ANNUAL STATEMENT

OF THE

NATIONAL PUBLIC FINANCE GUARANTEE CORPORATION

OF

ARMONK

IN THE

STATE OF NEW YORK

TO THE

INSURANCE DEPARTMENT

OF THE

STATE OF

FOR THE YEAR ENDED DECEMBER 31, 2012

AMY R. GONCH
Notary Public, State of New York
No. 01GO5033021
Qualified in Westchester County
Commission Expires September 6, 20 14



ANNUAL STATEMENT

FOR THE YEAR ENDED DECEMBER 31, 2012 OF THE CONDITION AND AFFAIRS OF THE

National Public Finance Guarantee Corporation

				. 60.00.011	
NAIC Group Code 0528 05 (Current Period) (Prior P.	5 <u>28</u> eriod)	NAIC Company Code	23825	Employer's ID Numb	er <u>37-6025608</u>
Organized under the Laws of New York		State of Domicile or Po	ort of Entry New York	Country of Domicile	United States
Incorporated <u>December 28, 1959</u>				Commenced Busines	ss <u>March 9, 1960</u>
Statutory Home Office	113 King Street (Street and Number)	Armonk, NY 1	10504-1610 or Town, State and Zip Code)		
Main Administrative Office	113 King Street (Street and Number)		504-1610	(914) 765-3333	
Mail Address		Armonk, NY 105	504-1610	(Area Code) (Telephone Num	ber)
Primary Location of Books and Records_	113 King Street (Street and Number)	Armonk, NY 105 (City or Town, State and	wn. State and Zip Code) i04-1610 I Zip Code)	(914) 765-3333 (Area Code) (Telephone Num	had
Internet Website Address	www.nationalpfg.c	•			oer)
Statutory Statement Contact	Christopher Harris				ber)
		OFFICE	RS		
President and Chief Executive Officer Managing Director, Chief Compliance	<u>William Charles Fal</u>	lon	Managing Director, Chief Fi	Christophe	r Harris Young
Officer, General Counsel and Secretary	Daniel Eugene McN	flanus, Jr. #	Managing Director, Chief R and Assistant Secretary		nas Bergonzi
	DI	RECTORS OR	TRUSTEES		
William Charles Fallon Lester Harvey McKeever, Jr. Ernest Roger Wish		Sandra Polk Guthm Andrea Eileen Ran	***************************************	Douglas Cha Ram David V	erles Hamilton Wertheim
State of New York County of Westchester				•	
The officers of this reporting entity, being duly sw the herein described assets were the absolute p together with related exhibits, schedules and exp affairs of the said reporting entity as of the report the NAIC Annual Statement Instructions and Accordifferences in reporting not related to accounting attestation by the described officers also includes electronic filing) of the enclosed statement. The electronic filing of the enclosed statement. The electronic filing of the enclosed statement. The electronic filing of the enclosed statement.	planations therein contain ting period stated above, ounting Practices and Pro- practices and procedure is the related correspondir ectronic filing may be req	ed, annexed or referred to, and of its income and dedu ocedures manual except to s, according to the best of ag electronic filing with the uested by various regulators. Daniel Eugene McMitaging Director, Chief Complia	is a full and true statement of all clions therefon, is a full and true statement of all clions therefrom for the period ent the extent that: (1) state law may their information, knowledge and the NAIC, when required, that is an expansion of the enclosing the state of the enclosing the enc	except as herein stated, and the assets and liabilities and oded, and have been completed differ; or, (2) that state rules or belief, respectively. Furthermore	hat this statement, if the condition and in accordance with regulations require a, the scope of this differences due to
Subscribed and sworn to before me this		Counsel and Secr a, Is this ar	etary i original filing?		;[X] No[]
27th day of February, 2013		b. If no	State the amended number Date fled		1.0

3. Number of pages attached

ASSETS

		OOLIO	Current V	Г	Dries Voss
		1	Current Year 2	3	Prior Year 4
				Net Admitted Assets	Net Admitted
	2 - (2 - 1 - 2)	Assets	Nonadmitted Assets	(Cols. 1 - 2)	Assets
1. 2.	Bonds (Schedule D)	2,882,458,001		2,882,458,001	3,271,422,319
۷.	2.1 Preferred stocks	0		0	5.483.800
	2.2 Common stocks	i		168,296,808	
3.	Mortgage loans on real estate (Schedule B):				, , ,
	3.1 First liens			0	0
	3.2 Other than first liens			0	0
4.	Real estate (Schedule A):				
	4.1 Properties occupied by the company (less				
	\$encumbrances)			0	0
	4.2 Properties held for the production of income				
	(less \$ encumbrances)			0	0
	4.3 Properties held for sale (less				
	\$ encumbrances)			0	0
5.	Cash (\$259,749,472 , Schedule E-Part 1), cash equivalents				
	(\$0 , Schedule E-Part 2) and short-term				
	investments (\$ $590,536,275$, Schedule DA)			850,285,747	1,963,946,148
6.	Contract loans (including \$premium notes)				
7.	Derivatives (Schedule DB)			i i	
8.	Other invested assets (Schedule BA)			77,219,031	
9.	Receivables for securities			16,426,021	
10.	Securities lending reinvested collateral assets (Schedule DL)			1 651 400 125	
11.	Aggregate write-ins for invested assets			1,651,408,135 5,646,093,743	
12. 13.	Subtotals, cash and invested assets (Lines 1 to 11)				0, 394, 634, 320
13.	only)			0	
14.	Investment income due and accrued			52,611,090	
15.	Premiums and considerations:				
	15.1 Uncollected premiums and agents' balances in the course of				
	collection			0	
	15.2 Deferred premiums, agents' balances and installments booked but				
	deferred and not yet due (including \$earned				
	but unbilled premiums)			0	
	15.3 Accrued retrospective premiums			0	
16.	Reinsurance:				
	16.1 Amounts recoverable from reinsurers			0	
	16.2 Funds held by or deposited with reinsured companies			0	0
	16.3 Other amounts receivable under reinsurance contracts				
17.	Amounts receivable relating to uninsured plans				
18.1	Current federal and foreign income tax recoverable and interest thereon				
18.2	Net deferred tax asset				
19.	Guaranty funds receivable or on deposit				
20.	Electronic data processing equipment and software.	372,107	372,107	J0	0
21.	Furniture and equipment, including health care delivery assets (\$)	66 270	66 270	0	0
22.	Net adjustment in assets and liabilities due to foreign exchange rates				
23.	Receivables from parent, subsidiaries and affiliates				
24.	Health care (\$) and other amounts receivable				
25.	Aggregate write-ins for other than invested assets				
26.	Total assets excluding Separate Accounts, Segregated Accounts and			,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	
	Protected Cell Accounts (Lines 12 to 25)	6,214,445,642	488,289,379	5,726,156,263	6,656,074,483
27.	From Separate Accounts, Segregated Accounts and Protected	, , , , , , ,		, , , , , , ,	, , , , , ,
	Cell Accounts			0	
28.	Total (Lines 26 and 27)	6,214,445,642	488,289,379	5,726,156,263	6,656,074,483
DETAIL	S OF WRITE-INS				
1101.	Secured Loan with affiliate	1,651,408,135			
1102.					
1103.				1	0
1198.	Summary of remaining write-ins for Line 11 from overflow page				
1199.	Totals (Lines 1101 through 1103 plus 1198) (Line 11 above)		0		1,130,000,000
2501.	Prepaid expenses				0
2502.	Premium tax receivable	,			582
2503.	Other assets			1	0
2598.	Summary of remaining write-ins for Line 25 from overflow page				
2599.	Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	734,505	733,342	1,163	582

LIABILITIES, SURPLUS AND OTHER FUNDS

	,	1 Current Year	2 Prior Year
1.	Losses (Part 2A, Line 35, Column 8)		
	Reinsurance payable on paid losses and loss adjustment expenses (Schedule F, Part 1, Column 6)	1	
	Loss adjustment expenses (Part 2A, Line 35, Column 9)		
	Commissions payable, contingent commissions and other similar charges		
1	Other expenses (excluding taxes, licenses and fees)	I	
	Taxes, licenses and fees (excluding federal and foreign income taxes)		
1	Current federal and foreign income taxes (including \$38,093,551 on realized capital gains (losses))		
	Net deferred tax liability.		
8.	Borrowed money \$ and interest thereon \$		0
9.	Unearned premiums (Part 1A, Line 38, Column 5) (after deducting unearned premiums for ceded reinsurance of		
	\$		
	health experience rating refunds including \$ for medical loss ratio rebate per the Public Health		
	Service Act)	2,040,719,631	_
İ	Advance premium		0
11.	Dividends declared and unpaid:		
	11.1 Stockholders	i	
	11.2 Policyholders	1	
	Ceded reinsurance premiums payable (net of ceding commissions)		
	Funds held by company under reinsurance treaties (Schedule F, Part 3, Column 19)		
	Amounts withheld or retained by company for account of others		
	Remittances and items not allocated		
	Provision for reinsurance (including \$ certified) (Schedule F, Part 8)		
1	Net adjustments in assets and liabilities due to foreign exchange rates		
i	Drafts outstanding		
	Payable to parent, subsidiaries and affiliates		_
i	Derivatives		
	Payable for securities		
	Payable for securities lending		
İ	Liability for amounts held under uninsured plans		
	Capital notes \$ and interest thereon \$		
1	Aggregate write-ins for liabilities	ı	
26.	Total liabilities excluding protected cell liabilities (Lines 1 through 25)		
27.	Protected cell liabilities		
	Total liabilities (Lines 26 and 27)	1	
1	Aggregate write-ins for special surplus funds		
	Common capital stock		
İ	Preferred capital stock	i	
	Aggregate write-ins for other than special surplus funds		
1	Surplus notes Gross paid in and contributed surplus		
i			
1	Unassigned funds (surplus)	,409,097,584	
30.	Less treasury stock, at cost:		0
	36.1 shares common (value included in Line 30 \$		
27	36.2 shares preferred (value included in Line 31 \$		1 422 662 112
	Surplus as regards policyholders (Lines 29 to 35, less 36) (Page 4, Line 39)		1,423,662,112
	Totals (Page 2, Line 28, Col. 3) LS OF WRITE-INS	5,726,156,263	6,656,074,483
		1 040 000 405	1 005 044 540
İ	Contingency reserves		
	Securities sold under agreement to repurchase		
i	Other Liabilities		
	Summary of remaining write-ins for Line 25 from overflow page		
	Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	1,730,148,185	2,722,852,493
		i	
İ		i	
	Summary of remaining write-ins for Line 29 from overflow page		
	Totals (Lines 2901 through 2903 plus 2998) (Line 29 above)	0	0
			0
1			
1	Summary of remaining write-ins for Line 32 from overflow page		
3299.	Totals (Lines 3201 through 3203 plus 3298) (Line 32 above)	0	0

STATEMENT OF INCOME

	STATEMENT OF INCOME	1 1	2
	UNDERWRITING INCOME	Current Year	Prior Year
1.	Premiums earned (Part 1, Line 35, Column 4)	439,343,808	365,824,686
	Losses incurred (Part 2, Line 35, Column 7)		2,721,648
	Loss adjustment expenses incurred (Part 3, Line 25, Column 1)		2,141,120
4.	Other underwriting expenses incurred (Part 3, Line 25, Column 2)	133,804,130	60,304,424
	Aggregate write-ins for underwriting deductions	158,087,188	0 65,167,192
	Net income of protected cells		00, 107, 132
	Net underwriting gain (loss) (Line 1 minus Line 6 plus Line 7)		
	INVESTMENT INCOME		
۵	Net investment income earned (Exhibit of Net Investment Income, Line 17)	215 7/0 392	213,666,134
10	Net realized capital gains (losses) less capital gains tax of \$	70,745,165	91,164,369
1	Net investment gain (loss) (Lines 9 + 10)		304,830,503
	OTHER INCOME	, ,	, ,
	Net gain (loss) from agents' or premium balances charged off (amount recovered \$ amount charged off \$)	i	0
1	Finance and service charges not included in premiums		
i	Aggregate write-ins for miscellaneous income Total other income (Lines 12 through 14)	(2,757)	(6,113)
1	Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes	, , ,	, , ,
	(Lines 8 + 11 + 15)	567,739,420	
	Dividends to policyholders		0
10.	(Line 16 minus Line 17)	567,739,420	605,481,884
19.	Federal and foreign income taxes incurred	152,226,456	127,592,283
20.	Net income (Line 18 minus Line 19) (to Line 22)	415,512,964	477,889,601
	CAPITAL AND SURPLUS ACCOUNT		
21.	Surplus as regards policyholders, December 31 prior year (Page 4, Line 39, Column 2)	1,423,662,113	907,719,546
22.	Net income (from Line 20)	415,512,964	477,889,601
	Net transfers (to) from Protected Cell accounts		
	Change in net unrealized capital gains or (losses) less capital gains tax of \$5,406,082		
	Change in net deferred income tax		
	Change in nonadmitted assets (Exhibit of Nonadmitted Assets, Line 28, Col. 3)		
28.	Change in provision for reinsurance (Page 3, Line 16, Column 2 minus Column 1)	0	0
	Change in surplus notes		0
	Surplus (contributed to) withdrawn from protected cells		
	Capital changes: 32.1 Paid in		
		i	0
	32.3 Transferred to surplus		0
33.	Surplus adjustments:		0
	33.1 Paid in		
	33.2 Transferred to capital (Stock Dividend)		0 0
34.	Net remittances from or (to) Home Office	i	
35.	Dividends to stockholders		0
i	Change in treasury stock (Page 3, Lines 36.1 and 36.2, Column 2 minus Column 1)		0
i	Aggregate write-ins for gains and losses in surplus	136,261,389 574,876,691	34,377,012 515,942,567
1	Change in surplus as regards policyholders for the year (Lines 22 through 37)	1,998,538,804	1,423,662,113
	LS OF WRITE-INS	.,300,000,007	., 120,002,110
1			0
i			0
i	Cumpage of complete inc fact inc fact inc F from quadrature acco	i	0
1	Summary of remaining write-ins for Line 5 from overflow page	n	0
	Miscellaneous expense	(2.757)	(6.113)
			0
1			0
	Summary of remaining write-ins for Line 14 from overflow page		0
1499.	Totals (Lines 1401 through 1403 plus 1498) (Line 14 above)	(2,757)	(6,113)
	Allocation of surplus to contigency reserves		
1	COTTECTION OF ETION		(00,110,101)
	Summary of remaining write-ins for Line 37 from overflow page	0	0
1	Totals (Lines 3701 through 3703 plus 3798) (Line 37 above)	136,261,389	34,377,012

CASH FLOW

		1	2
		Current Year	Prior Year
	Cash from Operations		
1.	Premiums collected net of reinsurance		
2.	Net investment income		255,970,846
3.	Miscellaneous income		(6,113
	Total (Lines 1 through 3)		127,350,751
5.	Benefit and loss related payments		111, 169, 537
6.	Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts		0
	Commissions, expenses paid and aggregate write-ins for deductions		26 , 174 , 840
	Dividends paid to policyholders		
	Federal and foreign income taxes paid (recovered) net of \$(20,432,601) tax on capital gains (losses)		258,512,454
10.	Total (Lines 5 through 9)		395,856,831
11.	Net cash from operations (Line 4 minus Line 10)	(311,328,373)	(268,506,080
	Cash from Investments		
12.	Proceeds from investments sold, matured or repaid:		
	12.1 Bonds		
	12.2 Stocks		
	12.3 Mortgage loans	1	(
	12.4 Real estate		
	12.5 Other invested assets		(
	12.6 Net gains or (losses) on cash, cash equivalents and short-term investments		(
	12.7 Miscellaneous proceeds		(
	12.8 Total investment proceeds (Lines 12.1 to 12.7)	2,504,026,170	3,935,667,669
13.	Cost of investments acquired (long-term only):		
	13.1 Bonds		1,800,834,423
	13.2 Stocks		152,214,705
	13.3 Mortgage loans		
	13.4 Real estate		
	13.5 Other invested assets		, ,
	13.6 Miscellaneous applications		1,142,430,210
	13.7 Total investments acquired (Lines 13.1 to 13.6)		3,096,684,554
14.	Net increase (decrease) in contract loans and premium notes		(
15.	Net cash from investments (Line 12.8 minus Line 13.7 minus Line 14)	49,114,850	838,983,115
	Cash from Financing and Miscellaneous Sources		
16.	Cash provided (applied):		
	16.1 Surplus notes, capital notes		(
	16.2 Capital and paid in surplus, less treasury stock		
	16.3 Borrowed funds		
	16.4 Net deposits on deposit-type contracts and other insurance liabilities		
	16.5 Dividends to stockholders		
	16.6 Other cash provided (applied)		(488, 337, 240
17.	Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6)	(851,446,878)	(488,337,240
	RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS		
	Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17)	(1,113,660,401)	82,139,795
19.	Cash, cash equivalents and short-term investments:		
	19.1 Beginning of year		
	19.2 End of year (Line 18 plus Line 19.1)	850,285,747	1,963,946,148

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1 - PREMIUMS EARNED

	FANI I-FR	EMIUMS EARN			
		1 Net Premiums Written per	2 Unearned Premiums Dec. 31 Prior Year - per Col. 3, Last Year's	3 Unearned Premiums Dec. 31 Current Year - per Col. 5	4 Premiums Earned During Year
	Line of Business	Column 6, Part 1B	Part 1	Part 1A	(Cols. 1 + 2 - 3)
1.	Fire	0	0	0	0
2.	Allied lines	0	0	0	0
3.	Farmowners multiple peril				0
4.	Homeowners multiple peril				
5.	Commercial multiple peril				
6.	Mortgage guaranty				
8.	Ocean marine				
9.	Inland marine				
10.	Financial guaranty	,			
11.1	Medical professional liability-occurrence				
11.2	Medical professional liability-claims-made				
12.	Earthquake	0	0	0	0
13.	Group accident and health	0	0	0	0
14.	Credit accident and health (group and individual)	0	0	0	0
15.	Other accident and health	0	0	0	0
16.	Workers' compensation	0	0	0	0
17.1	Other liability - occurrence	0	0	0	0
17.2	Other liability - claims-made	0	0		
17.3	Excess workers' compensation				
18.1	Products liability-occurrence				0
18.2	Products liability-claims-made				0
	.2 Private passenger auto liability		0	0	0
19.3,19.	4 Commercial auto liability		0	0	0
21.	Auto physical damage	0	0	0	0
22.	Aircraft (all perils)	0	0	0	0
23.	Fidelity	0	0	0	0
24.	Surety	0	0	0	0
26.	Burglary and theft	0	0	0	0
27.	Boiler and machinery	0	0	0	0
28.	Credit	0	0	0	0
29.	International	0	0	0	0
30.	Warranty		0	0	0
31.	Reinsurance-nonproportional assumed property		0	0	0
32.	Reinsurance-nonproportional assumed liability			Ω	0
33.	Reinsurance-nonproportional assumed financial lines		0	0	0
34.			0	n	
	Aggregate write-ins for other lines of business			0.040.740.001	400 040 000
35.	TOTALS OF WRITE-INS	(4,836,713)	2,484,900,152	2,040,719,631	439,343,808
	OF WRITE-INS				
3401.					
3402.			<u></u>		
3403.					
3498.	Sum. of remaining write-ins for Line 34 from overflow page	0	0	0	0
3499.	Totals (Lines 3401 through 3403 plus 3498) (Line 34 above)	0	0	0	C

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1A - RECAPITULATION OF ALL PREMIUMS

	TAKI I	A - RECAPITUL	T			
	Line of Business	1 Amount Unearned (Running One Year or Less from Date of Policy) (a)	2 Amount Unearned (Running More Than One Year from Date of Policy) (a)	3 Earned but Unbilled Premium	4 Reserve for Rate Credits and Retrospective Adjustments Based on Experience	5 Total Reserve for Unearned Premiums Cols. 1 + 2 + 3 + 4
1.	Fire					0
2.	Allied lines					0
3.	Farmowners multiple peril					0
4.	Homeowners multiple peril					0
5.	Commercial multiple peril					0
6.	Mortgage guaranty					0
8.	Ocean marine					0
9.	Inland marine					0
10.	Financial guaranty	0	2,040,719,631			2,040,719,631
11.1	Medical professional liability-occurrence					
11.2	Medical professional liability-claims-made					
12.	Earthquake					
13.	Group accident and health					
14.	Credit accident and health (group and individual)					
15.	Other accident and health					
16.	Workers' compensation					
17.1	Other liability-occurrence					
17.2	Other liability-decemends					
17.3	Excess workers' compensation					
18.1	Products liability-occurrence					
18.2	Products liability-occurrence					
	•					
	2 Private passenger auto liability					
	4 Commercial auto liability					
21.	Auto physical damage					
22.	Aircraft (all perils)					0
23.	Fidelity					0
24.	Surety					0
26.	Burglary and theft					0
27.	Boiler and machinery					0
28.	Credit					0
29.	International					0
30.	Warranty					0
31.	Reinsurance-nonproportional assumed property					0
32.	Reinsurance-nonproportional assumed liability			<u> </u>		0
33.	Reinsurance-nonproportional assumed financial lines					0
34.	Aggregate write-ins for other lines of business	0	0	0	0	0
35.	TOTALS	0	2,040,719,631	0	0	2,040,719,631
						2,040,710,001
36. 37.	Accrued retrospective premiums based on experier					
	Earned but unbilled premiums					2,040,719,631
38.	Balance (Sum of Lines 35 through 37)					2,040,719,031
	OF WRITE-INS					
3401.						0
3402.						<u> </u> 0
3403.						0
3498.	Sum. of remaining write-ins for Line 34 from overflow page	0	0	0	0	0
3499.	Totals (Lines 3401 through 3403 plus 3498) (Line					
	34 above)	0	0	0	0	0

 $[\]hbox{\it (a) State here basis of computation used in each case.} \qquad \hbox{\it Prorata based on expiration of risk.}$

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1B - PREMIUMS WRITTEN

	I	1		e Assumed	Reinsurar	6	
		Direct Business	2 From	3 From	4 To	5 To	Net Premiums Written Cols.
	Line of Business	(a)	Affiliates	Non-Affiliates	Affiliates	Non-Affiliates	1+2+3-4-5
1.	Fire						0
2.	Allied lines						0
3.							0
4.	Homeowners multiple peril				i		0
5.	Commercial multiple peril						0
6.	Mortgage guaranty						0
8.	Ocean marine						0
9.	Inland marine						0
10.	Financial guaranty	923	(1,258,226)	(3,579,395)	0	15	(4,836,713)
11.1	Medical professional liability-occurrence						0
11.2	Medical professional liability-claims-made						0
12.	Earthquake						0
13.		1					0
14.	Credit accident and health						0
15.		i					0
16.							0
17.1							0
17.2							0
17.2	Excess workers' compensation						
18.1		1					0
18.2	Products liability-claims-						
19.1,19	2 Private passenger auto liability						0
19.3,19.	4 Commercial auto liability						0
21.	Auto physical damage						0
22.	Aircraft (all perils)						0
23.	Fidelity	1					0
24.	Surety						0
26.	Burglary and theft			***************************************			0
20. 27.	Boiler and machinery						
28.	Credit						
29.	International	i					0
30.	Warranty						0
31.	Reinsurance- nonproportional assumed property	xxx					0
32.	Reinsurance- nonproportional assumed liability						0
33.	Reinsurance- nonproportional assumed						0
34.	Aggregate write-ins for other lines of business	0	0	0	0	0	0
35.	TOTALS	923	(1,258,226)	(3,579,395)	0	15	(4,836,713)
		323	(1,200,220)	(0,070,000)	0	10	(4,000,710)
3401.	OF WRITE-INS						0
							0
3402. 3403.							
				•	•		
3498.	Sum. of remaining write- ins for Line 34 from overflow page	0	0	0	0	0	0
3499.	Totals (Lines 3401 through						
	3403 plus 3498) (Line 34 above)	0	0	0	0	0	0

(a) Does the company's direct premiums written include premiums recorded on an installment basis? Yes [X]	No []
If yes: 1. The amount of such installment premiums \$923	
2. Amount at which such installment premiums would have been reported had they been recorded on an an	nualized basis \$923

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2 - LOSSES PAID AND INCURRED

			OSSES PAID AN	ID INCURRED				
<u> </u>		Losses Paid Le			5	6	7	8
Line of Business	1 Direct Business	2 Reinsurance Assumed	3 Reinsurance Recovered	4 Net Payments (Cols. 1 + 2 - 3)	Net Losses Unpaid Current Year (Part 2A, Col. 8)	Net Losses Unpaid Prior Year	Losses Incurred Current Year (Cols. 4 + 5 - 6)	Percentage of Losses Incurred (Col. 7, Part 2) to Premiums Earned (Col. 4, Part 1)
1. Fire	.			. 0 .	0	0	0	J0.0
2. Allied lines				. 0 .	0	0	0	J0.0
Farmowners multiple peril				. 0 .	0	0	0	0.0
Homeowners multiple peril				. 0 .	0	0	0	0.0
Commercial multiple peril				ļ0 ļ.	0	0	0	0.0
6. Mortgage guaranty	.			ļ0 ļ.	0	0	0	0.0
8. Ocean marine				. 0 .	0	0	0	0.0
9. Inland marine				. 0 .	0	0	0	0.0
10. Financial guaranty	. 0	102 , 127 , 566	0	102,127,566	(76,689,003)	18,778,551	6,660,012	1.5
11.1 Medical professional liability-occurrence					0	0	0	0.0
11.2 Medical professional liability-claims-made				ļ0 ļ.	0	0	0	0.0
12. Earthquake					0	0	0	0.0
13. Group accident and health				. 0 .	0	0	0	0.0
14. Credit accident and health (group and individual)				0	0	0	0	0.0
15. Other accident and health				.l0 l.		0	0	0.0
16. Workers' compensation				.l0 l.		0	0	0.0
17.1 Other liability-occurrence				.[0].	0	0	0	L0.0
17.2 Other liability-claims-made				.[0].	0	0	0	L0.0
17.3 Excess workers' compensation				<u> </u> 0	0	0	0	0.0
18.1 Products liability-occurrence				<u> </u> 0	0	0	0	0.0
18.2 Products liability-claims-made				. 0 .	0	0	0	L0.0
19.1,19.2 Private passenger auto liability				. 0	0	0	0	0.0
19.3,19.4 Commercial auto liability				.l0 l.	0	0	0	0.0
21. Auto physical damage				<u> </u> 0	0	0	0	0.0
22. Aircraft (all perils)				0	0	0	0	0.0
23. Fidelity				0	0	0	0	0.0
24. Surety				0	0	0	0	0.0
26. Burglary and theft				. 0	0	0	0	0.0
27. Boiler and machinery				0	0	0	0	0.0
28. Credit				0	0	0	0	0.0
29. International				0 L	0	0	0	0.0
30. Warranty				ļ0 ļ.	0	0	0	0.0
31. Reinsurance-nonproportional assumed property	l xxx			ļ0 ļ.	0	0	0	0.0
32. Reinsurance-nonproportional assumed liability	xxx			ļ0 ļ.	0	0	0	0.0
33. Reinsurance-nonproportional assumed financial lines	xxx			[0 L	0 L	0	0	0.0
34. Aggregate write-ins for other lines of business	.] 0 [0	0	0	0	0	0	0.0
35. TOTALS	0	102,127,566	0	102,127,566	(76,689,003)	18,778,551	6.660.012	1.5
DETAILS OF WRITE-INS	·	,,	<u> </u>	,, ,	(::,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	,,	0,000,000	-
3401.	.			ļ0 ļ.	0	0	0	۵.0
3402.	.			ļ0 ļ.	0	0	0	0.0
3403.	.			ļ0 ļ.	0	0	0	0.0
3498. Sum. of remaining write-ins for Line 34 from overflow page	. 0	0	0	0	0	0	0	0.0
3499. Totals (Lines 3401 through 3403 + 3498) (Line 34 above)	0	0	0	0	0	0	0	0.0

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UNDERWRITING AND INVESTMENT EXHIBIT

PART 2A - UNPAID LOSSES AND LOSS ADJUSTMENT EXPENSES

_	PART 2A - UNPAID LOSSES AND LOSS ADJUSTMENT EXPENSES									
				d Losses			curred But Not Reporte		8	9
	Line of Business	1 Direct	2 Reinsurance Assumed	3 Deduct Reinsurance Recoverable from Authorized and Unauthorized Companies	4 Net Losses Excl. Incurred But Not Reported (Cols. 1 + 2 - 3)	5 Direct	6 Reinsurance Assumed	7 Reinsurance Ceded	Net Losses Unpaid (Cols. 4 +5 + 6 - 7)	Net Unpaid Loss Adjustment Expenses
1.	Fire				0				0	
2.	Allied lines				۵				J0	
3.	Farmowners multiple peril				0				J0	
4.	Homeowners multiple peril				۵۵				J0	
5.	Commercial multiple peril				0				J0	
6.	Mortgage guaranty				0				0	
8.	Ocean marine				0				0	
9.	Inland marine				0				0	
10.	Financial guaranty	0	(76,689,003)	0	(76,689,003)	0	0	0	(76,689,003)	(32,355,006)
11.1	Medical professional liability-occurrence		` ' ' '		L				L	\
11.2	Medical professional liability-claims-made				0				0	
12.	Earthquake				0				0	
13.	Group accident and health				0				(a) 0	
14.	Credit accident and health (group and individual)				0				1 0	
15.	Other accident and health				0				(a) 0	
16.	Workers' compensation				0				1 0	
17.1	Other liability-occurrence		•	• • • • • • • • • • • • • • • • • • • •	0		•	•	n n	
17.2	Other liability-claims-made				l n				l n	
17.3	Excess workers' compensation				1				1	
18.1	Products liability-occurrence				ν				Λ	
18.2	Products liability-occurrence Products liability-claims-made				n				n	
	.2 Private passenger auto liability				n				n	
	.4 Commercial auto liability				l				h	
					l				l	
21.	Auto physical damage				J				J	
22.	Aircraft (all perils)				ļ				ł	
23.	Fidelity				L	·····			J	
24.	Surety				L				J	
26.	Burglary and theft				L				ļ	
27.	Boiler and machinery				J				ļ	
28.	Credit				ļ				ļ	
29.	International				J				ļQ	
30.	Warranty				ļ0				ļ	
31.	Reinsurance-nonproportional assumed property	XXX			ļ0	XXX			ļ	
32.	Reinsurance-nonproportional assumed liability	XXX			J0	XXX			. 0	
33.	Reinsurance-nonproportional assumed financial lines	XXX	,		ļ0	XXX			. 0	
34.	Aggregate write-ins for other lines of business		J0	J0	J0	J0	0	0	J0	J0
35.	TOTALS	0	(76,689,003)	0	(76,689,003)	0	0	0	(76,689,003)	(32,355,006)
	OF WRITE-INS									
3401.					J0] 0	
3402.					0				<u> </u> 0	
3403.					<u> </u> 0				<u>l</u> 0	
3498.	Sum. of remaining write-ins for Line 34 from overflow page		0	۵	<u> </u> 0	l0	0	0	<u> </u> 0	l0
3499.	Totals (Lines 3401 through 3403 + 3498) (Line 34 above)	0	0	0	0	0	0	0	0	0
(a) Inclus				· · · · · · · · ·	<u> </u>	·				

(a) Including \$for present value of life indemnity claims.

UNDERWRITING AND INVESTMENT EXHIBIT

PART 3 - EXPENSES

	PARI 3	- EXPENSES			1 4
		Loss Adjustment Expenses	2 Other Underwriting Expenses	3 Investment Expenses	4 Total
1.	Claim adjustment services:				
	1.1 Direct	318,000			318,000
	1.2 Reinsurance assumed	15,604,691			15,604,691
	1.3 Reinsurance ceded				0
	1.4 Net claim adjustment services (1.1 + 1.2 - 1.3)	15,922,691	0	0	15,922,691
2.	Commission and brokerage:				
	2.1 Direct, excluding contingent				0
	2.2 Reinsurance assumed, excluding contingent	0	(978, 291)		(978,291
	2.3 Reinsurance ceded, excluding contingent		4		4
	2.4 Contingent-direct				0
	2.5 Contingent-reinsurance assumed				0
	2.6 Contingent-reinsurance ceded				0
	2.7 Policy and membership fees				0
	2.8 Net commission and brokerage (2.1 + 2.2 - 2.3 + 2.4 + 2.5 - 2.6 + 2.7)	0	(978, 295)	0	(978,295
3.	Allowances to manager and agents				
	Advertising				
	Boards, bureaus and associations				
	Surveys and underwriting reports				
7.	Audit of assureds' records				0
8.	Salary and related items:				
	8.1 Salaries	1,077,538	24,768,030	4,093,521	29,939,089
	8.2 Payroll taxes				
9.	Employee relations and welfare				
	Insurance				
	Directors' fees				
12.	Travel and travel items	5,337	604,857	261,185	871,379
	Rent and rent items				
	Equipment				
	Cost or depreciation of EDP equipment and software				
	Printing and stationery				
	Postage, telephone and telegraph, exchange and express				
	Legal and auditing	154,834		122,256	
	Totals (Lines 3 to 18)			6,714,778	Ī
	Taxes, licenses and fees:				
	20.1 State and local insurance taxes deducting guaranty association				
	credits of \$		38 980		38 980
	20.2 Insurance department licenses and fees		i ' i		i .
	20.3 Gross guaranty association assessments		i i		1
	20.4 All other (excluding federal and foreign income and real estate)		10,250		10,250
	20.5 Total taxes, licenses and fees (20.1 + 20.2 + 20.3 + 20.4)		·	11 904	
21	Real estate expenses				13,313
21.					1
23.	Reimbursements by uninsured plans				
24.	Aggregate write-ins for miscellaneous expenses		(40,049)	0	
					,
25.	Total expenses incurred				I ·
26.	Less unpaid expenses-current year				· ·
	Add unpaid expenses-prior year				
28.	Amounts receivable relating to uninsured plans, prior year		0	0	0
	Amounts receivable relating to uninsured plans, current year				0
	TOTAL EXPENSES PAID (Lines 25 - 26 + 27 - 28 + 29)	27,840,672	137,414,963	6,726,682	171,982,317
	LS OF WRITE-INS				
	Contributions and other miscellaneous expenses				
2402. 2403.	Consulting, temporary help net of reimbursement fees		, , ,		,
	Summary of remaining write-ins for Line 24 from overflow page				
	Totals (Lines 2401 through 2403 plus 2498) (Line 24 above)	7,537	(40,049)	0	

EXHIBIT OF NET INVESTMENT INCOME

		1	2
		Collected	Earned
		During Year	During Year
1.	U.S. Government bonds	(a)10,210,003	9,847,122
1.1	Bonds exempt from U.S. tax		36,570,779
1.2	Other bonds (unaffiliated)		67,423,758
1.3	Bonds of affiliates	(a)0	
2.1	Preferred stocks (unaffiliated)	(b)	(23,562)
2.11	Preferred stocks of affiliates	(b) 0	(20,002)
2.2	Common stocks (unaffiliated)		
2.21	Common stocks of affiliates		
3.	Mortgage loans		1
4.	Real estate	` '	i .
5.	Contract loans.	l ` '	i
6.	Cash, cash equivalents and short-term investments		4,962,497
7.	Derivative instruments		, ,
8.	Other invested assets		103,686,480
9.	Aggregate write-ins for investment income		0
10.	Total gross investment income	129,325,172	222,467,074
11.	Investment expenses		(g)6,726,682
12.	Investment taxes, licenses and fees, excluding federal income taxes		
13.	Interest expense		
14.	Depreciation on real estate and other invested assets		(i)
15.	Aggregate write-ins for deductions from investment income		
16.	Total deductions (Lines 11 through 15)		
17.	Net investment income (Line 10 minus Line 16)		215,740,392
DETAI	LS OF WRITE-INS		
0901.			
0902.		1	
0903.			
0998.	Summary of remaining write-ins for Line 9 from overflow page	0	0
	Totals (Lines 0901 through 0903) plus 0998 (Line 9 above)	0	0
1501.			
1			1
1503.			
1598.	Summary of remaining write-ins for Line 15 from overflow page		
1599.	Totals (Lines 1501 through 1503) plus 1598 (Line 15 above)		0
(b) Incl (c) Incl (d) Incl (e) Incl (f) Incl (g) Incl	udes \$3,252,612 accrual of discount less \$26,875,526 amortization of premium and less \$	paid for accrued paid for accrued to n encumbrances(846,923) paid for accrued	d dividends on purchases. d interest on purchases. d interest on purchases.
	udes \$interest on surplus notes and \$interest on capital notes.		
	udes \$ depreciation on real estate and \$ depreciation on other invested asse		

EXHIBIT OF CAPITAL GAINS (LOSSES)

EXHIBIT	OF CAPIT	AL GAIN	9 (F099E	3)	
	1	2	3	4	5
	Realized Gain (Loss) On Sales or Maturity	Other Realized Adjustments	Total Realized Capital Gain (Loss) (Columns 1 + 2)	Change in Unrealized Capital Gain (Loss)	Change in Unrealized Foreigr Exchange Capital Gain (Loss)
U.S. Government bonds			8,223,086		
1.1 Bonds exempt from U.S. tax			66, 395, 553	770,954	
1.2 Other bonds (unaffiliated)			34,080,235	229,418	
1.3 Bonds of affiliates	0	0	0	0	(
2.1 Preferred stocks (unaffiliated)	(15,752)	0	(15,752)	0	(
2.11 Preferred stocks of affiliates	0	0	0	0	(
2.2 Common stocks (unaffiliated)	0	0	0	14,445,578	(
2.21 Common stocks of affiliates			0	0	(
3. Mortgage loans			0	0	(
4. Real estate					(
5. Contract loans			0		
Cash, cash equivalents and short-term investments				0	
7. Derivative instruments			0		
Other invested assets	128,027	0	128,027	(2,093,136)	
9. Aggregate write-ins for capital gains (losses)	0	0	0	0	
10. Total capital gains (losses)	108,838,716	0	108,838,716	13,352,814	(
DETAILS OF WRITE-INS					
0901.			0		
0902.			0		
			0		
0998. Summary of remaining write-ins for Line 9 from overflow page	0	0	0	0	(
0999. Totals (Lines 0901 through 0903) plus 0998 (Line 9	0	0	0	0	

EXHIBIT OF NONADMITTED ASSETS

		1 2							
		Current Year Total Nonadmitted Assets	Prior Year Total Nonadmitted Assets	Change in Total Nonadmitted Assets (Col. 2 - Col. 1)					
1	Bonds (Schedule D)	0	0	(COI. 2 - COI. 1)					
	Stocks (Schedule D):								
	2.1 Preferred stocks	0	0	0					
		0	0	0					
3	Mortgage loans on real estate (Schedule B):								
0.	3.1 First liens	0	0	0					
	3.2 Other than first liens			0					
4	Real estate (Schedule A):								
	4.1 Properties occupied by the company	0	0	0					
	4.2 Properties held for the production of income.								
	4.3 Properties held for sale			0					
5	Cash (Schedule E-Part 1), cash equivalents (Schedule E-Part 2) and								
0.	short-term investments (Schedule DA)	0	0	0					
_	Contract loans								
				0					
	Derivatives (Schedule DB).			0					
	, , , , , , , , , , , , , , , , , , , ,			0					
9.	Receivables for securities		· ·	485 , 853					
	Securities lending reinvested collateral assets (Schedule DL)			0					
	Aggregate write-ins for invested assets			0					
	Subtotals, cash and invested assets (Lines 1 to 11)		•	485 , 853					
1	Title plants (for Title insurers only)		0	0					
	Investment income due and accrued	0	0	0					
15.	Premiums and considerations:								
	15.1 Uncollected premiums and agents' balances in the course of collection	0	0	0					
	15.2 Deferred premiums, agents' balances and installments booked but deferred								
	and not yet due	0	0	0					
	15.3 Accrued retrospective premiums	0	0	0					
16.	Reinsurance:								
	16.1 Amounts recoverable from reinsurers	0	0	0					
	16.2 Funds held by or deposited with reinsured companies	0	0	0					
		0	0	0					
17.	Amounts receivable relating to uninsured plans		0	0					
	Current federal and foreign income tax recoverable and interest thereon			0					
	2 Net deferred tax asset		557,968,892	70,851,341					
1	Guaranty funds receivable or on deposit		0	0					
20.	Electronic data processing equipment and software		258,321						
i	Furniture and equipment, including health care delivery assets		35,975	,					
1	Net adjustment in assets and liabilities due to foreign exchange rates			0					
1	Receivables from parent, subsidiaries and affiliates		0	0					
	Health care and other amounts receivable			0					
	Aggregate write-ins for other than invested assets			(539					
1	Total assets excluding Separate Accounts, Segregated Accounts and								
	Protected Cell Accounts (Lines 12 to 25)	488.289.378	559,481,843	71.192.465					
27	From Separate Accounts, Segregated Accounts and Protected Cell Accounts		0						
1	Total (Lines 26 and 27)	488,289,378	559,481,843	71,192,465					
	LS OF WRITE-INS	400,200,010	303,401,043	71,102,400					
	LS OF WRITE-INS		0	0					
i				0					
1				0					
1									
	Summary of remaining write-ins for Line 11 from overflow page	0	0	0					
	Totals (Lines 1101 through 1103 plus 1198) (Line 11 above)	-	722 902						
1	Prepaid expenses		,	(539					
2502.			0	0					
2503.			0	0					
	Summary of remaining write-ins for Line 25 from overflow page		0						
2599.	Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	733,341	732,802	(539					

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

A. Accounting Practices

The statutory financial statements of National Public Finance Guarantee Corporation ("National" or "the Company") are presented on the basis of accounting practices prescribed or permitted by the New York State Department of Financial Services ("NYSDFS"), previously referred to as the New York State Insurance Department or NYSID. The NYSDFS recognizes only statutory accounting practices prescribed or permitted by the State of New York for determining and reporting the financial condition and results of operations of an insurance company, for determining its solvency under the New York Insurance Law ("NYIL"). The National Association of Insurance Commissioners ("NAIC") *Accounting Practices and Procedures Manual* ("NAIC SAP") has been adopted as a component of prescribed or permitted practices by the State of New York. The Superintendent of the NYSDFS has the right to permit other specific practices that deviate from prescribed practices.

Effective January 1, 2010, National was granted a permitted practice by the NYSDFS to reset its unassigned funds (surplus) to zero by netting its negative unassigned surplus of \$1.6 billion against \$2.2 billion gross paid-in and contributed surplus as summarized in the table below. Total policyholders' surplus was not impacted by this permitted practice.

	State of			
	Domicile	2012		2011
NET INCOME				
(1) Net income, state basis	New York	\$ 415,513	\$	477,890
(2) Effect of prescribed practices	New York	 -		-
(3) Effect of state permitted practices	New York	 -		-
(4) Net income, NAIC SAP basis (1-2-3=4)	New York	\$ 415,513	\$	477,890
<u>SURPLUS</u>		_	·	
(5) Policyholders' surplus, state basis	New York	\$ 1,998,539	\$	1,423,662
(6) Effect of state prescibed practices	New York	 -		_
(7) Effect of state permitted practices				
Gross paid in and contributed surplus	New York	(1,623,146)		(1,623,146)
Unassigned surplus	New York	1,623,146		1,623,146
(8) Policyholders's surplus, NAIC SAP basis (5-6-7=8)	New York	\$ 1,998,539	\$	1,423,662

B. Use of Estimates in the Preparation of the Financial Statements

The preparation of financial statements in conformity with Statutory Accounting Principles ("SAP") requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities. It also requires disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. As additional information becomes available or actual amounts become determinable, the recorded estimates are revised and reflected in operating results. Actual results could differ from those estimates.

C. Accounting Policy

In 2012 and 2011, substantially all of National's written premiums arise from the quota share reinsurance agreement with MBIA Insurance Corporation ("MBIA Corp."), as described in "Note 10: Information Concerning Parent, Subsidiaries, Affiliates and Other Related Parties." National's premiums written consist of upfront premiums and installment premiums received and accrued for policies issued in current and prior years. Upfront premiums are earned proportionately to the ratio of scheduled periodic maturity of principal and payment of interest (debt service) to the original total principal and interest insured. Installment premiums are earned on a straight-line basis over each installment period, generally one year or less. Unearned premiums represent the portion of premiums written in prior years that is applicable to the unexpired risk of insured obligations. When an insured obligation is retired early, is called by the issuer, or is in substance paid in advance through a refunding accomplished by placing United States ("U.S.") Government securities in escrow, the remaining unearned premium is earned at that time, since there is no longer risk to National. As the outstanding principal of an installment-based policy is paid down by the issuer of a National-insured obligation, less premium is collected and recognized by National. Additionally, National may receive premiums upon the early termination of installment-based policies, which are earned when received.

Premiums ceded to reinsurers reduce the amount of earned premium National will recognize from its insurance policies. For both upfront and installment policies, ceded premium is recognized in earnings in proportion to and at the same time the related gross premium revenue is recognized.

Ceding commission income and expense are recognized in earnings at the same time the related premium is recognized.

Expenses incurred in connection with the acquisition of new insurance business are charged to operations as incurred. Expenses incurred are reduced for ceding commissions received or receivable, to the extent admissible.

In addition, National uses the following accounting policies:

(1) Short-term investments and cash equivalents are stated at amortized cost, net of any unrealized foreign exchange gains and losses, which approximate fair value. Cash and cash equivalents include cash on hand and demand deposits with

NOTES TO FINANCIAL STATEMENTS

banks with an original maturity of less than 90 days. Cash equivalents also include bonds and commercial paper with a maturity of less than 90 days at time of purchase.

(2) Bonds with an NAIC designation of 1 or 2 that are not backed by other loans are reported at amortized cost. Amortized cost is calculated using the effective yield method. For bonds purchased at a price below par value, discounts are accreted over the remaining term of the bond. For bonds purchased at a price above par value, which have call features, premiums are amortized to the call date that produces the lowest yield. For premium bonds that do not have call features, such premium is amortized over the remaining term of the bond.

Investments in bonds with an NAIC designation of 3 to 6 that are not backed by other loans are reported at the lower of amortized cost (as described above) or fair value as determined by the NAIC's Securities Valuation Office ("SVO"). In the event the SVO has not determined the fair value of a security, fair value amounts are determined by using independent market sources, when available, and appropriate valuation methodologies when market quotes are not available. In cases where specific market quotes are unavailable, interpreting market data and estimating market values require considerable judgment by management. Accordingly, the estimates presented are not necessarily indicative of the amount National could realize in the market.

Realized gains and losses on the sale of investments are determined using the first-in, first out method and are included in the Statement of Income as a separate component of revenues. Unrealized gains and losses from the revaluation of bonds and stocks not valued at amortized cost are credited or charged to unassigned surplus.

National's securities for which fair value is less than amortized cost are reviewed no less than quarterly in order to assess whether such a decline in value is other-than-temporary This evaluation includes both qualitative and quantitative considerations.

In assessing whether a decline in value is other-than-temporary, National considers several factors, including but not limited to (a) the magnitude and duration of the decline, (b) credit indicators and reasons for the decline, such as general interest rate or credit spread movements, credit rating downgrades, issuer specific changes in credit spreads, and the financial condition of the issuer, and (c) any guarantees associated with a security such as those provided by financial guarantee insurance companies. Based on this assessment, if National believes that either (a) the investment's fair value will not recover to an amount equal to its amortized cost or (b) National does not have the ability and intent to hold the investment to maturity or until the fair value recovers to an amount at least equal to amortized cost, it will consider the decline in value to be other-than-temporary. If National determines that a decline in the value of an investment is other-than-temporary, the investment is written down to its fair value and a realized loss is recorded in Net Income.

For loan-backed and structured securities, National estimates cash flows expected to be collected over the life of the security. If National determines that if, based on current information and events, there is a decrease in cash flows expected to be collected (that is it will be unable to collect all cash flows expected at acquisition plus any additional cash flows expected to be collected arising from changes in estimates after acquisition) an other-than-temporary impairment shall be considered to have occurred. For loan-backed securities that management has no intent to sell and believes that it is more likely than not such securities will not be required to be sold prior to recovery, only the credit loss component of the other-than-temporary impairment is recognized as a net realized loss, while the rest of the fair value loss is recognized as a reduction to unassigned surplus. If management intends to sell the security or if management believes that it is more likely than not such securities will be required to be sold prior to recovery, the entire amount of the unrealized loss is recognized as a realized loss. These assessments require management to exercise judgment as to whether an investment is impaired based on market conditions and trends and the availability of relevant data. National did not recognize any other-than-temporary impairment in 2012 or 2011.

- (3) Common stocks are stated at fair value except for investments in stocks of subsidiaries. In accordance with Section 1414 *Valuation of Investments* of the New York Insurance Statutes and Statement of Statutory Accounting Principles ("SSAP") No. 97 "Investments in Subsidiary, Controlled and Affiliated Entities," investments in the stock of subsidiaries and affiliates are valued at their statutory equity basis.
- (4) Preferred stocks are stated in accordance with SSAP No. 32 "Investments in Preferred Stock (including investments in preferred stock of subsidiary, controlled, or affiliated entities)." Perpetual preferred stocks with an NAIC designation of P1 and P2 are carried at fair value while perpetual preferred stocks with an NAIC designation of P3 through P6 are carried at the lower of cost or fair value. Redeemable preferred stocks with an NAIC designation of RP1 and RP2 are carried at amortized cost while redeemable preferred stocks with an NAIC designation of RP3 through RP6 are carried at the lower of amortized cost or fair value.
- (5) National did not hold investments in mortgage loans as of December 31, 2012.
- (6) The Company utilizes the retrospective adjustment method to value all loan-backed securities except for interest only securities or securities where the yield has become negative. These securities are valued using the prospective method. Statement of Accounting Principles ("SSAP") No. 43R "Loan-backed and Structured Securities Revised" establishes principles for investments in loan-backed and structured securities and increased disclosures regarding other-than-temporarily impaired securities. Loan-backed bonds and structured securities with an NAIC designation of 1 or 2 are reported at amortized cost using the effective interest method, including anticipated prepayments at the date of purchase. Changes in the estimated cash flows from the original purchase assumptions are accounted for using the retrospective method.

Loan-backed bonds and structured securities with an NAIC designation of 3 through 6 are reported at the lower of amortized cost or fair value as determined by the SVO. In the event the SVO has not determined the fair value of a security, fair value amounts are determined by using independent market sources, when available, and appropriate

NOTES TO FINANCIAL STATEMENTS

valuation methodologies when market quotes are not available. In cases where specific market quotes are unavailable, interpreting market data and estimating market values require considerable judgment by management. Accordingly, the estimates presented are not necessarily indicative of the amount National could realize in the market.

- (7) National recorded its investment in its subsidiary, National Real Estate Holdings of Armonk, LLC ("NREHA"), within "Other invested assets" on its Balance Sheet. Investments in limited liability companies are reported using an equity method as defined in SSAP No. 97 "Investments in Subsidiary, Controlled and Affiliated Entities." The change in policyholders' surplus is recorded in unrealized capital gains and losses, which is a component of unassigned surplus.
- (8) National does not have ownership interests in joint ventures or partnerships. National accounts for its investment in its wholly owned limited liability company as described above in Section C (7).
- (9) National has not entered into any transactions classified as derivative instruments.
- (10) National does not utilize anticipated investment income as a factor in the premium deficiency calculation. National did not have a premium deficiency as of December 31, 2012 or 2011.
- (11) National's financial guarantee insurance provides an unconditional and irrevocable guarantee of the payment of the principal of, and interest or other amounts owing on, insured obligations when due or, in the event that National has the right, at its discretion, to accelerate insured obligations upon default or otherwise, upon such acceleration by National. Loss and Loss Adjustment Expense ("LAE") reserves are established by National's Loss Reserve Committee, which consists of members of senior management, and require the use of judgment and estimates with respect to the occurrence, timing and amount of a loss on an insured obligation.

National recognizes loss reserves on a contract-by-contract basis where an insured event has occurred (i.e., a payment default on the insured obligation) or an insured event is expected in the future based upon credit deterioration which has already occurred and has been identified. Case reserves are measured based on the probability-weighted present value of expected net cash inflows and outflows to be paid under the contract, discounted using a rate equal to the yield-to-maturity of National's fixed-income investment portfolio, excluding cash and cash equivalents and other investments not intended to defease long-term liabilities. The loss reserve is subsequently remeasured each reporting period for expected increases or decreases due to changes in the likelihood of default and potential recoveries. Subsequent changes to the measurement of the loss reserve are recognized as losses incurred in the period of change. Measurement and recognition of loss reserve is reported net of any reinsurance. National estimates the likelihood of possible claims payments and possible recoveries using probability-weighted expected cash flows based on information available as of the measurement date, including market information. The methods for making such estimates are continually reviewed and any adjustments are reflected in the period determined. Once a case basis reserve is established for an insured obligation, National continues to record premium revenue to the extent premiums have been or are expected to be collected on that obligation.

National does not establish loss reserves for all payments due under an insured obligation. Case basis reserves cover the estimated amount of principal and interest National expects to pay on its insured obligations and the costs of settlement and other loss mitigation expenses, net of expected recoveries. National recognizes potential salvage and subrogation recoveries on paid losses based on a similar probability-weighted net cash flow projection discounted using the same rate discussed above, as of the measurement date. Such recovery amounts are reported within "Loss and LAE reserves" on National's Balance Sheet as a contra liability.

When National becomes entitled to potential recoveries which are typically based on either, salvage rights, the rights conferred to National through the transactional documents (inclusive of the insurance agreement), subrogation rights embedded within insurance policies, or the underlying collateral of an insured obligation, it reports this type of salvage and subrogation as a contra liability within "Loss and LAE reserves" on National's Balance Sheet. References in the aforementioned and following disclosures to these items should be considered to be salvage and subrogation for purposes of financial reporting on a statutory basis.

A number of variables are taken into account in establishing specific case basis reserves for individual policies. These variables include creditworthiness of the underlying issuer of the insured obligation, whether the obligation is secured or unsecured and the expected recovery rates on the insured obligation, the projected cash flow or market value of any assets that support the insured obligation and the historical and projected loss rates on such assets. Factors that may affect the actual ultimate underwriting losses for any policy include the state of the economy, changes in interest rates, rates of inflation and the salvage values of specific collateral. Management believes that National's reserves are adequate to cover the net cost of claims. However, because the reserves are based on management's judgment and estimates, there can be no assurance that the ultimate liability will not exceed such estimates.

Contingency Reserves

A contingency reserve is established for the protection of all policyholders by direct charges to unassigned surplus and is established by National for past business and new business, as follows:

- For policies in force prior to July 1, 1989, National establishes and maintains a contingency reserve equal to 50% of the cumulative earned premiums on such policies.
- For policies written on or after July 1, 1989, a contingency reserve, which represents the greater of 50% of premiums written or a stated percentage of the principal guaranteed dependent on the category of obligation insured, is established over a 15 to 20 year period. The stated percentage ranges from 0.55% on municipal

NOTES TO FINANCIAL STATEMENTS

general obligation bonds to 2.5% on certain industrial development bonds and non-investment grade obligations.

Contingency reserves are established and maintained net of collateral and reinsurance. The reserves may be released in the same manner in which they were established and withdrawals, to the extent there may be excess, may be made with either the prior written approval of the Superintendent of the NYSDFS or upon thirty days prior written notice, depending upon the circumstances specified in *Article 69*, *Section 6903* of the NYIL. Contingency reserves established for policies which are terminated, matured or net of refundings to the extent that the refunded issue is paid off or secured by obligations which are directly payable or guaranteed by the U.S. Government may be released without prior approval or notice. Additionally, as of December 31, 2012 and 2011 contingency reserves have been released upon satisfaction of certain conditions of NYIL. National continually assesses its contingency reserves to determine if amounts are excessive in relation to the outstanding insured obligations and could potentially release additional contingency reserves in the future upon demonstrating to the satisfaction of the NYSDFS that the amounts are excessive. National's contingency reserve as of December 31, 2012 and 2011 was \$1.2 billion and \$1.4 billion, respectively.

- (12) National has not modified its capitalization policy from the prior period.
- (13) Not Applicable.

2. Accounting Changes and Correction of Errors

Accounting Change

Effective January 1, 2012, Statement of Statutory Accounting Principles No. 10-Revised "Income Taxes" was replaced by SSAP No. 101 "Income Taxes." SSAP No. 101 provides revised statutory accounting principles for federal and state income taxes.

SSAP No. 101 retains the expanded deferred tax asset ("DTA") admissibility of SSAP No. 10-Revised, including the possibility of a three-year reversal period and a 15 percent surplus limitation. The expanded admissibility under SSAP No. 101 is subject to the new "realization threshold limitation criteria" which determines the future realization period under which reversals are considered (0, 1, or 3 years) and the applicable percentage of adjusted statutory surplus (0%, 10%, or 15%). Due to changes in the accounting standard under SSAP 101, National is, as of December 31, 2012, able to project forward three years the realization of its DTA after considering potential carryback of future tax benefits. Based on these changes, National restated the amount of DTA which would be admitted at January 1, 2012 under the new standard. As a result, at January 1, 2012, National has an admitted DTA of \$21 million. The difference between the admitted DTA calculated under SSAP 101 of \$21 million and the admitted DTA at December 31, 2011 of \$8 million is being recorded as a change in accounting principle in the annual statement. Refer to "Note 9: Income Taxes" for further information.

Correction of Error

During 2011, National discovered an error in the recognition of net premiums earned related to refunding activities prior to December 31, 2010 on reinsurance between National and MBIA Corp. Certain financial guarantee policies ceded by MBIA Corp. and assumed by National were subsequently found to have been refunded by the issuers of the insured obligations prior to the date of the reinsurance agreement, which was January 1, 2009, and related premiums should have been returned to and earned by MBIA Corp. but were instead earned by National. As a result of the error, National's Policyholders' Surplus as of December 31, 2010 was overstated by approximately \$54 million. The error was corrected, and recorded as a reduction to surplus of approximately \$54 million. The settlement of premium of \$113 million back to MBIA Corp. from National occurred on November 7, 2011.

3. Business Combinations and Goodwill

- A. Statutory Purchase Not applicable.
- B. Statutory Merger Not applicable.
- C. Write downs for Impairment of Investments in Affiliates Not applicable.

National has not been a party to any business combinations taking the form of a statutory merger in 2012.

4. Discontinued Operations

National did not have discontinued operations during 2012.

5. Investments

- A. National did not hold mortgage loans as investments during 2012.
- B. National is not party to any restructured debt transactions during 2012.
- C. National did not hold investments in reverse mortgages during 2012.
- D. Loan-Backed Securities

NOTES TO FINANCIAL STATEMENTS

- (1) Prepayment assumptions for loan-backed and structured securities were obtained from an independent third-party data service or internal estimates. Fair value is based upon valuations adopted and approved by the SVO. If the fair value of a security is not available from the SVO, an independent third-party source is used.
- (2) National did not have any loan-backed or structured securities with a recognized other-than-temporary impairment as of December 31, 2012 and 2011.
- (3) Based on its evaluation, during 2012, National did not recognize an other-than-temporary impairment on any securities. National determined that the unrealized losses on securities in its portfolio were temporary in nature because its impairment analysis, including projected future cash flows, indicated that it would be able to recover the amortized cost of impaired assets. National also concluded that it has both the ability and intent to hold these securities until their fair values recover to an amount at least equal to amortized cost or to maturity.
- (4) The following tables set forth the gross unrealized losses of the Company's loan-backed and structured securities as of December 31, 2012 and 2011. The tables have segregated loan-backed and structured securities that have been in a continuous unrealized loss position for less than twelve months from those that have been in a continuous unrealized loss position for twelve months or longer.

In thous ands	As of December 31, 2012					
a. The aggregate amount of unrealized losses:			_			
	1. Less than 12 Months	\$	(443)			
	2. 12 Months or Longer	\$	(544)			
b. The aggregate related fair value of securities with unrealized losses:						
	1. Less than 12 Months	\$	186,497			
	2. 12 Months or Longer	\$	9,059			

The table above excludes unrealized losses on NAIC rated 3 through 6 securities that were carried at fair value where the fair value of the securities was lower than amortized cost. The company has recorded unrealized losses on these securities to bring the book adjusted/ carrying value to fair value. The total fair value and unrealized loss for these securities as of December 31, 2012 was \$23.7 million and \$1.5 million, respectively.

In thousands	As of December 31, 2011					
a. The aggregate amount of unrealized losses:			_			
	1. Less than 12 Months	\$	(3,316)			
	2. 12 Months or Longer	\$	(39)			
b. The aggregate related fair value of securities with unrealized losses:						
	1. Less than 12 Months	\$	81,009			
	2. 12 Months or Longer	\$	6,778			

The table above excludes unrealized losses on NAIC rated 3 through 6 securities that were carried at fair value where the fair value of the securities was lower than amortized cost. The company has recorded unrealized losses on these securities to bring the book adjusted/ carrying value to fair value. The total fair value and unrealized loss for these securities was \$31.2 million and \$1.7 million, respectively.

(5) National has evaluated whether the unrealized losses in its investment portfolios were other-than-temporary considering the circumstances that gave rise to the unrealized losses, along with National's ability and intent to hold these securities to maturity or until such time as to recover an amount equal to their amortized cost. Refer to "Note 1: Summary of Significant Accounting Policies" Section C (2) above for a description of the general categories of information National considers in determining whether a security is other-than-temporarily impaired.

E. Repurchase Agreements

Securities purchased under agreements to resell and securities sold under agreements to repurchase ("Asset Swap") are accounted for as collateralized transactions and are recorded at book value. It is National's policy to take possession of securities borrowed or purchased under agreements to resell. Repurchase agreements with third parties are primarily entered into for cash management purposes, to invest or obtain cash on a short-term basis, and are only transacted with high quality dealer firms. National's investment guidelines require these repurchase agreements to be fully collateralized, with collateral valued at fair value and additional collateral delivered if there is a shortfall. Cash collateral received is invested in short-term investments and the offsetting collateral liability is included in aggregate write-ins for liabilities.

National maintains an intercompany repurchase agreement with MBIA Inc., which was approved by the NYSDFS. Under this agreement, National holds securities subject to agreements to resell and transfers securities subject to agreements to repurchase of equal amount. In the event that the value of the securities transferred by either party declines below the amount outstanding under the facility, a transfer of additional securities is required.

NOTES TO FINANCIAL STATEMENTS

National held securities under agreements to resell of \$481 million and \$1.3 billion as of December 31, 2012 and 2011, respectively. National also transferred securities under agreements to repurchase of \$481 million and \$1.3 billion as of December 31, 2012 and 2011, respectively. These agreements reset on a quarterly basis. The interest income related to these agreements was \$7.1 million and \$10 million for the year ended December 31, 2012 and 2011, respectively. The interest expense was \$2.9 million for the years ended December 31, 2012 and \$5 million for the year ended December 31, 2011. There were no third-party repurchase agreement transactions outstanding as of December 31, 2012.

- F. National did not hold investments in real estate recognize real estate impairments or engage in retail land sales during 2012.
- G. National did not hold low income housing tax credits as investments during 2012.

6. Joint Ventures, Partnerships and Limited Liability Companies

- A. National has no investments in joint ventures, partnerships or limited liability companies that exceed 10% of its admitted assets.
- B. National did not recognize any impairment write-downs of investments in joint ventures, partnerships and limited liability companies due to impairments during 2012.

7. Investment Income

A. Due and accrued income was excluded from surplus on the following basis:

All investment income due and accrued with amounts that are over 90 days past due are non-admitted.

B. There were no amounts excluded as of December 31, 2012 or 2011.

8. Derivative Instruments

National has not entered into any transactions classified as derivative instruments.

9. Income Taxes

In August 2011, the NAIC adopted SSAP No. 101 "Income Taxes" which replaces guidance issued under SSAP No. 10 "Income Taxes" and SSAP No. 10R "Income Taxes-Revised." SSAP No. 101 provides for an admission calculation of deferred tax assets ("DTAs") specific to financial guarantors which state that if the reporting entity meets the minimum capital and reserve requirements for the state of domicile, they shall use the *Realization Threshold Limitation Table* when calculating the admission of DTAs. The financial guaranty entity table's threshold limitations are contingent up the ratio of Statutory Capital excluding the admitted DTA to the required surplus and contingency reserve (the Aggregate Risk Limit). The Aggregate Risk Limit is the amount of aggregate capital that the NYSDFS require to be maintained based on the risk characteristics and amount of insurance in force under NYIL. SSAP No. 101 is effective January 1, 2012 and may impact the Company's ability to admit DTAs in 2012 and future years, subject to the ability of the Company to reduce its valuation allowance against its net DTA. Refer to "Note 2: Accounting Changes and Correction of Errors" for further discussion on SSAP No. 101 "Income Taxes".

NOTES TO FINANCIAL STATEMENTS

A. The components of deferred tax assets ("DTAs") and deferred tax liabilities ("DTLs") at December 31 are as follows. (1)

(1)						
			12	2/31/2012		
		(1)		(2)		(3)
						(Col 1+2)
		Ordinary		Capital		Total
In thousands		•				<u>'</u>
(a) Gross deferred tax assets	\$	515,539	\$	-	\$	515,539
(b) Statutory valuation allowance adjustments		-		-		-
(c) Adjusted gross deferred tax assets (1a - 1b)		515,539		-		515,539
(d) Deferred tax assets nonadmitted		497,809		(10,692)		487,117
(e) Subtotal net admitted deferred tax asset (1c -1d) (f) Deferred tax liabilities		17,730 25		10,692 10,692		28,422 10,717
(g) Net admitted deferred tax asset/		23		10,092		10,717
(Net deferred tax liability) (1e - 1f)	\$	17,705	\$	-	\$	17,705
			12	2/31/2011		
		(1)		(2)		(3)
						(Col 1+2)
		Ordinary		Capital		Total
		v		•		<u>'</u>
Gross deferred tax assets	\$	574,595	\$	-	\$	574,595
Statutory valuation allowance adjustments		-		-		-
Adjusted gross deferred tax assets (1a - 1b)		574,595		(7.120)		574,595
Deferred tax assets nonadmitted Subtotal net admitted deferred tax asset (1c -1d)		565,108 9,487		(7,139) 7,139		557,969 16,626
Deferred tax liabilities		1,191		7,139		8,330
Net admitted deferred tax asset/		1,171		7,137		0,330
(Net deferred tax liability) (1e - 1f)	\$	8,296	\$	-	\$	8,296
	_					
		(7)	<u> </u>	Change		(0)
		(7)		(8)		(9)
		(Col 1-4)		(Col 2-5)		(Col 7+8)
		Ordinary		Capital		Total
	Ф	(50.056)	Φ		Φ.	(50.050)
Gross deferred tax assets	\$	(59,056)	\$	-	\$	(59,056)
Statutory valuation allowance adjustments Adjusted gross deferred tax assets (1a - 1b)		(59,056)		-		(59,056)
Deferred tax assets nonadmitted		(67,299)		(3,553)		(70,852)
Subtotal net admitted deferred tax asset (1c -1d)		8,243		3,553		11,796
Deferred tax liabilities		(1,166)		3,553		2,387
Net admitted deferred tax asset/		· · · /				,
(Net deferred tax liability) (1e - 1f)	\$	9,409	\$	-	\$	9,409

NOTES TO FINANCIAL STATEMENTS

(2) Admission Calculation Components SSAP 101.

					12/31/2012		
			(1)		(2)		(3)
			Ordinary		Capital		(Col 1+2) Total
(a)	In thousands						
	Federal income taxes paid in prior years recoverable through carrybacks Adjusted gross deferred tax assets expected to be realized (excluding the amount of deferred tax assets from 2(a) above) after application of the threshold limitation. (the lesser of 2(b)1 and 2(b)2 below)	\$	13,147	\$	-	\$	13,147
	1 Adjusted gross deferred tax assets expected to be realized following the balance sheet date.		4,558 XXX		XXX		4,558 4,558
	2 Adjusted gross deferred tax assets allowed per limitation threshold.		XXX		XXX		298,114
(c)	Adjusted gross deferred tax assets (excluding the amount of deferred tax assets from $2(a)$ and $2(b)$ above) offset by gross deferred tax liabilities.		25		10,692		10,717
(d)	Deferred tax assets admitted as the result of application of SSAP No. 101. Total $(2(a) + 2(b) + 2(c))$				10,092		
		\$	17,730		10,692	\$	28,422
			(4)	1	(5)		(6)
			(4)		(3)		(Col 4+5)
			Ordinary		Capital		Total
(a)	Federal income taxes paid in prior years recoverable through carrybacks	\$	8,296	\$		\$	8,296
(b)	Adjusted gross deferred tax assets expected to be realized (excluding the amount of deferred tax assets from 2(a) above) after application of the threshold limitation. (the lesser of 2(b)1 and 2(b)2 below)		_		-		
	1 Adjusted gross deferred tax assets expected to be realized following the balance sheet date.		XXX		XXX		-
	2 Adjusted gross deferred tax assets allowed per limitation threshold.		XXX		XXX		120,195
	Adjusted gross deferred tax assets (excluding the amount of deferred tax assets from 2(a) and 2(b) above) offset by gross deferred tax liabilities. Deferred tax assets admitted as the result of application of SSAP No. 101.		1,191		7,139		8,330
(u)	Total $(2(a) + 2(b) + 2(c))$	\$	9,487	\$	7,139	\$	16,626
					Change		
			(7)		(8)		(9)
			(Col 1-4) Ordinary		(Col 2-5) Capital		(Col 7+8) Total
(a)	Federal income taxes paid in prior years recoverable through carrybacks	\$	4,85	1 \$		\$	4,85
(b)	Adjusted gross deferred tax assets expected to be realized (excluding the amount of deferred tax assets from 2(a) above) after application of the threshold limitation. (the lesser of 2(b)1 and 2(b)2 below)	\$	4,55	8		\$	4,55
	1 Adjusted gross deferred tax assets expected to be realized following the balance sheet date.	•	XXX	•	XXX		4,55
	2 Adjusted gross deferred tax assets allowed per limitation threshold.		XXX		XXX		177,920
(c)	Adjusted gross deferred tax assets (excluding the amount of deferred tax assets from $2(a)$ and $2(b)$ above) offset by gross deferred tax liabilities.		(1,16	6)	3,553	3	2,38
(d)	Deferred tax assets admitted as the result of application of SSAP No. 101.						
	Total $(2(a) + 2(b) + 2(c))$	\$	8,24	3 \$	3,555	3 \$	11,79

NOTES TO FINANCIAL STATEMENTS

(3) Other Admissibility Criteria

	 2012	2011
(a) Ratio percentage used to determine recovery period and threshold limitation amount.	181%	N/A
(b) Amount of adjusted capital and surplus used to determine recovery period and threshold limitation in	\$ 3,229,914	N/A
2(b)2 above.		

- (4) Impact of Tax Planning Strategies.
 - (a) and (b) The company has not implemented any tax planning strategies that would affect adjusted gross and net admitted deferred tax assets.
 - (c) The Company has not entered into tax planning strategies involving reinsurance.
- B. The company has no unrecognized DTL for amounts described in SSAP No. 101, paragraph 7(d) and paragraph 31 of accounting principles for income taxes.

C. (1) Current income taxes incurred consist of the following major components:

			(1)		(2)	(3)
	In thousands	12	/31/2012	12	2/31/2011	 (Col 1-2) Change
(a)	Federal	\$	147,780	\$	126,542	\$ 21,238
(b)	Foreign		-		6	(6)
(c)	Subtotal		147,780		126,548	 21,232
(d)	Federal income tax on net capital gains		38,094		58,526	(20,432)
(e)	Accounting changes and correction of error		-		(29,488)	29,488
(f)	Other		4,446		1,044	3,401
(g)	Federal and foreign income taxes incurred	\$	190,320	\$	156,630	\$ 33,690

NOTES TO FINANCIAL STATEMENTS

(2) Deferred Tax Assets:

(a)

(b)

(c) 4. The tax effects of temporary difference that give rise to significant portions of DTA's and DTL's are as follows:

	(1) In thousands 12/31/2012 12		(2) 2/31/2	011		(3) (Col 1-2) Change			
(a)			12/31/2012		12	2/51/2	011		Change
()	(1) Losses incurred(2) Unearned premium reserve(3) Contingency Reserves	\$	71, 437,	- 513 178	\$		- 87,601 484,870	\$	- (16,088) (47,692)
	(4) Investments(5) Deferred acquisition costs(6) Policyholder dividends accrual		,	- - -			- - -		- - -
	(7) Fixed assets(8) Compensation and benefits accrual(9) Pension accrual(10) Receivables - nonadmitted		1,	- 381 -			1,604 -		(223)
	(11) Net operating loss & AMT Credit Carryover (12) Tax credit carry-forward (13) Other (including items <5% of total ordinary tax		5	- - - 467			- - 520		- - - 4,947
(b)	(99) Subtotal Statutory valuation allowance adjustment		515,	539			574,595		(59,056)
(c) (d) (e)	Nonadmitted Admitted ordinary deferred tax assets (2a99 - 2b - 2c) Capital:		487, 28,	422			557,969 16,626		(70,852) 11,796
	 (1) Investments (2) Capital loss carryovers and OTTI (3) Real estate (4) Other (including items <5% of total capital tax assets) (99) Subtotal 			- - - -			- - - - -		- - - -
(f) (g) (h)	Statutory valuation allowance adjustment Nonadmitted Admitted capital deferred tax assets (2e99 - 2f - 2g)			- - -			- - -		- - -
(i)	Admitted deferred tax assets (2d + 2h)	\$	28,4	122	\$		16,626	\$	11,796
(3)	Deferred Tax Liabilities								
_	thousands		12/	(1) /31/201	12		(2) 1/2011	(Co	(3) l 1-2) ange
Or	dinary:		Ф			Ф		ф	
	 Unrealized Gains Fixed assets Deferred and uncollected premium Policyholder reserves 		\$		- -	\$	- - -	\$	- - -
	(5) Other (including items<5% of total ordinary tax liabili (99) Subtotal	ities)			25 25		1,191 1,191		(1,166) (1,166)
) Ca	 (1) Investments (2) Unrealized Gains (3) Other (including items <5% of total capital tax liability (99) Subtotal 	ies)		3,4 7,2 10,6	28		5,318 1,821 - 7,139		(1,854) 5,407 - 3,553
	eferred tax liabilities (3a99 + 3b99) et deferred tax assets/liabilities (2i - 3c)		\$ \$	10,7 17,7	17	\$ \$	8,330 8,296	\$	2,387 9,409

NOTES TO FINANCIAL STATEMENTS

The change in the net deferred income tax is comprised of the following:

In thous ands	12/31/12		12/31/11		 Change
Total deferred tax as sets	\$	515,539	\$	574,595	\$ (59,056)
Total deferred tax liabilities		(10,717)		(8,330)	(2,387)
Net deferred tax asset (liability)	\$	504,822	\$	566,265	(61,443)
Tax effect of unrealized gains/(losses)					 5,406
Change in net deferred income tax [(expense)/benefit)]					\$ (56,037)

D. The provision for federal income taxes incurred is different from that which would be obtained by applying the statutory federal income tax rate to income before income taxes. The significant items causing this difference are as follows:

In thousands	I	Amount	T	ax Effect	Effective Tax		
Income before taxes	\$	605,833	\$	212,042	35%		
Permanent adjustments		(29,351)		(10,273)	-2%		
	\$	576,482		201,769	33%		
Prior year adjustment - return to provision				(878)	0%		
Prior year true-up adjustments				(2,345)	0%		
Change in contingency reserve				47,691	8%		
Other items				120	0%		
Total statutory income taxes			\$	246,357	41%		
Federal income tax incurred				190,320	31%		
Change in net deferred income tax				56,037	9%		
Total statutory income taxes			\$	246,357	41%		

E.

- (1) As of December 31, 2012, National did not have any net operating loss, capital loss or alternative minimum tax carry forwards.
- (2) The following table presents income tax expense for 2010, 2011 and 2012 that is available for the recoupment in the event of future net losses:

In thousands			
Year	Ordinary	Capital	Total
2010	N/A	\$ 18,043	\$ 18,043
2011	106,253	53,774	160,027
2012	147,780	38,094	185,874
Total	\$ 254,033	\$ 109,911	\$ 363,944

- (3) National does not have any deposits admitted under Section 6603 of the Internal Revenue Service Code.
- F. Consolidated Federal Income Tax Return
 - (1) As of December 31, 2012, National's federal income tax return was consolidated with the following entities:

MBIA Inc.

 $Capmac\ Holdings, Inc.$

Cutwater Asset Management Corporation

Cutwater Investors Service Corporation

Cutwater Colorodo Investor Services Corporation

MBIA Capital Corporation

MBIA Insurance Corporation

MBIA Investment Management Corporation

MBIA Services Company

Municipal Issuers Service Corporation

National Public Finance Guarantee Corporation

National Public Finance Guarantee Holdings, Inc.

Optinuity Alliance Resource Corporation

Latam Capital Advisors, Inc.

Triple-A One Funding Corporation

(2) National is included in the consolidated tax return of MBIA Inc. its Parent Company. The method of allocation between the companies is subject to written agreement, and is approved by the members of the consolidated group. Allocation is generally based upon separate return calculations. However, to the extent that the consolidated tax liability of the Parent Company and its subsidiaries is less than National's tax liability on a separate company basis, the difference would be

NOTES TO FINANCIAL STATEMENTS

held in escrow for two years in the event National were to incur a tax loss which could be carried back. Intercompany tax balances are settled annually following the Parent Company's filing of its federal income tax return. MBIA Inc. intends, as part of the agreement that no member's net operating loss will expire without compensation

G. Federal or Foreign Federal Income Tax Loss Contingencies.

The Company does not expect a significant increase in tax contingencies within the 12 month period following the Balance Sheet date.

10. Information Concerning Parent, Subsidiaries, Affiliates and Other Related Parties

- A. Transactions with Affiliates (Greater than ½% of Admitted Assets)
 - (1) In 2011, National provided the \$1.1 billion secured loan to MBIA Insurance Corporation ("National Secured Loan") in order to enable MBIA Insurance Corporation to fund settlements and commutations of its insurance policies. This loan was approved by the NYSDFS as well as by the boards of directors of MBIA Inc., MBIA Insurance Corporation and National. The National Secured Loan has a fixed annual interest rate of 7% and a maturity date of December 2016. MBIA Insurance Corporation has the option to defer payments of interest when due by capitalizing interest amounts to the loan balance, subject to the collateral value exceeding certain thresholds. MBIA Insurance Corporation has elected to defer the interest payments due under the loan. MBIA Insurance Corporation's obligation to repay the loan is secured by a pledge of collateral having an estimated value in excess of the notional amount of the loan as of December 31, 2012, which collateral comprised the following future receivables of MBIA Insurance Corporation: (i) its right to receive putback recoveries related to ineligible mortgage loans included in its insured second-lien residential mortgage-backed securities ("RMBS") transactions; (ii) future recoveries on defaulted insured second-lien RMBS transactions resulting from expected excess spread generated by performing loans in such transactions; and (iii) future installment premiums. During the year ended December 31, 2012, MBIA Insurance Corporation borrowed an additional \$443 million under the National Secured Loan with the approval of the NYSDFS at the same terms as the original loan to fund additional commutations of its insurance policies. As of December 31, 2012, the outstanding principal amount, which includes capitalized interest under this loan, was \$1.7 billion. MBIA Insurance Corporation may seek to borrow additional amounts under the loan in the future. Any such increase or other amendment to the terms of the loan would be subject to regulatory approval by the NYSDFS.

An MBIA Insurance Corporation rehabilitation or liquidation by the NYSDFS (an "MBIA Corp. Proceeding") would be an event of default under the National Secured Loan. While National has a perfected interest in the assets pledged to secure the loan and National expects to be repaid in full from the assets pledged to secure the loan, an MBIA Corp. Proceeding could result in challenges to National's ability to collect amounts due under the loan and in a delay in National's ability to realize on the collateral securing the loan. Impairment of the National Secured Loan could materially adversely affect National's capital position and results of operations, its ratings, and its plan to re-enter the municipal bond insurance business.

- (2) During the second quarter of 2011, National purchased investments in three series of shares (the "Trust Shares") and a portfolio of individual bonds (the "Bonds") from an affiliate, MBIA Corp. for \$180 million. The purchase of both the Trust Shares and the Bonds were non-disapproved by the NYSDFS pursuant to Section 1505 of the NYIL.
- (3) National maintains simultaneous repurchase and reverse repurchase agreements with MBIA Inc. for up to \$2.0 billion based on the fair value of securities borrowed. The Asset Swap provides MBIA Inc. with eligible assets to pledge under investment agreement and derivative contracts in MBIA Inc.'s asset/liability products business. As of December 31, 2012, the notional amount utilized under each of these agreements was \$481 million and the fair value of collateral pledged by National and MBIA Inc. under these agreements was \$502 million and \$529 million, respectively. The net average interest rate on these transactions was 0.44% and 0.34% for the years ended December 31, 2012 and 2011, respectively. The NYSDFS approved the Asset Swap in connection with the re-domestication of National to New York. National has committed to the NYSDFS to use commercially reasonable efforts to reduce the amount of the Asset Swap over time
- B. There have been no changes in the method of establishing terms with respect to any related parties as of December 31, 2012.
- C. As of December 31, 2012, National reported \$0.3 million as amounts due to affiliates, \$10 million as amounts due from affiliates. \$0.02 million of the \$0.3 million is due to MBIA Inc. its parent. The terms of the settlement require that these amounts be settled within 90 days. As of December 31, 2011, National reported \$0.8 million as amounts due to its affiliates and \$0.7 million as amounts due to MBIA Inc.
- D. Effective January 1 2009, National has reinsured the entire U.S. public finance portfolio of MBIA Corp. The total par outstanding (net of reinsurance and pledged collateral) as of December 31, 2012 was approximately 68% of National's total outstanding net par value.
- E. Management Contracts
 - (1) National entered into a Master Services Agreement ("MSA") with a newly formed affiliate service company, Optinuity Alliance Resources Corporation ("Optinuity"), dated January 1, 2010, which was approved by the NYSDFS. As a result of the MSA, Optinuity provides various support services including management, legal, accounting, treasury, information

NOTES TO FINANCIAL STATEMENTS

technology, among others, on a fee-for-service basis, to National. The fee for the years ended December 31, 2012 and 2011 were \$21 million and \$23 million, respectively.

- (2) National's investment portfolio is managed by Cutwater Investors Service Corp. ("Cutwater-ISC") a wholly owned subsidiary of Cutwater Holdings, LLC. Cutwater-ISC provides bond management services for MBIA Inc. and its affiliates, as well as third-party institutional clients. Revenues for Cutwater-ISC are based on the average market value of National's investment portfolio in each period. For the years ended December 31, 2012 and 2011, Cutwater-ISC charged fees of \$7 million to National based on the performance of its investment portfolio. These fees are reported as investment expense within "Net investment income" on National's Statutory-Basis Statements of Income.
- F. As of December 31, 2012, all outstanding shares of National an entity domiciled in the State of New York are owned by its parent company, National Holdings, an intermediate holding company domiciled in the State of Delaware. All outstanding common shares of National Holdings are owned by its parent company, MBIA Inc., a holding company domiciled in the State of Connecticut and located in the State of New York. The organization chart is included in Schedule Y.
- G. National owns no shares, directly or indirectly, of an upstream intermediate entity or ultimate parent.
- H. National has no investment in subsidiary, controlled or affiliated companies that exceed 10% of its admitted assets as of December 31, 2012.
- I. National did not recognize any impairment write-down for its investment in subsidiary, controlled or affiliated companies during the year ended December 31, 2012.
- J. National does not have foreign insurance subsidiaries.
- K. March 1, 2010, National established NREHA, a wholly owned subsidiary of National as a result of purchasing MBIA Corp.'s interest in real estate. As of December 31, 2012, the carrying value National's investment in NREHA is \$67 million. Refer to "Note 1: Summary of Significant Accounting Policies" Section C (7) for further information on the accounting policy used to report National's investment in NREHA.

11. Debt

- A. National has no capital note obligations or any other debt outstanding as of December 31, 2012.
- B. National has no funding agreements with Federal Home Loan Banks ("FHLB").

12. Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences and Other Postretirement Benefits Plans

- A. National does not sponsor a defined benefit plan.
- B. National participates in its parent company's defined contribution plan.
- C. National does not have any multiemployer plans.
- D. Consolidated/Holding Company Plans

National participates in its parent company's pension plan, which covers substantially all employees. The pension plan is a qualified non-contributory defined contribution plan to which National contributes 10% of each eligible employee's annual compensation. Annual compensation for determining such contributions consists of base salary, bonus and commissions, as applicable. Pension benefits vest over a five-year period with 20% vested after two years, 60% vested after three years, 80% vested after four years and 100% vested after five years. The Company funds the annual pension contribution by the following February of each applicable year. Pension expense related to the qualified pension plan for the years ended December 31, 2012 and 2011 was \$571 thousand and \$388 thousand, respectively.

National's parent company has a qualified profit sharing/401(k) plan in which it participates. The plan is a voluntary contributory plan that allows eligible employees to defer compensation for federal income tax purposes under Section 401(k) of the Internal Revenue Code of 1986, as amended. Employees may contribute, through payroll deductions, up to 25% of eligible compensation. National matches' employee contributions up to the first 5% of such compensation and are made in the form of cash, whereby participants may direct the match to an investment of their choice. The benefit of National's contributions vest over a five-year period with 20% vested after two years, 60% vested after three years, 80% vested after four years and 100% vested after five years. Generally, a participating employee is entitled to distributions from the plan upon termination of employment, retirement, death or disability. Participants who qualify for distribution may receive a single lump sum, transfer assets to another qualified plan or individual retirement account, or receive a series of specified installment payments. Profit sharing/401(k) expense related to the qualified profit-sharing/401(k) plan for the years ended December 31, 2012 and 2011 was \$228 thousand and \$360 thousand, respectively.

In addition to the above two plans, National also participates in its parent company's non-qualified deferred compensation plan. Contributions to the above plans that exceed limitations established by federal regulations are then contributed to the non-qualified deferred compensation plan. The non-qualified pension expense for the years ended December 31, 2012 and 2011 was \$350 thousand and \$255 thousand, respectively. The non-qualified profit-sharing/401(k) expense for the years ended December 31, 2012 and 2011 was \$134 thousand and \$108 thousand, respectively.

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National participates in its parent company's 2005 Omnibus Incentive Plan (the "Omnibus Plan"), as amended May 7, 2009 and May 1, 2012. The Omnibus Plan may grant any type of award including stock options, performance shares, performance units, restricted stock, restricted stock units and dividend equivalents. Following the effective date of the Omnibus Plan, no new options or awards were granted under any of the prior plans authorized by the MBIA Inc. shareholders.

The stock option component of the Omnibus Plan enables key employees to acquire shares of MBIA Inc. common stock. The stock option grants, which may be awarded every year, provide the right to purchase shares of MBIA Inc. common stock at the fair value of the stock on the date of grant. Options are exercisable as specified at the time of grant depending on the level of the recipient (generally four or five years) and expire either seven or ten years from the date of grant (or shorter if specified or following termination of employment).

Under the restricted stock component of the Omnibus Plan, certain employees are granted restricted shares of MBIA Inc.'s common stock. These awards have a restriction period lasting three, four or five years depending on the type of award, after which time the awards fully vest. During the vesting period these shares may not be sold. Restricted stock may be granted to all employees.

MBIA Inc. maintains voluntary retirement benefits, which provide certain benefits to all of National's eligible employees upon retirement. A description of these benefits is included in MBIA Inc.'s proxy statement. One of the components of the retirement program, for those employees that are retirement eligible, is to continue to vest all performance-based stock options and restricted share awards beyond the retirement date in accordance with the original vesting terms and to immediately vest all outstanding time-based stock options and restricted share grants.

MBIA Inc. valued all stock options granted using an option-pricing model. The value is recognized as an expense over the period in which the options vest. For the year ended December 31, 2012 and 2011, National had fully expensed its proportionate share of compensation cost for employee stock options in prior years and therefore had no 2012 or 2011 expense. National's proportionate share of compensation cost related to the restricted stock program for the years ended December 31, 2012 and 2011 was \$268 thousand and \$333 thousand, respectively.

During 2011 and 2010, National granted deferred cash-based long-term incentive awards. No new grants were awarded during 2012. These grants have a vesting period of either three or five years, after which time the award fully vests. Payment is generally contingent upon the employee's continuous employment with National through the payment date. The deferred cash awards are granted to employees from the vice-president level up. National's compensation expense related to the deferred cash award for the year ended 2012, was a negative expense of \$277 thousand. The negative expense was due to the cancellation and expense reversal of deferred cash awards. For the year ended 2011, the deferred cash award expense was \$780 thousand.

E. Postemployment Benefit and Compensated Absences

National does not have a post employment benefit plan. National does have an obligation for compensation related to earned vacation.

F. Impact of Medicare Modernization Act on Postretirement Benefits

National does not have a postretirement benefit plan.

13. Capital and Surplus, Dividend Restrictions and Quasi-Reorganizations

- A. As of December 31, 2012 National had 500,000 common shares authorized, issued and outstanding, with a par value of \$30 per share.
- B. National had no preferred stock outstanding as of December 31, 2012.
- C. and D. The NYIL regulates the payment of dividends by financial guarantee insurance companies and provides that such companies may not declare or distribute dividends except out of statutory earned surplus. Under NYIL, the sum of (i) the amount of dividends declared or distributed during the preceding 12-month period and (ii) the dividend to be declared may not exceed the lesser of (a) 10% of policyholders' surplus, as reported in the latest statutory financial statements (b) 100% of adjusted net investment income for such 12-month period (the net investment income for such 12-month period plus the excess, if any, of net investment income over dividends declared or distributed during the two-year period preceding such 12-month period), unless the Superintendent of the NYSDFS approves a greater dividend distribution based upon a finding that the insurer will retain sufficient surplus to support its obligations.
- E. During the second quarter of 2010, National received approval from the NYSDFS to reset its unassigned surplus to zero as of January 1, 2010. Previously, National had an unassigned surplus deficit principally as a result of the 2009 reinsurance transaction between National and MBIA Corp. whereby National reinsured MBIA Corp.'s U.S. public finance business. Under New York State insurance law, without prior approval of the Superintendent of the NYSDFS, financial guarantee insurance companies can pay dividends from earned surplus, which is a component of unassigned surplus, subject to meeting minimum capital requirements. The reset provides National with dividend capacity of \$200 million and \$142 million as of December 31, 2012 and 2011, respectively. National did not declare or pay any dividends in 2012 or 2011. In October 2010, the plaintiffs in the Transformation litigation initiated a court proceeding challenging the approval of the surplus reset. Refer to "Note 15: Contingencies and Commitments" for further information on the Transformation litigation. In connection with

NOTES TO FINANCIAL STATEMENTS

this court proceeding, National has agreed that it will not pay dividends during the current adjournment of the proceeding (i.e., through April 19, 2013). In addition, in connection with the approval by the NYSDFS of a release of excessive contingency reserves as of December 31, 2011 by MBIA Insurance Corporation, MBIA Inc. has agreed that National will not pay dividends without the prior approval of the NYSDFS prior to July 19, 2013.

- F. Other than the items mentioned in (C), (D) and (E) above National has no restrictions on unassigned surplus as of December 31, 2012.
- G. National is not a mutual company; as such, there were no mutual surplus advances for the year ended December 31, 2012.
- H. National owns no common stock in affiliates or for special purposes as of December 31, 2012.
- I. The portion of unassigned fund (surplus) represented by cumulative net unrealized capital gains and losses is \$12.4 million after deducting applicable deferred taxes of \$7.2 million. Additionally, the portion of unassigned funds (surplus) represented by non-admitted assets is \$488 million.
- J. National did not issue any surplus debentures or similar obligations during 2012.
- K. National did not issue any surplus notes during 2012.
- L and M. National has not undergone a reorganization or quasi-reorganization.

14. Contingencies

A. In the normal course of operating its business, National may be involved in various legal proceedings. Additionally, MBIA Inc. together with its subsidiaries ("MBIA") may be involved in various legal proceedings that directly or indirectly impact National

MBIA has received subpoenas or informal inquiries from a variety of regulators, including the Securities and Exchange Commission, the Securities Division of the Secretary of the Commonwealth of Massachusetts, the Attorney General of the State of California, and other states' regulatory authorities, regarding a variety of subjects, including soft capital instruments, disclosures made by MBIA to underwriters and issuers of certain bonds, disclosures regarding MBIA's structured finance exposure, MBIA's communications with rating agencies, and the methodologies used by rating agencies for determining the credit rating of municipal debt. MBIA is cooperating fully with each of these regulators and is in the process of satisfying all such requests. MBIA may receive additional inquiries from these or other regulators and expects to provide additional information to such regulators regarding their inquiries in the future.

Transformation Litigation

On May 13, 2009, a complaint was filed in the New York State Supreme Court against MBIA, MBIA Corp. and National, entitled ABN AMRO Bank N.V. et al. v. MBIA Inc. et al. The plaintiffs, a group of domestic and international financial institutions, purport to be acting as holders of insurance policies issued by MBIA Corp. directly or indirectly guaranteeing the repayment of structured finance products. The complaint alleges that certain of the terms of the transactions entered into by MBIA, which were approved by the New York State Department of Insurance, constituted fraudulent conveyances and a breach of the implied covenant of good faith and fair dealing under New York law. The complaint seeks a judgment (a) ordering the defendants to unwind the Transactions, (b) declaring that the Transactions constituted a fraudulent conveyance, (c) declaring that MBIA and National are jointly and severally liable for the insurance policies issued by MBIA Corp., and (d) ordering damages in an unspecified amount. On February 17, 2010, the court denied defendants' motion to dismiss. Sixteen of the original eighteen plaintiffs have dismissed their claims, several of which dismissals were related to the commutation of certain of their MBIA-insured exposures.

On June 15, 2009, the same group of eighteen domestic and international financial institutions who filed the above described plenary action in New York State Supreme Court filed a proceeding pursuant to Article 78 of New York's Civil Practice Law & Rules in New York State Supreme Court, entitled ABN AMRO Bank N.V. et al. v. Eric Dinallo, in his capacity as Superintendent of the New York State Insurance Department, the New York State Insurance Department, MBIA Inc. et al. The petition seeks a judgment (a) declaring void and to annul the approval letter of the Superintendent of the Department of Insurance, (b) to recover dividends paid in connection with the Transactions, and (c) declaring that the approval letter does not extinguish plaintiffs' direct claims against MBIA in the plenary action described above. MBIA and the New York State Insurance Department filed their answering papers to the Article 78 Petition on November 24, 2009 and argued that based on the record and facts, approval of Transformation and its constituent transactions was neither arbitrary nor capricious nor in violation of NYIL. The Article 78 hearing concluded on June 7, 2012. A decision is pending. Sixteen of the original eighteen plaintiffs have dismissed their claims, several of which dismissals were related to the commutation of certain of their MBIA-insured exposures.

On September 10, 2012, CQS ABS Master Fund Ltd., CQS Select ABS Master Fund Ltd., and CQS ABS Alpha Master Fund Ltd. as holders of MBIA-insured residential mortgage-backed bonds filed suit against MBIA Inc., MBIA Insurance Corporation and National Public Finance Guarantee Corp. The complaint alleges that certain of the terms of the transactions entered into by MBIA Corp., which were approved by the New York State Department of Insurance, constituted fraudulent conveyances under §§ 273, 274, 276 and 279(c) of New York Debtor and Creditor Law and a breach of the implied covenant of good faith and fair dealing under New York common law. MBIA filed its answer on October 19, 2012.

On November 9, 2012, certain holders of MBIA Corp.'s perpetual preferred shares filed a complaint in New York State Supreme Court, New York County titled Broadbill Partners LP et al. v. MBIA Inc. et al. alleging harm in connection with (i)

NOTES TO FINANCIAL STATEMENTS

MBIA Corp.'s exercise of put options in or around November 2008 pursuant to put option agreements with certain custodial trusts (i.e., North Castle Custodial Trusts I through North Castle Custodial Trust VIII), (ii) MBIA's February 2009 Transformation and (iii) the August 2011 meeting of preferred stockholders to elect directors. Plaintiffs allege twenty-one causes of action including breach of contract, unjust enrichment, constructive and resulting trust, recession, breach of the covenant of good faith and fair dealing, declaratory relief, fraud, intentional interference with contract, violations of NYIL and New York Debtor and Creditor Law, and joint and several liability. On January 15, 2013, MBIA filed its motion to dismiss

On October 22, 2010, a similar group of domestic and international financial institutions who filed the above described Article 78 proceeding and related plenary action in New York State Supreme Court filed an additional proceeding pursuant to Article 78 of New York's Civil Practice Law & Rules in New York State Supreme Court, entitled Barclays Bank PLC et. al. v. James Wrynn, in his capacity as Superintendent of the New York State Insurance Department, the New York State Insurance Department, MBIA Inc. et al. This petition challenges the New York State Insurance Department's June 22, 2010 approval of National's restatement of earned surplus. The proceeding is currently stayed through April 19, 2013.

Corporate Litigation

On December 13, 2012, Bank of America filed a complaint against MBIA Inc. and The Bank of New York Mellon, as Indenture Trustee in New York State Supreme Court, County of Westchester, alleging MBIA's consent solicitation completed on November 26, 2012, resulting in amendments to the indentures governing five series of MBIA Inc.'s notes, tortiously interfered with Bank of America's November 13, 2012 tender offer to buy all of MBIA Inc.'s 5.7% senior notes due 2034. On January 8, 2013, MBIA filed a motion to transfer venue to New York State Supreme Court, New York County and the briefing was completed on January 31, 2013. On February 19, 2013 Bank of America filed an amended complaint.

On February 7, 2013, MBIA filed a complaint for declaratory and injunctive relief against Bank of America Corp. and Blue Ridge Investments, L.L.C. in New York State Supreme Court, County of Westchester. The complaint seeks, among other things, a declaration that amendments to indentures and/or the issuance of supplemental indentures governing five series of MBIA Inc.'s notes that resulted from the MBIA's consent solicitation completed on November 26, 2012, were valid and properly effectuated and did not give rise to an event of default under the Senior Indenture dated as of November 24, 2004 between MBIA Inc. and the Bank of New York, as Trustee.

On July 23, 2008, the City of Los Angeles filed a complaint in the Superior Court of the State of California, County of Los Angeles, against a number of financial guarantee insurers, including MBIA. At the same time and subsequently, additional complaints against MBIA and nearly all of the same co-defendants were filed various municipal entities and quasi-municipal entities, mostly in California. These cases are part of a coordination proceeding in Superior Court, San Francisco County, before Judge Richard A. Kramer, referred to as the Ambac Bond Insurance Cases, which name as defendants MBIA, Ambac Assurance Corp., Syncora Guarantee, Inc. f/k/a XL Capital Assurance Inc., Financial Security Assurance, Inc., Assured Guaranty Corp., Financial Guaranty Insurance Company, and CIFG Assurance North America, Inc., Fitch Inc., Fitch Ratings, Ltd., Fitch Group, Inc., Moody's Corporation, Moody's Investors Service, Inc., The McGraw-Hill Companies, Inc., and Standard & Poor's Corporation.

In August 2011, plaintiffs filed amended versions of their respective complaints. The claims allege participation by all defendants in a conspiracy in violation of California's antitrust laws to maintain a dual credit rating scale that misstated the credit default risk of municipal bond issuers and not-for-profit issuers and thus created market demand for bond insurance.

Plaintiffs also allege that the individual bond insurers participated in risky financial transactions in other lines of business that damaged each bond insurer's financial condition (thereby undermining the value of each of their guaranties), and each failed to adequately disclose the impact of those transactions on their financial condition. In addition to the statutory antitrust claim, plaintiffs assert common law claims of breach of contract and fraud against MBIA and the other monoline defendants. The non-municipal plaintiffs also allege a California unfair competition cause of action. On May 1, 2012, the court ruled in favor of the monoline defendants on their special motion to strike pursuant to California's Anti-SLAPP statute. A hearing on the motion is scheduled for March 12, 2013.

On July 23, 2008, the City of Los Angeles filed a separate complaint in the Superior Court, County of Los Angeles, naming as defendants MBIA and other financial institutions, and alleging fraud and violations of California's antitrust laws through bid-rigging in the sale of guaranteed investment contracts and what plaintiffs call "municipal derivatives" to municipal bond issuers. The case was removed to federal court and transferred by order dated November 26, 2008, to the Southern District of New York for inclusion in the multidistrict litigation In re Municipal Derivatives Antitrust Litigation, M.D.L. No. 1950. Complaints making the same allegations against MBIA and nearly all of the same co-defendants were then, or subsequently, filed by various municipal entities and quasi-municipal entities, mostly in California, and three not-for-profit retirement community operators. These cases have all been added to the multidistrict litigation. Plaintiffs in all of the cases assert federal and either California or New York state antitrust claims. As of May 31, 2011, MBIA has answered all of the existing complaints.

On March 12, 2010, the City of Phoenix, Arizona filed a complaint in the United States District Court for the District of Arizona against MBIA Corp., Ambac Assurance Corp. and Financial Guaranty Insurance Company relating to insurance premiums charged on municipal bonds issued by the City of Phoenix between 2004 and 2007. Plaintiff's complaint alleges pricing discrimination under Arizona insurance law and unjust enrichment.

On April 5, 2010, Tri-City Healthcare District, a California public healthcare legislative district, filed a complaint in the Superior Court of California, County of San Francisco, against MBIA, MBIA Corp., National, certain MBIA employees (collectively for this paragraph, "MBIA") and various financial institutions and law firms. Tri-City subsequently filed five amended complaints. The Fifth Amended Complaint, filed on March 7, 2012, purports to state seven causes of action against MBIA for, among other things, fraud, negligent misrepresentation, breach of contract and violation of the Business and

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Professions Code arising from Tri-City Healthcare District's investment in auction rate securities. MBIA filed its answer on November 26, 2012.

MBIA and National are defending against the aforementioned actions and expect ultimately to prevail on the merits. There is no assurance, however, that they will prevail in these actions. Adverse rulings in these actions could have a material adverse effect on National's ability to implement its strategy and on its business, results of operations and financial condition. At this stage of the litigation, there has not been a determination as to the amount, if any, of damages. Accordingly, National is not able to estimate any amount of loss or range of loss.

There are no other material lawsuits pending or, to the knowledge of National, threatened, to which National is a party.

- B. National does not issue life insurance policies and therefore is not subject to guaranty fund assessments.
- C. National has not recognized any gain contingencies subsequent to the Balance Sheet date.
- D. National does not have any claims related extra contractual obligation and bad faith losses stemming from lawsuits.
- E. National has no other contingencies that would have a material effect on the financial statements.

15. Leases

- A. National has no lessee leasing arrangements.
- B. National has no lessor leasing arrangements.

16. Information about Financial Instruments with Off-Balance Sheet Risk and Financial Instruments with Concentration of Credit Risk

The financial guarantees issued by National provide unconditional and irrevocable guarantees of the payment of the principal of, and interest or other amounts owing on, insured obligations when due or, in the event National has the right at its discretion to accelerate insured obligations upon default or otherwise, upon National's acceleration. National's guarantees insure municipal bonds, including tax-exempt and taxable indebtedness of U.S. political subdivisions, as well as utility districts, airports, health care institutions, higher educational facilities, student loan issuers, housing authorities and other similar agencies and obligations issued by private entities which finance projects that serve a substantial public purpose. Municipal bonds and privately issued bonds used for the financing of public purpose projects are generally supported by taxes, assessments, fees or tariffs related to the use of these projects, lease payments or other similar types of revenue streams. As of December 31, 2012 and 2011, National's gross par amount outstanding for its public finance credits was \$337.1 billion and \$410.4 billion, respectively.

17. Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities

- A. National has not sold or transferred any receivables during 2012
- B. National has not transferred or serviced any financial assets during 2012.
- C. National did not engage in any wash sale transactions during 2012.

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

- A. National does not serve as an Administrative Services Only ("ASO") provider.
- B. National does not serve as an Administrative Services Contract ("ASC") provider.
- C. National has no Medicare or similarly structured cost based reimbursement contracts.

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

National did not write direct premiums through managing general agents or third-party administrators during 2012.

20. Fair Value Measurements

- A. Inputs for Assets and Liabilities Measured at Fair Value
 - 1. Fair Value Measurements by Levels 1, 2 and 3

For financial instruments recorded at their carrying amount, the estimated fair value amounts of financial instruments shown in the following table have been determined by the Company using available market information and appropriate valuation methodologies. In certain instances, considerable judgment may be required to interpret market data in order to develop estimates of fair value. Accordingly, the estimates presented herein are not necessarily indicative of the amount the Company could realize in a current market exchange. The use of different market assumptions and/or estimation methodologies may have a material effect on the estimated fair value amount.

For assets and liabilities recorded on the balance sheet at fair value, SSAP No. 100 "Fair Value Measurements" establishes a disclosure hierarchy for inputs used in measuring fair value. Observable inputs are those the Company

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believes that market participants would use in pricing the asset or liability developed based on market data. Unobservable inputs are those that reflect the Company's beliefs about the assumptions market participants would use in pricing the asset or liability developed based on the best information available. The hierarchy is broken down into three levels based on the observability and reliability of inputs as follows:

- Level 1 Valuations based on quoted prices in active markets for identical assets or liabilities that the Company can
 access. Since valuations are based on quoted prices that are readily and regularly available in an active market,
 valuation of these products does not entail any degree of judgment.
- Level 2 Valuations based on quoted prices in markets that are not active or for which all significant inputs are
 observerable, either directly or indirectly. Level 2 assets include debt securities with quoted prices that are traded
 less frequently than exchange-traded instruments, securities which are priced using observable inputs and derivative
 contracts whose values are determined using a pricing model with inputs that are observable in the market or can be
 derived principally from or corroborated by observable market data.
- Level 3 Valuations based on inputs that are unobservable and supported by little or no market activity and that are significant to the overall fair value measurement. Level 3 assets and liabilities include financial instruments whose value is determined using pricing models, discounted cash flow methodologies, or similar techniques where significant inputs are unobservable, as well as instruments for which the determination of fair value requires significant management judgment or estimation.

The following fair value hierarchy table presents information about National's assets reported on the balance sheets at fair value as of December 31, 2012. There were no liabilities measured at fair value as of December 31, 2012.

	Fair Value Measurements at Reporting Date Using									
In thousands										
Description for each class of asset or liability a. Assets at fair value	(Le	vel 1)	(I	Level 2)	(]	Level 3)	25411	ance as of ber 31, 2012		
Bonds										
Industrial and Miscellaneous Hybrid Securities	\$	-	\$	5,595 -	\$	16,424 1,713	\$	22,019 1,713		
Total Bonds Investment in unaffiliated common stock	\$	-	\$	5,595 168,297	\$	18,137	\$	23,732 168,297		
Total assets at fair value	\$		\$	173,892	\$	18,137	\$	192,029		

2. Roll Forward of Level 3 Items

Level 3 assets were \$18 million as of December 31, 2012, and represented approximately 9% of totals assets measured at fair value in 2012. As of December 31, 2012, fixed-maturity securities at fair value primarily consist of other asset-backed fixed-maturity securities.

The following table presents information about changes in Level 3 assets measured at fair value for the year ended December 31, 2012. There were no liabilities measured at fair value for the year ended December 31, 2012. Gains and losses reported in this table may include changes in fair value that are attributable to both observable and unobservable inputs. One Level 3 preferred stock security from December 31, 2011 was reclassified as a Level 3 fixed maturity hybrid security during the year 2012.

Fair Value Measurements in Level 3 of the Fair Value Hierarchy for the year ended December 31, 2012

							To	otal gains	To	otal gains									
	Ba	lance at	1	Transfers into	Tra	ansfers out of		nd (losses) cluded in		d (losses) cluded in								Ba	lance at
In thousands	12/	31/2011		Level 3		Level 3	Ne	et Income		Surplus	Pu	ırchases	Iss	uances	 Sales	S	ettlements	12	31/2012
Assets:																			
Fixed-maturity investments:																			
Industrial and miscellaneous	\$	23,378	\$	890	\$	-	\$	-	\$	754	\$	-	\$	-	\$ -	\$	(8,598)	\$	16,424
Hybryid securities		1,397		-		-		-		293		-		-	 -		23		1,713
Total assets	\$	24,775	\$	890	\$	-	\$		\$	1,047	\$	-	\$	-	\$ -	\$	(8,575)	\$	18,137

3. Policy on Transfers into and Out of Level 3

For the year ended December 31, 2012 transfers into Level 3 were \$0.9 million and no transfers out of Level 3 to Level 2. These transfers were principally for securities where inputs, which are significant to their valuation, became unobservable or observable during the year. All Level 1, 2 and 3 designations are made at the end of each accounting period.

Unrealized gains and losses included in surplus pertaining to Level 3 assets for the year ended December 31, 2012 was a loss of \$1 million. There were no realized gains and losses included in earnings pertaining to Level 3 assets for the year ended December 31, 2012.

NOTES TO FINANCIAL STATEMENTS

4. Inputs and Techniques Used for Level 2 and Level 3 Fair Value

Valuation Techniques

Valuation techniques for financial instruments measured at fair value are described below. The Company's assets and liabilities recorded at fair value have been categorized according to their fair value hierarchy based on the lowest level input that is significant to the fair value measurement in its entirety.

<u>Fixed-maturity securities and Short-term investments</u> - Fixed-maturity securities and short-term investments with an NAIC designation of 1 and 2 are carried at amortized cost while fixed-maturity securities and short-term investments with an NAIC designation of 3 through 6 are carried at the lower of amortized cost or fair value.

Fair value of fixed-maturity securities and short-term investments with an NAIC designation of 1 and 2 are generally provided by the NAIC SVO published market prices. If NAIC SVO published market prices are not available, the fair value is determined using an independent third-party pricing service which maximizes observable inputs, including price quotations of recent trades of same or similar securities. When observable price quotations are not available, fair value is determined based on cash flow models with yield curves, bond or single name credit default swap spreads and diversity scores as key inputs. These bonds are generally categorized in Level 2 of the fair value hierarchy; in instances where significant inputs are unobservable, they are categorized in Level 3 of the hierarchy.

<u>Cash and cash equivalents</u>, <u>Accrued investment income</u>, <u>Receivable for investments sold and Payable for investments purchased</u> - The carrying amounts of these items are a reasonable estimate of their fair value due to the short-term nature and creditworthiness of these instruments.

Common and preferred stock –The fair value of common stock is based upon quoted market prices, if available. If a quoted market price is not available, fair value is estimated using quoted market prices for similar securities. Perpetual preferred stocks with an NAIC designation of P1 and P2 are carried at fair value while perpetual preferred stocks with an NAIC designation of P3 through P6 are carried at the lower of cost or fair value. Redeemable preferred stocks with an NAIC designation of RP1 and RP2 are carried at amortized cost while redeemable preferred stocks with an NAIC designation of RP3 through RP6 are carried at the lower of amortized cost or fair value. The fair value of preferred stock, disclosed on the Balance Sheet is based upon the market prices published by the NAIC SVO, if available. If the NAIC SVO published market price is not available, an independent third-party source is used.

Other invested assets - National recorded its investment in its subsidiary, NREHA, within "Other invested assets" on its Balance Sheet. Investments in limited liability companies are reported using an equity method as defined in SSAP No. 97 "Investments in Subsidiary, Controlled and Affiliated Entities." The change in policyholders' surplus is recorded as a component of unrealized capital gains and losses.

<u>Securities purchased under agreements to resell</u> - The fair value of securities purchased under agreements to resell are determined based on the fair value of the underlying securities received that back the repurchase agreements.

<u>Secured loan to an affiliate</u> – The fair value of the secured loan is determined as the net present value of expected cash flows from the loan. The discount rate is the yield to maturity of a comparable corporate bond index.

<u>Deferred premium revenue</u> - The fair value of the Company's deferred premium revenue is based on the unearned premium reserve on upfront policies net of prepaid reinsurance premiums plus the present value of premium receivables. The carrying amount of deferred premium revenue represents the unamortized balance of premiums collected. <u>Loss and LAE reserves</u> - The carrying amount is composed of the present value of the expected cash flows for specifically identified claims. Therefore, the carrying amount is a reasonable estimate of the fair value of the reserve.

<u>Securities sold under agreements to repurchase</u> - The fair value of securities sold under agreements to repurchase are determined based on the underlying securities provided that back the repurchase.

Description of Level 3 Securities

As of December 31, 2012, fixed-maturity securities carried at fair value primarily consist of a portfolio of municipal lease investments. The portfolio is comprised of investments in lease-related obligations, including lease agreements, financing agreements or debt obligations backed by leases or lease revenues and other similar obligations of U.S. state or local governmental or quasi-governmental authorities (the "Municipal Lease Obligations"). The Municipal Lease Obligations represent an investment grade portfolio with low history of default, short tenor and yield generally higher than that of comparable municipal bonds with similar characteristics.

NOTES TO FINANCIAL STATEMENTS

5. Derivative Fair Value

National has not entered into any transactions classified as derivative instruments.

B. Other Fair Values Disclosure

Not applicable

C. Fair Value for All financial Instruments by Levels 1, 2, and 3

The tables below reflect the fair value and admitted values of all admitted assets and liabilities as of December 31, 2012, that are financial instruments excluding those accounted for under the equity method. The fair values are also categorized into Levels 1, 2 and 3 of the fair value hierarchy as described above.

In thousands							
Type of Financial Instrument	Fair Value	Admitted Value	Level 1	Level 2	Level 3		
Assets:							
Bonds	\$ 2,991,095	\$ 2,882,458	\$ 289,464	\$ 2,658,087	\$ 43,544		
Common stock	168,297	168,297	-	168,297	-		
Cash equivalents and short-term investments	369,786	369,786	369,786	-	-		
Securities purchased under agreement to resell	528,538	480,500	-	411,713	116,825		
Secured Loan to an affiliate	1,684,538	1,651,408	-	1,684,538	-		
Other invested assets	10,714	10,506	-	10,714	-		
Receivable for Investments Sold	16,426	16,426	16,426	-	-		
Investment income due and accrued	52,611	52,611	52,611	-	-		
Receivable from affiliates	9,745	9,745	9,745	-	-		
Premium tax receivable	1	1	1				
Total Assets	\$ 5,831,751	\$ 5,641,738	\$ 738,033	\$ 4,933,349	\$ 160,369		
Liabilities:							
Securities sold under agreements to repurchase	501,873	480,500	50,582	451,291	-		
Unearned premium revenue	2,257,271	2,040,719	-	-	2,257,271		
Loss and LAE reserves	(109,044)	(109,044)	-	-	(109,044)		
Payable for investments purchased	38,772	38,772	38,772	-	-		
Payable to affiliates	283	283	283				
Total Liabilities	\$ 2,689,155	\$ 2,451,230	\$ 89,637	\$ 451,291	\$ 2,148,227		

D. Financial Instruments for Which it is Not Practical to Estimate Fair Values

Not Applicable.

21. Other Items

- A. National had no extraordinary items during 2012.
- B. National had no debt restructuring during 2012.

C. Other Disclosures

(1) Securities on Deposit

National is required to place securities on deposit with various state insurance departments, in accordance with applicable state's insurance regulations. Assets with a book value of \$5 million at December 31, 2012 and 2011, respectively, were on deposit with government authorities or trustees as required by law.

(2) Credit Ratings

As of December 31, 2012, National was rated BBB with a developing outlook by S&P and Baa2 with a negative outlook by Moody's Investors Service, Inc. ("Moody's").

(3) Risk Limits and Uncertainties

As a result of the establishment of National and the reinsurance of the MBIA Corp. and Financial Guaranty Insurance Company ("FGIC") portfolios by National, National exceeded as of the closing date certain single and aggregate risk limits under NYIL. National obtained a waiver of such limits from the insurance department of its domiciliary state. In

NOTES TO FINANCIAL STATEMENTS

connection with the waiver, National submitted a plan to the applicable insurance departments to achieve compliance with the applicable regulatory limits. Under the plan, it agreed not to write new financial guarantee insurance for certain issuers until they were in compliance with their single risk limits and agreed to take commercially reasonable steps, including considering reinsurance, the addition of capital and other risk mitigation strategies, in order to comply with the regulatory single and aggregate risk limits. As a condition to granting the waiver, the NYSDFS required that, upon written notice from the NYSDFS, National would cease writing new financial guarantee insurance if it were not in compliance with the risk limitation requirements by December 31, 2009. As of December 31, 2012 National has met the aggregate risk limit test but did not meet the single risk limit requirements. National continues to work with the NYSDFS to achieve compliance with the single risk limits.

As of December 31, 2012, National had insured gross par outstanding of \$337.1 billion. The financial guarantees issued by National provide unconditional and irrevocable guarantees of the payment of the principal of, and interest or other amounts owing on, insured obligations when due or, in the event National has the right at its discretion to accelerate insured obligations upon default or otherwise, upon National's election to accelerate. National's guarantees insure municipal bonds, including tax-exempt and taxable indebtedness of U.S. political subdivisions, as well as utility districts, airports, health care institutions, higher educational facilities, student loan issuers, housing authorities and other similar agencies and obligations issued by private entities that finance projects that serve a substantial public purpose. Municipal bonds and privately issued bonds used for the financing of public purpose projects are generally supported by taxes, assessments, fees or tariffs related to the use of these projects, lease payments or other similar types of revenue streams.

In February 2009, National and MBIA Corp. entered into a quota share reinsurance agreement effective January 1, 2009 pursuant to which MBIA Corp. ceded all of its United States ("U.S.") public finance exposure to National, National and MBIA Corp. also entered into an assignment agreement under which MBIA Corp. assigned its rights and obligations with respect to the U.S. public finance business that MBIA Corp. had assumed from Financial Guaranty Insurance Company ("FGIC"). The exposure transferred to National under the reinsurance and assignment agreements totaled \$553.7 billion of net par outstanding. The reinsurance and assignment enables covered policyholders and certain ceding reinsurers to make claims for payment directly against National in accordance with the terms of these agreements.

To provide additional protection to its policyholders, National also issued second-to-pay policies for the benefit of the policyholders covered by the above reinsurance and assignment agreements. These second-to-pay policies, which are direct obligations of National, are held by a trustee and provide that if MBIA Corp. or FGIC, as applicable, do not pay valid claims of their policyholders; the policyholders will then be able to make claims directly against National.

On June 11, 2012, the Superintendent of the New York State Department of Financial Services (the "Superintendent") commenced a special proceeding for the rehabilitation of FGIC by filing a petition with the New York Supreme Court. On September 27, 2012, the Superintendent filed a proposed plan of rehabilitation for FGIC, which included a form of novation agreement between FGIC and National whereby FGIC transfers by novation to National all rights and liabilities under each of the policies covered under the FGIC Reinsurance Agreement. Approval of the proposed plan, including the proposed novation agreement, by the court is pending.

On February 2, 2010, National established National Real Estate Holdings of Armonk, LLC, ("NREHA") and on March 1, 2010 contributed certain real estate for purposes of conducting National's business and leasing to certain affiliates. National contributed the real estate at book value to NREHA and NREHA began operations on March 1, 2010.

In connection with the approval of the September 2011, December 31, 2011 and March 31, 2012 contingency reserve release to MBIA Corp., National has agreed that it would not pay dividends without the prior approval of the NYSDFS prior to July 19, 2013.

MBIA Inc. has put in place agreements that allocate liquidity resources among its entities in order to fund commutations and provide liquidity where needed. Such agreements between National and its affiliates have required the approval of the NYSDFS. National's ability to continue to provide its affiliates with liquidity and capital support and to pay dividends to MBIA Inc. will, in most cases, require further approvals from the NYSDFS, and there can be no assurance that National will be able to obtain such approvals. In addition, in connection with providing such approvals, the NYSDFS may require National to agree to take, or refrain from taking, certain actions.

Litigation over the NYSDFS' approval of National's creation or additional hurdles to achieving high stable ratings may impede National's ability to resume writing municipal bond insurance for some time, reducing its long-term ability to generate capital and cash from operations.

Municipal and state fiscal distress in the U.S. could adversely affect National's operations if it results in larger-than-expected incurred insurance losses.

Liquidity

Despite continued adverse macroeconomic conditions in the U.S., the incidence of default among National issuers remains extremely low and the liquidity position of National is sufficient to meet its cash requirements in the ordinary course of business.

National has utilized a liquidity risk management framework, the primary objectives of which are to monitor liquidity positions and projections in its business and guide the matching of liquidity resources to needs. National monitors its cash and liquid asset resources using stress-scenario testing. Members of MBIA Inc. and National's senior management meet regularly to review liquidity metrics, discuss contingency plans and establish target liquidity cushions on an enterprise-wide basis.

NOTES TO FINANCIAL STATEMENTS

National monitors its liquidity resources, for which National has not observed material liquidity risk to date, in order to ensure it maintains sufficient liquidity to pay claims and satisfy its other obligations. National's liquidity resources are subject to loss payments on its insured obligations, negative cash flow, and liquidity support arrangements with its affiliates.

National has entered into agreements with affiliates that provide resources to affiliates that are more liquidity constrained as follows:

National Secured Loan

In 2011, National provided the \$1.1 billion secured loan to MBIA Insurance Corporation ("National Secured Loan") in order to enable MBIA Insurance Corporation to fund settlements and commutations of its insurance policies. This loan was approved by the NYSDFS as well as by the boards of directors of MBIA Inc., MBIA Insurance Corporation and National. The National Secured Loan has a fixed annual interest rate of 7% and a maturity date of December 2016. MBIA Insurance Corporation has the option to defer payments of interest when due by capitalizing interest amounts to the loan balance, subject to the collateral value exceeding certain thresholds. MBIA Insurance Corporation has elected to defer the interest payments due under the loan. MBIA Insurance Corporation's obligation to repay the loan is secured by a pledge of collateral having an estimated value in excess of the notional amount of the loan as of December 31, 2012, which collateral comprised the following future receivables of MBIA Insurance Corporation: (i) its right to receive putback recoveries related to ineligible mortgage loans included in its insured second-lien residential mortgage-backed securities ("RMBS") transactions; (ii) future recoveries on defaulted insured second-lien RMBS transactions resulting from expected excess spread generated by performing loans in such transactions; and (iii) future installment premiums. During the year ended December 31, 2012, MBIA Insurance Corporation borrowed an additional \$443 million under the National Secured Loan with the approval of the NYSDFS at the same terms as the original loan to fund additional commutations of its insurance policies. As of December 31, 2012, the outstanding principal amount, which includes capitalized interest under this loan, was \$1.7 billion. MBIA Insurance Corporation may seek to borrow additional amounts under the loan in the future. Any such increase or other amendment to the terms of the loan would be subject to regulatory approval by the NYSDFS.

An MBIA Insurance Corporation rehabilitation or liquidation by the NYSDFS (an "MBIA Corp. Proceeding") would be an event of default under the National Secured Loan. While National has a perfected interest in the assets pledged to secure the loan and National expects to be repaid in full from the assets pledged to secure the loan, an MBIA Corp. Proceeding could result in challenges to National's ability to collect amounts due under the loan and in a delay in National's ability to realize on the collateral securing the loan. Impairment of the National Secured Loan could materially adversely affect National's capital position and results of operations, its ratings, and its plan to re-enter the municipal bond insurance business.

Asset Swap

National maintains simultaneous repurchase and reverse repurchase agreements with MBIA Inc. for up to \$2.0 billion based on the fair value of securities borrowed. The Asset Swap provides MBIA Inc. with eligible assets to pledge under investment agreement and derivative contracts in MBIA Inc.'s asset/liability products business. As of December 31, 2012, the notional amount utilized under each of these agreements was \$481 million and the fair value of collateral pledged by National and MBIA Inc. under these agreements was \$502 million and \$529 million, respectively. The net average interest rate on these transactions was 0.44% and 0.34% for the years ended December 31, 2012 and 2011, respectively. The NYSDFS approved the Asset Swap in connection with the re-domestication of National to New York. National has committed to the NYSDFS to use commercially reasonable efforts to reduce the amount of the Asset Swap over time.

Liquidity risk arises in National's operations primarily from the following:

- The insurance policies issued or reinsured by National provide unconditional and irrevocable guarantees of payments of the principal of, and interest or other amounts owed on insured obligations when due; or, in the event that the insurance company has the right, at its discretion, to accelerate insured obligations upon default or otherwise, upon the insurance company's election to accelerate. In the event of a default in payment of principal, interest or other insured amounts by an issuer, National generally promises to make funds available in the insured amount within one to three business days following notification. In some cases, the amount due can be substantial, particularly if the default occurs on a transaction to which National has a large notional exposure or on a transaction structured with large, bullet-type principal maturities. The fact that National's financial guarantee contracts generally cannot be accelerated by a party other than the insurer helps to mitigate liquidity risk.
- National has entered into certain transactions to support the liquidity needs of its affiliates. These transactions include the National Secured Loan to MBIA Insurance Corporation and the Asset Swap through which National provides liquid assets to MBIA Inc. As a result of these transactions, National is subject to repayment risk, which may adversely affect its liquidity. The repayment of the National Secured Loan will primarily be predicated on MBIA Insurance Corporation's ability to successfully enforce its rights to have mortgage sellers/servicers cure, replace or repurchase ineligible mortgage loans from securitizations it insured. In addition, changes in the market value of securities sold to National under its Asset Swap with MBIA Inc. may adversely affect its liquidity position if MBIA Inc. were unable to pledge additional eligible assets in order to meet minimum required collateral amounts.

National held cash and short-term investments of \$370 million as of December 31, 2012, all of which was highly liquid and consisted predominantly of highly rated municipal, U.S. agency and corporate bonds. As of December 31, 2011, National held cash and short-term investments of \$629 million, all of which was highly liquid and consisted predominantly of highly rated municipal, U.S. agency and corporate bonds. With the exception of its loan to MBIA Corp., most of National's investments, including those encumbered by the Asset Swap, are liquid and highly rated.

NOTES TO FINANCIAL STATEMENTS

- D. At December 31, 2012 and 2011, National had no uncollected premium balances.
- E. National had no business interruption insurance recoveries during 2012.
- F. National had no state transferable credits as of December 31, 2012.
- G. Subprime Exposure Related Risk Exposure
 - (1) National invests in residential mortgage-backed securities that could potentially be adversely affected by subprime mortgage exposure.
 - (2) National does not have direct exposure through investments in subprime mortgage loans.
 - (3) National has direct risk exposure through investments in subprime-mortgage securities as of December 31, 2012 and 2011. The following table presents the risk exposure as of December 31, 2012:

In thousands		Book/Adjusted Carrying Value Actual Cost (excluding interest)					r Value	Other Than Temporary Impairment Losses Recognized		
(a)	Residential mortgage-backed securities	\$	5,703	\$	5,648	\$	5,686	\$	-	
(b)	Commercial mortgage-backed securities		-		-		-		-	
(c)	Collaterized debt obligations		-		-		-		-	
(d)	Structured securities		-		-		-		-	
(e)	Equity investments in SCA's		-		-		-		-	
(f)	Other assets		-				-		-	
(g)	Total	\$	5,703	\$	5,648	\$	5,686	\$	-	

(4) National does not have underwriting exposure to subprime mortgage risk through financial guaranty insurance coverage.

22. Events Subsequent

Subsequent events have been considered through February 27, 2012, the date upon which the statutory financial statements were available to be issued. Refer to "Note 14: Contingencies" for information about legal proceedings that commenced after December 31, 2012.

23. Reinsurance

A. Unsecured Reinsurance Recoverables

National does not have an unsecured aggregate reinsurance recoverable for paid and unpaid losses, loss adjustment expenses and unearned premiums from any individual reinsurer, authorized or unauthorized that exceeds 3% of policyholders' surplus.

B. Reinsurance Recoverable in Dispute

National does not have reinsurance recoverables in dispute for paid losses and loss adjustment expenses that exceed 5% of policyholders' surplus from any individual reinsurer or exceed 10% of policyholders' surplus in aggregate.

C. Reinsurance Assumed and Ceded

(1) Listed below is the maximum amount of return commission which would have been due reinsurers if they or National had canceled all of National's reinsurance, or if National or a receiver had canceled all of National's insurance assumed as of December 31, 2012.

In thousands	S Assumed Ro			ince	Ceded Reinsurance				Net Reinsurance				
		(1)	~	(2)		(3)	,	4)		(5)	_	(6)	
	Premium		Co	mmission	Premium Commission		J	Premium	Commission				
	Reserve			Equity	Reserve		Equity			Reserve	Equity		
Affiliates	\$	1,508,377	\$	331,843	\$	-	\$	-	\$	1,508,377	\$	331,843	
All other		531,990		111,718		6		2		531,984		111,716	
Total	\$	2,040,367	\$	443,561	\$	6	\$	2	\$	2,040,361	\$	443,559	

Direct unearned premium reserve \$ 359

- (2) National has no additional or return commission, which is predicated on loss experience or on any other form of profit sharing arrangements in this annual statement as a result of existing contractual arrangements.
- (3) Not applicable.

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D. Uncollectible Reinsurance

National did not write off any uncollectible reinsurance in 2012.

E. Commutation of Ceded Reinsurance

National does not have any third-party commutations of ceded reinsurance for the year ended December 31, 2012.

F. Retroactive Reinsurance

National has not entered into any retroactive reinsurance contracts.

G. Reinsurance Accounted for as a Deposit

National has no reinsurance accounted for as a deposit.

H. Disclosures for the Transfer of Property and Casualty Run-off Agreements

National has not entered into any transfer of property and casualty run-off agreements.

24. Retrospectively Rated Contracts & Contracts Subject to Redetermination

National had no retrospectively rated contracts or contracts subject to redetermination in 2012.

25. Changes in Incurred Losses and Loss Adjustment Expenses

Total net loss and LAE was \$24 million during the year ended December 31, 2012 compared with \$5 million during the year ended December 31, 2011. Total loss and LAE reserves were in a contra-liability position of \$109 million and \$3 million as of December 31, 2012 and December 31, 2011, respectively.

26. Intercompany Pooling Arrangements

National has not entered into any intercompany pooling arrangements.

27. Structured Settlements

National has not purchased any annuities in 2012.

28. Health Care Receivables

National does not have any health care receivables at December 31, 2012

29. Participating Policies

National had no participating accident and health contracts during 2012.

30. Premium Deficiency Reserves

National had no premium deficiency reserves during 2012. National does not anticipate investment income as a factor in its premium deficiency calculation.

31. High Deductibles

National has not recorded any reserve credits for high deductibles on unpaid claims during 2012.

32. Discounting of Liabilities for Unpaid Losses or Unpaid Loss Adjustment Expenses

Loss reserves are discounted on a non-tabular basis by applying a discount rate equal to the yield-to-maturity of National's fixed-income investment portfolio, excluding cash, cash equivalents and other investments not intended to defease long-term liabilities. National does not discount LAE reserves. The discount rates used at December 31, 2012 and December 31, 2011 were 4.54% and 4.77%, respectively. The amount of non-tabular discount as of December 31, 2012 was a negative \$150 million compared with \$2 million as of December 31, 2011.

33. Asbestos/Environmental Reserves

National has not written any policies which have been identified as having the potential for the existence of a liability due to asbestos or environmental losses.

34. Subscriber Savings Accounts

National is not a reciprocal insurance entity and, therefore, does not have subscriber savings accounts.

NOTES TO FINANCIAL STATEMENTS

35. Multiple Peril Crop Insurance

National does not write multiple peril crop insurance.

36. Financial Guaranty Insurance

(A)

- (1) Refer to "Note 1: Summary of Significant Accounting Policies" for a description of National's accounting policy for insurance premiums.
 - a. National has not recorded unearned premium related to future installment payments nor has it recorded premiums receivable on installment contracts at December 31, 2012.
 - b. The following table presents the undiscounted future amount of premiums expected to be collected and the period in which those collections are expected to occur.

In thousands	
1.	
(a) 1st Quarter 2013	\$ 2,234
(b) 2nd Quarter 2013	\$ 4,345
(c) 3rd Quarter 2013	\$ 4,260
(d) 4th Quarter 2013	\$ 5,902
(e) Year 2014	\$ 16,498
(f) Year 2015	\$ 16,171
(g) Year 2016	\$ 16,275
(h) Year 2017	\$ 15,934
2.	
(a) 2018 through 2022	\$ 73,121
(b) 2023 through 2027	\$ 61,593
(c) 2028 through 2032	\$ 54,169
(d) 2033 through 2037	\$ 42,701
(d) 2038 through 2042	\$ 32,783
(d) 2043 through 2047	\$ 19,340
(d) 2048 and thereafter	\$ 3.144

c. The following table presents a roll forward of National's undiscounted premiums receivable for the year ended December 31, 2012 as if all installment premium contracts were received on an upfront basis.

In thousands	
1. Expected future premiums - Beginning of Year	\$ 416,777
2. Less - Premium payments received for existing installment contracts	(19,094)
3. Add - Expected premium payments for new installment contracts	-
4. Adjustments to the expected future premium payments	(29,213)
5. Expected future premiums - End of Year	\$ 368,470

(2)

- (a) National's refunded premiums earned as of December 31, 2012 were \$260 million.
- (b) The following table presents the future expected premium revenue for non-installment contracts:

<i>C</i> 1	1 1	
In thousands		
1.		
(a) 1st Quarter 2013	\$	36,238
(b) 2nd Quarter 2013	\$	35,444
(c) 3rd Quarter 2013	\$	56,984
(d) 4th Quarter 2013	\$	38,337
(e) Year 2014	\$	143,744
(f) Year 2015	\$	127,781
(g) Year 2016	\$	118,938
(h) Year 2017	\$	112,686
2.		
(a) 2018 through 2022	\$	474,420
(b) 2023 through 2027	\$	362,190
(c) 2028 through 2032	\$	258,569
(d) 2033 and thereafter	\$	238,395

- (3) Claim liability:
- (a) The following table presents changes in National's loss and LAE reserve as of December 31, 2012. Changes in the loss and LAE reserve attributable to the accretion of the discount on the loss reserves, changes in discount rates, changes in

NOTES TO FINANCIAL STATEMENTS

the timing and amounts of estimated payments and recoveries, changes in assumptions and changes in LAE reserves are recorded in "Losses and loss adjustment expenses" in National's Statement of Income. LAE reserves are expected to be settled within a one year period and are not discounted. As of December 31, 2012, and 2011, the rate used to discount the claim liability was 4.54% and 4.77%, respectively.

(b) Significant components of the change in the claim liability for the period.

1. Accretion of the discount	\$ 145
2. Changes in timing of payments	25,222
3. New reserves for defaults of insured contracts	(131,052)
4.Change in deficiency reserves	-
5. Change in incurred but not reported claims	-
6. Total	\$ (105,685)

(B) National's Portfolio Surveillance Division ("PSD") monitors National's outstanding insured obligations with the quality or changes in the economic, regulatory or political environment, are at a heightened risk of defaulting on debt service of obligations insured by National. In such cases, PSD works with the issuer, trustee, bond counsel, servicer, underwriter and other interested parties in an attempt to alleviate or remedy the problem and avoid defaults on debt service payments. PSD works closely with National's Risk Management personnel and the applicable business unit to analyze insured obligation performance and credit risk parameters, both before and after an obligation is insured.

Once an obligation is insured, National typically requires the issuer, servicer (if applicable) and the trustee to furnish periodic financial and asset-related information, including audited financial statements, to PSD for review. PSD also monitors publicly available information related to insured obligations. Potential problems uncovered through this review include poor financial results, low fund balances, covenant violations and trustee or servicer problems or other events that could have an adverse impact on the insured obligation. Any one of these problems may trigger an immediate surveillance review and an evaluation of possible remedial actions. PSD also monitors and evaluates the impact on issuers of general economic conditions, current and proposed legislation and regulations, as well as state and municipal finances and budget developments.

Insured obligations are monitored periodically. The frequency and extent of such monitoring is based on the criteria and categories described below. Insured obligations that are judged to merit more frequent and extensive monitoring or remediation activities due to a deterioration in the underlying credit quality of the insured obligation or the occurrence of adverse events related to the underlying credit of the issuer are assigned to a surveillance category ("Caution List-Low," "Caution List-High," or "Classified List") depending on the extent of credit deterioration or the nature of the adverse events. PSD monitors insured obligations assigned to a surveillance category more frequently and, if needed, develops a remediation plan to address any credit deterioration.

National does not establish any case basis reserves for insured obligations that are assigned to "Caution List-Low," "Caution List-Medium," or "Caution List-High." However, LAE reserves are established for any expense that has been incurred, but not yet paid. In the event National expects to pay a claim as determined by probability-weighted cash flow analysis with respect to an insured transaction, it places the insured transaction on its "Classified List" and establishes a case basis reserve. The following provides a description of each surveillance category:

<u>"Caution List – Low"</u> - Includes issuers where debt service protection is adequate under current and anticipated circumstances. However, debt service protection and other measures of credit support and stability may have declined since the transaction was underwritten and the issuer is less able to withstand further adverse events. Transactions in this category generally require more frequent monitoring than transactions that do not appear within a surveillance category. PSD subjects issuers in this category to heightened scrutiny.

 $\label{eq:continuous} \begin{tabular}{ll} $``Caution List - Medium" - Includes issuers where debt service protection is adequate under current and anticipated circumstances, although adverse trends have developed and are more pronounced than for "Caution List - Low." Issuers in this category may have breached one or more covenants or triggers. These issuers are more closely monitored by PSD but generally take remedial action on their own.$

<u>"Caution List – High"</u> - Includes issuers where more proactive remedial action is needed but where no defaults on debt service payments are expected. Issuers in this category exhibit more significant weaknesses, such as low debt service coverage, reduced or insufficient collateral protection or inadequate liquidity, which could lead to debt service defaults in the future. Issuers in this category may have breached one or more covenants or triggers and have not taken conclusive remedial action. For these issuers, PSD adopts a remediation plan and takes more proactive remedial actions.

<u>"Classified List"</u> - Includes all insured obligations where National has paid a claim or where a claim payment is expected. It also includes insured obligations where a significant LAE payment has been made, or is expected to be made, to mitigate a claim payment. This may include property improvements, bond purchases and commutation payments. Generally, PSD is actively remediating these credits where possible, including participating in restructurings through legal proceedings, usually with the assistance of specialist counsel and advisors.

NOTES TO FINANCIAL STATEMENTS

The following table provides information about the financial guarantees and related claim liability included in each of National's surveillance categories as of December 31, 2012:

	Surveillance Categories										
		A		В		С		D			
	Cau	tion List	Caution List		Ca	ution	Classified				
In millions	Low		Medium		List High		List			Total	
1. Number of policies		20		9		7		48		84	
2. Remaining weighted-average contract											
period (in years)		11.1		7.4		12.8		13.1		11.7	
Insured contractual payments outstanding:(1)											
3a. Principal	\$	817	\$	190	\$	122	\$	843	\$	1,972	
3b. Interest		1,161		88		80		999		2,328	
3c. Total	\$	1,978	\$	278	\$	202	\$	1,842	\$	4,300	
4. Gross claim liability		-		-		-		321		321	
Less:											
5a. Gross potential recoveries								580		580	
5b. Discount, net								(150)		(150)	
6. Net claim liability							\$	(109)	\$	(109)	
7. Unearned premium revenue	\$	21	\$	4	\$	1	\$	24	\$	50	
8. Reinsurance recoverables		-		-		-		_		-	

⁽¹⁾ Represents contractual principal and interest due by the insurrer of the obligations insured by National.

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

GENERAL

1.1	Is the reporting entity which is an insurer?	y a member of an Insurance Holding Company Syst	em consisting of two or more affiliated persons, one or more of	Yes [)	(] No []			
1.2	regulatory official of disclosure substantia Insurance Holding C	the state of domicile of the principal insurer in the H Ily similar to the standards adopted by the National A	rance Commissioner, Director or Superintendent or with such lolding Company System, a registration statement providing Association of Insurance Commissioners (NAIC) in its Model ons pertaining thereto, or is the reporting entity subject to dby such Act and regulations?	X] No [] N/A []			
1.3	State Regulating?		Ne	w York				
2.1	Has any change bee reporting entity?	n made during the year of this statement in the chart	er, by-laws, articles of incorporation, or deed of settlement of the	Yes [] No [X]			
2.2	If yes, date of change	::						
3.1	State as of what date	the latest financial examination of the reporting entity	was made or is being made		12/31/2011			
3.2		hat the latest financial examination report became ava ate of the examined balance sheet and not the date the	ilable from either the state of domicile or the reporting entity. This ereport was completed or released.		12/31/2007			
3.3			ble to other states or the public from either the state of domicile or nination report and not the date of the examination (balance sheet		05/21/2009			
3.4	By what department of	or departments? Illinois Department of Insurance & Ne	w York State Department of Financial Services					
3.5	Have all financial sta		ination report been accounted for in a subsequent financial $$\operatorname{\mathtt{Yes}}$$	X] No [] N/A []			
3.6		mendations within the latest financial examination rep		X] No [
4.1	combination thereof	es representative, non-affiliated sales/service organization or any ees of the reporting entity) receive credit or commissions for or ss measured on direct 4.11 sales of new business? 4.12 renewals?	Yes [Yes [] No [X]] No [X]				
4.2		nization owned in whole or in part by the reporting entity or an nore than 20 percent of any major line of business measured on						
	direct premiums) of.		4.21 sales of new business?	Yes [] No [X]			
			4.22 renewals?	Yes [] No [X]			
5.1	Has the reporting enti	ity been a party to a merger or consolidation during the	e period covered by this statement?	Yes [] No [X]			
	ceased to exist as a r	result of the merger or consolidation. 1 Name of Entity	2 3 NAIC Company Code State of Domicile					
		,						
6.1	or revoked by any go	ity had any Certificates of Authority, licenses or regist vernmental entity during the reporting period? nation	trations (including corporate registration, if applicable) suspended	Yes [] No [X]			
6.2 7.1		n-United States) person or entity directly or indirectly o		Yes [] No [X]			
7.2	, , ,	To thick offices) person of chirty directly of manectly of	ontrol 1070 of more of the reporting entity:	100 [] 110 [11]			
	,	the percentage of foreign control						
		ager or attorney-in-fact and identify the type of entity(s); or if the entity is a mutual or reciprocal, the nationality of its s) (e.g., individual, corporation, government, manager or attorney-					
		1 2						
		Nationality	Type of Entity					
	<u></u>							
	<u></u>							

GENERAL INTERROGATORIES

8.1 8.2	Is the company a subsidiary of a bank holding company requirements of the bank holding company requirements to 8.1 is yes, please identify the name of the bank holding company requirements.		,	Yes []	No []	(]			
8.3 8.4	Is the company affiliated with one or more banks, thrifts or If response to 8.3 is yes, please provide the names and loc financial regulatory services agency [i.e. the Federal Reser Federal Deposit Insurance Corporation (FDIC) and the Secregulator.	cations (city and state of the main office) on the Board (FRB), the Office of the Comptro	oller of the Cu	rrency (OCC)	, the	,	Yes []	No []	(]
	1	2	3	4	5		6			
		Location								
	Affiliate Name	(City, State)	FRB	OCC	FDIC	S	EC	1		
9.	What is the name and address of the independent certified PricewaterhouseCoopers LLP, 300 Madison Avenue, New									
10.1	Has the insurer been granted any exemptions to the proh- requirements as allowed in Section 7H of the Annual Final law or regulation?					te	es []	No [X]
10.2	If the response to 10.1 is yes, provide information related to	o this exemption:								
10.3	Has the insurer been granted any exemptions related to allowed for in Section 17A of the Model Regulation, or subst		Financial Repo	orting Model F	Regulation a		es []	No [X]
10.4	If the response to 10.3 is yes, provide information related to $\frac{1}{2}$									
10 E	Lies the reporting entity established on Audit Committee in	compliance with the demicilian, state inc.	ranca lawa?		V	es [X]	No [1 1	u/A r	1
	Has the reporting entity established an Audit Committee in If the response to 10.5 is no or n/a, please explain	compliance with the domiciliary state inst	rance laws?		10	29 [V]	NO [] '	V/A [1
11.	What is the name, address and affiliation (officer/emplor consulting firm) of the individual providing the statement of Mark Littmann, Actuary, PricewaterhouseCoopers LLP, 18									
12.1	Does the reporting entity own any securities of a real estate		Yes [X 1	No [1				
	2000 the reporting only contains out a roal colding company or cities meeting contains.									
		12.11 Name of rea				Holding	-			
		12.12 Number of p 12.13 Total book/a				\$				
12.2	If yes, provide explanation	12.13 Total books	adjusted carry	ing value		Ψ		00	, , , , , , , , , , , , , , , , , , , ,	,0
	Refer to Note 10, "Information Concerning Parent, Subsid	liaries, Affiliates and Other Related Partie	s."							
13.	FOR UNITED STATES BRANCHES OF ALIEN REPORTIN	NG ENTITIES ONLY:								
13.1	What changes have been made during the year in the Unit	ed States manager or the United States tr	rustees of the	reporting entit	:y?					
	Does this statement contain all business transacted for the Have there been any changes made to any of the trust inde		Branch on ris	ks wherever lo	ocated?		Yes [Yes []	No []
	If answer to (13.3) is yes, has the domiciliary or entry state	• ,			Ye		No [11	N/A [l I
	Are the senior officers (principal executive officer, principal similar functions) of the reporting entity subject to a code of	al financial officer, principal accounting of		oller, or person		ng		,	No []
	a. Honest and ethical conduct, including the ethical hand relationships;				I profession	al				
	b. Full, fair, accurate, timely and understandable disclosure		d by the repor	ting entity;						
	c. Compliance with applicable governmental laws, rules an	• ,	do: and							
	 d. The prompt internal reporting of violations to an appropri e. Accountability for adherence to the code. 	late person or persons identified in the co-	ide, and							
14.11	If the response to 14.1 is no, please explain:									
								_		., -
	Has the code of ethics for senior managers been amended					,	Yes []	No [(]
14.21	If the response to 14.2 is yes, provide information related to	o amendment(s)								
14.3	Have any provisions of the code of ethics been waived for	any of the specified officers?					Yes [1	No [X 1
	14.31 If the response to 14.3 is yes, provide the nature of any waiver(s).									,

GENERAL INTERROGATORIES

Yes [] No [X]

15.1 Is the reporting entity the beneficiary of a Letter of Credit that is unrelated to reinsurance where the issuing or confirming bank is not on the SVO Bank List?

	1	2		3		4		_	7	
	American Bankers Association (ABA) Routing Number	Issuing or Confirming Bank Name	Circumstance	s That Can Trigger the Letter of Credit						
		BOARD OF I	DIRECTORS	3						
	Is the purchase or sale of all investments of thereof?					Ye	s [)	(]	No]
7.	Does the reporting entity keep a complete thereof?	permanent record of the proceeding	gs of its board of	f directors and all subordinate commi	tees	Ye	s [)	()	No	[
8.	Has the reporting entity an established proof the part of any of its officers, directors, trus such person?					Ye	s [)	(]	No]
		FINANCIAL								
9.	Has this statement been prepared using a b Accounting Principles)?	asis of accounting other than Statutor	ry Accounting Pri	nciples (e.g., Generally Accepted		Ye	1 2	1	No I	[]
0.1	Total amount loaned during the year (inclusi	20.11 To directors or other officers 20.12 To stockholders not officers 20.13 Trustees, supreme or grand	\$							
0.2	Total amount of loans outstanding at the enopolicy loans):	d of year (inclusive of Separate Accou	unts, exclusive of	(Fraternal only) 20.21 To directors or other officers						
		20.22 To stockholders not officers 20.23 Trustees, supreme or grand (Fraternal only)	•							
1.1	Were any assets reported in this statement sobligation being reported in the statement?	subject to a contractual obligation to t	ransfer to anothe	er party without the liability for such		Ye	s []	No]
1.2	If yes, state the amount thereof at Decembe	om others I from others	•							
			21.23 Leased fr							
			21.24 Other		\$					
2.1	Does this statement include payments for as guaranty association assessments?	sessments as described in the Annu	al Statement Inst	tructions other than guaranty fund or		Ye	s []	No	[
2.2	If answer is yes:			paid as losses or risk adjustment paid as expenses						
			22.23 Other an	•						
3.1	Does the reporting entity report any amounts	•	•	of this statement?					No	
3.2	If yes, indicate any amounts receivable from				\$				(19,	,91
		INVEST	MENT							
	Were all the stocks, bonds and other securit the actual possession of the reporting entity	on said date? (other than securities le			, in	Ye	s []	No	[X
1.02	If no, give full and complete information, rela Securities are held pursuant to a custodial	· ·	n Interrogatory 28	3						
1.03	For security lending programs, provide a content whether collateral is carried on or off-balance	description of the program including e sheet. (an alternative is to reference	value for collate e Note 17 where	eral and amount of loaned securities, this information is also provided)	and					
.04	Refer to Note 5, Section E of the Notes to 6 Does the company's security lending progr Instructions?		•	, , ,	I]	No [1	NA	[]
.05	If answer to 24.04 is yes, report amount of collateral for conforming programs.									
	If answer to 24.04 is no, report amount of co	, •			\$					
1.07	Does your securities lending program requoutset of the contract?	ire 102% (domestic securities) and	105% (foreign s	ecurities) from the counterparty at the	Yes []	No []	NA	[]
80.4	Does the reporting entity non-admit when the	e collateral received from the counter	party falls below	100%?	Yes []	No []	NA	[
	Does the reporting entity or the reporting econduct securities lending?				Yes []	No []	NA	[
4.10	For the reporting entity's security lending pro	_	-		•					
		of reinvested collateral assets reporte sted/carrying value of reinvested colla		,	\$ \$					
	•	r securities lending reported on the li	•	,	\$					

GENERAL INTERROGATORIES

25.1 Were any of the stocks, bonds or other assets of the reporting entity owned at December 31 of the current year not exclusively uncontrol of the reporting entity or has the reporting entity sold or transferred any assets subject to a put option contract that is currently in (Exclude securities subject to Interrogatory 21.1 and 24.03).										X] No	[]
25.2	If yes, state the a	amount thereof at December 31 o	f the current year:								
				25.21	Subject to	repurchase	agreements	\$		480,50	0,000
				25.22	Subject to	reverse rep	urchase agreements	\$		480 , 50	0,000
				25.23		-	chase agreements				
				25.24	•	-	ar repurchase agreements				
				25.25	•		ar reparenase agreements				
					·	s collateral		•			
				25.26		der option ag		•			
				25.27			es restricted as to sale				
				25.28	On depos	it with state o	or other regulatory body				
				25.29	Other			\$			
25.3	For category (25	.27) provide the following:									
		1 Nature of Restriction				2 Descripti	on		3 Amount		
								.			
				İ				i		İ	
								1			
26.1	Does the reporting	ng entity have any hedging transa	ctions reported on	Schedule DB	?				Yes [] No	[X]
26.2		nprehensive description of the hear escription with this statement.	lging program beer	n made availa	ble to the do	miciliary stat	e?	Yes [] No [] N/A	[X]
27.1		red stocks or bonds owned as of lertible into equity?	December 31 of the	e current year	mandatorily	convertible i	nto equity, or, at the option of		Yes [] No	[X]
27.2	If yes, state the a	\$									
28.	entity's offices, v pursuant to a cus	in Schedule E – Part 3 – Special I aults or safety deposit boxes, we stodial agreement with a qualified F. Outsourcing of Critical Function	e all stocks, bonds bank or trust comp	and other second	curities, own lance with S	ed throughou ection 1, III –	ut the current year held General Examination		Yes [)	(] No	[]
28.01	For agreements	that comply with the requirements		ncial Condition	n Examiners	Handbook, c	·	7			
		Name of	1 Custodian(s)			Custodi	2 an's Address				
		J.P. Morgan Chase Bank		1 Chase Manhattan Plaza, New York, NY 10005							
28.02		nts that do not comply with the recomplete explanation:	uirements of the N	AIC Financial	l Condition E	xaminers Ha	andbook, provide the name,				
		1 Nama(a)		2	(a)		3 Complete Explanation(s)				
		Name(s)		Location	(8)		Complete Explanation(s)				
		any changes, including name ch nd complete information relating t		dian(s) identif	ied in 28.01	during the cu	urrent year?		Yes [] No	[X]
		1		2		3 Date of	4				
		Old Custodian	New	Custodian		Change	Reason				
	[<u> </u>				I				
28.05		ment advisors, brokers/dealers or e securities and have authority to					access to the investment				
	Cei	1 ntral Registration Depository Num	iber(s)	2 Name			3 Address				
	107	200	Cutwater I	nvestors Ser	vice Corp	113 k	King Street, Armonk, NY 1050	4			

GENERAL INTERROGATORIES

29.1	Does the reporting entity have any diversified mutual funds reported in Schedule D - Part 2 (diversified according to the Securities and	
	Exchange Commission (SEC) in the Investment Company Act of 1940 [Section 5 (b) (1)])?	

Yes	[]	1 N	o [χ	(1

29.2 If yes, complete the following schedule:

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

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

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

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

	1 Statement (Admitted)	2	3 Excess of Statement over Fair Value (-), or Fair Value
	Statement (Admitted) Value	Fair Value	over Statement (+)
30.1 Bonds	3,472,994,276		108,636,611
30.2 Preferred Stocks	0	0	0
30.3 Totals	3,472,994,276	3,581,630,887	108,636,611

30.4 Describe the sources or methods utilized in determining the fair values:

The fair value of bonds is based upon the market prices published by the NAIC Securities Valuation Office ("SVO)", if applicable. If the NAIC SVO published market price is unavailable fair value is determined by using independent market source or appropriate valuation methodologies.

- 31.1 Was the rate used to calculate fair value determined by a broker or custodian for any of the securities in Schedule D?
- 31.2 If the answer to 31.1 is yes, does the reporting entity have a copy of the broker's or custodian's pricing policy (hard copy or electronic copy) for all brokers or custodians used as a pricing source?
- 31.3 If the answer to 31.2 is no, describe the reporting entity's process for determining a reliable pricing source for purposes of disclosure of fair value for Schedule D:

Prices are evaluated for reasonableness by comparing current prices to prior month's prices. The portfolio management group reviews the portfolio valuations received from third-party valuators and compares the valuations to similar trades in the market or spread levels published in dealer research.

- 32.1 Have all the filing requirements of the *Purposes and Procedures Manual* of the NAIC Securities Valuation Office been followed?
- 32.2 If no, list exceptions:

Yes	ſ	Χ	1	No	[1

Ye	S	N	0 [Χ	

Yes [X] No []

GENERAL INTERROGATORIES

OTHER

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

1 Name	2 Amount Paid
Standard & Poor's Financial Services	\$1,826,475
Moody's Investors Service, Inc	\$1,258,134

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

1	2
Name	Amount Paid
Kasowitz, Benson, Torres & Friedman.	\$22.692.937
	,,,,,,

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

1 Name	2 Amount Paid
Looper, Reed, & McGraw P.C.	\$153,649
Holland & Knight	\$120.000

GENERAL INTERROGATORIES

PART 2 - PROPERTY & CASUALTY INTERROGATORIES

1.1	Does the reporting entity have any direct Medicare Supp	lement Insurance in force?	·			Yes [] No [X]
1.2	2 If yes, indicate premium earned on U. S. business only						0
1.3	What portion of Item (1.2) is not reported on the Medicar	e Supplement Insurance E	xperience Exhib	it?		\$	
	1.31 Reason for excluding						
1.4	Indicate amount of earned premium attributable to Cana	dian and/or Other Alien not	t included in Item	າ (1.2) above		\$	
1.5	Indicate total incurred claims on all Medicare Supplement	t insurance.				\$	0
1.6	Individual policies:						
			Most current thre	ee years:			
			1.61 Total prem	nium earned			
			1.62 Total incur	rred claims		\$	0
			1.63 Number of	f covered lives			0
			All years prior to	most current three years	3:		
			1.64 Total prem	nium earned		\$	0
			1.65 Total incur	rred claims		\$	0
			1.66 Number of	f covered lives			0
1.7	Group policies:						
			Most current thre	ee years:			
			1.71 Total prem	nium earned		\$	0
			1.72 Total incur	rred claims		\$	0
			1.73 Number of	f covered lives			0
			All years prior to	most current three years	s:		
			1.74 Total prem	nium earned		\$	0
			1.75 Total incur	rred claims		\$	0
			1.76 Number of	f covered lives			0
2.	Health Test:						
				1	2		
				Current Year	Prior Y		
	2.1	Premium Numerator				0	
	2.2	Premium Denominator	\$	0 \$		0	
	2.3	Premium Ratio (2.1/2.2)		0.000		0 . 000	
	2.4	Reserve Numerator				0	
	2.5	Reserve Denominator	\$	0 \$		0	
	2.6	Reserve Ratio (2.4/2.5)		0.000		0 . 000	
3.1	Does the reporting entity issue both participating and no					Yes [] No [X]
3.2	If yes, state the amount of calendar year premiums written						
				ng policies			
			3.22 Non-partici	ipating policies		5	
4.	For Mutual reporting entities and Reciprocal Exchanges	only:					
4.1	Does the reporting entity issue assessable policies?	=				Yes [] No []
4.2	Does the reporting entity issue non-assessable policies?					Yes [] No []
4.3	If assessable policies are issued, what is the extent of the						
4.4	Total amount of assessments paid or ordered to be paid	during the year on deposit	notes or conting	jent premiums		\$	
5.	For Reciprocal Exchanges Only:						
						1 20V	
5.1						169 1] No []
5.1 5.2	Does the exchange appoint local agents? If yes, is the commission paid:					165 [] No []
	Does the exchange appoint local agents?			orney's-in-fact compensat] No []
	Does the exchange appoint local agents?		5.21 Out of Atto		tion		[] N/A []
	Does the exchange appoint local agents? If yes, is the commission paid: What expenses of the Exchange are not paid out of the	compensation of the Attorn	5.21 Out of Atto 5.22 As a direct ey-in-fact?	orney's-in-fact compensate expense of the exchange	tion e	Yes [] No Yes [] No	[] N/A []
5.2	Does the exchange appoint local agents? If yes, is the commission paid: What expenses of the Exchange are not paid out of the order to be a second out	compensation of the Attorn	5.21 Out of Atto 5.22 As a direct ey-in-fact?	orney's-in-fact compensate expense of the exchange	tion	Yes [] No Yes [] No	[] N/A [] [] N/A []
5.2	Does the exchange appoint local agents? If yes, is the commission paid: What expenses of the Exchange are not paid out of the	compensation of the Attorn	5.21 Out of Atto 5.22 As a direct ey-in-fact?	orney's-in-fact compensate expense of the exchange	tion	Yes [] No Yes [] No	[] N/A []

GENERAL INTERROGATORIES PART 2 - PROPERTY & CASUALTY INTERROGATORIES

6.1	What provision has this reporting entity made to protect itself from an excessive loss in the event of a catastrophe under a workers' compensation contract issued without limit of loss: Not applicable.					
6.2	Describe the method used to estimate this reporting entity's probable maximum insurance loss, and identify the type of insured exposures comprising that probable maximum loss, the locations of concentrations of those exposures and the external resources (such as consulting firms or computer software models), if any, used in the estimation process: Refer to Note 1, Section C of the Notes to Financial Statements for a detailed description of the method used to estimate losses.					
6.3	What provision has this reporting entity made (such as a catastrophic reinsurance program) to protect itself from an excessive loss arising from the types and concentrations of insured exposures comprising its probable maximum property insurance loss? The company has established a contingency reserve which protects all policyholders against excessive loss.					
6.4	Does the reporting entity carry catastrophe reinsurance protection for at least one reinstatement, in an amount sufficient to cover its estimated probable maximum loss attributable to a single loss event or occurrence?	Yes	ſ	1	No [X 1
6.5	If no, describe any arrangements or mechanisms employed by the reporting entity to supplement its catastrophe reinsurance program or to hedge its exposure to unreinsured catastrophic loss Refer to Interrogatory 6.3 related to contingency reserve	.00	ι	,	[. 1
7.1	Has the reporting entity reinsured any risk with any other entity under a quota share reinsurance contract that includes a provision that would limit the reinsurer's losses below the stated quota share percentage (e.g., a deductible, a loss ratio corridor, a loss cap, an aggregate limit or any similar provisions)?	Yes]]	No [Х]
7.2 7.3	If yes, indicate the number of reinsurance contracts containing such provisions					
8.1 8.2	provision(s)?Has this reporting entity reinsured any risk with any other entity and agreed to release such entity from liability, in whole or in part, from any loss that may occur on this risk, or portion thereof, reinsured? If yes, give full information		•		No [-
9.1	Has the reporting entity ceded any risk under any reinsurance contract (or under multiple contracts with the same reinsurer or its affiliates) for which during the period covered by the statement: (i) it recorded a positive or negative underwriting result greater than 5% of prior yearend surplus as regards policyholders or it reported calendar year written premium ceded or year-end loss and loss expense reserves ceded greater than 5% of prior year-end surplus as regards policyholders; (ii) it accounted for that contract as reinsurance and not as a deposit; and (iii) the contract(s) contain one or more of the following features or other features that would have similar results:					
	(a) A contract term longer than two years and the contract is noncancellable by the reporting entity during the contract term; (b) A limited or conditional cancellation provision under which cancellation triggers an obligation by the reporting entity, or an affiliate of					
	the reporting entity, to enter into a new reinsurance contract with the reinsurer, or an affiliate of the reinsurer; (c) Aggregate stop loss reinsurance coverage;					
	(d) A unilateral right by either party (or both parties) to commute the reinsurance contract, whether conditional or not, except for such provisions which are only triggered by a decline in the credit status of the other party; (e) A provision permitting reporting of losses, or payment of losses, less frequently than on a quarterly basis (unless there is no activity					
	during the period); or					
0.0	(f) Payment schedule, accumulating retentions from multiple years or any features inherently designed to delay timing of the reimbursement to the ceding entity.	Yes	[]	No [Х]
9.2	Has the reporting entity during the period covered by the statement ceded any risk under any reinsurance contract (or under multiple contracts with the same reinsurer or its affiliates), for which, during the period covered by the statement, it recorded a positive or negative underwriting result greater than 5% of prior year-end surplus as regards policyholders or it reported calendar year written premium ceded or year-end loss and loss expense reserves ceded greater than 5% of prior year-end surplus as regards policyholders; excluding cessions to approved pooling arrangements or to captive insurance companies that are directly or indirectly controlling, controlled by, or under common control with (i) one or more unaffiliated policyholders of the reporting entity, or (ii) an association of which one or more unaffiliated policyholders of the reporting entity is a member where:					
	(a) The written premium ceded to the reinsurer by the reporting entity or its affiliates represents fifty percent (50%) or more of the entire direct and assumed premium written by the reinsurer based on its most recently available financial statement; or					
	(b) Twenty–five percent (25%) or more of the written premium ceded to the reinsurer has been retroceded back to the reporting entity or its affiliates in a separate reinsurance contract.	Yes	[]	No [х]
9.3	If yes to 9.1 or 9.2, please provide the following information in the Reinsurance Summary Supplemental Filing for General Interrogatory 9: (a) The aggregate financial statement impact gross of all such ceded reinsurance contracts on the balance sheet and statement of					
	income; (b) A summary of the reinsurance contract terms and indicate whether it applies to the contracts meeting the criteria in 9.1 or 9.2; and					
	(c) A brief discussion of management's principle objectives in entering into the reinsurance contract including the economic purpose to be achieved.					
9.4	Except for transactions meeting the requirements of paragraph 31 of SSAP No. 62R, Property and Casualty Reinsurance, has the reporting entity ceded any risk under any reinsurance contract (or multiple contracts with the same reinsurer or its affiliates) during the period covered by the financial statement, and either:					
	(a) Accounted for that contract as reinsurance (either prospective or retroactive) under statutory accounting principles ("SAP") and as a deposit under generally accepted accounting principles ("GAAP"); or					
9.5	(b) Accounted for that contract as reinsurance under GAAP and as a deposit under SAP? If yes to 9.4, explain in the Reinsurance Summary Supplemental Filing for General Interrogatory 9 (Section D) why the contract(s) is	Yes	[]	No [Х]
9.6	treated differently for GAAP and SAP. The reporting entity is exempt from the Reinsurance Attestation Supplement under one or more of the following criteria:					
	(a) The entity does not utilize reinsurance; or, (b) The entity only engages in a 100% quota share contract with an affiliate and the affiliated or lead company has filed an attestation	Yes	[]	No [Х]
	supplement; or	Yes	[]	No [Х]
	(c) The entity has no external cessions and only participates in an intercompany pool and the affiliated or lead company has filed an attestation supplement.	Yes	[]	No [Х]
10.	If the reporting entity has assumed risks from another entity, there should be charged on account of such reinsurances a reserve equal to that which the original entity would have been required to charge had it retained the risks. Has this been done?	Yes [X]	No	[] N/A	[]

GENERAL INTERROGATORIES

PART 2 - PROPERTY & CASUALTY INTERROGATORIES

	Has the reporting entity guaranteed policie If yes, give full information		•			Yes	[]	No [)	(]
12.1	If the reporting entity recorded accrued re the amount of corresponding liabilities rec 12.11 Unpaid losses.	trospective premiums or orded for:	on insurance contracts or	Line 15.3 of the asset school	edule, Page 2, state				
	12.12 Unpaid underwriting expe								
	Of the amount on Line 15.3, Page 2, state If the reporting entity underwrites commer accepted from its insureds covering unpai	cial insurance risks, su	ch as workers' compens	ation, are premium notes or	promissory notes				
12.4	If yes, provide the range of interest rates of 12.41 From			•					
12.5	Are letters of credit or collateral and other promissory notes taken by a reporting ent losses under loss deductible features of c	funds received from in ity, or to secure any of	sureds being utilized by the reporting entity's reporting	he reporting entity to secure orted direct unpaid loss rese	e premium notes or erves, including unpaid			No [)	
12.6	If yes, state the amount thereof at Decem								
	12.62 Collateral and other funds	S							
	Largest net aggregate amount insured in any one risk (excluding workers' compensation): Does any reinsurance contract considered in the calculation of this amount include an aggregate limit of recovery without also including a reinstatement provision?							2,921,83 No (
13.3	State the number of reinsurance contracts facilities or facultative obligatory contracts	(excluding individual f	acultative risk certificates	s, but including facultative p	rograms, automatic		. ,		. 1
14.1 14.2	Is the company a cedant in a multiple ced If yes, please describe the method of alloo	cating and recording rei	insurance among the ced	lants:		Yes	[]	No [)	(]
14.3	If the answer to 14.1 is yes, are the method contracts?					Yes	[]	No [1
14.4 14.5	If the answer to 14.3 is no, are all the met If the answer to 14.4 is no, please explain	hods described in 14.2	entirely contained in writ	ten agreements?		Yes	[]	No []
15.1 15.2	Has the reporting entity guaranteed any fill fyes, give full information	nanced premium accou	unts?			Yes	[]	No [)	(]
16.1	Does the reporting entity write any warran	ty business?				Yes	[]	No [X	()
	If yes, disclose the following information for	or each of the following	types of warranty covera	ige:					
		1 Direct Losses Incurred	2 Direct Losses Unpaid	3 Direct Written Premium	4 Direct Premium Unearned	Dire	5 ect Pr Earn	emium ed	
16.11	Home \$	\$		\$	\$. \$			
16.12	Products \$	\$		\$	\$. \$			
16.13	Automobile \$	\$		\$	\$. \$			
	Other* \$								

^{*} Disclose type of coverage:

GENERAL INTERROGATORIES PART 2 - PROPERTY & CASUALTY INTERROGATORIES

Schedule F – Part 5. Provide the followers		 July 1, 1984, and not subsequently renewed are exempt from inclusion exemption: 	111		
	17.11	Gross amount of unauthorized reinsurance in Schedule F – Part 3 excluded from Schedule F – Part 5	\$		
	17.12	Unfunded portion of Interrogatory 17.11	\$		
	17.13	Paid losses and loss adjustment expenses portion of Interrogatory 17.11	\$		
	17.14	Case reserves portion of Interrogatory 17.11	\$		
	17.15	Incurred but not reported portion of Interrogatory 17.11	\$		
	17.16	Unearned premium portion of Interrogatory 17.11			
	17.17	Contingent commission portion of Interrogatory 17.11	\$		
Provide the following information for above.	all other amounts included	d in Schedule F – Part 3 and excluded from Schedule F – Part 5, not include	ed		
S S	all other amounts included	Gross amount of unauthorized reinsurance in Schedule E – Part 3			
•	17.18	Gross amount of unauthorized reinsurance in Schedule F – Part 3 excluded from Schedule F – Part 5	\$		
•	17.18 17.19	Gross amount of unauthorized reinsurance in Schedule F – Part 3 excluded from Schedule F – Part 5 Unfunded portion of Interrogatory 17.18	\$ \$		
9	17.18 17.19 17.20	Gross amount of unauthorized reinsurance in Schedule F – Part 3 excluded from Schedule F – Part 5 Unfunded portion of Interrogatory 17.18 Paid losses and loss adjustment expenses portion of Interrogatory 17.18	\$ \$ \$		
•	17.18 17.19	Gross amount of unauthorized reinsurance in Schedule F – Part 3 excluded from Schedule F – Part 5	\$ \$ \$ \$		
<u> </u>	17.18 17.19 17.20	Gross amount of unauthorized reinsurance in Schedule F – Part 3 excluded from Schedule F – Part 5 Unfunded portion of Interrogatory 17.18 Paid losses and loss adjustment expenses portion of Interrogatory 17.18 Case reserves portion of Interrogatory 17.18 Incurred but not reported portion of Interrogatory 17.18	\$ \$ \$ \$		
9	17.18 17.19 17.20 17.21	Gross amount of unauthorized reinsurance in Schedule F – Part 3 excluded from Schedule F – Part 5 Unfunded portion of Interrogatory 17.18 Paid losses and loss adjustment expenses portion of Interrogatory 17.18 Incurred but not reported portion of Interrogatory 17.18 Unearned premium portion of Interrogatory 17.18 Unearned premium portion of Interrogatory 17.18	\$\$\$\$\$\$\$		
9	17.18 17.19 17.20 17.21 17.22	Gross amount of unauthorized reinsurance in Schedule F – Part 3 excluded from Schedule F – Part 5 Unfunded portion of Interrogatory 17.18 Paid losses and loss adjustment expenses portion of Interrogatory 17.18 Case reserves portion of Interrogatory 17.18 Incurred but not reported portion of Interrogatory 17.18	\$\$\$\$\$\$\$		
above.	17.18 17.19 17.20 17.21 17.22 17.23	Gross amount of unauthorized reinsurance in Schedule F – Part 3 excluded from Schedule F – Part 5 Unfunded portion of Interrogatory 17.18 Paid losses and loss adjustment expenses portion of Interrogatory 17.18 Incurred but not reported portion of Interrogatory 17.18 Unearned premium portion of Interrogatory 17.18 Unearned premium portion of Interrogatory 17.18	\$\$\$\$\$\$		
above. Do you act as a custodian for health:	17.18 17.19 17.20 17.21 17.22 17.23 17.24 savings accounts?	Gross amount of unauthorized reinsurance in Schedule F – Part 3 excluded from Schedule F – Part 5	\$s \$s \$s \$s	······································	No [X

18.4 If yes, please provide the balance of the funds administered as of the reporting date.

FIVE-YEAR HISTORICAL DATA

	Show amounts in whole	dollars only, no cents	s; show percentages to 2	o one decimal place, i	i.e., 17.6. 4	5
		2012	2011	2010	2009	2008
	Premiums Written (Page 8, Part 1B, Cols. 1, 2 & 3)					
1.	Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)	0	0	0	0	0
2.	Property lines (Lines 1, 2, 9, 12, 21 & 26)	0	0	0	0	0
1	Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)		0	0	0	0
4.	All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)		(21,865,520)	109,600,047	3,509,495,112	5,925
5.	Nonproportional reinsurance lines (Lines 31, 32 & 33)	0	0	0	0	0
6.	Total (Line 35)	(4,836,698)	(21,865,520)	109,600,047	3,509,495,112	5,925
Net Pr	emiums Written (Page 8, Part 1B, Col. 6)					
	Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)	0	0	0	0	0
	Property lines (Lines 1, 2, 9, 12, 21 & 26)	0	0	0	0	0
9.	Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	0	0		0	0
10.	All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	(4 926 712)	(21 965 541)	100 600 015	2 510 015 062	0
11.	Nonproportional reinsurance lines		(21,003,541)	610,000,001	200,915,003	
12	(Lines 31, 32 & 33)	(4.926.712)	(21,865,541)	109,600,015	3.510.915.063	0
	nent of Income (Page 4)	(4,030,713)	(21,000,041)	09,000,013	3,510,915,005	
1	Net underwriting gain (loss) (Line 8)	281,256,620	300,657,494	248,250,699	(523 , 587 , 835)	(565,056)
14.	Net investment gain (loss) (Line 11)	286,485,557			, , , ,	8,132,452
15.	Total other income (Line 15)	(2,757)				(548)
	Dividends to policyholders (Line 17)		0	0	0	0
17.	Federal and foreign income taxes incurred	450 000 450	407 500 000	00 444 540	(0.070.045)	000 004
10	(Line 19)		127,592,283 477,889,601	96,411,549 408,802,905	(8,672,215)	929,821
	Net income (Line 20) ce Sheet Lines (Pages 2 and 3)	410,312,904			(೭೮೮ , 1 10 , 199)	
	Total admitted assets excluding protected cell					
	business (Page 2, Line 26, Col. 3)	5,726,156,263	6,656,074,483	7,289,955,528	6,988,601,172	187 , 411 , 492
20.	Premiums and considerations (Page 2, Col. 3)					
	20.1 In course of collection (Line 15.1)	0	0	0	0	0
	20.2 Deferred and not yet due (Line 15.2)	0		0	0	0
	20.3 Accrued retrospective premiums (Line 15.3)	0	0	0	0	0
21.	Total liabilities excluding protected cell business (Page 3, Line 26)	3.727.617.459	5.232.412.371	6,382,235,984	6,335,171,620	2,273,826
22.	Losses (Page 3, Line 1)				163,604,140	0
	Loss adjustment expenses (Page 3, Line 3)			(31,277,913)	(27,580,000)	0
24.	Unearned premiums (Page 3, Line 9)	2,040,719,631	2,484,900,153		3,125,504,490	0
25.	Capital paid up (Page 3, Lines 30 & 31)	15,000,000	15,000,000	15,000,000	15,000,000	5,000,000
	Surplus as regards policyholders (Page 3, Line 37)	1,998,538,804	1,423,662,112	907 , 719 , 544	653,429,552	185 , 137 , 666
	Flow (Page 5)	(244 220 272)	(260 E06 000)	225 050 777	2 000 020 474	E 044 140
	Net cash from operations (Line 11) Based Capital Analysis	(311,328,373)	(208,500,000)	225,059,777	2,909,920,474	5,944,142
	Total adjusted capital	0	0	0	0	0
29.	Authorized control level risk-based capital	0		0	0	0
	ntage Distribution of Cash, Cash Equivalents					
and In	vested Assets					
	(Page 2, Col. 3)(Item divided by Page 2, Line 12,					
20	Col. 3) x 100.0 Bonds (Line 1)	51 1	40.6	73.0	73.5	64.0
	Stocks (Lines 2.1 & 2.2)					0.0
32	Mortgage loans on real estate (Lines 3.1 and 3.2)	0.0				0.0
33.	Real estate (Lines 4.1, 4.2 & 4.3)	0.0	0.0			0.0
34.	Cash, cash equivalents and short-term investments					
1	(Line 5)	15.1	29.8		26.5	
35.	Contract loans (Line 6)	0.0	0.0			0.0
36.	Derivatives (Line 7) Other invested assets (Line 8)	U.U			XXX	
38.		0.3	0 0		0.0	
1	Securities lending reinvested collateral assets (Line					
	10)	0.0	0.0		xxx	
	Aggregate write-ins for invested assets (Line 11)	29.2	17.1	0.0	0.0	0.0
41.	Cash, cash equivalents and invested assets (Line 12)	100.0	100.0	100.0	100.0	100.0
Invest	ments in Parent, Subsidiaries and Affiliates					100.0
42.	Affiliated bonds, (Sch. D, Summary, Line 12, Col. 1)	0	0	0 [0	0
1	Affiliated proferred stocks					
	(Sch. D, Summary, Line 18, Col. 1)	0	0	0	0	0
44.	Affiliated common stocks (Sch. D, Summary, Line 24, Col. 1)	0	0	0	n	0
45.	Affiliated abort term investments (subtetals included					
	in Schedule DA Verification, Col. 5, Line 10)					0
	Affiliated mortgage loans on real estate		0			0
	All other affiliated		68,806,501	61,510,341	0	0
48.		66,713,365	68,806,501	61,510,341	0	0
4.0	Total Investment in parent included in Lines 42 to 47					
	above			-		
	abovePercentage of investments in parent, subsidiaries					
	above	3.3	4.8			

FIVE-YEAR HISTORICAL DATA

		1	tinued) 2	3	4	5
Capita	Il and Surplus Accounts (Page 4)	2012	2011	2010	2009	2008
•						
51.	Net unrealized capital gains (losses) (Line 24)	7 ,946 ,732	1,643,014	(4,331,703)	(122,120)	
	Dividends to stockholders (Line 35)	0	0	0	0	
53.	Change in surplus as regards policyholders for the year (Line 38)	574,876,691	515,942,567	254,289,994	468,291,888	6,945,453
Gross	Losses Paid (Page 9, Part 2, Cols. 1 & 2)					
54.	Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)	0	0	0	0	(
55.	Property lines (Lines 1, 2, 9, 12, 21 & 26)	0	0	0	0	(
56.	Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	0	0	0	0	
57.	All other lines	400 407 500	444 400 500	70, 400, 000	00 040 000	(4, 000, 040
	(Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)		111,169,536	73,180,328	20,218,928	(1,032,843
58.	Nonproportional reinsurance lines (Lines 31, 32 & 33)	0	0	0	0	(
59.	Total (Line 35)	102 , 127 , 566	111,169,536	73 , 180 , 328		
Net Lo	esses Paid (Page 9, Part 2, Col. 4)					
60.	Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)	0	0	0	0	
61	Property lines (Lines 1, 2, 9, 12, 21 & 26)	U	0			
62.	Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)					
63.	All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)					
64.						
0.5	Nonproportional reinsurance lines (Lines 31, 32 & 33) Total (Line 35)	100 107 500	0	72, 400, 220	0 240 020	(
65.	Total (Line 35)	102 , 127 , 500	111,109,530	73, 180,328	20,218,928	L
	ting Percentages (Page 4) livided by Page 4, Line 1) x 100.0					
	Premiums earned (Line 1)					
	Losses incurred (Line 2)			10.2		0.0
68.	Loss expenses incurred (Line 3)	4.0		4.3		0.0
69.	Other underwriting expenses incurred (Line 4)	30.5		68.5		
70.	Net underwriting gain (loss) (Line 8)	04.0	02.2	06.5	(133.9)	UU
Other	Percentages					
71.	Other underwriting expenses to net premiums written (Page 4, Lines 4 + 5 - 15 divided by	(0.700.5)	(275.0)	50.4		
	Page 8, Part 1B, Col. 6, Line 35 x 100.0)	(2,766.5)	(2/5.8)	56.4	23.2	0.0
72.	Losses and loss expenses incurred to premiums earned (Page 4, Lines 2 + 3 divided by Page 4, Line 1 x 100.0)	5.5	1.3	14.5	24.7	0.0
73.	Net premiums written to policyholders' surplus					
	(Page 8, Part 1B, Col. 6, Line 35 divided by Page 3, Line 37, Col. 1 x 100.0)	(0.2)	(1.5)	12.1	537.3	0.0
One Y	ear Loss Development (000 omitted)					
74.	Development in estimated losses and loss expenses incurred prior to current year (Schedule P, Part 2-Summary, Line 12, Col. 11)	(111 294)	(4 256)	28 161	194 924	(
75.	Percent of development of losses and loss		(, , 200)		.,02.	
	expenses incurred to policyholders' surplus of prior year end (Line 74 above divided by Page 4, Line 21, Col. 1 x 100.0)	(7.8)	(0.5)	13	105.3	0.0
Two Y	ear Loss Development (000 omitted)	(1.0)	(0.0)		100.0	
76.	Development in estimated losses and loss expenses incurred 2 years before the current year and prior year (Schedule P, Part 2 - Summary, Line 12, Col.					
ı - -	12)	(112,228)	15,840	220,869	171,293	
77.	Percent of development of losses and loss expenses incurred to reported policyholders' surplus of second prior year end (Line 76 above divided by					
	Page 4, Line 21, Col. 2 x 100.0)	(12.4)	2.4	119.3	96.1	0.0

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

Yes [] No []

If no, please explain



EXHIBIT OF PREMIUMS AND LOSSES (Statutory Page 14)

	NAIC Group Code 00528	OF Consolidated	Consolidated DURING THE YEAR 2012								NAIC Company Code 23825			
		Gross Premiums, I Members Less Return F Premiums on Po	3 Dividends Paid or Credited to	4 Direct	5 Direct Losses	6	7	8 Direct Defense and Cost Containment	Cost Containment	10 Direct Defense and Cost Containment	11 Commissions	12		
	Line of Business	Direct Premiums Written	2 Direct Premiums Earned	Policyholders on Direct Business	Unearned Premium Reserves	Paid (deducting salvage)	Direct Losses Incurred	Direct Losses Unpaid	Expense	Expense Incurred	Expense Unpaid	and Brokerage Expenses	Taxes, Licenses and Fees	
1.	Fire	0	0	0	0	0	0	0	0	0	0	0		
2.1	Allied lines	. 0	J0	ļ0	0	ļ0	0	0	ļ0	0	0	0	(
2.2	Multiple peril crop	0]0	ļ0	0]0	0	0	0	0	0	0	(
	Federal flood	. 0]0	ļ0	0]0	0	0	0	0	0	0	(
3.	Farmowners multiple peril	. 0]0	0	0]0	0	0	0	0	0	0	(
4.	Homeowners multiple peril	. 0	ļ0	ļ0	0	ļ0	0	0	0	J0	0	0	(
5.1	Commercial multiple peril (non-liability portion)		ļ0	ļ0	0	ļ0	0	0	ļ0	ļ0	0	0		
5.2	Commercial multiple peril (liability portion)	. 0	0	0	0	J0	0	0	0	0	0	0		
6.	Mortgage guaranty	. 0]0	ļ0	0]0	0	0	0]0	0	0		
8.	Ocean marine	0	0	ļ0	0]0	0	0	0]0	0	0		
9.	Inland marine	. 0]0	J0	0	J0	0	0]0]0	0	0	(
10.	Financial guaranty	923	98,678	J0	359,290	0	0	0	1,700,356	2,018,356	1,598,000	0	105 , 194	
11.	Medical professional liability	0	0	J0	0	0	0	0	0	0	0	0		
12.	Earthquake	. 0	0]0	0	0	0	0]0	0	0	0		
13.	Group accident and health (b)	0	0]0	0]0	0	0]0	0	0	0	(
14.	Credit A & H (group and individual)		0	ļ0	0	0	0	0]0	0	0	0		
15.1	Collectively renewable A & H (b)	0	0]0	0	0	0	0	0	0	0	0		
	Non-cancelable A & H (b)	0	0]0	0	0	0	0	0	0	0	0		
15.3	Guaranteed renewable A & H (b)	0	0	0	0	0	0	0	0	0	0	0		
15.4	Non-renewable for stated reasons only (b)	0	0	0	0	0	0	0	0	0	0	0		
15.5	Other accident only	0	0	0	0	0	0	L0	0	0	0	0		
15.6	Medicare Title XVIII exempt from state taxes or fees	0	0	0	0	0	0	L0	0	0	0	0		
15.7	All other A & H (b)	0	L0	L0	0	L0	0	L0	L0	L0	0	0		
15.8	Federal employees health benefits program premium (b)	0	L0	l0	0	L0	0	L0	L0	L0	0	0		
16.	Workers' compensation	0	l0	L0	0	L0	0	L0	L0	L0	0	L0	[
17.1	Other liability-Occurrence.	0	l0	L0	İ0	L0	0	L0	L0	L0	0	l0	[
17.2	Other Liability-Claims-Made	0	0	0	0	0	0	0	0	0	0	0	1	
17.3	Excess workers' compensation	0	0	0	0	0	0	0	0	0	0	0	(
18.	Products liability	0	0	0	0	0	0	0	0	0	0	0	1	
19.1	Private passenger auto no-fault (personal injury protection)	0	0	0	0	0	0	0	0	0	0	0	I	
19.2	Other private passenger auto liability	0	0	0	0	0	0	0	0	0	0	0	1	
19.3	Commercial auto no-fault (personal injury protection)	0	0	0	0	0	0	0	0	0	0	0	1	
	Other commercial auto liability	0	0	0	0	0	0	0	0	0	0	0	1	
	Private passenger auto physical damage	0	0	0	0	0	0	0	0	0	0	0	1	
	Commercial auto physical damage	0	0	0	0	0	0	0	0	0	0	0	1	
22.	Aircraft (all perils)	n	n	n	n	n	n	n	n	n	n	n	i	
23.	Fidelity	n	n	n	n	n	n	n	n	n	n	n	i	
24.	Surety		n	n	n	n	n	n	n	n	n	n		
26.	Burglary and theft	n	n	n	n	n	n	n	n	n	n	n		
27.	Boiler and machinery	0	n	n	n	l	n	n	0	n	n	n	1	
28.	Credit	1	l	1	n	1	n	1	1	1	n	n		
30.	Warranty	n	l	1	n	1	n	1	1	1	n	n		
34.	Aggregate write-ins for other lines of business	·	n	h	n	l0	0	ļ	h0	l0	n	n		
35.	TOTALS (a)	923	98,678	10	359,290	l	0 N	ļ	1,700,356	2,018,356	1,598,000	l	105,194	
	OF WRITE-INS	923	30,070	 	555,280	l "	1	1	1,700,330	2,010,330	1,000,000	+ "	100, 192	
3401.	OF WRITE-ING													
3402.		1				T				l				
3403.		1												
	Summary of remaining write-ins for Line 34 from overflow page	0	0	0	0	0	<u> </u>		0	0	0	0	1	
0.400	Totals (Lines 3401 through 3403 Plus 3498) (Line 34 above)	·	ļ	1	n	ļ			1	1	n	ļ		

...0 and number of persons insured under indemnity only products

⁽a) Finance and service charges not included in Lines 1 to 35 \$ ______0
(b) For health business on indicated lines report: Number of persons insured under PPO managed care products

9999999 Totals

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE National Public Finance Guarantee Corporation

SCHEDULE F - PART 1

					Assumed Re	insurance as of De	cember 31, Curre		itted)					
1	2	3	4	5		Reinsurance On	,	9	10	11	12	13	14	15
Federal	NAIC				6 Paid Losses and	7	8	Contingent	Assumed		Funds Held By or Deposited With		Amount of Assets Pledged or Compensating Balances to	Amount of Assets Pledged or Collateral
	Company		Domiciliary	Assumed	Loss Adjustment	Known Case		Commissions	Premiums	Unearned	Reinsured	Letters of Credit	Secure Letters	Held in
Number	Code	Name of Reinsured	Jurisdiction	Premium	Expenses	Losses and LAE	Cols. 6 +7	Payable	Receivable	Premium	Companies	Posted	of Credit	Trust
Affiliates -	U.S. Interco	ompany Pooling				•		,	•					
Affiliates -														
43-0899449	12041	MBIA INS CORP.	NY	(1,258)		(120,620)	(120,620)			1,508,377				
0299999 - To	otal Affilia	tes - U.S. Non-Pool		(1,258)	0	(120,620)	(120,620)	0	0	1,508,377	0	0	0	0
Affiliates -	Other (Non-L	J.S.)		. ,,		(, , , , , , , , , , , , , , , , , , ,	, ,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,			, , , , , ,				
0/00000 - T/	otal Affilia	tes – Total Affiliates		(1,258)	0	(120,620)	(120,620)	0	0	1,508,377	0	0	0	0
Other U.S. Ur				(1,230)	0	(120,020)	(120,020)	0	0	1,300,377	0	0	U	0
		FINANCIAL GUAR INS CO.	NY	(3,580)		9,978	9,978			531,990				
		.S. Unaffiliated Insurers		(3,580)	0	9,978	9,978	0	0	531,990	0	0	0	0
Pools and Ass	sociations -	Mandatory Pools												
		Voluntary Pools												
Other Non-U.S	S. Insurers	T							1					
	·····													
	·													
	ļ													
	ł													
	†													
	ļ	ļ												
	·····													
	1													
		1												

(110,642)

(110,642)

2,040,367

SCHEDULE F - PART 2 Premium Portfolio Reinsurance Effected or (Canceled) during Current Year

1 1	2	Premium Portfolio Reinsurance Effected or (Canceled) 3	during Current Year	5	6
Federal	NAIC	3	4	5	O
ID	Company				Reinsurance
Number	Code	Name of Company	Date of Contract	Original Premium	Premium
0199999 Tota	Reinsurance	e Ceded by Portfolio		0	0
0299999 Tota	l Reinsurance	Assumed by Portfolio		0	0
		NONE			
			•		

SCHEDULE F - PART 3

Ceded Reinsurance as	of Doggo	mhor 21	Current V	loor (000 Omite	۱۵۵۱
Ceded Reinsurance as	ot Decei	nber 31.	Current Y	ear (UUU Omiti	(ea)

1	2	3	1 4	5	6	tenisurance				ance Recove	rahla On				Doingurar	ce Payable	18	19
	-	S	4			7	1 0	1 0				40	1 44	1		, , , , , , , , , , , , , , , , , , , 	- '0	19
				Reinsurance		/	8	9	10	11	12	13	14	15	16	17	N=4 A======	.1
				Contracts													Net Amount	
				Ceding 75%													Recoverable	Funds Held
				or More of					l							Other		By Company
Federal	NAIC			Direct	Reinsurance			Known Case					Contingent		Ceded	Amounts	Reinsurers	Under
ID	Company		Domiciliary	Premiums	Premiums	Paid	Paid	Loss	LAE	IBNR Loss			Commis-	7 through 14	Balances	Due to	Cols. 15 -	Reinsurance
Number	Code	Name of Reinsurer	Jurisdiction	Written	Ceded	Losses	LAE	Reserves	Reserves	Reserves	Reserves	Premiums	sions	Totals	Payable	Reinsurers	[16 + 17]	Treaties
		U.S. Intercompany Pooling																
		U.S. Non-Pool																
		Other (Non-U.S.)																
		naffiliated Insurers																
52-1533088		ASSURED GUAR CORP.	MD		0							6		6	0		6	
		zed – Other U.S. Unaffiliated Insurers			0	0	0	0	0	0	0	6	0	6	0	0	6	0
	Pools - Mand																	
Authorized -	Pools - Volu	ntary Pools																
Authorized -	Other Non-U.	S. Insurers																
		zed – Total Authorized			0	0	0	0	0	0	0	6	0	6	0	0	6	0
		- U.S. Intercompany Pooling																
Unauthorized	- Affiliates	- U.S. Non-Pool																
Unauthorized	- Affiliates	- Other (Non-U.S.)																
Unauthorized	- Other U.S.	Unaffiliated Insurers																
Unauthorized	- Pools - Ma	ndatory Pools																
Unauthorized	- Pools - Vo	luntary Pools																
Unauthorized	- Other non-	U.S. Insurers																
Certified - /	Affiliates -	U.S. Intercompany Pooling																
Certified - /	Affiliates -	U.S. Non-Pool																
Certified - /	Affiliates -	Other (Non-U.S)																
Certified - (Other U.S. Un	affiliated Insurers																
Certified - I	Pools - Manda	tory Pools																
	Pools - Volun																	
		,																
2899999 - 1	Total Authoria	zed, Unauthorized and Certified			0	0	0	0	0	0	0	6	0	6	0	0	6	0
9999999 T		,			0	0	0	0	n	0	0	6	0	6	0	0	6	0
333330	3.0				·	v		ı	<u> </u>		·			·			Ů	, ,

NOTE: A. Report the five largest provisional commission rates included in the cedant's reinsurance treaties. The commission rate to be reported is by contract with ceded premium in excess of \$50,000:

	1	2	3
	Name of Reinsurer	Commission Rate	Ceded Premium
1.			
2.			
3.			
4.			
5.			

B. Report the five largest reinsurance recoverables reported in Column 15, due from any one reinsurer (based on-the total recoverables, Line 9999999, Column 15, the amount of ceded premium, and indicate whether the recoverables are due from an affiliated insurer.

	1	2	3		4		
	Name of Reinsurer	Total Recoverables	Ceded Premiums		Affilia	<u>ted</u>	
1.	ASSURED GUAR CORP.	6 .	0	Yes		No	[X]
2.				Yes		No	[]
3.				Yes		No	[]
4.				Yes		No	[]
5.				Yes		No	[]

Schedule F - Part 4

NONE

Schedule F - Part 5

NONE

Schedule F - Part 6 - Section 1

NONE

Schedule F - Part 6 - Section 2

NONE

Schedule F - Part 7

NONE

Schedule F - Part 8

NONE

SCHEDULE F - PART 9

Restatement of Balance Sheet to Identify Net Credit for Reinsurance 3 As Reported (Net of Ceded) (Gross of Ceded) Adjustments ASSETS (Page 2, Col. 3) 1. Cash and invested assets (Line 12)5,646,093,743 .5,646,093,743 .0 ..0 2. Premiums and considerations (Line 15)0 .0 3. Reinsurance recoverable on loss and loss adjustment expense payments (Line 16.1)... .0 4 Funds held by or deposited with reinsured companies (Line 16.2)... ..0 5. Other assets .80,062,520 .80,062,520 6. Net amount recoverable from reinsurers 25.139 25.139 7. Protected cell assets (Line 27) ... 0 .0 8. Totals (Line 28)5,726,156,263 .25,139 .5,726,181,402 LIABILITIES (Page 3) ..(109,044,009) .(109,044,009) 9. Losses and loss adjustment expenses (Lines 1 through 3). 10. Taxes, expenses, and other obligations (Lines 4 through 8)24,572,635 .24,572,635 .2,040,719,631 2,040,725,841 ..6,210 11. Unearned premiums (Line 9)0 .0 12. Advance premiums (Line 10) ... 0 13. Dividends declared and unpaid (Line 11.1 and 11.2) 0 (43)0 14. Ceded reinsurance premiums payable (net of ceding commissions) (Line 12) 43 15. Funds held by company under reinsurance treaties (Line 13) 0 ۵. 16. Amounts withheld or retained by company for account of others (Line 14) 2,166,040 2.166.040 17. Provision for reinsurance (Line 16)0 .0 18. Other liabilities 1,769,203,119 18,972 1,769,222,091 3,727,617,459 25,139 3,727,642,598 19. Total liabilities excluding protected cell business (Line 26) ... 20. Protected cell liabilities (Line 27) ... 0 0 1,998,538,804 1,998,538,804 21. Surplus as regards policyholders (Line 37) XXX

NOTE: Is the restatement of this exhibit the result of grossing up balances ceded to affiliates under 100 percent reinsurance or pooling arrangements? Yes [] No [X] If yes, give full explanation:

Totals (Line 38)

5.726.156.263

5.726.181.402

Schedule H - Part 1

NONE

Schedule H - Part 2

NONE

Schedule H - Part 3

NONE

Schedule H - Part 4

NONE

Schedule H - Part 5 - Health Claims

NONE

SCHEDULE P - ANALYSIS OF LOSSES AND LOSS EXPENSES SCHEDULE P - PART 1 - SUMMARY

		(\$000 Omitted)											
		Pr	emiums Earn	ed			Loss	and Loss Ex	kpense Paym	ents			12
Yea	ars in	1	2	3			Defense		Adjusting	and Other	10	11	
	hich				Loss Pa	yments	Containmer	t Payments	Payn	nents]		Number of
	miums				4	5	6	7	8	9	Salvage	Total Net	Claims
1	Earned										and	Paid (Cols.	Reported
	Losses Incurred	Direct and	Ceded	Net (Cols. 1 - 2)	Direct and	Codod	Direct and	Ceded	Direct and	Codod	Subrogation	4 - 5 + 6 - 7 + 8 - 9)	Direct and
Weie	incurred	Assumed	Ceded	(COIS. 1 - 2)	Assumed	Ceded	Assumed	Ceded	Assumed	Ceded	Received	7+6-9)	Assumed
1.	Prior	XXX	XXX	XXX	19,940	0	41	0	312	0	4,243	20,293	XXX
2.	2003	2,619	2,619	0	0	0	0	0	0	0	0	0	XXX
3.	2004	3,659	3,659	0	(460)	0	338	0	271	0	460	149	XXX
4.	2005	666	666	0	0	0	0	0	812	0	0	812	XXX
5.	2006	884	884	0	5,508	0	48	0	406	0	119	5,962	xxx
6.	2007	331	331	0	1,994	0	60	0	135	0	102	2,190	XXX
7.	2008	317	317	0	12,075	0	933	0	271	0	6,094	13,279	xxx
8.	2009	385,602	192	385,411	(6,303)	0	94 , 440	0	948	0	76,565	89,085	xxx
9.	2010	362,530	16	362,514	196,213	0	47 , 710	0	679	0	69 , 585	244,602	xxx
10.	2011	365,843	18	365,825	239	0	3,282	0	373	0	5,627	3,893	xxx
11.	2012	439,360	16	439,344	7,426	0	6,140	0	208	0	529	13,774	XXX
12.	Totals	XXX	XXX	XXX	236,631	0	152,992	0	4,415	0	163,323	394,039	XXX

		Losses	Unpaid		Defens	e and Cost (Containment	Unpaid	Adjusting Ung		23	24	25
	Case	Basis	Bulk +	· IBNR		Basis	Bulk +		21	22		Total	Number of
	13 Direct and Assumed	14 Ceded	15 Direct and Assumed	16 Ceded	17 Direct and Assumed	18 Ceded	19 Direct and Assumed	20 Ceded	Direct and Assumed	Ceded	Salvage and Subrog- ation Anticipated	Net Losses and Expenses Unpaid	Claims Outstand- ing Direct and Assumed
1	89,042	0	0	0	0	0	0	0	294	0	33,903	89,336	XXX
2	0	0	0	0	0	0	0	0	0	0	0	0	XXX
3	0	0	0	0	0	0	0	0	65	0	0	65	XXX
4	0	0	0	0	0	0	0	0	196	0	0	196	XXX
5	0	0	0	0	0	0	0	0	98	0	0	98	XXX
6	0	0	0	0	0	0	0	0	33	0	0	33	XXX
7	9,633	0	0	0	0	0	0	0	65	0	0	9,698	XXX
8	(219)	0	0	0	(3,204)	0	0	0	228	0	3,389	(3, 194)	xxx
9	(286,781)	0	0	0	(39,037)	0	0	0	228	0	218,126	(325,590)	XXX
10	1,379	0	0	0	223	0	0	0	196	0	7	1,797	xxx
11.	(39,650)	0	0	0	8,065	0	0	0	196	0	6,278	(31,389)	XXX
12.	(226,596)	0	0	0	(33,953)	0	0	0	1,598	0	261,703	(258,951)	XXX

		Total			oss Expense F				34		nce Sheet
	Losses and	l Loss Expense 27	es Incurred 28	(Incurre	ed/Premiums E 30	arned) 31	Nontabula 32	r Discount 33	Inter- Company	Reserves At	ter Discount 36
	Direct and Assumed	Ceded	Net	Direct and Assumed	Ceded	Net	Loss	Loss Expense	Pooling Participation Percentage	Losses Unpaid	Loss Expenses Unpaid
1	xxx	XXX	xxx	xxx	XXX	XXX	7 , 646	0	xxx	81,396	294
2	0	0	0	0.0	0.0	0.0	0	0		0	0
3	214	0	214	5.9	0.0	0.0	0	0		0	65
4	1,008	0	1,008	151.4	0.0	0.0	0	0		0	196
5	6,060	0	6,060	685.5	0.0	0.0	0	0		0	98
6	2,222	0	2,222	671.1	0.0	0.0	0	0		0	33
7	22,977	0	22,977	7 , 248 . 3	0.0	0.0	1,456	0		8,177	65
8	85,890	0	85,890	22.3	0.0	22.3	(33)	0		(185)	(2,976)
9	(80,988)	0	(80,988)	(22.3)	0.0	(22.3)	(112, 153)	0		(174,629)	(38,809)
10	5,690	0	5 , 690	1.6	0.0	1.6	(3,351)	0		4,729	418
11.	(17,615)	0	(17,615)	(4.0)	0.0	(4.0)	(43,471)	0		3,822	8,261
12.	XXX	XXX	XXX	XXX	XXX	XXX	(149,907)	0	XXX	(76,689)	(32,355)

Note: Parts 2 and 4 are gross of all discounting, including tabular discounting. Part 1 is gross of only nontabular discounting, which is reported in Columns 32 and 33 of Part 1. The tabular discount, if any, is reported in the Notes to Financial Statements, which will reconcile Part 1 with Parts 2 and 4.

SCHEDULE P - PART 2 - SUMMARY

	INC	URRED NET	LOSSES AN	D DEFENSE			NT EXPENSE	S REPORTE	AT YEAR E	ND		
					(\$000 OI	MITTED)					DEVELO	PMENT
Years in Which	1	2	3	4	5	6	7	8	9	10	11	12
Losses Were Incurred	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	One Year	Two Year
		200.		2000	200.			20.0	20		0.10 100.	
1. Prior	0	0	0	0	0	0	168,532	188,392	183,518	179 , 104	(4,414)	(9,288)
2. 2003	0	0	0	0	0	0	0	0	0	0	0	0
3. 2004	xxx	0	0		0	0	371	(6)	(122)	(122)	0	(116)
4. 2005	xxx	xxx	0	0	0	0	0	0	0	0	0	0
5. 2006	xxx	xxx	xxx		0	0		7 ,015	5 ,556	5 , 556	0	(1,460)
6. 2007	XXX	xxx	xxx	XXX	0	0	2,054	2,054	2,054	2,054	0	0
7. 2008	XXX	xxx	xxx	XXX	XXX	0	23,631	23 ,413	22,847	22,641	(206)	(772)
8. 2009	XXX	XXX	xxx	XXX	XXX	XXX	88,062	90,278	84,973	84,714	(258)	(5,564)
9. 2010	XXX	XXX	xxx	XXX	XXX	XXX	xxx	13 , 133	21 , 198	(81,896)	(103,094)	(95,029)
10. 2011	xxx	xxx	xxx	XXX	XXX	XXX	xxx	xxx	8,444	5,122	(3,322)	xxx
11. 2012	XXX	XXX	XXX	XXX	XXX	XXX	XXX	xxx	XXX	(18,019)	XXX	XXX
										12. Totals	(111,294)	(112,228)

SCHEDULE P - PART 3 - SUMMARY

			OOII				0 - 0	CIVIIVIA				
	CUMULAT	IVE PAID NE	T LOSSES A	ND DEFENSE	AND COST OMIT		NT EXPENSE	ES REPORTE	D AT YEAR I	END (\$000	11	12 Number of
Years in Which	1	2	3	4	5	6	7	8	9	10	Number of Claims Closed With Loss	Claims Closed Without Loss
Incurred	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Payment	Payment
1. Prior	000	0	0	0	0	0	21,820	45,866	70,082	90,062	xxx	xxx
2. 2003	0	0	0	0	0	0	0	0	0	0	xxx	xxx
3. 2004	XXX	0	0	0	0	0	335	(6)	(122)	(122)	xxx	xxx
4. 2005	xxx	XXX	0	0	0	0	0	0	0	0	xxx	xxx
5. 2006	XXX	XXX	XXX	0	0	0	418	729	5 , 556	5 ,556	XXX	XXX
6. 2007	XXX	XXX	XXX	xxx	0	0	2,054	2,054	2,054	2,054	xxx	xxx
7. 2008	XXX	XXX	XXX	xxx	XXX	0	(3,114)	1,656	7 , 184	13,008	xxx	xxx
8. 2009	XXX	xxx	XXX	xxx	XXX	XXX	115,728	127 , 154	88,056	88 , 137	xxx	xxx
9. 2010	XXX	xxx	XXX	xxx	xxx	XXX	xxx	50,991	154,711	243,923	xxx	xxx
10. 2011	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	3,916	3,521	xxx	xxx
11. 2012	XXX	XXX	XXX	XXX	XXX	XXX	XXX	xxx	XXX	13,566	XXX	XXX

SCHEDULE P - PART 4 - SUMMARY

		J		ULL	- L V IV I	+ - 30	, IAIIAI WI	l I		
Years in Which	BULK AND IE	BNR RESERVES	S ON NET LOSS	SES AND DEFE	NSE AND COST	CONTAINMEN	IT EXPENSES F	REPORTED AT	YEAR END (\$00	00 OMITTED)
Losses Were Incurred	1 2003	2 2004	3 2005	4 2006	5 2007	6 2008	7 2009	8 2010	9 2011	10 2012
1. Prior	0	0	0		0	0	0	0	0	0
2. 2003	0	0	0	0	0	0	0	0	0	0
3. 2004	xxx	0	0	0	0	0	0	0	0	0
4. 2005	xxx	XXX	0			0	0	0	0	0
5. 2006	XXX	XXX	xxx			0	0	0	0	0
6. 2007	xxx	XXX	xxx	XXX	0	0	0	0	0	0
7. 2008	xxx	XXX	xxx	XXX	xxx	0	0	0	0	0
8. 2009	XXX	XXX	xxx	XXX	xxx	XXX	0	0	0	0
9. 2010	xxx	XXX	xxx	xxx	xxx	xxx	xxx	0	0	0
10. 2011	xxx	XXX	xxx	xxx	xxx	xxx	xxx	XXX	0	0
11. 2012	xxx	XXX	xxx	xxx	xxx	xxx	XXX	XXX	xxx	0

Schedule P - Part 1A - Home/Farm NONE

Schedule P - Part 1B - Private Passenger

NONE

Schedule P - Part 1C - Comm Auto/Truck

NONE

Schedule P - Part 1D - Workers' Comp

Schedule P - Part 1E - Comm Multi Peril NONE

Schedule P - Part 1F - Med Pro Liab Occ NONE

Schedule P - Part 1F - Med Pro Liab Clm
NONE

Schedule P - Part 1G - Special Liability

NONE

Schedule P - Part 1H - Other Liab Occur NONE

Schedule P - Part 1H - Other Liab Claims

NONE

Schedule P - Part 1I - Special Property

NONE

Schedule P - Part 1J - Auto Physical NONE

Schedule P - Part 1K - Fidelity/Surety

NONE

Schedule P - Part 1L - Other NONE

Schedule P - Part 1M - International NONE

Schedule P - Part 1N - Reinsurance NONE

Schedule P - Part 10 - Reinsurance NONE

Schedule P - Part 1P - Reinsurance
NONE

Schedule P - Part 1R - Prod Liab Occur NONE

Schedule P - Part 1R - Prod Liab Claims

NONE

SCHEDULE P-PART 1S - FINANCIAL GUARANTY/MORTGAGE GUARANTY (\$000 OMITTED)

Years in	Pr	emiums Earne	ed			Los	s and Loss Ex	cpense Payme	ents			12
Which	1	2	3			Defense			and Other	10	11	
Premiums				Loss Pa	yments	Containmer	t Payments	Payn	nents			
Were				4	5	6	7	8	9		Total	Number of
Earned										Salvage	Net Paid	Claims
and Losses										and	(Cols. 4 - 5	Reported
Were	Direct and		Net	Direct and		Direct and		Direct and		Subrogation	+ 6 - 7	Direct and
Incurred	Assumed	Ceded	(Cols. 1 - 2)	Assumed	Ceded	Assumed	Ceded	Assumed	Ceded	Received	+ 8 - 9)	Assumed
1. Prior	XXX	XXX			0		0	1,284	0		116,381	XXX
2. 2011	365,843	18	365,825	239	0	3,282	0	373	0	5,627	3,893	XXX
3, 2012	439,360	16	439,344	7,426	0	6,140	0	208	0	529	13,774	xxx
3. 2012	-100,000	10	700,044	7,420	0	0,140		200	 	1 020	10,774	
4. Totals	XXX	XXX	XXX	103,509	0	28,675	0	1,865	0	38,890	134,048	XXX

		Losses	Unpaid		Defen	se and Cost (Containment L	Jnpaid	Adjusting Ung	and Other paid	23	24	25
İ	Case	Basis	Bulk +	· IBNR	Case	Basis	Bulk +	· IBNR	21	22	1		
	13	14	15	16	17	18	19	20			Salvage and	Total Net Losses and	Number of Claims Outstanding
	Direct and Assumed	Ceded	Direct and Assumed	Ceded	Direct and Assumed	Ceded	Direct and Assumed	Ceded	Direct and Assumed	Ceded	Subrogation Anticipated	Expenses Unpaid	Direct and Assumed
1.	(188,325)	0	0	0	(42,241)	0	0	0	1,207	0	255,418	(229,359)	0
2.	1,379	0	0	0	223	0	0	0	196	0	7	1,797	0
	(00.050)								400			(0.4.000)	
3.	(39,650)	0	0	0	8,065	0	0	0	196	0	6,278	(31,389)	0
4.	(226,596)	0	0	0	(33,953)	0	0	0	1,598	0	261,703	(258,951)	0

	Losses an	Total d Loss Expense	s Incurred		Loss Expense P red/Premiums E		Nontabula	r Discount	34 Inter-		nce Sheet fter Discount
	26 Direct and Assumed	27 Ceded	28 Net	29 Direct and Assumed	30 Ceded	31 Net	32 Loss	33 Loss Expense	Company Pooling Participation Percentage	35 Losses Unpaid	36 Loss Expenses Unpaid
1.	xxx	xxx	XXX	xxx	XXX	XXX	(103,085)	0	xxx	(85,240)	(41,034)
2.	5,690	0	5 , 690	1.6	0.0	1.6	(3,351)	0	0.0	4,729	418
3.	(17,615)	0	(17,615)	(4.0)	0.0	(4.0)	(43,471)	0	0.0	3,822	8,261
4.	xxx	xxx	xxx	xxx	xxx	xxx	(149,907)	0	xxx	(76,689)	(32,355)

Schedule P - Part 1T - Warranty

NONE

Schedule P - Part 2A

NONE

Schedule P - Part 2B

NONE

Schedule P - Part 2C

NONE

Schedule P - Part 2D

NONE

Schedule P - Part 2E

NONE

Schedule P - Part 2F - Section 1

NONE

Schedule P - Part 2F - Med Pro Liab Clm

NONE

Schedule P - Part 2G

NONE

Schedule P - Part 2H - Other Liab Occur

NONE

Schedule P - Part 2H - Other Liab Claim

NONE

Schedule P - Part 2I

NONE

Schedule P - Part 2J

NONE

Schedule P - Part 2K

NONE

Schedule P - Part 2L

NONE

Schedule P - Part 2M

NONE

Schedule P - Part 2N

NONE

Schedule P - Part 20

NONE

Schedule P - Part 2P

NONE

SCHEDULE P - PART 2R - SECTION 1 - PRODUCTS LIABILITY - OCCURRENCE

	INCURRED	NET LOSSES	AND DEFEN	ISE AND CO	ST CONTAIN	MENT EXPE	NSES REPOR	RTED AT YEA	R END (\$000	OMITTED)	DEVELO	PMENT
Years in Which	1	2	3	4	5	6	7	8	9	10	11	12
Losses Were Incurred	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	One Year	Two Year
1. Prior	0	0	0	0	0	0	0	0	0	0	0	0
2. 2003	0	0	0	0	0	0	0	0	0	0	0	0
3. 2004	XXX	0	0	0	0	0	0	0	0	0	0	0
4. 2005	XXX	XXX	0	0	0	0	0	0	0	0	0	0
5. 2006	XXX	XXX	xxx		0) /		0	0	0	0	0
6. 2007	XXX	XXX	xxx	xxx.	V			0	0	0	0	0
7. 2008	XXX	XXX	XXX	XXX	xxx	0	0	0	0	0	0	0
8. 2009	XXX	XXX	XXX	XXX	xxx	XXX	0	0	0	0	0	0
9. 2010	XXX	XXX	xxx	XXX	xxx	XXX	xxx	0	0	0	0	0
10. 2011	XXX	XXX	xxx	XXX	xxx	XXX	xxx	XXX	0	0	0	xxx
11. 2012	XXX	xxx	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0	XXX	XXX
										12. Totals	0	0

SCHEDULE P - PART 2R - SECTION 2 - PRODUCTS LIABILITY - CLAIMS-MADE

1. Prior	0	0	0	0	0	0	0	0	0	0	0	0
2. 2003	0	0	0	0	0	0	0	0	0	0	0	0
3. 2004	XXX	0	0	0	0	0	0	0	0	0	0	0
4. 2005	XXX	xxx	0	0	0	0	0	0	0	0	0	0
5. 2006	XXX	xxx	XXX	0	0	0	0	0	0	0	0	0
6. 2007	XXX	xxx	XXX	N	0)/		0	0	0	0	0
7. 2008	XXX	xxx	XXX	xxx	XXX			0	0	0	0	0
8. 2009	xxx	xxx	XXX	xxx	xxx	xxx	0	0	0	0	0	0
9. 2010	xxx	xxx	XXX	xxx	xxx	xxx	xxx	0	0	0	0	0
10. 2011	XXX	XXX	XXX	XXX	XXX	XXX	xxx	XXX	0	0	0	XXX
11. 2012	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0	XXX	XXX
										12. Totals	0	0

SCHEDULE P - PART 2S - FINANCIAL GUARANTY/MORTGAGE GUARANTY

1. Prior	XXX	xxx	XXX	xxx	xxx	xxx	xxx	95,836	91,580	(16,392)	(107 ,972)	(112,228)
2. 2011	XXX	xxx										
3. 2012	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	(18,019)	XXX	XXX
31 2012	7001	7001	7001	7001	7001	7001	7001	7001	7001	4. Totals	(111,294)	

SCHEDULE P - PART 2T - WARRANTY

1. Prior	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0	0	0	0	0
	XXX		XXX	xxx	\ xx			XXX	0	0	0	xxx
3. 2012	XXX	XXX	XXX	XXX	VXX	ノ, \	XXX	XXX	XXX	0	XXX	XXX
										4. Totals	0	0

Schedule P - Part 3A

NONE

Schedule P - Part 3B

NONE

Schedule P - Part 3C

NONE

Schedule P - Part 3D

NONE

Schedule P - Part 3E

NONE

Schedule P - Part 3F - Med Pro Liab Occ

NONE

Schedule P - Part 3F - Med Pro Liab Clm

NONE

Schedule P - Part 3G

NONE

Schedule P - Part 3H - Other Liab Occur

NONE

Schedule P - Part 3H - Other Liab Claims

NONE

Schedule P - Part 3I

NONE

Schedule P - Part 3J

NONE

Schedule P - Part 3K

NONE

Schedule P - Part 3L

NONE

Schedule P - Part 3M

NONE

Schedule P - Part 3N

NONE

Schedule P - Part 3O

NONE

Schedule P - Part 3P

NONE

SCHEDULE P - PART 3R - SECTION 1 - PRODUCTS LIABILITY - OCCURRENCE

	CUMUL	ATIVE PAID N	NET LOSSES	AND DEFEN	ISE AND COS (\$000 ON		MENT EXPE	NSES REPOR	RTED AT YEA	AR END	11	12 Number of
Years in Which	1	2	3	4	5	6	7	8	9	10	Number of Claims Closed With Loss	Claims Closed Without Loss
Incurred	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Payment	Payment
1. Prior	000	0	0	0	0	0	0	0	0	0	0	0
2. 2003	0	0	0	0	0	0	0	0	0	0	0	0
3. 2004	XXX	0	0			0		0	0	0	0	0
4. 2005	XXX	XXX	0) \		0	0	0	0	0
5. 2006	xxx	XXX	xxx			0	0	0	0	0	0	0
6. 2007	XXX	XXX	XXX	XXX	0	0	0	0	0	0	0	0
7. 2008	XXX	XXX	XXX	XXX	XXX	0	0	0	0	0	0	0
8. 2009	XXX	XXX	xxx	XXX	XXX	XXX	0	0	0	0	0	0
9. 2010	XXX	xxx	XXX	xxx	XXX	XXX	XXX	0	0	0	0	0
10. 2011	XXX	xxx	xxx	XXX	XXX	XXX	XXX	xxx	0	0	0	0
11. 2012	xxx	XXX	xxx	xxx	xxx	XXX	XXX	xxx	xxx	0	0	0

SCHEDULE P - PART 3R - SECTION 2 - PRODUCTS LIABILITY - CLAIMS-MADE

1. Prior	000	0	0	0	0	0	0	0	0	0	0	0
2. 2003.	0	0	0	0	0	0	0	0	0	0	0	0
3. 2004.	xxx	0	0	0	0	0	0	0	0	0	0	0
4. 2005.	xxx	xxx	0	0	0	0	0	0	0	0	0	0
5. 2006	xxx	xxx	xxx	N	0			0	0	0	0	0
6. 2007.	xxx	xxx	xxx	xxx.	0		0	0	0	0	0	0
7. 2008.	xxx	xxx	xxx	xxx	xxx	0	0	0	0	0	0	0
8. 2009.	xxx	xxx	xxx	xxx	xxx	xxx	0	0	0	0	0	0
9. 2010.	xxx	xxx	xxx	xxx	xxx	xxx	xxx	0	0	0	0	0
	xxx							XXX	0	0	0	0
11. 2012	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0	0	0

SCHEDULE P - PART 3S - FINANCIAL GUARANTY/MORTGAGE GUARANTY

_													
	1. Prior	xxx	xxx	xxx	xxx	xxx	XXX	xxx	000	99,076	214 , 174	XXX	XXX
	2. 2011	xxx	xxx	XXX	XXX	XXX	XXX	XXX	XXX	3,916	3,521	XXX	XXX
	3. 2012	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	13,566	xxx	xxx

SCHEDULE P - PART 3T - WARRANTY

1. Prior	xxx	xxx	XXX	xxx.		XX	XX	000	0	0	0	0
2. 2011								xxx	0	0	0	0
3. 2012	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0	0	0

Schedule P - Part 4A

NONE

Schedule P - Part 4B

NONE

Schedule P - Part 4C

NONE

Schedule P - Part 4D

NONE

Schedule P - Part 4E

NONE

Schedule P - Part 4F - Med Pro Liab Occ

NONE

Schedule P - Part 4F - Med Pro Liab Clm

NONE

Schedule P - Part 4G

NONE

Schedule P - Part 4H - Other Liab Occur

NONE

Schedule P - Part 4H - Other Liab Claims

NONE

Schedule P - Part 4I

NONE

Schedule P - Part 4J
NONE

Schedule P - Part 4K NONE

Schedule P - Part 4L NONE

Schedule P - Part 4M NONE

Schedule P - Part 4N NONE

Schedule P - Part 40 NONE

Schedule P - Part 4P NONE

SCHEDULE P - PART 4R - SECTION 1 - PRODUCTS LIABILITY - OCCURRENCE

BULK AND IBNR RESERVES ON NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END (\$000 OMITTED)										
Years in Which	1	2	3	4	5	6	7	8	9	10
Losses Were Incurred	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
1. Prior	0	0	0	0	0	0	0	0	0	0
2. 2003	0	0	0	0	0	0	0	0	0	0
3. 2004	xxx	0	0	0	0	0	0	0	0	0
4. 2005	xxx	xxx	0		0	0	0	0	0	0
5. 2006	xxx	xxx	xxx			0	0	0	0	0
6. 2007	xxx	xxx	xxx	xxx	0	0	0	0	0	0
7. 2008	xxx	xxx	xxx	xxx	xxx	0	0	0	0	0
8. 2009	xxx	xxx	xxx	xxx	xxx	xxx	0	0	0	0
9. 2010	xxx	xxx	xxx	xxx	xxx	xxx	xxx	0	0	0
10. 2011	xxx	xxx	xxx	xxx	xxx.	xxx	xxx	xxx	0	0
11. 2012	xxx	XXX	xxx	XXX	xxx	XXX	XXX	xxx	xxx	0

SCHEDULE P - PART 4R - SECTION 2 - PRODUCTS LIABILITY - CLAIMS-MADE

1. Prior	0	0	0	0	0	0	0	0	0	0
2. 2003	0	0	0	0	0	0	0	0	0	0
3. 2004	xxx	0	0	0	0	0	0	0	0	0
4. 2005	xxx	xxx	0	0	0	0	0	0	0	0
5. 2006	xxx	xxx	xxx	NII		0	0	0	0	0
6. 2007	xxx	xxx	xxx			0	0	0	0	0
7. 2008	xxx	xxx	xxx	xxx	xxx	0	0	0	0	0
8. 2009	xxx	xxx	xxx	xxx	xxx	xxx	0	0	0	0
9. 2010	xxx	xxx	xxx	xxx	xxx	xxx	xxx	0	0	0
10. 2011	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	0	0
11. 2012	XXX	XXX	xxx	xxx	XXX	XXX	XXX	xxx	XXX	0

SCHEDULE P - PART 4S - FINANCIAL GUARANTY/MORTGAGE GUARANTY

1. Prior	xxx	XXX	xxx	xxx	xxx	xxx	xxx	0	0	0
2. 2011	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	0	0
3. 2012	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	0

SCHEDULE P - PART 4T - WARRANTY

			••••					•		
1. Prior	xxx	XXX	xxx	N xx	XXX	XXX.	XXX	0	0	0
	xxx		xxx			(XX	xxx	xxx	0	0
3. 2012	xxx	xxx	xxx	XXX	XXX	XXX	xxx	xxx	xxx	0

Schedule P - Part 5A- SN1

NONE

Schedule P - Part 5A- SN2

NONE

Schedule P - Part 5A- SN3

NONE

Schedule P - Part 5B- SN1

NONE

Schedule P - Part 5B- SN2

NONE

Schedule P - Part 5B- SN3

NONE

Schedule P - Part 5C- SN1

NONE

Schedule P - Part 5C- SN2

NONE

Schedule P - Part 5C- SN3

NONE

Schedule P - Part 5D- SN1

NONE

Schedule P - Part 5D- SN2

NONE

Schedule P - Part 5D- SN3

NONE

Schedule P - Part 5E- SN1

NONE

Schedule P - Part 5E- SN2

NONE

Schedule P - Part 5E- SN3

NONE

Schedule P - Part 5F- SN1A

NONE

Schedule P - Part 5F- SN2A

NONE

Schedule P - Part 5F- SN3A

NONE

Schedule P - Part 5F- SN1B

NONE

Schedule P - Part 5F- SN2B

NONE

Schedule P - Part 5F- SN3B

NONE

Schedule P - Part 5H- SN1A

Schedule P - Part 5H- SN2A

NONE

Schedule P - Part 5H- SN3A

NONE

Schedule P - Part 5H- SN1B

NONE

Schedule P - Part 5H- SN2B

NONE

Schedule P - Part 5H- SN3B

NONE

Schedule P - Part 5R- SN1A

NONE

Schedule P - Part 5R- SN2A

NONE

Schedule P - Part 5R- SN3A

NONE

Schedule P - Part 5R- SN1B

NONE

Schedule P - Part 5R- SN2B

NONE

Schedule P - Part 5R- SN3B

Schedule P - Part 5T- SN1

NONE

Schedule P - Part 5T- SN2

NONE

Schedule P - Part 5T- SN3

NONE

Schedule P - Part 6C - SN1

NONE

Schedule P - Part 6C - SN2

NONE

Schedule P - Part 6D - SN1

NONE

Schedule P - Part 6D - SN2

NONE

Schedule P - Part 6E - SN1

NONE

Schedule P - Part 6E - SN2

NONE

Schedule P - Part 6H - SN1A

NONE

Schedule P - Part 6H - SN2A

Schedule P - Part 6H - SN1B

NONE

Schedule P - Part 6H - SN2B

NONE

Schedule P - Part 6M - SN1

NONE

Schedule P - Part 6M - SN2

NONE

Schedule P - Part 6N - SN1

NONE

Schedule P - Part 6N - SN2

NONE

Schedule P - Part 60 - SN1

NONE

Schedule P - Part 60 - SN2

NONE

Schedule P - Part 6R - SN1A

NONE

Schedule P - Part 6R - SN2A

NONE

Schedule P - Part 6R - SN1B

Schedule P - Part 6R - SN2B

NONE

Schedule P - Part 7A - Section 1

NONE

Schedule P - Part 7A - Section 2

NONE

Schedule P - Part 7A - Section 3

NONE

Schedule P - Part 7A - Section 4

NONE

Schedule P - Part 7A - Section 5

NONE

Schedule P - Part 7B - Section 1

NONE

Schedule P - Part 7B - Section 2

NONE

Schedule P - Part 7B - Section 3

NONE

Schedule P - Part 7B - Section 4

NONE

Schedule P - Part 7B - Section 5

NONE

Schedule P - Part 7B - Section 6
NONE

Schedule P - Part 7B - Section 7

NONE

	SCHEDULE	P INTERROGATO	DRIES					
1.	The following questions relate to yet-to-be-issued Extended Reporting Professional Liability Claims Made insurance policies. EREs provided			ovision	ns in M	Лedi	ical	
1.1	Does the company issue Medical Professional Liability Claims Made reporting endorsement, or "ERE") benefits in the event of Death, Disacost?			Vac	1	1	l old	Υ .
	If the answer to question 1.1 is "no", leave the following questions bla questions:	ank. If the answer to question 1.1 is "yes",	please answer the following	103	l	, '	NO [^ .
1.2	What is the total amount of the reserve for that provision (DDR Resert dollars)?	rve), as reported, explicitly or not, elsewh	ere in this statement (in					
1.3	Does the company report any DDR reserve as Unearned Premium R	leserve per SSAP #65?		Yes	[] [No [
1.4	Does the company report any DDR reserve as loss or loss adjustmen	nt expense reserve?		Yes	[] [No [
1.5	If the company reports DDR reserve as Unearned Premium Reserve, Investment Exhibit, Part 1A – Recapitulation of all Premiums (Page 7		ne Underwriting and Yes [] No] [] N	/A [
1.6	If the company reports DDR reserve as loss or loss adjustment experwhere these reserves are reported in Schedule P:	nse reserve, please complete the following	ng table corresponding to					
		Schedule P, Part 1F, Med	e Included in dical Professional Liability ses and Expenses Unpaid					
	Years in Which Premiums Were Earned and Losses Were Incurred	1 Section 1: Occurrence	2 Section 2: Claims-Made					
	1.601 Prior	1						
	1.602 2003	i		i				
	1.603 2004							
	1.605 2006.							
	1.606 2007	•	l .	ı				
	1.607 2008							
	1.608 2009							
	1.609 2010							
	1.610 2011							
	1.611 2012			l				
	1.612 Totals	0		l				
2.	The definition of allocated loss adjustment expenses (ALA effective January 1, 1998. This change in definition applie "Defense and Cost Containment" and "Adjusting and Othe	es to both paid and unpaid expenses. Are	e these expenses (now reported as		[X]	No [ļ
3.	The Adjusting and Other expense payments and reserves the number of claims reported, closed and outstanding in to companies in a group or a pool, the Adjusting and Other e and the claim counts. For reinsurers, Adjusting and Other For Adjusting and Other expense incurred by reinsurers, of Adjusting and Other expense should be allocated by a real below. Are they so reported in this Statement?:	those years. When allocating Adjusting a xpense should be allocated in the same expense assumed should be reported a or in those situations where suitable claim	and Other expense between percentage used for the loss amounts coording to the reinsurance contract. count information is not available,	Yes	[X]	No [
4.	Do any lines in Schedule P include reserves that are reporreported net of such discounts on Page 10?	rted gross of any discount to present val	ue of future payments, and that are	Yes	[X]	No [1
	If yes, proper disclosure must be made in the Notes to Fin be reported in Schedule P - Part 1, Columns 32 and 33.	ancial Statements, as specified in the Ins	structions. Also, the discounts must					
	Schedule P must be completed gross of non-tabular disco examination upon request.	unting. Work papers relating to discount	calculations must be available for					
	Discounting is allowed only if expressly permitted by the st	tate insurance department to which this A	annual Statement is being filed.					
5.	What were the net premiums in force at the end of the yea	ar for:						
	(in thousands of dollars)		5.1 Fidelity \$					
			5.2 Surety \$					
6.	Claim count information is reported per claim or per claima If not the same in all years, explain in Interrogatory 7.	ant. (indicate which)					CL	_A I M
7.		any persons to estimate the edequesy of	the current loss and expense					
1.	reserves, among other things. Are there any especially sign occurred that must be considered when making such analysis.	gnificant events, coverage, retention or a		Yes]]	No [Х

An extended statement may be attached. There were no significant events, coverage, retention or accounting changes \dots

7.2

SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

					y States And T	1			T -	-
		1	Policy and Me Less Return F	ims, Including mbership Fees Premiums and in Policies Not	4 Dividends	5	6	7	8	9 Direct Premium Written for
				ken	Paid				Finance and	Federal
			2	3	or Credited to	Direct Losses			Service	Purchasing
			Direct	Direct	Policyholders	Paid			Charges Not	Groups
		Active	Premiums	Premiums	on Direct	(Deducting		Direct Losses		(Included in
	States, etc.	Status	Written	Earned	Business	Salvage)	Incurred	Unpaid	Premiums	Col. 2)
	Alabama AL Alaska Ak		0	0	0	0	0	0	0	
	Arizona AZ		0	0 29.606	l	0	J	J	0 n	
	Arkansas AF		o	25,000	0	0	0	0	0	
	California CA		j 0	0	0	0	0	0	0	
	Colorado CC		.]0	0	0	0	0	0	0	
7.	Connecticut CT	L	0	0	0	0	0	0	0	
8.	Delaware DE		. 0	0	0	0	0	0	0	
	Dist. Columbia DC	LL		0	0	0	0	0	0	
	Florida FL	L		73	0]0]0]0	0	
	Georgia GA		0	0	J	0	0	ļ0	0	
	HawaiiHI	∤		0	I	J	ļ	J	0	
	Idaho ID		.	385	J	J	J	J		
	Indiana IN		⁰	7 .001	0	0	0	0	0	
	lowaIA	<u> </u>	n		n	n	n	n	n	
	Kansas KS	L	1 0		0	0	0	0	0	
	Kentucky KY		<u> </u>	0	0	0	0	0	0	
	LouisianaLA		.]0	0	0	0	0	0	0	
	Maine ME	L	. 0	0	0	0	0	0	0	
21.	Maryland ME		. 0	0	0	0	0	0	0	
	Massachusetts MA		. 0	0	J0	0	0	0	0	
	Michigan MI		. 0	0	0	0	0	0	0	
	Minnesota MN			0	0	J0]0	J0	0	
	Mississippi MS		0	0	J]0]]0	0	
	Missouri MC			0	J	J	ļ	J	0	
	Montana M7 Nebraska NE			0	J	0	J	J	0	
	NevadaNV			0	J	J	ļ	J0		
	New HampshireNh			0		0	0	l		
	New Jersey NJ		0	3.444	0	0	0	0	0	
	New Mexico NN		0	0	0	0	0	0	0	
	New York NY		923	38 , 183	0	0	0	0	0	
34.	No.Carolina NO	L	0	0	0	0	0	0	0	
35.	No.Dakota NE	·LL	0	0	0	0	0	0	0	
	Ohio Oh		0	0	0	0	0	0	0	
	Oklahoma Ok			0	0	0	0	0	0	
38.	Oregon OF		0	0	J]0]0]0	0	
	Pennsylvania PA			8,033	J	J	J	J	J	
	Rhode Island RI So. Carolina SC			11,041	J	J	J	J	J	
	So. Carolina SC So. Dakota SE			0 n	J	J	J	J		
	Tennessee TN				I	1	1	10		
44.	TexasTX		0	0	0	0	0	0	0	
	Utah UT		i n	n n	n	n	0	n	n	
	VermontVT		0	0	0	0	0	0	0	
47.	Virginia VA	L	0	912	0	0	0	0	0	
	Washington WA		0	0	0	0	0	0	0	
	West Virginia W		. 0	0	0		0	0	0	
	WisconsinWI		· ō	0	J	ļ	ļ	ļ	J	
	Wyoming W		· † ō	ļ	ļō	ļ	ļ	ļ	ŀō	<u> </u>
	American Samoa AS		0	0	0	ļ	0	0	l0	
	Guam GL Puerto Rico PR		·†	0	ļ	ļ	ļ	ļ	l0	····
	U.S. Virgin Islands VI		0		l	U	l0	U	U	
	Northern Mariana	IN	1	0	l	l	ļ	l	l	
55.	Islands MF	, _N	0	0	0	0	0	0	0	
57.	Canada CA		0	0	0	0	0	0	0	
	Aggregate other	1	1				1	1		
	alien OT		0	0	0	0	0	0	0	0
59.	Totals	(a) 52	923	98,678	0	0	0	0	0	0
DETAI	LS OF WRITE-INS						1			
	LS OF WRITE-INS	xxx					1			
58001. 58002.			<u> </u>		1	1	1	1		
58003.		1 ,004								
	Sum. of remaining									
	write-ins for Line 58 from						1			
	overflow page	XXX	0	0	0	0	0	0	0	0
58999.	Totals (Lines 58001 through	1					1			
	58003 + 58998) (Line 58		0	0	0		0	_	0	0
I	above)	XXX	1 0	U U	1 0	0	1 0	0	1 0	ı U

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

Explanation of basis of allocation of premiums by states, etc.

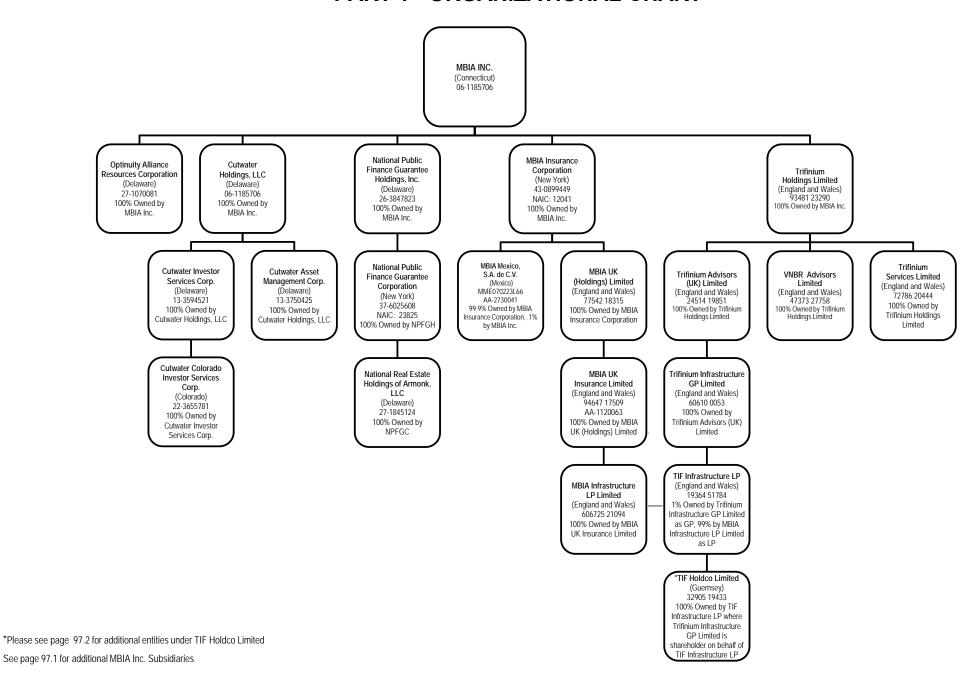
 $\ensuremath{\mathsf{All}}$ premiums allocated to location of risk or policyholders.

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

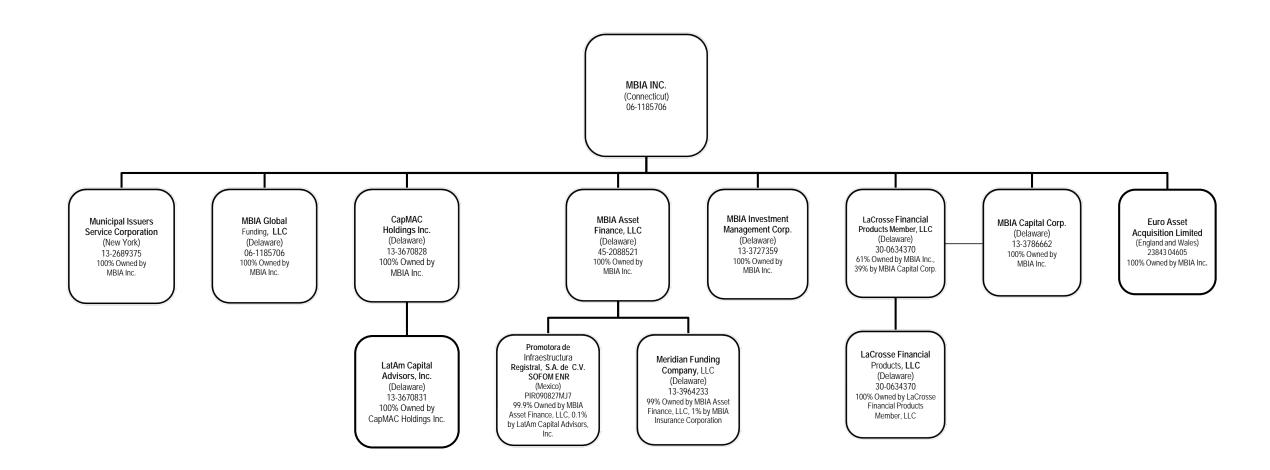
SCHEDULE T – PART 2 INTERSTATE COMPACT – EXHIBIT OF PREMIUMS WRITTEN Allocated By States and Territories

				Direct Bus	iness Only		
		1 Life	2	3 Disability Income	4 Long-Term Care	5	6
States, Etc.		(Group and Individual)	Annuities (Group and Individual)	(Group and Individual)	(Group and Individual)	Deposit-Type Contracts	Totals
1. Alabama	AL						
2. Alaska	AK						
3. Arizona							
4. Arkansas	AR						
5. California	CA						
	CO						
7. Connecticut	CT						
8. Delaware	DE						
9. District of Columbia	DC						
10. Florida	FL						
11. Georgia	GA						
12. Hawaii	HI						
13. Idaho	ID						
	IL						
15. Indiana							
	IA						
17. Kansas	KS					1	1
18. Kentucky	KY						
19. Louisiana							
	BE						
20. Maine							
21. Maryland							
22. Massachusetts							
3	MI						
24. Minnesota							
25. Mississippi							
26. Missouri	MO						
27. Montana	TM						
28. Nebraska	NE						
29. Nevada	NV						
30. New Hampshire	NH						
31. New Jersey	NJ						
32. New Mexico	NM						
33. New York	NY						
34. North Carolina	NC						
	ND						
	OH						
37. Oklahoma							
	OR						
39. Pennsylvania							
40. Rhode Island							
41. South Carolina	SC		1				
	SC		†				·
42. South Dakota			·····				
	TN						
44. Texas	TX		·			·	·
45. Utah		 	·			·	ļ
46. Vermont	VT						
47. Virginia		ļ					ļ
48. Washington							
49. West Virginia							
50. Wisconsin	WI						
51. Wyoming	WY						
52. American Samoa	AS						
53. Guam							
54. Puerto Rico							
55. US Virgin Islands							
56. Northern Mariana Islands							
57. Canada							
58. Aggregate Other Alien							
	C/I	L		L	L		

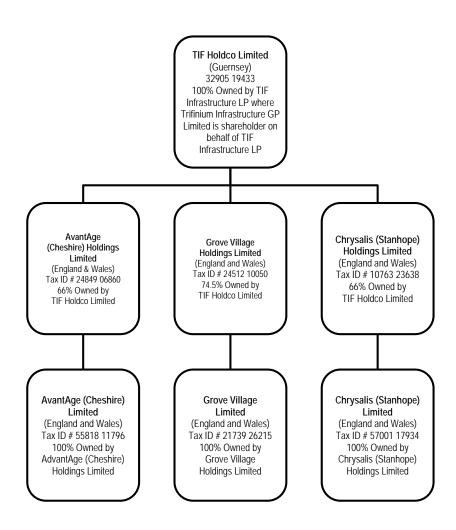
SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP PART 1 - ORGANIZATIONAL CHART



SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP PART 1 - ORGANIZATIONAL CHART



SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP PART 1 - ORGANIZATIONAL CHART



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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
					Name of					Type of Control			
					Securities					(Ownership,			
					Exchange if					Board,	If Control is	Ultimate	
		NAIC	Federal		Publicly	Name of		Relationship to		Management,	Ownership	Controlling	
Group		Company	ID	Federal	Traded (U.S. or	Parent Subsidiaries	Domiciliary		Directly Controlled by	Attorney-in-Fact,	Provide	Entity(ies)/	
Code	Group Name	Code	Number	RSSD CIK	International)	or Affiliates	Location	Entity	(Name of Entity/Person)	Influence, Other)	Percentage	Person(s)	*
00528	MBTA		06 - 1185706		NYSE	MBIA INC.	C1	UIP					
00500	lun.		07 4070004			Optinuity Alliance Resources			LIB. I. III.		400.0		
00528	MBIA		. 27 - 1070081			Corporation	DE	NIA	MBIA INC.	Ownership	100.0	MBIA INC	
00528	MBIA		06 - 1185706			Cutwater Holdings, LLC	DE	NIA	MBIA INC.	Ownership	100.0	MBIA INC	
00500	ND. A		40.0504504	000400005	,	Cutwater Investor Services	D.E.			0 1:	400.0	MB I A INIO	
00528	MBIA		13-3594521			Corp	DE	NIA	.Cutwater Holdings, LLC	Ownership	100.0	MBIA INC	
00500	MBIA		00 0055704			Cutwater Colorado Investor	00	NII A	Cutwater Investor Services	O	400.0	MD I A I NO	
00528	IMBIA		22-3655781	000093136		Services Corp.	CO DE	NIA	CorpCutwater Holdings, LLC	Ownership		MBIA INC MBIA INC.	
00528	MBIA		13-3750425		1	Cutwater Asset Management Corp National Public Finance	DE	NIA	Toutwater Hordings, LLG	Ownership	100.0	MBIA INC	
00528	MB1A		26-3847823				DE	UDP	MBIA INC	Ownership	100.0	MBIA INC	
00020	WDTA						DE		National Public Finance	. Ownership	100.0	INDIA INC	
00528	MB1A	23825	37 - 6025608			Guarantee Corporation	NY		Guarantee Holdings, Inc	Ownership	100.0	MBIA INC.	
00320	WDTA	23023				National Real Estate Holdings		-	National Public Finance	. Ownership	100.0	INDIA INC	
00528	MBIA.		27 - 1845124			of Armonk, LLC	DE	DS	Guarantee Corporation	Ownership.	100.0	MBIA INC	
00528	I MB I A	12041	43-0899449	000136054		MBIA Insurance Corporation	NY	IA	MBIA INC.	Ownership		MBIA INC.	
00528	MBIA		AA - 2730041			MBIA Mexico S.A. de C.V	MEX	I A	MBIA Insurance Corporation	Ownership		MBIA INC	
00528	MBIA		AA - 2730041		1	MBIA Mexico S.A. de C.V.	MEX	IA	MBIA INC.	Ownership	 0 1	MBIA INC	
00528	MBIA				·····	MBIA UK (Holdings) Limited	GBR	NIA	MBIA Insurance Corporation	Ownership		MBIA INC	
00528	MBIA		. AA - 1120063			MBIA UK Insurance Limited	GBR	IIA	MBIA UK (Holdings) Limited	Ownership		MBIA INC	
00528	MBIA					MBIA Infrastructure LP Limited	GBR	NIA.	MBIA UK Insurance Limited	Ownership	100.0	MBIA INC	
00528	MBIA					Trifinium Holdings Limited	GBR	NIA.	MBIA INC.	Ownership	100.0	MBIA INC	
00528	MBIA					Trifinium Advisors (UK) Limited.		NIA.	Trifinium Holdings Limited	Ownership		MBIA INC.	
00020						Trifinium Infrastructure GP			Trifinium Advisors (UK)			1110	
00528	MBIA					Limited	GBR	NIA	Limited	Ownership.	100 0	MBIA INC.	
00020									MBIA Infrastructure LP				
00528	MBIA					TIF Infrastructure LP	GBR	NIA	Limited	Ownership	99 0	MBIA INC.	
00020									Trifinium Infrastructure GP				
00528	MBIA					TIF Infrastructure LP	GBR	NIA	Limited	Ownership	1.0	MBIA INC	
00528	MBTA.					TIF Holdco Limited	GGY	NIA.	TIF Infrastructure LP	Ownership.		MBIA INC.	
				İ		AvantAge (Cheshire) Holdings	İ			'			i i
00528	MBIA					Limited	GBR	NIA	TIF Holdco Limited	Ownership	66.0	MBIA INC	
									AvantAge (Cheshire) Holdings	i i			
00528	MBIA					AvantAge (Cheshire) Limited	GBR	NIA	Limited	Ownership	100.0	MBIA INC	
00528	MBIA				 	Grove Village Holdings Limited	GBR	NIA	TIF Holdco Limited	Ownership	74.5	MBIA INC	
							1		Grove Village Holdings				
00528	MBIA					Grove Village Limited	GBR	NIA	Limited	.Ownership	100.0	MBIA INC	
						Chrysalis (Štanhope) Holdings	1						
00528	MBIA				ļ	Limited	GBR	NIA	TIF Holdco Limited	Ownership	66.0	MBIA INC	
							1		Chrysalis (Stanhope) Holdings				
00528	MB1A				ļ	Chrysalis (Stanhope) Limited	GBR	NIA	Limited	Ownership		MBIA INC	
00528	MB1A					VNBR Advisors Limited	GBR	NIA	Trifinium Holdings Limited	Ownership	100.0	MBIA INC	
00528	MB1A					Trifinium Services Limited	GBR		Trifinium Holdings Limited	Ownership	100.0	MBIA INC	
00555						Municipal Issuers Service	,		HE 1 HE			Lun I I I I I I I I I I I I I I I I I I I	
00528	MBIA		13-2689375			Corporation	NY	NIA	MBIA INC	Ownership		MBIA INC	
00528	MBIA]	MBIA Global Funding, LLC	DE	NIA	MBIA INC.	Ownership		MBIA INC	
00528	MBIA		. 13-3670828			CapMAC Holdings Inc.	DE	NIA	MBIA INC.	Ownership		MBIA INC	
00528	MB1A		13-3670831		4	LatAm Capital Advisors, Inc	DE	NIA	CapMAC Holdings Inc	Ownership	100.0	MBIA INC	

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
					-	Name of					Type of Control			
						Securities					(Ownership,			
						Exchange if					Board,	If Control is	Ultimate	
		NAIC	Federal			Publicly	Name of		Relationship to		Management,	Ownership	Controlling	
Group		Company	ID.	Federal		Traded (U.S. or	Parent Subsidiaries	Domiciliary	Reporting	Directly Controlled by	Attorney-in-Fact,	Provide	Entity(ies)/	
Code	Group Name	Code	Number	RSSD	CIK	International)	or Affiliates	Location	Entity	(Name of Entity/Person)	Influence, Other)	Percentage	Person(s)	*
00528	MBIA		45-2088521				MBIA Asset Finance, LLC	DE	NIA	MBIA INC	Ownership	100.0	MBIA INC	-
							Promotora de Infraestructura							
00528	MBIA						Registral, S.A. de C.V. SOFOM	MEX	NIA	MBIA Asset Finance, LLC	Ownership	00.0	MBIA INC.	
00020	MD1A						Promotora de Infraestructura	IVIEA	N I A	IMBIA ASSEL FINANCE, LLC	ownership	99.9	MIDIA INC	
							Registral, S.A. de C.V. SOFOM							
00528	MBIA						TEND	MEX	NIA	LatAm Capital Advisors, Inc	Ownership	0.1	MBIA INC.	
00528	MBIA		13-3964233				Meridian Funding Company, LLC	DE		MBIA Asset Finance, LLC	Ownership		MBIA INC	
00528	MBIA		13-3964233				Meridian Funding Company, LLC	DE		MBIA Insurance Corporation	Ownership	1.0	MBIA INC	
00020	THE TA		10 000+200	-			MBIA Investment Management			mbin modranoc corporation	0#1101 3111 p		IIIDTN 1110	
00528	MBIA		13-3727359				Corp	DE	NIA	MBIA INC.	Ownership	100 0	MBIA INC	
00020			10 0121000				LaCrosse Financial Products				0 0 p			
00528	MB1A		30-0634370				Member. LLC.	DE	NIA	MBIA INC.	Ownership	61.0	MBIA INC	J
							LaCrosse Financial Products							
00528	MBIA		30-0634370				Member, LLC	DE	NIA	MBIA Capital Corp	Ownership	39.0	MBIA INC	
							LaCrosse Financial Products,			LaCrosse Financial Products	· ·			İ
00528	MB1A		30-0634370				LLC	DE	NIA	Member, LLC	Ownership	100.0	MBIA INC	
00528	MB1A		13-3786662				MBIA Capital Corp	DE		MBIA IŃC	Ownership	100.0	MBIA INC	
00528	MB I A						Euro Asset Acquisition Limited	GBR	NIA	MBIA INC	Ownership	100.0	MBIA INC	
														.
														-
														-

Asterisk	Explanation

99

SCHEDULE Y

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

1 NAIC	2	3	4	5	6 Purchases, Sales or Exchanges of Loans, Securities, Real Estate, Mortgage Loans or Other	Incurred in Connection with Guarantees or Undertakings for the	8 · Management	9 Income/ (Disbursements) Incurred Under	10	Any Other Material Activity Not in the Ordinary Course of	12	Reinsurance Recoverable/ (Payable) on Losses and/or Reserve
Company Code	Federal ID Number	Names of Insurers and Parent, Subsidiaries or Affiliates	Shareholder Dividends	Capital Contributions	Investments	Benefit of any Affiliate(s)	Agreements and Service Contracts	Reinsurance Agreements	*	the Insurer's Business	Totals	Credit Taken/(Liability)
23825	37 -6025608	National Public Finance Guarantee Corpor			2.239.586.533		(187,383,593) 187,383,593	(126,377,110)			1,925,825,830	(1,387,756,359
12041	43-0899449	MBIA INCMBIA Insurance Corporation			(484,808,398) (1,754,778,135)			126 , 377 , 110			(297,424,805) (1,628,401,025) (0,000)	1,387,756,359
											0	
9999999	Control Totals		0	0	0	0	0	0	ХХХ	0	0	0

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

The following supplemental reports are required to be filed as part of your statement filing unless specifically waived by the domiciliary state. However, in the event that your domiciliary state waives the filing requirement, your response of **WAIVED** to the specific interrogatory will be accepted in lieu of filing a "NONE" report and a bar code will be printed below. If the supplement is required of your company but is not being filed for whatever reason enter **SEE EXPLANATION** and provide an explanation following the interrogatory questions.

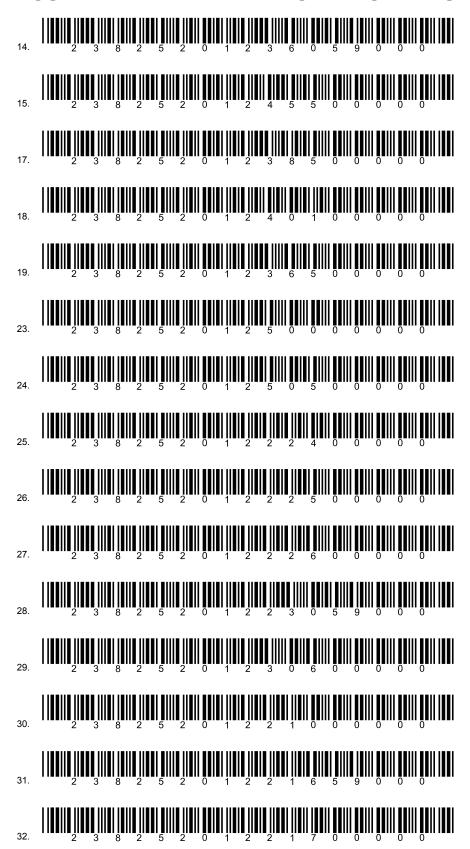
	MARCH FILING	RESPONSES
1.	Will an actuarial opinion be filed by March 1?	YES
2.	Will the Supplemental Compensation Exhibit be filed with the state of domicile by March 1?	YES
3.	Will the confidential Risk-based Capital Report be filed with the NAIC by March 1?	WA I VED
4.	Will the confidential Risk-based Capital Report be filed with the state of domicile, if required, by March 1?	WAIVED
	APRIL FILING	
5.		YES
6.	Will Management's Discussion and Analysis be filed by April 1?	YES
7.	Will the Supplemental Investment Risks Interrogatories be filed by April 1?	YES
	MAY FILING	
8.	Will this company be included in a combined annual statement that is filed with the NAIC by May 1?	SEE EXPLANATION
	JUNE FILING	
9.		YES
10.	Will Accountants Letter of Qualifications be filed with the state of domicile and electronically with the NAIC by June 1?	YES
	AUGUST FILING	V/E0
11.	Will Communication of Internal Control Related Matters Noted in Audit be filed with the state of domicile by August 1?	YES
	The following supplemental reports are required to be filed as part of your statement filing. However, in the event that your company does not transact the type of business for which the special report must be filed, your response of NO to the specific interrogatory will be accepted in lieu of filing a "NONE" report and a bar code will be printed below. If the supplement is required of your company but is not being filed for whatever reason enter SEE EXPLANATION and provide an explanation following the interrogatory questions.	
	MARCH EILING	
12.	Will Schedule SIS (Stockholder Information Supplement) be filed with the state of domicile by March 1?	N0
13.	Will the Financial Guaranty Insurance Exhibit be filed by March 1?	YES
14.	Will the Medicare Supplement Insurance Experience Exhibit be filed with the state of domicile and the NAIC by March 1?	N0
15.	Will Supplement A to Schedule T (Medical Professional Liability Supplement) be filed by March 1?	N0
16.	Will the Trusteed Surplus Statement be filed with the state of domicile and the NAIC by March 1?	SEE EXPLANATION
17.	Will the Premiums Attributed to Protected Cells Exhibit be filed by March 1?	N0
18.	Will the Reinsurance Summary Supplemental Filing for General Interrogatory 9 be filed with the state of domicile and the NAIC by March 1?	N0
19.	Will the Medicare Part D Coverage Supplement be filed with the state of domicile and the NAIC by March 1?	N0
20.	Will the confidential Actuarial Opinion Summary be filed with the state of domicile, if required, by March 15 (or the date otherwise specified)?	YES
21.	Will the Reinsurance Attestation Supplement be filed with the state of domicile and the NAIC by March 1?	YES
22.	Will the Exceptions to the Reinsurance Attestation Supplement be filed with the state of domicile by March 1?	SEE EXPLANATION
23.	Will the Bail Bond Supplement be filed with the state of domicile and the NAIC by March 1?	N0
24.	Will the Director and Officer Insurance Coverage Supplement be filed with the state of domicile and the NAIC by March 1?	N0
25.	Will an approval from the reporting entity's state of domicile for relief related to the five-year rotation requirement for lead audit partner be filed electronically with the NAIC by March 1?	N0
26.	Will an approval from the reporting entity's state of domicile for relief related to the one-year cooling off period for independent CPA be filed electronically with the NAIC by March 1?	N0
27.		N0

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

APRIL FILING

28.	Will the Credit Insurance Experience Exhibit be filed with the state of domicile and the NAIC by April 1?	NO
29.	Will the Long-term Care Experience Reporting Forms be filed with the state of domicile and the NAIC by April 1?	NO
30.	Will the Accident and Health Policy Experience Exhibit be filed by April 1?	NO
31.	Will the Supplemental Health Care Exhibit (Parts 1, 2 and 3) be filed with the state of domicile and the NAIC by April 1?	NO
32.	Will the regulator only (non-public) Supplemental Health Care Exhibit's Allocation Report be filed with the state of domicile and the NAIC by April 1?	NO
	AUGUST FILING	
33.	Will Management's Report of Internal Control Over Financial Reporting be filed with the state of domicile by August 1?	SEE EXPLANATION
	nation:	
B. Na Holdi	tional Public Finance Guarantee Corporation ("National") is a subsidiary of the intermediate holding company, National Public Finance, which is itself a wholly-owned subsidiary of MBIA Inc.	nance Guarantee
12.		
14.		
15.		
16. N	ational Public Finance Guarantee Corporation is not a U.S. Branch of an Alien Insurer.	
17.		
18.		
19.		
22. N	ational has no exceptions to the Reinsurance Attestation Supplement.	
23.		
24.		
25.		
26.		
27 .		
28.		
29 .		
30.		
31.		
32.		
33. N ruleS	ational does not exceed \$500,000,000 or more in direct written and assumed premiums for the year ended December 31, 2012 per New ection 8914 "Management's report of internal control over financial reporting."	York State audit
Bar C	ode:	
3.		
4.	2 3 8 2 5 2 0 1 2 3 9 0 0 0 0 0	

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES



OVERFLOW PAGE FOR WRITE-INS

SUMMARY INVESTMENT SCHEDULE

		Gross Inves Holding			Admitted Assets in the Annual S		
		1	2	3	4	5	6
	Investment Categories	Amount	Percentage	Amount	Securities Lending Reinvested Collateral Amount	Total (Col. 3+4) Amount	Percentage
1.	Bonds:						
	1.1 U.S. treasury securities	288,986,114	5 . 118	288,986,114		288,986,114	5 . 118
	backed securities):						
	1.21 Issued by U.S. government agencies			i '	ł		1
	1.22 Issued by U.S. government sponsored agencies		0.000			0	0.000
	1.3 Non-U.S. government (including Canada, excluding mortgage-backed securities)	686,955	0.012	686,955		686,955	0.012
	1.4 Securities issued by states, territories, and possessions and political subdivisions in the U.S.:						
	1.41 States, territories and possessions general obligations	233,562,459	4 . 137	233,562,459		233,562,459	4 . 137
	1.42 Political subdivisions of states, territories and possessions and political subdivisions general obligations	317,428,066	5.622	317,428,066		317,428,066	5.622
	1.43 Revenue and assessment obligations		i	569 , 276 , 188	i	569 , 276 , 188	
	1.44 Industrial development and similar obligations		0.000			0	0.000
	Mortgage-backed securities (includes residential and commercial MBS): 1.51 Pass-through securities:						
	1.511 Issued or guaranteed by GNMA	226,714,147	4.015	226,714,147		226,714,147	4.015
	1.512 Issued or guaranteed by FNMA and FHLMC	647,332,515	11 . 465	647 , 332 , 515		647 , 332 , 515	11.465
	1.513 All other		0.000			0	0.000
	1.52 CMOs and REMICs:						
	1.521 Issued or guaranteed by GNMA, FNMA, FHLMC or VA	11 742 996	0 208	11,742,996		11,742,996	0.208
	1.522 Issued by non-U.S. Government issuers and collateralized by mortgage-backed securities issued or						
	guaranteed by agencies shown in Line 1.521			26,789,005			
2.	Other debt and other fixed income securities (excluding short term):	20,769,000	0.474	20,769,003		20,769,003	0.474
	2.1 Unaffiliated domestic securities (includes credit tenant loans	475 700 004	0.407	475 700 004		475 700 004	0.407
	and hybrid securities)		8 . 427 1 . 379	475,769,891 77,832,857		475,769,891 77,832,857	8.427 1.379
	2.3 Affiliated securities		0.000	77,032,037			
3.	Equity interests:						
	3.1 Investments in mutual funds	168,296,808	2.981	168,296,808		168,296,808	2.981
	3.2 Preferred stocks:		0.000			0	0.000
	3.21 Affiliated		0.000			1	
	3.3 Publicly traded equity securities (excluding preferred stocks):						
	3.31 Affiliated					0	0.000
	3.32 Unaffiliated		0.000			0	0.000
	3.41 Affiliated		0.000			0	0.000
	3.42 Unaffiliated		0.000			_	
	3.5 Other equity interests including tangible personal property under lease:		0.000				0.000
	3.51 Affiliated		0.000			0	0.000
4.	Mortgage loans:						
	4.1 Construction and land development						
	4.2 Agricultural						0.000
	4.3 Single family residential properties 4.4 Multifamily residential properties					0	
	4.4 Multiramily residential properties 4.5 Commercial loans					0	
	4.6 Mezzanine real estate loans					1	
5.	Real estate investments:						
	5.1 Property occupied by company		0.000	0		0	0.000
	5.2 Property held for production of income (including \$of property acquired in satisfaction						
	of debt)or property acquired in satisfaction		0.000	0		0	0.000
	5.3 Property held for sale (including \$		0.000			_	0.000
_	property acquired in satisfaction of debt) Contract loans		0.000	0		0	0.000
i	Derivatives		0.000	0			0.000
i	Receivables for securities		0.291	16,426,021		10 100 001	0.291
9.	Securities Lending (Line 10, Asset Page reinvested collateral)		0.000	0	ХХХ	XXX	XXX
I	Cash, cash equivalents and short-term investments		15.060	850,285,748		, ,	
i	Other invested assets	1,728,627,166	30.616	1,728,627,166		1,728,627,166	30.616
12.	Total invested assets	5,646,093,744	100.000	5,646,093,744	0	5,646,093,744	100.000

SCHEDULE A – VERIFICATION BETWEEN YEARS

Real Estate

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

SCHEDULE B - VERIFICATION BETWEEN YEARS

Mortgage Loans

1.	. Book value/recorded investment excluding accrued interest, December 31 of prior year	0
	. Cost of acquired:	
	2.1 Actual cost at time of acquisition (Part 2, Column 7)	
	2.2 Additional investment made after acquisition (Part 2, Column 8)	0
3.	Capitalized deferred interest and other:	
	3.1 Totals, Part 1, Column 12	
	3.2 Totals, Part 3, Column 110	0
4.	. Accrual of discount	
5.	. Unrealized valuation increase (decrease):	
	5.1 Totals, Part 1, Column 9	
	5.2 Totals, Part 3, Column 8	0
6.	5.1 Totals, Part 1, Column 9	0
7.	2. Deduct amounts received on disposals, Part 3, Column 15	
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:	
	9.1 Totals, Part 1, Column 130	_
	9.2 Totals, Part 3, Column 13	0
10.	Deduct current year's other than temporary impairment recognized:	
	10.1 Totals, Part 1, Column 11	
	10.2 Totals, Part 3, Column 10	0
	Book value/recorded investment excluding accrued interest at end of current period (Lines 1+2+3+4+5+6-7-8+9-10)	
12.	. Total valuation allowance	
	Subtotal (Line 11 plus Line 12)	0
14.	Deduct total nonadmitted amounts	
15	Statement value of mortgages owned at end of current period (Line 13 minus Line 14)	()

SCHEDULE BA – VERIFICATION BETWEEN YEARS

Other Long-Term Invested Assets

1.	Book/adjusted carrying value, December 31 of prior year		70,000,472
2.	Cost of acquired:		
	Actual cost at time of acquisition (Part 2, Column 8) Additional investment made after acquisition (Part 2, Column 9)	20 , 510 , 586	
	2.2 Additional investment made after acquisition (Part 2, Column 9)	0	20,510,586
3.			
	3.1 Totals, Part 1, Column 16	0	
	3.1 Totals, Part 1, Column 16	0	0
4.			
5.	Unrealized valuation increase (decrease):		
	5.1 Totals, Part 1, Column 13 5.2 Totals, Part 3, Column 9 5.2 Totals, Par	(2,093,136)	
	5.2 Totals, Part 3, Column 9	0	(2,093,136)
6.	Total gain (loss) on disposals, Part 3, Column 19		128,027
7.	Deduct amounts received on disposals, Part 3, Column 16		11,232,084
8.	Deduct amounts received on disposals, Part 3, Column 16. Deduct amortization of premium and depreciation		94 , 834
9.	Total foreign exchange change in book/adjusted carrying value:		
	9.1 Totals, Part 1, Column 17	0	
	9.1 Totals, Part 1, Column 17	0	0
10.	Deduct current year's other than temporary impairment recognized:		
	10.1 Totals, Part 1, Column 15	0	
	10.2 Totals, Part 3, Column 11	0	
11.	Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5+6-7-8+9-10)		77 , 219 , 031
12.	Deduct total nonadmitted amounts		
13.	Statement value at end of current period (Line 11 minus Line 12)		77,219,031

SCHEDULE D – VERIFICATION BETWEEN YEARS

Bonds and Stocks

1.	Book/adjusted carrying value. December 31 of prior year	3.430.757.349
2.	Book/adjusted carrying value, December 31 of prior year. Cost of bonds and stocks acquired, Part 3, Column 7.	1 991 400 734
3.	Accrual of discount	3 252 612
4.		
٦.	4.1 Part 1, Column 12	
	4.2 Part 2, Section 1, Column 15.	
	4.3 Part 2 Section 2 Column 13 14 445 578	
	44 Part 4 Column 11 623 683	15 445 949
5.	4.4 Part 4, Column 11	108.683.122
6.	Deduction consideration for bonds and stocks disposed of. Part 4. Column 7	2.471.909.431
7.	Deduct amortization of premium.	26,875,526
8.	Total foreign exchange change in book/adjusted carrying value:	
	8.1 Part 1, Column 15	
	8.2 Part 2, Section 1, Column 19	
	8.3 Part 2. Section 2. Column 16	
	8.4 Part 4, Column 15	0
9.	Deduct current year's other than temporary impairment recognized:	
	9.1 Part 1, Column 14. 0 9.2 Part 2, Section 1, Column 17. 0	
	9.2 Part 2, Section 1, Column 17	
	9.3 Part 2. Section 2. Column 14.	
	9.4 Part 4, Column 13	0
10.	Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9).	
11.	Deduct total nonadmitted amounts	
12.	Statement value at end of current period (Line 10 minus Line 11)	3,050,754,809

SCHEDULE D - SUMMARY BY COUNTRY

	Lo	ng-Term Bonds and Stocks	OWNED December 31	of Current Year		
Description			1 Book/Adjusted Carrying Value	2 Fair Value	3 Actual Cost	4 Par Value of Bonds
BONDS	1.	United States	522,037,065	526.553.090	522.616.718	506,455,643
Governments	2.	Canada				
(Including all obligations guaranteed	3.	Other Countries	686,955	696,567	717,451	650,000
by governments)	4.	Totals	522,724,020	527, 249, 657	523,334,169	507, 105, 643
U.S. States, Territories and Possessions						
(Direct and guaranteed)	5.	Totals	233,562,457	248, 187, 912	235,377,175	208,265,000
U.S. Political Subdivisions of States, Territories						
and Possessions (Direct and guaranteed)	6.	Totals	317,428,065	341,888,198	319,867,938	299, 103, 000
U.S. Special revenue and special assessment obligations and all non-guaranteed obligations of agencies and authorities of						
governments and their political subdivisions	7.	Totals	1,228,351,705	1,281,441,141	1,230,996,498	1,170,292,292
	8.	United States	496,441,873	506 , 131 , 598	498 ,717 ,299	486,496,385
Industrial and Miscellaneous and	9.	Canada	3,308,322	3 , 542 , 135	3,312,777	3,265,000
Hybrid Securities (unaffiliated)	10.	Other Countries	80,641,559	82,653,971	80,906,718	81,523,242
	11.	Totals	580,391,754	592,327,704	582,936,794	571,284,627
Parent, Subsidiaries and Affiliates	12.	Totals	0	0	0	0
	13.	Total Bonds	2,882,458,001	2,991,094,612	2,892,512,574	2,756,050,562
PREFERRED STOCKS Industrial and Miscellaneous (unaffiliated)	14. 15. 16.	United States Canada Other Countries Totals	0	0	0	
Parent, Subsidiaries and Affiliates	18.	Totals	0	0	0	
	19.	Total Preferred Stocks	0	0	0	
COMMON STOCKS Industrial and Miscellaneous (unaffiliated)	20. 21. 22.	United States	168,296,808	168 , 296 , 808	146 , 151 , 283	
	23.	Totals	168,296,808	168,296,808	146,151,283	
Parent, Subsidiaries and Affiliates	24.	Totals	0	0	0	
	25.	Total Common Stocks	168,296,808	168,296,808	146,151,283	
	26.	Total Stocks	168,296,808	168,296,808	146,151,283	
	27.	Total Bonds and Stocks	3,050,754,809	3,159,391,420	3,038,663,857	

SCHEDULE D - PART 1A - SECTION 1

		, 	rity Distribution of All Bor	ds Owned December 3			Types of Issues and NA	AIC Designations			
	1	2	3	4	5	6	7	8	9	10	11
0 11 5 11 11 11 11 10 5 1 11	4.4		Over 5 Years Through		0 00 1/	T. 10 11	Col. 6 as a	Total from Col. 6	% From Col. 7	Total Publicly	Total Privately Place
Quality Rating per the NAIC Designation	1 Year or Less	Years	10 Years	Through 20 Years	Over 20 Years	Total Current Year	% of Line 9.7	Prior Year	Prior Year	Traded	(a)
1. U.S. Governments	445 005 054	0.40, 0.07, 400	407 070 000	00 000 745	04 040 440	547 070 040	45.0	055 547 000	40.0	547.070.040	
1.1 Class 1	115,365,054	249 , 027 , 422	137 ,976 ,983	20 , 060 , 745	24 , 643 , 142	547,073,346	15.8	655 , 517 , 326	12.8	547,073,346	
1.2 Class 2						0	0.0	0	0.0		
1.3 Class 3						0	0.0	0	0.0		
1.4 Class 4						0	0.0	0	0.0		
1.5 Class 5						0	0.0	0	0.0		
1.6 Class 6						0	0.0	0	0.0		
1.7 Totals	115,365,054	249,027,422	137,976,983	20,060,745	24,643,142	547,073,346	15.8	655,517,326	12.8	547,073,346	(
All Other Governments											
2.1 Class 1						686,955	0.0	0	0.0		
2.2 Class 2						0	0.0	0	0.0		
2.3 Class 3						0	0.0	0	0.0		
2.4 Class 4						0	0.0	0	0.0		
2.5 Class 5						0	0.0	0 l	0.0		
2.6 Class 6						0	0.0	0	0.0		
2.7 Totals	0	686,955	0	0	0	686.955	0.0	0	0.0	686.955	(
U.S. States, Territories and Possess	ions etc. Guaranteed	000,000				000,000	0.0		0.0	000,000	
3.1 Class 1	53,164	15, 193, 384	120,675,990	37,839,007	59,800,914	233,562,459	6.7	272,836,872	5.3	233,562,459	
3.2 Class 2		10, 100, 004	120,073,330			200, 502, 459	0.0	212,000,012	0.0	200,002,400	
3.3 Class 3							0.0	 n	0.0		
3.4 Class 4							0.0		0.0		
3.5 Class 5							0.0		0.0		
3.6 Class 6						Λ	0.0		0.0		
3.7 Totals	53,164	15,193,384	120,675,990	37,839,007	59,800,914	233,562,459	6.7	272,836,872	5.3	233,562,459	
			120,075,990	37,839,007	59,800,914	233, 302, 439	0.7	212,830,812	5.3	233,302,439	L
4. U.S. Political Subdivisions of States,			404 004 045	54 004 450	70 005 400	0.47 400 005	0.4	450 007 440		0.47 400 005	
4.1 Class 1	4,772,795	82,306,697	104,681,645	51,831,459	73,835,469	317,428,065	9.1	459 , 887 , 119	9.0	317 , 428 , 065	
4.2 Class 2						U	0.0	L	0.0		
4.3 Class 3						U	0.0	L	0.0		
4.4 Class 4						0	0.0	U	0.0		
4.5 Class 5						0	0.0	D	0.0		
4.6 Class 6						0	0.0	0	0.0		
4.7 Totals	4,772,795	82,306,697	104,681,645	51,831,459	73,835,469	317,428,065	9.1	459,887,119	9.0	317,428,065	0
5. U.S. Special Revenue & Special Ass											
5.1 Class 1	169 , 459 , 538	394,898,597	285,024,741	189 , 795 , 162	161,455,041	1,200,633,079	34.6	1 , 667 , 449 , 107	32.7	1,200,633,079	
5.2 Class 2	1,629,295	5,035,720	8,661,589	9 , 929 , 587	1,500,000	26,756,191	8.0	64,906,135	1.3	26,756,191	
5.3 Class 3		872,096				872,096	0.0	860 , 175	0.0	872,096	
5.4 Class 4						0	0.0	0	0.0		
5.5 Class 5						0	0.0	0	0.0	ļ	
5.6 Class 6		90,333				90,333	0.0	0	0.0	90,333	
5.7 Totals	171,088,833	400,896,746	293,686,330	199,724,749	162,955,041	1,228,351,699	35.4	1,733,215,417	33.9	1,228,351,699	0

SCHEDULE D - PART 1A - SECTION 1 (Continued) Quality and Maturity Distribution of All Bonds Owned December 31, at Book/Adjusted Carrying Values by Major Types of Issues and NAIC Designations

Quality and Maturity Distribution of All Bonds Owned December 31, at Book/Adjusted Carrying Values by Major 1 ypes of Issues and NAIC Designations													
	1	2	3	4	5	6	7	8	9	10	11		
		Over 1 Year Through 5	Over 5 Years Through	Over 10 Years			Col. 6 as a	Total from Col. 6	% From Col. 7	Total Publicly	Total Privately Placed		
Quality Rating per the NAIC Designation	1 Year or Less	Years	10 Years	Through 20 Years	Over 20 Years	Total Current Year	% of Line 9.7	Prior Year	Prior Year	Traded	(a)		
6. Industrial and Miscellaneous (unaffilia	ted)												
6.1 Class 1	590,341,997	186,891,016	200,040,529	13,731,856	31,673,050	1,022,678,448	29.4	1,886,161,537		951,752,858	70,925,591		
6.2 Class 2	3,713,154	23,421,382	25,790,404	3,376,619	23,826,467	80,128,026	2.3	57 , 044 , 494	1.1	66,070,687	14,057,339		
6.3 Class 3	1,793,577	3,599,981	3,891,320	3,646	1,405,693	10,694,217	0.3	7 , 291 , 959	0.1	9,146,012	1,548,204		
6.4 Class 4	1, 196, 419	1,489,484	1,555,283	130,482	46	4,371,714	0.1	3,333,958	0.1	4,119,950	251,764		
6.5 Class 5		235,463	71,508			306,971	0.0	970,720	0.0	306,971			
6.6 Class 6	4,928,810	11,034,006	1,417,370			17,380,186	0.5	23,843,228	0.5	15,534,393	1,845,793		
6.7 Totals	601,973,957	226,671,332	232,766,414	17,242,603	56,905,256	1,135,559,562	32.7	1,978,645,896	38.7	1,046,930,871	88,628,691		
7. Hybrid Securities													
7.1 Class 1						0	0.0	0	0.0				
7.2 Class 2	1,000,698		812,590	1,756,390	4,532,590	8,102,268	0.2	3,094,732	0.1	8,102,268			
7.3 Class 3			517,162		1,712,760	2,229,922	0.1	3,216,128	0.1	2,229,922			
7.4 Class 4						0	0.0	0	0.0				
7.5 Class 5						0	0.0	0	0.0				
7.6 Class 6						0	0.0	0	0.0				
7.7 Totals	1,000,698	0	1,329,752	1,756,390	6,245,350	10,332,190	0.3	6,310,860	0.1	10,332,190	0		
8. Parent, Subsidiaries and Affiliates	5												
8.1 Class 1						0	0.0	0	0.0				
8.2 Class 2						0	0.0	0	0.0				
8.3 Class 3						0	0.0	0	0.0				
8.4 Class 4						0	0.0	0	0.0				
8.5 Class 5						0	0.0	0	0.0				
8.6 Class 6						0	0.0	0	0.0				
8.7 Totals	0	0	0	0	0	0	0.0	0	0.0	0	0		

SCHEDULE D - PART 1A - SECTION 1 (Continued)

Quality and Maturity Distribution of All Bonds Owned December 31, at Book/Adjusted Carrying Values by Major Types of Issues and NAÍC Designations Over 1 Year Through Over 5 Years Through Over 10 Years Col. 6 as a Total from Col. 6 % From Col. 7 Total Publicly Total Privately Placed Quality Rating per the NAIC Designation Over 20 Years % of Line 9.7 1 Year or Less 5 Years 10 Years Through 20 Years **Total Current Year** Prior Year Prior Year Traded (a) 9. Total Bonds Current Year .351,407,616 9.1 Class 1 .879 .992 .548 .929,004,071 .848 . 399 . 888 .313,258,229 .3,322,062,352 .95.7 XXX .3, 251, 136, 762 .70,925,591 9.2 Class 2 6.343.147 .28,457,102 .35,264,583 .15,062,596 ..29,859,057 ..114,986,485 3.3 XXX XXX ..100,929,146 14,057,339 9.3 Class 3 1,793,577 .4,472,077 ..4,408,482 ..3,6463, 118, 453 ..13,796,235 0.4 XXX XXX .12,248,030 1,548,204 1,489,484 ..1,555,283 130,482 4,371,714 XXX .4,119,950 251,764 1,196,419 0.1 XXX 9.4 Class 4 ..235.463 ...71.508 .306,971 .0.0 XXX _XXX_ ..306.971 9.5 Class 5 9.6 Class 6 4.928.810 11.124.339 1.417.370 17.470.519 0.5 XXX XXX 15.624.726 1.845.793 9.7 Totals .100.0 XXX .894,254,501 .974.782.536 .891,117,114 .328 .454 .953 .384,385,172 (b) 3,472,994,276 XXX .3,384,365,585 88,628,691 9.8 Line 9.7 as a % of Col. 6 25.7 28.1 25.7 11.1 100.0 XXX XXX XXX 2.6 10. Total Bonds Prior Year 2.268.091.931 919.941.120 .899.101.527 .477 .636 .002 XXX. XXX .4.941.851.961 .96.8 17.172.318 .377.081.381 4.924.679.643 10.1 Class 1 40.131.326 125.045.361 118.792.042 ..6,253,318 10.2 Class 2 1.505.659 17.307.896 29.841.431 .36.259.049 XXX XXX 2.4 726.399 3.310.473 4.635.244 2.696.146 XXX XXX .11.368.262 0.2 11.368.261 10.3 Class 3 3.070.613 263.345 3.333.958 3.333.958 10.4 Class 4 XXX XXX 0.1 131.977 626.589 207.508 4.646 970.720 970.720 10.5 Class 5 XXX XXX 0.0 1.578.758 7.136.366 15.128.104 XXX XXX 23.843.228 23.378.223 465.005 10.6 Class 6 0.5 2,277,592,332 .959,384,795 .935,627,813 ...413,345,076 ..520,463,474 XXX _XXX ..5,106,413,490 100.0 .5,082,522,847 23.890.641 10.7 Totals 44.6 10.8 Line 10.7 as a % of Col. 8 18.8 18.3 8.1 10.2 XXX XXX 100.0 XXX 99.5 11. Total Publicly Traded Bonds .838 . 548 . 174 .350.800.407 .3.251.136.762 .93.6 11.1 Class 1 .877.091.553 .872.464.010 .312,232,618 .4.924.679.643 .96.4 .3.251.136.762 XXX. .11,899,345 11.2 Class 2 .6,319,148 .25,592,928 ..28,787,242 ..28,330,484 .100,929,147 .2.9 ...118,792,043 2.3 100.929.147 XXX .1,749,112 .3,705,693 .4,393,434 ..2,399,790 .12,248,029 .0.4 .11,368,262 .0.2 .12,248,029 XXX. 11.3 Class 3 .130,482 ..3,333,958 11.4 Class 4 .1,196,419 .1,489,484 .1,303,519 .4,119,950 .4,119,950 XXX. ..0.1 ..0.1 235.463 .71.508 306.971 0.0 970.720 306.971 XXX 11.5 Class 5 0.0 4.802.410 10.777.613 44.704 23.378.223 15.624.727 15.624.727 0.4 0.5 XXX 11.6 Class 6 891.158.642 .914,265,191 873.148.581 324.262.445 5,082,522,849 99.5 XXX 11.7 Totals 3.384.365.586 3.384.365.586 XXX 11.8 Line 11.7 as a % of Col. 6 26.3 27.0 25.8 11.3 100.0 XXX XXX 100.0 XXX 11.9 Line 11.7 as a % of Line 9.7, Col. 25.7 26.3 25.1 9.3 11.0 97.4 XXX XXX XXX 97.4 XXX 6, Section 9 12. Total Privately Placed Bonds 607.244 2,900,650 .56,539,844 .9,851,997 1,025,857 .70.925.592 .2.0 17,172,318 0.3 XXX .70,925,592 12.1 Class 1 2,864,173 6,477,340 1,528,574 14,057,338 .24,000 .3,163,251 .14,057,338 .0.4 ..6,253,318 XXX 12.2 Class 2 ..0.1 12.3 Class 3 .44.464 ...766.383 ..15.048 ..3.646 ..718.663 ..1.548.204 .0.0. 0.0 .XXX. .1.548.204 .251.764 .251,764 12.4 Class 4 .251,764 .0.0 ..0.0 XXX. 0.0. ..0.0 XXX. 12.5 Class 5 126,400 346.726 1.372.667 1.845.793 0.1 465 005 0 0 XXX 1.845.793 12.6 Class 6 3.095.514 60.517.126 12.7 Totals 17.968.816 4.192.754 .2.854.481 88.628.691 2.6 23.890.641 0.5 XXX 88.628.691 3.5 68.3 20.3 4.7 3.2 100.0 XXX XXX XXX XXX .100.0 12.8 Line 12.7 as a % of Col. 6 12.9 Line 12.7 as a % of Line 9.7. Col. 2.6 XXX XXX XXX XXX 1.7 0.1 0.1 2.6 6, Section 9 (a) Includes \$ 88 628 691 freely tradable under SEC Rule 144 or qualified for resale under SEC Rule 144A

(a) Includes \$00,020,0	UST Treety tradable t	inder SEC Rule 144 or qualiti	ed for resale under SEC Rule 144	A.				
(b) Includes \$			or year of bonds with Z designation				s. The letter "Z" means the NAIC designa	tion was not assigned by the
Securities Valuation Office (S\	VO) at the date of the	statement. "Z*" means the S	SVO could not evaluate the obligat	ion because valuation procedures for the se	curity class is under regulate	ory review.		
(c) Includes \$71,	508 current year, \$	17,470,520 price	or year of bonds with 5* designation	ons and \$ current ye	ır, \$	prior year of bonds with 6* designations	s. "5*" means the NAIC designation was	assigned by the SVO in
reliance on the insurer's certifi	ication that the issuer	is current in all principal and	interest payments. "6*" means the	e NAIC designation was assigned by the S\	O due to inadequate certification	ation of principal and interest payments.		

SCHEDULE D - PART 1A - SECTION 2

Maturity Distribution of All Bonds Owned December 31, At Book/Adjusted Carrying Values by Major Type and Subtype of Issues												
	1	2	3	4	5	6	7	8	9	10	11	
		Over 1 Year	Over 5 Years	Over 10 Years		Total Current	Col. 6 as a %	Total from Col 6	% From Col.	Total Publicly	Total Privately	
Distribution by Type	1 Year or Less	Through 5 Years	Through 10 Years	Through 20 Years	Over 20 Years	Year	of Line 9.5	Prior Year	7 Prior Year	Traded	Placed	
1. U.S. Governments	04 400 004	444 447 477	00 700 004		40 440 000	044 005 004		000 070 700	7.5	044 005 004		
1.1 Issuer Obligations	64,100,994	141,417,477	90,766,891	40 007 404	18,410,029	314,695,391	9.1	383,873,760	7.5	314,695,391		
1.2 Residential Mortgage-Backed Securities	47,721,462	106,135,811 1,474,134	46,805,211 404.881	19,827,461	6,224,201 8.912	226,714,146 5,663,808	6.5	271,643,566	5.3 0.0	226,714,146		
1.3 Commercial Mortgage-Backed Securities	3,542,598	1,474,134	404 , 88 1	233,283	8,912		0.2	U		5,663,808		
1.4 Other Loan-Backed and Structured Securities	115,365,054	249.027.422	137.976.983	20.060.744	04 040 440	547.073.345	0.0	655.517.326	0.0	E47 070 04E	0	
1.5 Totals	110,300,004	249,027,422	137,970,983	20,000,744	24,643,142	347,073,343	15.8	000,017,320	12.8	547,073,345	U	
2. All Other Governments 2.1 Issuer Obligations		686,955				686,955	0.0	0	0.0	686.955		
2.2 Residential Mortgage-Backed Securities		000,000				000,555	0.0	n l	0.0	000,000		
2.3 Commercial Mortgage-Backed Securities						n	0.0	0	0.0			
2.4 Other Loan-Backed and Structured Securities						0	0.0	0	0.0			
2.5 Totals	0	686,955	0	0	n	686.955	0.0	0	0.0	686.955	0	
3. U.S. States, Territories and Possessions, Guaranteed	0	000,000	0	0	0	000,000	0.0	0	0.0	000,000	0	
3.1 Issuer Obligations	53 . 164	15, 193, 384	120,675,990	37,839,007	59,800,914	233,562,459	6.7	272,836,872	5.3	233,562,459		
3.2 Residential Mortgage-Backed Securities						0	0.0	0	0.0			
3.3 Commercial Mortgage-Backed Securities						0	0.0	0	0.0			
3.4 Other Loan-Backed and Structured Securities						0	0.0	0	0.0			
3.5 Totals	53.164	15,193,384	120,675,990	37,839,007	59,800,914	233.562.459	6.7	272,836,872	5.3	233,562,459	0	
4. U.S. Political Subdivisions of States, Territories and Possessions, Guaranteed	,	, , ,				,,	***				,	
4.1 Issuer Obligations	4,772,795	82,306,697	104,681,645	51,831,459	73,835,469	317,428,065	9.1	459,887,119	9.0	317 , 428 , 065		
4.2 Residential Mortgage-Backed Securities						0	0.0	0	0.0			
4.3 Commercial Mortgage-Backed Securities						0	0.0	0	0.0			
4.4 Other Loan-Backed and Structured Securities						0	0.0	0	0.0			
4.5 Totals	4,772,795	82,306,697	104,681,645	51,831,459	73,835,469	317,428,065	9.1	459,887,119	9.0	317,428,065	0	
5. U.S. Special Revenue & Special Assessment Obligations, etc., Non-Guaranteed	00 000 040	04 000 500	450 005 700	440 004 044	444 457 004	500 404 004	40.4	000 050 044	47.0	500 101 001		
5.1 Issuer Obligations	33,093,910	94,662,523	158,235,796	140,684,841	141,457,294	568, 134, 364	16.4	868,250,844	17.0	568, 134, 364		
5.2 Residential Mortgage-Backed Securities	137,994,923	306,234,222	133,131,914	58,348,087	21,497,746	657,206,892	18.9	864,964,573	16.9	657,206,892		
5.3 Commercial Mortgage-Backed Securities			1,868,619			1,868,619	0.1		0.0	1,868,619		
5.4 Other Loan-Backed and Structured Securities	171,088,833	400,896,745	450,000 293.686.329	691,823 199,724,751	162.955.040	1,141,823 1,228,351,698	0.0 35.4	1.733.215.417	33.9	1,141,823 1,228,351,698	0	
5.5 Totals	171,088,833	400,890,745	293,080,329	199,724,751	102,900,040	1,228,351,098	30.4	1,733,215,417	33.9	1,228,331,098	0	
Industrial and Miscellaneous Issuer Obligations	578,891,808	161,551,985	211.214.627	14,073,668	55, 153, 747	1.020.885.835	29.4	1,829,154,276	35.8	956,519,012	64,366,822	
6.2 Residential Mortgage-Backed Securities	2,877,399	5,228,262	3,078,532	2.017.480	1,032,846	14.234.519	0.4	27 .930 .074	0.5	14,234,519	04,300,022	
6.3 Commercial Mortgage-Backed Securities	1,210,740	4,904,380	5,595,105	125,598	718,663	12,554,486	0.4	15,830,371	0.3	9,155,742	3,398,744	
6.4 Other Loan-Backed and Structured Securities	18,994,010	54,986,705	12,878,152	1,025,857	1 10,000	87,884,724	2.5	105,731,175	2.1	67,021,599	20,863,125	
6.5 Totals	601.973.957	226,671,332	232,766,416	17,242,603	56,905,256	1,135,559,564	32.7	1,978,645,896	38.7	1,046,930,872	88,628,691	
7. Hybrid Securities	001,010,001	220,011,002	202,700,410	11,272,000	00,000,200	1,100,000,004	UZ.1	1,010,040,000	50.1	1,070,000,072	00,020,001	
7.1 Issuer Obligations	1,000,698		1,329,752	1,756,390	6,245,350	10,332,190	0.3	6,310,860	0.1	10,332,191		
7.2 Residential Mortgage-Backed Securities.	, , , , , , , , , , , , , , , , , , , ,		, , , , ,	,,		0	0.0	0	0.0			
7.3 Commercial Mortgage-Backed Securities						0	0.0	0	0.0			
7.4 Other Loan-Backed and Structured Securities						0	0.0	0	0.0			
7.5 Totals	1,000,698	0	1,329,752	1,756,390	6,245,350	10,332,190	0.3	6,310,860	0.1	10,332,191	0	
8. Parent, Subsidiaries and Affiliates	, , , , , ,		, , ,	, , , , , ,	, , , , , , , , , , , ,			, , , , , , , , , , , , , , , , , , , ,		, , ,		
8.1 Issuer Obligations						0	0.0	0	0.0			
8.2 Residential Mortgage-Backed Securities						0	0.0	0	0.0			
8.3 Commercial Mortgage-Backed Securities						0	0.0	0	0.0			
8.4 Other Loan-Backed and Structured Securities						0	0.0	0	0.0			
8.5 Totals	0	0	I 0	0	0	0	0.0	0	0.0	0	0	

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ANNUAL STATEMENT FOR THE YEAR 2012 OF THE National Public Finance Guarantee Corporation

SCHEDULE D - PART 1A - SECTION 2 (Continued)

OCHEDOLE D' L'ARTI IA - OLO HOR 2 (COntinucu)												
	Maturity Distribution	on of All Bonds Owi	ned December 31, a	t Book/Adjusted Ca	rrying Values by M	ajor Type and Subt	ype of Issues				_	
	1	2	3	4	5	6	7	8	9	10	11	
		Over 1 Year	Over 5 Years	Over 10 Years		Total	Col. 6 as a %	Total From Col. 6	% From Col. 7	Total Publicly	Total Privately	
Distribution by Type	1 Year or Less	Through 5 Years	Through 10 Years	Through 20 Years	Over 20 Years	Current Year	of Line 9.5	Prior Year	Prior Year	Traded	Placed	
9. Total Bonds Current Year												
9.1 Issuer Obligations	681,913,369	495,819,021	686,904,701	246 , 185 , 365	354,902,803	2,465,725,259	71.0		. . XXX	2,401,358,437	64,366,822	
9.2 Residential Mortgage-Backed Securities	188,593,784	417 , 598 , 295		80 , 193 , 028	28,754,793	898, 155, 557	25.9		XXX	898 , 155 , 557	0	
9.3 Commercial Mortgage-Backed Securities	4,753,338	6,378,514	7 ,868 ,605	358,881	727 ,575	20,086,913	0.6		XXX	16,688,169	3,398,744	
9.4 Other Loan-Backed and Structured Securities	18,994,010	54,986,705	13,328,152	1,717,680	0	89,026,547	2.6		XXX	68,163,422	20,863,125	
9.5 Totals	894,254,501	974,782,535	891, 117, 115	328 , 454 , 954	384,385,171	3,472,994,276	100.0		XXX	3,384,365,585		
9.6 Lines 9.5 as a % Col. 6	25.7	28.1	25.7	9.5	11.1	100.0	XXX	XXX	XXX	97.4	2.6	
10. Total Bonds Prior Year												
10.1 Issuer Obligations	1,934,823,250	325,461,046	714,202,237	345 , 155 , 927	500,671,271	XXX	XXX	3,820,313,731	74.8	3,808,047,044	12,266,686	
10.2 Residential Mortgage-Backed Securities	311,531,756	576 , 507 , 857	189,730,504	66, 975, 890	19,792,206	XXX	XXX	1,164,538,213	22.8	1,164,538,213	0	
10.3 Commercial Mortgage-Backed Securities	1,135,579	5,040,268	9,503,820	150 , 704	0	XXX	XXX	15,830,371	0.3	15,830,371	0	
10.4 Other Loan-Backed and Structured Securities		52,375,624	22,191,252	1,062,555	0	XXX	XXX	105,731,175	2.1	94,107,219	11,623,955	
10.5 Totals	2,277,592,329	959,384,795	935,627,813	413,345,076	520,463,477	XXX	XXX	5,106,413,490	100.0	5,082,522,847	23,890,641	
10.6 Line 10.5 as a % of Col. 8	44.6	18.8	18.3	8.1	10.2	XXX	XXX	100.0	XXX	99.5	0.5	
11. Total Publicly Traded Bonds												
11.1 Issuer Obligations	681,913,023	450 , 114 , 142	673,541,892	243,022,359	352,767,022	2,401,358,438	69 . 1	3,808,047,046	74.6	2,401,358,438	XXX	
11.2 Residential Mortgage-Backed Securities	188,593,785	417 , 598 , 295	183,015,656	80 , 193 , 028	28,754,793	898, 155, 557	25.9		22.8	898 , 155 , 557	XXX	
11.3 Commercial Mortgage-Backed Securities	4,466,443	4,862,288	6,995,291	355, 235	8,912	16,688,169	0.5		0.3	16,688,169	XXX	
11.4 Other Loan-Backed and Structured Securities	16,185,391	41,690,466	9,595,742	691,823		68,163,422	2.0		1.8	68,163,422	XXX	
11.5 Totals	891, 158, 642	914,265,191	873,148,581	324,262,445	381,530,727	3,384,365,586	97 .4	5,082,522,849	99.5	3,384,365,586	XXX	
11.6 Line 11.5 as a % of Col. 6	26.3	27.0	25.8	9.6	11.3	100.0	XXX	XXX	XXX	100.0	XXX	
11.7 Line 11.5 as a % of Line 9.5, Col. 6, Section 9	25.7	26.3	25.1	9.3	11.0	97.4	XXX	XXX	XXX	97.4	XXX	
12. Total Privately Placed Bonds												
12.1 Issuer Obligations		45,704,661	13,363,091	3, 163, 251	2,135,818	64,366,821	1.9		0.2	XXX	64,366,821	
12.2 Residential Mortgage-Backed Securities						0	0.0	0	0.0	XXX	0	
12.3 Commercial Mortgage-Backed Securities	286,895	1,516,226	873,314	3,646	718,663	3,398,744	0.1	0	0.0	XXX	3,398,744	
12.4 Other Loan-Backed and Structured Securities	2,808,619	13,296,239	3,732,410	1,025,857		20,863,125			0.2	XXX	20,863,125	
12.5 Totals	3,095,514	60,517,126		4, 192, 754	2,854,481	88,628,690	2.6	23,890,641	0.5	XXX	88,628,690	
12.6 Line 12.5 as a % of Col. 6	3.5	68.3	20.3	4.7	3.2	100.0	XXX	XXX	xxx	XXX	100.0	
12.7 Line 12.5 as a % of Line 9.5, Col. 6, Section 9	0.1	1.7	0.5	0.1	0.1	2.6	XXX	XXX	XXX	XXX	2.6	

12. Statement value at end of current period (Line 10 minus Line 11)

SCHEDULE DA - VERIFICATION BETWEEN YEARS

Short-Term Investments												
	1	2	3	4	5							
	Total	Bonds	Mortgage Loans	Other Short-term Investment Assets(a)	Investments in Parent, Subsidiaries and Affiliates							
Book/adjusted carrying value, December 31 of prior year	1,734,990,452	1,734,990,452	0	0	0							
Cost of short-term investments acquired	4,684,018,110	4,684,018,110										
3. Accrual of discount	62,073	62,073										
4. Unrealized valuation increase (decrease)	0											
5. Total gain (loss) on disposals	27 , 172	27 , 172										
Deduct consideration received on disposals	5,828,214,698	5,828,214,698										
7. Deduct amortization of premium	346,834	346,834										
Total foreign exchange change in book/adjusted carrying value	0											
Deduct current year's other than temporary impairment recognized	0											
10. Book adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9)	590,536,275	590,536,275	0	0	0							
11. Deduct total nonadmitted amounts	0											
				l	1							

590,536,275

590,536,275

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

Schedule DB - Part A - Verification

NONE

Schedule DB - Part B - Verification NONE

Schedule DB - Part C - Section 1

NONE

Schedule DB - Part C - Section 2

NONE

Schedule DB - Verification

SCHEDULE E - VERIFICATION BETWEEN YEARS

(Cash Equivalents)

(Cash Equivalents)	1	2	3
	Total	Bonds	Other (a)
Book/adjusted carrying value, December 31 of prior year	100,000,719	100,000,719	0
Cost of cash equivalents acquired	8,983,150,969	8,983,150,969	
Accrual of discount	49,031	49,031	
Unrealized valuation increase (decrease)	0		
Total gain (loss) on disposals	0		
Deduct consideration received on disposals	9,083,200,000	9,083,200,000	
7. Deduct amortization of premium	719	719	
Total foreign exchange change in book/adjusted carrying value	0		
Deduct current year's other than temporary impairment recognized	0		
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9)	0	0	0
11. Deduct total nonadmitted amounts	0		
12. Statement value at end of current period (Line 10 minus Line 11)	0	0	0

 $⁽a)\ Indicate\ the\ category\ of\ such\ investments,\ for\ example,\ joint\ ventures,\ transportation\ equipment$

Schedule A - Part 1

NONE

Schedule A - Part 2

NONE

Schedule A - Part 3

NONE

Schedule B - Part 1

NONE

Schedule B - Part 2

NONE

Schedule B - Part 3

SCHEDULE BA - PART 1

						Sho	wing Other	Long-Term Ir	rvested Asset	s OWNED D	ecember 31 of C	Current Year							
1	2	3	Locati	on	6	7	8	9	10	11	12		18	19	20				
'	_	١٠	4	5	1	'	U	3	10		12	13	14	Book/Adjusted Carry 15	16	17	1 '	13	20
			7]								13	'4	"	10	1 "			
											Book / Adjusted		Current Year's	Current Year's		Total			
											Carrying	Unrealized	(Depreciation)	Other than	Capitalized	Foreign		Commitment	
					Name of	NAIC	Date	Туре			Value	Valuation	or	Temporary	Deferred	Exchange		for	Percentage
CUSIP					Vendor or	Desig-	Originally	and	Actual	Fair	Less	Increase	(Amortization)/	Impairment	Interest and	Change in	Investment	Additional	of
Identification	Name or Description	Code	Citv	State	General Partner	nation	Acquired	Strategy	Cost	Value	Encumbrances	(Decrease)	Accretion	Recognized	Other	B./A.C.V.	Income	Investment	Ownership
	uction - Unaffiliated	Couc	Oity	Otato	Ochcian anner	Hation	Acquired	Ollalogy	0031	value	Liteambrances	(DCGCa3C)	Acciction	recognized	Otrici	D./A.O.V.	moonic	investment	TOWNCISHIP
	uction - Affiliated																		
Transportation F	quipment - Unaffiliated																		
Transportation E	quipment - Affiliated																		
Mineral Rights -																			
Mineral Rights -																			
	e Interest Rate Investments Tha	t Have the	e Underlying Character	istics of: Bonds	- Unaffiliated														
	e Interest Rate Investments Tha																		
	e Interest Rate Investments Tha																		
	e Interest Rate Investments Tha																		
	e Interest Rate Investments Tha					Unaffiliat	ed												
	e Interest Rate Investments Tha																		
	artnership or Limited Liability							ated											
	artnership or Limited Liability																		
	artnership or Limited Liability																		
	artnership or Limited Liability																		
	artnership or Limited Liability																		
	artnership or Limited Liability																		
	artnership or Limited Liability																		
	artnership or Limited Liability																		
	es, etc Unaffiliated																		
'	Massachusetts Mutual Life Ins																		1
575767-AD-0	MASSMU 7 1				Short Funding Program	1FE	06/27/2012		10,583,653	10,713,780	10,505,666		(77,986)				309,375		
2199999 - Surp	lus Debentures, etc Unaffili	ated							10,583,653	10,713,780	10,505,666	0	(77,986)	0	0	0	309,375	0	XXX
Surplus Debentur	es, etc Affiliated													•		•			
Collateral Loans	- Unaffiliated																		
Collateral Loans	- Affiliated																		
Non-collateral L	oans - Unaffiliated																		
Non-Collateral L	oans - Affiliated																		
Capital Notes -	Unaffiliated																		
Capital Notes -	Affiliated																		
	al Low Income Housing Tax Credi																		
Guaranteed Feder	al Low Income Housing Tax Credi	t - Affil	iated																
	ederal Low Income Housing Tax C																		
Non-Guaranteed F	ederal Low Income Housing Tax C	redit - A	ffiliated																
State Low Income	Housing Tax Credit - Unaffilia	ted																	
State Low Income	Housing Tax Credit - Affiliated	d																	
All Other Low In	come Housing Tax Credit - Unaff	iliated																	
All Other Low In	come Housing Tax Credit - Affil	iated																	
Any Other Class	of Assets - Unaffiliated																		
Any Other Class	of Assets - Affiliated																		
	National Real Estate Holdings, LLC.																		T
			Armonk	NY	Direct	<u> </u>	03/01/2010		75,000,000	66,713,365	66,713,365	(2,093,136	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u></u>	
	Other Class of Assets - Affilia	ted							75,000,000	66,713,365	66,713,365	(2,093,136	0	0	0	0	0	0	XXX
3999999 - Su	btotal Unaffiliated								10,583,653	10,713,780	10,505,666	0	(77,986)	0	0	0	309,375	0	XXX
4099999 - Su	btotal Affiliated								75,000,000	66,713,365	66,713,365	(2,093,136	0	0	0	0	0	0	XXX
4199999 Tota									85,583,653	77 . 427 . 145	77,219,031	(2,093,136	(77.986)	0	0	0	309.375	0	XXX
										, .=. , 110	,=,001	(=,==5,100	(.7,000)	· · · · · · · · · · · · · · · · · · ·	<u> </u>	<u> </u>	111,010		

Showing Other Long-Term Inve	STAN ASSATS ACCITIRED AND	ADDITIONS MADE Decemb	or 31 of Current Year

				Chowing Caron Long Torris invocated Account						_
1	2	Lo	ocation	5	6	7	8	9	10	11
		3	4							
				Name						
				of	Date	Туре				Percentage
CUSIP				Vendor or	Originally	and	Actual	Additional Investment Made	Amount of	of
Identification	Name or Description	City	State	General Partner	Acquired	Strategy	Cost at Time of Acquisition	After Acquisition	Encumbrances	Ownership
Oil and Gas Producti										
Oil and Gas Producti										
	pment - Unaffiliated									
Transportation Equip										
Mineral Rights - Una										
Mineral Rights - Aff										
	nterest Rate Investments That Have the Unde									
	nterest Rate Investments That Have the Unde									
	nterest Rate Investments That Have the Unde									
	nterest Rate Investments That Have the Unde									
	nterest Rate Investments That Have the Undenterest Rate Investments That Have the Unde									
				cs of: Fixed Income Instruments - Unaffiliated						
				cs of: Fixed Income Instruments - Onarriffated						
	nership of Limited Liability Company Intere									
	nership of Limited Liability Company Intere									
	nership or Limited Liability Company Intere									
	nership or Limited Liability Company Intere									
	nership or Limited Liability Company Intere									
	nership or Limited Liability Company Intere									
Surplus Debentures,		ooto that have the or	ndorry mg onardotorrott	00 01. 00.01 //////000						
Mas	ssachusetts Mutual Lif MASSMU 7 1/2					1				
575767 - AD - 0 03/	1/01/24	Boston	MA	Short Funding Program.	06/27/2012					
41020V - AA - 9 Joh	hn Hancock Life Insura MFCCN 7 3/8 02/15/2	4. Boston	MA	Short Funding Program	06/27/2012					
	hn Hancock Life Insura MFCCN 7 3/8 02/15/2	4. Boston	MA	MBIA Inc - Investment Agreement	06/27/2012		914,644			
	Debentures, etc Unaffiliated						20,510,586	0	(XXX
Surplus Debentures,										
Collateral Loans - U										
Collateral Loans - A										
Non-collateral Loans										
Non-collateral Loans										
Capital Notes - Unaf										
Capital Notes - Affi		_								
	Low Income Housing Tax Credit - Unaffiliate									
	Low Income Housing Tax Credit - Affiliated									
	ral Low Income Housing Tax Credit - Unaffil ral Low Income Housing Tax Credit - Affilia									
	rai Low income Housing lax credit - Allilla using Tax Credit - Unaffiliated	ateu								
	using Tax Credit - Unarrillated using Tax Credit - Affiliated									
	e Housing Tax Credit - Williated									
	e Housing Tax Credit - Unailitiated									
Any Other Class of A										
Any Other Class of A										
3999999 – Subtot							20.510.586	0		T XXX
4099999 – Subto							20,510,500	0		7001
4099999 – Subto	Jiai Allillateu						20.510.586	0		AAA
1 4199999 Intals							20,510,586	1 () [XXX

							. 67												
				Showing Other Long-Term I	nvested As	sets DISP	OSED, Tran	sferred or	Repaid Dur	ring the Cu	rrent Year								
1	2	Loc	ation	5	6	7	8			e in Book/Adi		g Value		15	16	17	18	19	20
· ·	l - I	3	1 4	1		'	"	9	10	11	12	13	14	1 · · · ·	"	1 "			
		ľ					Book/			Current		"	l ''	Book/Adjusted					1
			1				Adjusted		Current	Year's		Total	Total	Carrying					1
			1				Carrying	Unrealized	Year's	Other Than	Capitalized	Change	Foreign	Value		Foreign	Realized	Total	1
			1		Date		Value Less		(Depreciation) or	Temporary	Deferred	in	Exchange	Less		Exchange	Gain	Gain	1
CUSIP	Name or		1	Name of Purchaser or	Originally	Disposal	Encumbrances		(Amortization)/	Impairment	Interest	B./A.C.V.	Change in	Encumbrances		Gain (Loss)	(Loss) on	(Loss) on	Investmen
Identification	Description	Citv	State	Nature of Disposal	Acquired	Date	Prior Year	(Decrease)		Recognized		(9+10-11+12)			Consideration	on Disposal	Disposal	Disposal	Income
Oil and Gas Production		Oity		Trataic of Biopoda	7 Toquireu	Dute	T HOT TOUT	(Dedicase)	71001011011	Trecognized	una otner	[(3110-11112)	D.77 C.O. V.	On Dioposai	Consideration	T on Biopodai	Бюроза	Біорозаі	Income
Oil and Gas Production																			
Transportation Equipme																			
Transportation Equipme																			
Mineral Rights - Unaff																			
Mineral Rights - Affil																			
	erest Rate Investments That Have the Unde	arlying Characteristics	of: Bonds - Unaffiliated	4															
	erest Rate Investments That Have the Unde			u															
	erest Rate Investments That Have the Unde			affiliated															
	erest Rate Investments That Have the Unde																		
	erest Rate Investments That Have the Unde																		
	erest Rate Investments That Have the Unde																		
				f: Fixed Income Instruments - Unaffiliat	od														
				f: Fixed Income Instruments - Affiliated															
	ship or Limited Liability Company Intere																		
	ship or Limited Liability Company Intere																		
	ship or Limited Liability Company Intere																		
	ship or Limited Liability Company Intere																		
	ship or Limited Liability Company Intere																		
Joint Venture, Partner	ship or Limited Liability Company Intere	acte that have the Under	rlying Characteristics of	f: Other Affiliated															
Surplus Debentures, et		5818 that have the onuci	Try mg character istres of	1. Other - Arritated															
Surprus Debentures, et	John Hancock Life Insurance Co MFCCN 7			1		1	1		1					1		_	1	1	
41020V-AA-9	3		MA	Morgan Keegan	08/17/2010	07/27/2012	1.193.971		(12.091)			(12,091)		6.547.790	6.616.026	:	68.236	68.236	220,51
410201 701 0	John Hancock Life Insurance Co MFCCN 7			morgan Roogan	00/11/2010.				(12,001)			(12,001)			0,010,020				1
41020V-AA-9	3		MA	Morgan Keegan	06/27/2012	07/31/2012		L	(4,757)			(4,757)	L	4,556,267	4,616,058	: L	59,791	59,791	128,718
2199999 - Surplus De	ebentures, etc Unaffiliated			, ,			1,193,971	0	(16,848)	0	0	(16,848)	0	11,104,057	11,232,084	. 0	128,027	128.027	349.23
Surplus Debentures, et																			
Collateral Loans - Una	affiliated																		
Collateral Loans - Aff	iliated																		
Non-collateral Loans -	Unaffiliated																		
Non-collateral Loans -	Affiliated																		
Capital Notes - Unaffi																			
Capital Notes - Affili																			
Guaranteed Federal Low	Income Housing Tax Credit - Unaffiliate	ed																	
	Income Housing Tax Credit - Affiliated																		
	Low Income Housing Tax Credit - Unaffil																		
	Low Income Housing Tax Credit - Affilia																		
	ng Tax Credit - Unaffiliated																		
	ng Tax Credit - Affiliated																		
	Housing Tax Credit - Unaffiliated																		
	Housing Tax Credit - Affiliated																		
Any Other Class of Ass																			
Any Other Class of Ass																			
3999999 - Subtotal Unaf							1.193.971	I 0	(16,848)	Δ.	Λ.	(16.848)	1 ^	11.104.057	11.232.084	Λ	128.027	128.027	349.23
4099999 - Subtotal Affi							1,193,971	0		0	0	(10,040)	1 0	11,104,007	11,232,004		120,027	120,027	349,23
HUDDOOD T	IIIatou						1 100 071	0	(40.040)	0	0	(10.010)	U 0	14 404 057	14 000 004	0	100.007	100 007	040.00

Showing All L	ong-Term BO	NDS Owned	December 31	of Current Year

								Showing All I	ong-Term BOI		ember 31 of Current									
1	2		odes	6	7		Value	10	11		nange in Book / Adjuste					Interes				ates
CUSIP		3 4 F O r e i		NAIC	Actual	Rate Used to Obtain Fair	9 Fair	Par	Book/ Adjusted Carrying	12 Unrealized Valuation Increase/	13 Current Year's (Amortization)/	14 Current Year's Other Than Temporary Impairment	Total Foreign Exchange Change In	16 Rate	17 Effective Rate	18 When	19 Admitted Amount Due &	20 Amount Rec. During	21	Stated Contractual Maturity
Identification		Code n				Value	Value	Value	Value	(Decrease)	Accretion	Recognized	B./A.C.V.	of	of	Paid	Accrued	Year	Acquired	Date
Bonds - U.S	. Governments - Issuer Obligati US Depart of Hsing & Urban	ons	1			1	1		П		T			ı					Ī	
911759-EW-4	Dev HUD 6.51US Depart of Hsing & Urban	C	11	1	504,373	100.2110	473,998	473,000	473,000				1	6.510	3.660	FA	12,830	30,792	02/17/2009	08/01/2018
911759-EZ-7.		C	11	11	211,081	100.2940	200,588	200,000	200,000					6.670	4.268	FA	5,558	13,340	02/17/2009	08/01/2021
912810-QU-5.	1/8 02/15/42	ļ		11	1,420,330	104 . 1720	1,328,193	1,275,000	1,418,883		(1,447)			3.125	2.572	FA	15,050	19,922	07/18/2012	02/15/2042
912810-QW-1.		ļ		1	1,666,469	101.4850	1,618,686	1,595,000	1,665,786		(684)			3.000	2.777	MN	6,213	23,925	10/19/2012	05/15/2042
912810-QX-9. 912810-QY-7.	US Treasury T 2.75 11/15/42			11	14,626,870 698,288	96 . 1880 96 . 0310	14,264,680 686,623	14,830,000 715,000	14,627,060		190 13			2.750 2.750	2.818 2.867	FA MN	154,043 2,553		12/21/2012 12/14/2012	08/15/2042 11/15/2042
912828-CT-5	United States Treasury T 4	SD		11	3,656,436	106.4930	3,860,371	3,625,000	3,631,101		(3,566)			4.250	4.142	FA	58,192	154,063	09/30/2004	08/15/2014
912828-CT-5.	United States Treasury T 4 . 1/4 08/15/14United States Treasury T 1			1	1,386,924	106.4930	1,464,279	1,375,000	1,377,314		(1,352)			4.250	4.142	FA	22,073	58,438	09/30/2004	08/15/2014
912828-NC-0.	3/8 05/15/13United States Treasury T 1	ļ		1	14,173,906	100.4810	14,067,340	14,000,000	14,060,455		(113,451)			1.375	0.214	MN	24,993	192,500	04/18/2012	05/15/2013
912828-NH-9.	. 1/8 06/15/13 United States Treasury T 1	C		11	24,987,384	100.4690	25,077,062	24,960,000	24,964,256		(9,271)			1 . 125	1.087	JD	13,114	280,800	06/24/2010	06/15/2013
	. 1/8 06/15/13 United States Treasury T 1			11	40,044	100.4690	40 , 188	40,000	40,007		(15)			1 . 125	1.087	JD	21	450	06/24/2010	06/15/2013
	7/8 06/30/15 United States Treasury T 1	SD		11	838,525	103.8910	867,490	835,000	836,801		(699)			1.875	1.786	JD A0	43	15,656	06/29/2010	06/30/2015
912828-RM-4 912828-TM-2	United States Treasury T .625	Jb		1	25 , 107 , 422 836 , 184	101.8830	25,470,750	25,000,000	25,083,370		(21,332)			0.625	0.911	AU FA	42,818	250,000	11/10/2011 11/13/2012	10/31/2016
912828-TS-9.	United States Treasury T .625			1	51.907.376	99.7890	52,124,784	52,235,000	51,919,845		12.469			0.625	0.755	MS			10/17/2012	09/30/2017
912828-TW-0.	United States Treasury T .75 10/31/17			11	51,326,713	100.2890	51,538,568	51,390,000	51,328,910		2,197			0.750	0.775	A0	65,989		11/20/2012	10/31/2017
912828-TY-6.		ļ		1	32,791,745	98.7810	32,543,466	32,945,000	32,793,041		1,295			1.625	1.676	MN	69,508		12/11/2012	11/15/2022
912828-UA-6.	United States Treasury T .625 .11/30/17United States Treasury T 1.0	ļ		1	5,486,420	99.6250	5,479,375	5,500,000	5,486,512		93			0.625	0.676	MN	3,022		12/17/2012	11/30/2017
912828-UB-4 ₋		ļ		11	57,299,076	98.9220	57,280,784	57,905,000	57,300,850		1,774			1.000	1.157	MN	50,905		12/21/2012	11/30/2019
912828-UC-2.			ut iona	11	917,413	99.6950	917,197	920,000	917,439		26		^	0.250	0.345 XXX	JD	95	4 020 000	12/17/2012	12/15/2015
	Bonds - U.S. Governments - Iss . Governments - Residential Mor			ies	289,882,979	XXX	290,138,445	290,653,000	289,659,114	0	(133,760)	0	0	XXX	ХХХ	XXX	631,278	1,039,886	XXX	XXX
01N032-61-8.	Ginnie Mae I Pool GNSF TBA	&		1FE	3,255,234	108.6330	3,258,984	3,000,000	3,255,234					3.500	2.862	MON	6 , 125		12/10/2012	01/01/2043
01N042-61-7		&		1FE	1,091,875	109.4840	1,094,844	1,000,000	1,091,875					4.500	3.782	MON	2,625		12/04/2012	01/01/2043
	. Ginnie Mae I Pool GNSF AA5735. . Ginnie Mae I Pool GNSF AA5735.	LC	22	1	10,344,492 34,768,190	108.7520	10,297,350	9,468,643	10,336,321		(8,172) (27,465)		 	3.500 3.500	0.618 0.618	MON	27,617 92,821	L	11/28/2012 11/28/2012	10/15/2042 10/15/2042
36179M-AG-5	Ginnie Mae II Pool G2SF MA0007		2	11	19,944,551	106.9740	19,989,320	18,686,155	19,936,566		(7,985)			3.000	1.381	MON	46,715	46,715	11/20/2012	04/20/2027
36179M-QP-8.		C	2	1	18,610,829	108.7880	18,603,906	17 , 101 , 121	18,602,282		(8,547)			3.500	1.339	MON	49,878	49,878	11/19/2012	10/20/2042
36179M-QP-8.	Ginnie Mae II Pool G2SF MAO462		2	1	7,372,877	108.7880	7,370,134	6.774.790	7.369.491		(3,386)			3.500	1.339	MON	19,760	19,760	11/19/2012	10/20/2042
36202E-7H-6.	. Ginnie Mae II Pool G2SF 4496	I	2	11	413,533	110.3760	410,283	371,715	412,931		(601)		I	5.000	0.658	MON	1,549	3,098	09/28/2012	07/20/2039
36202E-PN-3.	. Ginnie Mae II Pool G2SF 4029	C	2	11	4 , 437 , 176	113.5330	4,651,698	4,097,234	4,428,354		(2,244)			6.500	4.115	MON	22,193	268,617	03/09/2010	09/20/2037
36202E-Q2-8.	. Ginnie Mae II Pool G2SF 4073	ļ	22	1	735,430	111.6030	746,571	668,953	734, 190		(296)			6.000	3.078	MON	3,345	40,137	03/25/2011	01/20/2038
36202F - AW - 6.		ļ	2		6,112,820	109.7540	6,314,428	5,753,242	6,104,303		(1,624)		}	5.500	3.646	MON	26,369	316,428	03/09/2010	08/20/2039
	. Ginnie Mae II Pool G2SF 4617	ļ	2		903,583	110.2540	908,511	824,014	902,603	ļ	(981)			4.500	1.813	MON	3,090	30,901	02/16/2012	01/20/2040
36202F-FU-5.	. Ginnie Mae II Pool G2SF 4679		2		1,330,708	110 .8140	1,344,372	1,213,181	1,329,124		(1,162)			5.000	1.999	MON	5,055	60,659	10/18/2011	04/20/2040

SCHEDILLE D. DADT 4

											PART 1									
		0-	4			Fair V	/alua				ember 31 of Current					latara			Da	
1	2	3 4	des 5	6	7	Fair \	Value 9	10	11	12 Cr	nange in Book / Adjust 13	ed Carrying Value	15	16	17	Interes 18	19	20	Da 21	tes 22
		5 4 0 r e	5			Rate Used to Obtain	9		Book/ Adjusted	Unrealized Valuation	Current Year's	Current Year's Other Than Temporary	Total Foreign Exchange Change	16	Effective	10	Admitted Amount	Amount Rec.	21	Stated Contractual
CUSIP		g	Bond	NAIC	Actual	Fair	Fair	Par	Carrying	Increase/	(Amortization)/	Impairment	In	Rate	Rate	When	Due &	During		Maturity
Identification		Code n	CHAR	Designation	Cost	Value	Value	Value	Value	(Decrease)	Accretion	Recognized	B./A.C.V.	of 5,000	of	Paid	Accrued	Year	Acquired	Date
	Ginnie Mae II Pool G2SF 4715 Ginnie Mae II Pool G2SF 4833		22	1	602,613	110 . 4430109 . 8210	625,472 12,931,089	566,332 11,774,666	601,890 L		(51) (6,464)			5.000 4.000	3.016 2.017	MON MON	2,360 39,249	28,317	01/28/2011 11/28/2012	06/20/2040 10/20/2040
			2	1	759,573	110.3170	770 , 184	698,157	758,655		(436)			4.500	1.438	MON	2,618	31,417	12/06/2011	10/20/2041
36209F-DN-6	Ginnie Mae I Pool GNSF 470009.		2	1	12,160,068	111.3420	12,129,120	10,893,545	12,153,345		(5,925)			4.000	2.126	MON	36,312	56,836	11/28/2012	09/15/2041
	Ginnie Mae Pool GNSF 479683.		2	11	1,451,120	110 . 4280	1,498,261	1,356,782	1,449,792		(905)			4.000	1.928	MON	4,523	54,271	12/06/2011	10/15/2041
	Ginnie Mae Pool GNSF 718150 Ginnie Mae Pool GNSF 718150	C	2	1	12,045,398 2,363,939	110 .0000	12,549,866	11,408,991	12,032,926 2,361,491		(2,882) (566)			4.500 4.500	2.735	MON	42,784 8,396	517,883	09/15/2010	02/15/2040
	Ginnie Mae Pool GNSF 718150 Ginnie Mae Pool GNSF 723422	·····	22	·	1,400,832	111.1610	2,462,942 1,429,213	2,239,043 1,285,720	2,361,491 [(300)			4.500	2.735 2.692	MON		101,636 57,857	09/15/2010 11/21/2011	02/15/2040 11/15/2039
	Ginnie Mae I Pool GNSF 726269.		2	1	821,797	111.4730	876,895	786,644	820,733		(537)			4.500	3.697	MON	2,950	35,399	07/13/2010	09/15/2039
3620AM-EE-8	Ginnie Mae Pool GNSF 733733		2	1	762,733	109.6610	776,538	708,129	761,619		(164)			5.000	2.739	MON	2,951	35,407	08/10/2010	06/15/2040
3620AM-JF-0			2	11	18,004,896	109 .9420	18,502,608	16,829,463	17,985,273		(9,001)			4.500	2.742 2.557	MON	63,110	757,326	10/21/2010	08/15/2040
3620AR-UP-4			2		739,041	111.0840	758,826	683,111	738,300		(741)			4.000	2.557	MON	2,277	20,493	03/02/2012	12/15/2040
	Ginnie Mae Pool GNSF 781948 Ginnie Mae Pool GNSF 782198		2	1	4,326,571 2,722,542	117 . 1710 111 . 6340	4,832,825 2,933,807	4,124,606 2,628,053	4,316,935 2,719,772		(4,205) (429)			6.500 6.000	5.418 4.652	MON MON	22,342 13,140	270,346	02/17/2009 02/17/2009	05/15/2035 10/15/2037
	Ginnie Mae Pool GNSF 782198		2	1	1,050,171	111.6340	1, 131, 663	1,013,724	1,049,103		(165)			6.000	4.652	MON	5,069	61,717	02/17/2009	10/15/2037
	Ginnie Mae Pool GNSF 615304.	C	2	1	820.705	111.6920	892,289	798,886	819,448		(580)			5.000	4.364	MON	3,329	40,297	02/17/2009	07/15/2033
36290R - RZ - 8			22	1	1,085,533	111.6920	1,180,216	1,056,672	1,083,870		(767)			5.000	4.364	MON	4,403	53,300	02/17/2009	07/15/2033
	Ginnie Mae Pool GNSF 622485	C	2	11	2,076,093	112.6470	2,254,800	2,001,656	2,072,239		(1,643)			6.000	5.095	MON	10,008	121,257	02/17/2009	10/15/2033
	Ginnie Mae Pool GNSF 622485.		2		986,568	112.6470	1,071,490	951,195	984,736		(781) (748)			6.000 5.500	5.095	MON	4,756	57,622	02/17/2009	10/15/2033
	Ginnie Mae Pool GNSF 651824. Ginnie Mae Pool GNSF 676990.		22	·	4,332,056	109.7390	4,614,776 13,025,175	4,205,243 11,704,286	4,327,915		(748)			4.500	4.377 2.723	MON	19,274 43,891	233,289	02/17/2009 10/26/2011	05/15/2036 06/15/2040
			2	1	6,327,179	111.2860	6,482,614	5,825,210	6,322,434		(4,358)			4.500	2.723	MON	21,845	263,560	10/26/2011	06/15/2040
36295Q-PB-0			22	11	611,304	111.8590	621,283	555,415	610,085		(262)			6.000	3.086	MON	2,777	33,325	07/30/2010	09/15/2038
36295Y-WZ-2	Ginnie Mae Pool GNSF 684764	C	2	1	5,730,442	109.0980	5,802,974	5,319,047	5,724,866		(1,521)			5.000	1.427	MON	22,163	268,908	10/21/2010	04/15/2038
36295Y - WZ - 2	Ginnie Mae Pool GNSF 684764.		2	1	8,357,695	109.0980	8,463,481	7,757,687	8,349,563		(2,219)			5.000	1.427	MON	32,324	392,194	10/21/2010	04/15/2038
36296Q-3D-9	Ginnie Mae Pool GNSF 698396.	·····	2	ļ <u>1</u>	1,656,368 775,802	109.9420	1,679,829 794,378	1,527,927 715,025	1,654,414 774,207		(1, 137) (499)			4.500 5.000	1.834	MON MON	5,730 2,979	68,757	11/17/2011	07/15/2039
	Ginnie Mae I Pool GNSF 710854. Bonds – U.S. Governments – Resi	dontial Ma	rtana Dool	l	//5,802	111.0980		/ 15,025			(499)			5.000	3.382	MUN	2,979	35,751	10/29/2010	09/15/2039
0299999 - 1	Securities	dentrai mo	r rgage-baci	Keu	226,905,822	XXX	230,692,757	210,198,693	226,714,143	0	(119,388)	0	0	XXX	XXX	XXX	733,523	5,122,915	XXX	XXX
Bonds - U.S.	Governments - Commercial Morto	age-Backed	l Securitie	:S	220,000,022	7000	200,002,101	210,100,000	220,777,770		(110)000)			7001	7000	70.01	7.00,020	0,122,010	7001	
38374M-MA-4	Government National Mtg Assoc		2	11	2,330,380	100.6120	2,228,379	2,214,815	2,211,676		(36,511)			5.500	3.603	MON	10 , 151	121,848	02/17/2009	11/20/2016
38374M-VJ-5	Government National Mtg Assoc		2	1	2.159.357	103.8830	2,167,337	2.086.325	2.114.359		(38.055)			5.000	3.359	MON	8.693	105,779	02/17/2009	01/20/2032
i	Government National Mtg Assoc	6			,,		, , , ,	, ,	, , , , , , , , , , , , , , , , , , , ,		(,,						, , , , , , , , , , , , , , , , , , , ,	105,779		
	GNR 2012-1 Bonds - U.S. Governments - Comm	orcial Mor	2	11	1,338,180	101.7930	1,326,172	1,302,810	1,337,773		(406)			2.000	1.496	MON	2,171		12/04/2012	10/16/2042
	Securities		0 0		5,827,917	XXX	5,721,888	5,603,950	5,663,808	0	(74,972)	0	0	XXX	XXX	XXX	21,015	227,627	XXX	XXX
Bonds - U.S.		ed and Stru	ictured Sec	urities	500 040 740 1	VVV	500 550 000	500 455 040	500 007 005		(000, 400)			VVV	VVV	I 7777 I	4 005 040 1	0.000.400	VVV	, , , , , , , , , , , , , , , , , , ,
	Bonds - U.S. Governments - Subt Other Governments - Issuer Obl		S. Governme	ents	522,616,718	XXX	526,553,090	506,455,643	522,037,065	0	(328, 120)	0	0	XXX	XXX	XXX	1,385,816	6,390,428	XXX	XXX
DONUS - ATT	Korea Development Bank KDB 8	gations		1									1	1						
500630-BQ-0	01/23/14	l F		1FF	717 .451	107 . 1640	696.567	650.000	686.955		(30,495)			8.000	2.534	JJ	22.822	26.000	02/03/2012	01/23/2014
	Bonds - All Other Governments -	Issuer Oh	ligations		717 . 451	XXX	696,567	650,000	686,955	Λ	(30,495)	Λ	Λ	XXX	XXX	XXX	22,822	26,000	XXX	XXX
	Other Governments - Residentia			urities	7 , 1.0 .	7007	000,001	000,000	000,000		(00, 100)			7001	7001	70.01	22,022	20,000	7001	7000
	Other Governments - Commercial																			
Bonds - All	Other Governments - Other Loan-	Backed and	Structure	d Securities																
1099999 - 1	Bonds - All Other Governments -	Subtotals	- All Othe	er																
	Governments				717,451	XXX	696,567	650,000	686,955	0	(30,495)	0	0	XXX	XXX	XXX	22,822	26,000	XXX	XXX
Bonds - U.S.	States, Territories and Posse State of California General	essions (Di	rect and G	iuaranteed) -	Issuer Obligati	ons											I			
13063B-AR-3	Obligation		1	1FE	1,002,500	114 . 8000	1,148,000	1,000,000	1,001,998		(244)		ļ	5.000	4.965	A0	12,500	50,000	07/22/2010	10/01/2029
20772G-47-8	State of Connecticut Build America Bonds		2	1FE	17 , 359 , 174	121 . 1620	19,070,899	15,740,000	17,236,724		(56, 309)			5.632	4.804	JD	73,873	886,477	09/22/2010	12/01/2029
			1		, , , , , , , , , , , , , , , ,				,200,121				1			ı				

								Showing All L	ona-Term BOI	NDS Owned Dece	ember 31 of Current	Year								
1	2	Co	odes	6	7	Fair	Value	10	11		nange in Book / Adjuste					Interes	st		Da	tes
		3 4 F o r	5			8 Rate Used	9		Book/	12 Unrealized	13	14 Current Year's Other Than	15 Total Foreign Exchange	16	17	18	19 Admitted	20 Amount	21	22 Stated
CUSIP Identification		i g Code n	Bond CHAR	NAIC Designation	Actual Cost	to Obtain Fair Value	Fair Value	Par Value	Adjusted Carrying Value	Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Temporary Impairment Recognized	Change In B./A.C.V.	Rate of	Effective Rate of	When Paid	Amount Due & Accrued	Rec. During Year	Acquired	Contractual Maturity Date
246380-7H-6.	State of Delaware Build America Bonds State of Florida General			1FE	5,219,827	110.8190	5,790,293	5,225,000	5,220,487		394			3.500	3.511	JJ	91,438	182,875	10/21/2010	07/01/2022
341150-RS-1.	Obligation		1	1FE	20,036	103.2080	20,642	20,000	20,011		(7)			5.000	4.960	JJ	500	1,000	02/17/2009	07/01/2033
452151-6W-8	Obligation		1	1FE	1,049,960	110.2830	1,102,830	1,000,000	1,035,779		(5,969)			5.000	4.233	AO	12,500	50,000	07/13/2010	04/01/2021
452151-A2-9.	Obligation		11	1FE	4,776,266	108.0090	5,103,425	4,725,000	4,753,337		(6,427)			5.000	4.830	JD	19,688	236,250	02/17/2009	06/01/2030
	America Bonds		2	1FE	1,550,427	121.7620	1,765,549	1,450,000	1,546,461		(1,789)			7.350	6.770	JJ	53,288	106,575	08/23/2010	07/01/2035
İ	Obligation			1FE	4,830,840		4,727,800	4,000,000	4,638,791		(139,746)			5.000	1.270	JD	16,667	200,000	08/10/2011	06/01/2017
	Obligation Commonwealth of Massachusetts		11	1FE	2,898,500		3,043,300	2,500,000	2,834,957		(45,801)			5.000	2.760	FA	52,083	123,611	08/04/2011	08/01/2023
57582N-S8-9.	General Ob		1	1FE	646,950		623,990	570,000	598,977		(12,847)			5.000	2.572	MS	9,500	28,500	02/17/2009	03/01/2017
	General Ob			1FE	3,931,552		4,124,864	3,200,000	3,840,403		(65,695)			5.250	2.630	FA		168,000	08/04/2011	08/01/2021
	. Municipals Commonwealth of Massachusetts General Ob			1FE	1.303.148		28,484,750	25,000,000	28,361,378		(62,122)			4.200	2.508	JD FA		525,000	10/19/2012	12/01/2021 08/01/2018
	State of Mississippi Build America Bonds		2	1FE	11.141.307		11,921,104	9,620,000	1,201,009		(38,866)			5.669	4.550	FA	136,339	545,358	10/31/2011	10/01/2034
605580-5W-5.	State of Mississippi Build America Bonds			1FE	5.000.000		5,930,700	5,000,000	5,000,000		(30,000)			4.681	4.681	MN	39,008	234,050	10/21/2010	11/01/2025
	State of Mississippi General			1FE	7.542.375		8,165,175	7.500.000	7,540,117		(1.992)			4.053	4.005	AO	75.994	282.866	11/08/2011	10/01/2027
605581-BE-6.	State of Mississippi General Obligation		11	1FE	1,000,000	100.0010	1,000,010	1,000,000	1,000,000		, , , ,			0.660	0.671	MON	508	2,376	07/25/2012	09/01/2017
646039-TB-3.	State of New Jersey General Obligation			1FE	1,091,060	124.0750	1,240,750	1,000,000	1,075,580		(8,386)			5.000	3.846	FA	18,889	50,000	01/26/2011	08/15/2020
64966H-TX-8.	City of New York NY Build America Bonds			1FE	14,738,750	125.3290	16,292,770	13,000,000	14,697,540		(36,022)			5.985 4.340	5.039	JD	64,838	778,050	10/27/2011	12/01/2036
	State of New York Municipal State of North Carolina General Obligati			1FE	.11,177,775		11,028,148	9,610,000	11,144,069		(33,707)			5.000	1.943	MS	139,025	150,000	10/26/2012	03/01/2020 05/01/2018
677520-PR-3	State of Ohio General Obligation			1FE	223,965		237,025	205,000	214,652		(2,393)			5.000	3.630	MS	3,018	10,250	11/14/2008	09/15/2016
	State of Ohio School District State of Oregon Build America			1FE	4,663,840		5,075,720	4,000,000	4,582,576		(57,372)			5.000	3.080	MS	58,889	226 , 111	07/20/2011	09/15/2021
	Bonds		-	1FE	8,135,960		8,828,960	7,000,000	8,112,761		(21,643)			5.382	4.366	FA	156,975	376,740	11/28/2011	08/01/2039
	Obligation		-	1FE	12 , 166 , 300		12,134,500	10,000,000	12,119,310		(43,156)			5.902	4.499	FA	245,917	590,200	11/21/2011	08/01/2038
	Commonwealth of Pennsylvania			1FE	5,830,400		5,832,850	5,000,000	5,811,001		(19,399)			4.361	1.742	FA	90,854		10/26/2012	08/01/2019
	Build Ameri Commonwealth of Pennsylvania			1FE	5,391,200		5,767,000	5,000,000	5,318,142		(33, 117)			4.550	3.638	FA	85,944	227,500	09/22/2010	02/15/2021
i	Build Ameri			1FE	4,691,030		4,833,982	4,175,000	4,659,816		(28,497)			4.650	3.536	FA		194 , 138	11/21/2011	02/15/2026
	Build Ameri		11	1FE 1FE	1,224,670	125.3010	23,716,400 1,253,010	1.000.000	1.211.904		(12,766)			5.000	4.194 2.499	JJ FA	539,500	1,170,000	11/09/2011	07/15/2030 08/01/2022
76222R-JW-3.	State of Rhode Island General.		1	1FE	4,023,999	124.6990	4,395,640	3,525,000	3,968,422		(43,036)			5.500	3.771	FA	80 ,781	178,257	09/09/2011	08/01/2027
1/6222K-KF-8	State of Rhode Island General.			1FE	5.071.115	124.5110	5.329.071	4.280.000	4.966.691	I	(80.770)		1	5.000	2.650	FA	89.167	196.761	09/09/2011	08/01/2020

Showing All	Long Torm RONDS	Owned December	31 of Current Vear

	·		Code			7	F-:-	Value	10			ember 31 of Current \ nange in Book / Adjuste					Interes	.4		Da	too
1 1	2	3	4	es 5	٥	/	R Fair	value 9	10	11	12 Cn	13	ed Carrying Value	15	16	17	18	st 19	20	21	22
CUSIP	Description		F o r e i g	Bond	NAIC Designation	Actual Cost	Rate Used to Obtain Fair Value	9 Fair Value	Par Value	Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Foreign Exchange Change In B./A.C.V.	Rate of	Effective Rate of	When Paid	Admitted Amount Due & Accrued	Amount Rec. During Year	21 Acquired	Stated Contractual Maturity Date
identification	State of Texas Build America	Coue		CHAR	pesignation	Cost	value	value	value	value	(Decrease)	ACCIEUOII	Necognized	D.IA.C.V.	UI	UI	raid	Accided	i eai	Acquired	Date
i i	Bonds			2	1FE	12,280,200		13,054,400	10,000,000	12,228,400		(46,145)	1	 	5.517	4.120	A0	137,925	551,700	11/09/2011	04/01/2039
882722-X2-2	Obligation	١		1	1FE	1,021,135	124.8880	1,217,658	975,000	1,016,328		(4,807)	`1	 	5.000	4.255	FA	20,313	24,375	02/07/2012	08/01/2035
882722-Y5-4	Obligation	ļļ.	١	1	1FE	4,215,455		4,745,918	4,025,000	4,195,609		(19,846)	! 	 	5.000	4.255	FA	83,854	100,625	02/07/2012	08/01/2035
917542-QR-6	Bonds	<i>ا</i> ــــا	<i>ا</i> ــــا	2	1FE	9,338,224	117 .8770	9,229,769	7,830,000	9,327,287		(10,937)	1 	ļļ.	4.554	2.287	JJ	178,289		11/28/2012	07/01/2024
93974B-Q3-9	State of Washington General Obligation	ļ	\	1	1FE	4,035,160	113.2420	4,529,680	4,000,000	4,020,778		(4,038)			5.000	4.870	JJ	100,000	200,000	02/17/2009	07/01/2032
93974C-TP-5	Obligation.	t	۱		1FE	1,009,572	121.2070	1,078,742	890,000	981,055		(15,027)	1 	ļ	5.000	2.970	JJ	22,250	44,500	01/25/2011	07/01/2018
97705L - J5 - 7	State of Wisconsin General Obligation.		2025	201025 /D:	1FE	1,308,923	123 . 1220	1,354,342	1,100,000	1,274,154		(25 , 168)			5.000	2.299	MN	9,167	68,292	08/09/2011	05/01/2019
1199999 - 1	Bonds – U.S. States, Territories Guaranteed) – Issuer Obligatio		russes	SSTULIS (DI.	rect and	235,377,175	XXX	248, 187, 912	208,265,000	233,562,457	n	(1,339,241)	n i	n	XXX	ххх	XXX	3,031,295	8,824,604	ххх	XXX
	States, Territories and Possess	ssions				Residential Mon	rtgage-Backed	Securities				(1,000,271)		<u> </u>				5,301,200	-,0-1,007		7377
	States, Territories and Possess																				
	States, Territories and Posses					other Loan-Back	ed and Structu	red Securities													
1799999 - L	Bonds - U.S. States, Territories Guaranteed) - Subtotals - U.S.	s and f State	rosses es. Te	erritories	rect and	l		ļ ,	[1	1		1	¹ i	Ţ	Ì		į l	1		١ ,	Į l
	Possession's (Direct and Guaran	anteed)				235,377,175		248, 187, 912		233,562,457	0	(1,339,241)	0	0	XXX	XXX	XXX	3,031,295	8,824,604	XXX	XXX
Bonds - U.S.	Political Subdivisions of State	es, Te	rrito	ries and P	ossessions (Direct and Gua	ranteed) - Iss	uer Obligations	,												
03588E-7J-6	Anne Arundel Cnty MD General ObligationAnne Arundel Cnty MD General	ļ	١		1FE	4,403,922	125 . 6970	4,506,237	3,585,000	4,286,073		(88,638)	·		5.000	2.080	AO	44,813	194 , 188	08/24/2011	04/01/2020
03588E-7K-3		ļļ.	١		1FE	4,370,772		4,512,395	3,545,000	4,266,369		(78,546)	! 		5.000	2.280	A0	44,313	192,021	08/24/2011	04/01/2021
05914F-ME-7	General Obligatio		\		1FE	3,770,000		3,759,444	3,770,000	3,770,000			1	 	2.097	2.097	FA	3,953	······	11/28/2012	08/01/2021
	General Obligatio	ا <u> </u> -	ا		1FE	1,670,000	99.5310	1,662,168	1,670,000	1,670,000		1	¹ 		2.247	2.247	FA	1,876	······	11/28/2012	08/01/2022
05914F-MG-2	General Obligatio Bexar Cnty TX Build America	ļļ.	!		1FE	2,940,000		2,936,207	2,940,000	2,940,000			1 	ļ	2.447	2.447	FA	3,597		11/28/2012	08/01/2023
088281-BG-4	Bonds.	<u>ا</u> ا	ا	1	1FE	10,000,000	119.0140	11,901,400	10,000,000	10,000,000		1	1 	ļļ.	<u>6</u> .628	6.628	JD	29,458	662,800	08/14/2009	06/15/2039
100853-PR-5	City of Boston MA General Obligation City of Chicago IL General	ļ	١		1FE	601,722	128 .9770	606 , 192	470,000	601,722			·		5.000	1.710	AO	5,940		12/27/2012	04/01/2022
167486-HA-0	Obligation	<u>ا</u> ا	ــــــــــــــــــــــــــــــــــــــ		1FE	1,146,840	115.4170	1, 154, 170	1,000,000	1,102,321		(18,816)	1 	ļ	5.000	2.793	JJ	25,000	50,000	07/28/2010	01/01/2018
167486-MM-8	City of Chicago IL General Obligation Chicago Brd of Education	!	\	2	1FE	9,064,800	130 .5550	9,791,625	7,500,000	9,028,254		(32,454)	1 		7 .781	6.088	JJ	291,788	583,575	10/31/2011	01/01/2035
167501-WD-3	School District School District Metro Wtr Rec Dist of Grtr Ch	ļ	١		1FE	423,696	120 .0770	480,308	400,000	417,942		(1,593)	<u> </u>		5.250	4.630	JD	1,750	21,000	02/17/2009	12/01/2021
167560-PT-2	Water	!	١		1FE	5,907,300	122.3110	6,115,550	5,000,000	5,743,258		(115 , 183)	! 	ļ	5.000	2.298	JD	20,833	336,111	07/21/2011	12/01/2018
180848 - JB - 0	Bonds		\	1	1FE	9,810,578		10,531,079	8,745,000	9,694,602		(101,043)	1	 	7.000	5.231	JJ	306,075	612,150	10/31/2011	07/01/2038
184062-CQ-8	Clayton Boro Sch Dist School	ļ	١		1FE	107, 184		101,557	100,000	101,356		(2,015)	1		3.250	1 .550	MS	1,083	3,250	01/13/2010	09/01/2013
	District Clayton Boro Sch Dist School District	ļ	1		1FE1FE	107 ,505 314 ,411		103,734	100,000	102,786		(1,638)	 	 	3.250	1.550	MS	1,083	3,250	01/13/2010 01/13/2010	09/01/2014
	Clayton Boro Sch Dist School	ļ	1		1FE	318,438		327 . 149	295,000	312.750		(3,445)	†	1	3.250	2.520		3,190	9,500	01/13/2010	09/01/2015

SCHEDULE D - PART 1

									Showing All L	ong-Term BOI		ember 31 of Current									
1	2		Cod		6	7		Value	10	11		nange in Book / Adjust					Interes				ates
CUSIP		3	4 F o r e i	5 Bond	NAIC	Actual	8 Rate Used to Obtain Fair	9 Fair	Par	Book/ Adjusted Carrying	Unrealized Valuation	13 Current Year's (Amortization)/	14 Current Year's Other Than Temporary	Total Foreign Exchange Change In	16 Rate	17 Effective Rate	18 When	Admitted Amount Due &	Amount Rec. During	21	Stated Contractual Maturity
Identification	Description	Code	g n		Designation		Value	Value	Value	Value	Increase/ (Decrease)	Accretion	Impairment Recognized	B./A.C.V.	of	of	Paid	Accrued	Year	Acquired	Date
184062-CU-9.					1FE	334,484	108.5870	352,908	325,000	331,070		(1,201)			3.250	2.820	MS	3,521	10,563	01/13/2010	09/01/2017
184062-CV-7.		ļ	ļļ.		1FE	350,700	111.2180	378 , 141	340,000	347 , 373		(1,174)			3.500	3.080	MS	3,967	11,900	01/13/2010	09/01/2018
184062-CW-5.					1FE	368,032	114.0510	404,881	355,000	364,489		(1,253)			3.750	3.300	MS	4,438	13,313	01/13/2010	09/01/2019
184062-CX-3					1FE	380,097	114.7640	424,627	370,000	377,672		(861)			3.750	3.440	MS	4,625	13,875	01/13/2010	09/01/2020
184062-CY-1.	Clayton Boro Sch Dist School DistrictClayton Boro Sch Dist School			1	1FE	394,072	114.0700	444,873	390,000	393,108		(346)			3.750	3.630	MS	4,875	14,625	01/13/2010	09/01/2021
184062-CZ-8.				1	1FE	411,771	112.7700	462,357	410,000	411,360		(151)			3.750	3.700	MS	5,125	15,375	01/13/2010	09/01/2022
184062-DA-2.				1	1FE	438,557	113.0210	485,990	430,000	436,534		(723)			4.000	3.770	MS	5,733	17,200	01/13/2010	09/01/2023
184062-DB-0.				1	1FE	456,201	112.1950	504,878	450,000	454 ,743		(523)			4.000	3.840	MS	6,000	18,000	01/13/2010	09/01/2024
184062-DC-8.	Clayton Boro Sch Dist School			1	1FE	478,662	111.7970	531,036	475,000	477 ,811		(309)			4.000	3.910	MS	6,333	19,000	01/13/2010	09/01/2025
184062-DD-6.	Clayton Boro Sch Dist School	ļ		1	1FE	495,832	111 .4750	551,801	495,000	495,651		(71)			4.000	3.980	MS	6,600	19,800	01/13/2010	09/01/2026
184062-DE-4.	Clayton Boro Sch Dist School			1	1FE	516,734	111.4750	579,670	520,000	517 , 151		140			4.000	4.050	MS	6,933	20,800	01/13/2010	09/01/2027
184062-DF-1	Clayton Boro Sch Dist School			1	1FE 1FE	536,542	111 . 1780	605,920	545,000	537,508		335			4.000	4.120	MS	7,267	21,800	01/13/2010	09/01/2028
184062-DG-9. 184062-DH-7.	Clayton Boro Sch Dist School			1	1FE	560 , 476 578 , 730	110.8820	637,572 663,966	575,000	561,993		718			4.000	4 . 190	MS	7,667 8,000	23,000	01/13/2010 01/13/2010	09/01/2029
184062-DJ-3	Clayton Boro Sch Dist School			1	1FE	611,976	111.1600	700,308	630,000	613,585					4.125	4.330	MS	8,663	25,988	01/13/2010	09/01/2030
184062-DK-0.	Clayton Boro Sch Dist School			1	1FE	650,782	111.9520	744,481	665,000	651,966		410			4.250	4.400	MS.	9,421	28,263	01/13/2010	09/01/2032
184062-DL-8.			ļ	1	1FE	685,409	112.6700	783,057	695,000	686,163		256			4.375	4.470	MS	10 , 135	30,406	01/13/2010	09/01/2033
184062-DM-6.		ļ	ļļ.	1	1FE	728,818	112 . 5220	840,539	747,000	730 , 120		451			4.375	4.540	MS	10,894	32,681	01/13/2010	09/01/2034
194740-BZ-8.				1	1FE	676,073	109.6320	723,571	660,000	673,181		(2,892)			5.000	4.009	FA	12,467	16,500	07/03/2012	02/15/2020
194740-CJ-3.	Collin Cnty TX General Obligation-Unrefu Cook Cnty IL General	C		1	1FE	589,003	108.9950	626,721	575,000	586,484		(2,520)			5.000	4.009	FA	10,861	14,375	07/03/2012	02/15/2020
213185-EE-7		ļ		1	1FE	1,082,270	114.7200	1,147,200	1,000,000	1,066,962		(7, 108)			5.000	4.000	MN	6,389	50,000	09/17/2010	11/15/2028
213185-EU-1		ļ	-	1	1FE	10,200,600	114 . 1510	11,415,100	10,000,000	10,182,837		(15,566)			5.240	4.982	MN	66,956	550,200	11/04/2011	11/15/2025
213185-EV-9.				1	1FE	6,716,750	114.7150	7,685,905	6,700,000	6,715,521		(985)			5.390	5.357	MN	46 , 144	379 , 187	10/28/2011	11/15/2026
215777 - JF - 1 ₋	Northfield School Di Crowley Ind Sch Dist School	ļ	-	1	1FE	2,147,560	117 .0760	2,400,058	2,050,000	2,111,662		(9,889)			5.000	4.370	JD	8,542	102,500	02/17/2009	12/01/2026
228129-G3-0.	DistrictDenver CO City & Cnty Sch		-	1	1FE	7 , 363 , 258	109 .4090	7,778,980	7,110,000	7,219,914		(114,559)			5.000	4.361	FA	148 , 125	355,500	02/17/2009	08/01/2026
249174-RK-1.	DuPage Cnty Sch# 41 Glen				1FE	5,000,000	99.6000	4,980,000	5,000,000	5,000,000					1.097	1.097	JD	1,828		12/05/2012	12/01/2017
263021-DN-4	DuPage Cnty Sch# 41 Glen	ļ@	-		1FE	841,314	97 .5900	1,005,177	1,030,000	959,613		32,057				3.427	N/A			02/17/2009	02/01/2015
263021-DP-9	Ellyn School Di	@			1FE	817,719	95.7410	1,005,281	1,050,000	939,841		33,184				3.627	N/A			02/17/2009	02/01/2016

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1	2	3	God 4 F o	oes 5	6	7	8 8	9 9	10	11	12	nange in Book / Adjust 13	ed Carrying Value 14 Current Year's Other	15 Total Foreign	16	17	18	st 19	20	Da	tes 22
CUSIP Identification	Description	Code	e i g	Bond CHAR	NAIC Designation	Actual Cost	Rate Used to Obtain Fair Value	Fair Value	Par Value	Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Than Temporary Impairment Recognized	Exchange Change In B./A.C.V.	Rate of	Effective Rate of	When Paid	Admitted Amount Due & Accrued	Amount Rec. During Year	Acquired	Stated Contractual Maturity Date
283734-MW-8				1	1FE	2,500,000	118.6300	2,965,750	2,500,000	2,500,000					6.013	6.013	FA	56,789	150,325	09/25/2009	08/15/2029
303820-4L-5					1FE	16,016,666	123.5410	16,653,327	13,480,000	15,865,513		(134,051)			5.000	3.380	A0	168,500	674,000	11/08/2011	10/01/2026
360046-Q9-0			ļ	2	1FE	6,078,600	109.1860	6,551,160	6,000,000	6,077,097		(1,362)			5.148	5.059	JJ	154 , 440	308,880	09/28/2010	07/01/2039
378280-RM-5				1	1FE	752,302	114.5260	813,135	710,000	731,297		(4,209)			5.000	4.260	JJ	17 ,750	35,500	07/02/2007	07/01/2019
414004-CK-5					1FE	7,056,499	128 . 4590	7,495,583	5,835,000	6,949,216		(78, 285)			5.125	3.150	FA	112,972	299,044	08/10/2011	08/15/2024
414005 - RK - 6	Harris Cnty TX General Obligation				1FE	2,818,675	112.2420	2,806,050	2,500,000	2,815,248		(3,427)			3.750	1.024	A0	4,948		11/14/2012	10/01/2017
414005 - RP - 5					1FE	3,639,280	113.7870	3,612,737	3, 175,000	3,637,030		(2,250)			4.000	2.324	A0	6,703		11/14/2012	10/01/2022
414005-RW-0.	Harris Cnty TX General Obligation				1FE	2,000,000	99.7150	1,994,300	2,000,000	2,000,000					1.023	1.023	A0	1,080		11/14/2012	10/01/2017
414005-SB-5					1FE	1,000,000	99.4190	994,190	1,000,000	1,000,000					2.323	2.323	A0	1,226		11/14/2012	10/01/2022
438670 - Q2 - O					1FE	8,500,000	100.5510	8,546,835	8,500,000	8,500,000					1.259	1.259	MN	12 , 188		10/26/2012	11/01/2017
438670-Q3-8					1FE	13,000,000	100 .7250	13,094,250	13,000,000	13,000,000					1.538	1.538	MN	22,771		10/26/2012	11/01/2018
438670 - Q6 - 1					1FE	2,000,000	101.9130	2,038,260	2,000,000	2,000,000					2.412	2.412	MN	5,494		10/26/2012	11/01/2021
438670-07-9					1FE	2,000,000	101.4000	2,028,000	2,000,000	2,000,000					2.512	2.512	MN	5,722		10/26/2012	11/01/2022
442402-6M-0				1	1FE	5,067,050	107 . 5980	5,379,900	5,000,000	5,025,911		(11,351)			5.000	4.740	FA	94,444	250,000	02/17/2009	02/15/2032
487694 - DF - 5		C		1	1FE	4,745,494	112 . 4720	5,062,365	4,501,000	4,653,656		(29,564)			4.750	3.940	FA	80,768	213,798	09/28/2009	08/15/2030
487694 - DF - 5				1	1FE	5,797,706	112 . 4720	6, 184,835	5,499,000	5,685,505		(36,119)			4.750	3.940	FA	98,676	261,203	09/28/2009	08/15/2030
517840-2E-3				1	1FE	3,171,960	113.0610	3,391,830	3,000,000	3,155,094		(14,832)			5.284	4.538	JD	13,210	158,520	11/03/2011	06/01/2025
517840-20-6				1	1FE	4,142,124	107 .8210	4,442,225	4,120,000	4,140,278		(1,557)			4.508	4 . 437	JD	15,477	207,398	11/03/2011	06/01/2024
517840-2S-2	Las Vegas Valley Wtr Dist .General ObligaLas Vegas Valley Wtr Dist			1	1FE	3,292,423	107 .7550	3,528,976	3,275,000	3,291,012		(1,184)			4.708	4.637	JD	12,849	172 , 175	11/03/2011	06/01/2026
517840-3S-1	General ObligaLawrence Twnship/Cumberland			1	1FE	1,093,061	117 .0060	1,228,563	1,050,000	1,088,703		(3,602)			5.000	4 . 470	JD	4,375	58,625	09/30/2011	06/01/2031
520394-AN-7					1FE	137 , 146	101.3590	131,767	130,000	131,342		(1,994)			2.750	1 . 190	MS	1,192	3,575	01/07/2010	09/01/2013
520394-AP-2	School DistrLawrence Twnship/Cumberland				1FE	142,243	103.2470	139,383	135,000	137 , 677		(1,574)			2.750	1.540	MS	1,238	3,713	01/07/2010	09/01/2014
520394-AQ-0					1FE	145,016	104 .8130	146,738	140,000	142,457		(887)			2.750	2.070	MS	1,283	3,850	01/07/2010	09/01/2015
520394-AR-8					1FE	146,929	106.2780	154,103	145,000	146,111		(286)			2.750	2.530	MS	1,329	3,988	01/07/2010	09/01/2016
520394-AS-6					1FE	154 , 152	107.3660	166,417	155,000	154,461		107			2.750	2.830	MS	1,421	4,263	01/07/2010	09/01/2017
520394-AT-4	. School Distr				1FE	157 ,842	109.7640	175,622	160,000	158,518		235			3.000	3.180	MS	1,600	4,800	01/07/2010	09/01/2018
520394-AU-1			ļ		1FE	164,660	113.2420	186,849	165,000	164,757		32		ļ	3.375	3.400	MS	1,856	5,569	01/07/2010	09/01/2019
520394-AV-9	Lawrence Twnship/Cumberland School Distr			1	1FE	174.381	112.9000	197 . 575	175.000	174.535		52			3.500	3.540	MS	2.042	6.125	01/07/2010	09/01/2020

1	2	Ι	Cod	les	6	7	Egir	Value	Showing All L	_ong-Term BO I		ember 31 of Current ange in Book / Adjust					Intere	et		De	ites
'		3	4	<u> 5</u>	ď	'	8 Fair	value 9	10	11	12	13	ed Carrying Value	15	16	17	18	sı 19	20	21	22
CUSIP			F o r e i	Bond	NAIC	Actual	Rate Used to Obtain	Fair	Par	Book/ Adjusted Carrying	Unrealized Valuation Increase/	Current Year's (Amortization)/	Current Year's Other Than Temporary	Total Foreign Exchange Change	Rate	Effective Rate	When	Admitted Amount Due &	Amount Rec. During	21	Stated Contractual Maturity
Identification	Description	Code	g	CHAR	Designation		Value	Value	Value	Value	(Decrease)	Accretion	Recognized	B./A.C.V.	of	of	Paid	Accrued	Year	Acquired	Date
520394-AW-7	Lawrence Twnship/Cumberland School Distr			1	1FE	177,961	111.9110	201,440	180,000	178,406	(======================================	154			3.500	3.620	MS	2,100	6,300	01/07/2010	09/01/2021
520394-AX-5	Lawrence Twnship/Cumberland School Distr			1	1FF	186.875	111.4920	211,835	190.000	187 , 485		212			3.625	3.790	MS	2,296	6,888	01/07/2010	09/01/2022
	Lawrence Twnship/Cumberland	1			455			, , , , , , , , , , , , , , , , , , ,		,								· ·	· ·		
520394-AY-3	School DistrLawrence Twnship/Cumberland	 	-	1	1FE	197 , 680	110.9460	221,892	200,000	198,093		142			3.750	3.860	MS	2,500	7 ,500	01/07/2010	09/01/2023
520394-AZ-0	School Distr	ļ		1	1FE	201,901	110.2670	227 , 150	206,000	202,559		229			3.750	3.930	MS	2,575	7 ,725	01/07/2010	09/01/2024
526678-FN-2				1	1FE	1,173,702	111.7410	1,285,022	1,150,000	1,168,724		(2,113)			4.000	3.750	JJ	21,211	46,000	07/16/2010	07/15/2026
539158-FJ-9	Livingston Twnship Sch Dist School Distr				1FE	1,023,160	100.4610	1,004,610	1,000,000	1,004,298		(7,934)			1.500	0.699	JJ	6.917	15,000	08/04/2010	07/15/2013
	Livingston Twnship Sch Dist	1			I			, ,	, ,	, ,		,						,	,		
539158-FK-6	School DistrLivingston Twnship Sch Dist	····	-		1FE	1,019,220	101.1960	1,011,960	1,000,000	1,007,626		(4,894)			1.500	0.999	JJ	6,917	15,000	08/04/2010	07/15/2014
539158-FL-4		SD.			1FE	205,696	102.8880	205,776	200,000	202,988		(1,148)			2.000	1.399	JJ	1,844	4,000	08/04/2010	07/15/2015
539158-FL-4	School Distr	ļ			1FE	822,784	102.8880	823 , 104	800,000	811,950		(4,592)			2.000	1.399	JJ	7,378	16,000	08/04/2010	07/15/2015
539158-FM-2	Livingston Twnship Sch Dist School Distr				1FE	1,011,190	103.6880	1,036,880	1,000,000	1,006,863		(1,862)			2.000	1.799	JJ	9,222	20,000	08/04/2010	07/15/2016
	Los Angeles Comm College Dist	1				i ' '		, ,				, , ,						, i			
54438C-PC-0	Los Angeles Unified Sch Dist				1FE	24,181,800	129 . 5530	25,910,600	20,000,000	24,082,694		(86,412)			6.6.680	5.172	FA	556,667	1,336,000	10/27/2011	08/01/2036
544646 - XY - 3	Build Ameri Los Angeles Unified Sch Dist	ļ	-		1FE	3,299,015	116 . 9890	3,451,176	2,950,000	3,284,868		(13,123)			5.755	4.755	JJ	84,886	169,773	11/22/2011	07/01/2029
544646-XZ-0	Build Ămeri	ļ			1FE	5,638,200	119.7540	5,987,700	5,000,000	5,619,917		(16,164)			5.750	4 .818	JJ	143,750	287,500	11/01/2011	07/01/2034
59333F-EF-3	Miami-Dade Cnty FL General Obligation			1	1FE	8,662,668	110.4540	9,278,136	8.400.000	8,512,055		(115,073)			5.000	4 . 430	JJ	210,000	420,000	02/17/2009	07/01/2024
59333F -EG-1	Miami-Dade Cnty FL General Obligation			1	1FF	10.796.122	110.4540	11,663,942	10.560.000	10,661,091		(106, 199)			5.000	4.590	JJ	264.000	528,000	02/17/2009	07/01/2025
	City of New Haven CT General		-			1		, ,		, ,		, ,		<u> </u>				,,,,,,	,		
645020-PQ-5	Obligation	·	-	1	1FE	281,969	105 . 1640	252,394	240,000	249,621		(8,545)			5.250	1.584	MN	2,100	12,600	02/17/2009	11/01/2014
645020-QD-3	Obligation			1	1FE	3,613,434	104.6120	3,326,662	3,180,000	3,286,178		(87 , 415)			5.250	2.373	MN	27 ,825	166,950	02/17/2009	11/01/2014
64966G-PP-1	City of New York NY General Obligation			11	1FE	15,320	100 . 4440	15,067	15,000	15,000					5.625	3.071	FA	352	844	02/17/2009	08/01/2016
659154-4H-8	North East Ind Sch Dist/TX	٢		1	1FF	2.259.362	106.0970	2,371,268	2.235.000	2,242,739		(4,601)			5.000	4.770	FA	46.563	111.750	02/17/2009	08/01/2033
	North East Ind Sch Dist/TX		-			,,			,,			· · · · · ·						, , , , , , , , , , , , , , , , , , , ,	,		
659154-5N-4	School DistriOrange Cnty NY General	C	-	1	1FE	4,896,012	109.2220	5,226,273	4,785,000	4,833,384		(17,267)			5.000	4.580	FA	99,688	239,250	02/17/2009	02/01/2029
684575-R9-6	Obligation	ļ		1	1FE	414,784	113.6770	454,708	400,000	408,120		(1,627)			4.250	3.756	JJ	8,500	17,000	07/11/2008	07/01/2019
684575-S2-0	Orange Cnty NY General Obligation	<u> </u>	JJ.	1	1FE	771,960	112.5280	843,960	750,000	762,120		(2,422)			4.250	3.855	JJ	15,938	31,875	07/11/2008	07/01/2020
684575-S3-8	Orange Cnty NY General Obligation			1	1FE	1,087,991	112.9400	1,180,223	1.045.000	1,068,701		(4,725)			4.500	3.945	,,	23,513	47 ,025	07/11/2008	07/01/2021
	Orange Cnty NY General	· · · · · · ·																· ·	· ·		
684575-S5-3	Obligation Orleans Parish Sch Dist	·	-	1	1FE	1,284,828	111.3010	1,385,697	1,245,000	1,267,078		(4,387)			4.500	4.065	JJ	28,013	56,025	07/11/2008	07/01/2023
686659-FA-6	School District	ļ			1FE	1,134,310	112.8520	1, 128,520	1,000,000	1,084,493		(21,708)			5.000	2.570	MS	16,667	50,000	07/28/2010	09/01/2016
718814-ZZ-2	City of Phoenix AZ Build America Bonds	C			1FE	5,067,315	117.0710	5,268,195	4,500,000	5,050,102		(15,152)			5.269	4.385	JJ	118,553	237 , 108	11/01/2011	07/01/2034
718814-ZZ-2	City of Phoenix AZ Build				1FE	563,035	117.0710	585,355	500,000	561,122		(1,684)			5.269	4.385	JJ	13,173	26,345	11/01/2011	07/01/2034
	Port of Houston Auth General	····	-		l			,	,	,		, ,		†					,		
73/260-20-5	10hligation	1	1	1	1FF	1 095 560	120 7580	1 207 580	1 000 000	1 076 432		(8 319)	1	1	5 000	3 850	Δ0	12 500	50,000	07/30/2010	10/01/2029

								_	_		PARII									
1	2		Codes	6	7	Fair	Value	Showing All I	Long-Term BOI		ember 31 of Current ` hange in Book / Adjust					Interes	t		Da	ites
			4 5			8	9			12	13	14	15	16	17	18	19	20	21	22
CUSIP Identification	Description		F o r e i g Bo n CH.	nd NAIC AR Designat	Actual ion Cost	Rate Used to Obtain Fair Value	Fair Value	Par Value	Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Foreign Exchange Change In B./A.C.V.	Rate of	Effective Rate of	When Paid	Admitted Amount Due & Accrued	Amount Rec. During Year	Acquired	Stated Contractual Maturity Date
76541V-GW-1.	City of Richmond VA General Obligation			11FE	1,514,343	117 . 7980	1,619,723	1,375,000	1,475,496		(13,339)			5.000	3.730	JJ	31,701	68,750	12/09/2009	07/15/2027
797646 - NC - 6.	City & Cnty San Francisco CA Build Ameri			1FE	10.896.492	121.5830	12,194,775	10,030,000	10,798,887		(44,757)			5.450	4.633	JD	24,295	546.635	09/22/2010	06/15/2025
797646 -NE - 2	City & San Francisco CA Build America Bo			1FE		125.6140	6,280,700	5,000,000	5,629,347		(30,215)			5.750	4.552	JD	12,778	287,500	11/01/2011	06/15/2027
799017 -KR -8.	San Mateo Union High Sch Dist School Dis			1FE	2,000,000	100.3870	2,007,740	2,000,000	2,000,000					1.523	1.523	MS	4,569		10/25/2012	09/01/2017
799017-KW-7.	San Mateo Union High Sch Dist School Dis			1FE	1,000,000	100.8250	1,008,250	1.000.000	1,000,000					2.870	2.870	MS	4.305		10/25/2012	09/01/2022
821686-XT-4	Shelby Cnty TN Build America Bonds			1 1FE	12,000,000		13,778,880	12,000,000	12,000,000					5.750	5.750	AO	172,500	690,000	09/16/2009	04/01/2034
97217P-BJ-7	Wilson Cnty TN Build America		,	1 1FE	10.445.500		11.454.700	10.000.000	10.397.163		(44,482)			5.400	4.746	AO	135.000	540.000	11/22/2011	04/01/2032
	Bonds - U.S. Political Subdivis			Territories ar			341.888.198	299.103.000	317.428.065	^	(1.532.382)	^	0	ХХХ	XXX	XXX	4.232.710	, , , , , ,	XXX	ХХХ
Bonds - U.S	. Political Subdivisions of Sta							age-Backed Secur		0	(1,532,382)	0	U	λλλ	ХХХ	λλλ	4,232,710	13,397,391		
	 Political Subdivisions of Sta Political Subdivisions of Sta 							ge-Backed Secur and Structured												
	Bonds - U.S. Political Subdivis	ions of	States,	Territories an		manteed) - Olf	ICI LUAII-DACKEO	anu structured	Jecui i i i es											
	Possessions (Direct and Guara Political Subdivisions of Sta				ins															
Daniela II O	(Direct and Guaranteed)	,			319,867,938		341,888,198			0	(1,532,382)	0	0	XXX	XXX	XXX	4,232,710	13,397,391	XXX	XXX
Bonds - U.S	. Special Revenue and Special A. Allegheny Cnty Indust Dev	sessmer	ii ubligat	tions and all	von-Guaranteed Obl	igations of Ag	jencies and Auti	TOTTLIES OF GOVE	ernments and The	ii Political Subdi	visions - Issuer Obl	rgat rons								
017292-WD-1. 02765U-AQ-7.	. Auth Pollution	ļ		3FE 11FE		104 .8050 116 .5320	890,843 3,461,000	850,000 2,970,000	872,096 3,151,667	17,063	(5,141) (31,449)			5.500 5.250	4.750 3.920	MN FA	7,792 58,905	46,750 155,925	11/23/2010 06/29/2011	11/01/2016 02/15/2022
02765U-CR-3	American Muni Power Inc Build		,	2 1FE	, , ,	118.4050	1,829,357	1,545,000	1,393,621		(31,443)			6.053	6.824	FA	35,329	93,519	03/29/2011	02/15/2043
	Beaver County Indust Dev Auth			2FE				, ,			1,501						,	975		
074876-HH-9. 10741M-AX-2.	Developmen Brevard Cnty FL General California HIth Fac Fin Auth			11FE	1,000,000 10,100,060	101 .1490 106 .0590	1,011,490 11,168,013	1,000,000 10,530,000	1,000,000 10,150,570		13,964			2.700 5.000	2.700 5.330	A0 FA	6,750 219,375	526,500	09/12/2012 02/17/2009	04/01/2035 08/01/2029
13033L -KV -8.	. Medical	-		11FE.	695,457	120.7800	845,460	700,000	695,694		124			5.875	5.930	FA	15,536	41 , 125	01/28/2011	08/15/2031
13066K - W8 - 8.		ļļ.		1FE	5,009,600	101 . 1080	5,055,400	5,000,000	5,009,402		(198)			2.637	2.615	JD	10,988	23,440	10/19/2012	12/01/2022
144709 - FX - 5.				11FE	1,106,960	118.2390	1,182,390	1,000,000	1,085,062		(9,679)			5.000	3.691	JJ	25,000	50,000	08/04/2010	07/01/2022
14739H-BQ-3.				11FE.	11,260,000	110.9950	12,498,037	11,260,000	11,260,000					5.907	5.907	MS	221,709	665 , 128	09/24/2009	09/01/2034
161045-KG-3.		C		11FE	965,920	125.5900	1,004,720	800,000	942,469		(17,148)			5.000	2.392	JJ	20,000	40,000	08/11/2011	07/01/2021
161045-KG-3.				11FE.	5,071,080	125.5900	5,274,780	4,200,000	4,947,961		(90,025)			5.000	2.392	JJ	105,000	210,000	08/11/2011	07/01/2021
161045-LP-2.		C		1FE.	4,187,098	128.3210	4,298,754	3,350,000	4,087,302		(73,848)			5.000	2.261	JD	13,958	167 , 500	08/18/2011	12/01/2021
16772P-AQ-9.			2	21FE	5,473,600	112.3850	5,619,250	5,000,000	5,460,937		(11,033)			6.200	5.466	JD	25,833	310,000	11/03/2011	12/01/2040
172311-DR-0.		C		11FE	2,510,131	101.9990	2,361,277	2,315,000	2,360,464		(108,910)			5.000	0.280	JD	9,646	115,750	08/11/2011	12/01/2020
172311-HH-8.	Cincinnati OH Wtr Sys Rev Water			11FE	1,301,000	115.8400	1.448.000	1.250.000	1.295.336		(4,052)			5.000	4.502	JD	5.208	62.500	07/27/2011	12/01/2036
18085P-EB-6.	Clark Cnty NV Airport Clark Cnty NV Airport			11FE 11FE	4,755,800	105.4370	5,271,850 5,211,500	5,000,000 5,000,000	4,808,152		14,586 14,894			5.500	6.037 5.854	JJ	137,500	275,000 275,000	02/17/2009	07/01/2022 07/01/2030
196632-GV-9	Colorado Springs Utl Sys Rev		,	2 1FE	, ,		6.704.830				(1)			5.545	5.543	MN	38.969	304.975	09/16/2009	11/15/2039

SCHEDULE D - PART 1

											ember 31 of Current			1						
1	2		des	6	7		Value	10	11		nange in Book / Adjuste		45	40	47	Interest	40	00		ates
CUSIP		3 4 F O r e i		NAIC	Antural	Rate Used to Obtain	9	Des	Book/ Adjusted	Unrealized Valuation	13 Current Year's	14 Current Year's Other Than Temporary	Total Foreign Exchange Change	16	17 Effective	18	Admitted Amount	Amount Rec.	21	Stated Contractual
Identification	Description	Code n	Bond CHAR	NAIC Designation	Actual Cost	Fair Value	Fair Value	Par Value	Carrying Value	Increase/ (Decrease)	(Amortization)/ Accretion	Impairment Recognized	In B./A.C.V.	Rate of	Rate of	When Paid	Due & Accrued	During Year	Acquired	Maturity Date
207728-CM-6	Connecticut State Dev Auth Development			1FE	1,000,000	100.5940	1,005,940	1,000,000	1,000,000					1.550	1.550	A0	3,875	7 ,707	03/28/2012	05/01/2031
	Connecticut HIth & Edu Fac Aut Higher Ed Connecticut HIth & Edu Fac		1	1FE	10,240,200	108.2360	10,823,600	10,000,000	10 , 102 , 764		(123,984)			5.000	4.560	JJ	250,000	500,000	02/17/2009	07/01/2035
20774U-PP-4	Aut Higher EdDallas WtrWrks & Swr Sys Rev		11	1FE	4,025,327	110.7360	4,374,072	3,950,000	3,989,085		(10,051)			5.000	4.690	JJ	98,750	197,500	02/17/2009	07/01/2042
235416-Z8-0			11	1FE	5,585,845	113.6970	5,855,396	5,150,000	5,500,759		(37,970)			5.000	3.970	A0	64,375	257,500	09/09/2010	10/01/2039
24916P-FP-7	Build Amer		1	1FE	15,485,000	107 .5510	16,654,272	15,485,000	15,485,000					5.170	5 . 170	JD	35,581	800,575	09/29/2010	12/15/2040
	Medical Federal National Mortgage		11	11	1,488,450	117 .6470	1,470,588	1,250,000	1,487,762		(688)			5.000	2.691	MN	1,910		12/13/2012	05/15/2028
	Assc FNMA 6 1/Federal National Mortgage		4	11	656,116	143 . 3980	716,991	500,000	642,215		(6,117)			6.250	3.886	MN	3,993	31,250	08/25/2010	05/15/2029
1 1	Assc FNMA 0 09 Florida Dept of Env Protection General		11	1FE	1,100,000 5,515,322	100.2090	1,102,297	1,100,000	1,100,000		(61,703)			0.700 5.000	0.700	MS JJ	2,160	260,250	09/18/2012	09/20/2017
	Florida Governmental Util Auth Build Ame		1	1FE	4.025.000	112 . 1260	4.513.072	4.025.000	4.025.000		(01,703)			6.641	6.641	A0	66.825	267.300	02/26/2010	10/01/2020
i i	Florida Governmental Util Auth Build Ame		11	1FE	3.375.000	111.8450	3.774.769	3,375,000	3,375,000					7.141	7.141	A0.	60,252	241,009	02/26/2010	10/01/2025
34281P-KD-4	Florida Governmental Util Auth Build Ame		1	1FE	4,255,000	109.9490	4,678,330	4,255,000	4,255,000					7.630	7.630	A0	81 , 164	324,657	02/26/2010	10/01/2030
34281P-KE-2	Florida Governmental Util Auth Build Ame		11	1FE	5,445,000	108.9310	5,931,293	5,445,000	5,445,000					7.880	7.880	A0	107,267	429,066	02/26/2010	10/01/2035
34281P-KF-9	Florida Governmental Util Auth Build AmeFredericksburg Econ Dev Auth		1	1FE	7,005,000	109.0860	7 , 641 , 474	7,005,000	7,005,000					8080	8.080	A0	141,501	566,004	02/26/2010	10/01/2040
355849-AN-0.	Medical Harrisburg Auth Pollution		2	2FE 1FE	1,109,760 7,212,595	116 .6740	1,166,740 6,524,505	1,000,000 6.500,000	1,083,501 6.643.165		(11,223) (152,504)			5.250 5.000	3.780 2.553	JDJD	2,333 27.083	52,500 325,000	08/02/2010 02/17/2009	06/15/2019 12/01/2033
419771-AW-0	Hawaii Pacific HIth Medical Honolulu Waste Wtr Sys Rev		11	1FE	489,715	112 .4730	562,365	500,000	490,422		309			5.625	5.801	JJ	14,063	28 , 125	07/08/2010	07/01/2030
438701-PT-5	Build Americ		11	1FE	8,889,297	115 .4350	10,215,998	8,850,000	8,879,692		(3,611)			6.339	6.275	JJ	280,501	561,002	09/16/2009	07/01/2035
	Higher Educ Houston TX Utility Sys Rev		11	1FE	1,036,170	111.9110	1,119,110	1,000,000	1,018,020		(3,649)			5.000	4.541	MN	6,389	50,000	07/02/2007	05/15/2032
i i	Water Illinois Fin Auth Higher Education.		11	1FE 1FE	1,983,020	112.7570	2,255,140	2,000,000	1,984,646		407			5.000	5.060	MNJJ	12,778	100,000	02/17/2009	11/15/2033
	lowa Finance Authority Single Family Hsg		1	1FE	697,681 2.803.591	99.5190	2.790.106	2,803,591	2,803,591		(20,432)			2.300	2.300	MON	716		02/17/2009	07/01/2033
	lowa St Fin Auth Midwstrn Disaster Area		11	2FE	500,000	101.2260	506,130	500,000	500,000					4.750	4.750	FA.	9,038		09/11/2012	08/01/2042
46613P-R4-0	JEA Water & Sewer Sys Rev Utilities		1	1FE	497 , 420	101.5380	507,690	500,000	497,426		6			4.000	4.030	A0	5,000	2,500	07/19/2012	10/01/2041
469487-BW-1	City of Jacksonville FL Build America Bo King Cnty WA Swr Rev Water		11	1FE	6,000,000 3,560,730	115.0260	6,901,560 3,703,470	6,000,000	6,000,000 3,493,250		(54,541)			6.259 5.000	6.259 2.701	A0 JJ	93,885 75,000	375,540 110,833	09/24/2009	10/01/2030
1 1	Laredo Ind Sch Dist Pub Fac Education		11	1FE	979,950	123 . 4490	1,001,370	1,000,000	983,616		1,010			5.000	5.190	FA	20,833	50,000	00/23/2011	08/01/2024
52349M-EP-3	Lee Cnty Indust Dev Auth/FL Water		11	1FE	3,892,900	104.3180	4,198,800	4,025,000	3,916,437		6,452			5.000	5.310	MN	33,542	201,250	02/17/2009	11/01/2024
542690-Z7-0			1	1FE	1,096,279	113.5690	1,135,690	1,000,000	1,092,652		(3,627)			5.000	3.842	MS	16,667	6,250	07/17/2012	09/01/2037
544525-KH-0	Los Angeles Dept of Wtr & Pwr Water		1	1FE	7 , 506 , 792	111 . 1870	8,005,464	7,200,000	7 , 413 , 114		(42,103)			5.000	4.270	JJ	180,000	360,000	09/09/2010	07/01/2044

SCHEDULE D - PART 1

									Showing All L	ong-Term BO		ember 31 of Current									
1	2		Cod		6	7		Value	10	11		nange in Book / Adjust	, ,				Interes				ates
CUSIP		3	4 F o r e i	5 Bond	NAIC	Actual	8 Rate Used to Obtain Fair	9 Fair	Par	Book/ Adjusted Carrying	12 Unrealized Valuation Increase/	13 Current Year's (Amortization)/	14 Current Year's Other Than Temporary Impairment	Total Foreign Exchange Change In	16 Rate	17 Effective Rate	18 When	19 Admitted Amount Due &	Amount Rec. During	21	Stated Contractual Maturity
Identification	Description	Code		CHAR	Designation		Value	Value	Value	Value	(Decrease)	Accretion	Recognized	B./A.C.V.	of	of	Paid	Accrued	Year	Acquired	Date
54627R-AC-4	Louisiana Lcl Gov Env Fac Dev Facilities			2	1FE	999,621	109.4800	1,094,800	1,000,000	999,701		45			3.450	3.456	FA	14,375	34,500	07/15/2010	02/01/2022
54627R-AD-2				2	1FE	999,507	113.2910	1,132,910	1,000,000	999,566		40			3.960	3.966	FA	16,500	39,600	07/15/2010	08/01/2024
546395 - J4 - 7	Louisiana Pub Fac Auth Medical Massachusetts Inst of Tech			1	1FE	987,650	110 . 1740	1,101,740	1,000,000	988,441		380			5.250	5.351	MN	8,750	52,500	08/09/2010	11/01/2030
575718-AA-9					1FE	497,905	143.5060	717,530	500,000	497,962					5.600	5.623	JJ	14,000	31,344	05/11/2011	07/01/2111
575832-UH-1					1FE	5,971,789	130 . 5560	6,358,077	4,870,000	5,929,033		(39,253)			6.390	4.561	MN	51,866	311,193	11/22/2011	05/01/2030
576002-AC-3	General	ļ			1FE	4,555,094	105.6410	5,266,204	4,985,000	4,746,514		52,841			3.500	4.830	JJ	87,955	199,609	02/17/2009	01/01/2017
590545-KH-1 59259N-ZN-6	Metropolitan Transn Auth NY				1FE	3,956,960 4,126,225	128.3270	4,292,538	3,345,000	3,688,865		(72,006)			5.000 6.089	2.752 4.618	JJ	87,500 26.025	175,000	02/17/2009 11/23/2011	07/01/2015
59259Y -BY -4	Metropolitan Transport Auth Build Americ				1FE	12,477,800	130.7910	13,079,100	10,000,000	12,429,868		(42,186)			6.668	5.012	MN	85,202	666,800	11/07/2011	11/15/2039
59259Y -GE -3					1FE	7,658,595	127 . 3700	8,024,310	6,300,000	7,625,973		(32,622)			6.734	4.946	MN	54,209	424,242	04/05/2012	11/15/2030
592646-S8-7		ļ		1	1FE	1,066,480	116.0960	1,160,960	1,000,000	1,053,028		(5,684)			5.000	4.191	A0	12,500	50,000	07/21/2010	10/01/2027
59266T-EC-1	Metro Wtr Dist of Southern Ca Build Amer Miami-Dade Wtr & Swr Sys Rev			1	1FE	6,909,590	123.9810	7,897,590	6,370,000	6,833,346		(72,635)			6.947	5.731	JJ	221,262	442,524	11/08/2011	07/01/2040
59333P-HV-3				1	1FE	7 ,587 ,341	102.5970	9,013,146	8,785,000	8,354,640		220,812			5.000	8.061	AO	109,813	439,250	02/17/2009	10/01/2037
59333P-RQ-3	Airport			1	1FE	4,510,500	109.3190	5,465,950	5,000,000	4,578,576		19,030			5.250	6.168	AO	65,625	262,500	02/17/2009	10/01/2026
59333P-ZG-6		ļ			1FE	581,698	109.9540	571,761	520,000	553,912		(11,765)			5.000	2.529	AO	6,500	26,000	07/22/2010	10/01/2015
59465H-PD-2				1	1FE	415,206	110 . 5890	453,415	410,000	413,930		(894)			5.000	4.729	JD	1 ,708	20,500	07/13/2011	12/01/2026
59469W-AT-6.	PollutionMiddle Bucks Area Voc-Tech	ļ			2FE	1,000,000	101.7670	1,017,670	1,000,000	1,000,000					2.800	2.801	FA	11,667	28,000	07/29/2010	12/01/2013
595679-CJ-8	Sch General New Jersey Hith Care Fac Fin	ļ		1	1FE	2,413,852	110 .6770	2,645,180	2,390,000	2,401,635		(3,376)			5.000	4.830	FA	45,144	119,500	02/17/2009	02/15/2025
64579F-2P-7				1	2FE	1,183,260	114 . 6340	1,146,340	1,000,000	1, 182, 359		(901)			5.000	2.800	JJ	2,639		11/29/2012	07/01/2025
645918-S2-0				1	1FE	500,000	100.2100	501,050	500,000	500,000					1.030	1.080	MON	409	908	09/19/2012	02/01/2017
646136-XS-5	Auth Build Ame New Jersey Tran Trst Fund	ļ		2	1FE	10,000,000	120 . 5120	12,051,200	10,000,000	10,000,000					5.754	5.754	JD	25,573	575,400	10/14/2010	12/15/2028
646136-XT-3	New Jersey Tran Trst Fund			1	1FE	10,000,000	114.5170	11,451,700	10,000,000	10,000,000					6.104	6.104	JD	27 , 129	610,400	10/14/2010	12/15/2028
646136-YA-3	Auth Transport New York Cty Muni Wtr Fin	ļ			1FE	1,110,630	122.8690	1,228,690	1,000,000	1,097,189		(6,244)			5.000	3.971	JD	2,222	50,000	10/14/2010	12/15/2024
64970K-U8-8	Auth Water New York City Hsg Dev Corp			1	1FE	12,517,875	106.7740	13,346,750	12,500,000	12,506,893		(10,849)			5.000	4.970	JD	27 ,778	625,000	02/17/2009	06/15/2036
64970M-B7-7	Multifamily New York City Hsg Dev Corp	ļ		1	1FE	2,084,450	106.7010	2,443,453	2,290,000	2,111,030		7 ,387			5.100	5.898	MN	19,465	116,790	02/17/2009	11/01/2027
64970M-C9-2	Multifamily	ļ		1	1FE	2,275,600	106.7010	2,667,525	2,500,000	2,304,618		8,064			5.100	5.898	MN	21,250	127 ,500	02/17/2009	11/01/2027
64971Q-GW-7	NYC Trans Fin Ftr Tax Sec Rev	ļ 			1FE	4,285,480	107 . 2600	4,290,400	4,000,000	4,279,866		(5,614)			3.450	2.514	MN	23,000	69,000	10/19/2012	05/01/2021
64971Q-RA-3	NYC Trans Fin Ftr Tax Sec Rev				1FE	9,763,900	103.5770	10,357,700	10,000,000	9,786,396		20,632			2.900	3.179	MN	48,333	277 , 111	11/22/2011	11/01/2021
64971Q-TW-3	General	ļ			1FE	7,084,210	100 . 4730	7 ,033 ,110	7,000,000	7,083,192		(1,018)	L	1	2.150	1.975	MN	25,083	L	11/20/2012	05/01/2020

SCHEDULE D - PART 1

									Showing All I	Long-Term BOI		ember 31 of Current									
1	2		Coc		6	7		Value	10	11		nange in Book / Adjust	, ,				Intere				ates
CUSIP		3	4 F o r e i	5 Bond	NAIC	Actual	Rate Used to Obtain Fair	9 Fair	Par	Book/ Adjusted Carrying	12 Unrealized Valuation Increase/	13 Current Year's (Amortization)/	14 Current Year's Other Than Temporary Impairment	Total Foreign Exchange Change	16 Rate	17 Effective Rate	18 When	19 Admitted Amount Due &	20 Amount Rec. During	21	Stated Contractual Maturity
Identification	Description	Code		CHAR	Designation		Value	Value	Value	Value	(Decrease)	Accretion	Recognized	B./A.C.V.	of	of	Paid	Accrued	Year	Acquired	Date
C40740 VW 7	NYC Trans Fin Ftr Tax Sec Rev			4					0.705.000		, , , , , ,				F 000	F 000	FA			i i	
64971Q-YW-7	General- P NYC Trans Fin Ftr Tax Sec Rev			1	1FE	8,704,959	100.3570	8,736,077	8,705,000	8,705,320		360			5.000	5.000	FA	181,354		09/11/2012	02/01/2033
64971Q-YZ-0				1	1FE	1,294,994	100.3170	1,299,105	1,295,000	1,295,048		54			5.000	5.000	FA	26,979		09/11/2012	02/01/2033
64983X-CD-4					1FE	238,118	116.4290	232,858	200,000	218,709		(5,218)			5.750	2.822	MN	1,469	11,500	02/17/2009	05/15/2016
649842-CD-1	New York Ergy Rsrch & Dev Auth Power				1FE	1,980,000	84.0000	1,890,000	2,250,000	2,009,829		17.789			0.529	1.473		132	13,538	04/13/2011	06/01/2025
	New York Ergy Rsrch & Dev					1													,		
649845-GW-8	Auth Pollution			1	2FE 1FE	1,000,000 201.144	101.7590 101.8950	1,017,590 203,790	1,000,000	1,000,000		(283)			2.125 5.000	2 . 125 4 . 850	MS JD	6,257 444	20,542	09/22/2011 02/17/2009	03/15/2015 06/15/2033
	New York Env Fac Corp Water			11	1FE	14,884,656	101.8950	15,080,460	14,800,000	14,809,865		(20,937)			5.000	4.850	JD	32,889	740,000	02/17/2009	06/15/2033
64986A-U8-2	New York St Envrnmntl Fac Corp Water			1	1FE	693,682	126.0100	693.055	550.000	686 , 102		(7,580)			5.000	2.101	JD	1,222	14,896	05/17/2012	06/15/2023
	New York State Dormitory Auth					Í		, , , , , , , , , , , , , , , , , , ,		,		, , ,					İ	,	,		
649902-2E-2	Build Amer New York State Dormitory Auth	C		2	1FE	5,515,436	117 .8650	6,682,946	5,670,000	5,523,474		3,882			5.289	5.502	MS		299,886	11/09/2010	03/15/2033
649902-T3-7	Build Amer				1FE	23,862,350	124.2610	24,945,396	20,075,000	23,788,057		(68,504)			5.600	4 . 424	MS	331,014	1,124,200	11/22/2011	03/15/2040
64990E-FE-2	Higher Edu			1	1FE	1,194,900	119.3060	1,193,060	1,000,000	1, 187, 224		(7,676)			5.000	2.690	MS	21,528		07/23/2012	03/15/2030
650035-PE-2	New York Urban Dev Corp General			1	1FE	1,143,130	119.0680	1,190,680	1,000,000	1,105,933		(15,725)			5.250	3.290	JJ	26,250	52,500	07/26/2010	01/01/2021
	Norfolk ReDev & Hsg Auth					· · ·			, ,			, , ,						,	,		
655909-BB-4	Multifamily Hsg North Carolina Med Care Comm				1FE	251,494	100.3420	255,872	255,000	254,712		298			5.500	5.628	JD	1,169	14,025	02/28/1997	12/01/2013
657902-K2-7	Medical North Carolina Eastern Power			1	1FE	496,030	102.9980	514,990	500,000	497 , 123		292			5.000	5.090	MN	4 , 167	25,000	02/17/2009	11/01/2020
658196-3M-0	Power			1	1FE	562,865	117 . 5890	587,945	500,000	550,793		(6,747)			5.000	3.531	JJ	12,500	25,000	09/09/2010	01/01/2023
658203-U7-7	North Carolina Mun Pr Agency Power				1FE	1,000,000	99.6620	996,620	1,000,000	1,000,000					2.447	2.447	JJ	1,359		11/30/2012	01/01/2021
658203-U8-5	North Carolina Mun Pr Agency				1FE	1,300,000	99.1450	1,288,885	1,300,000	1,300,000					2.672	2.672	JJ	1.930		11/30/2012	01/01/2022
	North Carolina Mun Pr Agency					1			, ,									, , , , , , , , , , , , , , , , , , , ,			
658203-U9-3	Power				1FE	1,040,000	99.6340	1,036,194	1,040,000	1,040,000					2.942	2.942	JJ	1,700		11/30/2012	01/01/2023
663903-DM-1				1	1FE	5,026,905	115.6140	5,202,630	4,500,000	4,970,458		(48,931)			6.038	4 . 449	MN	34,719	271,710	11/01/2011	11/15/2040
67755C-W3-9	Facilities			1	1FE	3,983,690	123.8560	4,353,538	3,515,000	3,931,884		(40 , 178)			5.000	3.420	A0	43,938	183,561	08/30/2011	10/01/2022
677659-J4-7	Ohio State Wtr Dev Auth Water Oklahoma Agri & Mech College		I	2	1FE	1,193,290	126 . 6150	1,266,150	1,000,000	1,152,929		(17,009)			5.000	2.830	JD	4,167	50,000	07/26/2010	12/01/2020
678505-CM-8	Higher Educ			1	1FE	1,099,970	118 . 6820	1,186,820	1,000,000	1,079,092		(8,849)			5.000	3.790	FA	20,833	50,000	07/14/2010	08/01/2026
67910H-LH-1	Oklahoma Muni Power Auth Power			2	1FE	905,000	100 . 1000	905,905	905.000	905,000					0.880	1.051	MON	635	8,295	08/11/2010	01/01/2023
	Pasco Cnty FL Wtr & Swr Rev			4	1FE	<u> </u>		· ·	,	,		(40, 044)					AO	62 . 188	,		1
702541-GR-8	Pennsylvania Hgh Educ Fac					3,858,890	115 . 5280	4,314,971	3,735,000	3,826,635		(10,641)			6.660	6.209		,	248 ,751	09/21/2009	10/01/2034
70917N-7S-7	Auth Higher Ed. Pennsylvania Turnpike Comm			1	1FE	982,547	109.0660	1,036,127	950,000	963,993		(5, 103)			5.000	4.381	JJ	21,903	47 , 500	02/17/2009	07/15/2026
709223-2R-1	Transportatio		ļ	1	1FE	1,131,860	114 . 5940	1,145,940	1,000,000	1, 127, 320		(4,540)			5.000	3.471	JD	4,167	16,806	07/18/2012	12/01/2037
717817-PW-4				1	1FE	1,021,860	111.6380	1,116,380	1,000,000	1,017,901		(1,941)			5.250	4.960	JD	2,333	52,500	10/27/2010	06/15/2028
717893-PW-5	Philadelphia PA Wtr & Swr Rev			1	1FE	3,341,975	106.9390	3,742,865	3,500,000	3,431,104		24.892			5.000	5.858	JJ	87,500	175,000	02/17/2009	07/01/2035
	Philadelphia PA Wtr & Swr Rev					1			, , , ,			,						,	,		
717893-VW-8	Utilities Phoenix Civic Imp Corp				1FE	1,048,441	118 . 4470	1,089,712	920,000	1,012,937		(15,066)			5.000	3.020	FA	19 , 167	46,000	07/29/2010	08/01/2018
71883M-CP-7				1	1FE	2,756,215	100 . 1610	3,109,999	3,105,000	2,801,016		12,550			5.250	6.289	JJ	81,506	163,013	02/17/2009	07/01/2027

SCHEDULE D - PART 1

											ember 31 of Current									
1 1	2		des	6	7		Value	10	11		hange in Book / Adjust		1 45	40	47	Interest		00		ites
		3 4 F O r e i	5			8 Rate Used to Obtain	9		Book/ Adjusted	12 Unrealized Valuation	13 Current Year's	14 Current Year's Other Than Temporary	Total Foreign Exchange Change	16	17 Effective	18	19 Admitted Amount	20 Amount Rec.	21	22 Stated Contractual
CUSIP Identification	Description	Gada g	Bond CHAR	NAIC	Actual	Fair	Fair	Par	Carrying	Increase/	(Amortization)/	Impairment	In D. (A.C.)	Rate	Rate	When Paid	Due &	During	Ai	Maturity
identification	Description Port of Seattle WA	Code n	CHAR	Designation	Cost	Value	Value	Value	Value	(Decrease)	Accretion	Recognized	B./A.C.V.	of	of	Paid	Accrued	Year	Acquired	Date
i i	Transportation City of Port St Lucie FL			1FE	1,084,220	112.2630	1,122,630	1,000,000	1,049,137		(14,900)			5.000	3.310	FA	20,833	50,000	07/16/2010	02/01/2016
73541T-AA-7	Medical City of Port St Lucie FL	····		1FE	992,145	100.7270	972,016	965,000	968 , 182		(9,436)			3.000	2.001	MN	4,825	28,950	05/26/2010	05/01/2013
73541T-AB-5	Medical			1FE	1,105,432	103.5500	1,082,098	1,045,000	1,066,232		(15,487)			4.000	2.441	MN	6,967	41,800	05/26/2010	05/01/2014
73541T-AC-3	City of Port St Lucie FL Medical City of Port St Lucie FL			1FE	1,145,001	105.5570	1,150,571	1,090,000	1,117,079		(11,066)			4.000	2.891	MN	7,267	43,600	05/26/2010	05/01/2015
73541T-AD-1	Medical			1FE	958,725	110.4370	971,846	880,000	926,242		(12,915)			5.000	3.321	MN	7,333	44,000	05/26/2010	05/01/2016
73541T-AE-9	City of Port St Lucie FL Medical City of Port St Lucie FL			1FE	1,282,035	112.3690	1,337,191	1,190,000	1,250,377		(12,619)			5.000	3.721	MN	9,917	59,500	05/26/2010	05/01/2017
73541T-AF-6	Medical			1FE	1,332,162	114 . 2780	1,422,761	1,245,000	1,306,631		(10,190)			5.000	3.961	MN	10,375	62,250	05/26/2010	05/01/2018
73541T-AG-4	City of Port St Lucie FL Medical City of Port St Lucie FL			1FE	1,391,181	116 . 1370	1,521,395	1,310,000	1,370,628		(8,210)			5.000	4 . 161	MN	10,917	65,500	05/26/2010	05/01/2019
73541T-AH-2	Medical			1FE	1,450,818	116.3990	1,600,486	1,375,000	1,434,020		(6,712)			5.000	4.311	MN	11,458	68,750	05/26/2010	05/01/2020
745277-SJ-3	Puerto Rico Muni Fin Agy GeneralPuerto Rico Muni Fin Agy	SD	1	1FE	793,895	100 .3180	792,512	790,000	790,000					5.500	4.126	JJ	21,725	43,450	02/17/2009	07/01/2017
745277-SJ-3			1	1FE	748,673	100.3180	747,369	745,000	745,000					5.500	4.126	JJ	20,488	40,975	02/17/2009	07/01/2017
	Corp General		1	1FE	1,078,547	109.0400	1,090,400	1,000,000	1,072,077		(6,419)			5.250	4.237	FA	21,875	32,095	03/26/2012	08/01/2040
76223P-CN-3	Rhode Island Econ Dev Corp AirportRutgers-State University of		1	1FE	4,835,193	105.3030	4,986,097	4,735,000	4,765,530		(19,238)			5.000	4.550	JJ	118,375	236,750	02/17/2009	07/01/2016
783186-NH-8 785846-CT-1	NJ Build Ame State of Mississippi General		2 22	1FE 2FE	6 ,649 ,200 19 ,585 ,273	125 .6730 92 .7730	6,912,015 20,928,661	5,500,000 22,559,000	6,618,020 20,240,230		(28,481) 243,022			5.665 0.580	4.264 2.665	MN	51,929 27,634	311,575 165,004	11/23/2011 02/17/2009	05/01/2040 07/15/2027
79575D-XC-9	Salt River Proj Agri & Pwr Dis Power City of San Antonio TX		1	1FE	3,862,751	114 . 6940	4,278,086	3,730,000	3,832,812		(18,022)			5.000	4.380	JJ	93,250	186,500	04/14/2011	01/01/2027
	Airport		1	1FE	3,397,800	107 . 2490	4,289,960	4,000,000	3,446,947		13,792			5.250 5.000	6.512	JJ	105,000	210,000	02/17/2009	07/01/2032
796253-X3-1	City of San Antonio TX Power City of San Antonio TX	····	11	6*	90,506	116.7180	105,046	90,000	90,333		(72)			5.000	4.899	FA	1,875	4,500	06/01/2010	02/01/2032
796253-X8-0			1	1FE	5,018,439	117 . 1330	5,704,377	4,870,000	4,980,312		(32,835)			5.000	4.569	FA	101,458	243,500	06/01/2010	02/01/2034
796253-Z7-0	Utilities City of San Antonio TX			1FE	2,695,000	105.6290	2,846,702	2,695,000	2,695,000					4 . 127	4 . 127	FA	46,343	37,692	03/20/2012	02/01/2030
796253-Z9-6			1	1FE	1,209,820	124 .4790	1,244,790	1,000,000	1,200,486		(9,334)			5.000	2.621	FA	20,833	4,583	05/23/2012	02/01/2025
	Pollution			2FE	779,107	105.4490	769,778	730,000	750 , 101		(12,174)			5.100	3.300	FA	15,513	37,230	07/20/2010	08/01/2014
80585C-AP-3				1FE	2,883,702	105 . 1260	2,654,432	2,525,000	2,616,013		(71, 185)			5.000	2.063	A0	31,563	126,250	02/17/2009	04/01/2014
812728-RL-9	City of Seattle WA Wtr Sys Rev Water South Carolina Pub Srvice		1	1FE	2,958,547	118.8600	3,173,562	2,670,000	2,884,529		(26,046)			5.000	3.700	FA	55,625	133,500	01/08/2010	08/01/2025
837151-AA-7	Auth Power			1FE	10,022,175	134 . 1510	10,061,325	7,500,000	9,993,670		(25,428)			6.454	4.580	JJ	242,025	484,050	11/03/2011	01/01/2050
837152-SL-2	Bk TransportState Pub Sch Building Auth		1	1FE	1,460,388	120 . 7240	1,448,688	1,200,000	1,456,950		(3,438)			5.000	2.510	AO	10,000		10/10/2012	10/01/2024
85732P-CE-8	Education			1FE	7 ,789 ,950	110.3240	8,274,300	7 ,500 ,000	7 ,777 ,633		(10,869)			5.088	4.764	MS	112,360	330,720	11/09/2011	09/15/2029
880591-DV-1	Tennessee Valley Authority TVA 4.7 07/15 Tennessee Valley Authority			1	283,628	121.3810	303,452	250,000	282,303		(1,023)			4.700	3.789	JJ	5,418	11,750	09/08/2011	07/15/2033
	TVA 3.5 12/15			1	755,579	99.0270	767,462	775,000	755,588		10			3.500	3.638	JD	753		12/18/2012	12/15/2042
882555 -UX - 1	Texas Muni Power Agy Power			1FE	236,720	99.7790	259,425	260,000	256,442		5,246			ļ	2.077	N/A			02/17/2009	09/01/2013

Showing All	Long Torm BONDS	Owned December 3	21 of Current Voor

					_				Showing All I	Long-Term BO		ember 31 of Current									
1	2		Code		6	7		Value	10	11		hange in Book / Adjust					Intere				ates
CHOID		3	4 F o r e	5	NAIG	Antical	Rate Used to Obtain	9	Day	Book/ Adjusted	Unrealized Valuation	Current Year's	14 Current Year's Other Than Temporary	Total Foreign Exchange Change	16	17 Effective	18	Admitted Amount	Amount Rec.	21	Stated Contractual
CUSIP Identification	Description	Code	g n	Bond CHAR	NAIC Designation	Actual Cost	Fair Value	Fair Value	Par Value	Carrying Value	Increase/ (Decrease)	(Amortization)/ Accretion	Impairment Recognized	In B./A.C.V.	Rate of	Rate of	When Paid	Due & Accrued	During Year	Acquired	Maturity Date
882555-XF-7.	. Texas Muni Power Agy Power	Code		OLIAR	1FE	572,610	110.7820	553,910	500,000	539,568	(Deciease)	(14,324)	recognized	D./A.C.V.	5.000	1.940	MS	8,333	25,000	07/23/2010	09/01/2015
00600N 7N 7	Triborough Brdge & Tunnel			1	1FE	1.195.420	119.6680		1.000.000	1.189.462		(5,958)			5.000	2.791	MN	6.389	11.389		
89602N-ZN-7	Trustees of Dartmouth College					1, 195,420	119.0080	1,196,680	1,000,000	1, 189,402		(5,958)			5.000	2.791	WIN	D, 389	11,389	08/03/2012	11/15/2031
89837R-AB-8.	DARMTH 4 0University of California				1FE	384,076	103.2530	397 , 524	385,000	384,077		1			4.000	4.014	JD	1,283	12,791	01/26/2012	06/01/2042
91412F-7W-1.	Higher Educatio			1	1FE	5,178,600	113.8120	5,690,600	5,000,000	5,120,366		(19,409)			5.000	4 . 491	MN	31,944	250,000	10/13/2009	05/15/2034
91412G-HA-6.	University of California Higher Educatio				1FE	7,000,000	104.6790	7 , 327 , 530	7,000,000	7,000,000					4.858	4 . 858	MN	43,452	239,931	02/22/2012	05/15/2112
91428L -FK -7	University of Hawaii Build America Bonds			1	1FE	10.718.100	110.9710	11,097,100	10.000.000	10,645,617		(66, 179)			6.034	5.018	AO.	150.850	603,400	11/21/2011	10/01/2040
	University of Texas Sys			I 4		, , , , ,		, ,				, , ,									
	Higher EducationUtah State Brd of Regents	C		1	1FE	3,019,025	122 .6150	3,065,375	2,500,000	2,942,864		(56,629)			5.000	2.290	FA	47 ,222	125,000	08/22/2011	08/15/2021
91754R-QD-2.	Build AmericaVirginia College Building				1FE	7,875,582	123.7710	8,168,886	6,600,000	7,826,353		(43,958)			6.241	4.679	FA	171,628	411,906	11/08/2011	08/01/2030
927781-UZ-5.	. Auth Build Ame	ļ			1FE	9,854,835	112.8050	10 , 107 , 328	8,960,000	9,803,410		(51,425)			4.250	3.299	FA	158,667	380,800	01/26/2012	02/01/2025
92812Q-V3-8.				1	1FE	9,067,674	105.6900	9,501,531	8,990,000	9,061,159		(5,775)			5.251	5 . 135	JJ	236,032	266,192	11/29/2011	01/01/2039
92812U-SX-7.	Virginia Hsg Dev Auth Single Family Hsg.			1	1FE	9 . 187 . 900	107 .0340	10,703,400	10.000.000	9.304.834		32.497			5.000	5.738	AO.	125.000	500.000	02/17/2009	10/01/2026
	Virginia Řesources Auth			4	1FF	, , , , , , , , , , , , , , , , , , , ,	108.4960	520.781	480.000	482.525		(459)			5.000	4,697	MN	4.000	, , , , , , , , , , , , , , , , , , , ,		
92818A-XN-1.	Virginia Resources Auth					482,983		, ,	,	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,								,	12,000	08/16/2012	11/01/2033
92818A - XQ - 4. 977100 - CP - 9.	Prerefunded- WatState of Wisconsin General			1	1FE 1FE	6,384,434 5,000,000	106.5170	6,758,504	6,345,000	6,378,372		(6,062)			5.000 1.317	4.697 1.317	MN	52,875 5,853	158,625	08/16/2012	11/01/2033
97710B-4J-8.	Wisconsin Hith & Educ Fac				1FE	590.295	118.7660	593,830	500.000	586,626		(3.669)			5.000	1.751	FA	6.250		09/13/2012	08/15/2018
	Bonds - U.S. Special Revenue an	nd Spec	ial As	sessment			110.7000		000,0000			(3,009)			000.ن	1.131	ı-A			או אואואוופע	
	and all Non-Guaranteed Obliga Authorities of Governments an	tions	of Agei	ncies and	ď																
	Issuer Obligations					569,973,208	XXX	609,780,120			17,063	(1,389,694)	0	0	XXX	XXX	XXX	7,434,267	25,219,984	XXX	XXX
	. Special Revenue and Special As	ssessme	ent Obl	igations	and all Non	-Guaranteed Obli			norities of Gove	ernments and The	ir Political Subdi	visions - Residential	Mortgage-Backed	Securities							
01F022-41-0.		&	<u> </u>		1FE	3,469,760	104 . 5630	3,476,703	3,325,000	3,469,760					2.500	1.888	MON			12/18/2012	01/01/2028
01F030-41-3 01F030-61-1		& &			1FE 1FE	658,789 4.036,484	105 .5470 104 .7810	659,668 4.034.078	625,000 3.850.000	658,789 4,036,484			 	·	3.000	2.237 2.634	MON	833 4.171		12/10/2012 12/07/2012	01/01/2028 01/01/2043
01F032-61-7		&	l		1FE	7,645,584	106.6130	7 ,644 ,172	7 , 170 , 000	7,645,584			1	1	3.500	2.993		9,062		12/06/2012	01/01/2043
	Fannie Mae Pool FNCL TBA	&			1FE	2,965,631	107 . 1880	2,969,094	2,770,000	2,965,631					4.000	3.449	MON	4,001		12/07/2012	01/01/2043
31283H-2M-6.		C		2	1	1,812,453	111.2000	1,935,849	1,740,875	1,809,493		(878)			6.000	4.752	MON	8,704	104,888	02/17/2009	03/01/2034
31283H-2M-6	Freddie Mac Gold Pool FGLMC			2	1	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	111.2000	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	,,	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,		3.0)			6.000	4.752	MON			02/17/2009	03/01/2034
	Freddie Mac Gold Pool FGTW			۰۰۰۰۰۰		500.000		500 500	100 5:-	FOF FC-		/							0.4 00-		İ
3128E5-PA-1.	D98517Freddie Mac Gold Pool FGTW			2	J1	506,206	108.2310	526,563	486,517	505,509		(189)			4.500	3.081	MON	1,824	21,893	04/26/2011	01/01/2031
3128E6-AF-4.	D99006Freddie Mac Gold Pool FGLMC		ļ	2	1	11,213,739	106.8910	11, 169, 679	10,449,611	11,201,418		(12,321)			3.500	1.077	MON	30 , 478	30,478	11/02/2012	03/01/2032
3128LX-AY-6.	G01823	C		2	1	3,337,236	110.0120	3,530,619	3,209,295	3,332,391		(1,303)			6.000	4.778	MON	16,046	192,558	02/17/2009	05/01/2035
3128M4-AH-6.	Freddie Mac Gold Pool FGLMC G02408			2	1	814,581	108.2150	818,218	756,101	813,025		(294)			5.500	2.345	MON	3,465	41,586	03/16/2011	12/01/2036
3128M5-NP-1	Freddie Mac Gold Pool FGLMC G03698			2	1	618.042	108.8250	611.139	561.581	616,750		(487)			6.000	2.238		2.808	33.695	06/21/2011	12/01/2037
	Freddie Mac Gold Pool FGLMC G03941	^			4	5.841.097	108.8250	,	5.636.950	5.835.260		(858)				4.590	MON	, , , , , , , , , , , , , , , , , , , ,	343.687	02/17/2009	
3128M5-WA-4	Freddie Mac Gold Pool FGLMC	b		2	ļ			6 , 134 , 400	, , , , , , , , , , , , , , , , , , , ,	, , , , , , , , , , , , , , , , , , , ,		, ,			6.000			28 , 185	,,,,,		02/01/2038
3128M6-NS-3.	G04601	L	II	2	L1	223.932	109.8470	229,990	209,374	223,560		(65)		1	5.500	2.643	MON	960	11.516	03/28/2011	07/01/2038

								Showing All L	ong-Term BO		ember 31 of Current									
1	2		odes	6	7		Value	10	11		nange in Book / Adjuste	ed Carrying Value				Interes			Da	
		3 4 F O r e i	5			8 Rate Used to Obtain	9		Book/ Adjusted	12 Unrealized Valuation	13 Current Year's	14 Current Year's Other Than Temporary	Total Foreign Exchange Change	16	17 Effective	18	19 Admitted Amount	20 Amount Rec.	21	22 Stated Contractual
CUSIP		g	Bond	NAIC	Actual	Fair	Fair	Par	Carrying	Increase/	(Amortization)/	Impairment	In	Rate	Rate	When	Due &	During		Maturity
Identification		Code n	CHAR	Designation	n Cost	Value	Value	Value	Value	(Decrease)	Accretion	Recognized	B./A.C.V.	of	of	Paid	Accrued	Year	Acquired	Date
3128M7-AZ-9	Freddie Mac Gold Pool FGG0 G05124		2	1	1,756,814	115.3150	1,752,584	1.519.817	1,754,835		(1,979)			6.000	1.376	MON	7,599	7 ,599	11/16/2012	12/01/2038
0120m7 /12 0	Freddie Mac Gold Pool FGG0			`	1,700,014	110.0100	1,702,004	1,010,017	1,704,000		(1,575)						,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,		117 1072012	1270172000
3128M7 - XY -7	G05795Freddie Mac Gold Pool FGG0	C	2	11	23,982,110	111.8090	24,139,950	21,590,309	23 , 941 , 164		(40,946)			4.500	1.863	MON	80,964		11/26/2012	02/01/2040
3128M7 - XY -7	G05795		2	1	2,659,951	111.8090	2,677,458	2,394,667	2,655,410		(4,541)			4.500	1.863	MON	8,980		11/26/2012	02/01/2040
3128M7-Y5-9	Freddie Mac Gold Pool FGLMC G05832			,	1.243.424	107.8400	1,284,123	1,190,762	1,242,293		(93)			5.000	3.712	MON	4,962	59.538	01/26/2011	03/01/2040
3120W/-13-9_	Freddie Mac Gold Pool FGLMC				1,243,424	107 .0400	1,204,123	1, 190,702	1 , 242 , 293		(93)				J	WIUN	4,902		01/20/2011	03/01/2040
3128M8-A4-6	G06027Freddie Mac Gold Pool FG		2	11	616,278	110.4370	633,209	573,365	615,041		(56)			5.500	3.056	MON	2,628	31,535	03/02/2011	04/01/2038
3128M9-JV-5_	G07176		2	1	2,552,000	106.9060	2,557,238	2,392,033	2,550,516		(1,484)			3.500	2.145	MON	6,977	6,977	11/02/2012	10/01/2042
3128MJ-AR-1	Freddie Mac Gold Pool FGLMC G08015	٦	2	1	4.338.733	108,6840	4.584.131	4.217.845	4,334,162		(1,066)			5.500	4.516	MON	19,332	232,876	02/17/2009	10/01/2034
	Freddie Mac Gold Pool FGLMC				, , , , , ,		, , , ,	, ,										, i		
3128MJ-EZ-9	G08151Freddie Mac Gold Pool FGLMC	C	2	11	3,418,156	108.9810	3,593,669	3,297,517	3,414,423		(578)			6.000	4 . 489	MON	16,488	200,586	02/17/2009	09/01/2036
3128MJ-MK-3_	G08361		2	1	1,524,671	107.3090	1,536,932	1,432,246	1,522,809		(1,862)			4.500	2.262	MON	5,371	53,709	02/07/2012	08/01/2039
3128NC-XF-6	Freddie Mac Non Gold Pool FHARM 1G0678	٦	2	1	629.666	107.9440	654,764	606,576	629,892		529			5.405	3.269	MON	2,732	33,085	02/17/2009	01/01/2036
	Freddie Mac Non Gold Pool						, , , , , , , , , , , , , , , , , , ,	, i	,									,		
3128NC-XF-6	FHARM 1G0678Freddie Mac Gold Pool FGTW		2	11	2,627,229	107 .9440	2,731,944	2,530,888	2,628,168		2,206			5.405	3.269	MON	11,400	138 , 042	02/17/2009	01/01/2036
3128P7-QT-3_	C91366.		2	1	491,478	109.4710	517,410	472,646	490,817		(180)			4.500	2.684	MON	1,772	21,269	04/27/2011	04/01/2031
3128PR-4M-8.	Freddie Mac Gold Pool FGCl J12628		2	1	1,205,263	107.6510	1,224,030	1, 137, 041	1,200,138		(2,432)			4.500	2.593	MON	4,264	51,167	07/28/2010	07/01/2025
İ	Freddie Mac Non Gold Pool				i ' '		, ,											, ,		
3128UH-JA-4	FHARM 1B8906Freddie Mac Gold Pool FGLMC		2	. 1	453,432	105 . 4560	457 , 445	433,777	453,212		(221)			3.229	1.817	MON	1 , 167	10,512	03/16/2012	10/01/2041
31292H-U2-8_	C01501	C	2	11	1,492,877	108.8090	1,577,211	1,449,520	1,491,039		(465)			5.500	4 . 449	MON	6,644	80,024	02/17/2009	03/01/2033
31292K - 2Y - 2	Freddie Mac Gold Pool FGLMC C03491		2	1	898.658	108.5440	929.539	856.374	897,622		48			5.000	3.622	MON	3,568	42,819	01/27/2011	08/01/2040
	Freddie Mac Gold Pool FGLMC							, , ,	,								,	,		
31292R-7M-8	CO9000. Freddie Mac Gold Pool FGLMC		2	11	13,061,983	106.6410	13,207,145	12,384,695	13,051,830		(10,153)			3.500	1.944	MON	36 , 122	144 , 488	07/09/2012	06/01/2042
312935-HY-8	A88347		2	11	840,426	106.7870	869,611	814,342	839,906		(392)			4.000	2.944	MON	2,714	36 , 166	10/12/2011	09/01/2039
312941-7F-8	Freddie Mac Gold Pool FGLMC A93594		2	1	748,382	107 . 6840	771,705	716,637	747 ,545		(72)			4.500	2.992	MON	2,687	32,249	08/04/2010	08/01/2040
	Freddie Mac Gold Pool FGLMC			1			892.695	.,	851.695								, , , , , , , , , , , , , , , , , , , ,	, ,		
312941-NJ-2	A93093Freddie Mac Gold Pool FGLMC				852,860	110 . 3400	, , , , , , , , , , , , , , , , , , , ,	809,037	, , , , , ,		(119)			4.500	2.518	MON	3,034	36,407	10/12/2011	07/01/2040
312945-ZD-3_	A97040		2	11	693 , 134	106.8490	745,502	697,713	693,208		19			4.000	4.210	MON	2,326	27 ,909	03/16/2011	02/01/2041
31294K - JC -0.	Freddie Mac Gold Pool FGCI E01159	C	22	11	1,249,844	108.5490	1,296,673	1, 194,548	1,230,573		(5,973)			6.500	4 . 548	MON	6,470	78,462	02/17/2009	06/01/2017
31294K-L8-6	Freddie Mac Gold Pool FGCI		2	1	982.085	107.5960	1.015.298	943.625	970,321		(4,277)			5.500		MON	4 205	52.545		
	Freddie Mac Gold Pool FGCI				, , , , , , , , , , , , , , , , , , , ,		,,,,,,	.,	·						3.706		4,325	, , , ,	02/17/2009	11/01/2017
31294K-P4-1	E01343 Freddie Mac Gold Pool FGCI	C	2	11	1,279,015	107 . 1530	1,324,016	1,235,632	1,267,951		(3,393)			5.000	3.277	MON	5,148	62,401	02/17/2009	04/01/2018
31294K -P4 - 1	E01343		2	1		107 . 1530								5.000	3.277	MON			02/17/2009	04/01/2018
31294K - Q7 - 3	Freddie Mac Gold Pool FGCI E01378.	ر ا	2	1	1.035.293	107 . 1420	1,072,008	1,000,547	1,025,580		(3,679)			5.000	3.509	MON	4.169	50.505	02/17/2009	05/01/2018
	Freddie Mac Gold Pool FGCl				1												,	, , , , , , , , , , , , , , , , , , , ,		
31294K - Q7 - 3	E01378 Freddie Mac Gold Pool FGCl		2	1	416,052	107 . 1420	430,807	402,089	412,149		(1,479)			5.000	3.509	MON	1,675	20,296	02/17/2009	05/01/2018
312962-G8-0	B10223	С	2	1	1.714.828	107.5490	1.775.124	1.650.527	1.697.011		(7.315)			5.500	4.000	MON	7.565	91.495	02/17/2009	10/01/2018

									Showing All L	Long-Term BOI	NDS Owned Dece	ember 31 of Current	Year								
1	2		Coc		6	7		Value	10	11		nange in Book / Adjust					Intere				ates
CUSIP		3	4 F o r e i	5 Bond	NAIC	Actual	8 Rate Used to Obtain Fair	9 Fair	Par	Book/ Adjusted Carrying	12 Unrealized Valuation Increase/	13 Current Year's (Amortization)/	14 Current Year's Other Than Temporary Impairment	Total Foreign Exchange Change In	16 Rate	17 Effective Rate	18 When	19 Admitted Amount Due &	20 Amount Rec. During	21	Stated Contractual Maturity
Identification	Description	Code		CHAR	Designation		Value	Value	Value	Value	(Decrease)	Accretion	Recognized	B./A.C.V.	of	of	Paid	Accrued	Year	Acquired	Date
	Freddie Mac Gold Pool FGCI			0	4						, , , , , , , , , , , , , , , , , , , ,		J							·	
312962-G8-0	B10223Freddie Mac Gold Pool FGLMC			2	111		107 .5490								5.500	4.000	MON			02/17/2009	10/01/2018
31296Q-RV-4	. A15900	C		2	11	1,277,323	108.8090	1,349,481	1,240,227	1,275,815		(385)			5.500	4 . 486	MON	5,684	68 , 755	02/17/2009	11/01/2033
31296Q-RV-4	Freddie Mac Gold Pool FGLMC A15900			2	1		108.8090								5.500	4 . 486	MON			02/17/2009	11/01/2033
İ	Freddie Mac Gold Pool FGLMC			2	4	074 670		4 000 440	005 440	070 577		(040)					MON	F 044	00 540		
31296R-U3-0	A16902 Freddie Mac Gold Pool FGLMC		-	2		974,672	114.8130	1,062,146	925 , 113	972,577		(619)		1	6.500	4.904	MON	5,011	60,540	02/17/2009	12/01/2033
31297B-CH-3	. A23672Freddie Mac Gold Pool FGLMC	C		2	11	2,210,792	110 .0120	2,338,901	2, 126, 036	2,207,167		(1,185)			6.000	4.869	MON	10,630	128,363	02/17/2009	06/01/2034
31297B-CH-3	A23672			2	1	245,372	110.0120	259,590	235,965	244,970		(132)			6.000	4.869	MON	1 , 180	14,247	02/17/2009	06/01/2034
31297G-B3-4	Freddie Mac Gold Pool FGLMC A28158	۲		2	1	2,976,957	110.9500	3,176,302	2,862,828	2,973,014		(730)			6.000	4 . 455	MON	14,314	172 , 125	02/17/2009	11/01/2034
	Freddie Mac Gold Pool FGLMC					i ' '						` ′						,			
31297H-LQ-0.	A29335Freddie Mac Gold Pool FGLMC	C		2	11	2,308,102	110.7150	2,486,493	2,245,841	2,305,660		(654)			5.500	4.630	MON	10,293	123,521	02/17/2009	01/01/2035
31297K-WH-1	. A30648	C		2	1	2,851,291	111.7030	3,096,234	2,771,847	2,848,062		(942)			5.500	4.641	MON	12,704	154 , 166	02/17/2009	12/01/2034
31297K-WH-1	Freddie Mac Gold Pool FGLMC A30648	l	JJ	2	1	1,299,598	111.7030	1,411,242	1,263,388	1,298,127		(429)			5.500	4.641	MON	5,791	70,268	02/17/2009	12/01/2034
31300L - VP - 7	Freddie Mac Non Gold Pool FH 848722			2	,	1,182,656	105.7120	1 107 675	1 100 407	1,182,061		(595)			3.389	1.474	MON	3,173	22,136	05/10/2012	04/01/2042
	Freddie Mac Remics FHR 2155					· '		1,187,675	1,123,497			` '						,	,		
3133TL-4A-3	PTFannie Mae Remics FNR 1991-85	ļ	-	2	11	677,315	115 . 5800	749,821	648,748	674,534		(7,784)			6.000	4.684	MON	3,244	38,925	02/17/2009	05/15/2029
31358H-HV-0	. Z	C		2	1FE	130,643	109.6610	133,078	121,354	128,320		(369)			8.000	7.097	MON	809	9,785	02/17/2009	06/25/2021
313603-2H-4	Fannie Mae Remics FNR 1990-35			2	1FE	12,171	112.7250	12,488	11.078	12,121		(76)			9.500	5 . 150	MON	88	1,052	02/17/2009	04/25/2020
3136A7-DM-1	Fannie Mae Remics FNR 2012-68			2	1	1,025,176	105.2990	1,018,994	967.717	1,023,046		(2,130)			3.000	1.794	MON	2,419	9,677	08/24/2012	06/25/2032
31371L-2M-0	Fannie Mae Pool FNCL 255580			2	1	1,394,910	103.2990	1,414,258	1,292,706	1,392,009		(842)			5.500	3.016	MON	5,925	71,099	07/14/2010	02/01/2035
31371M-KF-3		ļ <u>.</u>		2	ļ <u>1</u>	11,584,157	109.9480	11,745,513	10,682,796	11,522,582		(28,942)			5.500	2.725	MON	48,963	587,554	09/14/2010	11/01/2025
31371M-Y9-2 31371N-BD-6		C		2	1	3,773,699	109.4810 108.6690	3,990,740 10,747,914	3,645,142	3,769,564		(685) (3,265)			6.000 5.500	4.598 2.477	MON	18,226	164 , 441	02/17/2009 09/15/2010	10/01/2036 03/01/2037
31371N-BD-6	. Fannie Mae Pool FNCL 256636			2	1		108.6690								5.500	2.477	MON			09/15/2010	03/01/2037
31376K - QN - 9		LC	.	2	ļ <u>1</u>	2,599,320	108.3380	2,716,995	2,507,887	2,579,967		(7,862)			5.500	4.111	MON	11,494	138,625	02/17/2009	06/01/2020
31376K-QN-9	Fannie Mae Pool FNCI 357861 Freddie Mac Remics FHR 4010			2	11.	422,070	108.3380	441 , 178	407 , 224	418,928		(1,277)			5.500	4.111	MON	1,866	22,510	02/17/2009	06/01/2020
3137AM-TY-3		l]	2	L1	2,932,502	107 .8140	2,940,758	2,727,612	2,918,964		(13,538)			4.000	2.375	MON	9,092	81,828	03/16/2012	12/15/2041
3138A2-CF-4	.Fannie Mae Pool FNCI AH0969			2	1	773,315	106 . 1430	783,597	738,248	772,044		(704)			3.500	1 . 162	MON	2,153	25,839	09/19/2011	12/01/2025
3138A2-VM-8		ļ _.	ļ	2	ļ <u>1</u>	414,834	106 . 1430	436,496	411,235	414,638		(80)			3.500	3.055	MON	1,199	14,393	04/25/2011	12/01/2025
3138A4-A2-1 3138A4-A2-1	. Fannie Mae Pool FNCL AH2724 Fannie Mae Pool FNCL AH2724	J		2	11	12,153,071 759,567	107 . 3060	12,136,416 758,526	11,310,114 706,882	12,141,597		(11,474) (717)		·	4.000	1.794 1.794	MON	37,700 2,356	37,787	11/02/2012 11/02/2012	01/01/2041 01/01/2041
3138AB-NX-3		····		2	†¦	1,086,420	110 . 0250	1,152,999	1,06,882	1,085,572		(717)			4.500	3.269	MON		47 . 157	05/18/2012	04/01/2041
3138AW-NM-1	Fannie Mae Pool FNCL AJ4895	1	1	2	İ1	20,833,214	108.6120	20,797,836	19,148,725	20,811,444		(21,770)			4.000	1.965	MON	63,829	255,316	08/02/2012	01/01/2042
3138E2-FK-6	Fannie Mae Pool FNCL AJ9169			2	1	972,787	108.9310	1,001,455	919,349	971,919		(868)			4.000	2.618	MON	3,065	30,645	01/26/2012	01/01/2042
3138E2-MD-4	Fannie Mae Pool FNCI AJ9355	ļ		2	ļ <u>1</u>	676,495	105.6280	686,673	650,085	675,664		(831)		.	3.000	1.218	MON	1,625	16,252	01/26/2012	01/01/2027
3138EG-SD-7 3138EH-AX-0	Fannie Mae Pool FNCL AL0515 Fannie Mae Pool FNCL AL0921	 		2	ļ1	910,882 7,553,133	117 .5000 108 .3690	915,262 7,583,325	778,947 6,997,691	909,119		(1,762) (11,729)		+	6.000 4.500	1.400 1.228	MON	3,895 26,241	3,895	11/08/2012 11/29/2012	07/01/2040 06/01/2038
3138EJ-HL-5			1	2	†	18,622,016	108.5560	18,705,786	17,231,389	18,619,181		(2,835)			4.500	1.917	MON	64,618	64.618	11/26/2012	04/01/2042
3138EJ-VH-8	Fannie Mae Pool FNCL AL2415	C.		2	1FE	41,380,095	106.6090	41,428,670	38,860,250	41,353,132		(26,963)			3.500	1.986	MON	113,342	113,342	10/23/2012	08/01/2042
3138LY-RN-9		ļ <u>.</u>		2	ļ1	26,205,525	107 . 5280	26,567,509	24,707,626	26,188,968		(16,557)			3.500	2.429	MON	72,064	288,256	07/09/2012	07/01/2042
3138M1-3S-5		LC		2	ļ <u>1</u>	26,492,106	106.9180	26,433,253	24,722,875	26,474,715		(17,392)			3.500	2.030	MON	72,108 47,252	47 252	11/28/2012	09/01/2042
3138MH-LF-8 3138MK-PM-2		····		<u>∠</u>	1	19,837,188	104.9890 105.2550	19,843,989 20,945,882	18,900,998 19,900,181	19,830,474		(6,714)			3.000	2.257 1.794	MON	47 , 252	47 , 253	11/02/2012 10/25/2012	11/01/2042
	Fannie Mae Pool FNCL 640287	C	1	2	11	1,538,548	113.3090	1,653,693	1,459,452	1,534,749		(1,152)			6.500	4.794	MON	7,905	95 , 169	02/17/2009	07/01/2032
	Fannie Mae Pool FNCL 659891	C		2	1	1,532,908	113.3090	1,647,631	1,454,102	1,529,047		(1,253)			6.500	4.866	MON	7,876	94,645	02/17/2009	09/01/2032

SCHEDULE D - PART 1

									Showing All L	ong-Term BO	NDS Owned Dec	ember 31 of Current	Year								
1	2		Codes		6	7	Fair	Value	10	11		nange in Book / Adjust	ed Carrying Value				Intere	st		Da	ates
			4 F O r e	5			8 Rate Used to Obtain	9		Book/ Adjusted	12 Unrealized Valuation	13 Current Year's	14 Current Year's Other Than Temporary	Total Foreign Exchange Change	16	17 Effective	18	19 Admitted Amount	20 Amount Rec.	21	22 Stated Contractual
CUSIP Identification	Description	Code		ond HAR [NAIC Designation	Actual Cost	Fair Value	Fair Value	Par Value	Carrying Value	Increase/ (Decrease)	(Amortization)/	Impairment Recognized	In B./A.C.V.	Rate of	Rate	When Paid	Due & Accrued	During Year	Acquired	Maturity Date
31390Y - C4 - 8		0000		2	1	0001	113.3090	Value	7 4140	7 4.40	(200.0000)	7 1001 0 11011	. tooogzou	2	6.500	4.866	MON	7100.000		02/17/2009	09/01/2032
	Fannie Mae Whole Loan FNW																				
313921-6F-0		C		2	1	1,248,957	118 . 2930	1,388,068	1,173,418	1,244,721		2,676			7.000	6.556	MON	6,845	82,357	02/17/2009	09/25/2041
31392C-MJ-0	Fannie Mae Whole Loan FNW 2002-W1 1A4	C		2	1	1,620,978	116.7120	1,979,940	1.696.436	1,626,663		(4.372)			6.000	6.421	MON	8.482	102,128	02/17/2009	02/25/2042
	Fannie Mae Whole Loan FNW									,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,											
31392C-MJ-0				2	1		116.7120								6.000	6.421	MON			02/17/2009	02/25/2042
31395A - SR - 7	Freddie Mac Remics FHR 2812			2	1FE	1,165,498	103.0060	1 , 151 , 399	1,117,800	1, 138, 263		(22, 292)			5.500	3.436	MON	5,123	62,665	02/17/2009	06/15/2023
3 1393A - 3K - 7.	Freddie Mac Remics FHR 2929				IFE	1, 100,490	103.0000	1, 101,399		1 , 130 , 203		(22,292)		-			WIUN		02,000	DZ/17/2009	00/ 15/2025
31395M-AS-8	DM	C		.2	1FE	383,329	100.2690	372,658	371,660	372,286		(12,469)			5.000	3.361	MON	1,549	19,904	02/17/2009	11/15/2032
242054 40 0	Freddie Mac Remics FHR 2929			,	155	1	100 0000								F 000	0.004	MONI			00/47/0000	11/15/2022
31395M-AS-8	Federal National Mortgage				1FE		100.2690								5.000	3.361	MON			02/17/2009	11/15/2032
31398N-X2-5	Assc FNR 2010-	<u> </u>		.2	1	735, 175	100.6400	741,733	737,018	735,459		263			0.660	0.728	MON	81	5,097	08/12/2011	11/25/2040
31400A - QJ - 0.		C		2	1	904,220	111.7000	972,084	870,264	902,571		(562)			6.000	4 .817	MON	4,351	52,398	02/17/2009	03/01/2033
31400H-ZX-4		C			11	1,010,412	111.7000	1,084,940	971,300	1,008,895		(279)			6.000	4.282	MON	4,857	58,917	02/17/2009	03/01/2033
31400Q-ZZ-9		C		2	11	1,910,735	109.9030	2,037,730	1,854,118	1,908,410		(474)			5.500	4.246	MON	8,498	102,824	02/17/2009	04/01/2033
31400R-6W-6		C		2	11	103,337	107 . 7130	107 , 101	99,432	102,118		(501)			5.500	3.915	MON	456	5,478	02/17/2009	04/01/2018
31400R-6W-6		ļ		2	11	1,255,094	107 . 7130	1,300,815	1,207,667	1,240,289		(6,087)			5.500	3.915	MON	5,535	66,533	02/17/2009	04/01/2018
31401B-YH-2		C		2	11	1,936,982	107 . 7130	2,007,544	1,863,789	1,914,031		(9,017)			5.500	3.847	MON	8,542	102,508	02/17/2009	02/01/2018
31401C-M6-7		C		2	11	2,633,480	109.8250	2,806,515	2,555,447	2,630,121		(820)			5.500	4.368	MON	11,712	141,174	02/17/2009	05/01/2033
31402D - CV - 0		C		2	1	3,736,700	108.7000	3,968,680	3,651,046	3,733,277		(743)			5.000	4 . 100	MON	15,213	184,236	02/17/2009	07/01/2034
31402G-UD-3		C		2	1	1,510,627	112 . 1690	1,630,817	1,453,899	1,507,661		(1,212)			6.000	4.974	MON	7,270	87,881	02/17/2009	07/01/2033
31402G-UD-3		ļ		2	1		112 . 1690		4 405 000	4 050 770		(407)			6.000	4.974	MON			02/17/2009	07/01/2033
31403D-QC-6		<u>-</u> -		2]	1,256,649	109.9030	1,281,386	1,165,926	1,253,772		(467)			5.500	2.846	MON	5,344	64 , 126	07/14/2010	09/01/2035
31403U-MG-3		C		2]	1,784,664	111.7000	1,918,606	1,717,645	1,781,736		(889)			6.000	4.774	MON	8,588	103,059	02/17/2009	12/01/2033
31403U-MG-3		<u>-</u> -		2]	000 455	111.7000	447.005	004 000	000 040		(474)			6.000	4.774	MON	4 754	04 000	02/17/2009	12/01/2033
31404T - AK - 9		C		2]	393,155	109.4030	417,885	381,969	392,642		(171)			5.500	4.634	MON	1,751	21,080	02/17/2009	06/01/2034
31404T - AK - 9		ļl-				1,316,214	109.4030	1,399,006	1,278,764	1,314,499		(572)			5.500	4.634	MON	5,861	70,573	02/17/2009	06/01/2034
31405M-L6-2 31405M-LV-7				2		5,364,921	111.6690	5,769,425	5,166,561	5,356,686		(2,383)			6.000	4.791	MON	25,833	309,994	02/17/2009	08/01/2034
		b .				3,888,674	110.6220	4, 179, 321	3,778,031	3,884,416		(899)			5.500	4.382	MON	17,316	207,792	02/17/2009	08/01/2034
31405M-LV-7. 31405M-W7-8.						4 E4C 204	110 .6220 111 .2000	4 006 444	4 240 201	A E10 10E		(1, 183)			5.500	4.382	MON	04 747	260 061	02/17/2009	08/01/2034
314050-UE-6		<u>-</u> -				4,516,284 1,760,452	109.4030	4,836,414 1,871,186	4,349,301	4,510,185 1,758,467		(485)			6.000 5.500	4.491 4.484	MON	21,747 7,839	260,961 94,070	02/17/2009 02/17/2009	09/01/2034 12/01/2034
31405V - QS - 9		¦ -		2		2,701,636	111.2000	2,893,138	2,601,747	2,697,844		(878)		†	6.000	4.4643	MON	13,009	94,070	02/17/2009	10/01/2034
31406D-D6-0		·····		2	1	3,322,356	111.2000	3,557,857	3,199,517	3.317.409		(070)		·	6.000	4.784	MON	15.998	191.971	02/17/2009	12/01/2034
31409G-TT-3		-		2	1	775,471	111.4250	788,765	707,890	773,577		(217)			6.000	2.812	MON	3,539	42,473	03/08/2011	11/01/2036
31410G-GC-1		····-		2	1	534.649	108.6740	541,196	498.000	531,484		(1.746)		1	5.000	2.068	MON	2,075	24,900	03/25/2011	01/01/2022
31410K - XV - 1		-		2	1	796.087	109.3000	808,475	739,686	794,637		(249)		1	5.500	2.386	MON	3,390	40.683	03/17/2011	06/01/2038
31410L-H5-4		C		2	1	43,011,532	107.0970	43,284,342	40,416,063	42,984,670		(26,862)			3.000	1.551	MON	101,040	101,072	10/25/2012	07/01/2027
31410L H5-4		<u> </u>		2	1	5.040.334	107.0970	5,072,304	4,736,182	5.037.186		(3,148)		1	3.000	1.551	MON	11.840	11.844	10/25/2012	07/01/2027
31412N-E6-9		[2	1	861,808	110.3280	871,058	789,517	859,770		(279)			6.000	2.490	MON	3,948	47,371	07/15/2010	09/01/2038
31412Q-NN-5				2	1	973,469	110.6370	1,022,291	924,002	972,271		(4)			5.000	3.331	MON	3,850	46,200	05/20/2011	09/01/2039
31412Q-XG-9		C		2	11	4,268,628	111.0120	4,379,451	3,945,014	4,266,414		(2,196)			5.000	2.853	MON	16,438	197,776	10/26/2011	12/01/2039
31412Q-XG-9	Fannie Mae Pool FNCL 932279	L		.2	11	7,883,485	111.0120	8,088,157	7,285,820	7,879,395		(4,056)			5.000	2.853	MON	30,358	365,262	10/26/2011	12/01/2039
31412X-GY-4	Fannie Mae Pool FNCL 937715	C		.2	1	7,102,512	111.6690	7,223,587	6,468,774	7,084,061		(1,961)			6.000	2.891	MON	32,344	389,005	10/22/2010	06/01/2037
31412X - GY - 4		ļl.		.2	11	9,804,116	111.6690	9,971,245	8,929,321	9,778,646		(2,707)			6.000	2.891	MON	44,647	536,972	10/22/2010	06/01/2037
31415V - K9 - 5.		C		2	11	3,797,986	108.6530	4,016,136	3,696,298	3,794,958		(430)			5.500	4 . 173	MON	16,941	207,985	02/17/2009	09/01/2038
31415V - K9 - 5		ļļ.		.2	1	ļ	108.6530								5.500	4 . 173	MON	ļ		02/17/2009	09/01/2038
31416B-6Y-9		ļļ.		2	11	283,917	109.4030	287,314	262,620	283,281		(74)			5.500	2.606	MON	1,204	14,444	10/18/2010	08/01/2037
31416X - WN - 6.		ļ		2	1	691,228	108.2050	722,325	667,551	689,960		(641)			4.000	2.765	MON	2,225	26,702	03/16/2011	03/01/2026
31416Y - 3T - 3		ļļ.		2	1	1,325,043	108.9310	1,383,916	1,270,454	1,323,906	ļ	(735)	ļ	-	4.000	2.551	MON	4,235	50,818	11/17/2011	09/01/2041
31417A-TW-9		ļļ.		2	<u>,1</u>	19,005,003	106.9180	19,099,246	17,863,419	18,988,365		(16,638)			3.500	1.635	MON	52,102		11/20/2012	01/01/2032
31417B-F4-4		<u></u> -		2	1FE	7,562,620	107.3560	7,594,400	7,074,067	7,556,482		(6,138)			3.500	1.623	MON	20,633	20,633	10/23/2012	03/01/2042
314170-30-7				2		27,000,660	104.9580	27,048,308	25,770,520	26,992,900		(7,761)			2.500	1.482		53,689	53,689	11/20/2012	09/01/2027
13141/0-30-/	Fannie Mae Pool FNCI AB6194	1				4.314.603	L104.9580	4.322.217	4.118.032	4.313.363	L	(1.240)	i	.1	2.500	1.482	MON	8.579	8.579	11/20/2012	09/01/2027

								Showing All I	ong-Term ROM	IDS Owned Dece	ember 31 of Current	Voor								
1	2	Co	odes	6	7	Fair	Value	10	11		nange in Book / Adjust					Interest	1		Da	ites
	_	3 4 F O T			·	8	9	.5		12	13	14 Current Year's Other	15 Total Foreign	16	17	18	19	20	21	22
CUSIP Identification	Description	e i g	Bond CHAR	NAIC Designation	Actual Cost	Rate Used to Obtain Fair Value	Fair Value	Par Value	Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Than Temporary Impairment Recognized	Exchange Change In B./A.C.V.	Rate of	Effective Rate of	When Paid	Admitted Amount Due & Accrued	Amount Rec. During Year	Acquired	Stated Contractual Maturity Date
31417V-S2-0 31417V-S2-0 31417Y-SE-8	Fannie Mae Pool FNCI AB5970 Fannie Mae Pool FNARM AC8636 Fannie Mae Pool FNARM AC8636 Fannie Mae Pool FNCL MA0516	C	2 2 2 2	1111	1,507,410 2,449,197 5,134,629 948,578	106 .4720 105 .9620 105 .9620 109 .3160	1,512,115 2,492,595 5,225,611 985,953	1,420,201 2,352,346 4,931,587 901,931	1,505,585 2,447,335 5,130,727 947,553		(1,826) (308) (645) 7			3.000 3.639 3.639 5.000	1 .440 2 .185 2 .185 3 .463		3,551 7,133 14,955 3,758	14,202 85,561 179,374 45,096	08/10/2012 06/23/2010 06/23/2010 03/17/2011	08/01/2027 02/01/2040 02/01/2040 09/01/2040
31418Q-G8-0. 31418R-HH-7. 31418T-PT-8.	Fannie Mae Pool FNCN MA0598 Fannie Mae Pool FNARM A02922. Fannie Mae Pool FNCI AD3831 Fannie Mae Pool FNCI AD5833 Fannie Mae Pool FNCI AE0039		2 2 2	11111	592,324 308,479 332,171 1,126,662 1,321,307	106 .1110 105 .8570 109 .1900 108 .8250 109 .0240	601,818 312,018 336,218 1,164,411 1,375,610	567,157 294,754 307,922 1,069,986 1,261,750	590,080 308,242 331,044 1,125,194 1,317,428		(1,082) (35) (724) (213) (2,002)			3.500 3.581 4.500 5.000 4.000	1.747 1.412 1.823 2.672 2.429	MON MON MON MON	1,654 880 1,155 4,458 4,206	19,850 10,543 13,856 53,499 50,470	07/26/2011 07/30/2010 09/20/2011 03/17/2011 07/12/2011	04/01/2020 04/01/2040 04/01/2025 07/01/2040 05/01/2025
31419A - GU - 5 31419A - GU - 5 31419A - N5 - 2	Fannie Mae Pool FNCL AE0210 Fannie Mae Pool FNCL AE0210 Fannie Mae Pool FNCL AE0411 Fannie Mae Pool FNCL AE0611	C	2 2 2 2	1 1 1	6,957,689 8,623,204 3,721,515	108.3170 108.3170 110.1810 112.6370	6,998,353 8,673,602 3,804,989 20,090,108	6,460,999 8,007,618 3,453,384 17,836,105	6,954,887 8,619,732 3,715,022		(2,391) (2,963) (6,027) (32,310)			5.000 5.000 4.500 5.000	2.553 2.553 2.102 2.102	MON MON MON		325,871 403,877 68,943	10/27/2011 10/27/2011 09/27/2012 11/29/2012	08/01/2040 08/01/2040 09/01/2040 09/01/2040
31419A-VZ-7 31419A-ZA-8 31419E-5A-3 31419K-4M-4	Fannie Mae Pool FNCL AE0631 Fannie Mae Pool FNARM AE0736 Fannie Mae Pool FNCL AE4440 Fannie Mae Pool FNCL AE8927	C	2 2 2 2	1 1 1 1	215,817 11,947,388 30,845,647 1,679,856	112.4310 106.4720 107.3060 111.8060	220,274 12,077,143 30,825,788 1,842,490	195,919 11,343,018 28,727,028 1,647,928	215,580 11,942,868 30,845,058 1,679,105		(237) 3,427 (589) (19)			4.500 3.845 4.000 4.500	2.355 1.482 1.982 3.974	MON MON		1,469 434,971 191,514 74,157	09/20/2012 07/28/2011 10/26/2012 03/10/2011	12/01/2040 09/01/2039 10/01/2040 01/01/2041
	Bonds - U.S. Special Revenue ar and all Non-Guaranteed Obliga Authorities of Governments a Residential Mortgage-Backed S Special Revenue and Special A	ations of A nd Their Po Securities	Agencies and Olitical Sub	d bdivisions -	657,996,029		668,489,269		657,206,896	0	(495,458)	0	0	XXX	XXX	XXX	2,125,657	12,822,572	XXX	XXX
	FHLMC Multifamily Struc PT FHMS K006 A2	ssessment	22	and arr non	1,883,096	19at folis of Ag	1,875,367	1,625,000	1,868,619	II POITTICAI SUDUI	(14,477)	wortgage-backed S	ecurities	4.251	1.903	MON	5,757	28,783	07/20/2012	01/25/2020
2799999 -	Bonds - U.S. Special Revenue ar and all Non-Guaranteed Obliga Authorities of Governments ar Commercial Mortgage-Backed Se	ations of A nd Their Po	Agencies and	d	1,883,096	XXX	1,875,367	1,625,000	1,868,619	0	(14.477)	0	0	XXX	XXX	XXX	5,757	28,783	XXX	XXX
Bonds - U.S.	. Special Revenue and Special A		Obligations	and all Non						ir Political Subdi	visions - Other Loan-	Backed and Structi	ured Securities				0,101			
75076P-AT-2	Railsplitter Tobacco Settle Tobacco SettTobacco Settle Tobacco Settle Fin Corp/NY		1	1AM	691,204	120 .6370	844,459	700,000	691,823		312			6.000	6.118	JD	3,500	42,000	01/04/2011	06/01/2028
	Tobacco Settl	nd Special	Assessment	1FE	452,961	100 . 4280	451,926	450,000	450,000		(1,626)			5.500	5.500	JD	2,063	24,750	08/23/2011	06/01/2018
	and all Non-Guaranteed Obliga Authorities of Governments a Other Loan-Backed and Structu	ations of A nd Their Po ured Securi	Agencies and Olitical Sub Ities	d bdivisions -	1,144,165	XXX	1,296,385	1,150,000	1,141,823	0	(1,314)	0	0	XXX	XXX	XXX	5,563	66,750	XXX	XXX
3199999 -	Bonds - U.S. Special Revenue ar and all Non-Guaranteed Obliga Authorities of Governments an Subtotals - U.S. Special Reve Obligations and all Non-Guara Governments and Their Politic	ations of A nd Their Po enue and Sp anteed Obli	Agencies and Olitical Sub Decial Asses Igations of	d bdivisions - ssment	1,230,996,498	XXX	1 281 441 141	1,170,292,292	1 228 351 705	17.063	(1,900,943)	0	0	XXX	XXX	XXX	0 571 244	38,138,089	XXX	XXX
Bonds - Indu	ustrial and Miscellaneous (Unaf			ligations	1,230,330,430	^^^^	1,201,441,141	1,110,232,232	1,220,001,700	17,003	(1,900,943)	U		۸۸۸	^^^		J,J/1,Z44	30,130,009	۸۸۸	
00036A - AB - 1	American Asc of Retired Person AARP 7 1/AGL Capital Corp GAS 5 7/8			1FE	11,020,339	137 . 4090	11,000,965	8,006,000	10,910,416		(99,404)			7.500	4.559	MN	100,075	600,450	11/17/2011	05/01/2031
001192-AH-6 00206R-AY-8	03/15/41 AT&T Inc T 2.4 08/15/16		1	2FE1FE	1,219,526 5,193,800	130 . 1190 104 . 4430	1,554,922 5,222,150	1,195,000 5,000,000	1,219,016 5,155,902		(401) (37,898)			5.875 2.400	5.725 1.512		20,672 45,333	70 , 206 119 , 000	09/15/2011 01/31/2012	03/15/2041 08/15/2016
025815-AA-9	American Express Centurion Bk AXP .875 1 American Express Co AXP 6.15			1FE	2,998,860	99.9180	2,997,543	3,000,000	2,998,909		49			0.875	0.888	MN	3,427		11/08/2012	11/13/2015
025816-AX-7	American International Group	 		1FE	880,007	121.2330	933,494	770,000	857,043		(16,834)			6.150	3.497	FA	16 , 180	47,355	01/03/2012	08/28/2017
026874-BW-6	IAIG 0.4 12/	L	.1	2FE	498,705	124.4320	622,160	500.000	498,925	L	101	L	1	6.400	6.435	JD	1,422	32,000	11/30/2010	12/15/2020

SCHEDULE D - PART 1

									Showing All L	ong-Term BO		mber 31 of Current									
1	2		Coc		6	7		Value	10	11		ange in Book / Adjust	, ,				Interes				ites
CUSIP		3	F o r e i	5 Bond	NAIC	Actual	8 Rate Used to Obtain Fair	9 Fair	Par	Book/ Adjusted Carrying	12 Unrealized Valuation Increase/	13 Current Year's (Amortization)/	14 Current Year's Other Than Temporary Impairment	Total Foreign Exchange Change In	16 Rate	17 Effective Rate	18 When	Admitted Amount Due &	20 Amount Rec. Durina	21	Stated Contractual Maturity
Identification	Description	Code	9 9 n		Designation		Value	Value	Value	Value	(Decrease)	Accretion	Recognized	B./A.C.V.	of	of	Paid	Accrued	Year	Acquired	Date
026874-CV-7	American International Group				2FE	249,770	103.4400	258,600	250,000	249,796		26			2.375	2.407	FA	2,111		08/20/2012	08/24/2015
032166-AR-1	Amsouth Bank/Birmingham AL RF 5.2 04/01/				3FE	1,035,818	105.5250	1,108,013	1,050,000	1,042,670	51,638	2,982			5.200	5.534	AO	13,650	54,600	08/23/2010	04/01/2015
032511-AX-5	Anadarko Petroleum Corp APC 5.95 09/15/1				2FE	995,000	115.2280	1,152,280	1,000,000	996,747		762			5.950	6.049	MS	17 ,519	59,500	08/25/2010	09/15/2016
03523T-BP-2.	Anheuser-Busch InBev . Worldwide ABIBB 2.5 Anheuser-Busch InBev		-		1FE	10 , 125 , 800	100.3380	10,033,800	10,000,000	10 , 124 , 004		(1,796)			2.500	2.354	JJ	114,583		10/26/2012	07/15/2022
03523T-BQ-0	. Worldwide ABIBB 3.7		-		1FE	569,779	100 . 1770	576,018	575,000	569,822		43			3.750	3.801	JJ	9,883		07/11/2012	07/15/2042
04044T-AL-0	ESRX 2.65 02/Atmos Energy Corp ATO 6.35				2FE	641,709	104 . 1950	640,799	615,000	641,133		(576)			2.650	1.581	FA	6,157		11/21/2012	02/15/2017
049560-AH-8	06/15/17Atmos Energy Corp ATO 5:33 Atmos Energy Corp ATO 5 1/2				2FE	482,086	119.9070	491,619	410,000	465,910		(11,546)			6.350	3.053	JD	1 , 157	26,035	08/01/2011	06/15/2017
049560 - AK - 1	. 06/15/41BP Capital Markets PLC BPLN			11	2FE	996,780	125 . 7950	1,257,950	1,000,000	996,859		45			5.500	5.522	JD	2,444	55,000	06/07/2011	06/15/2041
05565Q-CB-2	2.5 11/06/22Bank of America Corp BAC 5		E		1FE	4,965,400	97 .8700	4,893,500	5,000,000	4,965,867		467			2.500	2.579	MN	19,097		11/01/2012	11/06/2022
060505-DP-6	3/4 12/01/17Bank of America Corp BAC 5				1FE	555,790	116.3880	581,940	500,000	552,381		(3,409)			5.750	3.417	JD	2,396	14,375	08/21/2012	12/01/2017
06051G-EE-5	7/8 01/05/21				1FE	1,843,277	119 .8320	2,085,077	1,740,000	1,841,114		(2,766)			5.875	4.956	JJ	49,977	58,750	09/11/2012	01/05/2021
06051G-EN-5					1FE	2,002,880	125.3240	2,161,839	1,725,000	2,001,045		(1,835)			5.875	4.844	FA	40,538	50,672	07/27/2012	02/07/2042
06423A-AS-2					1FE	4,937,260	100.3850	5,019,250	5,000,000	4,998,600		17,073			5.250	5.607	JJ	110 , 104	262,500	02/17/2009	01/30/2013
06849R-AG-7	ABXCN 5.7 Bear Stearns Cos LLC JPM 6.4		-		2FE	890 , 188	115.3310	893,815	775,000	889,696		(492)			5.700	4.746	MN	3,804	22,088	09/12/2012	05/30/2041
	10/02/17BellSouth Telecommunications				1FE	739 , 161	120 . 5930	735,617	610,000	733 ,704		(5,457)			6.400	1.915	AO	9,652		10/09/2012	10/02/2017
	T 6.3 12/15 Berkshire Hathaway Finance			2	1FE	264,276	106.3020	304,734	286,668	281,712		1,360			6.300	7 .383	JD	803	18,062	12/30/1996	12/15/2015
	Cor BRK 3.0 0 BlackRock Inc BLK 5 12/10/19				1FE	10 , 548 , 900 504 , 545	104 .2820 119 .7540	10 , 428 , 200568 , 832	10,000,000 475,000	10,538,723		(10,177)			3.000 5.000	2.356 4.134	JD	38,333	150,000 23,750	10/16/2012 04/25/2011	05/15/2022 12/10/2019
096630-AA-6	Boardwalk Pipelines LP BWP 5				2FE	1,119,280	113 . 1980	1,131,980	1,000,000	1,077,821		(18,371)			5.875	3.699	MN	7 ,507	58,750	09/02/2010	11/15/2016
1248EP-AS-2	CCO Holdings LLC / CCO Holding CHTR 7 01		-	1	3FE	246,250	108.7500	271,875	250,000	246,816		410			7.000	7 .264	JJ	8,069	17,500	08/26/2011	01/15/2019
125896-BH-2 126408-GU-1	CMS Energy Corp CMS 2 3/4 .05/15/14 .CSX Corp CSX 5 1/2 04/15/41		<u> </u>	1	3FE 2FE	499,710 744,945	102.0150 118.3440	510,075 887,580	500,000 750,000	499,865 745,105	3,515	95 70			2.750 5.500	2.770 5.546	MN AO	1,757 8,708	13,750 41,250	05/09/2011 05/20/2011	05/15/2014 04/15/2041
144141-CY-2	Carolina Power & Light Co DUK 6.3 04/01/			-	1FE	480,845	136.7820	581,324	425,000	479 , 162		(994)			6.300	5.372	A0	6,694	26,775	04/05/2011	04/01/2038
14916R-AB-0	Catholic Health Initiatives				1FE	9,573,805	101.0700	9,601,650	9,500,000	9,572,532		(1,273)			1.600	1.435	MN	25,756		11/26/2012	11/01/2017
14916R-AC-8	Catholic Health Initiatives				1FE	6,981,380	101.4090	7,098,630	7,000,000	6,981,652		272			2.950	2.981	MN	34,990		10/25/2012	11/01/2022
15133K-AC-7	Centel Capital Corp CTL 9 10/15/19		ļ		2FE	1,141,340	117 . 1160	1,118,458	955,000	1,112,238		(18,276)			9.000	6.010	AO	18 , 145	85,950	05/11/2011	10/15/2019
166764-AB-6	Chevron Corp CVX 2.355 .12/05/22 Chrysler Group LLC/CG Co-Iss		-	1	1FE	15,000,000	100 .6050	15,090,750	15,000,000	15,000,000					2.355	2.355	JD	25,513		11/28/2012	12/05/2022
17121E-AD-9 172967-DQ-1	CHRYGR 8 1/		ļ	1	4FE 1FE	253,750 1,436,688	110 .7500 114 .8960	276,875 1,436,200	250,000 1,250,000	253,488 1,426,900		(262) (9,788)			8.250 5.850	7.969 1.760	JD FA	917 30,266	20,625	04/24/2012 10/12/2012	06/15/2021 08/02/2016
	Citigroup Inc C 6.125 8/25/36.		1		2FE	624,168	114.6960	635.594	575.000	623.901		(9,700)		1	6.125	5.479	FA			09/17/2012	08/25/2036

SCHEDULE D - PART 1

									Showing All L	ong-Term BO		mber 31 of Current									
1	2		Coc		6	7		Value	10	11		ange in Book / Adjust					Intere				ites
CUSIP		3	4 F o r e i	5 Bond	NAIC	Actual	8 Rate Used to Obtain Fair	9 Fair	Par	Book/ Adjusted Carrying	12 Unrealized Valuation Increase/	13 Current Year's (Amortization)/	14 Current Year's Other Than Temporary Impairment	Total Foreign Exchange Change In	16 Rate	17 Effective Rate	18 When	19 Admitted Amount Due &	20 Amount Rec. During	21	Stated Contractual Maturity
Identification	Description	Code		CHAR	Designation		Value	Value	Value	Value	(Decrease)	Accretion	Recognized	B./A.C.V.	of	of	Paid	Accrued	Year	Acquired	Date
172967-EW-7.	Citigroup Inc C 8 1/8 07/15/39				1FE	1,260,520	150.5100	1,505,100	1,000,000	1,252,300		(3,698)			8.125	6.179	JJ	37,465	81,250	08/24/2010	07/15/2039
172967 -EY -3.					1FE	872,200	108 . 1840	865,472	800,000	839,923		(23,746)			6.375	3.177	FA	19,692	51,000	08/16/2011	08/12/2014
172967 -FX -4		ļ			1FE	739,073	123.7800	928,350	750,000	739,206		134			5.875	5.980	JJ	18,482	22,521	01/19/2012	01/30/2042
17302X - AG - 1	Citgo Petroleum Corp CITPET 11 1/2 07/01 Comcast Corp CMCSA 6.4		-	1	3FE	222,000	116.7500	233,500	200,000	217,848		(4,152)			11.500	8.499	JJ	11,500	11,500	01/03/2012	07/01/2017
20030N-BB-6.				·····	2FE	435,324	130 . 2750	495,045	380,000	433,404		(851)			6.400	5.407	MS	8,107	24,320	08/25/2010	03/01/2040
20826F - AA - 4.				1	1FE	4,995,100	99.6920	4,984,600	5,000,000	4,995,122		22			2.400	2.411	JD	8,000		12/04/2012	12/15/2022
20826F - AB - 2			-	1	1FE	434,004	100.0240	435 , 104	435,000	434,017		13			1.050	1.097	JD	305		12/04/2012	12/15/2017
233331-AJ-6. 233331-AP-2	04/15/33 DTE Energy Co DTE 0 06/03/13				2FE 2FE	1,032,610 500,000	130 .7140 100 .3770	1,307,140 501,885	1,000,000 500,000	1,031,290 500,000		(765)			6.375 1.011	6.104 1.010	AO MJSD	13 ,458 407	63,750 5,932	01/21/2011 05/19/2011	04/15/2033 06/03/2013
233851-AG-9.				·····	1FE	5,096,450	101.5460	5,077,300	5,000,000	5,089,506		(6,944)			1.875	0.816	MS	27 ,604		11/07/2012	09/15/2014
233851-AQ-7.		ļ			1FE	748,635	100 . 6740	755,055	750,000	748,821		186			1.300	1.362	JJ	4,063		07/25/2012	07/31/2015
25459H-AX-3.	DIRECTV Holdings LLC DTV 6.0 .08/15/40DIRECTV Holdings LLC DTV 3.8		-	1	2FE	1,180,630	110 .9450	1,192,659	1,075,000	1,180,546		(84)			6.000	5.315	FA	24,367		12/03/2012	08/15/2040
25459H-BF-1.			-	·····	2FE	802,551	103.2560	800,234	775,000	802,524		(27)			3.800	3.348	MS	8,671		12/21/2012	03/15/2022
25746U-BR-9.			-		2FE	499,565	100.0220	500 , 110	500,000	499,590		25			1.400	1 .418	MS	2,100		09/10/2012	09/15/2017
26441C-AH-8					2FE	498,355	100.8020	504,010	500,000	498,474		119			1.625	1.694	FA	3,047		08/13/2012	08/15/2017
26441Y-AH-0.					2FE	393,525	106.0280	387,002	365,000	379,481		(8,601)			5.400	2.878	FA	7 ,446	19,710	06/28/2011	08/15/2014
26442C-AM-6.				1	1FE	1,148,057	105.5390	1,213,699	1,150,000	1,148,102		43		ļ	4.250	4.260	JD	2,172	49,825	12/05/2011	12/15/2041
266233-AC-9					3FE	1,489,080	119.1770	1,787,655	1,500,000	1,491,019		874			6.400	6.500	MS	28,267	96,000	09/08/2010	09/15/2020
26884A - AZ - 6. 26884L - AB - 5.	12/15/21	ļ		1	2FE 2FE	535,840 2,134,088	112 . 4890	562,445 2,273,325	500,000	533,021		(2,819)			4.625 4.875	3.730 4.810	JD	1,028	23,318	01/26/2012 12/06/2012	12/15/2021 11/15/2021
	Edison International EIX 3 3/4 09/15/17				2FE	998,110	108.7870	1,087,870	1,000,000	998,674		253			3.750	3.781	MS	11,042	37,500	09/14/2010	09/15/2017
29273R-AR-0	Energy Transfer Partners ETP 6.5 02/01/4			1	2FE	1,797,809	122.4190	1,744,471	1,425,000	1,796,685		(1,124)			6.500	4.811	FA	38,594		10/16/2012	02/01/2042
29379V - AT -0.			<u>[]</u>		2FE	649,371	121.7960	700,327	575,000	648,186		(1,131)			5.950	5.093	FA	14,255	34,213	12/05/2011	02/01/2041
29380T-AS-4.					2FE	929,070	116 . 6550	937,906	804,000	925,910		(3,160)			7.750	5.285	JJ	28,732		09/27/2012	07/15/2020
313747 - AQ - O.		ļ			4AM	563,100	107 .6620	549,076	510,000	540,432	5,255	(14,975)			5.950	2.184	FA	11,464	25,585	11/15/2012	08/15/2014
340711-AR-1		ļ	ļ		2FE	1,457,124	102.9850	1,405,745	1,365,000	1,415,572		(19,066)			4.000	2.485	JJ	25,177	54,600	10/08/2010	07/15/2015
369550-AU-2.				1	1FE	9,898,700	98.2110	9,821,100	10,000,000	9,900,062		1,362			2.250	2.364	MN	34,375		11/01/2012	11/15/2022
369604-BD-4		ļ			1FE	20 , 188 , 400	102.0290	20,405,800	20,000,000	20 , 185 , 139		(3,261)		ļ	2.700	2.592	A0	123,000		10/25/2012	10/09/2022
36962G-3P-7	General Electric Capital Corp GE 5.875 0				1FE	1,852,343	121.2970	1,880,104	1,550,000	1,850,597		(1,746)			5.875	4.567	JJ	42,243		09/13/2012	01/14/2038

SCHEDULE D - PART 1

								Showing All L	Long-Term BOI		ember 31 of Current									
1	2		Codes	6	7	-	Value	10	11		hange in Book / Adjuste					Interes				ates
CUSIP		3 4 F	e o r	NAIC	Actual	8 Rate Used to Obtain Fair	9 Fair	Par	Book/ Adjusted Carrying	Unrealized Valuation Increase/	13 Current Year's (Amortization)/	14 Current Year's Other Than Temporary Impairment	Total Foreign Exchange Change In	16 Rate	17 Effective Rate	18 When	Admitted Amount Due &	20 Amount Rec. During	21	Stated Contractual Maturity
Identification	n Description	Code r				Value	Value	Value	Value	(Decrease)	Accretion	Recognized	B./A.C.V.	of	of	Paid	Accrued	Year	Acquired	Date
36962G-3U-6.				1FE	1,144,227	118.5640	1,227,137	1,035,000	1,125,149		(14,977)			5.625	3.804	MN	9,703	58,219	12/08/2011	05/01/2018
36962G-6F-6.	General Electric Capital Corp GE 3.15 09 General Electric Capital Corp	ļ		1FE	10 , 293 , 200	102.3930	10,239,300	10,000,000	10,288,118		(5,082)			3.150	2.808	MS	99,750		10/16/2012	09/07/2022
36962G-6M-1		ļ		1FE	1,003,460	100 . 4210	1,004,210	1,000,000	1,003,447		(13)			1.000	0.881	JD	528	·	12/21/2012	12/11/2015
373334-JS-1		ļļ		1FE	990,360	111.3130	1,113,130	1,000,000	990,720		158			4.750	4.811	MS	15,833	47,500	08/26/2010	09/01/2040
373334-JZ-5.		ļ		1FE	3,497,515	99.7760	3,492,164	3,500,000	3,497,620		105			0.625	0.649	MN	2,795		11/08/2012	11/15/2015
38141E-A6-6.		ļ		1FE	1,081,470	118.6290	1,186,290	1,000,000	1,065,500		(7,110)			6.000	4.939	JD	2,667	60,000	08/25/2010	06/15/2020
38143U-SC-6.		ļ		1FE	806,482	105.9020	826,036	780,000	805,109		(1,373)			3.625	2.533	FA	11,310	9,334	12/12/2012	02/07/2016
391164-AD-2.		ļ		2FE	999,540	101.0840	1,010,840	1,000,000	999,902		154			2.750	2.766	FA	10,389	27 ,500	08/10/2010	08/15/2013
406216-BA-8.		ļ	11	1FE	646,711	111.8070	726,746	650,000	646,772		54			4.500	4.531	MN	3,738	29,331	11/08/2011	11/15/2041
413627 - BL - 3.	CZR 11 1/4Hearst-Argyle Television Inc	ļļ	11	4FE	261,875	108.3670	270,918	250,000	258,531		(3,003)	ļ	-	11.250	9.633	JD	2,344	28 , 125	11/09/2011	06/01/2017
422317 - AC - 1. 42809H - AD - 9.	HTV 7 01/Ĭ5 Hess Corp HES 5.6 02/15/41	ļ		5* 2FE	70,193 779,040	91.0000 118.0740	79,170 885,555	87,000 750,000	71,508 778,111		1,316			7.000 5.600	11.787 5.341	JJ FA	2,808 15,867	3,045 42,000	06/13/2012 08/24/2010	01/15/2018 02/15/2041
45822P-AA-3.	Integrys Energy Group Inc TEG 4.17 11/01			2FE	499,685		559,640	500,000	499,736					4.170	4 . 178	MN	3,475	20,850	11/09/2010	11/01/2020
459200-GX-3				1FE	5,175,100	103.9400	5,197,000	5,000,000	5,140,127		(34,973)			1.950	1.144	JJ	43,063	48,750	01/31/2012	07/22/2016
460690 - AV - 2				2FE	545,000	108.5080	542,540	500,000	531,229		(13,771)		ļ	6.250	2.801	MN	3,993	31,250	02/16/2012	11/15/2014
46625H-AT-7.		ļ		1FE	5,017,910	100.0300	5,001,500	5,000,000	5,000,014		(5,101)			5.750	5.644	JJ	142,951	287,500	02/17/2009	01/02/2013
46625H-HQ-6.		ļ		1FE	899,085	115 .9430	898,558	775,000	895,919		(3,166)			4.950	2.572	MS	10,230	·	10/11/2012	03/25/2020
46625H-JC-5.		ļļ		1FE	504,380	112.2500	561,250	500,000	503,972		(362)			4.350	4.239	FA	8,217	22,052	10/25/2011	08/15/2021
46625H-JD-3.	JPMorgan Chase & Co JPM 4 1/2 01/24/22	ļ		1FE	521,225	113.7420	568,710	500,000	519,737		(1,488)			4.500	3.977	JJ	9,813	11,313	02/22/2012	01/24/2022
46625H-JE-1		ļ		1FE	10,219,400	103.2470	10,324,700	10,000,000	10,216,226		(3,174)			3.250	2.992	MS		! 	10/25/2012	09/23/2022
478160-AY-0.		C		1FE	11,569,910	104.8790	11,536,690	11,000,000	11,547,184		(22,726)			2.150	0.656	MN	30,219	118,250	11/07/2012	05/15/2016
478160-AY-0.				1FE	9,466,290	104.8790	9,439,110	9,000,000	9,447,696		(18,594)			2.150	0.656	MN	24,725	96,750	11/07/2012	05/15/2016
48126E-AA-5.		ļ		1FE	10 , 191 , 400	102 . 1130	10,211,300	10,000,000	10,183,785		(7,615)			2.000	1.586	FA	72,778	 	10/16/2012	08/15/2017
494550-AZ-9.		ļ		2FE	504,537	135.2360	534 , 182	395,000	483,957		(12,366)			9.000	4.700	FA	14,813	35,550	04/18/2011	02/01/2019
494550-BH-8.				2FE	1,747,218	124.8140	2,184,245	1,750,000	1,747,264		34			6.375	6.387	MS	37 , 188	111,563	02/23/2011	03/01/2041
502413-BA-4		ļ	11	2FE	508,520	112.7200	563,600	500,000	507,314		(747)			4.950	4.726	FA	9,350	24,750	04/18/2011	02/15/2021
53079E-AZ-7_	LIBMUT 6 1/2 05Lockheed Martin Corp LMT 4.85	 -		2FE	399,060	111.0970	444,388	400,000	399,064		4			6.500	6.518	MN	4,333	12,783	05/01/2012	05/01/2042
539830-AZ-2.	09/15/41Marathon Oil Corporations MRO	ļ		1FE	570,854	111.0470	638,520	575,000	570,943		66			4.850	4.896	MS	8,211	28,352	09/06/2011	09/15/2041
565849-AJ-5.		L		2FE	814.902	100.4900	818.994	815.000	814.908		6		1	0.900	0.904	MN	1.263	' I	10/24/2012	11/01/2015

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									Showing All L	ong-Term BOI		ember 31 of Current									
1	2		Code		6	7		Value	10	11		hange in Book / Adjust					Interes				ates
CUSIP			4 F o r e i	5 Bond	NAIC	Actual	8 Rate Used to Obtain Fair	9 Fair	Par	Book/ Adjusted Carrying	12 Unrealized Valuation Increase/	13 Current Year's (Amortization)/	14 Current Year's Other Than Temporary Impairment	Total Foreign Exchange Change In	16 Rate	17 Effective Rate	18 When	19 Admitted Amount Due &	20 Amount Rec. During	21	Stated Contractual Maturity
Identification		Code	ň	CHAR	Designation	Cost	Value	Value	Value	Value	(Decrease)	Accretion	Recognized	B./A.C.V.	of	of	Paid	Accrued	Year	Acquired	Date
571903-AH-6	Mem. Sloan-Kettering Cancer				2FE	849,510	100 . 5840	806,684	802,000	804,435		(19,693)			5.625	3.103	FA	17,043	45,113	08/25/2010	02/15/2013
586054-AB-4		ļ			1FE	5,962,680	98.9410	5,936,460	6,000,000	5,962,680					4 . 125	4 . 157	JJ	17 ,875		11/28/2012	07/01/2052
594918-AP-9	Microsoft Corp MSFT .875 11/15/17 Molson Coors Brewing Co TAP 2				1FE	994,230	99.9050	999,050	1,000,000	994,398		168			0.875	0.993	MN	1,313		11/02/2012	11/15/2017
60871R-AB-6	Moody's Corp MCO 4.50				2FE	199 , 434	102.7920	205,584	200,000	199,506		72			2.000	2.060	MN	667	1,978	04/26/2012	05/01/2017
615369-AB-1	09/01/22 Morgan Stanley MS 6 05/13/14			1	2FE 1FE	2,058,862	107 .0110 106 .0120	2,209,777 530,060	2,065,000	2,059,289 514,285		428			4.500 6.000	4.533 3.833	MS MN	33,814	30,000	12/18/2012 08/06/2011	09/01/2022 05/13/2014
017471-01-0	Murphy Oil Field MUR 3.7				ļ II L		100.0120					(8,999)					IWII V	4,000		9070072011	937 1372014
626717 - AF - 9	Murphy Oil Field MUR 5.125			1	2FE	995,940	100 . 1210	1,001,210	1,000,000	995,969		29			3.700	3.749	JD	3,186		11/27/2012	12/01/2022
626717-AG-7	12/01/42 Mylan Inc/PA MYL 7 7/8	 		1	2FE	698,187	97 .8980	685,286	700,000	698 , 189		2			5 . 125	5.142	JD	3,089		11/27/2012	12/01/2042
628530 - AL - 1				1	2FE	563,469	118.5000	562,875	475,000	562,736		(733)		ļ	7 .875	1.908	JJ	17 , 248		12/18/2012	07/15/2020
628530 - AV - 9		ļ			2FE	803,334	99.0190	797 , 103	805,000	803,334					3.125	3.149	JJ	699		12/12/2012	01/15/2023
64952W-BK-8					1FE	19,963,400	100.3550	20,070,920	20,000,000	19,964,622		1,222		ļ	1.300	1.338	A0	44,778		10/22/2012	10/30/2017
65339K-AA-8	NextEra Energy Capital Hidings NEE 4 1/2 Niagara Mohawk Power Corp			1	2FE	663,918	111.2880	678,857	610,000	659,236		(4,682)			4.500	3.362	JD	2,288	27 , 450	01/31/2012	06/01/2021
65364U-AA-4	NGGĽN 4.881 08	ļļ.			1FE	7,415,720	114 . 4720	7,440,680	6,500,000	7,314,861		(100,859)			4.881	2.794	FA	119,856	317,265	01/31/2012	08/15/2019
67021B-AE-9				1	4FE	182,500	75.5000	188,750	250,000	184,192		1,692			7.625	12.904	A0	4,766	9,531	08/15/2012	04/01/2021
68233J-AH-7	Oncor Electric Delivery Co LLC ONCRTX 5				2FE	992.748	113.2770	1,132,770	1.000.000	992.995		109			5.250	5.298	MS	13,271	52.500	05/31/2011	09/30/2040
68389X-AN-5	Oracle Corp ORCL 1.2 10/15/17.				1FE	9,982,700	100.8160	10,081,600	10,000,000	9,983,317		617			1.200	1.236	AO	22,000		10/18/2012	10/15/2017
69352P-AE-3	PPL Capital Funding Inc PPL 3.50 12/01/2 PepsiCo Inc PEP 0 3/4			1	2FE	552,733	102.2320	562,276	550,000	552,676		(57)			3.500	3.440	JD	4,064		10/10/2012	12/01/2022
713448-BX-5					1FE	1,249,450	100.2050	1,252,563	1,250,000	1,249,600		150			0.750	0.765	MS	3,021	4,688	02/29/2012	03/05/2015
740816-AH-6	Harvard HARVRD 4				1FE	496,665	119.0220	595,110	500,000	496,760		54			4.875	4.918	AO	5,146	24,375	11/04/2010	10/15/2040
745332-CD-6				1	1FE	999,950	127 .0250	1,270,250	1,000,000	999,997					5.638	5.638	A0	11,902	56,380	03/22/2011	04/15/2041
759468-AC-5	Reliance Holdings USA Inc RILIN 5.4 02/1Revnolds American Inc RAI				2FE	507,645	111.4580	557,290	500,000	507 , 152		(493)			5.400	5.201	FA	10,275	13,500	02/24/2012	02/14/2022
761713-AW-6					2FE	966,215	100 . 5830	980,686	975,000	966,238		23			4.750	4.807	MN	7,847		10/24/2012	11/01/2042
761713-AX-4				-	2FE	499,320	100.3320	501,660	500,000	499,330		10			3.250	3.266	MN	2,753		10/24/2012	11/01/2022
779382-AQ-3	Rowan Cos Inc RDC 5.4 12/01/42SABMiller Holdings Inc SABLN			1	2FE	749,783	100.9870	757 , 404	750,000	749,783					5.400	5.402	JD	2,250		12/13/2012	12/01/2042
78573A-AC-4					2FE	496,675	114.6310	573,155	500,000	496,721		46		-	4.950	4.993	JJ	11,413	12,238	01/10/2012	01/15/2042
796038-AA-5	3/4 02/15/	.		1	4FE	251,875	106.0000	265,000	250,000	251,764		(111)			9.750	9.572	FA	9,208	12,661	04/09/2012	02/15/2020
842400-FQ-1				1	1FE	1,987,280	111.5200	2,230,400	2,000,000	1,987,777		218			4.500	4.539	MS	30,000	90,000	08/25/2010	09/01/2040
842400-FT-5				1	1FE	8,003,760	101 . 4640	8,117,120	8,000,000	8,003,762		44		ļ	3.900	3.897	JD	26,000	319,800	11/18/2011	12/01/2041
843646-AH-3	Southern Power Co SO 5.15 .09/15/41Stanford University STNFRD	-			2FE	771,489	113.6640	880,896	775,000	771,545		48			5.150	5 . 180	MS	11,752	39 , 136	09/14/2011	09/15/2041
854403-AB-8	4.25 05/01/16	[1FE	4,695,086	111.0370	4,658,002	4, 195,000	4,668,603		(26,483)			4.250	0.810	MN	29,715	89 , 144	10/18/2012	05/01/2016

SCHEDULE D - PART 1

									Showing All L	ong-Term BO		ember 31 of Current \									
1	2		Cod		6	7		Value	10	11		nange in Book / Adjuste					Interes				ites
		3	4 F o r e i	5			Rate Used to Obtain	9		Book/ Adjusted	12 Unrealized Valuation	13 Current Year's	14 Current Year's Other Than Temporary	Total Foreign Exchange Change	16	17 Effective	18	19 Admitted Amount	20 Amount Rec.	21	22 Stated Contractual
CUSIP			g	Bond	NAIC	Actual	Fair	Fair	Par	Carrying	Increase/	(Amortization)/	Impairment	ln .	Rate	Rate	When	Due &	During		Maturity
Identification 868536-AT-0	Description SUPERVALU Inc SVU 8 05/01/16	Code	n	CHAR	Designation 5FE		Value 95,2500	Value	Value 250.000	Value	(Decrease)	Accretion	Recognized	B./A.C.V.	of	of 10.099	Paid MN	Accrued	Year	Acquired	Date
000000-A1-U	Time Warner Cable Inc TWC				ЭГЕ	233,750	95.2500	238 , 125	250,000	235,463		1,713			8000	10.099	IVIIV	3,333	10,000	07/12/2012	05/01/2016
88732J-AH-1	5.85 05/01/17				2FE	828,794	118 . 0780	820,642	695,000	827 , 065		(1,729)			5.850	1.323	MN	6,776		12/05/2012	05/01/2017
88732J-AJ-7_	Time Warner Cable Inc TWC 6.55 05/01/37Travelers Cos Inc TRV 5.35				2FE	1,574,773	123.8760	1,709,489	1,380,000	1,566,840		(3,579)			6.550	5.531	MN	15,065	90,390	08/25/2010	05/01/2037
89417E-AH-2	11/01/40				1FE	248,448	124 . 1930	310,483	250,000	248,496		23			5.350	5.392	MN	2,229	13,375	10/27/2010	11/01/2040
	Turlock Corp ETN 4.0 11/02/32.				2FE	772,582	103.2170	799,932	775,000	772,588		6			4.000	4.023	MN	3,531		11/14/2012	11/02/2032
90261A-AB-8	UBS AG/Stamford CT UBS 7.625 .08/17/22				2FE	1,015,000	110 . 1690	1,101,690	1,000,000	1,014,613		(387)			7.625	7 .410	FA	28,382		08/14/2012	08/17/2022
90261X-GF-3	UBS AG/Stamford CT UBS 2 1/4		E		1FE	1,003,320	100.6520	1,006,520	1,000,000	1,000,709		(1,136)			2.250	2.133	FA	8,688	22,500	08/25/2010	08/12/2013
	UIL Holdings Corp UIL 4 5/8 10/01/20				2FE	744,030	104.5670	784,253	750,000	745 , 130		510			4.625	4.726	A0	8,672	34,688	10/04/2010	10/01/2020
91019P-CP-5	UDR Inc UDR 5 1/4 01/15/15 United Parcel Service Inc UPS				2FE	1,005,057	107 . 2500	1,008,150	940,000	971,574		(14,684)			5.250	3.528	JJ	22,756	49,350	08/25/2010	01/15/2015
	2.45 10/01 US Bancorp USB 2.95 07/15/22			1	1FE1FE	10,227,100 7,451,649	100.3880 101.3640	10,038,800 7,399,572	10,000,000	10,223,154 7,449,024		(3,946)			2.450 2.950	2.194 2.704	A0 JJ	63,972 94,515		10/19/2012 10/16/2012	10/01/2022 07/15/2022
	Qwest Corp CTL 6 7/8 09/15/33			1	2FE	506.250	101.9990	509,995	500,000	505.217		(488)			6.875	6.688	MS	10.122	34.375	10/10/2012	09/15/2033
	Qwest Corp CTL 7 1/4 10/15/35.			1	2FE	564,300	106 . 6240	607,757	570,000	564,524		91			7.250	7.337	AO	8,724	41,325	06/16/2011	10/15/2035
913017 -BT -5	4 1/2 06/01United Technologies Corp UTX				1FE	740,753	111.2890	834,668	750,000	740,838		86			4.500	4.576	JD	2,813	16,875	05/24/2012	06/01/2042
913017-BV-0	3.1 06/01/2				1FE	16,014,250	106 . 1730	15,925,950	15,000,000	15,998,509		(15,741)			3.100	2.309	JD	38,750	232,500	10/26/2012	06/01/2022
91481C-AA-8	University of Pennsylvania				1FE	783,552	112.8130	789,691	700,000	783,552					4.674	4 . 168	MS	10,906		12/20/2012	09/01/2112
92343V-BJ-2	Verizon Communications VZ 2.45 11/1/22		l	1	1FE	2,996,850	99.9120	2,997,354	3,000,000	2,996,890		40			2.450	2.462	MN	11,025		11/02/2012	11/01/2022
929903-AR-3	Wachovia Corp WFC 0 10/28/15 Wachovia Corp WFC 5 5/8				1FE	1,019,466	98.7480	1,061,541	1,075,000	1,030,192		10,726			0.653	2.413	JAJ0	1,229	6,779	04/16/2012	10/28/2015
	. 10/15/16				1FE 2FE	1,236,234 499,445	115.0870 101.1290	1,311,992 505,645	1,140,000 500.000	1,210,914		(17,067) 15			5.625 3.100	3.844 3.113	AO MS	13,538 4,650	64 , 125	11/28/2011 09/10/2012	10/15/2016 09/15/2022
94973V-AZ-0	WellPoint Inc WLP 1 1/4				2FE	454.813	100.7290	458,317	455.000	454,832		19			1.250	1.264	MS	1.754		09/05/2012	09/10/2015
	Wells Fargo & Co WFC 3.50 03/08/22				1FE	26,820,700	106.8470	26,711,750	25,000,000	26,794,493		(26,207)			3.500	2.616	MS	274,653		11/07/2012	03/08/2022
	Agrium Inc AGUCN 6 1/8 01/15/41		Α	1	2FE	494,545	121.0870	605,435	500,000	494,717		69			6.125	6.205	JJ	14,122	30,625	12/15/2010	01/15/2041
067901-AF-5	Barrick Gold Corp ABXCN 2.9		Λ		2FE	725,797	105.3810	727 , 129	690,000	723,544		(2,253)			2.900	1.436	MN	1,723	9,063	12/19/2012	05/30/2016
	Novelis Inc/GA HNDLIN 8 3/4		Λ	4	2FE 4FE	263.750		278,750	250.000			(1,513)			8.750		JD	972	,		
	12/15/20		A			Ī	111.5000	,		,		, , ,				7.743			21,875	09/01/2011	12/15/2020
878744-AB-7	. 03/01/42 Xstrata Finance Canada Ltd		A	1	2FE	678,521	102.0230	693,756	680,000	678,542		21			5.200	5.214	MS	11,787	17,975	02/16/2012	03/01/2042
98417E-AK-6	XTALN 4.95 11 Xstrata Finance Canada Ltd		A		2FE	840,341	108 . 1600	903 , 136	835,000	839,858		(422)			4.950	4.868	MN	5,281	41,907	11/04/2011	11/15/2021
	XTALN 6 11/15		<u>Ā</u>	,	2FE	309,823	107.7190	333,929	310,000	309,830		5			6.000	6.004	MN	2,377	18,858	11/04/2011	11/15/2041
000000-00-0	ING Bank NV INTNED 0 09/26/16. HBOS PLC LLOYDS 0 09/06/17		F	1	2FE3FE	829,284 1,074,847	93.0050 85.8570	837,046 1,073,215	900,000 1,250,000	851,101 1,073,215	175,368	12,398 25,262			1.020 1.011	2.523 3.413	MJSD	128 912	10,751 10,103	04/11/2011 04/11/2011	09/26/2016 09/06/2017
00205G-AA-5			F		2FE	634,562	99.4720	631,649	635,000	634,567		5			3.875	3.883	A0	5,468		12/12/2012	10/11/2022
00971Y-AA-8_	Akbank TAS AKBNK 5.125 07/22/15		F		2FE	525,625	105.7510	528,755	500,000	524,129		(1,496)			5 . 125	3.146	JJ	11,318		10/26/2012	07/22/2015
03938L-AS-3_	ArcelorMittal MTNA 6 3/4 03/01/41		F		3FE	743,820	91.6040	687.030	750.000	687.030	(56.894)	64			7.000	6.815	MS	17.500	51,563	02/28/2011	03/01/2041

SCHEDULE D - PART 1

		0-	4			F-:-	\/-t				ember 31 of Current			I		1-1				
1	2	3 4	des 5	6	7	Fair 8	Value 9	10	11	12 Cr	nange in Book / Adjust 13	ed Carrying Value 14	15	16	17	Interest	19	20	Da	ates
CUSIP		3 4 F o r e i g	Bond	NAIC	Actual	Rate Used to Obtain Fair	Fair	Par	Book/ Adjusted Carrying	Unrealized Valuation Increase/	Current Year's (Amortization)/	Current Year's Other Than Temporary Impairment	Total Foreign Exchange Change In	Rate	Effective Rate	18 When	Admitted Amount Due &	Amount Rec. During	21	Stated Contractual Maturity
Identification		Code n	CHAR	Designation	Cost	Value	Value	Value	Value	(Decrease)	Accretion	Recognized	B./A.C.V.	of	of	Paid	Accrued	Year	Acquired	Date
İ	AstraZeneca PLC AZN 4.0	F		3FE	1,365,155	105.2490	1,447,174	1,375,000	1,365,751		596			6.500	6.599	FA	31,281	43,943	02/23/2012	02/25/2022
046353-AG-3	09/18/42BBVA US Senior SAU BBVASM	F		1FE	581,355	100 . 6040	588,533	585,000	581,374		18			4.000	4.036	MS	6,695		09/11/2012	09/18/2042
055299-AL-5	4.664 10/09/15	F		2FE	2,011,850	102.8480	2,056,960	2,000,000	2,011,272		(578)			4.664	4 . 445	A0	20,988		11/01/2012	10/09/2015
05541V-AF-3_	BG Energy Capital PLC BGGRP 5 1/8 10/15/BHP Billiton Finance USA Ltd	F		1FE	607,752	117 . 5910	676 , 148	575,000	607 , 244		(483)			5.125	4.765	A0	6,221	29,714	12/05/2011	10/15/2041
055451-AF-5		F		1FE	10,319,290	117 . 1970	10,221,914	8,722,000	10,048,956		(270,334)			5.400	1.672	MS	120,364	470,988	02/01/2012	03/29/2017
06741C-AA-2	09/21/15 Celulosa Arauco y	F		1FE	527 ,583	102.9710	540,598	525,000	526,693		(595)			2.500	2.377	MS	3,646	13 , 125	06/21/2011	09/21/2015
151191-AW-3	Constitucion CELÁRA 4 Rabobank Nederland RABOBK	F		2FE	543,335	105 . 5410	580,476	550,000	543,587		252			4.750	4.911	JJ	12,337		07/27/2012	01/11/2022
21685W-DF-1	3.95 11/09/22Credit Suisse AG/Guernsey CS	F		1FE	773,985	102.2870	792,724	775,000	773,997		12			3.950	3.966	MN	4,422		11/02/2012	11/09/2022
225448-AH-2	2.6 05/27/1	F		1FE	394,795	104.2350	411,728	395,000	394,857		40			2.600	2.611	MN	970	10,270	05/24/2011	05/27/2016
23636A-AB-7	Danske Bank A/S DANBNK 3 7/8 04/14/16Goodman Funding Pty Ltd GMGAU	F		1FE	999,550	105.2350	1,052,350	1,000,000	999,695		86			3.875	3.885	A0	8,288	38,750	04/07/2011	04/14/2016
	6 3/8 04/1 Heineken NV HEIANA 1.4	F		2FE	989,970	114.7500	1, 147,500	1,000,000	991,331		768			6.375	6.512	A0	13,458	63,750	03/24/2011	04/15/2021
423012-AB-9 43474T-AA-1	10/01/17 Holcim Ltd HOLNVX 6 12/30/19			2FE 2FE	569,714 376,585	100 . 1140 105 . 5140	570,650 364,023	570,000 345,000	569,742 371,589		27 (3,143)			1.400 6.000	1.410 4.695	A0 JD	1 ,796 58	20,700	11/14/2012 05/13/2011	10/01/2017
448055-AE-3	Husky Energy Inc HSECN 5.9 06/15/14	F		2FE	509,721	107.3110	493,631	460,000	483,257		(15,529)			5.900	2.346	JD	1,206	27 , 140	04/07/2011	06/15/2014
448055-AJ-2	Husky Energy Inc HSECN 3.95 04/15/22 Nara Cable Funding Ltd ONOSM	F	11	2FE	747,638	107 . 1870	803,903	750,000	747,808		170			3.950	3.988	A0	6,254	16,705	03/19/2012	04/15/2022
63080T - AA - 5	8 7/8 12/01Newcrest Finance Pty Ltd	F	11	4FE	455,625	98.9560	494,780	500,000	458,373		2,748			8.875	10.788	JD	3,698	29,522	06/27/2012	12/01/2018
65120F - AA - 2.	NCMAU 4.45 11/1 Newcrest Finance Pty Ltd	F		2FE	1,534,703	103 . 4440	1,587,865	1,535,000	1,534,846		124			4 .450	4 . 451	MN	8,728	67 , 529	10/26/2012	11/15/2021
65120F - AB - 0	NCMAU 5 3/4 11/Rio Tinto Finance USA PLC	F		2FE	322,930	103.0750	334,994	325,000	322,960		27			5.750	5.795	MN	2,388	18,688	11/07/2011	11/15/2041
76720A - AE - 6	RIOLN 1.625 08 Royal Bank of Scotland Grp	F	1	1FE	677 ,876	100 .8350	680,636	675,000	677 ,794		(81)			1.625	1.530	FA	3,961		10/26/2012	08/21/2017
780099-CC-9		F		1FE	625,621	102.5550	630,713	615,000	624,884		(737)			2.550	1.939	MS	4,487		10/11/2012	09/18/2015
780099-CE-5	PLC RBS 6.125 Schlumberger Investment SA	F		3FE	769,407	105 . 4380	811,872	770,000	772,686		3,279			6 . 125	6.136	JD			11/27/2012	12/15/2022
806854-AE-5	SLB 1.25 08/0Sinochem Overseas Capital Co	F		1FE	16,247,636	99 . 4680	16,103,869	16,190,000	16,245,464		(2,173)			1.250	1 . 173	FA	84,885		10/18/2012	08/01/2017
82937A - AA - 1	SINOCH 4 1/Statoil ASA STLNO 3.15	F		2FE	497 , 335	107 . 2840	536,420	500,000	497 , 808		227			4.500	4.567	MN	3,063	22,500	11/04/2010	11/12/2020
85771P-AF-9		F		1FE	499 , 150	106.2860	531,430	500,000	499,217		67			3.150	3.170	JJ	6,913	10,500	11/16/2011	01/23/2022
86960B-AB-8	SHBASS 2.875 04Sydney Airport Finance Co Pty	F		1FE	556,316	105 . 4630	553,681	525,000	555,983		(333)			2.875	1.441	A0	3,648		12/11/2012	04/04/2017
87124V - AD - 1	SYDAU 3.9Telecom Italia Capital SA	F		2FE	1,587,441	101.5580	1,604,616	1,580,000	1,587,330		(111)			3.900	3.845	MS	11,639		10/25/2012	03/22/2023
87927V - AL -2	TITIM 4.95 09/Telecom Italia Capital SA	F		2FE	527 , 465	104.2100	521,050	500,000	512,228		(6,677)			4.950	3.494	MS	6,256	24,750	08/26/2010	09/30/2014
87927V-AR-9	TITIM 7.2 07/1 Telstra Corp Ltd TLSAU 4.8	F		2FE	211,875	105.3940	263,485	250,000	212,134		259			7.200	8.726	JJ	8,150	9,000	06/27/2012	07/18/2036
87969N-AC-9.	10/12/21	F	ļ	1FE	744,390	115.6000	867,000	750,000	745 , 126		435			4.800	4 . 892	AO	7,900	36,000	04/07/2011	10/12/2021

Showing All	Long-Term RONDS	Owned December 3:	1 of Current Year

									Showing All L	ong-Term BOI		mber 31 of Current									
1	2		Cod		6	7		Value	10	11		ange in Book / Adjust					Intere				ites
CUSIP Identification	n Description	3 Code	4 F o r e i g n	5 Bond CHAR	NAIC Designation	Actual Cost	8 Rate Used to Obtain Fair Value	9 Fair Value	Par Value	Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	13 Current Year's (Amortization)/ Accretion	14 Current Year's Other Than Temporary Impairment Recognized	Total Foreign Exchange Change In B./A.C.V.	Rate	17 Effective Rate of	18 When Paid	Admitted Amount Due & Accrued	Amount Rec. During Year	21 Acquired	Stated Contractual Maturity Date
	Transocean Inc RIG 6 1/2	Code	-	CHAR	T T						(Decrease)	Accretion	Recognized	B./A.C.V.			MN				
893830-AY-5.	Transocean Inc RIG 7.35		F		2FE	499,650	121.3710	606,855	500,000	499,665		15			6.500	6.511		4,153	32,500	09/16/2010	11/15/2020
893830-AZ-2.	Vale Overseas Ltd VALEBZ		F	·····	2FE	379,985	133.5710	507 , 570	380,000	379,999		13			7.350	7.350	JD	1,241	28,706	11/30/2011	12/15/2041
91911T-AL-7	Vale Overseas Ltd VALEBZ 4		F		2FE	541,670	108.4170	542,085	500,000	540,575		(1,095)			4.625	3.418	MS	6,809		10/02/2012	09/15/2020
91911T-AM-5 91912E-AA-3	Vale SA VALEBZ 5.625 09/11/42		F		2FE2FE	658,733 1,559,409	106 .9240 110 .3540	684,314 1,710,487	640,000 1,550,000	658,278 1,559,385		(455)			4.375 5.625	3.995 5.583	JJ	13,222 26,641		09/12/2012 09/13/2012	01/11/2022 09/11/2042
94707V-AB-6.			F		2FE	552,801	112.0370	571,389	510,000	552,040		(513)			6.750	6.128	MS	10 , 136	32,200	11/30/2012	09/15/2040
	Willis Group Holdings PLC WSH 5 3/4 03/1		F		2FE	527 ,725	112.6200	563,100	500,000	525,190		(2,399)			5.750	4.994	MS	8,465	28 , 750	12/06/2011	03/15/2021
3299999 -	Bonds - Industrial and Miscella Obligations	aneous	(Unaf	filiated)	- Issuer	456,582,440	XXX	464,310,767	440,137,668	455,385,842	178,882	(964,510)	0	0	XXX	XXX	XXX	3,712,851	6,833,646	XXX	l xxx
Bonds - Ind	lustrial and Miscellaneous (Unafi	filiat	ed) -	Residenti	al Mortgage-			101,010,101	110,101,000	100,000,012		(001,010)			7000	7000	7007	0,1.12,001	0,000,010	7001	7,7,7
00441T-AD-5				2	1FM	721,376	41.9670	592,105	1,410,883	675,763		(108, 389)			0.360	12.456	MON	85	5,597	04/11/2011	06/25/2036
00441Y-AC-6.				2	1FM	411,372	92.6820	425,251	458,829	429,744		2,997			0.320	6.247	MON	24	1,634	04/11/2011	08/25/2036
02660Y - AL - 6.				2	1FM	413,171	29.1320	256,096	879,088	418,783		3,852			0.370	12.615	MON	54	3,576	05/03/2011	06/25/2046
12629E-AF-2	CSAB Mortgage Backed Trust CSAB 2007-1 1Countrywide Asset-Backed Cert		-	2	1FM	638,847	66.0250	530 , 104	802,885	530 , 104	(213,685)	69,639			5.950	(0.546)	MON	3,981	47,674	04/11/2011	05/25/2037
126670-VY-1			-	2	1FM	354,061	97 .4750	396,562	406,834	372,557		13,947			0.390	6.570	MON	26	1,738	04/11/2011	06/25/2036
126673-KR-2				2	1FM	729,934	75.2430	905,599	1,203,566	905,599	(67, 208)	130,992			0.489	2.609	MON	245	6,424	04/11/2011	02/15/2034
12668F - AB - 0				2	4FM	281,224	78.0750	284,611	364,536	277 ,633		(47,253)			0.349	5.664	MON	53	1,425	04/11/2011	01/15/2037
172973-5L-9.	CMSI 2006-1 4A			2	1FM	281,685	100 . 1030	281,975	281,685	281,685					5.000	4.771	MON	1 , 174	14,084	06/16/2011	02/25/2016
23242L - AB - 9.				2	4FM	333 , 162	80.8950	342,610	423,524	324,015		(1,191)			0.349	5.426	MON	62	1,656	04/11/2011	07/15/2036
294751-BX-9				2	1FM	395,544	84.6490	393,911	465,346	388,568		(10,237)			4.860	9.221	MON	1,885	22,616	01/27/2011	07/25/2033
32051H-AD-5			-	2	1FM	831,289	64.7990	862,050	1,330,345	840 , 160		12,534			0.680	4.328	MON	126	6,733	08/02/2012	07/25/2036
43710X-AB-4.				2	1FM	296,060	80 . 4910	311,820	387 , 397	160,727		(119,065)			0.340	16.511	MON	22	1,458	04/11/2011	04/25/2037
46630L - AD - 6.	Corp JPMAC 200	ļ	 	2	4FM	609,532	101.4790	666,717	657,000	628,590		16,902			5.532	7.763	MON	3,029	36,342	04/11/2011	11/25/2036
46630X-AD-0.				2	1FM	1,014,000	84 . 4470	1,097,811	1,300,000	1,080,593		66,593			0.360	16.680	MON	65	2,077	08/02/2012	03/25/2037
49130T-LE-4.				1	1FE	395,000	110.3710	435,965	395,000	395,000					5 . 125	5 . 125	JJ	10 , 122	20 , 244	07/15/2010	07/01/2025
54251P-AE-7		ļ		2	1FM	792,115	38.4810	751,552	1,953,048	830,697		20,308			0.450	4.326	MON	146	9,530	04/11/2011	06/25/2036
59024E-AC-1	Tst MLMI 2007			2	2FM	571,695	37 .4650	554, 103	1,478,987	554,103	(14,812)	(52,218)			0.380	14.908	MON	94	6, 167	04/11/2011	02/25/2037
61745M-4T-7.	MSM 2005-3			2	2FM	633,834	82.1830	586,934	714,179	639,113		1,993			5.498	7.948	MON	3,272	38,799	05/31/2011	07/25/2035
61749B-AD-5	MSAC 2006-NNew Century Home Eqt Loan	ļ		2	1FM	513,397	94.9090	559,243	589,242	561,458		65,777			0.320	8.955	MON	31	2,095	04/11/2011	10/25/2036
64352V-MN-8.	Trst NCHET 200			2	1FM	921,563	96.2990	930,491	966,252	929,849		6,636			5.035	6.097	MON	4,054	48,600	03/04/2011	08/25/2035

									_	_	LE D - F										
									Showing All L	ong-Term BO		nber 31 of Current `									
1	2		Codes	3	6	7	Fair	Value	10	11	Cha	ange in Book / Adjust	ed Carrying Value				Interes	st		Da	ates
		3	4 F o r	5			8	9			12	13	14 Current Year's Other	15 Total Foreign	16	17	18	19	20	21	22
CUSIP Identification		Code		Bond CHAR	NAIC Designation	Actual Cost	Rate Used to Obtain Fair Value	Fair Value	Par Value	Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Than Temporary Impairment Recognized	Exchange Change In B./A.C.V.	Rate of	Effective Rate of	When Paid	Admitted Amount Due & Accrued	Amount Rec. During Year	Acquired	Stated Contractual Maturity Date
761118-AG-3	Residential Accredit Loans Inc RALI 2005			2	1FM	69,267	2.7480	18,733	681,678	18,733	(21, 175)	(29, 359)			0.960	36.389	MON	109	6,757	04/11/2011	06/25/2035
76113J-AA-0	Residential Fund Mtg Sec II RFMS2 2006-HSoundview Home Eqt Loan Trst			2	1FM	371,014	64.2370	317 , 327	493,994	364,939		27 ,846			0.340	5.977	MON	23	1,864	04/11/2011	05/25/2036
83611P-AJ-0				2	1FM	115,945	89.7710	104,409	116,306	115,977		31			6.765	6.886	MON	656	7,868	12/01/2012	04/15/2031
92922F - 5U - 8	WAMU 2005-AR1WAMU Mtg Pass Through Cert			2	1FM	317,945	72.3500	286,092	395,427	301,047		59			0.490	5.308	MON	38	2,097	04/11/2011	11/25/2045
92922F -B8 -0	WAMU 2004-AR1Granite Master Issuer Plc			2	1FM	1,382,966	78.5480	1,341,101	1,707,365	1,379,660		(3,306)			0.652	3.328	MON	155	3,993	09/12/2012	11/25/2034
38741Y-BL-2	GRANM 2006-1A		F	1	1FE	790,000	93.9000	939,000	1,000,000	829,424		28,941			0.551	4 . 172	MON	184	5,913	08/12/2011	12/20/2054
	Bonds – Industrial and Miscella Residential Mortgage-Backed S	ecurit	ìes	,		14,185,998	XXX	14,172,172	20,863,396	14,234,521	(316,880)	98,029	0	0	XXX	XXX	XXX	29,715	306,961	XXX	XXX
Bonds - Indu	ustrial and Miscellaneous (Unaft	filiate	ed) - Cor	mmercial	Mortgage-B	acked Securitie	S														
07388N-AX-4	Bear Stearns Comm Mtg Sec BSCMS 2006-T24				3FE	721,672	1.3710	745,531		718,663		(3,009)			0.152	11.180	MON	6,473	50,294	03/27/2012	10/12/2041
	Comm Mtg Pass Through Cert			2	1FM	688,851	101.2430	710,514	701,790	690,776		976			2.473	3.000	MON	723	17,620	11/01/2011	07/17/2028
	DBRR Trust DBRR 2012-EZ1 A DDR Corp DDR 2009-DDR1 C Ge Business Loan Trust GEBL			2	1FE 1FM	992,552 1,618,945	99 .9930 107 .1190	991,339 1,606,785	991,409 1,500,000	992,274 1,588,004		(278)			0.946 6.223	0.835 2.740	MON	782 7,779	2,345 54,451	09/20/2012 05/11/2012	09/25/2045 10/14/2022
36159G-AN-7				2	1FE	504,732	77 .5010	488,575	630,411	524,933		14,333			0.909	8.278	MON	239	6,074	04/11/2011	05/15/2032
36159G-BV-8				2	1FE	695,475	79.4180	821,725	1,034,683	712,212		(952)			0.709	8.550	MON	306	7 ,849	04/11/2011	11/15/2033
46625Y-GW-7					3FE	1,356,780	0.4490	829,541		829,541	(259, 208)	(268,031)			0.236	7.945	MON	35 , 103	470,911	01/30/2012	03/15/2046
46625Y -UE -1				2	1FM	860,000	95.8080	958,080	1,000,000	882,065		15,987			5.040	7.741	MON	4,200	50,400	08/11/2011	10/15/2042
	LBUBS 2003-C5ML/Countrywide Comm Mtg Trst			2	1FM	660,963	91.2830	638,981	700,000	689,736		17,618			5.250	8.059	MON	2,042	39 , 158	04/11/2011	04/15/2037
55312V-AH-1_	Morgan Stanley Capital I MSC			2	1FM	976,484	109.9500	1,099,500	1,000,000	980 , 169		2,132			5.204	5.588	MON	4,337	52,040	03/21/2011	12/12/2049
61745M-N9-0_	Morgan Stanley Capital I MSC			2	1FM	298,500	100 . 9930	302,979	300,000	298,683		85			5.190	5.297	MON	1,298	15,570	04/06/2011	06/15/2040
61752L - AG - 0	2007 - XLFA			2	1FM	844,000	87 . 1300	919,222	1,055,000	858,266		14,266			0.509	4.022	MON	254	1,889	06/29/2012	10/15/2020

38/41Y-BL-2. GRANM 2006-1A	J11	11FE	/9 0,000 	93.9000	939,000	1,000,000	829,424		28,941			0.551	4.1/2	MUN	184	5,913	08/12/2011	12/20/2054.
3399999 - Bonds - Industrial and Miscellaneous (U		-																
Residential Mortgage-Backed Securitie			14,185,998	XXX	14,172,172	20,863,396	14,234,521	(316,880)	98,029	0	0	XXX	XXX	XXX	29,715	306,961	XXX	XXX
Bonds - Industrial and Miscellaneous (Unaffiliated) - Commercia	l Mortgage-Ba	acked Securities															
Bear Stearns Comm Mtg Sec																		
07388N-AX-4. BSCMS 2006-T24		3FE	721,672	1.3710	745,531		718,663		(3,009)				11 . 180	MON	6,473	50,294	03/27/2012	10/12/2041
Comm Mtg Pass Through Cert																		l .
12623D-AA-1 COMM 2011-FL1	22	1FM	688,851	101.2430	710,514	701,790	690,776		976			2.473	3.000	MON	723	17,620	11/01/2011	07/17/2028
23306A-AA-8. DBRR Trust DBRR 2012-EZ1 A	22	1FE	992,552	99.9930	991,339	991,409	992,274		(278)			0.946	0.835	MON	782	2,345	09/20/2012	09/25/2045
23317F-AC-0. DDR Corp DDR 2009-DDR1 C	22	1FM	1,618,945	107 . 1190	1,606,785	1,500,000	1,588,004		(30,942)			6.223	2.740	MON	7,779	54 , 451	05/11/2012	10/14/2022
Ge Business Loan Trust GEBL																		1
36159G-AN-7. 2004-1 B.	2	1FE	504,732	77 . 5010	488,575	630,411	524,933		14,333			0.909	8.278	MON	239	6,074	04/11/2011	05/15/2032
Ge Business Loan Trust GEBL																		
36159G-BV-8 2005-2A B	2	1FE	695,475	<i>7</i> 9.4180	821,725	1,034,683	712,212		(952)			0.709	8.550	MON	306	7 ,849	04/11/2011	11/15/2033
JP Morgan Chase Comm Mtg Sec								(/							.=		
46625Y-GW-7 JPMCC 2005		3FE	1,356,780	0.4490	829,541		829,541	(259, 208)	(268,031)			0.236	7 .945	MON	35,103	<u>4</u> 70,911	01/30/2012	03/15/2046
JP Morgan Chase Comm Mtg Sec		4511	000 000	05 0000	050 000	4 000 000	000 005		45 007			5.040	I	MON	4 000	FO 400	00/44/00/	40.145.100.10
46625Y - UE - 1. JPMCC 2005	22	1FM	860,000	95.8080	958,080	1,000,000	882,065		15,987			5.040	7.741	MON	4,200	50 , 400	08/11/2011	10/15/2042
LB-UBS Commercial Mtg Trst	0	4511	000 000	04 0000	000 004	700 000	000 700		17.618			5 050	0.050	MON	0.040	00 450	04/44/0044	04/45/0007
52108H-TN-4. LBUBS 2003-C5	2	1FM	660,963	91.2830	638,981	700,000	689,736		17,618			5.250	8.059	MON	2,042	39 , 158	04/11/2011	04/15/2037.
ML/Countrywide Comm Mtg Trst 55312V-AH-1 MLCFC 2006-	0	1FM	976.484	109.9500	1.099.500	1.000.000	980.169		2.132			5.204	5.588	MON	4.337	52.040	03/21/2011	12/12/2049
		IFW	9/0,484	109.9500	1,099,500	1,000,000	980 , 169					5.204		MUN	4,337	52,040		12/12/2049
Morgan Stanley Capital I MSC 61745M-N9-0 2004-IQ8 B.	0	1FM	298.500	100.9930	302.979	300.000	298.683		85			5.190	5.297	MON	1.298	15.570	04/00/0044	00/45/0040
Morgan Stanley Capital I MSC		IFW	Z98,500 [100.9930	302,979	300,000	298,083		85			5.190	5.297	MUN	1 , 298	15,5/0	04/06/2011	06/15/2040
61752L-AG-02007-XLFA	0	1FM	844.000	87 . 1300	919.222	1.055.000	858.266		14,266			0.509	4.022	MON	254	4 000	00/00/00/0	40/45/0000
Morgan Stanley Reremic Trust		IFW		87 . 1300	919,222	1,000,000			14,200				4.022	MUN	254	1,889	06/29/2012	10/15/2020
61757Y-AC-6 MSRR 2009-1	2	1AM	413.750	89.1350	445.675	500.000	461.002		28.101				6.389	N/A			04/11/2011	07/17/2056
WF-RBS Commercial Mtg Trst		I AW	413,750	09.1330	440,070		401,002		20, 101				0.309	N/A				U// I//2000
92936J-BB-9 WFRBS 2011-C5	2	1FM	1,009,920	110.9450	1.109.450	1,000,000	1.008.815		(999)			3.667	3.555	MON	3.056	36.670	11/02/2011	11/15/2044
Wachovia Bank Comm Mtg Trst		IFW	1,009,920	110.9450	1, 109,450	1,000,000	1,000,010		(999)			700. د		INIUN		30,070	11/02/2011	11/15/2044
92977Q-AG-3. WBCMT2006-C2	2	1FM	1.322.578	111.6070	1.339.284	1.200.000	1.319.348		(3,230)			5.795	4.066	MON	5.795	11.590	10/16/2012	07/15/2045
3499999 - Bonds - Industrial and Miscellaneous (U	land filliated		1,322,370	111.0070	1,339,204	1,200,000	1,319,340		(3,230)				4.000	WIUN		11,090	10/ 10/2012	V// 13/2040
Commercial Mortgage-Backed Securities		-	12.965.202	XXX	13.007.181	11,613,293	12,554,487	(259,208)	(213.943)	0	٥	XXX	xxx	XXX	72,387	816,861	l _{xxx}	l xxx
Bonds - Industrial and Miscellaneous (Unaffiliated		n Doolsod and			13,007,101	11,010,233	12,004,407	(239,200)	(210,340)	U	U	۸۸۸	۸۸۸	ΛΛΛ	12,301	010,001	۸۸۸	
) - Other Loai	II-backed and	Structured Securi	rtres														
AH Mortgage Advance Trust 00130Y-AC-2 AHMAT SART-1 B	2	2AM	999.881	100.1250	1.001.250	1.000.000	999.975		21			5.920	6.000	MON	3.453	59.200	05/05/2011	05/10/2043
Ally Auto Receivables Trust		ZAW	999,001	100.1230	1,001,230	1,000,000	999,975						0.00	INIUN	3,403		1102/03/2011	V3/ 10/2043
	2	1FE	1.035.547	102.9540	1.029.540	1.000.000	1.021.543		(14,004)			3.290	1.022	MON	1,462	19 , 192	05/11/2012	03/15/2015
02005H-AE-3. ALLÝA 2010-1Americredit Auto Rec Trust		IFE	1,030,047	102.9340	1,029,040	1,000,000	1,021,343		(14,004)			3.290	1.022	IVIUIN		19 , 192	05/11/2012	
03061U-AE-3 AMCAR 2012-3	2	1FE	999.943	102.5100	1,025,100	1.000.000	999.949		6			2.420	2.434	MON	1.546	10,890	06/19/2012	05/08/2018
Americredit Auto Rec Trust	∠	IFE	999,943	102.5100	1,020,100	1,000,000	999,949						2.434	IVIUIN	1 , 340	10,090	וויין או אפו אסע	U0/U0/2018
03063P-AF-9 AMCAR 2010-3	2	1FF	1,054,883	107.8600	1,078,600	1,000,000	1,036,758	42.933	(13,855)			4.980	3.482	MON	3.182	49,800	08/30/2011	01/08/2018
Avis Budget Rent Car Fnd		ļ	1,004,000	101 .0000	1,070,000	1,000,000	1,030,730	42,933	(13,000)			4.900	3.402	IVIUIN	, ۱۵۷ , د	49,000	01 30/2011	01/00/2010 الر
05377R-AM-6. Aesop AESOP 201.	2	2AM	1.999.444	108.6270	2.172.540	2.000.000	1,999,653		103			5.110	5.171	MON	3.123	102,200	10/21/2010	03/20/2017
USSTIN-AMI-U. AESUP AESUP ZUI	∠	ZAW	1,999,444	100.02/0	LZ, 17Z, 34U		1,999,003		103					IVIUIN		102,200	10/21/2010	טטוטטוטע

SCHEDULE D - PART 1

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1	2	3 4	des 5	6	'	8 Fair	Value 9	10	11	12	hange in Book / Adjust 13	ed Carrying Value	15	16	17	Interest 18	ι 19	20	21	ites 22
augus -		Forei				Rate Used to Obtain	•		Book/ Adjusted	Unrealized Valuation	Current Year's	Current Year's Other Than Temporary	Total Foreign Exchange Change		Effective		Admitted Amount	Amount Rec.	21	Stated Contractual
CUSIP Identification	Description	Code n	Bond CHAR	NAIC Designation	Actual Cost	Fair Value	Fair Value	Par Value	Carrying Value	Increase/ (Decrease)	(Amortization)/ Accretion	Impairment Recognized	In B./A.C.V.	Rate of	Rate of	When Paid	Due & Accrued	During Year	Acquired	Maturity Date
05575B-AD-1	BMW Vehicle Lease Trust BMWLT 2012-1 A4		2	1FE	499,910	100.9710	504,855	500,000	499,938		28			0.930	0.940	MON	142	3,023	04/18/2012	09/21/2015
06423R-AY-2	Bank One Issuance Trust BOIT 2003-C3 C3 CLI Funding LLC CLIF 2012-1A		2	3AM	1,834,632	101.6440	1,753,359	1,725,000	1,749,112		(52,287)			4.770	1.693	MON	3,657	82,282	05/04/2011	02/16/2016
125634-AE-5 126185-AA-5	ACPS Auto Trust CPS 2012- A A.		12	1FE	940,005 357,553	104 .8610 101 .7970	985,821 362,224	940 , 122 355 , 829	940,008 357,802		3 249			4.210 2.780	4.250 2.605	MON	1 , 429 440	19,790 5,770	06/14/2012 05/23/2012	06/18/2027 06/17/2019
126802-BM-8	Cabela's Mstr Credit Card Trst CABMT 201 Cabela's Mstr Credit Card		2	1FE	1,010,000	104.0880	1,040,880	1,000,000	1,006,486		(2,308)			2.290	2.052	MON	1,018	22,900	06/15/2011	09/17/2018
126802-BV-8	Trst CABMT 201 California Republic Auto		2	1FE	499,801	103 . 4790	517,395	500,000	499,847		38			1.900	1.916	MON	422	7,917	12/27/2011	10/15/2019
	Rcvbl CRART 201 Carmax Auto Owner Trust CARMX		2	1FE	927 , 357	99.9560	927,030	927 ,438	927,362		4			1.180	1.189	MON	486	1,125	11/02/2012	08/15/2017
14312Y - AF - 6 14313C - AD - 8	2010-3 C Carmax Auto Owner Trust CARMAX 2010-1 A4		22	1FE	1,018,242	101.9110	1,019,110	1,000,000	1,014,855		(3,387)			2.590	1.987	MON	1,151	15,108	05/24/2012 12/20/2012	08/15/2016 04/15/2015
	Carnow Auto Receivables Trust CNART 2012		22	1FE	398,877	99.9030	398,496	398,883	398,879		2			2.090	2.101	MON	371	5,141	04/30/2012	01/15/2015
15200M-AB-3	Centerpoint Ergy Trans Bond Co CNP 2008 Centerpoint Ergy Trans Bond		2	1FE	2,777,766	121 . 1620	2,865,481	2,365,000	2,671,539		(49,826)			5.234	2.730	FA	51,577	123,784	10/27/2010	02/01/2023
15200N-AB-1	Co CNP 2009Chase Issuance Trust CHAIT		2	1FE	1,055,313	108.8500	1,088,500	1,000,000	1,036,803		(8,913)			3.460	2.462	FA	13,071	34,600	11/18/2010	08/15/2019
	2008-A4 A4		2	1FE	1,047,656	100 .8890	1,008,890	1,000,000	1,008,009		(38,789)			4.650	0.751	MON	2,067	46,500	12/20/2011	03/15/2015
17305E-CX-1 17305E-EE-1	CCCIT 2005 Citibank Credit Card Iss Trst CCCIT 2008		2	1FE	1,659,438	112.8850	1,128,850	1,000,000	1,103,132		(42,819)			5.100 5.350	1.439	MN FA	5,808	51,000 74.900	10/17/2011 12/09/2011	02/07/2020
185506-AB-8	Cleco Katrina/Rita Rec Fnd CLECO 2008-A		2	1FE	2,329,375	122 . 2660	2,445,320	2,000,000	2,240,828		(37,514)			5.610	3.291	MS	37 , 400	112,200	07/28/2010	03/01/2023
210795-PS-3	Continental Airlines 2012-1 UAL 0 06/02/ DT Auto Owner Trust DTAOT			4FE	872,765	98.7060	936,382	948,658	932,864		35,872			3.436	7 . 456	MJSD	2,625	34,819	04/11/2011	06/02/2013
23336T-AB-9	2012-2A B Discover Card Master Trust		2	1FE	999,949	99.9920	999,920	1,000,000	999,958		10			1.850	1.860	MON	822	7 , 143	07/17/2012	04/17/2017
	DCENT 2007-A1 Dominos Pizza Mstr Issuer LLC DPABS 2012		2	1FE 2AM	1,812,486 . 1.582.000	112.3150	1,776,823	1,555,000	1,739,015		(35,923)			5.650 5.216	2.971 5.250	JAJO	3,905	87,858 50.427	11/30/2010	01/25/2042
	Enterprise Fleet Financing LIC EFF 2012-		2	1FE	999.910	100.4820	1,770,823	1,000,000	999.939		29			1.140	1.147	MON	348	7,220	03/00/2012	11/20/2017
	FPL Recovery Funding LIc FPL 2007-A A4.		2	1FE	2,234,063	120 . 5410	2,410,820	2,000,000	2,171,804		(32,936)			5.256	3.286	FA	43,796	105,110	01/27/2011	08/01/2021
34528Q-AQ-7	Ford Credit Floorplan Mstr Trs FORDF 201Ford Credit Floorplan Mstr		2	1FE	1,072,188	107 . 2430	1,072,430	1,000,000	1,037,151		(16,861)			4.200	2.415	MON	1,867	42,000	11/18/2010	02/15/2017
	Trs FORDF 201 Ford Credit Floorplan Mstr		2	1FE	999,707	102.8090	1,028,090	1,000,000	999,757		50			1.920	1.934	MON	853	16,000	02/07/2012	01/15/2019
	Trs FORDF 201 Ford Credit Auto Owner Trust FORDO 2009-		22	2AM 1FE	1,577,973278,911	100 .6390	1,580,335 268,988	1,578,000	1,577,974					2.980	2.100	MON	1,466	7,879 7.965	09/12/2012 07/23/2010	09/15/2016 08/15/2014
34529M-AE-2.	Ford Credit Auto Owner Trust		2	1FE	278,911	100.6390	1,012,580	1,000,000	999,924		(3,808)			2.540	2.558	MON			07/23/2010	08/15/2014
34529U-AE-4	Ford Credit Auto Owner Trust FORDO 2012-		2	1FE	499,887	101.8230	509,115	500,000	499,911		24			1.880	1.893	MON	418	8,356	01/18/2012	08/15/2017
36159J-CC-3	GE Cap Crdit Crd Mstr Nte Trst GEMNT 201		2	1FE	770,391	100.7750	755,813	750,000	755 , 153		(11,255)			2.210	0.700	MON	737	16,575	08/18/2011	06/15/2016

SCHEDULE D - PART 1

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1	2		Codes	6	7		Value	10	11		nge in Book / Adjust					Interes		1		ites
CUSIP		3 4 F c r e	= - -	NAIC	Actual	8 Rate Used to Obtain Fair	9 Fair	Par	Book/ Adjusted Carrying	12 Unrealized Valuation Increase/	13 Current Year's (Amortization)/	14 Current Year's Other Than Temporary Impairment	Total Foreign Exchange Change In	16 Rate	17 Effective Rate	18 When	Admitted Amount Due &	Amount Rec. During	21	Stated Contractual Maturity
Identification	Description	Code n		Designation		Value	Value	Value	Value	(Decrease)	Accretion	Recognized	B./A.C.V.	of	of	Paid	Accrued	Year	Acquired	Date
	Huntington Auto Trust HUNT 2012–1 BJCP&L Transition Funding LLC		2	1FE	999,967	101.0980	1,010,980	1,000,000	999,974	(========	7			1.710	1.717	MON		13,158	03/01/2012	08/15/2017
47215B-AD-9	. JCPL 2006-A		2	1FE	1,646,468	122.4080	1,621,906	1,325,000	1,625,255		(21,213)			5.610	2 . 125	MJSD	5,368	37 , 166	06/13/2012	06/05/2023
55263G-CS-7	Hawaii Health #37 Series		2	6*	1,714,942	98.0000	1,668,132	1,702,175	1,668,132	37,208	(3,164)			6.250	5.930	MON	4,728	102,772	12/31/2010	01/15/2015
55263G-DA-5	MBIA CC - T.E. Grantor Trust Series 2002		2	6*	2,074,932	97 . 5000	2,007,998	2,059,486	2,007,998	52,857	(1,370)			5.553	5.131	MON	5,083	106,786	12/31/2010	01/15/2016
55263G-DD-9	Savannah GA Eco Dev Auth Rev Series 2002 MBIA CC - T.E. Grantor Trust		2	6*	7 ,848 ,237	98.5000	7,672,966	7,789,814	7,672,966	164,568	(8,772)			4.990	4.805	MON	17 , 276	383,756	12/31/2010	09/15/2017
55263G-DL-1	Series 2003		2	6*	1,765,139	97 . 2500	1,703,819	1,751,999	1,703,819	46 , 183	(2,383)			5.577	5.298		4,343	95,946	12/31/2010	01/15/2018
55263G-DM-9	Series 2003-D		2	6*	90,329	99.2500	88,985	89,657		2,774	(308)			6.350	5.720	MON	253	4,874	12/31/2010	03/15/2013
578875-AA-4			2	6*	1,753,641	98.0000	1,705,775	1,740,586	1,705,775	53,757	(1,540)			5.225	4.909	MON	4,042	93,389	12/31/2010	05/16/2018
578875-AB-2	Series 2003		2	6*	301,804	99.2500	297 ,310	299,557	297 , 310	6,820	(829)			5.681	5.085	MON	756	10,871	12/31/2010	10/15/2013
578875-AD-8			2	6*	400,336	98.0000	389,408	397 , 355	389,408	8,828	(881)			6.000	5.611	MON	1,060	21,309	12/31/2010	06/15/2014
58768U-AA-1	. Tst MBMOT 201		2	1AM	999,749	99.8540	998,541	1,000,000	999,754		4			0.790	0.800	MON	417		12/04/2012	11/15/2017
65476G-AD-4_	NAROT 2012-B Nordstrom Prv Label CC Mstr		2	1FE	1,499,792	100.2410	1,503,615	1,500,000	1,499,814		23			0.660	0.665	MON	440	3,493	07/31/2012	12/17/2018
65566V - AE - 0	Nt NORD 2011Porsche Innovative Lease		2	1FE	1,249,534	103.3840	1,292,300	1,250,000	1,249,634		91			2.280	2.299	MON	1,267	28,500	11/16/2011	11/15/2019
73328W-AC-5	Owner PILOT 201SLM Student Loan Trust SLMA		2	1FE	499,917	100 . 0280	500 , 140	500,000	499,925		8			0.540	0.549	MON	75	473	10/10/2012	12/21/2015
	2010-B A1Santander Drive Auto Rec		2	1FE	9,242	100 . 1180	9,253	9,242	9,242					2.176	2.186	MON	8	206	07/14/2010	07/15/2016
80282U-AD-6	Trust SDART 201 Santander Drive Auto Rec		2	1FE	1,079,917	100 . 1600	1,081,728	1,080,000	1,079,926		9			1.560	1.568	MON	749	5,616	08/07/2012	08/15/2018
	Trust SDART 201 Santander Drive Auto Rec		2	1FE	999,899	103.5220	1,035,220	1,000,000	999,920		21			3.200	3.225	MON	1,422	23,467	03/14/2012	02/15/2018
	Sierra Receivables Funding Co		2	1FE	1,459,074	100.0030	1,459,117	1,459,074	1,459,074					0.432	0.433	MON	298	2,926	06/26/2012	07/15/2013
82651U-AB-9	SRFC 2012 Sonic Capital LLC SONIC 2011-		2	2AM	775,643	100 . 1860	777 , 144	775,701	775,638		(5)			3.420	3.447	MON	811	11,201	07/11/2012	03/20/2029
	. 1A A2 Volkswagen Auto Lease Trust		2	2AM	547,688	112.0400	613,631	547,688	547,688					5.438	5.500	MON	910	29,784	05/12/2011	05/20/2041
92867E-AC-2.	VWALT 2010-A		2	1FE	183,467	100.0510	183,578	183,484	183,484					0.990	0.997	MON	56	1,816	10/27/2010	11/20/2013
	ALM Loan Funding ALM 2010-3A			1FE	999,734	99.2310	992,310	1,000,000	999,758		24			1.490	1.501	MON	662	6,084	07/11/2012	05/15/2019
00162U-AD-9 03763T-AA-5				1FE6*	1,000,000 940,000	101.6270 89.0000	1,016,270 890,000	1,000,000 1,000,000	1,000,000	(55,642)	5,642			2.812	2.821 1.242	FMAN JAJO	3,280	30,093	04/11/2011 06/14/2012	11/20/2020 07/15/2023
04013M-AD-0	Ares Enhance Loan Inv Strat		₹11	1FE	753,750	103.6890	777,668	750,000	750 , 129		(1,807)			4.317	4.058	JAJ0	6,296	34,020	03/16/2011	10/16/2020
04013M-AG-3	Ares Enhance Loan Inv Strat AELIS 2008-I		<u>-</u> 11	2AM	1,001,250	99.7170	997 , 170	1,000,000	997 , 170	(3,902)	(178)			6.317	6.338	JAJ0	12,284	49,420	02/10/2012	10/16/2020
05616X-AA-0			<u>-</u> 11	1FE	902,209	95.5020	922,119	965,550	923,336		12,407			0.550	1.965	JAJ0	1,106	6,846	05/03/2011	01/18/2021
05616X-AC-6	Babson CLO Ltd/Cayman Islands BABSN 2007 Bluemountain CLO Ltd BLUEM		·11	1FE	1,294,214	96.2100	1,346,851	1,399,907	1,341,305		17 ,867			0.540	2.065	JAJ0	1,574	9,783	08/12/2010	01/28/2021
09624S-AG-0.	2007-3A A1B	l F	= l 1	1FE	1.880.184	96.4000	1.907.390	1.978.620	1.915.315		22.269			0.558	1.751	MJSD	460	14.451	06/03/2011	03/17/2021

SCHEDULE D - PART 1

1	2	<u> </u>	odes	T 6	7	Eair	Value	10	11		mber 31 of Current ange in Book / Adjust		J			Interes	ot .		Da	toc
'	_	3 4		⊢ °	'	8	yaiue 9	10	''	12	13	ed Carrying Value	15	16	17	18	19	20	21	22
QUQID		F o r e i		, was	Astrol	Rate Used to Obtain	Ç	D.	Book/ Adjusted	Unrealized Valuation	Current Year's	Current Year's Other Than Temporary	Total Foreign Exchange Change		Effective		Admitted Amount	Amount Rec.	21	Stated Contractual
CUSIP Identification	Description	Code n	Bond CHAR	NAIC Designatio	Actual n Cost	Fair Value	Fair Value	Par Value	Carrying Value	Increase/ (Decrease)	(Amortization)/ Accretion	Impairment Recognized	In B./A.C.V.	Rate of	Rate of	When Paid	Due & Accrued	During Year	Acquired	Maturity Date
identification	Callidus Debt Partners Fnd	Code II	CHAR	Designatio	II COSI	value	value	value	value	(Decrease)	Accretion	Recognized	B./A.C.V.	UI .	OI .	Faiu	Accided	i eai	Acquired	Date
13124T-AC-4	Ltd CALD 5A A	F.	1	1FE	903,925	96.3870	915,677	950,000	920,984		10,737			0.552	1.753	FMAN	611	6,820	06/01/2011	11/20/2020
26250A-AA-7		F.	1	1FE	1,000,000	100.0830	1,000,830	1,000,000	1,000,000					1.865	1.869	JAJ0	4,041	18,600	03/14/2012	01/15/2022
26250D-AC-7	DRSLF 2012- Galaxy CLO Ltd GALXY 2006-7A	F.	22	1FE	1,400,000	99.6320	1,394,848	1,400,000	1,400,000					1.797	1.801	FMAN	5,312		09/25/2012	11/15/2023
363184-AC-6	BGenesis Funding Ltd GNFL	F.	1	1FE	888,584	92.8240	974,652	1,050,000	938,572		29,267			0.730	4.003	JAJ0	1,661	9,277	04/11/2011	10/13/2018
37184V-AA-9	2006-1A G1	F.	1	1FE	731,611	89.5000	738,487	825 , 126	756,960		11,915			0.450	3.347	MON	134	4,042	04/11/2011	12/19/2032
38136T-AB-9	GOLD5 2007-5A Halcyon Struct Mgmt L/S CLO	F.	1	1FE	1,333,500	95.6000	1,434,000	1,500,000	1,356,907		23,407			1.425	3.655	JAJ0	4,452	18,210	02/24/2012	10/18/2021
i i	HLCLÓ 2007-1Lambda Finance Bv LAMBD 2005-	F.	1	1FE	830,000	91.4530	914,530	1,000,000	859,309		29,309			0.762	4 .435	FMAN	1 , 164	9,319	01/04/2012	08/07/2021
0.0270 715 0	1A C3 Nomura Cre CDO NMCRE 2007-2A	F.	2	1AM	1,456,000	98.5000	1,576,000	1,600,000	1,548,431		56 , 108			0.930	4.554	FMAN	1,943	17,633	04/11/2011	11/15/2029
	A1A NYLIM Flatiron CLO Ltd/Cayman	F.	1	1AM	968,796	85.4540	1,061,378	1,242,046	1,060,923		43,788			0.562	6.247	FMAN	794	9,071	04/11/2011	05/21/2042
	NYLIM 2005 Race Point CLO Ltd RACEP	J	1	1FE	554,561	97 .0450	630,793	650,000	606,220		35,540			<u>0</u> .710	5.967	FMAN	628	5,758	04/11/2011	08/10/2017
	2012-7A INC Santander Drive Auto Rec		2	6*	955,000	97.0000	970,000	1,000,000	955,793		793			0.040	0.554	FMAN	4 004	44.000	10/26/2012	11/08/2024
	Trust SDART 201			1FE	1,999,713	100.6300	2,012,600	2,000,000	1,999,952		73			2.240	2.256	MON	1,991	44,800	08/19/2010	12/15/2014
	Bonds - Industrial and Miscella Loan-Backed and Structured Se	ecuritiès		,	88,489,150	XXX	89,885,257	87,565,277	87,884,723	356,384	(111,313)	0	0	XXX	XXX	ХХХ	334,261	2,535,810	XXX	XXX
	Bonds - Industrial and Miscella - Industrial and Miscellaneou	us (Unaffi) - Subtotais	572,222,790	XXX	581,375,377	560,179,634	570,059,573	(40,822)	(1,191,737)	0	0	XXX	XXX	ХХХ	4,149,214	10,493,278	XXX	XXX
borius - nybr	id Securities – Issuer Obligat Allstate Corp ALL 6 1/2	TORIS		1	1						1		l I		1					
020002-AU-5	05/15/67American International Group	ļ	1	2FE	744,604	105.8060	740,626	699,993	744,399		(217)			6.500	6.001	MN	5,814	22,750	08/14/2012	05/15/2067
026874-BS-5	AIG 8.175 0 Enterprise Products Operating		1	2FE	655,875	129.8210	714,016	550,000	655,365		(510)			8.175	6 . 608	MN	5,745	22,481	08/14/2012	05/15/2058
293791-AW-9	EPD 7.034	ļ	11	3FE	522,500	114.0000	570,000	500,000	517 , 162		(2,820)			7.034	6.230	JJ	16,217	35 , 178	01/13/2011	01/15/2068
369622-SP-1	GE 0 12/15JPMorgan Chase & Co JPM 7.9	ļ	1	2FE	1,310,000	108.4840	1,410,292	1,300,000	1,309,670		(330)			6.250	6 . 149	JD	3,611	31,146	07/26/2012	12/15/2049
	04/29/49 MetLife Inc MET 6.4 12/15/36		1 1	2FE2FE	568,750 1,387,500	113 .6010 107 .2090	568,005 1,608,135	500,000 1,500,000	568,750 1,391,547		1,711			7.900 6.400	6 .945 7 .028	AO JD	6,693 4,267	96,000	12/21/2012 08/18/2010	01/01/9999 12/15/2036
744320-AL-6			1	2FE	303,000	104.8710	314,613	300,000	302,920		(80)			5.875	5.742	MS	6,952		08/06/2012	09/15/2042
96122B-AA-4	Westpac Capital Trust III WSTP 0 09/30/2	ļ	1	2FE	1,002,500	100 . 7140	1,007,140	1,000,000	1,000,698	27 ,500	(891)			5.819	5.722	MS	14,709	58,190	11/01/2010	09/30/2049
40427L-AB-0	HSBC Capital Funding LP HSBC 0 12/29/49	F.	1	2FE	1,776,875	140 . 1790	1,927,461	1,375,000	1 ,756 ,390	57 , 238	(10,509)			10 . 176	7 .335	JD	389	139,920	09/13/2011	12/29/2049
40429Q-20-0	HSBC Capital Funding LP HSBC 4.61 12/29/Societe Generale SA SOCGEN 0	JF.	11	2FE	372,400	99.8100	379,279	380,000	372,520	23,040	79			<u>4</u> .610	4.723	JD	195	17,518	06/08/2011	12/29/2049
	12/29/49 Bonds - Hybrid Securities - Iss	F.	11	3FE	2,070,000	57 .0920 XXX	1,712,760 10.952.327	3,000,000	1,712,760 10,332,181	292,669 400.447	23,198 9,631	Λ	0	1.103	2.251 XXX	JAJO	8,061 72,653	37 , 256	06/17/2011 XXX	12/29/2049 XXX
	id Securities – Residential Mo			tioc	10,714,004		10,502,021	11,104,333	10,002,101	400,447	ا 3,031	U	U	۸۸۸	۸۸۸	۸۸۸	12,000	400,439	۸۸۸	^^^
, , ,	id Securities - Residential Mor	- 0 - 0																		
, , , ,	id Securities - Other Loan-Bac																			
	Bonds - Hybrid Securities - Sub				10.714.004	XXX	10,952,327	11,104,993	10,332,181	400.447	9,631	0	0	XXX	XXX	XXX	72,653	460,439	XXX	XXX
	nt, Subsidiaries and Affiliate				, ,		,502,021	,,	,.02,.01	100, 111	3,301	Ů	,				. 2,000	,		
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Bonds - Parent, Substitutines and Affiliates - Issuer Obligations

Bonds - Parent, Subsidiaries and Affiliates - Residential Mortgage-Backed Securities

Showing A	III Long.	Tarm R	ONDS	Owned	December	31 of	Current Year	

								Showing All L	.ong-Term BO l		ember 31 of Current									
1	2	С	odes	6	7	Fair	Value	10	11	Ch	ange in Book / Adjust	ted Carrying Value				Intere	st		Da	ites
		3 4 F o				8	9			12	13	14 Current Year's Other	15 Total Foreign	16	17	18	19	20	21	22
CUSIP		e i g	Bond	NAIC	Actual	Rate Used to Obtain Fair	Fair	Par	Book/ Adjusted Carrying	Unrealized Valuation Increase/	Current Year's (Amortization)/	Than Temporary Impairment	Exchange Change In	Rate	Effective Rate	When	Admitted Amount Due &	Amount Rec. During		Stated Contractual Maturity
Identification	Description	Code n	CHAR	Designation	Cost	Value	Value	Value	Value	(Decrease)	Accretion	Recognized	B./A.C.V.	of	of	Paid	Accrued	Year	Acquired	Date
Pondo Doront	Subsidiaries and Affiliate	o Othor	Loon Pooko	d and Ctruatu	rad Conurition															
	ds - Total Bonds - Subtotal				1,883,115,195	XXX	1 065 05/ 336	1,799,136,252	1 875 188 081	596,392	(5,380,451)	0	0	XXX	XXX	XXX	19,137,876	55 801 950	XXX	I XXX
	ds - Total Bonds - Subtotal				1,000,110,100	AAA	1,300,334,330	1,733,130,232	1,070,100,301	330,332	(0,000,401)	0	U	AAA	AAA	7///	13, 137,070	33,001,330	AAA	AAA
Se	ecurities				899,087,849	XXX	913,354,198	849,356,790	898, 155, 560	(316,880)	(516,817)	0	0	XXX	XXX	XXX	2,888,895	18,252,448	XXX	XXX
	ds - Total Bonds - Subtotal	s - Commer	cial Mortga	ige-Backed	00 070 045	VVV	00 004 400	40 040 040	00 000 044	(050, 000)	(000, 000)			VVV	VVV	VVV	00.450	4 070 074	VVV	VVV
	ecurities ds – Total Bonds – Subtotal	o Othor	Loon Pookoo	Land	20,676,215	XXX	20,604,436	18,842,243	20,086,914	(259,208)	(303,392)	0	0	XXX	XXX	XXX	99,159	1,073,271	XXX	XXX
	tructured Securities	5 - Utilet	LUaii-Dacket	I dilu	89,633,315	XXX	91,181,642	88,715,277	89,026,546	356,384	(112,627)	0	0	XXX	XXX	XXX	339,824	2,602,560	XXX	XXX
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8399999 Sub	ototals - Total Bonds				2,892,512,574	XXX	2,991,094,612	2,756,050,562	2,882,458,001	376,688	(6,313,287)	0	0	XXX	XXX	XXX	22,465,754	77.730.229	XXX	XXX

SCHEDULE D - PART 2 - SECTION 1 Showing All PREFERRED STOCKS Owned December 31 of Current Year

	_	_					_				OCKS OWIE		of Current Year	Change in Book/Adjusted Carrying Value						
1	2	Cod		5	6	7	8	Fair \		11		Dividends							20	21
CUSIP		3	4	Number Of	Par Value Per	Rate Per	Book/ Adjusted Carrying	9 Rate Per Share Used to Obtain Fair	10 Fair	Actual	12 Declared but	Amount Received During	14 Nonadmitted Declared But	15 Unrealized Valuation Increase/	Current Year's (Amortization)	17 Current Year's Other Than Temporary Impairment	18 Total Change In B./A.C.V.	19 Total Foreign Exchange Change In	NAIC Desig-	Date
Identification	Description	Code	Foreign	Shares	Share	Share	Value	Value	Value	Cost	Unpaid	Year	Unpaid	(Decrease)	Accretion	Recognized	(15+16-17)	B./A.C.V.	nation	Acquired
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8999999 Total	Preferred Stocks						0	XXX	0	0	0	0	0	0	0	0	0	0	XXX	XXX

SCHEDULE D - PART 2 - SECTION 2 Showing all COMMON STOCKS Owned December 31 of Current Year

									Wiled December	31 of Current Year							
1	2	Co	odes	5	6	Fair Va	alue	9		Dividends			Change in Book/Adjusted Carrying Value			17	18
		3	4			7	8	[10	11	12	13	14	15	16]	
	·					Rate per							Current Year's		T		
						Share Used						Unrealized	Other Than	Total	Total Foreign	NAIC	
CUSIP				Number of	Book / Adjusted Carrying	To Obtain Fair	Fair	Actual	Declared	Amount Received	Nonadmitted Declared	Valuation Increase/	Temporary Impairment	Change in B./A.C.V.	Exchange Change in	Market Indicator	Date
Identification	Description	Code	Foreign	Shares	Value	Value	Value	Cost	but Unpaid	During Year	But Unpaid	(Decrease)	Recognized	(13-14)	B./A.C.V.	(a)	Acquired
	liscellaneous (Unaffiliated)	Couc	rorcigir	Onaics	value	value	value	0031	but Oripaid	During I car	Dut Oripaid	(Decrease)	recognized	(10-14)	D./A.O.V.	(α)	Acquired
	aries, and Affiliates																
Mutual Funds																	
57887*-10-8!	MBIA Core Bond Fund			6,005,011.000	80,649,280 39,425,356 48,222,172	13 . 430 14 . 470	80,649,280 39,425,356 48,222,172	70,921,739 34,369,894				4,871,403 3,258,649		4,871,403			04/11/2011
57887*-11-6	MBIA Core Plus Fund			2,724,550.000 2,780,554.000	39,425,356	14.470	39,425,356	34,369,894				3,258,649		3,258,649			04/11/2011
0200000 Mutu	MBIA HIGH YIEIG FUNG			2,780,554.000	168,296,808	17.343 XXX	168,296,808	146,151,283	Λ	Λ	Λ	6,315,526 14,445,578	Λ	6,315,526 14,445,578	Λ	XXX	XXX
Money Market Mutu	al Funds				100,290,000	۸۸۸	100,290,000	140, 131,203	U	U	U	14,440,070	U	14,440,070	U	۸۸۸	۸۸۸
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	al Common Stocks				168,296,808	XXX	168,296,808	146,151,283	0	0	0	14,445,578	0	14,445,578	0	XXX	XXX
9899999 Tota	al Preferred and Common Stocks				168,296,808	XXX	168,296,808	146,151,283	0	0	0	14,445,578	0	14,445,578	0	XXX	XXX

(a) For all common stocks bearing the NAIC market indicator "U" provide: the number of such issues .. , the total \$ value (included in Column 8) of all such issues \$

Showing All Long-Term Bonds and Stocks ACQUIRED During Current Year	
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			Showing All Long-Term Bonds and Stocks ACQUIRED During C	current Year			
1	2	3 4	5	6	7	8	9
CUSIP				Number of	Actual		Paid for Accrued
Identification	Description	Foreign Date Acquired	Name of Vendor	Shares of Stock	Cost	Par Value	Interest and Dividends
Bonds - U.S. Government	ts Ginnie Mae I Pool GNSF TBA	12/10/2012	Nexious	XXX	3,255,234	3,000,000	C 10
	Ginnie Mae I Pool GNSF TBA	12/04/2012	Various Salomon SmBarney (Citigroup)	XXX		1,000,000	
	Binnie Mae I Pool GNSF AA5735.	11/28/2012	Salomon SmBarney (Citigroup)	XXX	45,112,682	41 293 073	
36179M-AG-5.	Ginnie Mae II Pool G2SF MA0007	11/20/2012	Nomura Securities Intl Inc.	XXX	19,944,551		38,929
36179M-QP-8G	Ginnie Mae II Pool G2SF MAO462	11/19/2012	Salomon SmBarney (Citigroup)	XXX	25,983,706	23,875,911	51,068
	Ginnie Mae II Pool G2SF 4496		Nomura Securitiés`IntlĭInc	XXX	413,533	371,715	
36202F-DW-3 G	Ginnie Mae II Pool G2SF 4617	02/16/2012	Nomura Securities Intl Inc	XXX	903,583	824,014	2,060
36202F - LN - 4 G	Sinnie Mae II Pool G2SF 4833.	11/28/2012	BNP Paribas/NY	XXX.	12,900,619	11,774,666	24,85
	Ginnie Mae Pool GNSF 470009	11/28/2012	Nomura Securities Intl Inc.	XXX	10,641,928	9,472,648	19,998
	Sinnie Mae Pool GNSF 737790	03/02/2012	Wachovia-Wells Fargo Sec.	XXX	739,041	683,111	1,366
38378G-JX-7 G 912810-QU-5	Government National Mtg Assoc GNR 2012-1 United States Treasury T 3 1/8 02/15/42	12/04/2012 	Salomon SmBarney (Citigroup)	XXX	1,338,180 1,420,330	1,302,810 1,275,000	434
912810-QW-1U	United States Treasury T 3 176 02/15/42	10/.19/.2012	Various	XXX	1,666,469	1,595,000	
912810-01-9	Inited States Treasury T 2 75 08/15/42	12/21/2012	Various	XXX	1,,000,403	14,830,000	123,39
912810-QY-7	IS Treasury T 2.75 11/15/42	12/14/2012	Various	XXX	698,288	715,000	1,847
912828-NC-0U	United States Treasury T 1 3/8 05/15/13	04/18/2012	Banc of America Securities LLC	XXX	14,173,906	14,000,000	
912828-TM-2U	United States Treasury T .625 08/31/17	11/13/2012	BNP Paribas/NY	XXX		835,000	1,08
912828-TS-9U	United States Treasury T .625 09/30/17	10/.17/2012	Various	XXX	51,907,376	52,235,000	19,309
912828-TW-0U	United States Treasury T .75 10/31/17	11/20/2012	Various	XXX	51,326,713	51,390,000	749
912828 - TY - 6 U	United States Treasury T 1.625 11/15/22	12/11/2012	Various	XXX	32,791,745	32,945,000	20 , 194
912828-UA-6U	United States Treasury T .625 11/30/17.	12/17/2012	Various	XXX	5,486,420	5,500,000	1,650 35,790
912828-UB-4U	United States Treasury T 1.0 11/30/19	12/21/2012	Various	XXXXXX	57,299,076 917,413	57,905,000	
912828-UC-2U 0599999 - Bonds - U.S	United States Treasury T .25 12/15/15	12/.17./2012	Morgan Stanley & Co., Inc			920,000	
Bonds - All Other Gover					355,475,722	346,429,103	540,607
	Korea Development Bank KDB 8 01/23/14	F02/03/2012	Morgan Stanley & Co., Inc	XXX	717,451	650,000	2.167
1099999 - Bonds - Al		F	morgan stanley & co., inc		717.451	650,000	2,167
	erritories and Possessions (Direct and Guaranteed)				717,431	030,000	2,107
	Commonwealth of Massachusetts Municipals	10/19/2012	Barclays Capital	XXX	28,423,500	25,000,000	417,083
	State of Mississippi General Obligation	07/25/2012	Morgan Stanley & Co., Inc.	XXX	1,000,000	1,000,000	
649791-CK-4	State of New York Municipal	10/26/2012	Salomon SmBarney (Citigroup)	XXX	11.177.775	9,610,000	68.354
68608K-ZS-0 S	State of Oregon General Obligation	10/26/2012	Salomon SmBarney (Citigroup)	XXX	5,830,400	5,000,000	54,513
76222N-KZ-3 S	State of Rhode Island General Obligation	04/24/2012	Janney Montgomery Scott Inc.	XXX	1,224,670	1,000,000	,
882722-X2-2 S	State of Texas General Obligation.	02/,07/,2012	Conversion	XXX	1 ,021 , 135	975,000	813
882722-Y5-4S	State of Texas_General Obligation	02/07/2012	Conversion	XXXXXX	4,215,455	4,025,000	
	State of Utah Build America Bonds.	11/28/2012	Various	XXX	9,338,224	7,830,000	150,555
	S. States, Territories and Possessions (Direct and Guara				62,231,159	54,440,000	694,672
Bonds - U.S. Political	Subdivisions of States, Territories and Possessions (D			WW	0.770.000	0.770.000	
05914F -ME -7 C	County of Baltimore MD General ObligatioCounty of Baltimore MD General Obligatio	11/28/2012	J.P. Morgan Chase & Co	XXXXXX	3,770,000 1,670,000	3,770,000 1,670,000	
05914F - MG - 2	County of Baltimore MD General Obligatio	11/28/2012 11/28/2012	J.P. Morgan Chase & Co		2,940,000	2,940,000	
100853-PR-5	City of Boston MA General Obligation	12/27/2012	J.P. Morgan Chase & Co.		601,722	470,000	5.940
194740-BZ-8	Collin Cnty TX General Obligation-Preref		Conversion	XXX	676,073		12,650
194740-CJ-3	Collin Cnty TX General Obligation-Unrefu	07/03/2012	Conversion	XXX	589,003		11.02
249174-RK-1	Denver CO City & Cnty Sch Dist School Di	12/05/2012	Stifel-Hanifen Stifel,Nicolaus.	XXX	5,000,000	5,000,000	
414005-RK-6H	Harris Cnty TX General Obligation	11/,14/,2012	Depfa 1st Alb-Jefferies(Persh)	XXX	2,818,675	2,500,000	
414005-RP-5	Harris Cntv TX General Obligation	11/.14/.2012	Depfa 1st Alb-Jefferies(Persh)	XXX	3,639,280	3, 175,000	
414005 - RW - 0 H	Harris Cnty TX General Obligation Harris Cnty TX General Obligation	11/.14/.2012	Depfa 1st Alb-Jefferies(Persh)	XXX	2,000,000	2,000,000	
414005-SB-5 H	Harris Chty IX General Obligation	11/14/2012	Depfa 1st Alb-Jefferies(Persh)	XXX	1,000,000	1,000,000	
	City & County of Honolulu HĬ General Obl	10/26/2012	Merrill Lynch	XXXXXX	8,500,000	8,500,000	
438670-Q3-8 C	City & County of Honolulu HI General Obl City & County of Honolulu HI General Obl	10/26/2012 10/26/2012	Merrill LynchMerrill Lynch	XXX			
438670-Q7-9	City & County of Honolulu HI General Obl	10/26/2012	Merrill Lynch	XXX	2,000,000	2,000,000	
799017-KR-8S	San Mateo Union High Sch Dist School Dis.	10/25/2012	Stifel-Hanifen Stifel, Nicolaus.	XXX	2,000,000	2,000,000	
	San Mateo Union High Sch Dist School Dis	10/25/2012	Stifel-Hanifen Stifel Nicolaus	XXX	1,000,000	1.000.000	
	S. Political Subdivisions of States, Territories and Pos				53,204,753	52,260,000	29,611
	evenue and Special Assessment and all Non-Guaranteed Ob		of Governments and Their Political Subdivisions	<u> </u>	,,	. ,,	
01F022-41-0 F	annie Mae Pool FNCI TBA	12/18/2012	Various	XXX	3,469,760	3,325,000	3,694
	annie Mae Pool FNCI TBA	12/10/2012	Salomon SmBarnev (Citigroup)	XXX	658.789	625,000	833

				owing All Long-Term Bonds and Stocks ACQUIRED During Current	Year			
1	2	3	4	5	6	7	8	9
CUSIP					Niverbanaf	Astront		Daid for Assured
Identification	Description	Foreign	Date Acquired	Name of Vendor	Number of Shares of Stock	Actual Cost	Par Value	Paid for Accrued Interest and Dividends
01F030-61-1	Fannie Mae Pool FNCL TBA	Foreign	12/.07/.2012	Deutsche Bank	Shares of Stock	4,036,484	3,850,000	
01F032-61-7	Fannie Mae Pool FNCL TBA			Various	XXX	7,645,584	7,170,000	9,062
01F040-61-0	Fannie Mae Pool FNCL TBA		12/07/2012	BNP Paribas/NY	XXX	2,965,631	2,770,000	4,001
074876-HH-9	Beaver County Indust Dev Auth Developmen.		Ω9/.12/2012	Morgan Stanley & Co., Inc.	XXX	1,000,000	1,000,000	
13066K - W8 - 8	California St Dept Wtr Resour Water			J.P. Morgan Chase & Co	XXX	5,009,600	5,000,000	
207728-CM-6	Connecticut State Dev Auth Development		03/28/2012	Morgan Stanley & Co., Inc	XXX	1,000,000	1,000,000	
303823-KQ-0 3128E6-AF-4	Fairfax Cnty VA Indl Dev Auth Medical Freddie Mac Gold Pool FGTW D99006			Morgan Stanleý & Co., Inc	XXXXXX	1,488,450	1,250,000 10,449,611	
3128E6-AF-4 3128M7-AZ-9	Freddie Mac Gold Pool FGGW D99006 Freddie Mac Gold Pool FGGO G05124			Nomura Securities Intl Inc	XXX	11,213,739 1,756,814	10,449,611	13 , 207 5 , 066
3128M7 - XY - 7	Freddie Mac Gold Pool FGGO G05724	-	11/.26/.2012	BNY Capital Markets. LLC	XXX	26,642,061	23.984.976	5 990
3128M9-JV-5	Freddie Mac Gold Pool FG G07176.		11/02/2012	Wachovia-Wells Fargo Sec	XXX	2,552,000	2,392,033	5,996 3,023
3128MJ -MK -3.	Freddie Mac Gold Pool FGLMC G08361		02/07/2012	Banc of America Securities LLC.	XXX	1,524,671	1,432,246	2,148
3128UH-JA-4	Freddie Mac Non Gold Pool FHARM 188906		03/.16/2012	Oppenheimer.	XXX	453,432	433,777	816
31292R-7M-8.	Freddie Mac Gold Pool FGLMC CO9000		07/09/2012	Nomura Securities Intl Inc.	XXX	13,061,983	12,384,695	
31300L - VP - 7	Freddie Mac Non Gold Pool FH 848722	-		Oppenheimer	XXX	1,182,656	1,123,497	2,319
3136A7 - DM - 1	Fannie Mae Remics FNR 2012-68 DC.		08/.24/.2012	Nomura Securities Intl Inc	XXX	1,025,176	967,717	2,258
3136G0-B5-9	Federal National Mortgage Assc FNMA 0 09		09/18/2012	BB&T (Clearview)	XXX	1,100,000	1,100,000	
3137AM-TY-3 3138A4-A2-1	Freddie Mac Remics FHR 4010 NA		03/16/2012 11/02/2012	Morgan Stanley & Co., Inc	XXXXXX	2,932,502 12,912,638	2,727,612	
3138AW-NM-1	Fannie Mae Pool FNCL AJ4895		08/02/2012	J.P. Morgan Chase & Co. Banc of America Securities LLC.	XXX	20,833,214	12,016,996	
3138E2-FK-6.	Fannie Mae Pool FNCL AJ4035		01/26/2012	Nomura Securities Intl Inc	XXX	972,787	919,349	1,226
3138E2-MD-4	Fannie Mae Pool FNCI AJ9355		01/26/2012	Wachovia-Wells Fargo Sec.	XXX	676,495	650.085	813
3138EG-SD-7	Fannie Mae Pool FNCL AL0515		11/08/2012	Nomura Securities Intl Inc.	XXX	910,882 [778,947	1,558
3138EH-AX-0	Fannie Mae Pool FNCL AL0921		11/29/2012	J.P. Morgan Chase & Co	XXX	7 ,553 , 133	6,997,691	9,622
3138EJ-HL-5	Fannie Mae Pool FNCL AL2034.			Morgan Stanley & Co., Inc	XXX	18,622,016	17,231,389	
3138EJ-VH-8	Fannie Mae Pool FNCL AL2415.		10/23/2012	Deutsche Bank	XXX	41,380,095	38,860,250	49,115
3138LY-RN-9	Fannie Mae Pool FNCL A07692			Barclays Capital	XXXXXX	26,205,525	24,707,626	28,826
3138M1-3S-5 3138MH-LF-8	Fannie Mae Pool FNCL A09808 Fannie Mae Pool FNCL A02125			J.P. Mórgan Chase & Co	XXX	26,492,106 19,837,188	24,722,875 18,900,998	26 , 440 20 , 476
3138MK-PM-2	Fannie Mae Pool FNCT AQ4027		10/25/2012	DNV Conital Markets IIC	XXX			20,476
31398V-J9-8	FHLMC Multifamily Struc PT FHMS K006 A2		Ω7./20./2012	Credit Suisse First Boston LLC.	XXX	1,883,096	1,625,000	4,605
31410L-H5-4	Fannie Mae Pool FNCI 890452		10/25/2012	Wachovia-Wells Fargo Sec	XXX	48,051,866	45, 152, 245	67,728
31417A-TW-9	Fannie Mae Pool FNCT AB4164		11/20/2012	RNY Capital Markets IIC	XXX	19,005,003	17 863 419	19,104
31417B-F4-4	Fannie Mae Pool FNCL AB4686.		10/23/2012	G.X. Clarke & Company BNY Capital Markets, LLC.	XXX	7 ,562 ,620	7,074,067	
31417C-3C-7	Fannie Mae Pool FNCI AB6194.		11/.20/.2012	BNY Capital Markets, LLC	XXX	31,315,263	29,888,552	51,890
31417C-T4-7	Fannie Mae Pool FNCI AB5970.			Wachovia-Wells Fargo Sec	XXX	1,507,410	1,420,201	1,775
31419A -N5 -2	Fannie Mae Pool FNCL AE0411		09/.27/.2012	Greenwich Capital-RBS	XXX	2,557,024	2,305,572	288
31419A-VD-6 31419A-VZ-7	Fannie Mae Pool FNCL AE0611 Fannie Mae Pool FNCL AE0631		11/29/2012 09/20/2012	Salomon SmBarney (Citigroup) G.X. Clarke & Company.	XXXXXX	19,798,076 215,817	17,836,105 195,919	27 , 250 245
31419E-5A-3	Fannie Mae Pool FNCL AE0031		10/.26/.2012	J.P. Morgan Chase & Co	XXX	30,845,647	28,727,028	95,757
462467 -NU-1	lowa Finance Authority Single Family Hsg.		12/13/2012	RBC Dain Rauscher Inc.	XXX	2.803.591	2.803.591	
46246S-AE-5	lowa St Fin Auth Midwstrn Disaster Area			Salomon SmBarney (Citigroup)	XXX	500,000	500,000	1,979
46613P-R4-0	JEA Water & Sewer Svs Rev Utilities.		07/19/2012	Denfa 1st Alh-lefferies(Persh)	XXX	497,420	500,000	
542690-Z7-0	Long Island Power Auth Utilities		07./.17./2012	Morgan Stanley & Co., Inc.	XXX	1,096,279	1,000,000	167 172,054
59259Y-GE-3	Metropolitan Transn Auth NY Build Americ.		04/05/2012	Morgan Stanley & Co., Inc.	XXX	7,658,595	6,300,000	172,054
64579F - 2P - 7 645918 - S2 - 0.	New Jersey Flith Care Fac Fin Medical		11/29/2012	J.P. Morgan Chase & Co	XXXXXX	1,183,260	1,000,000	
645918-S2-0 64971Q-GW-7	New Jersey Econ Dev Authority General NYC Trans Fin Ftr Tax Sec Rev General		09/19/2012 10/19/2012	RBC Dain Rauscher Inc. J.P. Morgan Chase & Co.	XXX	500,000 4,285,480	500,000 4,000,000	
64971Q-TW-3	NYC Trans Fin Fir Tax Sec Rev General		11/20/2012	J.P. worgan chase & co	XXX		7 ,000 ,000	
649710-YW-7	NYC Trans Fin Ftr Tax Sec Rev General - P			Conversion	XXX	8,704,959	8,705,000	
64971Q-YZ-0	NYC Trans Fin Ftr Tax Sec Rev General - U.		09/11/2012	Conversion	XXX	1,294,994	1,295,000	
64986A -U8 -2	New York St Environmit L Fac Corp Water		05/.17/.2012	Morgan Stanley & Co. Inc.	XXX	693,682	550,000	
64990E-FE-2	New York State Dormitory Auth Higher Edu.		07./23/2012	J.P. Morgan Chase & Co	XXX	1,194,900	1,000,000	
658203-U7-7	North Carolina Mun Pr Agency Power		11/30/2012	Merrill Lynch	XXX	1,000,000	1,000,000	
658203-U8-5	North Carolina Mun Pr Agency Power.		11/30/2012	Merrill Lynch	XXX	1,300,000	1,300,000	
658203-U9-3 709223-2R-1	North Carolina Mun Pr Agency Power Pennsylvania Turnpike Comm Transportatio.		11/30/2012	Merrill Lýnch Loop Capital Mkts (Ridge CI)	XXXXXX	1,040,000	1,040,000	
74529J-NX-9	Pennsylvania Turnpike Comm Transportatio Puerto Rico Sales Tax Fin Corp General		07/18/2012 03/26/2012	Loop Capital MKTS (Ridge CI)	XXX	1,131,860 782,652	1,000,000	3.80
796253-Z7-0	City of San Antonio TX Utilities.		03/20/2012	J.P. Morgan Chase & Co.	XXX		2.695.000	J
796253-Z9-6	City of San Antonio TX Utilities.			Merrill Lynch	XXX	1,209,820	1,000,000	
837152-SL-2	S Carolina Transprtn Infras Bk Transport		10/.10/2012	Merrill Lynch.	XXX	1,460,388	1,200,000	1.16
880591-EP-3	Tennessee Valley Authority TVA 3.5 12/15.			Morgan Stanley & Co., Inc.	XXX	755,579		

SCHEDULE D - PART 3

2004-0-0-1 Try file Security Alph Interfaces Alph Interf				Sh	nowing All Long-Term Bonds and Stocks ACQUIRED During Current Year				
	1	2	3	4	5	6	7	8	9
Description Description		December 2	-	Data Assatisad	No. 11 CV and a			D. W.L.	
Section Company Comp			Foreign						Interest and Dividends
Section Sect		Trustees of Dartmouth College DARMTH 4.0						385 000	
1977 1.5 Companies 100	91412G-HA-6			02/22/2012			7.000.000		
Control Cont	927781-117-5	Virginia College Building Auth Build Ame		01/26/2012			9 854 835	8,960,000	190 , 400
Control Cont	92818A-XN-1	Virginia Resources Auth Ünrefunded– Wate		08/16/2012			482,983		7,000
				08/16/2012	Conversion				92,531
1.58 Section 1.58									
State Total Part Water Water Water State						XXX			4 050 005
APR Test 72 (80) 500			ouaranteed Obilgatio	ons of Agencies and i	AUTHORITIES OF GOVERNMENTS and THEIR POLITICAL SUDDIVISIONS		530,517,135	490,977,792	1,258,095
2006-6-2-1 All Purits Received for Treat Aug. 2016-1 5011-2012 5011-20	00000 - IIIUUSTITAT A			01/21/2012	Doutscho Ponk	VVV	£ 102 900	5 000 000	EE 000
DESTRUCT-OF New York Control (1987) 1 1 1 1 1 1 1 1 1	0200K-A1-0			05/11/2012	Rarclays Canital		1 035 547		91
Control April Contro	025815-AA-9	American Express Centurion Bk AXP 875 1		11/08/2012	Goldman Sachs				
Oxystic-07 Merican infernations (from 46 2-35 a.	025816-AX-7	American Express Co AXP 6 15 08/28/17	•	01/03/2012	Goldman Sachs		335.774	290.000	6.341
2001-06-3	026874-CV-7	American International Group AIG 2.375 0		08/20/2012	Salomon SmBarney (Citigroup)		249,770	250,000	
OSSET-4-0-1 Armosov-Sends (ricky for false) ARES 37. OST 11/12/12 Duticyle Bell. OSS 17. OST 1	03061U-AE-3	Americredit Auto Rec Trust AMCAR 2012-3		06/19/2012	J.P. Morgan Chase & Co		999,943	1,000,000	
Obtain-1-4 - Express Strate Bolding Ca ERR 2-66 (P)		Anheuser-Busch InBev Worldwide ABIBB 2.5		10/26/2012	Salomon SmBarney (Citigroup)				72,917
OSSIGN-24-0-1 SW Yell-Fel Case Frest Berli 2012-1 Af		Anneuser-Busch InBev Worldwide ABIBB 3.7			Deutsche Bank		569,779	575,000	
OSSIGN-24-0-1 SW Yell-Fel Case Frest Berli 2012-1 Af		PR Capital Markata DLC PRIN 2 5 11/06/22	Ē	11/01/2012	FIRST Tennessee Sec - BT				4,618
08055-07-6 San of Merica Corp BML 5 / 30 10 10 10 10 10 10 10 10 10 10 10 10 10	05575R_AD_1	RMW Vahicle Lease Trust RMWLT 2012-1 M		04/18/2012					
0006-00-15 Sant of America Corp Biol 5 475 (2017-142 1772/2012 Barc of America Securities LLD 300, 2 202 880 1,726, 000 17-75, 000	060505-DP-6	Bank of America Corn BAC 5 3/4 12/01/17		08/21/2012					6 628
0006-00-15 Sant of America Corp Biol 5 475 (2017-142 1772/2012 Barc of America Securities LLD 300, 2 202 880 1,726, 000 17-75, 000	06051G-FF-5	Bank of America Corp BAC 5 7/8 01/05/21	•	09/11/2012	Nomura Securities Intl Inc		850.637	740.000	8.333
68888-86-7 Spring North Merica Fin LLD 48005 5.7 6901/22912 Springs Capital XXX 890.80 775 000 13 130	06051G-EN-5	Bank of America Corp BAC 5 .875 02/07/42		07./27./2012	Banc of America Securities LLC	XXX	2,002,880	1,725,000	47,514
07302-PR-3 Son Steams Cost LC PR 6 4 10/02/17 0.009/2012 Binor d'America Socuri I i es LLC XXX 7.0 (e1) 610 (0.00) 1.084 (0	06849R-AG-7	Barrick North America Fin LLC ABXCN 5.7		09/.12/.2012	Barclays Capital		890 . 188	775,000	13 130
2018-34-5		Bear Stearns Comm Mtg Sec BSCMS 2006-T24							4,077
2018-34-5	073902-PR-3	Bear Stearns Cos LLC JPM 6.4 10/02/17		10/09/2012	Banc of America Securities LLC		739 , 161	610,000	1,084
2018-34-5	084664-B1-7	Berkshire Hathaway Finance Cor BKK 3.0 0	***************************************	10/16/2012	J.P. Morgan Chase & Co				128,333
13068-84-4 Cal fornia Republic Auto Robol CNART 201 111/12/2012 111/12/2012 2		CDS Auto Trust CDS 2012 A A		05/22/2012			940,005 [300
14312"AF-8 Gareax Auto Owner Trust CARRIX 2010-3 C 56524/2012 Banc of America Securities LLC XXX 1,018,242 1,000,000 1,1079 1,431340-6 Carraw Auto Owner Trust CARRIX 2010-1 M 12/20/2012 Bent sche Bank XXX 5,000,005 5,000,000 387 3498.843 3498.44-6 Carraw Auto Receivables Frust CARRED 1.6 T 1,12/20/2012 Bent sche Bank XXX 5,000,005 5,000,000 7,089 419184-6-6 Carraw			•••••	11/02/2012					
44315-40-8 Carmax Auto Quent Trust CARMAX 2010-1 AL 122(2)(2) Deutsche Bank. XXX 506 (505 500,000 367 3398,833 349(98-49-0. Carmox Auto Receivables Trust CARMAX 2012 04,530(2)(2) Carmorich Capital -RBS XXX 39,877 3398,833 349(98-49-6. Carbol ic Health Initiatives CARMED 1.9 55 50,002,520(2)(2) Various. XXX 9,573,806 9,500,000 7,090 349(98-49-6. Carbol ic Health Initiatives CARMED 2.95 50,002,520(2)(2) Various. XXX 3,500 7,000 0,000 1,607(4-48-6. Carbol ic Health Initiatives CARMED 2.95 50,002,520(2)(2) Various. XXX 3,500 0,000 5,000 0,000 1,725(2)(2) XXX 3,500 0,000 1,500 0,000 1,725(2)(2) XXX 3,500 0,000 1,500 0,000 1,725(2)(2) XXX 3,500 0,000 1,500 0,000 1,725(2)(2) XXX 3,500 0,000 1,500 0,000 1,725(2)(2) XXX 3,500 0,000 1,500 0,000 1,725(2)(2) XXX 3,500 0,000 1,500 0,000 1,725(2)(2) XXX 3,500 0,000 1,500 0,000 1,725(2)(2) XXX 3,500 0,000 1,500 0,000 1,725(2)(2) XXX 3,500 0,000 1,500 0,000		Carmax Auto Owner Trust CARMX 2010-3 C	***************************************	05/24/2012	Banc of America Securities IIC		1 018 242		1 079
43680-JA-0. Carrow Auto Receivables Trust CMRR 2012 D43/30/2012 Serenvich Capital - RBS. XXX 398, 887 398, 883 439618-A-0. Cartholic Health Initiatives CAMED 1.6 1.11/26/2012 Jr. Viorius XXX 9.573, 805 9.500,000 7.080 43918-A-8. Catholic Health Initiatives CAMED 2.95 30/25/2012 Jr. Viorius XXX 6.981,300 7.000,000 5.000,000 7.080 7		Carmax Auto Owner Trust CARMAX 2010-1 A4.		12/20/2012					367
14916R-46-0. Cathol ic Health Initial times CATIBED 1.6.1. 111/26/2012. Various 14916R-46-0. Cathol ic Health Initial times CATIBED 1.6.1. 111/26/2012. Various 14916R-46-0. Cathol ic Health Initial times CATIBED 1.6.1. 111/26/2012. Various 14916R-46-0. Cathol ic Health Initial times CATIBED 1.6.1. 14916R-46-0. 14916R-46-	14366U-AA-0	Carnow Auto Receivables Trust CNART 2012		04/30/2012			398.877	398,883	
17/21E-AD-9 Chrysler Group LLC/GG (0-1ss ORYGR 8 1/) 04/24/2012 Credit Suisse First Boston LLC XXX 253,760 259,000 7,963 7/2967-DL-1 Citigroup Inc C 5.85 806/02/16. 19/12/2012 Salmon Smarrey (Citigroup) XXX 6.24 168 5/5,000 2,446 7/2967-R4 Citigroup Inc C 5.78 608 1/2967-DL Citigroup Inc C 5.78 608 1/2967-DL Citigroup Inc C 5.78 608 1/2967-R4 Citigroup Inc C		Catholic Health Initiatives CATMED 1.6 1		11/26/2012			9,573,805		7,089
17/21E-AD-9 Chrysler Group LLC/GG (0-1ss ORYGR 8 1/) 04/24/2012 Credit Suisse First Boston LLC XXX 253,760 259,000 7,963 7/2967-DL-1 Citigroup Inc C 5.85 806/02/16. 19/12/2012 Salmon Smarrey (Citigroup) XXX 6.24 168 5/5,000 2,446 7/2967-R4 Citigroup Inc C 5.78 608 1/2967-DL Citigroup Inc C 5.78 608 1/2967-DL Citigroup Inc C 5.78 608 1/2967-R4 Citigroup Inc C		Catholic Health Initiatives CATMED 2.95		10/25/2012	J.P. Morgan Chase & Co.		6,981,380	7,000,000	
172967-02-1	166764-AB-6	. Chevron Corp CVX 2.355 12/05/22		11/28/2012	Morgan Stanley & Co., Inc		15,000,000		7 500
172867-R-9 Citigroup Inc C 6 / 128 8 / 125 / 36 09/17/2012 Salomon Swarney (Citigroup) XXX 624 / 168 575,000 2.446 172867-R-4 Citigroup Inc C 5 / 178 0 / 1730/3 750,000 3.179 1730/2		Chrysler Group LLC/CG CO-ISS CHRYGR 8 1/		10/12/2012	Colomon Company (Citiangua)				
179267-FX-4 Citigroup Inc C 5 7/8 01/30/42 01/19/2012 Sal onon StBarney (Citigroup) XXX 739.073 750.00 319 208267-A4-4 Citigroup Petroleum Corp CIPET 11 1/2 07/01 01/10/3/2012 Sal onon StBarney (Citigroup) XXX 222.000 200.000 319 208267-A4-4 ConoccPhillips Co COP 2.4 12/15/22 12/04/2012 J.P. Morgan Chase & Co. XXX 4.995.100 5.000.000 2.000.				00/17/2012	Salomon SmBarney (Citigroup)			1,250,000	15,234
17302X-RG-1. Citgo Petroleum Corp CITPET 11 1/2 07/01. 01/103/2012 Barclays Capital. XXX 222,000 200,000 319	172967-EX-4	Citigroup Inc C 5.725 6725/30		01/19/2012	Salomon SmBarney (Citigroup)		739 073	750,000	
20826F-AA-4		Citao Petroleum Corp CITPET 11 1/2 07/01		01/03/2012	Barclavs Capital				319
2026PF-AB-2 ConocoPhil I I I ps Co COP 1.05 12/15/17 12/04/2012 Banc of America Securities LLC XXX 434,004 4.35,000 2.33317F-AC-0. DR Corp DR 2009-DR1 C DR 2009-DR1 C DR 2009-DR1 C DXXX 9.99 4.55 1.500,000 3.889 2.33361-AB-9 Dr Auto Owner Trust DR1 ADT 2012-2A B DT Auto Owner Trust DR1 AUTO Owner Trust DR1 ADT 2012-2A B DT Auto Owner Trust DR1 AUTO Owner Trust DR2 AUTO Owner Trust DR2 AUTO Owner	20826F - AA - 4	ConocoPhillins Co COP 2 4 12/15/22		12/04/2012	I P Morgan Chase & Co		4,995,100	5,000,000	
23306A AA-8 DBRR Trust DBRR 2012-E21 A		ConocoPhillips Co COP 1 05 12/15/17		12/04/2012	Banc of Ămerica Securities LLC		434 004	435,000	
233851-AG-9 Daimler Finance North America DAIGR 1.87 11/07/2012 Deutsche Bank XXX 5,096,450 5,000,000 15,104		DBRR Trust DBRR 2012-EZ1 A.		09/20/2012			992,552		703
233851-AG-9 Daimler Finance North America DAIGR 1.87 11/07/2012 Deutsche Bank XXX 5,096,450 5,000,000 15,104	23317F -AC -0	DUK Corp DDR 2009-DDR1 C		05/.11/.2012	Barclays Capital		1,618,945		
233851-AQ-7. Daimler Finance North America DAIGR 1.3 07/25/2012 Salomon SmBarney (Citigroup). XXX 748,635 750,000		Daimlar Finance North America DAICE 1 97							45 404
25459H-BF-1 DIRECTV Holdings LLC DTV 3.8 03/15/22 .12/21/2012 Barclays Capital	233851 AD 7			[][[][][][][][][][][][][][][][][][DEUISUIT DAIK				15,104
25459H-BF-1 DIRECTV Holdings LLC DTV 3.8 03/15/22 .12/21/2012 Barclays Capital		DIRECTY Holdings II C DTV 6 0 08/15/40		12/03/2012	Datomon ombanisy (ottigroup)		1 180 630	1 075 000	10 888
25746U-BR-9		DIRECTY Holdings LLC DTV 3.8 03/15/22		12/21/2012	Barclavs Capital		802 551	775 000	8.344
26755T-AC-4 Dominos Pizza Mstr Issuer LIC DPABS 2012 0.33.06/2012 Barc lays Capital XXX 1,582,000 1,582,000 26441C-AH-8 Duke Energy Corp DUK 1.625 08/15/17 0.8/13/2012 Banc of America Securities LLC XXX 498,355 500,000 3,148 26884A-AZ-6 ERP Operating LP EGR 4.5/8 12/15/21 12/06/2012 Cortview Capital Sec LLC XXX 535,840 5,500,000 3,148 26884L-AB-5 EQIT Corp EQIT 4.7/8 11/15/21 12/06/2012 Cortview Capital Sec LLC XXX 548,372 548,472	25746U-BR-9	Dominion Resources, Inc. D 1.4 09/15/17		09/10/2012	Wachovia-Wells Fargo Sec.	XXX	499,565	500,000	
29273R-AR-0 Energy Transfer Partners ETP 6.5 02/01/4 .10/16/2012 Deutsche Bank .XXX .1,797,809 .1,425,000 .20,069 .29372E-AP-3 Enterprise Fleet Financing Lic EFF 2012- .04/25/2012 J.P. Morgan Chase & Co. .XXX .999,910 .1,000,000 .29380T-AS-4 Entertainment Properties Trust EPR 7.75 .09/27/2012 Banc of America Securities LLC .XXX .999,070 .804,000 .13,327 .313747-A0-0 Federal Realty Investment Trst FRT 5.95 .11/15/2012 Cortview Capital Sec LLC .XXX .86,514 .80,000 .1,256 .25	25755T - AC - 4	Dominos Pizza Metr Leguer LLC DPARS 2012		03/06/2012	Barclays Capital		1,582,000		
29273R-AR-0 Energy Transfer Partners ETP 6.5 02/01/4 .10/16/2012 Deutsche Bank .XXX .1,797,809 .1,425,000 .20,069 .29372E-AP-3 Enterprise Fleet Financing Lic EFF 2012- .04/25/2012 J.P. Morgan Chase & Co. .XXX .999,910 .1,000,000 .29380T-AS-4 Entertainment Properties Trust EPR 7.75 .09/27/2012 Banc of America Securities LLC .XXX .999,070 .804,000 .13,327 .313747-A0-0 Federal Realty Investment Trst FRT 5.95 .11/15/2012 Cortview Capital Sec LLC .XXX .86,514 .80,000 .1,256 .25		Duke Energy Corp DUK 1.625 08/15/17		08/.13/2012	Banc of America Securities LLC.		498,355		
29273R-AR-0 Energy Transfer Partners ETP 6.5 02/01/4 .10/16/2012 Deutsche Bank .XXX .1,797,809 .1,425,000 .20,069 .29372E-AP-3 Enterprise Fleet Financing Lic EFF 2012- .04/25/2012 J.P. Morgan Chase & Co. .XXX .999,910 .1,000,000 .29380T-AS-4 Entertainment Properties Trust EPR 7.75 .09/27/2012 Banc of America Securities LLC .XXX .999,070 .804,000 .13,327 .313747-A0-0 Federal Realty Investment Trst FRT 5.95 .11/15/2012 Cortview Capital Sec LLC .XXX .86,514 .80,000 .1,256 .25	26884A - AZ - 6	ERP Operating LP EQR 4 5/8 12/15/21		01/26/2012	Banc of America Securities LLC.		535,840		
29372E-AP-3. Enterprise Fleet Financing LIc EFF 2012				12/06/2012					528
		Lenergy Transfer Partners EIP 6.5 02/01/4	<u> </u>	TUL.Tb.L2U12			1,797,809	1,425,000	20,069
11/15/2012 Cortview Capital Sec LLC XXX 86,514 80,000 1,256 313747-A0-0 Ederal Realty Investment Trst FRT 5.95 80,000 1,256 313747-A0-	29380T_AQ_A	Find Figure 1 Find I City Lice FFF 2012-							12 227
32051H-AD-5 First Horizon Alt Mtg Sec FHAMS 2006-FA3 08/02/2012 KevBank XXX 381 043 645 835 154	313747-A0-0						86 514		1 256
		First Horizon Alt Mtg Sec FHAMS 2006-FA3.							

SCHEDULE D - PART 3

			Sh	owing All Long-Term Bonds and Stocks ACQUIRED During Current Year	•			
1	2	3	4	5	6	7	8	9
CUSIP					Number of	Actual		Paid for Accrued
Identification	Description	Foreign	Date Acquired	Name of Vendor	Shares of Stock	Cost	Par Value	Interest and Dividends
34528Q-BP-8	Ford Credit Floorplan Mstr Trs FORDF 201		02/07./2012	Salomon SmBarney (Citigroup)	XXX	999,707	1,000,000	
34528Q-BX-1 34529U-AE-4	Ford Credit Floorplan Mstr Trs FORDF 201Ford Credit Auto Owner Trust FORDO 2012-			Greenwich Capital-RBS. Greenwich Capital-RBS	XXX XXX		1,578,000 500,000	
345290-AE-4 369550-AU-2	General Dynamics Corp GD 2.25 11/15/22		11/.01/2012	Banc of America Securities LLC.	XXX	9,898,700		
369604-BD-4	General Electric Co GE 2 70 10/09/22		10/25/2012	Various.	XXX	20 188 400	20,000,000	23,250
36962G-3P-7	General Electric Capital Corp GE 5.875 0			Various	XXX	1,852,343	1,550,000	16,062
36962G-6F-6 36962G-6M-1	General Electric Capital Corp GE 3.15 09			J.P. Morgan Chase & Co	XXXXXX	10,293,200	10,000,000	36,750 417
373334-JZ-5	General Electric Capital Corp GE 1.0 12/ Georgia Power Co SO .625 11/15/15		11/08/2012	Mizuho Secs USA Inc	XXX	3,497,515	3,500,000	417
38143U-SC-6	Goldman Sachs Group Inc GS 3 5/8 02/07/1		12/.12/2012	Various	XXX	806,482		12,492
422317 - AC - 1	Hearst-Argyle Television Inc HTV 7 01/15		06/.13/2012	Cortview Capital Sec LLC.	XXX	70,193	87,000	2,252
44614A - AE - 3 459200 - GX - 3	Huntington Auto Trust HUNT 2012-1 B.			Credit Suisse First Boston LLC	XXX XXX	999,967 5,175,100	1,000,000 5,000,000	2,979
460690 - AV - 2	IBM Corporation IBM 1.95 07/22/16 Interpublic Group of Cos Inc IPG 6 1/4 1		01/31/2012 _02/16/2012	J.P. Morgan Chase & Co	XXX	545,000	500,000	2,979 8,420
46625H-HQ-6	JPMorgan Chase & Co JPM 4.95 03/25/20		10/11/2012	J.P. Morgan Chase & Co. J.P. Morgan Chase & Co.	XXX	899,085	775,000	2,238
46625H-JD-3	JPMorgan Chase & Co JPM 4 1/2 01/24/22		02/22/2012	Goldman Šachs	XXX	521,225	500,000	2.125
46625H-JE-1	JPMorgan Chase & Co JPM 3.25 09/23/22			Goldman Sachs	XXX	10,219,400	10,000,000	32,500
46625Y - GW - 7 46630X - AD - 0	JP Morgan Chase Comm Mtg Sec JPMCC 2005		01/30/2012 08/02/2012	Salomon SmBarney (Citigroup)Wachovia-Wells Fargo Sec.	XXX	1,356,780 1,014,000	1,300,000	796
47215B-AD-9	JCP&L Transition Funding LLC JCPL 2006-A		06/13/2012	Morgan Stanley & Co., Inc.	XXX	1,646,468	1.325.000	186 2,684
478160 - AY - 0	Johnson & Johnson JNJ 2.15 05/15/16		11/07/2012	Morgan Stanley & Co., Inc.	XXX	21,036,200	1,325,000 20,000,000	209,028
48126E - AA - 5	JPMorgan Chase & Co JPM 2 08/15/17.		10/16/2012	J.P. Morgan Chase & Co.	XXX.	10 , 191 , 400	10,000,000	32,778
53079E - AZ -7 565849 - AJ -5	Liberty Mutual Group Inc LIBMUT 6 1/2 05		05/01/2012 10/24/2012	J.P. Morgan Chase & Co Morgan Stanley & Co. Inc	XXXXXX		400,000 815,000	
586054-AB-4	Mem. Sloan-Kettering Cancer MSKCC 4.125			Goldman Sachs.	XXX	5,962,680	6,000,000	
58768U-AA-1	Mercedes-Benz Master Owner Tst MBMOT 201 Microsoft Corp MSFT .875 11/15/17		12/04/2012	Barclays Capital	XXX	999,749	1,000,000	
594918-AP-9	Microsoft Corp MSFT .875 11/15/17		11/.02/.2012	J.P. Morgan Chase & Co	XXX	994,230	1,000,000	
60871R-AB-6	Molson Coors Brewing Co TAP 2 05/01/17		04/26/2012	Morgan Stanley & Co., Inc	XXX	199,434	200,000	4 000
615369-AB-1 61752L-AG-0	Moody's Corp MCO 4.50 09/01/22 Morgan Stanley Capital I MSC 2007-XLFA		12/18/2012 06/29/2012	VariousSalomon SmBarney (Citigroup)	XXXXXX	2,058,862 844,000	2,065,000 1,055,000	1,966 318
626717-AF-9	Murphy Oil Field MUR 3.7 12/01/22	··	11/27/2012	J.P. Morgan Chase & Co.	XXX	995.940	1,000,000	
626717-AG-7	Murphy Oil Field MUR 5.125 12/01/42		11/.27./2012	J.P. Morgan Chase & Co	XXX	698,187	700,000	
628530 - AL - 1	Mylan Inc/PA MYL 7 7/8 07/15/20		12/18/2012	Cortview Capital Sec LLC.	XXX	563,469	475,000	16,209
628530-AV-9 64952W-BK-8	Mýlan Inc/PA MYL 3.125 01/15/23 New York Life Global Funding NYL 1.3 10/		12/12/2012	Banc of America Securities LLC. J.P. Morgan Chase & Co	XXX		805,000 20,000,000	
65339K-AA-8	NextEra Energy Capital Hidings NEE 4 1/2		01/31/2012	Wachovia-Wells Fargo Sec	XXX		610.000	4,728
65364U-AA-4	Niagara Mohawk Power Corp NGGLN 4.881 08		Q1/31/2012	Morgan Stanley & Co., Inc	XXX	7,415,720	6,500,000	148,057
65476G-AD-4	Nissan Auto Rec Owner Trust NAROT 2012-B.		07/31/2012	Salomon SmBarney (Citigroup)	XXX	1,499,792	1,500,000	
67021B-AE-9	NII Capital Corp NIHD 7 5/8 04/01/21		08/15/2012	Cortview Capital Sec LLC.	XXX	182,500	250,000	7,360
68389X-AN-5 69352P-AE-3	Oracle Corp ORCL 1.2 10/15/17	··	10/.18/2012 10/.10/.2012	Greenwich Capital-RBS Morgan Stanley & Co., Inc	XXX	9,982,700 552,733	10,000,000	
713448-BX-5	PensiCo Inc PEP 0 3/4 03/05/15	****	02/29/2012	Banc of America Securities LLC	XXX	1,249,450	1,250,000	
73328W-AC-5	Porsche Innovative Lease Owner PILOT 201		10/10/2012	J.P. Morgan Chase & Co. HSBC Securities Inc.	XXX	499,917	500,000	
759468-AC-5	Reliance Holdings USA Inc RILIN 5.4 02/1				XXX	507,645	500,000	1,125
761713-AW-6 761713-AX-4	Reynolds American Inc RAI 4.75 11/01/42		10/24/2012 10/24/2012	Salomon SmBarney (Citigroup)	XXX XXX		975,000 500.000	
779382-AQ-3	Rowan Cos Inc RDC 5.4 12/01/42		12/13/2012	RBC Dominion Secs Corp.	XXX	749,783	750,000	
78573A - AC - 4	SABMiller Holdings Inc SABLN 4 95 01/15/		01/10/2012	Barclays Capital	XXX	496.675	500,000	
796038-AA-5	Samson Investment Co SAIVST 9 3/4 02/15/		04/09/2012	Barclays Capital	XXX	251,875	250,000	4,333
80282U-AD-6 80282V-AE-2	Santander Drive Auto Rec Trust SDART 201		08/07/2012	J.P. Morgan Chase & Co	XXX XXX		1,080,000	
80282V - AE - 2 80282X - AA - 6	Santander Drive Auto Rec Trust SDART 201Santander Drive Auto Rec Trust SDART 201		03/14/2012 06/26/2012	J.P. Morgan Chase & Co. Barclays Capital	XXX.	999,899	1,000,000	
82651U-AB-9	Sierra Receivables Funding Co SRFC 2012-		07/11/2012	Credit Suisse First Boston LLC	XXX	775,643	775,701	
83611P-AJ-0	Soundview Home Eqt Loan Trst SVHE 2001-1		12/01/2012	Interest Capitalization	XXX			
854403-AB-8	Stanford University STNFRD 4.25 05/01/16		10/18/2012	J.P. Morgan Chase & Co	XXX	4,695,086	4,195,000	85, 182
868536-AT-0 88732J-AH-1	SUPERVALU Inc SVU 8 05/01/16			Cortview Capital Sec LLC	XXXXXX	233,750 828,794	250,000 695,000	4,222 4,405
90732J-AR-1	Turlock Corp ETN 4 0 11/02/32		11/.14/2012	Machovia-Meins rango sec. Salomon SmBarney (Citigroup)	XXX	772 582		4,405
90261A - AB - 8	UBS AG/Stamford CT UBS 7.625 08/17/22		08/.14/2012	Banc of America Securities LLC.	XXX		775,000 1,000,000	
911312-AQ-9	United Parcel Service Inc UPS 2.45 10/01		10/19/2012	Goldman Sachs	XXX		10 , 000 , 000	16,674
91159J-AA-4	US Bancorp USB 2.95 07/15/22			Various	XXX	7,451,649	7,300,000	49,331
913017 -BT -5	United Technologies Corp UTX 4 1/2 06/01		05/24/2012	HSBC Securities Inc.	XXX	740,753	750,000	

SCHEDULE D - PART 3

Showing All Long-Term Bonds and Stocks **ACQUIRED** During Current Year

				owing All Long-Term Bonds and Stocks ACQUIRED During Current Year				
1	2	3	4	5	6	7	8	9
CUSIP					Number of	Actual		Paid for Accrued
Identification	Description	Foreign	Date Acquired	Name of Vendor	Shares of Stock	Cost	Par Value	Interest and Dividends
913017-BV-0	United Technologies Corp UTX 3.1 06/01/2	Toreign		Various	XXX	16.014.250	15.000.000	193.319
91481C-AA-8	University of Pennsylvania UPENN 4.675 0			(eyBank_	XXX	783,552	700,000	10,452
92343V -BJ -2	Verizon Communications VZ 2.45 11/1/22		11/02/2012	Banc of America Securities LLC	XXX	2,996,850	3,000,000	<i>'</i>
92922F -B8 -0	WAMU Mtg Pass Through Cert WAMU 2004-AR1			Salomon SmBarney (Citigroup)	XXX	1,382,966	1,707,365	
92977Q-AG-3	Wachovia Bank Comm Mtg Trst WBCMT2006-C2			Goldman Sachs	XXX	1,322,578	1,200,000	3,477
929903-AR-3	Wachovia Corp WFC 0 10/28/15			Jefferies & Co (JPM-BS)	XXX	1,019,466	1,075,000	2,134
931422-AH-2	. Walgreen Co WAG 3.1 09/15/22			Goldman Sachs.	XXX	499,445	500,000	
94973V - AZ - 0 94974B - FC - 9				Salomon SmBarney (Citigroup)/arious_	XXX XXX	454,813 26,820,700	455,000 25,000,000	140 , 486
98157H-AD-9	World Omni Auto Receivables Tr WOART 201	-	Ω7./.11./.2012	Parclays Capital	XXX			140 , 400
067901-AF-5	Barrick Gold Corp ABXCN 2.9 05/30/16.	Δ	12/19/2012	various.	XXX	725,797		
878744-AB-7	Teck Resources Ltd TCKBCN 5.2 03/01/42	Ä	02/16/2012	J.P. Morgan Chase & Co	XXX	678.521	680.000	
00205G-AA-5.	APT Pipelines Ltd APAAU 3.875 10/11/22	F		Salomon SmBarney (Citigroup)	XXX	634,562	635,000	4,511
00971Y-AA-8	Akbank TAS AKBNK 5.125 07/22/15	F	10/26/2012	Goldman Sachs	XXX	525,625	500,000	7 ,047
03763T-AA-5	Apidos CDO APID 2012-9A SUB.	. . FF	06/14/2012	Barclays Capital	XXX	940,000	1,000,000	
03938L -AX -2	ArcelorMittal MTNA 6 1/4 02/25/22	. L <u>F</u>	02/23/2012	J.P. Morgan Chase & Co	XXX.	1,365,155	1,375,000	
04013M-AG-3	Ares Enhance Loan Inv Strat AELIS 2008-1	<u> </u>	02/10/2012	Banc of America Securities LLC.	XXX	1,001,250	1,000,000	4,192
046353-AG-3	AstraZeneca PLC AZN 4.0 09/18/42 BBVA US Senior SAU BBVASM 4.664 10/09/15	. <u> </u> <u>F</u>		Goldman Sachs	XXX	581,355	585,000	0.000
055299-AL-5 055451-AF-5	BBVA US Senior SAU BBVASM 4.664 10/09/15BHP Billiton Finance USA Ltd BHP 5.4 03/		11/01/2012 02/01/2012	Morgan Stanley & Co., Inc	XXX XXX	2,011,850 10,319,290	2,000,000 8,722,000	
151191-AW-3	Celulosa Arauco y Constitucion CELARA A	T		Conversion	XXX	543,335		1, 161
21685W-DF-1	Celulosa Arauco y Constitucion CELARA 4 Rabobank Nederland RABOBK 3.95 11/09/22	F	11/02/2012	Credit Suisse First Boston LLC.	XXX	773,985	775,000	1, 101
26250A - AA - 7	Dryden XXII Senior Loan Fund DRSLF 2011-	F	03/14/2012	Morgan Stanley & Co., Inc.	XXX	1,000,000	1,000,000	5,779
26250D-AC-7	Dryden XXIV Senior Loan Fund DRSLF 2012-	F	09/25/2012	Morgan Stanley & Co., Inc.	XXX	1,400,000	1,400,000	
38136T-AB-9	Goldentree Loan Onn V Ltd GOLD5 2007-54	F	02/.24/.2012	Morgan Stanley & Co., Inc	XXX	1,333,500	1,500,000	2,914
40537D-AB-5	Halcyon Struct Mgmt L/S CLO HLCLO 2007-1 Heineken NV HEIANA 1.4 10/01/17	F	01/04/2012	Credit Suisse First Boston LLC	XXX	830,000	1,000,000	1.549
423012-AB-9	Heineken NV HEIANA 1.4 10/01/17	F		/arious	XXX	569,714	570,000	
448055-AJ-2	Husky Energy Inc HSECN 3.95 04/15/22.	<u>F</u>		Salomon SmBarney (Citigroup)	XXX	747,638	750,000	
63080T-AA-5	Nara Cable Funding Ltd ONOSM 8 7/8 12/01	ļ		/arious	XXX	455,625	500,000	1,911
65120F - AA - 2 74982H - AC - 3	Newcrest Finance Pty Ltd NCMAU 4.45 11/1Race Point CLO Ltd RACEP 2012-7A INC		10/26/2012 10/26/2012	Cortview Capital Sec LLC Morgan Stanley & Co., Inc.	XXX XXX	36,503	35,000 1,000,000	718
76720A - AE - 6	Rio Tinto Finance IRA PLC RIOLN 1 625 08		10/26/2012	Deutsche Bank	XXX	677,876	675.000	2 123
780099-CC-9	Rio Tinto Finance USA PLC RIOLN 1.625 08 Royal Bank of Scotland Grp PLC RBS 2.55	F		Deutsche Bank	XXX	625,621	615,000	2,133 1,220
780099-CE-5	Royal Bank of Scotland Grp PLC RBS 6.125	F	11/27/2012	Greenwich Capital-RBS	XXX	769,407	770,000	
806854-AE-5	Schlumberger Investment SA SLB 1.25 08/0.	F		/arious	XXX	16,247,636	16,190,000	46,659 2,935
86960B-AB-8	Svenska Handelsbanken AB SHBASS 2.875 04	F		Deutsche Bank	XXX	556,316	525,000	2,935
87124V - AD - 1	Sydney Airport Finance Co Pty SYDAU 3.9	FF	10/.25/.2012	Greenwich Capital-RBS	XXX	1,587,441	1,580,000	901
87927V - AR - 9	Télecóm Italia Capital SA TÍTIM 7.2 07/1	<u>F</u>		J.P. Morgan Chase & Co.	XXX	211,875	250,000	8,200 1,285
91911T-AL-7	Vale Overseas Ltd VALEBZ 4.625 09/15/20	. <u> </u>		Nomura Securities Intl Inc.	XXX	541,670	500,000	1,285
91911T-AM-5 91912E-AA-3	Vale Overseas Ltd VALEBZ 4 3/8 01/11/22 Vale SA VALEBZ 5.625 09/11/42			Barclays Capital	XXXXXX	658,733 1,559,409	640,000 1,550,000	5,133 1,574
94707V-AB-6			11/30/2012	Barclays Capital Barclays Capital	XXX			750
	Industrial and Miscellaneous (Unaffiliated)	. ф	I.1	parurayo vaprilat	^^^	405 . 847 . 494	393.014.656	1.825.728
Bonds - Hybrid Secur						400,041,434	333,014,030	1,023,720
020002-AU-5	Allstate Corp ALL 6 1/2 05/15/57		08/.14/2012	Jefferies & Co (JPM-BS)	XXX	744,622		11,627
026874-BS-5	American International Group AIG 8.175 0.	1	08/.14/2012	Banc of America Securities LLC	XXX		550,000	11,490
369622-SP-1	General Electric Capital Corp GE 0 12/15.		07/26/2012	Barclays Capital	XXX	1,310,000	1,300,000	347
46625H-HA-1	JPMorgan Chase & Co JPM 7.9 04/29/49		12/21/2012	J.P. Morgan Chase & Co.	XXX	568,750	500,000	
744320 - AL -6	Prudential Financial Inc PRU 5.875 09/15			Barclays Capital	XXX	303,000	300,000	
4899999 - Bonds -	Hybrid Securities					3,582,247	3,350,003	29,718
	sidiaries, and Affiliates							
	Subtotals - Bonds - Part 3					1,411,575,961	1,347,121,554	4,380,598
	Summary item from Part 5 for Bonds					579,824,773	562,368,362	1,162,273
8399999 - Bonds - 3	Subtotals - Bonds					1,991,400,734	1,909,489,916	5,542,871
Preferred Stocks - I	ndustrial and Miscellaneous (Unaffiliated)							
	Parent, Subsidiaries, and Affiliates							
	strial and Miscellaneous (Unaffiliated)							
	ent, Subsidiaries, and Affiliates							
Common Stocks - Mutu								
	ey Market Mutual Funds							
9999999 Totals						1,991,400,734	XXX	5,542,871

Showing all Long-Term Bonds and Stocks SOLD, REDEEMED or Otherwise DISPOSED OF Durin	a Current Vear	

	Showing all Long-Term Bonds and Stocks SOLD, REDEEMED or Otherwise DISPOSED OF During Current Year																			
1	2	3	4	5	6	7	8	9	10		Change in B	Book/Adjusted Ca	arrying Value		16	17	18	19	20	21
		ا۔ا									40	4.0		4.5						
										11	12	13	14	15						
		ا۲ا										Current Year's			Book/				Bond	
		e							Prior Year	Unrealized		Other Than		Total Foreign	Adjusted	Foreign			Interest/Stock	Stated
CUSIP		i			Number of				Book/Adjusted	Valuation	Current Year	Temporary	Total Change in	Exchange	Carrying Value		Realized Gain	Total Gain	Dividends	Contractual
Identi-		g	Disposal	l <u></u> .	Shares of				Carrying	Increase/	(Amortization)/	Impairment	B/A. C.V.	Change in	at	(Loss) on	(Loss) on	(Loss) on	Received	Maturity
fication	Description	n	Date	Name of Purchaser	Stock	Consideration	Par Value	Actual Cost	Value	(Decrease)	Accretion	Recognized	(11+12-13)	B/A. C.V.	Disposal Date	Disposal	Disposal	Disposal	During Year	Date
36176M-YU-1_	Governments Ginnie Mae Pool GNSF 770523		11/27/2012	Wachovia-Wells Fargo Sec	1	34,153,218	31,252,587	33,237,614	33,237,438		6,585		6,585	1	33,244,023		909 , 194	909 , 194	1,216,185	08/15/2041_
36176M-YU-1	Ginnie Mae Pool GNSF 770523		11/27/2012	Call 100.0000									0					0		08/15/2041
36176M-YU-1	Ginnie Mae I Pool GNSF 770523		12/01/2012	Paydown	ļ	7,898,522	7,898,522	8,400,202	8,400,157		(501,635)		(501,635)		7,898,522			0	301,407	08/15/2041
36202C-3X-9	Ginnie Mae II Pool G2SF 2614	ΙΙ.	06/08/2012	Nomura Securities Intl		167 , 492	149,797	155.750	155.494		40		40		155,535		11,957	11,957	4.968	07/20/2028
36202C-3X-9	Ginnie Mae II Pool G2SF 2614		06/01/2012	Paydown.		22,439	22,439	23,330	23,292		(853)		(853)		22,439			0	427	07/20/2028
36202E-PN-3	Ginnie Mae II Pool G2SF 4029		12/01/2012	Paydown		1,515,937	1.515.937	1,641,713	1,639,279		(123,342)		(123,342)		1,515,937			0	49,548	09/20/2037
36202E-Q2-8_ 36202F-AW-6_	Ginnie Mae II Pool G2SF 4073 Ginnie Mae II Pool G2SF 4521		12/01/2012 12/01/2012	Paydown		283,129 2,077,211	283,129 2,077,211	311,265 2,207,037	310,865 2,204,548		(27,736)		(27,736)		283,129 2,077,211			0	9,163 62,197	01/20/2038
36202F -FU-5_	Ginnie Mae II Pool G2SF 4679		12/01/2012	Paydown		382,671	382,671	419,743	419,610		(36,938)		(36,938)		382,671			0	10,361	04/20/2040
36202F-GY-6	Ginnie Mae II Pool G2SF 4715		12/01/2012	Paydown		173,515	173,515	184,631	184,425		(10,910)		(10,910)		173,515			0	4,690	06/20/2040
36202F - JQ - 0	Ginnie Mae II Pool G2SF 4771	.	11/28/2012	Salomon SmBarney (Citigroup)		27 , 154 , 515	24,602,052	25,935,945	25,917,052		5,261		5,261		25,922,313		1,232,202	1,232,202	1,076,121	08/20/2040.
36202F - JQ - 0	Ginnie Mae II Pool G2SF 4771		11/28/2012	Call 100.0000		21 , 134 , 313	24,002,002	20,550,945	25,511,032				10		125,322,313			0	1,070,121	08/20/2040.
36202F - JQ - 0	Ginnie Mae II Pool G2SF 4771		12/01/2012	Paydown		6,139,243	6,139,243	6,472,105	6,467,390		(328, 147)		(328, 147)		6,139,243			0	248,355	
36202F-V9-4_	Ginnie Mae II Pool G2SF 5140		11/19/2012	Salomon SmBarney (Citigroup)		25,954,712	23,750,380	25,687,520	25,660,698		(2,424)		(2,424)		25,658,274		296,438	296,438	1,037,376	08/20/2041.
36202F - V9 - 4	Ginnie Mae II Pool G2SF 5140		11/19/2012	Call 100.0000	İ	23,334,112	20,100,000	20,007,020	20,000,090		(2,424)		10		120,000,274	<u> </u>	290,430	290,430		08/20/2041.
36202F-V9-4_	Ginnie Mae II Pool G2SF 5140		12/01/2012	Paydown		7,519,947	7 ,519 ,947	8,133,293	8,124,800		(604,853)		(604,853)		7,519,947			0	276 , 156	08/20/2041.
36202F - X9 - 2	Ginnie Mae II Pool G2SF 5204		12/01/2012	Paydown		197,512	197,512	214,887	214,751		(17,239)		(17,239)		197,512		40.447	0	5,295	
36203L-BU-5 36203L-BU-5	Ginnie Mae I Pool GNSF 352051 Ginnie Mae I Pool GNSF 352051		05/22/2012 06/01/2012	Various Paydown		204,946	178,992 28,330	193,144	191,823		(324)		(324)		191,498		13,447	13,447	6,341 1,899	
36203W-2C-1	Ginnie Mae Pool GNSF 361771		05/22/2012	Raymond James & Associates.		10,770	9,973	10,821	10,711		(15)		(15)		10,696		74	74	328	02/15/2022
36203W-2C-1	Ginnie Mae Pool GNSF 361771		05/01/2012	Paydown	ļ	654	654	710	703		(48)		(48)		654			0	11	02/15/2022.
36203W-2C-1 36204B-QP-1_	Ginnie Mae Pool GNSF 361771 Ginnie Mae Pool GNSF 365062		.06/01/2012 .05/22/2012	Redemption 100.0000 Raymond James & Associates.			122 41,811	132	131		(9)		(9)		122 44.916		2.331	2,331		02/15/2022.
36204B-QP-1	Ginnie Mae I Pool GNSF 365062		06/01/2012	Paydown		1,021	1,021	1,099	1,093		(72)		[72]		1,021			0	284	06/15/2024.
36206G-6W-5	Ginnie Mae Pool GNSF 411385		05/22/2012	Oppenheimer		144,730	127,726	133,973			18		18		133,652		11,078	11,078	3,897	
36206G-6W-5 36207X-XU-1_	Ginnie Mae Pool GNSF 411385 Ginnie Mae Pool GNSF 445391		.06/01/2012 .05/22/2012	Paydown		9,059 27,471	9,059 23,785	9,502			(419)		(419)		9,059 25,487		1.985	1,985		04/15/2026
36207X-XU-1	Ginnie Mae I Pool GNSF 445391		06/01/2012	Paydown			601	646	643		(43)		(43)		601			0	161	
36208X-RG-8_	Ginnie Mae Pool GNSF 464087		05/22/2012	Oppenheimer		107,916	95,237	99,910			23		23		99,731		8,184	8,184	2,906	08/15/2028
36208X-RG-8 36209E-X4-9	Ginnie Mae I Pool GNSF 464087 Ginnie Mae I Pool GNSF 469699		06/01/2012 05/22/2012	Paydown		3,420	3,420	3,588 171,688	3,581		(161) (60)		(161)	ļ	3,420 170,844		13.446	0	583	08/15/2028
36209E-X4-9	Ginnie Mae I Pool GNSF 469699		05/01/2012	Paydown.		13,331	13,331	14,438			(1,041)		(1,041)		13,331		13,440		272	11/15/2028.
36209E-X4-9_	Ginnie Mae Pool GNSF 469699		06/01/2012	Various		461	461	499	497		(36)		(36)		461			0	941	11/15/2028.
36209F - DN - 6 36209K - RR - 1	Ginnie Mae I Pool GNSF 470009 Ginnie Mae I Pool GNSF 473996		12/01/2012 05/22/2012	Paydown Oppenheimer			67 , 255 130 , 159	71,858 136,545			(4,565)		(4,565)				11.188	0	1,544 3,972	09/15/2041.
36209K-RR-1	Ginnie Mae I Pool GNSF 473996		05/01/2012	Paydown		28,470	28,470	29,867			(1,336)		(1,336)		28,470				597	
36209K - RR - 1_	Ginnie Mae Pool GNSF 473996		06/01/2012	Redemption 100.0000		713	713	748	747		(33)		(33)		713			0	728	07/15/2028.
36209Q-K9-5 36209Q-K9-5	Ginnie Mae I Pool GNSF 478320 Ginnie Mae I Pool GNSF 478320		05/22/2012	Oppenheimer		151,761	133,932 25,117	140,503			32		32		140,247		11,515	11,515	4,087 1,381	06/15/2028.
36209R-2Q-5	Ginnie Mae I Pool GNSF 476320	l::::h'	.06/01/2012 12/01/2012	PaydownPaydown.	İ		103,765	26,350 110.980	26,296		(1,178) (7,183)		(7,183)		25,117 103,765			0	2,694	10/15/2028.
3620A3-ZP-2.	Ginnie Mae I Pool GNSF 718150		12/01/2012	Paydown		4,145,415	4,145,415	4,376,652	4,373,167		(227,752)		(227,752)		4,145,415					02/15/2040.
3620A9-VP-3	Ginnie Mae I Pool GNSF 723422		01/10/2012	Nomura Securities Intl		1,444,773	1,317,547	1.435.509	1,434,891		307		307		1,435,198		9.575	9.575	8,564	11/15/2039.
3620A9-VP-3	Ginnie Mae I Pool GNSF 723422	[_ t - '	12/01/2012	Paydown.	<u> </u>	224,524		244,626			(19,997)		(19,997)		224,524			9,5/5	5,868	11/15/2039.
3620AC-2A-1	Ginnie Mae Pool GNSF 726269		12/01/2012	Paydown		92,713	92,713	96,856	96,794		(4,081)		(4,081)		92,713			0	2,600	09/15/2039.
3620AM-EE-8 3620AM-JF-0	Ginnie Mae I Pool GNSF 733733 Ginnie Mae I Pool GNSF 733862		12/01/2012 12/01/2012	Paydown		190,966	2,602,802	205,691	205,435		(14,469)		(14,469)	ļ	190,966			ō	4,609 75,030	
36210B-UM-5	Ginnie Mae I Pool GNSF 733662		05/22/2012	PaydownVarious.		2,602,802 725,193	2,602,602	2,764,592	668,247				181		668,428		56,765	56,765		04/15/2029.
36210B-UM-5	Ginnie Mae Pool GNSF 487588	ll(05/01/2012	Paydown		153,367	153,367	159,406	159,166		(5,799)		(5,799)		153,367			0	2,740	04/15/2029.
36210B-UM-5_	Ginnie Mae Pool GNSF 487588		06/01/2012	Various		2,371	2,371	2,465	2,461		(90)		(90)	ļ	2,371		0.055	0	3,291	04/15/2029.
36211S-JD-0 36211S-JD-0	Ginnie Mae I Pool GNSF 521460 Ginnie Mae I Pool GNSF 521460		05/22/2012 05/01/2012	Various Paydown	·	48,019 1,437	42,495	45,726					(104)	·····		·	2,355	2,355	1,499 25	01/15/2030.
36211S-JD-0	Ginnie Mae I Pool GNSF 521460		06/01/2012	Various		284	284 86,945		304		(21)		(21)		284			0	276	01/15/2030.
362205-SH-0	Ginnie Mae Pool GNSF 297620		05/22/2012	Raymond James & Associates	ļ	98,247		93,731 4,550			(182)		(182)	ļ	92,819	ļ	5,429	5,429	3.066	09/15/2022
362205-SH-0 36225A-T3-4	Ginnie Mae Pool GNSF 297620 Ginnie Mae Pool GNSF 780570		06/01/2012 05/22/2012	Paydown		4,220 176,637	4,220 155,627	168,649	4,514 167,743		(294) (84)		(294)		4,220 167,659		8,978	0 8,978	632 5,114	09/15/2022.
36225A-T3-4	Ginnie Mae I Pool GNSF 780570		06/01/2012	Paydown		17,079	17,079	18,509			(1,330)		(1,330)					0	1,270	05/15/2027.
		1 1		Nomura Securities Intl							' '					[150 000	450 000		1
36241K-ER-5 36241K-ER-5	Ginnie Mae Pool GNSF 781944 Ginnie Mae Pool GNSF 781944		11/28/2012	IncPaydown		7,246,508 2,444,713	6,617,816 2.444.713	6,791,652 2,508,931	6,786,704 2,507,103					ļ	6,786,821		459 , 687	459,687	323,830	
36241K-EV-6	Ginnie Mae I Pool GNSF 781948		12/01/2012	Paydown.		1,094,804	1,094,804	1,148,412	1,146,970		(52, 166)		(52,166)		1,094,804			0	37,324	05/15/2035.
36241K-NP-9	Ginnie Mae Pool GNSF 782198	[*]	12/01/2012	Paydown		1,899,467	1,899,467	1,967,761	1,966,068		(66,601)		(66,601)		1,899,467			0	57,734	10/15/2037.
36241K-SM-1	Ginnie Mae Pool GNSF 782324		04/17/2012	Oppenheimer		4,554,032	3,968,656	4,250,740	4,243,309		405		405	ļ	4,243,714	ļ	310,318	310,318	110,096	05/15/2038

					Showing al	I I ong-Term	2 onds and S	_	REDEEMED O	r Otherwise ⊓ I	SPOSED OF F	During Current	Year						
1	2 3	Ι 4	5	6	7	I g		10000 3000, 1	COLLINICO		Book/Adjusted Ca		i Cai	16	17	18	19	20	21
'		7		"	'		ľ	1 " h		Onunge in E		Trying value		1 "	.,,	"	13	20	
	F								11	12	13	14	15						
	0										Current Year's			Book/				Bond	
	ľe							Prior Year	Unrealized		Other Than		Total Foreign	Adjusted	Foreign			Interest/Stock	Stated
CUSIP	į į			Number of				Book/Adjusted	Valuation	Current Year	Temporary	Total Change in	Exchange	Carrying Value	Exchange Gain		Total Gain	Dividends	Contractual
Identi-	g	Disposal		Shares of				Carrying	Increase/	(Amortization)/	Impairment	B/A. C.V.	Change in	at	(Loss) on	(Loss) on	(Loss) on	Received	Maturity
fication	Description n	Date	Name of Purchaser	Stock	Consideration	Par Value	Actual Cost	Value	(Decrease)	Accretion	Recognized	(11+12-13)	B/A. C.V.	Disposal Date	Disposal	Disposal	Disposal	During Year	Date
36241K-SM-1	Ginnie Mae Pool GNSF 782324	04/01/2012	Paydown	†	378, 193	378,193	405,074	404,366		(26,173)		(26, 1/3)		378,193			0	8,018	05/15/2038
36241L-AN-6	Ginnie Mae I Pool GNSF 782713	09/14/2012	Inc		864,751	776,432	844,976	843,826		608		608		844,434		20,317	20,317	34,282	07/15/2039
36241L - AN - 6	Ginnie Mae Pool GNSF 782713	09/01/2012	Paydown.		243,605	243,605	265,111	264,750		(21, 145)		(21, 145)		243,605			0	5,959	07/15/2039
36290R-RZ-8 36290T-3T-4	Ginnie Mae Pool GNSF 615304 Ginnie Mae Pool GNSF 617410	12/01/2012	Paydown Wachovia-Wells Fargo Sec	†		752,320 3,262,181	772,868	3,301,429		(19,910)		(19,910)				366,006	366,006	17 , 122 124 , 044	07/15/2033
36290T-3T-4	Ginnie Mae I Pool GNSF 617410	07/01/2012	Paydown		562.314	562,314	569,299	569.079		(6,765)		(6,765)		562,314			0	10,725	02/15/2037
36290U-KD-7	Ginnie Mae Pool GNSF 617792	10/23/2012	J.P. Morgan Chase & Co		1,545,950	1,366,209	1,415,093	1,413,885		400		400		1,414,285		131,665	131,665	73,108	11/15/2037
36290U-KD-7 36291A-RE-1	Ginnie Mae Pool GNSF 617792 Ginnie Mae Pool GNSF 622485	11/01/2012	Paydown		568,042 949,216	568,042 949,216	588 , 368 984 , 516	587,866 983,467		(19,823)		(19,823)		568,042 949,216			 0	28,366	11/15/2037
36292L-D5-0	Ginnie Mae Pool GNSF 651824	12/01/2012	Paydown.		2,541,855	2,541,855	2,618,507	2,616,456		(74,601)		(74,601)		2,541,855			0	71,977	05/15/2036
36295Q-C3-2	Ginnie Mae Pool GNSF 676990	12/01/2012	Paydown		3,018,067	3,018,067	3,278,139	3,277,939		(259,872)		(259,872)		3,018,067			0	71,458	06/15/2040
36295Q-PB-0 36295Q-VR-8	Ginnie Mae Pool GNSF 677318 Ginnie Mae Pool GNSF 677524	12/01/2012 05/22/2012	PaydownBNP Paribas/NY		266,389 490,875	266,389 435,849	293 , 194 451 , 444	292,735 451,057		(26,346)		(26,346)				39.663		9,107 12,277	09/15/2038
36295Q-VR-8	Ginnie Mae Pool GNSF 677524	06/01/2012	Paydown		3,342	3,342	3,462	3,459		L(117)		L(117)		3,342			0	2,238	10/15/2037
36295Q-VU-1	Ginnie Mae Pool GNSF 677527	10/23/2012	J.P. Morgan Chase & Co	ļ	1,204,553	1,064,504	1,102,593	1,101,652		312		312		1,101,964		102,589	102,589	57,031	11/15/2037
36295Q-VU-1 36295Y-WZ-2	Ginnie Mae Pool GNSF 677527 Ginnie Mae Pool GNSF 684764	11/01/2012	Paydown			349,344 6,083,795	6,554,339			(12,191)		(12,191)		349,344			0	14 , 133 187 . 135	11/15/2037
36296Q-3D-9	Ginnie Mae I Pool GNSF 698396.	12/01/2012	Paydown.		646.378	646,378 127,687	700,715	700,369		(53,991)		(53,991)		646.378			0	14,730	07/15/2039
36297F-WP-3	Ginnie Mae Pool GNSF 710854	12/01/2012	Paydown	ļ	127,687	127 ,687	138,540	138,344		(10,658)		(10,658)		127,687		ļ	0	3,247	09/15/2039
38374M-MA-4_	Government National Mtg Assoc GNR 2005-9	12/01/2012	Paydown		2,158,964	2,158,964	2,271,614	2,191,494		(32,530)		(32,530)		2,158,964			0	95,594	11/20/2016
	Government National Mtg Assoc GNR		i .			i													
38374M-VJ-5	2005-9	12/01/2012	Paydown	 	1,180,915	1 , 180 , 915	1,222,253	1,218,323		(37,408)		(37,408)		1,180,915		†	0	30,202	01/20/2032
38376G-A9-1	2011-6	12/06/2012	Jefferies & Co (JPM-BS)		658,391	640,770	649,680	647 ,241		(2,096)		(2,096)		645,144		13,247	13,247	15,806	12/16/2037
38376G-A9-1	2011-6	12/01/2012	Paydown		45,068	45,068	45,695	45,523		(455)		(455)		45,068			0	837	12/16/2037
46513E-JX-1	1/2 04/E.	05/21/2012	KeyBank		1,407,895	1,075,000	1,215,368	1,208,003		(3,307)		(3,307)		1,204,696		203,199	203 , 199	34,161	04/26/2024
911759-EW-4	US Depart of Hsing & Urban Dev HUD 6.51	08/01/2012	Call 100.0000		2,715,000	2,715,000	2,895,078	2,715,000				0		2,715,000			0		08/01/2018
911759-EZ-7	US Depart of Hsing & Urban Dev HUD 6.67	02/02/2012	Redemption 100.0000		4,355,000	4,355,000	4,596,293	4,355,000				0		4,355,000			0	145,239	08/01/2021
912810-QN-1	United States Treasury T 4 3/4 02/15/41	07/18/2012	BNP Paribas/NY		58.406	40.000	43,797	43,764		(37)		(37)		43,727		14,679	14.679	1,759	02/15/2041
İ	United States Treasury T 4 3/8	i	Salomon SmBarney			i '	i '	1 1		· ′		1		i i		·		·	
912810-QQ-4	United States Treasury T 3 3/4	06/07/2012	(Citigroup)		5,727,003	4,285,000	5,214,309	5,208,535		(8,305)		(8,305)		5,200,229		526 ,774	526,774	105,961	05/15/2041
912810-QS-0	08/15/41 United States Treasury T 3 1/8	07/18/2012	Various		4, 187, 426	3,510,000	3,999,155	3,998,534		(3,470)		(3,470)		3,995,064		192,362	192,362	92,155	08/15/2041
912810-QT-8 912828-MU-1	11/15/41 United States Treasury T 1 03/31/12	05/31/2012	Various		579,035 25,000,000	575,000	580,368 24,977,623	580,364		(15)		(15)		580,349		(1,314)	(1,314)	5,333	11/15/2041
912020-110-1	United States Treasury T 1 03/31/12	03/31/2012	Maturity		23,000,000	25,000,000	24,977,023	24,997,158		2,042		2,042		25,000,000				125,000	03/31/2012
912828-MX-5 912828-NB-2	04/15/13United States Treasury T 1 04/30/12	04/20/2012	Greenwich Capital-RBS Maturity		25,380,859	25,000,000	25,075,279 30,326,859	25,032,784		(7,843)		(7,843)		25,024,941		355,918	355,918	228,313	04/15/2013
	United States Treasury T 1 3/8	1								l ' ' '		1 ' '				40.700	10.700	·	
912828-RH-5	United States Treasury T 0 1/2	03/14/2012	Various	†	1,198,927	1,200,000	1,181,223	1,181,702		463		463	l	1,182,165		16,762	16,762	6,838	09/30/2018
912828-RL-6 912828-RR-3	10/15/14 United States Treasury T 2 11/15/21	01/04/2012	Deutsche Bank		526,702 26,985,847	525,000 25,935,000	524,364	524,408 25,800,251		2		2		524,410		2,292 1,174,605	2,292	588 521,311	10/15/2014
	United States Treasury T 0 7/8	i				i	i ' '	400 449		(4)		(4)				' '		344	
912828-RU-6	11/30/16 Bonds - U.S. Governments	01/04/2012	Various		400,125 299,196,725	400,000 285,140,993	400,453 296,927,683	296,208,210		(3,546,073)	Λ	(3,546,073)		400,448 292,662,138	Λ	(323) 6,534,587	6,534,587	7,619,285	11/30/2016 XXX
	Other Governments				200,100,120	200,140,333	200,321,003	200,200,210	0	(0,040,0/3)	0	(0,040,0/3)		202,002,130	<u> </u>	0,004,007	0,004,007	1,015,200	۸۸۸
	States, Territories and Possessions (Di	rect and Guarar	nteed)																
13063A-5G-5	State of California Build America Bonds	11/28/2012	Various		1,937,925	1,385,000	1,660,463	1,659,225		(2,967)		(2,967)		1,656,258		281,667	281,667	101,709	04/01/2039
	State of California Build America			†											·····				
13063B-FR-8	Bonds	1	Morgan Stanley & Co., Inc Salomon SmBarney		1,092,704	815,000	910,231	908,902		(143)		(143)		908,759		183,945	183,945	28,483	03/01/2040
373384-PP-5	State of Georgia General Obligation	11/01/2012	(Citigroup) Stifel-Hanifen		8,398,112	6,560,000	8,077,394	8,026,137		(117,976)		(117,976)		7,908,161		489,951	489,951	441,889	07/01/2021
373384-UR-5	State of Georgia General Obligation State of Illinois Build America	10/23/2012	Stifel, Nicolaus		16,681,846	13,015,000	16,393,564	16,300,983		(259,096)		(259,096)		16,041,887		639,959	639,959	835,129	07/01/2021
452152-GS-4	BondsState of Maryland General	12/14/2012	Merrill Lynch		944,861	780,000	790,015	790,006		(165)		(165)		789,841		155,020	155,020	84,084	07/01/2035
574193-BQ-0	Obligation.	01/30/2012	Merrill Lynch		889 , 155	725,000	840,565	835,420		(1,124)	<u> </u>	(1,124)	<u> </u>	834,296		54,859	54,859	17,823	08/01/2023

							SCI	HEDU	LE D -	PART	4								
					Showing al	Long-Term E	Bonds and S	tocks SOLD, I	REDEEMED o			During Current	Year						
1	2	3 4	5	6	7	8	9	10		Change in E	Book/Adjusted Ca	arrying Value		16	17	18	19	20	21
		F o r e						Prior Year	11 Unrealized	12	13 Current Year's Other Than	14	15 Total Foreign	Book/ Adjusted	Foreign			Bond Interest/Stock	Stated
CUSIP Identi- fication	Description	g Disposal n Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Book/Adjusted Carrying Value	Valuation Increase/ (Decrease)	Current Year (Amortization)/ Accretion	Temporary Impairment Recognized	Total Change in B/A. C.V. (11+12-13)	Exchange Change in B/A. C.V.	Carrying Value at Disposal Date	Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Dividends Received During Year	Contractual Maturity Date
57582N-XJ-9	Commonwealth of Massachusetts General Ob.	01/24/2012	Goldman Sachs		813,568	635,000	780 , 167	775,116		(925)		(925)		774,191		39,377	39,377	16,298	08/01/2021
57582P-FX-3	Commonwealth of Massachusetts General Ob.	09/20/2012	UBS/WAR		587 , 123	525,000	518,900	519,020		86		86		519,106			68,017	30 , 188	08/01/2037
594610-WC-7	State of Michigan General Obligation	11/21/2012	. Morgan Stanley & Co., Inc		1,233,692	1,075,000	1,261,523	1,213,884		(31, 124)		(31, 124)		1,182,760		50,932	50,932	58,468	12/01/2015
604129-WY-8	State of Minnesota General Obligation.	01/24/2012	Goldman Sachs		2,502,940	2,000,000	2,391,060	2,375,572		(2,816)		(2,816)		2,372,755		130,185	130 , 185	48,889	08/01/2021
658256-H8-8	State of North Carolina General Obligati	01/26/2012.	UBS/WAR.		1,296,100	1,000,000	1,208,980	1,202,176		(1,415)		(1,415)		1,200,760		95,340	95,340	12,500	05/01/2022
70914P-LB-6	Commonwealth of Pennsylvania General Obl	10/26/2012	Loop Capital Mkts (Ridge		11,165,130	9,000,000	10,940,940	10,852,512		(192,397)		(192,397)		10,660,115		505.015	505,015	600,000	07/01/2019
	Commonwealth of Pennsylvania	 	UDO /WAD									l ' ' '					·	·	i i
70914P-QW-5_ 882721-2N-2_	General Obl State of Texas General Obligation	01/11/201210/24/2012	UBS/WAR		630,937 7,146,180	6,000,000	598,005 6,534,360	6,423,055		(400) (47,677)		(400) (47,677)				34,938 770,801	34,938 770,801	5,500	11/15/2021 08/01/2027
882722-E5-6 882722-HU-8	State of Texas General Obligation State of Texas General Obligation	10/23/201202/07/2012.	Salomon SmBarney (Citigroup) Conversion.		14,537,285 5,236,590	11,395,000 5,000,000	14,107,210 5,291,950	14,017,255 5,239,260		(197,565) (2,669)		(197,565) (2,669)		13,819,690 5,236,590		717,595	717 ,595 0	709,022 129,167	10/01/2021
928109-XE-2	Commonwealth of Virginia Build America B	11/05/2012	Loop Capital Mkts (Ridge CI)		588,431	525,000	521,719	521,788		104		104		521,892		66,538	66,538	23,099	06/01/2029
93974B-2W-1_	State of Washington General Obligation	10/18/2012	Morgan Stanley & Co., Inc.		11,578,200	10,000,000	10 , 767 , 400	10,594,403		(72,674)		(72,674)		10,521,729		1,056,471	1,056,471	655,556	01/01/2028
93974B-4A-7	State of Washington General Obligation	09/28/2012	Goldman Sachs		13,594,848	11,720,000	12,314,943	12,187,389		(52,780)		(52,780)		12, 134,609		1,460,239	1,460,239	735,756	01/01/2033
97705L-RT-6	State of Wisconsin General Obligation.	10/23/2012	UBS/WAR		5,978,300	5,000,000	5,193,050	5, 127, 831		(14,553)		(14,553)		5,113,278		865,022	865,022	246,528	05/01/2028
	Bonds - U.S. States, Territories and F			0	106,833,927	87,650,000	101,102,439	100,166,333	0	(998,276)	0	(998,276)	0	99,168,055	0	7,665,871	7,665,871	5,153,421	XXX
	Political Subdivisions of States, Ter City of Chicago IL General		,	eea)	1					1	1	1	1	1					
167486-MM-8	Obligation Metro Wtr Rec Dist of Grtr Ch	12/13/2012	Raymond James & Associates. Salomon SmBarney		2,023,804	1,550,000	1,602,964	1,602,259		(870)		(870)		1,601,389		422,415	422,415	176,553	01/01/2035
167560-KG-5 181059-PE-0	General Ob	10/26/201211/20/2012	(Citigroup) Various		11,235,100 5,928,950	10,000,000 5,000,000	10,667,100 5,373,675	10,462,923 5,264,573		(81,495) (33,013)		(81,495) (33,013)		10,381,428 5,231,560			853,672 697,390	458,333 236,806	12/01/2029 06/15/2020
184062-CP-0 194738-L4-0	District	09/01/2012 07/03/2012	Maturity Conversion		100,000 1,265,077	100,000 1,235,000	106,006 1,305,914	101,558 1,270,538		(1,558)		(1,558)		1, 265, 077			0	3,250 54,546	09/01/2012
199820-TF-8	Comal Ind Sch Dist School District Cypress-Fairbanks Ind Sch Dist	01/25/2012	UBS/WAR.		5,799,241	5,405,000	5,466,239	5,432,533		(1,006)		(1,006)		5,431,527		367,714	367,714	134,374	02/01/2032
232760-C9-7 235308-HP-1	School Di	10/17/201210/31/2012	Merrill Lynch Barclays Capital		17 , 178 , 000 6 , 630 , 955	15,000,000 6,180,000	15,367,050 6,286,667	15,250,320 6,234,252		(35,730) (16,778)		(35,730) (16,778)		15,214,589 6,217,474		1,963,411 413,481	1,963,411 413,481	889 ,583 377 ,667	02/15/2029 08/15/2031
251129-2B-7_ 358802-YH-3_	District	05/01/2012	Call 100.0000 Barclays Capital		2,725,000 9,340,097	2,725,000 8,650,000	2,970,414 8,928,444	2,751,416 8,791,497		(26,416)		(26,416)		2,725,000 8,749,477			0 590,620		05/01/2014
403755-L3-3	Gwinnett Cnty Sch Dist School District		Barclays Capital		9,534,091	8,050,000	8,907,762	8,799,132		(42,020)		(42,020)		8,734,283			799,808	509,675	02/01/2032
	Gwinnett Cnty Sch Dist School																·	·	
403755-WG-2 49474E-M7-5	District King Cnty WA General Obligation	10/18/2012 10/18/2012	Barclays Capital		11,520,800 19,848,060	10,000,000 18,000,000	10,678,800 18,730,440	10,528,273 18,555,854		(63,333) (67,458)		(63,333) (67,458)		10,464,940 18,488,395		1,055,860 1,359,665	1,055,860 1,359,665		02/01/2036 01/01/2034
49474E-T7-8	King Cnty WA General Obligation	10/23/2012	Loop Capital Mkts (Ridge		6,495,054	5,550,000	5,812,848	5,760,724		(21,456)		(21,456)		5,739,268		755,786	755,786	375,299	01/01/2036
513174-PR-7	Lamar Con Ind Sch Dist School District	10/24/2012	UBS/WAR		9,719,164	8,555,000	8,650,388	8,620,227		(9,498)		(9,498)		8,610,729		1, 108, 435	1,108,435	515,676	02/15/2038
520394-AM-9	Lawrence Twnship/Cumberland School Distr	09/01/2012	. Maturity		120,000	120,000	125,620	121,447		(1,447)		(1,447)		120,000			0	3,300	09/01/2012
539158-FH-3	Livingston Twnship Sch Dist School Distr	07/15/2012	. Maturity		1,000,000	1,000,000	1,009,590	1,002,689		(2,689)		(2,689)		1,000,000			0	10,000	07/15/2012
544646-TN-2	Los Angeles Unified Sch Dist School Dist	10/10/2012	Loop Capital Mkts (Ridge CI)		1,170,370	1,000,000	1,054,440	1,047,077		(4,288)		(4,288)		1,042,789		127 ,581	127 ,581	64,444	07/01/2027
613664-Q3-8	Montgomery Cnty TN General Obligation	05/28/2012.	Call 100.0000		480.000	480,000	513,912	483,663		(3,663)		(3,663)		480,000				14 , 145	05/01/2018
667027-QB-5	Northside Ind Sch Dist School District	02/15/2012	Call 100.0000		4,500,000	4,500,000	4,532,220	4,501,394		(1,394)		(1,394)		4,500,000			0	112,500	02/15/2032
667825-UJ-0	Northwest Ind Sch Dist School District	l i	Barclays Capital]	11,429,500	10,000,000	10 , 171 , 200	10,116,923		(16,649)		(16,649)		10,100,274		1,329,226	1,329,226	593,056	02/15/2031
667825-UK-7	Northwest Ind Sch Dist School	10/17/2012		1	15,371,291	13,470,000	13,655,886	13,597,039		(18,070)		(18,070)		13,578,969		1,792,322	1,792,322	798,846	02/15/2031
i	District			İ				22.589.903							·····		2,696,457		l i
734260-2G-6	Obligation	09/28/2012	Bank of Tokyo Mitsubishi	ļ	25 , 169 , 760	21,000,000	22,776,810	22,589,903		(116,600)	ļ	(116,600)	ļ	22,473,303		2,696,457	2,090,45/	1,055,833	10/01/2039

							SCF	IEDU	LE D -	PART	4								
					Showing al	l Long-Term I	Bonds and St	ocks SOLD, I	REDEEMED o	r Otherwise DI			Year						
1	2	3 4	5	6	7	8	9	10		Change in E	Book/Adjusted Ca	arrying Value	1	16	17	18	19	20	21
	ļ ,	F 0							11	12	13 Current Year's	14	15	Book/				Bond	
CUSIP Identi- fication	Description	e i g Disposal n 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 (Amortization)/ Accretion	Other Than Temporary Impairment Recognized	Total Change in B/A. C.V. (11+12-13)	Total Foreign Exchange Change in B/A. C.V.	Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Interest/Stock Dividends Received During Year	Stated Contractual Maturity Date
76541V-GT-8	City of Richmond VA General Obligation	11/01/2012.	UBS/WAR		5,697,975	4,690,000	5,245,343	5,142,848		(45, 180)		(45, 180)		5,097,668		600,307	600,307	306,804	07/15/2024
76541V-GU-5	City of Richmond VA General Obligation	11/01/2012.	UBS/WAR		2,848,412	2,350,000	2,614,140	2,565,529		(21,452)		(21,452)		2,544,077		304,334	304,334	153,729	07/15/2025
796236-7X-9	City of San Antonio TX General Obligatio	08/01/2012.	. Maturity		3,655,000	3,655,000	4,099,704	3,731,785		(76,785)		(76,785)		3,655,000			0	191,888	08/01/2012
806640-SK-5	Schertz-Cibolo-Universal City School Dis	10/18/2012.	Barclays Capital		11,012,100	10,000,000	10,081,500	10,051,248		(9,406)		(9,406)		10,041,842		970,258	970,258	613,889	02/01/2036
845389-EV-3	Southwestern Comm College Dist Higher Ed	04/05/2012.	. Morgan Stanley & Co., Inc.,		5,840,673	5,415,000	5,398,484	5,398,638		84		84		5,398,722		441,951	441,951	188,021	08/01/2040
955023-GL-4	West Ottawa MI Pub Schs School District	11/01/2012	Janney Montgomery Scott Inc.		4,671,999	4,825,000	3,987,187	4,355,164		114,893		114,893		4,470,058		201,942	201,942		05/01/2015
2499999 - B	onds - U.S. Political Subdivisions of Guaranteed)	States, Territo	ories and Possessions (Direct	and	212,310,473	188.720.000	196.120.747	194 . 131 . 426	0	(673,587)	0	(673.587)	0	193.457.838	0	18.852.635	18.852.635	10,187,948	XXX
	Special Revenue and Special Assessment			cies and Author	ities of Governm	ents and Their P	olitical Subdiv	isions		(0.0,001)	· · · · ·	(0.0,007)	· · · · ·	, . ,	·	.,,	7,117		
01F040-61-0 01F042-61-6	Fannie Mae Pool FNCL TBA	01/10/2012	. Greenwich Capital-RBS Barclays Capital		1,053,320	1,000,000	1,043,281	1,043,281				10		1,043,281 1,059,063				1,222 1,375	01/01/2042
072024-DJ-8 072024-FF-7	Bay Area Toll Auth Transportation Bay Area Toll Auth Transportation	10/24/2012_	Merrill Lynch		15,538,770 11,878,700	13,500,000	13,445,595 9,959,700	13,450,483 9,963,321		1,297 960		1,297 960		13,451,780 9,964,281		2,086,990 1,914,419	2,086,990 1,914,419	727,500 538,889	04/01/2031
	California Muni Fin Auth Medical	04/10/2012_	Salomon SmBarnev		774,953	750,000	736,613	737,097		115		115		737,211		37,741	37,741	32,313	07/01/2030
181012-AY-1 186432-VF-4	07/01/14	05/21/201201/01/2012	Goldman Sachs		1,090,910 .35,000	1,000,000 35,000	1,140,670 35,002	1,091,222 35,000		(14,310)		(14,310)		1,076,912 		13,998	13,998	44,861 1,006	07/01/2014
190828-WE-9	Cobb Cnty GA Wtr & Swrage Rev Water	10/25/2012_	Bank of Tokyo Mitsubishi		2,895,200	2,500,000	2,574,475	2,561,072		(5,989)		(5,989)		2,555,083		340,117	340,117	133,056	07/01/2025
	Dallas/Fort Worth Intl Air Airport Dallas/Fort Worth Intl Air Airport	11/01/2012	. Call 100.0000		1,705,000 4,885,000	1,705,000 4,885,000	1,733,064 4,378,767	1,705,000 4,410,959		6,428		6,428		1,705,000 4,417,387		467,613	0	69,619 185,417	11/01/2018
251237-YX-5	Detroit MI Wtr Supply Sys Rev Water	10/22/2012	Siebert Capital Markets - NFSC Salomon SmBarney		11,260,245	9,700,000	10,675,626	10,416,206		(79,863)		(79,863)		10,336,343		923,902	923,902	702,442	07/01/2018
251256-BS-1	Detroit MI Wtr Supply Sys Rev Water Detroit Wayne Cnty Stad Auth	12/11/2012.	. (Citigroup)		1,097,300	1,000,000	985,220	985,220		226		226		985,446		111,854	111,854	51,333	07/01/2041
251440-AT-0	General Obi	06/15/2012	Janney Montgomery Scott		3,498,250	3,500,000	3,362,310	3,376,365		2,499		2,499		3,378,864		119,386	119,386	162,823	
	Dist of Columbia Development	06/26/201204/17/2012.	Inc		2,570,783 107,879	2,515,000 95,047	1,917,688	1,944,085		5,076		5,076		1,949,161 100,362		621,621 7,517	621,621 7,517	114,572	
31283G-M2-0	Freddie Mac Gold Pool FGLMC G00377	04/01/2012	Paydown		6,678	6,678	7,088	7,053		(376)		(376)		6,678			0	107	08/01/2025
31283G-Q2-6 31283G-Q2-6	Freddie Mac Gold Pool FGLMC G00473 Freddie Mac Gold Pool FGLMC G00473	05/24/2012 06/01/2012	Various		29,878 1,400	25,750 1,400	27,438	27,321		(19) (85)		(19)		27,302		2,576	2,576	871 188	03/01/2026
31283H-2M-6	Freddie Mac Gold Pool FGLMC G01680	12/01/2012_	Paydown		466,495	466,496	485,676	485,118		(18,623)		(18,623)		466,495				10,744	03/01/2034
31287N-F4-5 31287N-F4-5	Freddie Mac Gold Pool FGLMC C62887 Freddie Mac Gold Pool FGLMC C62887	05/24/201206/01/2012.	Broadpoint Capital		298,366 45,416	267 ,593 45 ,416	279,097 47,368	278,715 47,304		151				278,866 45,416		19,500	19,500	7 ,225 2 .100	
31287N-J3-3	Freddie Mac Gold Pool FGLMC C62982	05/22/2012	BNP Paribas/NY		327,700	289,041	304,887	304,350		202		202		304,553		23,148	23,148	8,471	01/01/2032
31287N-J3-3 31287N-J3-3	Freddie Mac Gold Pool FGLMC C62982 Freddie Mac Gold Pool FGLMC C62982	05/01/201206/01/2012.	Paydown	 	47,359 10,610	47,359 10,610	49,956 11,191	49,868 11,171		(2,508)		(2,508)					0	1,129 1,911	01/01/2032
31287N-NS-3	Freddie Mac Gold Pool FGLMC C63101	05/22/2012	Various		114,794	103,622	108,012	107,867		57		57		107,924		6,870	6,870	2,801	01/01/2032
31287N-NS-3 31287N-NS-3	Freddie Mac Gold Pool FGLMC C63101 Freddie Mac Gold Pool FGLMC C63101	05/01/201206/01/2012.	PaydownVarious	 	2,902	2,902	3,025 873	3,021 872		(119)		(119)		2,902			0	43 543	01/01/2032
31287P-EB-5	Freddie Mac Gold Pool FGLMC C63730	05/22/2012_	BNP Paribas/NY		280,611	247,507	261,076	260,619		174		174		260,793		19,818	19,818	7,244	02/01/2032
31287P-EB-5 31287P-EB-5	Freddie Mac Gold Pool FGLMC C63730 Freddie Mac Gold Pool FGLMC C63730	05/01/2012.	Paydown	 	2,865	2,865 580	3,022	3,017 610		(152)	ļ	(152)		2,865			0	42	02/01/2032
31287R-LU-1	Freddie Mac Gold Pool FGLMC C65739	05/22/2012	. Raymond James & Associates.		249,281	213,975	228,339	227,719		39		39		227 ,758		21,523	21,523	6,778	04/01/2032
31287R-LU-1 31287T-BF-1	Freddie Mac Gold Pool FGLMC C65739 Freddie Mac Gold Pool FGLMC C67238	06/01/201205/22/2012	Paydown			28,593 114,548	30,513	30,430 120,627		(1,837) 		(1,837)			ļ	9,160	0 9 , 160	2,019 3,351	04/01/2032
31287T-BF-1	Freddie Mac Gold Pool FGLMC C67238	05/01/2012_	Paydown		1,570	1,570	1,656	1,653		(83)		(83)		1,570			0	25	11/01/2032
	Freddie Mac Gold Pool FGLMC C67238 Freddie Mac Gold Pool FGLMC C69107	06/01/201210/23/2012	Redemption 100.0000 G.X. Clarke & Company		2,405,863	2,104,637	2,220,015	337		(17) 973		(17) 973				188,645		631	11/01/2032
31287V-DL-1	Freddie Mac Gold Pool FGLMC C69107	11/01/2012_			625,009	625,009	659,273	658,153		(33,144)		(33, 144)		625,009		100,040	0	29,581	
3128E5-PA-1	Freddie Mac Gold Pool FGTW D98517	12/01/2012		ļ	128,996	128,996	134,216	134,082		(5,086)		(5,086)	ļ	128,996	ļ	/400\	0	3,313	01/01/2031
3128F3-J2-0	Freddie Mac Gold Pool FGLMC D63881 Freddie Mac Gold Pool FGLMC D63881	06/01/2012.	Paydown.		7,632	7,632	8,103 178	8,063 177		(2)		(2)		8,062		(430)	(430)	240 48	09/01/2025
3128F4-6L-0	Freddie Mac Gold Pool FGLMC D65375	05/22/2012	Raymond James & Associates.		71,486	63,262	67,166	66,848		(14) (107)		(14) (107)				4,652	4,652	1,994 407	11/01/2025
3128F4-6L-0	Freddie Mac Gold Pool FGLMC D65375 Freddie Mac Gold Pool FGLMC D65375	06/01/201205/30/2012.	Redemption 100.0000		1,888	1,888	2,005	1,995		1(10/)		10		1,888			0	407	11/01/2025
3128F5-CG-1	Freddie Mac Gold Pool FGLMC D65471	05/22/2012	. Raymond James & Associates.	ļ	49,997	43,287	46,137	45,931		(34)	ļ	(34)			ļ	4 , 100	4,100		11/01/2025
	Freddie Mac Gold Pool FGLMC D65471 Freddie Mac Gold Pool FGLMC D70773	06/01/201207/01/2012	Paydown Paydown	<u> </u>	1,310 1,444	1,310 1,444	1,396	1,390 1,444		(80)	<u> </u>	(80) .0		1,310 1,444			0 0		11/01/2025
3128FJ-4E-5	Freddie Mac Gold Pool FGLMC D77121		Raymond James & Associates.		38,572 605	33,109		35 , 136		(20)		(20)		35,116 		3,457	3,457	1,117	01/01/2027
3120°J-4E-0	I I Edule Mac bold Fool Folmo D//121	00/01/2012	. i ayuuwii	 	005	0U5	044	042		4 (37)	ļ	(3/)	ļ		<u> </u>		JU	JZZU	101/01/202/

					Snowing ai	Long-Term I	Bonas and S	tocks SOLD , F	REDEEMED 0	r Otherwise Di	SPOSED OF L	Ouring Current '	Year						
1	2 3	4	5	6	7	8	9	10		Change in E	Book/Adjusted Ca	rrying Value		16	17	18	19	20	21
	-	. l							11	12	13	14	15						
		,								'2	"	'~	15						
	r	•						5. ,			Current Year's		T. 15	Book/				Bond	
CUSIP	l e	:		Number of				Prior Year Book/Adjusted	Unrealized Valuation	Current Year	Other Than Temporary	Total Change in	Total Foreign Exchange	Adjusted Carrying Value	Foreign Exchange Gain	Realized Gain	Total Gain	Interest/Stock Dividends	Stated Contractual
Identi-	l g	Disposal		Shares of				Carrying	Increase/	(Amortization)/	Impairment	B/A. C.V.	Change in	at	(Loss) on	(Loss) on	(Loss) on	Received	Maturity
fication	Description n	Date	Name of Purchaser	Stock	Consideration	Par Value	Actual Cost	Value	(Decrease)	Accretion	Recognized	(11+12-13)	B/A. C.V.	Disposal Date	Disposal	Disposal	Disposal	During Year	Date ´
3128FK-XS- 3128FK-XS-		05/22/2012	Raymond James & Associates Paydown,	-		55,369 1,011	58,955	58,731		(33)		(33)				6,361	6,361	1,869	02/01/2027
			Nomura Securities Intl			· ·	i .	·		l ' '		1 '1							l i
3128GV - E7 - 3128GV - E7 -	1Freddie Mac Gold Pool FGCI E91058 1 Freddie Mac Gold Pool FGCI E91058	06/08/2012	IncPaydown		600,194	564,224 188,333	590 ,790 197 ,200	585,196 195,333		(792)		(792) (7,000)		584,404 188,333		15,790	15,790		08/01/2017
3128GV-EW-	6 Freddie Mac Gold Pool FGCI E91049	05/29/2012	G.X. Clarke & Company		460,868	427 ,224	444 . 402	440,942		(488)		(488)		440,454		20,414	20,414	10,994	09/01/2017
3128GV-EW- 3128KF-BD-		06/01/2012	Paydown		2.068.254		90,354 1,950,682			(2,789)		(2,789) 825		1.949.730		118,524	0 118,524	3,254	09/01/2017
3128KF-BD-		11/01/2012	Paydown		2,692,337	2,692,337	2,790,836	2,788,294		(95,957)		(95,957)		2,692,337			0	92,451	09/01/2036
3128KH-KJ-		05/22/2012	BNP Paribas/NY		1,001,904	883,708	926,217 443,077	925,139 442,561		594		594		925,733		76,171	76,171	25,848	06/01/2036
3128KH-KJ- 3128LX-AY-		06/01/2012	Paydown			422,742 1,225,187	1,274,030	1,272,678		(47,491)		(19,819) (47,491)					0	40,178	06/01/2036
3128LX-FW-	5 Freddie Mac Gold Pool FGLMC G01981	10/24/2012	G.X. Clarke & Company		7,543,753	6,881,416	7,027,034	7,022,876		2,588		2,588		7,025,465		518,288	518,288	301,811	12/01/2035
3128LX-FW- 3128M1-QS-		11/01/2012	Paydown Robert W Baird	<u> </u>	2,523,400	2,523,400 3,399,615	2,576,798	2,575,273 3,538,326		(51,873)	l	(51,873)		2,523,400	l	276.550	276,550	93,059	12/01/2035
3128M1-QS-	1 Freddie Mac Gold Pool FGCI G12365	11/01/2012	Paydown		1,111,240	1,111,240	1,162,693	1,156,581		(45,341)		(45,341)		1,111,240			0	52,020	09/01/2021
3128M4-AH- 3128M5-NM-		12/01/2012 07/09/2012	PaydownBNP Paribas/NY			476,309 6.448,297	513,149 6,660,889	512,354 6.654,973		(36,045) 3,574		(36,045) 3.574		476,309 6,658,546		370.097	370.097	14,349 218,705	12/01/2036 01/01/2038
3128M5-NM-	8 Freddie Mac Gold Pool FGLMC G03696	08/01/2012	Paydown		2,039,391	2,039,391	2,106,627	2.104.756		(65, 365)		(65, 365)		2,039,391			0	74,204	01/01/2038
3128M5-NP- 3128M5-WA-		12/01/2012	Paydown		351,873 3,459,255	351,873 3,459,255	387,251	386,746 3,581,480		(34,873)		(34,873)		351,873			0	11,884 110,179	12/01/2037
İ		1	Nomura Securities Intl				i			l ' '		1						i .	l i
3128M6-H5- 3128M6-H5-		07/09/2012	IncPaydown		10,150,665	9,155,053 2,255,291	9,966,133 2,455,095	9,950,774 2,451,311		11,877		11,877		9,962,651 2,255,291		188,014	188,014	338,737	07/01/2038
3128M6-NS-		12/01/2012	Paydown		2,255,291	99,200	106,097	105,951		(6,752)		(6,752)		99,200			0	3,092	07/01/2038
3128M7-TS-	Frankia Man Cald Bank FOLMS CORRES	11/20/2012	Credit Suisse First Boston	1	30.893.478	27.965.808	29.864.424	29.827.499		29.567		29.567		29.857.066		1,036,412	1 000 410	1,329,021	09/01/2039
3128M7-TS-		11/20/2012	Pavdown.		8.862.247	8.862.247	9,664,424	9,452,209				(589,962)		8,862,247		1,030,412	1,036,412		09/01/2039
3128M7-Y5-	9Freddie Mac Gold Pool FGLMC G05832	12/01/2012	Paydown		422,352	422,352	441,031	440,662		(18,310)		(18,310)		422,352			0	11,644	03/01/2040
3128M8-A4- 3128MB-RG-		12/01/2012 07/09/2012	Paydown			286,653 281,301	308,107 303,805	307,517 302,635		(20,864)		(20,864) (92)		286,653 302,544		3,019	3,019	8,934 9,713	
3128MB-RG-	4 Freddie Mac Gold Pool FGCI G12987	07/01/2012	Paydown		73,628	73.628	79,519	79,212		(5,584)		(5,584)		73,628			0	1,320	02/01/2023
3128MJ-AR- 3128MJ-E2-		12/01/2012	Paydown		2,060,529 5.659.138	2,060,529 5,075,460	2,119,586 5,319,605	2,117,874 5,313,367		(57,345) 2,729		(57,345) 2,729		2,060,529 5,316,096		343.042		61,480	10/01/2034
3128MJ-E2-	2Freddie Mac Gold Pool FGLMC G08152	12/01/2012	Paydown		2,500,492	2,500,492	2,620,773	2,617,700		(117,208)		(117,208)		2,500,492			0	112,609	09/01/2036
3128MJ-EZ-	9 Freddie Mac Gold Pool FGLMC G08151 Freddie Mac Non Gold Pool FHARM	12/01/2012	Paydown		1,937,869	1,937,869	2,008,766	2,006,912		(69,043)		(69,043)		1,937,869			0	64,341	09/01/2036
3128NC-XF-	6 1G0678	12/01/2012	Paydown		1,359,397	1,359,397	1,411,144	1,410,464		(51,066)		(51,066)		1,359,397			0	48,651	01/01/2036
3128P7-QT- 3128PE-G8-	3Freddie Mac Gold Pool FGTW C91366 5Freddie Mac Gold Pool FGCI J02923	12/01/2012 10/23/2012	PaydownVarious	-		129,231	3,081,369	3,072,662		(5,017) (1,991)		(5,017)		129,231 3,070,671		136.110		3,247	04/01/2031
3128PE-G8-	5 Freddie Mac Gold Pool FGCI J02923	11/01/2012	Paydown.		1,551,949	1,551,949	1,595,643	1,591,134		(39, 185)		(39, 185)		1,551,949		130,110	0	53,660	06/01/2021
3128PR-4M-	8 Freddie Mac Gold Pool FGCI J12628	12/01/2012	Paydown		327,583	327,583	347 , 238	346,462		(18,879)		(18,879)		327,583			0	8,851	07/01/2025
3128S4-B6-	Freddie Mac Non Gold Pool FHARM 3. 100061.	01/12/2012.	BNP Paribas/NY		918,875	869,298	916,022	915,200		(23)		(23)		915,177		3,698	3,698	2,718	03/01/2036
İ	Freddie Mac Non Gold Pool FHARM	i		1		142		150		l ' '		(0)							i i
3128S4-B6-	Freddie Mac Non Gold Pool FHARM	01/01/2012	Paydown	†	142	142	150	150		(8)		(8)		142	·····	†	LU	·····	03/01/2036
3128UG-KY-	2. 188060	11/08/2012	BNP Paribas/NY	-	563,088	543,390	546,744	546,699		16		16		546,716		16,372	16,372	14,890	03/01/2041
3128UG-KY-	Freddie Mac Non Gold Pool FHARM 2. 1B8060.	11/01/2012	Paydown	<u> </u>	167,682	167,682	168,717	168,703		(1,021)	<u> </u>	(1,021)		167,682	<u> </u>	<u> </u>	lo	3,111	03/01/2041
31292G-4T-	O Freddie Mac Gold Pool FGLMC C00834	05/24/2012	Broadpoint Capital		359,150	322,108	336,358	335,796		162		162		335,958		23,193	23,193	8,716	07/01/2029
31292G-4T- 31292G-MT-		06/01/2012 05/22/2012	Paydown	·		26,757 76,567	27,941 81,267	27,894 80,824		(1,137)		(1,137)				4,576	0 4,576	1,961 2,412	07/01/2029
31292G-MT-	O Freddie Mac Gold Pool FGLMC C00370	06/01/2012	Paydown		6,722	6,722	7 , 135	7.096		(374)		(374)					0	593	08/01/2024
31292G-RA- 31292G-RA-		06/08/2012	KeyBank		47,807 1,555	39,500	42,978	42,758		(33)		(33)		42,724		5,083	5,083	1,791	10/01/2026 10/01/2026
31292G-SD-	9Freddie Mac Gold Pool FGLMC C00516	05/22/2012	Raymond James & Associates		36,970	32,253	34,218	34,100		(16)		(16)		34,084		2,886	2,886	1,161	05/01/2027
31292G-SD- 31292G-WT-		06/01/2012 05/24/2012	PaydownBroadpoint Capital		5,416	5,416 91,805	5,746 97,068	5,727 96,836		(310) 59		(310) 59		5,416 96,895		7,791	0 7,791	325	05/01/2027
31292G-WT-	9Freddie Mac Gold Pool FGLMC C00658	06/01/2012	Paydown	1	11,297	11,297	11,945	11,916		(619)		(619)		11,297		l	0	705	10/01/2028
31292G-Y4- 31292G-Y4-	2. Freddie Mac Gold Pool FGLMC C00731	05/24/2012	Broadpoint Capital Paydown		213,136	186,910 31,299	197,624	197,170 33.017		123´ (1,718)		(1.718)				15,843	15,843	5,479 1,552	03/01/2029
31292G-ZZ-	2 Freddie Mac Gold Pool FGLMC C00760	05/24/2012	Broadpoint Capital	1	229,275		212,463	211,987		132		132		212,118		17 , 156	17 , 156	5,912	05/01/2029
31292G-ZZ-	2Freddie Mac Gold Pool FGLMC C00760	05/01/2012			19,771	19,771 1,850	20,892	20,846 1,950		(1,074) (101)		(1,074)				ļ		282 1.150	05/01/2029
31292G-ZZ- 31292H-NC-		06/01/2012	Broadpoint Capital	1		647,773	1,955 683,689	682,474		(101)		(101) .458			l				05/01/2029
31292H-NC-	4. Freddie Mac Gold Pool FGLMC C01287	05/01/2012	Paydown		57,932	57,932	61,145	61,036		(3,104)		(3,104)		57,932			ļ	821	01/01/2032
31292H-NC - 31292H-U2 -		12/01/2012	Redemption 100.0000	<u> </u>		8,096 684,269		8,530 704,088		(434) (19,819)		(434)			<u> </u>	<u> </u>	0 0	3,773	

					Showing al	I Long-Term	Bonds and S	_	REDEEMED O	or Otherwise DI	SPOSED OF	During Current	Year						
1	2 3	3 4	5	6	7	8	9	10			Book/Adjusted Ca		. 54.	16	17	18	19	20	21
		_								10	10	1.	45	1					
		[]							11	12	13	14	15						
	ľ	ŕ									Current Year's			Book/				Bond	
QUOID	l e	?		l				Prior Year	Unrealized		Other Than		Total Foreign	Adjusted	Foreign		.	Interest/Stock	Stated
CUSIP Identi-		Disposal		Number of Shares of				Book/Adjusted Carrying	Valuation Increase/	Current Year (Amortization)/	Temporary Impairment	Total Change in B/A. C.V.	Exchange Change in	Carrying Value	Exchange Gain (Loss) on	Realized Gain (Loss) on	Total Gain (Loss) on	Dividends Received	Contractual Maturity
fication	Description n	Date	Name of Purchaser	Stock	Consideration	Par Value	Actual Cost	Value	(Decrease)	Accretion	Recognized	(11+12-13)	B/A. C.V.	Disposal Date	Disposal	Disposal	Disposal	During Year	Date
31292K-2Y-2	Freddie Mac Gold Pool FGLMC C03491	12/01/2012	Paydown.		290,576	290,576	304,923	304,555		(13,980)		(13,980)		290,576			0	7,958	08/01/2040
312934-3B-6 312934-3B-6	Freddie Mac Gold Pool FGLMC A87994 Freddie Mac Gold Pool FGLMC A87994	11/07/2012	BNP Paribas/NY		1,060,583 295,378	969 , 122 295 , 378	1,027,573	1,026,103		(17,367)		936		1,027,039 295,378		33,544	33,544		08/01/2039 08/01/2039
312935-HY-8	Freddie Mac Gold Pool FGLMC A88347	01/31/2012	Various		1,405,325	1,334,734	1,377,487	1,377,276		(112)		(112)		1,377,164		28,161	28,161	6,229	09/01/2039
312935-HY-8 312936-R4-1	Freddie Mac Gold Pool FGLMC A88347 Freddie Mac Gold Pool FGLMC A89507	12/01/2012	Paydown BNP Paribas/NY		214,143	214,143	221,003	220,969		(6,825)		(6,825) 651		214,143		34,198	34,198	5,797	09/01/2039
312936-R4-1	Freddie Mac Gold Pool FGLMC A89507	10/01/2012	Paydown		326,687	326,687	339,754	339,434		(12,748)		(12,748)		326,687		l	0	9,967	10/01/2039
31293G-CB-9 31293G-CB-9	Freddie Mac Gold Pool FGLMC C19966 Freddie Mac Gold Pool FGLMC C19966	05/22/2012	BNP Paribas/NY Paydown		201,117	177,391 2,533	187,560 2,678	187,123		115		115				13,880	13,880	5,191	01/01/2029 01/01/2029
31293G-CB-9	Freddie Mac Gold Pool FGLMC C19966	06/01/2012	Redemption 100.0000		515	515	545	543		(28)		(28)		515			0	978	01/01/2029
31293S-F6-1 31293S-F6-1	Freddie Mac Gold Pool FGLMC C28289 Freddie Mac Gold Pool FGLMC C28289	05/24/2012	Broadpoint Capital Paydown.			82,090 6,482										7,001	7,001	2,408 558	
31293U-C3-6	. Freddie Mac Gold Pool FGLMC C29990	05/22/2012	BNP Paribas/NY		336,501	303,753	317,191	316,664		154		154		316,818		19,684	19,684	8,245	08/01/2029
31293U-C3-6 312941-7F-8	Freddie Mac Gold Pool FGLMC C29990 Freddie Mac Gold Pool FGLMC A93594	12/01/2012	Paydown	·	39,083	39,083 180,783	40,812	40,744		(1,661)	ļ	(1,661) (7,815)		39,083 180,783		ł	0	2,121 6,634	08/01/2029
312941-NJ-2	Freddie Mac Gold Pool FGLMC A93093	12/01/2012	Paydown		224 , 158	224,158	236,300	236,010		(11,852)		(11,852)		224,158		1	0	5,956	07/01/2040
312942-FF-7	Freddie Mac Gold Pool FGLMC A93766	09/07/2012	Salomon SmBarney (Citigroup)		775,897	725,137	756,749	756,520		104		104		756,624		19,273	19,273	22,721	09/01/2040
312942-FF-7	Freddie Mac Gold Pool FGLMC A93766	09/01/2012	Paydown		213,452	213,452	222,758	222,690		(9,238)		(9,238)		213,452			0	3,561	09/01/2040
312942-QT-5	Freddie Mac Gold Pool FGLMC A94066	11/02/2012	Nomura Securities Intl		42,870,460	39,034,136	40,998,041	40.983.667		34,111		34,111		41,017,777		1,852,682	1,852,682	1,675,630	09/01/2040
312942-QT-5	Freddie Mac Gold Pool FGLMC A94006	11/02/2012	Paydown.		7,709,004	7,709,004	8,096,864	8,094,025		(385,021)		(385,021)		7,709,004		1,002,002	0	183,697	09/01/2040
312945-ZD-3	Freddie Mac Gold Pool FGLMC A97040	12/01/2012	Paydown		196,454	196,454	195,165	195,181		1,274		1,274		196,454		0.700	0	4,934	
31294J-VS-4 31294J-VS-4	Freddie Mac Gold Pool FGC1 E00625 Freddie Mac Gold Pool FGC1 E00625	05/24/2012	OppenheimerPaydown	ł		64,748	67,169	65,972		(218)		(218) (651)				2,738	2,738	1,835	02/01/2014
31294K-DL-6	. Freddie Mac Gold Pool FGCI E01007	05/24/2012	Oppenheimer		458,606	433,542	451,726	446,981		(737)		(737)		446,245		12,362	12,362	12,160	08/01/2016
31294K-DL-6 31294K-DL-6	Freddie Mac Gold Pool FGCI E01007 Freddie Mac Gold Pool FGCI E01007	05/01/2012	Paydown		76,547		79,758	78,920		(2,373)		(2,373)					0	1,049 2,491	08/01/2016 08/01/2016
31294K-JC-0_	Freddie Mac Gold Pool FGCI E01159	12/01/2012	Paydown		543,026	543,026	568,163	562,118		(19,092)		(19,092)		543,026			0	18,303	06/01/2017
31294K-L8-6 31294K-P4-1	Freddie Mac Gold Pool FGCI E01251 Freddie Mac Gold Pool FGCI E01343	12/01/2012 12/01/2012	Paydown			466,630	485,649 659,685	481,946		(15,316)		(15,316)				ł	0	12,214	11/01/2017 04/01/2018
31294K-Q7-3	Freddie Mac Gold Pool FGCI E01378	12/01/2012	Paydown		692,924	692,924	716,987	712,809		(19,885)		(19,885)		692,924			0	17,039	05/01/2018
312962-G8-0 312967-X2-3	Freddie Mac Gold Pool FGCI B10223 Freddie Mac Gold Pool FGCI B15197	12/01/201210/12/2012	Paydown	·	513,877 702,907	513,877 650,558	533,897 697,621	530,627		(16,750)	ļ	(16,750) (1,619)		513,877 692,804		10 . 103		14,300 28,462	10/01/2018
312967-X2-3	Freddie Mac Gold Pool FGCI B15197	10/01/2012	Paydown		193,594	193,594	207,599	206,647		(13,054)		(13,054)		193,594			0	4, 182	06/01/2019
31296Q-RV-4 31296R-U3-0	Freddie Mac Gold Pool FGLMC A15900 Freddie Mac Gold Pool FGLMC A16902	12/01/2012	Paydown		675,748 322,984	675,748 322,984	695,960 340,287	695,348		(19,600)		(19,600)		675,748 322,984			0	18,458	11/01/2033 12/01/2033
31297B-CH-3	Freddie Mac Gold Pool FGLMC A23672	12/01/2012	Paydown		544,731	544,731	566,447	565,822		(21,091)		(21,091)		544,731			0	20,422	06/01/2034
31297C-6Y-1 31297C-6Y-1	Freddie Mac Gold Pool FGLMC A25387 Freddie Mac Gold Pool FGLMC A25387	10/24/2012	RBC Dominion Secs Corp Paydown	ļ	2,146,219 1,563,127	1,965,908 1,563,127	2,022,253 1,607,928	2,020,604						2,021,383 1,563,127		124,836	124,836	94,929	08/01/2034
312976-01-1	Frieddie mac dold Fool Folme A25567	11/01/2012	Salomon SmBarney		1,303,127	1,303,127	1	1,606,617		(43,490)		i ' '				·····		56,200	08/01/2034
31297F-J6-1	Freddie Mac Gold Pool FGLMC A27485	10/24/2012	(Citigroup)	ļ	2,729,037	2,466,926	2,565,273	2,562,484		1,058		1,058		2,563,542		165,495	165,495	129,851	10/01/2034
31297F-J6-1 31297G-B3-4	Freddie Mac Gold Pool FGLMC A27485 Freddie Mac Gold Pool FGLMC A28158	11/01/2012	Paydown		1,515,635	1,092,763	1,136,327 1,576,057	1,135,091 1,574,356		(42,329)		(42,329) (58,721)		1,092,763 1,515,635		<u> </u>	0		10/01/2034 11/01/2034
31297H-LQ-0	Freddie Mac Gold Pool FGLMC A29335	12/01/2012	Paydown			402,604 1,702,753	413,766	413,445 1,750,151		(10,841)		(10,841)				ļ	ŏ	10,177	01/01/2035
31297K-WH-1 31298A-AF-0	Freddie Mac Gold Pool FGLMC A30648 Freddie Mac Gold Pool FGLMC C41806	12/01/2012	Paydown Raymond James & Associates,		159.038	132,532	1,751,555 140,528	140,187		(47,398)		(47,398)		1,702,753		18,874	18,874	53,568 4,794	12/01/2034
31298A-AF-0	Freddie Mac Gold Pool FGLMC C41806	05/01/2012	Paydown		13,859	13,859	14,695	14,660		[801]		(801)		13,859			0	420	09/01/2030
31298A-AF-0 31298A-AX-1	Freddie Mac Gold Pool FGLMC C41806 Freddie Mac Gold Pool FGLMC C41822	06/01/2012	Redemption 100.0000 Raymond James & Associates		468	468	496	495		(27)		(27)				3,397	3,397	902 1,175	
31298A-AX-1	Freddie Mac Gold Pool FGLMC C41822	06/01/2012	Paydown		447	447	477	476		(29)		(29)		447			0	226	08/01/2030
31298Q-V6-2 31298Q-V6-2	Freddie Mac Gold Pool FGLMC C54237 Freddie Mac Gold Pool FGLMC C54237	05/22/2012	Raymond James & Associates Paydown	-	72,818 875	62,505 875	66,697	66,504			ļ		····		····	6,305	6,305	1,969	07/01/2031 07/01/2031
3132GE-AM-2	Freddie Mac Gold Pool FGLMC Q00912	08/07/2012	Deutsche Bank		877,921	817,265	848,487	848,130		196		196		848,326		29,596	29,596	25,744	05/01/2041
3132GE-AM-2 31335G-C4-5	Freddie Mac Gold Pool FGLMC Q00912 Freddie Mac Gold Pool FGLMC C80091	08/01/2012	PaydownBroadpoint Capital	·	270,969 350,504	270,969 307,375	281,320	281,202		(10,233)	ļ	(10,233)	 	270,969 324,276	 			4,829 8,991	
31335G-C4-5	Freddie Mac Gold Pool FGLMC C80091	06/01/2012	Paydown		39,358	39,358	41,678	41,508		(2,150)		(2,150)		39,358			0	2,346	01/01/2024
31335G-M5-1 31335G-M5-1	Freddie Mac Gold Pool FGLMC C80380 Freddie Mac Gold Pool FGLMC C80380	05/24/2012	G.X. Clarke & Company Paydown	-		69,211	73,767	73,447		(51)	ļ	(232)				6,910	6,910	2,336	02/01/2026
31335G-NZ-4	Freddie Mac Gold Pool FGLMC C80408	05/24/2012	Various		93,550	80,625	85,893	85,538		(56)		(56)		85,482		8,068	8,068	2,722	06/01/2026
31335G-NZ-4	Freddie Mac Gold Pool FGLMC C80408	06/01/2012	Paydown	ļ	8,072	8,072	8,599	8,564		(492)		(492)		8,072		40 447	0	619	06/01/2026
31335H-WL-3 31335H-WL-3	Freddie Mac Gold Pool FGTW C90651 Freddie Mac Gold Pool FGTW C90651	06/08/2012	KeyBankPaydown.	1	708,571 110,338	644,155 110,338	670,417 114,837	668,413		(4,155)				668,454		40,117	40 , 117 0	20,739	
3133TL-4A-3	Freddie Mac Remics FHR 2155 PT	12/01/2012	Paydown	ļ	149,035	149,035	155,597	156,747		(7,712)		(7,712)	ļ	149,035	ļ	ļ	0	4,344	05/15/2029
313448-DU-3	Freddie Mac Non Gold Pool FHLMC 298215.	05/22/2012	Raymond James & Associates	l		68 . 837	72.698	71.676		(210)	L	(210)	<u> </u>	71,467	<u> </u>	3.393	3,393	2,478	07/01/2017
	Freddie Mac Non Gold Pool FHLMC	i	ľ		· ·		· ·			1		1		· 1	[
313448-DU-3_ 31358H-HV-0	298215	06/01/2012		·	6,936 40,917	6,936 40,917	7,325	7,222		(2.473)	ļ	(286)	····	6,936 40,917	····	t	J0	630 1.654	07/01/2017

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		F							11	12	13	14	15						
CUSIP Identi- fication	Description	r e i g Disposal n 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 (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
313603-2H-4_		12/01/2012	Paydown		1,833	1,833	2,014	2,018		(185)		(185)		1,833			0	88	04/25/2020
313616-5Z-3 313616-5Z-3	Fannie Mae Pool FNCL 52164 Fannie Mae Pool FNCL 52164	05/22/2012	Various Paydown		2,663 2,562	2,611 2,562	2,765	52,725 32,674		(112)		(112)		2,723 2,562		(60)	(60)	105	06/01/2017 06/01/2017
31365D-JE-6.		06/08/2012	G.X. Clarke & Company		117 . 287	102,434	109.344			(144)		(144)		108.455		8,832	8.832	4.097	11/01/2022
31365D-JE-6_	Fannie Mae Pool FNCL 124561	06/01/2012	Paydown		11,912	11,912	12,716	12,629		(717)		(717)		11,912			0	273	11/01/2022
31371F-WM-0	Fannie Mae Pool FNCI 250952	05/01/2012	Paydown		6,694	6.694	7.018	6,733		(38)		(38)		6,694			0	94	06/01/2012
31371H-GY-8_					528,571	480 , 110	498,072							497,599		30,973	30,973	11,883	02/01/2029
313/1H-GY-8	Fannie Mae Pool FNCL 252315	06/01/2012	Paydown	+	73,735		76,493	76,376		(2,642)		(2,642)		73,735		·	0	3,691	02/01/2029
31371H-TA-6.	Fannie Mae Pool FNCL 252645	05/18/2012	Inc.		251,147	218,864	231,136	230,623		147		147		230,771		20,376	20,376	6.422	08/01/2029
31371H-TA-6.	Fannie Mae Pool FNCL 252645	06/01/2012	Paydown		23.581	23,581	24,903			(1,267)		(1,267)		23,581		20,010	0	1.597	08/01/2029
31371J-DT-8_	Fannie Mae Pool FNCL 253114	06/08/2012	Various		126,112	104,198	111,215	110,892		(26)		(26)		110,866		15,246	15,246	4,446	03/01/2030
31371J-DT-8	Fannie Mae Pool FNCL 253114	06/01/2012			1,840	1,840	1,964			(118)	ļ	(118)	ļ	1,840	ļ	ļ	0	43	03/01/2030
313/1K-K/-5.	Fannie Mae Pool FNCL 254218 Fannie Mae Pool FNCL 254218	04/17/201204/01/2012	Oppenheimer	+	358,819 18.847	311,171	333,739			(11)	ļ	(11)	ļ	332,715	····	26,103	26,103	8,618	02/01/2032
31371K-LQ-2	Fannie Mae Pool FNCL 254216	05/29/2012	G.X. Clarke & Company	†	330,345	307,298	321,766			(500)		(500)		317,875		12,470	12,470	8,591	03/01/2032
31371K-LQ-2	Fannie Mae Pool FNCI 254235	06/01/2012	Paydown		61,687	61,687	64,592	63,911		(2,224)		(2,224)					0	2,597	03/01/2017
31371K-LU-3	Fannie Mae Pool FNCL 254239	05/18/2012	Various		323,896	285,293	300,754	300,225		204		204		300,428		23,468	23,468	8,389	03/01/2032
	Fannie Mae Pool FNCL 254239				35,073	35,073	36,974			(1,836)		(1,836)		35,073		00.500	0	2,158	03/01/2032
	Fannie Mae Pool FNCI 254510 Fannie Mae Pool FNCI 254510	11/21/2012	BNP Paribas/NY	+	1,691,523 709,783	1,560,581 709,783	1,613,539 733,870)1,603,113)729,127		(4,097)		(4,097)		1,599,016 709,783		92,508	92,508		11/01/2017 11/01/2017
31371K-Y4-7	Fannie Mae Pool FNCI 254510	11/21/2012	BNP Paribas/NY		1,228,360	1,133,271	1,171,729	1,164,528		(2,807)		(2,807)		1,161,721		66,639		56,911	02/01/2018
31371K-Y4-7		11/01/2012	Paydown		519,501	519,501	537 . 130	533.829		(14.328)		(14, 328)		519,501		,000,000	0	12,070	02/01/2018
31371L-2M-0	Fannie Mae Pool FNCL 255580	12/01/2012	Paydown		677 ,220	677 ,220	730,763			(52,464)		(52,464)		677 ,220			0	19,824	02/01/2035
31371M-DT-1_	Fannie Mae Pool FNCL 255814	09/19/2012	BNY Capital Markets, LLC		429 , 159	390,922	421,646			514		514		421,366		7,793	7 ,793	16,723	08/01/2035
31371M-DT-1	Fannie Mae Pool FNCL 255814	10/01/2012	Paydown		174,128 3.594.860	174,128	187,814	187,460 3,887,195		(13,332)		(13,332)					0	6,542 109,751	08/01/2035
	Fannie Mae Pool FNCT 255994 Fannie Mae Pool FNCL 256436	12/01/2012	Paydown		2,343,076	2,343,076	2,425,712			(292, 335)		(80,418)		2,343,076				74,203	11/01/2025
31371M-7A-8	Fannie Mae Pool FNCL 256437	10/23/2012	Raymond James & Associates		3,014,566	2,660,400	2,786,711	2,783,456		1,298		1,298		2,784,754		229,812	229,812	150,560	09/01/2036
	Fannie Mae Pool FNCL 256437	11/01/2012	Paydown		1,312,377	1,312,377	1,374,686			(60,704)		(60,704)		1,312,377		220,012	0	59,580	09/01/2036
31371N-BD-6	Fannie Mae Pool FNCL 256636	12/01/2012	Paydown		8,132,084	8,132,084	8,689,259	8,679,764		(547,680)		[547,680]		8,132,084			0	240,245	03/01/2037
31371N-GN-9	Fannie Mae Pool FNCI 256805	11/26/2012	G.X. Clarke & Company		9,497,261	8,663,408	8,972,007	8,943,697		(11,426)		(11,426)		8,932,271		564,990	564,990	461,443	07/01/2022
31371N-GN-9		12/01/2012	Paydown Nomura Securities Intl	-	4,418,192	4,418,192	4,575,572			(142,943)		(142,943)		4,418,192		·		152,140	07/01/2022
	Fannie Mae Pool FNCL 262284	05/18/2012	Inc.		165,082	144,769	153,028			51		51		152,456		12,626	12,626	4,235	12/01/2023
31371U-J5-9	Fannie Mae Pool FNCL 262284	06/01/2012			17,788	17 ,788	18,803	318,726		(938)		(938)		17,788			0	1,156	12/01/2023
31373U-NW-3	Fannie Mae Pool FNCL 303805	05/18/2012	Nomura Securities Intl		256,310	221,673	234,241	233.519		119		119		233.637		22,672	22,672	6.484	04/01/2026
31373U-NW-3		06/01/2012	Paydown	-	21,210	21,210	22,412			(1, 133)		1(1.133)		21,210				1.549	04/01/2026
31374T-B4-0	Fannie Mae Pool FNCI 323259	05/22/2012	G.X. Clarke & Company		27,577	26,517	27,798	27,056		(138)		(138)		26,919		659	659	738	08/01/2013
31374T-B4-0	Fannie Mae Pool FNCI 323259	06/01/2012	Paydown		22,977	22,977	24,087	23,444		(467)		(467)		22,977		ļ	0	526	08/01/2013
31374T-C3-1					34,942	33,598		34,306		(170)		(170)		34,136		806	806		09/01/2013
İ	Fannie Mae Pool FNCI 323290		Nomura Securities Intl	 	27 , 133	27 , 133	28,445	1 1		(571)		(571)		27 , 133					09/01/2013
	Fannie Mae Pool FNCL 323569	05/18/2012	Inc	·	588,854	516,397	545,675			341		341		544,729			44 , 125	15,169	01/01/2029
31374T-MS-5_ 31375D-VC-4_		06/01/2012	Paydown	+			76,118			(3,905)	····	(3,905)	····		ŀ	2,968	2.968	4,294 1,201	01/01/2029
31375D-VC-4 31375D-VC-4	Fannie Mae Pool FNCL 331911	06/08/2012	Reybank	†		32,157	34,464			(50)		(50)	·····	758	·····	2,908		16	12/01/2025
31376K-QN-9	Fannie Mae Pool FNCI 357861	12/01/2012	Paydown		761,005	761,005				(24,258)		(24,258)		761,005			0	22,895	
			Nomura Securities Intl					1		1									
	Fannie Mae Pool FNCL 412550	05/18/2012	Inc	ļ	34, 191	29,984	31,684	31,602		19				31,621		2,570	2,570	877	01/01/2028
31378Y-H3-1_			Paydown	+	2,789	2,789	2,947			(151)		(151)	ļ	2,789	ļ	400	0		01/01/2028
	Fannie Mae Pool FNCI 417150 Fannie Mae Pool FNCI 417150	05/22/2012	G.X. Clarke & Company Paydown	+	6,717	6,458	6,771 7,872			(40)		(40)		6,518 7,509	·····	199	199	159	02/01/2013
31379X-GB-5		05/22/2012	G.X. Clarke & Company	1	24,465	24,074	25,275	24,516		(135)		(135)		24,381		84	84		06/01/2013
	Fannie Mae Pool FNCI 432294	06/01/2012	Paydown		22,409	22,409	23,527	22,820		(411)		(411)		22,409			0		06/01/2013
			Nomura Securities Intl	1		· ·	1			1									
31380D-HF-6		05/18/2012	Inc	·	127 , 158	111,512	117,834							117,615		9,543	9,543		07/01/2028
31380D-HF-6_ 31380T-BB-6_	Fannie Mae Pool FNCL 436830 Fannie Mae Pool FNCL 449234	06/01/2012	Paydown Broadpoint Capital	+	4,285	4,285	4,528			(232)	·	(232)	ļ	4,285 79,099	····	.4,090	4.090		07/01/2028 01/01/2029
31380T-BB-6		06/01/2012	Paydown	†	23.375	23,375	24,249			(837)		(837)		23.375		4,090	4,090 N	420	
31381B-T9-0	Fannie Mae Pool FNCL 456076	05/22/2012	BNP Paribas/NY		324,947	292,663	305,363	304,823		142		142		304,965		19,982	19,982	7,956	12/01/2028
31381B-T9-0_	Fannie Mae Pool FNCL 456076	05/01/2012	Paydown		55,809	55,809	58,231	58,128		(2,319)		(2,319)		55,809			0	986	12/01/2028
31381B-T9-0	Fannie Mae Pool FNCL 456076	06/01/2012	Redemption 100.0000		42,091	42,091	43,917	43,840		(1,749)		(1,749)	ļ	42,091			0	2,734	12/01/2028
31381C-VM-6_	Fannie Mae Pool FNCL 457020 Fannie Mae Pool FNCL 457020	05/18/2012		+	403,141	353,536	373,580				····	233	····	372,933	ŀ	30,209	30,209	10,341	01/01/2029
	Fannie Mae Pool FNCL 457020		BNP Paribas/NY	†	197,636	179,516	186,232			108		(320)		186,053		11,583	11,583		01/01/2029
31382G-AX-5	Fannie Mae Pool FNCL 481622	06/01/2012	Pavdown	1	23.167	23.167				(830)		(830)	l	23.167	l	1	I		01/01/2029

Chausing all Long Torm Danda and Ct	ocks SOLD, REDEEMED or Otherwise	DISPOSED OF During Current Voor

						Showing all	Long-Term I	Bonds and St	ocks SOLD, F	REDEEMED 0	r Otherwise DI	SPOSED OF [During Current	Year						
1	2	3	4	5	6	7	8	9	10		Change in E	Book/Adjusted Ca	arrying Value		16	17	18	19	20	21
		ᄓ								11	12	13	14	15						1
											12	15	'4	13						
		r							Dries Vees	Unroplined		Current Year's		Total Faraian	Book/	Farsian			Bond	Ctatad
CUSIP		e			Number of				Prior Year Book/Adjusted	Unrealized Valuation	Current Year	Other Than Temporary	Total Change in	Total Foreign Exchange	Adjusted Carrying Value	Foreign Exchange Gain	Realized Gain	Total Gain	Interest/Stock Dividends	Stated Contractual
Identi-		g	Disposal		Shares of				Carrying	Increase/	(Amortization)/	Impairment	B/A. C.V.	Change in	at	(Loss) on	(Loss) on	(Loss) on	Received	Maturity
fication	Description	ň	Date	Name of Purchaser	Stock	Consideration	Par Value	Actual Cost	Value	(Decrease)	Accretion	Recognized	(11+12-13)	B/A. C.V.	Disposal Date	Disposal	Disposal	Disposal	During Year	Date
31382Q-LU-7	Fannie Mae Pool FNCL 489139	Ш	05/18/2012.	Nomura Securities Intl		93.086	81.632		86.016		55		55				7.015	7 .015	2 388	07/01/2029
31382Q-LU-7	Fannie Mae Pool FNCL 489139		06/01/2012.	Paydown		79,585	79,585	84,048			(4,275)		(4,275)		79,585		, ,010	0	2,388 2,155	07/01/2029
31382S-HE-4	Fannie Mae Pool FNCL 490829	Ш	05/18/2012	Nomura Securities Intl		197.504	173,201	182.913	182,498		115		115		182,613		14.890	14,890	5,078	05/01/2029
31382S-HE-4	Fannie Mae Pool FNCL 490829		05/01/2012.	Paydown		8,151	8,151	8,608	8,588		(438)		(438)		8,151		14,000	0	93	05/01/2029
31382S-HE-4 31382S-YP-0	Fannie Mae Pool FNCL 490829 Fannie Mae Pool FNCL 491318.		06/01/2012. 05/22/2012.	Redemption 100.0000		21,182 132,906	21,182 119,701	22,370 124,671	22,319 124,465		(1,137)		(1,137)		21,182 124,522		8.384	0 8,384	1,628 3,233	05/01/2029
31382S-YP-0	Fannie Mae Pool FNCL 491318		06/01/2012.	Paydown		75,629	75,629				(3,010)		(3,010)		75,629		0,304	0,364	2,096	04/01/2029
31383C-S6-3	Fannie Mae Pool FNCI 499241		05/22/2012.	G.X. Clarke & Company	ļ	42,665	41,983	44,039	43,075		(165)		(165)		42,911		(245)	(245)	1,266	07/01/2014
31383C-S6-3 31383R-4Q-2	Fannie Mae Pool FNCI 499241 Fannie Mae Pool FNCL 511231		06/01/2012.	Paydown		10,788 139,883	10,788 119,558	11,316	11,068		(281)		(281)					12,175	433 4,035	07/01/2014
31383R-4Q-2	Fannie Mae Pool FNCL 511231		05/01/2012.	Paydown		1,483	1,483	1,585	1,580		(98)		(98)		1,483			0	29	10/01/2029
31383R-4Q-2 31383S-XA-3	Fannie Mae Pool FNCL 511231 Fannie Mae Pool FNCI 511973		06/01/2012. 06/08/2012.	Redemption 100.0000 Broadpoint Capital		354	354	378	377		(23)		(23)		354		760	760	761 1,502	10/01/2029
31383S-XA-3	Fannie Mae Pool FNCI 511973		06/01/2012.	Paydown		39,994	39,994	41,676	40,925		(931)		(931)		39,994			0	993	10/01/2014
31383X-EL-9 31383X-EL-9	Fannie Mae Pool FNCL 515939 Fannie Mae Pool FNCL 515939		04/17/2012. 04/01/2012	Oppenheimer		106,069 1,130	92,738 1,130	99,457 1,212	99,084 1,208		(12) (77)		(12)				6,997	6,997	2,561	10/01/2029
31386D-TN-0	Fannie Mae Pool FNCL 560457		05/22/2012.	Raymond James & Associates.		33,845	28,927	30,907	30,820		(6)		(6)		30,814		3,031	3,031	976	12/01/2030
31386D-TN-0 31387B-WP-4	Fannie Mae Pool FNCL 560457 Fannie Mae Pool FNCL 579454		06/01/201205/22/2012.	PaydownBNP Paribas/NY		417 1,081,047	417 973.642	445	1,013,203		(27) 536		(27)		1,013,739			0 67.308	190 26,288	12/01/2030
31387B-WP-4	Fannie Mae Pool FNCL 579454		05/01/2012.	Paydown		152,883	152,883	159,326	159,095		(6,212)		(6,212)		152,883			0	2,644	04/01/2031
31387B-WP-4 31387E-EK-9	Fannie Mae Pool FNCL 579454 Fannie Mae Pool FNCL 581638		06/01/2012.	Redemption 100.0000		3,145	3,145	3,278	3,273		(128)		(128)		3,145		46,660	0	4,963	04/01/2031
31387E-EK-9	Fannie Mae Pool FNCL 581638		04/17/2012. 04/01/2012.	Oppenheimer Paydown		272,046	79,635	256,225 85,410			(5,501)		(5,501)				16,660	16,660	6,661 417	06/01/2031
3138A2-CF-4	Fannie Mae Pool FNCI AH0969		12/01/2012.	Paydown	ļ	300,928	300,928	315,222	314,991		(14,063)		(14,063)		300,928			0	6,097	12/01/2025
3138A2-VM-8 3138A3-ZF-7	Fannie Mae Pool FNCI AH1519 Fannie Mae Pool FNCL AH2541		12/01/2012. 11/07/2012.	PaydownBarclays Capital		140,638	140,638 754,694	141,869	141,829		(1,191) 297		(1,191) 297		140,638		41.265	41,265	2,856	12/01/2025
3138A3-ZF-7	Fannie Mae Pool FNCL AH2541		11/01/2012	Paydown		347,995	347,995	356,423	356,235		(8,240)		(8,240)		347,995			0	32,358 7,499	01/01/2041
3138A8-SL-1	Fannie Mae Pool FNCI AH6822	Ш	09/27/2012.	Nomura Securities Intl		475,318	445,980	447 ,862	447,786		1		1		447,788		27,530	27,530	12,357	03/01/2026
3138A8-SL-1	Fannie Mae Pool FNCI AH6822		10/01/2012.	Paydown		103,874	103,874	104,312	104,294		(421)		(421)		103,874			0	3.085	03/01/2026
3138A8-YJ-9 3138A8-YJ-9	Fannie Mae Pool FNCL AH7012 Fannie Mae Pool FNCL AH7012		11/07/2012. 11/01/2012.	BNP Paribas/NY	ļ	1,090,087 267.598	994,520 267,598	1,046,422	1,045,279 281,256		(13,658)		(13,658)		1,046,138 267,598		43,949	43,949	47,378 5.989	03/01/2041
3138AB-NX-3_	Fannie Mae Pool FNCL AH9405		12/01/2012.	Paydown.		228,963	228,963	237,370	237 , 195		(8,232)		(8,232)		228,963			0	5,969	04/01/2041
2420AD DM 0	Fannia Man Bank FNOL A 10427			Nomura Securities Intl		33.175.417	20 700 102	24 070 720	31.877.730						31.894.154		4 004 000	1 201 202		00/01/2041
3138AR-PM-0 3138AR-PM-0			11/28/2012. 12/01/2012.	IncPaydown		8,555,637	8,798,182	31,879,728	8,855,532						8,555,637		1,281,263	1,281,263	1,170,157 311,368	09/01/2041
			İ	Credit Suisse First Boston				i	' '		l ' ' '		l ` ' '					===	·	İ
3138EG-XF-6 3138EG-XF-6	Fannie Mae Pool FNCL AL0677 Fannie Mae Pool FNCL AL0677		11/20/2012. 12/01/2012.	Paydown.		29,452,585	26,545,070 6,958,321	28,701,857 7,523,684	28,694,797 7,521,833						28,727,095		725,490	725,490	1,258,096	07/01/2041
31390A-J8-4	Fannie Mae Pool FNCL 640287	:-:	12/01/2012.	Paydown		184,581	184,581	194,585	194,250		(9,669)		(9,669)		184,581			0	4,327	07/01/2032
31390Y-C4-8	Fannie Mae Pool FNCL 659891		12/01/2012.	Paydown	 	109 , 190	109,190	115,108	114,912		(5,722)		(5,722)	ļ	109,190	ļ		0	4,303	09/01/2032
313910-05-6	Fannie Mae Pool FNCL 673776		05/18/2012.	Inc		363,240	318,544	336,206	335,612		234		234		335,846		27,394	27,394	9,574	06/01/2032
31391Q-Q5-6 31391Q-Q5-6	Fannie Mae Pool FNCL 673776 Fannie Mae Pool FNCL 673776		05/01/2012. 06/01/2012.	Paydown Redemption 100.0000	 	401,845 53,153	401,845 53,153	424 , 125	423,376 56,001		(21,531)	 	(21,531)	ļ	401,845	ļ	 		5,604 3,496	06/01/2032
313921-6F-0	Fannie Mae Whole Loan FNW 2001-W3 A	:::	12/01/2012.	Paydown		143,616	143,616	152,861	152,015		(8,399)		(8,399)		143,616			0	5,525	09/25/2041
31392C-MJ-0	Fannie Mae Whole Loan FNW 2002-W1		12/01/2012.	Paydown		189.083	189.083	180.672	181,793		7,289		7,289		189,083			0	6,219	02/25/2042
31393B-Q7-3	Fannie Mae Remics FNR 2003-35 TS		03/01/2012.	Paydown		256,557	256,557	258.242	256,802		(246)		(246)		256,557			0	1,127	04/25/2017
31395A-SR-7	Freddie Mac Remics FHR 2812 DA		12/01/2012.	Paydown	ļ	1,115,042	1,115,042	1,162,622	1,157,691		(42,649)		(42,649)		1,115,042	ļ			30,463	06/15/2023
31395L-ZN-4 31395M-AS-8	Freddie Mac Remics FHR 2936 PC Freddie Mac Remics FHR 2929 DM	1:	07/01/2012. 12/01/2012.	Paydown	<u> </u>	6,079,360 3,552,834	6,079,360 3,552,834	6,310,144	6,152,189 3,678,014		(72,829) (125,180)		(72,829)		6,079,360 3,552,834			0		09/15/2030
	Federal Home Loan Mortgage Cor FHR			'					' '											l
31396F - RY - 1	3085Federal National Mortgage Assc FNR	<u> </u>	04/01/2012.	Paydown		1,240,959	1,240,959	1,243,415	1,240,959				t0	····	1,240,959	ļ		0	15,982	11/15/2035
31398N-X2-5	2010-		12/25/2012.	Paydown	ļ	149,263	149,263	148,890	148,894		369		369		149,263			0	589	11/25/2040
31400A-QJ-0 31400A-RG-5	Fannie Mae Pool FNCL 681857 Fannie Mae Pool FNCL 681887		12/01/2012. 10/23/2012.	Paydown		203,089 1,974,701	203,089 1,771,033	211,013	210,760 1,837,932		(7,670) 691		(7,670)	ļ	203,089 1,838,624	ļ	136,078	0 136,078	8,868	03/01/2033
31400A-RG-5_	Fannie Mae Pool FNCL 681887		11/01/2012.	Call 100.0000		3	3	3	3				0		3		130,0/0	0,078		04/01/2033
31400A - RG - 5	Fannie Mae Pool FNCL 681887		11/01/2012.	Paydown		801,817	801,817	833,102	832,105		(30,288)		(30,288)		801,817		62 042	0	32,911	04/01/2033
31400E-R2-8 31400E-R2-8	Fannie Mae Pool FNCI 685505Fannie Mae Pool FNCI 685505		11/21/2012. 11/01/2012.	BNP Paribas/NY Paydown	<u> </u>	1,167,815 276,375	1,077,414 276,375	1,112,629 285,409	1,106,335 283,794		(2,433)		(2,433)	l	1,103,903 276,375		63,913	63,913	53,919 7,318	05/01/2018
31400H-ZX-4	Fannie Mae Pool FNCL 688458		12/01/2012.	Paydown		508,175	508,175	528,638	527,990		(19,816)		(19,816)		508,175			0	22,217	03/01/2033
31400Q-ZZ-9 31400R-6W-6	Fannie Mae Pool FNCL 694760 Fannie Mae Pool FNCI 695785		12/01/2012. 12/01/2012.	Paydown. Paydown		757,631 458,089	757 ,631 458 ,089	780 , 766 476 , 078	780,009 472,772		(22,379)		(22,379)					0 0	20,547	04/01/2033
31401B-YH-2	Fannie Mae Pool FNCI 703712		12/01/2012.	Paydown		806,966	806,966	838,656	832,623		(25,657)		(25,657)		806,966				22,535	02/01/2018
31401C-M6-7	Fannie Mae Pool FNCL 704281	1	12/01/2012.	Paydown	 		861,256	887 , 556	886,700		(25,443)	L	(25,443)	L	861,256	L	L	0	22,666	05/01/2033

						Showing all	Long-Term	Bonds and S	Stocks SOLD.	REDEEMED	or Otherwise DI	SPOSED OF	Durina Current	Year						
1	2	T3 I	4	5	6	7	8	T 9	10	CEBELINES		Book/Adjusted Ca		1001	16	17	18	19	20	21
															1					
		-								11	12	13	14	15						
		r										Current Year's			Book/				Bond	
CUSIP		e			Number of				Prior Year Book/Adjusted	Unrealized Valuation	Current Year	Other Than Temporary	Total Change in	Total Foreign Exchange	Adjusted Carrying Value	Foreign Exchange Gain	Realized Gain	Total Gain	Interest/Stock Dividends	Stated Contractual
Identi-		g	Disposal		Shares of				Carrying	Increase/	(Amortization)/	Impairment	B/A. C.V.	Change in	at	(Loss) on	(Loss) on	(Loss) on	Received	Maturity
fication	Description 705504	n	Date	Name of Purchaser	Stock	Consideration	Par Value	Actual Cost	Value	(Decrease)	Accretion	Recognized	(11+12-13)	B/A. C.V.	Disposal Date	Disposal	Disposal	Disposal	During Year	Date
31402D-CV-0 31402G-UD-3	Fannie Mae Pool FNCL 725584 Fannie Mae Pool FNCL 728780	1	12/01/2012. 12/01/2012.	Paydown		1,838,455	1,838,455 634,286	1,881,586	1,880,236 658,269		(41,781)		(41,781) (23,983)		1,838,455			0	46,347 .16,539	07/01/2034 07/01/2033
31402H-WU-1	Fannie Mae Pool FNCI 729759	.	11/21/2012	BNP Paribas/NY		1,797,805	1,658,635	1,712,847	1,703,288		(3,250)		(3,250)		1,700,038		97,766	97,766	81,089	06/01/2018
31402H-WU-1 31403D-BY-4	Fannie Mae Pool FNCI 729759 Fannie Mae Pool FNCL 745355.		11/01/2012	Paydown							(22,456)		(22,456)				192,973	192,973	20,689 278,561	06/01/2018 03/01/2036
31403D-BY-4	Fannie Mae Pool FNCL 745355.		11/01/2012	Paydown		3,279,265	3,279,265	3,481,145			(196,889)		(196,889)		3,279,265			0	109,760	03/01/2036
31403D-QC-6 31403E-M4-6	Fannie Mae Pool FNCL 745751 Fannie Mae Pool FNCL 746579.	: :::	12/01/2012	Paydown		514,151 1,537,232	514,151 1,409,496	554,159 1,444,105			(38,944)		(38,944)		514,151 1,443,603		93,628	93.628	15,635 61,274	09/01/2035 10/01/2033
31403E-M4-6	Fannie Mae Pool FNCL 746579	- -	11/01/2012	PaydownBNP Paribas/NY	ļ	1,080,675	1,080,675	1,107,210			(25,677)	ļ	(25,677)		1,080,675		77 . 323		31,039	10/01/2033
31403F - VV - 3 31403F - VV - 3	Fannie Mae Pool FNCL 747728 Fannie Mae Pool FNCL 747728	1:-:	07/09/2012 08/01/2012	Pavdown									(19,690)						40,208	11/01/2033
31403M-NU-9	Fannie Mae Pool FNCL 752903	-	07/09/2012	Wachovia-Wells Fargo Sec		2,564,891	2,341,698	2,413,204	2,410,976		1,204		1,204		2,412,180		152,711	152,711	79,423	01/01/2034
31403M-NU-9 31403U-MG-3	Fannie Mae Pool FNCL 752903 Fannie Mae Pool FNCL 758259		08/01/2012 12/01/2012.	Paydown		1,125,137 250,930	1,125,137	1, 159, 494	260,422		(33,287)		(33,287)		1,125,137 250,930			0	35,650	01/01/2034 12/01/2033
31404R-TU-1 31404R-TU-1	Fannie Mae Pool FNCL 776463	-	07/09/2012	Oppenheimer		2,944,995 348,176	2,687,192 348,176	2,753,174	2,751,105		1,363 (8,281)		1,363 (8,281)		2,752,468 348,176		192,527	192,527		03/01/2034
	Fannie Mae Pool FNCL 776463 Fannie Mae Pool FNCL 777710	: ::: :	08/01/2012 12/01/2012	Paydown		431,503	431,503	444 , 140			(12,251)		(8,281)		431,503			0		03/01/2034 06/01/2034
31405C-JM-2	Fannie Mae Pool FNCL 785168		11/20/2012.	Nomura Securities Intl		5.075.966	4.451.382	4.581.745	4.577.769		1.179		1.179		4.578.948		497.018	497 .018	232,912	07/01/2034
	Fannie Mae Pool FNCL 785168		12/01/2012	Paydown		909,181	909,181	935,807	934,995		(25,814)		(25,814)		909,181			0	45,961	07/01/2034
31405F-GS-5	Fannie Mae Pool FNCL 787809.		11/20/2012	Nomura Securities Intl		7.197.293	6.344.721	6.530.533	6.524.863		1.681		1.681		6,526,544		670,749	670,749	333,384	07/01/2034
31405F - GS - 5	Fannie Mae Pool FNCL 787809		12/01/2012	Paydown		1,898,868	1,898,868	1,954,478	1,952,781		(53,913)		(53,913)		1,898,868			0		07/01/2034
31405H-U7 - 1 31405H-U7 - 1	Fannie Mae Pool FNCI 790006 Fannie Mae Pool FNCI 790006	- -	10/23/2012 11/01/2012	G.X. Clarke & Company Pavdown			800,759 406,905	830,453			(1,286)		(1,286)				40,943	40,943		08/01/2019 08/01/2019
31405M-L6-2	Fannie Mae Pool FNCL 793349		12/01/2012	Paydown		1,516,826	1,516,826	1.575.061	1.573.343		(56,517)		(56,517)		1,516,826			0	51,499	08/01/2034
31405M-LV-7 31405M-W7-8	Fannie Mae Pool FNCL 793340 Fannie Mae Pool FNCL 793670	-	12/01/2012 12/01/2012	Paydown		1,125,000 3,424,591	1,125,000	1,157,947	1, 156, 947		(31,947)		(31,947)		1,125,000			0	35,436 116,745	08/01/2034 09/01/2034
31405Q-UE-6	Fannie Mae Pool FNCL 796281	1	12/01/2012	Paydown		1,184,714	1,184,714	1,219,409	1,218,371		(33,657)		(33,657)		1,184,714			0	38,098	12/01/2034
31405U-TP-4	Fannie Mae Pool FNCL 799858.		11/28/2012_	Nomura Securities Intl		6,561,361	6,016,147	6,157,286	6,152,954		1,977		1,977		6,154,930	<u> </u>	406,431	406,431	286,456	11/01/2034
31405U-TP-4 31405V-QS-9	Fannie Mae Pool FNCL 799858 Fannie Mae Pool FNCL 800665	- -	12/01/2012	Paydown		2,260,989	2,260,989 656,659	2,314,032	2,312,404		(51,415)		(51,415)		2,260,989			0		11/01/2034 10/01/2034
31405V-QS-9 31405V-ZB-6	Fannie Mae Pool FNCL 800938	1:::1	12/01/2012 10/23/2012	Paydown		2,314,815	2,110,974	2,172,796			(24,475)		(24,475) 894		2,171,827		142,988	142.988	101,638	10/01/2034
31405V-ZB-6 31406B-AX-8	Fannie Mae Pool FNCL 800938 Fannie Mae Pool FNCL 804722	- -	11/01/2012 07/09/2012	Paydown Oppenheimer		914,876 2,888,248	914,876 2,625,680	941,669 2,687,278			(25,986)	ļ	(25,986)		914,876		201,564	0	34,510	10/01/2034 12/01/2034
31406B-AX-8	Fannie Mae Pool FNCL 804722		08/01/2012	Paydown		377,851	377,851	386,716	386,445		(8,594)		(8,594)		377,851		201,304	0	19,343	12/01/2034
31406D-D6-0 31406Q-GA-9	Fannie Mae Pool FNCL 806625 Fannie Mae Pool FNARM 816593	-	12/01/2012	PaydownBNY Capital Markets. LLC		310,814 493,140	310,814 463.042	322,747	322,401		(11,587)		(11,587)	ļ	310,814 484,285				3,450 9,641	12/01/2034
31406Q-GA-9	Fannie Mae Pool FNARM 816593	1	11/01/2012	Paydown		28,618	28,618	29,941	29,926		(1,308)		(1,308)		28,618			0	311	02/01/2035
31406V-3Q-7 31406V-3Q-7	Fannie Mae Pool FNCL 821707 Fannie Mae Pool FNCL 821707.		10/23/2012	Wachovia-Wells Fargo Sec Pavdown		4,366,556 1,194,950	3,982,040	4,094,923			1,673		(32,892)	····	4,093,320 1,194,950		273,236	273,236	192,326	06/01/2035
31406X-H6-2	Fannie Mae Pool FNCL 822953		07/09/2012	BNP Paribas/NY		5,441,547	4,868,032	5,010,597	5,006,373		2,457		2,457		5,008,830		432,716	432,716	165,116	02/01/2035
31406X-H6-2 31406X-JF-0	Fannie Mae Pool FNCL 822953	1	08/01/2012	PaydownBNP Paribas/NY	ļ	580,420 3,787,693	580,420 3.395.131	597,418	596,915		(16,495)	l	(16,495)		580,420		294 . 349		35,588	02/01/2035
31406X-JF-0	Fannie Mae Pool FNCL 822962	-	08/01/2012	Paydown		300,859	300,859	309,670	309,410		(8,551)		(8,551) 1,746		300,859			0	22,330	03/01/2035
31407J-2Q-4 31407J-2Q-4	Fannie Mae Pool FNCL 832483Fannie Mae Pool FNCL 832483	: ::: :	11/19/201212/01/2012.	Wachovia-Wells Fargo Sec Paydown		5,675,105 2,624,589	5,232,772 2,624,589	5,351,446 2,684,112	2,682,322		(57,733)		(57,733)		5,349,622 2,624,589		325 , 482	325,482	250,660	09/01/2035 09/01/2035
31408D-VM-3 31408D-VM-3	Fannie Mae Pool FNARM 848520 Fannie Mae Pool FNARM 848520.	∤ ∓	10/23/2012	BNÝ Capital Markets, LLC		2,705,844 571,770	2,548,176 571,770	2,620,164 587,923	2,617,423		(563)		(563) (15,538)		2,616,860 571,770					12/01/2035
31409G-TT-3	Fannie Mae Pool FNCL 870962		12/01/2012	Paydown		412,791	412,791	452,199	451,222		(38,431)		(38,431)		412,791			0	14,183	11/01/2036
31410E-5T-1 31410F-5T-1	Fannie Mae Pool FNCL 887458 Fannie Mae Pool FNCL 887458	- -	10/23/201211/01/2012	Robert W Baird	ļ	3,402,569 1,234,726	3,006,135 1,234,727	3,148,860	3,137,666		(1,593)	ļ	(1,593) (54,025)		3,136,073 1,234,726		266,496	266,496	172,095 48,414	09/01/2023
31410G-GC-1	Fannie Mae Pool FNCI 888595	1::1	12/01/2012	Paydown		238,753	238,753	256,324	255,643		(16,890)		(16,890)		238,753			0	6,105	01/01/2022
31410K-XV-1 31410P-CH-4	Fannie Mae Pool FNCL 889992 Fannie Mae Pool FNCL 892972	- -	12/01/2012	Paydown		467 , 149 3 , 832 , 819	467,149 3,460,785	502,769	502,010 3,579,564		(34,861)		(34,861)	ļ	467,149		251,730	0	14,532	06/01/2038
31410P-CH-4	Fannie Mae Pool FNCL 892972		11/01/2012	Paydown		1,365,083	1,365,083	1,413,227	1,411,934		(46,852)		(46,852)		1,365,083		231,730	0	57,303	09/01/2036
31410R-VU-0	Fannie Mae Pool FNCL 895327		05/18/2012.	Nomura Securities Intl		916.083	803,361	841.503	840,520		552		552		841.073		75,010	75,010	23,498	09/01/2036
31410R-VU-0	Fannie Mae Pool FNCL 895327		06/01/2012	Paydown		177 ,529	177,529	185,957	185,740		(8,212)		(8,212)		177,529			ō	6,324	09/01/2036
31412N-E6-9	Fannie Mae Pool FNCL 929957	-	12/01/2012	Paydown		439,998	439,998	480,286	479,306		(39,308)	ļ	(39,308)	ļ	439,998			 ⁰	16,908	09/01/2038
31412N-FD-3	Fannie Mae Pool FNCL 929964	-	11/16/2012.	Inc	ļ	477,283	433,032	472,343			251	ļ	251		471,638		5,645	5,645	25,260	09/01/2038
31412N-FD-3 31412Q-NN-5	Fannie Mae Pool FNCL 929964. Fannie Mae Pool FNCL 931997.	1::+	11/01/2012 09/24/2012	Paydown		113,028 374,985	113,028 340,896	123,289	123,039 356,509		(10,011)		(10,011) 5		113,028 356,514		18,471		3,576 14,015	09/01/2038
31412Q-NN-5	Fannie Mae Pool FNCL 931997		12/01/2012	Paydown			465,177	489,430	488,835		(23,658)		(23,658)		465 , 177			ō	11,413	09/01/2039
31412W-XU-9	Fannie Mae Pool FNCL 932279	1	12/01/2012	Paydown		3,639,862	3,639,862	3,938,445			(298, 565)	····	(298,565)	····	3,639,862			l	100,059	12/01/2039
31412R-KU-0	Fannie Mae Pool FNCL 932807	1 1	10/19/2012	Inc	I	25.549.349	23.880.512	24.632.375	24.619.249		8.309	I	8.309	I	24.627.559	1	921.790	921.790	830.511	09/01/2040

SCHEDULE D - PART 4

					Showing al	II Long-Term I	Bonds and S	Stocks SOLD , F	REDEEMED o	r Otherwise DI	SPOSED OF [During Current	Year						
1	2 3	3 4	5	6	7	8	9	10		Change in E	Book/Adjusted Ca	arrying Value		16	17	18	19	20	21
	l i													7					
	F	=							11	12	13	14	15						
	c)												l 5 .,					
								Dei Ve	Hannattan d		Current Year's		Tatal Familia	Book/	F			Bond	04-4-4
OLIGID	e	2		Niah an af				Prior Year	Unrealized	0	Other Than	T-4-1 Ob :	Total Foreign	Adjusted	Foreign	Dardina d Onia	T-4-1 O-:	Interest/Stock	Stated
CUSIP Identi-		Diamagal		Number of Shares of				Book/Adjusted Carrying	Valuation	Current Year (Amortization)/	Temporary	Total Change in B/A. C.V.	Exchange	Carrying Value			Total Gain	Dividends	Contractual Maturity
fication	Description n	Disposal Date	Name of Purchaser	Stock	Consideration	Par Value	Actual Cost	Value	Increase/ (Decrease)	Accretion	Impairment Recognized	(11+12-13)	Change in B/A, C.V.	Disposal Date	(Loss) on Disposal	(Loss) on Disposal	(Loss) on Disposal	Received During Year	Date
31412R-KU-0	Fannie Mae Pool FNCL 932807.	11/01/2012		Stock	10,242,365	10,242,365	10,564,839	10,559,210	(Decrease)	(316,845)	recognized	(316,845)	B/A. C.V.	10,242,365	Disposai	Disposai	Оізрозаі	310,208	09/01/2040
31412X-GY-4	Fannie Mae Pool FNCL 937715.	12/01/2012	Paydown.		3,306,003	3,306,003	3,629,888	3,621,460		(315,457)		(315,457)		3,306,003			0	104,454	06/01/2037
1	L		Nomura Securities Intl							l ''									
31413T-JU-7 31413T-JU-7	Fannie Mae Pool FNCL 954875 Fannie Mae Pool FNCL 954875	05/17/201206/01/2012.	Inc			757,778 195,285	828,819 213,593	827,319 213,206		1,126		1,126 (17,921)				7,479	7 ,479	20,460 7,594	11/01/2037
31415V-K9-5	Fannie Mae Pool FNCL 994675	12/01/2012	Paydown		4,520,012	4,520,012	4,644,362			(121, 172)		(121, 172)		4,520,012					
31416B-6Y-9_	Fannie Mae Pool FNCL 995587.	12/01/2012	Paydown		157,366	157,366	170,127	169,791		(12,425)		(12,425)		157,366			0	4,546	
31416B-SR-0	Fannie Mae Pool FNCL 995228	04/19/2012	Barclays Capital		403,146	356,767	399,467	398,524		558		558				4,064	4,064	8,567	11/01/2038
31416B-SR-0	Fannie Mae Pool FNCL 995228	05/01/2012				52,331	58,595	58,457		(6, 125)		(6, 125)					0	2,824	11/01/2038
31/16N TH 6	Fannie Mae Pool FNCL AA5062	01/31/2012	Nomura Securities Intl		843 , 182	789,519	810.984	810.473		413		413		810,886		32,296	32,296	4.145	03/01/2039
	Fannie Mae Pool FNCL AA5062	02/01/2012		1	69,245	69,319	71,128	71,083		(1,838)	l	(1,838)				1		3,334	03/01/2039
		1	Nomura Securities Intl		1	i '	1	1 1		1		l ' '							
	Fannie Mae Pool FNCL AB1141	02/16/2012	Inc.		1,423,688	1,320,330	1,351,276	1,350,579		293		293	ļ	1,350,872	ļ	72,816	72,816	13,368	06/01/2040
31416W-HT-2 31416W-RH-7	Fannie Mae Pool FNCL AB1141	02/01/2012 10/23/2012		+		49,724 31,114,416	32,485,394	32,454,951		(1,139) (4,332)	····	(1,139)			·····	1.084.887	0 1,084,887	258 1,279,580	06/01/2040
31416W-RH-7	Fannie Mae Pool FNCL AB1387	10/01/2012		1	10.662.501	10.662.501	11.132.317	11, 121, 884		(459,384)	l	(459,384)		10.662.501		1,004,007			
	Fannie Mae Pool FNCI AB2452	12/01/2012	Paydown	1	234,822	234,822	243,151	242,931		(8,108)	[(8,108)		234,822	[03/01/2026
044407 07 0	Francis New Book ENGL 480500	05/40/00/0	Nomura Securities Intl	1	4 505 000	4 107 010	4 400 401	4 407 005						, 107.00		20.0	20.000	05 40.	00/04/004
31416Y-3T-3 31416Y-3T-3		05/10/201212/01/2012	IncPavdown	+	1,505,962 273,593	1,407,646	1,468,131	1,467,685 285,262		236	<u> </u>	236		1,467,921 273,593	ļ	38,040	38,040	25,494 5,952	09/01/2041
	Fannie Mae Pool FNARM AC8636	12/01/2012			2,778,603	2,778,603	2.893.004	2,891,168		(112,565)		(112,565)		2,778,603			0		02/01/2040
31417Y-SE-8	Fannie Mae Pool FNCL MA0516.	12/01/2012	Paydown.		174,810	174,810	183,851	183,651		(8,841)		(8,841)		174,810			0		09/01/2040
	Fannie Mae Pool FNCT MA0559	04/19/2012	Wachovia-Wells Fargo Sec		836,216	770,041	813,643	812,391		777		777				23,048	23,048	14,224	09/01/2030
31417Y-TR-8	Fannie Mae Pool FNCT MA0559	05/01/2012			44,694	44,694	47,224	47 , 152		(2,458)		(2,458)		44,694			0	3,811	
3141/1-01-1	Fannie Mae Pool FNCN MA0598	12/01/2012	Paydown		227,620	227,620	237 ,721	237 ,254		(9,634)		(9,634)		227 ,620			0	4,358	12/01/2020
314177-78-4	Fannie Mae Pool FNCT MA0734	01/30/2012	Inc.		474 748	444.274	466.418	465.906		(83)		(83)				8,925	8.925	2.332	05/01/2031
31417Y-Y8-4	Fannie Mae Pool FNCT MAO734	02/01/2012			15,305	15,305	16,068	16,050		(745)		(745)					0	1,749	05/01/2031
31418Q-G8-0	Fannie Mae Pool FNARM AD2922	12/01/2012			112,136	112,136	117 , 357	117,281		(5,144)		(5,144)		112,136			0	1,894	04/01/2040
31418R-FR-7	Fannie Mae Pool FNCI AD3775	01/26/2012	Nomura Securities Intl		801,318	748,458	787 , 284	786,045		511		511				14,762	14,762	4,210	03/01/2025
31418R-FR-7	Fannie Mae Pool FNCI AD3775	02/01/2012			53.142	53,142	55.899	55.811		(2,669)		(2.669)		53.142		14,702	14,702	3.078	03/01/2025
31418R-HH-7	Fannie Mae Pool FNCI AD3831	01/26/2012	Barclays Capital		627,683	584,826	630,881	630,116		(310)		(310)		629,806		(2,123)	(2,123)	3,290	04/01/2025
31418R-HH-7	Fannie Mae Pool FNCI AD3831	12/01/2012	Paydown		164,955	164,955	177,945	177,729		(12,774)		(12,774)		164,955			0	5,569	
31418T-PT-8	Fannie Mae Pool FNCL AD5833	12/01/2012	Paydown		346,946	346,946	365,323	364,916		(17,971)		(17,971)		346,946			0	13,364	07/01/2040
31418W-EU-0	Fannie Mae Pool FNCL AD8246.	02/16/2012	(Citigroup)		899,257	842,766	891.817	891,466		(176)		(176)		891,290		7,967	7.967	8,533	08/01/2040
	Fannie Mae Pool FNCL AD8246	02/01/2012	Paydown		53,408	53,408				(3,086)		(3,086)				,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	0		08/01/2040
			Nomura Securities Intl							l ' ' '		\ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \		1					l l
31418X-TC-2 31418X-TC-2	Fannie Mae Pool FNCL AD9546	09/21/201210/01/2012	Inc		741,695	689,548	717,426	717,217		137		137		717,354		24,341	24,341	21,453	08/01/2040
31419A-BH-9	Fannie Mae Pool FNCL AD9546	12/01/2012	Paydown		257,764	257,764	268 , 186	268,108		(23,530)		(23,530)		514,731			0	7 ,509 11 .661	08/01/2040
31419A-GT-8_	Fannie Mae Pool FN AE0209	03/23/2012	Wells Fargo.		1,082,109	979,284	1,037,047	1,032,084		(175)		(175)		1,031,909			50,200	13,902	06/01/2020
31419A-GT-8	Fannie Mae Pool FN AE0209	03/01/2012	Paydown		3,289	3,289	3,483	3,467		(177)		(177)					0	25	06/01/2020
31419A-GU-5_ 31419A-N5-2_	Fannie Mae Pool FNCL AE0210	12/01/2012	Paydown		4,756,868	4,756,867	5,122,552	5,122,250		(365,382)		(365,382)		4,756,868		ļ	ļ	124,357	08/01/2040
31419A-N5-2 31419A-YA-9	Fannie Mae Pool FNCL AEU411	12/01/201210/24/2012		+	227 , 460 240 , 656	227 ,460	230 , 765 230 , 151	230,673		(3,213)		(3,213)				10.714		6,151 7,918	09/01/2040
31419A-YA-9	Fannie Mae Pool FNCI AE0704.	11/01/2012			54.242	54,242	55,708	55.663		(1,421)		(1,421)					0	1,884	01/01/2026
31419A-ZA-8_	Fannie Mae Pool FNARM AE0736	12/01/2012	Paydown		3,869,388	3,869,388	4,075,554	4,072,843		(203,455)		(203,455)		3,869,388			0	86,419	09/01/2039
31419B-AJ-4 31419B-AJ-4	Fannie Mae Pool FNARM AE0908	11/01/2012	BNY Capital Markets, LLC		432,962	406,418 73,524	427,818 77,396	427,590 77,355			ļ			427 ,771 73 ,524		5,191	5,191	9 , 194 981	06/01/2034
31419B-AJ-4 31419D-L5-8	Fannie Mae Pool FNARM AE0908 Fannie Mae Pool FNCL AE3047	11/01/201211/20/2012		†		25,605,950	26,950,263	26.924.871		20,257	l	20,257	L	26.945.129		1.029.372	1,029,372	1.098.985	06/01/2034
	Fannie Mae Pool FNCL AE3047	12/01/2012	Paydown		6,223,874	6,223,874	6,550,628	6,544,456		(320,582)		(320,582)		6,223,874		.,020,072	0	247 ,720	
			Salomon SmBarney		' '							` ' '							l i
31419D-MT-5 31419D-MT-5	Fannie Mae Pool FNCI AE3069	10/19/2012	(Citigroup)		32,629,727	30,353,234	31,951,521	31,908,292		(11,560)		(11,560) (420,316)		31,896,731		732,995	732,995	1,089,804	09/01/2025
31419D-M1-5 31419K-4M-4	Fannie Mae Pool FNCL AE3069	10/01/2012		+	8,204,174 29,301	8,204,174	8,636,175	29.856		(420,316) (555)		(420,316)				·····	 	155 , 239	09/01/2025
341507-LH-2_	Florida Lottery Rev Education	07/01/2012	Call 101.0000		4,383,400	4,340,000	4,613,377	4,419,267		(35,867)		(35,867)		4,383,400			0	227 ,850	07/01/2016
	Florida Lottery Rev Education	07/16/2012			1,234,600	1,135,000	1,292,175	1,236,498		(20,759)		(20,759)		1,215,738		18,862	18,862	57,772	
24204D VP 0	Florida Governmental Util Auth	10/01/2010	0011 100 0000	1	240.000	240 000	240 000	240,000						240.000			_	20 507	10/04/2000
34281P-KB-8	Build Ame	10/01/2012	Call 100.0000 Wachovia-Wells Fargo Sec	+	310,000 1,219,960	310,000 1,000,000	310,000 1,115,950	310,000 1,095,655		(8,729)	····	(8,729)				133,034		20,587	10/01/2020 11/15/2017
000000-00-0	Tarton only boy nath boyorophicht		Loop Capital Mkts (Ridge	-							····								
	Hamilton Cnty OH Medical	08/20/2012	CI)		7,088,500	7,000,000	5,452,580	5,539,750		18,869	ļ	18,869		5,558,619		1,529,881	1,529,881	240,278	05/15/2032
414004-Z4-6	Harris Cnty TX Transportation	11/30/2012		i	4,175,000	5,000,000	3,350,000	3,388,599						3,434,872		740 , 128	740 , 128	51,507	08/15/2035
425538-AX-3	Hennepin Cnty MN Sales Tax Rev General	09/28/2012	Salomon SmBarney (Citigroup)	1	11,328,200	10.000.000	9,875,600	9.882.386		1.764		1.764		9.884.150		1,444,050	1,444,050	380,000	12/15/2037
720000 MA 0	UUIIU a		[[U L U U U U U U U U			10,000,000	UUU, U U U U U U U U U U U U U U U U U	J		1,704	L	1.704		UCI, +00, C	1	1,444,000	1		12/ 10/200/

	_					Showing all	Long-Term	Bonds and S	tocks SOLD,	REDEEMED o	r Otherwise DI	SPOSED OF I	During Current	Year						
1	2	3	4	5	6	7	8	9	10		Change in E	Book/Adjusted Ca	arrying Value	1	16	17	18	19	20	21
		F								11	12	13	14	15						
		0										Current Year's			Book/				Bond	
		e			l				Prior Year	Unrealized		Other Than		Total Foreign	Adjusted	Foreign			Interest/Stock	Stated
CUSIP Identi-		i a Dis	posal		Number of Shares of				Book/Adjusted Carrying	Valuation Increase/	Current Year (Amortization)/	Temporary Impairment	Total Change in B/A. C.V.	Exchange Change in	Carrying Value at	Exchange Gain (Loss) on	Realized Gain (Loss) on	Total Gain (Loss) on	Dividends Received	Contractual Maturity
fication	Description		ate	Name of Purchaser	Stock	Consideration	Par Value	Actual Cost	Value	(Decrease)	Accretion	Recognized	(11+12-13)	B/A. C.V.	Disposal Date	Disposal	Disposal	Disposal	During Year	Date
451908-5J-2	. Illinois Fin Auth Medical	06/	15/2012	Janney Montgomery Scott		2,006,000	2,000,000	1,951,800	1,970,494		902		902		1,971,396		34,604	34,604	61,215	05/15/2023
45200L-7Q-3 455057-RQ-4	. Illinois Fin Auth Medical	08/	20/2012 19/2012	Janney Montgomery Scott Inc Merrill Lynch		361,115 5,950,250	345,000 5,000,000	369,778 5,550,700	348,815 5,432,640		(1,606)		(1,606)		347,208 5,383,597		13,906 566,653	13,906 566,653	23,690 328,472	07/01/2013 07/01/2020
	Louisville/Jefferson Cnty Met		21/2012	Janney Montgomery Scott		882,640	880,000	880,070			(40,040)		(40,040)		880,000		2,640	2,640	33,199	
				Loop Capital Mkts (Ridge				i .			(20, 202)		(20, 202)							
495289-SX-9 495289-ZW-3	King Cnty WA Swr Rev Water	10/	23/2012 23/2012	Goldman Sachs		6,644,400 15,696,311	5,880,000 12,630,000	6,248,558	6,190,871 15,159,029		(38,283)		(38,283)		6,152,588 14,920,109		491,812 776,203	491,812 776,203	387,917	01/01/2038
546475-DY-7	Louisiana Gas & Fuels Tax Rev Transporta	11/	01/2012	Salomon SmBarney (Citigroup)		5,299,832	4,760,000	4,604,443	4,670,095		21,275		21,275		4,691,369		608,462	608,462	241,306	05/01/2035
546589-QT-2_	Louisville & Jefferson Cnty Sw Utilities	09/	11/2012	UBS/WAR		1, 196, 460	1,000,000	1,134,830	1,117,004		(9,266)		(9,266)		1,107,737		88,723	88,723	41,528	05/15/2022
575718-AA-9 57586E-WJ-6	Massachusetts Inst of Tech MASSIN 5.6 07		17/2012 24/2012	Morgan KeeganRaymond James & Associates.		718,390 445,580	500,000 400,000	497,905 414,312	497,961 412,562		(590)		0 (590)		497,962 411,971		220 ,428 .33 ,609	220,428	44,489 18,278	07/01/2111
576002-AD-1	Commonwealth of Massachusetts General	1	16/2012	Salomon SmBarney (Citigroup)		500.000	500,000	392,125			1,584		1,584		422,957				5,385	
576049-6S-4	Massachusetts Wtr Resource Aut .Water	1	24/2012	Stifel-Hanifen Stifel, Nicolaus		5,835,000	5,000,000	5,193,750	1		(14,781)		(14,781)		5,143,214		691,786	691,786	311,111	1
576049-W2-2	Massachusetts Wtr Resource Aut Water	09/	28/2012	Morgan Stanley & Co., Inc.,		5,359,000	4,000,000	4,227,360	4,207,215		(5,804)		(5,804)		4,201,412		1, 157, 588	1, 157, 588	246 , 167	08/01/2029
57604P-B7-8	Massachusetts St Wtr Pol Abate .Water	10/	22/2012	Morgan Stanley & Co., Inc.		6,584,250	5,000,000	5,958,000	5,875,730		(34,413)		(34,413)		5,841,318		742,932	742,932	323,750	08/01/2027
57604P-Z6-4	Massachusetts St Wtr Pol Abate Water	10/	18/2012	Goldman Sachs		11,615,800	10,000,000	10,550,600	10,448,810		(41,421)		(41,421)		10,407,389		1,208,411	1,208,411	613,889	08/01/2038
592663-4E-5_	Metro Wtr Dist of Southern Ca Water	03/	28/2012	NFSC		752,216	670,000	680,841	679,640		(393)		(393)		679,246		72,969	72,969	25,218	07/01/2032
592663-8L-5_	Metro Wtr Dist of Southern Ca Water.	09/	28/2012	Salomon SmBarney (Citigroup)		19,451,738	16,905,000	17,926,400	17,717,859		(76,925)		(76,925)		17,640,935		1,810,804	1,810,804	1,061,258	01/01/2039
59333N-JE-4_	Miami-Dade Cnty FL General Miami-Dade Wtr & Swr Sys Rev	02/	16/2012	Salomon SmBarney (Citigroup)		902,250	900,000	829,278	867 , 186		1,978		1,978		869 , 163		33,087	33,087	2,096	04/01/2014
59333N-LW-1_	General Miami-Dade Wtr & Swr Sys Rev	10/	19/2012	Barclays Capital		7,588,527	6,735,000	7,068,921	6,963,862		(32,221)		(32,221)		6,931,642		656,885	656,885	358,265	04/01/2021
59333P-DN-5	Airport	12/	18/2012	Call 100.0000		5,825,000	5,825,000	6,015,128	5,866,924		(41,924)		(41,924)		5,825,000			0	388,900	10/01/2013
59333P-DP-0	Airport	12/	18/2012	Call 100.0000		8,635,000	8,635,000	8,858,906	8,684,529		(49,529)		(49,529)		8,635,000			0	576,506	10/01/2014
59333P-DQ-8	Airport	12/	18/2012	Call 100.0000		2,000,000	2,000,000	2,048,080	2,010,664		(10,664)		(10,664)		2,000,000			0	136,563	10/01/2015
59333P-DR-6 59455T-JC-7	Airport		18/2012 23/2012	Call 100.0000UBS/WAR		2,000,000 6,769,319	2,000,000 6,085,000	2,047,620 6,208,282			(10,582) (15,204)		(10,582) (15,204)		2,000,000 6,144,336		624,983	0 624,983	139,597 325,378	10/01/2016
59465H-PA-8_	Michigan State Hosp Fin Auth	04/	24/2012	UBS/WAR		106 , 125	90,000	91,143	91,059		(62)		(62)		90,997		15,129	15,129	1,825	12/01/2026
607142-DJ-2	Mobile Brd of Wtr & Swr Commer Water New Jersey Econ Dev Authority	01/	01/2012	Call 100.0000		3,115,000	3,115,000	3,239,880	3,115,000						3,115,000			0	81,769	01/01/2018
645916-Z5-9_	Education	11/:	20/2012	Wachovia-Wells Fargo Sec		5,040,400	4,000,000	4,463,120	4,369,960		(31,623)		(31,623)	ļ	4,338,337		702,063	702,063	198,917	12/15/2020
64970K-4S-3_	WaterNew York Cty Muni Wtr Fin Auth	01/	25/2012	Merrill Lynch		10,799,000	10,000,000	9,968,800	9,970,922		43		43		9,970,965		828,035	828,035	62,500	06/15/2038
64970K-7P-6	. Water	01/	25/2012	Merrill Lynch		5,399,500	5,000,000	4,984,150	4,985,178		21		21		4,985,198		414,302	414,302	31,250	06/15/2039
64970K-M3-8	Water	01/	25/2012	Merrill Lynch		5,579,280	5,250,000	5,233,358	5,234,437		22		22		5,234,458		344,822	344,822	32,813	06/15/2039
64971K-PR-1	General	1	11/2012	Conversion		9,999,953	10,000,000	9,999,700			11		1		9,999,953			0	555,556	
64971M-4P-4	Amer	1	07/2012	Morgan Stanley & Co., Inc.,		594 , 135	500,000	481,005	,		35		35	ļ	481,327		112,808	112,808	14,459	1
64971M-S8-6	Amer New York Cty Muni Wtr Fin Auth	1	27/2012	Morgan Stanley & Co., Inc.		1,178,060	1,000,000	938,480	1		70		.170		939,441		238,619	238,619	13,668	ı
64972F-3C-8	Utilities New York Cty Muni Wtr Fin Auth	1	19/2012	Merrill Lynch		593,712	525,000	505,460	505,602		204		204		505,806				22,531	06/15/2043
64972F-RA-6	. Water New York Cty Muni Wtr Fin Auth	i	28/2012	Merrill Lynch		18 , 127 , 040	16,000,000	15,950,080	15,953,475		656		656		15,954,131		2,172,909	2,172,909	640,000	1
64972F-Z6-6	. Water	07/	16/2012	UBS/WAR		1,161,250	1,000,000	1,003,032	1,002,784	<u> </u>	(135)	<u> </u>	(135)	ļ	1,002,650	<u> </u>	158,600	158,600	31,653	06/15/2043

Showing all Long-Term Bonds and Stocks SOLD, REDEEMED or Otherwise DIS	DOSED OF During Current Veer

					Showing all	Long-Term	Bonds and St	ocks SOLD, F	REDEEMED 0	r Otherwise DI	SPOSED OF D	During Current	Year						
1	2	3 4	5	6	7	8	9	10		Change in E	ook/Adjusted Ca	rrying Value		16	17	18	19	20	21
	F	:							11	12	13	14	15						
CUSIP Identi- fication	Description r	Disposal	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 (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
64972F - ZL - 3	New York Cty Muni Wtr Fin Auth Water	10/22/2012	Merrill Lynch		4.555.600	4,000,000	3.990.000	3.990.185		140		140		3,990,325			565.275	172,222	06/15/2039
	New York Env Fac Corp Water	09/28/2012	Wachovia-Wells Fargo Sec		18,324,450	15,000,000	16,264,350	16,208,021		(80,981)		(80,981)		16,127,041		2,197,409	2,197,409	600,000	06/15/2028
649902-S8-7	New York State Dormitory Auth Build Amer	12/06/2012	Merrill Lynch		11,614,873	9,625,000	10,257,170	10,207,203		(39,264)		(39,264)		10,167,939		1,446,933	1,446,933	584,291	03/15/2023
655909-BB-4	Norfolk ReDev & Hsg Auth Multifamily Hsg.	12/01/2012	Call 100.0000		245,000	245,000	241,631	244,437		262		262		244,699		301	301	13,475	12/01/2013
65820H-YF-4	North Carolina Med Care Comm Medical	06/01/2012	Call 100.0000		140,000	140.000	141.393	140.000						140,000			0	3.500	12/01/2018
677525-TW-7	Ohio Air Quality Dev Auth Pollution	09/11/2012	UBS/WAR.		1,006,770	1,000,000	1,000,000	1,000,000						1,000,000		6,770	6,770	18,938	12/01/2018
677659-K6-0	Ohio State Wtr Dev Auth Water	11/20/2012	Goldman Sachs		4,543,888	3,390,000	3,937,587	3,887,490		(22,972)		(22,972)		3,864,518		679,370	679,370	167 , 146	12/01/2026
67766W-QA-3	Ohio State Wtr Dev Auth Pollution	10/23/2012	UBS/WAR		6,068,850	5,000,000	5,467,050	5,388,701		(35,015)		(35,015)		5,353,686		715,164	715,164	225,694	12/01/2027
67766W-QB-1	Ohio State Wtr Dev Auth Pollution	10/23/2012	UBS/WAR		3,634,620	3,000,000	3,264,840	3,220,514		(19,821)		(19,821)		3,200,693		433,927	433,927	135,417	12/01/2028
67910H-LH-1	Oklahoma Muni Power Auth Power	01/01/2012	Redemption 100.0000		60,000	60,000	60,000	60,000				0		60,000			0	47	01/01/2023
67919P-EF-6	Oklahoma Wtr Resources Brd Water	12/04/2012	Loop Capital Mkts (Ridge CI)		3,507,044	2,890,000	3,133,974	3,089,258		(22,636)		(22,636)		3,066,622		440,421	440 , 421	170,992	04/01/2030
C0C07V VC 0	Oregon State Dept of Admin	00/00/0040	M		4 004 000	4 455 000	4 455 000	4 455 000						4 455 000		400,000	400,000	00.050	04/04/0004
68607V-XS-9 696572-HP-4	Facilities	10/18/2012	Morgan Keegan Merrill Lynch		1,291,960 11,247,900	1, 155,000 10,000,000	1,155,000 9,984,600	1,155,000 9,985,948		239		239		1,155,000 9,986,187		136,960 1,261,713	136,960 1,261,713	20,353 530,556	10/01/2021
733581-T2-8	PA of New York & New Jersey Transportati	05/15/2012	Call 101.0000		3,277,450	3,245,000	3,388,364	3,290,915		(13,465)		(13,465)		3,277,450			0		11/15/2016
733581-T3-6	PA of New York & New Jersey Transportati	05/15/2012	Call 101.0000		2,989,600	2,960,000	3,064,902	2,998,752		(9, 152)		(9, 152)		2,989,600			0	74,000	11/15/2017
73358T-HF-1	PA of New York & New Jersey Transportati	01/25/2012	Merrill Lynch		9,179,508	8,690,000	8,287,132	8,335,077		1,442		1,442		8,336,518		842,990	842,990	235,354	07/15/2025
70050T UT 0	PA of New York & New Jersey	04/00/0040	Manaillitanah		00 000 705	40 500 000	47 040 405	47 400 750		5.553		5.553		47 000 000		0 400 470	0 400 470	205 000	40.104.10000
73358T-UT-6	Transportati	01/26/2012	Merrill Lynch		20,662,785	19,500,000	17,019,405	17,196,753						17,202,306		3,460,479	3,460,479	325,000	10/01/2030
746189-EF-2 765418-GB-8	Purdue University Higher Education Richmond Metro Auth Transportation	07/01/2012 08/23/2012	UBS/WAR		2,500,000 738,000	2,500,000 615,000	2,794,375 662,194	2,544,689 661,823		(44,689)		(44,689)		2,500,000 658,779			79,221	131,250 36,144	
765418-GE-2	Richmond Metro Auth Transportation	06/20/2012	Janney Montgomery Scott		1,610,700	1,365,000	1,469,747	1,468,925		(4,923)		(4,923)		1,464,002		146,699	146,699	67,681	07/15/2022
768903-BD-7	Riverside Cnty Asst Lsing Corp Medical	08/22/2012	Siebert Capital Markets -		728,040	1,000,000	612,760	702,538		22,269		22,269		724,808		3,232	3,232		06/01/2019
785846-CT-1	State of Mississippi General	07/18/2012	Call 100.0000	·	626,000	626.000	543.481	554.912		2,157		2.157		557.068			68.932	3.463	07/15/2027
796253-T2-8	City of San Antonio TX Utilities	10/17/2012	Merrill Lynch		10,690,819	9,190,000	9,809,314	9,680,990		(49,553)		(49,553)		9,631,437		1,059,382	1,059,382	534,743	
797412-AL-7	San Diego Cnty Wtr Auth Water	10/19/2012	Merrill Lynch		10 , 157 , 464	8,115,000	9,564,420	9,513,404		(107,559)		(107,559)		9,405,844			751,620	397,860	05/01/2021
837147-7C-5	South Carolina Pub Srvice Auth	07/20/2012	1		823.535	725,000	715,140	715,317		91		91		715,407		108,127	108,127	38,667	01/01/2040
88880T-MV-5	Tobacco Settle Fin Corp/NY Tobacco	06/01/2012	Call 100.0000		1,330,000	1,330,000	1.338.750	1.334.807		(4.807)		(4.807)		1,330,000		100,127	100,127	36,575	06/01/2018
91412G-FL-4	University of California General	10/23/2012			12,000,393	9,680,000	11,400,814	11,354,258		(129,103)		(129, 103)		11,225,154		775 , 239	775,239	458,456	05/15/2023
915137-ZY-2	University of Texas Sys Higher Education	10/17/2012	Various		19,319,655	17,070,000	17,699,517	17,567,159		(80,624)		(80,624)		17,486,535		1,833,121	1,833,121	1,012,346	08/15/2037
915217-QT-3	University of Virginia Higher Education	04/18/2012	Merrill Lynch		577 ,017	525,000	531,242	530,735		(240)		(240)		530,495		46,522	46,522	10,354	06/01/2040
91754R-RH-2	Utah State Brd of Regents Higher Educati	05/10/2012	Stifel-Hanifen Stifel Nicolaus		590.000	500.000	546.035	540.544		(1,497)		(1,497)		539.047		50.953		19.722	08/01/2024
92817P-SD-7	Virginia Resources Auth Water	08/16/2012	Conversion		6,867,417	6,825,000	6,925,874	6,878,663		(11,245)		(11,245)		6,867,417			0	270 , 156	11/01/2033
939830-WP-6	Washington St Pub Pwr Supply Power	11/01/2012	Janney Montgomery Scott		1,557,739	1,695,000	1,177,211	1,316,352		44,100		44 , 100		1,360,452		197 ,287	197 , 287		07/01/2018
044314 KII 6	Wayne Cnty MI Air Rev Airport	06/15/2012	Janney Montgomery Scott		4.998.195	4,905,000	4.936.147	4,922,115		(2,579)		(2,579)		4.919.537		78,658		149.126	12/01/2014.
95639P-AY-9	West Virginia Econ Dev Auth General	03/27/2012	Goldman Sachs		1,094,980	1,000,000	1,132,090	1,085,552		(8,488)		(8,488)		1,077,064		17,916	17,916	14,583	06/15/2014
	Bonds - U.S. Special Revenue and Specia Agencies and Authorities of Governm	n assessment an ents and Their	o ail Non-Guaranteed Obligat Political Subdivisions	tions of	1,100,725,058	1,014,936,047	1,053,467,408	1,050,093,262	0	(10,942,382)	0	(10,942,382)	0	1,039,150,873	0	61,574,181	61,574,181	41,493,536	XXX
Bonds - Indus	strial and Miscellaneous (Unaffiliated)																		
	AEP Texas Cent Trans Fund LLC AEPTC				,									,					
00110A-AD-6 00206R-BA-9	2006. AT&T Inc T 5.55 08/15/41	06/13/2012 11/01/2012	Morgan Stanley & Co., Inc., Various		1,983,746 1,954,215	1,695,000 1,650,000	1,937,332 1,884,247	1,885,241 1,884,050		(17,483)		(17,483) (1,223)		1,867,758 1,882,827		115,988 71,387	115,988 71,387		01/01/2020
00441T-AD-5	Ace Securities Corp ACE 2006-HE3	12/26/2012	Paydown		39,117	39 , 117	20,000	21,741		17 , 376		17,376		39,117			0	135	06/25/2036
00441Y-AC-6	Ace Securities Corp ACE 2006-0P2	12/26/2012	Paydown		231,801	231,801	207,826	215,594		16,208		16,208		231,801			0	446	08/25/2036
02005A-BT-4	Ally Master Owner Trust AMOT 2011-4	11/08/2012	Barclays Capital		760,459	750,000	749,804	749,821		55		55		749,876		10,583	10,583	10,363	09/15/2016
02147F-AS-5	Countrywide Alternative Ln Tr CWALT	01/25/2012				63,926	1,808	8,349		(8,349)		(8,349)					0	32	07/25/2036
02209S-AH-6	Altria Group Inc MO 10.2 02/06/39		Morgan Stanley & Co., Inc.	.	877,540	500,000	740,610	737,087		(2,017)		(2,017)	ļ	735,070		142,470	142,470	51,425	02/06/2039

Showing all Long Torm Bond	le and Stocke SOLD DEDEEMER	or Otherwise DISPOSED OF During Cur	ront Voor

					Showing al	l Long-Term I	Bonds and St	ocks SOLD, F	REDEEMED 0			During Current	Year						
1	2 3	4	5	6	7	8	9	10		Change in E	ook/Adjusted Ca	rrying Value		16	17	18	19	20	21
	_F								11	12	13	14	15						1 1
	0																		1 1
	r							Prior Year	Unrealized		Current Year's Other Than		Total Foreign	Book/ Adjusted	Foreign			Bond Interest/Stock	Stated
CUSIP	l le			Number of				Book/Adjusted	Valuation	Current Year	Temporary	Total Change in	Exchange	Carrying Value	Exchange Gain	Realized Gain	Total Gain	Dividends	Contractual
Identi-	g	Disposal		Shares of				Carrying	Increase/	(Amortization)/	Impairment	B/A. C.V.	Change in	at	(Loss) on	(Loss) on	(Loss) on	Received	Maturity
fication 02209S-AL-7_	Description n	Date 07/12/2012	Name of Purchaser Barclays Capital	Stock	Consideration 523,382	Par Value 450.000	Actual Cost 486,707	Value 486,192	(Decrease)	Accretion (1,785)	Recognized	(11+12-13) (1,785)	B/A. C.V.	Disposal Date 484,407	Disposal	Disposal 38,974	Disposal 38,974	During Year 14,963	Date 05/05/2021
	American Home Mortgage Inv Tr AHM		' '	1	· ·			· 1		' '		l ' '		I				· ·	
02660Y-AL-6	2006-2 Americredit Auto Rec Trust AMCAR	12/26/2012	Paydown	 	63,834	63,834	30,002	30,130				33,704		63,834			0	131	06/25/2046
03063P-AC-6_	2010-3	04/30/2012	RBC Dominion Secs Corp		1,002,656	1,000,000	999,848	999,939		24		24		999,963		2,693	2,693	4,592	04/08/2015
03064G-AB-7	Americredit Auto Rec Trust AMCAR 2010-B	06/06/2012	Call 100.0000		49,375	49,375	49,375	49.375				0		49,375			0	291	02/06/2014
	Americredit Auto Rec Trust AMCAR	05/00/0040	Barrelana				298.047	000.047											1 1
03064G-AB-7 031162-BK-5	2010-B	05/06/2012	Paydown		298,047 1,285,701	298,047 1,195,000	1, 184, 261	298,047 1,184,286		116		116		298,047 1,184,401		101,299	101,299	908	02/06/2014
032511-AX-5	Anadarko Petroleum Corp APC 5.95	03/22/2012	Greenwich Capital-RBS		859 , 185	750,000	746,250	746,989		133		133		747 , 121		112,064	112,064	23,800	09/15/2016
İ	Anheuser-Busch InBev Worldwide	ı	Salomon SmBarney		i .			i i										i i	1 1
03523T-BF-4_	ABIBB 8.2 Atherton Franchisee Loan Fund AFLF	04/25/2012	(Citigroup)		1,176,741	750,000	1,078,015	1,073,787		(1,797)		(1,797)		1,071,989		104,751	104,751	48 , 141	01/15/2039
047445-AP-6_	1998	09/01/2012	Paydown		495,680	495,680	483,288	465,005	20,615	10,060		30,675		495,680			0	25,287	05/15/2020
05357W-AA-5	Avenue CLO Fund Ltd AVCLO 2007-6A	03/21/2012	Morgan Stanley & Co., Inc.		1.138.550	1,193,762	1,126,612	1.140.898		3.998		3.998		1.144.896		(6.346)	(6.346)	3.811	07/17/2019
057224-AZ-0	Baker Hughes Inc BHI 5 1/8 09/15/40	05/24/2012			849,998	750,000	746,775	746,869		20		20		746,889		103,108	103,108	27 ,227	09/15/2040
05950E-AH-1	B of A Merrill Lynch Comm Mtg BACM	01/18/2012	Morgan Stanley & Co., Inc.,		1,386,000	1,680,000	1,568,700	1,574,395		597		597		1,574,992		(188,992)	(188,992)	14 , 453	05/10/2045
059511-AE-5	B of A Merrill Lynch Comm Mtg BACM	10/12/2012	Goldman Sachs		835.600	715.000	771.865	768.023		(4.048)		(4,048)		763,975		71,625	71,625	35.772	04/10/2049
	Bank of America Corp BAC 5.65		Banc of America Securities				,,,,,										,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,		
06051G-DX-4 06423A-AV-5	. 05/01/18	05/18/2012	J.P. Morgan Chase & Co	 	692,639	670,000 10,000,000	692,458 9,119,690	691,593 9,484,087		(1,153) 130,125		(1,153) 130,125				2,200 1,152,388	2,200	21,241	05/01/2018
	CR Bard Inc BCR 4.4 01/15/21	01/06/2012	Cantor, Fitzgerald & Co		548,866	495,000	509,558	508,645		(32)		(32)		508,613		40,254		10,611	
07388L-AG-5_	Bear Stearns Comm Mtg Sec BSCMS 2006-PW1	03/28/2012	Jefferies & Co (JPM-BS)		1,069,063	1,000,000	1,029,844	1,027,437		(797)		(797)		1,026,641		42,422	42,422	18,762	09/11/2041
079867-AQ-0	BellSouth Telecommunications T 6.3	12/15/2012	Redemption 100.0000		84,300	84,300	77,715	82.442		1,858		1,858		84,300				4,004	12/15/2015
	Bmw Vehicle Owner Trust BMW0T 2010-		Nomura Securities Intl		· ·		l '			· ·		· ·					0	· ·	
09657M-AD-0_	A A4 Burlington Northern Santa Fe BRK	03/12/2012	Inc	ļ	1,017,930	1,000,000	1,023,438	1,020,438		(2,786)		(2,786)		1,017,652		278	278	4,667	10/25/2016
12189L-AB-7	3.6 097	10/16/2012	LLC		572,549	525,000	498,776	500,443		1,911		1,911		502,353		70,196	70,196	21,420	09/01/2020
12557Y-AC-1_	Cit Equipment Collateral CITEC 2010-VT1A	08/15/2012	Paydown		498,396	498,396	505,268	500,153		(1,758)		(1,758)		498,396			0	4,250	05/15/2013
400000 11 4	Comm Mtg Pass Through Cert COMM	40/47/0040	1		440.040	119.849	İ	117.801		2.048		2.048		440.040				1.744	1 1
12623D-AA-1	2011-FL1CSAB Mortgage Backed Trust CSAB	12/17/2012	1		119,849		117,639	, , ,						119,849				,,	07/17/2028
12629E-AF-2 126408-GW-7	2007-1 1	12/01/2012 01/10/2012	Paydown				62,216			12,537		12,537				31,983	0	2,436 9,500	05/25/2037
İ	Countrywide Asset-Backed Cert CWL				i		İ	i i						i .			,1,303	i i	1 1
126670-VY-1_	2006-3 Countrywide Asset-Backed Cert CWL	12/26/2012	Paydown		112,881	112,881	98,239	99,501		13,381		13,381		112,881			0	244	06/25/2036
126673-6R-8_	2005-9	02/27/2012	Paydown	ļ	246 , 121	246,121	229,427	246,121				0		246,121			0	152	01/25/2036
126673-KR-2_	Countrywide Home Eqt Loan Trst	12/17/2012	Paydown		141,841	141,841		99,208		42,632		42,632		141,841			0	421	02/15/2034
12668F-AB-0	Countrywide Home Eqt Loan Trst CWHEL 200	12/17/2012	Paydown				58,653	67,759		.8,269				76,029			n	157	01/15/2037
	Chase Issuance Trust CHAIT 2007-A17		'	<u> </u>												a			
161571-CH-5 172967-BW-0	ACitigroup Inc C 4 7/8 05/07/15	06/21/2012			1,115,469 2,148,260	1,100,000	1,170,469 1,993,940	1,138,425 1,994,578		(23,653)		(23,653)		1,114,772		697 152,395	697	29,881 97,229	10/15/2014
172967-EW-7	Citigroup Inc C 8 1/8 07/15/39	11/02/2012	Various		33,683,962	22,690,000	30 , 704 , 613	30,690,026		(103,695)		(103,695)		30,586,331		3,097,631	3,097,631	2,360,855	
172973-5L-9	Citicorp Mortgage Sec Inc CMSI 2006-1 4A	12/01/2012	Paydown		309,524	309,524	309,524	309,524						309,524			0	6,380	02/25/2016
17305E-ER-2	Citibank Credit Card Iss Trst CCCIT 2009	12/23/2012	Paydown		100,000	100,000	102,352	101,407		(1,407)		(1,407)		100,000			0	2,250	12/23/2014
İ	Citibank Omni Master Trust COMNI	1	1	İ	i .		İ	i i		i ' '		l ' '		i .					1 1
17308B-AH-1	2009-A8	05/15/2012	Redemption 100.0000		1,000,000	1,000,000	1,009,844	1,005,140		(5,140)		(5,140)		1,000,000	····		0	9,964	05/16/2016
195869-AM-4	10/15/	01/11/2012			541,148	520,000	516,334	516,539		15		15		516,554		24,594	24,594	4,651	10/15/2020
20030N-BB-6	Comcast Corp CMCSA 6.4 03/01/40	03/27/2012	Salomon SmBarney (Citigroup)		453,735	370,000	423,868	422,828		(200)		(200)		422,627		31,107	31,107	13,748	03/01/2040
202795-HS-2	Commonwealth Edison Co EXC 6.15	04/24/2012	1		546.386	450,000	506.448	500,732		(2,573)		(2,573)		.498.159				17.066	09/15/2017
20825C-AQ-7_	ConocoPhillips COP 6 1/2 02/01/39	08/29/2012	Various		2,173,467	1,535,000	2,004,445	1,999,128		(4,484)		(4,484)		1,994,644		178,823	178,823	93,407	02/01/2039

Showing all Long-Term Bonds and Stocks SOLD, REDEEMED or Otherwise DISPOSED OF During Cu	rrant Vaar

					Showing all	Long-Term E	Bonds and St	ocks SOLD, R	EDEEMED o			During Current	Year						
1	2 3	3 4	5	6	7	8	9	10		Change in B	ook/Adjusted Ca	rrying Value		16	17	18	19	20	21
		:							11	12	13	14	15						
								Prior Year	Unrealized		Current Year's Other Than		Total Foreign	Book/ Adjusted	Foreign			Bond Interest/Stock	Stated
CUSIP				Number of				Book/Adjusted	Valuation	Current Year	Temporary	Total Change in	Exchange	Carrying Value	Exchange Gain		Total Gain	Dividends	Contractual
Identi- fication	Description r	Disposal Date	Name of Purchaser	Shares of Stock	Consideration	Par Value	Actual Cost	Carrying Value	Increase/ (Decrease)	(Amortization)/ Accretion	Impairment Recognized	B/A. C.V. (11+12-13)	Change in B/A. C.V.	at Disposal Date	(Loss) on Disposal	(Loss) on Disposal	(Loss) on Disposal	Received During Year	Maturity Date
	JP Morgan Chase Comm Mtg Sec CSMC		Name of Furchaser	Otock					(Decrease)		recognized		B/A. O.V.		Disposai	Бізрозаі	Бізрозаі		
2254ER-AA-4	2007-T	03/15/2012	Paydown		352,268	352,268	338 , 177	340,581		11,687		11,687		352,268		 	0	181	02/15/2022
23242L-AB-9	CWHEL 200.	12/17/2012	Paydown		105,832	105,832	83,251	81,263		24,568		24,568		105,832			0	209	07/15/2036
23336E-AA-4 23336J-AA-3	DT Auto Owner Trust DTAOT 2011–1A A DT Auto Owner Trust DTAOT 2011–2A A	05/15/201210/15/2012	Paydown Paydown		256,496 262,356	256,496 262,356	256,489 262,349	256,495 262,352		2		2		256,496 262,356		 	0	626 1,100	05/15/2013
25746U-BL-2	Dominion Resources Inc D 4.45		1		569,520	500,000	498,755	498,842		72				498,915		70,605	70 605	22,126	03/15/2021
	03/15/21Duke Energy Carolinas LLC DUK 5.1	09/10/2012	Barclays Capital					i i								'	70,605		i i
26442C-AD-6 26884L-AB-5	04/15/ EQT Corp EQT 4 7/8 11/15/21	01/11/2012	Wachovia-Wells Fargo Sec Deutsche Bank		422,492	360,000 1,250,000	398,603	395,3041,252,216		(225)		(225)		395,080		27 ,413	27 , 413	4,692 26,068	04/15/2018 11/15/2021
	Entergy Arkansas Rest Fnd LIc EAI				' '			I ' ' I		` ′		, ,						·	
29365Y-AA-1	2010-A	09/18/2012	Morgan Stanley & Co., Inc		799,323	760 , 157	749,942	750,463		1,015		1,015		751,478	····	47 ,845	47 ,845	15,541	08/01/2021
29365Y-AA-1	2010-Ă	05/01/2012	Paydown		42,166	42 , 166	41,599	41,628		538		538	ļ		ļ	ļ	0	485	08/01/2021
	Enterprise Products Operating EPD 5.95 0	12/14/2012	Various		1,231,175	1,075,000	1,182,201	1,182,006		(745)		(745)		1,181,261	ļ	49,914	49,914	64,913	02/01/2041
294751-BX-9	Equity One ABS Inc EQABS 2003-1 M1 First Franklin Mtg Asst Back FFML	12/01/2012	Paydown		126,342	126,342	107,390	108,276		18,`066´		18,066		126,342	ļ	 	0	3,370	07/25/2033
32027N-PD-7	2004-F	08/27/2012	Paydown		542,780	542,780	539,896	541,452		1,328		1,328		542,780			0	2,038	01/25/2035
32051H-AD-5	First Horizon Alt Mtg Sec FHAMS 2006-FA3	12/26/2012	Paydown		79,954	119,488	78,595	77,956		1,998		1,998					0	479	07/25/2036
34529C-AC-8	Ford Credit Auto Lease Trust FORDL 2010-	09/15/2012	1 -		2,000,000	2,000,000	1,999,833	1,999,955		45		45		2,000,000			0	8 , 130	07/15/2013
İ	Ford Credit Auto Owner Trust FORDO		Paydown					i ' ' I											
34529G-AG-0	Ge Business Loan Trust GEBL 2004-1	12/15/2012	Paydown		132,720	132,720	138,495	135,252		(2,533)		(2,533)		132,720		 	0	3,589	08/15/2014
36159G-AN-7	В	12/17/2012	Paydown		183 , 137	183 , 137	146,627	148,331		34,805		34,805		183 , 137			0	1,039	05/15/2032
36159G-BV-8	Ge Business Loan Trust GEBL 2005-2A	12/17/2012	Paydown		219,677	219,677	147 ,658	151,414						219,677		<u> </u>	0	985	11/15/2033
36159J-BM-2	Ge Cap Crdit Crd Mstr Nte Trst GEMNT 200.		1		1,500,000	1,500,000	1,545,195	1,524,433		(24,433)		(24,433)		1,500,000			0	32,288	07/15/2015
	General Electric Capital Corp GE	1						i ' i		` ' '		i ' '							l i
36962G-4X-9 37331N-AB-7	2.1 01/		Goldman Sachs Deutsche Bank		916,497 575,930	900,000 515,000	907 , 758 536 , 089	906,591 535,717		(2,435)		(2,435)				12,341	12,341	23,363 12,360	01/07/2014
	Hartford Life Inst Funding HIG 0		Banc of America Securities		399,232					3,325		3,325		395,679		3,553			
		09/12/2012	LLU			400,000	387,396	392,353									3,553	2,694	08/15/2013
428236-BC-6		10/09/2012	Goldman Sachs		643,270	640,000	632,986	634 , 144		1 , 193		1,193		635,337	ļ	7,934	7,934	14,696	09/13/2015
43710X-AB-4	FRE1 2A	12/26/2012	Paydown		103,043	103,043	78,748	74,421		28,622		28,622		103,043			0	219	04/25/2037
43813B-AD-4	Honda Auto Rec Owner Trust HAROT 2010-3	05/31/2012	Nomura Securities Intl		722.559	720,000	719,466	719,498		152		152		719,650		2.909	2.909	3,083	12/21/2016
	IFM US Colonial Pipeline 2 LLC		VouPank		i .		· ·							· ·			85.349		l
449505-AA-4	IFMCOL 6Integrys Energy Group Inc TEG 4.17	01/20/2012	KeyBank SunTrust Robinson		1,104,854	1,020,000	1,019,439	1,019,502		3				1,019,505		85,349	, , , , , , , , , , , , , , , , , , , ,	15,351	05/01/2021
45822P-AA-3	11/01	11/08/2012	Humphrey*		565,935	500,000	499,685	499,708		24		24		499,732		66,203		21,603	11/01/2020
46625H-HZ-6	05/10/21	06/05/2012	Deutsche Bank		1,215,510	1 , 155 , 000	1,149,823	1,150,093		184		184		1,150,277				30,864	05/10/2021
46625H-JA-9	JPMorgan Chase & Co JPM 3.15 07/05/16	10/09/2012	Banc of America Securities		551,689	520,000	518,653	518,763		202		202		518,965		32,724	32,724	21,067	07/05/2016
	JP Morgan Chase Comm Mtg Sec JPMCC 2006-	03/27/2012	J.P. Morgan Chase & Co		1,081,172	1,000,000	1,049,297	1,045,266		(1,319)		(1,319)		1,043,947			37,225	19,556	04/15/2045
	JCP&L Transition Funding LLC JCPL		1		i ' '			i ' i		` ' '		' '			ļ	'			İ
47215B-AC-1 478160-AY-0	2006-A	09/18/2012 10/11/2012	Morgan Stanley & Co., Inc., KeyBank		669,038 978,918	570,000 930,000	645,703 927,164	636,613 927,495		(9,917) 436		(9,917) 436		626,695		42,342 50,987		24,996	06/05/2020
	Kentucky Hsg Corp Single Family Hsg	12/01/2012	Call 100.0000		100,000	100,000	100,000	100,000						100,000			0	5,082	
539830-AZ-2	Lockheed Martin Corp LMT 4.85 09/15/41	03/23/2012	KeyBank		587 , 190	575,000	570,854	570,876		18		18		570,894		16,296	16,296	15,416	09/15/2041
54251P-AE-7	Long Beach Mortgage Loan Trust LBMLT 200	12/26/2012	Paydown		46.952	46,952	19,043	19.482		27.470		27.470		46.952			n	189	06/25/2036
	Jefferson County Series 1998-A	09/15/2012			70,689	70,689	71,219	70,159	784	(254)		530		70,689				1,096	09/15/2012
55263G-AT-7	MBIA CC - T.E. Grantor Trust Series	07/15/2012	Paydown		61,064	61.064	61,522	60.606	749	(291)		458			<u></u>	<u> </u>	n	1,441	08/15/2012
	Hawaii Health #31, #35 Series 2001-	1	'			· i		i i		(201)							^		İ
55263G-CM-0 55263G-CS-7	Hawaii Health #37 Series 2001-F	01/15/201212/15/2012	PaydownPaydown		12,895 741,777	12,895 741,777	12,992 747,340	12,637 712,106	261 34,003	(3)		258 29,671		12,895 741,777		1	0	24,216	01/15/2012 01/15/2015

					Showing al	I Long-Term	Bonds and St	tocks SOLD, I	REDEEMED o	r Otherwise DI	SPOSED OF	During Current	Year						
1	2	3 4	5	6	7	8	9	10		Change in E	Book/Adjusted Ca	arrying Value		16	17	18	19	20	21
	ļ.	=							11	12	13	14	15						
CUSIP Identi- fication	Description MBIA CC - T.E. Grantor Trust Series	Disposal	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 (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
55263G-DA-5	2002	10/15/2012	. Paydown		1,449,646	1,449,646	1,460,519	1,377,164	81,870	(9,388)		72,482		1,449,646			0	63,906	01/15/2016
55263G-DD-9 55263G-DE-7	. 2002	12/15/2012 12/15/2012	Paydown		1,277,818 1,975,765	1,277,818 1,975,765	1,287,402 1,990,583	1,233,094 1,921,431	53,040 65,759	(8,316) (11,425)				1,277,818 1,975,765			0	34,520 86,748	09/15/2017 07/15/2015
55263G-DG-2_	MBIA CC - T.E. Grantor Trust Series	11/15/2012_	'		202,859	202,859	204,380	197 , 280	6,318	(739)		5,579		202,859			0	4,095	11/15/2012
55263G-DL-1	2003 Hawaii Health-Maui Cardio Series	12/15/2012	',		661,810	661,810	666,774	627,065	38,891	(4,146)		34,745		661,810			0	24 , 126	01/15/2018
55263G-DM-9	. 2003-D	12/15/2012	. Paydown		344,765	344,765	347 , 351	332,698	13,544	(1,477)		12,067		344,765			0	9,045	03/15/2013
578875-AA-4	MBIA CC - T.E. Grantor Trust Series	12/15/2012	. Paydown		1,105,759	1,105,759	1,114,053	1,050,471	62,329	(7,041)		55,288		1,105,759			0	33,370	05/16/2018
578875-AB-2 578875-AD-8	. 2003	10/15/2012 12/15/2012	PaydownPaydown.		377 ,338 245 ,734	377 ,338 245 ,734	380 , 168 247 , 577	366,961 235,904	12,157 11,192	(1,780) (1,362)		10,377 9,830		377,338 245,734			0	7,782 6,841	10/15/2013 06/15/2014
59022K-AF-2_	2006-C	02/09/2012	Goldman Sachs		1,681,691	1,645,000	1,641,530	1,641,558		10		10		1,641,567		40 , 124	40 , 124	19,287	08/12/2043
59023U-AC-6_	2006-1	01/15/2012	Paydown		453,286	453,286	440 , 161	442,483		10,803		10,803		453,286			0	159	06/15/2022
59024E-AC-1_	2007	12/26/2012	Paydown	ļ	123,995	123,995	47,930	52,074		71,921		71,921		123,995			0	239	02/25/2037
61745M-4T-7	2005-3 Morgan Stanley ABS Capital I MSAC	12/01/2012	. Paydown	<u> </u>	132,036	132,036	117 , 182	117 ,789		14,247		14,247		132,036			0	2,834	07/25/2035
61749B-AD-5	. 2006-N Morgan Stanley ABS Capital I MSAC	12/26/2012	. Paydown		167,915	167 ,915	146,302	141,253		26,662		26,662		167,915			0	309	10/25/2036
61749B-AD-5	. 2006-N Morgan Stanley Capital MSC 2006-	01/25/2012	. Paydown		31,430	31,430	27,384	26,439		4,990		4,990		31,430			0	10	10/25/2036
61750W-AX-1	IQ12 A Morgan Stanley Mtg Loan Trst MSM	10/24/2012	. Inc		734,417	635,000	671,885	666,862		(5,602)		(5,602)		661,260		73,157	73,157	30,849	12/15/2043
61751G-AB-3	2007-5A	01/27/2012			394,151	1,058,123	489,617	505,751		2,058		2,058		507,809		(113,658)	(113,658)	402	02/25/2037
61751G-AB-3	. 2007-5A Morgan Stanley Capital MSC 2007-	01/25/2012	1		18,235	18,235	8,438	8,716		9,519		9,519					0	6	02/25/2037
61756L-AA-9 62889E-AA-3	NCUA Guaranteed Notes NGN 2011-R3	05/15/2012	· .		705,644	705,644	677 ,379	696,319		9,325		9,325		705,644		464		1,454	12/15/2020
62889E-AA-3_	NCUA Guaranteed Notes NGN 2011-R3	12/11/2012	ľ		31,191	31,191	31,191	31,191						31,191		404	404	1,049	03/11/2020
62889F-AA-0	NCUA Guaranteed Notes NGN 2011-R4	10/02/2012	'		1,034,404	1,031,985	1,031,985	1,031,985				1		1,031,985		2.419	2.419	5,543	03/11/2020
62889F-AA-0	NCUA Guaranteed Notes NGN 2011-R4	10/05/2012	Paydown.		307,259	307,860	307,860	307,860		(601)		(601)		307,259		2,410		1,853	03/06/2020
62889G-AA-8_	NCUA Guaranteed Notes NGN 2011-R5 1A	10/02/2012.	'		363,029	362,463	i .	362,463				0		362,463		566	566	1,740	04/06/2020
62889G-AA-8_	NCUA Guaranteed Notes NGN 2011-R5	10/05/2012	Paydown		140,620	140,630	140,630	140,630		(9)		(9)		140,620			0	586	04/06/2020
63946B-AE-0_	NBC Universal Media LLC CMCSA 4 3/8	08/24/2012	Various		611,978	542,000	566,647	566,226		(1,287)		(1,287)		564,939		47,039	47,039	19,767	04/01/2021
64352V-MN-8_	New Century Home Eqt Loan Trst NCHET 200	12/01/2012	Paydown	ļ	62,215	62,215	59,337	59,443		2,771		2,771		62,215			0	1,710	08/25/2035
677050-AH-9 713448-BS-6	09/01	03/26/201202/24/2012	. Morgan Stanley & Co., Inc Bank of Tokyo Mitsubishi		1,076,150 753,291	1,000,000 660,000	998,000 621,212	998,021 621,667		12				998,033 621,760				32,083	09/01/2050
755111-BU-4	. Raytheon Co RTN 4 7/8 10/15/40	01/30/2012	Deutsche Bank		754,215	700,000	695,527	695,603		6		6		695,609		58,606	58,606	10 , 143	10/15/2040
755111-BW-0 761118-AG-3	Raytheon Company RTN 4.7 12/15/41 Residential Accredit Loans Inc RALI 2005.	12/03/2012			1,056,301	975,000	970,320	970,325				53		970,378				30,058	12/15/2041
76113J-AA-0.	Residential Fund Mtg Sec II RFMS2 2006-H	12/27/2012	'		86,046	86,046	64,625	58,717		27,330		27,330		86,046			0	136	05/25/2036
78445P-AA-1_	SLM Student Loan Trust SLMA 2010-B	12/17/2012_		ļ	113,180	113,180	113,180	113,180				0		113,180			0	1,372	07/15/2016
80282F-AC-1_	Santander Drive Auto Rec Trust SDART 201	08/15/2012_	Paydown	ļ	431,206	431,206	432,688	431,890		(685)		(685)		431,206			0	2,053	08/15/2013
80282N-AA-8_	SDART 201	03/02/2012_	Greenwich Capital-RBS	<u> </u>	720,069	718,665	718,657	718,658		ļ1		11	<u></u>	718,658		1,411	1,411	3,372	06/15/2017
80282N-AA-8	SDART 201	02/15/2012	Paydown		64,162	64 , 162	64,161	64,161		L1	<u> </u>	1		64,162	<u> </u>		0	165	06/15/2017

Showing all Long-Term Bonds and Stocks SOLD, REDEEMED or Otherwise DISPOSED OF During Cu	rrant Vaar

					Showing all	l Long-Term I	Bonds and St	ocks SOLD , F	REDEEMED o	r Otherwise DI	SPOSED OF D	Ouring Current `	Year						
1	2 3	3 4	5	6	7	8	9	10		Change in E	ook/Adjusted Ca	rrying Value		16	17	18	19	20	21
	-	=							11	12	13	14	15						(L
		5							• • • • • • • • • • • • • • • • • • • •		10	'	10						(L
		r						Drior Voor	Unroplized		Current Year's		Total Foreign	Book/	Foreign			Bond Interest/Steek	Stated
CUSIP		i		Number of				Prior Year Book/Adjusted	Unrealized Valuation	Current Year	Other Than Temporary	Total Change in	Total Foreign Exchange	Adjusted Carrying Value	Foreign Exchange Gain	Realized Gain	Total Gain	Interest/Stock Dividends	Contractual
Identi-		g Disposal		Shares of				Carrying	Increase/	(Amortization)/	Impairment	B/A. C.V.	Change in	at	(Loss) on	(Loss) on	(Loss) on	Received	Maturity
fication	Description r Sonic Capital LLC SONIC 2011-1A A2	n Date 12/20/2012	Name of Purchaser Paydown	Stock	Consideration 17,250	Par Value 17,250	Actual Cost	Value 17,250	(Decrease)	Accretion	Recognized	(11+12-13)	B/A. C.V.	Disposal Date 17,250	Disposal	Disposal	Disposal	During Year 508	Date 05/20/2041
	Soundview Home Eqt Loan Trst SVHE		· .		,	· ·	· .	·									0		
83611P-AJ-0	2001-1 Southern California Edison Co EIX	11/01/2012	Paydown	 	5,319	5,319	5,303	5,303		16		16		5,319			0	88	04/15/2031
842400-FT-5	3.9 12	01/03/2012	Cantor, Fitzgerald & Co		983,290	1,000,000	994,380	994,390		2		2		994,392		(11,102)	(11, 102)	4,767	12/01/2041
872162-AH-5	Tal Advantage LIc TAL 2011-2A A	05/03/2012	Banc of America Securities		792,064	778,442	778,442	778,442				ا ۱		778.442		13.623	13,623	13.048	05/20/2026
872162-AH-5	Tal Advantage Lic TAL 2011-2A A	04/20/2012	Paydown		28,567	28,567	28,567	28,567				0		28,567			0	263	05/20/2026
88732J-AJ-7	Time Warner Cable Inc TWC 6.55 05/01/37	.03/27/2012	Salomon SmBarney (Citigroup)		429.030	370,000	422,222	421.054		(232)		(232)		420,823		8.207	8,207	10,031	05/01/2037
00005V AD 7	Toyota Auto Rec Owner Trust TAOT	03/12/2012	Nomura Securities Intl		793,279	785,000	784,857	784,927		10		10				8,342		· ·	l l
89235Y-AD-7	Z010-B	03/12/2012	INC			İ	/04,00/									i i	8,342	2,885	01/17/2017
89417E-AC-3	12/15/17	08/24/2012	Wachovia-Wells Fargo Sec Banc of America Securities	ļ	680,030	555,000	624,702	617,537		(6,307)		(6,307)		611,230		68,800	68,800	22,516	12/15/2017
91159H-HB-9	US Bancorp USB 2.2 11/15/16	03/28/2012_	LLC	<u> </u>	1,938,019	1,900,000	1,895,136	1,895,280		240		240		1,895,520		42,499	42,499	17 , 301	11/15/2016
92344G-AX-4_	Verizon Communications Inc VZ 5.85	12/03/2012	Wachovia-Wells Fargo Sec		633,280	500,000	548,105	546,805		(969)		(969)		545,836		87.444	87 , 444	35,831	09/15/2035.
	Cellco Partnership / VZW Cap VZW 8		Banc of America Securities		559,536	· ·	· .	·		(1,374)		(1,374)		.506,500		53.036		· ·	
92344S-AK-6	1/2 1	02/02/2012	LLU	1		400,000	517,232	507,874		(1,3/4)		(1,3/4)					53,036	7,744	11/15/2018
92867D-AB-6	2011-1	11/20/2012	Paydown		996,401	996,401	996,390	996,397		4		4		996,401			0	3,236	12/20/2013
92867E-AC-2	2010-A	12/20/2012	Paydown	ļ	1,816,516	1,816,516	1,816,343	1,816,445		71		71		1,816,516			0	12,031	11/20/2013
92922F-5U-8	WAMU Mtg Pass Through Cert WAMU 2005-AR1	12/25/2012	Paydown		41,303	41,303	33,210	31.439		9.865		9.865		41.303			0	120	11/25/2045
	WEA Finance LLC WDCAU 7 1/2		'													7 040	7 040		l I
92933D-AA-8	06/02/14	10/23/2012	Call 110.0750	†	401,774	365,000	420,670	408,908		(14,448)		(14,448)		394,460		7,313	7,313	24,409	06/02/2014
92977Q-AD-0	2006-C	03/27/2012	Goldman Sachs		1,022,650	905,000	977,930	968,600		(3,106)		(3, 106)		965,494		57 , 156	57 , 156	17 , 246	07/15/2045
981464-BU-3	WFNMT 200	07/15/2012	Paydown		1,000,000	1,000,000	1,035,938	1,011,879		(11,879)		(11,879)		1,000,000			0	22,108	05/15/2016
98458P-AB-1	Yale University YALUNI 2.9 10/15/14 Xstrata Finance Canada Ltd XTALN 6	01/06/2012	J.P. Morgan Chase & Co	 	528,950	500,000	517,160	513,720		(133)		(133)		513,587		15,363	15,363	3,464	10/15/2014
98417E-AN-0 00971V-AC-0	11/15	A05/09/2012	RBC Dominion Secs Corp		324,393	310,000 138,938	309,823	309,825		1.614		4		309,828		14,565	14,565	9,507	11/15/2041
	Arts Ltd AKBAN 2005-CA C	F06/15/2012 F03/15/2012	Paydown		138,938	138,938	136,298 136,298	137,324		1,614		1,614					0	537 280	06/15/2013
02364W-AV-7	America Movil SAB de CV AMXLMM 5 03/30/2	02/24/2012	Deutsche Bank		682,854	600,000	620,814	619,475		(320)		(320)		619 , 155		63,699	63,699	12,417	03/30/2020
İ	BG Energy Capital PLC BGGRP 5 1/8					i .	· .	·		, ,		`		· ·		i .		· ·	
05541V-AF-3	BHP Billiton Finance USA Ltd BHP 6	F01/30/2012	Deutsche Bank Salomon SmBarney		643,080	575,000	607,752	607,727		(34)		(34)		607,693		35,387	35,387	9,004	10/15/2041
055451-AH-1	1/2 O	F03/08/2012	(Citigroup)		540,347	430,000	511,476	505,223		(1,810)		(1,810)		503,413		36,934	36,934	12,578	04/01/2019
10553Y-AB-1	Braskem Finance Ltd BRASKM 7 05/07/20	F03/28/2012	Deutsche Bank		675,000	600,000	652,800	652,076		(1,243)		(1,243)		650,833		24,167	24,167	16,917	05/07/2020
13124T-AC-4	Callidus Debt Partners Fnd Ltd CALD	F05/24/2012	Wachovia-Wells Fargo Sec		951,000	1,000,000	951,500	958 . 154		4,840		4,840		.962,994		(11,994)	(11,994)	3,848	11/20/2020
	Commonwealth Bank of Australia	1	ĺ				i .	·				'		i .		' '	, , ,		1
20272B-AJ-3 21987B-AP-3	CBAAU 3.4	F01/17/2012 F10/02/2012	HSBC Securities Inc Deutsche Bank		593,331 1,416,428	560,000 1,300,000	587,602 1,285,263	580,977 1,285,458		(411) 932		(411) 932		580,566 1,286,391		12,765 130,037	12,765	8,528 46,457	08/13/2014
	Dexia Credit Local/New York NY											601							
25214G-AB-9 37184V-AA-9	DEXGRP 0	F03/29/2012 F12/19/2012	KeyBank Paydown	<u> </u>	855,750 116,468	875,000 116,468	871,028 103,268	872,217 105,164		601 11,304						(17,068)	(17,068)	2,671 318	03/05/2013
37373W-AA-8	Gerdau Trade Inc GGBRBZ 5 3/4	F 03/05/2012	Deutsche Bank		208,500	200.000	202,000	201,927		(31)		(31)		201.896		6,604	6.604	6.964	01/30/2021
	Granite Master Issuer Plc GRANM				· ·		i .	·		` ′		·							l l
38741Y-DP-1 43474T-AA-1	2007-1 2	F06/25/2012 F12/03/2012	Various Cortview Capital Sec LLC		1,233,225	1,890,000	1,176,658	1,205,587 92,325		24,473		24,473		1,230,060 91,605		3,165 3,510	3,165	11,225 4,760	12/20/2054
44328M-AN-4	HSBC Bank PLC HSBC 1 5/8 07/07/14	F09/06/2012	HSBC Securities Inc		355,800	350,000	349,510	349,587		112		112		349,700		6,100	6,100	6,699	07/07/2014
493897-AB-8	Kildare Securities Ltd KDRE 2007-1A A2	F09/06/2012	Goldman Sachs		710,106	747,480	680,207	691,475		2,235		2,235		693,710		16,396	16,396	2,266	12/10/2043
	Kildare Securities Ltd KDRE 2007-1A				,	· ·	154,654	·		12,733		12,733		· ·			0		
493897-AB-8	Landwirtschaftliche Rentenbank	F09/10/2012	Paydown	†	169,949	169,949	· .	157,216				'		169,949			0	1,614	12/10/2043
515110-AP-9	RENTEN 4	F01/11/2012	Deutsche Bank	ļ	946,807	835,000	926,675	911,455		(577)		(577)		910,878		35,929	35,929	6,332	11/16/2015
636274-AC-6	08/01/16	F10/05/2012	Call 116.5060		495,151	425,000	492,426	490,754		(10,371)		(10,371)		480,383		14,767	14,767	31,535	08/01/2016

Showing all Long-Term Bonds and Stocks SOLD , REDEEMED or Otherwise DISPOSED OF During Current Year
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					Showing all	l Long-Term l	Bonds and S	tocks SOLD , F	REDEEMED o	r Otherwise DI	SPOSED OF [Ouring Current	Year						
1	2 3	3 4	5	6	7	8	9	10		Change in E	ook/Adjusted Ca	rrying Value		16	17	18	19	20	21
	į į	_1					1	[]					
	F	·							11	12	13	14	15						
		?									Current Year's			Book/				Bond	
								Prior Year	Unrealized		Other Than		Total Foreign	Adjusted	Foreign			Interest/Stock	Stated
CUSIP	l li	í		Number of				Book/Adjusted	Valuation	Current Year	Temporary	Total Change in	Exchange	Carrying Value	Exchange Gain	Realized Gain	Total Gain	Dividends	Contractual
Identi-	l Ig	Disposal		Shares of				Carrying	Increase/	(Amortization)/	Impairment	B/A. C.V.	Change in	at	(Loss) on	(Loss) on	(Loss) on	Received	Maturity
fication	Description r	n Date	Name of Purchaser	Stock	Consideration	Par Value	Actual Cost	Value	(Decrease)	Accretion	Recognized	(11+12-13)	B/A. C.V.	Disposal Date	Disposal	Disposal	Disposal	During Year	Date
65120F-AA-2	Newcrest Finance Pty Ltd NCMAU 4.45	12/12/2012	Morgan Stanley & Co., Inc.,		679.386	640,000	639.232	639,240		60		60		639.300		40,085	40.085	31,012	11/15/2021
	Newcrest Finance Pty Ltd NCMAU 5	İ				i .	1	·			• • • • • • • • • • • • • • • • • • • •					'		i .	i i
65120F-AB-0 65537H-AA-5	3/4 11/F	03/26/2012	. Morgan Stanley & Co., Inc.,		319,660 32,548	325,000	322,930	322,933		6 5.894		6 .5,894		322,940 32,548		(3,279)	(3,279)	6,956 181	11/15/2041
68158X-AC-8	Nomura Cre CDO NMCRE 2007-2A A1A	02/09/2012	Morgan Stanley & Co., Inc.,	†	642.240	32,548	595.806	26,654		2.530		2.530					35.699	1,973	05/21/2042
	SCL Terminal Aereo Santiago SA	İ			, ,													i .	i i
784010-AA-8	SCLTER 6	R01/01/2012	. Redemption 100.0000		344 , 104	344,104	370,174	344,104				0		344 , 104			0	11,958	07/01/2012
784010-AA-8	SCLTER 6	R07/01/2012	Maturity		365.045	365,045	392.701	365,045				0	[365,045			0	25,371	07/01/2012
	Santander Drive Auto Rec Trust	i	1				1										-	i .	i i
80282D-AB-8	SDART 201	04/15/2012	Paydown	 	426 , 166	426,166	427 ,913	426,166				 0		426 , 166			0	 1,114	03/15/2013
80282F-AE-7	SDART 201F	10/03/2012	LLC.	<u> </u>	451,887	448,454	452,536	451,280		(1,662)		(1,662)	<u> </u>	449,618		2,270	2,270	6,702	11/17/2014
	Santander Drive Auto Rec Trust			1		i .	1	·		(' '		l ' ' '		i .		'		i .	i i
80282F-AE-7 85771P-AF-2	SDART 201	12/06/2012	Paydown	 	51,546	51,546	52,015	51,871 14,830,620		(325)		(325)		51,546 14,829,305		1.387.878	1,387,878	686	11/17/2014
	Telecom Italia Capital SA TITIM	İ				i		' '		(, ,				' '				i '	i i
87927V-AL-2	4.95 09/F Telecom Italia Capital SA TITIM 5	03/06/2012	Goldman Sachs		508,750	500,000	527 , 465	518,905		(1,239)		(1,239)		517,666		(8,916)	(8,916)	10,931	09/30/2014
87927V-AQ-1	1/4 10	09/21/2012	Goldman Sachs		528.750	500.000	520 , 110	517,124		(3,148)		(3,148)		513.976		14,774	14,774	25,885	10/01/2015
87969N-AC-9	Telstra Corp Ltd TLSAU 4.8 10/12/21 F	11/07/2012	BNP Paribas/NY		580,360	500,000	496,260	496,461		250		250		496,711		83,649	83,649	26,067	10/12/2021
02227 AC 5	Ventura CDO Ltd VENTR 2007-8A A2AF	05/24/2012	Credit Suisse First Boston		1.748.250	1.850.000	1.736.109	1.747.871		9.552		9.552		1,757,422		(9, 172)	(9, 172)	7.929	07/22/2021
	Bonds - Industrial and Miscellaneous (U		. LLU		162,861,141				401,512	442,241	0	843,753	0	153,974,269	0	8,886,869	8,886,869	5,823,886	XXX
Bonds - Hybri					,,	, ,	,,	,,	141,412	,	-	,		,,		0,000,000	0,000,000	0,020,000	
.=	Citigroup Capital XXI C 5 1/2				107.101														
172967-DY-4	02/15/17	03/01/2012	HSBC Securities Inc		487,434	460,000	480,649	478,315		(574)		(574)		477 ,741		9,693	9,693	14,126	02/15/2017
46623E-JE-0	01/24/14	10/04/2012	J.P. Morgan Chase & Co		915,696	900,000	903,447	902,940		(1,091)		(1,091)		901,849		13,847	13,847	22,345	01/24/2014
50070F 4D 5	Liberty Mutual Group Inc LIBMUT 10	05/40/0040	W!		2 400 450	0 000 000	0 000 505	0.000.440	000 474	(2.050)		040 404		0.045.000		407 404	407 404	400 400	00/45/0050
53079E-AR-5 59156R-AV-0	3/4 0 MetLife Inc MET 10 3/4 08/01/39	05/16/2012			3,102,450 926,200	2,220,000	2,923,525 930,600	2,696,146 927,455	222 , 171	(3,050) (752)		219 , 121 (752)		2,915,266 926,703		187 , 184	187 , 184 (503)	100 , 100 40 , 504	06/15/2058
	Prudential Financial Inc PRU 8 7/8		Banc of America Securities							,		I				,	,		
744320-AK-8	06/15	04/05/2012	LLC		300,262	255,000	302,175	299,125	000 474	(1,596)		(1,596)		297,528		2,730	2,730	7,292	
	Ronds - Hybrid Securities t. Subsidiaries, and Affiliates				5,732,042	4,495,000	5,540,396	5,303,981	222,171	(7,063)	0	215,108	<u> </u>	5,519,087	0	212,951	212,951	184,367	XXX
	Bonds - Subtotals - Bonds - Part 4				1.887.659.366	1.726.439.406	1.806.489.594	1,799,033,725	623,683	(15,725,140)	0	(15, 101, 457)	0	1,783,932,260	0	103,727,094	103,727,094	70.462.443	I XXX
	Bonds - Summary item from Part 5 for Bo	nds				562,368,362		,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	0	(1,584,483)	0		0	578,240,289	0		4,971,780	4,317,108	XXX
	Bonds - Subtotals - Bonds				2,470,871,431	2,288,807,768	2,386,314,367	1,799,033,725	623,683	(17,309,623)	0	(16,685,940)	0	2,362,172,549	0	108,698,874	108,698,874	74,779,551	XXX
Preferred Sto	cks - Industrial and Miscellaneous (Una	affiliated)	I Dono of Amorica Constition																
17315D-20-4	Citigroup Capital XII C 8 1/2	02/15/2012	Banc of America Securities	40.000.000	1.038.000	l	1.053.752	1.053.752		<u> </u>		l	<u> </u>	1.053.752		(15,752)	(15.752)	l	<u> </u>
	Preferred Stocks - Industrial and Misce		iliated)		1,038,000	XXX	1,053,752	1,053,752	0	0	0	0	0	1,053,752	0		(15,752)	0	XXX
	cks - Parent, Subsidiaries, and Affilia																		
	Preferred Stocks - Subtotals - Preferre		4		1,038,000	XXX	1,053,752	1,053,752	0	0	0	0	0	1,053,752	0		(15,752)	0	XXX
	Preferred Stocks - Subtotals - Preferre - Industrial and Miscellaneous (Unaff				1,038,000	XXX	1,053,752	1,053,752	0	0	0	1 0	0	1,053,752	0	(15,752)	(15,752)	1 0	XXX
	- Parent. Subsidiaries, and Affiliates																		
	- Mutual Funds	~																	
Common Stocks	- Money Market Mutual Funds																		
9899999 - 0	ommon Stocks – Subtotals – Preferred a	nd Common Stock	S		1,038,000	XXX	1,053,752	1,053,752	0	0	0	0	0	1,053,752	0	(15,752)	(15,752)	0	XXX
				 				·											
9999999	otals			4	2.471.909.431	XXX	2 387 368 119	1,800,087,477	623.683	(17.309.623)	0	(16.685.940)	0	2,363,226,301	0	108.683.122	108.683.122	74.779.551	XXX

					OI :														
	2	3 4	5	6	Snowing a	all Long-Term E	Sonds and Sto	10	During Year an	a Fully DISPOS	Change in	urrent Year Book/Adjusted C	arrying Value		17	18	19	20	21
'	2	3 4	9	0	/	٥	9	10	11	12	13	14	15	16	17	10	19	20	21
		F		i						12	13	14	13	10					
		0																	
		r				Par Value			Book/			Current Year's							Paid for
		e				(Bonds) or Number of			Adjusted Carrying	Unrealized Valuation	Current Year's	Other Than Temporary	Total Change	Total Foreign Exchange	Foreign Exchange	Realized Gain	Total	Interest and Dividends	Accrued Interest
CUSIP		Date		Disposal		Shares			Value at	Increase/	(Amortization)/	Impairment	B./A. C.V.	Change in	Gain (Loss) on	(Loss) on	Gain (Loss)	Received	and
Identification	Description	n Acquired	Name of Vendor	Date	Name of Purchaser	(Stocks)	Actual Cost	Consideration	Disposal	(Decrease)	Accretion	Recognized	(12 + 13 - 14)	B./A. C.V.	Disposal	Disposal	on Disposal	During Year	Dividends
	. Governments		a lava a u		Investor in the											(5.000)	(5.000)		
01N032-68-3 01N032-69-1	Ginnie Mae Pool GNSF TBA Ginnie Mae Pool GNSF TBA	08/14/201	2BNP Paribas/NY 2BNP Paribas/NY		.BNP Paribas/NY .BNP Paribas/NY	1,000,000	1,083,906	1,078,633	1,083,906				ļ			(5,273)	(5,273)	1,847	1 847
01N032-6A-8	Ginnie Mae Pool GNSF TBA	09/25/201	2Various	10/11/2012	Various	3,000,000	3,252,305	3,277,266	3,252,305							24,961	24,961	4,958	1,847 4,958
01N032-6B-6 01N032-6C-4	Ginnie Mae Pool GNSF TBA	10/11/201	2Various 2Various	11/16/2012		3,000,000	3,269,063	3,253,271	3,269,063							(15,791)	(15,791)	5,542	5,542
01N040-66-0	Ginnie Mae I Pool GNSF TBA.	05/10/201		05/31/2012	BNP Paribas/NY	1,000,000	1,083,594	1,092,461	1,083,594				1			8,867	8,867	2,111	2,111
01N040-67-8_	Ginnie Mae Pool GNSF TBA	06/07/201		07/12/2012	BNP Paribas/NY	2,500,000	2,720,859	2,745,313	2,720,859				0			24,453	24,453	5,000	5,000
01N040-68-6 01N040-69-4	Ginnie Mae Pool GNSF TBA	07/12/201	2BNP Paribas/NY 2BNP Paribas/NY		BNP Paribas/NY BNP Paribas/NY	2,000,000	2,195,000	2,194,219 2,190,313	2,195,000				1 0			(781) 7,852	(781) 7,852	4,222 4,222	4,222
	Ginnie Mae I Pool TBA 4.500%			İ									_			·			
01N042-62-5 01N052-6A-6	02/01/42 Ginnie Mae Pool GNSF TBA		2. BNP Paribas/NY 2. Wachovia-Wells Fargo Sec		BNP Paribas/NY Wachovia-Wells Fargo Sec	1,000,000	1,094,922	1,094,531	1,094,922				<u>υ</u>			(391) (7,547)	(391)(7.547)	2,500	2,500 1,818
	1	İ	Nomura Securities Intl			· ·		1	i i				1			(,,047)	(,,041)		
36179M-AG-5	Ginnie Mae II Pool G2SF MA0007	11/20/201	2IncSalomon SmBarnev	12/01/2012	Paydown	260,366	277 ,900	260,366	260,366		(17,534)		(17,534)				0	651	542
36179M-QP-8	Ginnie Mae II Pool G2SF MAO462	11/19/201	2(Citigroup)	12/01/2012	Paydown	68,611	74,668	68,611	68,611		(6,057)		(6,057)				L	200	147
36202E-7H-6	Ginnie Mae II Pool G2SF 4496	09/28/201	Nomura Securities Intl	12/01/2012	Pavdown	23,051	25,644	23,051	23,051		(2,593)		(2,593)					143	5.4
30202L=711=0	Unite mae 11 1001 0231 4430		Nomura Securities Intl	12/01/2012	Ji ayuowii			23,031			1						لا		i i
36202F-DW-3	Ginnie Mae II Pool G2SF 4617	02/16/201		12/01/2012	.Paydown	172,166	188,791	172,166	172,166		(16,625)		(16,625)				0	3,725	430
3620A7 - ZK - 4	Ginnie Mae Pool GNSF 721746	02/29/201	Nomura Securities Intl 2 Inc.	05/10/2012	BNP Paribas/NY	1,195,455	1,288,663	1,299,311	1,288,430		(233)		(233)			10.880	10.880	10,626	2,391
	į į		Nomura Securities Intl		L .								, ,						1 1
3620A7 - ZK - 4	Ginnie Mae Pool GNSF 721746 Ginnie Mae Pool GNSF 737790	02/29/201		05/01/2012	Paydown	52,797 56,149	56,914 60,746	52,797 56,149	52,797 56,149		(4,117) (4,597)		(4,117) (4,597)				١٠	260 1,057	106
			Nomura Securities Intl		1						(4,007)		(4,007)						
36241K-ER-5	Ginnie Mae Pool GNSF 781944 United States Treasury T 3 3/4	11/29/201	2Inc	11/29/2012	.Internal Adjustments	0							0				0		
912810-QS-0	08/15/41	01/30/201	2Various	07/18/2012	.Various	4,145,000	4,783,702	4,999,568	4,779,062		(4,641)		(4,641)			220,507	220,507	123,976	70,603
912810-QT-8	United States Treasury T 3 1/8 11/15/41	05/09/201	2. Various.	06/28/2012	Various	10,110,000	9,925,549	10,769,063	9,926,435		886		886				842,629	174,552	117,393
912010-01-0	United States Treasury T 3 1/8		Z vai 10u5	00/20/2012	.vai 1005	10,110,000	9,920,049	10,709,003	9,920,433				000			042,029	042,029	174,332	1
912810-QU-5	02/15/42	07/26/201	2Various	11/13/2012	.Various	20 , 405 , 000	22,003,976	21,992,255	21,994,894		(9,082)		(9,082)			(2,639)	(2,639)	384,323	203,385
912810-QW-1	United States Treasury T 3 05/15/42	11/08/201	2. Various.	11/13/2012	Various	14,020,000	14,468,758	14,484,872	14,468,294		(464)		(464)			16,578	16,578	184,471	162,543
	United States Treasury T 2.75		Credit Suisse First Boston								1		(40)			·	·		
912810-QX-9	08/15/42	11/13/201	2	12/20/2012	Banc of America	3,155,000	3, 177, 430	3,068,395	3,177,414		(16)		(16)			(109,018)	(109,018)	28,265	21,455
912810-QY-7	US Treasury T 2.75 11/15/42	12/18/201	2Morgan Stanley & Co., Inc.	12/19/2012	Securities LLC	(735,000)	(697,676)	(701,265)	(697,676)				0			(3,589)	(3,589)	(2,010)	(2,010)
912828-NC-0	United States Treasury T 1 3/8 05/15/13	04/18/201	Banc of America Securities	04/20/2012	Nomura Securities Intl	11,000,000	11, 136, 641	11, 136, 211	11,135,241		(1,399)		(1,399)			970	970	66,484	64,821
	United States Treasury T 2	İ									. ,		,						1 i
912828-RR-3	11/15/21 United States Treasury T 0 7/8	02/07/201	2Various	06/04/2012	Various	8,760,000	8,782,829	8,880,433	8,782,166		(662)		(662)			98,266	98,266		33,911
912828-RX-0	12/31/16	01/23/201	2. Greenwich Capital-RBS	03/01/2012	Various	1,025,000	1,022,518	1,026,013	1,022,654		137		137			3,358	3,358	1,496	616
912828-SC-5	United States Treasury T 0 7/8 01/31/17	02/46/204	2Various	04/18/2012	.Various	1,900,000	1,904,805	1,903,600	1,904,705		(100)		(100)			(1,105)	(1,105)	3,125	740
	United States Treasury T 1 1/4										,		` ′						
912828-SD-3	01/31/19	02/13/201	2Deutsche Bank	06/19/2012	Barclays Capital	1,500,000	1,486,348	1,521,738	1,487,003		655		655			34,736	34,736	7,366	824
912828-SF-8	United States Treasury T 2 02/15/22	06/20/201	2Various	09/13/2012	Various	13,794,000	13 , 884 , 030	14,138,238	13,883,662		(368)		(368)			254,576	254,576	73,861	43,180
	United States Treasury T 1 3/8				Salomon SmBarney						659		, ,						
912828-SH-4	02/28/19 United States Treasury T 0 7/8	03/14/201	2Various		(Citigroup)	1, 185,000	1,169,541	1,219,578	1,170,200				659			49,378	49,378	5,889	748
912828-SJ-0	02/28/17	03/28/201	2Various	06/18/2012	Barclays Capital	4,375,000	4,343,927	4,418,921	4,345,315		1,389		1,389			73,606	73,606	11,755	3,054
912828-SM-3	United States Treasury T 1 03/31/17	04/24/201	2Various	08/01/2012	HSBC Securities Inc.	3,400,000	3,409,227	3,468,133	3,409,810				583			58.323	58.323	11,519	1,429
	United States Treasury T 0 7/8	İ		İ															1 1
912828-SS-0	04/30/17 United States Treasury T 1 1/4	05/18/201	2Various	08/01/2012	Deutsche Bank Banc of America	2,010,000	2,023,560	2,038,109	2,023,004		(557)		(557)			15 , 105	15,105	4,492	821
912828-ST-8	04/30/19	04/30/201	2Greenwich Capital-RBS	09/18/2012	Securities LLC.	1,000,000	995,039	1,010,352	995,295		256		256			15,057	15,057	4,823	102
912828-SV-3	United States Treasury T 1 3/4 05/15/22	06/28/201	2 Various	12/11/2012	Various	6,745,000	6,828,275	6.850.215	6 ,824 ,656		(3,619)		(3,619)			25.558	25.558	52 . 184	8,170
	United States Treasury T 1 1/8	İ		İ	Banc of America								l ' '						1 1
912828-SX-9	05/31/19 United States Treasury T 5/8	06/28/201	2Various	10/19/2012	Securities LLC	3,945,000	3,964,219	3,936,987	3,964,148		(71)		(71)			(27 , 162)	(27 , 162)	17 ,461	2,196
912828-SY-7	05/31/17	06/18/201	2. Various	09/27/2012	Various	5,305,000	5,285,513	5,305,529	5,287,263	<u> </u>	1,750	L	1,750			18,266	18,266	9,696	1,789

	1				Showing	all Long-Term E	Bonds and Sto	ocks ACQUIRED Du		Fully DISPOS									
1	2	3 4	5	6	7	8	9	10	11		Change in	Book/Adjusted C	arrying Value		17	18	19	20	21
		1_1								12	13	14	15	16					
		F																	
		°				Dor Value			Dools/			Current Veer's							Doid for
						Par Value (Bonds) or			Book/ Adjusted	Unrealized		Current Year's Other Than	Total Change	Total Foreign	Foreign			Interest and	Paid for Accrued
		[]				Number of			Carrying	Valuation	Current Year's	Temporary	In In	Exchange	Exchange	Realized Gain	Total	Dividends	Interest
CUSIP		a Date		Disposal		Shares			Value at	Increase/	(Amortization)/	Impairment	B./A. C.V.	Change in	Gain (Loss) on	(Loss) on	Gain (Loss)	Received	and
Identification	Description	n Acquire	d Name of Vendor	Date	Name of Purchaser	(Stocks)	Actual Cost	Consideration	Disposal	(Decrease)	Accretion	Recognized	(12 + 13 - 14)	B./A. C.V.	Disposal	Disposal	on Disposal	During Year	Dividends
	United States Treasury T 3/4		Banc of America Securiti	es	Credit Suisse First					,		,							
912828-TB-6_	06/30/17	07/13/20	12LLC	08/01/2012	Boston LLC	1,100,000	1,106,574	1,107,992	1,106,516		(58)		(58)		ļ	1,476	1,476	740	359
912828-TC-4_	United States Treasury T 1 06/30/19	07/12/20	12. Various.	12/11/2012	HSBC Securities Inc.	1,685,000	1,687,187	1,687,501	1,687,062		(125)		(125)			439	439	7,601	585
312020-10-4	United States Treasury T .50		Salomon SmBarney	12/11/2012	11000 0000111105 1110	,,000,,000	1,007,107	1,007,301	1,007,002		(123)		(123)		†····	403	433		
912828-TG-5_	07/31/17	08/01/20	12. (Citigroup)	12/17/2012	Various	6,510,000	6,476,179	6,482,062	6,478,607		2,428		2,428			3,455	3,455	11,991	177
040000 71.0	United States Treasury T 1.625	1 11/07/00	40 W :	10/04/00/0		0.457.000	0 400 000	0 400 044	0 400 470							(40,005)	(40,005)	00 705	40.057
912828-TJ-9_	United States Treasury T .625	11/07/20	12Various	12/21/2012	Various	6,457,000	6,436,328	6,420,241	6,436,476		147		147		†	(16,235)	(16,235)	23,735	16,657
912828-TM-2	08/31/17	11/13/20	12 Various	12/18/2012	Various	2.715.000	2.709.663	2,715,695	2,710,005		341		341			5,691	5,691	4,779	2,635
	United States Treasury T .25					, , , , , , , , , , , , , , , , , , , ,	,,												
912828-TQ-3	. 09/30/14	09/28/20	12Various	12/14/2012		111,000,000	111,034,258	111,001,914	.111,032,046		(2,212)		(2,212)			(30,132)	(30 , 132)	38,516	2,287
912828-TR-1	United States Treasury T 1.0 09/30/19	10/23/20	12 Various	12/20/2012	Credit Suisse First Boston LLC	53,960,000	53,275,734	53,380,619	53,290,576		14,843		14,843			90,042	90,042	120,688	35,391
J 12020-111-1	United States Treasury T 1.25	10/23/20	12	12/20/2012	DOSTOIT ELO		30,210,134											120,000	
912828-TV-2_	10/31/19	11/13/20	12HSBC Securities Inc	12/11/2012	HSBC Securities Inc	2,015,000	2,045,146	2,042,549	2,044,809		(337)		(337)			(2,260)	(2,260)	2,992	974
040000 TH 0	United States Treasury T .75	44/00/00	40 W :	10/07/00/10	0 0 1 000	4 405 000	4 400 040	4 400 400	4 400 047		(00)		(00)			0 404	0 404	4 400	اا
912828-TW-0	United States Treasury T 1.625	11/20/20	12Various Banc of America Securiti		.Greenwich Capital-RBS	1, 125,000	1, 126, 048	1,128,120	1 , 126 , 017		(32)		(32)		†	2,104	2,104	1,468	144
912828-TY-6	. 11/15/22	11/21/20		12/21/2012	Various	1.925.000	1.921.240	1.912.607	1.921.271		31		31			(8.664)	(8,664)	2.118	566
	Bonds - U.S. Governments					327.564.595	331,675,833		331,624,439	0	(51,394)	0	(51.394)	0	0	1.688.499	1.688.499	1,505,418	838.936
	Other Governments					, ,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	, , , , , , , , , , , , , , , , , , , ,	,. ,	, ,		(, , , , ,		(- //			,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	,,	,,,,,	
	Korea Development Bank KDB 3 1/2		Salomon SmBarney																
500630-BW-7	08/22/1	F02/14/20	12 (Citigroup)	03/20/2012	Deutsche Bank	300,000	298,797	305,334	298,814		17		17			6,520	6,520	904	
	Bonds - All Other Governments					300,000	298,797	305,334	298,814	0	17	0	17	0	0	6,520	6,520	904	0
Bonds - U.S	. States, Territories and Possessi	ons (Direct an	d Guaranteed)																
70914P-QX-3	Commonwealth of Pennsylvania General Obl	05/31/20	12. Morgan Stanley & Co., In	11/19/2012	Various	2,725,000	3.404.043	3,436,533	3.379.945		(24,097)		(24.097)			56.588	56.588	57.819	7,569
	Bonds - U.S. States, Territories a					2.725.000		3,436,533	3.379.945	Λ	(24,097)	Λ	(24,097)	Λ	0	56.588	56.588	57.819	7,569
	5. Political Subdivisions of States,			iaranteed)		2,720,000	3,404,043	3,430,000	0,0/0,040	0	(24,031)	0	(24,031)		U	30,300	30,300	37,013	7,303
20.140 0.0	City of New York NY General	T T	Trecondition (Birect and B																
64966J-N4-4	Obligation	05/25/20	12Merrill Lynch	08/06/2012	UBS/WAR	1,000,000	1,229,910	1,255,720	1,226,427		(3,483)		(3,483)			29,293	29,293	8,611	
	Bonds - U.S. Political Subdivision					1,000,000	1,229,910	1,255,720	1,226,427	0	(3,483)	0	(3,483)	0	0	29,293	29,293	8,611	0
	. Special Revenue and Special As																		
	Fannie Mae Pool FNCI TBA	10/09/20		10/11/2012		4,325,000	4,516,004	4,541,980	4,516,004				ļ0			25,977	25,977	4,505	4,505
01F022-4B-8	Fannie Mae Pool FNCI TBA Fannie Mae Pool FNCI TBA	10/11/20		11/14/2012 12/13/2012	VariousVarious	1,825,000 2,575,000	1,916,089	1,908,835 2,691,632	2.689.844						†	(7,254) 1,788	(7,254)	2,281	2,281
01F030-42-1	Fannie Mae Pool FNCI TBA	01/11/20	12. BNP Paribas/NY	01/25/2012	BNP Paribas/NY	1,000,000	1,034,844	1,033,477	1,034,844				.0		İ	(1,367)	(1,367)	1.250	1,250
01F030-43-9_	Fannie Mae Pool FNCI TBA	01/25/20		03/02/2012	BNP Paribas/NY	1,000,000	1,030,625	1,039,063	1,030,625				0		ļ	8,438	8,438	1 , 167	1,167
01F030-44-7 01F030-45-4	Fannie Mae Pool FNCI TBA Fannie Mae Pool FNCI TBA	04/10/20		04/10/2012 04/30/2012	Various	1,000,000	2,079,688 1.041.563	2,086,992 1,043,711	2,079,688		·····		ļ		 	7,305 2,148	7,305 2,148	2,667	2,667 1,333
	Fannie Mae Pool FNCI TBA	04/10/20			Barclays Capital Barclays Capital	1,000,000	1,041,363	1,045,625	1,041,363		·		10		†	4,375	4,375	1,333	1,333
	Fannie Mae Pool FNCI TBA	06/22/20	12. Various	07/12/2012	Various	1,500,000	1,566,953	1,578,984	1,566,953						I	12,031	12,031	2,000	2,000
045000 40 0	Family May Book 5001 701	07/40/00	Salomon SmBarney	00/40/00/0	Salomon SmBarney	4 500 000	4 577 005	4 500 450	4 577 005				_			0.07	0.07:		
01F030-48-8_	Fannie Mae Pool FNCI TBA	07/12/20	12(Citigroup) Salomon SmBarney		.(Citigroup) Salomon SmBarney	1,500,000	1,577,285	1,580,156	1,577,285		 		 0		t	2,871	2,871	1,875	1,875
01F030-4A-3	Fannie Mae Pool FNCI TBA	09/21/20	12(Citigroup)	10/11/2012	(Citigroup)	625,000	663,086	661,694	663,086			l	l 0	l	I	(1,392)	(1,392)	781	781
			Salomon SmBarnev		Salomon SmBarney											, , ,	, ,		
01F030-4B-1_	Fannie Mae Pool FNCI TBA	10/11/20		11/14/2012	(Citigroup)	625,000	660,938	657,813	660,938		-		 0			(3, 125)	(3,125)	938	938
01F030-4C-9	Fannie Mae Pool FNCI TBA	11/14/20	Salomon SmBarney 12(Citigroup)	12/10/2012	Salomon SmBarney (Citigroup)	625.000	657 . 275	659.351	657 . 275				n			2.075	2.075	885	885
	Fannie Mae Pool FNCL TBA	04/09/20		04/11/2012	Barclays Capital	1,100,000	1,106,660	1,103,094	1, 106, 660				1 0		1	(3,566)	(3,566)	1, 192	1.192
01F030-69-4	Fannie Mae Pool FNCL TBA	09/07/20	12Various	09/07/2012	Various	2,500,000	2,590,566	2,594,063	2,590,566						ļ	3,496	3,496	2,500	2,500
01F030-6A-1	Fannie Mae Pool FNCL TBA	09/19/20			Deutsche Bank	3,600,000	3,745,672	3,790,887	3,745,672		-		ļō			45,215	45,215	3,000	3,000
01F030-6B-9 01F030-6C-7.	Fannie Mae Pool FNCL TBA Fannie Mae Pool FNCL TBA	10/23/20		11/08/2012 12/07/2012	.Various Deutsche Bank_	3,100,000	3,256,578	4,045,057	3,256,578						†	(1,730)	(1,730) (1,225)	3,358	3,358
01F032-62-5	Fannie Mae Pool FNCL TBA	01/24/20	Wachovia-Wells Fargo Sec.	02/07/2012	Wachovia-Wells Fargo Sec.	1,000,000	1,027,578	1,036,875	1,027,578							9,297	9,297	1,167	3,529 1,167
01F032-63-3	Fannie Mae Pool FNCL TBA	02/07/20	12Barclays Capital	02/23/2012	Barclays Capital	1,000,000	1,034,336	1,033,320	1,034,336						ļ	(1,016)	(1,016)	1,069	1,069
045000 64 4	Fennis Mes Deal FNCL TDA	00/47/00	Nomura Securities Intl	03/14/2012	Nomura Securities Intl	1 000 000	1 000 000	1 000 105	1 000 000							(0.500)	/G F00\	1 000	1 000
01F032-64-1 01F032-65-8	Fannie Mae Pool FNCL TBA Fannie Mae Pool FNCL TBA	02/17/20		03/14/201205/09/2012	Various	1,000,000	1,029,688	1,023,125 2,696,199	1,029,688		·		†		†	(6,563)	(6,563)	1,069	1,069
01F032-66-6_	Fannie Mae Pool FNCL TBA	05/23/20	12 Various	06/08/2012	Various	4,460,000	4,650,613	4,673,459	4,650,613						İ	22,847	22,847	5,203	5.203
01F032-66-6	Fannie Mae Pool FNCL TBA	05/08/20	12. BNP Paribas/NY	05/08/2012	BNP Paribas/NY	1,000,000	1,039,609	1,040,776	1,039,609				0			1,172	1,172	1,167	1,167
01F032-67-4	Fannie Mae Pool FNCL TBA	06/20/20		07/05/2012	Various	2,960,000	3,103,180	3,115,790	3,103,180		-		ļō			12,609	12,609	3,166	3,166
	Fannie Mae Pool FNCL TBA Fannie Mae Pool FNCL TBA	07/06/20		07/30/2012	VariousVarious	2,960,000 3,210,000	3.395.832	3,138,550	3,112,047		†		ļ0		t	26,503 5,910	26,503 5,910	3,453	3,453
	Fannie Mae Pool FNCL TBA	10/01/20		10/04/2012		6,170,000	6.549.938	6,602,844	6 . 549 . 938		1		1 0		İ	52,907	52.907	5,999	5,745
J JOE 01. 1.					-			, 502,0											

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	T	Lal				Showing 7	all Long-Term E	Bonds and St		1	d Fully DISPOS	SED OF During C	urrent Year Book/Adiusted C	annina Malua			1 40	10		
1	2	3	4	5	6	/	8	9	10	11	40			1	40	17	18	19	20	21
		-									12	13	14	15	16					1 1
																				1 1
		r					Par Value			Book/			Current Year's							Paid for
		e					(Bonds) or			Adjusted	Unrealized		Other Than	Total Change	Total Foreign	Foreign			Interest and	Accrued
		i			l <u>.</u>		Number of			Carrying	Valuation	Current Year's	Temporary	In	Exchange	Exchange	Realized Gain	Total	Dividends	Interest
CUSIP Identification	Description	g	Date	Name of Mandan	Disposal	Name of Purchaser	Shares	A -41 O4	0	Value at Disposal	Increase/	(Amortization)/	Impairment	B./A. C.V. (12 + 13 - 14)	Change in B./A. C.V.	Gain (Loss) on Disposal		Gain (Loss) on Disposal	Received	and Dividends
01F032-6B-5_	Description Fannie Mae Pool FNCL TBA	+"	Acquired10/04/2012	Name of Vendor	Date 11/08/2012	Various.	(Stocks) 6.170.000	Actual Cost 6.587.100	Consideration 6.577.473		(Decrease)	Accretion	Recognized	(12 + 13 - 14)	B./A. C.V.	Disposai	Disposal (9,627)	(9,627)	During Year 7 798	7,798
01F032-6C-3_	Fannie Mae Pool FNCL TBA		11/27/2012			Various	7,170,000	7,633,288	7,660,429	7,633,288				0			27,141	27,141	7,668	7,668
01F040-62-8	Fannie Mae Pool FNCL TBA		01/10/2012	Greenwich Capital-RBS	02/08/2012	Greenwich Capital-RBS	1,000,000	1,050,313	1,055,625	1,050,313			ļ	0		ļ	5,313	5,313	1,333	1,333
01F040-66-9	Fannie Mae Pool FNCL TBA		05/15/2012	Salomon SmBarney (Citigroup)	06/08/2012	Salomon SmBarney (Citigroup)	1,000,000	1,060,430	1,064,063	1,060,430				0			3,633	3.633	1,333	1,333
011 040-00-3	Talline mac roof river rba	1-1		Salomon SmBarney		Salomon SmBarney	,000,000	1,000,430	1,004,003	1,000,400				1				,000		1 1
01F040-67-7	Fannie Mae Pool FNCL TBA		06/08/2012	.(Citigroup)	07/05/2012	(Citigroup)	1,000,000	1,061,797	1,067,383	1,061,797				0			5,586	5,586	1,222	1,222
01F040-68-5	Fannie Mae Pool FNCL TBA		07/05/2012	Salomon SmBarney (Citigroup)	08/07/2012	Salomon SmBarney	1,000,000	1,065,625	1,070,273	1,065,625				0			4,648	4,648	1,333	1,333
011 040 00 0	Tailing mad roof rive rate	1-1		Salomon SmBarney		Salomon SmBarney								İ			i .			
01F040-69-3	Fannie Mae Pool FNCL TBA		08/07/2012	(Citigroup)	09/07/2012	(Citigroup)	1,000,000	1,069,063	1,072,031	1,069,063				0			2,969	2,969	1,333	1,333
01F040-6A-0	Fannie Mae Pool FNCL TBA		09/21/2012	Salomon SmBarney (Citigroup)	10/05/2012	Salomon SmBarney (Citigroup)	500.000	538.008	537 . 188	538.008				n			(820)	(820)		556
01F040-6C-6_	Fannie Mae Pool FNCL TBA		11/07/2012	BNP Paribas/NY	12/07/2012	BNP Paribas/NY	2,770,000	2,965,631	2,967,687	2,965,631							2,056	2,056	3,386	3,386
01F042-62-4	Fannie Mae Pool FNCL TBA	4		Barclays Capital	01/23/2012	Barclays Capital	1,000,000	1,065,313	1,064,375					ŏ		ļ	(938)	(938)	1,500	1,500
01F042-69-9_ 01F042-6A-6	Fannie Mae Pool FNCL TBA Fannie Mae Pool FNCL TBA	++	07/27/2012	Deutsche Bank Deutsche Bank		Deutsche Bank Deutsche Bank	1,000,000	1,080,156	1,081,563			-		0		t	1,406 [°] 1,094	1,406´ 1,094	1,500 1,250	
01F042-6B-4	Fannie Mae Pool FNCL TBA		10/04/2012	Deutsche Bank	11/08/2012	Deutsche Bank	1,000,000	1,081,563									(3,672)	(3,672)	1,625	1.625
01F042-6C-2_	Fannie Mae Pool FNCL TBA		11/08/2012	Deutsche Bank	11/13/2012	Deutsche Bank	1,000,000	1,077,813	1,074,688	1,077,813				0			(3,125)	(3,125)	1,375	1,375
01F050-4A-1	Fannie Mae Pool FNCI TBA		09/21/2012	Salomon SmBarney (Citigroup)	10/12/2012	Salomon SmBarney (Citigroup)	500.000	543.984	541.719	543.984				0			(2,266)	(2,266)	1,042	1,042
01F050-6A-9	Fannie Mae TBA FNCL TBA	11	09/21/2012	Deutsche Bank		Deutsche Bank	500,000	546 . 445	545,059					1		İ	(1,387)	(1,387)	694	
01F050-6B-7	Fannie Mae Pool FNCL TBA		10/04/2012	Deutsche Bank		Deutsche Bank	500,000	545,000						0		ļ	(430)	(430)	903	903
02R040-63-1 02R040-6A-5	Freddie Mac Gold Pool FGLMC TBA Freddie Mac Gold Pool FGLMC TBA	+	01/25/2012	BNP Paribas/NYBNP Paribas/NY		BNP Paribas/NY BNP Paribas/NY	1,000,000 2,270,000	1,049,375 2,429,663	1,049,375					ļ0			4.558	4.558	1,222 2,522	1,222 2,522
02R040-6B-3	Freddie Mac Gold Pool FGLMC TBA		10/05/2012	BNP Paribas/NY		BNP Paribas/NY	2,770,000	2,967,071	2,953,296							İ	(13,775)	(13,775)	4,001	4,001
02R042-62-9	Freddie Mac Gold Pool FGLMC TBA		01/23/2012	Barclays Capital	02/07/2012	Barclays Capital	2,000,000	2,120,391	2, 123, 125	2,120,391				0		ļ	2,734	2,734	3,000	3,000
130795-5E-3_	California Wide Comm Dev Auth Developme		04/05/2012	Salomon SmBarney (Citigroup)	05/23/2012	Salomon SmBarney	1,000,000	1,043,810	1,076,400	1,043,401		(409)		(409)			32.999	32.999	5,694	1 1
100700-01-0.	. Бечеторию	11	94/05/2012	Nomura Securities Intl	00/20/2012	(ortigroup)	,,000,000	1,043,010	1,070,400	1,043,401		(400)		1(403)						
3128E6-AF-4	Freddie Mac Gold Pool FGTW D99006	i	11/02/2012	Inc	12/01/2012	Paydown	30,221	32,431	30,221	30,221		(2,210)		(2,210)				0	88	38
3128M7-4W-3	Freddie Mac Gold Pool FGLMC G05937		03/14/2012	J.P. Morgan Chase & Co	00/25/2012	Scotia Capital Markets	1,358,179	1,438,609	1,464,924	1,437,455		(1, 154)		(1, 154)			27 ,469	27,469	27 , 164	1,868
	Freddie Mac Gold Pool FGLMC	1-1			İ							i ' '		1			27,400			1 1
3128M7-4W-3	G05937		03/14/2012	J.P. Morgan Chase & Co	10/01/2012	Paydown	307,446	325,653	307,446	307 , 446		(18,207)		(18,207)					9,220	423
3128M7-A7-9	Freddie Mac Gold Pool FGG0 G05124	ıll	11/16/2012	Nomura Securities Intl	12/01/2012	Pavdown	25,134	29.054	25.134	25 . 134		(3.919)		(3.919)				۱	126	84
3128M9-JV-5_	Freddie Mac Gold Pool FG G07176		11/02/2012	Wachovia-Wells Fargo Sec	12/01/2012		4,355	4,646	4,355			(291)		(291)					13	6
040001 887 0	Freddie Mac Gold Pool FGLMC G08361	11	00/07/0040	Banc of America Securities	40/04/0040	Dd	504 447	000 504	504 447	FC4 447		(20, 402)		(20, 402)					44 000	040
3128MJ - MK - 3	Freddie Mac Non Gold Pool FHARM	++	02/07/2012	ILLU	12/01/2012	Paydown	564,117	600,521	564 , 117	564 , 117		(36,403)		(36,403)				ע	11,639	846
3128UH-JA-4	1B8906		03/16/2012	Oppenheimer	12/01/2012	Paydown		89,975	86,075	86,075		(3,900)		(3,900)		ļ		0	1,101	162
31292L -E8-4_	Freddie Mac Gold Pool FGLMC C03759		03/01/2012	Nomura Securities Intl	06/13/2012	Various	2.020.158	2.079.337	2,085,207	2,079,081		(050)		(256)			6.126	6.126	12,498	2 400
31292L-E0-4	Freddie Mac Gold Pool FGLMC	++		Nomura Securities Intl	001 1312012	rai 1005	∠,∪∠∪, 108	2,019,33/	2,000,207	2,0/9,061		(256)		(200)		†			12,498	2,160
31292L-E8-4_	C03759		03/01/2012	Inc.	07/01/2012	Paydown	26,693	27,477	26,693	26,693		(784)		(784)				L	3,077	29
31292R-7M-8	Freddie Mac Gold Pool FGLMC C09000		06/13/2012	Nomura Securities Intl	10/03/2012	Nomura Securities Intl	1,940,234	2,027,545	2.079.992	2,026,927		(640)		(618)			53.065	53.065	18,863	2.075
J1292N-/M-0	Freddie Mac Gold Pool FGLMC	11		Nomura Securities Intl	10/03/2012	1110		2,021,343	2,019,992	2,020,927		(618)		(010)		†	000, دند			2,075
31292R-7M-8	C09000	4	07/09/2012	Inc	12/01/2012	Paydown	1,076,462	1, 134, 806	1,076,462	1,076,462		(58,344)		(58,344)		ļ		ا ۵	9,320	1,251
312934-3B-6	Freddie Mac Gold Pool FGLMC A87994		07/25/2012	Banc of America Securities	11/07/2012	BNP Paribas/NY	221,514	244 . 288	242,419	244,241		(47)		(47)			(1,822)	(1,822)	3,169	369
J12334-3D-0	Freddie Mac Gold Pool FGLMC	11		Banc of America Securities	11/01/2012	וווו ומווטמט/ווו	221,014	244,200	242,419	244,241		(47)		1(4/)		İ	(1,022)	(1,022)		
312934-3B-6	A87994		07/25/2012	LLC	11/01/2012	Paydown	20,814	22,954	20,814	20,814		(2,140)		(2,140)		ļ	ļ	ا ۵	178	35
31300L - VP - 7	Freddie Mac Non Gold Pool FH 848722		05/10/2012	Oppenheimer	12/01/2012	Pavdown	121, 198	127 ,579	121 , 198	121 , 198		(6,382)		(6,382)				_	1,958	250
31368H-MH-3	Fannie Mae Pool FNCL 190360	1-1	02/09/2012			RBC Dominion Secs Corp	1,030,905	1, 114, 989				(0,362)		(0,362)		1	3,993	3,993	1,956	1,718
31368H-MH-3	Fannie Mae Pool FNCL 190360	4	02/09/2012	Barclays Capital	06/01/2012	Paydown	147,376	159,397	147,376			(12,020)		(12,020)					5,829	246
3136A7 - DM - 1	Fannie Mae Remics FNR 2012-68 DC		08/24/2012	Nomura Securities Intl	12/01/2012	Pavdown	24,903	26,382	24,903	24,903		(1,479)		(1,479)				ا ۱	159	59
0 100A7 -DMI-1	I amiro mao nomitos HWN 2012-00 DC	1-1				Nomura Securities Intl		20,302	24,303	24,503		(1,4/9)		1		1	1	и	109	٥٠
31373U-NW-3	Fannie Mae Pool FNCL 303805	4		Internal Adjustments	05/18/2012	Inc	0		ļ				ļ	0		ļ	ļ	ļ		<u>.</u>
3137AM-TY-3 3138A4-A2-1	Freddie Mac Remics FHR 4010 NA Fannie Mae Pool FNCL AH2724	++		Morgan Stanley & Co., Inc J.P. Morgan Chase & Co	12/01/2012		232,388 497,128	249,845	232,388			(17,456)	ļ	(17,456)		t	·	ا ۾	4,049	749 718
0 100M4-MZ-1_	Training mag root rivel Ali2/24	++		Banc of America Securities	12/01/2012	1 ayuu11			437 , 120			1		, , ,		t	İ	ا لا	1,300	
3138AW-NM-1_	Fannie Mae Pool FNCL AJ4895		08/02/2012	LLC	12/01/2012	Paydown	424,649	462,005	424,649	424,649		(37,356)		(37,356)		ļ		ا ۵	3,531	566
3138AX - IP - 7	Fannie Mae Pool POOL AJ5669		02/28/2012	Greenwich Capital-RBS	02/28/2012	Nomura Securities Intl	812.419	855.484	856.340	855.478		(6)		(6)			863	863	993	993
O IOUAN - VI - I	GIIII GIIGO OO OO AVOODS			4 OT OOTH TOTT OUP I CAT TOO		111V	4117, عا لا			1		- (0)		4 (0)		4	1			

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	1				Showing	all Long-Term E	Bonds and Sto	ocks ACQUIRED		d Fully DISPOS			\ \						
1	2	3 4	5	6	7	8	9	10	11	40		Book/Adjusted C		10	17	18	19	20	21
	,	<u>-</u>								12	13	14	15	16					
]
		r				Par Value			Book/			Current Year's							Paid for
		?				(Bonds) or			Adjusted	Unrealized		Other Than	Total Change	Total Foreign	Foreign	D :: 10:	-	Interest and	Accrued
CUSIP		Date		Disposal		Number of Shares			Carrying Value at	Valuation Increase/	(Amortization)	Temporary Impairment	In B./A. C.V.	Exchange Change in	Exchange Gain (Loss) on	Realized Gain (Loss) on	Total Gain (Loss)	Dividends Received	Interest and
Identification	Description	Acquired	Name of Vendor	Disposal	Name of Purchaser	(Stocks)	Actual Cost	Consideration	Disposal	(Decrease)	Accretion	Recognized	(12 + 13 - 14)	B./A. C.V.	Disposal	Disposal	on Disposal	During Year	Dividends
			Nomura Securities Intl			<u> </u>				(= 00:00:00)			(12 12 11)						
3138E2-FK-6_	Fannie Mae Pool FNCL AJ9169	01/26/2012		12/01/2012	Paydown	16,215	17, 157	16,215	16,215		(942)		(942)		ļ		0	304	22
3138E2-MD-4	Fannie Mae Pool FNCI AJ9355	01/26/2012	Wachovia-Wells Fargo Sec Nomura Securities Intl	12/01/2012	_raydown	95,944	99,842	95,944	95,944		(3,898)		(3,898)		†			1,577	120
3138E7-TW-4	Fannie Mae Pool FNCI AK3264	03/01/2012	Inc	09/21/2012	BNY Capital Markets, LLC	641,243	665,690	680,018	664,730		(960)		(960)			15,288	15,288	10 ,420	748
3138E7-TW-4	Fannie Mae Pool FNCI AK3264	03/01/2012	Nomura Securities Intl	10/01/2012	Davidawa	65.050	67.530		65.050		(2,480)		(2,480)				۰	2,401	70
3130E/-1W-4	. Familie wae Pool FNCT AK3204		Nomura Securities Intl	10/01/2012	.Paydown	00,000		050,000			(2,400)		(2,400)					2,401	/0
3138EG-SD-7	Fannie Mae Pool FNCL AL0515	11/08/2012	Inc	12/01/2012	Paydown	12,210	14,278	12,210	12,210		(2,068)		(2,068)					61	24
3138EJ -HL -5_	Fannie Mae Pool FNCL AL2034	11/26/2012		12/01/2012	Paydown	841,341 520,495	909,239	841,341	841,341 520,495		(67,899)		(67,899)		ļ			3,155 1,518	2,945
3138EJ-VH-8_ 3138LY-RN-9	Fannie Mae Pool FNCL AL2415	10/23/2012		12/01/2012	PaydownPaydown	194 .349	554,246	194,349	194 , 349		(33,751)		(33,751,				ر لا	1.471	658
3138M0-L9-9	Fannie Mae Pool FNCL A08451	10/03/2012		11/02/2012		2,453,821	2.653.577	2,640,925	2,653,152		(425)		(425			(12,227)	(12,227)	10,258	227
3138M0-L9-9_	Fannie Mae Pool FNCL A08451	10/03/2012	BNY Capital Markets, LLC	11/01/2012	Paydown	3,782	4,090	3,782	3,782		(308)		(308)		ļ		0´	11	4
3138MH-LF-8_	Fannie Mae Pool FNCL AQ2125	11/02/2012	Nomura Securities Intl	12/01/2012	Pavdown	32,128	33,720	32,128	32 , 128		(1,591)		(1,591)				ا م	00	25
3138MK - PM - 2_	Fannie Mae Pool FNCT AQ2125	10/25/2012		12/01/2012	Pavdown	126,420	132,741		126,420		(6,321)		(6,321)		·		0	471	306
31410L -H5-4	Fannie Mae Pool FNCI 890452	10/25/2012		12/01/2012		418,930	445,833	418,930	418,930		(26,903)		(26,903)				D	1,012	628
					Nomura Securities Intl														1 1
31416N-S2-9	Fannie Mae Pool POOL AA5036		Greenwich Capital-RBS	02/28/2012	Nomura Securities Intl	187,581	197 , 524	197 ,722	197 , 523		(2)		(2,			199	199	229	229
31417B-A3-1.	Fannie Mae Pool FN AB4525	05/10/2012	RBC Dominion Secs Corp	09/14/2012	Inc.	1,271,335	1.351.389	1.362.314	1.350.474		(915)		(915)			11.840	11.840	18.364	1,836
31417B-A3-1_	Fannie Mae Pool FN AB4525	05/10/2012	RBC Dominion Secs Corp	10/01/2012	Paydown	209,148	222,317	209,148	209,148		(13,170)		(13,170				0	6,643	302
31417B-F4-4	Fannie Mae Pool FNCL AB4686	10/23/2012		12/01/2012	Paydown	35,890	38,369	35,890	35,890		(2,479)		(2,479)		ļ			105	45
31417C-3C-7_ 31417C-T4-7_	Fannie Mae Pool FNCI AB6194 Fannie Mae Pool FNCI AB5970.		BNY Capital Markets, LLC Wachovia-Wells Fargo Sec	12/01/2012	PaydownPaydown	148,403 73,350	155,487	148,403	148,403 73,350		(7,084)		(7,084)		 		ا لا	309	258
314176-14-7	. Failite wae Foot FNCT AB3970		waciiovia-weiis raigo sec	12/01/2012	Nomura Securities Intl						(4,304)		(4,004)		†				92
31418A-D9-6	Fannie Mae Pool FNCL MA1027	04/11/2012	Barclays Capital	06/13/2012	Inc	990,247	1,019,955	1,036,665	1,019,737		(218)		(218)			16,928	16,928	6,835	1,059
31418A - D9 - 6	Fannie Mae Pool FNCL MA1027	04/11/2012		07/01/2012	Paydown	9,753	10,046	9,753	9,753		(293)		(293)				0	2,949	10
31419A - N5 - 2 31419A - VZ - 7	Fannie Mae Pool FNCL AE0411 Fannie Mae Pool FNCL AE0631	09/27/2012		12/01/201212/01/2012	PaydownPaydown	108,790	120,655	108,790	108,790 2,722		(11,865)		(11,865		·····		Ω	601 19	14
31419E-5A-3	Fannie Mae Pool FNCL AE4440		J.P. Morgan Chase & Co	12/01/2012	Paydown	1,545,711	1,659,707	1.545.711	1,545,711		(113,996)		(113.996				0	7,596	5.152
	lowa St Fin Auth Midwstrn																		
46246S - AE - 5	Disaster Area		Morgan Stanley & Co., Inc.		RBC Dain Rauscher Inc	1,000,000	1,000,000	1,003,920	1,000,000			ļ	0		ļ	3,920	3,920	132	ļ
542690 - Z7 - O.	Long Island Power Auth Utilities Massachusetts St Port Auth MASTRN		Morgan Stanley & Co., Inc.,	06/28/2012	Barclays Capital	1,800,000	1,953,252	1,965,816	1,953,252				0			12,564	12,564		·
575896-KA-2	5 07/0	07/11/2012	Merrill Lynch	07/11/2012	Merrill Lynch	500.000	543,265	548,010	543,265				0			4.745	4,745		<u> </u>
İ	Met Pier & Exposition Auth		1		Morgan Stanley & Co.,	· ·		i .								İ	· ·		
592250 - AP - 9	General Missouri HIth & Educ Fac Auth		Morgan Stanley & Co., Inc.,	06/18/2012	Inc	3,315,000	681,299	696,899	681,401		102		102			15,499	15,499		ļ
60637A-CW-0.	Medical	11/29/2012	Merrill Lynch	11/29/2012	Merrill Lynch.	500,000	512,330	514.845	512,330		1	1	0	1		2.515	2.515		1)
	New Jersey Econ Dev Authority	İ	1	İ	Salomon SmBarney	· ·		, , ,					1				, ,		1
645918-J6-1_	General	04/03/2012	Merrill Lynch	04/04/2012	(Citigroup)	1,000,000	1,053,690	1,062,990	1,053,677		(13)	ļ	(13)			9,313	9,313		ļ
646139-Y6-6	New Jersey State Turnpike Auth Transport	05/24/2013	J.P. Morgan Chase & Co	05/31/2012	RBC Dain Rauscher Inc	1,000,000	1, 107, 880	1,116,410	1,107,853		(28)	1	/20	1		8,558	8,558		1 ,
040100-10-0	New York State Thruway Auth	VUI Z41 ZU 12	Salomon SmBarney		Salomon SmBarney	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	1,107,000	1,110,410	1, 107,003		(20)		1(20,		1		, , , , , , , , , , , , , , , , ,		1
650009-ZA-4_	Transportati	06/27/2012	(Citigroup)	06/27/2012	(Citigroup)	500,000	541,140	546 , 100	541,140	ļ	ļ	 	0	ļ	ļ	4,960	4,960		ļ
745260 42 0	Puerto Rico Electric Pwr Auth	04/12/2010	Margan Stanlay & Co. 100	04/12/2012	Morgan Stanley & Co.,	2 000 000	1 075 200	1 070 240	1 075 000		1	1	_	1		2 000	3.060		1 ,
74526Q-A2-8	POWER		Morgan Stanley & Co., Inc.	04/12/2012	TITIC	2,000,000	1,975,280	1,978,340	1,975,280		·	†	·† ⁰	·	†	3,060	000 ا		†
915137-6T-5_	Education	05/17/2012	J.P. Morgan Chase & Co	11/21/2012		3,015,000	3,862,927	3,934,002	3,824,239		(38,677)	[(38,677	[<u> </u>	109,752	109,752	111,388	33,920
004000 111 0	Vermont Student Assistance Cor	44/00/0040	M 041 0 01	44/00/0040	Morgan Stanley & Co.,	4 000 000	4 000 000	4 000 500	4 000 000			1				0.500	0.500	404	1
92428C-HJ-6_	Student L		Morgan Stanley & Co., Inc.	11/29/2012	Salomon SmBarney	1,200,000	1,200,000	1,208,500	1,200,000			 	0		ł	8,508	8,508	184	
928104-LK-2_	DEVELOPME.	04/10/2012	Barclays Capital	04/10/2012	(Citigroup)	500,000	500,000	505,795	500,000		<u> </u>	L	0	<u> </u>	1	5,795	5,795		<u> </u>
	Bonds - U.S. Special Revenue and				ns of Agencies and														
	Authorities of Governments and					134,567,226	139,698,644	139,697,238	139, 105, 326	0	(593, 306)	0	(593,306)	0	0	591,918	591,918	437,102	179,381
	ustrial and Miscellaneous (Unaffiliate																		
00101J-AB-2	ADT Corp TYC 3.25 7/15/22		Goldman Sachs	11/27/2012	J.P. Morgan Chase & Co	1,000,000	997,640	1,006,320	997 ,725	-	85		85			8,595	8,595	14,097	
00101J-AC-0_	ADT Corp TYC 4.875 07/15/42	06/27/2012	Goldman Sachs	11/14/2012	Various	1,150,000	1, 137, 638	1,206,281	1,137,688		50	····	50	····	†····	68,593	68,593	13,626	
02209S-AM-5	Altria Group Inc MO 4.25 08/09/42	08/06/2012		12/13/2012	Various	1,250,000	1,234,325	1,245,845	1,234,393		68		68		1	11,452	11,452	13,904	<u> </u>
031162-BP-4_	. Amgen Inc AMGN 5 3/8 05/15/2043		Morgan Stanley & Co., Inc.		Greenwich Capital-RBS	575,000	574,914	594,332	574,914						ļ	19,418	19,418	687	
03523T-BN-7_	Anheuser-Busch InBev Worldwide	07/11/2012	L P. Morgan Chaco & Co	00/11/2012	Rarelaye Capital	515,000	513,517	518,373	513,563		AG.	1	100			4,810	4,810	1,141	1
USSZS1-DN-/	ABIBB 1.3 Anheuser-Busch InBev Worldwide		J.P. Morgan Chase & Co		Barclays Capital	000,000 نا ن	313,317				40		40		†	4,010	4,010		
03523T-BQ-0_	ABIBB 3.7	07/11/2012	Deutsche Bank	08/29/2012	Morgan Keegan	575.000	569.779	579,215	569.791		12	1	12	1		9.424	9,424	2,695	1 1

					O														
	1 0 10		T - 1	_	Showing 7	all Long-Term E	Bonds and Sto			Fully DISPOS	Change in L	urrent Year Book/Adjusted Ca	arning Value		1 47	40	40	00	04
1	2 3	3 4	5	6	/	8	9	10	11	12	13	14	15	16	17	18	19	20	21
İ	F	:								12	15	14	13	10					
						Par Value			Book/	Unrealized		Current Year's Other Than	Total Change	Total Faraign	Foreign			Interest and	Paid for Accrued
	l li	·				(Bonds) or Number of			Adjusted Carrying	Valuation	Current Year's	Temporary	Total Change In	Total Foreign Exchange	Foreign Exchange	Realized Gain	Total	Dividends	Interest
CUSIP		Date		Disposal		Shares			Value at	Increase/	(Amortization)/	Impairment	B./A. C.V.	Change in	Gain (Loss) on	(Loss) on	Gain (Loss)	Received	and
Identification	Description n	Acquired	Name of Vendor	Date	Name of Purchaser	(Stocks)	Actual Cost	Consideration	Disposal	(Decrease)	Accretion	Recognized	(12 + 13 - 14)	B./A. C.V.	Disposal	Disposal	on Disposal	During Year	Dividends
05357W-AA-5_	Avenue CLO Fund Ltd AVCLO 2007-6A	01/17/2012	Interest Capitalization	03/21/2012	Morgan Stanley & Co., Inc.	83	83	79	83				0			(4)	(4)		
	Bank of America Corp BAC 3 7/8		Banc of America Securities			500 000	405.040	500.000	400.040		070		070			07.440	07.440	0 404	4 000
06051G-EQ-8_	03/22/17 Bear Stearns Comm Mtg Sec BSCMS	04/13/2012.	LLC	08/21/2012	Deutsche Bank	500,000	495,940	523,660	496,212		272		272			27 ,448	27 , 448	8,181	1,399
07388N-AX-4	2006-T24	03/27/2012.	KGS-Alpha Capital Mkts	12/01/2012	Paydown		9,646				(9,646)		(9,646)				O	380	55
110122-AU-2_	Bristol-Myers Squibb Co BMY 3.25 08/01/4	07/26/2012	J.P. Morgan Chase & Co.	08/27/2012	Various	1,875,000	1,806,281	1.749.007	1,806,366		85		85			(57, 359)	(57, 359)	3,963	
125634-AE-5	CLI Funding LLC CLIF 2012-1A A	06/14/2012.	Wachovia-Wells Fargo Sec	12/18/2012	Paydown.	59,878	59,871	59,878	59.878		7		7			(0. ,000)	D	749	
126185-AA-5	CPS Auto Trust CPS 2012- A A California Republic Auto Rcvbl	05/23/2012.	Morgan Stanley & Co., Inc Credit Suisse First Boston	12/15/2012	.Paydown	159,047	159,818	159,047	159,047		(770)		(770)		 		0	1,305	172
13056R - AA - 4	CRART 201	11/02/2012.	LLC	12/15/2012	Paydown	72,562	72,556	72,562	72,562		6		6				0	52	
141781-BC-7	Cargill Inc CARGIL 4.1 11/01/42 Carnow Auto Receivables Trust	11/08/2012.	Various	12/03/2012	Various	1,160,000	1, 157, 338	1,162,635	1,157,341		3		3			5,294	5,294	2,328	658
14366U-AA-0	CNART 2012	04/30/2012.	Greenwich Capital-RBS	12/15/2012	Paydown	601,117	601,107	601,117	601 , 117		.9		9					4, 163	
15200W-AC-9	Centerpoint Ergy Trans Bond Co	04/44/0040	Caldwan Casha	09/26/2012	Morgan Stanley & Co.,	500.000	499,996	544,277	500,024		27		27				44,253	10 472	
172967 -FF -3	CNP 2012- Citigroup Inc C 5 3/8 08/09/20	09/11/2012.	Goldman Sachs	10/11/2012	J.P. Morgan Chase & Co	740,000	837 , 177	864,276	836,224		(953)		(953)			28,051	28,051	10 , 473	3,867
172967 - FW - 6	Citigroup Inc C 4.45 01/10/17	02/03/2012.	Various	12/14/2012	Various	7,475,000	7,808,754	8, 187, 151	7 ,761 ,785		(46,970)		(46,970)		ļ	425,367	425,367	266,937	20,964
172967 -FX -4	Citigroup Inc C 5 7/8 01/30/42	01/19/2012	Salomon SmBarney (Citigroup)	06/05/2012	KevBank	650,000	640,530	680,498	640,576		47		47			39,922	39,922	14,002	
	Cleveland Ohio Airport Sys Rev				Morgan Stanley & Co.,						(0)		(0)					, , ,	
186352-QE-3 23306A-AA-8	AIRPORTDBRR Trust DBRR 2012-EZ1 A		Morgan Stanley & Co., Inc Deutsche Bank	02/09/2012 12/01/2012	Inc. Pavdown	250,000 8,591	263,923	265,368	263,919 8,591		(3)		(3)			1,448	1,448	16	6
İ	Daimler Finance North America		Salomon SmBarney		1			i .											
233851-AQ-7	DAIGR 1.3 Dominos Pizza Mstr Issuer LLC	07/25/2012.	(Citigroup)	08/20/2012	Deutsche Bank	250,000	249,545	249,798	249,554		9		9			243	243	199	
25755T-AC-4	DPABS 2012	03/06/2012.	Barclays Capital	10/25/2012	Paydown	18,000	18,000	18,000	18,000				0				0	339	
26441Y-AW-7	Duke Realty LP DRE 3.875 10/15/22	09/14/2012	Wachovia-Wells Fargo Sec	10/03/2012	Salomon SmBarney .(Citigroup)	1,150,000	1,145,216	1,175,254	1,145,217		1		1			30.037	30,037	2.476	
278642-AF-0	eBay Inc EBAY 4 07/15/42	07/19/2012	Deutsche Bank		Greenwich Capital-RBS	1,150,000	1,138,696	1,163,087	1,138,699		3		3			24,388	24,388		
29379V-AW-3	Enterprise Products Operating BASIC	04/05/2012	Deutsche Bank	04/05/2012	.Deutsche Bank	575,000	544,496	544,496	544,498		1		1			(1)	(1)	4,338	4,338
	Ford Motor Credit Co LLC F 3.984		1					i .			'		'			(1)	(1)		
30277M-AB-0	06/15/1 First Horizon Alt Mtg Sec FHAMS	03/29/2012.	Morgan Stanley & Co., Inc	06/06/2012	.Conversion	1,600,000	1,630,400	1,629,275	1,629,275		(1,125)		(1,125)				0		19 , 123
32051H-AD-5	2006-FA3	08/02/2012.	KeyBank	12/26/2012	.Paydown	45,512	26,852	30,551	30,551		3,699		3,699					80	11
345397-VZ-3	Ford Motor Credit Co LLC F 3.984 06/15/1	06/06/2012	Conversion	07/12/2012	Morgan Stanley & Co.,	1,600,000	1,629,275	1,653,184	1,628,510		(765)		(765)			24,675	24,675		30,278
	General Dynamics Corp GD 3.6			011 1212012	. 1110		1,023,213	1,000,104	1,020,310		(100)		(100)			24,073		, ,550	
369550-AT-5	11/15/22	11/01/2012.	J.P. Morgan Chase & Co	11/30/2012	Goldman Sachs	1,150,000	1,145,170	1,129,254	1 , 145 , 176		6		6			(15,922)	(15,922)	3,335	
369604-BF-9	General Electric Co GE 4.125 10/09/42	10/02/2012.	Various	12/17/2012	Various	1,415,000	1,428,369	1,438,868	1,428,322		(47)		(47)			10,546	10,546	11,336	
26062C FN 0	General Electric Capital Corp GE 2.9 01/	04/24/2012	Vorious	10/14/0010	Salomon SmBarney	45 000 000	15 426 050	1E 022 EE0	15 262 640		(74,310)		(74,310)			470.040	470 040	440 022	27 702
36962G-5N-0	Goldman Sachs Group Inc GS 1.6	01/31/2012.		12/ 14/2012	.(Citigroup)	15,000,000	15 , 436 , 950	15,833,550	15,362,640		(74,310)		(/4,310)			470,910	470,910	410,833	27 ,792
38141E-B3-2_	11/23/15		Goldman Sachs	12/12/2012	Greenwich Capital-RBS	265,000	264,783	266,410	264,787		5		5		ļ	1,622	1,622	283	
40428H-PG-1	HSBC USA Inc HSBC 2 3/8 02/13/15 JP Morgan Chase Comm Mtg Sec	02/08/2012.	Salomon SmBarney	12/00/2012	HSBC Securities Inc	545,000	544,903	561,203	544,929		26		26			16,274	16,274	10,715	
46625Y-GW-7	JPMCC 2005	01/30/2012.	(Citigroup)	12/01/2012	.Paydown		88,836				(88,836)		(88,836)				0	15,719	52
48666K-AQ-2	KB Home KBH 8 03/15/20	02/01/2012.	Salomon SmBarney (Citigroup)	02/06/2012	.Cantor, Fitzgerald & Co	250.000	246,308	246 .875	246.308						<u> </u>		568	111	<u> </u>
	Kraft Foods Inc KFT 2 1/4		Salomon SmBarney																
50076Q-AA-4	. 06/05/17	05/30/2012.	(Citigroup)	05/31/2012	.Greenwich Capital-RBS Salomon SmBarney	280,000	279,488	285,298	279 , 488				0			5,810	5,810	18	
53079E-AZ-7	1/2 05	05/01/2012.	J.P. Morgan Chase & Co	08/27/2012	(Citigroup)	375,000	374,119	402,551	374 , 120		1		1			28,431	28,431	7,854	
549271-AG-9 589331-AS-6	Lubrizol Corp BRK 8 7/8 02/01/19 Merck & Co Inc MRK 3.6 09/15/42	02/01/2012.	Morgan Stanley & Co., Inc J.P. Morgan Chase & Co	12/03/2012 09/12/2012	J.P. Morgan Chase & Co Morgan Keegan	16,922,000	23,490,525	23,772,195	22,770,345		(720, 180)		(720, 180)		 	1,001,850 3,471	1,001,850 3,471	1,272,382	20,859
594918-AR-5	Microsoft Corp MSFT 3.5 11/15/42		J.P. Morgan Chase & Co	12/13/2012	KeyBank	1,150,000	1,136,913	1,108,566	1,136,938		25		25			(28,373)	(28,373)	4,584	
60871R-AB-6_	Molson Coors Brewing Co TAP 2 05/01/17	04/26/2012	Morgan Stanley & Co., Inc	08/13/2012	RBC Dominion Secs Corp	400,000	398,868	408 , 156	398,930		62		62			9,226	9,226	2,289	
	Molson Coors Brewing Co TAP 5				Morgan Stanley & Co.,										<u> </u>				
60871R-AD-2	05/01/42	04/26/2012.	Morgan Stanley & Co., Inc Salomon SmBarney	06/05/2012	IncBanc of America	950,000	948,243	1,016,035	948,244		2		2		 	67,790	67,790	4,618	
615369-AB-1	Moody's Corp MCO 4.50 09/01/22	08/15/2012.	(Citigroup)	08/27/2012	Securities LLC	675,000	669,722	698,018	669,724		3		3			28,293	28,293	844	
617482-4M-3	Morgan Stanley MS 4.875 11/01/22	10/18/2012.	Morgan Stanley & Co., Inc	10/18/2012	Morgan Keegan	250,000	249,115	251,258	249 , 115		ļ		0		ļ	2,143	2,143		ļ
626717-AG-7_	Murphy 0il Field MUR 5.125 12/01/42	11/27/2012	J.P. Morgan Chase & Co	12/18/2012	RBC Dominion Secs Corp	1,225,000	1,221,827	1,169,287	1,221,830		3		3		<u> </u>	(52,543)	(52,543)	3,662	<u> </u>

		al 4			Showing I -	all Long-Term E	Bonds and Sto			Fully DISPOS	Change in I	urrent Year Book/Adjusted Ca	arrying Value		47	40	40	00	
1	2	3 4	5	6	·	8	9	10	11	12	13	14		16	17	18	19	20	21
		F								12	13	14	15	10					(l
																			ı L
		r				Par Value			Book/			Current Year's							Paid for
		е				(Bonds) or			Adjusted	Unrealized		Other Than	Total Change	Total Foreign	Foreign			Interest and	Accrued
OLIGID		n Date		Diaman		Number of			Carrying	Valuation	Current Year's	Temporary	In D (A O)	Exchange	Exchange	Realized Gain	Total	Dividends	Interest
CUSIP Identification	Description	n Acquired	Name of Vendor	Disposal Date	Name of Purchaser	Shares (Stocks)	Actual Cost	Consideration	Value at Disposal	Increase/ (Decrease)	(Amortization)/ Accretion	Impairment Recognized	B./A. C.V. (12 + 13 - 14)	Change in B./A. C.V.	Gain (Loss) on Disposal	(Loss) on Disposal	Gain (Loss) on Disposal	Received During Year	and Dividends
682680 - AQ - 6	ONEOK Inc OKE 4 1/4 02/01/22		J.P. Morgan Chase & Co		Goldman Sachs	510,000	514,641	545,032	514,403	(Decrease)	(238)	recognized	(238)	<i>B.IA</i> . O.V.	Бізрозаі	30,629	30,629	13,728	241
	ONEOK Partners LP OKS 3.375					505 000													(L
68268N-AJ-2	10/01/22 Packaging Corp of America PKG 3.9	09/10/2012	Greenwich Capital-RBS Banc of America Securities	10/19/2012	Wachovia-Wells Fargo Sec.	505,000	502,859	525,892	502,875		16		16		 	23,017	23,017	1,941	·····
695156-AP-4	06/15/	06/21/2012	LLC.	06/22/2012	Deutsche Bank	130,000	129,884	130,716	129,884				0			832	832	14	(
71910E-AL-3	PHOENIX-MESA GATEWAY ARPT AUTH	00/45/0040	Piper Jaffray Inc US	00/45/0040	Piper Jaffray Inc US	600,000	602 040	608.670	603,809		(4)		(4)			4 001	4 001		(L
/ 1910E-AL-3	Precision Castparts Corp PCP 3.90	02/15/2012	BancorpBanc of America Securities	02/15/2012	Sterne, Agee & Leach,	600,000	603,810				(1)		(1)			4,861	4,861		(
740189-AH-8	01/15/	12/17/2012	LLC	12/17/2012	Inc	775,000	770,218	782,603	770,218				0			12,385	12,385		į
78573A - AC - 4	SABMiller Holdings Inc SABLN 4.95	01/10/2012	Barclays Capital	03/05/2012	Morgan Stanley & Co.,	500,000	496,675	531,435	496 , 681		6		6			34,754	34,754	3,506	ı L
	Santander Drive Auto Rec Trust				1110	· ·			· i									·	(
80282X-AA-6	SDART 201. Sierra Receivables Funding Co	06/26/2012	Barclays Capital Credit Suisse First Boston	12/15/2012	Paydown	9,540,926	9,540,926	9,540,926	9,540,926				0					11,623	r
82651U-AB-9	SRFC 2012-	07/11/2012	LLC.	12/20/2012	Pavdown	224,299	224,282	224,299	224,299		17		17				0	1,909	(I
İ	Textainer Marine Container Ltd		Salomon SmBarney		Banc of America	· ·		· ·	· ·										
883145-AC-8	TMCL 2005 Textainer Marine Container Ltd	01/04/2012	(Citigroup) Salomon SmBarney	04/03/2012	Securities LLC	950,000	888,250	916,750	892,593		4,343		4,343		 	24 , 157	24 , 157	1,574	350
883145-AC-8	TMCL 2005.	01/04/2012	(Citigroup)	03/15/2012	Paydown		70,125	75,000	75,000		4,875		4,875				0	68	28
900212-AC-5	Turlock Corp ETN 4.15 11/02/42	11/14/2012	Salomon SmBarney	12/17/2012	Nomura Securities Intl	775,000	771,985	780.696	771.987		2		2			8.709	8.709	2,680	ı L
91159J-AA-4	US Bancorp USB 2.95 07/15/22	07/18/2012	(Citigroup)	11/02/2012	Various.	1,650,000	1.644.770	1.666.898	1.644.848		78				İ	22.050	22.050	8.709	(
	United Technologies Corp UTX 3.1		Banc of America Securities					, , , , , , , , , , , , , , , , , , , ,	, , , ,							,	, , , , ,		
913017 - BV - 0	06/01/2UnitedHealth Group Inc UNH 3.95	05/24/2012	LLC	05/24/2012	Broadpoint Capital	250,000	249,808	253,510	249,808				0		·····	3,702	3,702		·
91324P-CA-8	10/15/42	10/17/2012	J.P. Morgan Chase & Co	11/30/2012	Greenwich Capital-RBS	780,000	762,294	773,214	762,329		35		35			10,885	10,885	3,680	
00040V DC 0	Verizon Communications VZ 3.85	11/02/2012	LD Margan Chang & Co	11/05/2012	Salomon SmBarney	1 150 000	1 140 270	1 157 201	1 140 270				0			8,912	0.040	100	(L
92343V -BG -8	11/1/42 WAMU Mtg Pass Through Cert WAMU	11/02/2012	J.P. Morgan Chase & Co Salomon SmBarney	11/05/2012	(GTETGTOUP)	1,150,000	1,148,379	1, 157, 291	1,148,379						†	0,912	8,912	123	(
92922F -B8 -0	2004-AR1	09/12/2012	(Citigroup)	12/27/2012	Paydown		61,756		76,243		14,486		14,486				۵	97	31
878744-AB-7	Teck Resources Ltd TCKBCN 5.2 03/01/42	A 02/16/2012	J.P. Morgan Chase & Co	06/05/2012	Various	700,000	696,731	673,694	696,744		13		13			(23,050)	(23,050)	8,898	ı L
0/0/44-AD-7	APT Pipelines Ltd APAAU 3.875	.AVZ/ 10/2012	Juli . morgan onase & co			· ·			· i						ļ	(25,000)	(23,030)		
00205G-AA-5	10/11/22		Morgan Stanley & Co., Inc.	11/05/2012		1,650,000	1,634,754	1,642,888	1,634,839		85		85		ļ	8,049	8,049	4,335	į
046353-AG-3	AstraZeneca PLC AZN 4.0 09/18/42 BBVA US Senior SAU BBVASM 4.664	.F U9/11/2012	.Goldman Sachs	12/1//2012	Goldman Sachs Morgan Stanley & Co.,	585,000	581,355	591,909	581,372		16		16			10,537	10,537	5,980	·····
055299-AL-5	10/09/15	.F11/01/2012	Morgan Stanley & Co., Inc.,	12/17/2012	Inc	1,000,000	1,011,850	1,022,310	1,011,387		(463)		(463)			10,923	10,923	9,069	3,368
151191-AU-7	Celulosa Arauco y Constitucion CELARA 4	.F01/05/2012	L P. Morgan Chaco & Co	07/27/2012	Conversion	550,000	543,036	543.335	543.335		299		299				0	14,224	(l
294829-AA-4	Ericsson LM LMETEL 4 1/8 05/15/22		J.P. Morgan Chase & Co Deutsche Bank		Broadpoint Capital	1,465,000	1,458,920	1,476,456	1,458,923		3		3		İ	17 ,533	17,533	1,343	
400007 45 0	Kildare Securities Ltd KDRE 2007-		Credit Suisse First Boston								(050)		(050)			20, 222	00.000		(,,,
493897 - AB - 8	1A A2 Kildare Securities Ltd KDRE 2007-	.F07/17/2012	Credit Suisse First Boston	09/06/2012	Goldman Sachs	716,740	658,326	680,903	658,073		(253)		(253)		†	22,830	22,830	11	456
493897-AB-8	1A A2	.F07/17/2012	LLC	09/10/2012	Paydown	51,544	47,343	51,544	51,544		4,201		4,201				0	1,142	33
71645W-AR-2_	Petrobras International Fin PETBRA 5 3/8	F 02/01/2012	Morgan Stanley & Co., Inc.	03/29/2012	Deutsche Bank	1,000,000	1,041,810	1,081,030	1,041,216		(594)		(594)			39,814	39,814	9,854	1,344
	Petrobras International Fin		Salomon SmBarney								`		(554)		1				
71645W-AS-0	PETBRA 6 3/4	.F02/01/2012	(Citigroup)	03/05/2012	Various	570,000	633,886	652,345	633,831		(55)		(55)			18,514	18,514	3,527	962
	Bonds - Industrial and Miscellaneo	us (Unaffiliated))			93,911,542	101,207,411	102,851,427	100,295,232	0	(912, 180)	0	(912, 180)	0	0	2,556,193	2,556,193	2,299,172	136,387
DUITUS - FIYE	rid Securities General Electric Capital Corp GE		1													I			
369622-SN-6	0 12/15	06/07/2012	Goldman Sachs	07/26/2012	Barclays Capital	500,000	500,000	539,375	500,000				0		ļ	39,375	39,375	4,849	į
744320-AL-6	Prudential Financial Inc PRU 5.875 09/15	08/06/2012	Various	08/16/2012	Morgan Keegan	1.800.000	1.810.135	1.813.500	1.810.106		(40)		(40)			3.394	3.394	3,233	, L
	Bonds - Hybrid Securities		4 rai rous	01 10/2012	morgan Nooyan	2,300,000		2,352,875	2,310,106	Λ	(40)	n	(40)	n	0	42,769	42,769	8,082	0
	ent, Subsidiaries, and Affiliates							,,,,,,,,,,	,,				, ,				,. 50	-,-32	
	Bonds - Subtotals - Bonds					562,368,362	579,824,773	583,212,065	578,240,289	0	(1,584,483)	0	(1,584,483)	0	0	4,971,780	4,971,780	4,317,108	1,162,273
	ocks - Industrial and Miscellaneous																		
	ocks - Parent, Subsidiaries, and Af		tea)																
	ocks - Industrial and Miscellaneous ocks - Parent, Subsidiaries, and Aff																		$\overline{}$
	ocks - Mutual Funds	mates																	
	ocks - Money Market Mutual Funds																		
9999999	otals						579,824,773	583,212,065	578,240,289	0	(1,584,483)	0	(1,584,483)	0	0	4,971,780	4,971,780	4,317,108	1,162,273

SCHEDULE D - PART 6 - SECTION 1

	V	aluation	or Snares or S	subsidiary, Co	ntrolled of Am	liated Companies			
1	2	3	4	5	6	7	8	Stock of Such Con	npany Owned
	_	_	-			· ·	•	by Insurer on Sta	tement Date
								9	10
								9	10
					Do Insurer's				
					Assets				
				NAIC	Include				
			NAIC	Valuation	Intangible				
				Method	Assets				
			Company						
			Code or	(See SVO	Connected				
			Alien	Purposes	with Holding				
	Description		Insurer	and	of Such	Total Amount of			
CUSIP	Name of Subsidiary, Controlled or		Identification	Procedures	Company's	Such Intangible	Book / Adjusted		% of
	Affiliated Company	Faraian			Ctook?	Acceta	Corruing Value	Number of Charge	
Identification	Affiliated Company	Foreign	Number	Manual)	Stock?	Assets	Carrying Value	Number of Shares	Outstanding
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1999999 To	otals - Preferred and Common Stocks				•	0	0	XXX	XXX
199999910	nais i reierrea ana common stocks						U	1 ^^^	$\Lambda\Lambda\Lambda$

Amount of insurer's capital and surplus from the prior period's statutory statement reduced by any admitted EDP, goodwill and net deferred tax assets included therein:

 Total amount of intangible assets nonadmitted.

SCHEDULE D - PART 6 - SECTION 2

1	2	3	4 Total Amount of Intangible Assets	Stock in Lower-Tier Owned Indirectly by Statement D	Insurer on
CUSIP Identification	Name of Lower-Tier Company	Name of Company Listed in Section 1 Which Controls Lower-Tier Company	Included in Amount Shown in Column 7, Section 1	5 Number of Shares	6 % of Outstandir
					ļ
				XXX	XXX

9199999 Total Short-Term Investments

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE National Public Finance Guarantee Corporation

SCHEDULE DA - PART 1

						CI-			OLL D			V							
	1	0-4	1 -							Owned Decem					Inte				
1	2	Codes	5	6	7	8	Cr		djusted Carrying	value	13	14			IIILE	erest			21
		3 4					9	10	11	12			15	16	17	18	19	20	
CUSIP Identi- fication	Description Governments Issuer Obligations	Fo re Code gr	o si Date n Acquired	Name of Vendor	Maturity Date	Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization) / Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Foreign Exchange Change in B./A.C.V.	Par Value	Actual Cost	Amount Due And Accrued Dec. 31 of Current Year On Bond Not In Default	Non-Admitted Due and Accrued	Rate of	Effective Rate of	When Paid	Amount Received During Year	Paid for Accrued Interest
	United States Treasury T 1 3/8 02/15/13		06/27/2012	.Deutsche Bank	02/15/2013	25,036,275		(151,224)			25,000,000	25 , 187 , 500	129,840		1.375	D. 187	FA	171,875	126,54
	Bonds - U.S. Governments - Issue					25,036,275	0	(151,224)	0	0	25,000,000	25,187,500	129,840	0	XXX	XXX	XXX	171,875	126,545
	Governments - Residential Mortg																		
			u Jetui Ities			25.036.275	n	(151 224)	n	n	25 000 000	25 187 500 I	129 840	n	ххх Т	ххх	XXX	171 875	126 54F
						20,000,270	0	(101,224)	0		20,000,000	20,107,000	120,040	0	ллл	AAA	,,,,,	171,075	120,040
			ed Securities																
Bonds - All	Other Governments - Single Class	Mortgage-Bac	ked/Asset-Back																
Bonds - All	Other Governments - Other Loan-E	Backed and Str	uctured Securi	ties															
D599999 Bonds - Subtotals - U.S. Covernments U.S. Covernments - Issuer Obligations U.S. Folitical Subdivisions of States, Territories and Possessions (Direct and Guaranteed) - Comercial Mortgage-Backed Securities U.S. Political Subdivisions of States, Territories and Possessions (Direct and Guaranteed) - Issuer Obligations U.S. Political Subdivisions of States, Territories and Possessions (Direct and Guaranteed) - Issuer Obligations U.S. Political Subdivisions of States, Territories and Possessions (Direct and Guaranteed) - Issuer Obligations U.S. Political Subdivisions of States, Territories and Possessions (Direct and Guaranteed) - Issuer Obligations U.S. Political Subdivisions of States, Territories and Possessions (Direct and Guaranteed) - Issuer Obligations U.S. Political Subdivisions of States, Territories and Possessions (Direct and Guaranteed) - Issuer Obligations U.S. Political Subdivisions of States, Territories and Possessions (Direct and Guaranteed) - Residential Mortgage-Backed Securities U.S. Political Subdivisions of States, Territories and Possessions (Direct and Guaranteed) - Commercial Mortgage-Backed Securities U.S. Political Subdivisions of States, Territories and Possessions (Direct and Guaranteed) - Commercial Mortgage-Backed Securities U.S. Political Subdivisions of States, Territories and Possessions (Direct and Guaranteed) - Commercial Mortgage-Backed Securities U.S. Political Subdivisions of States, Territories and Possessions (Direct and Guaranteed) - Commercial Mortgage-Backed Securities U.S. Political Subdivisions of States, Territories and Possessions (Direct and Guaranteed) - Commercial Mortgage-Backed Securities U.S. Political Subdivisions of States, Territories and Possessions (Direct and Guaranteed) - Commercial Mortgage-Backed Securities U.S. Political Subdivisions of States, Territories and Possessions (Direct and Guaranteed) - U.S. Political Subdivisions of States, Territories and Possessions (Direct and Guaranteed) - U.S. Political Subdiv																			
	Bonds - All Other Governments - Issuer Obligations Bonds - All Other Governments - Residential Mortgage-Backed Securities Bonds - All Other Governments - Single Class Mortgage-Backed Asset-Backed Securities Bonds - All Other Governments - Other Loan-Backed and Structured Securities Bonds - U.S. States, Territories and Possessions (Direct and Guaranteed) - Issuer Obligations Bonds - U.S. States, Territories and Possessions (Direct and Guaranteed) - Residential Mortgage-Backed Securities Bonds - U.S. States, Territories and Possessions (Direct and Guaranteed) - Commercial Mortgage-Backed Securities Bonds - U.S. States, Territories and Possessions (Direct and Guaranteed) - Other Loan-Backed and Structured Securities Bonds - U.S. States, Territories and Possessions (Direct and Guaranteed) - Issuer Obligations Bonds - U.S. Political Subdivisions of States, Territories and Possessions (Direct and Guaranteed) - Issuer Obligations Bonds - U.S. Political Subdivisions of States, Territories and Possessions (Direct and Guaranteed) - Commercial Mortgage-Backed Securities Bonds - U.S. Political Subdivisions of States, Territories and Possessions (Direct and Guaranteed) - Commercial Mortgage-Backed Securities Bonds - U.S. Political Subdivisions of States, Territories and Possessions (Direct and Guaranteed) - Commercial Mortgage-Backed Securities																		
	Compage Sounds Subtotals U.S. Governments Essuer Obligations Essuer Obligations Essuer Obligations Essuer Obligations Essuer Obligations Essuer Obligations Essuer Obligations Essuer Obligations Essuer Obligations Essuer Obligations Essuer Obligations Essuer Obligations Essuer Obligations Essuer Obligations Essuer Essuer Obligations Essuer																		
								thoir Political 9	Subdivicione Lee	uor Obligations									
											Packed Securities								
	Special Revenue and Special Ass											lies							
	ustrial and Miscellaneous (Unaff				or Agonoros una A	41101111100 01 01	overnments and t	thorr rorrerour c	dba1v1510H5 0th	ior Edan Badkoa and	0114014104 0004111	1100							
	National Repurchase Agreement.			Internal Adjustments	01/02/2013	480,500,000					480,500,000	480,500,000			0.550	0.550	MAT		
3299999 -	Bonds - Industrial and Miscellar					480,500,000	0	0	0	0	480,500,000	480,500,000	664,751	0	XXX	XXX	XXX	0	(
Bonds - Indu	strial and Miscellaneous (Unaffi	iliated) - Res	idential Mortg	age-Backed Securities				•		•								•	•
Bonds - Indu	strial and Miscellaneous (Unaffi	iliated) - Com	mercial Mortga	ge-Backed Securities															
	strial and Miscellaneous (Unaffi																		
	Bonds – Subtotals – Industrial a		eous (Unaffilia	ited)		480,500,000	0	0	0	0	480,500,000	480,500,000	664,751	0	XXX	XXX	XXX	0	
	id Securities – Issuer Obligatio			· · · · · · · · · · · · · · · · · · ·															
	id Securities – Residential Mort																		
	id Securities - Commercial Mortg																		
	id Securities - Other Loan-Backe																		
	nt, Subsidiaries and Affiliates			a Dankad Conveition															
	nt, Subsidiaries and Affiliates nt, Subsidiaries and Affiliates																		
	nt, Subsidiaries and Affiliates																		
	Total Bonds - Subtotals - Issuer			וום סגושטנשוטש טסטשוונוסט		505,536,275	0	(151,224)	0	0	505,500,000	505,687,500	794.591	0	I XXX I	XXX	XXX	171.875	126,545
	Total Bonds - Subtotals - Bonds					505.536.275	0		0		505,500,000	505,687,500	794,591	0		XXX	XXX	171,875	
	idiaries and Affiliates - Mortga					111,500,270		(101,224)			,,	222,007,000	101,001					,5/0	20,010
	idiaries and Affiliates - Other		vested Assets																
Mortgage Loa	ns																		
	Market Mutual Funds																		
Class One Mo	ney Market Mutual Funds																		
0004011-0:-	Blackrock Liquidity TempFund		40.104.106.10			45 000 000						45 000 000	F 000						
09248U-61-9_	Insti Share		12/31/2012	No Broker		45,000,000		ļ				45,000,000	5,289					395	
61747C-71-5	Morgan Stanley Instl Liq Fund Prime # 31		12/31/2012	Goldman Sachs		40.000.000						40.000.000	2.031		1 1				1
	Class One Money Market Mutual F	Funds		400 rullian Gaoria		85.000.000	Λ	0	n	0	XXX	85,000,000	7,320	0	XXX	XXX	XXX	395	7
	Term Invested Assets	uriuo				00,000,000	U		<u> </u>	0	۸۸۸	55,000,000	1,320	U	۸۸۸	ллЛ	۸۸۸	390	
other onert-																			

590,687,500

Schedule DB - Part A - Section 1

NONE

Schedule DB - Part A - Section 2

NONE

Schedule DB - Part B - Section 1

NONE

Schedule DB - Part B - Section 2

NONE

Schedule DB - Part D

NONE

Schedule DL - Part 1

NONE

Schedule DL - Part 2

NONE

SCHEDULE E - PART 1 - CASH

	1 711		OAOII			
1	2	3	4	5	6	7
			Amount of Interest	Amount of Interest		
			Received	Accrued		
		Rate of	During	December 31 of		
Depository	Code	Interest	Year	Current Year	Balance	*
OPEN DEPOSITORIES	0000			04.101.11104.	24.4.100	
J P Morgan Chase	1	0.190	48,312		259,749,472	XXX
			40,512		259,749,472	
0199998 Deposits in depositories that do not exceed the						
allowable limit in any one depository (See Instructions)-open depositories	XXX	XXX				XXX
0199999 Totals-Open Depositories	XXX	XXX	48,312	0	259,749,472	XXX
0133333 Totals-Open Depositories	ΛΛΛ	7///	40,512	0	200,140,412	
						. XXX
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0399999 Total Cash on Deposit	XXX	XXX	48,312	0	259,749,472	ХХХ
0499999 Cash in Company's Office					200,110,112	
	XXX	XXX	XXX	XXX	050 510 1-1	XXX
0599999 Total Cash	XXX	XXX	48,312	0	259,749,472	XXX

TOTALS	OF DEPOSITORY E	BALANCES ON THE LAS	T DAY OF EACH MO	NTH DURING THE CU	RRENT YEAR

1. January	87 , 252 , 488	4. April	380,920,811	7. July	27,710,824	10. October	104,334,983
2. February	53,132,435	5. May	135 , 477 , 458	8. August	90 , 180 , 403	11. November	65 , 190 , 657
3. March	230,228,465	6. June	53,960,126	9. September	52,034,515	12. December	259,749,472

SCHEDULE E - PART 2 - CASH EQUIVALENTS

Oliver 1				
Show Investments	Owned De	cember 31 (of Current Year	

1 2 3 4 5 Book/Adjusted Description Code Code Acquired Rate of Interest Date Carrying Value Date Carrying Value Due & Accrued During Year NONE NONE 889999 Total Cash Equivalents			3110	w investments Owned December	31 01 Ourient Tear			
Description Code Date Acquired Rate of Interest Date Carrying Value Due & Accrued During Year NONE NONE Amount of Interest During Year	1	1 2	1 3	l 4	l 5	6	7	1 8
NONE			Date	Pate of	Maturity	Pook/Adjusted	Amount of Interest	Amount Paccived
NONE	5	l .		Nate of	I Waturity	Book/Adjusted	Amount of interest	Amount Neceived
NONE	Description	Code	Acquired	Interest	Date	Carrying Value	Due & Accrued	During Year
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8699999 Total Cash Equivalents 0 0 0		1			1	1	1	1
869999 Total Cash Equivalents 0 0 0		I	I					
869999 Total Cash Equivalents 0 0 0		1	İ		†		†	†
8699999 Total Cash Equivalents 0 0		 	 	<u> </u>	 		-	
	8699999 Total Cash Equivalents					0	0	0

SCHEDULE E PART 3 - SPECIAL DEPOSITS

		1	2	Deposits I the Benefit of All P		All Other Specia	
States, etc.		Type of Deposits	Purpose of Deposits	3 Book/Adjusted Carrying Value	4 Fair Value	5 Book/Adjusted Carrying Value	6 Fair Value
1. Alabama	AL	Бороско	Soposite	carrying value	74.40	carrying value	74.40
2. Alaska							
3. Arizona	AZ						
4. Arkansas		B	State reqirement	101,494	102,888		
5. California		·····					
6. Colorado							
7. Connecticut							
8. Delaware							
9. District of Columbia				1			
10. Florida		n			100.000		
11. Georgia 12. Hawaii		В	State regirement	101,494	102,888		
12. Hawaii							
13. Idano							
15. Indiana							
16. lowa							
17. Kansas							
18. Kentucky							
19. Louisiana							
20. Maine							
21. Maryland							
22. Massachusetts		В	State regirement	100,216	103,891		
23. Michigan					· · · · · · · · · · · · · · · · · · ·		
24. Minnesota							
25. Mississippi	MS						
26. Missouri	MO						
27. Montana	MT						
28. Nebraska	NE						
29. Nevada	NV						
30. New Hampshire	NH	B	State regirement	500,841	532,465		
31. New Jersey	NJ						
32. New Mexico	NM	B			425,972	400,863	415 , 50
33. New York	NY	B	State reqirement		2,129,860		
34. North Carolina	NC	B	State reqirement	300,540	317 , 528		
35. North Dakota	ND						
36. Ohio							
37. Oklahoma							
38. Oregon		B	State regirement	260,561	270 , 117		
39. Pennsylvania							
40. Rhode Island							
41. South Carolina							
42. South Dakota							
43. Tennessee							
44. Texas							
45. Utah							
46. Vermont	VI	В	State regirement	500 841	532.465		
•			i '				
48. Washington							
50. Wisconsin				I I			
				1 1	i		
53. Guam			i	1	i		
			State regirement		700 540		
55. US Virgin Islands			State requirement	1			
56. Northern Mariana Islands							
57. Canada				1 1			
58. Aggregate Other Alien			XXX		0	0	
59. Total		XXX	XXX	5,060,026	5,310,586	400,863	415,5
AILS OF WRITE-INS					.,,	,	,
O1.							
02.							
03.							
98. Sum of remaining write-i	ns for Line						
58 from overflow page		XXX	XXX		0	0	
99. Totals (Lines 5801 - 580							

ANNUAL STATEMENT BLANK

Assets	2
Cash Flow	5
Exhibit of Capital Gains (Losses)	12
Exhibit of Net Investment Income	12
Exhibit of Nonadmitted Assets	13
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Five-Year Historical Data	17
General Interrogatories	15
Jurat Page	1
Liabilities, Surplus and Other Funds	3
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Schedule A – Part 2	E02
Schedule A – Part 3	E03
Schedule A – Verification Between Years	SI02
Schedule B – Part 1	E04
Schedule B – Part 2	E05
Schedule B – Part 3	E06
Schedule B – Verification Between Years	SI02
Schedule BA – Part 1	E07
Schedule BA – Part 2	E08
Schedule BA – Part 3	E09
Schedule BA – Verification Between Years	SI03
Schedule D – Part 1	E10
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Schedule D – Part 1A – Section 2	SI08
Schedule D – Part 2 – Section 1	E11
Schedule D – Part 2 – Section 2	E12
Schedule D – Part 3	E13
Schedule D – Part 4	E14
Schedule D – Part 5	E15
Schedule D – Part 6 – Section 1	E16
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Schedule D – Verification Between Years	SI03
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Schedule DA – Verification Between Years	SI10
Schedule DB – Part A – Section 1	E18
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Schedule DB – Part A – Verification Between Years	SI11
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