Printed Name)	2. (Printed Name)	3. (Printed Name)
Chairman & Chief Executive Officer	Executive VP, Chief Financial Officer and Treasurer	VP, General Counsel, Insurance Operations, and Corporate Secretary
(Title)	(Title)	(Title)

Subscribed and sworn to before me  
This 26<sup>th</sup> day of October 2016

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 \_\_\_\_\_

COMMONWEALTH OF PENNSYLVANIA  
Notarial Seal  
Marianne C. Bechtel, Notary Public  
Horsham Twp., Montgomery County  
My Commission Expires Dec. 26, 2017  
MEMBER, PENNSYLVANIA ASSOCIATION OF NOTARIES

**ASSETS**

	Current Statement Date			4 December 31 Prior Year Net Admitted Assets
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	
1. Bonds.....	8,605,941,095		8,605,941,095	8,134,957,193
2. Stocks:				
2.1 Preferred stocks.....	108,032,569		108,032,569	72,595,020
2.2 Common stocks.....	475,158,286	100	475,158,186	468,595,369
3. Mortgage loans on real estate:				
3.1 First liens.....			0	
3.2 Other than first liens.....			0	
4. Real estate:				
4.1 Properties occupied by the company (less \$.....0 encumbrances).....	30,619,435		30,619,435	29,443,826
4.2 Properties held for the production of income (less \$.....0 encumbrances).....			0	
4.3 Properties held for sale (less \$.....0 encumbrances).....			0	
5. Cash (\$.....56,510,831), cash equivalents (\$.....0) and short-term investments (\$.....74,542,684).....	131,053,515		131,053,515	245,071,077
6. Contract loans (including \$.....0 premium notes).....	316,105,385		316,105,385	304,726,511
7. Derivatives.....	85,541,042		85,541,042	59,602,366
8. Other invested assets.....	991,857,525	16,936,247	974,921,278	871,794,183
9. Receivables for securities.....	20,001,962		20,001,962	
10. Securities lending reinvested collateral assets.....			0	
11. Aggregate write-ins for invested assets.....	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11).....	10,764,310,814	16,936,347	10,747,374,467	10,186,785,545
13. Title plants less \$.....0 charged off (for Title insurers only).....			0	
14. Investment income due and accrued.....	115,483,892		115,483,892	107,539,958
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection.....	6,159,071	767,412	5,391,659	6,774,170
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$.....0 earned but unbilled premiums).....	64,051,953		64,051,953	63,022,303
15.3 Accrued retrospective premiums (\$.....0) and contracts subject to redetermination (\$.....0).....			0	
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers.....	4,397,763		4,397,763	14,964,457
16.2 Funds held by or deposited with reinsured companies.....			0	
16.3 Other amounts receivable under reinsurance contracts.....	12,962,656		12,962,656	20,683,836
17. Amounts receivable relating to uninsured plans.....			0	
18.1 Current federal and foreign income tax recoverable and interest thereon.....			0	1,606,193
18.2 Net deferred tax asset.....	386,656,750	163,032,420	223,624,330	230,678,005
19. Guaranty funds receivable or on deposit.....	972,833		972,833	1,108,229
20. Electronic data processing equipment and software.....	18,729,202		18,729,202	19,140,931
21. Furniture and equipment, including health care delivery assets (\$.....0).....	10,477,609	10,477,609	0	
22. Net adjustment in assets and liabilities due to foreign exchange rates.....			0	
23. Receivables from parent, subsidiaries and affiliates.....	7,748,445		7,748,445	11,507,141
24. Health care (\$.....0) and other amounts receivable.....			0	
25. Aggregate write-ins for other than invested assets.....	502,078,198	45,984,747	456,093,451	353,399,292
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 through 25).....	11,894,029,185	237,198,535	11,656,830,650	11,017,210,060
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....	7,351,286,972		7,351,286,972	7,217,838,029
28. Total (Lines 26 and 27).....	19,245,316,157	237,198,535	19,008,117,622	18,235,048,089

**DETAILS OF WRITE-INS**

1101. ....			0	
1102. ....			0	
1103. ....			0	
1198. Summary of remaining write-ins for Line 11 from overflow page.....	0	0	0	0
1199. Totals (Lines 1101 thru 1103 plus 1198) (Line 11 above).....	0	0	0	0
2501. Executive Benefit Plan.....	211,769,969		211,769,969	207,641,171
2502. Prepaid Pension Asset.....	34,845,142	34,845,142	0	
2503. Suspense.....	7,903,443		7,903,443	15,935,573
2598. Summary of remaining write-ins for Line 25 from overflow page.....	247,559,643	11,139,605	236,420,038	129,822,548
2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above).....	502,078,198	45,984,747	456,093,451	353,399,292

## LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Statement Date	2 December 31 Prior Year
1. Aggregate reserve for life contracts \$.....7,447,581,064 less \$.....0 included in Line 6.3 (including \$.....317,933,985 Modco Reserve).....	7,447,581,064	6,967,947,243
2. Aggregate reserve for accident and health contracts (including \$.....0 Modco Reserve).....	10,338,322	10,198,201
3. Liability for deposit-type contracts (including \$.....0 Modco Reserve).....	895,347,519	947,337,202
4. Contract claims:		
4.1 Life.....	40,197,651	44,867,896
4.2 Accident and health.....	232,190	159,997
5. Policyholders' dividends \$.....0 and coupons \$.....0 due and unpaid.....	347,200	289,739
6. Provision for policyholders' dividends and coupons payable in following calendar year - estimated amounts:		
6.1 Dividends apportioned for payment (including \$.....0 Modco).....	12,177,963	48,000,000
6.2 Dividends not yet apportioned (including \$.....0 Modco).....	40,574,572	
6.3 Coupons and similar benefits (including \$.....0 Modco).....		
7. Amount provisionally held for deferred dividend policies not included in Line 6.....		
8. Premiums and annuity considerations for life and accident and health contracts received in advance less \$.....0 discount; including \$.....(19,972) accident and health premiums.....	94,747,131	75,323,525
9. Contract liabilities not included elsewhere:		
9.1 Surrender values on canceled contracts.....		
9.2 Provision for experience rating refunds, including the liability of \$.....0 accident and health experience rating refunds of which \$.....0 is for medical loss ratio rebate per the Public Health Service Act.....	250,000	500,000
9.3 Other amounts payable on reinsurance, including \$.....0 assumed and \$.....49,326,895 ceded.....	49,326,895	53,225,485
9.4 Interest Maintenance Reserve.....	149,282,808	132,271,870
10. Commissions to agents due or accrued - life and annuity contracts \$.....0, accident and health \$.....0 and deposit-type contract funds \$.....0.....		
11. Commissions and expense allowances payable on reinsurance assumed.....		
12. General expenses due or accrued.....	55,350,584	67,789,995
13. Transfers to Separate Accounts due or accrued (net) (including \$.....162,750,961 accrued for expense allowances recognized in reserves, net of reinsured allowances).....	(162,750,961)	(178,722,897)
14. Taxes, licenses and fees due or accrued, excluding federal income taxes.....	2,687,255	7,226,916
15.1 Current federal and foreign income taxes, including \$.....23,068,364 on realized capital gains (losses).....	13,212,558	
15.2 Net deferred tax liability.....		
16. Unearned investment income.....		
17. Amounts withheld or retained by company as agent or trustee.....		
18. Amounts held for agents' account, including \$.....0 agents' credit balances.....		
19. Remittances and items not allocated.....	32,932,367	47,794,196
20. Net adjustment in assets and liabilities due to foreign exchange rates.....		
21. Liability for benefits for employees and agents if not included above.....	110,664,891	106,159,705
22. Borrowed money \$.....0 and interest thereon \$.....6,650,000.....	6,650,000	7,137,500
23. Dividends to stockholders declared and unpaid.....		
24. Miscellaneous liabilities:		
24.01 Asset valuation reserve.....	80,239,513	81,512,460
24.02 Reinsurance in unauthorized and certified (\$.....0) companies.....		
24.03 Funds held under reinsurance treaties with unauthorized and certified (\$.....0) reinsurers.....		
24.04 Payable to parent, subsidiaries and affiliates.....	864,020	632,645
24.05 Drafts outstanding.....	23,738,671	31,624,198
24.06 Liability for amounts held under uninsured plans.....		
24.07 Funds held under coinsurance.....	691,483,490	646,519,218
24.08 Derivatives.....	241,628,073	95,985,670
24.09 Payable for securities.....	56,178,374	11,112,494
24.10 Payable for securities lending.....		
24.11 Capital notes \$.....0 and interest thereon \$.....0.....		
25. Aggregate write-ins for liabilities.....	26,998,029	24,624,924
26. Total liabilities excluding Separate Accounts business (Lines 1 to 25).....	9,920,280,177	9,229,518,182
27. From Separate Accounts statement.....	7,351,286,972	7,217,838,029
28. Total liabilities (Lines 26 and 27).....	17,271,567,148	16,447,356,211
29. Common capital stock.....		
30. Preferred capital stock.....		
31. Aggregate write-ins for other-than-special surplus funds.....	0	0
32. Surplus notes.....	389,555,796	389,411,727
33. Gross paid in and contributed surplus.....		
34. Aggregate write-ins for special surplus funds.....	0	0
35. Unassigned funds (surplus).....	1,346,994,678	1,398,280,151
36. Less treasury stock, at cost:		
36.1 .....0.000 shares common (value included in Line 29 \$.....0).....		
36.2 .....0.000 shares preferred (value included in Line 30 \$.....0).....		
37. Surplus (Total Lines 31 + 32 + 33 + 34 + 35 - 36) (including \$.....0 in Separate Accounts Statement).....	1,736,550,474	1,787,691,878
38. Totals of Lines 29, 30 and 37.....	1,736,550,474	1,787,691,878
39. Totals of Lines 28 and 38 (Page 2, Line 28, Col. 3).....	19,008,117,622	18,235,048,089

## DETAILS OF WRITE-INS

2501. Special Group Reserves.....	210,219	209,101
2502. Interest Payable on Death Claims.....	777,412	936,206
2503. Low Income Housing Tax Credits Payable.....	20,776,610	21,776,601
2598. Summary of remaining write-ins for Line 25 from overflow page.....	5,233,789	1,703,016
2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above).....	26,998,029	24,624,924
3101. ....		
3102. ....		
3103. ....		
3198. Summary of remaining write-ins for Line 31 from overflow page.....	0	0
3199. Totals (Lines 3101 thru 3103 plus 3198) (Line 31 above).....	0	0
3401. ....		
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).....	0	0

## SUMMARY OF OPERATIONS

	1 Current Year to Date	2 Prior Year to Date	3 Prior Year Ended December 31
1. Premiums and annuity considerations for life and accident and health contracts.....	937,024,108	960,070,163	1,192,161,021
2. Considerations for supplementary contracts with life contingencies.....	7,230,457	3,416,788	4,123,497
3. Net investment income.....	384,389,357	401,422,449	533,572,379
4. Amortization of Interest Maintenance Reserve (IMR).....	(1,495,018)	(546,184)	(1,728,266)
5. Separate Accounts net gain from operations excluding unrealized gains or losses.....			
6. Commissions and expense allowances on reinsurance ceded.....	96,183,071	66,662,396	100,268,671
7. Reserve adjustments on reinsurance ceded.....	138,701,574		166,280,387
8. Miscellaneous Income:			
8.1 Income from fees associated with investment management, administration and contract guarantees from Separate Accounts.....	144,678,597	142,807,606	191,135,188
8.2 Charges and fees for deposit-type contracts.....	645,089	415,940	647,418
8.3 Aggregate write-ins for miscellaneous income.....	6,296,354	9,500,058	12,437,407
9. Totals (Lines 1 to 8.3).....	1,713,653,588	1,583,749,216	2,198,897,702
10. Death benefits.....	151,589,884	141,487,795	179,876,591
11. Matured endowments (excluding guaranteed annual pure endowments).....			
12. Annuity benefits.....	704,630,115	518,776,860	701,235,548
13. Disability benefits and benefits under accident and health contracts.....	3,532,008	3,335,778	4,501,981
14. Coupons, guaranteed annual pure endowments and similar benefits.....			
15. Surrender benefits and withdrawals for life contracts.....	108,071,607	116,557,702	149,607,032
16. Group conversions.....			
17. Interest and adjustments on contract or deposit-type contract funds.....	30,418,483	13,003,216	24,174,779
18. Payments on supplementary contracts with life contingencies.....	6,908,043	6,528,696	8,697,100
19. Increase in aggregate reserves for life and accident and health contracts.....	479,970,067	218,005,831	375,030,309
20. Totals (Lines 10 to 19).....	1,485,120,208	1,017,695,878	1,443,123,340
21. Commissions on premiums, annuity considerations and deposit-type contract funds (direct business only).....	107,836,337	99,251,165	138,523,537
22. Commissions and expense allowances on reinsurance assumed.....			
23. General insurance expenses.....	199,190,733	182,250,107	257,217,547
24. Insurance taxes, licenses and fees, excluding federal income taxes.....	28,860,784	27,148,307	36,559,231
25. Increase in loading on deferred and uncollected premiums.....	1,582,414	(763,194)	450,857
26. Net transfers to or (from) Separate Accounts net of reinsurance.....	(203,656,533)	95,321,643	110,916,254
27. Aggregate write-ins for deductions.....	38,287,692	91,853,929	106,650,143
28. Totals (Lines 20 to 27).....	1,657,221,635	1,512,757,835	2,093,440,909
29. Net gain from operations before dividends to policyholders and federal income taxes (Line 9 minus Line 28).....	56,431,953	70,991,381	105,456,793
30. Dividends to policyholders.....	41,415,817	34,496,093	50,091,679
31. Net gain from operations after dividends to policyholders and before federal income taxes (Line 29 minus Line 30).....	15,016,136	36,495,288	55,365,114
32. Federal and foreign income taxes incurred (excluding tax on capital gains).....	(25,432,373)	(7,513,736)	(35,212,812)
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).....	40,448,509	44,009,024	90,577,926
34. Net realized capital gains (losses) (excluding gains (losses) transferred to the IMR) less capital gains tax of \$.....0 (excluding taxes of \$.....23,068,366 transferred to the IMR).....	28,169,380	30,717,831	10,731,501
35. Net income (Line 33 plus Line 34).....	68,617,889	74,726,855	101,309,427
<b>CAPITAL AND SURPLUS ACCOUNT</b>			
36. Capital and surplus, December 31, prior year.....	1,787,691,878	1,799,776,541	1,799,776,541
37. Net income (Line 35).....	68,617,889	74,726,855	101,309,427
38. Change in net unrealized capital gains (losses) less capital gains tax of \$.....(40,406,452).....	(67,973,662)	(56,235,689)	(92,001,504)
39. Change in net unrealized foreign exchange capital gain (loss).....	3,513,453	(1,172,020)	(5,208,426)
40. Change in net deferred income tax.....	(2,466,796)	13,510,469	(5,797,137)
41. Change in nonadmitted assets.....	(52,214,564)	(18,012,821)	(25,077,369)
42. Change in liability for reinsurance in unauthorized and certified companies.....			
43. Change in reserve on account of change in valuation basis, (increase) or decrease.....			
44. Change in asset valuation reserve.....	1,272,949	(11,795,131)	(4,464,168)
45. Change in treasury stock.....			
46. Surplus (contributed to) withdrawn from Separate Accounts during period.....			
47. Other changes in surplus in Separate Accounts Statement.....			
48. Change in surplus notes.....	144,069	133,824	180,674
49. Cumulative effect of changes in accounting principles.....			
50. Capital changes:			
50.1 Paid in.....			
50.2 Transferred from surplus (Stock Dividend).....			
50.3 Transferred to surplus.....			
51. Surplus adjustment:			
51.1 Paid in.....			
51.2 Transferred to capital (Stock Dividend).....			
51.3 Transferred from capital.....			
51.4 Change in surplus as a result of reinsurance.....	(2,400,000)	19,316,848	20,813,848
52. Dividends to stockholders.....			
53. Aggregate write-ins for gains and losses in surplus.....	365,258	(303,659)	(1,840,008)
54. Net change in capital and surplus (Lines 37 through 53).....	(51,141,404)	20,168,676	(12,084,663)
55. Capital and surplus as of statement date (Lines 36 + 54).....	1,736,550,474	1,819,945,217	1,787,691,878
<b>DETAILS OF WRITE-INS</b>			
08.301. Subsidiary Service Fees & Management Fees.....	6,022,703	9,245,168	12,347,276
08.302. Increase (Decrease) in Expense Charges.....	2,687	5,057	7,752
08.303. Aggregate Other Income.....	270,964	249,833	82,379
08.398. Summary of remaining write-ins for Line 8.3 from overflow page.....	0	0	0
08.399. Totals (Lines 08.301 thru 08.303 plus 08.398) (Line 8.3 above).....	6,296,354	9,500,058	12,437,407
2701. Reinsurance Paid on Index Credits.....	9,900,108	63,548,903	68,703,525
2702. Increase (Decrease) in Special Group Reserves.....	1,118	1,130	(16,187)
2703. Other Expenses.....	853,400	32,265	32,265
2798. Summary of remaining write-ins for Line 27 from overflow page.....	27,533,066	28,271,631	37,930,540
2799. Totals (Lines 2701 thru 2703 plus 2798) (Line 27 above).....	38,287,692	91,853,929	106,650,143
5301. Net Change in Minimum Pension Liability.....	365,258	(303,659)	(1,840,008)
5302. ....			
5303. ....			
5398. Summary of remaining write-ins for Line 53 from overflow page.....	0	0	0
5399. Totals (Lines 5301 thru 5303 plus 5398) (Line 53 above).....	365,258	(303,659)	(1,840,008)

# PENN MUTUAL LIFE INSURANCE COMPANY

## CASH FLOW

	1 Current Year to Date	2 Prior Year To Date	3 Prior Year Ended December 31
<b>CASH FROM OPERATIONS</b>			
1. Premiums collected net of reinsurance.....	1,294,886,588	1,662,237,758	1,997,572,981
2. Net investment income.....	399,072,938	383,912,175	513,610,407
3. Miscellaneous income.....	211,530,878	188,199,958	264,627,543
4. Total (Lines 1 through 3).....	1,905,490,404	2,234,349,891	2,775,810,931
5. Benefit and loss related payments.....	1,218,089,462	793,765,159	1,020,567,849
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts.....	(219,628,469)	84,996,471	97,155,463
7. Commissions, expenses paid and aggregate write-ins for deductions.....	379,973,130	359,275,499	515,473,695
8. Dividends paid to policyholders.....	11,840,739	31,359,804	16,478,953
9. Federal and foreign income taxes paid (recovered) net of \$.....0 tax on capital gains (losses).....	(17,182,758)	(8,854,607)	81,324,289
10. Total (Lines 5 through 9).....	1,373,092,105	1,260,542,326	1,731,000,249
11. Net cash from operations (Line 4 minus Line 10).....	532,398,300	973,807,565	1,044,810,683
<b>CASH FROM INVESTMENTS</b>			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds.....	729,814,793	978,610,814	1,371,168,057
12.2 Stocks.....	42,167,716	66,665,189	77,353,288
12.3 Mortgage loans.....			
12.4 Real estate.....			
12.5 Other invested assets.....	26,655,578	23,210,601	27,848,113
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments.....			
12.7 Miscellaneous proceeds.....	45,065,880	4,134,610	16,482,975
12.8 Total investment proceeds (Lines 12.1 to 12.7).....	843,703,967	1,072,621,214	1,492,852,433
13. Cost of investments acquired (long-term only):			
13.1 Bonds.....	1,188,236,295	1,813,943,193	2,086,788,492
13.2 Stocks.....	69,955,494	121,349,049	122,131,663
13.3 Mortgage loans.....			
13.4 Real estate.....	2,130,168	1,662,522	
13.5 Other invested assets.....	147,715,469	71,180,807	123,899,440
13.6 Miscellaneous applications.....	(29,491,543)	7,213,344	15,756,349
13.7 Total investments acquired (Lines 13.1 to 13.6).....	1,378,545,883	2,015,348,915	2,348,575,944
14. Net increase or (decrease) in contract loans and premium notes.....	6,025,472	7,185,137	9,890,796
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14).....	(540,867,389)	(949,912,838)	(865,614,307)
<b>CASH FROM FINANCING AND MISCELLANEOUS SOURCES</b>			
16. Cash provided (applied):			
16.1 Surplus notes, capital notes.....			
16.2 Capital and paid in surplus, less treasury stock.....			
16.3 Borrowed funds.....			
16.4 Net deposits on deposit-type contracts and other insurance liabilities.....	(11,590,551)	(16,346,522)	(17,460,819)
16.5 Dividends to stockholders.....			
16.6 Other cash provided (applied).....	(93,957,921)	19,409,980	(45,364,626)
17. Net cash from financing and miscellaneous sources (Lines 16.1 through 16.4 minus Line 16.5 plus Line 16.6).....	(105,548,472)	3,063,458	(62,825,445)
<b>RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS</b>			
18. Net change in cash, cash equivalents and short-term investments (Line 11 plus Line 15 plus Line 17).....	(114,017,562)	26,958,185	116,370,931
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year.....	245,071,078	128,700,147	128,700,147
19.2 End of period (Line 18 plus Line 19.1).....	131,053,516	155,658,332	245,071,078
<b>Note: Supplemental disclosures of cash flow information for non-cash transactions:</b>			
20.0001 Common stock acquired in the form of a dividend.....	(2,236,362)	(1,558,234)	(1,558,234)
20.0002 Amortization of discount on surplus notes.....	(144,069)	(133,825)	(180,674)
20.0003 Capitalized interest.....	(1,205,536)	(1,450,907)	(2,101,192)
20.0004 Non-cash reinsurance settlement.....		(132,560,112)	(132,560,112)
20.0005 Premiums Paid by Dividend.....	(24,765,083)		(26,989,699)
20.0006 Premiums Paid by Waiver.....	(2,586,826)		(1,827,292)
20.0007 Premiums Paid by Benefit.....	(22,300,214)		(39,392,580)
20.0008 Premiums Paid by Policy Loan.....	(5,353,402)		(5,743,287)
20.0009 Non-Qualified Pension Expense.....			(1,612,829)
20.0010 Bond Exchange.....			(970,000)

**EXHIBIT 1**

**DIRECT PREMIUMS AND DEPOSIT-TYPE CONTRACTS**

	1 Current Year To Date	2 Prior Year To Date	3 Prior Year Ended December 31
1. Industrial life.....			
2. Ordinary life insurance.....	847,472,843	781,565,323	1,106,985,934
3. Ordinary individual annuities.....	504,815,240	495,159,437	665,918,865
4. Credit life (group and individual).....			
5. Group life insurance.....	682,586	795,059	1,049,619
6. Group annuities.....	501,747,964	611,444,709	14,767,711
7. A&H - group.....			
8. A&H - credit (group and individual).....			
9. A&H - other.....	7,354,915	8,100,315	10,685,790
10. Aggregate of all other lines of business.....	0	0	0
11. Subtotal.....	1,862,073,547	1,897,064,843	1,799,407,919
12. Deposit-type contracts.....	13,580,823	8,756,634	13,829,851
13. Total.....	1,875,654,370	1,905,821,477	1,813,237,770

**DETAILS OF WRITE-INS**

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

## NOTES TO FINANCIAL STATEMENTS

### Note 1 – Summary of Significant Accounting Policies and Going Concern

#### A. Accounting Practices

The financial statements of The Penn Mutual Life Insurance Company ("the Company") have been prepared in conformity with statutory accounting practices ("SAP") prescribed or permitted by the Insurance Department of the Commonwealth of Pennsylvania. Insurance companies domiciled in Pennsylvania are required to prepare their statutory financial statements in accordance with the National Association of Insurance Commissioners' *Accounting Practices and Procedures* manual, (referred to as NAIC SAP), subject to any deviations prescribed or permitted by the Pennsylvania Insurance Commissioner. The Company employs no permitted practices or significant prescribed practices, which differ from NAIC SAP in the preparation of its financial statements.

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

	State of Domicile	Current Period	Prior Year
<b>NET INCOME</b>			
(1) PENN MUTUAL LIFE INSURANCE COMPANY state basis (Page 4, Line 35, Columns 1 & 3)	PA	\$ 68,617,889	\$ 101,309,427
(2) State Prescribed Practices that increase/decrease NAIC SAP			
(3) State Permitted Practices that increase/decrease NAIC SAP			
(4) NAIC SAP (1 – 2 – 3 = 4)	PA	\$ 68,617,889	\$ 101,309,427
<b>SURPLUS</b>			
(5) PENN MUTUAL LIFE INSURANCE COMPANY state basis (Page 3, line 38, Columns 1 & 2)	PA	\$ 1,736,550,474	\$ 1,787,691,878
(6) State Prescribed Practices that increase/decrease NAIC SAP			
(7) State Permitted Practices that increase/decrease NAIC SAP			
(8) NAIC SAP (5 – 6 – 7 = 8)	PA	\$ 1,736,550,474	\$ 1,787,691,878

#### B. Use of Estimates in the Preparation of the Financial Statement

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. Included among the material reported amounts and disclosures that require extensive use of estimates are:

- Carrying value of certain invested assets and derivatives
- Liabilities for reserves and funds for payment of insurance and annuity benefits
- Accounting for income taxes and valuation of deferred income tax assets and liabilities and unrecognized tax benefits
- Litigation and other contingencies
- Pension and other postretirement and postemployment benefits

#### C. Accounting Policy

Premiums on products with life contingencies are recognized as revenue over the premium payment period of the related policies. Annuity premium on policies with life contingencies are recognized as revenue as they are received. Both premium and annuity considerations are recorded net of reinsurance premiums. Commissions and other costs related to issuance of new policies, and policy maintenance and settlement costs are charged to current operations when incurred. Surrender fee charges on certain life and annuity products are recorded as a reduction of benefits and expenses. Benefit payments are reported net of the amounts received from reinsurers.

The liability for policyholders' dividends includes the estimated amount of annual dividends and settlement dividends to be paid to policyholders in the following year. Policyholders' dividends incurred are recorded in the Statements of Income. Dividends expected to be paid to policyholders in the following year are approved annually by the Company's Board of Trustees. The allocation of these dividends to policyholders reflects the relative contribution of each group of participating policies to surplus and considers, among other factors, investment returns, mortality and morbidity experience, expenses, and income tax charges.

In addition, the Company uses the following accounting policies:

- (1) Short-term investments, which are carried at amortized cost and approximate fair value, consist primarily of money market funds and investments purchased with maturities of greater than three months and less than or equal to 12 months.
- (2) Bonds with a NAIC designation of 1 to 5 are valued at amortized cost. All other bonds are valued at the lower of cost or fair value. In 2016 and 2015, fair value was determined using an external pricing service or management's pricing models.



## NOTES TO FINANCIAL STATEMENTS

For fixed income securities that do not have a fixed schedule of payments, including asset-backed and mortgage-backed securities, the effect on amortization or accretion is revalued three times per year based on the current estimated cash flows, using the retrospective method, except for favorable changes in expected cash flows for structured securities where the possibility of non-interest loss is other than remote. In these cases, income is recognized on the prospective method over the remaining life of the securities. Under the retrospective method, the recalculated effective yield equates the present value of the actual and anticipated cash flows, including new prepayment assumptions, to the original cost of the investment. Prepayment assumptions are based on borrower constraints and economic incentives such as original term, age, and coupon of the loan as affected by the interest rate environment. The current carrying value is then increased or decreased to the amount that would have resulted had the revised yield been applied since inception, and investment income is correspondingly decreased or increased. Cash flow assumptions for structured securities are obtained from broker dealer survey values or internal estimates. These assumptions are consistent with the current interest rate and economic environment.

The carrying values of fixed income, preferred and common stocks are written down when a decline is considered to be other-than-temporary. The Company considers an impairment to be other-than-temporary ("OTTI") if: (a) the Company's intent is to sell, (b) the Company will more likely than not be required to sell, (c) the Company does not have the intent and ability to hold the security for a period of time sufficient to recover the amortized cost basis, or (d) the Company does not expect to recover the entire amortized cost basis. The Company conducts a periodic management review of all securities with a market to book ratio below 80%, or otherwise designated by management. The Company also considers other qualitative and quantitative factors in determining the existence of other-than-temporary impairments including, but not limited to, unrealized loss trend analysis and significant short-term changes in value, default rates, delinquency rates, percentage of nonperforming loans, prepayments, and severities. If the impairment is other-than-temporary, the non-interest loss portion of the impairment is recorded through realized losses and the interest related portion of the loss would be disclosed in the notes to the financial statements.

The non-interest portion is determined based on the Company's "best estimate" of future cash flows discounted to a present value using the appropriate yield. The difference between the present value of the best estimate of cash flows and the amortized cost is the non-interest loss. The remaining difference between the amortized cost and the fair value is the interest loss.

- 3) Common Stock of the Company's insurance affiliates is carried at its underlying audited statutory equity. Common stock of audited non-insurance affiliates is admitted at the GAAP-basis equity. Common stock of unaudited non-insurance affiliates is nonadmitted. Unaffiliated common stock is carried at fair value. Dividends are recognized in net investment income on the ex-dividend date. Other changes in the carrying value of affiliates are recognized as changes in unrealized gains or losses in surplus. The investment in capital stock of the Federal Home Loan Bank of Pittsburgh (FHLB-PGH) is carried at par, which approximates fair value. See the "Federal Home Loan Bank Borrowings" caption within this footnote for additional information on FHLB-PGH.
- (4) Preferred Stock with a NAIC designation of 1 to 3 are valued at amortized cost. All other preferred stocks are valued at the lower of cost or market. Fair value is determined using an external pricing service or management's pricing model.
- (5) The Company has no investments in mortgage loans.
- (6) Loan-backed securities are stated at either amortized cost or the lower of amortized cost or market. For loan and asset-backed securities of high credit quality, the impact of changes in expected cash flows are recognized on the retrospective adjustment method. For structured securities where the possibility of credit loss is other than remote, the impact of favorable changes in expected cash flows are recognized on the prospective method over the remaining life of the securities.
- (7) The Company owns 100% of the common stock of the subsidiaries listed below:

Subsidiary's Name	Carrying Method
The Penn Insurance and Annuity Company	Statutory Equity
Honor, Townsend & Kent, Inc.	GAAP Equity
Penn Mutual Payroll Administration	Nonadmitted Asset

- (8) Alternative Assets consist primarily of limited partnerships. The Company accounts for the value of its investments at their underlying GAAP equity. Dividends/income distributions from limited partnerships are recorded in investment income. Undistributed earnings are included in unrealized gains and losses and are reflected in surplus, net of deferred taxes. Distributions that are recorded as a return of capital reduce the carrying value of the limited partnership investment. Due to the timing of the valuation data received from the general partner, these investments are reported in accordance with the most recent valuations received which are primarily on a one quarter lag. Investments in Low Income Housing Tax Credits ("LIHTC") are included in Other Invested Assets and are accounted for under the cost method. The delayed equity contributions for these investments are unconditional and legally binding and therefore, have been recognized as a liability. LIHTC investments are reviewed for OTTI, which is accounted for as a realized loss.

Subsidiary's Name	PML Ownership %	Carrying Method
Independence Square Properties, LLC	95.78%	GAAP Equity
Penn Mutual Asset Management, LLC	100.00%	Nonadmitted Asset
ILS Holdings, LLC	100.00%	Nonadmitted Asset
Penn Mutual Asset Management Multi-Series Fund (Master), LLC - Series A		N/A GAAP Equity

- (9) All derivatives are recognized at fair value. Derivatives with a positive fair value are reported in other invested assets. Derivatives with a negative fair value are reported in other liabilities. The accounting treatment of specific derivatives depends on whether management elects to follow hedge accounting. Derivatives used in hedging transactions that meet the criteria of a highly effective hedge are reported and valued in a manner that is consistent with the assets hedged.

**NOTES TO FINANCIAL STATEMENTS**

- (10) Not applicable.
- (11) Not applicable.
- (12) The Company has not modified its capitalization policy from the prior period.
- (13) Not applicable.

D. Going Concern  
Not applicable

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

No significant changes

**Note 3 – Business Combinations and Goodwill**

No significant change.

**Note 4 – Discontinued Operations**

The Company did not have any discontinued operations through September 30, 2016.

**Note 5 – Investments**

D. Loan-Backed Securities

- (1) Prepayment assumptions are obtained from broker dealer survey values or internal estimates.
- (2) There were no other than temporary impairments recognized on loan-backed securities for the period ended September 30, 2016.
- (3) Recognized OTTI securities

There were no securities through September 30, 2016 in which the Company recognized the non-interest portion of other-than-temporary impairments.

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

a.	The aggregate amount of unrealized losses:	1.	Less than 12 Months	\$	35,307,000
		2.	12 Months or Longer	\$	
b.	The aggregate related fair value of securities with unrealized losses:	1.	Less than 12 Months	\$	903,179,000
		2.	12 Months or Longer	\$	

- (5) The Company also considers other qualitative and quantitative factors in determining the existence of other-than-temporary impairments including, but not limited to, unrealized loss trend analysis and significant short-term changes in value. If the impairment is other-than-temporary, the non-interest loss portion of the impairment is recorded through realized losses and the interest related portion of the loss would be disclosed in the notes to the financial statements.

E. Repurchase Agreements and/or Securities Lending Transactions

The Company has entered into repurchase agreements with financial institutions in the normal course of investment activities; however, there were no open positions as of September 30, 2016 and December 31, 2015.

I. Working Capital Finance Investments

The Company did not have any Working Capital Finance Investments at September 30, 2016.

J. Offsetting and Netting of Assets and Liabilities

The Company did not have any assets or liabilities that are offset and reported net in accordance with a valid right to offset as of September 30, 2016.

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

No significant changes

**Note 7 – Investment Income**

No significant changes

**NOTES TO FINANCIAL STATEMENTS****Note 8 – Derivative Instruments**

No significant changes

**Note 9 – Income Taxes**

No significant changes

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

No significant changes

**Note 11 – Debt****B. FHLB (Federal Home Loan Bank) Agreements**

- (1) In August 2014, the Company became a member of the FHLB-PGH, which provides access to collateralized advances, collateralized funding agreements, and other FHLB-PGH products. Collateralized advances from the FHLB-PGH are classified in "Borrowed money." Collateralized funding agreements issued to the FHLB-PGH are classified as liabilities for deposit-type funds and are recorded within "Reserves and funds for payment of insurance and annuity benefits." These funding agreements have priority claim status above debt holders of the Company.

The Company's membership in FHLB-PGH requires the ownership of member stock, and borrowings from FHLB-PGH require the purchase of FHLB-PGH activity based stock in an amount equal to 4% of the outstanding borrowings. All FHLB-PGH stock purchased by the Company is classified as restricted general account investments within "Common stock - unaffiliated." The Company's borrowing capacity is determined by the lesser of the assets available to be pledged as collateral to FHLB-PGH or 10% of the Company's prior period admitted general account assets. The fair value of the qualifying assets pledged as collateral by the Company must be maintained at certain specified levels of the borrowed amount, which can vary, depending on the nature of the assets pledged. The Company's agreement allows for the substitution of assets and the advances are pre-payable. Current borrowings are subject to prepayment penalties.

The Company's investment in the FHLB-PGH Class B Membership Capital Stock as of September 30, 2016 and December 31, 2015 was \$1,513,000 and \$1,513,000, respectively. The Company also invested \$16,000,000 and \$18,000,000 in FHLB-PGH Activity Stock as of September 30, 2016 and December 31, 2015, respectively. The Class B Membership Capital Stock held by the Company is subject to written notices of requests for redemption followed by a five year waiting period.

As of September 30, 2016 and December 31, 2015, the Company's borrowing capacity with the FHLB-PGH was \$894,969,000 and \$685,917,000, respectively.

**(2) FHLB Capital Stock****a. Aggregate Totals****1. Current Period**

	1 Total 2 + 3	2 General Account	3 Separate Accounts
(a) Membership Stock – Class A	\$	\$	\$
(b) Membership Stock – Class B	1,513,000	1,513,000	
(c) Activity Stock	16,000,000	16,000,000	
(d) Excess Stock			
(e) Aggregate Total (a+b+c+d)	\$ 17,513,000	\$ 17,513,000	\$
(f) Actual or estimated borrowing capacity as determined by the insurer	\$ 894,969,000	XXX	XXX

**2. Prior Year**

	1 Total 2 + 3	2 General Account	3 Separate Accounts
(a) Membership Stock – Class A	\$	\$	\$
(b) Membership Stock – Class B	1,513,000	1,513,000	
(c) Activity Stock	18,000,000	18,000,000	
(d) Excess Stock			
(e) Aggregate Total (a+b+c+d)	\$ 19,513,000	\$ 19,513,000	\$
(f) Actual or estimated borrowing capacity as determined by the insurer	\$ 685,917,000	XXX	XXX

**NOTES TO FINANCIAL STATEMENTS**

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

Membership Stock	1 Current Period Total (2+3+4+5+6)	2 Not Eligible for Redemption	Eligible for Redemption			
			3	4	5	6
			Less than 6 Months	6 Months to Less Than 1 Year	1 to Less Than 3 Years	3 to 5 Years
1. Class A	\$	\$	\$	\$	\$	\$
2. Class B	\$ 1,513,000	\$	\$	\$	\$	\$ 1,513,000

(3) Collateral Pledged to FHLB

a. Amount Pledged as of Reporting Date

	1 Fair Value	2 Carrying Value	3 Aggregate Total Borrowing
Current Period Total General and Separate Accounts Total Collateral Pledged (Lines 2+3)	\$ 497,100,000	\$ 455,608,000	\$ 400,000,000
Current Period General Account Total Collateral Pledged	\$ 497,100,000	\$ 455,608,000	\$ 400,000,000
Current Period Separate Accounts Total Collateral Pledged	\$	\$	\$
Prior Year Total General and Separate Accounts Total Collateral Pledged	\$ 531,031,000	\$ 496,789,000	\$ 450,000,000

b. Maximum Amount Pledged During Reporting Period

	1 Fair Value	2 Carrying Value	3 Amount Borrowed at Time of Maximum Collateral
Current Period Total General and Separate Accounts Total Collateral Pledged (Lines 2+3)	\$ 774,319,000	\$ 715,960,000	\$ 650,000,000
Current Period General Account Total Collateral Pledged	\$ 774,319,000	\$ 715,960,000	\$ 650,000,000
Current Period Separate Accounts Total Collateral Pledged	\$	\$	\$
Prior Year Total General and Separate Accounts Total Collateral Pledged	\$ 544,091,000	\$ 498,253,000	\$ 450,000,000

(4) Borrowing from FHLB

a. Amount as of the Reporting Date

1. Current Period

	1 Total 2 + 3	2 General Account	3 Separate Accounts	4 Funding Agreements Reserves Established
(a) Debt	\$	\$	\$	XXX
(b) Funding Agreements	400,000,000	400,000,000		\$ 8
(c) Other				XXX
(d) Aggregate Total (a+b+c)	\$ 400,000,000	\$ 400,000,000	\$	\$ 8

2. Prior Year

	1 Total 2 + 3	2 General Account	3 Separate Accounts	4 Funding Agreements Reserves Established
(a) Debt	\$	\$	\$	XXX
(b) Funding Agreements	450,000,000	450,000,000		\$ 9
(c) Other				XXX
(d) Aggregate Total (a+b+c)	\$ 450,000,000	\$ 450,000,000	\$	\$ 9

b. Maximum Amount During Reporting Period (Current Period)

	1 Total 2 + 3	2 General Account	3 Separate Accounts
1. Debt	\$	\$	\$
2. Funding Agreements	650,000,000	650,000,000	
3. Other			
4. Aggregate Total (Lines 1+2+3)	\$ 650,000,000	\$ 650,000,000	\$

c. FHLB – Prepayment Obligations

	Does the Company have Prepayment Obligations under the Following Arrangements (YES/NO)
1. Debt	
2. Funding Agreements	NO
3. Other	

**NOTES TO FINANCIAL STATEMENTS****Note 12 – Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences and Other Postretirement Benefit Plans**

## A. Defined Benefit Plan

(4)	Components of net periodic benefit cost	Pension Benefits		Postretirement Benefits		Special or Contractual Benefits per SSAP No. 11	
		Current Period	Prior Year	Current Period	Prior Year	Current Period	Prior Year
a.	Service cost	\$	\$	\$ 296,000	\$ 311,000	\$	\$
b.	Interest cost	5,640,000		647,000	647,000		
c.	Expected return on plan assets						
d.	Transition asset or obligation						
e.	Gains and losses	464,000	408,000				
f.	Prior service cost or credit			(1,000)	(1,000)		
g.	Gain or loss recognized due to a settlement curtailment						
h.	Total net periodic benefit cost	\$	\$ (3,364,000)	\$ 942,000	\$ 957,000	\$	\$

The following amounts relate to the transition policyholders' surplus impact of the Postretirement Plan upon adoption of SSAP No. 92 effective January 1, 2013:

Calculated policyholders' impact at transition – January 1, 2013	\$ 9,478,000
10% of policyholders' transition surplus impact	948,000
Expected 2013 annual amortization of unrecognized amounts into net periodic pension cost	394,000
Unfunded accumulated benefit obligation – January 1, 2013	N/A
Policyholders' surplus transition impact recognized – January 1, 2013	\$ 948,000
Policyholders' surplus transition impact deferred at adoption	\$ 8,530,000

The following represents the Company's anticipated recognition of the policyholders' surplus transition impact over the transition period for the Postretirement Plan upon adoption of SSAP No. 92 effective January 1, 2013:

	Annual Amount Recognized	Amounts recognized due to Gains	Remaining Transition Liability
January 1, 2013	\$ 948,000	\$ -	\$ 9,478,000
December 31, 2013	-	3,465,000	5,065,000
March 31, 2014	237,000	-	4,828,000
June 30, 2014	237,000	-	4,591,000
September 30, 2014	237,000	-	4,354,000
December 31, 2014	237,000	492,000	3,625,000
March 31, 2015	237,000	-	3,388,000
June 30, 2015	237,000	-	3,151,000
September 30, 2015	237,000	-	2,914,000
December 31, 2015	237,000	2,580,000	97,000
March 31, 2016	97,000	-	-

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

(11) The reporting entity issued the following surplus debentures or similar obligations:

Date Issued	Interest Rate	Par Value (Face Amount of Notes)	Carrying Value of Note	Principal and/or Interest Paid Current Year	Total Principal and/or Interest Paid	Unapproved Principal and/or Interest	Date of Maturity
06/15/2004	6.650	200,000,000	197,403,892	6,650,000	156,571,000		06/15/2034
07/01/2010	7.625	200,000,000	192,151,904	15,250,000	95,312,500		06/15/2040
Total	XXX	400,000,000	*389,555,796	21,900,000	251,883,500		XXX

\* Total should agree with Page 3, Line 32.

The Surplus Notes were issued for cash.

Notes sold in reliance upon Rule 144A under the Securities Act will be represented by global certificates deposited with or on behalf of the Depository Trust Company. Notes sold in reliance on Regulation S under the Securities Act will be represented by separate global certificates deposited with or on behalf of the Depository Trust Company. The 2004 Surplus Notes were underwritten by Goldman, Sachs & Co., Janney Montgomery Scott LLC, J.P. Morgan and Lehman Brothers. The 2010 Surplus Notes were underwritten by Goldman, Sachs & Co., Janney Montgomery Scott LLC, and J.P. Morgan.

**NOTES TO FINANCIAL STATEMENTS**

Interest shall not be recorded as a liability nor an expense until approval for payment of such interest has been granted by the Insurance Commissioner of the Pennsylvania Insurance Department. Unapproved interest shall not be reported through operations, shall not be represented as an addition to the principal or notional amount of the instrument, and shall not accrue further interest.

The Surplus Note issued June 15, 2004 will rank pari passu with the Surplus Note issued July 1, 2010, or any future surplus notes or similar obligations. The notes will be expressly subordinate in right of payment to all indebtedness and policy and other creditor claims of the Company.

Each payment of interest on and principal of the 2004 and 2010 notes is subject to prior approval by the Insurance Commissioner of Pennsylvania.

Bank of New York, JPMCBNA, and SSB&T Co. each owned more than 10% of the outstanding 2004 surplus notes as of September 30, 2016, distributed pursuant to Rule 144A under the Securities Act of 1933. Bank of New York, Nrtthn TR, and SSB&T Co. each owned more than 10% of the outstanding 2010 surplus notes as of September 30, 2016.

**Note 14 – Liabilities, Contingencies and Assessments****A. Contingent Commitments**

The Company is not aware of any actions or allegations that should reasonably give rise to a material adverse impact to the Company's financial position or liquidity, the outcome of litigation cannot be foreseen with certainty.

**Note 15 – leases**

No significant changes

**Note 16 – Information about Financial Instruments with Off-Balance Sheet Risk and Financial Instruments with Concentrations of Credit Risk**

No significant changes

**Note 17 – Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities****B. Transfer and Servicing of Financial Assets**

There have been no transfer or servicing of financial assets through September 30, 2016.

**C. Wash Sales**

- (1) In the course of the Company's asset management, securities are sold and reacquired within 30 days of the sale date to enhance the Company's yield on its investment portfolio.
- (2) The Company did not sell any NAIC designation 3 or below, or unrated of securities during the period ended September 30, 2016 and reacquired within 30 days of the sale date.

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

Not applicable

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

Not applicable

**Note 20 – Fair Value Measurements**

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value measurement is based on assumptions market participants would make in pricing an asset or liability. Inputs to valuation techniques to measure fair value are prioritized by establishing a three-level fair value hierarchy. The fair value hierarchy gives the highest priority to quoted prices in active markets and the lowest priority to prices derived from unobservable inputs. An asset or liability's classification within the fair value hierarchy is based on the lowest level of significant input to its fair value measurement. The Company has categorized its assets and liabilities into the three-level fair value hierarchy based upon the priority of the inputs. The following summarizes the types of assets and liabilities included within the three-level hierarchy:

Level 1 Fair value is based on unadjusted quoted market prices in active markets for identical assets or liabilities that are accessible at the measurement date. These generally provide the most reliable evidence and are used to measure fair value whenever available. Active markets are defined as having the following for the measured asset/liability: i) many transactions, ii) current prices, iii) price quotes not varying substantially among market makers, iv) narrow bid/ask spreads and v) most information publicly available. Prices are obtained from readily available sources for market transactions involving identical assets and liabilities.

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## NOTES TO FINANCIAL STATEMENTS

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Level 2 Fair value is based on significant inputs, other than quoted prices included in Level 1, that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the asset or liability through corroboration with observable market data. Prices for assets classified as Level 2 are primarily provided by an independent pricing service using observable inputs. In circumstances where prices from pricing services are reviewed for reasonability but cannot be corroborated to observable market data as noted above, these security values are recorded in Level 3 in the fair value hierarchy.

Level 3 Fair value is based on significant inputs that are unobservable for the asset or liability. These inputs reflect the Company's assumptions about the assumptions market participants would use in pricing the asset or liability. These are typically less liquid fixed maturity securities with very limited trading activity. Prices are determined using valuation methodologies such as option pricing models, discounted cash flow models, market approach and other similar techniques. Prices may be based upon non-binding quotes from brokers or other market makers that are reviewed for reasonableness, based on the Company's understanding of the market but are not further corroborated with other additional observable market information.

The determination of fair value, which for certain assets and liabilities is dependent on the application of estimates and assumptions, can have a significant impact on the Company's results of operations. The following sections describe the valuation methodologies used to determine fair values as well as the key estimates and assumptions surrounding certain assets and liabilities, measured at fair value on a recurring basis, that could have a significant impact on the Company's results of operations or involve the use of significant unobservable inputs.

The fair value process is monitored by an internal Valuation Group which meets at least quarterly. The Valuation Group consists of financial and investment professionals and utilizes additional subject matter experts as applicable. The purpose of the Valuation Group is to monitor the Company's asset valuation policies and procedures by ensuring objective and reliable valuation practices and pricing of financial instruments, as well as addressing fair valuation issues, changes to valuation methodologies and pricing sources. To assess the continuing appropriateness of third party pricing service security valuations, the Valuation Group regularly monitors the prices and reviews price variance reports. In addition, the Company performs an initial and ongoing review of the third party pricing services methodologies, reviews inputs and assumptions used for a sample of securities on a periodic basis. Pricing challenges are raised on valuations considered not reflective of market and are monitored by the Valuation Group.

### BONDS

The fair values of the Company's debt securities are generally based on quoted market prices or prices obtained from independent pricing services. In order to validate reasonability, prices are reviewed by internal investment professionals through comparison with directly observed recent market trades or color or by comparison of significant inputs used by the pricing service to the Company's observations of those inputs in the market. Consistent with the fair value hierarchy described above, securities with quoted market prices or corroborated valuations from pricing services are generally reflected within Level 2. Inputs considered to be standard for valuations by the independent pricing service include: benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, bids, offers, reference data and industry and economic events. In circumstances where prices from pricing services are reviewed for reasonability but cannot be corroborated to observable market data as noted above, these security values are recorded in Level 3 in the Company's fair value hierarchy.

In circumstances where market data such as quoted market prices or vendor pricing is not available, internal estimates based on significant observable inputs are used to determine fair value. This category also includes fixed income securities priced internally. Inputs considered include: public debt, industrial comparables, underlying assets, credit ratings, yield curves, type of deal structure, collateral performance, loan characteristics and various indices, as applicable. Also included in Level 2 are private placement securities. Inputs considered are: public corporate bond spreads, industry sectors, average life, internal ratings, security structure, liquidity spreads, credit spreads and yield curves, as applicable. If the discounted cash flow model incorporates significant unobservable inputs, these securities would be reflected within Level 3 in the Company's fair value hierarchy.

In circumstances where significant observable inputs are not available, estimated fair value is calculated internally by using unobservable inputs. These inputs reflect the Company's assumptions about the inputs market participants would use in pricing the asset, and are therefore included in Level 3 in the Company's fair value hierarchy. Circumstances where observable market data is not available may include events such as market illiquidity and credit events related to the security.

The Company's Level 3 debt securities generally include certain privately placed commercial mortgage backed, asset backed trust preferred, public debt and certain private debt securities priced internally based on observable and unobservable inputs. Under certain conditions, the Company may conclude pricing information received from third party pricing services is not reflective of market activity and may over-ride that information with an internally developed valuation that utilizes market information and activity. As of September 30, 2016 and 2015, there were no debt securities carried at fair value that were valued in this manner.

Significant inputs used in valuing the Company's Level 3 debt securities include: issue specific credit adjustments, illiquidity premiums, estimation of future collateral performance cash flows, default rate assumptions, acquisition cost, market activity for securities considered comparable and non-binding quotes from certain market participants. Certain of these inputs are considered unobservable, as not all market participants will have access to this data.

The methodologies followed for valuing the Company's significant Level 3 debt securities include:

- Commercial mortgage, residential mortgage and asset backed securities - These assets are valued based upon broker quotes which are updated regularly. The quoted valuation is based upon a discounted cash flow model and the assumptions underlying the model include swap curve rates, prepayment and default assumptions and an illiquidity premium. On a periodic basis, management reviews the underlying assumptions with the quoting broker and reviews the final quotes for reasonableness.
- Asset backed trust preferred securities - The process used to value these assets consists of determining the current market price and credit spread of the underlying floating rate security that will be received at maturity of the trust. That value is then discounted based upon a rate consisting of the applicable swap yield to maturity, the discount margin and an illiquidity premium established by management.

## NOTES TO FINANCIAL STATEMENTS

### EQUITY SECURITIES

Equity securities consist principally of investments in common and preferred stock of publicly traded companies, exchange traded funds, closed-end funds, and FHLB-PGH capital stock. The fair values of most publicly traded equity securities are based on quoted market prices in active markets for identical assets and are classified within Level 1 in the Company's fair value hierarchy. The fair values of non-exchange traded preferred equity securities are based on prices obtained from independent pricing services and, in order to validate reasonability, are compared with recent market trades we have directly observed. Accordingly, these securities are classified within Level 2 in the Company's fair value hierarchy. Fair value for the FHLB capital stock approximates par value and is classified within Level 3 of the Company's fair value hierarchy.

### CASH AND SHORT-TERM INVESTMENTS

Short-term investments carried at Level 1 consist of money market funds and investments purchased with maturities of greater than three months and less than or equal to 12 months. These are carried at amortized cost and approximate fair value.

### DERIVATIVE INSTRUMENTS

Derivatives instruments not qualifying as an effective hedge with a positive fair value are recorded as other invested assets. Derivatives instruments not qualifying as an effective hedge with negative fair values are reported as other liabilities. The fair values of derivative contracts are determined based on quoted prices in active exchanges or prices provided by counterparties, exchanges or clearing members as applicable, utilizing valuation models. The fair values of derivative contracts can be affected by changes in interest rates, foreign exchange rates, commodity prices, credit spreads, market volatility, expected returns and liquidity as well as other factors. In order to validate reasonability, prices are reviewed by our internal investment professionals through comparison with directly observed recent market trades, comparison with internal valuations estimated through use of valuation models maintained on an industry standard analytical and valuation platform, or comparison of all significant inputs used by the pricing service to our observations of those inputs in the market. Fair values can also be affected by changes in estimates and assumptions including those related to counterparty behavior used in valuation models.

The Company's exchange traded futures include index futures that are valued using quoted prices in active markets and are classified within Level 1 in our fair value hierarchy. Derivative positions traded in the over-the-counter ("OTC") derivative market are classified within Level 2. These investments include: interest rate swaps, interest rate caps, total return swaps, swaptions, equity options, inflation swaps, forward contracts, and credit default swaps. OTC derivatives classified within Level 2 are valued using models generally accepted in the financial services industry that use actively quoted or observable market input values from external market data providers, broker-dealer quotations, third-party pricing vendors and/or recent trading activity. Refer to Note 6 for additional disclosures regarding derivatives.

### SEPARATE ACCOUNT ASSETS

Separate account assets primarily consist of mutual funds. The fair value of mutual funds is based upon quoted prices in an active market, resulting in classification within Level 1 of the Company's fair value hierarchy.

A.

#### (1) Fair Value Measurements at Reporting Date

Assets at Fair Value	Level 1	Level 2	Level 3	Total
Corporate Securities	\$	\$ 4,844,000	\$	\$ 4,844,000
Commercial MBS		1,638,000	5,923,000	7,561,000
Asset Backed Securities			1,439,000	1,439,000
Common Stock	79,513,000		20,687,000	100,200,000
Interest Rate Swaps		24,118,000		24,118,000
Futures	53,000			53,000
Equity Options		4,267,000		4,267,000
Separate Account Assets	7,351,287,000			7,351,287,000

Liabilities at Fair Value	Level 1	Level 2	Level 3	Total
Derivatives	\$ 296,000	\$ 241,332,000	\$	\$ 241,628,000
Total	\$ 296,000	\$ 241,332,000	\$	\$ 241,628,000

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

	Beginning Balance at current period	Transfers Into Level 3	Transfers Out of Level 3	Total Gains and (Losses) Included in Net Income	Total Gains and (Losses) Included in Surplus	Purchases	Issuances	Sales	Settlements	Ending Balance at current period
a. Assets										
Commercial MBS	\$ 5,923,000	\$	\$	\$	\$	\$	\$	\$	\$	\$ 5,923,000
Asset Backed Securities	1,437,000			4,000	17,000			(19,000)		1,439,000
Common Stock	25,524,000	2,291,000				872,000		(8,000,000)		20,687,000
Total	\$ 32,884,000	\$ 2,291,000	\$	\$ 4,000	\$ 17,000	\$ 872,000	\$	\$ (8,019,000)	\$	\$ 28,049,000

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



## NOTES TO FINANCIAL STATEMENTS

- (3) When a determination is made to classify a financial instrument within Level 3, the determination is based upon the significance of the unobservable parameters to the overall fair value measurement. However, Level 3 financial instruments typically include, in addition to the unobservable or Level 3 components, observable components (that is, components that are actively quoted and can be validated to external sources); accordingly, the gains and losses in the table below include changes in fair value due in part to observable factors that are part of the valuation methodology.

The Company recognizes transfers into Level 3 as of the end of the period in which the circumstances leading to the transfer occurred. The Company recognizes transfers out of Level 3 at the beginning of a period in which the circumstances leading to the transfer occurred.

There were \$2,291,000 of assets transferred in and no assets transferred out of Level 3 for the period ended September 30, 2016. There was one asset that had an NAIC designation downgrade in 2015, requiring that it be carried at fair value.

- (4) The following summarizes the fair value, valuation techniques and significant unobservable inputs of the Level 3 fair value measurements that were developed as of June 30, 2016:

	Fair Value	Valuation Technique	Significant Unobservable Inputs	Rate/ Range or /weighted avg.
<b>Assets:</b>				
Investments				
Bonds				
Asset-backed securities	\$ 1,439,000	Broker quote <sup>(1)</sup>	Not available	N/A
Commercial MBS	5,923,000	Property, appraised and credit support	Not available	N/A
Common Stock	3,174,000	Carried at Cost	Not available	N/A
Common stock	17,513,000	Set by issuer – FHLB-PGH <sup>(3)</sup>	Not available	N/A
<b>Total investments</b>	<b>\$28,049,000</b>			

(1) Broker quoted fair values on these asset backed securities represent indicative, non-binding quotes developed by a single market maker. The significant inputs are not developed by the Company and are not reasonably available.

(2) The Company estimates the fair value using a model which applies an enterprise valuation multiplier to estimated earnings before income taxes, depreciation, and amortization.

(3) The par value of capital stock is \$100. The capital stock is issued, redeemed and repurchased at par.

- (5) Derivatives instruments not qualifying as an effective hedge with a positive fair value are recorded as other invested assets. Derivatives instruments not qualifying as an effective hedge with negative fair values are reported as other liabilities. The fair values of derivative contracts are determined based on quoted prices in active exchanges or prices provided by counterparties, exchanges or clearing members as applicable, utilizing valuation models. The fair values of derivative contracts can be affected by changes in interest rates, foreign exchange rates, commodity prices, credit spreads, market volatility, expected returns and liquidity as well as other factors. In order to validate reasonability, prices are reviewed by our internal investment professionals through comparison with directly observed recent market trades, comparison with internal valuations estimated through use of valuation models maintained on an industry standard analytical and valuation platform, or comparison of all significant inputs used by the pricing service to our observations of those inputs in the market. Fair values can also be affected by changes in estimates and assumptions including those related to counterparty behavior used in valuation models.

The Company's exchange traded futures include index futures that are valued using quoted prices in active markets and are classified within Level 1 in our fair value hierarchy. Derivative positions traded in the over-the-counter ("OTC") derivative market are classified within Level 2. These investments include: interest rate swaps, interest rate caps, total return swaps, swaptions, equity options, inflation swaps, forward contracts, and credit default swaps. OTC derivatives classified within Level 2 are valued using models generally accepted in the financial services industry that use actively quoted or observable market input values from external market data providers, broker-dealer quotations, third-party pricing vendors and/or recent trading activity.

B. Not applicable

- C. The following table summarizes the aggregate fair value for all financial instruments and the level within the fair value hierarchy in which the fair value measurements in their entirety fall, for which it is practicable to estimate fair value, at June 30, 2016:

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	(Level 1)	(Level 2)	(Level 3)	Not Practicable (Carrying Value)
<b>Financial Assets:</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Bonds	9,391,025,000	8,605,941,000	119,850,000	8,356,698,000	914,477,000	
Redeemable Preferred Stock	114,060,000	108,032,000	57,464,000	54,631,000	1,965,000	
Common Stock - Unaffiliated	100,200,000	100,200,000	79,513,000		20,687,000	
Cash and Short-Term Investments	131,054,000	131,054,000	131,054,000			
Derivatives	107,374,000	85,541,000	53,000	107,321,000		
Separate Account Assets	7,351,287,000	7,351,287,000	7,351,287,000			
<b>Financial Liabilities:</b>						
<b>Investment Type Contracts:</b>						
Individual Annuities	2,474,069,000	2,448,223,000			2,448,223,000	
Derivatives	254,413,000	241,628,000	296,000	254,117,000		
Separate Account Liabilities	7,351,287,000	7,351,287,000	7,351,287,000			

**NOTES TO FINANCIAL STATEMENTS**

D. Not Practicable to Estimate Fair Value

Type of Class or Financial Instrument	Carrying Value	Effective Interest Rate	Maturity Date	Explanation
	\$			

**NOTE 21 – OTHER ITEMS**

No significant changes

**Note 22 – Events Subsequent**

The Company has entered into a definitive agreement, subject to regulatory approval, to merge with Connecticut-based Vantis Life Insurance Company (Vantis Life). As a result of this deal, Vantis Life will become a wholly-owned affiliate of the Company.

**Note 23 – Reinsurance**

No significant changes

**Note 24 – Retrospectively Rated Contracts and Contracts Subject to Redetermination**

The Company does not have any retrospectively rated contracts.

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

Not applicable

**Note 26 – Intercompany Pooling Arrangements**

The Company is not part of a group of affiliated insurers that utilizes a pooling arrangement.

**Note 27 – Structured Settlements**

No significant changes

**Note 28 – Health care receivables**

No significant changes

**Note 29 – Participating policies**

No significant changes

**Note 30 – Premium Deficiency Reserves**

No significant changes

**Note 31 – Reserves for Life Contracts and Deposit-Type Contracts**

No significant changes

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

No significant changes

**Note 33 – Premium and Annuity Considerations Deferred and Uncollected**

No significant changes

**Note 34 – Separate Accounts**

No significant changes

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

No significant changes

**GENERAL INTERROGATORIES**

**PART 1 - COMMON INTERROGATORIES**

**GENERAL**

- 1.1 Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act? Yes [ ] No [X]
- 1.2 If yes, has the report been filed with the domiciliary state? Yes [ ] No [ ]
- 2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? Yes [X] No [ ]
- 2.2 If yes, date of change: 02/26/2016
- 3.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer? If yes, complete Schedule Y, Parts 1 and 1A. Yes [X] No [ ]
- 3.2 Have there been any substantial changes in the organizational chart since the prior quarter end? Yes [ ] No [X]
- 3.3 If the response to 3.2 is yes, provide a brief description of those changes.

- 4.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes [ ] No [X]
- 4.2 If yes, provide name of entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

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

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

- 6.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/2015
- 6.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. 12/31/2010
- 6.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). 03/15/2012

6.4 By what department or departments?  
Pennsylvania Insurance Department

- 6.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments? Yes [ ] No [ ] N/A [X]
- 6.6 Have all of the recommendations within the latest financial examination report been complied with? Yes [X] No [ ] N/A [ ]
- 7.1 Has this reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? Yes [ ] No [X]
- 7.2 If yes, give full information:

- 8.1 Is the company a subsidiary of a bank holding company regulated with the Federal Reserve Board? Yes [ ] No [X]
- 8.2 If response to 8.1 is yes, please identify the name of the bank holding company.

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

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

1 Affiliate Name	2 Location (City, State)	3 FRB	4 OCC	5 FDIC	6 SEC
Honor, Townsend & Kent LLC	Horsham, PA	NO	NO	NO	YES
Janney Montgomery Scott, LLC	Philadelphia, PA	NO	NO	NO	YES

- 9.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards? Yes [X] No [ ]
  - (a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
  - (b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
  - (c) Compliance with applicable governmental laws, rules and regulations;
  - (d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
  - (e) Accountability for adherence to the code.

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

- 9.2 Has the code of ethics for senior managers been amended? Yes [ ] No [X]
- 9.21 If the response to 9.2 is Yes, provide information related to amendment(s).

- 9.3 Have any provisions of the code of ethics been waived for any of the specified officers? Yes [ ] No [X]
- 9.31 If the response to 9.3 is Yes, provide the nature of any waiver(s).

**GENERAL INTERROGATORIES**

**PART 1 - COMMON INTERROGATORIES**

**FINANCIAL**

- 10.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? Yes  No
- 10.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: \$ 0

**INVESTMENT**

- 11.1 Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.) Yes  No
- 11.2 If yes, give full and complete information relating thereto:
12. Amount of real estate and mortgages held in other invested assets in Schedule BA: \$ 0
13. Amount of real estate and mortgages held in short-term investments: \$ 0
- 14.1 Does the reporting entity have any investments in parent, subsidiaries and affiliates? Yes  No
- 14.2 If yes, please complete the following:

- 14.21 Bonds
- 14.22 Preferred Stock
- 14.23 Common Stock
- 14.24 Short-Term Investments
- 14.25 Mortgage Loans on Real Estate
- 14.26 All Other
- 14.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26)
- 14.28 Total Investment in Parent included in Lines 14.21 to 14.26 above

1 Prior Year-End Book/Adjusted Carrying Value	2 Current Quarter Book/Adjusted Carrying Value
\$ 0	\$ 0
0	0
374,196,062	374,958,680
0	0
0	0
188,120,609	205,839,623
\$ 562,316,671	\$ 580,798,303
\$ 0	\$ 0

- 15.1 Has the reporting entity entered into any hedging transactions reported on Schedule DB? Yes  No
- 15.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? Yes  No
- If no, attach a description with this statement.

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

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

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

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

1 Name of Custodian(s)	2 Custodian Address
State Street Corporation	2 World Financial Center 225 Liberty Street 24th Floor New York, NY 10281
Goldman Sachs & Company	200 West Street New York, NY 10282-2198

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

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

17.3 Have there been any changes, including name changes, in the custodian(s) identified in 17.1 during the current quarter? Yes  No

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

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

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

1 Central Registration Depository	2 Name(s)	3 Address
107518	Penn Mutual Asset Management, LLC.	600 Dresher Road Horsham, PA 19044

18.1 Have all the filing requirements of the *Purposes and Procedures Manual of the NAIC Investment Analysis Office* been followed? Yes  No

18.2 If no, list exceptions:

**GENERAL INTERROGATORIES (continued)**

**PART 2 - LIFE & HEALTH**

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

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

**SCHEDULE S - CEDED REINSURANCE**

Showing All New Reinsurance Treaties - Current Year to Date

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

# PENN MUTUAL LIFE INSURANCE COMPANY SCHEDULE T - PREMIUMS AND ANNUITY CONSIDERATIONS

Current Year to Date - Allocated by States and Territories

States, Etc.		1 Active Status	Direct Business Only					
			Life Contracts		4 A&H Insurance Premiums, Including Policy Membership and Other Fees	5 Other Considerations	6 Total Columns 2 through 5	7 Deposit-Type Contracts
			2 Life Insurance Premiums	3 Annuity Considerations				
1. Alabama.....	AL	L	3,349,183	446,606	30,775	2,001,922	5,828,486	
2. Alaska.....	AK	L	206,519		12,056	157,655	376,231	
3. Arizona.....	AZ	L	12,751,594	1,723,816	57,968	10,405,332	24,938,709	739,226
4. Arkansas.....	AR	L	3,151,250		5,245	2,685,864	5,842,359	125,022
5. California.....	CA	L	76,712,350	5,840,357	610,208	19,753,463	102,916,378	605,325
6. Colorado.....	CO	L	18,638,194	774,281	31,179	1,286,843	20,730,497	
7. Connecticut.....	CT	L	33,616,646	2,204,115	214,058	7,132,561	43,167,381	
8. Delaware.....	DE	L	12,788,464	100,000	30,877	15,459,406	28,378,747	789,568
9. District of Columbia.....	DC	L	3,101,654	1,205,615	18,341	4,500	4,330,110	
10. Florida.....	FL	L	45,987,067	11,051,927	757,688	31,238,275	89,034,957	1,275,624
11. Georgia.....	GA	L	10,476,841	629,147	33,947	10,378,081	21,518,016	108,100
12. Hawaii.....	HI	L	2,257,183	281,000	4,113	627,349	3,169,645	
13. Idaho.....	ID	L	2,373,504	201,246	1,354	2,224,609	4,800,713	
14. Illinois.....	IL	L	33,885,605	1,515,926	111,076	18,383,406	53,896,013	527,443
15. Indiana.....	IN	L	4,746,572	868,678	43,843	2,098,581	7,757,674	
16. Iowa.....	IA	L	5,496,049	443,144	54,658	1,692,578	7,686,429	55,933
17. Kansas.....	KS	L	7,105,692	274,303	147,960	7,604,527	15,132,483	34,580
18. Kentucky.....	KY	L	2,807,828	231,858	46,325	816,010	3,902,021	
19. Louisiana.....	LA	L	5,884,292	1,500,000	27,024	1,541,205	8,952,522	
20. Maine.....	ME	L	2,438,424		104,898	1,139,348	3,682,670	
21. Maryland.....	MD	L	10,366,198	269,231	234,480	14,835,491	25,705,401	945,446
22. Massachusetts.....	MA	L	15,029,415	2,169,849	22,189	11,793,749	29,015,201	1,602,756
23. Michigan.....	MI	L	25,143,318	327,094	211,475	1,907,615	27,589,502	150,000
24. Minnesota.....	MN	L	28,034,305	18,349,292	118,291	2,842,468	49,344,356	155,000
25. Mississippi.....	MS	L	1,520,716	2,759,556	69,450	203,487	4,553,209	
26. Missouri.....	MO	L	7,747,614	386,622	5,210	1,681,970	9,821,417	192,237
27. Montana.....	MT	L	2,407,438	52,500	10,079	150,000	2,620,017	
28. Nebraska.....	NE	L	2,952,652	499,805	11,262	77,293	3,541,012	
29. Nevada.....	NV	L	12,741,769	129,201	7,849	1,360,716	14,239,535	
30. New Hampshire.....	NH	L	1,694,223	157,280	20,069	1,737,724	3,609,296	
31. New Jersey.....	NJ	L	45,138,591	2,079,774	600,764	37,701,133	85,520,261	968,052
32. New Mexico.....	NM	L	4,539,633		14,587	26,407	4,580,627	
33. New York.....	NY	L	119,213,441	7,713,921	2,393,436	37,485,517	166,806,315	1,197,216
34. North Carolina.....	NC	L	14,454,002	1,607,207	86,402	3,311,626	19,459,240	336,682
35. North Dakota.....	ND	L	1,212,819	750,000	5,038		1,967,857	
36. Ohio.....	OH	L	26,043,800	1,294,937	128,795	21,019,562	48,487,094	96,780
37. Oklahoma.....	OK	L	7,939,636		23,263	22,836,822	30,799,721	350,000
38. Oregon.....	OR	L	5,835,385	482,013	42,029	2,207,119	8,566,546	
39. Pennsylvania.....	PA	L	54,036,594	3,747,747	453,426	53,704,533	111,942,300	843,322
40. Rhode Island.....	RI	L	2,873,329	260,068	16,747	1,434,922	4,585,065	70,000
41. South Carolina.....	SC	L	15,789,453	295,000	50,334	1,201,179	17,335,966	
42. South Dakota.....	SD	L	3,727,610		21,193	18,000	3,766,803	
43. Tennessee.....	TN	L	3,486,740	812,869	70,647	1,339,281	5,709,537	479,819
44. Texas.....	TX	L	41,664,351	10,467,450	152,542	16,550,193	68,834,535	562,687
45. Utah.....	UT	L	27,928,843	170,000	4,515	18,816,758	46,920,117	825,000
46. Vermont.....	VT	L	2,338,601	200,000	26,970	860,785	3,426,356	
47. Virginia.....	VA	L	13,538,391	938,310	126,220	12,257,166	26,860,087	256,087
48. Washington.....	WA	L	18,832,801	1,404,564	78,163	10,162,078	30,477,606	465,038
49. West Virginia.....	WV	L	1,517,384	127,046	2,927	1,255,590	2,902,947	
50. Wisconsin.....	WI	L	10,119,428	1,397,169	37,659	1,541,638	13,095,894	
51. Wyoming.....	WY	L	1,289,469	121,850		1,165,873	2,577,192	
52. American Samoa.....	AS	N					0	
53. Guam.....	GU	N					0	
54. Puerto Rico.....	PR	N	47,603		3,126		50,729	
55. US Virgin Islands.....	VI	N					0	
56. Northern Mariana Islands.....	MP	N	656				656	
57. Canada.....	CAN	N					0	
58. Aggregate Other Alien.....	OT	XXX	1,182,766	0	14,530	6,500	1,203,796	0
59. Subtotal.....	(a). 51	XXX	818,163,884	88,262,374	7,407,263	418,124,708	1,331,958,230	13,756,944
90. Reporting entity contributions for employee benefit plans.....	XXX						0	
91. Dividends or refunds applied to purchase paid-up additions and annuities.....	XXX		24,765,083				24,765,083	
92. Dividends or refunds applied to shorten endowment or premium paying period.....	XXX						0	
93. Premium or annuity considerations waived under disability or other contract provisions.....	XXX		2,586,826				2,586,826	
94. Aggregate other amounts not allocable by State.....	XXX		5,072,408	0	0	0	5,072,408	0
95. Totals (Direct Business).....	XXX		850,588,201	88,262,374	7,407,263	418,124,708	1,364,382,546	13,756,944
96. Plus Reinsurance Assumed.....	XXX		60,377,880				60,377,880	
97. Totals (All Business).....	XXX		910,966,081	88,262,374	7,407,263	418,124,708	1,424,760,426	13,756,944
98. Less Reinsurance Ceded.....	XXX		477,893,059	299,595	7,234,664		485,427,318	
99. Totals (All Business) less Reinsurance Ceded.....	XXX		433,073,022	87,962,779	172,599	418,124,708	939,333,108	13,756,944

### DETAILS OF WRITE-INS

58001. Military APO/FPO.....	XXX		1,182,766		14,530	6,500	1,203,796	
58002. ....	XXX						0	
58003. ....	XXX						0	
58998. Summary of remaining write-ins for line 58 from overflow page.....	XXX		0	0	0	0	0	0
58999. Total (Lines 58001 thru 58003 plus 58998) (Line 58 above).....	XXX		1,182,766	0	14,530	6,500	1,203,796	0
9401. Internal Replacements.....	XXX		5,072,408				5,072,408	
9402. ....	XXX						0	
9403. ....	XXX						0	
9498. Summary of remaining write-ins for line 94 from overflow page.....	XXX		0	0	0	0	0	0
9499. Total (Lines 9401 thru 9403 plus 9498) (Line 94 above).....	XXX		5,072,408	0	0	0	5,072,408	0

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

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

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





**SCHEDULE Y**

**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	ID Number	Federal RSSD	CIK	Name of Securities Exchange if Publicly Traded (U.S. or International)	Names of Parent, Subsidiaries or Affiliates	Domiciliary Location	Relationship to Reporting Entity	Directly Controlled by (Name of Entity/Person)	Type of Control (Ownership Board, Management Attorney-in-Fact, Influence, Other)	If Control is Ownership Provide Percentage	Ultimate Controlling Entity(ies)/Person(s)	*
<b>Members</b>														
0850.....	The Penn Mutual Life Insurance Company	67644...	23-0952300..				The Penn Mutual Life Insurance Company.....	PA.....	UDP.....					
0850.....	The Penn Mutual Life Insurance Company	93262...	23-2142731..				The Penn Insurance and Annuity Company.....	DE.....	IA.....	The Penn Mutual Life Insurance Company.....	Ownership.....	100.000	The Penn Mutual Life Insurance Company.....	
0850.....	The Penn Mutual Life Insurance Company	15370...	46-4355668..				PIA Reinsurance Company of Delaware I.....	DE.....	IA.....	The Penn Insurance and Annuity Company.....	Ownership.....	100.000	The Penn Mutual Life Insurance Company.....	
0850.....	The Penn Mutual Life Insurance Company		23-1706189..		0000077131		Honor Townsend & Kent, Inc.....	PA.....	NIA.....	The Penn Mutual Life Insurance Company.....	Ownership.....	100.000	The Penn Mutual Life Insurance Company.....	
0850.....	The Penn Mutual Life Insurance Company		23-2667559..				HTK Insurance Agency, Inc.....	DE.....	DS.....	Honor Townsend & Kent, Inc.....	Ownership.....	100.000	The Penn Mutual Life Insurance Company.....	
0850.....	The Penn Mutual Life Insurance Company		23-1918844..				Independence Square Properties, LLC.....	PA.....	NIA.....	The Penn Mutual Life Insurance Company.....	Ownership.....	95.780	The Penn Mutual Life Insurance Company.....	
0850.....	The Penn Mutual Life Insurance Company		23-2566941..				Penn Mutual Asset Management, LLC.....	PA.....	NIA.....	The Penn Mutual Life Insurance Company.....	Ownership.....	100.000	The Penn Mutual Life Insurance Company.....	
0850.....	The Penn Mutual Life Insurance Company		23-2209178..				Penn Series Fund, Inc.....	PA.....	NIA.....	The Penn Mutual Life Insurance Company.....	Ownership.....	100.000	The Penn Mutual Life Insurance Company.....	
0850.....	The Penn Mutual Life Insurance Company		27-5126301..				Penn Mutual Payroll Administration, LLC.....	PA.....	NIA.....	The Penn Mutual Life Insurance Company.....	Ownership.....	100.000	The Penn Mutual Life Insurance Company.....	
0850.....	The Penn Mutual Life Insurance Company		45-4797815..				ILS Holdings, LLC.....	PA.....	NIA.....	The Penn Mutual Life Insurance Company.....	Ownership.....	100.000	The Penn Mutual Life Insurance Company.....	
0850.....	The Penn Mutual Life Insurance Company		23-0731260..		0000200401		Janney Montgomery Scott, LLC.....	PA.....	DS.....	Independence Square Properties, LLC.....	Ownership.....	100.000	The Penn Mutual Life Insurance Company.....	
0850.....	The Penn Mutual Life Insurance Company		46-0961118..				Leap Systems, LLC.....	PA.....	DS.....	Independence Square Properties, LLC.....	Ownership.....	100.000	The Penn Mutual Life Insurance Company.....	
0850.....	The Penn Mutual Life Insurance Company		45-5066619..				Janney Capital Management, LLC.....	PA.....	DS.....	Janney Montgomery Scott, LLC.....	Ownership.....	100.000	The Penn Mutual Life Insurance Company.....	
0850.....	The Penn Mutual Life Insurance Company		23-2159959..				JMS Resources, Inc.....	PA.....	DS.....	Janney Montgomery Scott, LLC.....	Ownership.....	100.000	The Penn Mutual Life Insurance Company.....	
0850.....	The Penn Mutual Life Insurance Company		23-3028607..				Janney Private Equity Company, Inc.....	DE.....	DS.....	JMS Resources, Inc.....	Ownership.....	100.000	The Penn Mutual Life Insurance Company.....	
0850.....	The Penn Mutual Life Insurance Company		47-5413232..				Dresher Run I, LLC.....	DE.....	NIA.....	The Penn Insurance and Annuity Company.....	Ownership.....	100.000	The Penn Mutual Life Insurance Company.....	
0850.....	The Penn Mutual Life Insurance Company	68446...	75-1222043..				Longevity Insurance Company.....	TX.....	DS.....	Dresher Run I, LLC.....	Ownership.....	100.000	The Penn Mutual Life Insurance Company.....	
0850.....	The Penn Mutual Life Insurance Company		81-0771540..				Penn Mutual Asset Management Multi-Series Fund (Master), LLC - Series A	PA.....	OTH.....	The Penn Mutual Life Insurance Company.....	Influence.....		The Penn Mutual Life Insurance Company.....	1.....

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## 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	ID Number	Federal RSSD	CIK	Name of Securities Exchange if Publicly Traded (U.S. or International)	Names of Parent, Subsidiaries or Affiliates	Domiciliary Location	Relationship to Reporting Entity	Directly Controlled by (Name of Entity/Person)	Type of Control (Ownership Board, Management Attorney-in-Fact, Influence, Other)	If Control is Ownership Provide Percentage	Ultimate Controlling Entity(ies)/Person(s)	*

Asterisk	Explanation
1	Entity over which The Penn Mutual Life Insurance Company has significant influence, but no ownership.

**SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES**

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

	<b>Response</b>
1. Will the Trusteed Surplus Statement be filed with the state of domicile and the NAIC with this statement?	NO
2. Will the Medicare Part D Coverage Supplement be filed with the state of domicile and the NAIC with this statement?	NO
3. Will the Reasonableness of Assumptions Certification required by Actuarial Guideline XXXV be filed with the state of domicile and electronically with the NAIC?	NO
4. Will the Reasonableness and Consistency of Assumptions Certification required by Actuarial Guideline XXXV be filed with the state of domicile and electronically with the NAIC?	NO
5. Will the Reasonableness of Assumptions Certification for Implied Guaranteed Rate Method required by Actuarial Guideline XXXVI be filed with the state of domicile and electronically with the NAIC?	NO
6. Will the Reasonableness and Consistency of Assumptions Certification required by Actuarial Guideline XXXVI (Updated Average Market Value) be filed with the state of domicile and electronically with the NAIC?	YES
7. Will the Reasonableness and Consistency of Assumptions Certification required by Actuarial Guideline XXXVI (Updated Market Value) be filed with the state of domicile and electronically with the NAIC?	NO

**Explanations:**

1. The data for this supplement is not required to be filed.
2. The data for this supplement is not required to be filed.
3. The data for this supplement is not required to be filed.
4. The data for this supplement is not required to be filed.
5. The data for this supplement is not required to be filed.
- 6.
7. The data for this supplement is not required to be filed.

**Bar Code:**



## Overflow Page for Write-Ins

## Additional Write-ins for Assets:

	Current Statement Date			4 December 31, Prior Year Net Admitted Assets
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	
2504. Expense Advances.....	6,466,323	6,466,323	0	
2505. Other Assets.....	2,947,681		2,947,681	2,894,712
2506. Agents Receivable.....	13,053,610	4,673,283	8,380,327	9,429,477
2507. Collateral for Interest Rate Swaps/Futures.....	203,781,621		203,781,621	99,460,505
2508. Collateral for Repurchase Agreement.....			0	1,380,577
2509. Collateral for Derivative Receivable.....	21,310,408		21,310,408	16,657,277
2597. Summary of remaining write-ins for Line 25.....	247,559,643	11,139,605	236,420,038	129,822,548

## Additional Write-ins for Liabilities:

	1 Current Statement Date	2 December 31 Prior Year
2504. Other Liabilities.....	5,233,789	1,703,016
2597. Summary of remaining write-ins for Line 25.....	5,233,789	1,703,016

## Additional Write-ins for Summary of Operations:

	1 Current Year to Date	2 Prior Year to Date	3 Prior Year Ended December 31
2704. Interest on LLC Note.....	1,970,150	1,774,936	2,405,509
2705. Net Investment Income on Funds Withheld.....	25,562,916	26,496,695	35,525,031
2797. Summary of remaining write-ins for Line 27.....	27,533,066	28,271,631	37,930,540

**PENN MUTUAL LIFE INSURANCE COMPANY  
SCHEDULE A - VERIFICATION**

Real Estate

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year.....	29,443,826	27,642,425
2. Cost of acquired:		
2.1 Actual cost at time of acquisition.....		
2.2 Additional investment made after acquisition.....	2,130,168	3,041,677
3. Current year change in encumbrances.....		
4. Total gain (loss) on disposals.....		
5. Deduct amounts received on disposals.....		
6. Total foreign exchange change in book/adjusted carrying value.....		
7. Deduct current year's other-than-temporary impairment recognized.....		
8. Deduct current year's depreciation.....	954,559	1,240,276
9. Book/adjusted carrying value at end of current period (Lines 1+2+3+4-5+6-7-8).....	30,619,435	29,443,826
10. Deduct total nonadmitted amounts.....		
11. Statement value at end of current period (Line 9 minus Line 10).....	30,619,435	29,443,826

**SCHEDULE B - VERIFICATION**

Mortgage Loans

	1 Year to Date	2 Prior Year Ended December 31
1. Book value/recorded investment excluding accrued interest, December 31 of prior year.....	(0)	(0)
2. Cost of acquired:		
2.1 Actual cost at time of acquisition.....		
2.2 Additional investment made after acquisition.....		
3. Capitalized deferred interest and other.....		
4. Accrual of discount.....		
5. Unrealized valuation increase (decrease).....		
6. Total gain (loss) on disposals.....		
7. Deduct amounts received on disposals.....		
8. Deduct amortization of premium and mortgage interest points and commitment fees.....		
9. Total foreign exchange change in book value/recorded investment excluding accrued interest.....		
10. Deduct current year's other-than-temporary impairment recognized.....		
11. Book value/recorded investment excluding accrued interest at end of current period (Lines 1+2+3+4+5+6-7-8+9-10).....	(0)	(0)
12. Total valuation allowance.....		
13. Subtotal (Line 11 plus Line 12).....	(0)	(0)
14. Deduct total nonadmitted amounts.....		
15. Statement value at end of current period (Line 13 minus Line 14).....	(0)	(0)

**SCHEDULE BA - VERIFICATION**

Other Long-Term Invested Assets

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year.....	885,062,531	806,320,828
2. Cost of acquired:		
2.1 Actual cost at time of acquisition.....	88,551,770	34,442,745
2.2 Additional investment made after acquisition.....	59,163,699	92,215,813
3. Capitalized deferred interest and other.....		486,189
4. Accrual of discount.....		
5. Unrealized valuation increase (decrease).....	(4,858,106)	(7,020,734)
6. Total gain (loss) on disposals.....	230,075	282,925
7. Deduct amounts received on disposals.....	28,971,825	27,848,113
8. Deduct amortization of premium and depreciation.....	5,530,308	6,906,584
9. Total foreign exchange change in book/adjusted carrying value.....	3,513,453	(1,570,097)
10. Deduct current year's other-than-temporary impairment recognized.....	5,303,803	5,340,441
11. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5+6-7-8+9-10).....	991,857,486	885,062,531
12. Deduct total nonadmitted amounts.....	16,936,247	13,268,387
13. Statement value at end of current period (Line 11 minus Line 12).....	974,921,239	871,794,144

**SCHEDULE D - VERIFICATION**

Bonds and Stocks

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year.....	8,677,755,653	8,098,601,321
2. Cost of bonds and stocks acquired.....	1,261,633,687	2,213,549,582
3. Accrual of discount.....	7,159,441	67,540,150
4. Unrealized valuation increase (decrease).....	10,522,046	(76,682,337)
5. Total gain (loss) on disposals.....	33,976,428	23,621,111
6. Deduct consideration for bonds and stocks disposed of.....	771,982,509	1,582,051,457
7. Deduct amortization of premium.....	25,075,111	61,499,907
8. Total foreign exchange change in book/adjusted carrying value.....	(1,191,213)	(2,964,450)
9. Deduct current year's other-than-temporary impairment recognized.....		2,358,360
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9).....	9,192,798,422	8,677,755,653
11. Deduct total nonadmitted amounts.....	3,666,564	1,608,028
12. Statement value at end of current period (Line 10 minus Line 11).....	9,189,131,858	8,676,147,625

### SCHEDULE D - PART 1B

Showing the Acquisitions, Dispositions and Non-Trading Activity

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

NAIC Designation	1 Book/Adjusted Carrying Value Beginning of Current Quarter	2 Acquisitions During Current Quarter	3 Dispositions During Current Quarter	4 Non-Trading Activity During Current Quarter	5 Book/Adjusted Carrying Value End of First Quarter	6 Book/Adjusted Carrying Value End of Second Quarter	7 Book/Adjusted Carrying Value End of Third Quarter	8 Book/Adjusted Carrying Value December 31 Prior Year
<b>BONDS</b>								
1. NAIC 1 (a).....	6,116,178,209	839,419,376	932,125,787	(25,468,266)	6,015,013,721	6,116,178,209	5,998,003,532	5,867,930,963
2. NAIC 2 (a).....	2,159,083,119	144,234,206	28,038,454	1,958,446	2,128,748,677	2,159,083,119	2,277,237,317	2,104,026,536
3. NAIC 3 (a).....	243,676,810	2,004,375	365,751	9,990,429	232,237,883	243,676,810	255,305,863	170,027,628
4. NAIC 4 (a).....	94,555,024		62,923	3,035,359	83,243,804	94,555,024	97,527,460	84,670,899
5. NAIC 5 (a).....	31,842,635		3,593,391	4,821,160	40,495,254	31,842,635	33,070,404	30,286,149
6. NAIC 6 (a).....	21,884,360		677,648	(1,867,510)	24,957,450	21,884,360	19,339,202	20,006,278
7. Total Bonds.....	8,667,220,157	985,657,957	964,863,954	(7,530,382)	8,524,696,789	8,667,220,157	8,680,483,778	8,276,948,453
<b>PREFERRED STOCK</b>								
8. NAIC 1.....	19,864,856	7,515,000	2,408,281		19,864,856	19,864,856	24,971,575	19,864,856
9. NAIC 2.....	61,129,880	9,500,000			47,899,050	61,129,880	70,629,880	47,899,050
10. NAIC 3.....	4,048,500				4,048,500	4,048,500	4,048,500	4,048,500
11. NAIC 4.....		12,594,175	4,994,175				7,600,000	
12. NAIC 5.....							0	
13. NAIC 6.....	782,614				782,614	782,614	782,614	782,614
14. Total Preferred Stock.....	85,825,850	29,609,175	7,402,456	0	72,595,020	85,825,850	108,032,569	72,595,020
15. Total Bonds and Preferred Stock.....	8,753,046,007	1,015,267,132	972,266,410	(7,530,382)	8,597,291,809	8,753,046,007	8,788,516,347	8,349,543,473

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(a) Book/Adjusted Carrying Value column for the end of the current reporting period includes the following amount of non-rated short-term and cash equivalent bonds by NAIC designation:  
 NAIC 1 \$.....0; NAIC 2 \$.....0; NAIC 3 \$.....0; NAIC 4 \$.....0; NAIC 5 \$.....0; NAIC 6 \$.....0.

**SCHEDULE DA - PART 1**

Short-Term Investments

	1 Book/Adjusted Carrying Value	2 Par Value	3 Actual Cost	4 Interest Collected Year To Date	5 Paid for Accrued Interest Year To Date
9199999.....	74,542,684	XXX.....	74,542,684		

**SCHEDULE DA - VERIFICATION**

Short-Term Investments

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year.....	141,991,220	96,476,352
2. Cost of short-term investments acquired.....	1,867,718,152	2,050,566,325
3. Accrual of discount.....		
4. Unrealized valuation increase (decrease).....		
5. Total gain (loss) on disposals.....		
6. Deduct consideration received on disposals.....	1,935,166,687	2,005,051,457
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).....	74,542,685	141,991,220
11. Deduct total nonadmitted amounts.....		
12. Statement value at end of current period (Line 10 minus Line 11).....	74,542,685	141,991,220

**SCHEDULE DB - PART A - VERIFICATION**

## Options, Caps, Floors, Collars, Swaps and Forwards

1. Book/adjusted carrying value, December 31, prior year (Line 9, prior year).....	(33,354,017)
2. Cost paid/(consideration received) on additions.....	47,244,862
3. Unrealized valuation increase/(decrease).....	(112,781,362)
4. Total gain (loss) on termination recognized.....	25,942,575
5. Considerations received/(paid) on terminations.....	81,839,841
6. Amortization.....	
7. Adjustment to the book/adjusted carrying value of hedge item.....	
8. Total foreign exchange change in book/adjusted carrying value.....	(1,056,500)
9. Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 - 5 + 6 + 7 + 8).....	(155,844,283)
10. Deduct nonadmitted assets.....	
11. Statement value at end of current period (Line 9 minus Line 10).....	(155,844,283)

**SCHEDULE DB - PART B - VERIFICATION**

## Futures Contracts

1. Book/adjusted carrying value, December 31, prior year (Line 6, prior year).....	(3,029,277)
2. Cumulative cash change (Section 1, Broker Name/Net Cash Deposits Footnote - Cumulative Cash Change column).....	2,786,532
3.1 Add:	
Change in variation margin on open contracts - Highly Effective Hedges:	
3.11 Section 1, Column 15, current year to date minus.....	
3.12 Section 1, Column 15, prior year.....	0
Change in variation margin on open contracts - All Other:	
3.13 Section 1, Column 18, current year to date minus.....	(242,750)
3.14 Section 1, Column 18, prior year.....	(3,029,282)      2,786,532      2,786,532
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.....	0
Change in amount recognized:	
3.23 Section 1, Column 19, current year to date minus.....	(242,750)
3.24 Section 1, Column 19, prior year.....	(3,029,282)      2,786,532      2,786,532
3.3 Subtotal (Line 3.1 minus Line 3.2).....	(0)
4.1 Cumulative variation margin on terminated contracts during the year.....	1,371,393
4.2 Less:	
4.21 Amount used to adjust basis of hedged item.....	
4.22 Amount recognized.....	1,371,395      1,371,395
4.3 Subtotal (Line 4.1 minus Line 4.2).....	(2)
5. Dispositions gains (losses) on contracts terminated in prior year:	
5.1 Total gain (loss) recognized for terminations in prior year.....	
5.2 Total gain (loss) adjusted into the hedged item(s) for the terminations in prior year.....	
6. Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3.3 - 4.3 - 5.1 - 5.2).....	(242,743)
7. Deduct nonadmitted assets.....	
8. Statement value at end of current period (Line 6 minus Line 7).....	(242,743)



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

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

**PENN MUTUAL LIFE INSURANCE COMPANY**  
**SCHEDULE DB - VERIFICATION**

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

Book/Adjusted Carrying Value Check

1. Part A, Section 1, Column 14.....	<u>(155,844,280)</u>	
2. Part B, Section 1, Column 15 plus Part B, Section 1 Footnote - Total Ending Cash Balance.....	<u>(242,750)</u>	
3. Total (Line 1 plus Line 2).....		<u>(156,087,030)</u>
4. Part D, Section 1, Column 5.....	<u>85,541,043</u>	
5. Part D, Section 1, Column 6.....	<u>(241,628,073)</u>	
6. Total (Line 3 minus Line 4 minus Line 5).....		<u>0</u>

Fair Value Check

7. Part A, Section 1, Column 16.....	<u>(146,796,720)</u>	
8. Part B, Section 1, Column 13.....	<u>(242,750)</u>	
9. Total (Line 7 plus Line 8).....		<u>(147,039,470)</u>
10. Part D, Section 1, Column 8.....	<u>107,373,927</u>	
11. Part D, Section 1, Column 9.....	<u>(254,413,397)</u>	
12. Total (Line 9 minus Line 10 minus Line 11).....		<u>0</u>

Potential Exposure Check

13. Part A, Section 1, Column 21.....	<u>40,956,815</u>	
14. Part B, Section 1, Column 20.....	<u>3,201,250</u>	
15. Part D, Section 1, Column 11.....	<u>44,158,065</u>	
16. Total (Line 13 plus Line 14 minus Line 15).....		<u>0</u>

**PENN MUTUAL LIFE INSURANCE COMPANY**  
**SCHEDULE E- VERIFICATION**

Cash Equivalents

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year.....	0	
2. Cost of cash equivalents acquired.....		
3. Accrual of discount.....		
4. Unrealized valuation increase (decrease).....		
5. Total gain (loss) on disposals.....	<b>NONE</b>	
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).....	0	0
11. Deduct total nonadmitted amounts.....		
12. Statement value at end of current period (Line 10 minus Line 11).....	0	0

### SCHEDULE A - PART 2

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

1 Description of Property	Location		4 Date Acquired	5 Name of Vendor	6 Actual Cost at Time of Acquisition	7 Amount of Encumbrances	8 Book/Adjusted Carrying Value Less Encumbrances	9 Additional Investment Made After Acquisition
	2 City	3 State						
<b>Acquired by Purchase</b>								
Capital Improvements.....	Horsham.....	PA...	08/01/2016....	Total Comfort Solutions.....				37,425
Capital Improvements.....	Horsham.....	PA...	08/01/2016....	ALN Audio Visual.....				25,440
Capital Improvements.....	Horsham.....	PA...	08/01/2016....	Budget Maintenance.....				8,316
Capital Improvements.....	Horsham.....	PA...	08/01/2016....	COFCO Office Furnishings.....				144,818
Capital Improvements.....	Horsham.....	PA...	08/01/2016....	Elite Studio E.....				4,970
Capital Improvements.....	Horsham.....	PA...	08/01/2016....	Gelberg Signs.....				103,265
Capital Improvements.....	Horsham.....	PA...	08/01/2016....	Global Equipment Company, Inc.....				1,562
Capital Improvements.....	Horsham.....	PA...	08/01/2016....	Paul Restall Company, Inc.....				1,497,574
Capital Improvements.....	Horsham.....	PA...	08/01/2016....	PECO Energy Company Rebate Check.....				(1,842)
Capital Improvements.....	Horsham.....	PA...	08/01/2016....	Philips Healthcare.....				3,373
Capital Improvements.....	Horsham.....	PA...	08/01/2016....	PMDI Signs, Inc.....				2,557
Capital Improvements.....	Horsham.....	PA...	08/01/2016....	Sass-Moore Service Corporation.....				27,465
Capital Improvements.....	Horsham.....	PA...	08/01/2016....	Sharp Electronics Corp.....				6,330
Capital Improvements.....	Horsham.....	PA...	08/01/2016....	Sharp Water Culligan.....				10,608
Capital Improvements.....	Horsham.....	PA...	08/01/2016....	The Verve Partnership, LLC.....				98,865
Capital Improvements.....	Horsham.....	PA...	08/01/2016....	Cybox International.....				64,444
Capital Improvements.....	Horsham.....	PA...	08/01/2016....	Gym Source USA LCC.....				4,065
0199999. Totals.....					0	0	0	2,039,236
0399999. Totals.....					0	0	0	2,039,236

QE01

### SCHEDULE A - PART 3

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

1 Description of Property	Location		4 Disposal Date	5 Name of Purchaser	6 Actual Cost	7 Expended for Additions, Permanent Improvements and Changes in Encumbrances	8 Book/Adjusted Carrying Value Less Encumbrances	Change in Book/Adjusted Carrying Value Less Encumbrances					14 Book/Adjusted Carrying Value Less Encumbrances on Disposal	15 Amounts Received During Year	16 Foreign Exchange Gain (Loss) on Disposal	17 Realized Gain (Loss) on Disposal	18 Total Gain (Loss) on Disposal	19 Gross Income Earned Less Interest Incurred on Encumbrances	20 Taxes, Repairs, and Expenses Incurred
	2 City	3 State						9 Current Year's Change in B./A.C.V.	10 Current Year's Other-Than-Temporary Impairment Recognized	11 Current Year's Change in Encumbrances	12 Total Change in B./A.C.V. (11 - 9 - 10)	13 Total Foreign Exchange Change in B./A.C.V.							
<b>NONE</b>																			

### SCHEDULE B - PART 2

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

1	Location		4	5	6	7	8	9
Loan Number	2	3	Loan Type	Date Acquired	Rate of Interest	Actual Cost at Time of Acquisition	Additional Investment Made After Acquisition	Value of Land and Buildings
	City	State						

**NONE**

QE02

### SCHEDULE B - PART 3

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

1	Location		4	5	6	7	Change in Book Value/Recorded Investment					14	15	16	17	18	
Loan Number	2	3	Loan Type	Date Acquired	Disposal Date	Book Value/Recorded Investment Excluding Accrued Interest Prior Year	8	9	10	11	12	13	Book Value / Recorded Investment Excluding Accrued Interest on Disposal	Consideration	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal
	City	State					Unrealized Valuation Increase (Decrease)	Current Year's (Amortization) / Accretion	Current Year's Other-Than-Temporary Impairment Recognized	Capitalized Deferred Interest and Other	Total Change in Book Value (8 + 9 - 10 + 11)	Total Foreign Exchange Change in Book Value					

**NONE**

**SCHEDULE BA - PART 2**

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

1	2		Location		5	6	7	8	9	10	11	12	13
			3	4									
CUSIP Identification	Name or Description		City	State	Name of Vendor or General Partner	NAIC Designation	Date Originally Acquired	Type and Strategy	Actual Cost at Time of Acquisition	Additional Investment Made after Acquisition	Amount of Encumbrances	Commitment for Additional Investment	Percentage of Ownership
<b>Fixed or Variable Interest Rate Investments That Have Underlying Characteristics of Other Fixed Income Instruments - Unaffiliated</b>													
29334@ AA 2	Enhanced New York Fund III, LLC		New York	NY	Enhanced Capital Partners LLC		11/18/2005			754			
1199999. Total - Fixed or Variable Interest Rate Investments That Have Underlying Characteristics of Other Fixed Income Instruments - Unaffiliated									0	754	0	0	XXX
<b>Joint Venture or Partnership Interests That Have Underlying Characteristics of Common Stocks - Unaffiliated</b>													
000000 00 0	Battery Ventures X, L.P.		Waltham	MA	Battery Ventures		06/13/2013	1		33,000		456,948	0.308
000000 00 0	Battery Ventures X Side Fund, L.P.		Waltham	MA	Battery Ventures		07/08/2013	1		96,000		213,600	0.800
000000 00 0	Battery Ventures XI, L.P.		Waltham	MA	Battery Ventures		06/21/2016	1		255,500		6,184,500	1.077
000000 00 0	Bessemer Venture Partners IX Institutional L.P.		Menlo Park	CA	Bessemer Venture Partners		05/22/2015	1		487,736		5,075,096	0.438
000000 00 0	Frazier Healthcare VII, LP		Seattle	WA	Frazier Healthcare Ventures		08/01/2013	1		600,000		1,382,500	1.706
000000 00 0	Frazier Life Sciences VIII, L.P.		Menlo Park	CA	Frazier Healthcare Ventures		01/25/2016	1		264,000		10,374,000	5.333
000000 00 0	GS Vintage Fund V, L.P.		New York	NY	GS Vintage Fund V Advisors, LLC		10/29/2008			10,845		1,393,297	0.183
000000 00 0	Lightspeed Venture Partners IX, L.P.		Menlo Park	CA	Lightspeed Venture Partners		03/12/2012	1		105,000		385,000	1.022
000000 00 0	Lightspeed Venture Partners X, L.P.		Menlo Park	CA	Lightspeed Venture Partners		07/07/2014	1		157,500		1,687,500	0.720
000000 00 0	Lightspeed Venture Partners XI, L.P.		Menlo Park	CA	Lightspeed Venture Partners		03/18/2016	1		112,500		7,275,000	0.999
000000 00 0	Longitude Venture Partners II, L.P.		Menlo Park	CA	Longitude Capital Partners, LLC		04/25/2013	1		260,817		1,735,021	1.558
000000 00 0	Jackson Square Ventures I, L.P.		Menlo Park	CA	Jackson Square Ventures		11/28/2011	1		78,523		876,992	2.416
000000 00 0	Menlo Special Opportunities Fund, L.P.		Menlo Park	CA	Menlo Ventures		05/13/2016	1		570,240		6,951,392	4.000
000000 00 0	Morgan Stanley Private Markets Fund III LP		New York	NY	Morgan Stanley Alternative Investment Partners, L.P.		04/26/2006			3,608		233,357	0.516
000000 00 0	New Leaf Ventures III, L.P.		New York	NY	New Leaf Venture Partners		06/09/2015	1		1,330,000		8,120,000	3.733
000000 00 0	Omega Fund IV, L.P.		Boston	MA	Omega Fund Management		06/20/2013			54,433		471,991	1.089
000000 00 0	Point 406 Ventures II, L.P.		Boston	MA	406 Ventures Management, LLC		12/13/2011	1		96,000		1,032,000	2.285
000000 00 0	Point 406 Ventures III, L.P.		Boston	MA	406 Ventures Management, LLC		10/14/2015	1		84,000		5,370,000	3.429
000000 00 0	Point Judith Venture Fund III, L.P.		Providence	RI	Point Judith Capital Partners III, LLC		11/21/2011	1		82,500		553,500	12.371
000000 00 0	Rembrandt Venture Partners Fund Two, L.P.		Menlo Park	CA	Rembrandt Venture Partners Fund Three, LLC		04/02/2012	1		200,000		135,000	3.127
000000 00 0	Sanderling Ventures VII, L.P.		San Mateo	CA	Middleton, McNeil, Mills & Assoc VII, LLC		09/03/2013	1		250,000		3,000,000	6.100
000000 00 0	Shasta Ventures IV, L.P.		Menlo Park	CA	Shasta Ventures IV GP, LLC		10/10/2014	1		100,000		800,000	0.755
000000 00 0	Sigma Prime Partners IX, L.P.		Menlo Park	CA	Sigma Management 9, LLC		05/29/2012	1		514,604		2,469,103	6.861
000000 00 0	Summit Partners Growth Equity Fund VIII-A, L.P.		Boston	MA	Summit Partners		06/14/2012	1		90,000		962,393	0.302
000000 00 0	Trinity Ventures XII, L.P.		Menlo Park	CA	Trinity Ventures		04/07/2016	1		120,000		7,240,000	2.000
000000 00 0	Upfront IV, L.P.		Los Angeles	CA	Upfront Ventures		06/21/2012	1		261,005		190,939	2.633
000000 00 0	Upfront Opportunity Fund I, L.P.		Los Angeles	CA	Upfront Ventures		03/19/2015	1		6,537		1,135,807	6.000
000000 00 0	US Venture Partners XI, L.P.		Los Angeles	CA	Upfront Ventures		03/31/2015	1		525,000		11,925,000	5.455
000000 00 0	Warburg Pincus Private Equity XI, LP		New York	NY	Warburg Pincus Partners		05/24/2012	1		60,000		1,500,000	0.112
000000 00 0	Warburg Pincus Private Equity XII, LP		New York	NY	Warburg Pincus Partners		12/21/2015	1		788,500		16,881,500	0.147
1599999. Total - Joint Venture or Partnership Interests That Have Underlying Characteristics of Common Stocks - Unaffiliated									0	7,597,848	0	106,011,436	XXX
<b>Joint Venture or Partnership Interests That Have Underlying Characteristics of Common Stocks - Affiliated</b>													
000000 00 0	Independence Square Properties LLC		Philadelphia	PA						250,000	96		95.770
1699999. Total - Joint Venture or Partnership Interests That Have Underlying Characteristics of Common Stocks - Affiliated									0	250,000	96	0	XXX
<b>Joint Venture or Partnership Interests That Have Underlying Characteristics of Other - Unaffiliated</b>													
000000 00 0	3i Eurofund V, L.P.		London	GBR	3i EFV GP Limited		10/25/2006			31,656		199,012	0.475
000000 00 0	ABRY Advanced Securities Fund II, L.P.		Boston	MA	ABRY Partners LLC		05/04/2011	2		72,492		3,328,318	0.553
000000 00 0	ABRY Advanced Securities Fund III, L.P.		Boston	MA	ABRY Partners LLC		06/04/2014	2		303,444		5,925,130	0.667
000000 00 0	ABRY Heritage Partners, L.P.		Boston	MA	ABRY Partners LLC		08/30/2016	3	401,624			5,098,376	1.048
000000 00 0	ABRY Partners VI, L.P.		Boston	MA	ABRY VI Capital Partners, L.P.		03/26/2008			13,159		1,178,831	0.721
000000 00 0	ABRY Partners VII, L.P.		Boston	MA	ABRY VII Capital Partners, L.P.		08/10/2011			15,917		792,166	0.490

QE03

### SCHEDULE BA - PART 2

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

1 CUSIP Identification	2 Name or Description	3 Location		5 Name of Vendor or General Partner	6 NAIC Designation	7 Date Originally Acquired	8 Type and Strategy	9 Actual Cost at Time of Acquisition	10 Additional Investment Made after Acquisition	11 Amount of Encumbrances	12 Commitment for Additional Investment	13 Percentage of Ownership
		City	State									
000000 00 0	ABRY Partners VIII, L.P.....	Boston.....	MA..	ABRY Partners, LLC.....		05/05/2015.....			714,438		4,675,256	0.684
000000 00 0	ABRY Senior Equity III, L.P.....	Boston.....	MA..	ABRY Partners LLC.....		08/09/2010.....	2	10,554		787,807	1,314	1.314
000000 00 0	ABRY Senior Equity IV, L.P.....	Boston.....	MA..	ABRY Partners LLC.....		12/28/2012.....	2	304,085		2,091,975	1,022	1.022
000000 00 0	Apollo European Principal Finance Fund II, L.P.....	Purchase.....	NY..	Apollo EPF Management II, L.P.....		07/23/2012.....	11	608,354		3,896,520	0,565	0.565
000000 00 0	Brynwood Partners VI L.P.....	Greenwich.....	CT..	Brynwood Partners, L.P.....		06/18/2010.....		32,708		1,485,656	1,635	1.635
000000 00 0	Brynwood Partners VII L.P.....	Greenwich.....	CT..	Brynwood Partners, L.P.....		12/27/2013.....	3	36,029		3,632,770	1,667	1.667
000000 00 0	Carlyle Strategic Partners III, L.P.....	Washington.....	DC..	CSP III General Partner, L.P.....		10/04/2012.....		156,373		3,141,432	0,843	0.843
000000 00 0	Century Focused Fund III, L.P.....	Boston.....	MA..	Century Capital.....		12/22/2011.....		41,503		269,198	1,383	1.383
000000 00 0	Columbia Capital Equity Partners VI (QP), L.P.....	Alexandria.....	VA..	Columbia Capital.....		09/16/2015.....		618,328		8,889,180	2,400	2.400
000000 00 0	EnCap Energy Capital Fund IX, L.P.....	Houston.....	TX..	EnCap Equity Fund IX GP, L.P.....		01/08/2013.....		1,063,663		2,506,744	0,233	0.233
000000 00 0	EnCap Energy Capital Fund VII, L.P.....	Houston.....	TX..	EnCap Equity Fund VII GP, L.P.....		09/17/2007.....		26,264		193,005	0,196	0.196
000000 00 0	EnCap Energy Capital Fund VIII, L.P.....	Houston.....	TX..	EnCap Equity Fund VIII GP, L.P.....		11/30/2010.....		167,422		960,556	0,194	0.194
000000 00 0	EnCap Energy Capital Fund X, L.P.....	Houston.....	TX..	EnCap Equity Fund X GP, L.P.....		03/26/2015.....		890,206		12,487,763	0,340	0.340
000000 00 0	EnCap Flatrock Midstream Fund III, L.P.....	Houston.....	TX..	EnCap Equity Fund Flatrock Midstream III GP, L.P.....		07/09/2014.....		1,087,016		4,020,596	0,200	0.200
000000 00 0	Frazier Growth Buyout VIII, L.P.....	Seattle.....	WA..	Frazier Healthcare Ventures.....		09/29/2016.....		960,000		15,040,000	3,200	3.200
000000 00 0	Fulcrum Capital Partners V, LP.....	Vancouver.....	BC..	Fulcrum Capital Partners Inc.....		07/16/2015.....	3	890,445		7,656,014	4,000	4.000
000000 00 0	GS Mezzanine Partners 2006, L.P.....	New York.....	NY..	GS Mezzanine Advisors, 2006 LLC.....		04/07/2006.....	2	3,828		434,941	0,237	0.237
000000 00 0	Highbridge Specialty Loan Fund III LP.....	New York.....	NY..	Highbridge Capital Management, LLC.....		05/06/2013.....		79,387		1,594,708	3,594	3.594
000000 00 0	Kelso Investment Associates VIII, L.P.....	New York.....	NY..	Kelso GP VIII, L.P.....		11/29/2007.....	3	29,448		794,175	0,103	0.103
000000 00 0	MHR Institutional Partners IV, L.P.....	New York.....	NY..	MHR Fund Management.....		07/19/2016.....	11	3,600,000		16,400,000	2,222	2.222
000000 00 0	Natural Gas Partners IX, L.P.....	Irving.....	TX..	NGP Energy Capital Management.....		03/28/2008.....		9,348		67,409	0,125	0.125
000000 00 0	NGP Natural Resources X, L.P.....	Irving.....	TX..	NGP Energy Capital Management.....		01/27/2012.....		6,636		242,336	0,056	0.056
000000 00 0	NGP Natural Resources XI, L.P.....	Irving.....	TX..	NGP Energy Capital Management.....		11/26/2014.....		2,028,819		12,035,021	0,378	0.378
000000 00 0	Resolution Recovery Partners, LP.....	New York.....	NY..	Resolution Recovery Partners GP, LLC.....		02/03/2012.....		94,556		2,256,763	1,000	1.000
000000 00 0	RFE Investment Partners VIII, L.P.....	New Canaan.....	CT..	RFE Investment Partners VIII, LLC.....		06/29/2012.....	3	51,814		650,672	1,205	1.205
000000 00 0	Selene Residential Mortgage Opportunity Fund II L.P.....	Uniondale.....	NY..	Selene Investment Partners II, LLC.....		12/27/2010.....		69,933		7,268,187	10,884	10.884
2199999	Total - Joint Venture or Partnership Interests That Have Underlying Characteristics of Other - Unaffiliated.....							1,361,624	13,057,825	0	130,000,517	XXX
4499999	Subtotal - Unaffiliated.....							1,361,624	20,656,427	0	236,011,953	XXX
4599999	Subtotal - Affiliated.....							0	250,000	96	0	XXX
4699999	Totals.....							1,361,624	20,906,427	96	236,011,953	XXX

QE03.1

### SCHEDULE BA - PART 3

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

1 CUSIP Identification	2 Name or Description	3 Location		5 Name of Purchaser or Nature of Disposal	6 Date Originally Acquired	7 Disposal Date	8 Book/Adjusted Carrying Value Less Encumbrances, Prior Year	9 Changes in Book/Adjusted Carrying Value						15 Book/Adjusted Carrying Value Less Encumbrances on Disposal	16 Consideration	17 Foreign Exchange Gain (Loss) on Disposal	18 Realized Gain (Loss) on Disposal	19 Total Gain (Loss) on Disposal	20 Investment Income
		City	State					9 Unrealized Valuation Increase (Decrease)	10 Current Year's (Depreciation) or (Amortization) / Accretion	11 Current Year's Other-Than-Temporary Impairment Recognized	12 Capitalized Deferred Interest and Other	13 Total Change in B./A.C.V. (9+10-11+12)	14 Total Foreign Exchange Change in B./A.C.V.						
29334@ AA 2	Enhanced New York III, LLC.....	New York.....	NY..	Return Of Capital.....	11/18/2005	06/15/2016	19,145						0	19,145	19,145		0	0	
1199999	Total - Fixed or Variable Int. Rate Investments That Have Underlying Char. of Other Fixed Income Instruments-Unaffil.....						19,145	0	0	0	0	0	0	19,145	19,145	0	0	0	

### SCHEDULE BA - PART 3

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

1	2	Location		5	6	7	8	Changes in Book/Adjusted Carrying Value						15	16	17	18	19	20	
		3	4					9	10	11	12	13	14							
CUSIP Identification	Name or Description	City	State	Name of Purchaser or Nature of Disposal	Date Originally Acquired	Disposal Date	Book/Adjusted Carrying Value Less Encumbrances, Prior Year	Unrealized Valuation Increase (Decrease)	Current Year's (Depreciation) or (Amortization) / Accretion	Current Year's Other-Than-Temporary Impairment Recognized	Capitalized Deferred Interest and Other	Total Change in B./A.C.V. (9+10-11+12)	Total Foreign Exchange Change in B./A.C.V.	Book/Adjusted Carrying Value Less Encumbrances on Disposal	Consideration	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Investment Income	
<b>Joint Venture or Partnership Interests That Have Underlying Characteristics of Common Stocks - Unaffiliated</b>																				
000000 00 0	GS Vintage Fund V, L.P.	New York	NY	Return Of Capital	10/29/2008	09/27/2016	184,902					0		184,902	184,902				0	
000000 00 0	Morgan Stanley Private Markets Fund III LP	New York	NY	Return Of Capital	04/26/2006	07/22/2016	157,710					0		157,710	157,710				0	
000000 00 0	New Leaf Ventures II, L.P.	New York	NY	Return Of Capital	04/08/2008	08/09/2016	675,191					0		675,191	675,191				0	
1599999. Total - Joint Venture or Partnership Interests That Have Underlying Characteristics of Common Stocks - Unaffiliated							1,017,803	0	0	0	0	0	0	1,017,803	1,017,803	0	0	0	0	0
<b>Joint Venture or Partnership Interests That Have Underlying Characteristics of Other - Unaffiliated</b>																				
000000 00 0	3i Eurofund IV, L.P.	London	GBR	Return Of Capital	12/10/2003	07/11/2016	284,565					0		284,565	284,565				0	
000000 00 0	ABRY Advanced Securities Fund II, L.P.	Boston	MA	Return Of Capital	05/04/2011	08/31/2016	620,709					0		620,709	620,709				0	
000000 00 0	ABRY Advanced Securities Fund III, L.P.	Boston	MA	Return Of Capital	06/04/2014	07/29/2016	126,565					0		126,565	126,565				0	
000000 00 0	ABRY Mezzanine Partners, L.P.	Boston	MA	Return Of Capital	03/15/2002	09/30/2016	178,985					0		178,985	178,985				0	
00384@ 10 4	ABRY Senior Equity III, L.P.	Boston	MA	Return Of Capital	08/09/2010	08/04/2016	846,872					0		846,872	846,872				0	
000000 00 0	ABRY Senior Equity IV, L.P.	Boston	MA	Return Of Capital	12/28/2012	08/01/2016	29,605					0		29,605	29,605				0	
000000 00 0	Apollo European Principal Finance Fund II, L.P.	Purchase	NY	Return Of Capital	07/23/2012	08/01/2016	152,411					0		152,411	152,411				0	
000000 00 0	Avenue Asia Special Situations Fund IV, L.P.	New York	NY	Return Of Capital	07/24/2006	08/02/2016	35,546					0		35,546	35,546				0	
G0676@ 10 4	Avenue Europe Special Situations Fund II (U.S.), L.P.	New York	NY	Return Of Capital	10/04/2011	08/19/2016	806,214					0		806,214	806,214				0	
05360@ 10 1	Avenue Special Situations Fund VI, L.P.	New York	NY	Return Of Capital	06/15/2010	09/26/2016	122,059					0		122,059	122,059				0	
000000 00 0	BlueBay Direct Lending Fund I, LP	Guemsey	GBR	Return Of Capital	06/25/2013	09/06/2016	91,124					0		91,124	91,124				0	
000000 00 0	Bradford Equities Fund III, L.P.	New York	NY	Return Of Capital	01/01/2000	07/29/2016	159,661					0		159,661	159,661				0	
000000 00 0	Brynwood Partners VI L.P.	Santa Monica	CA	Return Of Capital	01/30/2013	07/08/2016	290,291					0		290,291	290,291				0	
000000 00 0	Colony American Homes Holdings III, L.P.	Santa Monica	CA	Return Of Capital	01/30/2013	07/21/2016	8,030					0		8,030	8,030				0	
000000 00 0	EnCap Energy Capital Fund IX, L.P.	Houston	TX	Return Of Capital	01/08/2013	08/04/2016	596,514					0		596,514	596,514				0	
000000 00 0	EnCap Energy Capital Fund VII, L.P.	Houston	TX	Return Of Capital	09/17/2007	09/13/2016	14,729					0		14,729	14,729				0	
000000 00 0	EnCap Energy Capital Fund VIII, L.P.	Houston	TX	Return Of Capital	11/30/2010	09/19/2016	585,221					0		585,221	585,221				0	
000000 00 0	GS Mezzanine Partners 2006, L.P.	New York	NY	Return Of Capital	04/07/2006	08/29/2016	249,141					0		249,141	249,141				0	
000000 00 0	Highbridge Specialty Loan Fund III LP	New York	NY	Return Of Capital	05/06/2013	09/20/2016	988,525					0		988,525	988,525				0	
000000 00 0	Macquarie Infrastructure Partners A/B, L.P.	New York	NY	Return Of Capital	12/22/2006	09/16/2016	461,554					0		461,554	461,554				0	
000000 00 0	Natural Gas Partners IX, L.P.	Irving	TX	Return Of Capital	03/28/2008	09/16/2016	618,992					0		618,992	618,992				0	
000000 00 0	New Canaan Funding Mezzanine V, L.P.	New Canaan	CT	Return Of Capital	08/05/2011	08/16/2016	199,708					0		199,708	199,708				0	
65250@ 10 8	Newstone Capital Partners II, L.P.	Los Angeles	CA	Return Of Capital	12/10/2010	08/23/2016	222,054					0		222,054	222,054				0	
000000 00 0	NGP Natural Resources X, L.P.	Irving	TX	Return Of Capital	01/27/2012	09/02/2016	130,824					0		130,824	130,824				0	
000000 00 0	NGP Natural Resources XI, L.P.	Irving	TX	Return Of Capital	11/26/2014	09/02/2016	1,261,836					0		1,261,836	1,261,836				0	
000000 00 0	Resolution Recovery Partners, LP	New York	NY	Return Of Capital	02/03/2012	08/12/2016	327,011					0		327,011	327,011				0	
2199999. Total - Joint Venture or Partnership Interests That Have Underlying Characteristics of Other - Unaffiliated							9,408,746	0	0	0	0	0	0	9,408,746	9,408,746	0	0	0	0	0
<b>Working Capital Finance Investment - Unaffiliated</b>																				
000000 00 0	CT Insurance Reinvestment Fund Credit	Granby	CT	Return Of Capital	06/20/2011	06/15/2016	80,000					0		80,000	80,000				0	
4199999. Total - Working Capital Finance Investment - Unaffiliated							80,000	0	0	0	0	0	0	80,000	80,000	0	0	0	0	0
4499999. Subtotal - Unaffiliated							10,525,694	0	0	0	0	0	0	10,525,694	10,525,694	0	0	0	0	0
4699999. Totals							10,525,694	0	0	0	0	0	0	10,525,694	10,525,694	0	0	0	0	0

QE03.2



### SCHEDULE D - PART 3

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

1	2		3	4	5		6	7	8	9	10
CUSIP Identification	Description		Foreign	Date Acquired	Name of Vendor		Number of Shares of Stock	Actual Cost	Par Value	Paid for Accrued Interest and Dividends	NAIC Designation or Market Indicator (a)
<b>Bonds - U.S. Government</b>											
33803W	AB	5		08/31/2016	RAYMOND JAMES			5,977,850	5,000,000	761	1FE
38378B	2W	8		09/01/2016	CAPITALIZED INTEREST			94,324	94,324		1
38378B	3F	4		09/01/2016	CAPITALIZED INTEREST			29,351	29,351		1
38378B	3Z	0		09/01/2016	CAPITALIZED INTEREST			40,398	40,398		1
38378B	7X	1		09/01/2016	CAPITALIZED INTEREST			25,270	25,270		1
38378B	M6	3		09/01/2016	CAPITALIZED INTEREST			59,636	59,636		1
38378B	N5	4		09/01/2016	CAPITALIZED INTEREST			73,986	73,986		1
38378B	X8	7		09/01/2016	CAPITALIZED INTEREST			35,242	35,242		1
38379K	JC	3		08/09/2016	KGS ALPHA			2,348,736		10,109	1
0599999. Total Bonds - U.S. Government								8,684,793	5,358,207	10,870	XXX
<b>Bonds - U.S. Political Subdivisions of States, Territories and Possessions</b>											
12082T	AL	6		09/26/2016	RAYMOND JAMES			1,428,086	1,100,000	22,798	1FE
54438C	PC	0		09/19/2016	RAYMOND JAMES			420,300	300,000	2,839	1FE
2499999. Total Bonds - U.S. Political Subdivisions of States, Territories and Possessions								1,848,386	1,400,000	25,637	XXX
<b>Bonds - U.S. Special Revenue and Special Assessment</b>											
69848A	AA	6		08/11/2016	RAYMOND JAMES			4,000,000	4,000,000		1FE
3199999. Total Bonds - U.S. Special Revenue and Special Assessment								4,000,000	4,000,000	0	XXX
<b>Bonds - Industrial and Miscellaneous</b>											
00507V	AJ	8		09/14/2016	BANK OF AMERICA			2,988,420	3,000,000		2FE
00912X	AT	1		08/09/2016	BANK OF AMERICA			1,973,160	2,000,000		2FE
031162	BZ	2		08/10/2016	GOLDMAN SACHS & CO			3,236,760	3,000,000	39,600	2FE
04010L	AR	4		09/14/2016	BANK OF AMERICA			2,989,170	3,000,000		2FE
04248N	AA	1		07/25/2016	RAYMOND JAMES			4,773,488	3,962,190	26,143	1FE
05178R	AD	7		09/15/2016	RAYMOND JAMES			10,719,714	9,490,000	144,624	1FE
05348E	AZ	2		09/26/2016	BANK OF AMERICA			4,979,750	5,000,000		2FE
05523E	AC	0		08/31/2016	BANK OF AMERICA			7,290,212	7,902,000	3,322	1F
05523E	AE	6		09/07/2016	BANK OF AMERICA			3,989,453	5,000,000	2,165	1F
05524R	AA	4		08/04/2016	PERFORMANCE TRUST			8,070,508	10,000,000		1F
05544B	AG	2		09/28/2016	BANK OF AMERICA			4,060,991	4,115,000	970	1FE
073945	AH	0		07/13/2016	BANK OF AMERICA			3,513,125	3,500,000	9,779	1F
12695*	AA	3		07/15/2016	SUN TRUST			3,000,000	3,000,000		2Z
14313*	AB	9		03/23/2016	BANK OF AMERICA					(3,185)	2
14855J	AB	1		08/01/2016	DEUTSCHE BANK			4,998,536	5,000,000		1FE
16164A	AC	9		07/19/2016	JP MORGAN CHASE			7,180,688	7,000,000	19,688	1FE
172070	CP	7		08/11/2016	OPPENHEIMER INC.			579,300	500,000	4,575	2FE
20030N	BH	3		09/20/2016	SUSQUEHANNA INTL			1,204,841	1,100,000	8,831	1FE
23306L	AA	4		07/14/2016	PERFORMANCE TRUST			4,749,414	5,000,000	7,564	1F
23385H	AA	7		09/15/2016	JP MORGAN CHASE			7,000,000	7,000,000		2FE
24737A	AA	5		08/23/2016	GOLDMAN SACHS & CO			867,036	837,716	2,571	2FE

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**SCHEDULE D - PART 3**

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

1	2	3	4	5	6	7	8	9	10
CUSIP Identification	Description	Foreign	Date Acquired	Name of Vendor	Number of Shares of Stock	Actual Cost	Par Value	Paid for Accrued Interest and Dividends	NAIC Designation or Market Indicator (a)
30291M AQ 9	FREMF 2013-K31 C.....		08/19/2016....	GUGGENHEIM SECURITIES.....		4,938,281	5,000,000	11,589	1FM.....
3137BE VJ 0	FHMS K040 X1.....		09/20/2016....	BANK OF AMERICA.....		5,468,519		59,846	1FE.....
3137BQ YV 3	FHMS K056 X1.....		07/28/2016....	WELLS FARGO/WACHOVIA.....		3,000,000		10,678	1FE.....
3137BQ ZQ 3	FHMS X2FX X1.....		08/17/2016....	BANK OF AMERICA.....		7,141,096		81,633	1.....
3137BR QL 2	FHMS K057 X1.....		09/16/2016....	BARCLAYS CAPITAL.....		8,001,057		77,786	1FE.....
33767C AV 9	FKMT 2015-1 B2.....		07/07/2016....	RAYMOND JAMES.....		6,743,044	6,541,272	7,855	1FE.....
35040T AA 2	FFIN 2016-1A A.....		08/12/2016....	GUGGENHEIM SECURITIES.....		3,249,568	3,250,000		1FE.....
36186X AD 9	GMACN 2012 BLIS A.....		09/22/2016....	RAYMOND JAMES.....		2,200,000	2,000,000	4,887	1FE.....
36194S PD 4	GN AU4920.....		08/23/2016....	US BANCORP/PIPER JAFFRAY.....		6,110,625	6,000,000	14,597	1.....
375558 BJ 1	GILEAD SCIENCES.....		09/15/2016....	BANK OF AMERICA.....		1,988,600	2,000,000		1FE.....
375558 BK 8	GILEAD SCIENCES.....		09/15/2016....	BANK OF AMERICA.....		1,985,660	2,000,000		1FE.....
46590R AG 4	JPMCC 2016-JP3 XA.....		09/23/2016....	JP MORGAN CHASE.....		3,003,119		34,040	1FE.....
46619T AQ 5	JFIN 2016-1A CF.....		07/08/2016....	JEFFERIES & CO.....		7,500,000	7,500,000		1FE.....
46631B AJ 4	JPMCC 2007-LD11 AM.....		09/22/2016....	BANK OF AMERICA.....		5,043,750	5,000,000	21,452	1F.....
49446R AP 4	KIMCO REALTY.....		08/09/2016....	BARCLAYS CAPITAL.....		3,966,760	4,000,000		2FE.....
501044 DF 5	KROGER CO.....		09/26/2016....	SALOMON/CITIGROUP.....		4,998,150	5,000,000		2FE.....
55616X AM 9	MACY'S RETAIL HLDG.....		08/03/2016....	OPPENHEIMER INC.....		1,812,480	2,000,000	13,250	2FE.....
56585A AH 5	MARATHON PETROLEUM CORP.....		08/23/2016....	STIFEL, NICOLAUS & CO.....		4,561,200	5,000,000	106,215	2FE.....
58551T AA 5	MELLON CAP IV.....		09/07/2016....	US BANCORP/PIPER JAFFRAY.....		6,020,000	7,000,000	65,333	2FE.....
59284M AB 0	MEXICO CITY ARPT TRUST.....		09/22/2016....	HSBC.....		3,945,240	4,000,000		2FE.....
594918 BQ 6	MSFT 2 08/08/23.....		08/01/2016....	BANK OF AMERICA.....		3,988,040	4,000,000		1FE.....
594918 BU 7	MSFT 3.95 08/08/56.....		08/01/2016....	BANK OF AMERICA.....		2,925,150	3,000,000		1FE.....
60687U AJ 6	MLCFC 2006-2 B.....		09/29/2016....	BROADCORT CAPITAL.....		4,992,969	5,000,000	2,478	1FE.....
606935 AL 8	MLCFC 2006-1 B.....		07/14/2016....	BROADCORT CAPITAL.....		4,337,906	4,365,188	12,701	1F.....
61766N BC 8	MSBAM 2016-C30 XA.....		09/27/2016....	MORGAN STANLEY.....		7,746,037		82,091	1FE.....
63859W AE 9	NATIONWIDE BLDG.....		09/07/2016....	BARCLAYS CAPITAL.....		4,985,300	5,000,000		2FE.....
665859 AQ 7	NORTHERN TRUST CORP.....		08/01/2016....	MORGAN STANLEY.....		5,000,000	5,000,000		2FE.....
677071 AN 2	OHANA MILITARY COMM LLC.....		09/20/2016....	SALOMON/CITIGROUP.....		7,112,340	6,000,000	159,329	1FE.....
690742 AF 8	OWENS CORNING.....		08/03/2016....	WELLS FARGO/WACHOVIA.....		2,987,610	3,000,000		2FE.....
754730 AF 6	RAYMOND JAMES.....		08/04/2016....	RAYMOND JAMES.....		1,021,090	1,000,000	3,713	2FE.....
78419C AG 9	SGCMS 2016-C5 XA.....		07/15/2016....	SOCIETY GENERALE.....		3,005,290		25,551	1FE.....
785592 AR 7	CQP 5 03/15/27.....		09/20/2016....	VARIOUS.....		2,004,375	2,000,000		3FE.....
82481L AD 1	SHPLN 3.2 09/23/26.....		09/19/2016....	BARCLAYS CAPITAL.....		1,997,620	2,000,000		2FE.....
85022W AB 0	SCFT 2016-AA B.....		09/16/2016....	BANK OF AMERICA.....		4,499,769	4,500,000		1FE.....
857476 AA 3	STATE STREET CAPITAL TRUST.....		07/25/2016....	KEYBANC.....		4,250,000	5,000,000	12,026	2FE.....
86765B AT 6	SUNOCO LOGISTICS.....		07/07/2016....	SUN TRUST.....		1,993,920	2,000,000		2FE.....
87244A BE 9	WINDR 2012-1A CR.....		09/29/2016....	MITSUBISHI SECURITIES.....		5,000,000	5,000,000		1FE.....
883556 BR 2	THERMO FISHER SCIENTIFIC.....		09/14/2016....	JP MORGAN CHASE.....		1,975,740	2,000,000		2FE.....
89171V AC 1	TPMT 2015-5 M1.....		07/06/2016....	BANK OF AMERICA.....		5,023,242	5,000,000	4,861	1FE.....
89356B AB 4	TRANSCANADA TRUST.....		08/08/2016....	JP MORGAN CHASE.....		3,000,000	3,000,000		2FE.....

QE04.1

**SCHEDULE D - PART 3**

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

1	2		3	4	5		6	7	8	9	10
CUSIP Identification	Description		Foreign	Date Acquired	Name of Vendor		Number of Shares of Stock	Actual Cost	Par Value	Paid for Accrued Interest and Dividends	NAIC Designation or Market Indicator (a)
90932E AA 1	UNTD AIR 16-2 AA.....			09/13/2016....	CREDIT SUISSE/FIRST BOSTON.....			5,000,000	5,000,000		1FE.....
91913Y AL 4	VALERO ENERGY.....			08/29/2016....	SUN TRUST.....			3,534,360	3,000,000	41,958	2FE.....
92227G AJ 6	VTR 3 1/4 10/15/26.....			09/14/2016....	SALOMON/CITIGROUP.....			2,994,330	3,000,000		2FE.....
92936U AE 9	WPC 4 1/4 10/01/26.....			09/07/2016....	JP MORGAN CHASE.....			1,993,640	2,000,000		2FE.....
95000H BJ 0	WFCM 2016-LC24 XA.....			09/15/2016....	WELLS FARGO/WACHOVIA.....			3,000,000		33,395	1FE.....
95000K BE 4	WFCM 2016-NXS6 XA.....			09/30/2016....	WELLS FARGO/WACHOVIA.....			6,372,127		34,566	1FE.....
960413 AG 7	WLK 5 08/15/46.....			08/16/2016....	GOLDMAN SACHS & CO.....			5,044,650	5,000,000	6,250	2FE.....
980236 AN 3	WOODSIDE FINANCE.....			09/08/2016....	SALOMON/CITIGROUP.....			4,996,700	5,000,000		2FE.....
98956P AB 8	ZIMMER HOLDINGS INC.....			07/27/2016....	FTN FINANCIAL.....			2,695,374	2,200,000	20,732	2FE.....
LINCEL EC 5	LINCOLN ELECTRIC.....			07/19/2016....	BANK OF AMERICA.....			2,000,000	2,000,000		1Z.....
22615M AG 7	DEN14 2016-1A D.....		F	09/02/2016....	BNP PARIBAS.....			4,358,493	4,500,000		1F.....
532619 AJ 2	LROCK 2014-3A C.....		F	09/13/2016....	SALOMON/CITIGROUP.....			4,768,750	5,000,000	34,603	1F.....
77426N AC 7	ROCKW 2007-1A A2L.....		F	09/16/2016....	CREDIT SUISSE/FIRST BOSTON.....			1,734,419	1,795,000	3,704	1FE.....
89641A AJ 4	TRNTS 2016-5A D.....		F	08/19/2016....	MORGAN STANLEY.....			4,297,500	4,500,000		1F.....
464288 64 6	ISHARES 1-3 YEAR CREDIT.....			09/08/2016....	WELLS FARGO.....			42,846,446	404,676		2.....
3899999.	Total Bonds - Industrial and Miscellaneous.....							353,324,902	265,963,042	1,253,766	XXX
8399997.	Total Bonds - Part 3.....							367,858,081	276,721,249	1,290,273	XXX
8399999.	Total Bonds.....							367,858,081	276,721,249	1,290,273	XXX
<b>Preferred Stocks - Industrial and Miscellaneous</b>											
29364D 10 0	ETR 4 7/8.....			08/09/2016....	WELLS FARGO/WACHOVIA.....			200,000.000	5,000,000		RP1LFE.....
29364D 76 1	ENTERGY ARKANSAS.....			07/20/2016....	US BANCORP/PIPER JAFFRAY.....			100,000.000	2,515,000		RP1LFE.....
464288 68 7	ISHARES US PREFERRED STOCK.....			07/13/2016....	WELLS FARGO.....			125,000.000	4,994,175		P4L.....
74460W 73 5	PUBLIC STORAGE.....			07/14/2016....	MORGAN STANLEY.....			180,000.000	4,500,000		RP2LFE.....
842587 30 5	SOUTHERN COMPANY.....			09/12/2016....	WELLS FARGO/WACHOVIA.....			200,000.000	5,000,000		RP2LFE.....
88166# 12 7	TEX PFD INC.....			09/16/2016....	GOLDMAN SACHS & CO.....			7,600.000	7,600,000		RP4VZ.....
8499999.	Total Preferred Stocks - Industrial and Miscellaneous.....							29,609,175	XXX	0	XXX
8999997.	Total Preferred Stocks - Part 3.....							29,609,175	XXX	0	XXX
8999999.	Total Preferred Stocks.....							29,609,175	XXX	0	XXX
<b>Common Stocks - Industrial and Miscellaneous</b>											
035710 40 9	ANNALY CAPITAL MANAGEMENT INC.....			07/15/2016....	TENDER OFFER.....			183,137.000	1,906,511	XXX	L.....
14067E 50 6	CAPSTEAD MORTGAGE CORP.....			07/13/2016....	WELLS FARGO.....			190,100.000	1,859,605	XXX	L.....
16934Q 20 8	CHIMERA INVESTMENT CORP.....			07/13/2016....	WELLS FARGO.....			32,000.000	510,960	XXX	L.....
377322 10 2	GLAUKOS CORPORATION.....			07/29/2016....	DISTRIBUTION.....			21,936.000	641,599	XXX	L.....
46431W 50 7	ISHARES SHORT MATURITY BOND.....			07/14/2016....	VARIOUS.....			150,000.000	7,516,392	XXX	L.....
66706L 10 1	NORTHSTAR REALITY EUROPE.....			07/13/2016....	VARIOUS.....			97,600.000	436,349	XXX	L.....
75281A 10 9	RANGE RESOURCES CORP.....			09/16/2016....	DISTRIBUTION.....			15,707.000	617,128	XXX	L.....
85571B 10 5	STARWOOD PROPERTY TRUST.....			07/13/2016....	WELLS FARGO.....			25,000.000	523,940	XXX	L.....
9099999.	Total Common Stocks - Industrial and Miscellaneous.....							14,012,484	XXX	0	XXX
9799997.	Total Common Stocks - Part 3.....							14,012,484	XXX	0	XXX

QE04.2

### SCHEDULE D - PART 3

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

1	2	3	4	5	6	7	8	9	10
CUSIP Identification	Description	Foreign	Date Acquired	Name of Vendor	Number of Shares of Stock	Actual Cost	Par Value	Paid for Accrued Interest and Dividends	NAIC Designation or Market Indicator (a)
9799999	Total Common Stocks.....					14,012,484	XXX	0	XXX
9899999	Total Preferred and Common Stocks.....					43,621,659	XXX	0	XXX
9999999	Total Bonds, Preferred and Common Stocks.....					411,479,740	XXX	1,290,273	XXX

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

QE04.3

### SCHEDULE D - PART 4

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

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identification	Description	F o r e i g n	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase/(Decrease)	Current Year's (Amortization)/Accretion	Current Year's Other-Than-Temporary Impairment Recognized	Total Change in B./A.C.V. (11+12-13)	Total Foreign Exchange Change in B./A.C.V.	Book/Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest / Stock Dividends Received During Year	Stated Contractual Maturity Date	NAIC Designation or Market Indicator (a)
<b>Bonds - U.S. Government</b>																					
228027	AA 6 VESSEL MGMT SERVICES.....		08/15/2016	VARIOUS.....		80,000	80,000	80,000	80,000				0		80,000		0	0	2,746	08/15/2036	1
30250W	AB 9 SSGN 2010-S2 2A.....		09/30/2016	MBS PAYDOWN.....		905,002	905,002	905,791	905,791				0		905,791		(789)	(789)	15,663	07/29/2047	1
36296U	ZX 1 GNSF POOL 701958.....		09/01/2016	MBS PAYDOWN.....		404,417	404,417	380,025	398,684		5,733		5,733		404,417		0	10,957	06/01/2039	1	
38375U	QQ 6 GNR 2014-H20 CI.....		09/30/2016	INTEREST ONLY PAYMENT.....				93,776	87,878		(87,878)		(87,878)				0	8,634	10/20/2064	1	
38375U	SC 5 GNR 2014-H22 CI.....		09/30/2016	INTEREST ONLY PAYMENT.....				185,818	171,891		(171,891)		(171,891)				0	16,674	11/20/2064	1	
38378B	3Z 0 GNR 2013-2 Z.....		09/06/2016	VARIOUS.....		5,443,067	5,588,006	5,097,577	5,131,017		(3,385)		(3,385)		5,127,632		315,435	315,435	124,196	05/16/2054	1
38378B	7X 1 GNR 2013-17 Z.....		09/06/2016	MORGAN STANLEY.....		3,331,890	3,350,080	3,016,799	3,037,860		5,622		5,622		3,043,483		288,407	288,407	77,567	06/01/2054	1
38378B	X8 7 GNR 2012-132 Z.....		09/06/2016	MORGAN STANLEY.....		4,710,552	4,783,994	4,494,139	4,512,531		4,708		4,708		4,517,239		193,313	193,313	108,716	09/01/2054	1
38378B	ZR 3 GNR 2012-88 DI.....		09/30/2016	INTEREST ONLY PAYMENT.....				588,265	549,823		(549,823)		(549,823)				0	84,172	08/16/2046	1	
38378K	6A 2 GNR 2013-161 IO.....		09/30/2016	INTEREST ONLY PAYMENT.....				22,816	18,259		(18,259)		(18,259)				0	4,229	05/16/2054	1	
38378N	NJ 8 GNR 2013-194 IO.....		09/30/2016	INTEREST ONLY PAYMENT.....				367,100	328,782		(328,782)		(328,782)				0	45,960	09/16/2054	1	
38378N	XK 4 GNR 2014-17 IO.....		09/30/2016	INTEREST ONLY PAYMENT.....				133,862	95,610		(95,610)		(95,610)				0	20,400	06/16/2048	1	
38378X	MU 2 GNR 2014-126 IO.....		09/30/2016	INTEREST ONLY PAYMENT.....				365,013	333,443		(333,443)		(333,443)				0	58,306	02/16/2055	1	
38378X	PE 5 GNR 2014-135 IO.....		09/30/2016	INTEREST ONLY PAYMENT.....				72,502	65,268		(65,268)		(65,268)				0	9,420	01/16/2056	1	
38378X	TX 9 GNR 2014-148 IO.....		09/30/2016	INTEREST ONLY PAYMENT.....				83,983	76,550		(76,550)		(76,550)				0	15,426	10/01/2049	1FE	
38379K	JC 3 GNR 2015-51 IO.....		09/30/2016	INTEREST ONLY PAYMENT.....				195,560	147,434		(172,236)		(172,236)				0	23,237	12/16/2056	1	
38379K	PR 3 GNR 2015-67 IO.....		09/30/2016	INTEREST ONLY PAYMENT.....				30,359	26,375		(26,375)		(26,375)				0	2,146	11/01/2056	1	
38379K	TL 2 GNR 2015-85 IO.....		09/30/2016	INTEREST ONLY PAYMENT.....				142,545	125,448		(125,448)		(125,448)				0	12,904	07/01/2057	1	
49549C	AA 6 EXIM - KING INTL LEASING LLC.....		07/15/2016	SINKING FUND REDEMPTION.....		276,601	276,601	276,601	276,601				0		276,601		0	5,713	10/15/2022	1	
797224	AC 6 EXIM - SAN CLEMENTE LEASING LLC.....		08/22/2016	SINKING FUND REDEMPTION.....		314,120	314,120	314,120	314,120				0		314,120		0	7,138	11/22/2022	1	
805649	AA 8 EXIM - SAYARRA LTD.....	F	07/29/2016	SINKING FUND REDEMPTION.....		89,047	89,047	89,047	89,047				0		89,047		0	1,853	10/29/2021	1	
805649	AB 6 EXIM - SAYARRA LTD.....	F	07/29/2016	SINKING FUND REDEMPTION.....		317,999	317,999	317,999	317,999				0		317,999		0	6,141	04/14/2022	1	
0599999. Total Bonds - U.S. Government.....						15,872,695	16,109,266	17,253,697	17,090,411	0	(2,038,885)	0	(2,038,885)	0	15,076,329	0	796,366	796,366	662,198	XXX	XXX
<b>Bonds - U.S. States, Territories and Possessions</b>																					
57582P	UE 8 MASSACHUSETTS ST CONS.....		09/30/2016	VARIOUS.....		13,694,150	10,000,000	10,000,000	10,000,000				0		10,000,000		3,694,150	3,694,150	652,447	12/01/2039	1FE
882722	KF 7 TEXAS STATE TRANS COMM.....		08/15/2016	BARCLAYS CAPITAL.....		7,070,800	5,000,000	5,000,000	5,000,000				0		5,000,000		2,070,800	2,070,800	242,901	04/01/2039	1FE
1799999. Total Bonds - U.S. States, Territories and Possessions.....						20,764,950	15,000,000	15,000,000	15,000,000	0	0	0	0	0	15,000,000	0	5,764,950	5,764,950	895,348	XXX	XXX
<b>Bonds - U.S. Political Subdivisions of States, Territories and Possessions</b>																					
45656R	CX 8 INDUSTRY-A-REF-TXBL.....		08/16/2016	CANTOR FITZGERALD.....		2,778,050	2,500,000	2,600,625			(150)		(150)		2,600,475		177,575	177,575	91,111	01/01/2051	1FE
2499999. Total Bonds - U.S. Political Subdivisions of States, Territories and Possessions.....						2,778,050	2,500,000	2,600,625	0	0	(150)	0	(150)	0	2,600,475	0	177,575	177,575	91,111	XXX	XXX
<b>Bonds - U.S. Special Revenue and Special Assessment</b>																					
235241	LS 3 DALLAS RAPID TRN SR.....		08/17/2016	GOLDMAN SACHS & CO.....		7,306,850	5,000,000	4,992,970	4,993,620		76		76		4,993,696		2,313,154	2,313,154	217,363	12/01/2044	1FE
3128PK	WJ 9 FGCJ J07849.....		09/01/2016	MBS PAYDOWN.....		70,094	70,094	68,079	69,740		354		354		70,094		0	0	2,023	05/01/2023	1
3128PL	AW 2 FGCJ J08121.....		09/01/2016	MBS PAYDOWN.....		52,883	52,883	52,507	52,827		56		56		52,883		0	0	1,648	06/01/2023	1
312903	KY 2 FHR 117 G.....		09/15/2016	MBS PAYDOWN.....		3,587	3,587	3,377	3,579		7		7		3,587		0	0	340	01/15/2021	1

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**SCHEDULE D - PART 4**

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

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identification	Description	Forfeiture	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase/(Decrease)	Current Year's (Amortization)/Accretion	Current Year's Other-Than-Temporary Impairment Recognized	Total Change in B./A.C.V. (11+12-13)	Total Foreign Exchange Change in B./A.C.V.	Book/Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest / Stock Dividends Received During Year	Stated Contractual Maturity Date	NAIC Designation or Market Indicator (a)
312945 DN 5	FG A96409		09/01/2016	MBS PAYDOWN		625,150	625,150	586,322	619,184		5,966		5,966		625,150			0	14,659	01/01/2041	1
3133T4 FT 8	FHR 1680 PK		09/01/2016	MBS PAYDOWN		65,810	65,810	62,920	65,659		151		151		65,810			0	2,805	02/15/2024	1
31358N W4 0	FNR 92-129 L		09/01/2016	MBS PAYDOWN		17,688	17,688	16,185	17,593		95		95		17,688			0	729	07/25/2022	1
31359S 6Y 1	FNGT 2001-T7 IO		09/30/2016	INTEREST ONLY PAYMENT				828,216	16,909		(8,932)		(8,932)		7,977		(7,977)	(7,977)	8,645	02/25/2041	1
31371N V2 8	FN 257233		09/01/2016	MBS PAYDOWN		1,010	1,010	982	1,005		5		5		1,010			0	30	06/01/2023	1FE
3137A1 NA 7	FHMS K008 X1		09/30/2016	INTEREST ONLY PAYMENT				31,117	24,989		(24,989)		(24,989)					0	5,196	06/25/2020	1
3138A2 BE 8	FN AH0936		09/01/2016	MBS PAYDOWN		778,375	778,375	729,275	769,045		9,330		9,330		778,375			0	18,658	12/01/2040	1
3138A5 4N 9	FN AH4428		09/01/2016	MBS PAYDOWN		1,524,553	1,524,553	1,447,592	1,509,125		15,428		15,428		1,524,553			0	37,621	01/01/2041	1
313920 UM 0	FNGT 2001-T8 IO		09/30/2016	INTEREST ONLY PAYMENT				107,232	205		(205)		(205)					0	1,056	07/25/2041	1
31393Y AV 7	FNR 2004-31 ME		09/01/2016	MBS PAYDOWN		176,041	176,041	158,052	175,654		387		387		176,041			0	4,983	05/25/2034	1
31394E UD 8	FNR 2005-59 KA		09/01/2016	MBS PAYDOWN		28,743	28,743	28,515	28,655		88		88		28,743			0	859	07/25/2035	1
31410W H9 2	FN 899456		09/01/2016	MBS PAYDOWN		7,327	7,327	7,250	7,322		5		5		7,327			0	293	06/01/2047	1
31412B DS 8	FN 920013		09/01/2016	MBS PAYDOWN		191,773	191,773	190,695	191,804		(31)		(31)		191,773			0	8,615	10/01/2047	1
31412M 2X 5	FN 929690		09/01/2016	MBS PAYDOWN		2,589	2,589	2,518	2,581		8		8		2,589			0	78	07/01/2023	1
31412M K9 8	FN 929220		09/01/2016	MBS PAYDOWN		1,575	1,575	1,532	1,568		7		7		1,575			0	46	03/01/2023	1
31412M VJ 4	FN 929517		09/01/2016	MBS PAYDOWN		503	503	489	502		1		1		503			0	15	05/01/2023	1
31412T CJ 0	FN 933973		09/01/2016	MBS PAYDOWN		42	42	41	42				0		42			0	1	07/01/2023	1
31412W WB 8	FN 937242		09/01/2016	MBS PAYDOWN		869	869	861	869				0		869			0	35	05/01/2047	1
31412W WC 6	FN 937243		09/01/2016	MBS PAYDOWN		59,631	59,631	59,090	59,465		166		166		59,631			0	2,678	05/01/2047	1
31412X K4 5	FN 937815		09/01/2016	MBS PAYDOWN		136,177	136,177	135,028	136,023		154		154		136,177			0	5,447	06/01/2047	1
31413K RV 5	FN 947900		09/01/2016	MBS PAYDOWN		142,116	142,116	140,606	142,174		(57)		(57)		142,116			0	5,684	10/01/2047	1
31413M G6 8	FN 949421		09/01/2016	MBS PAYDOWN		275	275	267	272		3		3		275			0	8	03/01/2023	1
31414B AN 0	FN 960913		09/01/2016	MBS PAYDOWN		243	243	236	242		1		1		243			0	7	03/01/2023	1
31414B H2 9	FN 961149		09/01/2016	MBS PAYDOWN		5,354	5,354	5,207	5,347		7		7		5,354			0	179	05/01/2023	1
31414C 4H 8	FN 962624		09/01/2016	MBS PAYDOWN		524	524	510	520		4		4		524			0	16	04/01/2023	1
31414D 6P 6	FN 963578		09/01/2016	MBS PAYDOWN		5,009	5,009	4,872	4,977		32		32		5,009			0	156	06/01/2023	1
31414D X8 4	FN 963403		09/01/2016	MBS PAYDOWN		1,235	1,235	1,201	1,227		8		8		1,235			0	37	05/01/2023	1
31414D Z3 3	FN 963462		09/01/2016	MBS PAYDOWN		845	845	822	841		5		5		845			0	25	06/01/2023	1
31414E 2V 5	FNCI 964388		09/01/2016	MBS PAYDOWN		152,854	152,854	151,964	152,695		159		159		152,854			0	5,240	07/01/2023	1
31414E BQ 6	FN 963647		09/01/2016	MBS PAYDOWN		1,950	1,950	1,896	1,947		3		3		1,950			0	59	06/01/2023	1
31414E DA 9	FN 963697		09/01/2016	MBS PAYDOWN		723	723	703	718		4		4		723			0	23	06/01/2023	1
31414E JB 1	FN 963858		09/01/2016	MBS PAYDOWN		581	581	565	578		3		3		581			0	17	06/01/2023	1
31414E Q6 4	FN 964077		09/01/2016	MBS PAYDOWN		1,448	1,448	1,408	1,441		7		7		1,448			0	43	07/01/2023	1
31414E V5 0	FN 964236		09/01/2016	MBS PAYDOWN		1,643	1,643	1,598	1,635		8		8		1,643			0	52	07/01/2023	1
31414F GF 2	FN 964698		09/01/2016	MBS PAYDOWN		1,708	1,708	1,661	1,702		6		6		1,708			0	51	08/01/2023	1

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**SCHEDULE D - PART 4**

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

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1	2		3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22		
											11	12	13	14	15									
CUSIP Identification	Description		Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase/(Decrease)	Current Year's (Amortization)/Accretion	Current Year's Other-Than-Temporary Impairment Recognized	Total Change in B./A.C.V. (11+12-13)	Total Foreign Exchange Change in B./A.C.V.	Book/Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest / Stock Dividends Received During Year	Stated Contractual Maturity Date	NAIC Designation or Market Indicator (a)			
31414M	DH	6	FN 970004	09/01/2016	MBS PAYDOWN		1,088	1,088	1,059	1,086			3		3			1,088			0	33	06/01/2023	1
31414M	LZ	7	FN 970244	09/01/2016	MBS PAYDOWN		602	602	585	600			2		2			602			0	18	05/01/2023	1
31414Q	X2	8	FN 973297	09/01/2016	MBS PAYDOWN		3,969	3,969	3,860	3,952			17		17			3,969			0	110	03/01/2023	1
31414R	CF	0	FN 973570	09/01/2016	MBS PAYDOWN		132	132	129	131			1		1			132			0	4	03/01/2023	1
31414S	NB	5	FN 974786	09/01/2016	MBS PAYDOWN		671	671	653	669			3		3			671			0	20	04/01/2023	1
31414T	7H	8	FN 976196	09/01/2016	MBS PAYDOWN		244	244	237	242			2		2			244			0	7	05/01/2023	1
31414T	T6	8	FN 975873	09/01/2016	MBS PAYDOWN		1,682	1,682	1,636	1,675			7		7			1,682			0	45	05/01/2023	1
31414U	K9	8	FN 976520	09/01/2016	MBS PAYDOWN		1,229	1,229	1,195	1,218			11		11			1,229			0	37	05/01/2023	1
31414U	LQ	9	FN 976535	09/01/2016	MBS PAYDOWN		3,900	3,900	3,793	3,889			10		10			3,900			0	117	05/01/2023	1
31414V	DM	5	FN 977208	09/01/2016	MBS PAYDOWN		287	287	279	286			1		1			287			0	9	04/01/2023	1
31415A	5E	7	FN 981545	09/01/2016	MBS PAYDOWN		2,196	2,196	2,136	2,183			14		14			2,196			0	65	05/01/2023	1
31415A	TV	3	FN 981264	09/01/2016	MBS PAYDOWN		526	526	512	523			3		3			526			0	15	03/01/2023	1
31415B	4Z	9	FN 982440	09/01/2016	MBS PAYDOWN		347	347	338	346			1		1			347			0	10	06/01/2023	1
31415B	AN	9	FN 981613	09/01/2016	MBS PAYDOWN		1,978	1,978	1,923	1,958			20		20			1,978			0	62	06/01/2023	1
31415B	DY	2	FN 981719	09/01/2016	MBS PAYDOWN		1,600	1,600	1,556	1,597			4		4			1,600			0	48	07/01/2023	1
31415B	K5	7	FN 981916	09/01/2016	MBS PAYDOWN		1,866	1,866	1,815	1,860			5		5			1,866			0	53	06/01/2023	1
31415C	ND	5	FN 982888	09/01/2016	MBS PAYDOWN		3,508	3,508	3,412	3,495			14		14			3,508			0	98	05/01/2023	1
31415C	NH	6	FN 982892	09/01/2016	MBS PAYDOWN		125	125	121	124			1		1			125			0	4	05/01/2023	1
31415L	5E	3	FN 983845	09/01/2016	MBS PAYDOWN		174	174	169	173					0			174			0	5	06/01/2023	1
31415L	GB	7	FN 983194	09/01/2016	MBS PAYDOWN		1,106	1,106	1,075	1,103			3		3			1,106			0	33	05/01/2023	1
31415M	5T	8	FN 984758	09/01/2016	MBS PAYDOWN		847	847	824	847					0			847			0	28	06/01/2023	1
31415M	YH	2	FN 984612	09/01/2016	MBS PAYDOWN		1,422	1,422	1,383	1,418			5		5			1,422			0	43	05/01/2023	1
31415M	ZE	8	FN 984641	09/01/2016	MBS PAYDOWN		256,133	256,133	256,352	255,757			377		377			256,133			0	8,626	06/01/2023	1
31415M	ZS	7	FN 984653	09/01/2016	MBS PAYDOWN		1,576	1,576	1,532	1,559			17		17			1,576			0	47	07/01/2023	1
31415P	JD	1	FN 985060	09/01/2016	MBS PAYDOWN		121	121	118	120			1		1			121			0	4	05/01/2023	1
31415P	U5	5	FN 985404	09/01/2016	MBS PAYDOWN		268	268	261	267			2		2			268			0	8	06/01/2023	1
31415Q	ME	3	FN 986057	09/01/2016	MBS PAYDOWN		2,702	2,702	2,628	2,695			7		7			2,702			0	81	08/01/2023	1
31415R	P7	3	FN 987046	09/01/2016	MBS PAYDOWN		506	506	492	504			2		2			506			0	17	07/01/2023	1
31415R	UU	1	FN 987185	09/01/2016	MBS PAYDOWN		1,714	1,714	1,667	1,713			1		1			1,714			0	51	07/01/2023	1
31415T	NP	1	FN 988798	09/01/2016	MBS PAYDOWN		608	608	592	607			2		2			608			0	18	08/01/2023	1
31419E	XR	5	FN AE4287	09/01/2016	MBS PAYDOWN		651,693	651,693	613,075	644,833			6,859		6,859			651,693			0	14,611	09/01/2040	1
31419J	SC	3	FN AE7714	09/01/2016	MBS PAYDOWN		1,441,333	1,441,333	1,355,377	1,425,529			15,804		15,804			1,441,333			0	33,971	11/01/2040	1
31421D	WD	5	FN MC3343	09/01/2016	MBS PAYDOWN		477	477	483	477					0			477			0	16	12/01/2038	1
478045	AA	5	JOHN SEVIER COMB	07/15/2016	SINKING FUND REDEMPTION		37,576	37,576	37,576	37,576					0			37,576			0	1,745	01/15/2042	1FE
66285W	FB	7	NORTH TEXT TWY AUTH REV	07/01/2016	PRIOR YEAR INCOME										0						0	77,123	01/01/2049	1FE

**SCHEDULE D - PART 4**

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

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identification	Description	F o r e i g n	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase/(Decrease)	Current Year's (Amortization)/Accretion	Current Year's Other-Than-Temporary Impairment Recognized	Total Change in B./A.C.V. (11+12-13)	Total Foreign Exchange Change in B./A.C.V.	Book/Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest / Stock Dividends Received During Year	Stated Contractual Maturity Date	NAIC Designation or Market Indicator (a)
3199999 Total Bonds - U.S. Special Revenue and Special Assessment						13,791,984	11,485,134	12,123,204	11,465,293	0	21,519	0	21,519	0	11,486,807	0	2,305,177	2,305,177	482,602	XXX	XXX
<b>Bonds - Industrial and Miscellaneous</b>																					
001192	AF 0		07/15/2016	MATURITY		1,315,000	1,315,000	1,099,195	1,294,341		20,659		20,659		1,315,000			0	83,831	07/15/2016	2FE
023766	AD 0		07/15/2016	SINKING FUND REDEMPTION		51,842	51,842	54,758	52,175		(333)		(333)		51,842			0	2,916	01/15/2021	3FE
02376T	AC 2		07/15/2016	SINKING FUND REDEMPTION		139,143	139,143	140,302	139,207		(64)		(64)		139,143			0	7,792	07/15/2020	3FE
02376Y	AA 5		07/15/2016	SINKING FUND REDEMPTION		9,605	9,605	10,050			(18)		(18)		9,605			0	247	01/15/2024	2FE
023772	AB 2		07/15/2016	SINKING FUND REDEMPTION		74,878	74,878	76,438	74,979		(102)		(102)		74,878			0	2,995	07/15/2025	1FE
02377B	AA 4		09/22/2016	SINKING FUND REDEMPTION		177,364	177,364	177,364	177,364				0		177,364			0	7,055	09/22/2027	1FE
02377B	AC 0		09/22/2016	SINKING FUND REDEMPTION		278,279	278,279	277,682	277,861		418		418		278,279			0	12,176	09/22/2023	2FE
02377U	AB 0		07/15/2016	SINKING FUND REDEMPTION		10,261	10,261	10,261	10,261				0		10,261			0	508	01/15/2023	2FE
025816	AW 9		09/12/2016	MATURITY		2,000,000	2,000,000	1,989,820	1,999,097		903		903		2,000,000			0	110,000	09/12/2016	1FE
03766K	AB 9		09/15/2016	MBS PAYDOWN		100,000	100,000	97,966			414		414		100,000			0	2,364	03/01/2036	2FE
03969L	AA 4	F	09/16/2016	CALL at 104.313		3,405,120	3,264,329	3,431,829	3,424,551		(19,432)		(19,432)		3,405,120			0	206,123	06/15/2019	5FE
045424	EX 2		09/11/2016	MBS PAYDOWN		60,404	60,404	59,498	60,077		327		327		60,404			0	3,028	04/14/2029	1FM
05524*	AC 0		07/01/2016	SINKING FUND REDEMPTION		96,978	96,978	97,891	97,891				0		97,891		(913)	(913)	8,195	01/01/2017	2
07388L	AG 5		08/11/2016	VARIOUS		23,995,000	23,995,000	23,121,432	23,882,432		112,568		112,568		23,995,000			0	830,638	09/11/2041	1FM
073945	AE 7		09/01/2016	MBS PAYDOWN		5,590,440	5,590,440	4,260,527	5,446,863		143,577		143,577		5,590,440			0	267,200	09/11/2042	1FM
12531W	BC 5		09/30/2016	INTEREST ONLY PAYMENT				5,595			(5,595)		(5,595)					0	476	01/10/2048	1FE
12591Q	AS 1		09/30/2016	INTEREST ONLY PAYMENT				22,354	18,865		(18,865)		(18,865)					0	2,352	08/10/2047	1FE
12592K	BD 5		09/30/2016	INTEREST ONLY PAYMENT				6,858	5,740		(5,740)		(5,740)					0	754	09/10/2047	1FE
12592M	BL 3		09/30/2016	INTEREST ONLY PAYMENT				12,667	10,442		(10,442)		(10,442)					0	1,456	10/10/2047	1FE
12592U	AW 2		09/01/2016	MBS PAYDOWN		27,486	27,486	27,127			7		7		27,486			0	268	05/25/2045	1FE
12593G	AG 7		09/30/2016	INTEREST ONLY PAYMENT				6,386	5,987		(5,987)		(5,987)					0	721	07/01/2050	1FE
126175	AM 0		09/01/2016	MBS PAYDOWN		129,487	129,487	116,538	128,946		541		541		129,487			0	4,159	06/10/2038	1FM
12626B	AF 1		09/30/2016	INTEREST ONLY PAYMENT				14,294	11,468		(11,468)		(11,468)					0	1,817	08/10/2046	1FE
12635F	AV 6		09/30/2016	INTEREST ONLY PAYMENT				6,460	6,158		(6,158)		(6,158)					0	710	08/15/2048	1FE
12646U	AD 0		09/01/2016	MBS PAYDOWN		38,353	38,353	36,926			32		32		38,353			0	667	03/25/2043	1F
12647P	AS 7		09/01/2016	MBS PAYDOWN		37,252	37,252	36,868	37,229		23		23		37,252			0	889	08/25/2043	1FM
12648F	AR 0		09/01/2016	MBS PAYDOWN		25,816	25,816	26,674			(130)		(130)		25,816			0	631	03/25/2044	1FE
12648X	DD 9		09/01/2016	MBS PAYDOWN		45,328	45,328	45,495	45,347		(19)		(19)		45,328			0	1,190	09/25/2044	1FM
12649D	AQ 6		09/01/2016	MBS PAYDOWN		37,742	37,742	38,110			(41)		(41)		37,742			0	503	10/25/2044	1FE
12649R	AV 4		09/01/2016	MBS PAYDOWN		20,722	20,722	21,191			(13)		(13)		20,722			0	205	02/25/2045	1FE
12649R	AW 2		09/01/2016	MBS PAYDOWN		26,304	26,304	26,056	26,270		34		34		26,304			0	692	02/25/2045	1FM
126650	BP 4		09/30/2016	SINKING FUND REDEMPTION		82,843	82,843	80,440	82,649		195		195		82,843			0	3,426	12/10/2028	2FE
126650	BQ 2		09/12/2016	SINKING FUND REDEMPTION		17,460	17,460	17,360	17,433		27		27		17,460			0	809	01/10/2030	2FE
126650	BY 5		09/10/2016	SINKING FUND REDEMPTION		7,243	7,243	7,243	7,243				0		7,243			0	286	01/10/2034	2FE

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**SCHEDULE D - PART 4**

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

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identification	Description	Forfeiture	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase/(Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other-Than-Temporary Impairment Recognized	Total Change in B./A.C.V. (11+12-13)	Total Foreign Exchange Change in B./A.C.V.	Book/Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest / Stock Dividends Received During Year	Stated Contractual Maturity Date	NAIC Designation or Market Indicator (a)
12677# AA 1	CVS CAREMARK CORP.....		09/15/2016	SINKING FUND REDEMPTION.....		21,158	21,158	21,158	21,158				0		21,158			0	770	01/15/2040...	2.....
14855J AB 1	CLAST 2016-1 A.....		09/15/2016	MBS PAYDOWN.....		34,500	34,500	34,490			3		3		34,500			0	128	08/15/2041...	1FE.....
16164A AC 9	CHASE 2016-2 M2.....		09/01/2016	VARIOUS.....		215,372	215,372	220,932			(79)		(79)		215,372			0	361	02/25/2044...	1FE.....
17290X AY 6	CGCMT 2016-GC37 XA.....		09/30/2016	INTEREST ONLY PAYMENT.....				4,146			(4,146)		(4,146)					0	200	04/10/2049...	1FE.....
17312D AC 2	CMSI 2007-8 1A3.....		09/01/2016	MBS PAYDOWN.....		615,549	615,549	573,681	602,596		12,953		12,953		615,549			0	23,701	10/25/2037...	1FM.....
17322Y AJ 9	CGCMT 2014-GC25 XA.....		09/30/2016	INTEREST ONLY PAYMENT.....				5,295	4,623		(4,623)		(4,623)					0	503	10/10/2047...	1FE.....
17323T AF 7	CMLTI 2015-RP2 B1.....		09/01/2016	MBS PAYDOWN.....		39,316	39,316	38,221	39,257		59		59		39,316			0	1,114	01/25/2053...	1FM.....
17324R AA 1	CHAI 2016-MF1 A.....		09/15/2016	MBS PAYDOWN.....		627,176	627,176	625,632			1,381		1,381		627,176			0	12,496	08/15/2022...	1FE.....
17324V AQ 7	CMLTI 2015-PS1 B2.....		09/01/2016	MBS PAYDOWN.....		66,010	66,010	67,198			(95)		(95)		66,010			0	2,027	09/25/2042...	1F.....
20173V AE 0	GCCFC 2007-GG11 A4.....		09/01/2016	MBS PAYDOWN.....		67,588	67,588	52,368	66,337		1,251		1,251		67,588			0	2,427	08/10/2017...	1FM.....
21079V AB 9	CONTINENTAL AIRLINES.....		07/12/2016	SINKING FUND REDEMPTION.....		163,084	163,084	167,934	164,065		(980)		(980)		163,084			0	9,785	01/12/2019...	2FE.....
22536# AA 1	KINDER MORGAN ENERGY PTNR LP.....		09/01/2016	SINKING FUND REDEMPTION.....		37,561	37,561	37,562	37,562				0		37,562			0	1,056	12/10/2035...	2.....
23312L AW 8	DBJPM 2016-C1 XA.....		09/30/2016	INTEREST ONLY PAYMENT.....				12,104			(12,104)		(12,104)					0	590	05/10/2049...	1FE.....
235851 AG 7	DANAHER CORP.....		08/15/2016	CALL at 106.609.....		7,462,630	7,000,000	6,957,370	6,989,492		473,138		473,138		7,462,630			0	426,563	01/15/2018...	1FE.....
235851 AM 4	DANAHER CORP.....		08/15/2016	CALL at 112.602.....		3,378,060	3,000,000	2,999,250	2,999,554		378,506		378,506		3,378,060			0	75,400	06/23/2021...	1FE.....
247367 BH 7	DELTA AIR 2007 1A.....		08/10/2016	SINKING FUND REDEMPTION.....		387,343	387,343	443,224	392,337		(4,995)		(4,995)		387,343			0	26,421	08/10/2022...	1FE.....
247367 BJ 3	DELTA AIR 2007 1B.....		08/10/2016	SINKING FUND REDEMPTION.....		387,950	387,950	438,281	83,485		(2,794)		(2,794)		387,950			0	18,862	08/10/2022...	2FE.....
25264V AB 5	DHAL 2015-1 B.....	R	09/14/2016	MBS PAYDOWN.....		201,825	201,825	201,793	201,435		390		390		201,825			0	8,129	07/14/2028...	2FE.....
26827E AE 5	ECAF 2015-1A B1.....	R	09/15/2016	MBS PAYDOWN.....		70,681	70,681	70,681	70,681				0		70,681			0	2,734	07/15/2040...	2FE.....
268617 AC 1	EMAC 1998-1 A3.....		09/15/2016	MBS PAYDOWN.....		19,246	19,246	15,306	14,349	957			957		15,306		3,940	3,940	844	01/15/2025...	6*.....
268617 BJ 5	EMAC 2000-1 A2.....		09/15/2016	MBS PAYDOWN.....		70,295	70,295	54,016	54,176				0		54,176		16,119	16,119	3,458	01/15/2027...	3F.....
27829E AJ 0	EV7 1-A D2.....	R	09/27/2016	CALL at 100.000.....		2,200,000	2,200,000	2,150,720	2,160,984		39,016		39,016		2,200,000			0	39,967	03/25/2026...	1FE.....
290408 AB 9	ELWOOD ENERGY.....		07/05/2016	SINKING FUND REDEMPTION.....		780	780	784	780				0		780			0	64	07/05/2026...	3FE.....
29429C AJ 4	CGCMT 2016-P3 XA.....		09/30/2016	INTEREST ONLY PAYMENT.....				4,622			(4,622)		(4,622)					0	229	04/15/2049...	1FE.....
302471 CA 3	FMACT 1998-BA A2.....		09/01/2016	MBS PAYDOWN.....		1,769	1,769	1,452	1,422				0		1,422		347	347	75	09/15/2027...	5*.....
30257G AA 9	FPL ENERGY NATL WIND.....		09/10/2016	SINKING FUND REDEMPTION.....		50,685	50,685	40,738	49,585		1,100		1,100		50,685			0	2,842	03/10/2024...	3FE.....
30291Q AJ 6	FREM 2013-KF02 C.....		09/25/2016	MBS PAYDOWN.....		7,796	7,796	7,796	7,796				0		7,796			0	208	12/25/2045...	1FM.....
3136A7 2B 7	FNA 2012-M9 X1.....		09/30/2016	INTEREST ONLY PAYMENT.....				276,089	185,575		(185,575)		(185,575)					0	111,434	12/25/2017...	1.....
3136A7 ML 3	FNA 2012-M8 X1.....		09/30/2016	INTEREST ONLY PAYMENT.....				115,891	87,900		(87,900)		(87,900)					0	27,006	12/25/2019...	1.....
3136AC 4H 1	FNA 2013-M4 X1.....		09/30/2016	INTEREST ONLY PAYMENT.....				103,101	71,238		(71,238)		(71,238)					0	33,048	02/25/2018...	1.....
3136AM LC 1	FNA 2015-M1 X2.....		09/30/2016	INTEREST ONLY PAYMENT.....				7,909	7,301		(7,301)		(7,301)					0	916	09/25/2024...	1.....
3136AM M7 1	FNA 2015-M4 X2.....		09/30/2016	INTEREST ONLY PAYMENT.....				73,440	65,287		(65,287)		(65,287)					0	12,460	07/25/2022...	1.....
3136AN LJ 4	FNA 2015-M7 X2.....		09/30/2016	INTEREST ONLY PAYMENT.....				8,097	7,602		(7,602)		(7,602)					0	741	12/25/2024...	1.....
3137A2 B3 4	FHMS K009 X1.....		09/30/2016	INTEREST ONLY PAYMENT.....				70,599	54,360		(54,360)		(54,360)					0	11,263	08/25/2020...	1.....
3137AB FW 6	FHMS K702 X1.....		09/30/2016	INTEREST ONLY PAYMENT.....				57,413	38,992		(38,992)		(38,992)					0	14,069	02/25/2018...	1.....

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### SCHEDULE D - PART 4

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

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identification	Description	Forfeiture	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase/(Decrease)	Current Year's (Amortization)/Accretion	Current Year's Other-Than-Temporary Impairment Recognized	Total Change in B./A.C.V. (11+12-13)	Total Foreign Exchange Change in B./A.C.V.	Book/Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest / Stock Dividends Received During Year	Stated Contractual Maturity Date	NAIC Designation or Market Indicator (a)
3137AH 6D 5	FHMS K015 X1.....		09/30/2016	INTEREST ONLY PAYMENT.....				38,301	32,786		(32,786)		(32,786)				0	4,932	07/25/2021	1FE	
3137AH 6R 4	FHMS K704 X1.....		09/30/2016	INTEREST ONLY PAYMENT.....				34,131	27,340		(27,340)		(27,340)				0	8,240	08/25/2018	1FE	
3137AJ MG 6	FHMS K016 X1.....		09/30/2016	INTEREST ONLY PAYMENT.....				20,720	18,317		(18,317)		(18,317)				0	2,642	10/25/2021	1FE	
3137AQ T3 2	FHMS K708 X1.....		09/30/2016	INTEREST ONLY PAYMENT.....				24,251	18,310		(18,310)		(18,310)				0	4,932	01/25/2019	1FE	
3137AR PZ 3	FHMS K710 X1.....		09/30/2016	INTEREST ONLY PAYMENT.....				47,669	38,251		(38,251)		(38,251)				0	8,851	05/25/2019	1FE	
3137AS NK 6	FHMS K019 X1.....		09/30/2016	INTEREST ONLY PAYMENT.....				38,841	32,171		(32,171)		(32,171)				0	5,094	03/25/2022	1FE	
3137AT RX 2	FHMS K020 X1.....		09/30/2016	INTEREST ONLY PAYMENT.....				32,299			(32,299)		(32,299)				0	3,404	05/25/2022	1FE	
3137AV XP 7	FHMS K022 X1.....		09/30/2016	INTEREST ONLY PAYMENT.....				26,303	22,146		(22,146)		(22,146)				0	3,280	07/25/2022	1FE	
3137AY CF 6	FHMS K025 X1.....		09/30/2016	INTEREST ONLY PAYMENT.....				26,683	22,486		(22,486)		(22,486)				0	2,925	10/25/2022	1FE	
3137B1 BT 8	FHMS K026 X1.....		09/30/2016	INTEREST ONLY PAYMENT.....				21,482	18,337		(18,337)		(18,337)				0	2,354	11/25/2022	1FE	
3137B7 N2 1	FHMS K036 X1.....		09/30/2016	INTEREST ONLY PAYMENT.....				18,791	16,274		(16,274)		(16,274)				0	1,866	10/25/2023	1FE	
3137B8 G5 0	FHMS K037 X1.....		09/30/2016	INTEREST ONLY PAYMENT.....				23,380	20,176		(20,176)		(20,176)				0	2,288	01/25/2024	1FE	
3137BB BE 9	FHMS K038 X1.....		09/30/2016	INTEREST ONLY PAYMENT.....				21,094	18,413		(18,413)		(18,413)				0	1,996	03/25/2024	1FE	
3137BE VJ 0	FHMS K040 X1.....		09/30/2016	INTEREST ONLY PAYMENT.....				8,552	4,574		(7,983)		(7,983)				0	475	09/25/2024	1FE	
3137BF XU 0	FHMS K042 X1.....		09/30/2016	INTEREST ONLY PAYMENT.....				6,639	6,047		(6,047)		(6,047)				0	582	12/25/2024	1FE	
3137BG K3 2	FHMS K043 X1.....		09/30/2016	INTEREST ONLY PAYMENT.....				3,495	3,207		(3,207)		(3,207)				0	313	12/25/2024	1FE	
3137BH CZ 8	FHMS K044 X1.....		09/30/2016	INTEREST ONLY PAYMENT.....				2,948	2,769		(2,769)		(2,769)				0	268	01/25/2025	1FE	
3137BK GL 8	FHMS K151 X1.....		09/30/2016	INTEREST ONLY PAYMENT.....				8,016	7,728		(7,728)		(7,728)				0	653	04/25/2030	1	
3137BN 6H 2	FHMS K053 X1.....		09/30/2016	INTEREST ONLY PAYMENT.....				3,933			(3,933)		(3,933)				0	232	12/25/2025	1FE	
3137BN GU 2	FHMS K054 X1.....		09/30/2016	INTEREST ONLY PAYMENT.....				3,405			(3,405)		(3,405)				0	155	01/25/2026	1FE	
3137BP CR 8	FHMS KW01 X1.....		09/30/2016	INTEREST ONLY PAYMENT.....				3,195			(3,195)		(3,195)				0	123	01/25/2026	1	
3137BP VP 1	FHMS K152 X1.....		09/30/2016	INTEREST ONLY PAYMENT.....				11,511			(11,511)		(11,511)				0	215	01/25/2031	1	
3137BQ YV 3	FHMS K056 X1.....		09/30/2016	INTEREST ONLY PAYMENT.....				979			(979)		(979)				0	12	05/25/2026	1FE	
3137BQ ZQ 3	FHMS X2FX X1.....		09/30/2016	INTEREST ONLY PAYMENT.....				3,876			(3,876)		(3,876)				0	64	09/25/2025	1	
31398Q HC 4	FHMS K007 X1.....		09/30/2016	INTEREST ONLY PAYMENT.....				107,735	85,151		(85,151)		(85,151)				0	18,892	04/25/2020	1	
33767C AV 9	FKMT 2015-1 B2.....		09/01/2016	MBS PAYDOWN.....		39,740	39,740	40,966			(10)		(10)		39,740		0	130	03/25/2045	1FE	
33903* DC 0	TEXACO OVERSEAS TANKSHIPS LTD.....		07/02/2016	SINKING FUND REDEMPTION.....		10,666	10,666	10,666	10,666				0		10,666		0	765	01/02/2018	1	
35040T AA 2	FFIN 2016-1A A.....		09/15/2016	MBS PAYDOWN.....		110,972	110,972	110,958			171		171		110,972		0	342	06/15/2035	1FE	
36192K AW 7	GSMS 2012-GCJ7 XA.....		09/30/2016	INTEREST ONLY PAYMENT.....				303,209			(303,209)		(303,209)				0	51,994	05/10/2045	1FE	
36228C XE 8	GSMS 2006-GG6 E.....		09/01/2016	MBS PAYDOWN.....		16,411	16,411	16,390			22		22		16,411		0	435	04/10/2038	6FE	
36244W AA 7	GSAMP 2006-S5 A1.....		09/25/2016	MBS PAYDOWN.....		10,603	10,603	381	381				0		381		10,222	10,222	4	09/25/2036	1FM
36252W AZ 1	GSMS 2014-GC20 XA.....		09/30/2016	INTEREST ONLY PAYMENT.....				23,376	19,477		(19,477)		(19,477)				0	2,499	04/10/2047	1FE	
36298G AA 7	GSPA MONETIZATION TRUST.....		09/09/2016	SINKING FUND REDEMPTION.....		46,012	46,012	46,933	46,051		(38)		(38)		46,012		0	1,971	10/09/2029	2FE	
36877* AA 2	GENCONN ENERGY LLC.....		07/15/2016	SINKING FUND REDEMPTION.....		118,422	118,422	118,422	118,422				0		118,422		0	5,601	07/25/2041	2FE	
393505 JM 5	GT 1995-7 B1.....		09/15/2016	MBS PAYDOWN.....		361,194	361,194	346,563	358,276		2,918		2,918		361,194		0	17,326	10/15/2026	2FE	
393505 MR 0	GT 1996-4 M1.....		09/15/2016	MBS PAYDOWN.....		369,740	369,740	359,337	369,215		525		525		369,740		0	18,913	06/15/2027	6FE	

QE055

**SCHEDULE D - PART 4**

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

QE056

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identification	Description	Forfeiture	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase/(Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other-Than-Temporary Impairment Recognized	Total Change in B./A.C.V. (11+12-13)	Total Foreign Exchange Change in B./A.C.V.	Book/Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest / Stock Dividends Received During Year	Stated Contractual Maturity Date	NAIC Designation or Market Indicator (a)
393505 NC 2	GT 1996-5 M1		09/15/2016	MBS PAYDOWN		276,191	276,191	270,040	275,347		843		843		276,191			0	14,686	07/15/2027	6FE
396789 FY 0	GCCFC 2004-GG1 F		09/01/2016	MBS PAYDOWN		17,125	17,125	16,268	17,125				0		17,125			0	681	06/10/2036	1FM
427866 AP 3	HERSHEY COMPANY		09/01/2016	MATURITY		3,000,000	3,000,000	2,990,610	2,999,207		793		793		3,000,000			0	163,500	09/01/2016	1FE
46590K AN 4	JPMCC 2015-JP1 XA		09/30/2016	INTEREST ONLY PAYMENT				5,022	4,945		(4,945)		(4,945)					0	593	01/15/2049	1FE
46625M ZE 2	JPMCC 2003-PM1A F		09/01/2016	MBS PAYDOWN		400,199	400,199	280,139	400,199				0		400,199			0	20,420	08/12/2040	1FM
46625Y DG 5	JPMCC 2004-CB XA		09/01/2016	MBS PAYDOWN		827,854	827,854	738,859	827,854				0		827,854			0	31,175	01/12/2037	1FM
46625Y XX 6	JPMCC 2005-LDP5 C		09/01/2016	MBS PAYDOWN		151,555	151,555	142,007	151,147		407		407		151,555			0	5,758	12/15/2044	1FM
46629P AC 2	JPMCC 2006-LDP9 A3		09/01/2016	MBS PAYDOWN		1,221,078	1,221,078	1,155,683	1,213,539		7,539		7,539		1,221,078			0	46,478	05/15/2047	1FM
46630J AC 3	JPMCC 2007-LDPX A3		09/01/2016	MBS PAYDOWN		4,287,297	4,287,297	4,109,944	4,267,863		19,435		19,435		4,287,297			0	166,842	01/15/2049	1FM
46638U AE 6	JPMCC 2012-C8 XA		09/30/2016	INTEREST ONLY PAYMENT				196,669			(196,669)		(196,669)					0	26,618	10/15/2045	1FE
46639E AG 6	JPMCC 2012-LC9 XA		09/30/2016	INTEREST ONLY PAYMENT				27,451			(27,451)		(27,451)					0	2,623	12/15/2047	1FE
46640B AK 0	JPMCC 2013-2 B2		09/01/2016	MBS PAYDOWN		28,540	28,540	28,734	28,557		(17)		(17)		28,540			0	697	05/25/2043	1FM
46640M AS 9	JPMCC 2013-3 B2		09/01/2016	MBS PAYDOWN		36,053	36,053	35,759	36,040		12		12		36,053			0	828	07/25/2043	1FM
46641C BP 5	JPMCC 2014-1 B2		09/01/2016	MBS PAYDOWN		35,570	35,570	35,570					0		35,570			0	443	01/25/2044	1FE
46643A BG 7	JPMCC 2014-C23 XA		09/30/2016	INTEREST ONLY PAYMENT				15,475	12,752		(12,752)		(12,752)					0	1,818	09/15/2047	1FE
46643D BE 6	JPMCC 2014-OAK4 B2		09/01/2016	MBS PAYDOWN		40,949	40,949	41,034	40,962		(12)		(12)		40,949			0	1,112	09/25/2044	1FM
46643P BG 4	JPMCC 2014-C25 XA		09/30/2016	INTEREST ONLY PAYMENT				6,229	5,424		(5,424)		(5,424)					0	651	11/15/2047	1FE
46643T BC 5	JPMCC 2014-C26 XA		09/30/2016	INTEREST ONLY PAYMENT				3,020	2,634		(2,634)		(2,634)					0	330	01/15/2048	1FE
46644F AF 8	JPMCC 2015-C28 XA		09/30/2016	INTEREST ONLY PAYMENT				4,232	3,852		(3,852)		(3,852)					0	453	10/15/2048	1FE
46645L BA 4	JPMCC 2016-C1 XA		09/30/2016	INTEREST ONLY PAYMENT				7,461			(7,461)		(7,461)					0	501	03/15/2049	1FE
48248C AD 6	KKR 2007-1A D	R	08/16/2016	CALL at 100.000		24,910,859	24,910,859	24,827,943	24,874,710		36,149		36,149		24,910,859			0	525,986	05/15/2021	1FE
52465# AA 3	RITE AID LEASE		09/20/2016	SINKING FUND REDEMPTION		18,858	18,858	9,240	17,744		1,114		1,114		18,858			0	918	03/10/2019	4
52465# AZ 8	LEGG MASON MTG CAP CORP		09/30/2016	SINKING FUND REDEMPTION		44,628	44,628	44,630	44,630				0		44,630		(2)	(2)	2,276	06/10/2021	1
55312V AH 1	MLCFC 2006-4 AM		09/01/2016	MBS PAYDOWN		12,722,669	12,722,669	10,147,323	12,456,275		266,394		266,394		12,722,669			0	495,826	12/12/2049	1FM
55312Y AE 2	MLCFC 2007-5 A4		09/01/2016	MBS PAYDOWN		4,119,157	4,119,157	3,904,414	4,097,678		21,480		21,480		4,119,157			0	165,159	08/12/2048	1FM
56585A AG 7	MARATHON PETROLEUM CORP		08/23/2016	STIFEL, NICOLAUS & CO		2,027,760	2,000,000	1,992,820	1,993,609		412		412		1,994,021		33,739	33,739	68,674	09/15/2024	2FE
589929 SR 0	MLMI 1998-C3 F		09/01/2016	MBS PAYDOWN		255,088	255,088	252,537	254,121		968		968		255,088			0	10,206	12/15/2030	1FM
59524E AB 8	MIDATLANTIC MILITARY CO		08/01/2016	SINKING FUND REDEMPTION		32,714	32,714	27,322	32,644		70		70		32,714			0	1,714	08/01/2050	1FE
605275 EH 5	MISSISSIPPI BUSINESS FINANCE CORP		09/15/2016	SINKING FUND REDEMPTION		637,000	637,000	637,000	637,000				0		637,000			0	53,317	09/15/2019	2
606935 AL 8	MLCFC 2006-1 B		09/01/2016	MBS PAYDOWN		50,724	50,724	50,407			21		21		50,724			0	380	02/12/2039	1F
61690A AF 1	MSBAM 2015-C27 XA		09/30/2016	INTEREST ONLY PAYMENT				7,480	7,316		(7,316)		(7,316)					0	784	12/15/2047	1FE
61690V BA 5	MSBAM 2015-C26 XA		09/30/2016	INTEREST ONLY PAYMENT				4,872	4,777		(4,777)		(4,777)					0	488	11/15/2048	1FE
61691A BM 4	MSC 2015-UBS8 XA		09/30/2016	INTEREST ONLY PAYMENT				11,928	11,792		(11,792)		(11,792)					0	1,206	12/15/2048	1FE
617451 AK 5	MSC 2005-IQ10 B		07/18/2016	CALL at 100.000		33,529	33,529	32,607	28,053		5,475		5,475		33,529			0	2,517	09/15/2042	1FM
617451 AL 3	MSC 2005-IQ10 C		09/15/2016	VARIOUS		8,601,000	8,601,000	7,892,731	8,387,397		213,603		213,603		8,601,000			0	620,636	09/15/2042	1FM

**SCHEDULE D - PART 4**

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

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identification	Description	Forfeiture	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase/(Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other-Than-Temporary Impairment Recognized	Total Change in B./A.C.V. (11+12-13)	Total Foreign Exchange Change in B./A.C.V.	Book/Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest / Stock Dividends Received During Year	Stated Contractual Maturity Date	NAIC Designation or Market Indicator (a)
61745M W7 4	MSC 2005-T17 B.....		09/01/2016	MBS PAYDOWN.....		164,984	164,984	138,999	161,297		3,687		3,687		164,984			0	5,448	12/13/2041	1FM.....
61750W AX 1	MSC 2006-IQ12 A4.....		09/15/2016	VARIOUS.....		2,299,957	2,299,957	1,748,686	2,184,224		115,732		115,732		2,299,957			0	78,884	12/15/2043	1FM.....
61761A AA 6	MSBAM 2012-C5 XA.....		09/30/2016	INTEREST ONLY PAYMENT.....				29,238			(29,238)		(29,238)					0	4,024	08/15/2045	1FE.....
61761D AJ 1	MSBAM 2012-C6 XA.....		09/30/2016	INTEREST ONLY PAYMENT.....				35,427			(35,427)		(35,427)					0	3,212	11/15/2045	1FE.....
61764P BV 3	MSBAM 2014-C19 XA.....		09/30/2016	INTEREST ONLY PAYMENT.....				8,033	6,952		(6,952)		(6,952)					0	874	12/15/2047	1FE.....
61765L AV 2	MSBAM 2015-C24 XA.....		09/30/2016	INTEREST ONLY PAYMENT.....				5,252	5,007		(5,007)		(5,007)					0	530	08/15/2047	1FE.....
61766C AH 2	MSC 2016-UBS9 XA.....		09/30/2016	INTEREST ONLY PAYMENT.....				14,378			(14,378)		(14,378)					0	952	03/15/2049	1FE.....
61766E BF 1	MSBAM 2016-C29 XA.....		09/30/2016	INTEREST ONLY PAYMENT.....				7,303			(7,303)		(7,303)					0	277	05/15/2049	1FE.....
61766L BT 5	MSBAM 2016-C28 XA.....		09/30/2016	INTEREST ONLY PAYMENT.....				10,456			(10,456)		(10,456)					0	806	01/15/2026	1FE.....
61911B AA 3	MECA 2010-1A A.....		09/01/2016	MBS PAYDOWN.....		186,849	186,849	183,550	186,568		281		281		186,849			0	5,037	07/25/2060	5FE.....
62942K AG 1	NRPMT 2013-1 B3.....		09/01/2016	MBS PAYDOWN.....		27,810	27,810	26,893	27,747		63		63		27,810			0	615	07/25/2043	1FM.....
64829F AJ 0	NRZT 2016-1A B2.....		09/01/2016	VARIOUS.....		98,972	98,972	103,358			(58)		(58)		98,972			0	1,380	03/25/2056	1FE.....
64829G AL 3	NRZT 2016-2A B2.....		09/01/2016	MBS PAYDOWN.....		100,648	100,648	103,622			(56)		(56)		100,648			0	1,208	11/25/2035	1FE.....
65536W AA 3	NAA 2006-S3 A1.....		09/30/2016	MBS PAYDOWN.....		23,724	42,264	13,230	13,230				0		13,230		10,494	10,494	222	08/25/2036	1FM.....
69351U AH 6	PPL ELECTRIC UTILITIES CO.....		08/17/2016	KEYBANC.....		4,298,490	3,000,000	2,999,190	2,999,304		10		10		2,999,314		1,299,176	1,299,176	197,263	08/15/2037	1FE.....
694308 GE 1	PACIFIC GAS & ELEC.....		09/30/2016	BARCLAYS CAPITAL.....		3,344,000	2,500,000	2,382,175	2,405,264		2,171		2,171		2,407,435		936,565	936,565	165,535	03/01/2034	1FE.....
723787 AE 7	PIONEER NATURAL RESOURCE.....		07/15/2016	MATURITY.....		3,000,000	3,000,000	3,000,960	3,000,063		(63)		(63)		3,000,000			0	176,250	07/15/2016	2FE.....
72650T AA 6	PLAINS END FINANCING LLC.....		07/15/2016	SINKING FUND REDEMPTION.....		61,625	61,625	58,390	61,341		284		284		61,625			0	2,778	04/15/2028	3FE.....
73019# AA 0	PNC EQUIPMENT FINANCE LLC.....		09/13/2016	SINKING FUND REDEMPTION.....		43,264	43,264	43,264	43,264		0		0		43,264			0	1,298	09/13/2027	1.....
73019# AB 8	PNC EQUIPMENT FINANCE LLC.....		09/13/2016	SINKING FUND REDEMPTION.....		44,892	44,892	44,892	44,892		0		0		44,892			0	1,347	09/13/2027	1.....
73019# AC 6	PNC EQUIPMENT FINANCE LLC.....		09/13/2016	SINKING FUND REDEMPTION.....		41,008	41,008	41,008	41,008		0		0		41,008			0	1,230	09/13/2027	1.....
737679 DB 3	POTOMAC ELECTRIC POWER.....		08/18/2016	KEYBANC.....		4,299,120	3,000,000	2,992,530	2,993,396		91		91		2,993,487		1,305,633	1,305,633	150,583	11/15/2037	1FE.....
740816 AG 8	HARVARD PRES & FEL.....		08/15/2016	BARCLAYS CAPITAL.....		7,948,550	5,000,000	5,333,550	5,300,872		(3,932)		(3,932)		5,296,940		2,651,610	2,651,610	354,792	01/15/2039	1FE.....
74955D AB 7	AEP GENERATING.....		08/29/2016	SINKING FUND REDEMPTION.....		1	1	1	1		0		0		1			0		12/07/2022	2FE.....
74979A AA 7	RIAL 2015-LT7 A.....		09/25/2016	MBS PAYDOWN.....		886,218	886,218	886,218	886,218		0		0		886,218			0	17,010	12/25/2032	2FE.....
767759 AB 9	RITE AID LEASE.....		09/02/2016	SINKING FUND REDEMPTION.....		44,065	44,065	23,905	43,054		1,011		1,011		44,065			0	2,084	01/02/2021	4FE.....
771196 AS 1	ROCHE HOLDINGS INC.....		08/25/2016	CALL at 112.757.....		1,355,624	1,086,537	1,069,457	1,066,278		275,643		275,643		1,355,624			0	69,719	03/01/2019	1FE.....
78419C AG 9	SGCMS 2016-C5 XA.....		09/30/2016	INTEREST ONLY PAYMENT.....				4,083			(4,083)		(4,083)					0	82	10/10/2048	1FE.....
78443B AK 2	SLMA 2006-10 B.....		07/25/2016	MBS PAYDOWN.....		166,420	166,420	147,490	164,839		1,581		1,581		166,420			0	941	03/25/2044	1FE.....
785778 FK 2	SACO 2005-4 M1.....		09/25/2016	MBS PAYDOWN.....		615,784	615,784	517,929	551,990		63,794		63,794		615,784			0	5,500	06/25/2035	1FM.....
805564 GA 3	SAST 2000-2 MF2.....		09/01/2016	MBS PAYDOWN.....		31,183	31,183	25,259	30,744		440		440		31,183			0	1,210	07/25/2030	1FM.....
81744N AH 3	SEMT 2012-6 B2.....		09/01/2016	MBS PAYDOWN.....		26,125	26,125	26,386	26,146		(21)		(21)		26,125			0	655	12/25/2042	1FM.....
81744V AH 5	SEMT 2012-4 B2.....		09/01/2016	MBS PAYDOWN.....		39,237	39,237	40,219	39,306		(68)		(68)		39,237			0	1,062	09/25/2042	1FM.....
81745A AF 4	SEMT 2013-5 B2.....		09/01/2016	MBS PAYDOWN.....		48,325	48,325	47,480	48,296		30		30		48,325			0	1,136	05/25/2043	1FM.....
81745E AD 1	SEMT 2013-8 B2.....		09/01/2016	MBS PAYDOWN.....		47,923	47,923	47,413	47,898		24		24		47,923			0	1,132	06/25/2043	1FM.....

QE057

**SCHEDULE D - PART 4**

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

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identification	Description	Forfeiture	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase/(Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other-Than-Temporary Impairment Recognized	Total Change in B./A.C.V. (11+12-13)	Total Foreign Exchange Change in B./A.C.V.	Book/Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest / Stock Dividends Received During Year	Stated Contractual Maturity Date	NAIC Designation or Market Indicator (a)
81745L	BN 2 SEMT 2014-4 B2		09/01/2016	MBS PAYDOWN		30,410	30,410	30,574	30,423		(13)		(13)		30,410			0	789	11/25/2044	1FM
81745M	AE 1 SEMT 2013-2 B2		09/01/2016	MBS PAYDOWN		63,030	63,030	62,872	63,028		2		2		63,030			0	1,536	02/25/2043	1FM
81745Y	AZ 8 SEMT 2013-12 B2		09/01/2016	MBS PAYDOWN		33,362	33,362	34,393			(86)		(86)		33,362			0	474	12/25/2043	1FE
82280Q	BZ 3 SCOT 2015-1 B2		09/01/2016	VARIOUS		33,003	33,003	32,254			22		22		33,003			0	461	08/25/2045	1FE
83614K	AA 7 SOURCE GAS LLC		09/12/2016	CALL at 102.822		6,169,320	6,000,000	5,819,130	5,969,692		199,628		199,628		6,169,320			0	335,317	04/01/2017	2FE
842400	EZ 2 SOUTHERN CAL EDISON		09/29/2016	KEYBANC		6,485,150	5,000,000	4,985,350	4,988,010		255		255		4,988,265		1,496,885	1,496,885	338,396	01/15/2036	1FE
842400	FF 5 SOUTHERN CAL ED		08/16/2016	KEYBANC		2,604,980	2,000,000	2,030,860	2,027,873		(461)		(461)		2,027,412		577,568	577,568	121,483	01/15/2037	1FE
86212T	AA 7 STR 2012-1A A		09/20/2016	MBS PAYDOWN		20,373	20,373	22,019	20,585		(212)		(212)		20,373			0	783	08/20/2042	1FE
86212U	AB 2 STR 2013-1A A2		09/20/2016	MBS PAYDOWN		8,841	8,841	8,838	8,820		22		22		8,841			0	274	03/20/2043	1FE
86213A	AB 5 STR 2013-3A A2		09/20/2016	MBS PAYDOWN		8,235	8,235	8,228	8,213		23		23		8,235			0	286	11/20/2043	1FE
86213C	AB 1 STR 2015-1A A2		09/20/2016	MBS PAYDOWN		6,250	6,250	6,247	6,236		14		14		6,250			0	174	04/20/2045	1FE
87612E	AN 6 TARGET CORP		07/15/2016	MATURITY		3,000,000	3,000,000	2,998,860	2,999,921		79		79		3,000,000			0	176,250	07/15/2016	1FE
88607J	AA 8 THNDR 2016-1 A		09/15/2016	MBS PAYDOWN		940,319	940,319	940,319					0		940,319			0	14,252	09/15/2022	1FE
89233P	5T 9 TOYOTA MOTOR CREDIT		08/18/2016	CFG CAPITAL MARKETS		2,151,820	2,000,000	1,992,580	1,995,235		465		465		1,995,700		156,120	156,120	73,517	01/12/2022	1FE
90272*	AA 0 UNITED HEALTHCARE SERVICES		09/17/2016	SINKING FUND REDEMPTION		29,026	29,026	29,026	29,026				0		29,026			0	677	05/17/2033	1
90783W	AA 1 UNION PACIFIC CORP		07/19/2016	SINKING FUND REDEMPTION		37,334	37,334	37,360	37,360				0		37,360		(26)	(26)	2,191	07/02/2030	1FE
909287	AA 2 UAL 2007 TRUST		07/02/2016	SINKING FUND REDEMPTION		97,306	97,306	104,676	97,931		(625)		(625)		97,306			0	6,457	07/02/2022	2FE
90932Q	AB 2 UNITED AIR 2014-2 B PTT		09/03/2016	SINKING FUND REDEMPTION		146,232	146,232	145,635	146,176		56		56		146,232			0	6,763	09/03/2022	2FE
91474@	AA 2 UNIVERSITY OF MICHIGAN		09/15/2016	SINKING FUND REDEMPTION		35,795	35,795	35,795	35,795				0		35,795			0	843	06/15/2039	1
917435	AA 7 UT MILITARY-TXB-BOYER		07/01/2016	VARIOUS		30,000	30,000	29,858	29,999		1		1		30,000			0	1,618	07/01/2050	1FE
91822G	AA 7 VFCP 2015-3 A		08/22/2016	VARIOUS		74,939	74,939	74,798	74,705		234		234		74,939			0	1,356	12/20/2031	2FE
92890K	BD 6 WFRBS 2014-C22 XA		09/30/2016	INTEREST ONLY PAYMENT				4,374	3,716		(3,716)		(3,716)					0	455	09/15/2057	1FE
92890N	AA 7 WFRBS 2012-C10 XA		09/30/2016	INTEREST ONLY PAYMENT				20,623	19,725		(19,725)		(19,725)					0	2,840	12/15/2045	1FE
92930R	AF 9 WFRBS 2012-C9 XA		09/30/2016	INTEREST ONLY PAYMENT				27,629	23,821		(23,821)		(23,821)					0	3,985	11/15/2045	1FE
92935J	AE 5 WFRBS 2011-C2 XA		09/30/2016	VARIOUS				22,071			(22,071)		(22,071)					0	1,223	02/15/2044	1FE
92939K	AH 1 WFRBS 2014-C24 XA		09/30/2016	INTEREST ONLY PAYMENT				10,812	3,997		(10,220)		(10,220)					0	937	11/15/2047	1FE
94982D	AA 4 WFMS 2005-AR14 A1		09/01/2016	MBS PAYDOWN		107,868	107,868	98,715	103,816		4,052		4,052		107,868			0	1,887	08/25/2035	1FM
949834	AA 3 WFMS 2007-14 1A1		09/30/2016	MBS PAYDOWN		230,018	297,132	272,606	222,170		7,848		7,848		230,018			0	12,108	10/25/2037	1FM
94983D	AL 9 WFMS 2005-AR13 4A1		08/01/2016	MBS PAYDOWN		266,043	266,043	241,371	258,312		7,730		7,730		266,043			0	5,024	05/25/2035	1FM
94986L	AK 0 WFMS 2007-16 2A1		09/01/2016	MBS PAYDOWN		173,450	173,450	163,561	169,022		4,429		4,429		173,450			0	7,069	07/01/2038	1FM
94989W	AV 9 WFCM 2015-C31 XA		09/30/2016	INTEREST ONLY PAYMENT				4,808	4,716		(4,716)		(4,716)					0	476	11/15/2048	1FE
94989Y	BC 6 WFCM 2016-C32 XA		09/30/2016	INTEREST ONLY PAYMENT				6,511			(6,511)		(6,511)					0	502	01/15/2059	1FE
95000C	BE 2 WFCM 2016-NXS5 XA		09/30/2016	INTEREST ONLY PAYMENT				16,134			(16,134)		(16,134)					0	1,320	01/15/2059	1FE
95000D	BG 5 WFCM 2016-C34 XA		09/30/2016	INTEREST ONLY PAYMENT				15,798			(15,798)		(15,798)					0	625	05/15/2049	1FE
96928*	FR 3 WALGREEN CO		09/15/2016	SINKING FUND REDEMPTION		26,500	26,500	26,500	26,500				0		26,500			0	898	09/15/2038	2
97652R	BA 4 WIN 2014-3 B2		09/01/2016	MBS PAYDOWN		28,583	28,583	28,953			(12)		(12)		28,583			0	285	11/20/2044	1FE

QE058

### SCHEDULE D - PART 4

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

QE059

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identification	Description	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase/(Decrease)	Current Year's (Amortization)/Accretion	Current Year's Other-Than-Temporary Impairment Recognized	Total Change in B./A.C.V. (11+12-13)	Total Foreign Exchange Change in B./A.C.V.	Book/Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest / Stock Dividends Received During Year	Stated Contractual Maturity Date	NAIC Designation or Market Indicator (a)	
97652U BE 9	WIN 2015-2 B1.....	09/01/2016	MBS PAYDOWN.....		31,368	31,368	32,081			(19)		(19)		31,368			0	309	02/20/2045	1FE.....	
97652U BF 6	WIN 2015-2 B2.....	09/01/2016	MBS PAYDOWN.....		35,171	35,171	35,270			(4)		(4)		35,171			0	345	02/20/2045	1FE.....	
98956P AC 6	ZIMMER HOLDINGS.....	07/27/2016	FTN FINANCIAL.....		2,298,362	2,200,000	2,208,366	2,205,272		(487)		(487)		2,204,785		93,577	93,577	49,294	11/30/2021	2FE.....	
BCC28B AG 7	AASET 2014-1 B.....	09/15/2016	MBS PAYDOWN.....		288,462	288,462	290,024	288,691		(230)		(230)		288,462			0	14,183	12/15/2029	2FE.....	
BCC28G EW 7	ATLSS 2014-1 B.....	09/15/2016	MBS PAYDOWN.....		187,200	187,200	187,200	187,200				0		187,200			0	8,567	12/15/2039	2FE.....	
G0014F AB 9	AABS 2013-1 A.....	09/15/2016	MBS PAYDOWN.....		75,926	75,926	76,685	75,926				0		75,926			0	2,418	01/15/2038	1FE.....	
049255 AG 7	ATLAS COPCO AB.....	09/02/2016	CALL at 103.546.....		9,319,173	9,000,000	8,935,830	8,988,408		330,765		330,765		9,319,173			0	392,000	05/22/2017	1FE.....	
05330K AA 3	AUTO METRO PR.....	09/30/2016	SINKING FUND REDEMPTION.....		7,500	7,500	7,500	7,500				0		7,500			0	379	06/30/2035	3FE.....	
05357W AJ 6	AVCLO 2007-6A D.....	07/18/2016	CALL at 100.000.....		6,000,000	6,000,000	5,775,000	5,826,661		173,339		173,339		6,000,000			0	121,550	07/17/2019	1FE.....	
05530Q AB 6	BAT INTL FINANCE PLC.....	08/18/2016	CALL at 118.133.....		3,543,990	3,000,000	2,972,870	2,989,416		554,574		554,574		3,543,990			0	216,125	11/15/2018	1FE.....	
05741P AE 7	BAKR 2005-1A D.....	09/15/2016	CALL at 100.000.....		4,674,040	4,674,040	4,563,685	4,589,239		84,801		84,801		4,674,040			0	89,253	12/15/2018	1FE.....	
11042A AA 2	BRITISH AIRWAYS.....	09/20/2016	SINKING FUND REDEMPTION.....		11,931	11,931	12,020	11,938		(7)		(7)		11,931			0	412	06/20/2024	1FE.....	
12626P AG 8	CRH AMERICA INC.....	09/30/2016	MATURITY.....		5,000,000	5,000,000	4,987,600	4,998,851		1,149		1,149		5,000,000			0	300,000	09/30/2016	2FE.....	
25243Y AJ 8	DIAGEO CAPITAL PLC.....	09/30/2016	MATURITY.....		8,000,000	8,000,000	7,507,030	7,939,528		60,472		60,472		8,000,000			0	440,000	09/30/2016	1FE.....	
48248B AA 4	KKR 2007-1A E.....	08/16/2016	CALL at 100.000.....		22,500,000	22,500,000	22,574,250	22,575,000		(75,000)		(75,000)		22,500,000			0	944,300	05/15/2021	1FE.....	
49638T AN 3	KING 2006-3A C2.....	08/25/2016	CALL at 100.000.....		4,000,000	4,000,000	4,015,000	4,298,991		(15,000)		(15,000)		4,000,000			0	143,020	08/24/2021	2FE.....	
530361 AN 4	LIBR 2005-1A B.....	08/01/2016	MBS PAYDOWN.....		4,327,956	4,327,956	4,240,050	4,298,991		28,964		28,964		4,327,956			0	46,836	11/01/2017	1FE.....	
774262 AB 5	ROCKW 2006-1A A1LB.....	08/01/2016	MBS PAYDOWN.....		24,985,378	24,985,378	24,485,670	24,792,572		192,806		192,806		24,985,378			0	194,594	08/01/2021	1FE.....	
77426N AA 1	ROCKW 2007-1A A1LA.....	08/01/2016	MBS PAYDOWN.....		5,480,072	5,480,072	5,323,186	5,411,303		68,769		68,769		5,480,072			0	32,326	08/01/2024	1FE.....	
3899999	Total Bonds - Industrial and Miscellaneous.....				271,636,395	260,680,766	254,067,517	253,243,487	957	1,917,278	0	1,918,235	0	263,045,342	0	8,591,054	8,591,054	10,424,550	XXX	XXX	
8399997	Total Bonds - Part 4.....				324,844,074	305,775,166	301,045,043	296,799,191	957	(100,238)	0	(99,281)	0	307,208,953	0	17,635,122	17,635,122	12,555,809	XXX	XXX	
8399999	Total Bonds.....				324,844,074	305,775,166	301,045,043	296,799,191	957	(100,238)	0	(99,281)	0	307,208,953	0	17,635,122	17,635,122	12,555,809	XXX	XXX	
<b>Preferred Stocks - Industrial and Miscellaneous</b>																					
29364W 40 5	ENTERGY LA LLC.....	09/16/2016	CALL at 25.000.....		94,000,000	2,350,000	2,408,281	2,408,281				0		2,408,281		(58,281)	(58,281)	103,930	XXX	RP1LFE.....	
464288 68 7	ISHARES US PREFERRED STOCK.....	09/19/2016	WELLS FARGO.....		125,000,000	4,923,918	4,994,175					0		4,994,175		(70,257)	(70,257)	43,746	XXX	P4L.....	
8499999	Total Preferred Stocks - Industrial and Miscellaneous.....				7,273,918	XXX	7,402,456	2,408,281	0	0	0	0	0	7,402,456	0	(128,538)	(128,538)	147,676	XXX	XXX	
8999997	Total Preferred Stocks - Part 4.....				7,273,918	XXX	7,402,456	2,408,281	0	0	0	0	0	7,402,456	0	(128,538)	(128,538)	147,676	XXX	XXX	
8999999	Total Preferred Stocks.....				7,273,918	XXX	7,402,456	2,408,281	0	0	0	0	0	7,402,456	0	(128,538)	(128,538)	147,676	XXX	XXX	
<b>Common Stocks - Industrial and Miscellaneous</b>																					
02503X 10 5	AMERICAN CAPITAL AGENCY.....	09/15/2016	WELLS FARGO.....		157,200,000	3,012,819	3,382,175	2,725,848	656,327			656,327		3,382,175		(369,355)	(369,355)	279,816	XXX	L.....	
035710 40 9	ANNALY CAPITAL MANAGEMENT INC.....	09/19/2016	WELLS FARGO.....		400,400,000	4,216,099	4,189,315	2,091,740	250,788			250,788		4,189,315		26,784	26,784	208,702	XXX	L.....	
042315 50 7	ARMOUR RESIDENTIAL REIT.....	09/23/2016	WELLS FARGO.....		52,000,000	1,160,318	1,006,481					0		1,006,481		153,837	153,837	39,158	XXX	L.....	
09248X 10 0	BLACK ROCK BUILDAMERICA BOND.....	09/23/2016	WELLS FARGO.....		95,000,000	2,229,307	2,161,368	1,993,100	168,268			168,268		2,161,368		67,938	67,938	111,200	XXX	L.....	
41902R 10 3	HATTERAS FINANCIAL CORP.....	07/15/2016	TENDER OFFER.....		185,100,000	2,933,835	3,507,111	2,434,065	1,073,046			1,073,046		3,507,111		(573,276)	(573,276)	266,181	XXX	L.....	
444444 44 2	FHLN OF PITTSBURGH.....	09/14/2016	DIRECT ISSUER.....		80,000,000	8,000,000	8,000,000	4,000,000				0		8,000,000			0	221,735	XXX	U.....	

### SCHEDULE D - PART 4

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

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identification	Description	Forfeiture	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other-Than-Temporary Impairment Recognized	Total Change in B./A.C.V. (11+12-13)	Total Foreign Exchange Change in B./A.C.V.	Book/Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest / Stock Dividends Received During Year	Stated Contractual Maturity Date	NAIC Designation or Market Indicator (a)
46431W 50 7	ISHARES SHORT MATURITY BOND.....		09/19/2016	WELLS FARGO.....	150,000.000	7,524,460	XXX	7,516,392					0		7,516,392		8,068	8,068	15,501	XXX	L.....
66706L 10 1	NORTHSTAR REALITY EUROPE.....		09/23/2016	WELLS FARGO.....	229,958.000	2,446,489	XXX	1,916,002					0		1,916,002		530,487	530,487	42,129	XXX	L.....
827655 30 9	SILVER DINER.....		08/26/2016	BANKERS TRUST CO.....	52.000	182,400	XXX						0				182,400	182,400		XXX	U.....
9099999	Total Common Stocks - Industrial and Miscellaneous.....					31,705,727	XXX	31,678,844	13,244,753	2,148,429	0	0	2,148,429	0	31,678,844	0	26,883	26,883	1,184,422	XXX	XXX
9799997	Total Common Stocks - Part 4.....					31,705,727	XXX	31,678,844	13,244,753	2,148,429	0	0	2,148,429	0	31,678,844	0	26,883	26,883	1,184,422	XXX	XXX
9799999	Total Common Stocks.....					31,705,727	XXX	31,678,844	13,244,753	2,148,429	0	0	2,148,429	0	31,678,844	0	26,883	26,883	1,184,422	XXX	XXX
9899999	Total Preferred and Common Stocks.....					38,979,645	XXX	39,081,300	15,653,034	2,148,429	0	0	2,148,429	0	39,081,300	0	(101,655)	(101,655)	1,332,098	XXX	XXX
9999999	Total Bonds, Preferred and Common Stocks.....					363,823,719	XXX	340,126,343	312,452,225	2,149,386	(100,238)	0	2,049,148	0	346,290,253	0	17,533,467	17,533,467	13,887,907	XXX	XXX

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

## SCHEDULE DB - PART A - SECTION 1

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

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23
Description	Description of Items(s) Hedged, Used for Income Generation or Replicated	Schedule of Exhibit Identifier	Type(s) of Risk(s) (a)	Exchange, Counterparty or Central Clearinghouse	Trade Date	Date of Maturity or Expiration	Number of Contracts	Notional Amount	Strike Price, Rate of Index Received (Paid)	Cumulative Prior Year(s) Initial Cost of Premium (Received) Paid	Current Year Initial Cost of Premium (Received) Paid	Current Year Income	Book/Adjusted Carrying Value	Code	Fair Value	Unrealized Valuation Increase (Decrease)	Total Foreign Exchange Change in B./A.C.V.	Current Year's (Amortization) / Accretion	Adjustment to Carrying Value of Hedged Items	Potential Exposure	Credit Quality of Reference Entity	Hedge Effectiveness at Inception and at Year-end (b)
<b>Purchased Options - Hedging Effective - Call Options and Warrants</b>																						
Call Spread	Embedded option within IUL products	N/A	Equity/Index	Bank of America, N.A.	10/06/2015	10/03/2016	16,425	32,096,750	1993 / (2130.)	1,048,736			1,048,736		2,247,933							98/101
Call Spread	Embedded option within IUL products	N/A	Equity/Index	Canadian Imperial Bank of Commerce	10/12/2015	10/10/2016	15,087	30,264,069	2046 / (2187.)	929,191			929,191		1,762,278							98/99
Call Spread	Embedded option within IUL products	N/A	Equity/Index	Wells Fargo Bank, NA	10/19/2015	10/13/2016	17,676	35,602,646	2054 / (2195.)	1,112,704			1,112,704		1,946,661							97/98
Call Spread	Embedded option within IUL products	N/A	Equity/Index	Wells Fargo Bank, NA	10/26/2015	10/21/2016	17,471	35,604,850	2079 / (2221.)	1,167,587			1,167,587		1,598,542							96/95
Call Spread	Embedded option within IUL products	N/A	Equity/Index	Bank of America, N.A.	10/29/2015	10/28/2016	12,600	26,191,620	2120 / (2287.)	882,000			882,000		760,555							98/95
Call Spread	Embedded option within IUL products	N/A	Equity/Index	Canadian Imperial Bank of Commerce	11/04/2015	11/01/2016	10,414	21,922,199	2147 / (2295.)	642,544			642,544		433,800							98/95
Call Spread	Embedded option within IUL products	N/A	Equity/Index	Barclays Bank	11/10/2015	11/07/2016	12,907	26,964,530	2131 / (2298.)	847,474			847,474		724,436							97/94
Call Spread	Embedded option within IUL products	N/A	Equity/Index	Canadian Imperial Bank of Commerce	11/17/2015	11/14/2016	13,399	27,524,360	2095 / (2239.)	852,528			852,528		1,122,472							97/97
Call Spread	Embedded option within IUL products	N/A	Equity/Index	Bank of America, N.A.	11/24/2015	11/21/2016	16,104	33,523,536	2123 / (2290.)	1,081,867			1,081,867		1,083,997							98/96
Call Spread	Embedded option within IUL products	N/A	Equity/Index	Canadian Imperial Bank of Commerce	12/01/2015	11/28/2016	17,209	35,894,188	2127 / (2273.)	1,114,369			1,114,369		1,135,668							97/96
Call Spread	Embedded option within IUL products	N/A	Equity/Index	Wells Fargo Bank, NA	12/02/2015	12/01/2016	7,594	15,967,372	2145 / (2313.)	495,888			495,888		428,135							98/97
Call Spread	Embedded option within IUL products	N/A	Equity/Index	Wells Fargo Bank, NA	12/08/2015	12/07/2016	13,758	28,563,534	2118 / (2284.)	911,605			911,605		1,053,048							97/97
Call Spread	Embedded option within IUL products	N/A	Equity/Index	Canadian Imperial Bank of Commerce	12/15/2015	12/14/2016	15,514	31,569,904	2076 / (2218.)	1,021,407			1,021,407		1,426,622							97/97
Call Spread	Embedded option within IUL products	N/A	Equity/Index	Credit Suisse International	12/18/2015	12/15/2016	7,469	15,319,890	2092 / (2236.)	433,127			433,127		652,501							98/98
Call Spread	Embedded option within IUL products	N/A	Equity/Index	Canadian Imperial Bank of Commerce	12/23/2015	12/21/2016	16,886	34,133,698	2062 / (2203.)	1,153,820			1,153,820		1,623,981							97/97
Call Spread	Embedded option within IUL products	N/A	Equity/Index	Barclays Bank	12/29/2015	12/28/2016	20,286	41,746,965	2099 / (2243.)	1,351,048			1,351,048		1,722,938							97/97
Call Spread	Embedded option within IUL products	N/A	Equity/Index	Wells Fargo Bank, NA	01/05/2016	01/04/2017	19,605	39,458,199	2053 / (2194.)	1,216,294			1,216,294		1,951,032							98/98
Call Spread	Embedded option within IUL products	N/A	Equity/Index	Canadian Imperial Bank of Commerce	01/11/2016	01/05/2017	12,697	25,047,753	2012 / (2170.)	691,383			691,383		1,510,937							97/100
Call Spread	Embedded option within IUL products	N/A	Equity/Index	Wells Fargo Bank, NA	01/15/2016	01/10/2017	13,054	25,099,448	1961 / (2096.)	694,603			694,603		1,469,013							97/98
Call Spread	Embedded option within IUL products	N/A	Equity/Index	Barclays Bank	01/20/2016	01/17/2017	13,745	25,856,407	1919 / (2050.)	701,407			701,407		1,558,636							95/95
Call Spread	Embedded option within IUL products	N/A	Equity/Index	Credit Suisse International	01/26/2016	01/23/2017	18,702	35,051,288	1912 / (2043.)	1,156,532			1,156,532		2,126,932							97/97
Call Spread	Embedded option within IUL products	N/A	Equity/Index	Wells Fargo Bank, NA	01/29/2016	01/30/2017	12,845	24,305,181	1930 / (2062.)	824,135			824,135		1,436,548							96/97

QE06



## SCHEDULE DB - PART A - SECTION 1

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

1	2	3	4	5		6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23
Description	Description of Items(s) Hedged, Used for Income Generation or Replicated	Schedule Exhibit Identifier	Type(s) of Risk(s) (a)	Exchange, Counterparty or Central Clearinghouse	Trade Date	Date of Maturity or Expiration	Number of Contracts	Notional Amount	Strike Price, Rate of Index Received (Paid)	Cumulative Prior Year(s) Initial Cost of Premium (Received) Paid	Current Year Initial Cost of Premium (Received) Paid	Current Year Income	Book/Adjusted Carrying Value	Code	Fair Value	Unrealized Valuation Increase (Decrease)	Total Foreign Exchange Change in B./A.C.V.	Current Year's (Amortization) / Accretion	Adjustment to Carrying Value of Hedged Items	Potential Exposure	Credit Quality of Reference Entity	Hedge Effectiveness at Inception and at Year-end (b)	
Call Spread.....	Embedded option within IUL products.....	N/A.....	Equity/Index	Bank of America, N.A. B4TYDEB6GKMZO031MB27..	..02/03/2016	..02/01/2017	...10,581	...20,447,571	1971 / (2126.)	.....	.....595,604	.....	.....595,604	.....	...1,310,128	.....	.....	.....	.....	.....	.....	.....	98/98.....
Call Spread.....	Embedded option within IUL products.....	N/A.....	Equity/Index	Bank of Commerce Canadian Imperial 2IG119DL77OX0HC3ZE78.....	..02/09/2016	..02/06/2017	...16,168	...30,451,458	1921 / (2072.)	.....	.....951,729	.....	.....951,729	.....	...2,053,248	.....	.....	.....	.....	.....	.....	.....	98/98.....
Call Spread.....	Embedded option within IUL products.....	N/A.....	Equity/Index	Bank of Commerce Canadian Imperial 2IG119DL77OX0HC3ZE78.....	..02/18/2016	..02/14/2017	...20,262	...38,098,639	1918 / (2050.)	.....	.....1,322,298	.....	.....1,322,298	.....	...2,260,421	.....	.....	.....	.....	.....	.....	.....	98/98.....
Call Spread.....	Embedded option within IUL products.....	N/A.....	Equity/Index	Bank of Commerce 2IG119DL77OX0HC3ZE78.....	..02/23/2016	..02/21/2017	...11,005	...21,317,455	1976 / (2111.)	.....	.....639,941	.....	.....639,941	.....	...1,164,970	.....	.....	.....	.....	.....	.....	.....	97/97.....
Call Spread.....	Embedded option within IUL products.....	N/A.....	Equity/Index	Bank of America, N.A. B4TYDEB6GKMZO031MB27..	..03/01/2016	..02/28/2017	...18,420	...35,633,674	1973 / (2109.)	.....	.....1,222,720	.....	.....1,222,720	.....	...1,973,971	.....	.....	.....	.....	.....	.....	.....	97/97.....
Call Spread.....	Embedded option within IUL products.....	N/A.....	Equity/Index	Deutsche Bank .... 7LTFWZYICNSX8D621K86.....	..03/08/2016	..03/01/2017	...18,454	...36,764,059	2032 / (2172.)	.....	.....1,092,477	.....	.....1,092,477	.....	...1,843,052	.....	.....	.....	.....	.....	.....	.....	97/97.....
Call Spread.....	Embedded option within IUL products.....	N/A.....	Equity/Index	Wells Fargo Bank, NA KB1H1DSPRFMYMCFXT09.....	..03/14/2016	..03/08/2017	...14,089	...27,997,097	2027 / (2146.)	.....	.....832,942	.....	.....832,942	.....	...1,229,095	.....	.....	.....	.....	.....	.....	.....	98/98.....
Call Spread.....	Embedded option within IUL products.....	N/A.....	Equity/Index	Wells Fargo Bank, NA KB1H1DSPRFMYMCFXT09.....	..03/18/2016	..03/15/2017	...13,787	...27,915,366	2065 / (2187.)	.....	.....809,573	.....	.....809,573	.....	...1,138,089	.....	.....	.....	.....	.....	.....	.....	96/96.....
Call Spread.....	Embedded option within IUL products.....	N/A.....	Equity/Index	Bank of America, N.A. B4TYDEB6GKMZO031MB27..	..03/22/2016	..03/21/2017	...10,630	...21,802,768	2092 / (2236.)	.....	.....639,076	.....	.....639,076	.....	...926,673	.....	.....	.....	.....	.....	.....	.....	97/97.....
Call Spread.....	Embedded option within IUL products.....	N/A.....	Equity/Index	Barclays Bank .... G5GSEF7VJP5I7OUK5573.....	..03/29/2016	..03/28/2017	...18,630	...37,976,311	2079 / (2222.)	.....	.....1,176,671	.....	.....1,176,671	.....	...1,677,144	.....	.....	.....	.....	.....	.....	.....	96/96.....
Call Spread.....	Embedded option within IUL products.....	N/A.....	Equity/Index	Deutsche Bank .... 7LTFWZYICNSX8D621K86.....	..04/06/2016	..04/03/2017	...17,504	...36,177,617	2108 / (2253.)	.....	.....1,037,112	.....	.....1,037,112	.....	...1,478,194	.....	.....	.....	.....	.....	.....	.....	96/96.....
Call Spread.....	Embedded option within IUL products.....	N/A.....	Equity/Index	Barclays Bank .... G5GSEF7VJP5I7OUK5573.....	..04/13/2016	..04/10/2017	...14,638	...29,983,455	2089 / (2233.)	.....	.....995,530	.....	.....995,530	.....	...1,281,743	.....	.....	.....	.....	.....	.....	.....	97/97.....
Call Spread.....	Embedded option within IUL products.....	N/A.....	Equity/Index	Wells Fargo Bank, NA KB1H1DSPRFMYMCFXT09.....	..04/19/2016	..04/17/2017	...11,316	...23,622,603	2129 / (2275.)	.....	.....723,998	.....	.....723,998	.....	...888,537	.....	.....	.....	.....	.....	.....	.....	96/96.....
Call Spread.....	Embedded option within IUL products.....	N/A.....	Equity/Index	Goldman Sachs International W22LROWP2IHZNB6K528.....	..04/25/2016	..04/21/2017	...10,850	...22,735,958	2137 / (2284.)	.....	.....630,928	.....	.....630,928	.....	...840,229	.....	.....	.....	.....	.....	.....	.....	98/97.....
Call Spread.....	Embedded option within IUL products.....	N/A.....	Equity/Index	Goldman Sachs International W22LROWP2IHZNB6K528.....	..04/29/2016	..04/28/2017	...16,271	...33,929,916	2127 / (2273.)	.....	.....941,928	.....	.....941,928	.....	...1,303,152	.....	.....	.....	.....	.....	.....	.....	96/95.....
Call Spread.....	Embedded option within IUL products.....	N/A.....	Equity/Index	Bank of Commerce 2IG119DL77OX0HC3ZE78.....	..05/04/2016	..05/01/2017	...10,268	...21,338,752	2120 / (2265.)	.....	.....571,312	.....	.....571,312	.....	...816,328	.....	.....	.....	.....	.....	.....	.....	96/96.....
Call Spread.....	Embedded option within IUL products.....	N/A.....	Equity/Index	Credit Suisse E58DKGMJYYYJLN8C3868.....	..05/10/2016	..05/08/2017	...13,927	...28,637,115	2097 / (2241.)	.....	.....916,257	.....	.....916,257	.....	...1,192,553	.....	.....	.....	.....	.....	.....	.....	95/95.....
Call Spread.....	Embedded option within IUL products.....	N/A.....	Equity/Index	Bank of Commerce Canadian Imperial 2IG119DL77OX0HC3ZE78.....	..05/17/2016	..05/15/2017	...15,237	...31,470,805	2107 / (2251.)	.....	.....931,133	.....	.....931,133	.....	...1,245,806	.....	.....	.....	.....	.....	.....	.....	95/95.....
Call Spread.....	Embedded option within IUL products.....	N/A.....	Equity/Index	Bank of Commerce 2IG119DL77OX0HC3ZE78.....	..05/24/2016	..05/22/2017	...18,374	...37,610,476	2088 / (2231.)	.....	.....1,223,617	.....	.....1,223,617	.....	...1,566,267	.....	.....	.....	.....	.....	.....	.....	93/93.....
Call Spread.....	Embedded option within IUL products.....	N/A.....	Equity/Index	Wells Fargo Bank, NA KB1H1DSPRFMYMCFXT09.....	..06/01/2016	..05/30/2017	...13,378	...27,991,325	2134 / (2281.)	.....	.....848,567	.....	.....848,567	.....	...1,044,475	.....	.....	.....	.....	.....	.....	.....	96/96.....
Call Spread.....	Embedded option within IUL products.....	N/A.....	Equity/Index	Barclays Bank .... G5GSEF7VJP5I7OUK5573.....	..06/07/2016	..06/01/2017	...14,609	...30,739,966	2146 / (2294.)	.....	.....962,879	.....	.....962,879	.....	...1,092,741	.....	.....	.....	.....	.....	.....	.....	96/96.....
Call Spread.....	Embedded option within IUL products.....	N/A.....	Equity/Index	Bank of America, N.A. B4TYDEB6GKMZO031MB27..	..06/14/2016	..06/12/2017	...15,387	...32,269,770	2139 / (2286.)	.....	.....921,835	.....	.....921,835	.....	...1,177,125	.....	.....	.....	.....	.....	.....	.....	97/97.....

QE06.1

## SCHEDULE DB - PART A - SECTION 1

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

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	
Description	Description of Items(s) Hedged, Used for Income Generation or Replicated	Schedule / Exhibit Identifier	Type(s) of Risk(s) (a)	Exchange, Counterparty or Central Clearinghouse	Trade Date	Date of Maturity or Expiration	Number of Contracts	Notional Amount	Strike Price, Rate of Index Received (Paid)	Cumulative Prior Year(s) Initial Cost of Premium (Received) Paid	Current Year Initial Cost of Premium (Received) Paid	Current Year Income	Book/Adjusted Carrying Value	Cost	Fair Value	Unrealized Valuation Increase (Decrease)	Total Foreign Exchange Change in B./A.C.V.	Current Year's (Amortization) / Accretion	Adjustment to Carrying Value of Hedged Items	Potential Exposure	Credit Quality of Reference Entity	Hedge Effectiveness at Inception and at Year-end (b)	
Call Spread	Embedded option within IUL products	N/A	Equity/Index	Canadian Imperial Bank of Commerce	2IG19DL77OX0HC3ZE78	06/21/2016	06/16/2017	16,086	33,416,252	2119 / (2264.)	1,068,673		1,068,673		1,273,927								95/96
Call Spread	Embedded option within IUL products	N/A	Equity/Index	Bank of America, N.A.	B4TYDEB6GKMZO031MB27	06/29/2016	06/28/2017	24,153	49,503,023	2091 / (2234.)	1,544,826		1,544,826		2,070,607								96/96
Call Spread	Embedded option within IUL products	N/A	Equity/Index	Goldman Sachs International	W22LROWP2IHZNBB6K528	07/06/2016	07/03/2017	12,865	26,837,419	2128 / (2274.)	838,669		838,669		1,026,871								96/99
Call Spread	Embedded option within IUL products	N/A	Equity/Index	Goldman Sachs International	W22LROWP2IHZNBB6K528	07/14/2016	07/12/2017	17,131	36,511,129	2174 / (2323.)	1,152,402		1,152,402		1,198,914								98/95
Call Spread	Embedded option within IUL products	N/A	Equity/Index	Canadian Imperial Bank of Commerce	2IG19DL77OX0HC3ZE78	07/19/2016	07/17/2017	11,435	24,757,004	2208 / (2360.)	701,923		701,923		707,238								97/96
Call Spread	Embedded option within IUL products	N/A	Equity/Index	Bank of Commerce	2IG19DL77OX0HC3ZE78	07/26/2016	07/24/2017	18,673	40,490,907	2212 / (2364.)	1,166,876		1,166,876		1,144,786								97/96
Call Spread	Embedded option within IUL products	N/A	Equity/Index	Wells Fargo Bank, NA	KB1H1DSPRFMYMCUFXT09	08/01/2016	07/28/2017	10,518	22,817,749	2213 / (2365.)	652,221		652,221		644,334								96/96
Call Spread	Embedded option within IUL products	N/A	Equity/Index	Barclays Bank	G5GSEF7VJP5I7OUK5573	08/08/2016	08/01/2017	14,180	30,742,949	2211 / (2363.)	918,864		918,864		872,519								96/96
Call Spread	Embedded option within IUL products	N/A	Equity/Index	Bank of America, N.A.	B4TYDEB6GKMZO031MB27	08/12/2016	08/07/2017	13,061	28,487,608	2225 / (2377.)	818,533		818,533		752,149								95/94
Call Spread	Embedded option within IUL products	N/A	Equity/Index	Barclays Bank	G5GSEF7VJP5I7OUK5573	08/18/2016	08/14/2017	12,615	27,576,768	2230 / (2383.)	798,530		798,530		722,959								97/96
Call Spread	Embedded option within IUL products	N/A	Equity/Index	Barclays Bank	G5GSEF7VJP5I7OUK5573	08/24/2016	08/21/2017	17,415	38,028,787	2227 / (2380.)	1,098,712		1,098,712		1,016,624								96/96
Call Spread	Embedded option within IUL products	N/A	Equity/Index	SunTrust Bank	IYDOJBGJWY9T8XKCSX06	08/30/2016	08/28/2017	17,475	38,045,696	2221 / (2351.)	995,201		995,201		917,454								95/94
Call Spread	Embedded option within IUL products	N/A	Equity/Index	Wells Fargo Bank, NA	KB1H1DSPRFMYMCUFXT09	09/08/2016	09/07/2017	26,968	58,851,929	2226 / (2379.)	1,750,763		1,750,763		1,616,682								98/98
Call Spread	Embedded option within IUL products	N/A	Equity/Index	Goldman Sachs International	W22LROWP2IHZNBB6K528	09/14/2016	09/11/2017	11,491	24,721,048	2194 / (2345.)	725,427		725,427		777,068								96/95
Call Spread	Embedded option within IUL products	N/A	Equity/Index	Wells Fargo Bank, NA	KB1H1DSPRFMYMCUFXT09	09/20/2016	09/18/2017	13,026	27,849,067	2181 / (2309.)	762,542		762,542		806,742								95/95
Call Spread	Embedded option within IUL products	N/A	Equity/Index	Barclays Bank	G5GSEF7VJP5I7OUK5573	09/26/2016	09/21/2017	12,489	27,017,703	2207 / (2358.)	787,431		787,431		800,223								95/95
Call Spread	Embedded option within IUL products	N/A	Equity/Index	Bank of America, N.A.	B4TYDEB6GKMZO031MB27	09/29/2016	09/28/2017	15,753	34,018,131	2203 / (2354.)	1,002,994		1,002,994		1,024,395								96/96
0019999	Total-Purchased Options-Hedging Effective-Call Options and Warrants									15,045,895	42,057,068	0	57,102,963	XXX	76,654,098	0	0	0	0	0	0	XXX	XXX
0079999	Total-Purchased Options-Hedging Effective									15,045,895	42,057,068	0	57,102,963	XXX	76,654,098	0	0	0	0	0	0	XXX	XXX
<b>Purchased Options - Hedging Other - Call Options and Warrants</b>																							
Long Call Option	Equity Risk Exposure	N/A	Equity/Index	Canadian Imperial Bank of Commerce	2IG19DL77OX0HC3ZE78	04/04/2016	04/04/2017	25,000	55,000,000	2,200,000	1,350,000		1,630,038		1,630,038	280,038							008
Long Call Option	Equity Risk Exposure	N/A	Equity/Index	Deutsche Bank	7LTFWZYICNSX8D621K86	05/31/2016	06/02/2017	15,000	33,375,000	2,225,000	855,000		989,809		989,809	134,809							008
Long Call Option	Equity Risk Exposure	N/A	Equity/Index	Bank of Commerce	2IG19DL77OX0HC3ZE78	09/06/2016	03/06/2017	50,000	116,500,000	2,330,000	765,000		433,615		433,615	(331,385)							008
Long Call Option	Equity Risk Exposure	N/A	Equity/Index	Canadian Imperial Bank of Commerce	2IG19DL77OX0HC3ZE78	09/08/2016	03/08/2017	28,000	62,300,000	2,225,000	1,484,000		1,213,512		1,213,512	(270,488)							008

QE06.2

## SCHEDULE DB - PART A - SECTION 1

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

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23
Description	Description of Items(s) Hedged, Used for Income Generation or Replicated	Schedule of Exhibit Identifier	Type(s) of Risk(s) (a)	Exchange, Counterparty or Central Clearinghouse	Trade Date	Date of Maturity or Expiration	Number of Contracts	Notional Amount	Strike Price, Rate of Index Received (Paid)	Cumulative Prior Year(s) Initial Cost of Premium (Received) Paid	Current Year Initial Cost of Premium (Received) Paid	Current Year Income	Book/Adjusted Carrying Value	Code	Fair Value	Unrealized Valuation Increase (Decrease)	Total Foreign Exchange Change in B./A.C.V.	Current Year's (Amortization) / Accretion	Adjustment to Carrying Value of Hedged Items	Potential Exposure	Credit Quality of Reference Entity	Hedge Effectiveness at Inception and at Year-end (b)
0089999	Total-Purchased Options-Hedging Other-Call Options and Warrants									0	4,454,000	0	4,266,974	XXX	4,266,974	(187,026)	0	0	0	0	XXX	XXX
0149999	Total-Purchased Options-Hedging Other									0	4,454,000	0	4,266,974	XXX	4,266,974	(187,026)	0	0	0	0	XXX	XXX
0369999	Total-Purchased Options-Call Options and Warrants									15,045,895	46,511,068	0	61,369,937	XXX	80,921,072	(187,026)	0	0	0	0	XXX	XXX
0429999	Total-Purchased Options									15,045,895	46,511,068	0	61,369,937	XXX	80,921,072	(187,026)	0	0	0	0	XXX	XXX

**Written Options - Hedging Other - Put Options**

Short Put Option	Equity Risk Exposure	N/A	Equity/Index	Canadian Imperial Bank of Commerce	2IG19DL77OX0HC3ZE78	04/04/2016	04/04/2017	25,000	45,000,000	1,800.0000		(1,704,000)		(543,778)		(543,778)	1,160,222					008
Short Put Option	Equity Risk Exposure	N/A	Equity/Index	Deutsche Bank	7LTWFZYICNSX8D621K86	05/31/2016	06/02/2017	15,000	28,875,000	1,925.0000		(1,413,188)		(754,450)		(754,450)	658,737					008
Short Put Option	Equity Risk Exposure	N/A	Equity/Index	Canadian Imperial Bank of Commerce	2IG19DL77OX0HC3ZE78	09/08/2016	09/08/2017	28,000	53,900,000	1,925.0000		(2,052,142)		(1,987,115)		(1,987,115)	65,027					008
0519999	Total-Written Options-Hedging Other-Put Options									0	(5,169,330)	0	(3,285,343)	XXX	(3,285,343)	1,883,986	0	0	0	0	XXX	XXX
0569999	Total-Written Options-Hedging Other									0	(5,169,330)	0	(3,285,343)	XXX	(3,285,343)	1,883,986	0	0	0	0	XXX	XXX
0799999	Total-Written Options-Put Options									0	(5,169,330)	0	(3,285,343)	XXX	(3,285,343)	1,883,986	0	0	0	0	XXX	XXX
0849999	Total-Written Options									0	(5,169,330)	0	(3,285,343)	XXX	(3,285,343)	1,883,986	0	0	0	0	XXX	XXX

QE06.3

**Swaps - Hedging Effective - Interest Rate**

Interest Rate Swap	Interest Rate Exposure	N/A	Interest	CME Group Inc.	KJNXBSWZVIKEX4NFOL81	05/19/2015	05/22/2045		20,000,000	03M+0/(2.761)			(320,908)			(4,444,417)						535,353	104/110	
Interest Rate Swap	Interest Rate Exposure	N/A	Interest	CME Group Inc.	KJNXBSWZVIKEX4NFOL81	04/16/2015	04/22/2025		50,000,000	(US0003M+0)			501,213			2,281,749							731,624	101/101
Interest Rate Swap	Interest Rate Exposure	N/A	Interest	CME Group Inc.	KJNXBSWZVIKEX4NFOL81	09/11/2014	09/15/2044		25,000,000	03M+0/(3.253)			(491,995)			(8,340,907)							661,179	100/119
0859999	Total-Swaps-Hedging Effective-Interest Rate									0	0	(311,690)	0	XXX	(10,503,575)	0	0	0	0	0	0	XXX	XXX	
0909999	Total-Swaps-Hedging Effective									0	0	(311,690)	0	XXX	(10,503,575)	0	0	0	0	0	0	XXX	XXX	

**Swaps - Hedging Other - Interest Rate**

Interest Rate Swap	Interest Rate Exposure	N/A	Interest	CME Group Inc.	KJNXBSWZVIKEX4NFOL81	09/06/2013	09/12/2022		50,000,000	03M+0/(2.934)			(864,253)		(4,862,709)		(4,862,709)	(1,696,895)					609,991	004
Interest Rate Swap	Interest Rate Exposure	N/A	Interest	CME Group Inc.	KJNXBSWZVIKEX4NFOL81	05/15/2014	05/19/2044		6,000,000	3M+0/(3.3055)			(121,059)		(2,058,467)		(2,058,467)	(1,234,580)					157,756	002
Interest Rate Swap	Interest Rate Exposure	N/A	Interest	CME Group Inc.	KJNXBSWZVIKEX4NFOL81	05/15/2014	05/19/2044		8,000,000	03M+0/(3.346)			(163,843)		(2,819,682)		(2,819,682)	(1,653,057)					210,341	002
Interest Rate Swap	Interest Rate Exposure	N/A	Interest	CME Group Inc.	KJNXBSWZVIKEX4NFOL81	06/09/2014	06/11/2021		60,400,000	03M+0/(2.266)			(741,517)		(3,032,387)		(3,032,387)	(1,540,846)					654,625	004
Interest Rate Swap	Interest Rate Exposure	N/A	Interest	CME Group Inc.	KJNXBSWZVIKEX4NFOL81	09/02/2015	09/05/2045		100,000,000	03M+0/(2.706)			(1,555,637)		(21,045,811)		(21,045,811)	(20,059,436)					2,690,292	002
Interest Rate Swap	Interest Rate Exposure	N/A	Interest	CME Group Inc.	KJNXBSWZVIKEX4NFOL81	09/14/2015	09/18/2045		50,000,000	03M+0/(2.713)			(780,264)		(10,616,653)		(10,616,653)	(10,052,904)					1,345,973	002
Interest Rate Swap	Interest Rate Exposure	N/A	Interest	LCH Clearnet	WAM6YERMS7OXFZUOY219	09/14/2015	09/18/2045		50,000,000	03M+0/(2.698)			(774,639)		(10,917,335)		(10,917,335)	(10,014,351)					1,345,973	002
Interest Rate Swap	Interest Rate Exposure	N/A	Interest	CME Group Inc.	KJNXBSWZVIKEX4NFOL81	10/19/2015	10/21/2027		204,000,000	(US0003M+0)			2,318,365		13,028,203		13,028,203	16,759,505					3,392,633	004
Interest Rate Swap	Interest Rate Exposure	N/A	Interest	LCH Clearnet	WAM6YERMS7OXFZUOY219	11/17/2015	11/20/2045		120,000,000	3M+0/(2.6365)			(1,819,090)		(24,522,115)		(24,522,115)	(23,970,487)					3,239,939	004
Interest Rate Swap	Interest Rate Exposure	N/A	Interest	LCH Clearnet	WAM6YERMS7OXFZUOY219	11/17/2015	11/20/2045		130,000,000	3M+0/(2.6475)			(1,981,405)		(26,912,632)		(26,912,632)	(26,002,055)					3,509,934	004
Interest Rate Swap	Interest Rate Exposure	N/A	Interest	LCH Clearnet	WAM6YERMS7OXFZUOY219	01/07/2016	01/11/2046		120,000,000	03M+0/(2.522)			(1,626,229)		(21,252,276)		(21,252,276)	(21,252,276)					3,247,844	002
Interest Rate Swap	Interest Rate Exposure	N/A	Interest	CME Group Inc.	KJNXBSWZVIKEX4NFOL81	02/05/2016	02/10/2031		210,000,000	(US0003M+0)			1,847,363		10,688,439		10,688,439	10,688,439					3,980,678	004
Interest Rate Swap	Interest Rate Exposure	N/A	Interest	LCH Clearnet	WAM6YERMS7OXFZUOY219	04/27/2016	04/30/2046		15,000,000	3M+0/(2.2341)			(97,249)		(1,619,174)		(1,619,174)	(1,619,174)					408,044	004
Interest Rate Swap	Interest Rate Exposure	N/A	Interest	LCH Clearnet	WAM6YERMS7OXFZUOY219	06/27/2016	06/23/2031		100,000,000	(US0003M+0)			(2,248)		248,259		(641,518)	(641,518)					1,919,439	004
Interest Rate Swap	Interest Rate Exposure	N/A	Interest	LCH Clearnet	WAM6YERMS7OXFZUOY219	06/27/2016	06/29/2046		30,000,000	03M+0/(1.831)			(90,876)		(259,994)		(259,994)	(259,994)					818,351	002
Interest Rate Swap	Interest Rate Exposure	N/A	Interest	LCH Clearnet	WAM6YERMS7OXFZUOY219	09/14/2016	09/16/2031		35,000,000	3M+0/(1.7135)			(12,536)		(364,353)		(364,353)	(364,353)					677,091	004
Interest Rate Swap	Interest Rate Exposure	N/A	Interest	LCH Clearnet	WAM6YERMS7OXFZUOY219	09/15/2016	09/19/2023		37,000,000	M+0/(1.37082)			(6,343)		(179,423)		(179,423)	(179,423)					488,505	004
Interest Rate Swap	Interest Rate Exposure	N/A	Interest	LCH Clearnet	WAM6YERMS7OXFZUOY219	09/28/2016	09/30/2026		53,200,000	(US0003M+0)			831		(322,288)		(322,288)	(322,288)					841,396	004
Interest Rate Swap	Interest Rate Exposure	N/A	Interest	LCH Clearnet	WAM6YERMS7OXFZUOY219	09/28/2016	09/28/2046		20,000,000	3M+0/(1.7245)			(493)		360,703		360,703	360,703					547,848	004
Interest Rate Swap	Interest Rate Exposure	N/A	Interest	LCH Clearnet	WAM6YERMS7OXFZUOY219	09/29/2016	10/03/2019		100,000,000	3M+0/(1.1675)			40,636		40,636		40,636	40,636					867,211	004

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

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

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23																				
Description	Description of Items(s) Hedged, Used for Income Generation or Replicated	Schedule of Exhibit Identifier	Type(s) of Risk(s) (a)	Exchange, Counterparty or Central Clearinghouse	Trade Date	Date of Maturity or Expiration	Number of Contracts	Notional Amount	Strike Price, Rate of Index Received (Paid)	Cumulative Prior Year(s) Initial Cost of Premium (Received) Paid	Current Year Initial Cost of Premium (Received) Paid	Current Year Income	Book/Adjusted Carrying Value	Code	Fair Value	Unrealized Valuation Increase (Decrease)	Total Foreign Exchange Change in B./A.C.V.	Current Year's (Amortization) / Accretion	Adjustment to Carrying Value of Hedged Items	Potential Exposure	Credit Quality of Reference Entity	Hedge Effectiveness at Inception and at Year-end (b)																				
Interest Rate Swap.....	Interest Rate Exposure.....	N/A.....	Interest	LCH Clearnet ..... WAM6YERMS7OXFZUOY219	.09/29/2016	.10/03/2018	.....	100,000,000	/(US0003M+0)	.....	.....	.....	(13,465)	.....	(13,465)	(13,465)	.....	.....	.....	708,558	.....	004																				
Interest Rate Swap.....	Interest Rate Exposure.....	N/A.....	Interest	LCH Clearnet ..... WAM6YERMS7OXFZUOY219	.06/29/2016	.07/03/2028	.....	170,000,000	/(US0003M+0)	.....	.....	343,691	(1,041,671)	.....	(1,041,671)	(1,041,671)	.....	.....	.....	2,915,436	.....	004																				
0919999. Total-Swaps-Hedging Other-Interest Rate.....																						0	(2,248)	(5,876,924)	(108,363,972)	XXX	(108,363,972)	(94,067,242)	.....	0	.....	0	.....	0	.....	0	.....	0	.....	34,577,858	XXX	XXX

**Swaps - Hedging Other - Credit Default**

Credit Default Swap.....	530715AD3 Liberty Media LLC.....	D 1.....	Credit	Bank of America, N.A. B4TYDEB6GKMZO031MB27.....	.07/10/2009	.09/20/2019	.....	5,000,000	CE/5.....	.....	232,770	(190,278)	(563,957)	.....	(563,957)	40,046	.....	.....	.....	.....	.....	005																					
0929999. Total-Swaps-Hedging Other-Credit Default.....																						.....	.....	.....	.....	.....	.....	.....	.....	.....	232,770	(190,278)	(563,957)	XXX	(563,957)	40,046	.....	.....	.....	.....	0	XXX	XXX

**Swaps - Hedging Other - Total Return**

Total Return Swap.....	VAGLB Hedge.....	N/A.....	Equity Index	Goldman Sachs International W22LROWP2IHZNBB6K528.....	.10/22/2014	.10/27/2016	.....	24,998,311	+0.24/(SPTR+0)	.....	.....	164,893	(4,306,283)	.....	(4,306,283)	(2,142,965)	.....	.....	.....	33,995	.....	008																							
Total Return Swap.....	VAGLB Hedge.....	N/A.....	Equity Index	Goldman Sachs International W22LROWP2IHZNBB6K528.....	.08/24/2015	.11/30/2016	.....	49,593,068	+0.2125/(SPTR	.....	.....	315,576	(8,697,754)	.....	(8,697,754)	(4,236,310)	.....	.....	.....	101,370	.....	008																							
Total Return Swap.....	VAGLB Hedge.....	N/A.....	Equity Index	Goldman Sachs International W22LROWP2IHZNBB6K528.....	.08/24/2015	.08/29/2017	.....	51,489,766	+0.24/(SPTR+0)	.....	.....	338,451	(8,209,984)	.....	(8,209,984)	(4,205,300)	.....	.....	.....	245,905	.....	008																							
Total Return Swap.....	VAGLB Hedge.....	N/A.....	Equity Index	Goldman Sachs International W22LROWP2IHZNBB6K528.....	.08/24/2015	.05/30/2017	.....	49,593,068	+0.2175/(SPTR	.....	.....	317,468	(8,663,577)	.....	(8,663,577)	(4,299,653)	.....	.....	.....	201,907	.....	008																							
Total Return Swap.....	VAGLB Hedge.....	N/A.....	Equity Index	Wells Fargo Bank, NA KB1H1DSPRFMYMCFXT09.....	.08/24/2015	.02/27/2017	.....	29,997,988	+0.24/(SPTR+0)	.....	.....	196,817	(5,195,903)	.....	(5,195,903)	(2,557,401)	.....	.....	.....	96,153	.....	008																							
Total Return Swap.....	VAGLB Hedge.....	N/A.....	Equity Index	Wells Fargo Bank, NA KB1H1DSPRFMYMCFXT09.....	.11/06/2015	.11/10/2016	.....	49,998,007	+0.22/(SPTR+0)	.....	.....	319,049	(2,685,682)	.....	(2,685,682)	(3,827,551)	.....	.....	.....	83,785	.....	008																							
Total Return Swap.....	VAGLB Hedge.....	N/A.....	Equity Index	Goldman Sachs International W22LROWP2IHZNBB6K528.....	.11/17/2015	.11/22/2017	.....	40,000,504	+0.24/(SPTR+0)	.....	.....	260,407	(3,029,956)	.....	(3,029,956)	(3,096,004)	.....	.....	.....	214,031	.....	008																							
Total Return Swap.....	VAGLB Hedge.....	N/A.....	Equity Index	Goldman Sachs International W22LROWP2IHZNBB6K528.....	.02/01/2016	.02/06/2017	.....	50,000,630	+0.11/(XNDX+0)	.....	.....	258,021	(7,382,974)	.....	(7,382,974)	(7,382,974)	.....	.....	.....	148,626	.....	008																							
Total Return Swap.....	VAGLB Hedge.....	N/A.....	Equity Index	Goldman Sachs International W22LROWP2IHZNBB6K528.....	.02/02/2016	.02/07/2018	.....	30,000,949	-0.74/(RU20IN	.....	.....	(15,071)	(7,661,259)	.....	(7,661,259)	(7,661,259)	.....	.....	.....	174,687	.....	008																							
Total Return Swap.....	VAGLB Hedge.....	N/A.....	Equity Index	Goldman Sachs International W22LROWP2IHZNBB6K528.....	.02/03/2016	.02/08/2018	.....	29,998,259	-0.74/(RU20IN	.....	.....	(14,150)	(7,602,913)	.....	(7,602,913)	(7,602,913)	.....	.....	.....	174,848	.....	008																							
Total Return Swap.....	VAGLB Hedge.....	N/A.....	Equity Index	Wells Fargo Bank, NA KB1H1DSPRFMYMCFXT09.....	.02/05/2016	.02/09/2017	.....	30,000,493	-0.03/(SPTR+0)	.....	.....	123,945	(5,106,855)	.....	(5,106,855)	(5,106,855)	.....	.....	.....	90,207	.....	008																							
Total Return Swap.....	VAGLB Hedge.....	N/A.....	Equity Index	JPMorgan Chase Bank, NA 7H6GLXDRUGQFU57RNE97.....	.02/08/2016	.02/13/2018	.....	69,999,969	+0.06/(SPTR+0)	.....	.....	329,036	(13,186,077)	.....	(13,186,077)	(13,186,077)	.....	.....	.....	410,053	.....	008																							
Total Return Swap.....	VAGLB Hedge.....	N/A.....	Equity Index	JPMorgan Chase Bank, NA 7H6GLXDRUGQFU57RNE97.....	.02/23/2016	.03/01/2017	.....	41,499,960	0.47/(GDDUEA	.....	.....	284,743	(5,876,394)	.....	(5,876,394)	(5,876,394)	.....	.....	.....	133,904	.....	008																							
Total Return Swap.....	VAGLB Hedge.....	N/A.....	Equity Index	Goldman Sachs International W22LROWP2IHZNBB6K528.....	.05/24/2016	.05/30/2017	.....	55,437,920	+0.02/(SPTR+0)	.....	.....	142,618	(2,905,011)	.....	(2,905,011)	(2,905,011)	.....	.....	.....	225,703	.....	008																							
Total Return Swap.....	VAGLB Hedge.....	N/A.....	Equity Index	Bank of America, N.A. B4TYDEB6GKMZO031MB27.....	.08/26/2016	.08/31/2017	.....	48,267,209	+0.045/(XNDX+	.....	.....	36,871	(953,375)	.....	(953,375)	(953,375)	.....	.....	.....	231,206	.....	008																							
0949999. Total-Swaps-Hedging Other-Total Return.....																						.....	.....	.....	.....	.....	.....	.....	.....	.....	0	0	3,058,674	(91,463,997)	XXX	(91,463,997)	(75,040,042)	.....	.....	0	.....	0	2,566,380	XXX	XXX

**Swaps - Hedging Other - Other**

Inflation Swap.....	Inflation-Floating Rate Zero Coupon Swap	N/A.....	Inflation	Credit Suisse E58DKGMJYYJLN8C3868.....	.04/25/2013	.04/29/2023	.....	75,000,000	A+0/(2.660000	.....	.....	(800,468)	(6,848,248)	.....	(6,848,248)	137,997	.....	.....	.....	961,992	.....	009
Inflation Swap.....	Inflation-Floating Rate Zero Coupon Swap	N/A.....	Inflation	Deutsche Bank .... 7LTFWZYICNSX8D621K86.....	.04/26/2013	.04/30/2023	.....	50,000,000	A+0/(2.640000	.....	.....	(525,941)	(4,563,189)	.....	(4,563,189)	(82,633)	.....	.....	.....	641,461	.....	009

QE064

### SCHEDULE DB - PART A - SECTION 1

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

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	
Description	Description of Items(s) Hedged, Used for Income Generation or Replicated	Schedule Exhibit Identifier	Type(s) of Risk(s) (a)	Exchange, Counterparty or Central Clearinghouse	Trade Date	Date of Maturity or Expiration	Number of Contracts	Notional Amount	Strike Price, Rate of Index Received (Paid)	Cumulative Prior Year(s) Initial Cost of Premium (Received) Paid	Current Year Initial Cost of Premium (Received) Paid	Current Year Income	Book/Adjusted Carrying Value	Code	Fair Value	Unrealized Valuation Increase (Decrease)	Total Foreign Exchange Change in B./A.C.V.	Current Year's (Amortization) / Accretion	Adjustment to Carrying Value of Hedged Items	Potential Exposure	Credit Quality of Reference Entity	Hedge Effectiveness at Inception and at Year-end (b)	
0959999	Total-Swaps-Hedging Other-Other									0	0	(1,326,409)	(11,411,437)	XXX	(11,411,437)	55,364	0	0	0	1,603,453	XXX	XXX	
0969999	Total-Swaps-Hedging Other									232,770	(2,248)	(4,334,937)	(211,803,363)	XXX	(211,803,363)	(169,011,874)	0	0	0	38,747,691	XXX	XXX	
1159999	Total-Swaps-Interest Rate									0	(2,248)	(6,188,614)	(108,363,972)	XXX	(118,867,547)	(94,067,242)	0	0	0	36,506,014	XXX	XXX	
1169999	Total-Swaps-Credit Default									232,770	0	(190,278)	(563,957)	XXX	(563,957)	40,046	0	0	0	0	XXX	XXX	
1189999	Total-Swaps-Total Return									0	0	3,058,674	(91,463,997)	XXX	(91,463,997)	(75,040,042)	0	0	0	2,566,380	XXX	XXX	
1199999	Total-Swaps-Other									0	0	(1,326,409)	(11,411,437)	XXX	(11,411,437)	55,364	0	0	0	1,603,453	XXX	XXX	
1209999	Total-Swaps									232,770	(2,248)	(4,646,627)	(211,803,363)	XXX	(222,306,938)	(169,011,874)	0	0	0	40,675,847	XXX	XXX	
<b>Forwards - Hedging Other</b>																							
Treasury Price Lock	Interest Rate Exposure	D 1	Interest	JPMorgan Chase Bank, NA 7H6GLXDRUGQFU57RNE97	.07/05/2016	.10/07/2016		30,000,000	TLOCK+0/(0.)				(792,310)		(792,310)	(792,310)					20,773		004
Treasury Price Lock	Interest Rate Exposure	D 1	Interest	Goldman Sachs Bank USA KD3XUN7C6T14HNAYLU02	.08/11/2016	.02/14/2017		63,262,000	TLOCK+0/(0.)				(1,136,406)		(1,136,406)	(1,136,406)					193,788		004
Treasury Price Lock	Interest Rate Exposure	D 1	Interest	JPMorgan Chase Bank, NA 7H6GLXDRUGQFU57RNE97	.08/12/2016	.02/15/2017		21,600,000	TLOCK+0/(0.)				(196,795)		(196,795)	(196,795)					66,407		004
12229999	Total-Forwards-Hedging Other									0	0	0	(2,125,511)	XXX	(2,125,511)	(2,125,511)	0	0	0	0	280,968	XXX	XXX
1269999	Total-Forwards									0	0	0	(2,125,511)	XXX	(2,125,511)	(2,125,511)	0	0	0	0	280,968	XXX	XXX
1399999	Total-Hedging Effective									15,045,895	42,057,068	(311,690)	57,102,963	XXX	66,150,523	0	0	0	0	0	1,928,156	XXX	XXX
1409999	Total-Hedging Other									232,770	(717,578)	(4,334,937)	(212,947,243)	XXX	(212,947,243)	(169,440,425)	0	0	0	0	39,028,659	XXX	XXX
1449999	TOTAL									15,278,665	41,339,490	(4,646,627)	(155,844,280)	XXX	(146,796,720)	(169,440,425)	0	0	0	0	40,956,815	XXX	XXX

QE06.5

(b)

Code	Financial or Economic Impact of the Hedge at the End of the Reporting Period
002	The objective of the derivative is to hedge the rho risk (change in price of option for corresponding change in interest rates) of the corporate bond portfolio. For the period ended September 30, 2016, the hedge has been effective at achieving its objective.
004	The derivative is part of the Company's Equity Hedging program. The objective of the derivative is to hedge the rho risk (change in price of option for corresponding change in interest rates) of the variable annuity rider liabilities. For the period ended September 30, 2016, the hedge has been effective at achieving its objective.
005	The objective of the derivative is to protect the Company from a decline in credit quality associated with a bond position. For the period ended September 30, 2016, the hedge has been effective at achieving its objective.
008	The derivative is part of the Company's Equity Hedging program. The objective of the derivative is to hedge the delta risk (change in price of option for corresponding change in equity index) of the variable annuity rider liabilities. For the period ended September 30, 2016, the hedge has been effective at achieving its objective.
009	The derivative is part of the Company's Equity Hedging program. The objective of the derivative is to hedge the inflation risk of the variable annuity rider liabilities. For the period ended September 30, 2016, the hedge has been effective at achieving its objective.

## SCHEDULE DB - PART B - SECTION 1

Futures Contracts Open as of the Current Statement Date

1	2	3	4	5	6	7	8	9	10	11	12	13	14	Highly Effective Hedges			18	19	20	21	22	
														15	16	17						
Ticker Symbol	Number of Contracts	Notional Amount	Description	Description of Item(s) Hedged, Used for Income Generation or Replicated	Schedule / Exhibit Identifier	Type(s) of Risk(s) (a)	Date of Maturity or Expiration	Exchange	Trade Date	Transaction Price	Reporting Date Price	Fair Value	Book/Adjusted Carrying Value	Cumulative Variation Margin	Deferred Variation Margin	Change in Variation Margin Gain (Loss) Used to Adjust Basis of Hedged Item	Cumulative Variation Margin for All Other Hedges	Change in Variation Margin Gain (Loss) Recognized in Current Year	Potential Exposure	Hedge Effectiveness at Inception and at Year-end (b)	Value of One (1) Point	
<b>Long Futures</b>																						
<b>Hedging Other</b>																						
RTAZ6	150	#####	ICE SM RUSS2000	VAGLB Hedge	N/A	Index	12/16/2016	CME Group Inc.	09/09/2016	1,251.4500	1,248.3000	(47,250)	(47,250)				(47,250)	(47,250)	825,000	15	100	
ESZ6	400	#####	EMINI S&P 500	VAGLB Hedge	N/A	Index	12/16/2016	CME Group Inc.	09/09/2016	2,170.8000	2,160.4000	(208,000)	(208,000)				(208,000)	(208,000)	1,680,000	15	50	
EDH8	250	#####	Euro Dollar	VAGLB Hedge	N/A	Rate	03/19/2018	CME Group Inc.	09/29/2016	98.9300	98.9150	(9,375)	(9,375)				(9,375)	(9,375)	101,250	16	2,500	
EDZ8	500	#####	Euro Dollar	VAGLB Hedge	N/A	Rate	12/17/2018	CME Group Inc.	09/29/2016	98.8300	98.8050	(31,250)	(31,250)				(31,250)	(31,250)	235,000	16	2,500	
12829999. Total-Long Futures-Hedging Other															0	0	0	(295,875)	(295,875)	2,841,250	XXX	XXX
1329999. Total-Long Futures															0	0	0	(295,875)	(295,875)	2,841,250	XXX	XXX
<b>Short Futures</b>																						
<b>Hedging Other</b>																						
EDH9	250	#####	Euro Dollar	VAGLB Hedge	N/A	Rate	03/18/2019	CME Group Inc.	09/29/2016	98.8050	98.7800	15,625	15,625				15,625	15,625	117,500	16	2,500	
EDZ9	500	#####	Euro Dollar	VAGLB Hedge	N/A	Rate	12/16/2019	CME Group Inc.	09/29/2016	98.7000	98.6700	37,500	37,500				37,500	37,500	242,500	16	2,500	
13429999. Total-Short Futures-Hedging Other															0	0	0	53,125	53,125	360,000	XXX	XXX
1389999. Total-Short Futures															0	0	0	53,125	53,125	360,000	XXX	XXX
1409999. Total-Hedging Other															0	0	0	(242,750)	(242,750)	3,201,250	XXX	XXX
1449999. TOTAL															0	0	0	(242,750)	(242,750)	3,201,250	XXX	XXX

QE07

Broker Name	Beginning Cash Balance	Cumulative Cash Change	Ending Cash Balance
Bank of America Merrill Lynch	(873,700)	630,950	(242,750)
Wells Fargo Bank	(593,082)	593,082	
Royal Bank of Canada	(1,562,500)	1,562,500	
Total Net Cash Deposits	(3,029,282)	2,786,532	(242,750)

(b)	Code	Financial or Economic Impact of the Hedge at the End of the Reporting Period
	15	The derivative is part of the Company's Equity Hedging program. The objective of the derivative is to hedge the delta risk (change in price of option for corresponding change in equity index) of the variable annuity rider liabilities. For the period ended September 30, 2016; the hedge has been effective at achieving its objective.
	16	The derivative is part of the Company's Equity Hedging program. The objective of the derivative is to hedge the rho risk (change in price of option for corresponding change in interest rates) of the variable annuity rider liabilities. For the period ended September 30, 2016; the hedge has been effective at achieving its objective.

**SCHEDULE DB - PART D - SECTION 1**  
Counterparty Exposure for Derivative Instruments Open as of Current Statement Date

1 Description of Exchange, Counterparty or Central Clearinghouse	2 Master Agreement (Y or N)	3 Credit Support Annex (Y or N)	4 Fair Value of Acceptable Collateral	Book Adjusted Carrying Value			Fair Value			11 Potential Exposure	12 Off-Balance Sheet Exposure
				5 Contracts with Book/Adjusted Carrying Value > 0	6 Contracts with Book/Adjusted Carrying Value < 0	7 Exposure Net of Collateral	8 Contracts with Fair Value > 0	9 Contracts with Fair Value < 0	10 Exposure Net of Collateral		
<b>Exchange Traded Derivatives</b>											
0199999. Aggregate Sum of Exchange Traded.....	XXX	XXX	XXX	53,125	(295,875)	53,125	53,125	(295,875)	(242,750)	3,201,250	3,201,250
<b>NAIC 1 Designation</b>											
Canadian Imperial Bank of Commerce.....	Y	Y	20,070,000	18,259,909	(2,530,893)	0	24,525,914	(2,530,893)	1,925,021	0	0
Goldman Sachs Bank USA.....	Y	Y			(1,136,406)	0		(1,136,406)	0	193,788	0
Goldman Sachs International.....	Y	Y		4,289,354	(58,459,711)	0	5,146,234	(58,459,711)	0	1,521,072	0
JPMorgan Chase Bank, NA.....	Y	Y			(20,051,576)	0		(20,051,576)	0	631,137	0
Wells Fargo Bank, NA.....	Y	Y	7,270,000	12,803,422	(12,988,440)	0	17,250,933	(12,988,440)	0	270,145	0
0299999. Total NAIC 1 Designation.....			27,340,000	35,352,685	(95,167,026)	0	46,923,081	(95,167,026)	1,925,021	2,616,142	0
<b>NAIC 2 Designation</b>											
Bank of America, N.A.....	Y	Y	11,470,000	9,758,191	(1,517,332)	0	13,327,533	(1,517,332)	340,201	231,206	0
Barclays Bank.....	Y	Y	10,990,000	9,638,546		0	11,469,963		479,963		0
Credit Suisse International.....	Y	Y		2,505,916	(6,848,248)	0	3,971,986	(6,848,248)	0	961,992	0
Deutsche Bank.....	Y	Y		3,119,398	(5,317,639)	0	4,311,055	(5,317,639)	0	641,461	0
SunTrust Bank.....	Y	Y	960,000	995,201		35,201	917,454		0		0
0399999. Total NAIC 2 Designation.....			23,420,000	26,017,252	(13,683,219)	35,201	33,997,991	(13,683,219)	820,164	1,834,659	0
0899999. Aggregate Sum of Central Clearinghouse.....	XXX	XXX	XXX	24,117,981	(132,481,953)	0	26,399,730	(145,267,277)	0	36,506,014	0
0999999. Gross Totals.....			50,760,000	85,541,043	(241,628,073)	88,326	107,373,927	(254,413,397)	2,502,435	44,158,065	3,201,250
1. Offset per SSAP No. 64.....											
2. Net after right of offset per SSAP No. 64.....				85,541,043	(241,628,073)						

QE08

**SCHEDULE DB - PART D - SECTION 2**

Collateral for Derivative Instruments Open as of Current Statement Date

1	2	3	4	5	6	7	8	9
Exchange, Counterparty or Central Clearinghouse	Type of Asset Pledged	CUSIP Identification	Description	Fair Value	Par Value	Book/Adjusted Carrying Value	Maturity Date	Type of Margin (I, V or IV)
<b>Collateral Pledged by Reporting Entity</b>								
Credit Suisse International .....	E58DKGMJYYYJLN8C3868..	Cash.....	Cash.....	6,200,125	6,200,125			V.....
Credit Suisse Securities (USA) LLC.....	1V8Y6QCX6YMJ2OELI46.....	Cash.....	Cash.....	15,304,871	15,304,871			IV.....
Deutsche Bank.....	7LTFZYICNSX8D621K86.....	Cash.....	Cash.....	280,000	280,000			V.....
Goldman Sachs Bank USA .....	KD3XUN7C6T14HNAYLU02...	Cash.....	Cash.....	500,000	500,000			V.....
Goldman Sachs International .....	W22LROWP2IHZNBB6K528..	Cash.....	Cash.....	47,700,000	47,700,000			V.....
JPMorgan Chase Bank, NA .....	7H6GLXDRUGQFU57RNE97..	Cash.....	Cash.....	19,540,000	19,540,000			V.....
Wells Fargo Bank, NA .....	VYVVKR63DVZZN70PB21...	Cash.....	Cash.....	188,476,750	188,476,750			IV.....
Wells Fargo Bank, NA .....	VYVVKR63DVZZN70PB21...	MBS.....	GNSF POOL 701958.....	2,633,011	2,450,589	2,345,459	06/01/2039	I.....
0199999. Totals.....				280,634,757	280,452,335	2,345,459	XXX	XXX
<b>Collateral Pledged to Reporting Entity</b>								
Bank of America, N.A. ....	B4TYDEB6GKMZO031MB27..	Cash.....	Cash.....	11,470,000	11,470,000	XXX		V.....
Barclays Bank .....	G5GSEF7VJP5I7OUK5573....	Cash.....	Cash.....	10,990,000	10,990,000	XXX		V.....
Canadian Imperial Bank of Commerce.....	2IG19DL77OX0HC3ZE78.....	Cash.....	Cash.....	20,070,000	20,070,000	XXX		V.....
SunTrust Bank .....	IYDOJBGJWY9T8XKCSX06...	Cash.....	Cash.....	960,000	960,000	XXX		V.....
Wells Fargo Bank, NA .....	KB1H1DSPRFMYMCUFXT09...	Cash.....	Cash.....	7,270,000	7,270,000	XXX		V.....
0299999. Totals.....				50,760,000	50,760,000	XXX	XXX	XXX

QE09



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

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

**PENN MUTUAL LIFE INSURANCE COMPANY**  
**SCHEDULE E - PART 1 - CASH**

Month End Depository Balances

1 Depository	2 Code	3 Rate of Interest	4 Amount of Interest Received During Current Quarter	5 Amount of Interest Accrued at Current Statement Date	Book Balance at End of Each Month During Current Quarter			9 *
					6 First Month	7 Second Month	8 Third Month	
<b>Open Depositories</b>								
State Street.....	Kansas City, MO.....				48,002,599	38,228,801	48,425,649	XXX
JP Morgan Chase.....	Springfield, IL.....				133,695	116,760	122,660	XXX
Northern Trust.....	Chicago, IL.....				318,202	279,645	(79,081)	XXX
PNC Bank.....	Philadelphia, PA.....				(24,145,027)	5,588,564	(1,304,707)	XXX
JP Morgan Futures Excess.....					1,070,788	1,046,952	1,046,887	XXX
Bank of America Merrill Lynch.....	O.....				895,180	2,704,870	3,045,250	XXX
Bank of America Merrill Lynch.....					131,250	(298,750)	321,375	XXX
Bank of America.....					433,031	92,487	294,224	XXX
Wells Fargo.....	Minneapolis, MN.....				486,559	486,559	573,184	XXX
FHLB.....	Pittsburgh, PA.....				74,933	2,316,062	4,065,389	XXX
0199999. Total Open Depositories.....	XXX	XXX	0	0	27,401,209	50,561,950	56,510,831	XXX
0399999. Total Cash on Deposit.....	XXX	XXX	0	0	27,401,209	50,561,950	56,510,831	XXX
0599999. Total Cash.....	XXX	XXX	0	0	27,401,209	50,561,950	56,510,831	XXX

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

Show Investments Owned End of Current Quarter

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

QE13